

**C A N A D A**

**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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**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**

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

**Application**

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

**SECTION 1.0 – APPLICATION**

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

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

**Procedure**

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

Dated at Charlottetown, Province of PEI, this 16<sup>th</sup> day of July, 2025.



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**D. Spencer Campbell, Q.C.**

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Charlottetown PE C1A 8B9

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Solicitors for Maritime Electric Company, Limited

**2.0 AFFIDAVIT**

**C A N A D A**

**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.

**AFFIDAVIT**

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

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

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

**SECTION 2.0 – AFFIDAVIT**

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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.

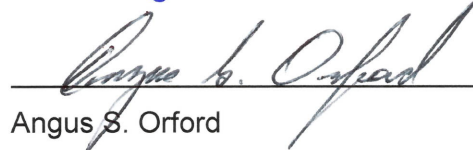
6  
7 SWORN TO SEVERALLY at  
8 Charlottetown, Prince Edward Island,  
9 the 16<sup>th</sup> day of July, 2025.

10  
11 

12 Jason C. Roberts

13  
14 

15 T. Michelle Francis

16  
17 

18 Angus S. Orford

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20 

21 Enrique A. Riveroll

22  
23 

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

**3.0 INTRODUCTION**

**3.1 Purpose**

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

**3.2 Reporting Requirements**

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

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

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

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

1



**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.

<b>TABLE 2 CIS Budget Adjustments</b>			
<b>Budget Category</b>	<b>Vendor Pricing</b>	<b>USD Exchange</b>	<b>Total Budget Adjustment</b>
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
<b>Subtotal</b>	<b>\$ 106,000</b>	<b>\$ 67,000</b>	<b>\$ 173,000</b>
Sourcing and Procurement incurred in 2024			237,000
Interest During Construction			320,000
<b>TOTAL</b>			<b>\$ 730,000</b>

*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**

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

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

### ***USD Exchange***

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

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

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

### *Sourcing and Procurement*

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

### *Interest During Construction*

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

### ***Appendix A.***

### *CIS Budget Update*

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

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

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

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

## 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 <sup>a</sup>	-	-	630,000	629,000	630,000	-	1,889,000	453,000	1,375,000	61,000
Other Project Costs <sup>b</sup>	-	-	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
<b>Subtotal</b>	<b>\$ 992,349</b>	<b>\$ 1,412,077</b>	<b>\$ 8,144,000</b>	<b>\$ 7,155,000</b>	<b>\$ 6,561,000</b>	<b>\$ 2,336,000</b>	<b>\$ 26,600,426</b>	<b>\$ -</b>	<b>\$ 26,190,000</b>	<b>\$ 410,000</b>
Interest During Project	37,144	87,837	433,000	945,000	812,000	-	2,314,981	-	1,995,000	320,000
<b>TOTAL</b>	<b>\$ 1,029,493</b>	<b>\$ 1,499,914</b>	<b>\$ 8,577,000</b>	<b>\$ 8,100,000</b>	<b>\$ 7,373,000</b>	<b>\$ 2,336,000</b>	<b>\$ 28,915,407</b>	<b>\$ -</b>	<b>\$ 28,185,000</b>	<b>\$ 730,000</b>

- 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.

**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.

<b>TABLE 4</b>			
<b>AMI Budget Adjustments</b>			
<b>Budget Category</b>	<b>Vendor Pricing</b>	<b>USD Exchange</b>	<b>Total Budget Adjustment</b>
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
<b>Subtotal</b>	<b>\$ 1,487,000</b>	<b>\$ 1,071,000</b>	<b>2,558,000</b>
Sourcing and Procurement incurred in 2023 and 2024			160,000
Interest During Construction			438,000
<b>TOTAL</b>			<b>\$ 3,156,000</b>

***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**

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

The pricing changes reflect:

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

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

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

### *USD Exchange*

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

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

### *Sourcing and Procurement*

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

### *Interest During Construction*

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

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

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.<sup>5</sup> The remaining budget changes related to increased  
6 Sourcing and Procurement costs and estimated IDC resulting in a 1.4 per cent variance.<sup>6</sup>

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

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



## 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 <sup>a</sup>	-	-	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 <sup>b</sup>	-	-	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 <sup>c</sup>	-	-	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	-
<b>Subtotal</b>	<b>\$ 385,628</b>	<b>\$ 293,829</b>	<b>\$ 29,135,000</b>	<b>\$ 6,873,000</b>	<b>\$ 3,815,000</b>	<b>\$ 40,502,457</b>	<b>\$ 37,785,000</b>	<b>\$ 2,718,000</b>
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)	-
<b>TOTAL</b>	<b>\$ 399,853</b>	<b>\$ 334,628</b>	<b>\$ 10,329,000</b>	<b>\$ 7,406,000</b>	<b>\$ 4,276,000</b>	<b>\$ 22,745,481</b>	<b>\$ 19,590,000</b>	<b>\$ 3,156,000</b>

- 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.*

**6.0 PROPOSED ORDER**

**C A N A D A**

**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.

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

AND UPON considering the Application and Evidence in support thereof;

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

IT IS ORDERED THAT

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

**SECTION 6.0 – PROPOSED ORDER**

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<b>TABLE 1</b>			
<b>Advanced Metering for Sustainable Electrification Project SCBR Request (\$)</b>			
<b>Budget Category</b>	<b>CIS</b>	<b>AMI</b>	<b>Total SCBR</b>
Cost changes	\$ 343,000	\$ 1,647,000	\$ 1,990,000
US Exchange	67,000	1,071,000	1,138,000
<b>Subtotal</b>	<b>410,000</b>	<b>2,718,000</b>	<b>3,128,000</b>
Interest During Construction	320,000	438,000	703,000
<b>TOTAL</b>	<b>\$ 730,000</b>	<b>\$ 3,156,000</b>	<b>\$ 3,831,000</b>

DATED at Charlottetown this \_\_\_\_\_ day of \_\_\_\_\_, 2025.

BY THE COMMISSION

\_\_\_\_\_  
Chair

\_\_\_\_\_  
Commissioner

\_\_\_\_\_  
Commissioner

## **APPENDIX – A**

### **Interest During Construction - CIS**

2023 ACTUAL	2024 ACTUAL	2025	2026	2027	2028	TOTAL	
<b>IDC - CIS</b>							
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
<b>Estimated IDC – CIS (Rounded)</b>							<b>2,315,000</b>
Estimated IDC - April 2024 Update							1,995,000
<b>SCBR - IDC Increase</b>							<b>320,000</b>

## **APPENDIX – B**

### **Interest During Construction - AMI**

<b>IDC - AMI</b>	<b>2023 ACTUAL</b>	<b>2024 ACTUAL</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>TOTAL</b>	
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)	
<b>TOTAL</b>	<b>385,628</b>	<b>293,829</b>	<b>10,135,000</b>	<b>6,873,000</b>	<b>3,815,000</b>	<b>21,502,457</b>	
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		
<b>TOTAL ANNUAL BUDGET</b>	<b>385,628</b>	<b>293,829</b>	<b>10,329,000</b>	<b>7,406,000</b>	<b>4,227,000</b>	<b>22,641,457</b>	
<b>IDC - AMI</b>	<b>14,225</b>	<b>40,799</b>	<b>194,000</b>	<b>533,000</b>	<b>461,000</b>	<b>1,243,024</b>	<b>A</b>
<b>Estimated IDC – AMI (Rounded)</b>						<b>1,243,000</b>	<b>A</b>
Estimated IDC - April 2024 Update						805,000	
<b>SCBR - IDC Increase</b>						<b>438,000</b>	