



Notice of Application

Maritime Electric Rate Structure Changes Residential and other Ratepayers

Maritime Electric Company, Limited has filed an application with the Commission seeking approval of certain changes to its rate structure, including eliminating the declining second block rate for residential ratepayers.

Background

In Commission Orders UE19-08 and UE20-06, issued September 27, 2019 and December 21, 2020 respectively, Maritime Electric was ordered to undertake a comprehensive rate design study and file a proposed rate structure with the Commission. The rate design study and proposed rate structure are required to address the inequities in Maritime Electric's existing rate structure, including, but not limited to, inequities relating to:

- The residential declining second block rate, as residential ratepayers are, as a whole, paying less than the actual cost to provide electric service.
- The general service rate class, as general service ratepayers are, as a whole, paying more than the actual cost to provide electric service.

Details

Maritime Electric seeks approval for Stage 1 of a two-stage rate design proposal. In Stage 1, Maritime Electric proposes to:

- Phase out the residential declining second block rate by increasing the rate to be the same as the first block rate. The declining block rate would be phased out in four equal annual steps beginning March 1, 2022 through to March 1, 2025.
- Decrease the general service class rate annually on March 1, 2022 through to March 1, 2025.
- Increase the large industrial class rate on March 1, 2022.
- Increase the street lighting class rate on March 1, 2022 and March 1, 2023.

Maritime Electric is not seeking approval of Stage 2 of the rate design proposal at this time.

Maritime Electric has also filed a Rate Design Study and an updated Cost Allocation Study, based on financial results to December 31, 2020.

The Commission has engaged an independent expert to assist in the review of the application and Maritime Electric's proposed changes to the rate structure. The expert report will be made public and posted to the Commission website.

How to see the application

The information contained in this notice is an overview only and is not comprehensive. A complete copy of the application, Docket UE22503, is available on the Commission website at irac.pe.ca/electric.

A paper copy of the application is available by contacting Maritime Electric at the address below.

How to comment and ask questions

The Commission invites public input on the application. Written comments must be received by **Friday, October 8, 2021**.

Anyone seeking further information may submit written questions to Maritime Electric, with a copy to the Commission, at the address below, on or before **Friday, September 10, 2021**. Maritime Electric must respond to all written questions, with a copy to the Commission, by **Friday, October 1, 2021**.

All questions and comments will be made public and posted on the Commission website.

The Commission will hold a public hearing on the application. A Notice of Hearing will be published with the hearing details.

For additional information

Additional information can be obtained by contacting Maritime Electric at:

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DATED at Charlottetown, Queens County, Province of Prince Edward Island, this 4th day of August, 2021.