

Radial Lines

1. In an email of June 30, 2017, MECL provided an estimate of the impact of removing radial lines from the OATT facilities. Further to this information, please provide answers to the following questions:
 - a. Please confirm which specific lines were included in the calculations attached to the June 30, 2017 email.
 - b. Please identify which assets were included in the calculations attached to the June 30, 2017 email for each line that was considered (i.e., breakers, switches, conductors, poles, transformers, etc.).
2. In relation to the answer in response to question 7, as shown in correspondence dated January 4, 2017, MCEL indicated that Line Y-104 was proposed in 2005 as part of the expansion plan to accommodate future wind development to the eastern region of the Province. Does MECL intend to include the costs of Y-104 in the OATT rate determinants for revenue required or does it intend to direct charge that asset to the wind developers as per previous arrangements with West Cape Energy/Suez?
3. Has MECL performed the FERC Seven Factor Test on the lines identified by William Dunn as being radial? If yes, what are the results and are there any other lines not identified by Mr. Dunn that would be radial according to the FERC Seven Factor Test? If not, please advise as to why MECL has not performed such an analysis.
4. Did MECL do a jurisdictional analysis of its own on the inclusion of radial lines in an OATT, based on factors such as market activity and number of users within those jurisdictions, or did it rely on the opinion of Mr. Marshall in the development of the current OATT in this regard?
5. Can MECL provide an illustration of a scenario which excludes radial lines and the discontinuing of wind energy exporters so as to show the consequent impacts on the allocation of the revenue requirement for OATT users?

Discounts

6. MECL is proposing to offer a discounted rate to non-dispatchable generators on non-congested lines in the OATT. In relation to this discount, please provide answers to the following questions:
 - a. Please provide the justification for offering such a discount.
 - b. Does MECL intend to offer this discount in perpetuity?
 - c. If non-dispatchable generators on non-congested lines were not receiving the proposed discount, what impact would it have on OATT Revenue?
 - d. Does MECL have any information to support the need or requirement for a discount to be offered to non-dispatchable generators on non-congested lines?

- e. Please provide an estimate of the reduction in wind exports from PEI that would occur if discounts for usage of the transmission system by wind generators were eliminated, together with any calculations or supporting information needed to prepare this estimate.
 - f. Has MECL conducted a jurisdictional analysis to determine the amount, level or percentage of discount offered in other markets? If so, please provide a summary of the analysis? If not, please confirm how the current discount rate was determined.
7. Please provide a breakdown of usage of the transmission system by wind generators during peak periods in each of the past 5 years as follows:
- a. MWh usage during periods with no-congestion and when, therefore, off-peak transmission service rates apply.
 - b. MWh usage during periods with congestion and when, therefore, on-peak transmission service rates apply.
8. Can MECL provide an illustration of what rates would be like in the OATT without any merchant wind exporting electricity?
9. Please provide an estimate of the market value of wind exports from PEI in each of the past 5 years. Please provide supporting calculations.
10. Please also provide a data file showing total wind exports in each hour of the year for the past five years.

Planning and Procedure

11. MECL has stated that it does not make external sales, but it does make external purchases and, in that regard, competes with the City of Summerside for both sources of supply and scheduling rights on the transmission system. As long as the cables and the internal transmission system between the cables and COS are unconstrained, then there are not likely to be issues between the parties. However, if there are constraints, how does MECL intend to treat MECL's and COS's power supply buyers and schedulers on an equal basis?
12. In Mr. Marshall's testimony, he indicates that "Implementation of intra-hour [i.e., 15 minute] schedules must be coordinated with NB Power which is expected to take about six (6) months following their approval." In this regard, please provide answers to the following questions:
- a. Please provide information with respect to the status of this co-ordination.
 - b. Is the reference to "approval" an approval of IRAC or NB Power?
13. OATT Schedule 10 relates to Residual Uplift. The last paragraph of this Schedule indicates that "The Transmission Customer shall pay (or be paid) the Residual Uplift to the (by the) Transmission Provider in accordance with the Transmission Provider's rules." Where are these rules?

14. Once the OATT and its associated documents are approved and posted on the MECL website, will MECL notify all Transmission Customers whenever any of these documents are updated?
15. In several instances in the Standards of Conduct (i.e., Sections 1.b&d, 6.i, 8, etc.), MECL can have waivers or exemptions granted by IRAC for matters which do not need to be disclosed. Please confirm the rationale or requirement for these waivers and exemptions to not be disclosed?

General OATT Related Questions

16. How will an over/under collection of revenue to costs be handled for the OATT and its services?
17. Currently the City of Summerside takes a combination of firm and non-firm point to point services. If the City of Summerside was to elect to receive Network Services, please provide answers to the following questions:
 - a. What effect would this have on the OATT transmission cost allocation?
 - b. Would there be any effect on the determination of the application of the FERC calculations for assessing the appropriate demand cost allocation (i.e., 1cp, 3cp, 12cp, etc.)?
18. The long-term impacts of the OATT Tariff and the policies it represents to Prince Edward Island electricity markets is significant. For example, documents filed to date, indicate an estimate of possible future costs, based on 2014's revenue requirement determinant of \$7,307,000.00, escalating to \$10,272,000.00 in 2017. As a historical comparison, in 2005 the cost estimate was \$6,020,000. Thus the revenue requirement is looking to increase in excess of \$4,000,000.00. Can MECL supply objective cost data which clearly validates the \$10,272,000.00 level cited in the documents filed to date?
19. Please provide information on congestion events on the PEI transmission system during the past 5 years. For each year and for each event, please provide:
 - a. The number of hours of congestion.
 - b. The required adjustments to system operations to mitigate the congestion event.
 - c. The quantity of imports and/or exports curtailed and the party or parties to whom curtailment actions were applied.
20. Some sub-Section (e)(1)(i) [Section 1 paragraph numbering seems inconsistent] of Attachment P on file page 627 exempts posting of transmission and ancillary services requests when it indicates that such posting "does not apply to requests for next hour service made during Phase 1." Please define Phase 1.
21. The MECL OATT (especially Attachment P) refers numerous times to an MECL OASIS which will contain all kinds of information, including real-time information. The OATT then exempts MECL (in Sections 1.28 and 4) from the having an OASIS as used in other electricity markets and, instead, will simply manually update an MECL website from time to time. Please verify what real-time information will be made available on the MECL website.