



Docket: UE21229
Order: UE21-15

IN THE MATTER of an application by Maritime Electric Company, Limited for an order approving the components of the interim Weather Normalization Mechanism and Reserve effective January 1, 2022, pursuant to section 20 of the *Electric Power Act*, RSPEI 1988, Cap. E-4.

CERTIFIED A TRUE COPY

Cheryl Mosher,
Senior Financial Advisor
Island Regulatory & Appeals Commission

Order

BEFORE THE COMMISSION ON Friday, the 14th day of December, 2021.

J. Scott MacKenzie, Q.C., Chair
M. Douglas Clow, Vice-Chair
Erin T. Mitchell, Commissioner

BACKGROUND:

1. The Weather Normalization Mechanism and Reserve Account has been approved on an interim basis since January 1, 2016.
2. In accordance with the Weather Normalization Mechanism, Maritime Electric Company, Electric (“Maritime Electric”) is required to file the proposed Weather Normalization Marginal Net Revenue Variables (the “WNA Variables”) for approval by the Island Regulatory and Appeals Commission (the “Commission”) on an annual basis.
3. On October 29, 2021, Maritime Electric filed an application with the Commission seeking approval of the WNA Variables for the 2022 fiscal year (the “Application”).
4. The proposed changes to the WNA Variables, effective January 1, 2022, are summarized as follows:

Summary of Proposed Revisions to Weather Normalization Mechanism and Reserve Variables		
	Approved UE21-03 January 1, 2021	Proposed January 1, 2022
Average HDD Value	4,394	4,426
MWH per HDD Coefficient	72.30	73.00
Forecast Unit Revenue per MWh	\$147.00	\$147.23
Forecast Unit Energy Cost per MWh	\$92.44	\$92.44 ⁴

DECISION:

5. The Commission has had an opportunity to review the Application and is satisfied that the proposed WNA Variables for the 2022 fiscal year are appropriate and in accordance with the approved definition of the Weather Normalization Mechanism and Reserve.

ORDER:

The Commission Orders as follows:

1. The Weather Normalization Marginal Net Revenue Variables for the period January 1, 2022 to December 31, 2022 are approved as follows:

Approved Weather Normalization Mechanism and Reserve Variables	
	Effective Date January 1, 2022
Average HDD Value	4,426
MWh per HDD Coefficient	73.00
Forecast Unit Revenue per MWh	\$147.23
Forecast Unit Energy Cost per MWh	\$92.44

DATED at Charlottetown, Prince Edward Island, this 14th day of December, 2021.

BY THE COMMISSION:

(sgd) J. Scott MacKenzie

J. Scott MacKenzie, Q.C., Chair

(sgd) M. Douglas Clow

M. Douglas Clow, Vice-Chair

(sgd) Erin T. Mitchell

Erin T. Mitchell, Commissioner