



PRINCE EDWARD ISLAND
Regulatory & Appeals Commission
Commission de réglementation et d'appels
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Interrogatories of Commission Staff

TO: Maritime Electric Company, Limited

FROM: Cheryl Bradley, Director of Finance & Regulatory Affairs

DATE: October 9, 2026

RE: Request for Deferral Account for Operating Costs Associated with Rotating Outage Plan

DOCKET: UE21506

The Island Regulatory and Appeals Commission (the “Commission”), in assessing the reasonableness of the Application requesting Approval for a Deferral Account for Operating Costs Associated with Rotating Outage Plan (the “Application”), submitted by Maritime Electric Company, Limited (“Maritime Electric” or “MECL”), requests responses to the following interrogatories:

1. Section 3.2, Page 5, lines 29-30. “The extent to which the operating costs will be incurred is unknown and likely material”.
 - a. Provide an expected range on the term “material”. How big do you expect this deferral account to get?
 - b. Provide an estimate on the costs associated with an eight-hour period of rotating outages, along with the assumptions used as a basis for your calculations.
 - c. How are the costs associated with this rotating outage plan any different than increased operating costs due to more storms or motor-vehicle accidents than forecast? Are those costs also included in a deferral account?
2. Section 3.2, Page 6, lines 1-3. How much additional capacity would be sufficient for this deferral account to be shut down? What kinds and/or amounts of system supports must be in place? Be specific.
 - a. Does MECL propose a specific date or periodic review of whether the deferral account continues to be required?

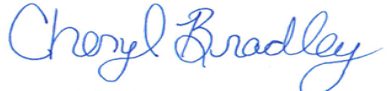
3. Section 3.2, Page 6. Provide a copy of the latest 2026 revenue requirement forecast referred to in this section, including the supporting schedules relevant to forecast operating costs. Identify whether any costs associated with the Rotating Outages Plan have been included in the forecast.
4. Section 3.2, Page 6, line 15. Has MECL considered whether any costs associated with rotating outages could be absorbed within its existing operating budget or offset by lower spending in other areas during the year? If not, explain why not.
5. Section 3.2, Page 6, line 17-21. A new GRA is due to come into effect in March 2027. Does MECL intend to include costs for rotating outages in those rates? Why or why not?
6. Section 3.2, Page 7, lines 10-11. Provide a list of MECL's current regulatory deferral accounts including the purpose of each account and the basis on which it was approved by the Commission.
7. Section 4.4, Page 11, lines 18-25. For salaried employees whose regular salaries are already recovered through existing rates, explain why labour costs are proposed to be included in the deferral account, including costs for engineers, supervision resources and internal labour costs to comply with regulatory reporting.
8. Explain how MECL will determine whether a cost is incremental for the purpose of recording it in the deferral account. How will MECL identify and track costs to ensure that costs already being recovered through existing rates are not also recorded in the deferral account?
 - a. Provide examples of costs that MECL considers incremental and costs related to the Rotating Outages Plan that would not be considered incremental.
9. Section 3.2, Page 7. MECL states that the proposed approach will "ensure financing costs related to the deferred operating costs are minimized."
 - a. What financing costs is MECL referring to?
 - b. Does MECL propose to apply interest, carrying costs or a return to the balance in the deferral account? If so, provide the proposed rate and explain how and when it would be applied.
 - c. Would these operating costs otherwise have been expensed when incurred without attracting financing costs or a return? If so, explain why MECL considers it appropriate for customers to pay financing costs or a return as a result of the costs being deferred.
10. Have there been any changes or updates to MECL's Rotating Outages Plan since it was provided to the Commission? If so, provide the current version of the Plan and identify the changes made.

11. Since filing this application, has MECL incurred or tracked any costs that it considers would have been eligible for the proposed deferral account?
 - a. If so, provide the costs by category and explain what caused the costs to be incurred.
 - b. Were any of these costs included in MECL's actual operating expenses for the period? If so, explain how they were accounted for.
12. Describe how costs recorded in the deferral account will be tracked and supported, including the records that will be maintained to demonstrate that each cost relates to the Rotating Outages Plan and is not otherwise being recovered through rates or another regulatory account.
13. The Rotating Outages Plan concentrates on the winter peak loading period between December and March inclusive.
 - a. Does MECL have sufficient on-Island dispatchable generation to meet its supply obligations for loss of supply during the April-November timeframe? If not, is there a possibility that this rotating outage plan may be enacted during that timeframe?
 - i. Does MECL have messaging prepared for the April-November timeframe? Does it have any summer energy conservation tips?
 - ii. How would the costs of rotating outages during this timeframe compare to the costs during the December-March timeframe?
 - iii. Is there any time during the year where rotating outages could be avoided in the event of a total loss of supply from New Brunswick?
14. Appendix A, Customer Communications Plan.
 - a. The tips in this section appear to apply to seasonal energy conservation, which is reasonable in terms of planning and the long-term. Does MECL intend to have readily-accessible "in the moment" energy conservation tips that are easily accessible for customers? It is noted that this type of message is proposed to be included in communications with the EMO (per Appendix A, Pages 23-24), but doesn't appear to be included in any of the provided social media, bill inserts, website information provided.
15. Appendix A, Customer Communications Plan, Page 3, Key Messages: "Maritime Electric filed an application with IRAC in December 2024 to increase on-Island generating capacity."

- a. What is the purpose of this key message in the context of a Rotating Outage Plan, and who is this key message targeting?
16. Can MECL's website accommodate the potential amount of traffic it may receive in response to MECL announcing the possibility of rotating outages?
17. When will MECL have operational use of its AMI data?
 - a. Could AMI's remote disconnect/connect feature be used to implement rotating outages and help to offset or even negate the negative system impacts of cold load pick up ("CLPU")?
 - b. Could AMI be used to help avoid causing outages to vulnerable institutions (ie. long-term care homes, fire and police stations, hospitals), yet be able to deliver the same peak load relief required by the rotating outages?
 - c. Has MECL considered giving a rate incentive to customers who volunteer to be frequently impacted by rotating outages? What kind of rate incentive would be required to accomplish this?
18. Multi Channel Communications, Page 13. Is there a specific segment of the population that will be targeted with the auto-dialer communication?
19. Appendix A, Pages 23 - 24. Is the information contained on these two pages intended as information only for the EMO, or is it MECL's and EMO's intention that the EMO broadcasts this information?
 - a. If so, what agreements are in place between MECL and the EMO to carry this out?
 - b. Over what communication channels does the EMO intend to provide this information?
 - c. Is MECL aware of the potential reach of the EMO to its customers?
 - d. Will MECL be providing the EMO a list of customer contacts in order to facilitate the communication?
 - e. Does MECL intend to mirror this specific information in its communications, as there is information contained in the EMO correspondence that does not appear elsewhere in MECL's proposed communications plan.

The Commission requires responses to these interrogatories no later than 4:00 p.m. on November 13, 2026. Responses received after this date may result in delays in the Commission's review of the Application.

Additional interrogatories may follow.

A handwritten signature in blue ink that reads "Cheryl Bradley". The signature is written in a cursive, flowing style.

Cheryl Bradley, CA, CPA
Director of Finance & Regulatory Affairs
Prince Edward Island Regulatory & Appeals Commission