



## Prince Edward Island

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April 2, 2026

Prince Edward Island Regulatory and Appeals Commission  
Attn: Cheryl Bradley, CPA, CA – Senior Financial Advisor  
National Bank Tower, Suite 501  
PO Box 577  
134 Kent Street, Charlottetown PE C1A 7L1

VIA EMAIL \_ [electricityinquiries@irac.pe.ca](mailto:electricityinquiries@irac.pe.ca)

Dear Ms. Bradley:

**Re: Utilities Docket UE20742**  
**MECL's Application re a Supplemental Budget Request for On-Island Capacity**  
**MECL's Request for a WIP Deferral Account**

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1. We write on behalf of the Prince Edward Island Energy Corporation (the "PEIEC") in response to Maritime Electric Company, Limited's ("MECL") request to the Island Regulatory and Appeals Commission (the "Commission") to establish a Work-in-Progress (WIP) Deferral Account (the "WIP Deferral Account") in the above-noted application (the "Application").
2. On August 14, 2025, MECL, made a Supplemental Filing regarding the application, including an accelerated proposal to meet some of the additional capacity sought. At the time, MECL requested the Commission's approval for a construction WIP deferral account relating to the accelerated proposal.
3. On September 12, 2025, the Commission directed the interveners to file submissions on MECL's request for a construction WIP deferral account by September 23, 2025, at 4:00 pm.
4. On September 23, 2025, the PEIEC responded to the request. The PEIEC did not take a position at that time due to the unavailability of certain confidential information.

5. On December 5, 2025, the Commission issued Order UE25-07, providing direction to MECL on the treatment of confidential information and provided interveners with an additional opportunity to make submissions regarding MECL’s request for the WIP Deferral Account.
6. On December 19, 2025, the PEIEC requested a further brief extension to January 9, 2026, to provide a substantive response.
7. On December 23, 2025, the Commission clarified that the Intervenor’s submissions on the WIP Deferral Account were to be provided by a date to be determined after MECL’s further request for confidentiality was determined.
8. On March 10, 2026, the Commission issued a variation to order UE25-07 on the matter of confidentiality of documents. Within the variation order the Commission established a deadline of March 20, 2026, for interveners to provide written submissions on MECL’s request for a WIP Deferral Account.
9. On March 20, 2026, the PEIEC requested, and subsequently the Commission graciously provided, a further brief extension to April 3, 2026, to provide a substantive response.
10. The PEIEC continues to agree with the analysis put forward by MECL that there may be times during the year when the utility will have insufficient capacity to provide adequate service to all firm customers.
11. The PEIEC recognizes the urgent need for additional generating capacity. Furthermore, the PEIEC acknowledges MECL’s efforts to bring forward a potential solution. The PEIEC notes that, based on the timelines contained in the Application, it needs to proceed expeditiously.
12. The PEIEC, at this point, does not support the establishment of the WIP Deferral Account to account for the costs associated with the slot reservation agreement. PEIEC’s reason for not providing support relates to regulatory uncertainty on the outcome for approving the project and the significant financial impact for ratepayers.
13. The PEIEC recognizes that the responsibility to authorize a WIP Deferral Account, or not, solely rests with Commission. If Commission sees appropriate to authorize the WIP Deferral Account and it is established, a clear definition of eligible costs with clear and regular oversight by and reporting to the Commission on all expenses would be appreciated.

14. The PEIEC thanks the Commission for permitting its submissions on MECL’s request to establish a WIP Deferral Account and looks forward to the Commission’s direction on this issue.

All of which is respectfully submitted on April 2, 2026.

A handwritten signature in blue ink, appearing to be 'Richard A. Collier & Christiana Tweedy', is written over a blue scribbled-out line.

Richard A. Collier & Christiana Tweedy  
for Legal Services Section  
Lawyers for the Added Party Intervener,  
Prince Edward Island Energy Corporation

