

MECL Weather Normalization Reserve Mechanism Comprehensive Report –

Application UE21231

Clarification Questions for MECL – January 2025

- 1) How is the “Heating Coefficient (MWh/HDD)” calculated differently for the HDD reference temperatures of 18C and 12C?
- 2) What parameters drive the changes in the “Heating Coefficient (MWh/HDD)” from year-to- year?
- 3) What different permutations of HDD reference temperatures and resulting “Heating Coefficient (MWh/HDD)” have been calculated to set 12C as the preferred reference?
- 4) What assumptions have been made in the annual use of electric heating? What parameters change to cause the changes from year-to-year?
- 5) What assumptions have been made in calculating building energy losses over the wide range of PEI customers’ premises and how has this range been normalized to determine the annual “Heating Coefficient (MWh/HDD)”?
- 6) How has the complementary components of homes heated by a dual home heating system employing electricity and fossil fuels been factored?
- 7) Reference the deployment of the pilot 600 Bridge Meters since 2019 where hourly customer energy usage data has been collected and which has enabled a data library covering four annual seasons:
 - a. How has this pilot data been used to improve estimating home heating loads?
 - b. Reference page 12 in the Application which states “with the introduction of advanced metering infrastructure (“AMI”) in the coming years, the Company will have more accurate information to assess space-cooling load, how will the similar, but expanded set of AMI customer usage data yield improved space-cooling conclusions.
- 8) Reference 3.1 - Operation of WNR cites: “Changing weather patterns are becoming more common with climate change, and the increased variability of weather patterns leads to forecast risk as the weather data is used to develop load and demand projections”. Noting that the cost of Demand is not currently a month-to-month operating variable, could the WNR modeling provide useful forecast Demand data (as a function of ambient temperature) in preparation for new customer tariffs that include a Demand cost?
- 9) To provide context of the financial impact of recent weather events to date:
 - a. What is the estimated value of the Hurricane Fiona debt currently owed by customers? Which MECL balance sheet or operating financial entries show this?
 - b. What is the estimated value of the WNR as of December 31, 2024? If the \$3.9M cap is still applied, which additional financial entry shows the true total amount?
- 10) What is the estimated value of RORA and the ECAM balance as of December 31, 2024?
- 11) What is the estimated value of the undersea cables contingency fund as of December 31, 2024? Is this held by the PEI Energy Corporation or a PEI Government department?