

CANADA

PROVINCE OF PRINCE EDWARD ISLAND

BEFORE THE ISLAND REGULATORY
AND APPEALS COMMISSION

IN THE MATTER of Section 17(1) of the *Electric Power Act* (R.S.P.E.I. 1988, Cap. E-4) and **IN THE MATTER** of the Application of Maritime Electric Company, Limited for the approval of additional costs related to the Supplemental Capital Budget Request for the Advanced Metering for Sustainable Electrification Project approved under Order UE24-06.

APPLICATION
AND
EVIDENCE OF
MARITIME ELECTRIC COMPANY, LIMITED

July 16, 2025

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SECTION 1.0 – APPLICATION

1.0 APPLICATION

CANADA

PROVINCE OF PRINCE EDWARD ISLAND

BEFORE THE ISLAND REGULATORY AND APPEALS COMMISSION

IN THE MATTER of Section 17(1) of the *Electric Power Act* (R.S.P.E.I. 1988, Cap. E-4) and **IN THE MATTER** of the Application of Maritime Electric Company, Limited for the approval of additional costs related to the Supplemental Capital Budget Request for the Advanced Metering for Sustainable Electrification Project approved under Order UE24-06.

Introduction

21 Maritime Electric Company, Limited ("Maritime Electric" or the "Company") is a corporation
22 incorporated under the laws of Canada with its head or registered office at Charlottetown and
23 carries on a business as a public utility subject to the *Electric Power Act* engaged in the
24 generation, purchase, transmission, distribution and sale of electricity within Prince Edward Island
25 ("PEI").

Application

28 Maritime Electric hereby applies for an order of the Island Regulatory and Appeals Commission
29 ("IRAC" or the "Commission") approving additional expenditures for the Advanced Metering for
30 Sustainable Electrification Project (the "Project"). Upon completion of the Project, the assets will
31 be included in Maritime Electric's rate base and any future capital expenditures required by

SECTION 1.0 – APPLICATION

1 Maritime Electric to replace these assets will be applied for as a part of the Company's annual
2 capital budget application process.

3
4 The proposals contained in this Application represent a just and reasonable balance of the
5 interests of Maritime Electric and those of its customers and will, if approved, allow the Company
6 to continue to operate and maintain these assets and perform necessary capital additions and
7 improvements at a cost that is, in all circumstances, reasonable.

8
9 **Procedure**
10 Filed herewith is the Affidavit of Jason C. Roberts, T. Michelle Francis, Angus S. Orford and
11 Enrique A. Riveroll which contains the evidence on which Maritime Electric relies in the
12 Application.

13
14 Dated at Charlottetown, Province of PEI, this 16th day of July, 2025.



15
16
17 **D. Spencer Campbell, Q.C.**

18 STEWART MCKELVEY
19 65 Grafton Street, PO Box 2140
20 Charlottetown PE C1A 8B9
21 Telephone: 902-892-2485
22 Facsimile: 902-566-5283
23
24 Solicitors for Maritime Electric Company, Limited
25
26
27
28
29
30
31

SECTION 2.0 – AFFIDAVIT

1 **2.0 AFFIDAVIT**

2
3 **C A N A D A**

4
5 **PROVINCE OF PRINCE EDWARD ISLAND**

6
7 **BEFORE THE ISLAND REGULATORY
8 AND APPEALS COMMISSION**

9
10 **IN THE MATTER** of Section 17(1) of the *Electric*
11 *Power Act* (R.S.P.E.I. 1988, Cap. E-4) and **IN THE**
12 **MATTER** of the Application of Maritime Electric
13 Company, Limited for the approval of additional
14 costs related to the Supplemental Capital Budget
15 Request for the Advanced Metering for Sustainable
16 Electrification Project approved under Order UE24-
17 06.

18
19 **AFFIDAVIT**

20
21 We, Jason C. Roberts of Suffolk, T. Michelle Francis of Emyvale, Angus S. Orford of
22 Charlottetown and Enrique A. Riveroll of New Dominion, in Queens County, Province of Prince
23 Edward Island, **MAKE OATH AND SAY AS FOLLOWS:**

24
25 We are the President and Chief Executive Officer, Vice President, Finance and Chief Financial
26 Officer, Vice President, Corporate Planning and Energy Supply and Vice President, Sustainability
27 and Customer Operations for Maritime Electric, respectively, and as such have personal
28 knowledge of the matters deposed to herein, except where noted, in which case we rely upon the
29 information of others and in which case we verily believe such information to be true.

30
31 Maritime Electric is a public utility subject to the provisions of the *Electric Power Act* engaged in
32 the generation, purchase, transmission, distribution and sale of electricity within PEI.

SECTION 2.0 – AFFIDAVIT

1 We prepared or supervised the preparation of the evidence and to the best of our knowledge and
2 belief the evidence is true in substance and in fact.

3
4 Section 6.0 of the Application contains a proposed Order of the Commission based on the
5 Company's Application.

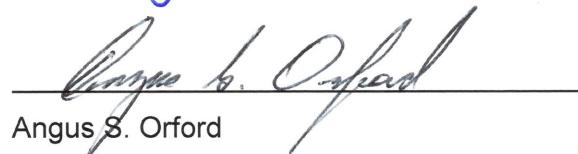
6
7 SWORN TO SEVERALLY at
8 Charlottetown, Prince Edward Island,
9 the 16th day of July, 2025.



10
11 Jason C. Roberts



12
13
14 T. Michelle Francis



15
16
17 Angus S. Orford



18
19
20 Enrique A. Riveroll



21
22
23
24 A Commissioner for taking affidavits
25 in the Supreme Court of Prince Edward Island.

SECTION 3.0 – INTRODUCTION

1 **3.0 INTRODUCTION**

2

3 **3.1 Purpose**

4 Maritime Electric Company, Limited (“Maritime Electric” or the “Company”) submits this
5 Supplementary Capital Budget Request (“SCBR”) to the Island Regulatory and Appeals
6 Commission (“IRAC” or the “Commission”) for a requested increase in the budget of the Advanced
7 Metering for Sustainable Electrification Project (the “Project”) in accordance with Order UE24-06.

8

9 **3.2 Reporting Requirements**

10 The Project involves replacing and upgrading the Company’s current customer information
11 system (“CIS”) and installing advanced metering infrastructure (“AMI”) technology. The project
12 was approved on October 4, 2024, for a budget of \$47,775,000. As per Order UE24-06, in the
13 event that the capital expenditures exceed the amounts approved herein, Maritime Electric is
14 required to submit a further supplemental capital budget request to the Commission.

15

16 The Application provides evidence for Project costs that impact the overall budget, previously
17 unknown to Maritime Electric when the original application was filed and approved, and were
18 reported to the Commission in the 2024 Annual Project Report filed on February 28, 2025. The
19 budget changes reflect the results of negotiating and signing final contracts with the selected
20 vendors, which was completed after regulatory approval, and an estimated impact of changes in
21 the United States dollar (“USD”) exchange rate.

22

23 As a result of the passage of time between the April 2024 refiled application and December 2024
24 when vendor contracts were finalized, there are budget cost changes that were beyond the
25 Company’s control and beyond the scope of the approved contingencies. As such, these cost
26 changes are being submitted for Commission approval in this SCBR, as summarized in Table 1
27 below.

SECTION 3.0 – INTRODUCTION

TABLE 1 Advanced Metering for Sustainable Electrification Project SCB Request (\$)			
Budget Category	CIS	AMI	Total SCBR
Cost changes	\$ 343,000	\$ 1,647,000	\$ 1,990,000
US Exchange	67,000	1,071,000	1,138,000
Subtotal	410,000	2,718,000	3,128,000
Interest During Construction	320,000	438,000	758,000
TOTAL	\$ 730,000	\$ 3,156,000	\$ 3,886,000

1

SECTION 4.0 – CUSTOMER INFORMATION SYSTEM

4.0 CUSTOMER INFORMATION SYSTEM

4.1 CIS Budget Update

As indicated in the 2024 Annual Project Report, filed with the Commission on February 28, 2025, the Company finalized vendor contracts and began execution of the CIS portion of the Project in the fourth quarter of 2024. As most vendor quotes had expired prior to receiving regulatory approval, some vendors required pricing updates. The finalization of vendor contracts also revealed other minor adjustments to a number of vendor Statements of Work (“SOWs”) resulting in incremental costs necessary to ensure a successful project outcome.

Table 2 outlines requested changes to the CIS project budget, followed by explanations justifying their need.

TABLE 2 CIS Budget Adjustments			
Budget Category	Vendor Pricing	USD Exchange	Total Budget Adjustment
Software	\$ 65,000	\$ -	\$ 65,000
Owner's Engineer	-	61,000	61,000
Other Project Costs	41,000	2,000	43,000
Maintenance During Project	-	4,000	4,000
Subtotal	\$ 106,000	\$ 67,000	\$ 173,000
Sourcing and Procurement incurred in 2024			237,000
Interest During Construction			320,000
TOTAL			\$ 730,000

Vendor Pricing

The budget in the refiled Application was based on several vendor quotes that were received in December 2023. By the time the vendor contracts were signed in the fourth quarter of 2024, these quotes had expired. Due to the Company's negotiation efforts, most vendors maintained their pricing despite expiration of the quotes, however, some vendors required pricing updates, resulting in minor increases to Software and Other Project Costs categories totaling \$106,000.

SECTION 4.0 – CUSTOMER INFORMATION SYSTEM

1 Software costs were confirmed to have increased by approximately 10 per cent or \$65,000 due
2 to the change in start date from the original application. More information is provided on this
3 budget increase in ***Confidential Appendix C1***.

4

5 To protect the Project from unforeseen disruptions and ensure business-critical software
6 applications and source code are safe, secure and available for a successful project outcome,
7 the software vendors are required to periodically deposit a copy of software source code and
8 associated materials for secure storage with the software escrow service provider. The remaining
9 \$41,000 of incremental costs relates to the associated software escrow fees included in the final
10 contracts negotiated with three vendors. Additional information on these fees is provided in
11 ***Confidential Appendix C2***.

12

13 ***USD Exchange***

14 The estimated USD exchange rate was 1.37 in April 2024 when the Application was refiled. As of
15 February 20, 2025, the USD exchange rate was 1.42, an increase of approximately 4 per cent
16 when compared to 1.37. The USD exchange rate risk has significantly increased as the political
17 landscape in the United States (“US”) has changed. A small portion of the CIS project relies on
18 procurement from vendors located in the US resulting in a forecast budget increase of \$67,000,
19 based on the February 20, 2025 USD to Canadian dollar (“CAD”) exchange rate. Further
20 information is provided in ***Confidential Appendix C3***.

21

22 In recent weeks, the CAD to USD exchange rate has shown improvement from the February 20,
23 2025 rate reported in the Annual Project Report.¹ However, the USD to CAD exchange rate risk
24 will remain high as the Project progresses and will be reported to the Commission in the quarterly
25 reports. The costs recorded in the Project will be the actual exchange incurred at the time the
26 currency is exchanged. For this reason, this SCBR seeks approval of any variance that exceeds
27 the estimated exchange rate of 1.37 as this potential additional cost is not within the Company’s
28 control. Conversely, if the actual exchange rate incurred is below the estimate, the savings will be
29 reflected in the project costs as an under-budget variance.

30

¹ For comparison, as of June 14, 2025, the USD to CAD exchange rate was 1.4016.

SECTION 4.0 – CUSTOMER INFORMATION SYSTEM

1 ***Sourcing and Procurement***

2 As discussed in Section 2.3 of the 2024 Annual Project Report, the Company incurred an
3 additional \$237,000 related to the internal and external labour required to complete the updated
4 Application for refile, including the receipt of updated vendor quotes and, once regulatory
5 approval was received, to re-engage and complete contract negotiations and signing. This
6 additional expense was necessary to facilitate the proper regulatory process.

7

8 ***Interest During Construction***

9 The timeline adjustments noted in the 2024 Annual Project Report and the budget changes in this
10 SCBR have impacted the calculation of Interest During Construction (“IDC”) resulting in an
11 expected increase of \$320,000. An updated calculation of the IDC budget is provided in
12 **Appendix A.**

13

14 ***CIS Budget Update***

15 The amended annual budgets with the above noted changes in cost as well as an updated
16 timeline as discussed in the 2024 Annual Project Report is provided in Table 3.

17

18 The passage of time between the April 2024 refiled application and the 2024 Annual Project
19 Report resulted in some vendor pricing updates and an increase in the USD to CAD exchange
20 rate, which combined is a 0.6 per cent variance.² The remaining 2 per cent budget variance relates
21 to updates to Sourcing and Procurement costs and an updated estimate for IDC.³

² $(\$106,000 + \$67,000)/\$28,185,000 = 0.6\%$

³ $(\$237,000 + \$320,000)/\$28,185,000 = 2.0\%$

SECTION 4.0 – CUSTOMER INFORMATION SYSTEM

1

TABLE 3
AMENDED CIS Multi-Year Budget

Description	2023 Actual	2024 Actual	2025 Budget	2026 Budget	2027 Budget	2028 Budget	Total	Contingency Use	Original Budget	SCBR
Software	\$ -	\$ -	\$ 535,000	\$ -	\$ 23,000	\$ 32,000	\$ 590,000	\$ -	\$ 525,000	\$ 65,000
Hardware	-	-	105,000	-	-	-	105,000	-	105,000	-
Vendor Labour	-	-	2,428,000	2,428,000	2,428,000	1,011,000	8,295,000	-	8,295,000	-
Internal Labour	-	-	1,779,000	1,844,000	1,756,000	691,000	6,070,000	-	6,070,000	-
Owners Engineer ^a	-	-	630,000	629,000	630,000	-	1,889,000	453,000	1,375,000	61,000
Other Project Costs ^b	-	-	293,000	200,000	200,000	-	693,000	15,000	635,000	43,000
Contingency	-	-	949,000	1,446,000	1,446,000	602,000	4,443,000	(497,000)	4,940,000	-
Maintenance During Project	-	807,347	1,425,000	608,000	78,000	-	2,918,347	29,000	2,885,000	4,000
Sourcing and Procurement	992,349	604,730	-	-	-	-	1,597,079	-	1,360,000	237,000
Subtotal	\$ 992,349	\$ 1,412,077	\$ 8,144,000	\$ 7,155,000	\$ 6,561,000	\$ 2,336,000	\$ 26,600,426	\$ -	\$ 26,190,000	\$ 410,000
Interest During Project	37,144	87,837	433,000	945,000	812,000	-	2,314,981	-	1,995,000	320,000
TOTAL	\$ 1,029,493	\$ 1,499,914	\$ 8,577,000	\$ 8,100,000	\$ 7,373,000	\$ 2,336,000	\$ 28,915,407	\$ -	\$ 28,185,000	\$ 730,000

2 a. Owners Engineer refers to the cost associated with TMG, who was engaged by the Company to provide implementation services.

3 b. Costs associated with project facilities and related equipment/supplies, communications, travel/accommodations, and related expenses, etc.

SECTION 5.0 – ADVANCED METERING INFRASTRUCTURE

5.0 ADVANCED METERING INFRASTRUCTURE

5.1 AMI Budget Update

As indicated in the 2024 Annual Project Report, the Company finalized vendor contracts and began execution of the AMI portion of the Project in the fourth quarter of 2024. Similar to CIS, the previously negotiated vendors' quotes had expired and, in some areas, prices were updated.

Table 4 outlines the requested changes to the AMI project budget, followed by explanations justifying their need.

TABLE 4 AMI Budget Adjustments			
Budget Category	Vendor Pricing	USD Exchange	Total Budget Adjustment
Meter Equipment	\$ -	\$ 575,000	\$ 575,000
Meter Vendor Services	321,000	113,000	434,000
Network Infrastructure	(182,000)	205,000	23,000
Head-End System	1,348,000	178,000	1,526,000
Subtotal	\$ 1,487,000	\$ 1,071,000	2,558,000
Sourcing and Procurement incurred in 2023 and 2024			160,000
Interest During Construction			438,000
TOTAL			\$ 3,156,000

Vendor Pricing

As was the case with the CIS portion of the Project, the AMI budget in the refiled Application was supported with vendor quotes received in December 2023. Upon Commission approval in October 2024, the internal AMI team, external experts and project vendors were redeployed to finalize vendor contracts and the AMI execution plan. By this time, the original vendor quotes had expired, and several unit prices had changed, some of which increased, and others decreased. This resulted in budget changes to Meter Vendor Services, Network Infrastructure, and Head-End System for a net increase of \$1,487,000.

For more information, please see ***Confidential Appendix C4***.

SECTION 5.0 – ADVANCED METERING INFRASTRUCTURE

1 Through the Company's negotiation efforts, the main vendor held pricing for a significant portion
2 of their quote, including the AMI meter pricing and consulting services even though the quote had
3 expired. The attached Confidential Appendix C4 support demonstrates pricing changes within the
4 meter vendor services, network infrastructure and head-end system related to hosting and quality
5 assurance fees necessary to ensure a successful project outcome.

6

7 The pricing changes reflect:

8

- 9 ▪ Meter vendor services unit pricing increases for managed service subscription fees for the
10 production and test environments increased by approximately \$216,000 and annual
11 maintenance costs for the three years of implementation increased by \$105,000.
12 Together, these result in a meter vendor services increase of \$321,000;
- 13 ▪ Network Infrastructure pricing related to communication tester maintenance fees and
14 module utility maintenance fees decreased by approximately \$181,000. A decrease in the
15 number of cellular antennas required resulted in further savings of approximately \$1,000.
16 Together, these result in a network infrastructure decrease of \$182,000; and
- 17 ▪ Head-End System cost increases for quality assurance and risk reporting as well as
18 system integration and professional fees total approximately \$1,249,000. Quality
19 assurance and risk reporting included in this amount will identify potential problems early
20 and ensure the overall quality of the project is maintained. Also included in the additional
21 head-end system cost are professional services related to system integration support.

22

23 The Company signed a statement of work related to system integration costs in July 2023
24 for a high-level estimated cost of USD\$798,000. However, when the updated budget was
25 filed in April 2024, it reflected only USD\$435,000 for this service based on the expectation
26 that the statement of work could be reduced. Since then, based on the knowledge gained
27 thus far through the execution of the Project, the full statement of work is required.
28 Therefore, this Application reflects an incremental cost of USD\$370,000 as the full amount
29 of approximately USD\$805,000 is advised as required and will ensure the AMI
30 components work seamlessly with other integrated systems enhancing functionality and
31 overall performance. Pricing changes for one-time set-up costs for the hosted application

1 management services and head-end software licenses account for the remaining \$99,000
2 increase. Together, these result in a head-end system increase of \$1,348,000.

3

4 ***USD Exchange***

5 The estimated USD exchange rate was 1.37 in April 2024 when the Application was refiled. As of
6 February 20, 2025, the USD exchange rate was 1.42, an increase of approximately 4 per cent
7 when compared to 1.37. As indicated in Section 4.1 above, the USD exchange rate risk has
8 significantly increased as the political landscape in the US has changed. A significant portion of
9 the AMI project relies on procurement from vendors located in the US resulting in a budget
10 increase of \$1,071,000. For more information, please see ***Confidential Appendix C4***.

11

12 In recent weeks, the CAD to USD exchange rate has shown improvement from the February 20,
13 2025, rate reported in the Annual Project Report.⁴ However, the USD to CAD exchange rate risk
14 will remain as the Project progresses and will be reported to the Commission in the quarterly
15 reports. The costs recorded in the Project will be the actual exchange incurred at the time the
16 currency is exchanged. For this reason, this SCBR seeks approval of any variance that exceeds
17 the estimated exchange rate of 1.37 as this potential additional cost is not within the Company's
18 control. Conversely, if the actual exchange rate incurred is below the estimate, the savings will be
19 reflected in the project costs as an under-budget variance.

20

21 ***Sourcing and Procurement***

22 As discussed in Section 3.3 of the 2024 Annual Project Report, the Company incurred an
23 additional \$160,000 in 2024 related to the internal and external labour required to complete the
24 updated Application for refiled, including the receipt of updated vendor quotes and, once
25 regulatory approval was received, to re-engage and complete contract negotiations and signing.
26 This additional expense was necessary to facilitate the proper regulatory process.

27

28 ***Interest During Construction***

29 The above noted timeline adjustments and budget changes have impacted calculation of IDC
30 resulting in an expected increase of \$383,000. An updated calculation of the IDC budget is
31 provided in ***Appendix B***.

⁴ For comparison, as of June 14, 2025, the USD to CAD exchange rate was 1.4016.

SECTION 5.0 – ADVANCED METERING INFRASTRUCTURE

1 AMI Budget Update

2 Amended annual budgets for AMI with the above noted changes are provided in Table 5. The
3 passage of time between the April 2024 refiled application and the 2024 Annual Project Report
4 resulted in some vendor pricing updates and an increase in the USD to CAD exchange rate, which
5 combined is a 6.6 per cent variance.⁵ The remaining budget changes related to increased
6 Sourcing and Procurement costs and estimated IDC resulting in a 1.4 per cent variance.⁶

⁵ $(\$1,487,000 + \$1,071,000) / \$38,590,000 = 6.6\%$

⁶ $(\$160,000 + \$383,000) / \$38,590,000 = 1.4\%$

SECTION 5.0 – ADVANCED METERING INFRASTRUCTURE

TABLE 5
AMENDED AMI Multi-Year Budget

Description	2023 Actual	2024 Actual	2025 Budget	2026 Budget	2027 Budget	Total	Original Budget	SCBR
Meter Equipment	\$ -	\$ -	\$ 16,165,000	\$ -	\$ -	\$ 16,165,000	\$ 15,590,000	\$ 575,000
Meter Vendor Services	-	-	988,000	1,132,000	1,059,000	3,179,000	2,745,000	434,000
Meter Installation ^a	-	-	199,000	1,177,000	839,000	2,215,000	2,215,000	-
Network Infrastructure	-	-	5,778,000	-	-	5,778,000	5,755,000	23,000
Head-End System	-	-	2,958,000	1,435,000	618,000	5,011,000	3,485,000	1,526,000
Internal Labour and Transportation	-	-	999,000	1,062,000	1,009,000	3,070,000	3,070,000	-
System Upgrade ^b	-	-	1,670,000	430,000	230,000	2,330,000	2,330,000	-
Professional Services	-	-	298,000	592,000	-	890,000	890,000	-
Customer Support ^c	-	-	80,000	120,000	60,000	260,000	260,000	-
Sourcing and Procurement	385,628	293,829	-	-	-	679,457	520,000	160,000
Contingency	-	-	-	925,000	-	925,000	925,000	-
Subtotal	\$ 385,628	\$ 293,829	\$ 29,135,000	\$ 6,873,000	\$ 3,815,000	\$ 40,502,457	\$ 37,785,000	\$ 2,718,000
Interest During Project	14,225	40,799	194,000	533,000	461,000	1,243,024	805,000	438,000
Contributions	-	-	(19,000,000)	-	-	(19,000,000)	(19,000,000)	-
TOTAL	\$ 399,853	\$ 334,628	\$ 10,329,000	\$ 7,406,000	\$ 4,276,000	\$ 22,745,481	\$ 19,590,000	\$ 3,156,000

1 a. Costs for services provided by internal resources to install the meters during the initial mass deployment.

2 b. Costs associated with enabling integration capabilities with ancillary software applications, as well as up-front work to build necessary interfaces.

3 c. Costs associated with educating customers throughout the AMI implementation.

SECTION 6.0 – PROPOSED ORDER

6.0 PROPOSED ORDER

CANADA

PROVINCE OF PRINCE EDWARD ISLAND

BEFORE THE ISLAND REGULATORY AND APPEALS COMMISSION

IN THE MATTER of Section 17(1) of the *Electric Power Act* (R.S.P.E.I. 1988, Cap. E-4) and **IN THE MATTER** of the Application of Maritime Electric Company, Limited for the approval of additional costs related to the Supplemental Capital Budget Request for the Advanced Metering for Sustainable Electrification Project approved under Order UE24-06.

20 UPON receiving an Application by Maritime Electric Company, Limited ("Maritime Electric") for
21 approval of additional costs related to the Advanced Metering for Sustainable Electrification
22 Project;

24 AND UPON considering the Application and Evidence in support thereof;

26 NOW AND THEREFORE pursuant to the *Electric Power Act* and the *Island Regulatory and*
27 *Appeals Commission Act*;

29 IT IS ORDERED THAT

31 1. The Advanced Metering for Sustainable Electrification Project supplemental capital
32 budget request, filed herein on July 16, 2025 and summarized below is approved.

SECTION 6.0 – PROPOSED ORDER

TABLE 1
Advanced Metering for Sustainable Electrification Project SCBR Request (\$)

Budget Category	CIS	AMI	Total SCBR
Cost changes	\$ 343,000	\$ 1,647,000	\$ 1,990,000
US Exchange	67,000	1,071,000	1,138,000
Subtotal	410,000	2,718,000	3,128,000
Interest During Construction	320,000	438,000	703,000
TOTAL	\$ 730,000	\$ 3,156,000	\$ 3,831,000

1
2 DATED at Charlottetown this _____ day of _____, 2025.
3
4 BY THE COMMISSION
5 _____
6 _____ Chair
7 _____
8 _____ Commissioner
9 _____
10 _____ Commissioner

APPENDIX – A

Interest During Construction - CIS

IDC - CIS	2023	2024	2025	2026	2027	2028	TOTAL
	ACTUAL	ACTUAL					
Software	-	-	535,000	-	23,000	32,000	590,000
Hardware	-	-	105,000	-	-	-	105,000
Vendor Labour	-	-	2,428,000	2,428,000	2,428,000	1,011,000	8,295,000
MECL Staff	-	-	1,779,000	1,844,000	1,756,000	691,000	6,070,000
Owner's Engineer	-	-	630,000	629,000	630,000	-	1,889,000
Other	-	-	293,000	200,000	200,000	-	693,000
Contingency	-	-	949,000	1,446,000	1,446,000	602,000	4,443,000
Maintenance During Project	-	807,347	1,425,000	608,000	78,000	-	2,918,347
Sourcing & Procurement	992,349	604,730	-	-	-	-	1,597,079
Subtotal	992,349	1,412,077	8,144,000	7,155,000	6,561,000	2,336,000	26,600,426
TOTAL	992,349	1,412,077	8,144,000	7,155,000	6,561,000	2,336,000	26,600,426
Average Balance Subject to IDC	-	-	6,476,426	14,125,926	12,132,213	1,168,000	
Forecast Average Return on Rate Base			6.69%	6.69%	6.69%	6.69%	
Average Number of Days to Finance			365	365	365	365	
Annual Budget for IDC	37,144	87,837	433,000	945,000	812,000	-	2,314,981
TOTAL ANNUAL BUDGET	1,029,493	1,499,914	8,577,000	8,100,000	7,373,000	2,336,000	28,915,407
IDC - CIS	37,144	87,837	433,000	945,000	812,000	-	2,314,981
Estimated IDC – CIS (Rounded)							2,315,000
Estimated IDC - April 2024 Update							1,995,000
SCBR - IDC Increase							320,000

APPENDIX – B

Interest During Construction - AMI

IDC - AMI	2023	2024	2025	2026	2027	TOTAL
	ACTUAL	ACTUAL				
Meter Equipment	-	-	16,165,000	-	-	16,165,000
Meter Vendor Services	-	-	988,000	1,132,000	1,059,000	3,179,000
Meter Installation	-	-	199,000	1,177,000	839,000	2,215,000
Network Infrastructure	-	-	5,778,000	-	-	5,778,000
Head-End System	-	-	2,958,000	1,435,000	618,000	5,011,000
Internal Labour	-	-	999,000	1,062,000	1,009,000	3,070,000
System Upgrade	-	-	1,670,000	430,000	230,000	2,330,000
Professional Services	-	-	298,000	592,000	-	890,000
Customer Support	-	-	80,000	120,000	60,000	260,000
AMI Sourcing & Procurement	385,628	293,829	-	-	-	679,457
Contingency	-	-	-	925,000	-	925,000
Subtotal Before Contributions	385,628	293,829	29,135,000	6,873,000	3,815,000	40,502,457
Contributions			(19,000,000)			(19,000,000)
TOTAL	385,628	293,829	10,135,000	6,873,000	3,815,000	21,502,457
Amounts Not Subject to IDC	-	-	(5,692,000)	(1,177,000)	(839,000)	(7,708,000)
Amounts Subject to IDC	385,628	293,829	4,443,000	5,696,000	2,976,000	13,794,457
Average Balance Subject to IDC	-	-	2,900,957	7,970,457	12,306,457	-
Forecast Average Return on Rate Base			6.69%	6.69%	6.69%	
Average Number of Days to Finance			365	365	365	
TOTAL ANNUAL BUDGET	385,628	293,829	10,329,000	7,406,000	4,227,000	22,641,457
IDC - AMI	14,225	40,799	194,000	533,000	461,000	1,243,024 A
Estimated IDC - AMI (Rounded)						1,243,000 A
Estimated IDC - April 2024 Update						805,000
SCBR - IDC Increase						438,000