



5<sup>th</sup> 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

## Additional Interrogatories of Commission Expert

**TO:** Maritime Electric Company, Limited

**FROM:** Multeese Consulting Inc.

**DATE:** March 19, 2019

**RE:** General Rate Application

**Docket:** UE20944

---

### Request IR-55

MECL states in response to **Multeese IR-3(a)** that “*With the addition of two more submarine cables in 2017, the focus of this criterion has shifted more to transmission constraints in southeastern New Brunswick*”. Please elaborate on why constraints in southeastern New Brunswick have become the focus of the N-1 criterion.

### Request IR-56

In response to **Multeese IR-4(d)**, MECL discusses the EPS software and notes that the pricing inputs “*enable the program to economically dispatch the energy products and generation based on pricing at the time*”. Please confirm that the order of dispatch provided in part b. of the response is always the economic dispatch. If this is not the case, please discuss the relationship between the order in part b. and the economic dispatch of EPS, including which has dispatch precedence.

### Request IR-57

Further to the response to **Multeese IR-8(p)**, please provide MECL’s 2017 costs with respect to the Initial Capital Cost, the Sinking Fund and Capital Additions and explain why they are not included in the OATT. In addition, please identify where these costs are included in the CAS.

### Request IR-58

Further to **Multeese IR-9**, please provide a copy of MECL’s 2015 Application to the Commission to add another 50MW CT.

### **Request IR-59**

Further to **Multeese IR-12**, please provide the coincident and non-coincident Large Industrial peak loads served at each of transmission and distribution voltages.

### **Request IR-60**

Further to **Multeese IR-12**, please provide the diversity factors applied to General Service and Small Industrial in the calculation of non-coincident peak loads for the class.

### **Request IR-61**

Further to the response to **Multeese IR-15(j) and (k)**, please identify the following in dollars:

- a) Total ECC costs
- b) Total ECC costs in Account 7150
- c) The amount functionalized to Power Supply
- d) The amount functionalized to Transmission
- e) The amount functionalized to Distribution
- f) The total ECC costs in Account 7510.
- g) ECC costs in any account other than 7150 and 7510.

### **Request IR-62**

It is stated in the response to **Multeese IR-15(l)** that Account 7415 captures all operating and maintenance expenses associated with the cables portion of the interconnection, "*including the debt repayment*". Please explain why it is appropriate to combine O&M and debt expenses into one account and classify and allocate them on a common basis.

### **Request IR-63**

Further to the response to **Multeese IR-32**:

- a) Please clarify which units have provided (or are expected to provide) Assured Energy backup in each of the summer and winter periods from April 1, 2017 – March 31, 2022.
- b) Please explain what is meant by the statement that "*NBEM agreed to backstop the CTGS during the Summer Period*". What capacity is NBEM supplying to provide this backstop, and at what cost?
- c) Where are the costs of b) included in MECL's revenue requirement?

### **Request IR-64**

Further to the response to **Multeese IR-40**:

- a) Please confirm that the data provided includes seasonal customers.
- b) Please provide the number of customers whose average annual consumption falls within the following ranges: 2001 – 3000kWh, 3001 - 4000 kWh, 4001 – 5000kWh, 5001 – 10,000kWh, and 10,001 or more.

### **Request IR-65**

With respect to the response to **Multeese IR-46**, please explain the asterisks on Transmission and General and Administrative.

### **Request IR-66**

The tables provided in response to **Multeese IR-50** show Basic Energy Charges per kWh of \$0.1438 for 2019, \$0.1476 for 2020 and \$0.1499 for 2021. Please provide the derivation of those numbers.

### **Request IR-67**

Further to the response to **Multeese IR-53**, please provide the Excel files supporting this response.

### **Request IR-68**

**Schedule 14-6** shows electric revenue at existing rates and **Schedule 14-7** shows electric revenue at the rates being proposed by MECL. Please confirm that the only differences in the calculation of electric revenue between these two schedules for the years 2019 – 2021 are differences in the rates being applied and the increase of the Residential second block from 2000kWh per month to 5000kWh per month beginning March 1, 2021. If this is not the case, please identify all other differences.

### **Request IR-69**

Comparing the **Schedule 14-7** class revenues for 2021 to the **Schedule 14-6** class revenues for 2021 suggests the following cumulative rate increases by class over the three years 2019, 2020 and 2021: Residential - 3.6%, GS – 4.8%, Small Industrial – 4.7%, Large Industrial - 6%, Street Lighting – 5.5% and Unmetered – 5.8%. These compare to a total electric revenue increase of 4.25%.

- a) Please confirm that these rate increases are an accurate reflection of what is proposed by the Company.
- b) If a) cannot be confirmed, please explain why not, and provide the cumulative rate increases being proposed by class.
- c) Please reconcile the numbers from a) or b) with the Company's statements in Section 15 that its proposed rate increase is 1.1% per year for all classes.
- d) If a) is confirmed, please comment on why the Residential class (which has an R/C of approximately 91%) is proposed to have a cumulative rate increase less than the system average, while the GS class (which has an R/C of approximately 121%) is proposed to have a cumulative rate increase greater than the system average.

### **Request IR-70**

Comparing the 2021 Large Industrial Revenue in **Schedule 14-7** to the 2021 Large Industrial Revenue in **Schedule 14-6** suggests a cumulative rate increase of approximately 6% over the three years 2019 – 2021. However, the energy charges shown for Large Industrial for 2021 in Schedule 15-1 are only 4.1% higher than the energy charges in 2018. Please explain why the Large Industrial revenue increase is higher than the increase in energy rates, when it should be lower, given no change to the Large Industrial Demand Charge.