

Maritime Electric Co. Ltd. (MECL) 2026 Capital Budget Application – UE20746.

Clarification Questions for MECL – January 27 2026

Generation: \$4,924,000 and Appendix A

- 1) Reference Appendix A:
 - a. What are the forecast project contents/activities for each of the expenditures in years 2027 to 2030?
 - b. For the four years prior 2026 this “Generation” expenditure was \$4M; the subsequent four years has increased substantially to \$24M - why?
- 2) What are the project relationships of these forecasted expenditures with the Supplemental Capital Applications currently submitted to IRAC, the pending applications dealing with the completion/Part 2 of the Accelerated Generation Application (BESS and RICE generation) and the current Government planning activities for replacement of sub-sea cables #1 and 2?

Bedeque Substation: \$11,370,000

- 1) The 2016 installation of sub-sea cables #3 and 4 involved integrating a Government owned new electricity transmission system with an MECL owned and established Substation (Borden-Carlton). This proposed Bedeque Substation has different and opposite ownership and integration aspects but involves similar ownership and costs obligations, i.e. MECL attaching a new Substation to an existing connection/switching facility for sub-sea cables #1 and 2 with a Government owned transmission system. To ensure clarity, please provide a detailed descriptive comparison of both the Borden-Carlton integrated site and the proposed Bedeque integrated site for the following aspects:
 - a. Site land ownership and costs
 - b. Equipment ownership and costs
 - c. Maintenance and repair responsibilities and costs
 - d. Any other significant ownership and costs aspects
- 2) What is the reason for having to replace the transmission reactors? What will be the ratings and is this the same as previously installed?
- 3) What is the reason for separating the costs of mounting/connecting/integrating the new reactors as an MECL/customer cost when the reactors (old or new) are owned and paid for by the Government? The reactors cannot function “out-of-the-box”.
- 4) In previous capital budgets there were plans to upgrade/replace the Government owned interconnections from the sub-sea cables #1 and 2 to the transmission switching station; have these been completed? If not what are the current MECL recommendations for the Government owner?
- 5) What assumptions have been made such that the projected annual customer load increase of 5.3% for the Albany, Kensington and Bedeque area will continue? Apart from Kensington, this is a sparsely populated rural area so does the assumed growth in Kensington predominate? If so why?

- 6) What is the age of the Albany transformer? When is it due for replacement and/or upgrade?

Mount Pleasant Substation: \$8,473,000

- 1) To better understand the Substation and Switching services for Prince County following the evolution of the four sites in O'Leary, Wellington, Woodstock and now Mount Pleasant, please describe the service areas, number of customers and forecasted growth in each service area. Of particular interest is the history of the Woodstock switching station and the services now provided that originally was targeted for Mount Pleasant and then re-sited to Woodstock.
- 2) One justification for adding a substation in this area is the increase in the number of area DERs which presumably is also occurring in other areas. Please provide a comparative description of this evolving voltage support/power factor correction challenge for all three PEI Counties currently and the forecasted future evolution.
- 3) As this growth in DERs is expected to continue, what is the estimated added support cost metric that should be expected as \$/MW/DER. Perhaps the most recent actual cost example might be the integration of the Slemon Park 10 MW solar for the St Eleanor's substation – what was the total integration cost and who paid?
- 4) It is reported that Lennox Island is considering two solar projects – one on Lennox Island, the other (perhaps 32MW) close to the Woodstock switching station. What substation and transmission switching support challenges will arise and will the proposed Mount Pleasant substation now become the support for both projects – a change from the Wellington substation as originally listed?
- 5) What is the proposed size of the Mount Pleasant substation transformer and what are the likely additional transformers required for future service?

PEI Electricity Infrastructure and Electricity Supply Planning – reference Appendix A

It is clear from the MECL recent public announcements that the required assertiveness from both our PEI Government and MECL has been missing for an expanded PEI/New Brunswick Supply infrastructure dictated by the Government's aggressive electrification policies. As the de facto PEI Electricity System Operator, please provide responses to:

- 1) When will the 2025 update to the MECL 2020 Integrated System Plan be available to enable a complete review of this Application and any subsequent Capital requests?
- 2) When will the MECL Ten Year Transmission Outlook document be similarly updated?
- 3) What is the detailed status of each of the four (4) 2026 projects listed on the MECL "Interconnection Request Queue"?
- 4) Apart from the current IRAC Generation Application for a 2028 installation, what are the MECL recommendations and actions intended to immediately recover adequate electricity supply, from now and beyond 2028, to avoid the current Supply restriction.
- 5) In particular, what are the MECL recommendations and actions to increase the 300MW PEI/Nova Scotia/New Brunswick intertie transmission limit as a priority and which projects in either this capital budget request or those estimated in Appendix A apply?