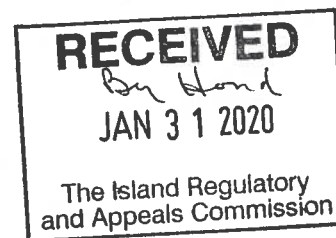


All our energy.  
All the time.



January 31, 2020

Island Regulatory & Appeals Commission  
PO Box 577  
Charlottetown PE C1A 7L1



Dear Commissioners:

Please find enclosed six (6) copies of Maritime Electric's Application for an Order approving changes to the Schedule of Rates effective March 1, 2020 and March 1, 2021.

In accordance with Order UE19-08, the Application contains the updated financial information as at December 31, 2019 and the Company's most current estimates of the costs to provide service to customers in 2020 and 2021. Additional evidence related to the financial updates provided, as well as other options for consideration of the Commission as requested in Order UE19-11, have been included in the Application.

In addition to the Application, Maritime Electric continues to provide supplemental information and schedules to Grant Thornton to assist them in their review on behalf of the Commission.

An electronic copy will follow.

If you require further information, please do not hesitate to contact me at (902) 629-3696.

Yours truly,

MARITIME ELECTRIC

A handwritten signature in blue ink, appearing to read "J. Roberts".

Jason C. Roberts  
Vice President,  
Finance & Chief Financial Officer

JCR08  
Encl. as noted

**C A N A D A**

**PROVINCE OF PRINCE EDWARD ISLAND**

**BEFORE THE ISLAND REGULATORY  
AND APPEALS COMMISSION**

**IN THE MATTER** of Section 10, 13(1) and 20 of the  
*Electric Power Act* (R.S.P.E.I. 1988, Cap. E-4) and  
**IN THE MATTER** of the Application of Maritime  
Electric Company, Limited for an order of the  
Commission approving rates, tolls and charges for  
electric service for the years March 1, 2019 to  
February 29, 2020 and March 1, 2020 to February  
28, 2021 and March 1, 2021 to February 28, 2022  
and for certain approvals incidental to such an order.

**APPLICATION  
AND  
EVIDENCE OF  
MARITIME ELECTRIC COMPANY, LIMITED**

**January 31, 2020**

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**APPENDICES**

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- Appendix 3     Monthly ECAM Calculations - January 1, 2019 to December 31, 2021
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- Appendix 8     Estimate of Unrecovered Depreciation and Accumulated Reserve Variance  
Amortization for the CTGS
- Appendix 9     Financial Forecast Schedules – 2019 to 2021

## **SECTION 1 – APPLICATION**

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### **1.0 APPLICATION**

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**C A N A D A**

**PROVINCE OF PRINCE EDWARD ISLAND**

#### **BEFORE THE ISLAND REGULATORY AND APPEALS COMMISSION**

**IN THE MATTER** of Section 10, 13(1) and 20 of the *Electric Power Act* (R.S.P.E.I. 1988, Cap. E-4) and **IN THE MATTER** of the Application of Maritime Electric Company, Limited for an order of the Commission approving rates, tolls and charges for electric service for the years March 1, 2019 to February 29, 2020 and March 1, 2020 to February 28, 2021 and March 1, 2021 to February 28, 2022 and for certain approvals incidental to such an order.

#### **Introduction**

1. Maritime Electric Company, Limited (“Maritime Electric” or the “Company”) is a public utility subject to the Electric Power Act (“EPA” or the “Act”) engaged in the production, purchase, transmission, distribution and sale of electricity within Prince Edward Island.

#### **Application**

2. Maritime Electric hereby applies for an order of the Island Regulatory and Appeals Commission (“IRAC” or the “Commission”) approving the Schedule of Rates to be included in the Company’s Rates and General Rules and Regulations effective March 1, 2020 and March 1, 2021 which are outlined in Appendix 1 and certain other approvals incidental thereto.
3. Maritime Electric proposes adjustment to the base rate per kWh contained in the Energy Cost Adjustment Mechanism calculation to reflect changes in forecast energy related costs as well as approval of the proposed disposition of the balance of the Weather Normalization Adjustment deferral balance at December 31, 2019 and the updates to the mechanism’s variables for 2020. The Company is also requesting the establishment of a

## **SECTION 1 – APPLICATION**

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deferral account to recognize and allow for the future recovery of unrecovered depreciation and other decommissioning variances related to the Charlottetown Thermal Generating Station after 2021.

4. The updated financial information, filed pursuant to Order UE19-08 and the related proposals contained in this Application, represent a just and reasonable balance of the interests of Maritime Electric and those of its customers and will, if approved, allow the Company to continue to provide a high level of service at prices that are, in all circumstances, reasonable.

### **Procedure**

5. Filed herewith is the Affidavit of John D. Gaudet, Jason C. Roberts, Angus S. Orford and Enrique A. Riveroll which contains the evidence on which Maritime Electric relies in this Application.

Dated at Charlottetown, Province of Prince Edward Island, this 31<sup>st</sup> day of January, 2020.



---

**D. Spencer Campbell, Q.C.**

STEWART MCKELVEY  
65 Grafton Street, PO Box 2140  
Charlottetown PE C1A 8B9  
Telephone: 902-629-4549  
Facsimile: 902-892-2485  
Solicitors for Maritime Electric Company, Limited

**2.0 AFFIDAVIT**

---

**C A N A D A**

**PROVINCE OF PRINCE EDWARD ISLAND**

**BEFORE THE ISLAND REGULATORY  
AND APPEALS COMMISSION**

**IN THE MATTER** of Section 10, 13(1) and 20 of the *Electric Power Act* (R.S.P.E.I. 1988, Cap. E-4) and **IN THE MATTER** of the Application of Maritime Electric Company, Limited for an order of the Commission approving rates, tolls and charges for electric service for the years March 1, 2019 to February 29, 2020 and March 1, 2020 to February 28, 2021 and March 1, 2021 to February 28, 2022 and for certain approvals incidental to such an order.

**AFFIDAVIT**

We, John David Gaudet of Charlottetown, Jason Christopher Roberts of Suffolk, Angus Sumner Orford of Charlottetown and Enrique Alfonso Riveroll of New Dominion, in Queens County, Province of Prince Edward Island, MAKE OATH AND SAY AS FOLLOWS:

1. We are the President and Chief Executive Officer, Vice President, Finance and Chief Financial Officer, Vice President, Corporate Planning and Energy Supply and Vice President, Customer Service for Maritime Electric Company, Limited (“Maritime Electric” or the “Company”) respectively and as such have personal knowledge of the matters deposed to herein, except where noted, in which case we rely upon the information of others and in which case we verily believe such information to be true.
2. Maritime Electric is a public utility subject to the provisions of the Electric Power Act engaged in the production, purchase, transmission, distribution and sale of electricity within Prince Edward Island.

## **SECTION 2 – AFFIDAVIT**

---

3. We prepared or supervised the preparation of the evidence and to the best of our knowledge and belief the evidence is true in substance and in fact. A copy of the evidence is attached to this our Affidavit and is collectively known as Exhibit “A” contained at Tabs 3 through 5 inclusive.

4. The evidence is filed pursuant to IRAC Order UE19-08, dated September 27, 2019 which, among other things, states:

*“2. The rates, tolls and charges for electric service effective March 1, 2020 and March 1, 2021 shall be determined upon the Company filing updated financial information as at December 31, 2019. The updated financial information shall be filed with the Commission on or before January 31, 2020. The form and content of the financial information shall be determined by the Commission.” [Par. 2.]*

5. The evidence found in Tabs 3 and 5 contain the updated financial information as at December 31, 2019, 2020 and 2021 pursuant to Order UE19-08.

Section 3 (the “Provincial Costs Recoverable”) contains information on amounts to be recovered from customers on behalf of the Province of PEI including proposed recoveries under the Prince Edward Island Energy Corporation’s approved Electricity Efficiency and Conservation Plan 2018-2021 under Commission Order UE19-03.

Section 4 (the “Regulatory Deferrals”) contains information on the operation and rebasing of the Energy Cost Adjustment Mechanism, the Weather Normalization Adjustment and the Rate of Return Adjustment deferral accounts.

Section 5 (the “Energy Sales Forecast”) outlines the Company’s energy sales forecast.

Section 6 (the “Energy Supply Expenses”) contains a summary of the energy supply costs, by source, required to meet the forecast energy sales.

Section 7 (the “Transmission and Distribution Expenses”) outlines the cost to deliver the forecast energy (the “wires” cost) to customers.



Section 8 (the “General and Administrative Expenses”) details the administrative and overhead costs, not directly related to energy sales, required to operate the Company.

Section 9 (the “Depreciation Expenses”) contains information on the amortization rates for the Company’s fixed assets based on the results of the 2017 Depreciation Study and Commission Order UE19-08.

Section 10 (the “Financial Forecast”) contains the forecast financial results and other related financial information based on the evidence contained in the Application and the requirements set out in IRAC Order UE19-08.

Section 11 (the “Impact of Proposals on Customers”) contains information on the impact of the proposals in the Company’s Application on a cross section of Customers’ annual costs in the Residential and General Service rate classes.

Section 12 contains a proposed Order of the Commission based on the Company’s Application.

6. Tab 4 (the “Options for Consideration”) contains Section 13 which provides information on the alternatives reviewed by the Company, as directed in Order UE19-11, for recovery of the Dorian operating costs, the use and application of 2019 excess net revenues, and the use and application of the balances of the RORA, ECAM and Weather Normalization Adjustment deferral accounts.

Section 13.1 shows the impact on customer rates and the annual costs for a cross section of customers in the Residential and General Service rate classes if the Dorian deferral and offsetting 2019 RORA amortization is performed over two years rather than one as proposed in the Application.

Section 13.2 shows the impact on customer rates and the annual costs for a cross section of customers in the Residential and General Service rate classes if the estimated net 2019 RORA balance of \$506,241 is applied against the ECAM balance at December 31, 2019 rather than refunding it as part of the post – 2015 RORA as proposed in the Application.

Section 13.3 shows the impact on customer rates and the annual costs for a cross section of customers in the Residential and General Service rate classes if the \$1,057,328 balance in the Weather Normalization Adjustment deferral account is not refunded to customers in 2020 as proposed in the Application but instead remains as an amount owing to customers.

Section 13.4 shows the impact on customer rates and the annual costs for a cross section of customers in the Residential and General Service rate classes if the \$1,057,328 balance in the Weather Normalization Adjustment deferral account is applied to reduce the ECAM balance at December 31, 2019 rather than refunding it in the manner proposed in the Application.

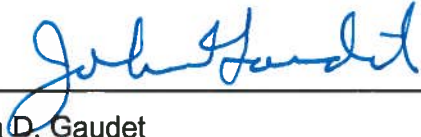
Section 13.5 shows the impact on customer rates and the annual costs for a cross section of customers in the Residential and General Service rate classes if the ECAM Base Rate is not adjusted to stabilize rates over the two year rate setting period as proposed in the Application.

7. The evidence found at Tab 5 (the “Appendices”) contains Appendix 1 through 9 inclusive which are referred to in the evidence.

**SECTION 2 – AFFIDAVIT**

---

SWORN TO SEVERALLY at  
Charlottetown, Prince Edward Island,  
the 31<sup>st</sup> day of January, 2020.



John D. Gaudet



Jason C. Roberts



Angus S. Orford



Enrique A. Riveroll



A Commissioner for taking affidavits  
in the Supreme Court of Prince Edward Island.

### **SECTION 3 – PROVINCIAL COSTS RECOVERABLE**

#### **3.0 PROVINCIAL COSTS RECOVERABLE**

Provincial Costs Recoverable are those amounts recoverable on behalf of the Province of PEI relating to costs that were assumed by the Province under the PEI Energy Accord as well as those costs recoverable from Maritime Electric customers to fund the Prince Edward Island Energy Corporation (“PEIEC”) Electricity Efficiency and Conservation Plan (“EE&C Plan”).

##### **PEI Energy Accord**

Order UE19-08, paragraph 8, states that “the Provincial Costs Recoverable shall continue to be collected through a rate rider in basic rates”. The rate rider included in customer rates since 2015 is \$0.00536 per kWh. Based on the Company’s estimated sales for the periods March 1, 2020 to February 28, 2021 and March 1, 2021 to February 28, 2022, the Schedule below presents the proposed rate rider for amounts recoverable from customers on behalf of the Province effective March 1, 2020 and March 1, 2021.

<b>Costs Recoverable From Customers on Behalf of Province</b>			
	<b>2019 Actual</b>	<b>2020 Forecast</b>	<b>2021 Forecast</b>
A. Funding Requirement	\$ 6,887,658	\$ 5,739,900	\$ 5,717,652
B. Sales (kWh)	1,285,010,891	1,354,147,389	1,391,438,164
C. Collection Rate (\$/kWh) (A/B)	\$ 0.00536	\$ 0.00424	\$ 0.00411

##### **PEIEC EE&C Plan**

Order UE19-03 sets out the annual funding requirements for the PEIEC EE&C Plan and directs that the amounts shall be recovered from customers through a rate rider to be incorporated into the Company’s electricity rates. Commission Order UE19-08 directed that there be no change to electricity rates in 2019. As a result, the Year 2 (2019/2020) funding to be recovered from Maritime Electric customers as a rate rider on each customer class was not included in the approved rates as proposed in the original General Rate Application, Section 4.2.

The following schedule presents the calculation of the proposed rate rider of \$0.0015/kWh for the PEIEC EE&C Plan Year 2 and Year 3 funding requirements to be recovered over the March 1, 2020 to February 28, 2021 period as requested by the PEIEC. The Company proposes that the rate then be reduced to the recovery of Year 3 levels on March 1, 2021 until such time as funding requirements are determined by the Commission for the next PEIEC EE&C Plan.

### **SECTION 3 – PROVINCIAL COSTS RECOVERABLE**

<b>PEIEC EE&amp;C Plan Rate Rider</b>					
		<b>UE19-03</b>		<b>March 1, 2020 – February 28, 2021 (Combined Year 2 &amp; 3)</b>	<b>March 1, 2021 – February 28, 2022 (Based on Year 3)</b>
		<b>Year 2 2019/2020</b>	<b>Year 3 2020/2021</b>		
Funding Requirement per PEIEC Application		\$ 970,000	\$ 1,200,000		
Maritime Electric Share per PEIEC Application		<u>90.0%</u>	<u>89.9%</u>		
Required Funding from Maritime Electric Customers per PEIEC Application	A	\$ 900,000	\$ 1,100,000	\$ 2,000,000	\$ 1,100,000
<b>Sales (MWh)</b>					
Residential				686,914	712,391
General Service I				404,894	414,119
Large Industrial				160,466	161,108
Small Industrial				94,610	96,772
Street Lighting				4,749	4,509
Unmetered				<u>2,514</u>	<u>2,539</u>
	B			1,354,147	1,391,438
PEIEC EE&C Plan Rate Rider per kWh	A/(B x 1000)			\$ 0.0015	\$ 0.0008

## **SECTION 4 – REGULATORY DEFERRALS**

### **4.0 REGULATORY DEFERRALS**

#### **4.1 Energy Cost Adjustment Mechanism**

The Company proposes that the ECAM Base Rate to be used in the ECAM, as currently approved, be set as follows:

<b>ECAM Base Rates (March 1 – February 28)</b>	
<b>Year</b>	<b>Rate (\$/kWh)</b>
2019	0.09161
2020	0.09245
2021*	0.09322

\* Base rate for 2021 subject to revision pending the Commission's decision with respect to the ECAM Review Filing due April 1, 2020.

With the adoption of the proposed ECAM Base Rate, the forecast balance of Costs Recoverable From (Payable To) Customers at December 31 for 2020 and 2021 is as follows:

<b>Costs Recoverable From (Payable To) Customers (\$)</b>			
	<b>2019 Actual</b>	<b>2020 Forecast</b>	<b>2021 Forecast</b>
Costs Recoverable From (Payable To) Customers	\$ 2,772,686	\$ 997,400	\$ (140,900)

Monthly ECAM schedules for the years 2019, 2020 and 2021 are included in Appendix 3.

#### **4.2 Weather Normalization Adjustment**

Updated schedules showing the proposed updates to the Weather Normalization Adjustment variables for 2020 are included in Appendix 4. As noted in Schedule 4 of Appendix 4, the Weather Normalization Adjustment deferral account has a balance owing to customers at December 31, 2019 of \$1,057,328 representing the marginal net revenue collected from customers since the mechanism was first approved on an interim basis in 2016. The Company proposes:

- that the \$1,057,328 balance owing to customers be returned to customers in 2020 by crediting or amortizing the balance to the Company's income statement, thereby lowering the overall revenue requirement to be recovered in basic rates in 2020.

## **SECTION 4 – REGULATORY DEFERRALS**

- that the Commission approve the revisions to the Weather Normalization Adjustment variables for 2020 as calculated in Appendix 4 and summarized in the schedule below:

<b>Summary of Proposed Revisions to Weather Normalization Adjustment Variables</b>		
	<b>Approved January 1, 2019</b>	<b>Proposed January 1, 2020</b>
<b><u>MWH Variation from Average</u></b>		
Average HDD Value	4,365	4,386
MWh per HDD Coefficient	50.19	68.07
<b><u>Marginal Net Revenue</u></b>		
Forecast Unit Revenue per MWh	143.70	146.24
Forecast Unit Energy Costs per MWh	91.61	92.45

### **4.3 Rate of Return Adjustment (RORA) and Deferred Dorian Costs**

Commission Orders UE19-08 and UE19-11 direct the Company to use the post-2015 RORA account to minimize the March 1, 2020 rate adjustment and to present its proposal for the refund of the 2019 RORA considering the deferral and recovery of the deferred Dorian operating costs.

The balance of the post-2015 RORA account at December 31, 2019 was \$7,856,744. Electricity rates for January and February 2020 remain unchanged from the prior year and, as such, include a RORA rebate rate of \$0.00345/kWh. As a result, the forecast post-2015 RORA balance at February 29, 2020 is calculated as follows:

Post-2015 RORA – December 31, 2019			\$7,856,744
<u>Forecast Sales (kWh)</u>			
January 2020	129,865,393		
February 2020	<u>125,011,764</u>	254,877,157	
RORA Rebate Rate		<u>\$0.00345</u>	<u>\$(879,326)</u>
Forecast Post-2015 RORA – February 29, 2020			<u>\$6,977,418</u>

In 2019, the Company recorded a RORA of \$3,509,123 representing excess revenue collected during the year over the Company's incurred cost of providing service. Relative

#### **SECTION 4 – REGULATORY DEFERRALS**

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to the total revenues of the Company in 2019 of \$210,720,774, this represents a variance of approximately 1.67 per cent.

In 2019, the Company incurred, and received IRAC approval to defer for future recovery, storm restoration costs related to post tropical storm Dorian in the amount of \$3,002,882. The Company proposes to write off (or amortize) the deferred Dorian operating expenses in 2020 using an equivalent amount of the 2019 RORA to offset. It is proposed that the remaining 2019 RORA of \$506,241 would be added to the post-2015 RORA and refunded to customers over the period March 1, 2020 to February 28, 2021 in compliance with Order UE19-08.

Based on these proposals, the RORA balance to be refunded and the rate to be credited to customers over the March 1, 2020 to February 28, 2021 is calculated as follows:

Forecast Post-2015 RORA Balance – February 29, 2020		\$6,977,418
2019 RORA	\$3,509,123	
Less: Write Off of Deferred Dorian Costs	<u>(3,002,882)</u>	<u>506,241</u>
RORA Balance Available for Refund		\$7,483,659
Forecast Sales March 1, 2020 – February 28, 2021 (kWh)		<u>1,354,147,389</u>
RORA Refund Rate per kWh (March 1, 2020 – February 28, 2021)		<u>\$0.00553</u>

In summary, the Company proposes that:

- deferred Dorian storm costs of \$3,002,882 be written off in 2020 with an equivalent offsetting amount written off from the 2019 RORA;
- the remaining 2019 RORA be added to the post-2015 RORA balance at February 29, 2020 and refunded to customers over the period March 1, 2020 to February 28, 2021 by applying a credit of \$0.00553/kWh to the per kWh rate for each rate class; and
- the disposition of any residual remaining balance in the RORA account to be refunded or recovered would be subject to Commission review.



## **SECTION 5 – ENERGY SALES FORECAST**

### **5.0 ENERGY SALES FORECAST**

The Company's methodology used in developing its energy sales forecast has not materially changed from that provided to the Commission in July 31, 2019 and discussed during the hearing held August 6-9, 2019. Pursuant to IRAC Order UE19-08, the following schedule provides the actual sales for 2019 and the updated sales forecast for 2020 and 2021.

<b>Energy Sales (GWh)</b>			
<b>Energy Sales (GWh)</b>	<b>2019 Actual</b>	<b>2020 Forecast</b>	<b>2021 Forecast</b>
Residential	641.0	676.7	707.4
General Service I	392.8	403.2	412.6
Large Industrial	154.0	159.5	161.0
Small Industrial	91.7	94.3	96.5
Street Lighting/Unmetered	7.4	7.3	7.0
<b>Total Energy Sales</b>	<b>1,286.9</b>	<b>1,341.0</b>	<b>1,384.5</b>
<b>Growth Rate (%)</b>			
Residential	4.6	5.6	4.5
General Service I	(0.2)	2.6	2.3
Large Industrial	4.5	3.6	0.9
Small Industrial	-	2.8	2.3
Street Lighting/Unmetered	(2.6)	(1.4)	(4.1)
<b>Overall Growth Rate</b>	<b>2.3</b>	<b>4.2</b>	<b>3.2</b>

## ***SECTION 6 – ENERGY SUPPLY EXPENSES***

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### **6.0 ENERGY SUPPLY EXPENSES**

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The energy supply cost forecast has been updated to reflect changes in the forecast energy supply requirements to meet the revised sales forecast volumes outlined in Section 5. Pursuant to IRAC Order UE19-08, updated energy supply cost details for the period 2019 to 2021, in a manner consistent with the prior General Rate Application, are presented in Appendix 5.

## ***SECTION 7 – TRANSMISSION AND DISTRIBUTION EXPENSES***

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### **7.0 TRANSMISSION AND DISTRIBUTION EXPENSES**

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The actual Transmission and Distribution expenses for 2019 and the forecast costs for 2020 and 2021 have been updated to reflect the most current information available. Pursuant to IRAC Order UE19-08, updated schedules for the period 2019 to 2021, in a manner consistent with the prior General Rate Application, are presented in Appendix 6.

## **SECTION 8 – GENERAL AND ADMINISTRATIVE EXPENSES**

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### **8.0 GENERAL AND ADMINISTRATIVE EXPENSES**

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The actual General and Administrative expenses for 2019 and the forecast costs for 2020 and 2021 have been updated to reflect the most current information available. Pursuant to IRAC Order UE19-08, updated schedules for the period 2019 to 2021, in a manner consistent with the prior General Rate Application, are presented in Appendix 7.

## **SECTION 9 – DEPRECIATION EXPENSES**

### **9.0 DEPRECIATION EXPENSES**

#### **Depreciation Expense**

Paragraphs 27 and 28 of IRAC Order UE19-08 direct the adoption of the recommendations of the Gannett Fleming 2017 Depreciation Study (“the Study”) effective January 1, 2020. The following schedule shows the existing and new depreciation rates, at the asset group level, to be implemented effective January 1, 2020 based upon the Gannett Fleming Depreciation Studies.

<b>Depreciation Rates (%)</b>		
	<b>Effective</b>	
	<b>2019</b>	<b>2020</b>
CTGS Production Plant	7.99	13.06
Borden Generating Station	4.81	5.83
Combustion Turbine #3	2.28	2.49
Transmission Plant	2.27	2.42
Distribution Plant	3.32	3.72
General Plant	5.96	6.00

The schedule below provides the actual depreciation expense recorded for 2019 and the forecast depreciation expense for 2020 and 2021 by applying the depreciation rates from Table 3 of the Gannett Fleming 2017 Depreciation Study.

<b>Annual Depreciation Expense (\$)</b>			
	<b>2019 Actual</b>	<b>2020 Forecast</b>	<b>2021 Forecast</b>
Depreciation Expense	\$23,337,238	\$28,572,100	\$26,202,300

#### **Unrecovered Charlottetown Thermal Generating Station (“CTGS”) Depreciation and Decommissioning Costs**

The annual depreciation rates to be adopted effective January 1, 2020 for the CTGS are derived from the Gannett Fleming 2017 Depreciation Study. In the Study, these rates are calculated and determined based upon an assumed implementation date of January 1, 2018. The rates are then calculated to fully recover the original cost and the estimated cost of removal, net of any salvage proceeds.

## **SECTION 9 – DEPRECIATION EXPENSES**

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However, annual depreciation rates for 2018 were set under Order UE16-04, at lower rates, and remained in effect for 2019 in accordance with Order UE19-08. As a result, there is a two year delay or gap in the recovery of the recommended amounts of depreciation as calculated by Gannett Fleming in the 2017 Depreciation Study.

In addition, the 2017 Depreciation Study assumes a full year of depreciation is recorded in the final year of retirement whereas the Company's accounting policies and practice is to record one half year depreciation in the year of addition and one half year depreciation in the year of retirement. This is based on the assumption that assets are generally acquired and disposed of throughout the year as opposed to at the beginning or end. As a result, the calculated depreciation rates in the 2017 Depreciation Study, pursuant to Order UE19-08, to be adopted January 1, 2020, may be lower than otherwise required to recover all original and estimated net removal costs for the CTGS.

Maritime Electric estimates that the two year gap in implementing the new depreciation rates and the difference between the 2017 Depreciation Study assumption and the Company's accounting policy for calculating depreciation in the final year of retirement will result in unrecovered depreciation and accumulated reserve variance amortization related to the CTGS in the amount of \$9,654,524 as calculated in Appendix 8. This amount is an estimate since the rates calculated by Gannett Fleming to be effective January 1, 2018 are based upon certain assumptions with respect to timelines for asset retirements and decommissioning as well as estimates of cost of removal and salvage proceeds.

The assumptions used by Gannett Fleming in its 2017 Depreciation Study may be impacted by the Commission's decision in Order UE19-08 to not approve the demolition of the Steam Plant building at this time. While retaining the building for a longer period of time than planned may allow the recovery of more depreciation and reserve variance amortization over an extended period, it may also increase the cost associated with safely decommissioning the remainder of the site facilities which could result in higher decommissioning costs.

Unlike all the other fixed asset categories, which are expected to remain in effect for many years, substantially all of the CTGS Steam Plant equipment and facilities are scheduled to be retired from service by December 31, 2021 with decommissioning and removal in 2022 and 2023. The definitive end of life for these assets requires that all of the original cost and the associated cost

## **SECTION 9 – DEPRECIATION EXPENSES**

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of removal be recovered from customers over the years 2020 and 2021 unless the Commission otherwise determines an alternative recovery period.

Order UE19-08 directs the adoption of the Gannett Fleming 2017 Depreciation Study depreciation rates effective January 1, 2020. However, the Order does not address the manner or timeframe for recovery of any shortfalls related to the two year gap, the possible changes in the cost of decommissioning or any differences between the assumptions in the 2017 Depreciation Study and actual results.

To address the determination and recovery period for the two year depreciation gap and other variances that may result as the decommissioning activities occur, Maritime Electric proposes the following:

- the Commission approve the establishment of a regulatory deferral account, as of January 1, 2020, for the projected unrecovered depreciation and reserve variance amortization associated with the two year gap in implementation of the Gannett Fleming 2017 Depreciation Study rates and the retirement year assumption differences;
- the Company obtain a technical update to the 2017 Depreciation Study by Gannett Fleming as at December 31, 2019 to provide an estimate of the amount to be recorded in the deferral account;
- the new depreciation study to be done based on financial results up to December 31, 2020, as directed in Order UE19-08, shall include any updates to the amounts in the deferral account for consideration of the Commission; and
- the target amortization period for the deferral account be 2022 and 2023.

## ***SECTION 10 – FINANCIAL FORECAST***

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### **10.0 FINANCIAL FORECAST**

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The actual financial results for 2019 and the forecast results for 2020 and 2021 have been updated to reflect the most current information available as presented in the evidence. Pursuant to IRAC Order UE19-08, updated schedules for the period 2019 to 2021, in a manner consistent with the prior General Rate Application, are presented in Appendix 9.



## SECTION 11 – IMPACT OF PROPOSALS ON CUSTOMERS

### 11.0 IMPACT OF PROPOSALS ON CUSTOMERS

Based upon the updated evidence contained in this filing, Appendix 1 shows the proposed changes in customer electricity rates effective March 1, 2020 and March 1, 2021 as compared to the current rates in effect until February 29, 2020.

The following schedules illustrate the components of the estimated annual cost (March 1 to February 28) for both a Rural Residential and Urban Residential customer consuming 650 kWh per month as well as a General Service customer with a monthly consumption and demand profile of 10,000 kWh and 50 KW.

SCHEDULE 11-1						
Annual Cost for Rural Residential Customer (650 kWh per Month/7,800 kWh per Year)						
	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Forecast	2021 Forecast
Service Charge	\$ 323.04	\$ 323.04	\$ 323.04	\$ 323.04	\$ 323.04	\$ 323.04
Basic Energy Charge	1,029.60	1,072.50	1,099.02	1,099.02	1,128.66	1,128.66
ECAM Charge	16.06	9.26	4.49	4.49	15.97	5.59
Provincial Costs Recoverable	41.81	41.81	41.81	41.81	33.06	32.05
Provincial Energy Efficiency Program	-	-	-	-	11.70	6.34
Cable Contingency Fund	2.11	2.11	2.11	2.11	-	-
RORA	(31.96)	(36.91)	(26.87)	(26.87)	(43.11)	-
<b>Sub-total</b>	1,380.66	1,411.81	1,443.60	1,443.60	1,469.32	1,495.68
HST*	199.05	211.78	216.54	216.54	220.40	224.35
Provincial Clean Energy Rebate**	-	-	(74.70)	(112.06)	(114.63)	(117.26)
<b>Total Annual Cost</b>	<b>\$ 1,579.71</b>	<b>\$ 1,623.59</b>	<b>\$ 1,585.44</b>	<b>\$ 1,548.08</b>	<b>\$ 1,575.09</b>	<b>\$ 1,602.77</b>
<b>Percentage Annual Increase (%)</b>						
<b>Before Tax</b>	<b>2.3%</b>	<b>2.3%</b>	<b>2.3%</b>	<b>0.0%</b>	<b>1.8%</b>	<b>1.8%</b>
<b>After Tax</b>	<b>2.7%</b>	<b>2.8%</b>	<b>-2.3%</b>	<b>-2.4%</b>	<b>1.7%</b>	<b>1.8%</b>

\* HST Rate increased from 14% to 15% effective October 1, 2016

\*\* Effective July 16, 2018 on first 2,000 kWh of consumption

## SECTION 11 – IMPACT OF PROPOSALS ON CUSTOMERS

SCHEDULE 11-2						
Annual Cost for Urban Residential Customer (650 kWh per Month/7,800 kWh per Year)						
	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Forecast	2021 Forecast
Service Charge	\$ 294.84	\$ 294.84	\$ 294.84	\$ 294.84	\$ 294.84	\$ 294.84
Basic Energy Charge	1,029.60	1,072.50	1,099.02	1,099.02	1,128.66	1,128.66
ECAM Charge	16.06	9.26	4.49	4.49	15.97	5.59
Provincial Costs Recoverable	41.81	41.81	41.81	41.81	33.06	32.05
Provincial Energy Efficiency Program	-	-	-	-	11.70	6.34
Cable Contingency Fund	2.11	2.11	2.11	2.11	-	-
RORA	(31.96)	(36.91)	(26.87)	(26.87)	(43.11)	-
<b>Sub-total</b>	1,352.46	1,383.62	1,415.40	1,415.40	1,441.12	1,467.48
HST*	194.98	207.54	212.31	212.31	216.17	220.12
Provincial Clean Energy Rebate**	-	-	(74.70)	(112.06)	(114.63)	(117.26)
<b>Total Annual Cost</b>	<b>\$ 1,547.44</b>	<b>\$ 1,591.16</b>	<b>\$ 1,553.01</b>	<b>\$ 1,515.65</b>	<b>\$ 1,542.66</b>	<b>\$ 1,570.34</b>
<b>Percentage Annual Increase (%)</b>						
<b>Before Tax</b>	<b>2.4%</b>	<b>2.3%</b>	<b>2.3%</b>	<b>0.0%</b>	<b>1.8%</b>	<b>1.8%</b>
<b>After Tax</b>	<b>2.7%</b>	<b>2.8%</b>	<b>-2.4%</b>	<b>-2.4%</b>	<b>1.8%</b>	<b>1.8%</b>

\* HST Rate increased from 14% to 15% effective October 1, 2016

\*\* Effective July 16, 2018 on first 2,000 kWh of consumption

SCHEDULE 11-3						
Annual Cost for General Service Customer						
(10,000kWh/50KW per Month/120,000 kWh/600KW per Year)						
	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Forecast	2021 Forecast
Service Charge	\$ 294.84	\$ 294.84	\$ 294.84	\$ 294.84	\$ 294.84	\$ 294.84
Demand Charge	4,834.80	4,834.80	4,834.80	4,834.80	4,834.80	4,834.80
Basic Energy Charge	16,092.00	16,764.00	17,190.00	17,190.00	17,652.00	17,664.00
ECAM Charge	247.01	142.53	69.00	69.00	245.71	86.02
Provincial Costs Recoverable	643.20	643.20	643.20	643.20	508.65	493.10
Provincial Energy Efficiency Program	-	-	-	-	180.00	97.48
Cable Contingency Fund	32.40	32.40	32.40	32.40	-	-
RORA	(491.68)	(567.81)	(413.42)	(413.42)	(663.29)	-
<b>Sub-total</b>	21,652.57	22,143.96	22,650.82	22,650.82	23,052.71	23,470.24
HST*	3,121.58	3,321.60	3,397.63	3,397.63	3,457.91	3,520.54
<b>Total Annual Cost</b>	<b>\$ 24,774.15</b>	<b>\$ 25,465.56</b>	<b>\$ 26,048.45</b>	<b>\$ 26,048.45</b>	<b>\$ 26,510.62</b>	<b>\$ 26,990.78</b>
<b>Percentage Annual Increase (%)</b>						
<b>Before Tax</b>	<b>2.3%</b>	<b>2.3%</b>	<b>2.3%</b>	<b>0.0%</b>	<b>1.8%</b>	<b>1.8%</b>
<b>After Tax</b>	<b>2.7%</b>	<b>2.8%</b>	<b>2.3%</b>	<b>0.0%</b>	<b>1.8%</b>	<b>1.8%</b>

## **SECTION 11 – IMPACT OF PROPOSALS ON CUSTOMERS**

The following tables show the composition of the various components of the total energy charge per kWh for the Residential and Commercial rate classes as proposed in Appendix 1 and used in the calculation of the annual costs above.

Schedule 11-4							
Composition of Total Energy Charge per kWh by Rate Class							
Rate Class	2016	2017	2018	2019	2020	2021	Cumulative Change over 2018 Rates
Energy Charge per kWh - Revenue Requirement (A)							
Residential - First Block	\$ 0.1320	\$ 0.1375	\$ 0.1409	\$ 0.1409	\$ 0.1447	\$ 0.1447	2.7%
Residential - Second Block	\$ 0.1043	\$ 0.1087	\$ 0.1114	\$ 0.1114	\$ 0.1144	\$ 0.1144	2.7%
General Service - First Block	\$ 0.1628	\$ 0.1696	\$ 0.1739	\$ 0.1739	\$ 0.1786	\$ 0.1787	2.8%
General Service - Second Block	\$ 0.1054	\$ 0.1098	\$ 0.1126	\$ 0.1126	\$ 0.1156	\$ 0.1157	2.8%
Small Industrial - First Block	\$ 0.1594	\$ 0.1661	\$ 0.1703	\$ 0.1703	\$ 0.1749	\$ 0.1750	2.8%
Small Industrial - Second Block	\$ 0.7900	\$ 0.0823	\$ 0.0844	\$ 0.0844	\$ 0.0867	\$ 0.0867	2.7%
Large Industrial	\$ 0.0639	\$ 0.0673	\$ 0.0686	\$ 0.0686	\$ 0.0707	\$ 0.0689	0.4%

Energy Charges per kWh - Other Amounts (B)							
ECAM Charge per kWh	\$ 0.0021	\$ 0.0012	\$ 0.0006	\$ 0.0006	\$ 0.0020	\$ 0.0007	24.7%
Provincial Costs Recoverable per kWh	\$ 0.0054	\$ 0.0054	\$ 0.0054	\$ 0.0054	\$ 0.0042	\$ 0.0041	-23.3%
Provincial Energy Efficiency Program per kWh	\$ -	\$ -	\$ -	\$ -	\$ 0.0015	\$ 0.0008	100.0%
Cable Contingency Fund per kWh	\$ 0.0003	\$ 0.0003	\$ 0.0003	\$ 0.0003	\$ -	\$ -	-100.0%
RORA per kWh	\$ (0.0041)	\$ (0.0047)	\$ (0.0034)	\$ (0.0034)	\$ (0.0055)	\$ -	-100.0%
<b>Total Energy Charge per kWh Other Amounts</b>	<b>\$ 0.0036</b>	<b>\$ 0.0021</b>	<b>\$ 0.0028</b>	<b>\$ 0.0028</b>	<b>\$ 0.0023</b>	<b>\$ 0.0056</b>	<b>100.0%</b>

Total Energy Charge per kWh per Appendix 1 (A+B)							
Residential - First Block	\$ 0.1356	\$ 0.1396	\$ 0.1437	\$ 0.1437	\$ 0.1470	\$ 0.1503	4.6%
Residential - Second Block	\$ 0.1079	\$ 0.1108	\$ 0.1142	\$ 0.1142	\$ 0.1167	\$ 0.1200	5.1%
General Service - First Block	\$ 0.1664	\$ 0.1717	\$ 0.1767	\$ 0.1767	\$ 0.1809	\$ 0.1843	4.3%
General Service - Second Block	\$ 0.1090	\$ 0.1119	\$ 0.1154	\$ 0.1154	\$ 0.1179	\$ 0.1213	5.1%
Small Industrial - First Block	\$ 0.1630	\$ 0.1682	\$ 0.1731	\$ 0.1731	\$ 0.1772	\$ 0.1806	4.3%
Small Industrial - Second Block	\$ 0.7936	\$ 0.0844	\$ 0.0872	\$ 0.0872	\$ 0.0890	\$ 0.0923	5.8%
Large Industrial	\$ 0.0675	\$ 0.0694	\$ 0.0714	\$ 0.0714	\$ 0.0730	\$ 0.0745	4.3%

**12.0 PROPOSED ORDER**

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**C A N A D A**

**PROVINCE OF PRINCE EDWARD ISLAND**

**BEFORE THE ISLAND REGULATORY  
AND APPEALS COMMISSION**

**IN THE MATTER** of Section 10, 13(1) and 20 of the *Electric Power Act* (R.S.P.E.I. 1988, Cap. E-4) and **IN THE MATTER** of the Application of Maritime Electric Company, Limited for an order of the Commission approving rates, tolls and charges for electric service for the years March 1, 2019 to February 29, 2020 and March 1, 2020 to February 28, 2021 and March 1, 2021 to February 28, 2022 and for certain approvals incidental to such an order.

**WHEREAS** on or about September 27, 2019 the Island Regulatory and Appeals Commission (the “Commission”) issued UE 19-08;

**AND WHEREAS** pursuant to UE 19-08 the Commission ordered that the rates, tolls and charges for electric service effective March 1, 2020 and March 1, 2021 be determined upon Maritime Electric Company, Limited (the “Company”) filing updated financial information as at December 31, 2019;

**AND WHEREAS** the Commission also ordered that the updated financial information be filed with the Commission on or before January 31, 2020, with the form and content of the financial information to be determined by the Commission;

**AND WHEREAS** the Commission retained Grant Thornton LLP (“Grant Thornton”) to assist the Commission in determining the form and content of the updated financial information and communicating with the Company;

## **SECTION 12 – PROPOSED ORDER**

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**AND WHEREAS** the Company filed the updated financial information with the Commission on or about January 31, 2020;

**AND WHEREAS** interrogatories were subsequently posed to the Company by Commission staff and Grant Thornton;

**AND WHEREAS** the Company filed responses to all interrogatories;

**AND WHEREAS** the interrogatory process was completed on or about \_\_\_\_\_, 2020;

**AND WHEREAS** the Commission has reviewed and considered the updated financial information, the interrogatories posed and the responses received;

**NOW THEREFORE** pursuant to the *Electric Power Act*, the Commission orders as follows:

**IT IS ORDERED THAT:**

1. The Schedule of Rates in the Rates and General Rules and Regulations shall be adjusted to reflect the proposals contained in the Application effective March 1, 2020 and March 1, 2021 as proposed in Appendix 1.
2. The General Rules and Regulations shall be adjusted to reflect the proposals contained in the Application effective March 1, 2020.
3. Customers shall be billed for the recovery of costs under the Province of PEI's Electricity Efficiency and Conservation Plan on a per kWh basis at the following rates:

<b><u>Effective</u></b>	<b><u>Rate per kWh</u></b>
March 1, 2020	\$0.0015
March 1, 2021	\$0.0008

4. The base rate per kWh used in the Energy Cost Adjustment Mechanism ("ECAM") formula shall be set as follows:

**SECTION 12 – PROPOSED ORDER**

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<b><u>Effective</u></b>	<b><u>Rate per kWh</u></b>
March 1, 2020	\$0.09245
March 1, 2021	\$0.09322

5. Weather Normalization Adjustment variables for 2020 shall be adjusted to reflect the proposals contained in the Application effective January 1, 2020.
6. The proposal contained in the Application to refund the balance owing to customers in the Weather Normalization Adjustment deferral account as at December 31, 2019 is approved.
7. The deferred Dorian Storm operating costs shall be fully expensed in 2020 with an equivalent offsetting amount written off from the 2019 Rate of Return Adjustment Account (“RORA”).
8. The remaining 2019 RORA shall be added to the post-2015 RORA balance at February 29, 2020 and refunded to customers at a rate of \$0.00553/kWh commencing March 1, 2020.
9. The Company shall prepare and file a proposal with respect to the refund or recovery of any remaining RORA balance for inclusion in its next general rate application.
10. The CTGS Depreciation Variance deferral account, as calculated in Appendix 8, is approved as at January 1, 2020 in the amount of \$9,654,524.
11. The Company shall file a technical update to the 2017 Depreciation Study as at December 31, 2019 to provide an estimate of the amount to be recorded in the CTGS Depreciation Variance deferral account.
12. The CTGS Depreciation Variance deferral shall be amortized as part of the Company’s annual revenue requirement from January 1, 2022 to December 31, 2023 subject to any revisions that may be approved by the Commission as a result of future depreciation studies, changes to the CTGS decommissioning costs or other reasons approved by the Commission.

**SECTION 12 – PROPOSED ORDER**

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DATED at Charlottetown this \_\_\_\_ day of \_\_\_\_\_, 2020

BY THE COMMISSION

\_\_\_\_\_  
\_\_\_\_\_, Chair

\_\_\_\_\_  
\_\_\_\_\_, Commissioner

\_\_\_\_\_  
\_\_\_\_\_, Commissioner

\_\_\_\_\_  
\_\_\_\_\_, Commissioner

## **SECTION 13 – OPTIONS FOR CONSIDERATION**

### **13.0 OPTIONS FOR CONSIDERATION**

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As directed in Commission Order UE19-11, the following section presents alternatives for the recovery of Dorian operating costs, the use and application of 2019 excess net revenues, and the use and application of the balances of RORA, ECAM and Weather Normalization deferral accounts from the proposals set out in our Application. The options presented include an assessment of the impact on rates, tolls and charges for electric service.

#### **13.1 Dorian Deferral Account and Offsetting 2019 RORA Amortization Over Two Years**

The proposals set out in this Application include amortizing the deferral account for the Dorian Restoration costs approved in Order UE19-11 in one year with the an offsetting amortization of the 2019 RORA.

Schedule 13-1 below, shows that there is no change to the annual cost for a cross section of customers in the Residential and General Service rate classes when the Dorian deferral and offsetting RORA is performed over two years rather than one as proposed in the Application.

SCHEDULE 13-1						
Impact on Annual Cost						
	Two Year Amortization of Dorian and Offsetting 2019 RORA			Proposed Rates		
	2019	2020	2021	2019	2020	2021
<b>Rural Residential Customer (650 kWh per Month/7,800 kWh per Year)</b>						
Total Cost	\$ 1,548.08	\$ 1,575.09	\$ 1,602.77	\$ 1,548.08	\$ 1,575.09	\$ 1,602.77
	-2.4%	1.7%	1.8%	-2.4%	1.7%	1.8%
<b>Urban Residential Customer (650 kWh per Month/7,800 kWh per Year)</b>						
Total Cost	\$ 1,515.65	\$ 1,542.66	\$ 1,570.34	\$ 1,515.65	\$ 1,542.66	\$ 1,570.34
	-2.4%	1.8%	1.8%	-2.4%	1.8%	1.8%
<b>Annual Cost for General Service Customer (10,000 kWh/50 KW per Month/120,000 kWh/600 KW per Year)</b>						
Total Cost	\$ 26,048.45	\$ 26,510.62	\$ 26,990.78	\$ 26,048.45	\$ 26,510.62	\$ 26,990.78
	0.0%	1.8%	1.8%	0.0%	1.8%	1.8%



## **SECTION 13 – OPTIONS FOR CONSIDERATION**

The following Schedule 13-2 shows the composition of the various components of the total energy charge per kWh for the residential and commercial rate classes if the amortization of the Dorian deferral and offsetting RORA is performed over two years. These are the rates used to calculate the annual costs in Schedule 13-1 above.

<b>Schedule 13-2</b>							
<b>Composition of Total Energy Charge per kWh by Rate Class – Two Year Amortization of Dorian and 2019 RORA Accounts</b>							
<b>Energy Charge per kWh – Revenue Requirement (A)</b>							
<b>Rate Class</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>Cumulative Change over 2018 Rates</b>
Residential - First Block	\$ 0.1320	\$ 0.1375	\$ 0.1409	\$ 0.1409	\$ 0.1447	\$ 0.1447	2.7%
Residential - Second Block	\$ 0.1043	\$ 0.1087	\$ 0.1114	\$ 0.1114	\$ 0.1144	\$ 0.1144	2.7%
General Service - First Block	\$ 0.1628	\$ 0.1696	\$ 0.1739	\$ 0.1739	\$ 0.1786	\$ 0.1787	2.8%
General Service - Second Block	\$ 0.1054	\$ 0.1098	\$ 0.1126	\$ 0.1126	\$ 0.1156	\$ 0.1157	2.8%
Small Industrial - First Block	\$ 0.1594	\$ 0.1661	\$ 0.1703	\$ 0.1703	\$ 0.1749	\$ 0.1750	2.8%
Small Industrial - Second Block	\$ 0.7900	\$ 0.0823	\$ 0.0844	\$ 0.0844	\$ 0.0867	\$ 0.0867	2.7%
Large Industrial	\$ 0.0639	\$ 0.0673	\$ 0.0686	\$ 0.0686	\$ 0.0707	\$ 0.0689	0.4%

<b>Energy Charges per kWh - Other Amounts (B)</b>							
<b>Rate Class</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>Cumulative Change over 2018 Rates</b>
ECAM Charge per kWh	\$ 0.0021	\$ 0.0012	\$ 0.0006	\$ 0.0006	\$ 0.0020	\$ 0.0007	24.7%
Provincial Costs Recoverable per kWh	\$ 0.0054	\$ 0.0054	\$ 0.0054	\$ 0.0054	\$ 0.0042	\$ 0.0041	-23.3%
Provincial Energy Efficiency Program per kWh	\$ -	\$ -	\$ -	\$ -	\$ 0.0015	\$ 0.0008	100.0%
Cable Contingency Fund per kWh	\$ 0.0003	\$ 0.0003	\$ 0.0003	\$ 0.0003	\$ -	\$ -	-100.0%
RORA per kWh	\$ (0.0041)	\$ (0.0047)	\$ (0.0034)	\$ (0.0034)	\$ (0.0055)	\$ -	-100.0%
<b>Total Energy Charge per kWh Other Amounts</b>	<b>\$ 0.0036</b>	<b>\$ 0.0021</b>	<b>\$ 0.0028</b>	<b>\$ 0.0028</b>	<b>\$ 0.0023</b>	<b>\$ 0.0056</b>	<b>100.0%</b>

<b>Total Energy Charge per kWh (A+B) – Two Year Amortization of Dorian and 2019 RORA Accounts</b>							
<b>Rate Class</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>Cumulative Change over 2018 Rates</b>
Residential - First Block	\$ 0.1356	\$ 0.1396	\$ 0.1437	\$ 0.1437	\$ 0.1470	\$ 0.1503	4.6%
Residential - Second Block	\$ 0.1079	\$ 0.1108	\$ 0.1142	\$ 0.1142	\$ 0.1167	\$ 0.1200	5.1%
General Service - First Block	\$ 0.1664	\$ 0.1717	\$ 0.1767	\$ 0.1767	\$ 0.1809	\$ 0.1843	4.3%
General Service - Second Block	\$ 0.1090	\$ 0.1119	\$ 0.1154	\$ 0.1154	\$ 0.1179	\$ 0.1213	5.1%
Small Industrial - First Block	\$ 0.1630	\$ 0.1682	\$ 0.1731	\$ 0.1731	\$ 0.1772	\$ 0.1806	4.3%
Small Industrial - Second Block	\$ 0.7936	\$ 0.0844	\$ 0.0872	\$ 0.0872	\$ 0.0890	\$ 0.0923	5.8%
Large Industrial	\$ 0.0675	\$ 0.0694	\$ 0.0714	\$ 0.0714	\$ 0.0730	\$ 0.0745	4.3%

## **SECTION 13 – OPTIONS FOR CONSIDERATION**

### **13.2 Balance of the 2019 RORA is Applied to the ECAM Balance at December 31, 2019**

In the Application, it is proposed that the residual balance of the 2019 RORA (\$506,241) would be refunded to customers along with the post-2015 RORA balance as set out in Section 4.3 of the Application.

Schedule 13-3 below, shows that there is no change to the annual cost for a cross section of customers in the Residential and General Service rate classes if the balance of the 2019 RORA account of \$506,241 is applied to the balance of the ECAM account on December 31, 2019.

SCHEDULE 13-3						
Impact on Annual Cost						
	Balance of 2019 RORA (\$506,241) Applied to ECAM Balance			Proposed Rates		
	2019	2020	2021	2019	2020	2021
<b>Rural Residential Customer (650 kWh per Month/7,800 kWh per Year)</b>						
Total Cost	\$ 1,548.08 -2.4%	\$ 1,575.09 1.7%	\$ 1,602.77 1.8%	\$ 1,548.08 -2.4%	\$ 1,575.09 1.7%	\$ 1,602.77 1.8%
<b>Urban Residential Customer (650 kWh per Month/7,800 kWh per Year)</b>						
Total Cost	\$ 1,515.65 -2.4%	\$ 1,542.66 1.8%	\$ 1,570.34 1.8%	\$ 1,515.65 -2.4%	\$ 1,542.66 1.8%	\$ 1,570.34 1.8%
<b>Annual Cost for General Service Customer (10,000 kWh/50 KW per Month/120,000 kWh/600 KW per Year)</b>						
Total Cost	\$ 26,048.45 0.0%	\$ 26,510.62 1.8%	\$ 26,990.78 1.8%	\$ 26,048.45 0.0%	\$ 26,510.62 1.8%	\$ 26,990.78 1.8%

The following Schedule 13-4 shows the comparison of the various components of the total energy charge for the Residential and Commercial rate classes if the balance of the 2019 RORA remaining after offsetting the Dorian Deferral account is applied to the balance of the ECAM account at December 31, 2019. These are the rates used to calculate the annual costs in Schedule 13-1 above.

# **SECTION 13 – OPTIONS FOR CONSIDERATION**

Schedule 13-4							
Composition of Total Energy Charge per kWh by Rate Class Balance of 2019 RORA (\$506,241) Applied to ECAM Balance							
Energy Charge per kWh – Revenue Requirement (A)							
Rate Class	2016	2017	2018	2019	2020	2021	Cumulative Change over 2018 Rates
Residential - First Block	\$ 0.1320	\$ 0.1375	\$ 0.1409	\$ 0.1409	\$ 0.1447	\$ 0.1447	2.7%
Residential - Second Block	\$ 0.1043	\$ 0.1087	\$ 0.1114	\$ 0.1114	\$ 0.1144	\$ 0.1144	2.7%
General Service - First Block	\$ 0.1628	\$ 0.1696	\$ 0.1739	\$ 0.1739	\$ 0.1786	\$ 0.1787	2.8%
General Service - Second Block	\$ 0.1054	\$ 0.1098	\$ 0.1126	\$ 0.1126	\$ 0.1156	\$ 0.1157	2.8%
Small Industrial - First Block	\$ 0.1594	\$ 0.1661	\$ 0.1703	\$ 0.1703	\$ 0.1749	\$ 0.1750	2.8%
Small Industrial - Second Block	\$ 0.7900	\$ 0.0823	\$ 0.0844	\$ 0.0844	\$ 0.0867	\$ 0.0867	2.7%
Large Industrial	\$ 0.0639	\$ 0.0673	\$ 0.0686	\$ 0.0686	\$ 0.0707	\$ 0.0689	0.6%

Energy Charges per kWh - Other Amounts (B)							
Rate Class	2016	2017	2018	2019	2020	2021	Cumulative Change over 2018 Rates
ECAM Charge per kWh	\$ 0.0021	\$ 0.0012	\$ 0.0006	\$ 0.0006	\$ 0.0017	\$ 0.0007	12.1%
Provincial Costs Recoverable per kWh	\$ 0.0054	\$ 0.0054	\$ 0.0054	\$ 0.0054	\$ 0.0042	\$ 0.0041	-23.3%
Provincial Energy Efficiency Program per kWh	\$ -	\$ -	\$ -	\$ -	\$ 0.0015	\$ 0.0008	100.0%
Cable Contingency Fund per kWh	\$ 0.0003	\$ 0.0003	\$ 0.0003	\$ 0.0003	\$ -	\$ -	-100.0%
RORA per kWh	\$ (0.0041)	\$ (0.0047)	\$ (0.0034)	\$ (0.0034)	\$ (0.0052)	\$ -	-100.0%
<b>Total Energy Charge per kWh Excluding Basic Revenue</b>	<b>\$ 0.0036</b>	<b>\$ 0.0021</b>	<b>\$ 0.0028</b>	<b>\$ 0.0028</b>	<b>\$ 0.0023</b>	<b>\$ 0.0056</b>	<b>100.0%</b>

Total Energy Charge per kWh (A+B) – Balance of 2019 RORA (\$506,241) Applied to ECAM Balance							
Rate Class	2016	2017	2018	2019	2020	2021	Cumulative Change over 2018 Rates
Residential - First Block	\$ 0.1356	\$ 0.1396	\$ 0.1437	\$ 0.1437	\$ 0.1470	\$ 0.1503	4.6%
Residential - Second Block	\$ 0.1079	\$ 0.1108	\$ 0.1142	\$ 0.1142	\$ 0.1167	\$ 0.1200	5.1%
General Service - First Block	\$ 0.1664	\$ 0.1717	\$ 0.1767	\$ 0.1767	\$ 0.1809	\$ 0.1843	4.3%
General Service - Second Block	\$ 0.1090	\$ 0.1119	\$ 0.1154	\$ 0.1154	\$ 0.1179	\$ 0.1213	5.1%
Small Industrial - First Block	\$ 0.1630	\$ 0.1682	\$ 0.1731	\$ 0.1731	\$ 0.1772	\$ 0.1806	4.3%
Small Industrial - Second Block	\$ 0.7936	\$ 0.0844	\$ 0.0872	\$ 0.0872	\$ 0.0890	\$ 0.0923	5.8%
Large Industrial	\$ 0.0675	\$ 0.0694	\$ 0.0714	\$ 0.0714	\$ 0.0730	\$ 0.0745	4.5%

## **SECTION 13 – OPTIONS FOR CONSIDERATION**

### **13.3 Weather Normalization Adjustment Deferral Account Balance is Not Refunded to Customers**

In the Application, the Company is proposing that the 2019 balance of the Weather Normalization Adjustment deferral account of \$1,057,328 be returned to customers in 2020.

Schedule 13-5 below, shows the estimated change to the annual total cost for a cross section of customers in the Residential and General Service rate classes if the 2019 balance of the Weather Normalization Adjustment deferral account of \$1,057,328 is not refunded to customers but instead remains as a deferred amount owing to customers.

<b>SCHEDULE 13-5</b>						
<b>Impact on Annual Cost</b>						
	<b>Balance of Weather Normalization Adjustment Deferral Account Not Refunded</b>			<b>Proposed Rates</b>		
	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
<b>Rural Residential Customer (650 kWh per Month/7,800 kWh per Year)</b>						
Total Cost	\$ 1,548.08	\$ 1,576.73	\$ 1,605.98	\$ 1,548.08	\$ 1,575.09	\$ 1,602.77
	-2.4%	1.9%	1.9%	-2.4%	1.7%	1.8%
<b>Urban Residential Customer (650 kWh per Month/7,800 kWh per Year)</b>						
Total Cost	\$ 1,515.65	\$ 1,544.30	\$ 1,573.55	\$ 1,515.65	\$ 1,542.66	\$ 1,570.34
	-2.4%	1.9%	1.9%	-2.4%	1.8%	1.8%
<b>Annual Cost for General Service Customer (10,000 kWh/50 KW per Month/120,000 kWh/600 KW per Year)</b>						
Total Cost	\$ 26,048.45	\$ 26,545.12	\$ 27,044.93	\$ 26,048.45	\$ 26,510.62	\$ 26,990.78
	0.0%	1.9%	1.9%	0.0%	1.8%	1.8%

The following Schedule 13-6 shows the composition of the various components of the total energy charge per kWh for the residential and commercial rate classes if the 2019 balance of \$1,057,328 in the Weather Normalization Adjustment deferral account is not refunded to customers in 2020 but instead remains as a deferred amount owing to customers. These are the rates used to calculate the annual costs in Schedule 13-5 above.

# **SECTION 13 – OPTIONS FOR CONSIDERATION**

Schedule 13-6							
Composition of Total Energy Charge per kWh by Rate Class - Balance of Weather Normalization Deferral Account Not Refunded							
Energy Charge per kWh – Revenue Requirement (A)							
Rate Class	2016	2017	2018	2019	2020	2021	Cumulative Change over 2018 Rates
Residential - First Block	\$ 0.1320	\$ 0.1375	\$ 0.1409	\$ 0.1409	\$ 0.1449	\$ 0.1445	2.6%
Residential - Second Block	\$ 0.1043	\$ 0.1087	\$ 0.1114	\$ 0.1114	\$ 0.1146	\$ 0.1143	2.6%
General Service - First Block	\$ 0.1628	\$ 0.1696	\$ 0.1739	\$ 0.1739	\$ 0.1789	\$ 0.1785	2.6%
General Service - Second Block	\$ 0.1054	\$ 0.1098	\$ 0.1126	\$ 0.1126	\$ 0.1158	\$ 0.1155	2.6%
Small Industrial - First Block	\$ 0.1594	\$ 0.1661	\$ 0.1703	\$ 0.1703	\$ 0.1752	\$ 0.1748	2.6%
Small Industrial - Second Block	\$ 0.7900	\$ 0.0823	\$ 0.0844	\$ 0.0844	\$ 0.0868	\$ 0.0866	2.6%
Large Industrial	\$ 0.0639	\$ 0.0673	\$ 0.0686	\$ 0.0686	\$ 0.0708	\$ 0.0685	-0.1%

Energy Charges per kWh - Other Amounts (B)							
Rate Class	2016	2017	2018	2019	2020	2021	Cumulative Change over 2018 Rates
ECAM Charge per kWh	\$ 0.0021	\$ 0.0012	\$ 0.0006	\$ 0.0006	\$ 0.0020	\$ 0.0013	127.7%
Provincial Costs Recoverable per kWh	\$ 0.0054	\$ 0.0054	\$ 0.0054	\$ 0.0054	\$ 0.0042	\$ 0.0041	-23.3%
Provincial Energy Efficiency Program per kWh	\$ -	\$ -	\$ -	\$ -	\$ 0.0015	\$ 0.0008	100.0%
Cable Contingency Fund per kWh	\$ 0.0003	\$ 0.0003	\$ 0.0003	\$ 0.0003	\$ -	\$ -	-100.0%
RORA per kWh	\$ (0.0041)	\$ (0.0047)	\$ (0.0034)	\$ (0.0034)	\$ (0.0055)	\$ -	-100.0%
<b>Total Energy Charge per kWh Excluding Basic Revenue</b>	<b>\$ 0.0036</b>	<b>\$ 0.0021</b>	<b>\$ 0.0028</b>	<b>\$ 0.0028</b>	<b>\$ 0.0023</b>	<b>\$ 0.0062</b>	<b>121.4%</b>

Total Energy Charge per kWh (A+B) - Balance of Weather Normalization Adjustment Deferral Account							
Rate Class	2016	2017	2018	2019	2020	2021	Cumulative Change over 2018 Rates
Residential - First Block	\$ 0.1356	\$ 0.1396	\$ 0.1437	\$ 0.1437	\$ 0.1472	\$ 0.1507	4.9%
Residential - Second Block	\$ 0.1079	\$ 0.1108	\$ 0.1142	\$ 0.1142	\$ 0.1169	\$ 0.1205	5.5%
General Service - First Block	\$ 0.1664	\$ 0.1717	\$ 0.1767	\$ 0.1767	\$ 0.1812	\$ 0.1847	4.5%
General Service - Second Block	\$ 0.1090	\$ 0.1119	\$ 0.1154	\$ 0.1154	\$ 0.1181	\$ 0.1217	5.5%
Small Industrial - First Block	\$ 0.1630	\$ 0.1682	\$ 0.1731	\$ 0.1731	\$ 0.1775	\$ 0.1810	4.6%
Small Industrial - Second Block	\$ 0.7936	\$ 0.0844	\$ 0.0872	\$ 0.0872	\$ 0.0891	\$ 0.0928	6.4%
Large Industrial	\$ 0.0675	\$ 0.0694	\$ 0.0714	\$ 0.0714	\$ 0.0731	\$ 0.0747	4.6%

## **SECTION 13 – OPTIONS FOR CONSIDERATION**

### **13.4 Weather Normalization Adjustment Deferral Account Balance is Applied to the ECAM Balance**

In the Application, the Company is proposing that the 2019 balance of the Weather Normalization Adjustment deferral account of \$1,057,328 be returned to customers in 2020.

Schedule 13-7 below, shows the estimated changes to the annual total cost for a cross section of customers in the Residential and General Service rate classes if the 2019 balance of the Weather Normalization Adjustment deferral account of \$1,057,328 is not refunded to customers as proposed but instead is applied to the ECAM balance at December 31, 2019.

SCHEDULE 13-7						
Impact on Annual Cost						
	Balance of Weather Normalization Adjustment Deferral Account Applied to ECAM Balance			Proposed Rates		
	2019	2020	2021	2019	2020	2021
<b>Rural Residential Customer (650 kWh per Month/7,800 kWh per Year)</b>						
Total Cost	\$ 1,548.08 -2.4%	\$ 1,575.25 1.8%	\$ 1,600.94 1.6%	\$ 1,548.08 -2.4%	\$ 1,575.09 1.7%	\$ 1,602.77 1.8%
<b>Urban Residential Customer (650 kWh per Month/7,800 kWh per Year)</b>						
Total Cost	\$ 1,515.65 -2.4%	\$ 1,542.82 1.8%	\$ 1,568.51 1.7%	\$ 1,515.65 -2.4%	\$ 1,542.66 1.8%	\$ 1,570.34 1.8%
<b>Annual Cost for General Service Customer (10,000 kWh/50 KW per Month/120,000 kWh/600 KW per Year)</b>						
Total Cost	\$ 26,048.45 0.0%	\$ 26,506.49 1.8%	\$ 26,966.84 1.7%	\$ 26,048.45 0.0%	\$ 26,510.62 1.8%	\$ 26,990.78 1.8%

The following Schedule 13-8 shows the composition of the various components of the total energy charge per kWh for the residential and commercial rate classes if the 2019 balance of \$1,057,328 in the Weather Normalization Adjustment deferral account is applied to the ECAM balance at December 31, 2019 rather than in the manner proposed in the Application. These are the rates used to calculate the annual costs in Schedule 13-7 above.

# **SECTION 13 – OPTIONS FOR CONSIDERATION**

Schedule 13-8							
Composition of Total Energy Charge per kWh by Rate Class – Balance of Weather Normalization Adjustment Deferral Account Applied to ECAM Balance							
Energy Charge per kWh – Revenue Requirement (A)							
Rate Class	2016	2017	2018	2019	2020	2021	Cumulative Change over 2018 Rates
Residential - First Block	\$ 0.1320	\$ 0.1375	\$ 0.1409	\$ 0.1409	\$ 0.1455	\$ 0.1445	2.6%
Residential - Second Block	\$ 0.1043	\$ 0.1087	\$ 0.1114	\$ 0.1114	\$ 0.1150	\$ 0.1142	2.5%
General Service - First Block	\$ 0.1628	\$ 0.1696	\$ 0.1739	\$ 0.1739	\$ 0.1795	\$ 0.1785	2.6%
General Service - Second Block	\$ 0.1054	\$ 0.1098	\$ 0.1126	\$ 0.1126	\$ 0.1162	\$ 0.1156	2.7%
Small Industrial - First Block	\$ 0.1594	\$ 0.1661	\$ 0.1703	\$ 0.1703	\$ 0.1757	\$ 0.1747	2.6%
Small Industrial - Second Block	\$ 0.7900	\$ 0.0823	\$ 0.0844	\$ 0.0844	\$ 0.0871	\$ 0.0866	2.6%
Large Industrial	\$ 0.0639	\$ 0.0673	\$ 0.0686	\$ 0.0686	\$ 0.0715	\$ 0.0689	0.4%

Energy Charges per kWh - Other Amounts (B)							
Rate Class	2016	2017	2018	2019	2020	2021	Cumulative Change over 2018 Rates
ECAM Charge per kWh	\$ 0.0021	\$ 0.0012	\$ 0.0006	\$ 0.0006	\$ 0.0013	\$ 0.0007	20.6%
Provincial Costs Recoverable per kWh	\$ 0.0054	\$ 0.0054	\$ 0.0054	\$ 0.0054	\$ 0.0042	\$ 0.0041	-23.3%
Provincial Energy Efficiency Program per kWh	\$ -	\$ -	\$ -	\$ -	\$ 0.0015	\$ 0.0008	100.0%
Cable Contingency Fund per kWh	\$ 0.0003	\$ 0.0003	\$ 0.0003	\$ 0.0003	\$ -	\$ -	-100.0%
RORA per kWh	\$ (0.0041)	\$ (0.0047)	\$ (0.0034)	\$ (0.0034)	\$ (0.0055)	\$ -	-100.0%
<b>Total Energy Charge per kWh Excluding Basic Revenue</b>	<b>\$ 0.0036</b>	<b>\$ 0.0021</b>	<b>\$ 0.0028</b>	<b>\$ 0.0028</b>	<b>\$ 0.0015</b>	<b>\$ 0.0056</b>	<b>100.00%</b>

Total Energy Charge per kWh (A+B)							
Balance of Weather Normalization Adjustment Deferral Account Applied to ECAM Balance							
Rate Class	2016	2017	2018	2019	2020	2021	Cumulative Change over 2018 Rates
Residential - First Block	\$ 0.1356	\$ 0.1396	\$ 0.1437	\$ 0.1437	\$ 0.1470	\$ 0.1501	4.5%
Residential - Second Block	\$ 0.1079	\$ 0.1108	\$ 0.1142	\$ 0.1142	\$ 0.1165	\$ 0.1198	4.9%
General Service - First Block	\$ 0.1664	\$ 0.1717	\$ 0.1767	\$ 0.1767	\$ 0.1810	\$ 0.1841	4.2%
General Service - Second Block	\$ 0.1090	\$ 0.1119	\$ 0.1154	\$ 0.1154	\$ 0.1177	\$ 0.1212	5.0%
Small Industrial - First Block	\$ 0.1630	\$ 0.1682	\$ 0.1731	\$ 0.1731	\$ 0.1772	\$ 0.1803	4.2%
Small Industrial - Second Block	\$ 0.7936	\$ 0.0844	\$ 0.0872	\$ 0.0872	\$ 0.0886	\$ 0.0922	5.7%
Large Industrial	\$ 0.0675	\$ 0.0694	\$ 0.0714	\$ 0.0714	\$ 0.0730	\$ 0.0745	4.3%

## **SECTION 13 – OPTIONS FOR CONSIDERATION**

### **13.5 No Adjustment to ECAM Base Rate to Stabilize Rates Over Two Years**

In the Application, the Company is proposing to adjust the ECAM base rate in each year to stabilize rate adjustments over the two year rate period March 1, 2020 – February 28, 2021 and March 1, 2021 – February 28, 2022.

Schedule 13-10 below, shows the impact on the annual cost for a cross section of customers in the Residential and General Service rate classes if no rate stabilization adjustment is made to the ECAM base rate as proposed in the Application.

<b>SCHEDULE 13-9</b>						
<b>Impact on Annual Cost</b>						
	<b>No Stabilization Adjustment to ECAM Base Rate</b>			<b>Proposed Rates</b>		
	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
<b>Rural Residential Customer (650 kWh per Month/7,800 kWh per Year)</b>						
Total Cost	\$ 1,548.08	\$ 1,579.18	\$ 1,599.30	\$ 1,548.08	\$ 1,575.09	\$ 1,602.77
	-2.4%	2.0%	1.3%	-2.4%	1.7%	1.8%
<b>Urban Residential Customer (650 kWh per Month/7,800 kWh per Year)</b>						
Total Cost	\$ 1,515.65	\$ 1,546.75	\$ 1,566.87	\$ 1,515.65	\$ 1,542.66	\$ 1,570.34
	-2.4%	2.1%	1.3%	-2.4%	1.8%	1.8%
<b>Annual Cost for General Service Customer (10,000 kWh/50 KW per Month/120,000 kWh/600 KW per Year)</b>						
Total Cost	\$ 26,048.45	\$ 26,593.42	\$ 26,946.18	\$ 26,048.45	\$ 26,510.62	\$ 26,990.78
	0.0%	2.1%	1.3%	0.0%	1.8%	1.8%

The following Schedule 13-10 shows the composition of the various components of the total energy charge for the residential and commercial rate classes if no rate stabilization adjustment is made to the ECAM base rate as proposed in the Application. These are the rates used to calculate the annual costs in Schedule 13-9 above.

<b>Schedule 13-10</b>							
<b>Composition of Total Energy Charge per kWh by Rate Class – No Stabilization Adjustment to ECAM Base Rate</b>							
<b>Energy Charge per kWh – Revenue Requirement (A)</b>							
<b>Rate Class</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>Cumulative Change over 2018 Rates</b>
Residential - First Block	\$ 0.1320	\$ 0.1375	\$ 0.1409	\$ 0.1409	\$ 0.1452	\$ 0.1447	2.7%
Residential - Second Block	\$ 0.1043	\$ 0.1087	\$ 0.1114	\$ 0.1114	\$ 0.1148	\$ 0.1144	2.7%
General Service - First Block	\$ 0.1628	\$ 0.1696	\$ 0.1739	\$ 0.1739	\$ 0.1793	\$ 0.1788	2.8%
General Service - Second Block	\$ 0.1054	\$ 0.1098	\$ 0.1126	\$ 0.1126	\$ 0.1161	\$ 0.1158	2.8%
Small Industrial - First Block	\$ 0.1594	\$ 0.1661	\$ 0.1703	\$ 0.1703	\$ 0.1756	\$ 0.1751	2.8%
Small Industrial - Second Block	\$ 0.7900	\$ 0.0823	\$ 0.0844	\$ 0.0844	\$ 0.0870	\$ 0.0867	2.7%
Large Industrial	\$ 0.0639	\$ 0.0673	\$ 0.0686	\$ 0.0686	\$ 0.0709	\$ 0.0691	0.7%



# **SECTION 13 – OPTIONS FOR CONSIDERATION**

Energy Charges per kWh - Other Amounts (B)							
Rate Class	2016	2017	2018	2019	2020	2021	Cumulative Change over 2018 Rates
ECAM Charge per kWh	\$ 0.0021	\$ 0.0012	\$ 0.0006	\$ 0.0006	\$ 0.0020	\$ 0.0003	-48.9%
Provincial Costs Recoverable per kWh	\$ 0.0054	\$ 0.0054	\$ 0.0054	\$ 0.0054	\$ 0.0042	\$ 0.0041	-23.3%
Provincial Energy Efficiency Program per kWh	\$ -	\$ -	\$ -	\$ -	\$ 0.0015	\$ 0.0008	100.0%
Cable Contingency Fund per kWh	\$ 0.0003	\$ 0.0003	\$ 0.0003	\$ 0.0003	\$ -	\$ -	-100.0%
RORA per kWh	\$ (0.0041)	\$ (0.0047)	\$ (0.0034)	\$ (0.0034)	\$ (0.0055)	\$ -	-100.0%
<b>Total Energy Charge per kWh Excluding Basic Revenue</b>	<b>\$ 0.0036</b>	<b>\$ 0.0021</b>	<b>\$ 0.0028</b>	<b>\$ 0.0028</b>	<b>\$ 0.0023</b>	<b>\$ 0.0052</b>	<b>85.7%</b>

Total Energy Charge per kWh (A+B) – No Stabilization Adjustment to ECAM Base Rate							
Rate Class	2016	2017	2018	2019	2020	2021	Cumulative Change over 2018 Rates
Residential - First Block	\$ 0.1356	\$ 0.1396	\$ 0.1437	\$ 0.1437	\$ 0.1475	\$ 0.1499	4.3%
Residential - Second Block	\$ 0.1079	\$ 0.1108	\$ 0.1142	\$ 0.1142	\$ 0.1171	\$ 0.1196	4.7%
General Service - First Block	\$ 0.1664	\$ 0.1717	\$ 0.1767	\$ 0.1767	\$ 0.1816	\$ 0.1840	4.1%
General Service - Second Block	\$ 0.1090	\$ 0.1119	\$ 0.1154	\$ 0.1154	\$ 0.1184	\$ 0.1210	4.9%
Small Industrial - First Block	\$ 0.1630	\$ 0.1682	\$ 0.1731	\$ 0.1731	\$ 0.1779	\$ 0.1803	4.2%
Small Industrial - Second Block	\$ 0.7936	\$ 0.0844	\$ 0.0872	\$ 0.0872	\$ 0.0893	\$ 0.0919	5.4%
Large Industrial	\$ 0.0675	\$ 0.0694	\$ 0.0714	\$ 0.0714	\$ 0.0732	\$ 0.0743	4.1%

Appendix 1

Maritime Electric Company, Limited Schedule of Rates					
Rate Code		March 1, 2019	March 1, 2020	March 1, 2021	
<b>110 Residential</b>					
	Service Charge	\$ 24.57	\$ 24.57	\$ 24.57	
	Energy Charge per kWh for first 2,000 kWh	\$ 0.1437	\$ 0.1470	\$ 0.1503	
	Energy Charge per kWh for balance kWh	\$ 0.1142	\$ 0.1167	\$ 0.1200	
<b>131 Residential Seasonal</b>					
	Service Charge	\$ 26.92	\$ 26.92	\$ 26.92	
	Energy Charge per kWh for first 2,000 kWh	\$ 0.1437	\$ 0.1470	\$ 0.1503	
	Energy Charge per kWh for balance of kWh	\$ 0.1142	\$ 0.1167	\$ 0.1200	
<b>133 Residential Seasonal Option</b>					
	Service Charge	\$ 37.50	\$ 37.50	\$ 37.50	
	Energy Charge per kWh for first 2,000 kWh	\$ 0.1437	\$ 0.1470	\$ 0.1503	
	Energy Charge per kWh for balance of kWh	\$ 0.1142	\$ 0.1167	\$ 0.1200	
<b>232 General Service</b>					
	Service Charge	\$ 24.57	\$ 24.57	\$ 24.57	
	Demand Charge - per kW for first 20 kW	\$ -	\$ -	\$ -	
	Demand Charge - per kW for balance of kW	\$ 13.43	\$ 13.43	\$ 13.43	
	Energy Charge per kWh for first 5,000 kWh	\$ 0.1767	\$ 0.1809	\$ 0.1843	
	Energy Charge per kWh for balance of kWh	\$ 0.1154	\$ 0.1179	\$ 0.1213	
<b>233 General Service - Seasonal Operators Option</b>					
	Service Charge	\$ 24.57	\$ 24.57	\$ 24.57	
	Demand Charge - per kW for first 20 kW	\$ -	\$ -	\$ -	
	Demand Charge - per kW for balance of kW	\$ 13.43	\$ 13.43	\$ 13.43	
	Energy Charge per kWh for first 5,000 kWh	\$ 0.1767	\$ 0.1809	\$ 0.1843	
	Energy Charge per kWh for balance of kWh	\$ 0.1154	\$ 0.1179	\$ 0.1213	
<b>320 Small Industrial</b>					
	Demand Charge - per kW	\$ 7.46	\$ 7.46	\$ 7.46	
	Energy Charge per kWh for first 100 kWh per kW billing demand	\$ 0.1731	\$ 0.1772	\$ 0.1806	
	Energy Charge per kWh for balance of kWh	\$ 0.0872	\$ 0.0890	\$ 0.0923	
<b>310 Large Industrial</b>					
	Demand Charge per kW	\$ 14.50	\$ 14.50	\$ 14.50	
	Energy Charge per kWh	\$ 0.0714	\$ 0.0730	\$ 0.0745	
<b>340 Long Term Contract</b> (Currently no customers in this rate category)					
	Demand Charge per kW	\$ 15.51	\$ 15.51	\$ 15.51	
	Energy Charge per kWh	\$ 0.0963	\$ 0.0983	\$ 0.1016	
<b>330 Short Term Contract</b> (Currently no customers in this rate category)					
	Demand Charge - per kW	\$ 16.79	\$ 16.79	\$ 16.79	
	Energy Charge per kWh for all kWh in the first block	\$ 0.0981	\$ 0.1002	\$ 0.1036	
	Energy Charge per kWh for balance of kWh in the month	\$ 0.0814	\$ 0.0830	\$ 0.0864	

## Appendix 1

Maritime Electric Company, Limited								
Schedule of Rates								
			Annual kWh	Monthly kWh				
					March 1, 2019	March 1, 2020	March 1, 2021	
Residential	Type							
	619	LED	70 W HPS Equivalent St Lights - Rented		15	\$ 12.07	\$ 12.29	\$ 12.51
	625	LED	100 W HPS Equivalent St Lights - Rented		17	\$ 12.49	\$ 12.71	\$ 12.94
*	630	HPS	St Lights - Rented	389	32	\$ 15.96	\$ 16.25	\$ 16.54
*	631	HPS	St Lights - Rented	553	46	\$ 20.27	\$ 20.63	\$ 21.00
*	632	HPS	St Lights - Rented	799	66	\$ 28.98	\$ 29.50	\$ 30.03
	633	HPS	St Lights - Rented	1283	106	\$ 39.41	\$ 40.12	\$ 40.84
	634	HPS	St Lights - Rented	1886	157	\$ 46.09	\$ 46.92	\$ 47.76
*	635	MV	St Lights - Rented	656	54	\$ 15.81	\$ 16.09	\$ 16.38
	639	Lanterns	City Lanterns - Rented	389	32	\$ 58.67	\$ 59.73	\$ 60.81
*	640	HPS	St Lights - Owned	389	32	\$ 6.27	\$ 6.38	\$ 6.49
*	641	HPS	St Lights - Owned	553	46	\$ 8.27	\$ 8.42	\$ 8.57
*	642	HPS	St Lights - Owned	779	65	\$ 11.11	\$ 11.31	\$ 11.51
	643	HPS	St Lights - Owned	1283	107	\$ 17.60	\$ 17.92	\$ 18.24
	644	HPS	St Lights - Owned	1886	157	\$ 27.76	\$ 28.26	\$ 28.77
	651	LED	St Lights - Owned	78	7	\$ 1.13	\$ 1.15	\$ 1.17
	652	LED	St Lights - Owned	246	21	\$ 3.56	\$ 3.62	\$ 3.69
	666	LED	175 W MV Equivalent St Lights - Rented		25	\$ 13.89	\$ 14.14	\$ 14.39
	670	LED	St Lights - Rented	410	34	\$ 16.16	\$ 16.45	\$ 16.75
	675	LED	150 W/200 W HPS Equivalent St Lights - Rented		37	\$ 15.01	\$ 15.28	\$ 15.56
	719	LED	St Lights - Owned	176	15	\$ 2.55	\$ 2.60	\$ 2.65
*	730	HPS	Yard Lights - Rented	389	32	\$ 15.96	\$ 16.25	\$ 16.54
*	731	HPS	Yard Lights - Rented	553	46	\$ 20.27	\$ 20.63	\$ 21.00
*	732	HPS	Yard Lights - Rented	799	66	\$ 28.98	\$ 29.50	\$ 30.03
	733	HPS	Yard Lights - Rented	1283	106	\$ 39.41	\$ 40.12	\$ 40.84
	734	HPS	Yard Lights - Rented	1886	157	\$ 46.09	\$ 46.92	\$ 47.76
*	735	MV	Yard Lights - Rented	656	54	\$ 15.81	\$ 16.09	\$ 16.38
*	737	MV	Yard Lights - Rented	1210	100	\$ 27.95	\$ 28.45	\$ 28.96
*	740	HPS	Yard Lights - Owned	389	32	\$ 6.27	\$ 6.38	\$ 6.49
*	741	HPS	Yard Lights - Owned	553	46	\$ 8.27	\$ 8.42	\$ 8.57
	742	HPS	Yard Lights - Owned	779	65	\$ 11.11	\$ 11.31	\$ 11.51
	743	HPS	Yard Lights - Owned	1283	107	\$ 17.60	\$ 17.92	\$ 18.24
	744	HPS	Yard Lights - Owned	1886	157	\$ 27.76	\$ 28.26	\$ 28.77
	749	LPS	Yard Lights - Owned	869	72	\$ 12.95	\$ 13.18	\$ 13.42
	753	Flood	Yard Lights - Rented	1283	107	\$ 37.60	\$ 38.28	\$ 38.97
	754	Flood	Yard Lights - Rented	1886	157	\$ 46.81	\$ 47.65	\$ 48.51
	755	Halide	Yard Lights - Rented	1148	95	\$ 39.60	\$ 40.31	\$ 41.04
	756	Halide	Yard Lights - Rented	1878	156	\$ 48.74	\$ 49.62	\$ 50.51
	757	Halide	Yard Lights - Rented	4346	362	\$ 83.65	\$ 85.16	\$ 86.69
	759	Halide	St Lights - Owned	533	44	\$ 7.73	\$ 7.87	\$ 8.01
	760	Halide	St Lights - Owned	894	74	\$ 12.98	\$ 13.21	\$ 13.45
	761	Halide	St Lights - Owned	1148	95	\$ 16.65	\$ 16.95	\$ 17.26
	762	Halide	St Lights - Owned	1878	156	\$ 27.22	\$ 27.71	\$ 28.21
	764	LED	St Lights - Owned	410	34	\$ 5.94	\$ 6.05	\$ 6.16
	765	Halide	St Lights - Owned	759	63	\$ 11.00	\$ 11.20	\$ 11.40
	766	LED	St Lights - Owned	295	25	\$ 4.27	\$ 4.35	\$ 4.43
	775	LED	St Lights - Owned	438	37	\$ 6.35	\$ 6.46	\$ 6.58
	780	LED	St Lights - Owned	586	49	\$ 8.50	\$ 8.65	\$ 8.81
	785	LED	St Lights - Owned	718	60	\$ 10.39	\$ 10.58	\$ 10.77
* These charges are applicable to existing fixtures only.								

# Appendix 1

Maritime Electric Company, Limited					
Schedule of Rates					
		March 1, 2019	March 1, 2020	March 1, 2021	
610	Pole Rental -Wood Residential	\$ 4.38	\$ 4.38	\$ 4.38	
	Unmetered Rates (based on 100 watt fixture)				
810	8 Hour Lighting per kWh	\$ 0.1738	\$ 0.1769	\$ 0.1801	
	Minimum Charge	\$ 11.67	\$ 11.67	\$ 11.67	
820	12 Hour Lighting per kWh	\$ 0.1738	\$ 0.1769	\$ 0.1801	
	Minimum Charge	\$ 11.67	\$ 11.67	\$ 11.67	
830	24 Hour Lighting per kWh	\$ 0.1738	\$ 0.1769	\$ 0.1801	
	Minimum Charge	\$ 11.67	\$ 11.67	\$ 11.67	
840	Air Raid & Fire Sirens				
850	Outdoor Christmas Lighting - 5.77¢ per watt of connected load per week				
234	Customer Owned Outdoor Recreational Lighting				
	Service Charge	\$ 24.57	\$ 24.57	\$ 24.57	
	Energy Charge per kWh for first 5,000 kWh	\$ 0.1738	\$ 0.1769	\$ 0.1801	
	Energy Charge per kWh for balance of kWh	\$ 0.1067	\$ 0.1086	\$ 0.1106	
Short Term Unmetered Rates					
Energy Charge:					
	per kWh of estimated consumption	\$ 0.1738	\$ 0.1769	\$ 0.1801	
Connection Charge:		Single-Phase	Three-Phase		
A.	Connecting to existing secondary voltage	\$99.08	\$99.08		
B. Where transformer installations are required, the following connection charges will apply:					
		Single-Phase	Three-Phase		
(1)	Up to and including 10 kVA	\$148.87	\$209.17		
(2)	11 kVA to 15 kVA	\$240.79	\$301.01		
(3)	16 kVA to 25 kVA	\$269.20	\$336.64		
(4)	26 kVA to 37 kVA	\$301.01	\$336.64		
(5)	38 kVA to 50 kVA	\$336.64	\$336.64		
(6)	51 kVA to 75 kVA	\$369.58	\$523.96		
(7)	76 kVA to 125 kVA	\$431.07	\$555.59		
(8)	Above 125 kVA	0	\$594.94		

**Appendix 2**  
**Maritime Electric**  
**Financial Results (Actual and Forecast)**  
**Statements of Earnings**

	<b>Actual 2018</b>	<b>Actual 2019</b>	<b>Forecast 2020</b>	<b>Forecast 2021</b>
<b>Revenue</b>				
Revenue Requirement	\$ 203,265,498	\$ 211,036,823	\$ 229,372,400	\$ 232,036,600
Operating Expenses (net of ECAM)	147,386,371	153,485,660	163,132,900	170,342,700
Amortization - Fixed Assets	22,583,380	23,337,238	28,572,100	26,202,300
Amortization - Deferred Charges	617,448	250,598	3,223,700	260,000
<b>Operating Income</b>	32,678,300	33,963,327	34,443,700	35,231,600
Financing Costs	12,618,847	13,217,455	12,858,800	12,880,700
Earnings Before Income Taxes	20,059,452	20,745,872	21,584,900	22,350,900
Income Taxes	6,266,588	6,483,242	6,742,000	6,978,500
<b>Net Earnings - Regulated</b>	<b>\$ 13,792,864</b>	<b>\$ 14,262,630</b>	<b>\$ 14,842,900</b>	<b>\$ 15,372,400</b>
Fortis Inc Head Office Costs (net of tax) <sup>1</sup>	368,460	408,480	438,800	447,100
<b>Net Earnings - Non-Regulated</b>	<b>\$ 13,424,404</b>	<b>\$ 13,854,150</b>	<b>\$ 14,404,100</b>	<b>\$ 14,925,300</b>
Return on Average Common Equity (%) - Non-Regulated	9.07%	9.08%	9.07%	9.08%
Return on Average Common Equity (%) - Regulated	9.35%	9.35%	9.35%	9.35%

<sup>1</sup> Costs disallowed in calculating the Annual Revenue Requirement and Regulated Return as per Order UE09-02

**Appendix 2**  
**Maritime Electric**  
**Financial Results (Actual and Forecast)**  
**Balance Sheets**

	Actual 2018	Actual 2019	Forecast 2020	Forecast 2021
<b>ASSETS</b>				
<b>Current Assets</b>				
Accounts receivable	\$ 44,225,608	\$ 43,689,904	\$ 44,351,700	\$ 45,178,300
Materials and supplies	2,793,911	3,240,398	3,000,000	3,000,000
Prepaid expenses	513,000	511,428	497,600	507,300
	47,532,519	47,441,730	47,849,300	48,685,600
<b>Fixed Assets</b>				
Property, plant and equipment	654,053,538	679,767,856	712,215,800	693,668,900
Less: Accumulated amortization	236,162,822	245,078,293	269,903,600	231,933,900
	417,890,716	434,689,563	442,312,200	461,735,000
<b>Other Long-Term Assets</b>				
Regulatory Asset - CTGS Accumulated Reserve Variance	-	-	9,654,500	9,654,500
Costs Recoverable from Customers (ECAM & WNRA)	3,685,711	1,715,362	997,400	(140,900)
Regulatory Asset - OPEB	1,168,904	2,536,000	2,986,600	2,813,800
Intangible assets	3,915,322	4,002,494	4,150,000	4,300,000
Deferred charges	1,743,341	4,623,072	1,566,000	1,305,900
	10,513,278	12,876,928	19,354,500	17,933,300
<b>TOTAL ASSETS</b>	<b>\$ 475,936,513</b>	<b>\$ 495,008,221</b>	<b>\$ 509,516,000</b>	<b>\$ 528,353,900</b>
<b>SHAREHOLDER'S EQUITY AND LIABILITIES</b>				
<b>Current Liabilities</b>				
Bank indebtedness	\$ 1,231,902	\$ 3,917,264	\$ 1,776,800	\$ 1,636,900
Short-term borrowings	12,500,000	15,000,000	22,000,000	28,000,000
Rebates Payable to Customers	15,725,025	15,453,528	5,847,300	4,648,100
Accounts payable and accrued liabilities	32,191,645	35,290,445	39,363,900	41,013,500
	61,648,572	69,661,237	68,988,000	75,298,500
<b>Long-term Debt</b>	<b>219,140,190</b>	<b>219,038,717</b>	<b>219,052,500</b>	<b>219,067,000</b>
<b>Other Long-Term Liabilities</b>				
Future income taxes	21,025,114	27,324,930	33,834,900	40,577,600
Contributions	24,185,307	23,691,857	24,598,000	25,496,000
	45,210,421	51,016,787	58,432,900	66,073,600
<b>Shareholder's Equity</b>				
Common shares	31,100,681	31,100,681	31,100,700	31,100,700
Retained earnings	118,836,649	124,190,799	131,941,900	136,814,100
	149,937,330	155,291,480	163,042,600	167,914,800
<b>TOTAL SHAREHOLDER'S EQUITY AND LIABILITIES</b>	<b>\$ 475,936,513</b>	<b>\$ 495,008,221</b>	<b>\$ 509,516,000</b>	<b>\$ 528,353,900</b>
<b>Capital Structure - Year End</b>				
<b>Total Debt</b>	60.8%	60.5%	60.0%	60.0%
<b>Common Equity</b>	39.2%	39.5%	40.0%	40.0%
	100.0%	100.0%	100.0%	100.0%

**Appendix 2**  
**Maritime Electric**  
**Financial Results (Actual and Forecast)**  
**Statements of Cash Flows**

	Actual 2018	Actual 2019	Forecast 2020	Forecast 2021
<b>Cash Flow from Operating Activities</b>				
Net Earnings	\$ 13,792,864	\$ 14,262,630	\$ 14,842,900	\$ 15,372,400
Add (deduct) non-cash items:				
Amortization - Fixed Assets	22,583,380	23,337,238	28,572,100	26,202,300
Amortization - Deferred Charges	626,603	263,602	234,600	274,500
Future income taxes	2,297,823	6,299,816	6,509,900	6,742,700
Changes in non-cash working capital	(616,184)	3,116,802	(2,261,900)	925,800
	38,684,487	47,280,088	47,897,600	49,517,700
<b>Cash Flow From Financing Activities</b>				
Issuance (Repayment) of long-term debt	25,297,500	-	-	-
Contributions	677,905	758,922	2,400,000	2,460,000
Financing Fees	(221,461)	(114,477)	-	-
Payment of dividends - Regulated	(8,500,000)	(8,500,000)	(7,500,000)	(10,500,000)
- Non-regulated	(1,247,120)	-	-	-
	16,006,823	(7,855,555)	(5,100,000)	(8,040,000)
<b>Cash Flow from Investing Activities</b>				
Expenditures for Fixed Assets (Net)	(39,008,070)	(41,365,090)	(47,490,500)	(47,337,800)
Deferred Charges	(519,344)	(3,244,805)	(166,600)	-
	(39,527,414)	(44,609,895)	(47,657,100)	(47,337,800)
<b>Increase (Decrease) in Cash</b>	15,163,896	(5,185,362)	(4,859,500)	(5,860,100)
<b>Bank Indebtedness, Beginning of Year</b>	(28,895,798)	(13,731,902)	(18,917,300)	(23,776,800)
<b>Bank Indebtedness, End of Year</b>	(\$13,731,902)	(\$18,917,264)	(\$23,776,800)	(\$29,636,900)

**Appendix 3**  
**Monthly ECAM Calculations - January 1, 2019 to December 31, 2021**

<b>Energy Cost Adjustment Mechanism</b>	<b>Jan-19</b>	<b>Feb-19</b>	<b>Mar-19</b>	<b>Apr-19</b>	<b>May-19</b>	<b>Jun-19</b>	<b>Jul-19</b>	<b>Aug-19</b>	<b>Sep-19</b>	<b>Oct-19</b>	<b>Nov-19</b>	<b>Dec-19</b>	<b>Total</b>
Purchased Energy Costs	8,022,521	6,775,545	6,222,011	6,475,167	6,123,248	4,996,313	6,343,339	6,160,911	4,756,081	5,452,142	5,665,942	6,872,503	73,865,722
Lepreau Energy Costs	2,172,332	2,077,927	2,101,747	1,543,840	1,918,784	2,035,002	2,133,645	2,018,380	2,095,925	2,167,801	2,054,338	2,122,550	24,442,271
Generation Fuel Costs-PEI Plants	180,487	88,741	113,101	79,422	44,366	21,717	8,057	29,204	19,296	1,755	14,905	74,649	675,701
PEI Plant Operating Costs	479,219	284,003	280,106	296,227	275,956	251,468	213,362	163,392	278,219	317,366	388,823	209,613	3,437,718
Less: Insurance, Property Tax & Training	(70,501)	(71,678)	(70,325)	(70,475)	(70,250)	(72,109)	(52,811)	(67,931)	(76,657)	(68,650)	(67,895)	(68,897)	(828,143)
Amortization - Pt Lepreau Deferred Charge & DSM	21,700	21,700	21,700	21,700	21,700	21,700	21,700	21,700	21,700	21,700	16,799	16,799	250,598
Renewable Energy Costs	2,261,435	2,682,451	2,357,892	2,335,200	1,642,968	1,522,495	1,229,939	1,354,993	1,602,544	1,764,695	2,913,191	2,931,456	24,599,257
	13,067,192	11,858,689	11,026,232	10,681,080	9,956,772	8,776,587	9,897,194	9,680,650	8,697,109	9,656,810	10,986,138	12,158,673	126,443,124
Net Purchased & Produced Energy - kWh (NPP)	141,283,771	129,751,726	122,827,980	109,310,546	106,718,441	96,358,472	107,141,558	110,530,359	94,278,340	107,126,969	120,902,486	139,067,762	1,385,298,410
Base Rate/kWh	0.09161	0.09161	0.09161	0.09161	0.09161	0.09161	0.09161	0.09161	0.09161	0.09161	0.09161	0.09161	0.09161
Base Energy Costs	12,943,006	11,886,556	11,252,271	10,013,939	9,776,476	8,827,400	9,815,238	10,125,686	8,636,839	9,813,902	11,075,877	12,739,998	126,907,187
Difference Between Actual & Base Energy Costs	124,186	(27,867)	(226,039)	667,141	180,295	(50,813)	81,956	(445,037)	60,270	(157,092)	(89,739)	(581,325)	(464,063)
Opening Balance - ECAM	3,976,694	4,027,698	3,925,395	3,632,887	4,238,439	4,359,492	4,252,255	4,281,424	3,777,068	3,782,285	3,572,493	3,422,332	3,976,694
Additions/(Reductions)	124,186	(27,867)	(226,039)	667,141	180,295	(50,813)	81,956	(445,037)	60,270	(157,092)	(89,739)	(581,325)	(464,063)
Rebated/(Collected) From Ratepayer	(73,181)	(74,436)	(66,468)	(61,590)	(59,242)	(56,424)	(52,787)	(59,319)	(55,054)	(52,700)	(60,422)	(68,321)	(739,945)
Closing Balance - ECAM	4,027,698	3,925,395	3,632,887	4,238,439	4,359,492	4,252,255	4,281,424	3,777,068	3,782,285	3,572,493	3,422,332	2,772,686	2,772,686
Cost to Residential Customer (650 kWh/Month)	\$ 0.37	\$ 0.37	\$ 0.37	\$ 0.37	\$ 0.37	\$ 0.37	\$ 0.37	\$ 0.37	\$ 0.37	\$ 0.37	\$ 0.37	\$ 0.37	4.49

<b>Energy Cost Adjustment Mechanism</b>	<b>Jan-20</b>	<b>Feb-20</b>	<b>Mar-20</b>	<b>Apr-20</b>	<b>May-20</b>	<b>Jun-20</b>	<b>Jul-20</b>	<b>Aug-20</b>	<b>Sep-20</b>	<b>Oct-20</b>	<b>Nov-20</b>	<b>Dec-20</b>	<b>Total</b>
Purchased Energy Costs	7,665,346	7,515,427	7,048,006	7,417,654	6,482,708	5,872,822	6,966,673	6,503,837	5,565,328	5,307,206	6,258,510	8,209,813	80,813,329
Lepreau Energy Costs	2,087,097	2,021,048	2,090,140	1,709,109	1,809,846	2,109,707	2,130,710	2,069,432	2,090,404	2,128,840	2,089,239	2,163,946	24,499,518
Generation Fuel Costs-PEI Plants	186,454	96,923	96,923	45,818	45,818	6,000	57,105	57,105	6,000	45,818	45,818	186,454	876,234
PEI Plant Operating Costs	458,419	253,613	275,937	281,822	295,971	237,001	249,414	176,371	264,077	276,695	249,726	227,910	3,246,955
Less: Insurance, Property Tax & Training	(127,237)	(70,392)	(76,588)	(82,221)	(82,149)	(65,781)	(69,226)	(48,953)	(73,296)	(76,798)	(69,313)	(63,258)	(901,211)
Amortization - Pt Lepreau Deferred Charge & DSM	18,404	18,404	18,404	18,404	18,404	18,404	18,404	18,404	18,404	18,404	18,404	18,404	220,846
Renewable Energy Costs	2,491,904	1,936,124	2,621,853	1,974,752	1,995,256	1,868,149	1,190,556	1,596,512	2,115,073	2,716,353	2,752,416	2,422,495	25,881,445
	12,780,388	11,771,146	12,074,675	11,369,337	10,565,854	10,046,301	10,543,636	10,372,709	9,985,990	10,416,516	11,344,799	13,165,765	134,437,116
Net Purchased & Produced Energy - kWh (NPP)	141,487,405	131,125,522	132,847,503	109,883,761	110,636,753	107,872,784	115,595,697	114,217,713	106,609,798	111,144,747	122,271,622	146,505,349	1,450,198,653
Base Rate/kWh	0.09161	0.09161	0.09245	0.09245	0.09245	0.09245	0.09245	0.09245	0.09245	0.09245	0.09245	0.09245	0.09229
Base Energy Costs	12,961,661	12,012,409	12,281,752	10,158,754	10,228,368	9,972,839	10,686,822	10,559,428	9,856,076	10,275,332	11,304,011	13,544,419	133,841,871
Difference Between Actual & Base Energy Costs	(181,273)	(241,263)	(207,077)	1,210,583	337,486	73,462	(143,187)	(186,719)	129,914	141,185	40,788	(378,655)	595,245
Opening Balance - ECAM	2,772,686	2,516,741	2,203,596	1,764,305	2,736,403	2,860,381	2,725,662	2,373,473	1,961,500	1,872,062	1,808,071	1,627,713	2,772,686
Additions/(Reductions)	(181,273)	(241,263)	(207,077)	1,210,583	337,486	73,462	(143,187)	(186,719)	129,914	141,185	40,788	(378,655)	595,245
Rebated/(Collected) From Ratepayer	(74,673)	(71,882)	(232,214)	(238,485)	(213,508)	(208,181)	(209,003)	(225,254)	(219,351)	(205,176)	(221,146)	(251,146)	(2,370,513)
Closing Balance - ECAM	2,516,741	2,203,596	1,764,305	2,736,403	2,860,381	2,725,662	2,373,473	1,961,500	1,872,062	1,808,071	1,627,713	997,418	997,418
Cost to Residential Customer (650 kWh/Month)	\$ 0.37	\$ 0.37	\$ 1.33	\$ 1.33	\$ 1.33	\$ 1.33	\$ 1.33	\$ 1.33	\$ 1.33	\$ 1.33	\$ 1.33	\$ 1.33	14.06

<b>Energy Cost Adjustment Mechanism</b>	<b>Jan-21</b>	<b>Feb-21</b>	<b>Mar-21</b>	<b>Apr-21</b>	<b>May-21</b>	<b>Jun-21</b>	<b>Jul-21</b>	<b>Aug-21</b>	<b>Sep-21</b>	<b>Oct-21</b>	<b>Nov-21</b>	<b>Dec-21</b>	<b>Total</b>
Purchased Energy Costs	7,456,249	7,026,643	6,682,938	5,585,183	5,657,774	5,624,995	6,939,213	6,420,268	5,269,355	4,751,988	5,872,008	8,019,583	75,306,198
Lepreau Energy Costs	2,071,234	2,068,953	2,087,606	2,066,299	2,052,736	2,046,008	2,041,898	2,040,802	2,030,777	2,013,004	2,033,000	2,059,590	24,611,906
Generation Fuel Costs-PEI Plants	293,459	136,937	136,937	45,818	45,818	6,000	42,448	42,448	6,000	45,818	45,818	293,459	1,140,958
PEI Plant Operating Costs	493,882	280,469	303,732	309,864	324,608	263,160	276,094	199,981	291,373	304,521	276,420	253,687	3,577,792
Less: Insurance, Property Tax & Training	(134,732)	(74,538)	(81,099)	(82,829)	(86,987)	(68,656)	(73,304)	(51,836)	(77,613)	(81,322)	(73,396)	(66,984)	(954,297)
Amortization - Pt Lepreau Deferred Charge & DSM	21,669	21,669	21,669	21,669	21,669	21,669	21,669	21,669	21,669	21,669	21,669	21,669	260,033
Renewable Energy Costs	3,431,189	2,706,962	3,542,154	2,768,124	2,773,362	2,611,694	1,744,986	2,199,055	2,898,464	3,844,836	3,771,115	3,300,367	35,592,307
	13,632,951	12,167,096	12,693,936	10,714,128	10,788,980	10,503,870	10,993,005	10,872,387	10,440,025	10,900,515	11,946,634	13,881,371	139,534,898
Net Purchased & Produced Energy - kWh (NPP)	147,419,491	130,638,663	136,744,600	113,170,842	114,804,825	111,682,857	119,696,775	118,217,790	110,180,872	115,332,820	127,158,699	151,821,446	1,496,869,680
Base Rate/kWh	0.09245	0.09245	0.09322	0.09322	0.09322	0.09322	0.09322	0.09322	0.09322	0.09322	0.09322	0.09322	0.09308
Base Energy Costs	13,628,932	12,077,544	12,747,332	10,549,786	10,702,106	10,411,076	11,158,133	11,020,262	10,271,061	10,751,325	11,853,734	14,152,795	139,324,087
Difference Between Actual & Base Energy Costs	4,019	89,551	(53,395)	164,342	86,874	92,794	(165,129)	(147,875)	168,964	149,189	92,900	(271,424)	210,812
Opening Balance - ECAM	997,418	721,061	542,258	404,284	482,374	492,516	510,747	270,797	42,170	132,488	208,178	221,480	997,418
Additions/(Reductions)	4,019	89,551	(53,395)	164,342	86,874	92,794	(165,129)	(147,875)	168,964	149,189	92,900	(271,424)	210,812
Rebated/(Collected) From Ratepayer	(280,376)	(268,355)	(84,579)	(86,252)	(76,732)	(74,563)	(74,822)	(80,751)	(78,646)	(73,499)	(79,598)	(90,921)	(1,349,094)
Closing Balance - ECAM	721,061	542,258	404,284	482,374	492,516	510,747	270,797	42,170	132,488	208,178	221,480	(140,865)	(140,865)
Cost to Residential Customer (650 kWh/Month)	\$ 1.33	\$ 1.33	\$ 0.33	\$ 0.33	\$ 0.33	\$ 0.33	\$ 0.33	\$ 0.33	\$ 0.33	\$ 0.33	\$ 0.33	\$ 0.33	5.98

The January 1, 2020 ECAM opening balance of \$2,772,686 will be collected from customers from March 1, 2020 to February 28, 2021.

The January 1, 2021 ECAM opening balance of \$997,418 will be collected from customers from March 1, 2021 to February 28, 2022. Forecast collections in January 2021 are \$100,705 and in February 2021 are \$96,353.

The proposed total amount of energy costs to be deferred from January 1 to December 31, 2020 is \$595,245.

The proposed total amount of energy costs to be deferred from January 1 to December 31, 2021 is \$210,812.



# Appendix 4 Schedule 1 Calculation of 10-Year Average HDD

											10 year average (2009 - 2018)
Month	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	
Jan	866	686	744	715	812	771	829	713	712	764	761
Feb	664	608	697	700	672	717	858	628	657	621	682
Mar	675	556	621	572	603	760	743	654	690	602	648
Apr	420	367	420	379	441	453	537	475	416	445	435
May	245	262	259	224	235	308	233	259	264	280	257
Jun	102	114	150	119	107	120	163	121	94	168	126
Jul	42	13	21	12	13	1	28	30	27	14	20
Aug	30	21	14	5	17	28	3	23	29	9	18
Sep	135	107	90	76	106	118	73	101	92	125	102
Oct	345	290	249	240	291	228	315	255	203	341	276
Nov	392	429	397	424	472	461	420	401	440	520	436
Dec	643	515	569	589	744	582	545	665	695	709	626
											4,386
											250

Appendix 4 Schedule 2 Calculation of MWh/HDD Coefficient								
Year	Month	Days in month	Actual HDD	HDD per day	Reported sales ( MWh )	Fewer hours of daylight	Average HDD per day	Average MWh per day
2018	Jul	31	14	0.5	74,378			
	Aug	31	9	0.3	84,692			
	Sep	30	125	4.2	81,747			
	Oct	31	341	11.0	75,686	2.52	7.6	2,523
	Nov	30	520	17.3	89,804	4.07	14.2	2,897
	Dec	31	709	22.9	103,979	5.21	20.1	3,466
2019	Jan	31	757	24.4	112,477	5.40	23.6	3,628
	Feb	28	737	26.3	116,531	4.53	25.4	3,759
	Mar	31	638	20.6	102,342	3.11	23.4	3,655
	Apr	30	449	15.0	93,021	1.53	17.8	3,001
	May	31	352	11.3	84,397	0.00	13.2	2,813
	Jun	30	106	3.5	81,030			
Linear regression results: (Oct 2018 - May 2019)								
			HDD	Daylight hrs	b			
			68.07	33.79	1870.95	coefficients		
			6.48	21.23	102.46	standard error coefficients		
			0.97	87.76	#N/A	R^2, standard error y		
			95.60	5.00	#N/A	F, degrees of freedom		
			1472508	38507.28	#N/A	Regression SS, residual SS		
			10.50	1.59	18.26	t values		

Appendix 4 Schedule 3 Calculation of Forecast Marginal Net Revenue Rate for 2020			
Rate Class	2020 (Forecast)		Unit Revenue (\$/MWh)
	Revenue (\$)	Sales (MWh)	
Residential	91,615,358	653,405	*
General Service	61,966,482	393,291	*
Small Industrial	13,275,383	94,280	
Total	166,857,223	1,140,975	\$ 146.24
ECAM Base Rate			\$ (92.45)
	Marginal Net Revenue Rate		\$ 53.79
* Excludes revenue and kWh sales from seasonal customers			

Appendix 4 Schedule 4 Monthly Change in Weather Normalization Adjustment Deferral Account - January 1, 2016 to December 31, 2019								
MM/YY	Heating Degree Days ( below 18 deg C )			Space heating load		Marginal Net Revenue (\$/MWh )	Weather Normalization Adjustment Deferral Account	
	Actual HDD	10 Year Average Monthly HDD	Variation from 10 Year Average HDD	Coefficient (MWh/HDD)	Variation from Average ( MWh )		Increase (Decrease) ( \$ )	Balance Owing (Recoverable) ( \$ )
January, 2016	713.0	753.9	(40.9)	41.73	(1,707)	50.42	(86,055)	(86,055)
February, 2016	628.2	688.2	(60.0)	41.73	(2,504)	50.42	(126,242)	(212,296)
March, 2016	654.0	637.2	16.8	41.73	701	50.42	35,348	(176,949)
April, 2016	475.0	420.6	54.4	41.73	2,270	50.42	114,459	(62,490)
May, 2016	259.0	264.5	(5.5)	41.73	(230)	50.42	(11,572)	(74,062)
June, 2016	121.0	110.0	11.0	41.73	459	50.42	23,144	(50,917)
July, 2016	30.0	16.5	13.5	41.73	563	50.42	28,404	(22,513)
August, 2016	23.0	24.2	(1.2)	41.73	(50)	50.42	(2,525)	(25,038)
September, 2016	101.0	107.1	(6.1)	41.73	(255)	50.42	(12,835)	(37,872)
October, 2016	255.0	272.8	(17.8)	41.73	(743)	50.42	(37,452)	(75,324)
November, 2016	401.0	421.8	(20.8)	41.73	(868)	50.42	(43,764)	(119,088)
December, 2016	665.0	620.5	44.5	41.73	1,857	50.42	93,629	(25,459)
January, 2017	712.0	751.4	(39.4)	43.21	(1,702)	49.56	(84,375)	(109,833)
February, 2017	657.0	704.2	(47.2)	43.21	(2,040)	49.56	(101,078)	(210,912)
March, 2017	690.0	646.1	43.9	43.21	1,897	49.56	94,011	(116,900)
April, 2017	416.0	433.7	(17.7)	43.21	(765)	49.56	(37,904)	(154,805)
May, 2017	264.0	256.4	7.6	43.21	328	49.56	16,275	(138,529)
June, 2017	94.0	114.6	(20.6)	43.21	(890)	49.56	(44,115)	(182,644)
July, 2017	27.0	16.4	10.6	43.21	458	49.56	22,700	(159,944)
August, 2017	29.0	22.8	6.2	43.21	268	49.56	13,277	(146,667)
September, 2017	92.0	106.2	(14.2)	43.21	(614)	49.56	(30,409)	(177,076)
October, 2017	202.8	279.6	(76.8)	43.21	(3,319)	49.56	(164,466)	(341,542)
November, 2017	439.7	423.6	16.1	43.21	696	49.56	34,478	(307,064)
December, 2017	695.4	613.2	82.2	43.21	3,552	49.56	176,030	(131,034)
January, 2018	764.4	760.1	4.3	46.66	201	51.38	10,309	(120,725)
February, 2018	620.8	699.3	(78.5)	46.66	(3,663)	51.38	(188,195)	(308,920)
March, 2018	602.0	652.1	(50.1)	46.66	(2,338)	51.38	(120,109)	(429,030)
April, 2018	445.1	440.1	5.0	46.66	233	51.38	11,987	(417,043)
May, 2018	279.9	261.9	18.0	46.66	840	51.38	43,153	(373,890)
June, 2018	168.4	121.2	47.2	46.66	2,202	51.38	113,157	(260,733)
July, 2018	14.0	18.9	(4.9)	46.66	(229)	51.38	(11,747)	(272,480)
August, 2018	9.4	19.9	(10.5)	46.66	(490)	51.38	(25,173)	(297,653)
September, 2018	124.7	104.7	20.0	46.66	933	51.38	47,948	(249,705)
October, 2018	338.7	276.1	62.6	46.66	2,921	51.38	150,077	(99,628)
November, 2018	519.5	426.3	93.2	46.66	4,349	51.38	223,437	123,809
December, 2018	709.0	620.5	88.5	46.66	4,129	51.38	212,169	335,978
January, 2019	756.5	757.6	(1.1)	50.19	(55)	52.09	(2,876)	333,102
February, 2019	736.8	688.7	48.1	50.19	2,414	52.09	125,750	458,852
March, 2019	637.5	656.8	(19.3)	50.19	(969)	52.09	(50,457)	408,395
April, 2019	448.8	432.6	16.2	50.19	813	52.09	42,352	450,747
May, 2019	351.6	257.5	94.1	50.19	4,723	52.09	246,010	696,757
June, 2019	105.9	118.5	(12.6)	50.19	(632)	52.09	(32,941)	663,817
July, 2019	25.5	18.7	6.8	50.19	341	52.09	17,778	681,594
August, 2019	17.3	19.0	(1.7)	50.19	(85)	52.09	(4,444)	677,150
September, 2019	142.6	101.9	40.7	50.19	2,043	52.09	106,404	783,554
October, 2019	298.9	271.6	27.3	50.19	1,371	52.09	71,424	854,977
November, 2019	478.7	425.7	53.0	50.19	2,660	52.09	138,560	993,538
December, 2019	638.3	613.9	24.4	50.19	1,225	52.09	63,790	1,057,328

**Appendix 5**  
**Energy Supply Expenses - 2019 to 2021**

<b>SCHEDULE 5-1</b>						
<b>Forecast of Energy Costs by Source (%)</b>						
	<b>2016 Actual</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Forecast</b>	<b>2021 Forecast</b>
Point Lepreau Entitlement	18.9	20.3	18.5	19.3	18.2	17.6
Energy Purchase System (System Energy)	53.7	51.8	53.4	53.6	54.3	48.4
On-Island Renewable (Wind)	21.4	19.8	19.6	19.5	19.1	25.5
Transmission, Interconnection & Other Charges	1.5	4.0	5.2	5.0	5.9	5.7
Company Generation Costs	4.5	4.1	3.3	2.6	2.5	2.8
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

<b>SCHEDULE 5-2</b>						
<b>Net Purchased and Produced Energy (GWh)</b>						
	<b>2016 Actual</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Forecast</b>	<b>2021 Forecast</b>
Energy Sales	1,188.4	1,208.0	1,257.4	1,286.9	1,341.0	1,384.5
Company Use & System Losses	92.1	89.9	91.6	98.4	109.2	112.4
<b>Total</b>	<b>1,280.5</b>	<b>1,297.9</b>	<b>1,349.0</b>	<b>1,385.3</b>	<b>1,450.2</b>	<b>1,496.9</b>

<b>SCHEDULE 5-3</b>						
<b>Energy Supply by Source (\$)</b>						
	<b>2016 Actual</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Forecast</b>	<b>2021 Forecast</b>
Point Lepreau	\$ 20,935,352	\$ 23,980,233	\$ 23,109,894	\$ 24,442,271	\$ 24,499,500	\$ 24,611,900
EPA - Firm Energy Purchases	26,253,401	39,296,913	47,846,194	59,046,454	66,717,200	62,708,000
EPA - System Energy Purchases	32,803,402	21,812,357	19,533,804	8,724,769	5,376,400	3,906,100
Charlottetown Plant	2,879,000	2,585,034	2,208,221	1,440,381	1,256,900	1,334,600
Combustine Turbine #3	963,160	962,634	707,928	597,587	622,300	779,900
Borden-Carleton Plant	369,710	559,442	336,281	309,591	426,000	572,200
Energy Control Centre Operations	785,578	763,155	906,764	951,758	1,071,600	1,158,200
Wind	23,771,059	23,426,491	24,513,862	24,599,257	25,681,400	35,592,300
Ancillary Services	515,592	39,012	(577,620)	(2,818)	896,700	909,900
Other Purchases	(9,558)	10,073	(46,167)	(187)	1,160,700	1,160,700
NB Interconnection Facilities Rental & Transmission Services	1,529,870	4,248,636	5,977,085	6,083,464	6,507,300	6,540,800
PEI Energy Corporation Dalhousie & Lepreau Debt Repayment	-	-	-	-	-	-
Amortization of Deferred Charges	97,362	421,076	617,450	250,598	220,800	260,000
<b>Total</b>	<b>\$ 110,893,928</b>	<b>\$ 118,105,056</b>	<b>\$ 125,133,696</b>	<b>\$ 126,443,125</b>	<b>\$ 134,436,800</b>	<b>\$ 139,534,600</b>

<b>SCHEDULE 5-4</b>						
<b>Charlottetown Plant Operating Expenses (\$)</b>						
<b>Description</b>	<b>2016 Actual</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Forecast</b>	<b>2021 Forecast</b>
Buildings & Services	\$ 457,870	\$ 409,240	\$ 404,104	\$ 345,903	\$ 299,300	\$ 266,600
Plant Maintenance	687,391	662,368	631,330	373,559	403,800	465,400
Plant Operating	579,937	423,800	487,505	306,411	181,600	205,600
Superintendence	188,476	279,252	207,638	53,060	53,700	78,500
Generation Fuel & Plant Heating	965,326	810,374	477,644	361,448	318,500	318,500
<b>Total</b>	<b>\$ 2,879,000</b>	<b>\$ 2,585,034</b>	<b>\$ 2,208,221</b>	<b>\$ 1,440,381</b>	<b>\$ 1,256,900</b>	<b>\$ 1,334,600</b>

**Appendix 5**  
**Energy Supply Expenses - 2019 to 2021**

<b>SCHEDULE 5-5</b>						
<b>Combustine Turbine #3 Operating Expenses (\$)</b>						
<b>Description</b>	<b>2016 Actual</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Forecast</b>	<b>2021 Forecast</b>
Buildings & Services	\$ 9,644	\$ 971	\$ 11	\$ 191,452	\$ 11,600	\$ 12,000
Plant Maintenance	192,854	160,104	150,867	148,667	171,600	179,600
Plant Operating	45,054	58,331	14,456	11,166	19,000	34,800
Superintendence	-	-	-	31,688	77,500	80,100
Generation Fuel	715,608	743,228	542,594	214,614	342,600	473,400
<b>Total</b>	<b>\$ 963,160</b>	<b>\$ 962,634</b>	<b>\$ 707,928</b>	<b>\$ 597,587</b>	<b>\$ 622,300</b>	<b>\$ 779,900</b>

<b>SCHEDULE 5-6</b>						
<b>Borden-Carleton Plant Operating Expenses (\$)</b>						
<b>Description</b>	<b>2016 Actual</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Forecast</b>	<b>2021 Forecast</b>
Buildings & Services	\$ 228	\$ 1,450	\$ 51	\$ 675	\$ 3,400	\$ 3,600
Plant Operating	11,533	72,089	6,854	13,782	6,200	6,700
Plant Maintenance	197,702	255,209	184,165	173,807	123,800	132,800
Superintendence	-	-	-	21,688	77,500	80,100
Generation Fuel	160,247	230,694	145,211	99,639	215,100	349,000
<b>Total</b>	<b>\$ 369,710</b>	<b>\$ 559,442</b>	<b>\$ 336,281</b>	<b>\$ 309,591</b>	<b>\$ 426,000</b>	<b>\$ 572,200</b>

<b>SCHEDULE 5-7</b>						
<b>Energy Supply Expenses - Other (\$)</b>						
<b>Description</b>	<b>2016 Actual</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Forecast</b>	<b>2021 Forecast</b>
Insurance	\$ 525,103	\$ 552,481	\$ 575,265	\$ 586,660	\$ 613,400	\$ 650,800
Property Tax	206,439	214,619	220,780	224,463	229,600	243,600
Professional Development & Training	1,386	14,050	12,069	17,021	58,200	60,000
<b>Total</b>	<b>\$ 732,928</b>	<b>\$ 781,150</b>	<b>\$ 808,114</b>	<b>\$ 828,144</b>	<b>\$ 901,200</b>	<b>\$ 954,400</b>

**Appendix 6**  
**Transmission and Distribution Expenses - 2019 to 2021**

<b>SCHEDULE 6-1</b>						
<b>Transmission Expenses (\$)</b>						
<b>Description</b>	<b>2016 Actual</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Forecast</b>	<b>2021 Forecast</b>
Substations	\$ 45,058	\$ 53,856	\$ 63,538	\$ 61,961	\$ 75,600	\$ 77,300
Rights of Way	74,126	701,576	270,134	142,757	388,100	399,800
Line Maintenance	247,142	284,820	333,140	290,383	309,000	318,000
Line Control Devices	56,312	54,106	63,640	46,726	74,700	76,300
Engineering	108,110	126,090	128,464	128,997	148,300	154,100
Open Access Transmission Tariff	6,842,195	6,272,903	7,488,580	8,519,015	9,028,100	9,215,800
<b>Total</b>	<b>\$ 7,372,943</b>	<b>\$ 7,493,351</b>	<b>\$ 8,347,496</b>	<b>\$ 9,189,839</b>	<b>\$ 10,023,800</b>	<b>\$ 10,241,300</b>

<b>SCHEDULE 6-2</b>						
<b>Maritime Electric OATT Expenses (\$)</b>						
<b>Description</b>	<b>2016 Actual</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Forecast</b>	<b>2021 Forecast</b>
Network Service	\$ 5,166,393	\$ 5,304,673	\$ 6,328,955	\$ 7,543,315	\$ 8,095,800	\$ 8,261,000
Schedule 1	204,810	210,292	224,715	236,563	204,600	210,400
Schedule 2	331,157	340,020	335,613	316,332	330,900	340,200
Schedule 3C	9,245	9,737	9,863	13,269	-	-
Schedule 4	825,010	108,068	(30,453)	103,942	-	-
Schedule 9	74,928	74,928	71,676	67,123	74,900	74,900
Schedule 10	17,555		124,599	-	-	-
OATT Operations	213,097	225,185	423,612	238,471	321,900	329,300
<b>Total</b>	<b>\$ 6,842,195</b>	<b>\$ 6,272,903</b>	<b>\$ 7,488,580</b>	<b>\$ 8,519,015</b>	<b>\$ 9,028,100</b>	<b>\$ 9,215,800</b>

<b>SCHEDULE 6-3</b>						
<b>Distribution Expenses (\$)</b>						
<b>Description</b>	<b>2016 Actual</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Forecast</b>	<b>2021 Forecast</b>
Substations	\$ 122,624	\$ 113,103	\$ 112,061	\$ 101,197	\$ 100,500	\$ 103,200
Rights of Way	1,640,174	1,431,043	1,271,836	1,596,499	1,415,600	1,435,700
Line Maintenance	1,628,418	1,635,121	1,864,263	1,802,702	1,974,700	2,025,500
Line Control Devices	47,898	47,854	48,313	56,240	68,200	69,800
Transformers	516,815	452,070	575,466	701,066	533,000	544,900
Meters	166,363	158,003	168,925	172,749	185,200	190,300
Communications Systems	172,411	212,842	196,253	160,462	266,500	273,100
Supervisory SCADA	77,128	105,279	105,535	89,399	128,200	131,300
Engineering	326,251	320,270	350,329	352,191	430,900	443,900
<b>Total</b>	<b>\$ 4,698,082</b>	<b>\$ 4,475,585</b>	<b>\$ 4,692,981</b>	<b>\$ 5,032,505</b>	<b>\$ 5,102,800</b>	<b>\$ 5,217,700</b>

<b>SCHEDULE 6-4</b>						
<b>Transmission &amp; Distribution Expenses - Other (\$)</b>						
<b>Description</b>	<b>2016 Actual</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Forecast</b>	<b>2021 Forecast</b>
Insurance	\$ 104,427	\$ 117,034	\$ 140,184	\$ 143,717	\$ 127,300	\$ 131,100
Property Tax	1,868,844	1,881,192	1,943,372	2,049,826	2,127,800	2,279,000
Professional Development & Training	66,258	57,756	91,144	100,291	88,700	91,400
<b>Total</b>	<b>\$ 2,039,529</b>	<b>\$ 2,055,982</b>	<b>\$ 2,174,700</b>	<b>\$ 2,293,834</b>	<b>\$ 2,343,800</b>	<b>\$ 2,501,500</b>

**Appendix 7**  
**General and Administrative Expenses - 2019 to 2021**

<b>SCHEDULE 10-1</b>						
<b>General and Administrative Expenses (\$)</b>						
<b>Description</b>	<b>2016 Actual</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Forecast</b>	<b>2021 Forecast</b>
Customer Service and Meter Reading	\$ 2,058,663	\$ 1,933,563	\$ 1,929,987	\$ 1,922,752	\$ 2,203,600	\$ 2,266,600
Finance and Accounting	1,393,344	1,367,720	1,382,047	1,392,343	1,472,700	1,523,600
Corporate Communications and Public Affairs	434,713	515,418	563,523	414,198	460,800	531,700
Information Technology	460,060	443,471	653,343	694,990	865,900	822,200
Regulation	743,681	649,891	822,800	1,064,830	949,000	1,066,800
Directors' Fees	242,017	251,962	334,545	365,327	420,100	432,700
General Property - Tax & Maintenance	681,983	637,708	686,281	692,068	733,400	755,400
Corporate Services and Support	2,708,645	2,647,973	2,447,572	2,938,247	4,034,800	4,964,900
<b>Total</b>	<b>\$ 8,723,106</b>	<b>\$ 8,447,706</b>	<b>\$ 8,820,098</b>	<b>\$ 9,484,755</b>	<b>\$ 11,140,300</b>	<b>\$ 12,363,900</b>

<b>SCHEDULE 10-2</b>						
<b>Corporate Services and Support</b>						
<b>Description</b>	<b>2016 Actual</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Forecast</b>	<b>2021 Forecast</b>
Employee Future Benefit Costs	\$ (1,397,692)	\$ (1,262,600)	\$ (1,040,988)	\$ (1,087,796)	\$ 87,200	\$ 862,100
Employee Training	21,488	49,887	86,815	(22,926)	25,300	26,100
Human Resources	158,911	161,730	142,315	198,286	187,100	192,300
Insurance	43,871	38,794	38,684	38,999	41,400	42,600
Legal	64,220	74,236	203,546	208,743	224,300	211,500
Corporate Services	3,472,408	3,233,899	2,670,631	3,148,346	2,969,900	3,111,800
Health Safety & Environment	99,462	81,727	104,598	129,373	150,400	154,300
Internal Audit	71,210	82,673	72,276	89,888	97,700	100,600
System Planning & Engineering	174,767	187,627	169,695	235,334	251,500	263,600
<b>Total</b>	<b>\$ 2,708,645</b>	<b>\$ 2,647,973</b>	<b>\$ 2,447,572</b>	<b>\$ 2,938,247</b>	<b>\$ 4,034,800</b>	<b>\$ 4,964,900</b>



**Appendix 8**  
**Estimate of Unrecovered Depreciation and Accumulated Reserve Variance for the CTGS**

	Actual			Forecast 2020 Retirement	Original Cost at 12/31/2020	Forecast 2021 Retirement	Original Cost at 12/31/2021
	Original Cost at 12/31/2017	Net Additions and Retirements 2018	Net Additions and Retirements 2019				
Structures and Improvements	9,006,038	(1,188)	56,995	-	9,061,845	(9,061,845)	-
Boiler Plant Equipment	26,445,980	(2,597)	(650,236)	-	25,793,147	(25,793,147)	-
Turbogenerator Units							
Unit 7	1,954,691	-	(1,954,691)	-	-	-	-
Unit 8	3,909,382	-	-	(3,909,382)	-	-	-
Units 9 and 10	15,637,528	8,464	-	-	15,645,992	(15,645,992)	-
Total Turbogenerator Units	21,501,601	8,464	(1,954,691)	(3,909,382)	15,645,992	(15,645,992)	-
Accessory Electrical Equipment	2,283,113	-	-	-	2,283,113	(2,283,113)	-
Miscellaneous Power Plant Equipment	1,512,887	-	-	-	1,512,887	(1,512,887)	-
	60,749,619	4,680	(2,547,932)	(3,909,382)	54,296,985	(54,296,985)	-
Decommissioning Costs, net of salvage	11,298,000	(760,052)	(398,340)	(415,000)	9,724,608	-	-
	<u>72,047,619</u>		<u>68,345,975</u>		<u>64,021,593</u>		

	Accumulated Depreciation ("A/D") 12/31/2017	2018	2018 Retirements & Retirement Expense	2019	2019 Retirements & Retirement Expense	A/D 12/31/19
<b>Amortization Expense - Actual</b>						
Structures and Improvements	5,576,582	842,009	(681,135)	844,618	(398,170)	6,183,904
Boiler Plant Equipment	19,588,953	2,023,018	(77,415)	1,998,047	(652,576)	22,880,027
Turbogenerator Units						
Unit 7	1,373,687	160,285	(13,422)	80,143	(1,954,861)	(354,168)
Unit 8	2,633,028	320,569	-	320,569	-	3,274,166
Units 9 and 10	10,098,042	1,282,624	-	1,282,971	-	12,663,637
Total Turbogenerator Units	14,104,757	1,763,478	(13,422)	1,683,683	(1,954,861)	15,583,635
Accessory Electrical Equipment	1,996,684	117,352	-	117,352	-	2,231,388
Miscellaneous Power Plant Equipment	1,196,410	105,751	-	105,751	-	1,407,912
	<u>42,463,386</u>	<u>4,851,608</u>	<u>(771,972)</u>	<u>4,749,451</u>	<u>(3,005,607)</u>	<u>48,286,866</u>
Asset Retirements			11,920		2,607,267	
Retirement Expense			760,052		398,340	

Annual Depreciation Rate UE19-08	Forecast Amortization Expense - per 2017 Study	A/D 12/31/2017	2018	2018 Retirements & Retirement Expense	2019	2019 Retirements & Retirement Expense	2020	2020 Retirements & Retirement Expense	2021
14.41%	Structures and Improvements	5,576,582	1,297,684	(681,135)	1,301,705	(398,170)	1,305,812	(415,000)	652,906
11.34%	Boiler Plant Equipment	19,588,953	2,998,827	(77,415)	2,961,811	(652,576)	2,924,943	-	1,462,471
	Turbogenerator Units								
24.47%	Unit 7	1,373,687	478,313	(13,422)	239,156	(1,954,861)	-	-	-
17.32%	Unit 8	2,633,028	677,105	-	677,105	-	338,552	(3,909,382)	-
13.70%	Units 9 and 10	10,098,042	2,142,921	-	2,143,501	-	2,143,501	-	1,071,750
	Total Turbogenerator Units	14,104,757	3,298,339	(13,422)	3,059,762	(1,954,861)	2,482,053	(3,909,382)	1,071,750
7.99%	Accessory Electrical Equipment	1,996,684	182,421	-	182,421	-	182,421	-	91,210
10.18%	Miscellaneous Power Plant Equipment	1,196,410	154,012	-	154,012	-	154,012	-	77,006
		<u>42,463,386</u>	<u>7,931,283</u>	<u>(771,972)</u>	<u>7,659,712</u>	<u>(3,005,607)</u>	<u>7,049,241</u>	<u>(4,324,382)</u>	<u>3,355,344</u>
									60,357,005
									3,664,588
<b>Difference - Study less Actual</b>	-		<u>3,079,675</u>		<u>2,910,261</u>				<u>3,664,588</u>
			<b>A</b>		<b>B</b>				<b>C</b>

**Composite Rate** 13.06% 13.16% 12.98% 12.36%

*The Composite rate is decreasing due to the retirement of Unit 7 in 2019 & Unit 8 in 2020, both at higher rates than remaining assets*

**Total Balance Remaining to be collected at the end of 2021 - Regulatory Deferral (proposed)** **D = A + B + C** **\$ 9,654,524**

**Appendix 9**  
**Financial Forecast Schedules - 2019 to 2021**

SCHEDULE 9-1						
Average Capital Structure (%)						
	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Forecast	2021 Forecast
Debt	59.1	60.3	60.7	60.7	60.3	60.0
Equity*	40.9	39.8	39.3	39.3	39.7	40.0
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

\* Contains non-regulated equity of 0.08 percent in 2017.

SCHEDULE 9-2						
Dividends (\$)						
	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Forecast	2021 Forecast
Regulated	\$ 8,000,000	\$ 8,500,000	\$ 8,500,000	\$ 8,500,000	\$ 7,500,000	\$ 10,500,000
Non-regulated	297,500	297,500	1,247,120	-	-	-
<b>Total</b>	<b>\$ 8,297,500</b>	<b>\$ 8,797,500</b>	<b>\$ 9,747,120</b>	<b>\$ 8,500,000</b>	<b>\$ 7,500,000</b>	<b>\$ 10,500,000</b>

SCHEDULE 9-3									
Annual Interest Expense on Long-Term Debt (\$)									
Issue Date	Maturity Date	Principal Amount	Interest Rate (%)	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Forecast	2021 Forecast
15-Aug-91	15-Aug-16	\$ 12,000,000	11.500	\$ 862,500	\$ -	\$ -	\$ -	\$ -	\$ -
7-Dec-93	7-Dec-18	15,000,000	8.550	1,282,500	1,282,500	1,199,708	-	-	-
22-Dec-00	22-Dec-25	15,000,000	7.570	1,135,500	1,135,500	1,135,500	1,135,500	1,135,500	1,135,500
15-Jan-97	15-Jan-27	15,000,000	8.625	1,293,750	1,293,750	1,293,800	1,293,800	1,293,800	1,293,800
3-Jul-96	3-Jul-31	20,000,000	8.920	1,784,000	1,784,000	1,784,000	1,784,000	1,784,000	1,784,000
2-Apr-08	2-Apr-38	60,000,000	6.054	3,632,400	3,632,400	3,632,400	3,632,400	3,632,400	3,632,400
5-Dec-11	5-Dec-61	30,000,000	4.915	1,474,500	1,474,500	1,474,500	1,474,500	1,474,500	1,474,500
23-Aug-16	23-Aug-56	40,000,000	3.657	523,670	1,462,800	1,462,800	1,462,800	1,462,800	1,462,800
7-Dec-18*	7-Dec-48	40,000,000	4.148	-	-	113,644	1,659,200	1,659,200	1,659,200
<b>Total</b>				<b>\$ 11,988,820</b>	<b>\$ 12,065,450</b>	<b>\$ 12,096,352</b>	<b>\$ 12,442,200</b>	<b>\$ 12,442,200</b>	<b>\$ 12,442,200</b>

\* Forecast First Mortgage Bond Issue

Table 9-4								
Amortization of Debt Issue Costs								
Issue Date	Principal Amount	Deferred Costs	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Forecast	2021 Forecast
2-Apr-08	\$ 60,000,000	\$ 213,952	\$ 4,217	\$ 4,474	\$ 4,746	\$ 5,108	\$ 5,418	\$ 5,747
5-Dec-11	30,000,000	239,313	1,412	1,482	1,555	1,706	1,791	1,879
23-Aug-16	40,000,000	240,072	906	2,753	2,854	3,031	3,143	3,259
7-Dec-18	40,000,000	335,938	-	-	-	3,160	3,435	3,579
<b>Total</b>			<b>\$ 6,535</b>	<b>\$ 8,708</b>	<b>\$ 9,155</b>	<b>\$ 13,004</b>	<b>\$ 13,800</b>	<b>\$ 14,500</b>

Table 9-5						
Other Financing Costs (\$)						
	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Forecast	2021 Forecast
Short Term Debt Charges	\$ 788,933	\$ 627,410	\$ 945,451	\$ 920,651	\$ 966,100	\$ 1,070,200
Amortization of Financing Costs	\$ 6,535	\$ 8,708	\$ 9,155	\$ 13,004	\$ 13,800	\$ 14,500
Allowance for Funds	\$ (405,915)	\$ (449,760)	\$ (432,111)	\$ (474,433)	\$ (563,000)	\$ (646,000)

SCHEDULE 9-6					
Interest Coverage (Times)					
2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Forecast	2021 Forecast
2.4	2.5	2.5	2.5	2.5	2.6

**Appendix 9**  
**Financial Forecast Schedules - 2019 to 2021**

<b>SCHEDULE 9-7</b>						
<b>Schedule of Capital Expenditures (\$)</b>						
	<b>2016 Actual</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Forecast</b>	<b>2021 Forecast</b>
<b>Generation</b>						
Charlottetown Plant	\$ 500,777	\$ 983,658	\$ 814,902	\$ 426,114	\$ 1,721,000	\$ 855,000
Borden-Charleton Plant	740,335	81,062	185,765	59,226	230,000	164,000
<b>Transmission &amp; Distribution</b>						
Transmission	8,283,251	10,832,373	6,989,530	8,674,017	9,397,000	9,825,000
Distribution	18,246,306	19,834,463	21,445,488	23,777,734	28,878,000	29,400,000
<b>Corporate</b>	1,039,510	841,786	2,143,044	1,850,590	2,160,000	2,029,000
<b>Sub-total</b>	<b>28,810,179</b>	<b>32,573,342</b>	<b>31,578,729</b>	<b>34,787,681</b>	<b>42,386,000</b>	<b>42,273,000</b>
Allowance for Funds Used During Construction	405,915	449,760	432,111	474,433	563,000	646,000
General Expense Capitalized	477,714	502,450	475,368	567,505	557,000	569,000
Less: Contributions	(1,262,517)	(746,454)	(677,905)	(758,922)	(2,400,000)	(2,460,000)
<b>Net Capital Expenditures</b>	<b>\$ 28,431,291</b>	<b>\$ 32,779,098</b>	<b>\$ 31,808,303</b>	<b>\$ 35,070,697</b>	<b>\$ 41,106,000</b>	<b>\$ 41,028,000</b>

\* 2020 includes \$3,130,000 of forecast carryover expenditures (net of contributions) approved in prior years.

\*\* 2020 and 2021 include budget application for PEI Broadband Project of \$3,710,000 and \$3,821,000 (net of contributions) respectively.

<b>SCHEDULE 9-8</b>							
<b>Operating Expenses (\$)</b>							
	<b>Schedule Reference</b>	<b>2016 Actual</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Forecast</b>	<b>2021 Forecast</b>
Energy Supply Expenses	Appendix 5 - Schedule 3	\$ 110,893,928	\$ 118,105,056	\$ 125,133,696	\$ 126,443,125	\$ 134,436,800	\$ 139,534,600
Energy Supply Expenses - Other	Appendix 5 - Schedule 7	732,928	781,150	808,114	828,144	901,200	954,400
ECAM		(344,276)	(2,358,689)	(1,973,263)	464,059	(595,200)	(210,800)
Distribution	Appendix 6 - Schedule 3	4,698,082	4,475,585	4,692,981	5,032,505	5,102,800	5,217,700
Transmission*	Appendix 6 - Schedule 1	7,372,943	7,493,351	8,347,496	9,189,839	10,023,800	10,241,300
Transmission & Distribution - Other	Appendix 6 - Schedule 4	2,039,529	2,055,982	2,174,700	2,293,834	2,343,800	2,501,500
General & Administrative **	Appendix 10 - Schedule 1	8,723,106	8,447,706	8,820,098	9,484,755	11,140,300	12,363,900
<b>Total</b>		<b>\$ 134,116,240</b>	<b>\$ 139,000,141</b>	<b>\$ 148,003,822</b>	<b>\$ 153,736,261</b>	<b>\$ 163,353,500</b>	<b>\$ 170,602,600</b>

\* Includes OATT Expenses

\*\* Excludes Fortis Inc. Administrative Charges

<b>SCHEDULE 9-9</b>					
<b>Effective Corporate Income Tax Rates (\$)</b>					
	<b>2016 Actual</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Forecast</b>
Effective Tax Rate	31.5	31.5	31.2	31.3	31.2

<b>SCHEDULE 9-10</b>						
<b>Revenue Requirement (\$)</b>						
	<b>2016 Actual</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Forecast</b>	<b>2021 Forecast</b>
Operating Expenses (Net of ECAM)*	\$ 134,018,878	\$ 138,579,065	\$ 147,386,372	\$ 153,485,663	\$ 163,132,700	\$ 170,342,600
Interest Expense (including amortization of Debt Issue Costs)	12,378,373	12,251,808	12,618,847	12,901,422	12,859,100	12,880,900
Amortization - Fixed Assets	20,942,072	21,802,450	22,583,378	23,337,238	28,572,100	26,202,300
Amortization - DSM Costs	-	327,676	524,050	157,198	127,400	166,600
Amortization - Lepreau Writedown	97,362	93,400	93,400	93,400	93,400	93,400
Amortization - Storm Deferral	-	-	-	-	3,002,900	-
Income Tax Expense	5,959,260	6,130,460	6,266,588	6,483,242	6,742,100	6,978,600
Return on Equity**	12,941,456	13,350,422	13,792,864	14,262,630	14,842,700	15,372,200
<b>Total</b>	<b>\$ 186,337,401</b>	<b>\$ 192,535,281</b>	<b>\$ 203,265,499</b>	<b>\$ 210,720,793</b>	<b>\$ 229,372,400</b>	<b>\$ 232,036,600</b>

\* Excluding Fortis Inc. Costs

\*\* Before Disallowable Costs

<b>SCHEDULE 9-11</b>						
<b>Other Revenue(\$)</b>						
	<b>2016 Actual</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Forecast</b>	<b>2021 Forecast</b>
<b>OATT</b>						
Network Service	\$ 5,166,393	\$ 5,304,673	\$ 6,328,956	\$ 7,543,315	\$ 8,049,100	\$ 8,217,100
Schedule 1	303,898	315,831	328,212	319,874	332,400	337,800
Schedule 2	447,655	464,307	460,098	428,183	445,300	452,600
Schedule 3C	9,245	9,737	9,864	13,276	-	-
Schedule 4	833,834	155,313	44,510	220,143	-	-
Schedule 7	293,786	300,536	340,845	451,637	451,600	451,600
Schedule 8	992,104	1,085,114	1,378,168	1,854,983	1,518,100	1,524,200
Schedule 9	326,372	326,372	312,040	487,452	292,400	292,400
Schedule 10	17,555	-	249,292	47,479	-	-
<b>Sub-total</b>	<b>8,390,842</b>	<b>7,961,883</b>	<b>9,451,985</b>	<b>11,366,342</b>	<b>11,088,900</b>	<b>11,275,700</b>
<b>Other</b>						
Late Payment Charges	610,262	639,391	656,334	617,126	676,400	706,100
Connection Fees	479,177	463,552	472,376	437,141	502,000	521,100
Miscellaneous Revenue	673,772	859,462	1,712,605	921,314	1,231,300	748,700
<b>Sub-total</b>	<b>1,763,211</b>	<b>1,962,405</b>	<b>2,841,315</b>	<b>1,975,581</b>	<b>2,409,700</b>	<b>1,975,900</b>
<b>Total Other Revenue</b>	<b>\$ 10,154,053</b>	<b>\$ 9,924,288</b>	<b>\$ 12,293,300</b>	<b>\$ 13,341,923</b>	<b>\$ 13,498,600</b>	<b>\$ 13,251,600</b>

**Appendix 9**  
**Financial Forecast Schedules - 2019 to 2021**

<b>SCHEDULE 9-12</b>						
<b>Energy Sales by Class (Existing Basic Rates)</b>						
	<b>2016 Actual</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Forecast</b>	<b>2021 Forecast</b>
<b>Energy by Class - (GWh)</b>						
Residential	563.5	577.0	612.8	641.0	676.7	707.4
General Service I	386.8	384.9	393.6	392.8	403.2	412.6
Large Industrial	129.9	133.6	151.7	154.0	159.5	161.0
Small Industrial	100.1	104.6	91.7	91.7	94.3	96.5
Street Lighting	5.8	5.5	5.1	4.9	4.8	4.5
Unmetered	2.4	2.4	2.5	2.5	2.5	2.5
<b>Total Energy Sales</b>	<b>1,188.4</b>	<b>1,208.0</b>	<b>1,257.4</b>	<b>1,286.9</b>	<b>1,341.0</b>	<b>1,384.5</b>
<b>Gross Revenue by Class - (\$)</b>						
Residential	\$ 92,562,937	\$ 96,868,216	\$ 104,126,938	\$ 108,630,752	\$ 115,414,400	\$ 120,705,700
General Service I	59,016,156	60,498,583	63,326,321	63,552,897	64,982,300	66,298,800
Large Industrial	10,786,613	11,481,970	13,701,483	13,944,113	14,163,600	14,266,500
Small Industrial	12,968,350	13,640,807	12,713,700	12,767,732	13,030,700	13,279,500
Street Lighting	2,420,167	2,424,681	2,381,685	2,323,872	2,270,700	2,156,500
Unmetered	403,098	412,465	431,050	434,952	421,200	425,400
<b>Total Gross Electric Revenue</b>	<b>178,157,321</b>	<b>185,326,722</b>	<b>196,681,177</b>	<b>201,654,318</b>	<b>210,282,900</b>	<b>217,132,400</b>
Rate of Return Adjustment	(2,100,000)	(2,767,885)	(5,239,809)	(3,509,123)	3,002,900	-
Weather Normalization Adjustment	126,031	52,155	(469,169)	(766,345)	1,057,300	-
<b>Total Electric Revenue</b>	<b>176,183,352</b>	<b>182,610,992</b>	<b>190,972,199</b>	<b>197,378,850</b>	<b>214,343,100</b>	<b>217,132,400</b>
<b>Total Other Revenue</b>	<b>10,154,053</b>	<b>9,924,288</b>	<b>12,293,300</b>	<b>13,341,923</b>	<b>13,498,600</b>	<b>13,251,600</b>
<b>Total Revenue</b>	<b>\$ 186,337,405</b>	<b>\$ 192,535,280</b>	<b>\$ 203,265,499</b>	<b>\$ 210,720,773</b>	<b>\$ 227,841,700</b>	<b>\$ 230,384,000</b>

<b>SCHEDULE 9-13</b>						
<b>Energy Sales by Class (Proposed Basic Rates)</b>						
	<b>2016 Actual</b>	<b>2017 Actual</b>	<b>2018 Actual</b>	<b>2019 Actual</b>	<b>2020 Forecast</b>	<b>2021 Forecast</b>
<b>Energy by Class - (GWh)</b>						
Residential	563.5	577.0	612.8	641.0	676.7	707.4
General Service I	386.8	384.9	393.6	392.8	403.2	412.6
Large Industrial	129.9	133.6	151.7	154.0	159.5	161.0
Small Industrial	100.1	104.6	91.7	91.7	94.3	96.5
Street Lighting	5.8	5.5	5.1	4.9	4.8	4.5
Unmetered	2.4	2.4	2.5	2.5	2.5	2.5
<b>Total Energy Sales</b>	<b>1,188.4</b>	<b>1,208.0</b>	<b>1,257.4</b>	<b>1,286.9</b>	<b>1,341.0</b>	<b>1,384.5</b>
<b>Gross Revenue by Class - (\$)</b>						
Residential	\$ 92,562,937	\$ 96,868,216	\$ 104,126,938	\$ 108,630,752	\$ 115,153,400	\$ 120,360,500
General Service I	59,016,156	60,498,583	63,326,321	63,552,897	66,192,300	67,834,200
Large Industrial	10,786,613	11,481,970	13,701,483	13,944,113	14,447,300	14,360,400
Small Industrial	12,968,350	13,640,807	12,713,700	12,767,732	13,275,400	13,576,700
Street Lighting	2,420,167	2,424,681	2,381,685	2,323,872	2,314,700	2,216,200
Unmetered	403,098	412,465	431,050	434,952	430,500	437,000
<b>Total Gross Electric Revenue</b>	<b>178,157,321</b>	<b>185,326,722</b>	<b>196,681,177</b>	<b>201,654,318</b>	<b>211,813,600</b>	<b>218,785,000</b>
Rate of Return Adjustment	(2,100,000)	(2,767,885)	(5,239,809)	(3,509,123)	3,002,900	-
Weather Normalization Adjustment	126,031	52,155	(469,169)	(766,345)	1,057,300	-
<b>Total Electric Revenue</b>	<b>176,183,352</b>	<b>182,610,992</b>	<b>190,972,199</b>	<b>197,378,850</b>	<b>215,873,800</b>	<b>218,785,000</b>
<b>Total Other Revenue</b>	<b>10,154,053</b>	<b>9,924,288</b>	<b>12,293,300</b>	<b>13,341,923</b>	<b>13,498,600</b>	<b>13,251,600</b>
<b>Total Revenue</b>	<b>\$ 186,337,405</b>	<b>\$ 192,535,280</b>	<b>\$ 203,265,499</b>	<b>\$ 210,720,773</b>	<b>\$ 229,372,400</b>	<b>\$ 232,036,600</b>