



Prince Edward Island

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July 24, 2026

VIA EMAIL – electricityinquiries@irac.pe.ca

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

Dear Ms. Bradley:

**Re: Utilities Docket UE20742
MECL's Application Re a Supplemental Budget Request for On-Island Capacity
PEIEC's Response to Additional Interrogatories of Commission Staff**

1. We write on behalf of the Prince Edward Island Energy Corporation (the "PEIEC") with respect to the above noted Application (the "Application") by Maritime Electric Company, Limited ("MECL").
2. The Island Regulatory and Appeals Commission (the "Commission") provided additional Interrogatories of Commission Staff to PEIEC on July 10, 2026 and requested a response from PEIEC on or before July 24, 2026.
3. The PEIEC feels the attached responses to the additional Interrogatories will assist in providing a fuller review of the matters currently before the Commission.
4. The PEIEC would like to thank the Commission for the opportunity to respond to the additional Interrogatories. If there is anything further required, please advise.

All of which is respectfully submitted on July 24, 2026.

A handwritten signature in blue ink, appearing to read 'Richard A. Collier & Christiana Tweedy', with a small 'L' and 'bar' symbol below it.

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

Enclosed: PEIEC Response to Additional Interrogatories of Commission Staff

Additional Interrogatories of PEI Energy Corporation

TO: Island Regulatory and Appeals Commission
FROM: Prince Edward Island Energy Corporation
DATE: July 24, 2026
RE: On-Island Capacity for Security of Supply Project
DOCKET: UE20742

The 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"), requested responses to the following interrogatories from the Prince Edward Island Energy Corporation ("PEIEC"):

17. Since the issuance of the Request for Proposals for a utility-scale battery energy storage system in Prince Edward Island, please provide an update on the status of the procurement, including:

a. the anticipated size (MW and MWh) of the proposed battery energy storage system;

The PEIEC, through an Expression of Interest ("EOI"), requested proponents submit proposals for the supply of a 10 to 50 MW battery energy storage system ("BESS") installation for PEI. The PEIEC received a number of responses to the EOI from proponents which met the requested criteria.

b. the anticipated in-service date;

Based on the responses received from the proponents, the PEIEC estimates that the earliest that a solution could be operational would be late 2028. All proponents indicated that equipment lead times, the interconnection process, permitting, and establishing a notice to proceed would be the most significant factors for fully establishing an in-service date.

- c. the current status of the procurement process;

Evaluations have been completed by staff of the PEIEC and the matter has been reviewed by the PEIEC Board of Directors. The PEIEC is now seeking the necessary authority to continue with the procurement process.

- d. the anticipated ownership and operating structure; and

It is anticipated that the PEIEC will own the asset on behalf of the Government of PEI with an interconnection to the PEI electricity grid. The goal would be for this asset to be maintained by the PEIEC with operational control by MECL, in order to provide optimal value to the PEI electricity grid.

- e. any assumptions regarding integration of the battery with Maritime Electric's transmission or distribution system.

The PEIEC is hoping that a suitable site can be determined to maximize the effectiveness of the proposed system and a mutually beneficial financial arrangement can be reached that will benefit rate payers and assist with the funding of the project.

- 18. Explain whether the proposed battery energy storage project is intended to contribute to meeting Prince Edward Island's future capacity and reliability requirements. If so, explain:

- a. the role the battery is expected to play in maintaining system reliability;

The PEIEC, on behalf of the Government of PEI, believes that a BESS can be a useful asset for the PEI electricity grid. A modern electricity grid needs to utilize all available technologies to maintain reliability.

- b. whether it is expected to reduce the need for additional dispatchable generation;

The PEIEC did not issue the EOI for a BESS as a substitute for the project submitted by MECL.

- c. whether it is expected to defer the timing of additional dispatchable generation; and

The PEIEC does not have authority to proceed and does not have a firm date for the expected availability of a BESS for PEI. The PEIEC is not able to provide an opinion on a deferral on the timing for MECL's project.

- d. whether it affects the amount of additional dispatchable generation expected to be required on Prince Edward Island.

The PEIEC does not operate the PEI electricity grid and cannot comment on the amount of dispatchable generation that is required.

19. Has PEI Energy Corporation assessed the impact of the proposed battery energy storage project on Maritime Electric's Supplemental Application for 100 MW of additional on-island combustion turbine generation? If so, provide the assessment. If not, explain why such an assessment has not been undertaken.

The PEIEC has not carried out an assessment of the specific impact for a BESS against the Application.

The PEIEC noted that the Sargent & Lundy *Capacity Resource Study* (Appendix C) and *Extreme Weather Event Capacity Impact Addendum to Capacity Resource Study* (Appendix D), filed as part of MECL's initial On-Island Capacity for Security of Supply Project application with the Commission on December 18, 2024, indicate that a BESS has a place within the PEI grid.

The PEIEC is also aware of testimony provided to the Standing Committee on Natural Resources and Environmental Sustainability that indicated that a BESS has a place within the PEI grid.¹

Finally, the Government of PEI has determined that a BESS can be part of the Government of PEI's programming and assist with supporting the growing demand on the PEI electricity grid.

¹ Prince Edward Island, Legislative Assembly, Standing Committee on Natural Resources and Environmental Sustainability, *Official Report of Proceedings (Hansard)*, 67th Parl, 2nd Sess ([NRES-15 January 2026](#); [NRES-5 February 2026](#); and [NRES-12 March 2026](#)).