

Maritime Electric Co. Ltd. (MECL) Rate Structure Changes

Residential and Other Ratepayers

Application – UE22503.

Supplementary Clarification Questions for MECL – September 8 2021

Appendix C– Preliminary Residential Class Load Study Results:

- 1) Please extend Table 3 to show the three elements of the Allocated Costs – Energy \$, Demand \$ and Site \$ – for each of the segmented cohorts listed
- 2) Table 3 shows 418 Farm customers with energy used > 5000KWh as a single cohort but the Farm Study (Appendix A) explains that the range of monthly energy used by farms is extremely wide. To understand the range of RTC applicable to high use farms rather than the average RTC of 85% please separate the data for these 418 farms into the cohort stratum Group 2 as described in Table 2 for the General Service energy boundaries and provide a new table (Table 4?) in the same format as the extended Table 3 in question 1.
- 3) The Farm Study (Appendix A) shows the monthly energy of >5000KWh farm population as 520 for 2018 to 2019 and 528 for 2019 to 2020 whereas Table 3/Appendix C shows 418 farms. Appendix C explains that this difference is the peak energy use for these 100+ farms is not during the month of January and therefore the data is spread between Cohorts 1 to 4. For a complete understanding of the Farm segment please expand the extension table (Table 4?) as requested in question 2) for a new table (Table 5?) to include the 100+ farms.

Demand and Site Costs characterized as “Fixed Cost”:

The application uses the term “Fixed Costs” as a composite of the Demand (Capacity) costs and Site costs which presumably are costs that may vary from year to year. It is understood that the referenced “Variable Costs” are the month-by-month costs of the amount of energy (KWh) delivered. Noting that Capacity is purchased from NB Power (NBP) through the five year Power Purchase Agreements between MECL and NBP, what cost mechanism is used between MECL and NBP to update the actual cost of Demand for each year? Example variables prompting this question are the MECL customers’ peak load for 2019 was 249.5MW but for 2020 was 259.4MW but the Demand cost metrics used in calculating all RTCs are from the 2017 Cost Allocation Study using CP @ \$184.46 /KW-year and NCP @ \$53.80 /KW-year.