



Interrogatories of Commission Staff

TO: Maritime Electric Company, Limited
FROM: Cheryl Mosher, Senior Financial Advisor
DATE: October 14, 2021
RE: 2022 Capital Budget
DOCKET: UE20733

The Island Regulatory and Appeals Commission (the “Commission”), in assessing the reasonableness of the 2022 Capital Budget Application submitted by Maritime Electric Company, Limited (“Maritime Electric” or “MECL”), requests responses to the following interrogatories:

1. In regard to Section 3.3 – Estimated Impact on Rate Base, Revenue Requirement, and Customer Rates, please explain how the increased revenue requirement for 2022 will be recovered from ratepayers if there is not a General Rate Application to approve a change in rates effective in 2022?
2. In regard to Section 3.5 – System Reliability Performance and Improvement, please advise whether the issues with reporting the SAIFI and SAIDE to the Commission have been resolved? If so, please provide details for the Commission to reconnect and view these reports.
3. In regard to Section 3.5 – System Reliability Performance and Improvement, please explain what the deficiencies in Maritime Electric’s historical SAIFI records are and how they might affect the data collected.
4. In regard to Section 3.5 – System Reliability Performance and Improvement, when comparing Maritime Electric’s SAIDI and SAIFI to other utilities, are factors such as differences in storm conditions considered? If not, could this contribute to Maritime Electric’s increased SAIDI performance during 2018 and 2019?
5. In regard to Section 3.5 – System Reliability Performance and Improvement, please provide a list of projects that relate to improving the SAIDI performance. Please include a projection of the improved SAIDI performance as each project is completed.
6. In regard to Section 3.6 – Planning Capital Investments, please explain how factors such as increased electric vehicles and increased net metering customers have impacted Maritime Electric’s planned capital investments.

- a. Does the current Integrated System Plan accommodate the recent increase in electric vehicles, electric heating and net metering customers?
7. In regard to Section 3.7(a) – Internal Labour and Transportation, please provide the calculations to determine wages allocated to capital projects as a whole and to individual projects.
8. As required by Commission Order UE21-02, please provide a forecast, as of December 31, 2021, of the unspent portion of any previously approved capital budget that MECL intends to carryover to 2022.
9. In regard to Section 4.2(a) – On-Island Generating Capacity Study, the Commission has currently retained an independent consultant to review MECL’s Integrated System Plan. Please provide justification for retaining an independent consultant to provide an on-island generating capacity study at this time.
10. In regard to Section 5.1(b) – Replacements Due to Road Alterations, in the 2021 year are the Replacements Due to Road Alterations projected to run over-budget? If yes, by how much?
 - a. Has Maritime Electric received any other information that would lead them to believe an increase in budget for Replacements Due to Road Alterations of 35% is required? If so, please provide.
11. In regard to Section 5.3(b) – Street and Area Lighting, this will be year eight of a ten year conversion program. Is the program on track? Please explain and provide details.
12. In regard to Section 5.5(b) – PEI Broadband Project, in previous filings with the Commission, it appeared as though the Bell portion of the PEI Broadband Project was under-budget due to Bell replacing a majority of the polls under the joint use program. Per Appendix J, the Bell portion of the project no longer appears to be under-budget. Please explain.
13. In regard to Section 5.8 – Transportation Equipment, please explain the prudence of replacing vehicles #4 and #6 when the annual repairs are minimal.
14. Appendix L – Please provide a listing of the current transportation fleet.
15. In regard to Section 6.1(i) – Rattenbury Small Scale Solar and Battery Storage Pilot, is there government funding (federal or provincial) available? If so, has Maritime Electric applied?
16. In regard to Section 6.1(i) – Rattenbury Small Scale Solar and Battery Storage Pilot, please provide additional justification for pursuing the pilot project. Include research from other available sources and outline benefits the proposed pilot will provide to MECL and its ratepayers.
17. In regard to Section 7.1(a) – Recurring Annual Capital Requirements, please provide an updated Table 74 including a “2021 to date” column.

18. In regard to Section 7.2(c) – Cybersecurity Enhancements, in both 2021 and 2022 there are increased expenditures on Cybersecurity Enhancements. Please distinguish between the Cybersecurity Enhancements undertaken in 2021 versus those proposed for 2022.
19. In regard to Section 7.2(d) – Customer Services and Communication Enhancements, did Maritime Electric perform a cost savings analysis for the proposed interactive voice response self service automation for customers? If so, please provide details.
20. In regard to Section 8.0 – Capitalized General Expense, please provide additional details on the expenditures included under “Corporate Planning” in Table 88.

Additional interrogatories may follow.



Cheryl Mosher, CA, CPA
Senior Financial Advisor
Prince Edward Island Regulatory & Appeals Commission