



Prince Edward Island

Justice and
Public Safety

Legal Services
PO Box 2000
Charlottetown PE
Canada C1A 7N8

Île-du-Prince-Édouard

Justice et
Sécurité publique

Services légaux
C.P. 2000
Charlottetown PE
Canada C1A 7N8

July 22, 2025

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

Dear Ms. Bradley:

Re: Utilities Docket UE20742

**MECL's Application re a Supplemental Budget Request for On-Island Capacity
MECL's Request to enter a Negotiated Settlement Process**

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 enter a Negotiated Settlement Process in the above noted application (the "Application").
2. On June 3, 2025, MECL requested the Commission's approval to enter into negotiated settlement discussions regarding the Application with the PEIEC in its capacity as an Added Party Intervenor.
3. On June 25, 2025, the Commission advised all intervenors of MECL's request, reviewed the negotiated settlement process, and requested PEIEC's position on MECL's request.
4. On July 3, 2025, the PEIEC requested an extension to provide its position.
5. On July 4, 2025, the Commission graciously provided the above noted extension.
6. On July 17, 2025, the PEIEC requested a further brief extension to July 22, 2025, to provide the within substantive response.
7. On July 18, 2025, the Commission agreed to provide the requested additional extension.

8. The PEIEC has reviewed the information contained in MECL's Application and has engaged experts to provide opinions on the need for additional on-Island generation. The consensus of the experts is that additional capacity is required.
9. The PEIEC does not believe a negotiated settlement is the path forward to settle the matter proposed in the Application for the following reasons:
 - a. The outcome proposed in the Application relates to costs for consulting and engineering services to scope out and finalize a plan for selecting the best-case solution for installing on-Island generation. Whereas the request for a negotiated settlement contemplates arriving at a potential solution, bypassing that initial analysis of options.
 - b. PEIEC understands that the request for a negotiated settlement and MECL's anticipated potential solution suggests an alternate solution for the provision of on-Island generation. PEIEC wants to ensure that the request for a negotiated settlement considers all the needs outlined in the Application.
10. While the PEIEC cannot impose any path forward on MECL or the Commission, the PEIEC is perhaps able to offer a suggestion. Would it be possible for MECL to amend the Application to include the potential solution put forward for negotiated settlement?
11. Recognizing the immediate need for additional generating capacity, PEIEC acknowledges MECL's efforts to bring forward a potential solution that would materially reduce costs and accelerate the in-service date. The PEIEC notes the Application needs to proceed in an expeditious manner and utilize the efforts of all consultants involved.
12. The PEIEC recognizes the financial significance of this project and the anticipated effect it could have on capacity and electricity rates in PEI. As such, the PEIEC on behalf of the Government of Prince Edward Island reserves the right to participate financially in any solutions contemplated by way of contribution.
13. The PEIEC thanks the Commission for permitting its submissions on MECL's negotiated settlement request and looks forward to the Commission's direction on this issue.

All of which is respectfully submitted on July 22, 2025.



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