31 July 2026

Island Regulatory and Appeals Commission
National Bank Tower, Suite 501
134 Kent Street
Charlottetown, PE C1A 7L1

Subject: **Public hearing preliminary written submission**
UE20742 – Supplemental Capital Budget Request for MECL's On-Island Capacity for Security of Supply Project

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Energy Democracy Now! Co-operative Limited, as a Friends of the Commission intervener in Docket UE20742, is pleased to submit its preliminary written submission, and looks forward to making a verbal presentation during the public hearing on Tuesday, August 25 (continuing on August 26 and 27, as needed).

Please refer to our previously submitted reports: Exhibits DN-5 (a) (b) and (c).

The public interest is critical to PEI's energy future.

Respectfully yours,

Leo Broderick | Michelle Neill | Barbara Dylla

Leo Broderick, President | Michelle Neill, Treasurer | Barbara Dylla, Secretary

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Encl.

DOCKET UE20742

CANADA

PROVINCE OF PRINCE EDWARD ISLAND

BEFORE THE ISLAND REGULATORY
AND APPEALS COMMISSION

PRELIMINARY WRITTEN SUBMISSION BY ENERGY DEMOCRACY NOW! CO-OPERATIVE LIMITED

OVERVIEW

Energy Democracy Now! Co-operative Limited (EDN) believes the dismissal of the application and supplemental filing by Maritime Electric Company Limited (MECL) to purchase two (2) 50MW Combustion Turbines (CT) is the most appropriate action.

EDN takes issue with the omission of certain relevant factors affecting energy capacity and demand in MECL's filings, including recent regional and national plans for improved energy sharing, provincial investment in energy storage, and MECL's own plans to develop an additional 100MW of wind and 120MW of solar generation.

PART I – OUR CONCERNS

EDN is a community-based non-profit co-operative registered in PEI representing residents and ratepayers on matters of emissions reduction, energy reliability, and energy affordability in the provincial energy portfolio.

Our concern with MECL's application and supplemental filing to install two 50MW CTs is that recovering the cost of this project from ratepayers creates an unjustifiable financial burden on these ratepayers. We find the cost to be unjustifiable because alternative technologies and energy planning strategies with a high likelihood of implementation in PEI were omitted from MECL's analysis, positioning CTs as more effective and more necessary than they are likely to be. We are prepared to present on the cost and effectiveness of renewable alternatives and address concerns with MECL's characterization and analysis of BESS technology.

We are also concerned that the environmental impact of the proposed diesel CT technology and the potential incompatibility of the proposed CT technology with PEI's 2020 Net-zero Carbon Act may jeopardize MECL's ability to provide "safe and reliable service."

PART II – POINTS IN ISSUE

It is the opinion of EDN that the following concerns must be considered to provide the most accurate and current reflection of PEI's energy profile and the effectiveness of CT and BESS technology in PEI.

1. MECL's application and supplementary filings neglect to factor in the impacts of demand-side management strategies on energy demand in its forecast, despite MECL actively installing advanced metering infrastructure (AMI) and recently discussing how AMI can be used to manage demand in a 10 July 2026 article in *The Guardian*.

2. MECL's application and supplementary filings neglect to factor in additional energy capacity and improved BESS efficiency from MECL's February 2025 proposal for additional on-island wind and solar generation capacity.

3. MECL's application and supplementary filings do not account for recent developments in national and regional energy grid integration and energy grid planning initiatives, including a 23 July 2026 memorandum of understanding between Prince Edward Island, New Brunswick, Nova Scotia, and the federal government to explore pathways to more efficient grid integration.

4. MECL's application and supplementary filings do not directly address market volatility and projected increases in the cost of fuel to power the CT technology.

5. MECL's application and supplemental filings do not account for the provincial government's expression of interest in the installation of a 50MW BESS to support provincial energy supply.

6. MECL's 24 July 2026 filing bases capacity planning on the finding that PEI could face loss of load events on up to twenty-four (24) days of the year in 2030, but notes that this scenario is only the case "absent additional resources." It is EDN's opinion that, without considering additional on-island wind and solar capacity, improved grid integration, and regional infrastructure, the loss-of-load-expectation (LOLE) evaluation is flawed.

7. EDN is of the opinion that relying exclusively on ELCC to evaluate the capabilities of BESS technology is flawed, since BESS operates differently from a CT. In Synapse Energy Economics' 9 April 2026 examination of MECL's application, they note that "The purpose of a BESS alternative for capacity support on-Island is not to levelize the load over the course of a peak winter day (although that is likely an artifact of its operation), but to allow MECL and NB Power to optimize its use (i.e., when it is charged and when it is discharged)." Thus, evaluating BESS strictly under the same criteria of a CT peaker plant is, in our opinion, misleading.

Each of these additional factors is in the early phases of implementation or is likely to proceed. When the combined impact on energy capacity and cost is considered, the usefulness and cost justification of 100MW CT diminish considerably. At the same time, the effectiveness of a BESS system is affirmed through MECL's own proposal for additional renewable energy infrastructure and the provincial tender for BESS technology.

PART III – SCOPE OF PRESENTATION

EDN was granted "Friend of the Commission" intervener status on 1 May 2025. In our application for intervener status, we committed to "providing insights from similar leading jurisdictions in renewable energy and battery energy storage (BESS) and encouraging the integration of community, First Nations, and co-operative renewable energy and BESS sources."

We also explained our intention "to ensure that the project's development aligns with Prince Edward Island's commitment to reduce carbon emissions and promote green energy solutions," and contribute to an examination of the project's "overall economic, social, and environmental suitability."

In keeping with that commitment, we intend to present the best available information on the capital and operational costs of renewable energy and storage alternatives, in relation to MECL's proposed 100MW CT. We also intend to present our concerns about the repercussions of the capital and operational costs of 100MW CT on Island residents experiencing energy poverty, and about the centralized control of energy infrastructure.

PART IV – SUBMISSIONS

The following documents are publicly available and contain information relevant to future energy capacity and available energy planning in PEI.

1. 23 July 2026 Memorandum of understanding signed by the premiers of Prince Edward Island, Nova Scotia, and New Brunswick committing to explore opportunities and strategies for regional energy grid integration. Regional energy grid integration stands to affect energy available and security in PEI. Memorandum of understanding on maritime regional electricity cooperation and system integration

2. Affidavit by Jason Rioux submitted to the Public Utilities Board of Manitoba regarding the capabilities and cost effectiveness of BESS technology. Affidavit of Jason Rioux

3. July 2026 report by Net Zero Atlantic modelling domestic and export market and offtake scenarios in PLEXOS to assess how offshore wind interacts with the electricity system. Evaluating the Electric Grid Impacts of Offshore Wind in the Atlantic Provinces

PART V – CONCLUSION

Since the initial filing in December of 2024 and the supplemental filing in August of 2025, there have been significant developments regarding regional and on-island capacity that, if implemented, may diminish the effectiveness or necessity of 100MW CT. There have also been considerable changes in the cost of both a BESS system and the ProEnergy CT system.

Ratepayers in the province are already struggling to pay basic necessities, and close to 24 000 residents are already experiencing unaffordable energy bills or having to ration home heating and other essential energy use. Given that this application is seeking recovery of costs from PEI ratepayers and will likely result in a significant rate increase to offset the cost of the project, it is essential that the Commission's decision be informed by analysis that is current and accurate. It is equally critical that the decision take into account any upcoming development or policy that will have a consequential impact on the efficiency and necessity of the proposed technologies.

Energy Democracy Now! Co-operative requests that the Commission reject the application for the purchase of the two 50MW combustion turbines.

All of which is respectfully submitted, this 31st day of July, 2026.

Barbara Dylla
Secretary
Energy Democracy Now! Co-operative Limited