

NON-CONFIDENTIAL RESPONSE

QUESTION

41. In response to IR#35, PEIEC provided a breakdown of the over-collection between Maritime Electric and Summerside Electric. However, the amounts indicated in the table as being collected from Maritime Electric and Summerside Electric match budgeted figures.

a. Did Maritime Electric and Summerside Electric remit only the exact budgeted amounts to PEIEC?

b. If Maritime Electric and Summerside Electric remitted amounts different than the budgeted amounts, please recalculate and update the table in the response to IR#35 using the actual amounts remitted by Maritime Electric and Summerside Electric.

c. Once the table has been updated for actual amounts received, please advise if Maritime Electric and Summerside Electric contributed to the over-collection in proportions of 90% and 10%, respectively. If not, please provide justification for allocating the over-collection based on a 90/10 split.

RESPONSE

a) Maritime Electric's actual remittances have been recorded as follows.

Period	Section	Object	GL Date	Trans Date	Category	Source	Event Class	Transaction Number	Description	Batch Name	Credit	Net Amount	
MAY/22-23	0826	02299	5/10/2022	5/10/2022	Misc Receipts	Receivables	Miscellaneous Receipt	220510	CBM-Misc Items~ Maritime Electric~	bnk-220510-royal1	159,799.08	-159,799.08	april
JUN/22-23	0826	02299	6/9/2022	6/9/2022	Misc Receipts	Receivables	Miscellaneous Receipt	220609	CBM-Misc Items~ Maritime Electric~	bnk-220609-royal1	144,082.13	-144,082.13	may
JUL/22-23	0826	02299	7/12/2022	7/12/2022	Misc Receipts	Receivables	Miscellaneous Receipt	220712	CBM-Misc Items~ Maritime Electric~	bnk-220712-royal2	127,715.64	-127,715.64	june
AUG/22-23	0826	02299	8/9/2022	8/9/2022	Misc Receipts	Receivables	Miscellaneous Receipt	220809	CBM-Misc Items~ Maritime Electric~	bnk-220809-royal1	135,151.65	-135,151.65	july
SEP/22-23	0826	02299	9/9/2022	9/9/2022	Misc Receipts	Receivables	Miscellaneous Receipt	220909	CBM-Misc Items~ Maritime Electric~	bnk-220909-royal1	146,103.60	-146,103.60	august
OCT/22-23	0826	02299	10/12/2022	10/12/2022	Misc Receipts	Receivables	Miscellaneous Receipt	221012	CBM-Misc Items~ Maritime Electric~	bnk-221012-royal1	139,285.47	-139,285.47	september
NOV/22-23	0826	02299	11/9/2022	11/9/2022	Misc Receipts	Receivables	Miscellaneous Receipt	221109	CBM-Misc Items~ MARITIME ELECTRIC~	bnk-221109-royal4	113,378.91	-113,378.91	october
DEC/22-23	0826	02299	12/9/2022	12/9/2022	Misc Receipts	Receivables	Miscellaneous Receipt	221209	CBM-Misc Items~ MARITIME ELECTRIC~	bnk-221209-royal1	130,253.01	-130,253.01	november
JAN/22-23	0826	02299	1/11/2023	1/11/2023	Misc Receipts	Receivables	Miscellaneous Receipt	230111	CBM-Misc Items~ MARITIME ELECTRIC~	bnk-230111-royal2	166,980.00	-166,980.00	december
Subtotal											1,262,749.49		

The budgeted amount for this 9-month period was \$810,000.

Summerside Electric remittances were not yet received. The amount budgeted for this 9 month period was \$90,000, if it assumed that Summerside Utility results were comparable to Maritime Electric's results that amount may be closer to \$140,000 for the 9 month period.

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1 b) An updated version of the table from IR#35 has been included below.

PEIEC

Electricity Efficiency & Conservation Plan (EE&C Plan) Over-collection amount

		2018-19	2019-20	2020-21	2021-22	Note 1	2022-23	Total
Total EE&C Expenditures		1,709,481	2,412,505	2,339,371	3,338,137		5,805,640	15,605,134
Less: EE&C expenditures funded through provincial and federal programs		1,367,585	1,930,004	1,871,497	2,670,510		3,602,133	11,441,729
EE&C expenditures to be recovered from rate payers	20%	341,896	482,501	467,874	667,627		2,203,507	27,046,863
Allocation of EE&C expenditures:								
Maritime Electric	90%	307,707	434,251	421,087	600,865		1,983,156	3,747,065
Summerside Electric	10%	34,190	48,250	46,787	66,763		220,351	416,341
		341,896	482,501	467,874	667,627		2,203,507	4,163,406
Amount collected from:								
Maritime Electric		540,000	873,000	1,080,000	1,080,000		1,262,749	4,835,749
Summerside Electric		60,000	97,000	120,000	120,000		140,305	537,305
Per UE19-03		600,000	970,000	1,200,000	1,200,000		1,403,055	5,373,055
Over-collected amount:								
Maritime Electric		232,293	438,749	658,913	479,135		(720,407)	1,088,685
Summerside Electric		25,810	48,750	73,213	53,237		(80,045)	120,965
		258,104	487,499	732,126	532,373		(800,452)	1,209,649

Note 1 For the period from April 1, 2022 to December 31, 2022.

This amount has been estimated based on actual collections from Maritime Electric

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 3 c) As per our response to IR#36 “The original calculation of the EE&C rider for the existing plan
 4 was based on an expected 90/10 split of total energy sales for Maritime Electric and Summerside
 5 Electric respectively. This was based on forecasted energy sales at the time the plan was
 6 prepared. During the preparation of the current plan, PEIEC obtained load forecast information
 7 from both Maritime Electric and Summerside Electric. This information included actual energy
 8 sales data for 2018-2020. It also included forecasted energy sales for the period from 2021-2030.
 9 In each of these years the allocation of energy sales reflected a 90/10 split in the load forecast
 10 provided by the utilities. As such, PEIEC has no reason to believe Maritime Electric and
 11 Summerside Electric did not contribute to the over collection in proportions of 90% and 10%
 12 respectively.
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14 In the event that Maritime Electric and Summerside Electric did not contribute to the over-
 15 collection in proportions of 90% and 10% PEIEC believes the fluctuations would have been in
 16 isolated periods only. This would not be reflective of the overall average contribution to the over-
 17 collection during the multi-year period. PEIEC has proposed that over collected amounts are used
 18 to offset proposed EE&C Plan expenditures. Given that the Proposed EE&C Plan contemplates
 19 allocating future program costs on a 90/10 basis it is reasonable to treat the over-collection
 20 amount consistently.”