



Prince Edward Island Île-du-Prince-Édouard

Legislative Assembly

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Island Regulatory and Appeals Commission
PO Box 577
Charlottetown, PE C1A 7L1

**Application by Stephen Howard, MLA and Opposition Shadow Critic for Transportation, Infrastructure and Energy to
The Island Regulatory and Appeals Commission
For approval for status as a "Friend of the Commission Intervener" in response to
Maritime Electric Company Limited General Rate Application UE20944**

- (a) Stephen Howard, MLA is seeking approval to act as a "Friend of the Commission Intervener". Stephen Howard, MLA will represent the public interest and provide meaningful contribution, in particular the interests of vulnerable Islanders and insights into the current rate structure's negative impact on demand-side management (DSM), efficiency, and climate targets.
- (b) This application is being made under the *Island Regulatory and Appeals Commission Act* and the *Electric Power Act*.
- (c) Stephen Howard, MLA
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- (d) Stephen Howard, MLA is seeking approval to act as an intervener to oppose Maritime Electric Company Limited's (MECL) initial proposal related to cost of service and rate design in the General Rate Application. This proposal continues to distribute an unfair burden for electrical costs to first block users. These consumers are among the most vulnerable Islanders who are paying higher costs for electricity usage despite consuming less electricity than those who are second block users. It is discriminatory in practice as it passes higher costs for service to those least able to access resources and measures to offset the cost. It also does not promote innovation in the areas of utilizing 'energy efficiencies and demand-side resource measures'. Both of which are in contravention of the *Electric Power Act*, Chapter E-04.

MECL has also failed to complete and file a rate study per the direction of Docket UE20942, Order UE16-04R paragraph 59. Failure by the utility to follow an order should not become an onerous burden on rate payers, especially those vulnerable Islanders being unfairly targeted through current rate structures.

The Multeese Report, exhibit C-14, page 12 lines 16-20, "MECL explains in its evidence, this "declining block" rate structure is inconsistent with MECL's marginal energy cost, it is at odds with the corporate objective of encouraging energy efficiency, and appears to provide larger users with service at a cost which is less than the cost to serve them." The utility is recognizing the issue but not rectifying it in the most effective way.

Also of note is the suggestion that the extra revenue coming in from residential ratepayers goes to subsidize the General Service I (GSI) class by reducing the proposed GSI rate class increase by 50%.

- (e) This application for Intervener Status is being submitted at this late date due to the recent provincial election, initial sitting of the Legislative Assembly and concerns highlighted by the release of the Multeese Report.

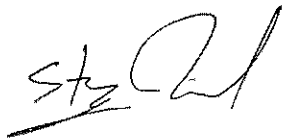
Stephen Howard, MLA and Opposition Shadow Critic for Transportation, Infrastructure and Energy will represent public interests of vulnerable Islanders as the rate structures proposed in the General Rate Application (GRA) by MECL unfairly discriminates by charging more for their energy consumption in relation to lower rates being provided to major energy consumers who access to resources and measures to offset the cost; and because the GRA does not present sound utilization of innovation and demand-side resource management to negate impact of their operation on climate change.

Stephen Howard, MLA is the Opposition Shadow Critic for Transportation, Infrastructure and Energy represents Islanders who have a vested interest in the provision of affordable, sustainable energy on PEI.

The submission proposed by Stephen Howard, MLA is to present an alternative rate structure that demonstrates it is possible to eliminate the existing discriminatory two-tiered rate structure system in a manner that removes the unfair burdening of first block consumers while mitigating the impact of rate costs on high energy users, such as the agricultural sector. It will further demonstrate how existing programs can help alleviate these costs. Finally, the submission will demonstrate how innovative approaches to energy generation and demand-side resource management can manage existing and projected energy demands.

The intended participation in the hearings by Stephen Howard, MLA is to represent concerns of current first block consumers, to assuage fears regarding removing the current discriminatory rate structure system through innovative electrical generation and effective demand-side resource management and to have the opportunity to have these considered by the Commission prior to a decision being made.

The intervention by Stephen Howard, MLA, should not add any additional cost or complexity to the proceedings.



Stephen Howard, MLA
Opposition Shadow Critic – Transportation, Infrastructure and Energy
Office of the Official Opposition
Legislative Assembly of Prince Edward Island