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All the time.



May 22, 2026



Ms. Cheryl Bradley
Island Regulatory & Appeals Commission
PO Box 577
Charlottetown PE C1A 7L1

Dear Ms. Bradley:

**Land Exchange with Cassdmurph Properties Ltd. – Docket UE21114
Response to Interrogatories from Commission Staff**

Please find attached the responses to Interrogatories from Commission Staff with respect to the Company's application to approve an exchange of lands with Cassdmurph Properties Ltd.

An electronic copy of this submission will be forwarded shortly.

Yours truly,

MARITIME ELECTRIC

A handwritten signature in blue ink that reads "Gloria Crockett".

Gloria Crockett, CPA, CA
Director, Regulatory & Financial Planning

GCC24
Enclosure



**RESPONSES TO INTERROGATORIES
OF
COMMISSION STAFF**

**Land Exchange with the Cassdmurph Properties Ltd.
(UE21114)**

Submitted May 22, 2025

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:

- IR-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.

Response:

- a. No factors, including environmental conditions, development costs, leaseback arrangements, or other constraints, offset the difference in appraised value or diminish the overall benefit of the transaction to Maritime Electric and its customers.

Cassdmurph Properties Ltd. (“CPL”) is prepared to exchange the higher-valued Stratford property because the existing Maritime Electric property is located in close proximity to another CPL property, which houses T3 Transit operations.

- b. There are no additional agreements, side arrangements, cash considerations, or non-cash considerations associated with the transaction other than that as described in the Application.

Pursuant to the Land Swap Agreement attached hereto as IR-1 - Attachment 1, the closing is conditional on both parties entering into a lease with respect to the warehouse and sea can storage containers located on the existing Maritime Electric property.^{1,2} The lease will be in effect post-closing until such time as the Company has successfully de-registered the property as a Polychlorinated Biphenyls (“PCB”) storage facility.

¹ The Land Swap Agreement was originally listed as Appendix A to the Application but was not included when the application was filed.

² Sea cans are large, secure, standardized corrugated steel boxes designed for freight transport.

IR-2 Provide copies of the appraisal reports and explain key assumptions, including any adjustments related to environmental conditions.

Response:

Please find attached IR-2 - Attachment 1 Mason Road Property Appraisal and IR-2 - Attachment 2 Longworth Avenue Property Appraisal.

The current value of the property located at 223 Mason Road in Stratford is estimated to be \$1,125,000.

The current value of the Maritime Electric property located at 103 Longworth Avenue in Charlottetown is estimated to be \$890,000. This estimate does not consider any environmental remediation costs and, as part of the Land Swap Agreement, CPL has agreed to indemnify Maritime Electric of any future remediation costs associated with this property.³

³ The Longworth Avenue property has significant contamination related to its previous use as a petroleum storage facility for approximately 40 years.

IR-3 Provide Appendix A – the Transfer Agreement - referenced in the Application.

Response:

Appendix A was inadvertently missed in the original application filing. It is attached hereto as IR-1 - Attachment 1 Land Swap Agreement.

IR-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.

Response:

- a. A Phase I ESA of 103 Longworth Avenue was completed by Jacques Whitford Environmental Limited in December 1994 and found the property had previously been owned by Imperial Oil Limited before Maritime Electric acquired it in 1958. This assessment is attached hereto as IR-4 - Attachment 1 December 1994 EIA.

A Phase II ESA was completed in October 1995 and is attached hereto as IR-4 - Attachment 2 October 1995 EIA.

No environmental assessment has been completed for the CPL Mason Road property as Maritime Electric does not expect the associated environmental liability for that property to exceed the liability associated with 103 Longworth Avenue, which is the property being exchanged.⁴

- b. CPL has agreed to indemnify Maritime Electric for all future remediation costs associated with the Longworth Avenue property.

As per the Land Swap Agreement, closing is contingent upon Maritime Electric and CPL entering into a lease for the warehouse and sea can storage containers on the Maritime Electric property. The lease will remain in place until Maritime Electric successfully de-registers the property as a PCB storage facility. The process to federally de-register the site as a PCB storage facility is anticipated to take up to five (5) years and is contingent upon Maritime Electric removing any installed equipment that contains greater than fifty (50) ppm of PCBs.

⁴ As indicated in the October 1995 EIA, the Longworth Avenue property has significant contamination related to its previous use as a petroleum storage facility for approximately 40 years.

- IR-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?

Response:

- a. Only Maritime Electric will have access to the PCB handling and/or storage infrastructure at 103 Longworth Avenue, which is contained in a secure warehouse building as well as in secure storage containers within a fenced-in compound. The Land Swap Agreement guarantees that the Company will retain uninterrupted access to the site until federal de-registration is completed and all PCBs greater than fifty (50) ppm including any PCB-contaminated equipment, have been removed.
- b. The PCB handling is located within a secure warehouse building while the PCB storage is contained in secure storage containers and the entire site is enclosed within a secure fenced-in area. No additional security or safety measures are planned to be implemented as no other parties will have access to the site until the PCB handling and/or storage infrastructure site is de-registered.

IR-6 Explain the need for the Stratford property, including expected timing of use and whether alternative options were considered.

Response:

The need for the Stratford property is primarily driven by anticipated future growth and the requirement for increased flexibility in operations.

The Mason Road-Stratford property will support expanded transformer and equipment storage as demand increases, providing the ability to accommodate larger volumes and a wider range of materials. This site also has the possibility to serve as a location for i) a future fleet maintenance facility and ii) a location for a future power line technician training center.

The property's proximity to Maritime Electric's existing substation at 238 Mason Road in Stratford also creates a potential opportunity for future substation expansion.

Although alternative options were reviewed, Stratford is the strongest option to support projected growth, operational efficiency, and long-term strategic flexibility. By comparison, using the Company's existing facilities, such as the existing property in West Royalty, for secure outdoor storage would limit the Company's ability to accommodate future growth.

IR-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?

Response:

The Stratford property is not necessarily the location contemplated in the 2026 Capital Budget for the Operations Training Centre, per Commission Docket UE20746, Section 7.2b.

The facility contemplated in the 2026 Capital Budget Application, Section 7.2b filing was planned to be a modular training classroom and Maritime Electric is still reviewing multiple options for where the training simulation yard might be located. The long-term goal is to develop a training centre that combines the classroom with the simulation yard. One of the options being considered is the property on Mason Road if this Land Swap Agreement is approved and executed.

IR-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.

Response:

The development costs required to prepare the Stratford site as a secure outdoor equipment storage yard, including fencing, leveling and gravel placement, and security cameras, is estimated to be less than \$350,000 and will be included in the Company's 2027 Capital Budget Application which is expected to be filed in the third quarter of 2026.

Given that the expected development costs are less than 0.06 per cent of the Company's 2025 year-end rate base of \$597 million, the impact on rate payers is expected to be negligible.

IR-9 Confirm the current use of the MECL property and explain how these functions will be managed following the exchange.

Response:

The Maritime Electric property located at 103 Longworth Avenue is currently used for secure outdoor storage for equipment, such as transformers and related components. The site also contains a secure warehouse building used for handling PCBs and storage containers used for the safe storage of PCBs.

After the proposed exchange, the Stratford site will be prepared as a secure outdoor equipment storage yard. This preparation will include the installation of perimeter fencing, site leveling and gravel placement, and security cameras prior to moving any Company owned equipment to this new secure storage location.

During the period required to satisfy federal de-registration requirements for the PCB storage facility, Maritime Electric will lease the property located on Longworth Avenue and only Maritime Electric will have access to the secure warehouse and storage containers containing PCBs located at this site. No other parties will be permitted access to those areas. Under the lease agreement, CPL may use the portion of the property used as PCB storage space only after Maritime Electric has successfully de-registered the property as a PCB storage facility and relocated all Company-owned equipment to the new Stratford site.⁵

⁵ CPL will be permitted to use the portions of the site excluding the PCB storage/handling warehouse and sea cans. A lease arrangement will be negotiated allowing CPL access once the Mason Road property is set up for Maritime Electric use and Company owned equipment has been moved there. This will allow CPL to park buses on the Longworth Avenue site before the official PCB de-registration is completed.

- IR-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.

Response:

- a. The existing PCB storage site on the Longworth Avenue property will remain active until successfully de-registered. The process to federally de-register the site as a PCB storage facility is anticipated to take up to five (5) years but is contingent upon Maritime Electric removing any installed equipment that contains greater than fifty (50) ppm of PCBs. This PCB storage site requirement will remain regardless of the land swap. If the transaction is approved by the Commission, Maritime Electric will maintain access to, and operational control over, the PCB storage facility until the de-registration process is completed to ensure compliance with federal regulations.
- b. Once the Maritime Electric property is successfully de-registered and all PCBs and PCB contaminated equipment have been removed, Maritime Electric will no longer require a facility for PCB storage as the site and the utility will be free of materials exceeding federal concentration limits. Therefore, no new facility construction or maintenance costs are anticipated for handling PCBs after de-registration.
- c. Removal of any infrastructure associated with the PCB storage facility will be undertaken at the cost of CPL. This will occur only after Maritime Electric has removed all PCBs and PCB contaminated equipment from the site and has met all federal de-registration requirements. The Company's responsibility is limited to the removal and proper disposal of PCB materials, as well as any associated environmental cleanup related to PCB handling and storage only. CPL will be responsible for any infrastructure removal it deems necessary following the completion of the federal de-registration process.

IR-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.

Response:

- a. Pursuant to the Land Transfer Agreement, closing is conditional on Maritime Electric and CPL entering into a lease in respect of the warehouse and storage containers located on the Maritime Electric Property, which will be in effect post-closing until such time as Maritime Electric has successfully de-registered the Maritime Electric Property as a PCB storage facility. The Land Transfer Agreement specifies that the term of the lease is to commence on the closing date and be in effect until Maritime Electric has satisfied all federal, provincial and municipal requirements to de-register the PCB storage site. The land transfer agreement does not specify any other lease terms, only such that they are to be satisfactory to both parties.
- b. The expected cost of the lease and the related impact on ratepayers is not expected to be material to annual revenue requirement or customer annual costs. The lease will be negotiated once the land swap is approved by the Commission. The purpose of the lease is to allow time for Maritime Electric to deregister the property as a PCB storage facility and the terms would be such that the annual cost of the lease is nominal in value.

IR-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.

Response:

- a. The acquired property will be included in rate base and the land transferred to CPL will be removed (retired from assets) and no longer included in rate base when the land transaction is completed. Since the transaction is an exchange for a similar asset and the expected future cash flows from the property is the same, the transaction is recorded at the carrying amount or book value of the asset given up.
- b. Because the transaction involves only a nominal licensing amount, no gain or loss will result.
- c. Any associated costs (e.g., development costs, lease costs, environmental costs) will be added to the cost of the new parcel of land when the land exchange transaction is completed.



INTERROGATORIES

IR-1 – Attachment 1

THIS AGREEMENT (this “**Agreement**”) is made this 9th day of February, 2026

BETWEEN: MARITIME ELECTRIC COMPANY, LIMITED

(Hereinafter referred to as “**MECL**”)

OF THE FIRST PART

AND: CASSDMURPH PROPERTIES LTD.

(Hereinafter referred to as the “**CPL**”)

OF THE SECOND PART

IN CONSIDERATION of the premises and the mutual promises contained in this Agreement, MECL and CPL (each a “**Party**” and collectively the “**Parties**”) agree as follows:

1. On the Closing Date, and in exchange for the Stratford Property (as defined below), MECL hereby agrees to transfer to CPL, and CPL hereby agrees to acquire from MECL, those lands and premises, situate, lying and being in the City of Charlottetown, Province of Prince Edward Island, identified as provincial parcel number 279364 and being more particularly described in Schedule “A” (the “**MECL Property**”).
2. On the Closing Date, and in exchange for the transfer of the MECL Property, CPL hereby agrees to transfer to MECL, and MECL hereby agrees to acquire from CPL, certain lands and premises, situate, lying and being in Town of Stratford, Province of Prince Edward Island, identified as provincial parcel number 577486 and being more particularly described in Schedule “B” (the “**Stratford Property**”).
3. The Parties acknowledge they have agreed that the fair market values for the MECL Property and the Stratford Property (each a “**Property**” and collectively, the “**Properties**”) for all purposes (including, without limitation, for financial reporting, tax filing and land transfer tax purposes):
 - a. as to the MECL Property, a value of \$890,000.00, plus applicable Harmonized Sales Tax (“**HST**”); and
 - b. as to the Stratford Property, a value of \$1,125,000.00, plus applicable HST.
4. The sale shall be completed within ten (10) business days of satisfaction or waiver (as applicable) of all of the conditions set forth in Section 9 of this Agreement, or such other date as mutually agreed upon between the Parties (the “**Closing Date**”), on which date vacant possession of each Property shall be given by the Party transferring each such Property (the “**Transferor**”) to the Party acquiring each such Property (the “**Transferee**”).

5. Each Transferee shall be responsible for any land transfer tax imposed pursuant to the *Real Property Transfer Tax Act* (PEI) on the registration of the deed to the applicable Property they are acquiring.
6. MECL and CPL each covenant, undertake and agree to report and/or remit any HST payable with respect to the transfer of Property it is acquiring as required by the *Excise Tax Act* (Canada), as amended, and will indemnify and save harmless the other Parties in respect of any obligation to report or remit such HST, in relation to the transactions contemplated herein, as required by the *Excise Tax Act* (Canada), as amended.
7. The Transferor shall not be required to furnish any abstract of title, deeds, copies of deeds, or evidence of title not in the Transferor's possession or control. The conveyance of the MECL Property and the Stratford Property shall be by good and sufficient deed of conveyance with the usual statutory covenants on Prince Edward Island form, drawn at the expense of the Transferee. The Transferor shall ensure at the time of closing that the provisions of the *Family Law Act* of Prince Edward Island have been satisfied.
8. Each Transferee shall be allowed until the Closing Date to examine the title to the Property which such Transferee is acquiring, and if within that time any valid objection to the title is made in writing which the Transferor shall be unable or unwilling to remove on or before the Closing Date, and which the Transferee shall not waive, this Agreement shall be null and void, notwithstanding any intermediate acts or negotiations in respect of such objection. Save as to any valid objection so made within such time, each Transferee shall be conclusively deemed to have accepted the Transferor's title to the applicable Property they are acquiring.
9. This Agreement is subject to the following conditions:
 - a. MECL being permitted to enter onto the Stratford Property to carry out whatever actions are necessary or required in order to allow MECL to satisfy itself in respect of environmental and related matters, including that the Stratford Property is suitable and approved for its intended use and purpose;
 - b. MECL receiving an Environmental Impact Report and such other environmental assessments as it deems necessary, and being satisfied with the results of same;
 - c. MECL confirming its intended use of the Stratford Property is permitted under applicable municipal bylaws and/or provincial legislation;
 - d. CPL providing MECL with any survey or plot plan in its possession and MECL being satisfied with same and, in the event CPL does not have a satisfactory survey or plot plan, MECL obtaining a plot plan and being satisfied with same;
 - e. MECL receiving acceptable *Lands Protection Act* approval from Executive Council (no restrictions that would interfere with its proposed use of the Stratford Property);

- f. MECL receiving all required approvals from its regulator, the Island Regulatory and Appeals Commission;
 - g. MECL and CPL entering into a lease agreement, on terms and conditions satisfactory to both parties, wherein MECL will lease from CPL, commencing on the Closing Date, the lands within the MECL Property that are identified and referenced in Note 3 on Schedule "C" hereto annexed (the "**Premises**"), said lease to include unencumbered access to the Premises and to be in effect until such time as MECL has satisfied all federal, provincial and municipal requirements to successfully de-register the PCB storage site located on the Premises; and
 - h. MECL obtaining the approval of its Board of Directors.
10. In this Agreement:
- a. "**Claims**" means any claims, suits, proceedings, liabilities, obligations, losses, damages, penalties, orders, judgments, costs, expenses, fines, disbursements, reasonable legal fees on a substantial indemnity basis, interest, demands and actions of any nature or any kind whatsoever.
 - b. "**Environmental Law**" means any federal, provincial or municipal laws, statutes, ordinances, codes, regulations, rules, orders, or decrees regulating, relating to or imposing liability or standards of conduct concerning any environmental matters including, but not limited to, matters related to air pollution, water pollution, noise control, or hazardous material, including but not limited to the *Environmental Protection Act (Canada)*, the *Fisheries Act (Canada)*, the *Environmental Protection Act (Prince Edward Island)*, and any similar, replacement or supplemental acts and all regulations, orders or decrees, now or hereafter made pursuant to any of the foregoing.
 - c. "**Existing Environmental Condition**" means the environmental condition of either Property up to and including the Closing Date.
 - d. "**Governmental Authority**" means any federal, provincial, municipal, regional, territorial, aboriginal, or other government, government or public department, branch, ministry, or court, domestic or foreign, including any district, agency, commission, board, arbitration or authority exercising or entitled to exercise any administrative, executive, judicial, ministerial, prerogative, legislative, regulatory or taxing authority or power of any nature as well as any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of them, and any subdivision of any of them.
 - e. "**Hazardous Substances**" means any hazardous, toxic or dangerous waste,

contaminant, substance or material defined as such in (or for the purposes of) any Environmental Law, as now or at any time hereafter in effect, including, without limitation, asbestos, radioactive materials, explosives, urea formaldehyde foam insulation, polychlorinated biphenyls and petroleum products.

CPL hereby agrees to indemnify and save MECL and its directors, officers, employees, shareholders, parent company, professional advisors, subsidiaries, affiliates, successors and assigns (collectively, the "**Indemnified Parties**") harmless from the full amount of any Claims which the Indemnified Parties may suffer or incur arising from or relating to the Existing Environmental Condition of either Property.

CPL hereby releases and forever discharges the Indemnified Parties from all Claims of any kind that CPL may make, suffer, sustain or incur arising from or relating to the Existing Environmental Condition of either Property.

CPL further agrees that it will not, directly or indirectly, attempt to compel the Indemnified Parties to clean up, or remove, or pay for the clean-up or removal of any Hazardous Substances, remediate any condition or matter in, on, under or in the vicinity of either Property or to pay or be responsible for any damages in connection with or on the basis of the existence or presence of any Hazardous Substances in, on or under either Property.

11. Each Transferor hereby makes the following representations and warranties, each of which is true and correct on the date hereof and each Transferor covenants that each shall be true and correct as of the closing date, and which each Transferor acknowledges that each Transferee is relying upon in entering into and performing its obligations under this Agreement:
 - a. the Transferor is now and on the Closing Date will have full power, authority and capacity to execute this Agreement and to carry out the transactions contemplated herein;
 - b. the execution and delivery of this Agreement and the completion of the transactions contemplated by this Agreement will have been, by the Closing Date, duly authorized by all necessary action on the part of the Transferor and no other consents are required; and
 - c. the Transferor is not a non-resident of Canada with the meaning of the *Income Tax Act* (Canada).
12. Each Transferor hereby covenants and agrees to indemnify and hold harmless each Transferee for any Claims suffered by or incurred by any Transferee for any inaccuracy or untruthfulness of the representations and warranties provided by such Transferor pursuant to Section 11.

13. The Parties acknowledge and agree that each Property is being transferred and assumed by each Transferee on an "as is, where is" basis, as of the Closing Date, without any express or implied collateral agreement, representation or warranty of any kind whatsoever as to title, condition, area, suitability, physical characteristics, financial condition, fitness for a particular purpose, the use to which each such Property may be put, zoning, the nature and scope of any servicing, the existence of latent defects, any environmental matter, or as to the accuracy, currency or completeness of any information or documentation supplied or to be supplied in connection with each such Property, or any outstanding requirements which have been or may in the future be issued by any Governmental Authority, in each case, without any collateral agreement, representation or warranty of any kind either express or implied (whether at law or otherwise) on the part of the Transferor, or any other matter whatsoever respecting each such Property, except for any covenants, representations and warranties expressly set out herein.
14. All taxes, local improvement, water, assessment rates, and fuel, as applicable, shall be adjusted as of the Closing Date.
15. Any tender of documents or money may be made upon the solicitor for any Party, and any money may be tendered by solicitor's trust cheque, certified cheque or wire transfer.
16. No Party may assign this Agreement, in whole or in part, without the prior written consent of the other Party.
17. Time shall in all respects be of the essence hereof.
18. This Agreement may be executed in any number of counterparts, electronically, including DocuSign® and Portable Document Form (PDF), or by facsimile, each of which when so executed, shall be deemed to be an original and such counterparts or facsimiles, together shall constitute but one and the same instrument and that be sufficiently evidenced by any such original counterparts.
19. Words importing the singular shall include the plural and vice versa and words importing the masculine gender shall include the feminine gender and vice versa and words importing persons shall include firms and corporations and vice versa.
20. This Agreement shall enure to the benefit of and be binding upon the respective successors and permitted assigns of the Parties hereto.
21. This Agreement shall be governed in every respect by the laws of the Province of Prince Edward Island.
22. Sections 3, 5, 6, 10, 11, 12, 13, and 16 to 23, inclusive, shall survive the closing of the transactions contemplated by this Agreement.

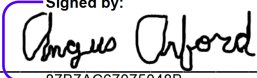
23. Each of the Parties shall execute and deliver all such further documents and do such further acts and things as may be reasonably required from time to time to give effect to this Agreement.

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THE SAID Parties have hereunto set their hands on the day and year first above written.

MARITIME ELECTRIC COMPANY, LIMITED

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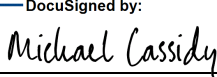
Signed by:


87B7AC67075048B...
 Name: Angus Orford
 Title: VP Corporate Planning & Energy Supply
 I/We have authority to bind the corporation

MECL's lawyer: Perlene Morrison, K.C., Stewart McKelvey

CASSDMURPH PROPERTIES LTD.

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)

DocuSigned by:


47491705543F474
 Name: Michael Cassidy
 Title: President
 I/We have authority to bind the corporation

CPL's lawyer: Graeme W. Stetson, Stewart McKelvey

Schedule "A"
Legal Description of PID 279364

ALL that tract, piece and parcel of land situate, lying and being in the Royalty of Charlottetown in Queen's County in Prince Edward Island, bounded and described as follows, that is to say: COMMENCING at a point on the southwest side of the Railway on the northern boundary of a plot of land recently sold to the City of Charlottetown and thence running west along said north boundary three hundred and seventeen feet; thence at right angles north two hundred and seventeen feet; thence at right angles east one hundred and fifty feet or until it meets the line of Railway; thence southeastwardly along said Railway line to the place of commencement, being part of pasture Lot Five in the Royalty of Charlottetown. Being and intended to be the property conveyed by Von Clure Gay and Rachael M. Gay, his wife, to Imperial Oil Limited, by Deed dated the 21st day of November, 1910 and recorded in the Registry of Deeds at Charlottetown, Prince Edward Island in Book 60, Page 442. ALSO ALL that tract, piece and parcel of land, situate, lying and being in the Royalty of Charlottetown in Queen's County and being part of Pasture Lot Number Five, bounded and described as follows, that is to say: COMMENCING at the Southwest angle of a plot of land conveyed by the said Von Clure Gay to "Imperial Oil Company Limited" by Deed bearing date the 21st of November, A.D. 1910; thence Northwardly along the Western boundary of said Plot for the distance of Two Hundred and Seventeen feet or to the Northwest corner thereof; thence Westwardly at right angles

One Hundred feet; thence Southwardly parallel to the first mentioned line Two Hundred and Seventeen feet; and thence Eastwardly at right angles One Hundred feet to the place of commencement, containing ONE-HALF OF AN ACRE of land, a little more or less. Being and intended to be the property conveyed by Von Clure Gay and Rachael M. Gay, his wife, to Imperial Oil Limited, by Deed dated the 19th day of April, 1921 and recorded in the Registry of Deeds at Charlottetown, Prince Edward Island in Book 77, Page 684. AND ALSO the free and uninterrupted use, liberty and privilege of a passage in and along all that tract or parcel of land being in the Common of Charlottetown, being part of Common Lots numbers five and twenty-nine. COMMENCING at the Southern boundary of all that tract of land on the 26th day of July A.D. 1910 conveyed by the said Von Clure Gay to the said The Imperial Oil Company, Limited, at a point twenty feet in a south-westerly direction from the Prince Edward Island Railway measured at right angles thereto; thence along the southern boundary of the said tract of land conveyed by the said Von Clure Gay to the said The Imperial Oil Company, Limited, to the said Prince Edward Island Railway; thence southeasterly along the southwestern side of said Railway to the St. Peters Road; thence along said Road to a point distant twenty feet from said Railway measured at right angles thereto; thence north-westerly parallel to the centre line of said Railway to the place of commencement. Being and intended to be the Right-of-way conveyed by the City of Charlottetown to Imperial Oil Limited by Grant dated July 26th, 1910 and recorded in the Registry of Deeds Office at Charlottetown, Prince Edward Island in Book 58, Page 912. The above described lands being more particularly shown on a Plan of Imperial Oil Limited property attached hereto, prepared by J. A. Reardon and dated September 29th, 1933.

Schedule "B"
Legal Description of PID 577486

ALL THAT PARCEL OF LAND situate lying and being in Bunbury on Township Number Forty-eight (48) in Queens County in the Province of Prince Edward Island, bounded and described as follows, that is to say:

COMMENCING at a point on the Northeastern boundary of the Mason Road; said point being shown as point number four (4) on a plan of survey by Island Surveys Ltd. showing property being conveyed to Tip Top Truss Ltd., Bunbury, Drawing Number 171435 and dated 1 September 1977; said point number four (4) having co-ordinates E. 479786.44, No. 325012.47, and being located one hundred fifty (150') feet from the Southwest angle of lot number thirty-four (34) in a subdivision of Frederick O. Reddin;

THENCE Northeastwardly (N 71° 33' 28" E) along property now or formerly in possession of Frederick O. Reddin, and at an equi-distance of one hundred fifty (150') feet Southwardly from said subdivision land, for a distance of five hundred eighty-seven point thirty-one (587.31') feet to point number seven (7) having co-ordinates E. 480343.59, N. 325198.26;

THENCE Southeastwardly (S 18° 03' 48" E) at a constant distance of thirty-three (33') feet from the Southwestern boundary of lands now or formerly of John Farquharson for a distance of two hundred twenty-four point fourteen (224.14') feet to point number six A (6A) having co-ordinates E. 480413.09, N. 324985.17;

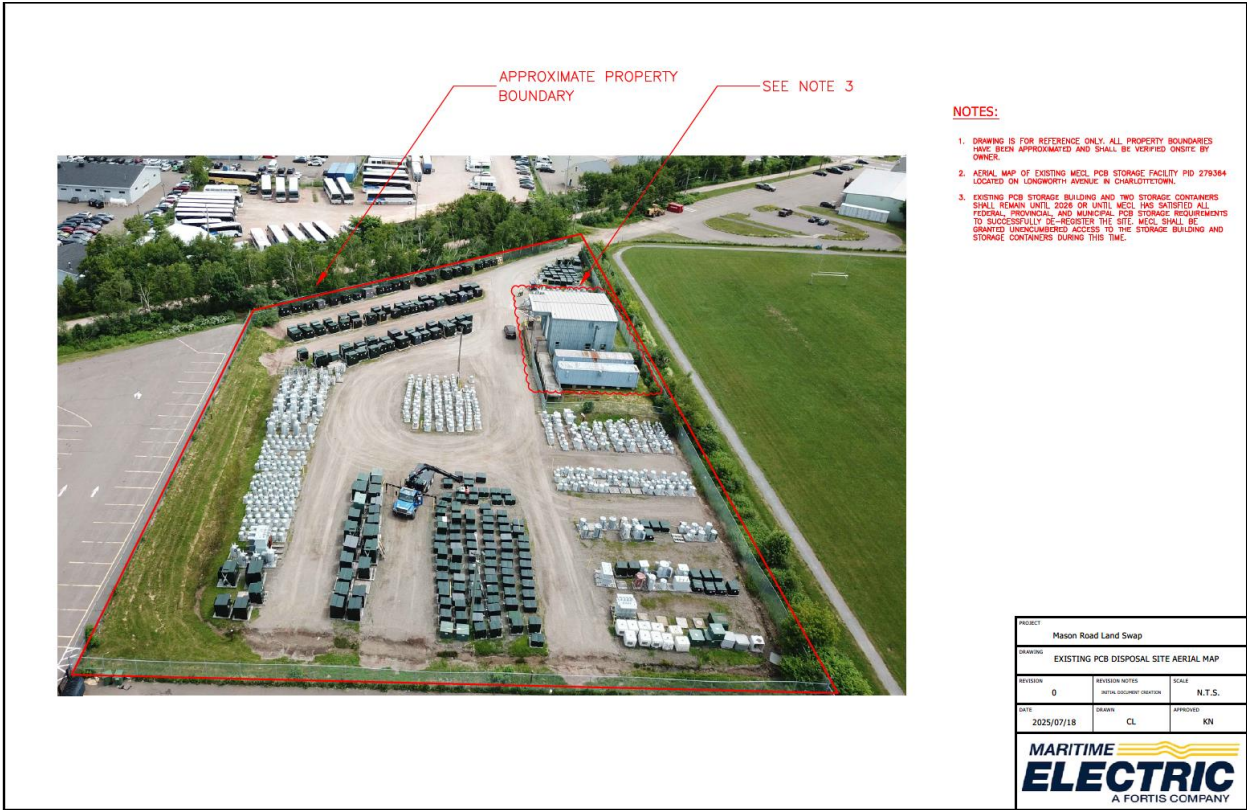
THENCE Southwestwardly (S 71° 32' 57" W) along other lands of Frederick O. Reddin for a distance of five hundred seventy-eight point fifty-three (578.53') feet to point number five A (5A) having co-ordinates E. 479864.30, N. 324802.07;

THENCE Northwestwardly (N 20° 18' 27" W) along the said Northeastern boundary of the Mason Road for a distance of two hundred twenty-four point thirty-four (224.34') feet to the point at the place of commencement.

Containing in the above-described area THREE (3) ACRES OF LAND, a little more or less. All bearings and co-ordinates are derived from the Prince Edward Island Stereographic Projection System with the co-ordinates expressed in feet.

The above-described property being shown on a plan of survey showing property being conveyed to Tip Top Truss Ltd., Bunbury, prepared by Island Surveys Ltd., Drawing No. 171435, dated 1 September certified by Albert J. Wright, Prince Edward Island Land Surveyor

Schedule "C"





INTERROGATORIES

IR-2 – Attachment 1



Appraisal Report

Industrial Land Parcel in Stratford, PE

223 Mason Road, Stratford, Queens County, PE
CBRE File No. 25-APPRHAL-0554

Effective Date: November 27, 2025



CBRE Limited
Valuation & Advisory Services
Charlottetown, PE
Tel 902 628 9301
www.cbre.ca

CBRE File No. 25-APPRHAL-0554B

December 17, 2025

Coach Atlantic Transportation Group
7 Mount Edward Road
Charlottetown, PE C1A 5R7

Attn: Matthew Cassidy, President

RE: Industrial Land Parcel at 223 Mason Road, Stratford, Queens County, PE

Dear Mr. Cassidy:

At your request and authorization, CBRE Limited has completed an investigation and analysis of the above referenced property and is pleased to submit this full narrative appraisal report.

This Appraisal Report is prepared for the purpose of providing an 'as is' estimate of current market value of the 100% fee simple interest in 223 Mason Road, Stratford, PE. We understand this report will be used by the Authorized User any other Authorized Users noted herein to assist in a matter to present to the Island Regulatory and Appeals Commission (IRAC) for negotiation and internal use purposes.

The conclusions reported herein are subject to the Extraordinary Limiting Conditions, Extraordinary Assumptions and Hypothetical Conditions noted on page 8 and the Limiting Conditions noted in Addendum "A" which are an integral part of this report and are inseparable from this letter.

The analyses, opinions and conclusions utilized in this report were developed based on our interpretation of the standards set forth in the Canadian Uniform Standards of Professional Appraisal Practice (CUSPAP).

Based on the analysis contained in this report, it is our considered and professional opinion that the current market value of the subject property, subject to the Extraordinary Limiting Conditions, Extraordinary Assumptions and Hypothetical Conditions noted herein, as at November 26, 2025, is:

Estimate of Current Market Value

One Million One Hundred Twenty Five Thousand Dollars.....\$1,125,000

It has been a pleasure to assist you in this assignment. If you have any questions concerning the analysis, or if CBRE Limited can be of further service, please contact us.

Respectfully submitted,

CBRE Limited



Scott McEwen, P.App., AACI, M.B.A.
Senior Vice President & Sr. Managing Director
Valuation & Advisory Services
Phone: (902) 628-9301
AIC: 901905



Eric Pennington, P.App, AACI
Associate Vice President
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Executive Summary

Development Site



Property Summary

The subject is a 3.0 acre industrial site located on the east side of the Mason Road in the light industrial commercial area of Stratford close to the Stratford Business Park. The site is located gradually above grade and levels out at the mid-point of the site. The site is mostly cleared. Area development includes heavy industrial, institutional, business park commercial-retail and residential development north west of the site. This is a good location for a commercial use.

Valuation Summary

Final Value Conclusion	
Total Site Value	\$1,125,000

Salient Details

Property Address	223 Mason Road
Effective Date	November 26, 2025
Interest Appraised	100% Fee Simple
Asset Subtype	Industrial Development Land
Land Area (ac.)	3.000
Land Use/Zone	M1 - Light Industrial
Development Types	Commercial-Industrial Development Lands
Timing of Development	Immediate
Topographies	Level; sloping above grade

Other Details

PID No.	577486-000
Historic Use	Industrial Development
Improvements	Paved Laneway and Paved Access, Concrete Slab and compacted and leveled site
Frontage - Feet	215'
Depth - Feet	598'
Neighbouring Uses	H-Line, Rush Moving, CRM Ready Mix - Industrial Uses

Direct Comparison Approach - Stratford

577486-000 Commercial-Industrial Development	\$ 900,000
Add: Contributory Value of Improvements	<u>\$ 225,000</u>
	\$ 1,125,000

Direct Comparison Approach - Value Per Acre

Per Acre (\$) Value	\$300,000
---------------------	-----------

Significant Investment Characteristics – 223 Mason Road

Location

STRENGTHS

- Good light industrial location in the Town of Stratford.
- Mature commercial location.

WEAKNESSES

- None noted.

Physical

STRENGTHS

- Good sized industrial site.
- Site features a concrete foundation area.
- Site features paved laneway and access.
- Site features a larger prepared site area.
- Above grade, deep industrial site.

WEAKNESSES

- Site has some debris on site.

Income Characteristics

STRENGTHS

- Owner Occupied Site.

WEAKNESSES

- N/A

Investment Characteristics

STRENGTHS

- Ideal owner use site.
- The Bank of Canada cut interest rates for the second time in a row, bringing the policy interest rate to 2.25% for what is expected to be the last decrease this cycle.
- Upwards pressure on inflation has dissipated a bit due to the removal of Canada's retaliatory tariffs on U.S. goods.
- Economic growth is projected to slowly pick up throughout 2026 for an annual 1.1% increase before rising to 1.6% in 2027 according to the Bank of Canada.
- Stronger real estate investment activity is expected in Q4 2025 and 2026, spurred by growing interest from institutional capital as well as improved lending conditions.
- Real estate debt markets are liquid and aggressive with a notable rebound in appetite for office assets.

- Canada quarterly investment volumes have held above the \$10 billion mark through the first half of 2025. Deal counts have also been steadily trending higher over the last three quarters.
- Cap rates continue to hold steady, with the national average all-properties yield flat quarter-over-quarter at 6.66% in Q3 2025.
- Pre-leasing rates on the industrial construction pipeline have been steadily improving over the last four quarters and rose to its highest level in three years to 51.3% in Q3 2025.

WEAKNESSES

- No income noted from the site.
- The economic outlook for Canada has worsened with GDP contracting by an annualized 1.6% in Q2 2025 and the labour market softening. The Bank of Canada expects a return to GDP growth in H2 2025, albeit weak and averaging an annualized 0.75%.
- Ongoing trade negotiations with the U.S. as well as the upcoming CUSMA review are major unpredictable risks to Canada's economic outlook.
- Global capital inflows into Canadian commercial real estate remains soft and dropped in Q2 2025 to its lowest quarterly total since 2020.
- National industrial net absorption remained modestly negative in Q3 2025, totaling -676,000 sq. ft., where strong positive momentum seen in Toronto and Edmonton was offset by negative activity in Montreal and Waterloo Region.
- After dropping from peak levels three years ago, the national industrial construction pipeline started to rise again and grew to 25.9 million sq. ft. in Q3 2025, with a substantial amount of available space set to deliver in the coming quarters.

Limiting Conditions

The Limiting Conditions for this report have been included in Addendum “A”.

Extraordinary Limiting Conditions

As per Section 3.29 of CUSPAP 2024, an Extraordinary Limiting Condition is a modification or exception of a Standard Rule which may diminish the reliability of the report. This report is subject to the following Extraordinary Limiting Condition:

- A title search was not completed for this assignment.

Extraordinary Assumptions

As per Section 3.28 of CUSPAP 2024, an Extraordinary Assumption is an assumption, directly related to a specific assignment, which, if found to be false, could materially alter the opinions or conclusions. This report is subject to the following Extraordinary Assumptions:

- Title is assumed to be good and clear.
- CBRE Limited assumes that any information provided by a third-party is reliable and sufficient for CBRE Limited to produce credible assignment results. CBRE Limited further assumes that this information is accurate and not misleading.

Hypothetical Conditions

As per Section 3.36 of CUSPAP 2024, a Hypothetical Condition is that which is contrary to what exists but is supposed to exist for the purpose of analysis. This report is not subject to any Hypothetical Conditions.

Location Description

The subject property is located on the west side of Mason Road, just north of Hollis Avenue in the central area/ light industrial area within the Town of Stratford, close to the Stratford Business Park.

The John Joe Sark Drive, Hollis Avenue, Mason Road and Myrtle Street areas in the Town of Stratford are a mixed-use district characterized by a blend of industrial and commercial properties located south and west of residential development areas.

The area benefits from proximity to essential services such as grocery stores, restaurants, and local businesses. Access to major roads facilitates transportation within and beyond the district. Public transit options are available, enhancing connectivity to other parts of Stratford and neighbouring municipalities.



Identifiers

Municipal Address 223 Mason Road, Stratford, PE

Legal Description PID No. 577486-000

Surrounding Land Uses

Current uses in the immediate vicinity of the subject include:

North	<ul style="list-style-type: none"> - Vacant Development Land - EB Brown's Transport Site - Single-Family Residential
South	<ul style="list-style-type: none"> - Vacant Development Land - CRM Ready-Mix, Green Diamond Equipment, JustJoes Stratford

	- Light industrial and institutional
East	- Commercial - Wooded development lands - Single-Family Residential
West	- Vacant Development Land - Francis Rush Moving - Wooded Lands and scattered commercial development

Access

The Mason Road area is well-served by major roadways, including Myrtle Street, John Joe Sark Drive, Mason Road and Hollis Avenue, providing efficient access to and from the district. The site is immediately east of the Trans Canada Highway.

Public transit access to the Mason Road, Myrtle Street, John Joe Sark Drive and Hollis Avenue area in Stratford, Prince Edward Island, is convenient, supporting residents and workers in their daily commutes. While some residents may utilize public transit, the majority in this primarily residential area are likely to own vehicles for transportation.

Walkscore®

The subject site achieves a Walkscore® rating of 89, indicating the subject site occupies a pedestrian-friendly location.

Walkscore® is a numerical score that measures the walkability of a location based on its proximity to amenities such as restaurants, shops, schools, parks, and other essential services. The score ranges from 0 to 100, with higher scores indicating a more walkable area. Bikescore® and Transitscore® relate to the quality of bike and transit infrastructure, respectively.

Amenities

Very good availability of amenities within proximity of the subject property.

Conclusion

The subject site occupies a good location for light industrial or commercial development use.

Site Description

The subject site consists of one parcel totaling 3.0 acres (130,680 square feet). The site occupies a mid-block location with frontage of approximately ±215 feet along Mason Road, and a maximum site depth of 598 feet. The overall site was observed to be rectangular in configuration with topography slightly above grade that becomes level at mid-point. This is a mostly a cleared site.

Access to the site is provided from Mason Road with services run to the site off Mason Road.

The site is unimproved and the site is not situated in a known wetland or flood zone. It is noted that the appraiser is not qualified to provide a definitive opinion on riparian or hydrological hazards or their effect on the conclusions contained herein. Professional advice should be consulted for certainty.

Civic Address: 223 Mason Road
 Municipality: Stratford
 Provincial Identifier Prince Edward Island Legal Description: 577486-000



Parcel Breakdown

Legal Description	Civic Address	Size (SF)	Site Coverage
577486-000	223 Mason Road, Stratford, P.E.I.	130,680	-
Total		130,680	-

Planning, Land Use & Zoning

The civic address of the property is 223 Mason Road, Stratford, Queens County, PE.

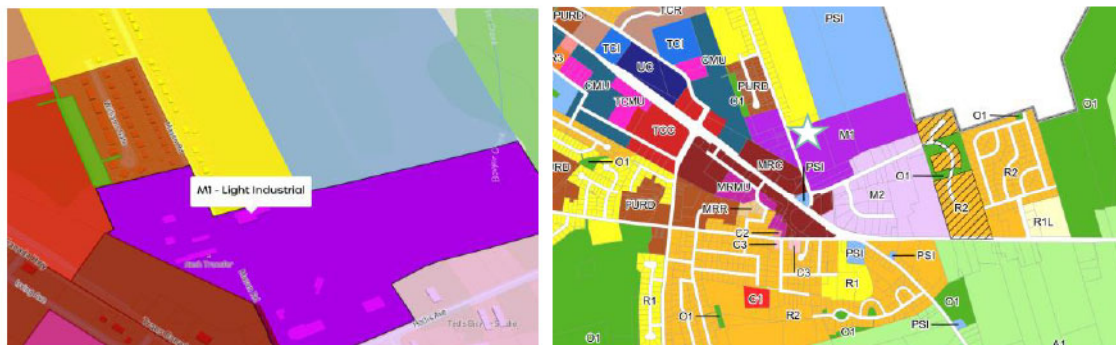
Official Plan

Development patterns within Stratford are principally governed by the below-referenced Land Use and/or Zoning bylaw.

Land Use/Zoning

The subject site is designated M1 — Light Industrial under the Town of Stratford Zoning and Development Bylaw #45.

M1 is a light industrial designation that allows for a range of uses including manufacturing, warehouse, wholesale operations, service and repair shops, farm machinery and heavy equipment dealerships and repair shops, building supply dealers, and truck and distribution facility, among others. The subject parcel is identified with the yellow star on the map below.



Limitations

For the purpose of this appraisal CBRE has assumed the information obtained is correct and that the subject property is a conforming use.

Conclusion

The subject property as improved or proposed is believed to be a conforming use under . Professional planning advice should be consulted for certainty.

Assessment & Taxes

Property Assessment forms the basis for the collection of provincial and municipal property tax in Prince Edward Island. Under the Real Property Tax Act and Real Property Tax Act Regulations the Province provides a centralized collection system for property taxation. Annual property taxes and charges may include provincial property tax, municipal property tax, fire district charges and Island Waste Management (IWMC) charges. The provincial real property tax rate for commercial and non-commercial property in the province is set at \$1.50 for each \$100 taxable value assessment. Under the Provincial Tax Credit Program, residents of PEI may be eligible for a provincial tax credit of \$0.50 per \$100 of taxable value assessment on any non-commercial property that they own. Each municipality and each fire district sets their own property tax rate in March of each year. IWMC sets the rates for garbage collection in the province.

Town of Stratford Provincial & Municipal Tax Rates Non-Commercial Rates

Year	Provincial Tax Rate	Provincial Tax Credit	Municipal Resident Tax Rate	Municipal Non-Resident Tax Rate	Resident of PEI Tax Rate	Non-Resident of PEI Tax Rate
2025	\$1.50	\$0.50	\$0.49	\$0.98	\$1.49	\$2.48
2024	\$1.50	\$0.50	\$0.47	\$0.94	\$1.47	\$2.44
2023	\$1.50	\$0.50	\$0.45	\$0.90	\$1.45	\$2.40
2022	\$1.50	\$0.50	\$0.45	\$0.90	\$1.45	\$2.40
2021	\$1.50	\$0.50	\$0.45	\$0.90	\$1.45	\$2.40

Commercial Rates

Year	Provincial Tax Rate	Municipal Tax Rate	Resident of PEI Tax Rate	Non-Resident of PEI Tax Rate
2025	\$1.50	\$1.35	\$2.85	\$2.85
2024	\$1.50	\$1.35	\$2.85	\$2.85
2023	\$1.50	\$1.25	\$2.75	\$2.75
2022	\$1.50	\$1.25	\$2.75	\$2.75

The following represents the assessed value and tax levy applicable to the subject parcels, as determined by the municipal or regional realty tax authority and as shown in GeoLinc PEI.

Assessment/Roll Number 577486-000

Assessed Value (Year) \$211,000 (2025)

Tax Levy \$3,143.90 (2025)

Mill Rate 2.85% of the total assessed value

Market Overviews

National Economic Outlook

Next 5 Years, 2024-2029

Canada Q2 2025

Key Economic Indicators

	2023	2024	2025F	2026F	2027F	2028F	2029F
Real GDP (\$2012 millions)	\$2,385,443	\$2,422,532	\$2,443,208	\$2,452,216	\$2,525,492	\$2,588,074	\$2,632,619
<i>Annual Growth (%)</i>	1.5%	1.6%	0.9%	0.4%	3.0%	2.5%	1.7%
Total Employment (000s)	20,341.1	20,722.9	20,950.0	20,976.2	21,231.8	21,467.1	21,693.7
<i>Annual Growth (%)</i>	3.0%	1.9%	1.1%	0.1%	1.2%	1.1%	1.1%
Unemployment Rate (%)	5.4%	6.4%	7.1%	6.7%	6.2%	6.0%	6.0%
Average Household Disposable Income (\$)	\$101,204	\$105,679	\$109,315	\$111,508	\$115,269	\$118,642	\$121,798
Population (000s)	39,968.5	41,144.2	41,400.3	41,145.7	41,510.6	41,877.3	42,248.9
<i>Annual Growth (%)</i>	2.8%	2.9%	0.6%	-0.6%	0.9%	0.9%	0.9%
Total Housing Starts (units)	241,835	245,075	235,540	222,244	249,315	284,431	292,964
Retail Sales (\$ millions)	\$792,369	\$804,991	\$842,493	\$866,646	\$900,251	\$939,604	\$980,403
<i>Annual Growth (%)</i>	1.9%	1.6%	4.7%	2.9%	3.9%	4.4%	4.3%

F = Forecast data. Forecast completed July 22, 2025.
Source: Oxford Economics, 2025.

Key Findings

- **Economy:** The economy in Canada is forecast to grow at an annual average rate of 1.7% over the next five years from 2024 - 2029. Relative to the G7 countries, this ranks Canada's real GDP growth at #2 among the major developed nations.
- **Employment & Job Growth:** Total employment is expected to grow by +970,800 jobs over 2024 - 2029, for an annual average growth rate of +0.9%. This ranks employment growth in Canada as #2 among the major tracked Canadian provinces. The unemployment rate is projected to compress from 6.4% in 2024 to 6.0% by 2029.
- **Population:** The population in Canada is projected to grow at an annual average rate of +0.5% over the next five years to 42.2 million people by 2029. This ranks population growth in Canada as #1 among the G7 countries.
- **Central Banks & Interest Rates:** The Bank of Canada's policy interest rate is forecast to stabilize at 2.75%. Over the next five year period, the Canada 10-Year bond yield is projected to increase to an average 3.70% by Q1 2026 and level out at of 4.00% by Q4 2027.
- **Residential Housing Market:** Housing starts in Canada are forecast to average 256,900 units each year from 2024-2029, representing a 1.8% increase over the average number of starts of the preceding two years.

GDP Growth

Market	5-Yr CAGR	Rank
United States	2.1%	1
Canada	1.7%	2
Germany	1.4%	3
United Kingdom	1.4%	4
France	1.1%	5
Italy	0.7%	6
Japan	0.4%	7
G7 Median	1.4%	-

Employment Growth

Market	5-Yr CAGR	Rank
United Kingdom	1.0%	1
Canada	0.9%	2
United States	0.5%	3
France	0.2%	4
Italy	0.1%	5
Germany	0.0%	6
Japan	-0.5%	7
G7 Median	0.2%	-

Population Growth

Market	5-Yr CAGR	Rank
Canada	0.5%	1
United Kingdom	0.5%	2
United States	0.4%	3
France	0.1%	4
Germany	-0.2%	5
Italy	-0.2%	6
Japan	-0.6%	7
G7 Median	0.1%	-

Provincial Economic Outlook

Next 5 Years, 2024-2029

Prince Edward Island Q2 2025

Key Economic Indicators

	2023	2024	2025F	2026F	2027F	2028F	2029F
Real GDP (\$2012 millions)	\$8,043	\$8,332	\$8,431	\$8,388	\$8,583	\$8,759	\$8,891
<i>Annual Growth (%)</i>	2.1%	3.6%	1.2%	-0.5%	2.3%	2.1%	1.5%
Total Employment (000s)	89.3	92.5	93.8	94.3	95.6	96.8	98.0
<i>Annual Growth (%)</i>	6.2%	3.6%	1.4%	0.6%	1.4%	1.3%	1.2%
Unemployment Rate (%)	7.3%	7.8%	8.2%	8.3%	8.5%	8.5%	8.6%
Household Disposable Income (\$)	\$92,737	\$95,901	\$97,683	\$98,254	\$100,707	\$102,605	\$104,289
Population (000s)	172.9	177.9	179.2	180.2	182.9	185.9	189.0
<i>Annual Growth (%)</i>	3.8%	2.9%	0.7%	0.6%	1.5%	1.6%	1.7%
Total Housing Starts (units)	878	1,209	1,158	962	1,266	1,489	1,571
Real Retail Sales (\$2012 millions)	\$3,047	\$3,070	\$3,083	\$3,064	\$3,113	\$3,202	\$3,294
<i>Annual Growth (%)</i>	4.2%	0.8%	0.4%	-0.6%	1.6%	2.8%	2.9%

F = Forecast data. Forecast completed June 27, 2025.

Source: Oxford Economics, 2025.

Key Findings

- **Economy:** The economy in Prince Edward Island is forecast to grow at an annual average rate of 1.3% over the next five years from 2024 - 2029. Relative to the rest of Canada, this ranks Prince Edward Island's real GDP growth at #6 among the tracked Canadian provinces.
- **Employment & Job Growth:** Total employment is expected to grow by +5,400 jobs over 2024 - 2029, for an annual average growth rate of +1.2%. This ranks employment growth in Prince Edward Island as #2 among the major tracked Canadian provinces. The unemployment rate is projected to rise from 7.8% in 2024 to 8.6% by 2029.
- **Population:** The population in Prince Edward Island is projected to grow at an annual average rate of +1.2% over the next five years to 189.0 thousand people by 2029. This ranks population growth in Prince Edward Island as #2 among the tracked Canadian provinces.
- **Local Industries:** Prince Edward Island's largest industry by GDP is the FIRE industry which accounts for 18.4% of total GDP. The next largest industries are public administration and manufacturing, which respectively represent 12.4% and 10.9% of total GDP. Over the next five years, the fastest growing industries are expected to be health (+2.1% annually), transportation & warehousing (+1.7%), fire (+1.6%).
- **Residential Housing Market:** Housing starts in Prince Edward Island are forecast to average 1,290 units each year from 2024-2029, representing a 34.4% increase over the average number of starts of the preceding two years.

GDP Growth

Market	5-Yr CAGR	Rank
Manitoba	1.5%	4
Quebec	1.4%	5
Prince Edward Island	1.3%	6
Saskatchewan	1.3%	7
New Brunswick	1.1%	8
Median of Provinces	1.4%	-
Canada	1.6%	-

Employment Growth

Market	5-Yr CAGR	Rank
Alberta	1.7%	1
Prince Edward Island	1.2%	2
Ontario	1.0%	3
Saskatchewan	1.0%	4
British Columbia	0.9%	5
Median of Provinces	0.8%	-
Canada	0.9%	-

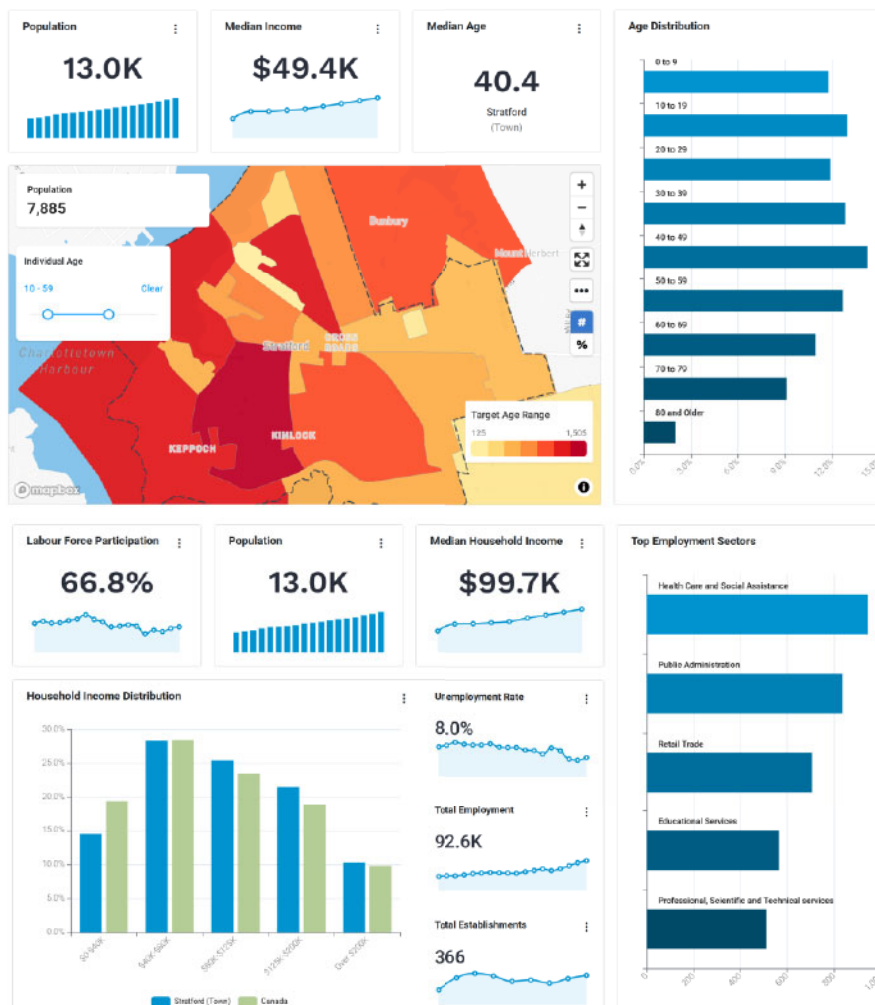
Top 5 Local Industries

Industry	% of GDP	5-Yr CAGR
FIRE	18.4%	1.6%
Public Administration	12.4%	0.7%
Manufacturing	10.9%	1.2%
Healthcare	10.5%	2.1%
Retail & Distribution	8.3%	1.6%

Town of Stratford Overview

Stratford is a town located in Queens County, Prince Edward Island, Canada. Situated immediately southeast of the city of Charlottetown, Stratford recorded a population of 10,927 in the 2021 census. Stratford is located approximately 60 km from the Confederation Bridge to New Brunswick and 60 km from the Wood Islands Ferry to Nova Scotia. Stratford is connected to Charlottetown by the Hillsborough Bridge which has the highest annual average traffic volume in PEI, an average of over 31,000 vehicles per day cross the bridge into Stratford. It takes less than 10 minutes to drive to the Charlottetown Airport and only 5 minutes to drive to the Queen Elizabeth Hospital or downtown Charlottetown.

The Town of Stratford provides police protection, fire protection, street lighting, sidewalks, animal control, urban planning and building inspection, and a number of other services. The majority of the Town is serviced by a municipal sewer system and a growing portion of the Town is serviced by a central water system. The Town of Stratford, once Southport, Bunbury, Cross Roads, Keppoch-Kinlock and Battery Point, has a wide and varied history. In early times the area had been used as a Mi'kmaq summer camping area, and during the French regime several families were recorded in the 1752 census at Anse de St-Pierre (in the area later called Keppoch). The first settlers, the Acadians, brought farming, shipbuilding and brick making to our area. When the European settlers arrived some 20 years later, the land was opened for further development. On April 1, 2020, the Town of Stratford celebrated the 25th anniversary of the amalgamation that created the Town of Stratford. The Town of Stratford is experiencing an era of population growth and development. A snapshot of the economy is presented below:



Area development is planned close to the subject. This area is referred to as the Stratford Community Campus. The Town of Stratford has purchased approximately 170 acres of land for the planned Stratford Community Campus. The property is located between the Stratford Business Park and the Bunbury Road. The Stratford Community Campus will

be developed over a period of years and will include the new high school, sport fields, multi-use courts, trails and a community multi-purpose wellness centre. There is also sufficient land for a junior high school in the future. The total cost of the land was approximately \$2.4 million. A portion will be sold to the province for the high school and a portion will be sold to the Stratford Business Park Corporation for an extension of the business park. A view of this campus is provided below:



PEI Industrial Overview

The province features business parks that are located primarily in Charlottetown, Town of Cornwall, Town of Stratford, Village of Borden Carleton, Town of Kensington, City of Summerside and Village of Bloomfield with the Poole's Corner Industrial Park in Kings County and the Souris Food Business Park in NE Kings County in Souris. Private (non-government funded) Parks are mostly housed in the Charlottetown area.

The general PEI industrial market can be characterized as mostly being owner-user spaces with very little purpose-built leased space throughout PEI. The overall vacancy rate is estimated at around 1.5% in Summerside and the Charlottetown area with higher vacancies in Slemon Park and Bloomfield. The PEI market has very little space for warehousing with 20'+ ceiling heights. The high cost of construction has limited any new development in this area. Generally, the PEI industrial market has few long-term leases. Recent demand for space is above average.

A review of recent new industrial space in the Charlottetown market revealed the following:

- Sales values between \$80 psf and \$260 psf for industrial space (there are some exceptions, but the appraiser has analysed data on from 2021 and 2025)
- Business Park retail or service space has seldom sold but is outside our industrial analysis
- Construction costs sky-rocketed in 2022-2023 to between \$160 and \$220 psf for industrial space with current construction costs pushing \$240 psf.
- Business Park retail or service space has featured numerous new buildings but again is outside our industrial analysis
- This is an obvious disparity and rental rates have not caught up to construction costs
- Modern construction features dock level doors with auto levellers, air conditioning, smoothed or painted concrete floors, high quality interior fit ups and plenty of parking
- Rural rental rates vary widely for light industrial space in PEI from a low of \$2.75 psf to somewhat over \$9.00 psf depending on the size of the leased space or building

PEI Development Backgrounder

The Charlottetown and Summerside urban CMAs have seen a wide variety of recent developments in the mixed use and high density residential areas. Some of these recent developments include:



470 Malpeque Road, Winsloe (Charlottetown) – 145 units over two buildings at a cost of \$60,000,000 or \$413,793.10 per door without land costs. Construction to be completed by summer of 2026. The Federal Housing Minister said 64 of the units in the seniors building would be geared to low-income seniors. The first building received a \$5 million contribution from the rapid housing initiative and the remainder of the total cost of both buildings is with the province. To be operated by the P.E.I. Housing Corporation. Building is being constructed by 720 Solutions and delivered 114-modules.



Parkdale (Charlottetown) – renovation of the Eastlink Centre with a high-level estimate for the proposed renovation was initially estimated at \$38M (Sept-2024, \$41.6M) that is now estimated to be closer to \$55M once complete. The renovation will increase the overall seating capacity from 3,700 to 5,200 people plus adding three rows of seats at the top of the arena and 60' to exterior walls plus upper level concourse as well as 10 new skyboxes. This gives the facility the capacity to host larger scale events such as the Brier and Memorial Cup. Target completion is end of Nov-2026. Red Shores casino will also add 9,700 sf to its operation. The \$41.6 million estimate is arena only and not Red Shores addition.



145 Richmond Street, Downtown Charlottetown – renovation of the Confederation Centre of the Arts with a high-level estimate for the proposed renovation to be \$65M. The first renovation would be to demolish the former library plus the addition of new arts learning and development spaces, and interpretive spaces that will focus on our shared history. The Centre also contracted Brighton Construction to carry out construction management activities. The project began in early October 2024 and is expected to be complete by May 2026.



West Royalty (Charlottetown) – UPEI new Medical School – original estimate of construction on the new medical school was tendered at \$34,740,000 but per a new article is now going to cost \$91.5 million. A new state-of-the-art facility being built by UPEI will house the regional campus of Memorial's Doctor of Medicine (MD) program and serve as a hub for interprofessional health education and training. The building will include a future-focused Clinical Learning and Simulation Centre, a 10,000-person patient medical home, a provincial ADHD clinic, an expanded Doctor of Psychology program clinic, and additional resources.



West Royalty (Charlottetown) – St. Martha's Court multi-unit development estimated to be completed with around 250 apartment units and townhouse units across seven buildings by two local developers – Steve Dunn/ Spencer Campbell and Nick Jay and Colin MacQuillan for the second group. The properties have various names including Trailside and Trailside North. The development includes 8 townhouse units, 60 apartment units, 60 apartment units, 51 apartment units and 49 apartment units plus a planned additional building.



West Royalty (Charlottetown) – new 464 unit apartment complex at 257-261-265-267-269 Mount Edward Road has received final approval of which 253 + 88 apartment (341) units are planned in the near term. No construction date has been announced as of the date of this report. The proposal asked for 542 units initially; the development is called "Mounon-Woods Community" developed by Flourish Developments located close to Royalty Crossing Mall. The current planned project encompasses 6 buildings with a total of 217 rental apartment units and 5 buildings with 36 townhouse units, providing a diverse array of 253 + 88 living options tailored to meet the needs of various families and individuals. The site size is approximately 8 acres.



Stratford – new Stratford High School estimated to cost over \$79M, well above the \$51.5M originally planned. The Stratford High School building will be "net-zero ready" and fully electric, the province said in a release. It will use natural light and feature a two-storey library with a cafe, moveable walls in some areas and space for collaborative working. Outside, there will be sports fields, space for outdoor classrooms and charging stations for cars and school buses. The school will accommodate 750 students to be open in the fall of 2026 (formerly 2025). The new Stratford High School in Prince Edward Island will be 144,225 square feet, according to Architecture49. The school is part of the larger Stratford Community Campus.



9 Irving Drive, Stratford – a new five level mixed residential and main floor commercial (asking rent at \$22/ net) building known as Lot 48 was recently constructed off Dale Drive in Stratford. The building is noted as having 60 residential units and 13,000 total square feet of commercial area with a 2nd 60-unit with 12,500 sf of commercial currently being built. Built by Sperra construction and managed by JCJ Properties. A second apartment is being constructed next door to this property. There are four planned buildings including a strip plaza for this area. This building(s) features a gross lease structure.



Downtown Summerside – this is a five level all brick building downtown Summerside if called The Regent which will include over 10,000 sf of main level commercial space and 40 executive apartment units. The developers cost will be over \$20M. This is being developed by Paul Jenkins. The building at 12 Summer St. was best known in its several incarnations as The Regent, first opening as a cinema in 1947. Constructed by Willmac Construction.



Winsloe (Charlottetown) – this is Phase 3 of the Hidden Valley Sub-Division, a full multi-lot multi-unit subdivision in Winsloe. The original plan was for 10 buildings with an average of 60 units per building. Some of the lots will be larger versus some smaller 30-32-34-36 units sites. The estimate of actual doors on site is more than likely closer to 560 units versus 600 units once complete. This is part of the larger 74 acre development.



Downtown Charlottetown – 68 Queen Street downtown mixed use property with apartment units along with minor main floor commercial space and 5th floor office space. The original concept was 4 floors with 23 apartment units. This is a downtown development.



Sherwood (Charlottetown) – this is a new three and four storey building constructed on Pine Drive in Sherwood. This was a long time project stuck in the approval stage (4 plus years). This is a 41-unit apartment currently under construction by Bevin Enterprises that includes underground parking – this is a mid market building.



149-151 Great George Street, downtown Charlottetown – this is a new eight (8) storey or 38.7 metres or 126.9' apartment complex in downtown Charlottetown. This is the former location of Hearts & Flowers and the Financial Building, an older three level office building that has now been demolished. The estimated land value including demolition on this new 85 unit micro apartment building with 2,600 sf of commercial space is about \$21,000 per unit of land value. The completed value is estimated to be over \$18 million.



62 Sherwood Road, West Royalty (Charlottetown) – this is a new five (5) storey 18.17 metre height 75-unit apartment complex behind the Maritime Electric sub-station facility in West Royalty. This is an I-shaped parcel that is somewhat irregular but also beside two other buildings owned by the developer, Arsenault Properties at 54 & 58 Sherwood Road which are twin 35 unit apartments.



522 Capital Drive (PID No. 245613-000), Cornwall – this is a new 18 unit condominium building being constructed in North River. This is also being developed by Arsenault Properties.



219 Minna Jane Drive (PID #577585), West Royalty (Charlottetown) – this is a new 4 floor Chesapeake Haven, the Emeline 60 unit seniors building (Chesapeake Phase II) being constructed by the McInnis Group out of Summerside. This will have a full underground parking garage.



25 Capital Drive, West Royalty (Charlottetown) – this is a new up to 38 unit apartment building with about 2,000 sf of commercial space (based on approvals). The actual development will feature 35 apartments units a slightly larger commercial area. This is a 4-storey new building in a prime location. This site is zoned C-2. This will have underground parking.



583 North River Road, West Royalty (Charlottetown) – this is a new 50 unit apartment building being constructed by Habbi Holdings who own buildings in the general area. This is a 4-storey new building in a prime location.



176 Beach Grove Road, West Royalty (Charlottetown) – this is a new 30 unit seniors apartment building. This was recently completed. This is set well back from the road.



This is the new six-floor hotel (Home 2 Suites) going up on Capital Drive next to the Hampton Inn. Estimated completion will be Q2-2026. The hotel will feature 120 rooms and will be designed for extended stays.



Behind 13 Haviland Steet, Charlottetown – this is an approved Charlottetown Harbour facing apartment development panned for the past 5-8 years but only recently approved. Local developer Tim Banks and his company, Pan American Properties, are building a seven-storey, 49-unit (14 condos and 35 rental units) building at the bottom of Haviland Street. It includes a fitness room, a common area and a mix of surface and underground parking, with 18 surface and 46 underground spaces.



199 Grafton Street, Charlottetown – Port House Development has been in the works for about 5-8 years with the same developer as above. The Port House is a proposed 158-unit development on Grafton Street in Charlottetown. It faced lengthy and complex development process. Initially proposed as a six-story building with affordable units, the project evolved into an eight-story structure with a mix of market-rate and affordable housing. The project encountered zoning challenges and required site-specific exemptions due to its height exceeding the zoning bylaw for the area. The development is now on hold.



Spencer Drive Extension, Charlottetown – the City of Charlottetown is going to extend Spencer Drive to Mount Edward Road. help with the heavy traffic on Towers Road caused by people trying to go from University Avenue to Mount Edward Road. To avoid increasing traffic on Ash Drive, a residential street, only right and left turns will be allowed onto Mount Edward Road from the extended Spencer Drive. This will also prevent drivers from turning left onto Ash Drive from Mount Edward Road.



Off St. Martha's Court, Trailside West Apartments, West Royalty, Charlottetown – this is planned 164 units to be constructed over two buildings. This would be later 2026 development and has not yet broken ground.



Hidden Valley (Valley Crossing) – New Phase on north side of Malpeque Road. Infrastructure now in place. This is PID No.'s 134957-000 and PID No. 1180348. Planning Board recommended to change zoning from Low Density Residential Single (R2-S) to Comprehensive Development Zone (CDA). The plan is for 800 residential units. Access is via a ROW on north section of Malpeque Road and more frontage lower down off Malpeque Road. R1, R2, R3 & R4 lands.



90 McCardle Rd., Albay, PE – Ken Dunn's Chelton Beach Spa estimated to cost \$4,806,000 per rural development permit. This is a planned Nordic Spa. Cottage Dream Vacations bought the land in 2023 and has since fixed up the five cottages on the property. The site's plans call for a spa building, a new well, a parking lot with 48 spaces directly off McCardle Road, and five Nordic-style outdoor pools on the side of the building away from the parking lot. Eight new cottages are also shown on the other side of a structure hosting meditation space next to the pools.



503 University Avenue, Charlottetown, PE – Zoning By-law Amendment and Official Plan Amendment requests that pertain to 503 University Avenue (PID# 374140) in order to allow for the future development of a proposed 8-storey (stepping back to 6-storey) 257-unit residential apartment building on the subject property. This appears to be ON HOLD.



555 Warren Grove, the Martha Village, Cornwall, PE - New Cornwall Townhouse development developed by Whitestone Construction and Dico Reijers. This will be 46 new townhouse units of which 19 units are designated affordable. These are a mix of 2- and 3-bedroom units. CMHC announced that this project will cost \$16 million to build 46 new homes (13.446 MM from Housing Fund, \$3 MM from PEI, \$500k from Town of Cornwall and \$225,000 from Kings Square Affordable Housing and \$800k from Sisters of Saint Martha. .



90 Lucy Crescent, East Royalty (Charlottetown). This is now complete and being rented. This is a secure 32-unit condo style building just off MacRae Drive with 38 parking spaces. Four levels with an average unit size is 1,165 sf. Zip system R-sheathing to allow the building envelope to exceed the thermal requirements of NECB 2020.



Daniel J. MacDonald Building Modernization Project - \$92 million dollar update to the building. Building is was built in 1984. Building will have a new 500 Kw Generator. Many of the building's mechanical systems (Heating, Ventilation, Air Conditioning and Electrical) are nearing their end of lifecycle. Federal government awards contract to EllisDon Corporation. The building is home to both the national VAC headquarters and the Veterans Review and Appeal Board, with about 900 employees stationed there.



139 Kensington Rd., Charlottetown, PE. – This is a newly approved 5-storey 41 unit at the corner of Falconwood Drive and Kensington Road. This has been planned for some time. The project involves consolidating multiple lots (PID#s 278234 & 278226). It is reported this is set to start construction.



99 Kingston Road, Cornwall – a new 105 unit development. 3.65 acre site is being developed by Kingston Holdings Inc. Construction will include three 35-unit apartments with two of the buildings part of the first phase. All units will meet the CMHC's definition of affordability. That is 30 per cent of the median total income of all families in Cornwall. It also states that 11.4 per cent of the initial 70 units can also be considered accessible. This property will not have development permit fees and will benefit from a 10-year property tax hiatus from the Town of Cornwall (municipal portion). Town granted a 10.9% density bonus to the project (Lot 25-2A, PID No. 1186386, R4).



Addictions Acute Care Facility and Life Skills Centre located close to the Hillsborough Hospital. This is a planned \$114 million dollar new campus. Including Mental Health and Addictions Wellness and Transition Centre, Addictions Extended Care Facility for Women (replaces Lacey House), Mental Health and Addictions Emergency Department and Short Stay Unit (co-located at the QEH) and Child and Youth Mental Health and Addictions Acute Care Unit (co-located at the QEH). This is a 168,000 sf fully accessible building. It is currently under development.



40 Riverside Drive, Charlottetown, PE. This is the new Enwave waste management \$180 million dollar expansion. Enwave (P.E.I. Energy Systems) says the new facility is set to be functional in 2028. New Processing line building : Receiving Floor 20.4m, 67'; waste bunker 29.4m, 96' and boiler 33.4m, 110' ceiling heights – tallest building in Charlottetown. The existing plant's front is 13 meters (43 ft) high, and the existing stacks are 26.11 meters (86 ft). Plant will take 90 per cent of P.E.I.'s black bin waste to use for energy. It will be able to process up to 46,000 to 49,000 tonnes of municipal solid waste annually. P.E.I. Energy Systems heats 125 buildings in Charlottetown, including the Queen Elizabeth Hospital and UPEI, with thermal energy.

Subject Area Review

The subject property is located in the Stratford area within the general Charlottetown CMA per CMHC. This is a generally lower and mid-density area of development. As well, development in the area is very stable with a mix of ages and types of housing and a mix of commercial development.

Typical Purchaser/ User

The subject lands would appeal to a local to regional buyer as an investment property portfolio purchaser, or an owner-user/holding buyer.

Highest & Best Use

Section 3.35 of CUSPAP 2024 defines Highest and Best Use as “the reasonably probable use of real property, that is physically possible, legally permissible, financially feasible, and maximally productive, and that results in the highest value.”

Highest and Best Use of a property is evaluated using the following criteria:

- Legally permissible (or legal permissibility). Land use regulations, building codes, environmental regulations and restrictive covenants in deeds may preclude potential uses. In addition, the appraiser considers the reasonable probability that the land use regulations or other restrictions could be changed to realize the highest and best use of the property.
- Physically possible (or physical possibility). The physical characteristics, i.e., size, shape, topography, soils and soil bearing capacity, and location, i.e., street access and availability of municipal services, determine the scale of building development and the necessity for extending or upgrading municipal services or extraordinary construction costs for addressing deficiencies in topography or soil conditions.
- Financially feasible (or financial feasibility). A potential use that meets the criteria of legally permissible and physically possible is financially feasible if its value is commensurate with its cost. For income producing uses, the focus is on the potential uses that are likely to produce income that is greater than the amount needed to cover operating expenses, debt services and amortization of the capital investment required for the potential use. For non-income producing properties, the focus is on potential uses that are likely to have value that is equal to or greater than the cost to develop and market the property for each potential use.
- Maximally productive (or maximum productivity). Of the financially feasible uses, the use, which produces the highest land value that is consistent with the market’s acceptance of risk and rate of return for that use, is the estimated highest and best use of the property.

Existing Use

As of the effective date of this report, the subject property is vacant and unimproved.

As Vacant

The subject property contains one parcel occupying 3.00 acres within the Town of Stratford, Prince Edward Island. Primary access to the site is provided by Mason Road.

The subject is designated M1 — Light Industrial and the most likely land use is land given the site size, location and access.

Based on the above it is concluded that the Highest and Best Use of the subject site 'as vacant' is for land use in conformity with the most productive legally permissible uses available to the site.

Valuation Methodology

There are three basic approaches to value:

- The Income Approach
- The Direct Comparison Approach
- The Cost Approach

In practice, an approach to value is included or omitted based on its applicability to the property type being valued and the quality and quantity of information available.

Income Approach

The income approach to value consists of methods, techniques and mathematical procedures that an appraiser uses to analyze a property's capacity to generate benefits (i.e., usually the monetary benefits of income and reversion) and convert these benefits into an indication of present value.

In the Income approach, an appraiser analyzes a property's capacity to generate future benefits and capitalizes the income into an indication of present value. The principle of anticipation is fundamental to the approach. Techniques and procedures from this approach are used to analyze comparable sales data and to measure obsolescence in the cost approach.

The two methods of income capitalization are direct capitalization, in which a single year's income is divided by an income [capitalization] rate or multiplied by an income factor to reach an indication of value, and yield capitalization, in which future benefits are converted into a value indication by discounting them at an appropriate yield rate (discounted cash flow, or DCF analysis) or applying an overall rate that reflects the investment's income pattern, value change, and yield rate.

Direct Comparison Approach

The process of deriving a value indication for the subject property by comparing similar properties that have recently sold with the property being appraised, identifying appropriate units of comparison, and making adjustments to the sale prices (or unit prices as appropriate), of the comparable properties based on relevant, market-derived elements of comparison. The direct comparison approach may be used to value improved properties, vacant land or land being considered as though vacant when an adequate supply of comparable sales is available.

Cost Approach

A set of procedures through which a value indication is derived for the fee simple interest in a property by estimating the current cost to construct a reproduction of (or replacement) for the existing structure, including an entrepreneurial incentive; deducting depreciation from the total cost; and adding the estimated land value. Adjustments may then be made to the indicated fee simple value of the subject property to reflect the value of the property interest being appraised.

Land Valuation Approaches

There are six approaches available to value land, which draw from one or more of the main valuation approaches previously discussed.

1. Direct Comparison – The most widely utilized and recognized approach to valuing land when there is adequate quantity and quality of transactions. The approach compares recent transactions to the subject property adjusts for differences to estimate a value for the subject property.
2. Allocation – Sales of improved properties are analyzed to establish a typical ratio of land value to total property value and this ratio is applied to the property being appraised or the comparable sale being analyzed.
3. Extraction – The depreciated cost of the improvements on the improved property is estimated and deducted from the total sale price to arrive at an estimated sale price for the land
4. Subdivision Development – Utilized when subdivision development if the Highest and Best Use. Direct and indirect costs and entrepreneurial profit are deducted from the gross sale price of the finished lots, the net sale proceeds are then discounted to present value to indicate the value of the raw land. The resulting value indication should be compared with the prices being paid for similar parcels of raw land that have subdivision and development as their highest and best use.
5. Land Residual – The net operating income attributable to the land is isolated and capitalized to produce an indication of the land's contribution to the total property.
6. Ground Rent Capitalization – Utilized when the ground rent corresponds to the owner's interest in the land, the leased fee interest, and market derived capitalization rates are available to convert ground rent into an indication of market value.

Methodology Applicable to the Valuation of the Subject Property

The subject property is recognized as a vacant land asset that provides enduring benefit and utility to the owner. The Direct Comparison Approach is applicable to the subject property in this instance as it is the most common method used to value land parcels.

The Income and Cost Approaches are not employed as they do not emulate the behaviour of typical market participants.








Direct Comparison Approach - Land Valuation

The Direct Comparison Approach is applied using the price per square foot as the basis of comparison. In this approach, we have utilized qualitative adjustments to reflect the following factors:

- Timing
- Size
- Location
- Density
- Ground Cover / Topography
- Zoning / Land Use
- Proximity to Services
- Development Timing

The most relevant land sales have been identified in the following map, chart, and analysis. The following sales data is presented below supporting development lands in the Town of Stratford. All of the sales presented are sales that are thought to generally support the various land types associated with the subject parcels located in Stratford. The data is well above average due the amount of more recent development sales in the immediate community.

Stratford Commercial Sales

Index	Site Map	Address City, Province PID(s) / Legal Description	Vendor Purchaser	Closing Date Sale Price Adj. Sale Price	Total Area (Ac.) Unusable Area (Ac.) Usable Area (Ac.) Square Feet	Price per Acre Adj \$ per Acre Price per sf	Ground Cover Topography Access Zoning Location Services
1		Off the TCH and Mason Rd Stratford, PE 405068-000	Betty McCarville 103225 P.E.I. Inc	2/27/2024 \$1,800,000 \$1,890,000	8.81 0.00 8.81 383,764	\$204,313 0.00 \$214,529 \$4.92	Mostly Wooded At/ Below Road Grade Off the TCH/ Mason Suburban Fully Serviced
<p>One larger parcel in the Town of Stratford. There is access off the Trans Canada Highway and Mason Road. The parcel is somewhat irregular in shape. The parcel's deed shows 8.81 acres.</p>							
2		Off John Joe Sark Drive Stratford, PE P/O 1182575-000	Stratford Business Park Corp CRM Ready Mix Ltd	11/15/2025 \$1,217,502 \$1,217,502	4.30 0.00 4.30 187,308	\$283,140 0.00 \$283,140 \$6.50	Mostly Wooded At/Above Road Grade John Joe Sark Drive Suburban Fully Serviced
<p>One good sized light industrial or business park parcel located on a new road in the Town of Stratford. There is good access to the site with newly installed services and a road. The parcel is almost rectangular in shape. The parcel will close in November 2025.</p>							
3		Lot 17, Hollis Avenue Stratford, PE P/O 1182575-000	102823 PEI Inc. Easttech Engineering Cons. Ltd	3/5/2025 \$152,500 \$157,075	0.69 0.00 0.69 30,056	\$221,014 0.00 \$227,645 \$5.23	Mostly Wooded At/Above Road Grade Off Hollis Avenue Suburban Fully Serviced
<p>Smaller business park parcel located off Hollis Avenue in a mixed area within the Town of Stratford. There is good access to the site with somewhat new installed services. The parcel is almost rectangular in shape.</p>							
4		Off Myrtle Street Stratford, PE P/O 289462-000	Stratford Business Park Corp PENDING	PENDING \$662,548 \$662,548	2.34 0.00 2.34 101,930	\$283,140 0.00 \$283,140 \$6.50	Mostly Cleared At/Below Road Grade Off Myrtle Street Suburban Fully Serviced
<p>Smaller business park parcel located off Hollis Avenue in a mixed area within the Town of Stratford. There is good access to the site with somewhat new installed services. The parcel is almost rectangular in shape.</p>							
5		Off Stratford Road Stratford, PE 327973-000	Southport Motel and Cottages Ltd. Killiam Investments (PEI) Inc.	2/1/2021 \$3,800,000 \$4,560,000	4.27 0.00 4.27 186,001	\$889,930 0.00 \$1,067,916 \$24.52	Cleared At Road Grade Off Stratford Road Suburban Fully Serviced; Waterview
<p>Subject to an Easement in favour of Stratford Utility Corporation. This was purchased with a motel that has since been demolished. This is thought to have been purchased somewhat above the market but apparently it is approved for a min. of 200 apartment units.</p>							
6		9-13 Irving Avenue Stratford, PE 739003-000 790246-000	Roy & Judith MacMillan Queens County Vacant Land Condo Corp No. 104	10/15/2021 \$1,000,000 \$1,200,000	5.05 0.00 5.05 219,978	\$198,020 0.00 \$237,624 \$5.46	Cleared At Road Grade Off Irving Avenue Suburban Fully Serviced
<p>The property consists of two parcels - PID No. 790246 at 3.96 acres and PID No. 739003 at 1.09 acres. The property is zoned Mason Road Commercial (MRC). The property was on the market for 313 days. The property is slightly irregular shaped and was originally improved with two dwellings. Good frontage off Dale Drive.</p>							
7		Off John Joe Sark Dr. Stratford, PE 1182609-000	Town of Stratford OFFER	OFFER IN \$659,000 \$659,000	2.24 0.00 2.24 97,574	\$294,196 0.00 \$294,196 \$6.75	Cleared At Road Grade Off Irving Avenue Suburban Fully Serviced
<p>This is a 2.24-acre parcel of treed land located directly east of the subject property, on the other side of John Joe Sark Drive. This is reportedly a pending sale subject to developer attaining a tenant to occupy the site.</p>							

Sale Analysis & Conclusion – Stratford Development Lands

We have provided seven (7) business park and mixed use commercial sales. The sales are all Stratford sales including two pending sales, two sales from 2025, two sales from 2021 and one sale from 2024. These time adjusted sales sold from \$1,067,916 per acre to a low of \$214,529 per acre. We have used a nominal time adjustment to reflect pricing over the past few years on land values in the general Charlottetown area.

Sale No. 1 is a Mason Road Commercial site that is irregular shaped. It included 8.81 acres and sold in Feb-2024 for an adjusted price of \$214,529 per acre. This is a much larger parcel with ROW access.

Sale No. 2 is a very recent sale of a light industrial parcel that is 4.30 acres that sold for an adjusted price of \$283,140 per acre. This is a somewhat similar parcel to the subject absent of the prepared nature of the subject site.

Sale No. 3 is a lot off Hollis Avenue in Stratford. This is a sale of a small lot that sold for an adjusted price of \$227,645 per acre. This is a somewhat similar parcel to the subject absent of the prepared nature of the subject site.

Sale No. 4 is a pending sale of a 2.34 acre a prime commercial site in Stratford that is pending for a sale price of \$283,140 per acre. This is a similar parcel to the subject absent of the prepared nature of the subject site.

Sale No. 5 is an older sale of a 4.27 acre a prime commercial site in Stratford that sold for an adjusted price of \$1,067,916 per acre. This is a superior site versus the subject based on its smaller overall size and mixed use and residential future use.

Sale No. 6 is an older sale of a 4.27 acre a prime commercial site in Stratford that sold for an adjusted price of \$237,624 per acre. This is a somewhat similar parcel to the subject absent of the prepared nature of the subject site.

Sale No. 7 is a pending sale of a 2.24 acre a prime commercial site in Stratford that is pending for a sale price of \$294,196 per acre. This is a similar parcel to the subject absent of the prepared nature of the subject site.

A total of seven (7) development sites are provided to support our estimate of market value. In particular, we have estimated a rate per acre that supports area light industrial sales. The sales support a value per acre above \$283,000 per acre. We envision a higher rate per acre than this for the subject site due to the ability to develop the site immediately while being supported by local sales and area pending sales and demand. A rate above \$283,000 per acre considers the fact that this acreage is somewhat less high profile than the intensive mixed use rate per acre in other areas within the overall Charlottetown area.

Our value is supported by Stratford parcel sales and other parcels that have sold that CBRE has on file. Overall, Sales No. 2, No. 4 and No. 7 are deemed to be the most appropriate sale while Sale No. 5 being at the upper end of the local sales data and Sale No. 1 being at the lower end of the sales data. As such, a rate supported by the overall data and supported by Sales No. 2, No. 3, No. 4, No. 6 and No. 7 support our estimate of market value.

Overall, we believe a value closer to \$300,000 per acre is considered appropriate for the subject site.

As well, considering the fact that the site is a prepared site including fill and material for truck storage, paved access and laneway and a large concrete slab on site, we have estimated an additional value of \$225,000 for the site improvements or \$75,000 per acre.

Sale Analysis and Conclusion

The above seven (7) sales range in size from between 0.69 acres to 8.95 acres, with an average size of 3.96 acres and a median size of 4.27 acres. The sale prices range on a unit basis from between \$4.92 and \$24.52 PSF with an average sale price of \$8.55 PSF and a median sale price of \$6.50 PSF. The average price per acre is \$372,599 per acre with a median price of \$283,140 per acre.

The low end of the market range is indicated by Index 1, which sold in February 2024 for \$4.92 PSF or \$214,529 per acre. The property is larger in size at 8.81 acres, and is located 1 km southwest of the subject in a location with a ROW access only. Overall, we would expect a higher unit rate to be achieved by the subject given its size and access.

The high end of the market range is Index 5 which sold for \$24.52 PSF or \$1,057,916 per acre. This is a 4.27-acre parcel located close to the Stratford waterfront with superior zoning. We would expect a much lower rate per acre to be achieved by the subject property.

The remaining indices range from 0.69 to 5.05 acres in size and are commercial or business park parcels located within 0.5 km of the subject, selling for between \$5.46 to \$6.75 PSF. Given the subject's size, prepared site areas, demand in this area as well as light industrial zoning, we would expect the subject to achieve a sale price above these comparables on a per square foot or per acre basis as of the effective date.

Based on the foregoing, it is our opinion that the subject could achieve a sale price above \$287,000 per acre. As such, we have concluded at a rate of \$300,000 per acre for the subject property. Our land value estimate using the Direct Comparison Approach is as follows:

Based on the foregoing, our land value estimate using the Direct Comparison Approach is as follows:

PID No. 577486-000 Stratford, PE		
<u>Area (Acres)</u>	<u>Unit Rate/Acre</u>	<u>Total Value</u>
3.00	\$300,000	\$900,000
	\$0	\$0
Adjustments	\$75,000	\$225,000
Market Value Estimate (Rounded)		\$1,125,000

Reconciliation of Value

The Direct Comparison Approach (Land) is the primary method of valuation used for valuing vacant land.

As previously noted, the Direct Comparison Approach was not employed in this instance.

The Cost Approach was not considered to be an appropriate indicator of value for properties of this nature, and is rarely used by market participants. Accordingly, we have not employed the Cost Approach in this appraisal.

In consideration of the value estimates used within this appraisal, we have relied on the discounted cash flow method as our final estimate of value. Our valuation of the subject property is summarized as follows:

PID No. 577486-000 Stratford, PE		
Area (Acres)	Unit Rate/Acre	Total Value
	\$300,000	\$900,000
3.00	\$0	\$0
Adjustments	\$75,000	\$225,000
Market Value Estimate (Rounded)		\$1,125,000

Based on the analysis contained in this report, it is our considered and professional opinion that the current market value of the subject property, subject to the Extraordinary Limiting Conditions, Extraordinary Assumptions and Hypothetical Conditions noted herein, as at November 26, 2025, is:

Estimate of Current Market Value

One Million One Hundred Twenty Five Thousand Dollars.....\$1,125,000

Certification

223 Mason Road, Stratford, Prince Edward Island

We certify to the best of our knowledge and belief:

1. The statements of fact contained in this report are true and correct;
2. The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are my impartial and unbiased professional analyses, opinions and conclusions;
3. We have no past, present or prospective interest in the property that is the subject of this report and no personal and/or professional interest or conflict with respect to the parties involved with this assignment.
4. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment;
5. Our engagement in and compensation is not contingent upon developing or reporting predetermined results, the amount of value estimate, a conclusion favouring the client, or the occurrence of a subsequent event.
6. Our analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the CUSPAP.
7. We have the knowledge and experience to complete this assignment competently, and where applicable this report is co-signed in compliance with CUSPAP;
8. Except as herein disclosed, no one has provided significant professional assistance to the undersigned;
9. As of the date of this report the undersigned has fulfilled the requirements of the AIC’s Continuing Professional Development Program;
10. The undersigned is (are all) members in good standing of the Appraisal Institute of Canada. Where a report bears multiple signatures, both the signing appraiser(s) and co-signing appraiser(s) assume full responsibility for this report.
11. Scott McEwen made an inspection of the property on November 26, 2025.
12. Scott McEwen and Eric Pennington have extensive experience in the appraisal of similar property types.
13. Scott McEwen and Eric Pennington are currently certified in the Province where the subject is located.
14. Valuation and Advisory Services Group operates as an independent economic entity within CBRE Limited. Although other employees of CBRE Limited divisions may be contacted as a part of our routine market research investigations, absolute Authorized Client confidentiality and privacy are maintained at all times with regard to this assignment without conflict of interest.

Based on the analysis contained in this report, it is our considered and professional opinion that the current market value of the subject property, subject to the Extraordinary Limiting Conditions, Extraordinary Assumptions and Hypothetical Conditions noted herein, as at November 26, 2025, is:

Estimate of Current Market Value

One Million One Hundred Twenty Five Thousand Dollars.....\$1,125,000



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 Associate Vice President
 Valuation & Advisory Services
 Phone: 647 943 4169
 AIC: 908685

December 17, 2025

Appendices

Appendix A

Terms of Reference

Property Identification

The subject property is described by the civic address 223 Mason Road, Stratford, P.E.I. The subject is legally described within provincial land titles as PID No. 577486-000.

The subject property is more fully described, legally and physically, within the enclosed report.

Parcel	577486-000
Owner	CASSDMURPH PROPERTIES LTD
Owner's Address	7 MOUNT EDWARD RD CHARLOTTETOWN, PE C1A 5R7
Property Location	223 MASON RD STRATFORD
Assessed Acreage	3.0
Township	48
Map Sheet Number	11L037F24
Original Parcel Number	N/A

Ownership and Property History

The current ownership is held by Cassdmurph Properties Ltd. The property has not been sold within the three preceding years. To the best of our knowledge, the property is not listed for sale. An industrial building was on this site that was subject to a fire a number of years ago. The property was improved as an industrial use since the original deed date of 1977.

Purpose of the Report

This report has been prepared for the purpose of providing an 'as is' estimate of current market value of the 100% fee simple interest in , subject to the Extraordinary Limiting Conditions, Extraordinary Assumptions and Hypothetical Conditions noted herein. The report is a full narrative report and has been prepared in accordance with the standards set forth by the Appraisal Institute of Canada.

Definition of Market Value

Market value is defined as follows:

“The most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and the seller each acting prudently, knowledgeably, and for self-interest, assuming that neither is under duress”¹.

Definition of Interest Appraised

Fee Simple — Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, expropriation, police power and escheat..

¹ The Appraisal of Real Estate, Fourth Canadian Edition, ed. Dybvig, (University of British Columbia, Real Estate Division, 2023), p. 6.1-.4

Authorized Client

The Authorized Client of this report is Matthew Cassidy of Coach Atlantic Transportation Group.

Authorized Use and User

The Authorized Use of the appraisal report is to provide information for Island and Regulatory Appeals Commission (IRAC) - negotiation and internal purposes. The report is not intended for any other use. Coach Atlantic Transportation Group & Fortis Corporation (Maritime Electric) is the sole Authorized User. This report is not intended for use by other parties. The Authorized Use and User of our report are specifically identified in our report as agreed upon in our contract for services and/or reliance language found in the report. No other use or user of the report is permitted by any other party for any other purpose. Dissemination of this report by any party to any non-Authorized Users does not extend reliance to any such party, and CBRE will not be responsible for any unauthorized use of or reliance upon the report, its conclusions or contents (or any portion thereof).

Date of the Report

December 17, 2025

Effective Date of the Report

November 26, 2025

Date of Inspection

November 26, 2025

Scope of Work

The following steps were completed by CBRE Limited for this assignment:

- cursory inspection of the subject site and “as is” status of the building
- Review of surrounding land uses
- Research into physical, legal, social, political, economic or other factors that could affect the value of the property
- Review of land use controls
- Research transactions of land from internal database, subscription databases, provincial land titles and market participants
- Determine the Highest and Best Use “as if vacant”
- Analyse the data collected using the appropriate appraisal approach
- Consider the effect on value of an assemblage and any anticipated public & private improvements and there is deemed to be none
- Consideration of personal property (attached equipment), which positively influences the market value
- Conclude a market value as stated herein

Report Format

Full Narrative

Limiting Conditions

A soil analysis for the site has not been provided for the preparation of this opinion. In the absence of a soil report, it is a specific assumption that the site has adequate soils to support the highest and best use.

A formal title search was beyond the scope of this assignment. Except as described herein, CBRE Limited has no knowledge of any easements or encroachments. It is recommended that the Authorized Client/reader obtain a detailed title search outlining all easements and encroachments on the property, if any, prior to making a business decision.

To our knowledge, there are no known covenants, conditions and restrictions impacting the site, which are considered to affect the marketability or highest and best use, other than zoning restrictions.

CBRE Limited, or the consultant(s) has not observed, yet is not qualified to detect, the existence of potentially hazardous material or underground storage tanks, which may be present on or near the site. It should also be noted that the existence of hazardous materials or underground storage tanks might have an effect on the value of the property.

CBRE Limited has not observed, yet is not qualified to detect, the existence of any potentially hazardous materials such as lead paint, asbestos, urea formaldehyde foam insulation, or other potentially hazardous construction materials on or in the improvements. The existence of such substances may have an effect on the value of the property. For the purpose of this assignment, we have specifically assumed that the subject is not affected by any hazardous materials, which would cause a loss in value.

It should be noted that neither CBRE Limited nor the valuation consultant are qualified to determine the structural integrity of the building. Finally, CBRE and the valuation consultant make no representations or warranties as the condition or suitability of the electrical system, HVAC system or roof membrane.

Exposure Time

Exposure time is not intended to be a prediction of a date of sale. Instead, it is an integral part of the opinion analysis and is based on one or more of the following:

- Statistical information about days on the market
- Information gathered through sales verification
- Interviews with market participants

The reasonable exposure time is a function of price, time, and use. It is not an isolated estimate of time alone. Exposure time is different for various types of real estate and under various market conditions.

Exposure time is the estimated length of time the property would have been offered prior to a hypothetical market value sale on the effective date of opinion. It is a retrospective estimate based on an analysis of recent past events, assuming a competitive and open market. It assumes not only adequate, sufficient, and reasonable time but also adequate, sufficient, and reasonable marketing effort. Exposure and marketing time are therefore interrelated with opinion conclusion of value.

Based on the foregoing analysis, an exposure time of 6 to 9 months is reasonable. CBRE Limited assumes the subject would have been competitively priced and aggressively promoted.

Assumptions And Limiting Conditions

1. CBRE Limited, through its appraiser (collectively, "CBRE") has inspected through reasonable observation the subject property. However, it is not possible or reasonably practicable to personally inspect conditions beneath the soil and the entire interior and exterior of the improvements on the subject property. Therefore, no representation is made as to such matters.
2. The report, including its conclusions and any portion of such report (the "Report"), is as of the date set forth in the letter of transmittal and based upon the information, market, economic, and property conditions and projected levels of operation existing as of such date. The dollar amount of any conclusion as to value in the Report is based upon the purchasing power of the Canadian Dollar on such date. The Report is subject to change as a result of fluctuations in any of the foregoing. CBRE has no obligation to revise the Report to reflect any such fluctuations or other events or conditions which occur subsequent to such date.
3. Unless otherwise expressly noted in the Report, CBRE has assumed that:
 - I. Title to the subject property is clear and marketable and that there are no recorded or unrecorded matters or exceptions to title that would adversely affect marketability or value. CBRE has not examined title records (including without limitation liens, encumbrances, easements, deed restrictions, and other conditions that may affect the title or use of the subject property) and makes no representations regarding title or its limitations on the use of the subject property. Insurance against financial loss that may arise out of defects in title should be sought from a qualified title insurance company.
 - II. Existing improvements on the subject property conform to applicable local, provincial, and national federal building codes and ordinances, are structurally sound and seismically safe, and have been built and repaired in a workmanlike manner according to standard practices; all building systems (mechanical/electrical, HVAC, elevator, plumbing, etc.) are in good working order with no major deferred maintenance or repair required; and the roof and exterior are in good condition and free from intrusion by the elements. CBRE has not retained independent structural, mechanical, electrical, or civil engineers in connection with this appraisal and, therefore, makes no representations relative to the condition of improvements. CBRE appraisers are not engineers and are not qualified to judge matters of an engineering nature, and furthermore structural problems or building system problems may not be visible. It is expressly assumed that any purchaser would, as a precondition to closing a sale, obtain a satisfactory engineering report relative to the structural integrity of the property and the integrity of building systems.
 - III. Any proposed improvements, on or off-site, as well as any alterations or repairs considered will be completed in a workmanlike manner according to standard practices.
 - IV. Hazardous materials are not present on the subject property. CBRE is not qualified to detect such substances. The presence of substances such as asbestos, urea formaldehyde foam insulation, contaminated groundwater, mold, or other potentially hazardous materials may affect the value of the property.
 - V. No mineral deposit or subsurface rights of value exist with respect to the subject property, whether gas, liquid, or solid, and no air or development rights of value may be transferred. CBRE has not considered any rights associated with extraction or exploration of any resources, unless otherwise expressly noted in the Report.
 - VI. There are no contemplated public initiatives, governmental development controls, rent controls, or changes in the present zoning ordinances or regulations governing use, density, or shape that would significantly affect the value of the subject property.

- VII. All required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, provincial, nor national government or private entity or organization have been or can be readily obtained or renewed for any use on which the Report is based.
 - VIII. The subject property is managed and operated in a prudent and competent manner, neither inefficiently or super-efficiently.
 - IX. The subject property and its use, management, and operation are in full compliance with all applicable federal, provincial, and local regulations, laws, and restrictions, including without limitation environmental laws, seismic hazards, flight patterns, decibel levels/noise envelopes, fire hazards, hillside ordinances, density, allowable uses, building codes, permits, and licenses.
 - X. The subject property is in full compliance with the Disabilities Act of the province. CBRE is not qualified to assess the subject property's compliance with the Province's Disabilities Act, notwithstanding any discussion of possible readily achievable barrier removal construction items in the Report.
 - XI. All information regarding the areas and dimensions of the subject property furnished to CBRE are correct, and no encroachments exist. CBRE has neither undertaken any survey of the boundaries of the subject property nor reviewed or confirmed the accuracy of any legal description of the subject property.
 - XII. Unless otherwise expressly noted in the Report, no issues regarding the foregoing were brought to CBRE's attention, and CBRE has no knowledge of any such facts affecting the subject property. If any information inconsistent with any of the foregoing assumptions is discovered, such information could have a substantial negative impact on the Report. Accordingly, if any such information is subsequently made known to CBRE, CBRE reserves the right to amend the Report, which may include the conclusions of the Report. CBRE assumes no responsibility for any conditions regarding the foregoing, or for any expertise or knowledge required to discover them. Any user of the Report is urged to retain an expert in the applicable field(s) for information regarding such conditions.
4. CBRE has assumed that all documents, data and information furnished by or behalf of the Authorized Client, property owner, or owner's representative are accurate and correct, unless otherwise expressly noted in the Report. Such data and information include, without limitation, numerical street addresses, lot and block numbers, Assessor's Parcel Numbers, land dimensions, square footage area of the land, dimensions of the improvements, gross building areas, net rentable areas, usable areas, unit count, room count, rent schedules, income data, historical operating expenses, budgets, and related data. Any error in any of the above could have a substantial impact on the Report. Accordingly, if any such errors are subsequently made known to CBRE, CBRE reserves the right to amend the Report, which may include the conclusions of the Report. The Authorized Client and Authorized User should carefully review all assumptions, data, relevant calculations, and conclusions of the Report and should immediately notify CBRE of any questions or errors within 30 days after the date of delivery of the Report.
 5. CBRE assumes no responsibility (including any obligation to procure the same) for any documents, data or information not provided to CBRE, including without limitation any termite inspection, survey or occupancy permit.
 6. All furnishings, equipment and business operations have been disregarded with only real property being considered in the Report, except as otherwise expressly stated and typically considered part of real property.
 7. Any cash flows included in the analysis are forecasts of estimated future operating characteristics based upon the information and assumptions contained within the Report. Any projections of income, expenses and economic conditions utilized in the Report, including such cash flows, should be considered as only estimates of the expectations of future income and expenses as of the date of the Report and not predictions of the future. Actual results are affected by a number of factors outside the control of CBRE,

including without limitation fluctuating economic, market, and property conditions. Actual results may ultimately differ from these projections, and CBRE does not warrant any such projections.

8. The Report contains professional opinions and is expressly not intended to serve as any warranty, assurance or guarantee of any particular value of the subject property. Other appraisers may reach different conclusions as to the value of the subject property. Furthermore, market value is highly related to exposure time, promotion effort, terms, motivation, and conclusions surrounding the offering of the subject property. The Report is for the sole purpose of providing the Authorized User with CBRE's independent professional opinion of the value of the subject property as of the date of the Report. Accordingly, CBRE shall not be liable for any losses that arise from any investment or lending decisions based upon the Report that the Authorized Client, Authorized User, or any buyer, seller, investor, or lending institution may undertake related to the subject property, and CBRE has not been compensated to assume any of these risks. Nothing contained in the Report shall be construed as any direct or indirect recommendation of CBRE to buy, sell, hold, or finance the subject property.
9. No opinion is expressed on matters which may require legal expertise or specialized investigation or knowledge beyond that customarily employed by real estate appraisers. Any user of the Report is advised to retain experts in areas that fall outside the scope of the real estate appraisal profession for such matters.
10. CBRE assumes no responsibility for any costs or consequences arising due to the need, or the lack of need, for flood hazard insurance.
11. Acceptance or use of the Report constitutes full acceptance of these Assumptions and Limiting Conditions and any special assumptions set forth in the Report. It is the responsibility of the user of the Report to read in full, comprehend and thus become aware of all such assumptions and limiting conditions. CBRE assumes no responsibility for any situation arising out of the user's failure to become familiar with and understand the same.
12. The Report applies to the property as a whole only, and any pro ration or division of the title into fractional interests will invalidate such conclusions, unless the Report expressly assumes such pro ration or division of interests.
13. The allocations of the total value estimate in the Report between land and improvements apply only to the existing use of the subject property. The allocations of values for each of the land and improvements are not intended to be used with any other property or appraisal and are not valid for any such use.
14. The maps, plats, sketches, graphs, photographs, and exhibits included in this Report are for illustration purposes only and shall be utilized only to assist in visualizing matters discussed in the Report. No such items shall be removed, reproduced, or used apart from the Report.
15. The Report shall not be duplicated or provided to any Unauthorized Users in whole or in part without the written consent of CBRE, which consent CBRE may withhold in its sole discretion. Exempt from this restriction is duplication for the internal use of the Authorized User and its attorneys, accountants, or advisors for the sole benefit of the Authorized User. Also exempt from this restriction is transmission of the Report pursuant to any requirement of any court, governmental authority, or regulatory agency having jurisdiction over the Authorized User, provided that the Report and its contents shall not be published, in whole or in part, in any public document without the written consent of CBRE, which consent CBRE may withhold in its sole discretion. Finally, the Report shall not be made available to the public or otherwise used in any offering of the property or any security, as defined by applicable law. Any Unauthorized User who may possess the Report is advised that it shall not rely upon the Report or its conclusions and that it should rely on its own appraisers, advisors and other consultants for any decision in connection with the subject property. CBRE shall have no liability or responsibility to any such Unauthorized User.

Appendix B

Deed Schedule A

SCHEDULE "A"

ALL THAT PARCEL OF LAND situate lying and being in Bunbury on Township Number Forty-eight (48) in Queens County in the Province of Prince Edward Island, bounded and described as follows, that is to say:

COMMENCING at a point on the Northeastern boundary of the Mason Road; said point being shown as point number four (4) on a plan of survey by Island Surveys Ltd. showing property being conveyed to Tip Top Truss Ltd., Bunbury, Drawing Number 171435 and dated 1 September 1977; said point number four (4) having co-ordinates E. 479786.44, No. 325012.47, and being located one hundred fifty (150') feet from the Southwest angle of lot number thirty-four (34) in a subdivision of Frederick O. Reddin;

THENCE Northeastwardly (N 71° 33' 28" E) along property now or formerly in possession of Frederick O. Reddin, and at an equi-distance of one hundred fifty (150') feet Southwardly from said subdivision land, for a distance of five hundred eighty-seven point thirty-one (587.31') feet to point number seven (7) having co-ordinates E. 480343.59, N. 325198.26;

THENCE Southeastwardly (S 18° 03' 48" E) at a constant distance of thirty-three (33') feet from the Southwestern boundary of lands now or formerly of John Farquharson for a distance of two hundred twenty-four point fourteen (224.14') feet to point number six A (6A) having co-ordinates E. 480413.09, N. 324985.17;

THENCE Southwestwardly (S 71° 32' 57" W) along other lands of Frederick O. Reddin for a distance of five hundred seventy-eight point fifty-three (578.53') feet to point number five A (5A) having co-ordinates E. 479864.30, N. 324802.07;

THENCE Northwestwardly (N 20° 18' 27" W) along the said Northeastern boundary of the Mason Road for a distance of two hundred twenty-four point thirty-four (224.34') feet to the point at the place of commencement.

Containing in the above-described area THREE (3) ACRES OF LAND, a little more or less. All bearings and co-ordinates are derived from the Prince Edward Island Stereographic Projection System with the co-ordinates expressed in feet.

The above-described property being shown on a plan of survey showing property being conveyed to Tip Top Truss Ltd., Bunbury, prepared by Island Surveys Ltd., Drawing No. 171435, dated 1 September certified by Albert J. Wright, Prince Edward Island Land Surveyor

Appendix C

Photographs





For more information

Scott McEwen, P.App., AACI, M.B.A.

Senior Vice President & Sr. Managing Director

(902) 628-9301

CBRE VALUATION & ADVISORY SERVICES



INTERROGATORIES

IR-2 – Attachment 2



Appraisal Report

Industrial Land Parcel in Charlottetown, PE



103 Longworth Avenue, Charlottetown, Queens County, PE
CBRE File No. 25-APPRHAL-0554A

Effective Date: November 26, 2025



CBRE Limited
Valuation & Advisory Services
Charlottetown, PE
Tel 902 628 9301
www.cbre.ca

CBRE File No. 25-APPRHAL-0554A

December 17, 2025

Maritime Electric
180 Kent Street
Charlottetown, PE C1A 7N2

Attn: Angus Orford, VP, President

RE: Industrial Land Parcel at 103 Longworth Avenue, Charlottetown, Queens County, PE

Dear Mr. Orford:

At your request and authorization, CBRE Limited has completed an investigation and analysis of the above referenced property and is pleased to submit this full narrative appraisal report.

This Appraisal Report is prepared for the purpose of providing an 'as is' estimate of current market value of the 100% fee simple interest in the Maritime Electric Limited (MECL) Storage Yard located at 103 Longworth Avenue, Charlottetown, PE. We understand this report will be used by the Authorized User, Fortis Corporation (Maritime Electric), and any other Authorized Users noted herein to assist in a matter to present to the Island Regulatory and Appeals Commission (IRAC) for negotiation and internal use purposes. The site is used as an electrical equipment storage yard and is a brownfield site subject to future site remediation. An outside consulting firm has provided a remediation estimate. Since real estate appraisers are not experts in site remediation, we encourage the reader to review the soil remediation consulting study prepared for the site as of November 3, 2025.

The conclusions reported herein are subject to the Extraordinary Limiting Conditions, Extraordinary Assumptions and Hypothetical Conditions noted on page 8 and the Limiting Conditions noted in Addendum "A" which are an integral part of this report and are inseparable from this letter.

The analyses, opinions and conclusions utilized in this report were developed based on our interpretation of the standards set forth in the Canadian Uniform Standards of Professional Appraisal Practice (CUSPAP).

Based on the analysis contained in this report, it is our considered and professional opinion that the current market value of the subject property, subject to the Extraordinary Limiting Conditions, Extraordinary Assumptions and Hypothetical Conditions noted herein, as at November 26, 2025, is:

Estimate of Current Market Value

Eight Hundred Ninety Thousand Dollars.....\$890,000
"Less: Costs of Remediation, As if Vacant"

It has been a pleasure to assist you in this assignment. If you have any questions concerning the analysis, or if CBRE Limited can be of further service, please contact us.

Respectfully submitted,

CBRE Limited



Scott McEwen, P.App., AACI, M.B.A.
Senior Vice President & Sr. Managing Director
Valuation & Advisory Services
Phone: (902) 628-9301
AIC: 901905



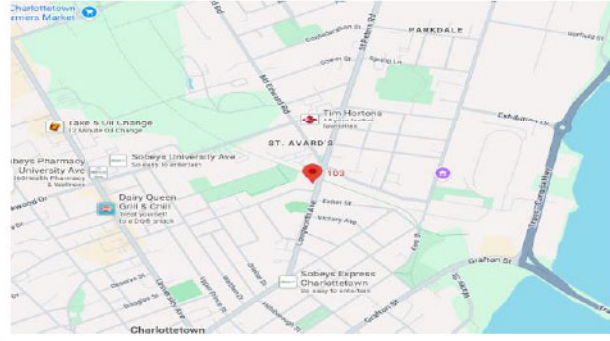
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Phone: 647 943 4169
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Executive Summary

Development Site



Property Summary

The subject is a 1.7 acre industrial site located on the west side of Longworth Avenue in the light industrial commercial area of Parkdale. The site is located gradually above grade to slightly below grade. The site is cleared. Area development includes industrial, institutional, commercial-retail and residential development. This is a good location for a commercial use, albeit the site does not have road frontage.

Salient Details

Property Address	103 Longworth Avenue
Effective Date	November 26, 2025
Interest Appraised	100% Fee Simple
Asset Subtype	Industrial Development Land
Land Area (ac.)	1.700
Land Use/Zone	MUC
Development Types	Commercial-Industrial Development Lands
Timing of Development	Immediate
Topographies	Level with some low areas

Direct Comparison Approach - Charlottetown

279364-000 Commercial-Industrial Development	\$ 765,000
Add: Contributory Value of Improvements	\$ 127,500
	<u>\$ 890,000</u>

Valuation Summary

Final Value Conclusion	
Total Value	\$890,000

Other Details

PID No.	279364-000
Historic Use	Industrial Development
Improvements	Prepared Site, Fencing, Gate Access
Frontage - Metres	6+ Metres
Depth - Feet	412'
Neighbouring Uses	Mixed Uses

Direct Comparison Approach - Value Per Acre

Per Acre (\$) Value	\$450,000
---------------------	-----------

Significant Investment Characteristics

Location

STRENGTHS

- Good light industrial location in the Parkdale area of the City.
- Mature commercial location.

WEAKNESSES

- ROW access only (no survey provided).

Physical

STRENGTHS

- Good sized city industrial site.
- Site features a larger prepared site area.
- Site features a fenced in area.
- Slightly above grade site.

WEAKNESSES

- Site is a brownfield site (contaminated).
- Site is somewhat of an irregular configuration.
- Site has no road frontage.

Income Characteristics

STRENGTHS

- Owner Occupied Site.

WEAKNESSES

- N/A

Investment Characteristics

STRENGTHS

- Ideal owner use site.
- The Bank of Canada cut interest rates for the second time in a row, bringing the policy interest rate to 2.25% for what is expected to be the last decrease this cycle.
- Upwards pressure on inflation has dissipated a bit due to the removal of Canada's retaliatory tariffs on U.S. goods.
- Economic growth is projected to slowly pick up throughout 2026 for an annual 1.1% increase before rising to 1.6% in 2027 according to the Bank of Canada.
- Stronger real estate investment activity is expected in Q4 2025 and 2026, spurred by growing interest from institutional capital as well as improved lending conditions.

- Real estate debt markets are liquid and aggressive with a notable rebound in appetite for office assets.
- Canada quarterly investment volumes have held above the \$10 billion mark through the first half of 2025. Deal counts have also been steadily trending higher over the last three quarters.
- Cap rates continue to hold steady, with the national average all-properties yield flat quarter-over-quarter at 6.66% in Q3 2025.
- Pre-leasing rates on the industrial construction pipeline have been steadily improving over the last four quarters and rose to its highest level in three years to 51.3% in Q3 2025.

WEAKNESSES

- No income noted from the site.
- The economic outlook for Canada has worsened with GDP contracting by an annualized 1.6% in Q2 2025 and the labour market softening. The Bank of Canada expects a return to GDP growth in H2 2025, albeit weak and averaging an annualized 0.75%.
- Ongoing trade negotiations with the U.S. as well as the upcoming CUSMA review are major unpredictable risks to Canada's economic outlook.
- Global capital inflows into Canadian commercial real estate remains soft and dropped in Q2 2025 to its lowest quarterly total since 2020.
- National industrial net absorption remained modestly negative in Q3 2025, totaling -676,000 sq. ft., where strong positive momentum seen in Toronto and Edmonton was offset by negative activity in Montreal and Waterloo Region.
- After dropping from peak levels three years ago, the national industrial construction pipeline started to rise again and grew to 25.9 million sq. ft. in Q3 2025, with a substantial amount of available space set to deliver in the coming quarters.

Limiting Conditions

The Limiting Conditions for this report have been included in Addendum “A”.

Extraordinary Limiting Conditions

As per Section 3.29 of CUSPAP 2024, an Extraordinary Limiting Condition is a modification or exception of a Standard Rule which may diminish the reliability of the report. This report is subject to the following Extraordinary Limiting Condition:

- A title search was not completed for this assignment.

Extraordinary Assumptions

As per Section 3.28 of CUSPAP 2024, an Extraordinary Assumption is an assumption, directly related to a specific assignment, which, if found to be false, could materially alter the opinions or conclusions. This report is subject to the following Extraordinary Assumptions:

- Title is assumed to be good and clear.
- CBRE Limited assumes that any information provided by a third-party is reliable and sufficient for CBRE Limited to produce credible assignment results. CBRE Limited further assumes that this information is accurate and not misleading.
- The subject is a brownfield site. We have valued the site as if vacant. The reader would have to deduct costs of remediation from our estimate of current market value.
- Our instructions were to value the property ‘as if vacant’.
- No direct access was provided to the site; we have provided our review of the site based on viewing outside of the gate of the property.

Hypothetical Conditions

As per Section 3.36 of CUSPAP 2024, a Hypothetical Condition is that which is contrary to what exists but is supposed to exist for the purpose of analysis. This report is not subject to the following Hypothetical Condition:

- The subject is a brownfield site. We have made the hypothetical assumption herein that the site would be remediated and the stated value is “as if the site is clean”.
- It is a hypothetical assumption herein that the improvements (storage buildings) provide limited value to an alternative user and are therefore not considered herein.

Location Description

The subject site is located on the west side of Longworth Avenue in Charlottetown, Queens County, PEI and is used as an electrical equipment storage yard with a single site structure located along the southeast section of the property. The site is located in the Parkdale area of the city.

The site is completely enclosed by a woven mesh fence and is landlocked from any public thoroughfare, with access being gained via a 6.1 metre right-of-way and a locked security gate. The ground surface is generally gravel covered with limited grassed areas and an asphalt driveway between the security gate and the site storage structure (source: Jacques Woodford).

The site appears to have main access off Longworth Avenue with additional possible access off a parking lot off Allen Street (Immanuel Christina School/ Mission Thrift Store). The site is adjacent to the Confederation Trail to the east as well as Orlebar Park to the south.

The area benefits from proximity to essential services such as grocery stores, restaurants, and local businesses. Access to major roads facilitates transportation within and beyond the district. Public transit options are available, enhancing connectivity to other parts of Charlottetown and neighboring municipalities.



Identifiers

Municipal Address 103 Longworth Avenue, Charlottetown, PE (site indicated with red star above)

Legal Description PID No. 279364-000

Surrounding Land Uses

Current uses in the immediate vicinity of the subject include:

North	<ul style="list-style-type: none"> - Mission Thrift/ Immanuel Christian School - Kia and Hyundai dealership - Paved Parking areas
South	<ul style="list-style-type: none"> - Orlebar Park - Mixed Use Commercial including Red Island Cidery - Residential Development
East	<ul style="list-style-type: none"> - Maritime Bus Location - KenMac Energy - Bar1911 (former City Jail)
West	<ul style="list-style-type: none"> - Immanuel Christian School Parking and Sports Fields - Parkland - Residential Development

Access

The site is accessed via a ROW off Longworth Avenue. Area streets including Allen Street on the north side of the subject while Longworth is along the south section of the parcel. The subject does not feature road frontage.

Public transit access to the area streets, is convenient, supporting residents and workers in their daily commutes. While some residents may utilize public transit, the majority in this primarily residential area are likely to own vehicles for transportation.

Walkscore®

The subject site achieves a Walkscore® rating of 89, indicating the subject site occupies a pedestrian-friendly location.

Walkscore® is a numerical score that measures the walkability of a location based on its proximity to amenities such as restaurants, shops, schools, parks, and other essential services. The score ranges from 0 to 100, with higher scores indicating a more walkable area. Bikescore® and Transitscore® relate to the quality of bike and transit infrastructure, respectively.

Amenities

Very good availability of amenities within proximity of the subject property.

Conclusion

The subject site occupies a good location for light industrial or commercial development use.



Parcel Breakdown

Legal Description	Civic Address	Size (SF)	Site Coverage
279364-000	103 Longworth Avenue, Charlottetown, PE	74,052	-
Total		74,052	-

Building Improvements

This valuation does not consider the storage buildings on site as we have valued the property 'as if vacant' consistent with how an alternative owner-user would view this site as a development property for possible industrial use.

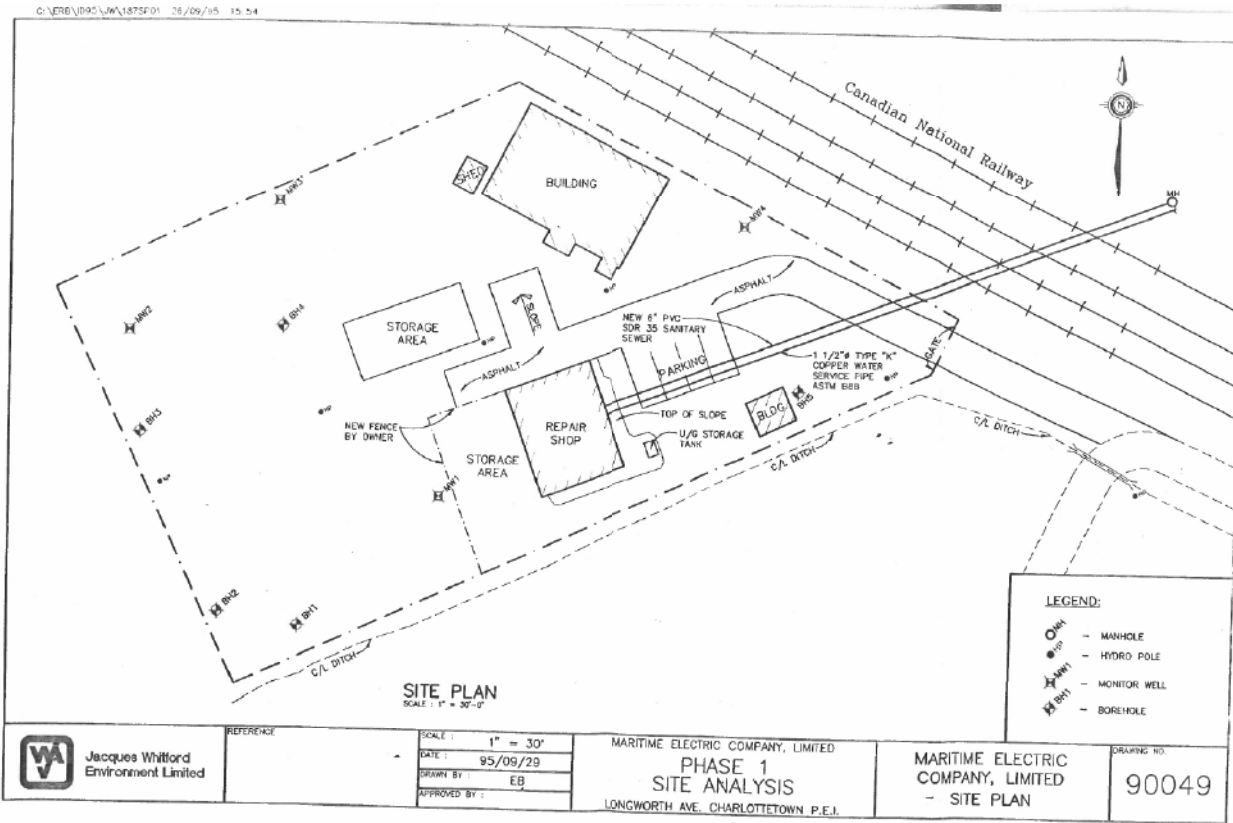
Contamination Issues

The environmental condition for the subject site is based information obtained from the following historical environmental assessments:

- Phase I Environmental Site Assessment (ESA) - MECL Longworth Avenue, Charlottetown, Queens County, PEI prepared by Jacques Whitford Limited, dated December 8, 1994. The Phase I ESA identified that the property was formerly owned by Imperial Oil Ltd. and acquired by MECL in 1958. The site served as a petroleum bulk storage facility for approximately 40 years with the properties surrounding the site being commercial/industrial developed and involved in bulk petroleum storage at some time in the past.
- Phase II ESA - MECL Longworth Avenue, Charlottetown, Queens County, PEI prepared by Jacques Whitford Limited, dated October 3, 1995. The Phase II ESA consisted of the drilling of nine (9) boreholes (BHs) with monitor wells (MWs) installed at four (4) of the locations. The soil and groundwater samples submitted for analysis from the subject site indicated hydrocarbon and metal soil impacts at each test location with levels ranging from low to elevated concentrations that exceed the applicable criteria for the subject site. The Phase II ESA also identified that the fill materials onsite extend to a depths ranging from 1.8 to 2.1 m below ground surface (mbgs).
- Additional Field Investigation and Preliminary Risk Management Options - MECL Longworth Avenue, Charlottetown, Queens County, PEI, prepared by Jacques Whitford Limited, dated February 13, 1998. The additional investigation portion of the environmental program consisted of the drilling of five (5) boreholes (BHs) with monitor wells (MWs) installed at each location. The select soil samples collected and submitted for analysis from the subject site indicated hydrocarbon and metal soil impacts at each test location with levels ranging low to elevated concentrations that exceed the applicable criteria for the subject site. The groundwater samples collected from the Phase II ESA and additional test locations indicated hydrocarbon groundwater chemistry results below the applicable criteria with the exception of three (3) locations where free phase product was identified. This report also outlined risk management options for the environmental impacts onsite.

The additional investigation BHs/MWs also identified that the fill materials onsite extend to depths ranging between 1.2 and 2.7 mbgs.

Source: Joose Environmental, November 3, 2025



1995 Site Plan

Planning, Land Use & Zoning

The civic address of the property is 103 Longworth, Charlottetown, Queens County, PE.

Official Plan

Development patterns within the City of Charlottetown are principally governed by the below-referenced Land Use and/or Zoning bylaw.

Land Use/Zoning

The subject site is designated MUC — Mixed Use Commercial under the City of Charlottetown Zoning & Development Bylaw (PH-ZD.2).

The MUC site is mixed use commercial designation that allows for a range of uses, as below.

24 MIXED-USE CORRIDOR ZONE (MUC)

24.1 PERMITTED USES

- 24.1.1 Uses permitted in the R-4 Zone, subject to the Regulations for Permitted Uses for the R-4 Zone;
- 24.1.2 Uses permitted in the Institutional (I) Zone, subject to the Regulations for permitted uses for the I Zone;
- 24.1.3 Commercial Uses permitted in the ER-Mixed Use Village Centre Zone (ER-MUVC);
- 24.1.4 Automobile Sales and Services;
- 24.1.5 Cannabis Retail Store;
- 24.1.6 Equipment Sales, Rental Service;
- 24.1.7 Greenhouse (nursery retail);
- 24.1.8 Outdoor Retail Display;
- 24.1.9 Parking Lot;
- 24.1.10 Retail Store with connected Retail Warehouse, Light Manufacturing or assembly facility;
- 24.1.11 Retail Warehouse;
- 24.1.12 Service Repair Establishment;
- 24.1.13 Storage Facility;
- 24.1.14 Transport Terminal; and
- 24.1.15 Warehouse and/or Distribution Centre

24.2 REGULATIONS FOR COMMERCIAL USES

	Interior Lot	Corner Lot
1 Lot Area (Minimum)	600 sq. m (6,458.4 sq ft)	700 sq. m (7,535 sq ft)
2 Lot Frontage (Minimum)	20 m (65.6 ft)	20 m (65.6 ft)
3 Front Yard (Minimum)	8 m (26.2 ft)	8 m (26.2 ft)
4 Rear Yard (Minimum)	6.0 m (19.7 ft)	6.0 m (19.7 ft)
5 Side Yard (Minimum)	3.0 m (9.8 ft)	3.0 m (9.8 ft)
6 Flankage Yard (Minimum)		6.0 m (19.7 ft)
7 Height (Maximum)	12.0 m (39.4 ft)	12.0 m (39.4 ft)

A map of the zoning area is provided on the following page.



Limitations

For the purpose of this appraisal CBRE has assumed the information obtained is correct and that the subject property is a conforming use.

Conclusion

The subject property as improved or proposed is believed to be a conforming use under . Professional planning advice should be consulted for certainty.

Assessment & Taxes

Property Assessment forms the basis for the collection of provincial and municipal property tax in Prince Edward Island. Under the Real Property Tax Act and Real Property Tax Act Regulations the Province provides a centralized collection system for property taxation. Annual property taxes and charges may include provincial property tax, municipal property tax, fire district charges and Island Waste Management (IWMC) charges. The provincial real property tax rate for commercial and non-commercial property in the province is set at \$1.50 for each \$100 taxable value assessment. Under the Provincial Tax Credit Program, residents of PEI may be eligible for a provincial tax credit of \$0.50 per \$100 of taxable value assessment on any non-commercial property that they own. Each municipality and each fire district sets their own property tax rate in March of each year. IWMC sets the rates for garbage collection in the province. Tax rates are summarized below:

Tax Rates

Provincial Commercial Rate	\$1.50
Provincial Non-Commercial Rate	\$1.50
Municipal Commercial Rate	\$2.36
Municipal Non-Commercial Rate	\$0.67
Provincial Tax Credit	-\$0.50
Percent of Property within municipality	100%

The following represents the assessed value and tax levy applicable to the subject parcels, as determined by the municipal or regional realty tax authority and as shown in GeoLinc PEI.

Assessment/Roll Number	279364-000
Assessed Value (Year)	\$70,400 (2025)
Tax Levy	\$2,717.44 (2025)
Mill Rate	2.86% - 0.50% (Tax Credit) of the total assessed value

Market Overviews

National Economic Outlook

Next 5 Years, 2024-2029

Canada Q2 2025

Key Economic Indicators

	2023	2024	2025F	2026F	2027F	2028F	2029F
Real GDP (\$2012 millions)	\$2,385,443	\$2,422,532	\$2,443,208	\$2,452,216	\$2,525,492	\$2,588,074	\$2,632,619
<i>Annual Growth (%)</i>	1.5%	1.6%	0.9%	0.4%	3.0%	2.5%	1.7%
Total Employment (000s)	20,341.1	20,722.9	20,950.0	20,976.2	21,231.8	21,467.1	21,693.7
<i>Annual Growth (%)</i>	3.0%	1.9%	1.1%	0.1%	1.2%	1.1%	1.1%
Unemployment Rate (%)	5.4%	6.4%	7.1%	6.7%	6.2%	6.0%	6.0%
Average Household Disposable Income (\$)	\$101,204	\$105,679	\$109,315	\$111,508	\$115,269	\$118,642	\$121,798
Population (000s)	39,968.5	41,144.2	41,400.3	41,145.7	41,510.6	41,877.3	42,248.9
<i>Annual Growth (%)</i>	2.8%	2.9%	0.6%	-0.6%	0.9%	0.9%	0.9%
Total Housing Starts (units)	241,835	245,075	235,540	222,244	249,315	284,431	292,964
Retail Sales (\$ millions)	\$792,369	\$804,991	\$842,493	\$866,646	\$900,251	\$939,604	\$980,403
<i>Annual Growth (%)</i>	1.9%	1.6%	4.7%	2.9%	3.9%	4.4%	4.3%

F = Forecast data. Forecast completed July 22, 2025.

Source: Oxford Economics, 2025.

Key Findings

- **Economy:** The economy in Canada is forecast to grow at an annual average rate of 1.7% over the next five years from 2024 - 2029. Relative to the G7 countries, this ranks Canada's real GDP growth at #2 among the major developed nations.
- **Employment & Job Growth:** Total employment is expected to grow by +970,800 jobs over 2024 - 2029, for an annual average growth rate of +0.9%. This ranks employment growth in Canada as #2 among the major tracked Canadian provinces. The unemployment rate is projected to compress from 6.4% in 2024 to 6.0% by 2029.
- **Population:** The population in Canada is projected to grow at an annual average rate of +0.5% over the next five years to 42.2 million people by 2029. This ranks population growth in Canada as #1 among the G7 countries.
- **Central Banks & Interest Rates:** The Bank of Canada's policy interest rate is forecast to stabilize at 2.75%. Over the next five year period, the Canada 10-Year bond yield is projected to increase to an average 3.70% by Q1 2026 and level out at of 4.00% by Q4 2027.
- **Residential Housing Market:** Housing starts in Canada are forecast to average 256,900 units each year from 2024-2029, representing a 1.8% increase over the average number of starts of the preceding two years.

GDP Growth

Market	5-Yr CAGR	Rank
United States	2.1%	1
Canada	1.7%	2
Germany	1.4%	3
United Kingdom	1.4%	4
France	1.1%	5
Italy	0.7%	6
Japan	0.4%	7
G7 Median	1.4%	-

Employment Growth

Market	5-Yr CAGR	Rank
United Kingdom	1.0%	1
Canada	0.9%	2
United States	0.5%	3
France	0.2%	4
Italy	0.1%	5
Germany	0.0%	6
Japan	-0.5%	7
G7 Median	0.2%	-

Population Growth

Market	5-Yr CAGR	Rank
Canada	0.5%	1
United Kingdom	0.5%	2
United States	0.4%	3
France	0.1%	4
Germany	-0.2%	5
Italy	-0.2%	6
Japan	-0.6%	7
G7 Median	0.1%	-

Provincial Economic Outlook

Next 5 Years, 2024-2029

Prince Edward Island Q2 2025

Key Economic Indicators

	2023	2024	2025F	2026F	2027F	2028F	2029F
Real GDP (\$2012 millions)	\$8,043	\$8,332	\$8,431	\$8,388	\$8,583	\$8,759	\$8,891
<i>Annual Growth (%)</i>	2.1%	3.6%	1.2%	-0.5%	2.3%	2.1%	1.5%
Total Employment (000s)	89.3	92.5	93.8	94.3	95.6	96.8	98.0
<i>Annual Growth (%)</i>	6.2%	3.6%	1.4%	0.6%	1.4%	1.3%	1.2%
Unemployment Rate (%)	7.3%	7.8%	8.2%	8.3%	8.5%	8.5%	8.6%
Household Disposable Income (\$)	\$92,737	\$95,901	\$97,683	\$98,254	\$100,707	\$102,605	\$104,289
Population (000s)	172.9	177.9	179.2	180.2	182.9	185.9	189.0
<i>Annual Growth (%)</i>	3.8%	2.9%	0.7%	0.6%	1.5%	1.6%	1.7%
Total Housing Starts (units)	878	1,209	1,158	962	1,266	1,489	1,571
Real Retail Sales (\$2012 millions)	\$3,047	\$3,070	\$3,083	\$3,064	\$3,113	\$3,202	\$3,294
<i>Annual Growth (%)</i>	4.2%	0.8%	0.4%	-0.6%	1.6%	2.8%	2.9%

F = Forecast data. Forecast completed June 27, 2025.

Source: Oxford Economics, 2025.

Key Findings

- **Economy:** The economy in Prince Edward Island is forecast to grow at an annual average rate of 1.3% over the next five years from 2024 - 2029. Relative to the rest of Canada, this ranks Prince Edward Island's real GDP growth at #6 among the tracked Canadian provinces.
- **Employment & Job Growth:** Total employment is expected to grow by +5,400 jobs over 2024 - 2029, for an annual average growth rate of +1.2%. This ranks employment growth in Prince Edward Island as #2 among the major tracked Canadian provinces. The unemployment rate is projected to rise from 7.8% in 2024 to 8.6% by 2029.
- **Population:** The population in Prince Edward Island is projected to grow at an annual average rate of +1.2% over the next five years to 189.0 thousand people by 2029. This ranks population growth in Prince Edward Island as #2 among the tracked Canadian provinces.
- **Local Industries:** Prince Edward Island's largest industry by GDP is the FIRE industry which accounts for 18.4% of total GDP. The next largest industries are public administration and manufacturing, which respectively represent 12.4% and 10.9% of total GDP. Over the next five years, the fastest growing industries are expected to be health (+2.1% annually), transportation & warehousing (+1.7%), fire (+1.6%).
- **Residential Housing Market:** Housing starts in Prince Edward Island are forecast to average 1,290 units each year from 2024-2029, representing a 34.4% increase over the average number of starts of the preceding two years.

GDP Growth

Market	5-Yr CAGR	Rank
Manitoba	1.5%	4
Quebec	1.4%	5
Prince Edward Island	1.3%	6
Saskatchewan	1.3%	7
New Brunswick	1.1%	8
Median of Provinces	1.4%	-
Canada	1.6%	-

Employment Growth

Market	5-Yr CAGR	Rank
Alberta	1.7%	1
Prince Edward Island	1.2%	2
Ontario	1.0%	3
Saskatchewan	1.0%	4
British Columbia	0.9%	5
Median of Provinces	0.8%	-
Canada	0.9%	-

Top 5 Local Industries

Industry	% of GDP	5-Yr CAGR
FIRE	18.4%	1.6%
Public Administration	12.4%	0.7%
Manufacturing	10.9%	1.2%
Healthcare	10.5%	2.1%
Retail & Distribution	8.3%	1.6%

PEI Industrial Overview

The province features business parks that are located primarily in Charlottetown, Town of Cornwall, Town of Stratford, Village of Borden Carleton, Town of Kensington, City of Summerside and Village of Bloomfield with the Poole's Corner Industrial Park in Kings County and the Souris Food Business Park in NE Kings County in Souris. Private (non-government funded) Parks are mostly housed in the Charlottetown area.

The general PEI industrial market can be characterized as mostly being owner-user spaces with very little purpose-built leased space throughout PEI. The overall vacancy rate is estimated at around 1.5% in Summerside and the Charlottetown area with higher vacancies in Slemmon Park and Bloomfield. The PEI market has very little space for warehousing with 20'+ ceiling heights. The high cost of construction has limited any new development in this area. Generally, the PEI industrial market has few long-term leases. Recent demand for space is above average.

A review of recent new industrial space in the Charlottetown market revealed the following:

- Sales values between \$80 psf and \$260 psf for industrial space (there are some exceptions, but the appraiser has analysed data on from 2021 and 2025)
- Business Park retail or service space has seldom sold but is outside our industrial analysis
- Construction costs sky-rocketed in 2022-2023 to between \$160 and \$220 psf for industrial space with current construction costs pushing \$240 psf.
- Business Park retail or service space has featured numerous new buildings but again is outside our industrial analysis
- This is an obvious disparity and rental rates have not caught up to construction costs
- Modern construction features dock level doors with auto levellers, air conditioning, smoothed or painted concrete floors, high quality interior fit ups and plenty of parking
- Rural rental rates vary widely for light industrial space in PEI from a low of \$2.75 psf to somewhat over \$9.00 psf depending on the size of the leased space or building

PEI Development Backgrounder

The Charlottetown and Summerside urban CMAs have seen a wide variety of recent developments in the mixed use and high density residential areas. Some of these recent developments include:



470 Malpeque Road, Winsloe (Charlottetown) – 145 units over two buildings at a cost of \$60,000,000 or \$413,793.10 per door without land costs. Construction to be completed by summer of 2026. The Federal Housing Minister said 64 of the units in the seniors building would be geared to low-income seniors. The first building received a \$5 million contribution from the rapid housing initiative and the remainder of the total cost of both buildings is with the province. To be operated by the P.E.I. Housing Corporation. Building is being constructed by 720 Solutions and delivered 114-modules.



Parkdale (Charlottetown) – renovation of the Eastlink Centre with a high-level estimate for the proposed renovation was initially estimated at \$38M (Sept-2024, \$41.6M) that is now estimated to be closer to \$55M once complete. The renovation will increase the overall seating capacity from 3,700 to 5,200 people plus adding three rows of seats at the top of the arena and 60' to exterior walls plus upper level concourse as well as 10 new skyboxes. This gives the facility the capacity to host larger scale events such as the Brier and Memorial Cup. Target completion is end of Nov-2026. Red Shores casino will also add 9,700 sf to its operation. The \$41.6 million estimate is arena only and not Red Shores addition.



145 Richmond Street, Downtown Charlottetown – renovation of the Confederation Centre of the Arts with a high-level estimate for the proposed renovation to be \$65M. The first renovation would be to demolish the former library plus the addition of new arts learning and development spaces, and interpretive spaces that will focus on our shared history. The Centre also contracted Brighton Construction to carry out construction management activities. The project began in early October 2024 and is expected to be complete by May 2026.



West Royalty (Charlottetown) – UPEI new Medical School – original estimate of construction on the new medical school was tendered at \$34,740,000 but per a new article is now going to cost \$91.5 million. A new state-of-the-art facility being built by UPEI will house the regional campus of Memorial's Doctor of Medicine (MD) program and serve as a hub for interprofessional health education and training. The building will include a future-focused Clinical Learning and Simulation Centre, a 10,000-person patient medical home, a provincial ADHD clinic, an expanded Doctor of Psychology program clinic, and additional resources.



West Royalty (Charlottetown) – St. Martha's Court multi-unit development estimated to be completed with around 250 apartment units and townhouse units across seven buildings by two local developers – Steve Dunn/ Spencer Campbell and Nick Jay and Colin MacQuillan for the second group. The properties have various names including Trailside and Trailside North. The development includes 8 townhouse units, 60 apartment units, 60 apartment units, 51 apartment units and 49 apartment units plus a planned additional building.



West Royalty (Charlottetown) – new 464 unit apartment complex at 257-261-265-267-269 Mount Edward Road has received final approval of which 253 + 88 apartment (341) units are planned in the near term. No construction date has been announced as of the date of this report. The proposal asked for 542 units initially; the development is called "Mounon-Woods Community" developed by Flourish Developments located close to Royalty Crossing Mall. The current planned project encompasses 6 buildings with a total of 217 rental apartment units and 5 buildings with 36 townhouse units, providing a diverse array of 253 + 88 living options tailored to meet the needs of various families and individuals. The site size is approximately 8 acres.



Stratford – new Stratford High School estimated to cost over \$79M, well above the \$51.5M originally planned. The Stratford High School building will be "net-zero ready" and fully electric, the province said in a release. It will use natural light and feature a two-storey library with a cafe, moveable walls in some areas and space for collaborative working. Outside, there will be sports fields, space for outdoor classrooms and charging stations for cars and school buses. The school will accommodate 750 students to be open in the fall of 2026 (formerly 2025). The new Stratford High School in Prince Edward Island will be 144,225 square feet, according to Architecture49. The school is part of the larger Stratford Community Campus.



9 Irving Drive, Stratford – a new five level mixed residential and main floor commercial (asking rent at \$22/ net) building known as Lot 48 was recently constructed off Dale Drive in Stratford. The building is noted as having 60 residential units and 13,000 total square feet of commercial area with a 2nd 60-unit with 12,500 sf of commercial currently being built. Built by Sperra construction and managed by JCJ Properties. A second apartment is being constructed next door to this property. There are four planned buildings including a strip plaza for this area. This building(s) features a gross lease structure.



Downtown Summerside – this is a five level all brick building downtown Summerside if called The Regent which will include over 10,000 sf of main level commercial space and 40 executive apartment units. The developers cost will be over \$20M. This is being developed by Paul Jenkins. The building at 12 Summer St. was best known in its several incarnations as The Regent, first opening as a cinema in 1947. Constructed by Willmac Construction.



Winsloe (Charlottetown) – this is Phase 3 of the Hidden Valley Sub-Division, a full multi-lot multi-unit subdivision in Winsloe. The original plan was for 10 buildings with an average of 60 units per building. Some of the lots will be larger versus some smaller 30-32-34-36 units sites. The estimate of actual doors on site is more than likely closer to 560 units versus 600 units once complete. This is part of the larger 74 acre development.



Downtown Charlottetown – 68 Queen Street downtown mixed use property with apartment units along with minor main floor commercial space and 5th floor office space. The original concept was 4 floors with 23 apartment units. This is a downtown development.



Sherwood (Charlottetown) – this is a new three and four storey building constructed on Pine Drive in Sherwood. This was a long time project stuck in the approval stage (4 plus years). This is a 41-unit apartment currently under construction by Bevin Enterprises that includes underground parking – this is a mid market building.



149-151 Great George Street, downtown Charlottetown – this is a new eight (8) storey or 38.7 metres or 126.9' apartment complex in downtown Charlottetown. This is the former location of Hearts & Flowers and the Financial Building, an older three level office building that has now been demolished. The estimated land value including demolition on this new 85 unit micro apartment building with 2,600 sf of commercial space is about \$21,000 per unit of land value. The completed value is estimated to be over \$18 million.



62 Sherwood Road, West Royalty (Charlottetown) – this is a new five (5) storey 18.17 metre height 75-unit apartment complex behind the Maritime Electric sub-station facility in West Royalty. This is an I-shaped parcel that is somewhat irregular but also beside two other buildings owned by the developer, Arsenault Properties at 54 & 58 Sherwood Road which are twin 35 unit apartments.



522 Capital Drive (PID No. 245613-000), Cornwall – this is a new 18 unit condominium building being constructed in North River. This is also being developed by Arsenault Properties.



219 Minna Jane Drive (PID #577585), West Royalty (Charlottetown) – this is a new 4 floor Chesapeake Haven, the Emeline 60 unit seniors building (Chesapeake Phase II) being constructed by the McInnis Group out of Summerside. This will have a full underground parking garage.



25 Capital Drive, West Royalty (Charlottetown) – this is a new up to 38 unit apartment building with about 2,000 sf of commercial space (based on approvals). The actual development will feature 35 apartments units a slightly larger commercial area. This is a 4-storey new building in a prime location. This site is zoned C-2. This will have underground parking.



583 North River Road, West Royalty (Charlottetown) – this is a new 50 unit apartment building being constructed by Habbi Holdings who own buildings in the general area. This is a 4-storey new building in a prime location.



176 Beach Grove Road, West Royalty (Charlottetown) – this is a new 30 unit seniors apartment building. This was recently completed. This is set well back from the road.



This is the new six-floor hotel (Home 2 Suites) going up on Capital Drive next to the Hampton Inn. Estimated completion will be Q2-2026. The hotel will feature 120 rooms and will be designed for extended stays.



Behind 13 Haviland Steet, Charlottetown – this is an approved Charlottetown Harbour facing apartment development panned for the past 5-8 years but only recently approved. Local developer Tim Banks and his company, Pan American Properties, are building a seven-storey, 49-unit (14 condos and 35 rental units) building at the bottom of Haviland Street. It includes a fitness room, a common area and a mix of surface and underground parking, with 18 surface and 46 underground spaces.



199 Grafton Street, Charlottetown – Port House Development has been in the works for about 5-8 years with the same developer as above. The Port House is a proposed 158-unit development on Grafton Street in Charlottetown. It faced lengthy and complex development process. Initially proposed as a six-story building with affordable units, the project evolved into an eight-story structure with a mix of market-rate and affordable housing. The project encountered zoning challenges and required site-specific exemptions due to its height exceeding the zoning bylaw for the area. The development is now on hold.



Spencer Drive Extension, Charlottetown – the City of Charlottetown is going to extend Spencer Drive to Mount Edward Road. help with the heavy traffic on Towers Road caused by people trying to go from University Avenue to Mount Edward Road. To avoid increasing traffic on Ash Drive, a residential street, only right and left turns will be allowed onto Mount Edward Road from the extended Spencer Drive. This will also prevent drivers from turning left onto Ash Drive from Mount Edward Road.



Off St. Martha's Court, Trailside West Apartments, West Royalty, Charlottetown – this is planned 164 units to be constructed over two buildings. This would be later 2026 development and has not yet broken ground.



Hidden Valley (Valley Crossing) – New Phase on north side of Malpeque Road. Infrastructure now in place. This is PID No.'s 134957-000 and PID No. 1180348. Planning Board recommended to change zoning from Low Density Residential Single (R2-S) to Comprehensive Development Zone (CDA). The plan is for 800 residential units. Access is via a ROW on north section of Malpeque Road and more frontage lower down off Malpeque Road. R1, R2, R3 & R4 lands.



90 McCardle Rd., Albay, PE – Ken Dunn's Chelton Beach Spa estimated to cost \$4,806,000 per rural development permit. This is a planned Nordic Spa. Cottage Dream Vacations bought the land in 2023 and has since fixed up the five cottages on the property. The site's plans call for a spa building, a new well, a parking lot with 48 spaces directly off McCardle Road, and five Nordic-style outdoor pools on the side of the building away from the parking lot. Eight new cottages are also shown on the other side of a structure hosting meditation space next to the pools.



503 University Avenue, Charlottetown, PE – Zoning By-law Amendment and Official Plan Amendment requests that pertain to 503 University Avenue (PID# 374140) in order to allow for the future development of a proposed 8-storey (stepping back to 6-storey) 257-unit residential apartment building on the subject property. This appears to be ON HOLD.



555 Warren Grove, the Martha Village, Cornwall, PE - New Cornwall Townhouse development developed by Whitestone Construction and Dico Reijers. This will be 46 new townhouse units of which 19 units are designated affordable. These are a mix of 2- and 3-bedroom units. CMHC announced that this project will cost \$16 million to build 46 new homes (13.446 MM from Housing Fund, \$3 MM from PEI, \$500k from Town of Cornwall and \$225,000 from Kings Square Affordable Housing and \$800k from Sisters of Saint Martha. .



90 Lucy Crescent, East Royalty (Charlottetown). This is now complete and being rented. This is a secure 32-unit condo style building just off MacRae Drive with 38 parking spaces. Four levels with an average unit size is 1,165 sf. Zip system R-sheathing to allow the building envelope to exceed the thermal requirements of NECB 2020.



Daniel J. MacDonald Building Modernization Project - \$92 million dollar update to the building. Building is was built in 1984. Building will have a new 500 Kw Generator. Many of the building's mechanical systems (Heating, Ventilation, Air Conditioning and Electrical) are nearing their end of lifecycle. Federal government awards contract to EllisDon Corporation. The building is home to both the national VAC headquarters and the Veterans Review and Appeal Board, with about 900 employees stationed there.



139 Kensington Rd., Charlottetown, PE. – This is a newly approved 5-storey 41 unit at the corner of Falconwood Drive and Kensington Road. This has been planned for some time. The project involves consolidating multiple lots (PID#s 278234 & 278226). It is reported this is set to start construction.



99 Kingston Road, Cornwall – a new 105 unit development. 3.65 acre site is being developed by Kingston Holdings Inc. Construction will include three 35-unit apartments with two of the buildings part of the first phase. All units will meet the CMHC's definition of affordability. That is 30 per cent of the median total income of all families in Cornwall. It also states that 11.4 per cent of the initial 70 units can also be considered accessible. This property will not have development permit fees and will benefit from a 10-year property tax hiatus from the Town of Cornwall (municipal portion). Town granted a 10.9% density bonus to the project (Lot 25-2A, PID No. 1186386, R4).



Addictions Acute Care Facility and Life Skills Centre located close to the Hillsborough Hospital. This is a planned \$114 million dollar new campus. Including Mental Health and Addictions Wellness and Transition Centre, Addictions Extended Care Facility for Women (replaces Lacey House), Mental Health and Addictions Emergency Department and Short Stay Unit (co-located at the QEH) and Child and Youth Mental Health and Addictions Acute Care Unit (co-located at the QEH). This is a 168,000 sf fully accessible building. It is currently under development.



40 Riverside Drive, Charlottetown, PE. This is the new Enwave waste management \$180 million dollar expansion. Enwave (P.E.I. Energy Systems) says the new facility is set to be functional in 2028. New Processing line building : Receiving Floor 20.4m, 67'; waste bunker 29.4m, 96' and boiler 33.4m, 110' ceiling heights – tallest building in Charlottetown. The existing plant's front is 13 meters (43 ft) high, and the existing stacks are 26.11 meters (86 ft). Plant will take 90 per cent of P.E.I.'s black bin waste to use for energy. It will be able to process up to 46,000 to 49,000 tonnes of municipal solid waste annually. P.E.I. Energy Systems heats 125 buildings in Charlottetown, including the Queen Elizabeth Hospital and UPEI, with thermal energy.

Subject Area Review

The subject property is located in the Parkdale area within the City of Charlottetown. This is a generally lower and mid-density area of development. As well, development in the area is very stable with a mix of ages and types of housing and a mix of commercial and institutional development.

Typical Purchaser/ User

The subject lands would appeal to a local to regional buyer as an investment property portfolio purchaser, or an owner-user/holding buyer.

Highest & Best Use

Section 3.35 of CUSPAP 2024 defines Highest and Best Use as “the reasonably probable use of real property, that is physically possible, legally permissible, financially feasible, and maximally productive, and that results in the highest value.”

Highest and Best Use of a property is evaluated using the following criteria:

- Legally permissible (or legal permissibility). Land use regulations, building codes, environmental regulations and restrictive covenants in deeds may preclude potential uses. In addition, the appraiser considers the reasonable probability that the land use regulations or other restrictions could be changed to realize the highest and best use of the property.
- Physically possible (or physical possibility). The physical characteristics, i.e., size, shape, topography, soils and soil bearing capacity, and location, i.e., street access and availability of municipal services, determine the scale of building development and the necessity for extending or upgrading municipal services or extraordinary construction costs for addressing deficiencies in topography or soil conditions.
- Financially feasible (or financial feasibility). A potential use that meets the criteria of legally permissible and physically possible is financially feasible if its value is commensurate with its cost. For income producing uses, the focus is on the potential uses that are likely to produce income that is greater than the amount needed to cover operating expenses, debt services and amortization of the capital investment required for the potential use. For non-income producing properties, the focus is on potential uses that are likely to have value that is equal to or greater than the cost to develop and market the property for each potential use.
- Maximally productive (or maximum productivity). Of the financially feasible uses, the use, which produces the highest land value that is consistent with the market’s acceptance of risk and rate of return for that use, is the estimated highest and best use of the property.

Existing Use

As of the effective date of this report, the subject property is vacant and unimproved.

As Vacant

The subject property contains one parcel occupying 1.70 acres within the City of Charlottetown, Prince Edward Island. Primary access to the site is provided by a ROW off Longworth Avenue with gated access to the site.

The subject is designated MUC — Mixed Use Corridor Zone and the most likely land use is land given the site size, location and access.

Based on the above it is concluded that the Highest and Best Use of the subject site 'as vacant' is for land use in conformity with the most productive legally permissible (zoned) uses available to the site.

Valuation Methodology

There are three basic approaches to value:

- The Income Approach
- The Direct Comparison Approach
- The Cost Approach

In practice, an approach to value is included or omitted based on its applicability to the property type being valued and the quality and quantity of information available.

Income Approach

The income approach to value consists of methods, techniques and mathematical procedures that an appraiser uses to analyze a property's capacity to generate benefits (i.e., usually the monetary benefits of income and reversion) and convert these benefits into an indication of present value.

In the Income approach, an appraiser analyzes a property's capacity to generate future benefits and capitalizes the income into an indication of present value. The principle of anticipation is fundamental to the approach. Techniques and procedures from this approach are used to analyze comparable sales data and to measure obsolescence in the cost approach.

The two methods of income capitalization are direct capitalization, in which a single year's income is divided by an income [capitalization] rate or multiplied by an income factor to reach an indication of value, and yield capitalization, in which future benefits are converted into a value indication by discounting them at an appropriate yield rate (discounted cash flow, or DCF analysis) or applying an overall rate that reflects the investment's income pattern, value change, and yield rate.

Direct Comparison Approach

The process of deriving a value indication for the subject property by comparing similar properties that have recently sold with the property being appraised, identifying appropriate units of comparison, and making adjustments to the sale prices (or unit prices as appropriate), of the comparable properties based on relevant, market-derived elements of comparison. The direct comparison approach may be used to value improved properties, vacant land or land being considered as though vacant when an adequate supply of comparable sales is available.

Cost Approach

A set of procedures through which a value indication is derived for the fee simple interest in a property by estimating the current cost to construct a reproduction of (or replacement) for the existing structure, including an entrepreneurial incentive; deducting depreciation from the total cost; and adding the estimated land value. Adjustments may then be made to the indicated fee simple value of the subject property to reflect the value of the property interest being appraised.

Land Valuation Approaches

There are six approaches available to value land, which draw from one or more of the main valuation approaches previously discussed.

1. Direct Comparison – The most widely utilized and recognized approach to valuing land when there is adequate quantity and quality of transactions. The approach compares recent transactions to the subject property adjusts for differences to estimate a value for the subject property.
2. Allocation – Sales of improved properties are analyzed to establish a typical ratio of land value to total property value and this ratio is applied to the property being appraised or the comparable sale being analyzed.
3. Extraction – The depreciated cost of the improvements on the improved property is estimated and deducted from the total sale price to arrive at an estimated sale price for the land
4. Subdivision Development – Utilized when subdivision development if the Highest and Best Use. Direct and indirect costs and entrepreneurial profit are deducted from the gross sale price of the finished lots, the net sale proceeds are then discounted to present value to indicate the value of the raw land. The resulting value indication should be compared with the prices being paid for similar parcels of raw land that have subdivision and development as their highest and best use.
5. Land Residual – The net operating income attributable to the land is isolated and capitalized to produce an indication of the land's contribution to the total property.
6. Ground Rent Capitalization – Utilized when the ground rent corresponds to the owner's interest in the land, the leased fee interest, and market derived capitalization rates are available to convert ground rent into an indication of market value.

Methodology Applicable to the Valuation of the Subject Property

The subject property is recognized as a vacant land asset that provides enduring benefit and utility to the owner. The Direct Comparison Approach is applicable to the subject property in this instance as it is the most common method used to value land parcels.

The Income and Cost Approaches are not employed as they do not emulate the behaviour of typical market participants.










Direct Comparison Approach - Land Valuation

The Direct Comparison Approach is applied using the price per square foot as the basis of comparison. In this approach, we have utilized qualitative adjustments to reflect the following factors:

- Timing
- Size
- Location
- Density
- Ground Cover / Topography
- Zoning / Land Use
- Proximity to Services
- Development Timing

The most relevant land sales have been identified in the following map, chart, and analysis. The following sales data is presented below supporting development lands in the Town of Charlottetown. All of the sales presented are sales that are thought to generally support the various land types associated with the subject parcel located in the Parkdale area of Charlottetown. The data is well above average due the amount of more recent development sales in the Charlottetown area.

Commercial Sales

Index Site Map	Address City, Province PID(s) / Legal Description	Vendor Purchaser	Closing Date Sale Price Adj. Sale Price	Total Area (Ac.) Unusable Area (Ac.) Usable Area (Ac.) Square Feet	Price per Acre Price per Unit Adj. Price per Acre Price per sf	Ground Cover Topography Access Zoning Location Services
1	 8 & 20 St. Martha's Court Charlottetown, PE 1154747 & 492405 Lot 2019-4	Governors of Saint Dunstan's Jay Capital Inc.	12/19/2022 \$1,498,000 \$1,632,820	2.45 0.00 2.45 106,722	\$611,429 \$666,457 \$14.04	Cleared Sloping Off St. Martha's Cr CDA Suburban Fully Serviced, close to trail
	Two parcels of land located off Mount Edward Road. The first parcel of land is noted as being the subject property, Lot 2019-4 being 1.20 acres which sold for \$748,000. The second lot is 1.24 acres located at 20 St. Martha Court, directly west of the subject property. This 2019-3 parcel sold for \$749,000. At time of sale, sites were approved for 86 units but were developed at a slightly higher density (93 doors). These are being developed into high quality apartment condo-style units.					
2	 45 Malpeque Road Charlottetown, PE 387621	Alexander Rynes Jr. Cassidy Group	4/22/2024 \$4,700,000 \$4,841,000 Mixed Use	18.00 2.50 15.50 675,180	\$261,111 \$312,323 \$6.96	Partially cleared Gently undulating Off Malpeque Road CDA Abutting Short term
	Large development parcel in a prime West Royalty area. This property encompasses 18 acres of land with about a 2 acre swale. Site has services off the Road. Ideal development site for mixed uses. The property had a preliminary approval for 400 apartment units. The buildable area under the current Official Plan would more than likely not approve more than 800 units on this site.					
3	 68 Royalty Road Charlottetown, PE 145714 East Royalty	Maverick Developments Inc. RedSands Development Ltd.	10/21/2024 \$800,000 \$824,000 Mixed Use	1.91 0.00 1.91 83,200	\$418,848 \$431,414 \$9.90	Wooded Above Road Grade ROW off Royalty Road R3 Suburban Full services
	This is identified as an R3 Lot in East Royalty. This has since been developed. This land was rezoned from M1 Industrial.					
4	 Lot 154, Hidden Valley Charlottetown, PE P/O 1047562 Winsloe	New Age Investment Group Inc. TBD	8/22/2025 \$800,000 \$800,000	1.90 0.00 1.90 82,764	\$421,053 \$421,053 \$9.67	Cleared Above Road Grade Off Malpeque Road R4 Suburban Full services
	The site fronts on the North River Causeway (waterfront) with a side frontage of 153' along the Trans Canada Highway. This is being developed into condos or condo style apartments - this is a higher end development. The site was developed with a waterfront home and the zoning changed to R3 development. This site featured an IRAC ruling and took time to re-designate to a commercial use. The site because a multi-family designated site versus the original planned commercial use.					
5	 345 Sherwood Road Charlottetown, PE 145961	Donald Frizzell Haven Holdings Inc.	10/31/2025 \$1,608,000 \$1,608,000	3.41 0.00 3.41 148,540	\$471,554 \$471,554 \$10.83	Mostly Cleared Sloping down to the North Off Sherwood Road M1 - Light Industrial Sub-urban Site Full services
	Site is a light industrial site that was formerly a homestead property off Sherwood Road. This is a mostly rectangular shaped parcel in a good city location for a business park use.					
6	 Off MacLeod Crescent Charlottetown, PE 1106400	Dr. William Best Professional Corp. 103280 PEI Inc./ Building w/Vision	5/7/2024 \$550,000 \$566,500 Business Park	1.38 0.00 1.38 60,113	\$398,551 \$410,507 \$9.15	Cleared Level; at Road Grade Off MacLeod Court M1 - Light Industrial City Site Full services
	This is business park vacant cleared site that sold on the south side of MacLeod Crescent. This is located west of Mount Edward Road.					
7	 503 University Avenue Charlottetown, PE 374140	Maritime Christian College The Gray Group	4/10/2024 \$2,300,000 \$2,369,000	3.42 0.00 3.42 148,975	\$672,515 \$692,690 \$15.44	Cleared Below Road Grade University Ave. CDA Sub-urban Site Full services
	This is a former institutional property across from UPEI purchased for residential development. This is a very good location within the City.					
8	 99 Kingston Road Cornwall, PE Part of 459222	Crystal Dawn Greene Kingston Road Dev.	7/24/2025 \$1,050,000 \$1,050,000	3.00 0.00 3.00 130,680	\$350,000 \$350,000 \$8.03	Mostly Cleared Slight Slopes Off Kingston Road R4 - Multiple Res. Sub-urban Site Dev. 5+ Yrs.
	Site is zoned Multiple Unit Residential (R4). Potential for 80+ apartment or condo units. This is a secondary location with no services adjacent to the parcel but planned services to be installed. Local developer offered \$925,000+ 4% Commission for site in 2021 and at that time owners wanted \$1,400,000 for the site (at that time the site was unlisted).					
9	 89 Malpeque Road Charlottetown, PE 279349-000 363713-000	Brown's Court Apartments Ltd. Government of Prince Edward Island	6/24/2008 \$925,000 \$1,396,750 Commercial-Institutional	3.44 0.00 3.44 149,846	\$268,895 \$406,032 \$6.17	Cleared Level to Slight Slope Off Malpeque Road CDA City Municipal
	This was reported to be a land trade at the time between Clifford MacQuaid and the Province. The stated site size is per registered documents.					

Sale Analysis & Conclusion –Development Lands

We have provided nine (9) Charlottetown area commercial sales. The sales include all Charlottetown sales with one recent North River sale. We have included one adjacent older sale from 2008 that we have time adjusted. We have included three 2025 sales, four 2024 sales and one 2022 sale. These adjusted sale range from \$312,323 per acre to a high of \$692,690 per acre and range in size from 1.38 acres to 18.0 acres.

Sale No. 1 is a 2.45 acre site that sold in Dec-2022 in the City of Charlottetown. This sold at an adjusted price of \$666,457 per acre. This is a slightly larger parcel that is to be developed into high density residential land. This is a superior site due to location, access, use and size.

Sale No. 2 is a 18.0 acre site that sold in Apr-2024 in the City of Charlottetown. This sold at an adjusted rate of \$312,323 per acre. This is a large parcel that will be developed into mixed use commercial and residential land. This is an inferior sale due to its much larger size.

Sale No. 3 is a 1.91 acre site that is a October 2024 sale in the City of Charlottetown. This sold at an adjusted rate of \$431,414 per acre. This is a similar sized parcel that will be developed into either a mixed use commercial or higher density residential land. This is a very similar site with a ROW off Royalty Road. This is somewhat of an inferior location offset by a higher density possible use.

Sale No. 4 is a 1.90 acre site that recently sold in the Winsloe area of Charlottetown as of August 2025. This sold at an adjusted rate of \$421,053 per acre. This is a similar sized parcel that will be developed into apartment housing. This is a superior site due its planned use. This is somewhat offset by its location relative to the subject.

Sale No. 5 is a very recent sales of 3.41 acres in a very sought after industrial area off the Sherwood Road. This site sold in the end of October of 2025. This is sold at an adjusted rate of \$471,554 per acre. This is a larger parcel that will be developed into business park industrial use. This is a similar to superior site versus the subject property.

Sale No. 6 is a 1.38 acre site that sold in the City of Charlottetown in May of 2024. This sold at an adjusted rate of \$410,507 per acre. This is a slightly smaller parcel that sold over a year ago. A higher price in todays market would be expected. This is a superior site due to its superior access offset by the more dated nature of the sale.

Sale No. 7 is a 3.42 acre site that sold in the City of Charlottetown in April of 2024. This site sold at an adjusted rate of \$692,690 per acre. This is a larger parcel that will be developed into a high density residential use or institutional housing. This is a superior site due to location and use.

Sale No. 8 is a 3.00 acre site that sold in the Town of Cornwall (North River) off the Kingston Road in July of 2025. This will be a housing site funded for lower income housing. The land was listed for over four years before selling. This site sold at an adjusted rate of \$350,000 per acre. This is a slightly larger parcel that will be developed into a high density residential use. This is an inferior site.

Sale No. 9 is a 3.44 acre site that sold in the City of Charlottetown in June of 2008. This site sold at an adjusted rate of \$406,032 per acre (rounded). This is a larger parcel that will be developed into a sports field use and was reportedly part of the land trade with the City of Charlottetown. This is an adjacent site.

We have estimated a rate per acre of the higher profile commercial lands at a rate supported by a value close to the average and median of the sales presented. The median sale price is \$421,000 per acre while the average of the sales is \$462,500 per acre. The predominant value per acre shows a trend between \$315,000 to over \$500,000 per acre.

Overall, we believe a value closer to \$450,000 per acre is considered appropriate for the subject site considering its Parkdale location.

As well, considering the fact that the site is a prepared site including fill and material for truck storage, paved access and laneway and a large concrete slab on site, we have estimated an additional value of \$127,500 for the site improvements or \$75,000 per acre.

Sale Analysis and Conclusion

The above nine (9) sales range in size from between 1.38 acres to 18.00 acres, with an average size of 4.05 acres and a median size of 3.00 acres. The sale prices range on a price per square foot unit basis from between \$6.17 and \$15.44 PSF with an average sale price of \$10.02 PSF and a median sale price of \$9.67 PSF. The average price per acre is \$462,448 per acre with a median price of \$421,053 per acre.

The low end of the market range is indicated by Index No. 2 at \$6.96 per square foot or \$312,323 per acre and by Index 8, which sold in July 2025 for \$8.03 PSF or \$350,000 per acre. The properties are larger in size at 18.0 and 3.0 acres respectively. The largest site is located in West Royalty while the 3.0 acre site is located about 10 km west of the subject in a somewhat secondary location in North River. Overall, we would expect a higher unit rate to be achieved by the subject given its size and access.

The high end of the market range is Index 7 which sold for \$15.44 PSF or \$692,690 per acre. This is a 3.42-acre prime commercial parcel located across from UPEI. We would expect a lower rate per acre to be achieved by the subject property.

The remaining indices range from 1.38 to 3.42 acres in size and are commercial parcels located in Charlottetown, selling for between \$406,032 to \$666,457 per acre. Given the subject's size, prepared site areas, ROW access, current use as well as demand in this area as well as current zoning, we would expect the subject to achieve a sale price at rate per acre somewhat above the low end of this range closer to Index 3, Index 4, Index 5, Index 6 and Index 9 which show a more narrowed range per acre of \$406,032 to \$471,554 per acre as of the effective date of this report.

Based on the foregoing, it is our opinion that the subject could achieve a sale price close to the mid point of these sales or a rate of \$450,000 per acre. As such, we have concluded at a rate of \$450,000 per acre for the subject property. Our land value estimate using the Direct Comparison Approach is as follows:

Based on the foregoing, our land value estimate using the Direct Comparison Approach is as follows:

PID No. 279364-000 Charlottetown, PE		
Area (Acres)	Unit Rate/Acre	Total Value
	\$450,000	\$765,000
1.70	\$0	\$0
Adjustments	\$75,000	\$127,500
Market Value Estimate (Rounded)		\$890,000

Reconciliation of Value

The Direct Comparison Approach (Land) is the primary method of valuation used for valuing vacant land.

As previously noted, the Direct Comparison Approach was not employed in this instance.

The Cost Approach was not considered to be an appropriate indicator of value for properties of this nature, and is rarely used by market participants. Accordingly, we have not employed the Cost Approach in this appraisal.

In consideration of the value estimates used within this appraisal, we have relied on the discounted cash flow method as our final estimate of value. Our valuation of the subject property is summarized as follows:

PID No. 279364-000 Charlottetown, PE		
Area (Acres)	Unit Rate/Acre	Total Value
	\$450,000	\$765,000
1.70	\$0	\$0
Adjustments	\$75,000	\$127,500
Market Value Estimate (Rounded)		\$890,000

Based on the analysis contained in this report, it is our considered and professional opinion that the current market value of the subject property, subject to the Extraordinary Limiting Conditions, Extraordinary Assumptions and Hypothetical Conditions noted herein, as at November 26, 2025, is:

Eight Hundred Ninety Thousand Dollars.....\$890,000
"Less: Costs of Remediation, As if Vacant"

Certification

103 Longworth Avenue, Charlottetown, Prince Edward Island

We certify to the best of our knowledge and belief:

1. The statements of fact contained in this report are true and correct;
2. The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are my impartial and unbiased professional analyses, opinions and conclusions;
3. We have no past, present or prospective interest in the property that is the subject of this report and no personal and/or professional interest or conflict with respect to the parties involved with this assignment.
4. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment;
5. Our engagement in and compensation is not contingent upon developing or reporting predetermined results, the amount of value estimate, a conclusion favouring the client, or the occurrence of a subsequent event.
6. Our analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the CUSPAP.
7. We have the knowledge and experience to complete this assignment competently, and where applicable this report is co-signed in compliance with CUSPAP;
8. Except as herein disclosed, no one has provided significant professional assistance to the undersigned;
9. As of the date of this report the undersigned has fulfilled the requirements of the AIC's Continuing Professional Development Program;
10. The undersigned is (are all) members in good standing of the Appraisal Institute of Canada. Where a report bears multiple signatures, both the signing appraiser(s) and co-signing appraiser(s) assume full responsibility for this report.
11. Scott McEwen made an inspection of the property on November 26, 2025.
12. Scott McEwen and Eric Pennington have extensive experience in the appraisal of similar property types.
13. Scott McEwen and Eric Pennington are currently certified in the Province where the subject is located.
14. Valuation and Advisory Services Group operates as an independent economic entity within CBRE Limited. Although other employees of CBRE Limited divisions may be contacted as a part of our routine market research investigations, absolute Authorized Client confidentiality and privacy are maintained at all times with regard to this assignment without conflict of interest.

Based on the analysis contained in this report, it is our considered and professional opinion that the current market value of the subject property, subject to the Extraordinary Limiting Conditions, Extraordinary Assumptions and Hypothetical Conditions noted herein, as at November 26, 2025, is:

Eight Hundred Ninety Thousand Dollars.....\$890,000
 "Less: Costs of Remediation, As if Vacant"



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December 17, 2025

Appendices

Appendix A

Terms of Reference

Property Identification

The subject property is described by the civic address 103 Longworth Avenue, Charlottetown, P.E.I. The subject is legally described within provincial land titles as PID No. 279364-000.

The subject property is more fully described, legally and physically, within the enclosed report.

Parcel	279364-000
Owner	MARITIME ELECTRIC CO LTD
Owner's Address	PO BOX 1328 CHARLOTTETOWN, PE C1A 7N2
Property Location	103 LONGWORTH AV CHARLOTTETOWN
Assessed Acreage	1.7
Township	74
Map Sheet Number	11L036F111
Original Parcel Number	N/A

Ownership and Property History

The current ownership is held by Fortis Corporation, Maritime Electric Company Limited (MECL). The property has not been sold within the three preceding years. To the best of our knowledge, the property is not listed for sale. An industrial building was on this site many years ago. The original deed registered to the site was in 1910. This is a mature industrial site.

Registry:

Year	Description	Document Type	Document Number	Book	Page	County	Consideration
2025	OTHER VOLUNTARY CHARGES (i.e. DEMAND DEBENTURE, etc.)	52	5912	6144		1	
2023	OTHER VOLUNTARY CHARGES (i.e. DEMAND DEBENTURE, etc.)	52	7520	6039		1	
2021	OTHER VOLUNTARY CHARGES (i.e. DEMAND DEBENTURE, etc.)	52	11613	5933		1	
2018	OTHER VOLUNTARY CHARGES (i.e. DEMAND DEBENTURE, etc.)	52	9899	5743		1	
2016	OTHER VOLUNTARY CHARGES (i.e. DEMAND DEBENTURE, etc.)	52	5993	5616		1	
2011	OTHER VOLUNTARY CHARGES (i.e. DEMAND DEBENTURE, etc.)	52	8928	5393		1	
1995	OTHER VOLUNTARY CHARGES (i.e. DEMAND DEBENTURE, etc.)	52	19950003	845	26		
1994	OTHER VOLUNTARY CHARGES (i.e. DEMAND DEBENTURE, etc.)	52	19944302	828	5		
1993	OTHER VOLUNTARY CHARGES (i.e. DEMAND DEBENTURE, etc.)	52	19936811	800	36		
1991	OTHER VOLUNTARY CHARGES (i.e. DEMAND DEBENTURE, etc.)	52	19915208	699	8		
1981	MORTGAGE	51	19814488				
1958	DEED	11	19580909	141	236		
1910	DEED	11	19101383				
1910	DEED	11	19101228				
1910	DEED	11	19101186				

Purpose of the Report

This report has been prepared for the purpose of providing an 'as is' estimate of current market value of the 100% fee simple interest in the Maritime Electric Limited (MECL) Storage Yard located at , subject to the

Extraordinary Limiting Conditions, Extraordinary Assumptions and Hypothetical Conditions noted herein. The report is a full narrative report and has been prepared in accordance with the standards set forth by the Appraisal Institute of Canada.

Definition of Market Value

Market value is defined as follows:

“The most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and the seller each acting prudently, knowledgeably, and for self-interest, assuming that neither is under duress”¹.

Definition of Interest Appraised

Fee Simple — Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, expropriation, police power and escheat..

Authorized Client

The Authorized Client of this report is Angus Orford of Fortis Corporation (Maritime Electric).

Authorized Use and User

The Authorized Use of the appraisal report is to provide information for Island Regulatory and Appeals Commission (IRAC) for negotiation and internal use purposes. The report is not intended for any other use. Fortis Corporation (Maritime Electric) is the sole Authorized User. This report is not intended for use by other parties. The Authorized Use and User of our report are specifically identified in our report as agreed upon in our contract for services and/or reliance language found in the report. No other use or user of the report is permitted by any other party for any other purpose. Dissemination of this report by any party to any non-Authorized Users does not extend reliance to any such party, and CBRE will not be responsible for any unauthorized use of or reliance upon the report, its conclusions or contents (or any portion thereof).

Date of the Report

December 17, 2025

Effective Date of the Report

November 26, 2025

Date of Inspection

November 26, 2025

Scope of Work

The following steps were completed by CBRE Limited for this assignment:

- Cursory inspection of the subject site and “as is” status of the building
- Review of surrounding land uses

¹ The Appraisal of Real Estate, Fourth Canadian Edition, ed. Dybvig, (University of British Columbia, Real Estate Division, 2023), p. 6.1-4

- Research into physical, legal, social, political, economic or other factors that could affect the value of the property
- Review of land use controls
- Research transactions of land from internal database, subscription databases, provincial land titles and market participants
- Determine the Highest and Best Use “as if vacant”
- Analyse the data collected using the appropriate appraisal approach
- Consider the effect on value of an assemblage and any anticipated public & private improvements and there is deemed to be none
- Consideration of personal property (attached equipment), which positively influences the market value
- Conclude a market value as stated herein

Report Format

Full Narrative

Limiting Conditions

A soil analysis for the site has not been provided for the preparation of this opinion. In the absence of a soil report, it is a specific assumption that the site has adequate soils to support the highest and best use.

A formal title search was beyond the scope of this assignment. Except as described herein, CBRE Limited has no knowledge of any easements or encroachments. It is recommended that the Authorized Client/reader obtain a detailed title search outlining all easements and encroachments on the property, if any, prior to making a business decision.

To our knowledge, there are no known covenants, conditions and restrictions impacting the site, which are considered to affect the marketability or highest and best use, other than zoning restrictions.

CBRE Limited, or the consultant(s) has not observed, yet is not qualified to detect, the existence of potentially hazardous material or underground storage tanks, which may be present on or near the site. It should also be noted that the existence of hazardous materials or underground storage tanks might have an effect on the value of the property.

CBRE Limited has not observed, yet is not qualified to detect, the existence of any potentially hazardous materials such as lead paint, asbestos, urea formaldehyde foam insulation, or other potentially hazardous construction materials on or in the improvements. The existence of such substances may have an effect on the value of the property. For the purpose of this assignment, we have specifically assumed that the subject is not affected by any hazardous materials, which would cause a loss in value.

It should be noted that neither CBRE Limited nor the valuation consultant are qualified to determine the structural integrity of the building. Finally, CBRE and the valuation consultant make no representations or warranties as the condition or suitability of the electrical system, HVAC system or roof membrane.

Exposure Time

Exposure time is not intended to be a prediction of a date of sale. Instead, it is an integral part of the opinion analysis and is based on one or more of the following:

- Statistical information about days on the market

- Information gathered through sales verification
- Interviews with market participants

The reasonable exposure time is a function of price, time, and use. It is not an isolated estimate of time alone. Exposure time is different for various types of real estate and under various market conditions.

Exposure time is the estimated length of time the property would have been offered prior to a hypothetical market value sale on the effective date of opinion. It is a retrospective estimate based on an analysis of recent past events, assuming a competitive and open market. It assumes not only adequate, sufficient, and reasonable time but also adequate, sufficient, and reasonable marketing effort. Exposure and marketing time are therefore interrelated with opinion conclusion of value.

Based on the foregoing analysis, an exposure time of 6 to 9 months is reasonable. CBRE Limited assumes the subject would have been competitively priced and aggressively promoted.

Assumptions And Limiting Conditions

1. CBRE Limited, through its appraiser (collectively, "CBRE") has inspected through reasonable observation the subject property. However, it is not possible or reasonably practicable to personally inspect conditions beneath the soil and the entire interior and exterior of the improvements on the subject property. Therefore, no representation is made as to such matters.
2. The report, including its conclusions and any portion of such report (the "Report"), is as of the date set forth in the letter of transmittal and based upon the information, market, economic, and property conditions and projected levels of operation existing as of such date. The dollar amount of any conclusion as to value in the Report is based upon the purchasing power of the Canadian Dollar on such date. The Report is subject to change as a result of fluctuations in any of the foregoing. CBRE has no obligation to revise the Report to reflect any such fluctuations or other events or conditions which occur subsequent to such date.
3. Unless otherwise expressly noted in the Report, CBRE has assumed that:
 - I. Title to the subject property is clear and marketable and that there are no recorded or unrecorded matters or exceptions to title that would adversely affect marketability or value. CBRE has not examined title records (including without limitation liens, encumbrances, easements, deed restrictions, and other conditions that may affect the title or use of the subject property) and makes no representations regarding title or its limitations on the use of the subject property. Insurance against financial loss that may arise out of defects in title should be sought from a qualified title insurance company.
 - II. Existing improvements on the subject property conform to applicable local, provincial, and national federal building codes and ordinances, are structurally sound and seismically safe, and have been built and repaired in a workmanlike manner according to standard practices; all building systems (mechanical/electrical, HVAC, elevator, plumbing, etc.) are in good working order with no major deferred maintenance or repair required; and the roof and exterior are in good condition and free from intrusion by the elements. CBRE has not retained independent structural, mechanical, electrical, or civil engineers in connection with this appraisal and, therefore, makes no representations relative to the condition of improvements. CBRE appraisers are not engineers and are not qualified to judge matters of an engineering nature, and furthermore structural problems or building system problems may not be visible. It is expressly assumed that any purchaser would, as a precondition to closing a sale, obtain a satisfactory engineering report relative to the structural integrity of the property and the integrity of building systems.
 - III. Any proposed improvements, on or off-site, as well as any alterations or repairs considered will be completed in a workmanlike manner according to standard practices.
 - IV. Hazardous materials are not present on the subject property. CBRE is not qualified to detect such substances. The presence of substances such as asbestos, urea formaldehyde foam insulation, contaminated groundwater, mold, or other potentially hazardous materials may affect the value of the property.
 - V. No mineral deposit or subsurface rights of value exist with respect to the subject property, whether gas, liquid, or solid, and no air or development rights of value may be transferred. CBRE has not considered any rights associated with extraction or exploration of any resources, unless otherwise expressly noted in the Report.
 - VI. There are no contemplated public initiatives, governmental development controls, rent controls, or changes in the present zoning ordinances or regulations governing use, density, or shape that would significantly affect the value of the subject property.

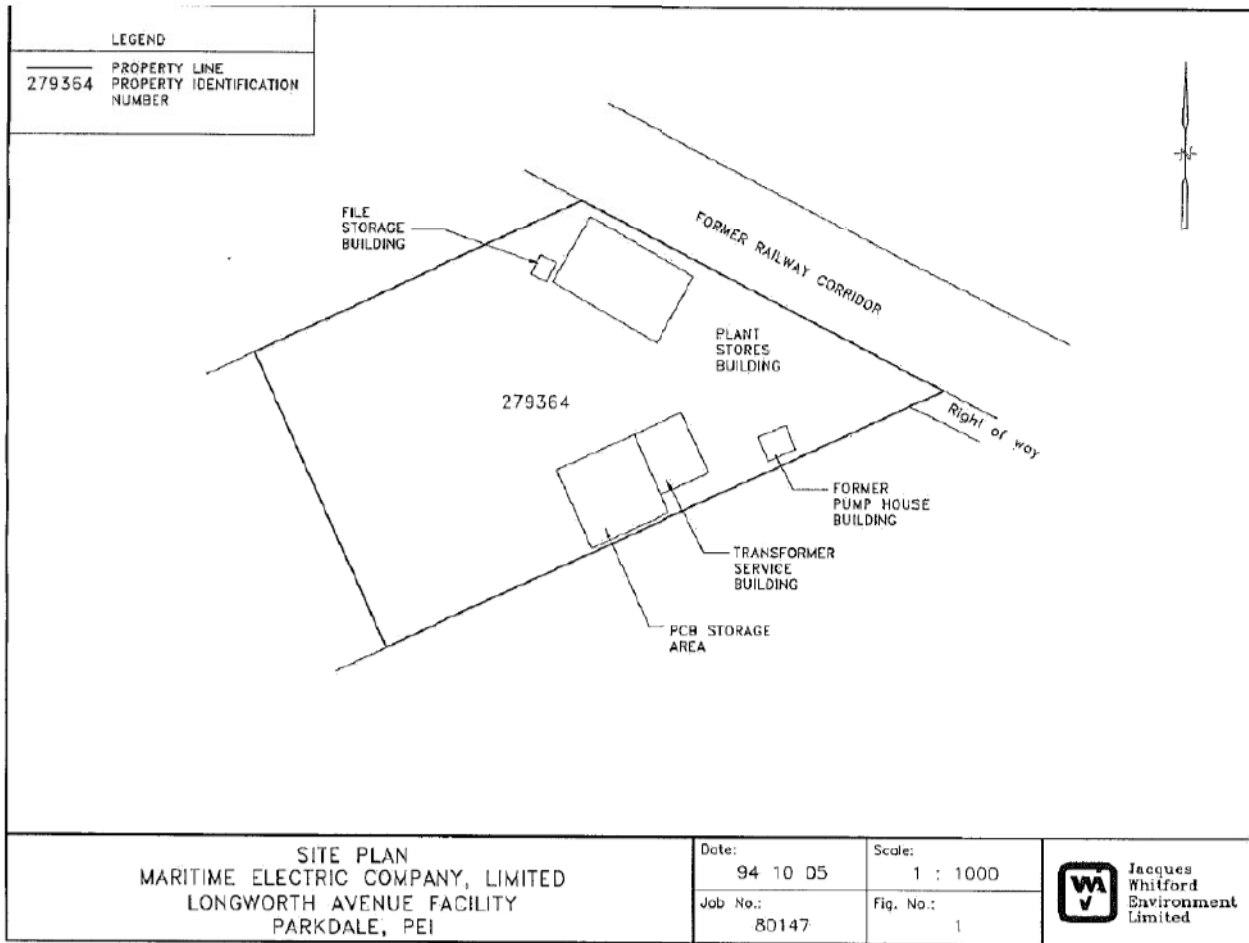
- VII. All required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, provincial, nor national government or private entity or organization have been or can be readily obtained or renewed for any use on which the Report is based.
 - VIII. The subject property is managed and operated in a prudent and competent manner, neither inefficiently or super-efficiently.
 - IX. The subject property and its use, management, and operation are in full compliance with all applicable federal, provincial, and local regulations, laws, and restrictions, including without limitation environmental laws, seismic hazards, flight patterns, decibel levels/noise envelopes, fire hazards, hillside ordinances, density, allowable uses, building codes, permits, and licenses.
 - X. The subject property is in full compliance with the Disabilities Act of the province. CBRE is not qualified to assess the subject property's compliance with the Province's Disabilities Act, notwithstanding any discussion of possible readily achievable barrier removal construction items in the Report.
 - XI. All information regarding the areas and dimensions of the subject property furnished to CBRE are correct, and no encroachments exist. CBRE has neither undertaken any survey of the boundaries of the subject property nor reviewed or confirmed the accuracy of any legal description of the subject property.
 - XII. Unless otherwise expressly noted in the Report, no issues regarding the foregoing were brought to CBRE's attention, and CBRE has no knowledge of any such facts affecting the subject property. If any information inconsistent with any of the foregoing assumptions is discovered, such information could have a substantial negative impact on the Report. Accordingly, if any such information is subsequently made known to CBRE, CBRE reserves the right to amend the Report, which may include the conclusions of the Report. CBRE assumes no responsibility for any conditions regarding the foregoing, or for any expertise or knowledge required to discover them. Any user of the Report is urged to retain an expert in the applicable field(s) for information regarding such conditions.
- 4. CBRE has assumed that all documents, data and information furnished by or behalf of the Authorized Client, property owner, or owner's representative are accurate and correct, unless otherwise expressly noted in the Report. Such data and information include, without limitation, numerical street addresses, lot and block numbers, Assessor's Parcel Numbers, land dimensions, square footage area of the land, dimensions of the improvements, gross building areas, net rentable areas, usable areas, unit count, room count, rent schedules, income data, historical operating expenses, budgets, and related data. Any error in any of the above could have a substantial impact on the Report. Accordingly, if any such errors are subsequently made known to CBRE, CBRE reserves the right to amend the Report, which may include the conclusions of the Report. The Authorized Client and Authorized User should carefully review all assumptions, data, relevant calculations, and conclusions of the Report and should immediately notify CBRE of any questions or errors within 30 days after the date of delivery of the Report.
 - 5. CBRE assumes no responsibility (including any obligation to procure the same) for any documents, data or information not provided to CBRE, including without limitation any termite inspection, survey or occupancy permit.
 - 6. All furnishings, equipment and business operations have been disregarded with only real property being considered in the Report, except as otherwise expressly stated and typically considered part of real property.
 - 7. Any cash flows included in the analysis are forecasts of estimated future operating characteristics based upon the information and assumptions contained within the Report. Any projections of income, expenses and economic conditions utilized in the Report, including such cash flows, should be considered as only estimates of the expectations of future income and expenses as of the date of the Report and not predictions of the future. Actual results are affected by a number of factors outside the control of CBRE,

including without limitation fluctuating economic, market, and property conditions. Actual results may ultimately differ from these projections, and CBRE does not warrant any such projections.

8. The Report contains professional opinions and is expressly not intended to serve as any warranty, assurance or guarantee of any particular value of the subject property. Other appraisers may reach different conclusions as to the value of the subject property. Furthermore, market value is highly related to exposure time, promotion effort, terms, motivation, and conclusions surrounding the offering of the subject property. The Report is for the sole purpose of providing the Authorized User with CBRE's independent professional opinion of the value of the subject property as of the date of the Report. Accordingly, CBRE shall not be liable for any losses that arise from any investment or lending decisions based upon the Report that the Authorized Client, Authorized User, or any buyer, seller, investor, or lending institution may undertake related to the subject property, and CBRE has not been compensated to assume any of these risks. Nothing contained in the Report shall be construed as any direct or indirect recommendation of CBRE to buy, sell, hold, or finance the subject property.
9. No opinion is expressed on matters which may require legal expertise or specialized investigation or knowledge beyond that customarily employed by real estate appraisers. Any user of the Report is advised to retain experts in areas that fall outside the scope of the real estate appraisal profession for such matters.
10. CBRE assumes no responsibility for any costs or consequences arising due to the need, or the lack of need, for flood hazard insurance.
11. Acceptance or use of the Report constitutes full acceptance of these Assumptions and Limiting Conditions and any special assumptions set forth in the Report. It is the responsibility of the user of the Report to read in full, comprehend and thus become aware of all such assumptions and limiting conditions. CBRE assumes no responsibility for any situation arising out of the user's failure to become familiar with and understand the same.
12. The Report applies to the property as a whole only, and any pro ration or division of the title into fractional interests will invalidate such conclusions, unless the Report expressly assumes such pro ration or division of interests.
13. The allocations of the total value estimate in the Report between land and improvements apply only to the existing use of the subject property. The allocations of values for each of the land and improvements are not intended to be used with any other property or appraisal and are not valid for any such use.
14. The maps, plats, sketches, graphs, photographs, and exhibits included in this Report are for illustration purposes only and shall be utilized only to assist in visualizing matters discussed in the Report. No such items shall be removed, reproduced, or used apart from the Report.
15. The Report shall not be duplicated or provided to any Unauthorized Users in whole or in part without the written consent of CBRE, which consent CBRE may withhold in its sole discretion. Exempt from this restriction is duplication for the internal use of the Authorized User and its attorneys, accountants, or advisors for the sole benefit of the Authorized User. Also exempt from this restriction is transmission of the Report pursuant to any requirement of any court, governmental authority, or regulatory agency having jurisdiction over the Authorized User, provided that the Report and its contents shall not be published, in whole or in part, in any public document without the written consent of CBRE, which consent CBRE may withhold in its sole discretion. Finally, the Report shall not be made available to the public or otherwise used in any offering of the property or any security, as defined by applicable law. Any Unauthorized User who may possess the Report is advised that it shall not rely upon the Report or its conclusions and that it should rely on its own appraisers, advisors and other consultants for any decision in connection with the subject property. CBRE shall have no liability or responsibility to any such Unauthorized User.

Appendix B

Site Plan, 1994



Appendix C

Photographs





For more information

Scott McEwen, P.App., AACI, M.B.A.

Senior Vice President & Sr. Managing Director

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CBRE VALUATION & ADVISORY SERVICES



INTERROGATORIES

IR-4 – Attachment 1

**PHASE I ENVIRONMENTAL SITE ASSESSMENT
MARITIME ELECTRIC COMPANY, LIMITED
LONGWORTH AVENUE FACILITY
PARKDALE, PEI**

PROJECT NO. 80147



PROJECT NO. 80147

REPORT TO

MARITIME ELECTRIC COMPANY, LIMITED

ON

**PHASE I ENVIRONMENTAL SITE ASSESSMENT
LONGWORTH AVENUE FACILITY
PARKDALE, PEI**

**Jacques Whitford Environment Limited
4G Walker Drive
Charlottetown, P.E.I. C1A 8S6
Tel:(902)566-2858
Fax:(902)566-2004**

December 8, 1994



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1.0 PURPOSE

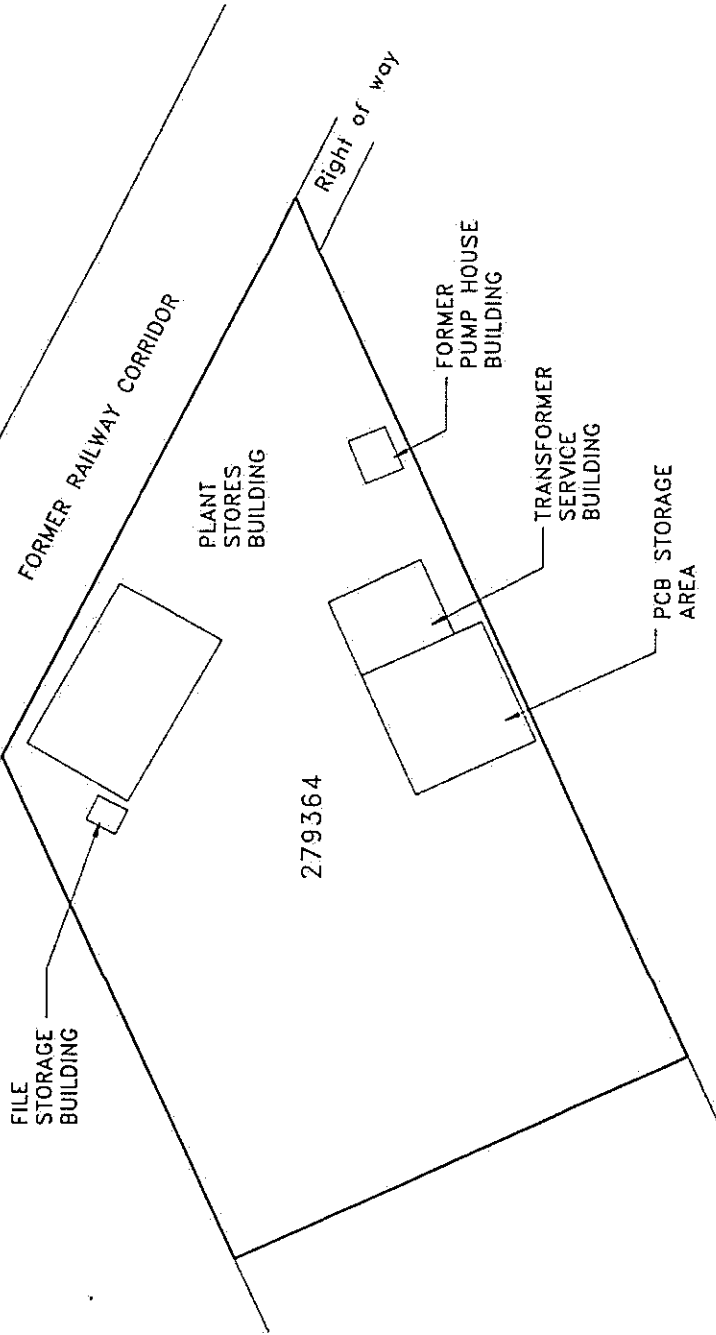
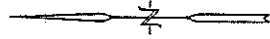
A Phase I Environmental Site Assessment (ESA-I) was conducted by Jacques Whitford Environment Limited (JWEL) at the Maritime Electric property off Longworth Avenue in Parkdale, Prince Edward Island. The request for this site assessment was made by Mr. Paul Smith on behalf of Maritime Electric Company, Limited herein referred to as "Maritime Electric" or "the client". The ESA-I investigation included the property identified by Land Registration and Information Services property identification number (PID) 279364.

The purpose of this environmental site assessment is to disclose factual environmental information and render an opinion regarding the environmental data collected and information reviewed. A site location plan is shown on Figure 1.



LEGEND

PROPERTY LINE
279364
PROPERTY IDENTIFICATION
NUMBER



SITE PLAN
MARITIME ELECTRIC COMPANY, LIMITED
LONGWORTH AVENUE FACILITY
PARKDALE, PEI

Date: 94 10 05

Scale: 1 : 1000

Job No.: 80147

Fig. No.: 1



Jacques
Whitford
Environment
Limited

2.0 SCOPE OF SERVICES

A Phase I Environmental Site Assessment consists of three elements:

- a review of the site history;
- an inspection of the site; and
- a written report.

The Phase I Environmental Site Assessment was based on the following scope of services:

- a) Meet with Maritime Electric representative to discuss the site, review environmental information and obtain any additional information relevant to the site or adjoining lands.
- b) Review available records/documents including Prince Edward Island Department of Environmental Resources permits, site drawings, aerial photographs, and any existing geology/hydrogeology data.
- c) Interview representatives of the Prince Edward Island Department of Environmental Resources, Municipality of Parkdale and any other relevant persons.
- d) Conduct a site visit including a walk through inspection, collection of relevant data, and recording of observations related to environmental conditions of the site and building.
- e) Prepare a report containing observations relating to the apparent environmental condition of the site and building. The report will include a description of site conditions encountered, areas that may have been impacted, a summary of records/documents reviewed, analysis of collected data, the condition of the site, and an opinion by JWEL with regard to the possible environmental conditions at the site, any areas of concern, and any additional data needs.

The opinions offered in this report are rendered in accordance with generally accepted professional standards, but are not to be construed as guarantee or warranty as to the potential liability associated with environmental conditions or impacts at the site. The report and opinion are based solely upon the services described herein, and are not based on scientific tasks or procedures beyond the scope of described services or the time constraints imposed by the client. This report was prepared for the use of Maritime Electric. Unauthorized use of this report by third parties is prohibited.

The Phase I assessment is described in three sections: background investigation, regulatory review and site visit. Results (including findings and recommendations) are presented in Section 6. Section 7 contains a summary and conclusions.



3.0 BACKGROUND INVESTIGATION

The background investigation included an examination of aerial photographs, property maps, Insurer's Advisory Organization documents, geological information, historical documents and interviews.

3.1 Introduction

The Maritime Electric property off Longworth Avenue in Parkdale is used for transformer service, PCB storage, and general warehousing. According to Land Registration and Information Service (LRIS), maps obtained from Prince Edward Island Geomatics Library (PEIGL), the property identification number (PID) is 279364.

The computer printouts at PEIGL confirmed that this property is owned by Maritime Electric. An abstract of title (title search) or deed for the property was not reviewed by JWEL, however, Maritime Electric reported that according to their records, they acquired the property from Imperial Oil in 1958, and Imperial Oil acquired the land from Von Clure Gay & Rachael M. Gay in 1910.

Previous land use was also investigated by reviewing past aerial photographs, McAlpine's Prince Edward Island Directories for several years between 1914 and 1930, and land registration and Insurer's Advisory Organization (IAO) Historical Environmental Information Report (HEIRS) 1. The IAO report indicated that Maritime Electric owned the property in 1956. This is assumed to be incorrect based on the information provided by Maritime Electric.

3.2 Geology and Hydrogeology

According to the classification map Soils of Prince Edward Island - Queens County, the area is composed of sandy, silty organic rich soils, with minor gravel. Pennsylvanian sandstone has been inferred at depth. The area is typified by gently undulating to rolling morainal relief.

The local topography is flat lying. Surface drainage is to the east through a ditch towards St. Peters Road and the Hillsborough River. It was also reported by Maritime Electric that seasonal flooding of low lying areas occurs at this site.

Test pits excavated by Jacques Whitford and Associates Ltd. (JWA) in 1991 indicated that fill existed 1.2 to 1.8 m below ground surface which was comprised of reddish brown to dark brown silty sand and gravel of variable compactness. Varying amounts of gravel, organic matter such as roots, wood and debris were also observed in the test pits. Hydrocarbon contamination was detected within the lower fill zone in the test pits. The principle overburden soils consisted of reddish brown silt and sand till with



varying amounts of gravel. Seepage observations in test pits 1, 2 and 3 during excavation indicated that the groundwater table at that time was approximately 1.8 m below ground surface.

3.3 Aerial Photograph Interpretation

Aerial photographs were reviewed at the Prince Edward Island Department of Agriculture, Fisheries and Forestry, Forestry Division, the Geomatic Library and the Provincial Archives. The photographs were reviewed to identify changes in site usage, adjacent land use and to identify operations or activities that may have environmental impacts on the site. Review of the aerial photographs, summarized in Table 3.1, showed that the site and some adjacent properties were developed prior to 1935.

Table 3.1 Aerial Photograph Interpretation

Year	Photograph Numbers	Comments
1935	L5290-9	Imperial oil facility exists on site Properties north and west agricultural
1958	Illegible	Surrounding area developed

3.4 Adjacent Land Use

The site is located within an area of primarily commercial development, most having been involved in bulk storage of petroleum at one time. Tables 3.2 and 3.3 summarize current and past land use for the adjacent properties.

Table 3.2 Current Land Use

Direction From Site	Property Number	Business Name/Owner	Activity
Northwest	557355	Irving Oil Co. Ltd.	Vacant
North	452474	Northumberland Paints	Manufacture Paints
North	532598	Reliable Motors Ltd.	Auto Sales and Service
Northeast	279323	Ultramar/Kenmac Energy	Sales, Delivery & Bulk Storage of Petroleum
South	279349	Irving Oil Co. Ltd.	Vacant
Northwest	279257	Synpro Inc.	Waste Collection Service

Commercial activity in the area includes a waste collection facility which utilizes bulk truck boxes to collect waste sorted at the facility for recycling when feasible. To the northeast, two auto dealerships and a paint manufacturing facility have operated since approximately the late 1960s. Directly across the



old railway corridor was an Ultramar office which stored lubricants and heating equipment, and Kenmac petroleum bulk storage tanks (500,000 L capacity). Generally speaking, the area has been used as bulk storage of petroleum for more than forty years.

Table 3.3 Past Land Use

Direction From Site	Owner	Activity
Maritime Electric Property	Imperial Oil	Bulk Petroleum
South	Irving Oil	Bulk Petroleum
Northeast	British American (Gulf) Oil	Bulk Petroleum
Southeast	Canadian Petrofina	Bulk Petroleum



4.0 REGULATORY REVIEW

The PEIDER and the Municipality of Parkdale were contacted with regard to permits and other environmental information.

4.1 Prince Edward Island Department of Environmental Resources

Mr. Wayne Davies of the PEIDER, Environmental Protection Branch, reported that there are no registered petroleum storage tanks at this site and that there were no outstanding charges. Mr. Dan McInnis of PEIDER, indicated that the aboveground storage tank is not in contact with the ground surface and the underground tank is not used for on-going storage, therefore these tanks do not require registration. Mr. McInnis stated that his Department is currently only concerned with registering petroleum storage tanks at bulk and retail facilities, but that other storage tanks may require registration at some point in the future.

4.2 Municipality of Parkdale

A letter requesting information on permits, agreements and regulations was sent to Parkdale administration on August 22, 1994. Mr. Arnold Llewellyn of the Municipality of Parkdale has not responded to JWEL's requests for information prior to issuing this report. If information submitted to JWEL indicates new findings, this information will be immediately communicated to Maritime Electric.

Mr. Randall MacDonald of the Parkdale Municipal Water Division was also contacted by JWEL. Mr. Randall stated that while excavating along the overland right-of-way (driveway between site and Longworth Avenue) to install a water line for Maritime Electric's transformer service building, soil in the trench had very strong hydrocarbon odours. His Department immediately notified the PEIDER. A representative of the PEIDER examined the soil and suggested that the Town simply backfill the trench because responsibility for the contaminated soil in this area would be very difficult to establish.



5.0 SITE VISIT

Site visits were conducted by JWEL personnel between August 17 and September 2, 1994. The purpose of the visits was to conduct a non-intrusive examination of the property and buildings to identify any areas of environmental concern. Findings and recommendations are presented in Section 6.

5.1 Buildings

There are four buildings located on the property. Two of the four buildings are electrically heated and the remaining two are not heated.

File Storage Building

A 4 x 4 m metal clad file storage building is located near the north corner of the property bordering on the old rail corridor. The building was empty except for wooden shelving and there are no plumbing fixtures within this structure.

Plant Stores Building

The plant stores building is located on the northeast side of the property along the old rail corridor. The structure is double walled brick with wooden floors, partitions and support. The basement floor is dirt covered and the foundation walls are concrete which have been reinforced. The building is approximately 10 x 20 m in size and is used to store equipment and parts for the Charlottetown and Borden Generating Stations. A small room for servicing communications equipment and storage of old files exist in the former office area. Municipal water was installed for this building in the late 1950s to early 1960s, however, this line has since been abandoned and there are currently no plumbing fixtures within this structure. This building is electrically heated.

Former Pump House Building

A 5 x 5 m metal clad pump house building is located east of the transformer service building. This building was previously used by Imperial Oil to pump petroleum from rail cars and the wharf to bulk storage tanks previously located on the property. Vertical, 100 mm diameter pipes were observed in the floor of the larger room which would indicate that underground product lines may still exist. The remainder of the building was vacant except for limited storage of pipe, cable and other parts in the eave.



Transformer Service Building

This building is a newly constructed, prefabricated steel structure approximately 10 x 15 m in size situated on a concrete slab. Rooms inside the building include a large transformer service area, an electrical/office room, an emergency supply storage room and a washroom. An aboveground and a belowground tank are connected to this building. This building is Municipally serviced for both water and sewer and is electrically heated.

5.2 Property

The property comprises 0.7 hectares with a 2.5 m galvanized fence enclosure surrounding its perimeter. The site is landlocked from any public thoroughfare, with access being gained via a 6.1 m right-of-way with a locked security gate. The ground surface is generally gravel and grass covered except for an asphalt driveway between the security gate and the transformer service building.

Inside the property bounds are the above noted buildings, an approved PCB storage area consisting of three steel shipping containers (fenced), an outdoor storage area for drained PCB equipment (fenced), three designated areas for the storage of non-PCB electrical equipment, an aboveground storage tank and a belowground storage tank.

The property is generally low lying with areas around the perimeter holding standing water much of the year, as indicated by the observed aquatic tolerant vegetation. Vehicle access to much of the site was reported to be difficult during seasonally wet periods of the year. According to Mr. Bill Jardine, a retired Maritime Electric employee, a lot of fill had been added to the site over the years and the site surface remains low despite the volume of imported fill.



6.0 FINDINGS AND RECOMMENDATIONS

6.1 Chemical Storage, Handling and Disposal

6.1.1 Findings

Chemical substances observed on site during the site inspections are included in Table 6.1.

Table 6.1 Chemicals Observed During Site Investigation

Product	Container Volume	Location
R-622 Silicone 60% (wt.) Zylene	Five 20 L	Plant Stores Building
CLOR-N-OIL Test Kit (PCB)	Approx. 24 boxes	Transformer Service Building
Sulphuric Acid*	Seven 20 L	Plant Stores Building
Leathery Coat RP Alum-Robertson Irwin	Twenty 4.5 L	Plant Stores Building
Kolmetol - lining material	Two 4.5 L	Plant Stores Building
Unknown substance	One 4.5 L	Plant Stores Building
KS-4 Refractory	1 container	Plant Stores Building

* No MSDS labelling

6.1.2 Recommendations

Identify unknown products. Dispose of obsolete products in accordance with PEIDER requirements. Accompany Material Safety Data Sheets (MSDS) with products to remain in storage.

6.2 Surficial Staining/Odours

6.2.1 Findings

Staining was observed on virtually all visible areas of the Plant Stores Building floors. This building was formerly used by Imperial Oil to dispense 205 L drums of heating and stove oil and spillage associated with this activity is assumed to be the cause of the staining. A strong odour of petroleum also existed throughout the building. Some staining and a strong petroleum odour was also noted in the pump house from wood surfaces and remaining pumping ports. Staining was not observed in the other two buildings.



Staining and absorbent material were observed on some visible areas of the secondary containment floor of the PCB storage containers. A strong odour of insulating oil was observed in the containers due to poor or blocked ventilation ports.

Minor areas of surface staining and stressed vegetation were observed throughout the property. Minor amounts of absorbent material was also observed in some areas indicating an attempt to soak up a small spills or leaks. Vanadium pentoxide contaminated bottom ash was observed on the ground surface in the northwest corner of the site and minor amounts were observed near the front wall of the loading dock.

6.2.2 Recommendations

Collect used absorbent and dispose of with common refuse. Collect vanadium pentoxide contaminated bottom ash and properly store or dispose of. Sample soil and/or groundwater in areas where vanadium pentoxide contaminated bottom ash was stored. Remove tape from vents on PCB storage containers and modify vents to prevent snow entry.

6.3 Underground/Aboveground Storage Tanks

6.3.1 Findings

Two storage tanks were observed at this site during the site inspections. A double walled steel 9092 L tank exists near the north corner of the transformer service building. This tank was previously installed underground at the Alberton Hospital in 1987 with cathodic protection, and was installed at this site under the supervision of PEIDER. Currently, this tank is cradled over a concrete pad and moderately protected at both ends by a concrete retaining wall. The parking lot side of the aboveground storage tank, however, is completely unprotected against a collision which could result in a spill.

Non-PCB (<50 ppm) insulating oil is pumped to this tank from drained transformers in the transformer service building. A meter located on the inside wall of the facility indicates the level of oil in the tank. It was reported that when the tank is one half to three quarters full, the oil is removed by Creeds Petroleum Services and taken to the Charlottetown Generating Station for disposal by burning. An Air Quality Permit to Operate issued by PEIDER for the Charlottetown Plant (ID No. FBE02016 supersedes No. FBE0201a) allows Maritime Electric to burn the waste oil if it contains less than 50 ppm PCBs and other conditions are met.

The second tank is a 2715 L fibreglass underground storage tank located immediately south of the aboveground tank beside the east wall of the transformer service building. Accidental floor spillage from the transformer service building drains to this tank. An alarm system is connected to this tank to



indicate when material has been drained into it and when it reaches a certain level of fullness. Erosion of the soil embankment on the north side of this tank was evident.

No knowledge of previous underground storage tanks was reported for this site. Aerial photographs indicated that Imperial Oil had several aboveground bulk storage tanks along the southwest and northwest perimeter of the property. Maritime Electric reported that pipe lines for these tanks still exist underground and that during excavation for the transformer service building in 1991/92, deteriorated pipe lines were encountered which still contained petroleum product.

6.3.2 Recommendations

Protect aboveground storage tank from accidental collision using bollards or guard rail. Protect underground storage tank embankment from erosion. Investigate the extent of petroleum contamination in soil and groundwater throughout the site.

6.4 Asbestos

6.4.1 Findings

During the site investigation suspected asbestos containing materials (ACMs) were observed in three locations including:

- pieces of corrugated wall board on the ground between the former pump house building and the perimeter fence;
- interior walls and ceiling of the file storage building; and
- interior wall board of plant stores building former office area.

The suspected ACMs were noted to be non-friable and generally in good condition with occasional damaged areas. The building insulation material appeared to be fibreglass.

6.4.2 Recommendations

Obtain samples of suspected materials and submit for confirmation analysis. Properly dispose of obsolete ACMs. ACMs in good condition can remain in place if damaged areas and exposed edges are properly sealed to contain possible release of fibres.



6.5 Polychlorinated Biphenyls

6.5.1 Findings

A portion of the site is currently occupied by Maritime Electric's approved PCB storage facility constructed in 1991/92. Within the service building, transformers requiring repair or disposal are tested for PCB content prior to being drained or refilled. These activities previously took place at Maritime Electric's St. Peter's Road property.

Maritime Electric personnel reported that transformers and regulators have been handled and stored on this property for over 30 years. It was also reported that prior to 1984, transformers were stored throughout the site. Prior to 1992, two of the existing PCB storage containers were located in the central fenced area on timbers and patio stones. These containers now exist with a third container on concrete supports within the PCB storage facility. It was also reported that PCBs were stored in the former pump house building.

Soil samples obtained at depths of 75 and 300 mm were previously submitted by Maritime Electric for PCB analysis. A letter from Mr. Arthur J. Hiscock, District Director of Environmental Protection Service, Environment Canada indicated that the analysis results were below 1 ppm for all of the samples.

According to Maritime Electric, fluorescent light ballasts at this site have not been checked for the presence of PCBs but it should be noted that they are suspect due to their age. This issue is rather insignificant compared to the past and current function of the property.

6.5.2 Recommendations

Obtain soil samples for PCB analysis based on visual observations made during intrusive investigation for petroleum contamination.

Check the identification code on fluorescent light ballasts for the presence of PCBs and handle accordingly when replacement is required.

6.6 Lead Paint

6.6.1 Findings

Lead based paints have been commonly used in commercial applications. According to Northumberland Paints, Maritime Electric's current paint supplier, their paints have not contained lead since the 1950s.



6.6.2 Recommendations

Conduct a review of paints previously used on the former pump house building to determine if any lead based paints were used. If sandblasting is to take place on areas that contain lead based paint, it must be conducted under controlled conditions.

6.7 Radon

6.7.1 Findings

The presence of radon gas is not suspected because the site is located in an area of low occurrence. In addition, the only building with a basement at this site is the Plant Stores Building which is unoccupied much of the time.

6.7.2 Recommendations

There are no recommendations.

6.8 Potential Contamination from Adjacent Properties

6.8.1 Findings

The PEIDER does not release information on properties other than those requested for by the owner. As discussed in Section 3.3.1, many of the adjacent properties were also used for bulk storage of petroleum products which could have resulted in additional impacts to this site. Commercial properties further away from the site are not assumed to have impacted the site.

6.8.2 Recommendations

Investigate petroleum contamination in both soil and groundwater over the entire site to determine extent and possible sources of contamination.

6.9 Waste Disposal

6.9.1 Findings

Solid domestic waste is placed in a dumpster between the gate and the former pump house where it is routinely removed by Synpro Inc. Empty transformer casings and other equipment determined to have a mineral oil PCB content less than 500 ppm are removed by a contractor from the site as scrap metal.



Maritime Electric contracted PPM Canada Inc. in 1992 to chemically destroy PCB contaminated oil and equipment.

The transformer service building is connected to the Municipal sanitary sewer.

6.9.2 Recommendations

There are no recommendations.

6.10 Floor Drains and Sumps

6.10.1 Findings

Floor drains were observed in both the transformer service building and the Plant Stores Building. The floor drain in the transformer service building discharges to the belowground storage tank located outside the building as discussed in Section 6.3.1.

Floor drains/sumps located in the basement floor of the Plant Stores Building are used to seasonally dewater the basement. Maritime Electric personnel reported that they had not observed nor had they been told of any petroleum in the water pumped from the basement sumps.

6.10.2 Recommendations

There are no recommendations.

6.11 Chlorofluorocarbons (CFCs)

6.11.1 Findings

No equipment containing CFCs were observed at this site during the site visits.

6.11.2 Recommendations

There are no recommendations.



7.0 SUMMARY AND CONCLUSIONS

Jacques Whitford Environment Limited (JWEL) completed a Phase I Environmental Site Assessment (ESA-1) at the property off Longworth Avenue in Parkdale, PEI, between August 17 and September 2, 1994.

The assessment identified nine principle sources of potential environmental liability at the above noted site:

- petroleum contamination in soil and groundwater beneath the site;
- vanadium pentoxide contaminated bottom ash on ground surface;
- suspected PCB contaminated soil;
- suspected materials containing asbestos;
- unprotected aboveground waste oil storage tank;
- erosion of underground tank berm;
- unidentified chemicals and lack of MSDS information;
- possibility of lead based paints; and
- suspected PCBs in light ballasts.



8.0 CLOSING REMARKS

The opinions contained in this report have been rendered in accordance with generally accepted professional standards, but cannot be construed as a guarantee or warranty as to the potential liability associated with environmental conditions or impacts at the site. This report and opinions are based solely upon information provided to JWEL and site conditions encountered during the site visits between August 17 and September 2, 1994. This investigation was limited to the scope of described services and by the time constraints imposed by the client. Information presented in this report should not be construed as legal advice.

This report was prepared by Ms. Margo Guignion and Mr. Malcolm Marston, P.Eng. and reviewed by James D. Snider, P.Eng.

Yours truly,

JACQUES WHITFORD ENVIRONMENT LIMITED



Malcolm Marston, P.Eng. Project Manager
Environmental Engineering



APPENDICES



APPENDIX A

Personnel Interviewed



PERSONNEL INTERVIEWED

Source/Client	Information
Prince Edward Island Department of Environmental Resources	Petroleum Tank Registration - Mr. Wayne Davies Reportable Spills/Non-compliance - Mr. Dan McInnis Air Emissions - Mr. Mark Victor
Aerial Photographs	1935 and 1958 Land Use
Provincial Directories	1914-1915, 1924-1925, 1929-1930
Insurer's Advisory Organization 1989 Documents	Sheet 23-2, 1968 past businesses and potential liabilities
Municipality of Parkdale	Mr. Arnold Llewellyn to respond. Well locations and utilities - Mr. Randall MacDonald and Mr. Edgar Dennis (retired)
Maritime Electric Personnel	Environmental Procedures - Mr. Ron LeBlanc Past Practices - Mr. Bill Jardine + <i>Bill Proctor</i> Operations - Mr. Brian Arsenault



APPENDIX B

Regulatory Response



August 9, 1994

Project No. 80147

Wayne Davies
Water Resources
Dept. of Environmental Resources
PO Box 2000
Charlottetown, PE
C1A 7N8

Dear Mr. Davies:

Jacques Whitford Environment Limited has been contracted by Maritime Electric Co. Ltd. to conduct Environmental Assessments and Audits of four properties currently owned by the company.

As part of the assessment, we require information from your department on non-compliance activities and permits issued in the following areas:

- Fuel spills
- Fuel tank registration
- Air emissions
- Hazardous waste
- Noise, etc.

The properties for which this information is requested are as follows.

- 1) #279364 of Longworth Avenue, Charlottetown;
- 2) #274944 and #274969 of 83 St. Peter's Road, Parkdale;
- 3) #336537, #336220 and #336228 of Charlottetown Waterfront near plant; and,
- 4) #380477 of Borden, PEI.

Any information you can provide to us will be appreciated.

Sincerely,

JACQUES WHITFORD ENVIRONMENT LIMITED



Margo Guignion

MG/lb

cc: Mark Victor, Environmental Protection

Prince Edward Island

DEPARTMENT OF
ENVIRONMENTAL RESOURCES

ENVIRONMENTAL PROTECTION DIVISION



P. O. Box 2000
Charlottetown
P.E.I. C1A 7N8

Tel: (902) 368-5024
Fax: (902) 368-5830

Aug 11, 1994

Ms. Margo Guignon
Jacques Whitford
4G Walker Dr.
Charlottetown, PEI
C1A 8S6

Dear Ms. Guignon

The following information has been collected on the properties listed in your recent request. Because of the industrial nature of these properties the information gathered has been limited to registered tanks and compliance issues.

- 279364 no registered tanks or outstanding charges
- 274944 no registered tanks or outstanding charges
- 274969 no registered tanks or outstanding charges
- 336537 11 aboveground tanks registered
6 underground tanks registered
3 removed tanks
no outstanding orders
- 336220 no registered tanks or outstanding charges
- 336228 no registered tanks or outstanding charges
- 380477 3 aboveground tanks registered
no outstanding charges

Please contact this office if you have any questions.

Yours truly

A handwritten signature in black ink, appearing to read 'Wayne Davies', written over a horizontal line.

Wayne Davies

Prince Edward Island

DEPARTMENT OF
ENVIRONMENTAL RESOURCES

ENVIRONMENTAL PROTECTION DIVISION



P. O. Box 2000
Charlottetown
P.E.I. C1A 7N8

Tel: (902) 368-5024
Fax: (902) 368-5830

September 1, 1994

Ms. Margo Guignon
Jacques Whitford Environment Ltd.
4G Walker Drive
Charlottetown, P.E.I.
C1A 8S6

Dear Ms. Guignon:

As recently requested, please see attached copies of the Permit to Operate and associated Terms and Conditions issued to Maritime Electric Company Limited under the provinces Air Quality Regulations.

If I can be of any further assistance, please let me know.

Sincerely,

A handwritten signature in cursive script that reads 'Mark Victor'.

MARK VICTOR, P. Eng.
Air Quality & Hazardous Materials Section

ES645

RECEIVED SEP 0 6 1994

Prince Edward Island

P. O. Box 2000
Charlottetown
P.E.I. C1A 7N8

DEPARTMENT OF
ENVIRONMENTAL RESOURCES



ENVIRONMENTAL PROTECTION DIVISION

Tel: (902) 368-5024
Fax: (902) 368-5830

Page 1 of 5

Identification No. FBE0201b

AIR QUALITY PERMIT TERMS AND CONDITIONS

(hereinafter referred to as the "Permit")

as issued pursuant to section 4 of the Air Quality Regulations
EC 377/92 (hereinafter referred to as the "Regulations")

under the Environmental Protection Act R.S.P.E.I.
1988 Cap. E-9 (hereinafter referred to as the "Act")

ISSUED TO: Maritime Electric Company Limited
Charlottetown Thermal Generating Station
(hereinafter referred to as "the Owner")

ISSUED BY: The Minister of Environmental Resources for the
Government of Prince Edward Island
(hereinafter referred to as "the Government")

1. DEFINITIONS

"Boiler Monitoring Equipment" means but is not necessarily limited to the three Bailey flue gas oxygen analyzers, five Bailey opacity meters and a closed circuit television stack monitoring system;

"East-end Stack" means the stack situated to the southeast of the main plant which is 72.8 metres above sea level and 2.3 metres in diameter;

"Facility" means the property, buildings, and equipment located on real property tax numbers: 338921 and 336537, located northeast of Cumberland Street and southeast of Richmond Street, in the City of Charlottetown, P.E.I., which makes use of the fuel burning equipment;

"Burning Equipment" means the following heavy oil fired boilers:

	Manufacturer	Maximum Continuous Rating [Mega Joules of Heat Input per Second]	Stack
10	Babcock & Wilcox	75	West-end
9	Babcock & Wilcox	75	West-end
6	Foster-Wheeler	33	East-end
5	Foster-Wheeler	40	East-end
4	Babcock & Wilcox	33	East-end
3	Dominion Bridge	20	East-end

"Pollution Control Devices" means the following equipment which is designed to limit the release of particulate, acid smut and noise emissions respectively:

- (a) a Joy Technologies Inc. 9VGR14 Multicyclone installed in series between Boiler #9 and the West-end Stack with a steady state design efficiency of 50%;
- (b) an E.M. Parker Instruments Ltd. Magnesium Hydroxide (MgOH) Powder Flue Gas Conditioning System with four volumetric 25 Kg/hr Feeders treating the flue gases of boilers #10, 9, 6 and either the #5 or 4 boiler; and
- (c) three Higgott Kane Super Critical steam vent silencers per unit installed on the exhaust vents of boilers #9 and 10;

"Opacity" means the degree to which emissions reduce the transmission of light and obscure the view of an object in the background; and

"West-end Stack" means the stack situated to the southeast of the main plant which is 64.6 metres above sea level and 2.0 metres in diameter.

2. The Government hereby issues a permit to the Owner to operate at the Facility the Fuel Burning Equipment for the purpose of generating steam for electrical power generation and heating requirements. The Owner shall operate the fuel burning equipment in compliance with the Act and regulations made thereunder and operation under this Permit shall also be subject to the following terms and conditions:

OPERATING CONDITIONS

- (a) The fuel burning equipment operated by the Owner shall be the only equipment to burn fuel with a sulphur content of greater than 0.7 % by weight;
- (b) The fuel burning equipment operated by the Owner shall utilize a fuel oil with a sulphur content less than or equal to 3.0% by weight;
- (c) The Owner shall operate the Facility in compliance with the Power Engineers Regulation filed under the Power Engineers Act;
- (d) The fuel burning equipment is not to be operated unless the boiler monitoring equipment and pollution control devices are fully functional and in operation;
- (e) The Owner shall ensure that the fuel burning equipment is operated in a manner such that the opacity of the flue gases does not exceed 25%, except for
 - (1) a time interval no greater than eight (8) minutes in any sixty (60) minute period, during which the opacity may increase to 50%; and
 - (2) during periods of soot blowing;
- (f) The Owner shall be permitted to burn the following fuels in the fuel burning equipment;
 - (1) small quantities of used lubricants resulting from the normal operation of the Facility on an as-generated basis;
 - (2) used transformer oil provided that
 - (i) the concentrations of polychlorinated biphenyls (PCB's), as verified by laboratory analysis, is less than 50 ppm;
 - (ii) at any given time, the mass flow rate of the used transformer oil does not exceed 1% of the mass flow rate of the fuel oil; and
 - (iii) the used transformer oil is burned in a boiler or boilers operating at a minimum of 50% capacity; and
 - (3) any other waste fuels upon being issued a Letter of Approval to Burn from the Government;
- (g) An environmental officer, at any reasonable time has the authority to inspect the Facility and carry out such duties as defined in the Act and regulations made thereunder;

- (h) The Owner shall advise the Government in writing before any changes in the operation of the Facility as reflected in the Application to Operate Fuel Burning Equipment from the Owner, including but not limited to facility re-design or expansion;

STACK TESTING REQUIREMENTS

- (i) The Owner shall submit to the Government within one (1) year of the Permit issue date, the terms of reference to undertake a stack sampling program;
- (j) A proposal to perform the tests indicated in (i) should have approval of the Government before being undertaken; and
- (k) The stack sampling program is to be completed and a final report submitted to the Department no later than six (6) months prior to the Permit expiry date;

RECORD KEEPING AND REPORTING REQUIREMENTS

- (l) The Owner shall keep records of
- (1) the fuel supplier and fuel analysis, including the sulphur content of the fuel for all fuel purchases;
 - (2) instances during which the opacity exceeded the Operating Conditions specified in section (e);
 - (3) lab analysis of any used transformer oils or other wastes suspect of being contaminated with PCB's which are burned under the Operating Conditions specified in section (f);
 - (4) the amount of used transformer oil and other petroleum based wastes burned under the Operating Requirements in section (f); and
 - (5) the amount of bottom ash recovered from each boiler;

(m) The Owner shall submit an annual report to the Government, on or before the 1st day of March each year, containing the following monthly information (where applicable) for the previous year:

- (1) fuel consumption and hours of operation of each boiler;
- (2) a calculation of the average sulphur content of the heavy fuel oil consumption reported in (1);
- (3) the number of cold start-ups for each boiler;
- (4) an estimate of the amount of MgOH injected into the flue gases of each boiler;
- (5) the amount of bottom ash collected from each boiler;
- (6) a report on preventative maintenance activities for the boiler monitoring equipment and pollution control devices; and
- (7) a summary of any incidents reported during the year as required by section 7 of the Regulations.

3. The Owner shall post in the Facility and close to the fuel burning equipment, a copy of the "Permit to Operate" certificate attached.



Recommended by :

Mark Victor
Head, Air Quality & Hazardous Materials Section

Authorized by :

Don Jardine
Director, Environmental Protection Division



PERMIT TO OPERATE

PRINCE EDWARD ISLAND AIR QUALITY REGULATIONS

(Issued under Section 25 of the Environmental Protection Act)

Identification No.: FBE0201b
Supersedes No. : FBE0201a

This Permit to OPERATE is hereby issued to the following owner or operator:

Name of owner or operator :

MARITIME ELECTRIC COMPANY LIMITED
CHARLOTTETOWN THERMAL GENERATING STATION

Address of owner or operator :

P.O. BOX 138
CHARLOTTETOWN, P.E.I.
C1A 7N2

Description of operation or stationary source :

FUEL BURNING EQUIPMENT
FOR ELECTRICAL POWER GENERATION AND
HEATING REQUIREMENTS

Conditions of approval :

AS PER THE ATTACHED TERMS AND CONDITIONS

Effective date : January 1, 1994

Expiry date : October 1, 1998

Recommended by :

Hank Vear
Head, Air Quality & Hazardous Materials Section

Authorized by :

Con Jordan
Director of Environmental Protection Division



Prince Edward Island
Department of Environmental Resources



**Jacques Whitford
Environment Limited**

46 Walker Drive
Charlottetown, PE
Canada C1A 8S6

Tel: 902 566 2858
Fax: 902 566 2004

Consulting Engineers
Environmental Scientists

Environmental Impact Assessment
Environmental Engineering
Environmental Protection Planning
Hydrogeology
Air Quality
Public Consultation
Archaeology & Heritage Planning

Geotechnical Engineering
Materials Engineering & Research
Mining Engineering

Dartmouth, NS
Sydney, NS
Port Hawkesbury, NS
Saint John, NB
Fredericton, NB
Moncton, NB
Bathurst, NB
Charlottetown, PE
St. John's, NF
Corner Brook, NF
Hull, QC
Ottawa, ON
Toronto, ON
Calgary, AB
Portland, ME
Mexico, DF
Moscow

August 22, 1994

Project No. 80147

Mr. Arnold Llewellyn
Town of Parkdale
20 Linden Avenue
Parkdale, PE
C1A 5Y8

Dear Mr. Llewellyn:

Jacques Whitford Environment Limited has been contracted by Maritime Electric Co. Ltd. to conduct Environmental Assessments and Audits of four properties currently owned by the company.

As part of the assessment, we require information from the Town of Parkdale regarding any permits, agreements or regulations under which Maritime Electric must operate within the municipality. We also request any non-compliance issues that may have arisen in the past. The properties in question are Imperial Stores off Loogworth Avenue and another at 81-83 St. Peter's Road.

Any help you can provide to us will be appreciated.

Sincerely,

JACQUES WHITFORD ENVIRONMENT LIMITED

Betty Gordon
Betty Gordon

BG/lb





INTERROGATORIES

IR-4 – Attachment 2

MARITIME ELECTRIC COMPANY LIMITED
PHASE II ENVIRONMENTAL SITE ASSESSMENT
LONGWORTH AVENUE, CHARLOTTETOWN, PEI
PROJECT NO. 90049





**Jacques Whitford
Environment Limited**

**Consulting Engineers
Environmental Scientists**

4G Walker Drive
Charlottetown, PE
Canada C1A 8S6

Tel: 902 566 2858
Fax: 902 566 2004

Environmental Impact Assessment
Environmental Engineering
Environmental Protection Planning
Hydrogeology
Air Quality
Public Consultation
Archaeology & Heritage Planning

Geotechnical Engineering
Materials Engineering & Research
Mining Engineering

Dartmouth, NS
Sydney, NS
Port Hawkesbury, NS
Saint John, NB
Fredericton, NB
Moncton, NB
Bathurst, NB
Charlottetown, PE
St. John's, NF
Comer Brook, NF
Hull, PQ
Ottawa, ON
Toronto, ON
Calgary, AB
Portland, ME
Mexico, DF
Moscow

October 3, 1995

Project No. 90049

Mr. Paul Smith
Manager Internal Audit
Maritime Electric Company Limited
PO Box 1328
180 Kent Street
Charlottetown, PEI
C1A 7N2

Dear Mr. Smith:

**Re: Phase II Environmental Site Assessment (ESA)
Longworth Avenue, Charlottetown, PE**

This report outlines the findings of a Phase II Environmental Site Assessment (ESA) carried out at the above noted site in accordance with your request. The primary intent of the assessment was to establish the extent and nature of environmental impacts (i.e. hydrocarbons, PCBs, and metals) and the direction of groundwater flow at the site. This report contains all of the information obtained during the field program, the results of all analytical tests carried out, and our comments based on the data obtained.

Site Description

The Maritime Electric property, occupying a 0.7 hectare parcel of land, is located on the west side of Longworth Avenue in Charlottetown, Queens County, Prince Edward Island and is used for transformer service, PCB storage, and general warehousing. The site is completely enclosed by a woven mesh fence and is landlocked from any public thoroughfare, with access being gained via a 6.1 m right-of-way and a locked security gate. The ground surface is generally gravel and grass covered except for an asphalt driveway between the security gate and the transformer service building.

Available topographic mapping indicates that the ground surface in the general area of the site is flat lying. Surface drainage is to the east through a ditch towards St. Peters Road and the Hillsborough River. The property is generally low lying with areas around the perimeter holding standing water much of the year, as indicated by the observed aquatic tolerant vegetation. Site visits indicated that the property is built up on an elevated fill that is approximately 1.5 m above natural grade.



Based on site topography, the site would be classified as a Class C (Level III) Site (ie. no wells within a 250 m radius of the origin of the contamination) as per the Prince Edward Island Petroleum Contaminated Site Remediation Guidelines (1992). With regard to the Federal CCME Guidelines, the site would be classified as Commercial/Industrial. The Provincial guidelines are included in the Appendix.

Historical Data

Based on information provided in the Jacques Whitford Environment Limited (JWEL) Phase I ESA report dated December 8, 1994, it is understood that the property was formerly owned by Imperial Oil Ltd. and acquired by Maritime Electric Company Limited in 1958. The site served as a petroleum bulk storage facility for approximately 40 years with the properties surrounding the site (primarily commercial development) also being involved in bulk storage of petroleum at one time. Commercial activities in the immediate area of the site presently include:

- a waste collection facility to the west;
- petroleum bulk storage to the north;
- vacant land to the south, and;
- retail commercial properties to the east.

Investigative Procedure

The field work for this assessment consisted of a borehole and monitor well installation program with subsequent analyses of soil and groundwater samples for petroleum hydrocarbon indicators. Secondary sampling was also conducted to ascertain the presence of vanadium and nickel in areas where vanadium pentoxide contaminated bottom ash was stored at the site. In addition, samples for polychlorinated biphenyls (PCBs) were obtained and submitted for laboratory analysis.

A total of nine (9) boreholes were drilled and monitor wells installed at four of the nine locations on Sept. 13, 1995, using a mobile auger drill rig. The locations of the boreholes/monitor wells are shown on the appended Drawing No. 90049. Standard field protocols for drilling, sampling and testing were used throughout and are described in the Appendix.



The monitor well locations and ground surface elevations at the monitor wells were established in the field by our personnel. Ground surface elevations were determined with respect to a local elevation of 10.4 m using the corner of the repair shop as a temporary benchmark (as per the site plan provided by Maritime Electric Company Limited).

Soil and Bedrock Conditions

Detailed descriptions of the soil and bedrock conditions encountered at the boreholes are presented on the appended Monitor Well/Borehole Records and summarized below.

As expected, fill materials were found to extend to a depth ranging from 1.8 to 2.1 m below grade at each borehole. The fill consists of a loose reddish brown silty sand and gravel.

The principal overburden soil encountered at the site consists of a compact reddish brown silt and sand (glacial till) with trace gravel. The thickness of the till stratum was found to range from 1.4 to 2.1 m. Standard Penetration Test N-values obtained in the till indicate a loose to compact relative density.

Inferred sandstone bedrock was encountered at all borehole locations at depths ranging from 3.4 to 4.0 m below grade. The elevation of the bedrock surface varies from el. 5.9 m at MW 3 to el. 6.5 m at BH 2 indicating that the bedrock surface slopes downward from south to north at an average gradient of approximately 1 percent.

Hydrogeological Conditions

The following table shows the groundwater levels and associated groundwater table elevations measured in the monitor wells on September 15, 1995.

Monitor Well Number	Top of Monitor Well Casing Elevation (m)	Depth to Groundwater Table (m)	Groundwater Table Elevation (m)
MW 1	10.22	2.63	7.59
MW 2	9.86	2.95	6.91
MW 3	9.86	2.54	7.32
MW 4	10.26	2.46	7.80



The data obtained indicate a groundwater table with a slight (1.2%) gradient to the west. The groundwater table is located within the overburden stratum at all test locations.

Analytical Test Results

The results of all field and laboratory testing carried out on the soil and groundwater samples recovered at the site are included in the Appendix. The results of the VOC (volatile organic compounds) measurements taken on soil and bedrock samples with the Gastech Trace-Tehtor are given on the Monitor Well/Borehole Records. The VOC levels obtained on soil and bedrock samples from the nine test locations indicate elevated levels at all locations with the exception of Boreholes 1 and 2.

The results of all analytical testing carried out on the six soil and four groundwater samples obtained at the site are presented on Tables 1 through 6 in the Appendix. All analytical testing was completed by MDS Environmental Services Limited of Halifax, Nova Scotia.

The soil hydrocarbon chemistries (Table 1) indicate that the concentrations of all hydrocarbon indicator compounds are less than the maximum permissible levels for a Class C site with the exception of two test locations. Samples from MW 1 and MW 4 at a depth of 1.5 m exceed the Class C guidelines for TPH (Total Petroleum Hydrocarbons) with the hydrocarbon identified in each case resembling weathered fuel oil.

The results of the inorganic chemistries for soil (Table 3) show that the concentrations of all parameters tested fall below the maximum specified CCME levels for a Commercial/Industrial site with the exception of MW 4 which exceeds the guideline for zinc only. The results also show that samples from MW 3 and MW 4 exceed the more stringent guidelines for Residential/Parkland for the following parameters; vanadium at MW 3 and arsenic, barium, molybdenum, and zinc at MW 4. PCB analysis completed on two of the soil samples submitted (i.e. MW 1 and BH 5) showed non-detectable levels.

Total oil and grease (TOG) and mineral oil and grease (MOG) concentrations in the soil samples (Table 5) submitted for analysis indicated elevated levels in MW 1, MW 3 and MW 4. Concentrations from the other samples collected including MW 2, BH 3 and BH 5 indicated relatively low concentrations (i.e. <1000 ppm).

The results of the groundwater chemistries carried out on water samples obtained from the four monitor wells installed at the site are given on Table 2 (organic compounds), Table 4 (inorganic compounds, including PCBs) and Table 6 (TOG and MOG). A review of the groundwater chemistries indicates the following:



Table 2:

- BTEX (Benzene, Toluene, Ethyl benzene and Xylene) concentrations were found to be below Class C (Level III) guidelines for all samples with one exception. MW 2 showed levels of benzene above the guideline (i.e. 0.3 ppm) with a resemblance in the gasoline fraction;
- TPH concentrations were found to be below Class C (Level III) in MW 2 and MW 3 with concentrations in MW 1 and MW 4 exceeding the guideline (i.e. 15 ppm) and resembling gasoline and fuel fraction;

Table 4:

- Barium concentrations were found to exceed the CCME Guideline in all groundwater samples collected, in addition arsenic and lead concentrations in MW 1 and cobalt and zinc concentrations in MW 2 were also found to exceed the guidelines;
- PCB concentrations in excess of the CCME guidelines (i.e. 0.1 ppm) were found in both water samples submitted (i.e. MW 1 and MW 3), and;

Table 6:

- TOG and MOG concentrations were found to be relatively low in all monitor wells with the exception of MW 4 where concentrations were elevated (i.e 7,070 ppm).

Discussion

The data obtained from this environmental assessment indicates that hydrocarbon impacted soil (weathered fuel oil resemblance) and groundwater (gasoline and weathered fuel oil resemblance) exists at the site. The main concentrations appear to exist on the eastern half of the property (i.e. MW 1, MW 4, and BH 5). In addition, inorganic analyses completed on both soil and groundwater samples indicate concentrations in excess of the guidelines for various parameters (i.e. zinc in the soil and, arsenic, barium, cobalt, lead, and zinc in the groundwater) at locations throughout the site. PCB analysis on the two soil and groundwater samples submitted indicates no PCB impacts in the soil but does indicate PCB contamination in the groundwater in excess of the guidelines.

Analytical results from this assessment would indicate that industrial activities on the property have had significant environmental impacts on the site. These impacts would include contamination of both soils and groundwater in excess of the applicable remediation guidelines for inorganic and organic compounds.



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October 3, 1995

Possible remedial measures for this site (if deemed necessary by Maritime Electric Company Limited/PEIDER) could consist of one or a combination of the following:

- periodic sampling/testing of the monitor wells on site to monitor the movement of the impacted groundwater plume;
- a fate and transport assessment;
- excavation of all, or a portion of, the contaminated soil on the site for off-site disposal (pending approval) or to facilitate some means of insitu treatment such as bioremediation; and,
- the installation of a groundwater containment system.

A fate and transport assessment would include a program of periodic sampling and testing of the monitor wells and, the installation of additional monitor wells, if deemed necessary, at the site including a multi-level well to assess the vertical gradient on site and the possible impacts to deeper aquifers. A containment system generally involves the installation of one or more recovery wells. Pumping from the recovery wells is carried out to lower the groundwater table and redirect groundwater flow towards the recovery wells. The water obtained from the recovery well would be treated and discharged to a storm sewer or re-injected back into the aquifer.

It should be noted that prior to the selection and implementation of a remedial action plan, additional assessment work would be required (i.e. pump tests, additional wells, etc.) to fully characterize the site.

It is recommended that this report be submitted to PEIDER for their review and comments. The development and implementation of a remedial action plan must be undertaken in accordance with PEIDER requirements.

Closing Comments

This report was prepared from data collected during a field program undertaken in September 1995. The owner and all parties should realize that conditions throughout the site or over a long period of time may differ from those indicated by the data collected at the test locations.




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Mr. Paul Smith
October 3, 1995


The information provided in this report is based upon work undertaken by trained professional and technical staff. If any conditions become apparent that differ significantly from our understanding of conditions as presented in this report, we request that we be notified immediately.

This report was written Peter H. Joostema, P.Eng. and George W. Zafiris, P.Eng. We trust that it contains all of the information required at this time and are available at your convenience should you have any questions.

Yours very truly,

JACQUES WHITFORD ENVIRONMENT LIMITED


Peter H. Joostema, P.Eng.


George W. Zafiris, P.Eng.



APPENDIX



FIELD METHODS

Drilling and Soil Sampling Procedures

A mobile auger drill was utilized in the drilling of all monitoring wells and boreholes. Hollow stem (203 mm OD) augers were used for all boreholes. At each borehole, care was exercised to ensure that no underground services were encountered. Soil samples were collected at regular intervals using the split spoon method.

The split spoons were driven ahead of the augers to collect undisturbed samples. The soil samples were placed in tightly wrapped, double-bagged plastic soil sample bags and stored in a cooler.

VOC Screening

Volatile Organic Compounds (VOC) readings were taken on all soil samples, within 24 hours of sampling, using a Gastechtor Model 1238. This screening method was used to select the samples with the highest VOC reading, which were subsampled into glass jars and sent to the laboratory for chemical analysis. All samples were kept below four degrees Celsius and transported to the laboratory.

The VOC measurement does not provide an exact quantification of hydrocarbon in the soil or bedrock, but rather an indication of the degree of contamination relative to other samples. Head space VOC will not vary with hydrocarbon content but also with the volatility of the product present, the texture of the soil and several other factors.

Monitoring Well Installation

Groundwater monitoring wells were installed in the boreholes. Each monitoring well consists of 51 mm diameter, flush threaded, Schedule 40 PVC casing and 20 slot PVC screen.

For monitoring wells designed to detect hydrocarbons, the screen intervals were located to intercept the water table with the screened length long enough to allow for seasonal groundwater fluctuations. The annular space around the screen was filled with clean Number 2 silica sand and the installation was sealed above the sand pack with a minimum 0.3 m of bentonite.

Each monitoring well was completed using a 175 mm diameter, flush grade, water tight monitoring well protector which was cemented in place. All covers are marked with warnings "NO FILL, MONITORING WELL".



Monitoring Well Development and Sampling

Following installation, each well was developed using a clean stainless steel foot valve and a length of new polyethylene tubing or a dedicated bailer. Approximately 20 litres of water was pumped out of the well and if the water remained turbid, another 20 litres was removed.

Immediately prior to sampling, approximately 10 litres of water was pumped from the well to remove the standing water and obtaining a representative sample from the groundwater. The well was then sampled following 80 percent recovery after purging.

Samples from each well were collected in sample bottles supplied by the laboratory. The sample bottle size and number of samples were dependent on the analysis method and the laboratory. All samples were kept in coolers and were shipped to the laboratory within 48 hours.





MONITOR WELL RECORD

WELL No. 1CLIENT MARITIME ELECTRIC COMPANY, LIMITEDPROJECT No. 90049LOCATION LONGWORTH AVE. CHARLOTTETOWN, P.E.I.CASING SIZE AUGERSDATES: BORING SEPT 13, 1995 WATER LEVEL SEPT 15, 1995DATUM LOCAL

DEPTH (Ft.)	DEPTH (m)	ELEVATION (m)	LITHOLOGIC DESCRIPTION	STRATA	SAMPLES				HYDROCARBON ODOR	V.O.C.(ppm)	APPARENT MOISTURE CONTENT	OTHER TESTS	WATER LEVEL: A	FREE HYDROCARBON	WELL CONSTRUCTION
					TYPE	NUMBER	RECOVERY	N-VALUE OR ROD%							
0	0	10.32													
			COMPACT REDDISH BROWN SILTY SAND, SOME GRAVEL: FILL		SS	1	355	12	N	120					
	1				SS	2	180	8	N	90					
	5		LOOSE BLACK SANDY SILT, TRACE GRAVEL AND ORGANICS: FILL		SS	3	355	14	N	3000					
		8.49													
	2		COMPACT REDDISH BROWN SILT AND SAND, SOME GRAVEL: TILL		SS	4	305	24	N	3000		H			
	3				SS	5	355	50	N	2000					
	10				SS	6	330	33	N	2000					
	4				SS	7	255	73	Y	500					
		6.36													
	15		REDDISH BROWN SANDSTONE: BEDROCK		AS	8	-	-	Y	300					
	5														
	20				AS	9	-	-	Y	500					
		4.22													
	7		END OF BOREHOLE												
	25														
	8														
	30														
	9														
	10														
	35														
	11														
	40														
	12														

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MONITOR WELL RECORD

WELL No. 2CLIENT MARITIME ELECTRIC COMPANY, LIMITEDPROJECT No. 90049LOCATION LONGWORTH AVE. CHARLOTTETOWN, P.E.I.CASING SIZE AUGERSDATES: BORING SEPT 13, 1995 WATER LEVEL SEPT 15, 1995DATUM LOCAL

DEPTH (Ft.)	DEPTH (m)	ELEVATION (±)	LITHOLOGIC DESCRIPTION	STRATA	SAMPLES				HYDROCARBON ODOUR	V.O.C. (ppm)	APPARENT MOISTURE CONTENT	OTHER TESTS	WATER LEVEL: A	FREE HYDROCARBON	WELL CONSTRUCTION
					TYPE	NUMBER	RECOVERY	N-VALUE OR RQD%							
0	0	9.99													
			COMPACT REDDISH BROWN SILTY SAND, SOME GRAVEL: FILL		SS	1	355	12	N	38					
	-1		LOOSE DARK BROWN SILTY SAND, SOME GRAVEL, ORGANICS AND WOOD THROUGHOUT: FILL		SS	2	180	8	N	300					
	-5				SS	3	355	14	N	600					
	-2	7.86			SS	4	305	24	N	300					
			GREENISH GREY WEATHERED TILL		SS	5	355	50	N	1200					
	-10	6.48			SS	6	330	33	N	4600		H			
	-3		COMPACT REDDISH BROWN SAND AND SILT, TRACE GRAVEL: TILL												
	-4		REDDISH BROWN SANDSTONE: BEDROCK												
	-15				AS	7	-	-	N	300					
	-5														
	-20				AS	8	-	-	N	400					
	-7														
	-25	2.37			AS	9	-	-	N	200					
	-8		END OF BOREHOLE												
	-30														
	-10														
	-35														
	-11														
	-40														

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MONITOR WELL RECORD

WELL No. 3CLIENT MARITIME ELECTRIC COMPANY, LIMITEDPROJECT No. 90049LOCATION LONGWORTH AVE. CHARLOTTETOWN, P.E.I.CASING SIZE AUGERSDATES: BORING SEPT 13, 1995 WATER LEVEL SEPT 15, 1995DATUM LOCAL

DEPTH (Ft.)	DEPTH (m)	ELEVATION (±)	LITHOLOGIC DESCRIPTION	STRATA	SAMPLES				HYDROCARBON COLOUR	V.O.C. (ppm)	APPARENT MOISTURE CONTENT	OTHER TESTS	WATER LEVEL: A	FREE HYDROCARBON	WELL CONSTRUCTION
					TYPE	NUMBER	RECOVERY	N-VALUE OR RQD%							
0	0	9.86													
			COMPACT REDDISH BROWN SILTY SAND, SOME GRAVEL: FILL (ROOTMAT AT SURFACE)		SS	1	305	22	N	82					
	-1				SS	2	200	3	Y	360					
	-5		LOOSE DARK BROWN SILTY SAND, SOME GRAVEL, ORGANICS AND WOOD THROUGHOUT: FILL		SS	3	405	29	Y	220					
	-2	8.03			SS	4	355	25	Y	2200		H			
	-10		COMPACT REDDISH BROWN SILTY SAND, SOME GRAVEL: TILL		SS	5	255	25	Y	1000					
	-3				SS	6	305	14	N	80					
	-4	5.90			SS	7	305	15	N	160					
	-15		REDDISH BROWN SANDSTONE: BEDROCK		AS	8	-	-	N	22					
	-5														
	-20	3.76			AS	9	-	-	N	240					
	-6		END OF BOREHOLE												
	-7														
	-25														
	-8														
	-30														
	-9														
	-10														
	-35														
	-11														
	-40														
	-12														



MONITOR WELL RECORD

WELL No. 4

CLIENT MARITIME ELECTRIC COMPANY, LIMITED

PROJECT No. 90049

LOCATION LONGWORTH AVE. CHARLOTTETOWN, P.E.I.

CASING SIZE AUGERS

DATES: BORING SEPT 13, 1995 WATER LEVEL SEPT 15, 1995

DATUM LOCAL

DEPTH (Ft.)	DEPTH (m)	ELEVATION (m)	LITHOLOGIC DESCRIPTION	STRATA	SAMPLES				HYDROCARBON COLOUR	V.O.C. (ppm)	APPARENT MOISTURE CONTENT	OTHER TESTS	WATER LEVEL: A	FREE HYDROCARBON	WELL CONSTRUCTION
					TYPE	NUMBER	RECOVERY	N-VALUE OR RQD%							
0	0	10.36													
			COMPACT REDDISH BROWN SILTY SAND, SOME GRAVEL: FILL (ROOTMAT AT SURFACE)		SS	1	255	14	Y	40					
	1				SS	2	305	10	Y	700					
	5	8.53	LOOSE DARK BROWN SILTY SAND, SOME GRAVEL, ORGANICS AND WOOD THROUGHOUT: FILL		SS	3	305	3	Y	8000		H			
	2		GREENISH GREY WEATHERED TILL		SS	4	510	16	Y	7000					
			COMPACT REDDISH BROWN SILT AND SAND, TRACE GRAVEL: TILL		SS	5	460	21	Y	3400					
	3				SS	6	380	20	Y	680					
	4	6.40			SS	7	305	14	Y	740					
			REDDISH BROWN SANDSTONE: BEDROCK												
	15				AS	8	-	-	Y	1400					
	5														
	20	4.26			AS	9	-	-	Y	2900					
	6		END OF BOREHOLE												
	7														
	25														
	8														
	30														
	9														
	10														
	35														
	11														
	40														
	12														

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BOREHOLE RECORD

BOREHOLE No. 1CLIENT MARITIME ELECTRIC COMPANY, LIMITEDPROJECT No. 90049LOCATION LONGWORTH AVE. CHARLOTTETOWN, P.E.I.CASING SIZE AUGERSDATES: BORING SEPT 13, 1995 WATER LEVEL SEPT 15, 1995DATUM LOCAL

DEPTH (Ft.)	DEPTH (m)	ELEVATION (m)	LITHOLOGIC DESCRIPTION	STRATA	SAMPLES				HYDROCARBON ODOUR	V.O.C.(ppm)	APPARENT MOISTURE CONTENT	OTHER TESTS	WATER LEVEL: A	FREE HYDROCARBON	WELL CONSTRUCTION
					TYPE	NUMBER	RECOVERY	N-VALUE OR ROD%							
0	0	10.11	COMPACT REDDISH BROWN SILTY SAND, SOME GRAVEL: FILL												
1															
5		8.28	LOOSE BLACK SANDY SILT, TRACE GRAVEL, ORGANICS AND WOOD THROUGHOUT: FILL		AS	1	-	-	N	100					
2			COMPACT REDDISH BROWN SILT AND SAND, SOME GRAVEL: TILL												
10	3				AS	2	-	-	N	100					
4		6.45	REDDISH BROWN SANDSTONE: BEDROCK												
15					AS	3	-	-	N	100					
5															
20	6	4.01	END OF BOREHOLE		AS	4	-	-	N	140					
7															
25															
8															
30	9														
10															
35	11														
40	12														



BOREHOLE RECORD

BOREHOLE No. 2CLIENT MARITIME ELECTRIC COMPANY, LIMITEDPROJECT No. 90049LOCATION LONGWORTH AVE. CHARLOTTETOWN, P.E.I.CASING SIZE AUGERSDATES: BORING SEPT 13, 1995 WATER LEVEL SEPT 15, 1995DATUM LOCAL

DEPTH (FL.)	DEPTH (m)	ELEVATION (m)	LITHOLOGIC DESCRIPTION	STRATA	SAMPLES				HYDROCARBON OCCUR	V.O.C.(ppm)	APPARENT MOISTURE CONTENT	OTHER TESTS	WATER LEVEL: A	FREE HYDROCARBON	WELL CONSTRUCTION		
					TYPE	NUMBER	RECOVERY	N-VALUE OR ROD%									
0	0	9.98	COMPACT REDDISH BROWN SILTY SAND, SOME GRAVEL: FILL	[Cross-hatched pattern]	SS	1	255	13	N	200							
	-1				SS	2	255	4	N	200							
	-5	8.15	LOOSE DARK BROWN SILTY SAND, SOME GRAVEL, ORGANICS AND WOOD THROUGHOUT: FILL	[Cross-hatched pattern]	SS	3	510	8	N	200							
	-2		GREENISH GREY WEATHERED TILL		SS	4	560	19	N	320							
	-10	6.47	COMPACT REDDISH BROWN SILT AND SAND, TRACE GRAVEL: TILL	[Stippled pattern]	SS	5	200	21	N	86							
	-3		SS		6	200	13	N	180								
	-4		REDDISH BROWN SANDSTONE: BEDROCK	[Brick pattern]													
	-15				AS	7	-	-	N	70							
	-5																
	-20	6	3.88	AS	8	-	-	N	180								
	-7		END OF BOREHOLE														
	-25																
	-8																
	-30																
	-9																
	-10																
	-35																
	-11																
	-40																
	-12																



BOREHOLE RECORD

BOREHOLE No. 3

CLIENT MARITIME ELECTRIC COMPANY, LIMITED
 LOCATION LONGWORTH AVE. CHARLOTTETOWN, P.E.I.
 DATES: BORING SEPT 13, 1995 WATER LEVEL SEPT 15, 1995

PROJECT No. 90049
 CASING SIZE AUGERS
 DATUM LOCAL

DEPTH (Ft.)	DEPTH (m)	ELEVATION (m)	LITHOLOGIC DESCRIPTION	STRATA	SAMPLES				HYDROCARBON ODOUR	V.O.C.(ppm)	APPARENT MOISTURE CONTENT	OTHER TESTS	WATER LEVEL: A	FREE HYDROCARBON	WELL CONSTRUCTION	
					TYPE	NUMBER	RECOVERY	N-VALUE OR RQD%								
0	0	9.98	COMPACT REDDISH BROWN SILTY SAND, SOME GRAVEL: FILL	[Cross-hatched pattern]			(mm)									
					SS	1	305	5	N	50						
	1		LOOSE DARK BROWN SILTY SAND, SOME GRAVEL, ORGANICS AND WOOD THROUGHOUT: FILL		SS	2	255	2	N	360						
5		8.15			SS	3	560	3	N	140						
	2		GREENISH GREY WEATHERED TILL		SS	4	255	24	N	200						
	3		COMPACT REDDISH BROWN SILT AND SAND, TRACE GRAVEL: TILL		SS	5	460	13	N	420						
10		6.47		SS	6	355	14	N	2400		H					
	4		REDDISH BROWN SANDSTONE: BEDROCK	[Brick pattern]												
15					AS	7	-	-	N	240						
	5															
20		3.88		AS	8	-	-	N	180							
	6		END OF BOREHOLE													
	7															
	8															
	9															
	10															
	11															
	12															

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BOREHOLE RECORD

BOREHOLE No. 4CLIENT MARITIME ELECTRIC COMPANY, LIMITEDPROJECT No. 90049LOCATION LONGWORTH AVE. CHARLOTTETOWN, P.E.I.CASING SIZE AUGERSDATES: BORING SEPT 13, 1995WATER LEVEL SEPT 15, 1995DATUM LOCAL

DEPTH (Ft.)	DEPTH (m)	ELEVATION (m)	LITHOLOGIC DESCRIPTION	STRATA	SAMPLES				HYDROCARBON ODOUR	V.O.C.(ppm)	APPARENT MOISTURE CONTENT	OTHER TESTS	WATER LEVEL: A	FREE HYDROCARBON	WELL CONSTRUCTION
					TYPE	NUMBER	RECOVERY	N-VALUE OR RQD%							
0	0	10.17													
			COMPACT REDDISH BROWN SILTY SAND, SOME GRAVEL: FILL												
	-1														
	-5	8.34	LOOSE DARK BROWN SILTY SAND, SOME GRAVEL, ORGANICS AND WOOD THROUGHOUT: FILL		AS	1	-	-	Y	640					
	-2		COMPACT REDDISH BROWN SILT AND SAND, TRACE GRAVEL: TILL												
	-10	-3			AS	2	-	-	Y	1000					
	-4	6.21													
	-15		REDDISH BROWN SANDSTONE: BEDROCK		AS	3	-	-	Y	1200					
	-5														
	-20	4.07			AS	4	-	-	Y	400					
	-7		END OF BOREHOLE												
	-25														
	-8														
	-30														
	-9														
	-10														
	-35														
	-11														
	-40														
	-12														

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BOREHOLE RECORD

BOREHOLE No. 5CLIENT MARITIME ELECTRIC COMPANY, LIMITEDPROJECT No. 90049LOCATION LONGWORTH AVE. CHARLOTTETOWN, P.E.I.CASING SIZE AUGERSDATES: BORING SEPT 13, 1995 WATER LEVEL SEPT 15, 1995DATUM LOCAL

DEPTH (FL.)	DEPTH (m)	ELEVATION (m)	LITHOLOGIC DESCRIPTION	STRATA	SAMPLES				HYDROCARBON CONC.	V.O.C. (ppm)	APPARENT MOISTURE CONTENT	OTHER TESTS	WATER LEVEL: A	FREE HYDROCARBON	WELL CONSTRUCTION
					TYPE	NUMBER	RECOVERY	N-VALUE OR ROD%							
0	0	10.27					(mm)								
			COMPACT REDDISH BROWN SILTY SAND, SOME GRAVEL: FILL		SS	1	305	12	N	40					
	-1				SS	2	255	10	N	160					
	-5		LOOSE DARK BROWN SILTY SAND, SOME GRAVEL, ORGANICS AND WOOD THROUGHOUT: FILL		SS	3	255	7	Y	3400					
	-2	8.14			SS	4	200	7	Y	3600					
			GREENISH GREY WEATHERED TILL		SS	5	405	16	Y	7600	H				
	-10	6.42	COMPACT REDDISH BROWN SILT AND SAND, TRACE GRAVEL: TILL		SS	6	350	12	Y	6000					
			REDDISH BROWN SANDSTONE: BEDROCK												
	-15				AS	7	-	-	Y	7500					
	-20	4.17			AS	8	-	-	Y	3700					
			END OF BOREHOLE												
	-7														
	-25														
	-8														
	-30														
	-9														
	-10														
	-35														
	-11														
	-12														
	-40														



Table 1. Soil Hydrocarbon Chemistry
 Maritime Electric Company Limited
 Longworth Avenue, Charlottetown, PEI
 Project No. 90049

Sample Location	Date Collected	BTEX Parameters (mg/kg or ppm)				Total Petroleum Hydrocarbons (mg/kg or ppm)					Resemblance	
		Benzene	Toluene	Ethylbenzene	Xylene	Total BTEX	Gasoline Range (1)	Fuel Oil Range (2)	Total Extractable (C11-C32) (A)	Total Purgeable (C6-C10) (B)		TPH (1) + (2) or (A) + (B)
MW 1, Sa 4 (1.5 m)	Sept 13/95	0.453	1.52	1.18	8.72	11.873	-	-	9830	246	10076	Gas fraction, weathered fuel oil fraction, lube oil fraction
MW 2, Sa 6 (3.4 m)	Sept 13/95	nd	nd	nd	nd	nd	-	38.5	38.5	nd	38.5	Weathered fuel oil fraction
MW 3, Sa 4 (2.1 m)	Sept 13/95	nd	nd	nd	nd	nd	-	99.8	99.8	nd	99.8	Weathered fuel oil fraction
MW 4, Sa 3 (1.5 m)	Sept 13/95	3.12	4.15	nd	0.949	8.219	-	11911	10721	1190	11911	Weathered fuel oil fraction
BH 3, Sa 6 (3.4 m)	Sept 13/95	nd	nd	nd	nd	nd	-	-	nd	nd	nd	n/a
BH 5, Sa 5 (2.7 m)	Sept 13/95	0.521	0.547	nd	0.352	1.42	-	1440.6	1389	51.6	1440.6	Weathered fuel oil fraction

Detection Limits (mg/kg or ppm)	0.025	0.025	0.025	0.025	0.05
PEIDER Site Guidelines					
Level I (Class A)	0.05	0.1	0.1	0.1	50
Level II (Class B)	0.3	3.0	5.0	5.0	400
Level III (Class C)	5.0	30.0	50.0	50.0	3000

nd = not detected
 n/a = not applicable





**Table 2. Groundwater Hydrocarbon Chemistry
Maritime Electric Company Limited
Longworth Avenue, Charlottetown, PEI**

Project No. 90049

Sample Location	Date Collected	BTEX Parameters (mg/kg or ppm)				Total Petroleum Hydrocarbons (mg/kg or ppm)					Resemblance	
		Benzene	Toluene	Ethylbenzene	Xylene	Total BTEX	Gasoline Range (1)	Fuel Oil Range (2)	Total Extractable (C11-C32) (A)	Total Purgeable (C6-C10) (B)		TPH (1) + (2) or (A) + (B)
MW 1	Sept 15/95	0.041	0.065	0.281	1.09	1.477	--	--	56.88	12.9	69.78	Gasoline fraction, fuel fraction
MW 2	Sept 15/95	0.590	0.095	0.083	0.321	1.089	5.06	--	1.29	3.77	5.06	Gasoline fraction
MW 3	Sept 15/95	nd	nd	0.001	nd	0.001	--	--	3.14	0.091	3.231	Possible weathered gasoline, possible weathered fuel fraction
MW 4	Sept 15/95	0.151	< 0.05	0.05	0.381	0.582	--	--	420.28	9.34	429.62	Gasoline fraction, weathered fuel fraction

Detection Limits (mg/kg or ppm)	0.001	0.001	0.001	0.002	--	--	--	0.05	0.01	--
PEIDER Site Guidelines										
Level I (Class A)	0.005	0.023	0.002	0.3	--	--	--	--	--	0.3
Level II (Class B)	0.05	0.23	0.02	3.0	--	--	--	--	--	3.0
Level III (Class C)	0.3	0.3	0.7	--	--	--	--	--	--	15





Table 3. Analytical Test Results for Soil (Inorganic Compounds)

Project No. 90049

Parameter	LOQ	Units	MW 1	MW 2	MW 3	MW 4	BH 3	BH 5	CCME Guidelines	
			Sa 4 (1.5 m)	Sa 6 (3.4 m)	Sa 4 (2.1 m)	Sa 3 (1.5 m)	Sa 6 (3.4 m)	Sa 5 (2.7 m)	Residential/ Parkland	Commercial/ Industrial
Aluminum	< 5	mg/kg	46,000	52,000	48,000	63,000	45,000	63,000	-	-
Antimony	< 2	mg/kg	< 2	< 2	< 2	3.0	< 2	< 2	20	40
Arsenic	< 2	mg/kg	6.0	3.6	4.0	56	3.0	4.0	30	50
Barium	< 5	mg/kg	310	290	320	760	280	340	500	2,000
Beryllium	< 5	mg/kg	< 5	< 5	< 5	< 5	< 5	< 5	4	8
Boron	< 5	mg/kg	< 5	< 5	< 5	< 5	< 5	< 5	-	-
Cadmium	< 0.3	mg/kg	< 0.3	< 0.3	< 0.3	1.4	< 0.3	0.3	5	20
Chromium	< 2	mg/kg	35.0	33.0	41.0	100.0	31.0	50.0	250	800
Cobalt	< 1	mg/kg	7.0	6.6	7.1	28.0	6.6	8.7	50	300
Copper	< 2	mg/kg	21.0	9.0	12.0	98.0	11.0	16.0	100	500
Iron	< 10	mg/kg	25,000	19,000	23,000	35,000	14,000	22,000	-	-
Lead	< 0.1	mg/kg	110	9.6	17.0	400	24.0	62.0	500	1,000
Manganese	< 2	mg/kg	470	360	610	290	390	410	-	-
Molybdenum	< 2	mg/kg	< 2	< 2	8.0	22	< 2	< 2	10	40
Nickel	< 2	mg/kg	17	22	70	64	16	23	100	500
Selenium	< 2	mg/kg	< 2	< 2	< 2	2.0	< 2	< 2	3	10
Strontium	< 5	mg/kg	50	57	58	170	60	83	-	-
Thallium	< 0.1	mg/kg	0.4	0.4	0.4	1.9	0.3	0.5	-	-
Tin	< 2	mg/kg	3.0	< 2	2.0	14.0	3.0	2.0	50	300
Uranium	< 0.1	mg/kg	0.9	1.1	1.0	3.7	1.1	1.4	-	-
Vanadium	< 2	mg/kg	37	78	2,300	130	40	58	200	-
Zinc	< 2	mg/kg	78	38	75.0	1,600	50	200	500	1,500
PCBs	0.05	mg/kg	nd	-	-	-	-	nd	5	50

nd = not detected

LOQ = limit of quantitation





Table 4. Analytical Test Results for Groundwater (Inorganic Compounds) Project No. 90049

Parameter	LOQ*	Units	MW 1	MW 2	MW 3	MW 4	CCME Guidelines
Aluminum	< 5	ug/L	2,400	1,100	440	300	--
Antimony	< 2	ug/L	< 20	< 20	< 20	< 20	--
Arsenic	< 2	ug/L	20	< 20	< 20	< 20	5
Barium	< 5	ug/L	120	170	190	290	50
Beryllium	< 5	ug/L	< 50	< 50	< 50	< 50	--
Boron	< 5	ug/L	< 50	50	50	100	--
Cadmium	< 0.5	ug/L	< 5	< 5	< 5	< 5	1
Chromium	< 2	ug/L	< 20	< 20	< 20	< 20	15
Cobalt	< 1	ug/L	< 10	10	< 10	< 10	10
Copper	< 2	ug/L	< 20	< 20	< 20	< 20	25
Iron	< 10	ug/L	66,000	18,000	33,000	25,000	--
Lead	< 0.1	ug/L	58	3.6	2.0	6.0	10
Manganese	< 2	ug/L	1,300	2,300	2,800	1,400	--
Molybdenum	< 2	ug/L	< 20	< 20	< 20	< 20	5
Nickel	< 2	ug/L	< 20	< 20	< 20	< 20	10
Selenium	< 2	ug/L	< 20	< 20	< 20	< 20	1
Silver	< 0.5	ug/L	< 5	< 5	< 5	< 5	5
Strontium	< 5	ug/L	50	58	60	260	--
Thallium	< 0.1	ug/L	< 1	< 1	1.0	< 1	--
Tin	< 2	ug/L	< 20	< 20	< 20	< 20	10
Uranium	< 0.1	ug/L	1.0	< 1	1.7	< 1	--
Vanadium	< 2	ug/L	30	37	< 20	< 20	--
Zinc	< 2	ug/L	40	50	30	< 20	50
PCBs	0.1	ug/L	0.114	--	0.347	--	0.1

LOQ = limit of quantitation

* ICP - MS detection limits elevated due to sample dilution before analysis



**Table 5. Total Oil and Grease and Mineral Oil and Grease Concentrations in Soil
Maritime Electric Company Limited
Longworth Avenue, Charlottetown, PEI**

Sample Location	Date Collected	Total Oil and Grease (TOG) (mg/kg)	Mineral Oil and Grease (MOG) (mg/kg)
MW 1, Sa 4 (1.5 m)	Sept. 13/95	11,100	11,100
MW 2, Sa 6 (3.4 m)	Sept. 13/95	614	134
MW 3, Sa 4 (2.1 m)	Sept. 13/95	1,110	784
MW 4, Sa 3 (1.5 m)	Sept. 13/95	21,800	21,100
BH 3, Sa 6 (3.4 m)	Sept. 13/95	185	nd
BH 5, Sa 5 (2.7 m)	Sept. 13/95	173	145

Detection Limits (mg/kg or ppm)	100	100
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nd = not detected

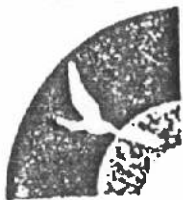


**Table 6. Total Oil and Grease and Mineral Oil and Grease Concentrations in Groundwater
Maritime Electric Company Limited
Longworth Avenue, Charlottetown, PEI**

Sample Location	Date Collected	Total Oil and Grease (TOG) (mg/L)	Mineral Oil and Grease (MOG) (mg/L)
MW 1	Sept. 15/95	38.2	31.0
MW 2	Sept. 15/95	5.2	2.0
MW 3	Sept. 15/95	5.4	1.4
MW 4	Sept. 15/95	7,070	7,070

Detection Limits (mg/L or ppm)	1	1
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Prince Edward Island Department of Environmental Resources

P.E.I. PETROLEUM CONTAMINATED SITE REMEDIATION GUIDELINES

The Prince Edward Island Department of Environmental Resources has set the following guidelines for petroleum contaminated site remediation. These numeric guidelines are intended for generic use and may in some instances be overridden by site specific factors.

DEFINITION

Department - means the Prince Edward Island Department of Environmental Resources

Discharge area - an area where the direction of groundwater flow is in an upward vertical direction (i.e. the potential head increases with depth).

Fate and transport investigation - an environmental site assessment conducted with the purpose of acquiring technical data to address the environmental fate and migration potential of residual hydrocarbon compounds in soils and the potential for adverse impact on groundwater.

Flame ionization detector (FID) - a detector used with gas chromatographic systems to detect organic carbon-containing compounds. Voltage is applied across a flame where organic compounds have entered and the current is measured.

Mass spectrometer (MS) - a detector used with gas chromatographic systems to detect organic carbon-containing compounds. Compound molecules are ionized with a 70-eV beam. The differently sized, charged fragments are separated according to mass-to-charge ratio.

Recharge area - an area where the direction of groundwater flow is in a horizontal or downward vertical direction (i.e. the potential head remains the same or decreases with depth).

Remediation - the management of a contaminant at a site so as to prevent, minimize, or mitigate damage to human health or the environment.

Third party well - a well not located on the property where the contamination originated.

Total petroleum hydrocarbons (TPH) - includes all compounds that respond to the GC-FID and/or GC-MS testing. Included are compounds that do not fit the classical definition of hydrocarbons because they contain atoms other than carbon and hydrogen.

Well - an artificial opening in the ground from which water is obtained.

METHODOLOGIES FOR ANALYSIS

Acceptable laboratory analysis are those using GC-MS and GC-FID methodologies to measure hydrocarbon extractables from soil and water samples collected.

Acceptable field analysis are head space methodologies using field hydrocarbon vapour (HV) analyzers to measure the volatile organic chemicals (VOCs). The analyzer must be capable of detecting VOCs in the part per million (PPM) and lower explosive limit (LEL) ranges.

ENVIRONMENTAL RISK CLASSIFICATION

The initial step is to determine the spill category designation. This involves conducting a fate and transport investigation to determine two components:

- (1) the nature and extent of the contamination; and
- (2) the pathways by which the contaminant(s) may migrate.

Every spill will initially be classified as a Category I Spill unless otherwise shown by a fate and transport investigation .

A Category II Spill is a spill or leak that has been shown by a fate and transport investigation that migration of the subsurface hydrocarbon contamination plume has ceased. Plume immobilization may occur in cases where the source of the release has been previously eliminated and natural volatilization and biodegradation is occurring at a rate that mitigates further environmental damage.

SITE CLASSIFICATION

There are three levels of site classification as defined below.

Class A - A Category I spill in a hydrogeological recharge area with one or more third party water wells within a 150 meter radius of the origin of the contamination.

or

- A Category I spill in a hydrogeological discharge area with one or more third party water wells within a 50 meter radius of the origin of the contamination.

Class B - A Category I spill in a hydrogeological recharge area with no third party wells within 150 metre radius of the origin of the contamination.

or

- A Category I spill in a hydrogeological discharge area with no third party wells within 50 metre radius of the origin of the contamination.
- Class C - A Category I spill in a hydrogeological discharge area with no wells within 250 metre radius of the origin of the contamination.

or

- A Category II spill in any area where wells that have been or could be affected by the subsurface contamination have been properly abandoned and replaced.

REMEDIAION GUIDELINES

These guidelines deal with three subsurface formations; soils (commonly referred to as overburden), bedrock, and groundwater.

SOIL

Field Analysis

To expedite clean-up processes, petroleum contaminated soil may be field analyzed. Based on the field test results, the remediation guidelines are as follows:

- 1) A Class A site with readings less than 50 ppm (VOCs).
 - No remediation required.
- 2) A Class A site with readings greater than 50 ppm (VOCs).
 - Where possible, excavate contaminated soils.
 - If no excavation takes place, or after excavation the remaining subsurface soils have readings greater than 50 ppm, a fate and transport investigation shall be conducted to determine the extent of the subsurface contamination. The findings of the investigation must be submitted to this department.
- 3) A Class B site with readings less than 400 ppm (VOCs).
 - No remediation required.
- 4) A Class B site with readings greater than 400 ppm (VOCs).
 - Where possible, excavate contaminated soils.
 - If no excavation takes place, or after excavation the remaining subsurface soils have readings greater than 400 ppm, a fate and transport investigation shall be conducted to

determine the extent of the subsurface contamination. The findings of the investigation must be submitted to this department.

5) A Class C site with readings less than 1% LEL (VOCs).

- No remediation required.

6) A Class C site with readings greater than 1% LEL (VOCs).

- A fate and transport investigation shall be conducted to determine the extent of the sub-surface contamination, exposures of receptors to the contaminants (i.e. high vapour readings posing a safety hazard to any sub-surface sewer or building structure), and future migration possibilities and its effects. The findings of the investigation must be submitted to this department.

Laboratory Analysis

Laboratory analysis of petroleum contaminated soil is required in fate and transport investigations. The hydrocarbon components listed in Table I shall be measured and remediation shall continue until the concentrations are less than the concentrations outlined in Table I below.

Table I: Petroleum Contaminated Soil Remediation Guidelines

Parameter	Class A Site	Class B Site	Class C Site
Benzene	50 ppb	500 ppb	5000 ppb
Toluene	100 ppb	3000 ppb	30000 ppb
Ethyl-benzene	100 ppb	5000 ppb	50000 ppb
Xylene	100 ppb	5000 ppb	50000 ppb
Naphthalene	100 ppb	5000 ppb	50000 ppb
Phenanthrene	100 ppb	5000 ppb	50000 ppb
TPH (note: ppm)	50 ppm	400 ppm	3000 ppm

BEDROCK

Field Analysis

If petroleum contaminated bedrock is encountered, it must be field analyzed. Based on the field analysis results, the remediation guidelines are as follows:

1) A Class A site with readings less than 50 ppm (VOCs).

- No remediation required.

2) A Class A site with readings greater than 50 ppm (VOCs).

- Install bentonite (or equivalent) seal with a coefficient of permeability (k) of 1×10^{-7} cm/sec or less, at the soil/bedrock interface, covering the extent of the excavated area.
 - A fate and transport investigation shall be conducted to determine the extent of the subsurface contamination. The findings of the investigation must be submitted to this department.
- 3) A Class B site with readings less than 400 ppm (VOCs).
 - No remediation required.
 - 4) A Class B site with readings greater than 400 ppm (VOCs).
 - Install bentonite (or equivalent) seal with a coefficient of permeability (k) of 1×10^{-7} cm/sec or less, at the soil/bedrock interface, covering the extent of the excavated area.
 - A fate and transport investigation shall be conducted to determine the extent of the subsurface contamination. The findings of the investigation must be submitted to this department.
 - 5) A Class C site with readings less than 1% LEL (VOCs).
 - No remediation required.
 - 6) A Class C site with readings greater than 1% LEL (VOCs).
 - A fate and transport investigation shall be conducted to determine the extent of the sub-surface contamination, exposures of receptors to the contaminants (i.e. high vapour readings posing a safety hazard to any sub-surface sewer or building structure), and future migration possibilities, and it's actual and potential impacts. The findings of the investigation must be submitted to this department.

Laboratory Analysis

Laboratory analysis of petroleum contaminated bedrock is required in fate and transport investigations. The hydrocarbon components listed in Table I shall be measured and remediation shall continue until the concentrations are less than the concentrations outlined in Table I.

GROUNDWATER

Laboratory analysis of petroleum contaminated groundwater is required. The hydrocarbon components listed in Table II shall be measured and remediation shall continue until the concentrations are less than the concentrations outlined in Table II.

Table II: Petroleum Contaminated Groundwater Guidelines

Parameter	Level I Site	Level II Site	Level III Site
Benzene	5 ppb	50 ppb	300 ppb
Toluene	23 ppb	230 ppb	300 ppb
Ethyl-benzene	2 ppb	20 ppb	700 ppb
Xylene	300 ppb	3000 ppb	---
Naphthalene	---	---	---
Phenanthrene	---	---	---
TPH	300 ppb	3000 ppb	15000 ppb

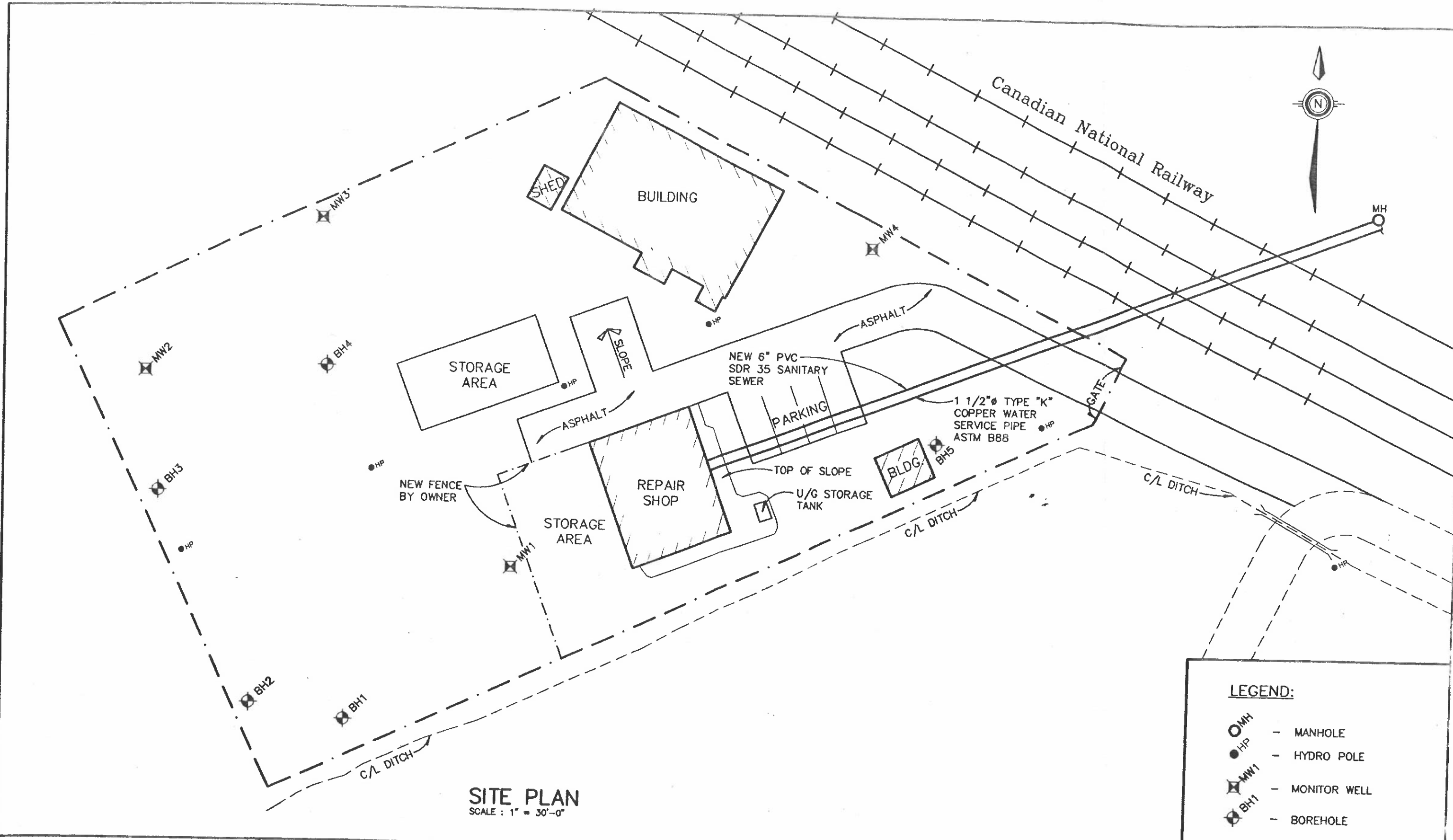
In addition to the groundwater remediation efforts, third party industrial and potable drinking water wells that have been contaminated with petroleum must be properly abandoned and replaced.

EFFLUENT QUALITY - IN-SITU REMEDIATIONS SYSTEM

- 1) When discharging groundwater from a pump and treat system into an injection well or recharge gallery, the effluent laboratory analysis must show that level of contamination is below the concentration requirements for a Class A in Table II of this document.
- 2) When discharging groundwater from a pump and treat system into a storm sewer, the effluent laboratory analysis must show that the level of total petroleum hydrocarbon is below 15 ppm.
- 3) If it is proposed, that groundwater from a pump and treat system be discharged into a sanitary sewer, prior approval must be obtained from the municipality that owns and operates the sanitary system. The quality of the effluent which will be accepted into the sanitary sewer will be jointly determined by this department and in consultation the with the municipality.

LIABILITY

Site remediation conducted in accordance with this document does not remove any responsibility or liability for damage done to private or public water systems or other property as a result of the contamination, whether the damage occurs before or after the remediation is complete.



SITE PLAN
SCALE : 1" = 30'-0"

LEGEND:

- MANHOLE
- HYDRO POLE
- MONITOR WELL
- BOREHOLE

<p>Jacques Whitford Environment Limited</p>	REFERENCE	SCALE : 1" = 30'	MARITIME ELECTRIC COMPANY, LIMITED PHASE 1 SITE ANALYSIS LONGWORTH AVE. CHARLOTTETOWN P.E.I.	MARITIME ELECTRIC COMPANY, LIMITED - SITE PLAN	DRAWING NO. 90049
		DATE : 95/09/29			
		DRAWN BY : EB			
		APPROVED BY :			