



Interrogatories of Commission Staff

TO: Maritime Electric Company, Limited

FROM: Cheryl Bradley

DATE: April 30, 2026

RE: Land Exchange with the City of Charlottetown

DOCKET: UE21113

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

1. Confirm whether any additional consideration (cash or otherwise) forms part of the proposed exchange. If so, provide details.
2. Explain the purpose of the proposed land exchange from MECL’s perspective.
 - a. Describe how the transaction benefits MECL’s operations and its customers.
 - b. Identify whether alternative approaches (e.g., sale, easement, expropriation) were considered and why the proposed exchange was selected.
 - c. Identify any prior or planned use of the lands proposed to be transferred.
3. Provide details supporting the valuation of the lands being exchanged.
 - a. The application indicates that a valuation of approximately \$40 per square foot, derived from the Richmond Street parcel, was applied across the lands being exchanged. Explain why MECL considers this valuation approach appropriate for all parcels, including how differences in location, use, and environmental condition were considered.
 - b. On page 9 of the application (line 18), the value of the Richmond Street property is referenced as \$40.00 per acre, while elsewhere in the application the valuation is stated as \$40.00 per square foot. Please clarify which valuation is correct.

- c. Provide a copy of all appraisal(s) or valuation reports prepared in support of the transaction, including those relied upon by either MECL or the City.
4. Provide details of environmental conditions and associated risks for the lands being transferred.
 - a. Explain how environmental liability is allocated between MECL and the City.
 - b. Confirm whether any residual environmental liability remains with MECL following the transfer.
 - c. Confirm whether any environmental liabilities related to these lands are recorded on MECL's financial statements.
 - d. Explain any implications for asset retirement obligations.
 - e. Quantify any expected cost savings associated with transferring these lands.
5. Explain the operational need for the lands being acquired.
 - a. Explain whether these lands (Richmond Street and Dorchester Street) are required for current or future operations.
 - b. Explain how ownership of these lands enhances MECL's operations, including any benefit from increased control of lands surrounding the Charlottetown Generating Station.
 - c. The perimeter fence at the Charlottetown Generating Station appears to encompass most of the land included in parcel PID 336545. Does Maritime Electric have arrangements or agreements with the City of Charlottetown that facilitate City property being located within its fenced-in area?
6. Why is only a portion of the Dorchester Street parcel being transferred?
7. Identify any future plans MECL had for the lands proposed to be transferred to the City of Charlottetown.
8. Confirm the proposed regulatory treatment of the transaction, including:
 - a. whether the lands being transferred are currently included in rate base;
 - b. whether the acquired lands will be included in rate base;
 - c. how any gain or loss on the transfer will be treated; and
 - d. how transaction-related 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.

A handwritten signature in blue ink that reads "Cheryl Bradley". The signature is written in a cursive, flowing style.

Cheryl Bradley, CA, CPA
Director of Finance & Regulatory Affairs
Prince Edward Island Regulatory & Appeals Commission