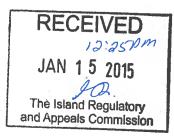


January 15, 2015



Mr. Mark Lanigan
Island Regulatory and Appeals Commission
PO Box 577
134 Kent Street Suite 501
Charlottetown PE C1A 7L1

Dear Mr. Lanigan:

Return on Rate Base

Section 48(12) of the Electric Power Act states "No later than January 15 of each year, Maritime Electric Company, Limited shall file with the Commission its calculation of its average rate base and return on average rate base for the previous year based upon its audited financial statements using the formulas set out in Schedule 3."

Attached is the Company's filing of the required information. An electronic version will follow.

If you have any questions please do not hesitate to contact me.

Yours truly,

MARITIME ELECTRIC

Jason Roberts

Director, Regulatory & Financial Planning

JCR03 Enclosure

Electric Power Act							
Section 48(12) - Schedule 3 Rate Base							
	Fixed Assets	\$	524,829,218	\$	549,747,577		
Less	Work in progress		(599,014)		(2,502,588)		
Less	Accumulated amortization		(173,479,218)		(184,784,475)		
	Net Fixed Assets		350,750,986		362,460,514		
Less	Contributions - net		(27,022,044)		(26,254,677)		
Less	Future income taxes - net of Long-Term Receivable		(15,619,818)		(17,297,723)		
Add	Deferred Financing Costs		433,025		427,996		
Add	Unrecovered pre-2004 costs recoverable from customers		1,983,600		0		
Less	Post-2003 costs due to from customers		(14,138,019)		(5,061,928)		
Less	Regulatory Liabilities - Other		(10,285,412)		(13,465,192)		
Add	Regulatory Asset - Other		0		3,660,423		
Add	Intangible assets		4,397,456		4,270,784		
Add	Deferred Charge		2,403,705		2,074,705		
			(57,847,507)		(51,645,612)		
Add	Working Capital						
	Inventory		5,362,967		5,709,926		
	Gross operating expenses * 3.6%		4,603,812		4,708,780		
	Income taxes paid * 3.6%		306,000		127,512		
		\$	10,272,779	\$	10,546,218		
	Rate Base (unaveraged)	\$	303,176,258	\$	321,361,120		
	Average Rate Base			\$	312,268,689		

Electric Power Act Section 48(12) - Schedule 3 Return on Average Rate Base						
		2014				
Total revenue	\$	191,136,042				
Operating expenses (net of ECAM)		(143,157,076)				
Financing costs		(5,029)				
		47,973,937				
Amortization - Costs Recoverable From Customers (Pre-2004)		(1,983,601)				
Amortization - Fixed Assets		(15,120,635)				
Amortization - Deferred Charges		(329,000)				
		(17,433,236)				
Earnings Before Income Taxes and Financing		30,540,701				
Income taxes		(5,822,890)				
Earnings on Average Rate Base (interest expense excluded)	\$	24,717,811				
Rate Base - Year End Average	\$	312,268,689				
Return on Average Rate Base (%)		7.92%				