



Interrogatories of Commission Staff

TO: Maritime Electric Company, Limited

FROM: Cheryl Bradley

DATE: April 30, 2026

RE: Land Exchange with the Cassdmurph Properties Ltd.

DOCKET: UE21114

The Island Regulatory and Appeals Commission (the “Commission”), in assessing the reasonableness of the Application requesting Approval to Exchange certain lands with the Cassdmurph Properties Ltd. (the “Application”), submitted by Maritime Electric Company, Limited (“Maritime Electric” or “MECL”), requests responses to the following interrogatories:

1. The Application states the proposed transaction is a land swap with no cash or other consideration exchanged between the parties.
 - a. Given that the Stratford property has a higher appraised value than the MECL property, please explain whether there are any factors (including environmental conditions, required development costs, leaseback arrangements, or other constraints) that may offset this difference in value and impact the overall benefit to MECL and its customers.
 - b. Confirm whether there are any additional agreements, side arrangements, or non-cash considerations associated with the transaction that are not described in the Application.
2. Provide copies of the appraisal reports and explain key assumptions, including any adjustments related to environmental conditions.
3. Provide Appendix A – the Transfer Agreement - referenced in the Application.
4. Provide details of environmental assessments for both properties.
 - a. Confirm when the environmental assessment will be completed and filed.
 - b. Explain how any environmental risks, including PCB-related risks, are addressed and whether any residual liability remains with MECL.

5. Provide details of MECL's liability exposure to handling and processing PCBs on a third-party site, after the transfer is complete.
 - a. Will both parties have access to the PCB handling and/or storage infrastructure?
 - b. Will MECL be required to install security or safety measures to safeguard against third-party exposure to PCBs?
6. Explain the need for the Stratford property, including expected timing of use and whether alternative options were considered.
7. Is the Stratford property the location contemplated in the 2026 Capital Budget for the Operations Training Centre, per Commission Docket UE20746, Section 7.2b? If so, does Docket UE20746 capture all the Stratford property costs to provide access to and construct the Training Centre?
8. Identify any additional costs required to make the Stratford property operational (e.g., site preparation, buildings, servicing), including estimated costs and timing. Explain the expected impact of these costs on ratepayers.
9. Confirm the current use of the MECL property and explain how these functions will be managed following the exchange.
10. The Application indicates that MECL is in the process of de-registering the MECL property as a PCB storage site, which may take up to five years.
 - a. Explain the impact on MECL operations and customers if the transaction is approved and if it is not approved.
 - b. Explain where MECL will handle and process PCBs after the MECL property is de-registered, along with an expected cost to construct and maintain the facility, if applicable.
 - c. Explain responsibilities of the parties for any removal of infrastructure deemed necessary by the de-registration.
11. The Application indicates that MECL will lease back the building following closing until de-registration is complete.
 - a. Provide details of the proposed lease arrangement, including lease rate, term, and key conditions.
 - b. Explain the expected cost of the lease and the impact on ratepayers.
12. Confirm the proposed regulatory treatment of the transaction, including:
 - a. Whether the acquired property will be included in rate base and at what value;
 - b. How any gain or loss on disposition will be treated; and

- c. How any associated costs (e.g., development costs, lease costs, environmental costs) will be treated for ratemaking purposes.

The Commission requires responses to these interrogatories no later than 4:00 p.m. on May 15, 2026. Responses received after this date may result in delays in the Commission's reply.

Additional interrogatories may follow.



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Prince Edward Island Regulatory & Appeals Commission