



Additional Interrogatories of Commission Staff

TO: Maritime Electric Company, Limited
FROM: Cheryl Bradley
DATE: May 29, 2026
RE: On-Island Capacity for Security of Supply Project
DOCKET: UE20742

The Prince Edward Island Regulatory and Appeals Commission (the “Commission”), in assessing the Application by Maritime Electric Company, Limited (“Maritime Electric” or “MECL”) for approval of the On-Island Capacity for Security of Supply Project (the “Application”), requests responses to the following interrogatories from Maritime Electric:

Deferral Account and Cost Recovery

16. On April 17, 2026, Maritime Electric filed updated information about pricing and delivery timelines related to the ProEnergy opportunity.
 - a. Provide the Net Present Value Inputs and Calculations and the Impact on Rate Base, Revenue Requirement and Customer Rates Calculations based on the updated pricing information for the ProEnergy opportunity.
17. Provide additional information regarding the risks associated with the proposed deferral account and the potential for costs to be incurred if the project does not ultimately proceed.
 - a. Describe scenarios where amounts recorded in the proposed deferral account may not proceed to a completed project, including circumstances beyond Maritime Electric’s control such as supplier withdrawal, market changes, regulatory delays, supply chain disruptions, or changes in system needs.
 - b. If the project does not proceed, indicate whether Maritime Electric intends to seek recovery from customers of all amounts recorded in the deferral account.
 - c. Provide an assessment of the financial risks associated with the proposed deferral account, including the potential for stranded or unrecoverable costs.
 - d. Provide details regarding the risks associated with ProEnergy withdrawing from the project, including any contractual protections or risk mitigation measures.

18. Provide additional information regarding Maritime Electric's long-term system planning process and the relationship between the proposed project and the outstanding Integrated System Plan.
 - a. Explain Maritime Electric's plan should the Commission approve the proposed deferral account request. Include details regarding what agreements or commitments would be executed prior to final project approval, what costs would be transferred to the deferral account, who would bear the financial risks associated with those commitments, and any impacts on pricing, timelines, equipment availability, or overall project viability.
 - b. Maritime Electric's Integrated System Plan was expected to be filed in Fall 2025. Explain how the Commission and customers can assess the prudence and long-term need for the proposed combustion turbine project in the absence of an updated Integrated System Plan.
 - c. In Maritime Electric's March 20, 2026 correspondence, Maritime Electric indicated it was exploring future battery storage opportunities. If the proposed combustion turbines are approved, is Maritime Electric considering battery storage as a future replacement or alternative capacity resource associated with the eventual retirement of the Borden units? Provide particulars.
19. Provide additional information regarding Maritime Electric's procurement and due diligence process, including the extent to which Maritime Electric relied upon work completed by other utilities.
 - a. In response to IR-1, Maritime Electric indicated that while it did not undertake a competitive procurement process for this project, other utilities, including NB Power and UNS Energy, selected ProEnergy through competitive processes. Explain the extent to which Maritime Electric relied upon procurement evaluations or due diligence completed by other utilities.
 - b. In response to IR-4, Maritime Electric indicated that it relied upon discussions with NB Power regarding NB Power's RIGS project. Provide copies of any due diligence, assessments, evaluations, reports, or other materials prepared by or for NB Power that Maritime Electric relied upon.
20. In Maritime Electric's letter to the Commission dated August 5, 2025, the Company included a copy of its letter to the Minister of Environment, Energy & Climate Action regarding the ProEnergy opportunity. In that letter, Maritime Electric referenced previous correspondence dated June 20, 2025.

Provide a copy of the June 20, 2025 correspondence from Maritime Electric to the Prince Edward Island Energy Corporation regarding the ProEnergy opportunity, including any background information, briefing materials, due diligence information, and any information received from or relating to due diligence carried out by NB Power.
21. Provide additional information regarding the ownership structure proposed by Maritime Electric and whether alternative arrangements were evaluated.

- a. Confirm whether Maritime Electric evaluated a tolling arrangement or third-party ownership model similar to NB Power's RIGS project.
 - b. If such an arrangement was considered, provide particulars regarding the analysis completed, including any comparison of costs, operational flexibility, risks, financing implications, and customer impacts.
 - c. Explain why Maritime Electric elected not to pursue a tolling arrangement or third-party ownership model.
22. Provide additional information regarding the risks associated with reliance on diesel-fueled combustion turbines, including fuel pricing volatility and fuel supply risks.
- a. Provide Maritime Electric's assessment of the risks associated with constructing and operating diesel-fueled combustion turbines in the current geopolitical and fuel supply environment.
 - b. Provide details regarding how recent and potential future increases in distillate fuel prices have been considered in the evaluation of the proposed project.
 - c. Discuss any risks associated with future fuel supply constraints or supply chain disruptions and how such risks may impact the reliability or operational feasibility of the proposed project.
 - d. Indicate whether Maritime Electric has completed any sensitivity analysis regarding future diesel pricing scenarios and, if so, provide the results of such analysis.

The Commission requires responses to these interrogatories no later than 4:00 p.m. on June 10, 2026.

Additional interrogatories may follow.



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Prince Edward Island Regulatory & Appeals Commission