



5th Floor Suite 501
National Bank Tower
501-134 Kent Street
P.O. Box 577
Charlottetown, PE C1A 7L1
Tel 902-892-3501
Fax 902-566-4076

Interrogatories of Commission Staff

TO: Maritime Electric Company, Limited

FROM: Cheryl Mosher, Senior Financial Advisor

DATE: December 11, 2020

RE: Application for Electric Rates effective March 1, 2020 and March 1, 2021

DOCKET: UE20944

The Island Regulatory and Appeals Commission (the “Commission”), in assessing the application submitted by Maritime Electric Company, Limited (“Maritime Electric” or “MECL”) for electric rates effective March 1, 2020 and March 1, 2021, requests a response to the following interrogatory:

97. Please provide the rates and the rate impact that arise from the following scenario:

SCENARIO 6:

Please assume as follows:

- The Commission does not approve any revenue shortfall account.
- The CTGS accumulated reserve is deferred to the next rate setting period.
- The Commission determines that MECL collected in base rates DSM costs in the amount of \$573,000 per year in each of 2019 and 2020. MECL is required to remit to PEIEC, on or before December 31, 2020, the sum of \$861,355 as contribution to the outstanding EE&C costs.
- The EE&C rate rider effective January 1, 2021 is reduced accordingly.
- The re-payment of the debt owing to the Province for Point Lepreau and Dalhousie is fixed at approximately \$425,000 per month and recovered through a rate rider of \$0.0036 per kilowatt hour, effective January 1, 2021.
- The Hurricane Dorian costs (\$3,002,900) are recovered using the 2019 RORA balance.
- The remaining balance of the RORA account (including accrued interest calculated at the Company’s short term borrowing rate) and the balance of the WNR account at December 31, 2019, are used to offset the ECAM balance.

- The ECAM base rate and collection rate are adjusted accordingly as of January 1, 2021.
- Any remaining RORA balance is refunded to ratepayers over a fourteen (14) month period beginning January 1, 2021.
- The cable contingency fund over-collections for 2019 and 2020 are returned to ratepayers through the ECAM.
- Electric rates are implemented effective January 1, 2021 and the rate setting period will end on February 28, 2022.
- All other requests made by MECL in the application are approved as filed.

Please ensure to include the follow revised schedules:

- Revised Energy Charges per kWh Other Amounts;
- Revised calculation of the costs recoverable from ratepayers on behalf of the Province;
- Revised PEIEC EE&C Plan rate rider as of January 1, 2021;
- Revised calculation of the ECAM base rate and collection rate as of January 1, 2021;
- Revised calculation of the RORA balance, with interest accrued to December 31, 2020, and the proposed RORA refund rate as of January 1, 2021. The refund rate shall include the refund of interest earned on the RORA balance to December 31, 2020, calculated using the Company's short term borrowing rate.

The Commission may approve electric rates based on the above scenario. With this in mind, please provide any comments that MECL may have with respect to the scenario, including any details or information that may be pertinent to the Commission's decision.

Additional interrogatories may follow.



Cheryl Mosher, CA, CPA
Senior Financial Advisor
Prince Edward Island Regulatory & Appeals Commission