



**THE ISLAND  
REGULATORY  
AND APPEALS  
COMMISSION**

**LAND**

**PETROLEUM**

**UTILITIES**

**RENT**

**ANNUAL  
REPORT  
1998-99**

**Island  
Regulatory  
& Appeals  
Commission  
Report**

For the Year Ending 31 March 1999

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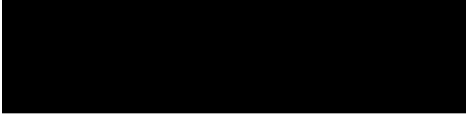
**THE ISLAND  
REGULATORY  
AND APPEALS  
COMMISSION**

To:  
The Honourable Chester Gillan  
Minister of Education  
Province of Prince Edward Island

Sir:  
The Island Regulatory and Appeals Commission has the honour to present  
its Annual Report for the year ended March 31, 1999.

Respectfully submitted,

Wayne D. Cheverie, Q.C.  
Chair



**Administration  
Report**

**Commission  
Personnel**  
(as of March 31, 1999)

**Chair and Chief Executive Officer**

- Wayne D. Cheverie, Q.C.

**Vice-Chair**

- Stirling (Ginger) Breedon

**Commissioners:**

- Mary Burge
- James Carragher
- Norman Gallant
- Arthur Hudson
- Elizabeth MacDonald
- Weston Rose

**Staff Positions**

**Administration:**

Manager, Administrative Services  
Commission Administrator  
Receptionists

- Eileen Callaghan
- Diane Gaudet
- Kay Ross (Mornings)
- Ella Adams (Afternoons)

**Land and Property Division:**

Director  
Senior Land Officer  
Land Officer  
Secretary

- Chris Jones
- Sandy Foy
- Jillian Paton
- Barbara Molinaro

**Petroleum Division:**

Director  
Assistant  
Secretary

- H. Doris Pursey
- Harry MacDonald
- Faye Weeks

**Rental Division:**

Director  
Rental Officer  
Rental Officer  
Secretary

- Twila Whalen
- Shayne Hogan
- John Keizer
- Kay Driscoll

**Technical Services Division:**

Director  
Research Analyst  
Systems Specialist

- Donald G. Sutherland
- Heather Walker
- Daniel Arsenault

**Introduction**

The Island Regulatory and Appeals Commission is established by the *Island Regulatory and Appeals Commission Act*, R.S.P.E.I. 1992 Cap. I-II.

The principal *Acts* under the administration of the Commission are:

*Lands Protection Act*

*Rental of Residential Property Act*

*Petroleum Products Act*

*Electric Power and Telephone Act*

*Water and Sewerage Act*

*Maritime Electric Company Limited Regulation Act*

In addition to administering these *Acts*, the Commission's responsibilities include appellate responsibilities under the *Planning Act*, the *Unightly Property Act*, the *Revenue Administration Act* ( appeals on taxation under the *Gasoline Tax Act*, the *Health Tax Act*, the *Revenue Tax Act*, and the *Environment Tax Act* ), the *Real Property Assessment Act*, the *Real Property Tax Act*, the *Roads Act* and the *Heritage Places Protection Act*. The Commission has responsibility under the *Municipalities Act* for conducting public hearings and making recommendations to the Minister on municipal boundary extension applications. The Commission also issues permits for the movement of buildings.

**Chair's Comments**

When I offered my comments for the annual report last year, it came shortly after my appointment as Chair of the Commission. I have now had the opportunity to view and oversee the operations of the Commission for a full cycle, and I continue to be impressed by the dedication of all staff to their particular roles and functions in the service of the public. My job has been made easier by the excellent work of the Vice-Chair, Mr. Breedon, and the various contributions made by our part-time commissioners. In that regard, allow me to offer congratulations to the latest appointments to the Commission, Ms. Mary Burge and Mr. Jim Carragher who were appointed November 24, 1998. We welcome them to their new positions and we have already experienced the depth of their contributions to the decision-making process.

As one peruses the information which follows in this report as submitted by each division of the Commission, one can readily see that the work of the Commission is varied, interesting, and impacts on a wide array of people in our provincial community. As one reviews the wealth of information coming out of the Petroleum Division, this latter comment takes on increased meaning. Since Prince Edward Island continues to be the only jurisdiction in Canada which regulates the price of petroleum products throughout the province, the Petroleum Division continues to be questioned by other jurisdictions as to the workings of this regulatory regime and its impact on the Island population. While a great deal of information is contained in the submission from the Petroleum Division, the one fact which stands out over the period covered by this report, is that the price of petroleum products, particularly gasoline, has been among the lowest in the country. Certainly if one examines the graph which compares prices for the four Atlantic capital cities, from April 1998 through March 1999, one can see that Prince Edward Island was consistently the lowest with respect to the prices shown. Indeed, our constant monitoring of prices across the country over the past year confirms the fact that we have consistently had among the lowest prices in Canada.

The work of the Land Division continues to evolve as the *Lands Protection Act* continues to provide new challenges as the full impact of previous amendments unfolds in their practical application. The Lieutenant Governor in Council approved Administrative Guidelines for Advertising Land, the intent of which is to ensure that resident persons and resident corporations know that land is for sale and that they have the opportunity to purchase that land before any of it is conveyed to non-residents. As with any new rules, there will be difficulties initially in interpreting and applying these guidelines, but they are quite consistent with the overall thrust and intent of the *Lands Protection Act* and in time will become second nature to all those whose deal with them.

A great deal of time was expended by the Land Division during the past year in dealing with applications under the *Lands Protection Act* for permits to hold land in excess of the limits set out in the Act. This work culminated on March 2, 1999 when the Lieutenant Governor in Council issued permits to 39 applicants thus bringing this long standing issue to a close. With this job completed, the Division must now turn its attention to other provisions of the Act which have been strengthened and which require the Commission to monitor and enforce the Act and its Regulations. This will be an ongoing process and the source of some reporting in this report in years to come. In addition, one can see that the Land Division is seized with the responsibility for a number of pieces of legislation, but the *Planning Act* continues to be the one which produces the most work from an appellate perspective. It should be pointed out that the Lieutenant Governor in Council saw fit to amend some of the regulations under the *Planning Act* during the past year, with a view to clarifying the intent of those regulations as they relate to the Act for the benefit of persons appearing before the Commission and indeed for the assistance of the Commission itself.

The Rental Division represents that part of the Commission which very much interfaces with the public. As one reviews the submission from that Division, one

can readily see that it continues to be very active. In fact Table 3 sets out a year over year comparison of inquiries under the *Rental of Residential Property Act* for the years 1993 to 1999. While the total number of inquiries has declined slightly over the past year, one can see that when a division which is staffed by a director, two rental officers, and one support staff have to deal with over 13,500 inquiries, we can easily say that we are getting good value for our money through the work of these dedicated public servants. More than any other division of the Commission, the Rental Division must deal hands on with the real nitty gritty problems faced by lessors and lessees as they continue to be governed by the *Rental of Residential Property Act*. The staff in this division indeed are to be commended for the manner in which they carry out their legislative responsibilities while at the same time provide that much needed social touch. I would be remiss if I did not note that the former Director of this Division, Mr. Boyde White, retired after many years of public service and we wish Boyde all the best in his retirement. At the same time we welcome Ms. Twila Whalen as the new Director. Twila brings with her a wealth of experience in the federal public service which will certainly be an asset to her and the people of Prince Edward Island that she serves in her new role.

The Commission continues to be well served by the Technical Services Division both by its work through the legislative mandate that it carries out under the *Water and Sewage Act*, the *Maritime Electric Company Limited Regulation Act*, the *Revenue Administration Act* and other legislation together with the ongoing support that it provides generally to the working of the Commission through continued monitoring and updating of our technical support. In this regard, like all other organizations which are highly automated, we are concerned that we enter the new millennium intact. From that point of view, we are assured by the Technical Services Division that we will be Y2K compliant by the summer of 1999.

One interesting development which took place after the period covered by this

annual report, but which was referenced in the last annual report and deserves comment at this time, is the subject of an Island Wide Waste Watch System. As reported last year, the Commission fully expected to be involved in the publicly announced, proposed privately operated province wide waste management system. However, after much discussion, review, and examination of the private sector proposals called for by government, the Provincial Government announced its intention to proceed with a publicly operated waste management system. With this change in direction, the Commission is not sure what, if any, role it may have in the future operation of the Island's waste management program. The Commission has, however, appreciated the opportunity of being involved in the process to this point in time.

As with any other well run and efficient operation which deals with a variety of subject matters, the Commission would not be able to function as smoothly as it does without the tremendous support from the Administrative Services Section. A wealth of data has been compiled and reproduced by this Section, but its value continues to be the day to day operations of the Commission and making sure that budgets are adhered to and rules are complied with while, at the same time, ensuring the Commission continues to operate smoothly. In addition, Administrative Services has to deal with the human resources functions of the Commission and continues to carry out its responsibilities in an exemplary fashion.

There will no doubt be new challenges for the Commission in the year ahead as we continue to administer a wide variety of legislation in the interests of the people of Prince Edward Island. In addition, there will probably be new challenges presented to us as legislation continues to evolve and new legislation and its attendant regulations are passed by government. The Commission looks forward to new challenges and to the continued challenge of providing even better service to the public through the legislative responsibilities which we now have.

## Rapport du président

L'an dernier, lorsque j'ai soumis mes observations dans le cadre du rapport annuel, je venais juste d'être nommé à titre de président de la Commission. Au cours de la dernière année, j'ai eu l'occasion d'observer et de superviser les opérations de la Commission pendant un cycle complet et je dois dire que le dévouement du personnel par rapport au rôle et aux responsabilités de chacun à l'égard du service qu'ils offrent au public continue de m'impressionner. Mon travail a été d'autant facilité par l'excellence du travail du vice-président, M. Breedon, et de l'apport des commissaires à temps partiel. À cet égard, permettez-moi de féliciter M<sup>me</sup> Mary Burge et M. Jim Carragher pour leur nomination récente, soit le 24 novembre 1998. Nous leur souhaitons la bienvenue dans leurs nouvelles fonctions et avons déjà pu constater l'ampleur de leur contribution au processus de prise de décision.

En parcourant l'information que contient le présent rapport, soumise par chacune des divisions, l'on constate que le travail de la Commission est varié, intéressant et qu'il rejoint un large éventail de la population. Ce dernier commentaire est particulièrement vrai lorsque l'on examine la masse de renseignements émanant de la Division du pétrole. Comme l'Île-du-Prince-Édouard est la seule province au pays qui fixe le prix des produits pétroliers pour l'ensemble de la province, le fonctionnement du régime de réglementation de la Division ainsi que son incidence sur la population continue de faire l'objet d'un questionnement de la part des autres provinces ou territoires. Bien que le compte rendu soumis par la Division du pétrole soit particulièrement volumineux, une chose qui se distingue est le fait qu'au cours de la période que couvre le présent rapport, le prix des produits pétroliers à l'Île-du-Prince-Édouard - le prix de l'essence en particulier - a été parmi les plus bas au pays. En examinant le graphique comparatif des prix des quatre capitales des provinces de l'Atlantique, qui couvre les mois d'avril 1998 à mars 1999, on ne peut que constater que les prix à l'Île-du-Prince-Édouard sont demeurés les plus bas. Ceci se confirme par le fait que nous ayons surveillé constamment les prix à l'échelle du pays au cours de l'année.

À la Division des terres, le travail continue d'évoluer au fil des défis que nous lance la *Lands Protection Act* [Loi sur la protection des terres], particulièrement à la lumière de la mise en application de la récente réglementation. Le lieutenant-gouverneur en conseil a approuvé les Directives administratives concernant l'annonce de terres à vendre, dont le but est de s'assurer que les résidants - autant les particuliers que les entreprises - soient au courant que telle terre est à vendre et qu'ils aient la chance de s'en porter acquéreurs avant qu'elle ne soit transférée à des non-résidants. Comme c'est le cas de toute nouvelle règle, l'interprétation et la mise en application initiales de ces directives soulèvera quelques questions, mais ces directives sont compatibles avec la direction et les objectifs d'ensemble de la Loi sur la protection des terres et, avec le temps, elles deviendront routinières pour ceux qui sont chargés de les appliquer.

Durant l'année qui s'est écoulée, le personnel de la Division des terres a passé beaucoup de temps à traiter les demandes de permis faites en vertu de la Loi sur la protection des terres pour garder des terres en surplus des limites prescrites par la loi. Ce travail a connu une période de pointe le 2 mars 1999 lorsque le lieutenant-gouverneur en conseil a émis 39 permis, permettant enfin de clore cette question de longue date. Avec cette question réglée, le personnel de la Division peut maintenant se concentrer sur d'autres dispositions de la loi qui ont été renforcées et qui exigent d'elle la surveillance et la mise en application de la loi et de son règlement. Il s'agit là d'une démarche permanente qui s'inscrira dans le rapport annuel des années à venir. En outre, en parcourant le rapport, l'on constate que la Division des terres est saisie de la responsabilité de certains éléments de la loi; toutefois, la *Planning Act* [Loi sur la planification] continue d'être celle qui exige le plus de travail du point de vue des demandes d'appel. Il faut mentionner que le lieutenant-gouverneur en conseil a jugé bon de modifier certaines parties du règlement se rapportant à la Loi sur la planification au cours de l'année dans le but d'en clarifier la portée, dans l'intérêt des personnes comparissant devant la Commission

ainsi que pour appuyer le travail même de la Commission.

La Division de la location des propriétés résidentielles est l'une des composantes de la Commission qui interagit beaucoup avec le public. En jetant un coup d'oeil sur le rapport soumis par cette division, on constate qu'elle continue d'être très occupée. En fait, on trouvera au tableau 3 une comparaison des demandes effectuées à la Division par rapport à la *Rental of Residential Property Act* [Loi régissant la location de propriétés résidentielles] de 1993 à 1999. Bien que le nombre de demandes ait légèrement diminué au courant de l'année, on constate que la Division, dont le personnel se limite à un directeur, à deux agents de location et à une personne au soutien, a répondu à plus de 13 500 demandes. Nul besoin de dire que les contribuables en ont pour leur argent avec le travail dévoué des fonctionnaires de cette division. Ainsi, le personnel de la Division de la location des propriétés résidentielles est celui qui traite des problèmes sérieux entre locataires et locataires reliés à la Loi régissant la location de propriétés résidentielles. Le personnel de la Division mérite d'être félicité pour la manière dont il exerce ses responsabilités législatives tout en manifestant l'aptitude sociale tant recherchée. Je m'en voudrais de passer sous silence la retraite bien méritée, après de nombreuses années de service public, de l'ancien directeur de la Division, M. Boyde White. Nous lui souhaitons nos meilleurs voeux à l'occasion de sa retraite. J'en profite également pour souhaiter la bienvenue à la nouvelle directrice, M<sup>me</sup> Twila Whalen dont l'expérience considérable à la fonction publique fédérale lui sera sans aucun doute utile dans ses nouvelles fonctions au service des résidents de l'Île-du-Prince-Édouard.

La Commission continue de recevoir d'excellents services de la part de la Division des services techniques, par l'entremise de ses responsabilités législatives ayant trait à la *Water and Sewage Act* [Loi régissant les services d'eau et d'égout], à la *Maritime Electric Company Limited Regulation Act* [Loi régissant la compagnie d'électricité Maritime Electric Limited], à la *Revenue Administration Act*

[Loi sur l'administration du revenu] et à d'autres lois, ainsi que par l'appui constant qu'elle fournit à l'ensemble des opérations de la Commission par la surveillance et la mise à jour constantes de l'appui technique que nous recevons. À cet égard, comme c'est le cas pour n'importe quel organisme grandement automatisé, nous nous préoccupons de franchir le nouveau millénaire sans heurts. Ainsi, la Division des services techniques nous assure que nous serons conformes à l'an 2000 d'ici la fin de l'été 1999.

Un fait nouveau survenu après la période que couvre ce rapport et dont nous faisons référence dans le rapport annuel précédent est le progrès du dossier d'un système Waste Watch élargi à l'ensemble de l'Île. Comme nous l'avions rapporté l'an dernier, la Commission s'attendait à être partie prenante dans le projet proposé de gestion des déchets à l'échelle provinciale pour lequel on avait annoncé qu'il passerait à des intérêts privés. Toutefois après moult discussions, études et examens des propositions reçues dans le cadre de l'appel d'offres du gouvernement, le gouvernement de l'Île-du-Prince-Édouard a annoncé son intention de mettre sur pied un système de gestion des déchets provincial de propriété publique. Avec ce changement de cap, nous ne sommes pas certains du rôle qui attend la Commission dans le cadre du programme de gestion des déchets à l'échelle provinciale. Nous sommes toutefois heureux d'avoir pu prendre part à la démarche jusqu'à présent.

Comme c'est le cas de n'importe quelle exploitation efficace et bien rodée qui traite de divers domaines, la Commission n'aurait pu fonctionner aussi rondement qu'elle le fait si ce n'était de l'appui inestimable que nous procure la section des Services administratifs. Cette section a compilé et reproduit une masse d'information, mais on lui doit surtout de s'occuper des tâches quotidiennes de la Commission et de s'assurer que le budget soit respecté et que la Commission continue de fonctionner rondement. En outre, les Services administratifs ont la responsabilité des ressources humaines de la Commission et continuent de remplir cette fonction avec brio.

L'année qui vient apportera avec elle son lot de défis à relever alors que la Commission continue d'appliquer une gamme variée de lois au mieux des intérêts des résidents de l'Île-du-Prince-Édouard. En outre, la Commission aura sûrement à faire face à de nouveaux défis au fur et à mesure que les lois évoluent et que de nouveaux règlements et lois sont promulgués par le gouvernement. La Commission se réjouit à la perspective de relever de nouveaux défis et de continuer à encore mieux servir le public par l'entremise des responsabilités législatives qui lui ont été octroyées.

TABLE 1

**Decisions-Orders-  
Approvals-Mediations**  
(Fiscal Year End)

<b>Land and Property Division</b>	<b>1993</b>	<b>1994</b>	<b>1995</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>
Planning Act Appeal Decisions	8	9	15	18	14	16	15
Roads Act - Appeal Decisions	0	0	0	4	2	1	1
Non-Resident Applications	75	93	110	105	92	102	94
Corporate Applications	117	93	230	197	162	190	186
Grandfather Permit Applications	n/a	n/a	n/a	n/a	36	n/a	40
Annual Disclosure Statements	n/a	n/a	n/a	n/a	88*	92	94
Municipal Boundary Extensions	-	-	1	0	0	1	0
Real Property Assessment Act Appeal Decisions	2	5	8	3	6	1	0
Appeals Mediated	0	0	0	2	7	0	0
<b>Total Division</b>	<b>202</b>	<b>200</b>	<b>364</b>	<b>329</b>	<b>407</b>	<b>403</b>	<b>430</b>

\* See Table 8

<b>Petroleum Division</b>	<b>1993</b>	<b>1994</b>	<b>1995</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>
Pricing Applications	32	28	24	34	47	49	60
Other Pricing Matters	n/a	n/a	n/a	n/a	2	3	2
Initial Applications	2	2	0	3	2	1	2
Violations	6	30	17	26	30	19	17
<b>Total Division</b>	<b>40</b>	<b>60</b>	<b>41</b>	<b>63</b>	<b>81</b>	<b>72</b>	<b>81</b>

<b>Rental Division</b>	<b>1993</b>	<b>1994</b>	<b>1995</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>
Rental Appeals/Allowable Rent Increase	6	13	8	8	21	15	13
<b>Total Division</b>	<b>6</b>	<b>13</b>	<b>8</b>	<b>8</b>	<b>21</b>	<b>15</b>	<b>13</b>

<b>Technical Services Division</b>	<b>1993</b>	<b>1994</b>	<b>1995*</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>
Water-Sewer Rate Applications	14	11	10	10	1	2	0
Electric Rate Applications	6	2	n/a*	n/a	n/a	n/a	n/a
Water-Sewer Formal Complaints	1	0	3	2	1	0	0
Electric Formal Complaints	2	2	1	0	0	0	0
Other Water-Sewer	0	8	10	2	0	0	3
Other Electric	16	19	1	1	0	0	0
Sales Tax Appeals	1	0	3	2	3	1	3
Water-Sewer Construction Permits	33	52	72	17	14	14	12
<b>Total Division</b>	<b>73</b>	<b>94</b>	<b>100</b>	<b>34</b>	<b>19</b>	<b>17</b>	<b>18</b>

\*IRAC regulation of Electric Rates discontinued as of April 30, 1994

<b>Total Commission</b>	<b>321</b>	<b>367</b>	<b>513</b>	<b>434</b>	<b>528</b>	<b>507</b>	<b>542</b>
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TABLE 2  
**Meetings and Hearings**

Fiscal Year Ended	Hearing Sessions	Meeting Sessions	Total
1999	32	233	265
1998	56	137	193
1997	50	206	256
1996	63	167	230
1995	47	196	243
1994	42	137	179
1993	68	138	206
1992	63	95	158
1991	42	92	134
1990	63	87	150

TABLE 3  
**Public Hearing Days**

Fiscal Year Ended	Land & Property Division	Technical Services Division	Rental Division	Petroleum Division	Total
1999	17	1	12	3	33
1998	33	5	14	4	56
1997	24	3	20	3	50
1996	39	3	7	14	63
1995	32	3	7	5	47
1994	19	8	12	1	40
1993	19	32	5	9	65
1992	5	30	n/a	19	54
1991	n/a	20	n/a	14	34
1990	n/a	49	n/a	7	56

**Financial  
Information &  
Divisional  
Assessment  
Formulas**

**Statement of  
Earnings and Surplus  
- Operating Fund\***

Year ended March 31, 1999, with comparative figures for 1998

	1999	1998
Income:		
Assessments on public utilities	\$ 246,370	\$ 243,831
Licenses		
Petroleum products	261,051	260,673
Permits - land and property division	172,731	345,853
- moving buildings	825	935
Assessment - Province of Prince Edward Island	1,020,236	912,643
Investment income	39,385	27,914
Other income	1,660	5,785
	<b>1,742,258</b>	<b>1,797,634</b>
Expenses:		
Advertising	17,102	13,313
Cleaning	6,989	7,299
Computer maintenance and supplies	13,624	19,797
Depreciation	118,968	149,775
Education and development	9,235	5,468
Employee benefits	124,952	102,968
Insurance	4,707	6,909
Interest	6,252	4,661
Office and supplies	24,550	36,111
Part-time commissioners	35,531	40,981
Postage	2,383	5,989
Professional fees	67,486	143,318
Publications	12,459	10,302
Rent	164,164	157,774
Salaries	906,595	867,674
Telephone	20,648	23,772
Travel	26,622	25,479
	<b>1,562,267</b>	<b>1,621,590</b>
Earnings before deferred revenue	179,991	176,044
Deferred revenue	211,891**	92,765**
Transfer to Reserves	(31,900)	83,279
Net earnings (loss)	-	-
Surplus, beginning of year	130,232	87,259
Transfer from capital fund	118,968	149,775
Transfer to capital fund for investment in capital assets	(79,009)	(106,802)
Surplus, end of year	<b>\$ 170,191***</b>	<b>130,232***</b>

\*As reported in the Financial Statements of Island Regulatory and Appeals Commission March 31, 1999.

\*\* Pursuant to a three year provincial assessment agreement entered into with the Province of Prince Edward Island the Commission has agreed to refund to the Province at the end of the agreement, the accumulated surpluses, if any, for the years ended March 31, 1996, 1997 and 1998. A similar agreement has been entered into with the Province of Prince Edward Island for the years ended March 31, 1999, 2000 and 2001.

\*\*\* Since the Commission operates at arms-length from Government and is funded differently from departments of Government, there has always been a need for the Commission to keep a certain surplus in its account to cover any unanticipated demands throughout the year. The Commission is expected to, and does, meet all of its requirements on a year-to-year basis this way - without seeking special assessments for extraordinary events. This enables those assessed, including Government, to rely upon the assessment with assurance that additional funds will not be sought later in the year. While the Commission has the power to issue additional assessments throughout the year, it has always tried not to do so, for the above reasons.

**Revenue Sources  
1998-99**

		1998-99 Revenue	1998-99 Expenses
<b>Land and Property Division/Rental Division</b>			
Land and Property Fees	\$ 168,357		
Rental Fees	<u>4,374</u>	\$ 172,731	\$ 960,246
<b>Petroleum Division</b>			
Licenses and Fees		\$ 261,876	\$ 318,671
<b>Technical Services Division</b>			
Assessments - Utilities			
Water and Sewer	\$ 26,370		
Electric Utilities	<u>\$ 220,000</u>	\$ 246,370	\$ 283,350
<b>Assessment to Government of PEI - General Revenue Fund</b>		\$ 1,020,236	
Investment Income		\$ 39,385	
Miscellaneous - Hearing room rent, transcripts, etc.		\$ 1,660	
<b>Total Revenue and Expense</b>		<b>\$1,742,258</b>	<b>\$1,562,267</b>
<b>Earnings before Deferred Revenue and Transfer from Reserves</b>		<b>\$ 179,991</b>	

**Land and  
Property Division**

Revenue is generated through the following fees:

Applications under the *Lands Protection Act* for purchase of property by non-residents:

Fees: Minimum of \$500.00 or 1% of the agreed purchase price, whichever is greater.

**Rental  
Division**

Revenue is generated through the following fees:

Rental Applications:

- A) Rent Owing applications (pursuant to Section 8) filed by a lessor - \$30.00
- B) Rent Increase applications [pursuant to Section 23.(3)]
  - Two units or less - \$25.00
  - Three or more units - \$75.00
- C) All other applications by a lessor or lessee - \$10.00

**Petroleum Division**

Revenues to operate the Petroleum Division for this fiscal year were derived from fees for licenses issued under the *Petroleum Products Act*, together with other related charges as set out in the following schedule:

(i)	Wholesale License (Initial)	\$1,500.00
	Wholesale License (Initial-Lubricants Only)	\$750.00
(ii)	Wholesale License (Renewal)	
	(Based on Total Sales Volume in Litres for Previous Year)	
	Sales up to 2,500,000	\$2,750.00
	Sales Between 2,500,001 and 5,000,000	5,500.00
	5,000,001 and 15,000,000	8,250.00
	15,000,001 and 30,000,000	11,000.00
	(Over 30,000,000 - \$11,000.00 plus \$2,750.00 for each additional 15,000,000 or portion thereof)	
(iii)	Cardlock Facility	
	Bulk Fuel Depot (Each Dispensing Unit)	\$200.00
(iv)	Retail-Distributor's License - Bulk Storage	
	(Based on Storage Capacity in Litres)	
	Capacities totaling up to 500,000	\$625.00
	Capacities between 500,001 and 1,000,000	750.00
	1,000,001 and 10,000,000	1,500.00
	10,000,001 and 30,000,000	3,000.00
	30,000,001 and 50,000,000	4,500.00
	50,000,001 and 70,000,000	6,000.00
	70,000,001 and 90,000,000	7,500.00
	Over 90,000,000	9,000.00
(v)	Retail-Distributor's License	
	No Bulk Storage	\$300.00
	No Bulk Storage (Lubricant's Only)	\$150.00
(vi)	Tank Truck License	\$125.00
	(Including propane cylinder delivery trucks)	
(vii)	Retail Dealer Licenses (other than Marine)	
	(includes gasoline, diesel fuel, kerosene and propane nozzles)	
	(a) For each nozzle from 1 - 12	\$50.00
	(b) For each nozzle from 13 - 24	\$35.00
	(c) For each nozzle over 24	\$25.00
(viii)	Retail Dealer Licenses (Propane only)	
	(a) For the sale of filled portable propane cylinders up to and including 20 kilograms only	\$50.00
	(b) For the filling of propane tanks permanently attached to a motor vehicle	\$50.00
	(c) For the filling, sale, and/or delivery of portable propane cylinders up to and including 45.4 kilograms only	\$100.00
(ix)	Retail Dealer Licenses (Marine only)	
	(a) Each marked gasoline, unmarked gasoline or diesel fuel nozzle	\$50.00
	(b) Each keylock or cardlock dispensing unit	\$200.00
(x)	Aviation Fuel Depot	\$500.00
(xi)	Licensing fees based on equipment installed after October 1 each year	-50%
(xii)	Filing Fee re Applications requiring advertising	\$200.00
(xiii)	For the reissue of any Petroleum Products License during the term of its validity	\$35.00
(xiv)	Administrative Fee for Cancellation of any unused License	\$35.00

Assessments  
1998-99

**Technical  
Services Division**

Revenue is generated through the following Utility Assessments.

**Assessment Scale**  
Water and Sewer  
1998-99

REVENUE RANGE (\$)	ASSESSMENT RATE 1997-98	% CHANGE	ASSESSMENT RATE 1998-99
0 - 5,000	\$275.63	0.00%	\$275.63
5,001 - 10,000	\$441.00	0.00%	\$441.00
10,001 - 50,000	\$716.63	0.00%	\$716.63
50,001 - 100,000	\$1,102.50	0.00%	\$1,102.50
100,001 - 250,000	1.23480 %	0.00%	1.23480 %
250,001 - 500,000	1.21275	0.00%	1.21275
500,001 - 750,000	1.19070	0.00%	1.19070
750,001 - 1,000,000	1.16865	0.00%	1.16865
1,000,001 - 1,250,000	1.14660	0.00%	1.14660
1,250,001 - 1,500,000	1.12455	0.00%	1.12455
1,500,001 - 1,750,000	1.10250	0.00%	1.10250
1,750,001 - 2,000,000	1.08045	0.00%	1.08045
2,000,001 - 2,500,000	1.05840	0.00%	1.05840

**Assessment**  
Power

The annual power assessment for Maritime Electric Company, Limited is determined by the Lieutenant Governor in Council, pursuant to section 22 of the *Maritime Electric Company Limited Regulation Act*.

The assessment for the City of Summerside Electric Utility is also determined by the Lieutenant Governor in Council, pursuant to section 46.(2)(a) of the *Electric Power and Telephone Act*.

**Land and  
Property  
Division  
Report**

**Land and Property  
Division Report**

**I. INTRODUCTION**

The Division has been assigned responsibilities under the following statutes:

- *Planning Act*, R.S.P.E.I. 1988, Cap. P-8;
- *Lands Protection Act*, R.S.P.E.I. 1988, Cap. P-5;
- *Real Property Assessment Act*, R.S.P.E.I. 1988 Cap R-4;
- *Real Property Tax Act*, R.S.P.E.I. 1988, Cap. R-5;
- *Roads Act*, R.S.P.E.I. 1988 Cap. R-15;
- *Municipalities Act*, R.S.P.E.I. 1988, Cap. M-13;
- *Unightly Property Act*, R.S.P.E.I. 1988 Cap. U-5; and the
- *Heritage Places Protection Act*, R.S.P.E.I. 1988 Cap. H-3.1.

The Division is responsible for the coordination and administration of appeal hearings relating to the following matters: land use planning, real property assessment and real property tax, entrance way permits, unsightly properties, and matters related to the designation of heritage places. The Division administers the *Lands Protection Act* and is responsible for receiving annual disclosure statements, making recommendations to the Lieutenant Governor in Council on the disposition of applications respecting the acquisition of land by non-residents and corporations and conducting investigations to determine if persons or corporations have contravened the *Act*. The Division is also responsible for the coordination of public hearings conducted by the Commission in its review of applications by municipalities seeking boundary extensions.

The following outlines the major roles and responsibilities of the Division and the level of activity under each of the related statutes. Statistical information is based upon the fiscal year from April 1, 1998 to March 31, 1999. A review of Division activity can be found in Table 8.

**II. PLANNING ACT**

Under the *Planning Act* the Commission is responsible for hearing and deciding appeals relating to land use.

As an appellate body the Commission hears appeals from persons who are dissatisfied with decisions made by the Minister of Community Services and Attorney General or a municipal council pursuant to Section 28 of the *Act* and from persons that are aggrieved by a decision of the Minister or a municipal council pursuant to Section 37 of the *Act*. These provisions are set out as follows:

**Section 28(1)**

*... any person who is dissatisfied by a decision of a council or the Minister in respect of the administration of regulations or bylaws made pursuant to the powers conferred by this Act, may, within twenty one days, appeal to the Commission.*

**Section 37(1)**

*Any person aggrieved by a decision of a municipality or the Minister to issue or deny a building permit in respect of a major development may appeal the decision to the Commission by notice to the Commission and the council or the Minister, as the case may be, within twenty-one days of the decision or of the publication of the notice under subsection (2), whichever later occurs.*

In 1998-99, the Commission received a total of 19 appeals. In addition, 16 appeals were carried forward from previous years. Of the total number of appeals filed (35), seven were allowed, eight were denied, ten were subsequently withdrawn by the Appellants and in three cases, the Commission found that it did not have jurisdiction to hear the appeals. A total of seven appeals are pending (refer to Table 1). A breakdown of the type of issues dealt with by the Commission during this period is presented in Table 2.

### III. LANDS PROTECTION ACT

#### A. Non-Resident and Corporate Applications

The Commission is responsible for making recommendations to the Lieutenant Governor in Council on all applications by non-residents and corporations to acquire an interest in land pursuant to the provisions of the *Lands Protection Act*.

During the reporting period the Lieutenant Governor in Council approved *Administrative Guidelines for Advertising Land*. The intent of the *Guidelines* is to ensure that resident persons and resident corporations have knowledge that land is for sale and have the opportunity to compete for the purchase of that land prior to non-residents acquiring the land. The *Guidelines* outline the requirements that, in most cases, a parcel be advertised on the local real estate market for three of the six months immediately prior to an application being filed with the Commission.

During the reporting period, the Commission considered 94 applications from non-residents totaling 3,191.81 acres. Seven non-resident applications involving 197.62 acres were denied by the Lieutenant Governor in Council following recommendations of denial by the Commission. Fifty-one parcels with shore frontage totaling approximately 56,441 feet were included in the applications. During this same period the Commission considered 170 applications involving 13,599.23 acres of land from resident corporations. Sixteen applications involving 1,675.21 acres of land were considered from non-resident corporations. A breakdown of these can be found in Tables 3, 4, 5 and 6 and Figures 1, 2, 3, and 4.

#### B. Annual Disclosure Process

The Commission is also responsible for receiving annual land holding disclosure statements from all persons and corporations having an aggregate land holding of more than 750 acres for persons and more than 2,250 acres for corporations. The

disclosure statements are filed pursuant to the provisions of subsection 10(2) which states:

*10(2) Without prejudice to subsection (1), any person or corporation having an aggregate land holding in excess of the limit specified in subsection (1) shall, not later than December 31 of each year, file a disclosure statement with the Commission.*

For the 1998 period, the Commission received a total of 94 land holding disclosure statements, of which 17 statements were filed by corporations and 77 filed by persons.

#### C. Information and Monitoring System

The Commission continues to maintain a computerized land information system to assist in tracking and reporting on applications filed with the Commission. The database includes all applications filed with the Commission and the Land Use Commission dating back to 1977. The database has also been expanded to permit tracking of persons and corporations that file annual land holding disclosure statements. This system allows the Commission to access information more quickly and efficiently in the process of reviewing applications and responding to public inquiries.

The Commission is also able to access property information and mapping through GeoLinc, the Department of Provincial Treasury's assessment records system.

#### D. The Land Identification Program

The object of the Land Identification Program is to protect identified land from development for such purposes as commercial or industrial uses and subdivision. Identified land can, however, be used for such purposes as forestry, wildlife, agriculture, recreation, permanent or seasonal residence.

The Commission's involvement in this program pertains to acquisitions by non-

residents and corporations. The Commission is responsible for making recommendations to the Lieutenant Governor in Council on the disposition of applications including recommendations as to whether the land should be identified.

The Commission places an emphasis on the identification of land for non-development use when it considers applications by non-residents and corporations for land acquisition. Special attention is paid to applications for acquisition of coastal land, active agricultural land, speculative land transactions and land intended for subdivision. In most cases, identification for non-development is recommended as a condition of approval.

During the reporting period the Commission recommended that 12,967 acres be identified for non-development use as a result of non-resident, non-resident corporate and resident corporate applications considered under the *Act* (refer to Table 7).

**E. Section 6.1 Permits**

Section 2 of the *Act* provides that no person shall have an aggregate land holding in excess of 1,000 acres and no corporation shall have an aggregate land holding in excess of 3,000 acres.

Section 6.1(1) of the *Act* requires that where a person or corporation had on December 31, 1994, an aggregate land holding that exceeded the limit set out in Section 2 of the *Act*, the person or corporation shall before June 1, 1996 submit a land holding disclosure statement to the Commission and apply for a permit.

Amendments to the *Act* in 1998 provided a final opportunity for persons and corporations that had not filed applications before June 1, 1996 to file an application based on their holdings on December 31, 1994, within 30 days of the coming into force of the amended section (section was proclaimed on June 9, 1998).

Section 6.1(2) of the *Act* provides that the Lieutenant Governor in Council may

issue a permit authorizing the holder to have and continue to have an aggregate land holding in excess of the limit set out in Section 2, subject to:

- a divestiture schedule that requires the divestiture of that portion of the aggregate land holding of the holder in excess of the limit set out in Section 2, with at least 50% of the excess land holding to be divested within 5 years, at least 80% of the excess land holding to be divested within 7 years and compliance with the limit set out in Section 2 within 9 years of the issuance of the permit;
- the holder of the permit ensuring that the amount of land in excess of the limit set out in Section 2 shall at all times prior to divestiture be leased to another person or corporation, as required by Section 6.1(4)(a) of the *Act*; and,
- any other condition the Lieutenant Governor in Council may place on the permit.

The Commission received a total of 48 applications for Section 6.1 permits. Of this total, 8 applicants subsequently withdrew their applications when it was determined that their land holdings were not in excess of the limits as of December 31, 1994 and therefore, no permit was required. The Commission submitted a total of 40 applications for consideration by the Lieutenant Governor in Council. This included 8 applications by corporations and 32 applications by persons.

On March 2, 1999, the Lieutenant Governor in Council issued permits to 39 of the 40 applicants. One applicant was deemed not to require a permit.

**IV. REAL PROPERTY ASSESSMENT ACT**

The Provincial Treasurer is responsible for administering the *Real Property Assessment Act*. Pursuant to Section 22(1) of the *Act*:

*Where an assessment has been referred to the Minister under Section 20, and after the*

*Minister has notified the person making the reference of his decision, the person making the reference may appeal to the Commission to have the assessment vacated or varied.*

In 1998-99 the Commission received 13 appeals. In addition, four appeals were carried forward from previous years. Of that total number of appeals (17), nine were subsequently withdrawn by the Appellants, and a total of eight appeals are still pending- with the majority being held in abeyance at the request of the Appellants.

#### **V. REAL PROPERTY TAX ACT**

The Provincial Treasurer is responsible for administering the *Real Property Tax Act*. Pursuant to Section 35(1) of the *Act*:

*Where a tax has been referred to the Minister under Section 33, and after the Minister has notified the person making the reference of his decision, the person making the reference may appeal to the Commission, to have the tax vacated or varied.*

No appeals were filed with the Commission during this reporting period.

#### **VI. UNSIGHTLY PROPERTY ACT**

The *Unightly Property Act* deals with properties which are considered unsightly. Under the *Act* an order can be issued to an individual to clean up the property. Pursuant to Section 7 of the *Act*, where an individual is issued an order to clean up unsightly property he or she may appeal to the Commission. On hearing the appeal the Commission may confirm, rescind or in any manner vary the order, and the judgment of the Commission shall be final.

No appeals were filed with the Commission during this reporting period.

#### **VII. ROADS ACT**

The *Roads Act* is administered by the Department of Transportation and Public Works. The Commission has appellate

jurisdiction as set out pursuant to Section 12(1) of the Highway Access Regulations:

*s.12(1) Where the Minister has discretion to issue an entrance way permit pursuant to these regulations, a decision of the Minister may be appealed to the Island Regulatory and Appeals Commission, by the applicant.*

In 1998-99 the Commission received two appeals. Three appeals were carried forward from previous years. Of these five appeals, one was denied; the Appellants subsequently withdrew three and one is pending – held in abeyance at the request of the Appellant.

#### **VIII. MUNICIPALITIES ACT**

The Commission is responsible for conducting public hearings pertaining to municipal boundary extensions. Pursuant to Section 12(1):

*Where a municipality wishes to extend its boundaries to include an area for which no municipal government is provided under this Act, it may apply to the Minister for approval of the annexation of that area.*

Pursuant to Section 13(1), upon receipt of such application the Minister shall direct the Commission to conduct a public hearing and make a recommendation to the Minister on the disposition of such application.

No applications were referred to the Commission during this reporting period.

#### **IX. HERITAGE PLACES PROTECTION ACT**

Under the *Heritage Places Protection Act* the Minister may designate any heritage place as a designated site, structure or area. The owner of any property designated as a heritage place or any municipality in which the property is located may appeal to the Commission against the decision of the Minister.

No appeals were filed with the Commission during this reporting period.

TABLE 1

Status of Appeals Planning Act 1992-1999	Appeals							
	1992*	1993*	1994*	1995 -96	1996 -97	1997 -98	1998 -99	
Allowed	2	2	5	4	0	3	7	
Denied	6	7	10	11	5	10	8	
Withdrawn	2	12	14	17	6	18	10	
No Jurisdiction	0	2	1	2	8	3	3	
Mediated	n/a	n/a	n/a	2**	3	0	0	
Pending	6	7	18	12	17	16	7	
<b>Total</b>	<b>16</b>	<b>30</b>	<b>48</b>	<b>48</b>	<b>39</b>	<b>50</b>	<b>35</b>	

\* Represents calendar year.

\*\* The Island Regulatory and Appeals Commission Act was amended in 1995 to allow use of alternative dispute resolution where appropriate.

TABLE 2

Decisions Categorized by Land Issue Planning Act 1998-1999	Approving Land Issue Body		1998 -99
	Department of Community Services		
	Subdivision		2
	Building Permit		5
<b>Subtotal</b>			<b>7</b>
Municipality			
	Building Permit		1
	Rezoning		6
	Road Closure		1
<b>Subtotal</b>			<b>8</b>
<b>Total</b>			<b>15</b>

Note: This table is an analysis of appeals that were denied or allowed (Refer to Table 1).

TABLE 3  
**Non-Resident Applications**  
Lands Protection Act  
1998-1999

No. of Acres	PRINCE COUNTY		QUEENS COUNTY		KINGS COUNTY		PROVINCE	
	No. of Applications	Acreage	No. of Applications	Acreage	No. of Applications	Acreage	No. of Applications	Acreage
<10	10	43.24	9	32.93	8	22.41	27	98.58
10-49	11	271.30	17	340.67	11	276.73	39	888.70
50-99	2	173.00	7	508.89	6	366.50	15	1,048.39
100-499	1	157.50	1	147.02	4	654.00	6	958.52
500+	0	0.00	0	0.00	0	0.00	0	0.00
<b>Total</b>	<b>24</b>	<b>645.04</b>	<b>34</b>	<b>1,029.51</b>	<b>29</b>	<b>1,319.64</b>	<b>87</b>	<b>2,994.19</b>

Land Identified	No. of Parcels	Acreage	No. of Parcels	Acreage	No. of Parcels	Acreage	No. of Parcels	Acreage
<b>Total</b>	<b>15</b>	<b>535.6</b>	<b>21</b>	<b>730.46</b>	<b>21</b>	<b>1010.77</b>	<b>57</b>	<b>2,276.83</b>

Shore Frontage	No. of Parcels	Feet	No. of Parcels	Feet	No. of Parcels	Feet	No. of Parcels	Feet
<b>Total</b>	<b>22</b>	<b>23,613</b>	<b>8</b>	<b>7,464</b>	<b>21</b>	<b>25,364</b>	<b>51</b>	<b>56,441</b>

Seven non-resident applications involving 197.62 acres were denied in 1998-99 and are not included in the above table.

TABLE 4  
**Resident Corporate Applications**  
Lands Protection Act  
1998-1999

No. of Acres	PRINCE COUNTY		QUEENS COUNTY		KINGS COUNTY		PROVINCE	
	No. of Applications	Acreage	No. of Applications	Acreage	No. of Applications	Acreage	No. of Applications	Acreage
<10	18	81.17	9	40.21	12	50.66	39	172.04
10-49	17	459.30	12	300.10	20	418.27	49	1,177.67
50-99	19	1,394.05	11	804.76	9	687.91	39	2,886.72
100-499	18	2,927.37	9	1,790.91	13	2,518.15	40	7,236.43
500+	1	613.69	1	848.52	1	664.16	3	2,126.37
<b>Total</b>	<b>73</b>	<b>5,475.58</b>	<b>42</b>	<b>3,784.50</b>	<b>55</b>	<b>4,339.15</b>	<b>170</b>	<b>13,599.23</b>

Land Identified	No. of Parcels	Acreage	No. of Parcels	Acreage	No. of Parcels	Acreage	No. of Parcels	Acreage
<b>Total</b>	<b>91</b>	<b>4,576.29</b>	<b>51</b>	<b>3,151.20</b>	<b>59</b>	<b>2,869.63</b>	<b>201</b>	<b>10,597.12</b>

Shore Frontage	No. of Parcels	Feet	No. of Parcels	Feet	No. of Parcels	Feet	No. of Parcels	Feet
<b>Total</b>	<b>20</b>	<b>23,304</b>	<b>14</b>	<b>19,616</b>	<b>16</b>	<b>17,121</b>	<b>50</b>	<b>60,041</b>

No resident corporate applications were denied in 1998-99.

TABLE 5  
**Non-Resident Corporate Applications**  
 Lands Protection Act  
 1998-1999

No. of Acres	PRINCE COUNTY		QUEENS COUNTY		KINGS COUNTY		PROVINCE	
	No. of Applications	Acreage	No. of Applications	Acreage	No. of Applications	Acreage	No. of Applications	Acreage
<10	3	22.72	4	17.13	0	0.00	7	39.85
10-49	3	96.36	3	51.50	1	20.80	7	168.66
50-99	0	0.00	0	0.00	0	0.00	0	0.00
100-499	0	0.00	0	0.00	0	0.00	0	0.00
500+	0.	0.00	1	1,463.00	0	0.00	1	1,463.00
<b>Total</b>	<b>6</b>	<b>119.08</b>	<b>8</b>	<b>1,531.63</b>	<b>1</b>	<b>20.80</b>	<b>15</b>	<b>1,671.51</b>

Land Identified	No. of Parcels	Acreage	No. of Parcels	Acreage	No. of Parcels	Acreage	No. of Parcels	Acreage
<b>Total</b>	<b>2</b>	<b>72.41</b>	<b>1</b>	<b>20.00</b>	<b>0</b>	<b>0.00</b>	<b>3</b>	<b>92.41</b>

Shore Frontage	No. of Parcels	Feet	No. of Parcels	Feet	No. of Parcels	Feet	No. of Parcels	Feet
<b>Total</b>	<b>4</b>	<b>2,836</b>	<b>1</b>	<b>1,808</b>	<b>1</b>	<b>750</b>	<b>6</b>	<b>5,394</b>

One non-resident corporate application involving 3.7 acres was denied in 1998-99 and is not included in the above table.

TABLE 6  
**Applications Reviewed**  
 Lands Protection Act  
 1992-99

Type of Application	1992*	1993*	1994*	1995	1996	1997	1998
				-96	-97	-98	-99
Non-Resident Corporate	75	93	110	105	92	102	94
Special Permits	117	93	230	197	162	190	186
Special 6.1 Permits	3	n/a**	n/a	n/a	n/a	n/a	n/a
<b>Total</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>46***</b>	<b>n/a</b>	<b>40****</b>
<b>Total</b>	<b>195</b>	<b>186</b>	<b>340</b>	<b>302</b>	<b>300</b>	<b>292</b>	<b>320</b>

\* Represents calendar year.  
 \*\* Legislation was amended repealing provision for Special Permits.  
 \*\*\* Legislation was amended to permit Section 6.1 Permits.  
 \*\*\*\* Legislation was amended requiring reconsideration Section 6.1 Applications.

TABLE 7

**Acreage Identified for  
Non-Development Use**  
Land Identification Program  
1992-1999

Type of Application	1992*	1993*	1994*	1995	1996	1997	1998
				-96	-97	-98	-99
Non-Resident Applications	1,612	3,315	3,025	2,298	1,907	1,157	2,277
Corporate Applications	5,299	4,595	18,625	12,107	6,961	11,100	10,690
Enterprise P.E.I.	5,763	10,803	10,762	10,731	n/a**	n/a**	n/a**
<b>Total</b>	<b>12,674</b>	<b>18,713</b>	<b>32,412</b>	<b>25,136</b>	<b>8,868</b>	<b>12,257</b>	<b>12,967</b>

\* Represents calendar year.

\*\* The Commission no longer makes decisions on land purchases from Enterprise P.E.I.

TABLE 8

**Division Activity**  
Appeals, Applications  
and Statements Filed  
with the Commission  
1992-1999

Issue	1992*	1993*	1994*	1995	1996	1997	1998
				-96	-97	-98	-99
<b>APPEALS</b>							
Planning Act		17	30	41	30	33	32
Real Property Assessment Act		8	17	12	12	9	12
Real Property Tax Act		n/a	n/a	0	0	0	0
Roads Act		n/a	n/a	2	2	8	2
Unsightly Properties Act		1	0	0	0	0	0
Heritage Places Protection Act		n/a	n/a	0	0	0	0
<b>LANDS PROTECTION ACT</b>							
Non-Resident Applications		80	136	112	109	98	102
Resident Corporate Applications		175	91	220	187	154	171
Non-Resident Corporate Applications		3	10	16	14	15	20
Annual Disclosure Statements		n/a	n/a	n/a	n/a	88**	92
Section 6.1 Permit Applications		n/a	n/a	n/a	n/a	46	n/a
<b>MUNICIPALITIES ACT</b>							
Boundary Extensions		n/a	n/a	1	1	0	1

\* Represents calendar year.

\*\* 77 Disclosure Statements for 1996 were reported in the 1996-97 Annual Report and 11 additional statements were filed after March 31, 1997.

FIGURE 1

**Non-Resident  
Applications  
Acreage Distribution  
by County**  
Lands Protection Act  
1998-1999

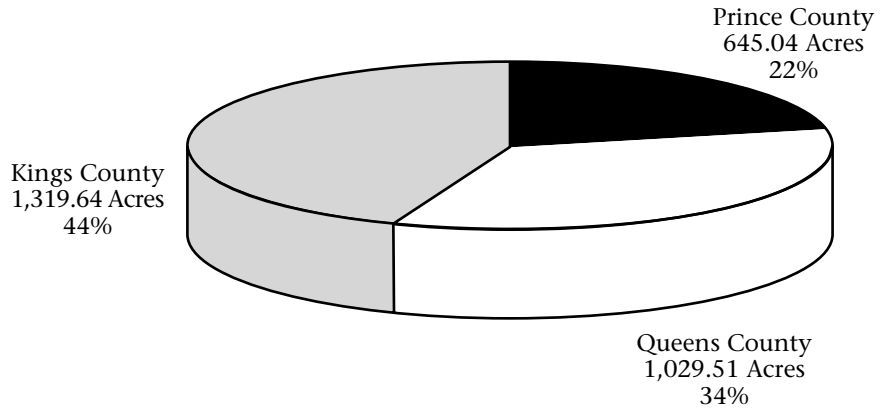


FIGURE 2

**Resident Corporate  
Applications  
Acreage Distribution  
by County**  
Lands Protection Act  
1998-1999

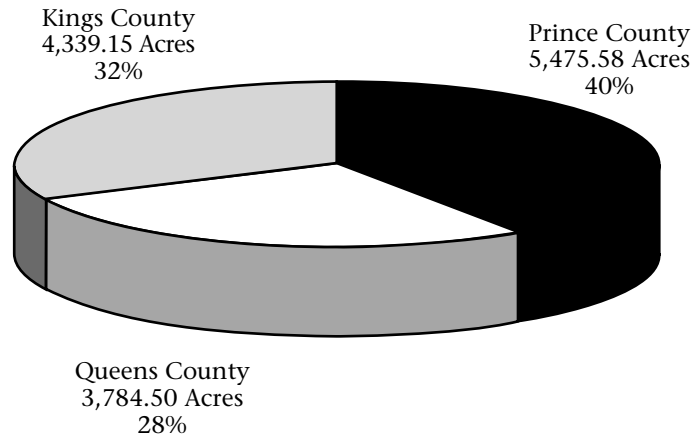


FIGURE 3

**Non-Resident  
Corporate  
Applications  
Acreage Distribution  
by County**  
Lands Protection Act  
1998-1999

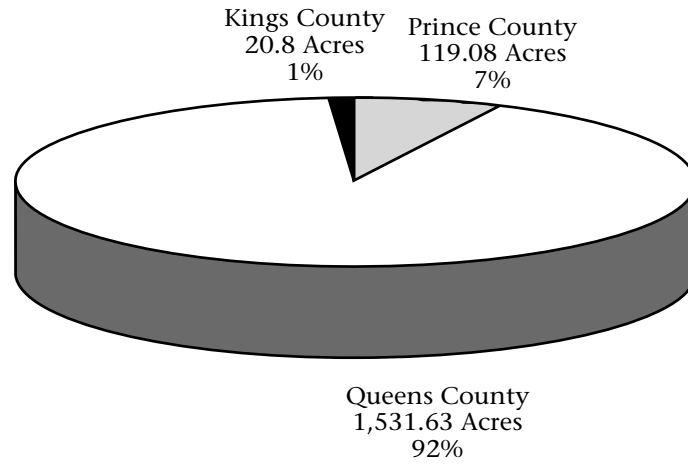
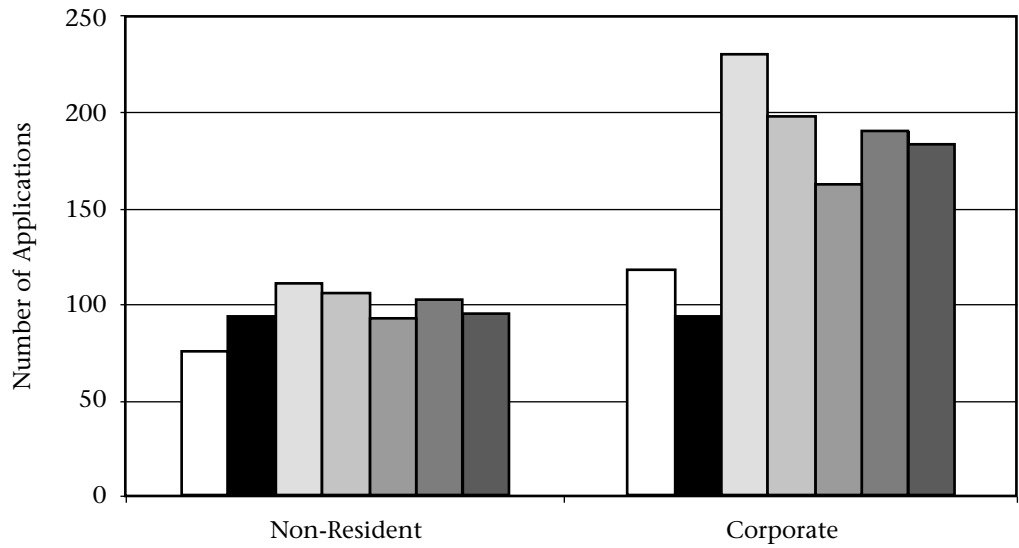


FIGURE 4

**Applications  
Reviewed**  
Lands Protection Act  
1992-99

- 1992
- 1993
- 1994
- 1995-96
- 1996-97
- 1997-98
- 1998-99





**Petroleum  
Division  
Report**

**Petroleum Division**

1 April 1998 to  
31 March 1999

**Legislation**

The Petroleum Division is responsible for the administration of the *Petroleum Products Act*, R.S. P.E.I. 1988, Cap. P-5.1. This revised statute was proclaimed on 1 February 1991 and the Regulations thereunder became effective on the same date. Slight amendments to this legislation became effective on 4 November 1991.

Further to our last report, Regulation 18 was once again amended and approved as submitted by the Commission to the Lieutenant-Governor-in-Council. The most recent amendment to this Regulation became effective 12 December 1998 and now reads as follows:

**Direct fuelling by distributor**

*18. (1) No retail distributor shall deliver fuel directly to the fuel supply system of any vehicles required to be registered pursuant to the Highway Traffic Act R.S.P.E.I. 1988, Cap. H-5 with the exception that "special mobile equipment" as defined in that Act and which does not require inspection thereunder may be fuelled with diesel fuel from tank trucks at job sites.*

**Exception**

*(2) Notwithstanding subsection (1), a retail distributor shall, when requested, deliver diesel fuel directly into the fuel supply systems of vehicles in excess of 3,200 kilograms in weight at the following job sites:*

- (a) produce trucks at farms while actively engaged in planting or harvesting crops;*
- (b) pulp trucks at forestry, lumber or pulp mills while actively engaged in harvesting wood chips or logs;*
- (c) dump trucks at excavation pits while actively engaged in construction by moving fill, gravel, sand, topsoil, or asphalt.*

**Prohibition**

*(3) Nothing in subsection (2) shall be read as permitting roadside fuel deliveries by tank trucks.*

These further modifications to Regulation 18 had been vigorously sought by the P.E.I. Petroleum Marketers Association in its efforts to improve services to end-users with respect to the fuelling of diesel-powered vehicles at job sites by tank truck, and were agreed to by the P.E.I. Retail-Gasoline Dealers Association prior to submission to the Lieutenant-Governor-in-Council.

The purpose of the *Petroleum Products Act* is cited as follows: "...to regulate the distribution and sale of petroleum products within the Province of Prince Edward Island for use within the province, and the type, location, and operation of facilities and equipment associated therewith, and to ensure at all times a just and reasonable price for heating fuel and motor fuel to consumers and licensees within the Province."

It is stated in this legislation that no wholesaler or wholesaler-retailer shall bring into the province, cause another to bring into the province or distribute within the province, any petroleum product unless that wholesaler or wholesaler-retailer holds a license authorizing such activities. It also provides that no retailer, wholesaler or wholesaler-retailer shall sell or furnish any petroleum product or keep any petroleum product for sale at an outlet unless that retailer, wholesaler or wholesaler-retailer is the holder of a license with respect to each such outlet, and then only as specified in the license and subject to the Act and Regulations.

As set forth above, the jurisdiction of the Commission extends to all types of outlets involving the distribution and sale of petroleum products (including propane), e.g. bulk storage plants, distributors' outlets, tank trucks, service stations, garages, general merchants, marine outlets (serving watercraft only).

### Licensing

When issuing a license with respect to the operation of an outlet operated by a retailer, Section 20 of the legislation requires that the Commission consider the public interest, convenience and necessity by applying such criteria as the Commission may from time to time consider advisable. This includes, but is not restricted to, a consideration of the demand for the proposed service, the location of the outlet, traffic flows and the applicant's record of performance.

In addition, there is a requirement on the Commission, when dealing with applications for annual renewal of all licenses, to consider whether or not the licensee is in a position to ensure an adequate supply of product during the coming year, the quantity of petroleum products sold in the previous year and the quality of service which the outlet renders to the community in which it is situated. If the Commission determines that a license is not to be renewed, a hearing will be scheduled if the licensee makes a written request within ten days of notice of such refusal to renew. Licensees may also voluntarily surrender their licenses—in which case a hearing is unnecessary. As indicated in our last report, the Commission expects to receive a minimum of three months' notice, especially in the case of wholesaler-owned outlets, of an intention to close a licensed outlet or remove a licensed service. This allows an opportunity for other interested parties to apply to replace these essential services in the area so affected in order to continue to meet the need and convenience of the motoring or boating public.

As a result of the above-noted criteria with respect to the initial issuance and renewal of licenses, the Commission must therefore also review applications by owners and/or operators of outlets to change the use of portions of licensed outlets; for example, a change from bay service to a convenience store or carwash. These applications often involve structural

design changes that relate both to safety and service, and many also involve product additions and changes, as well as changes in the mode of dispensing.

During the period covered by this report, staff continued to work on the new database to cover the additional classes of licenses which had not been completed the previous year.

Applications such as those relating to the initial establishment of retail motor fuels outlets or to the sale of propane, or applications for changes that result in the elimination of automotive bay-related services are advertised in the public press in order to give those interested an opportunity to file interventions either in support or in opposition.

Following the published deadline for filing of interventions, the Commission makes a determination as to whether or not it deems a public hearing of the application necessary. At a hearing of this nature, the applicant is expected to attempt to establish that the products and services to be provided are required in the area. Other licensees and members of the public may appear as interveners in support of or in opposition to the application, and a decision is then rendered by the Commission. Appeals of the decisions of the Commission can only be on a question of law or jurisdiction and are governed by section 13 of the *Island Regulatory and Appeals Commission Act*.

Further to our last annual report wherein it was noted that Wilson Fuels Ltd. of Dartmouth, Nova Scotia, had been issued licensing as a wholesaler, dealer prices continue to be submitted for approval. As of the end of the term covered by this report, there were still no outlets in this jurisdiction being supplied by this wholesaler.

As Prince Edward Island is the only jurisdiction in Canada which regulates petroleum product prices, information is sought on a regular basis by other

jurisdictions relating to the specific legislation in place in this Province. With this in mind, the Commission responded positively to a request made of the Director from the organizers of the Annual Conference of CAMPUT (Canadian Association of Members of Public Utility Tribunals) held in Montreal in September to give a presentation related to the regulation of petroleum products pricing in this Province. The Commission's Chair was also called upon on several occasions to do "on-air" interviews in an effort to explain pricing regulation in this jurisdiction, and the methods employed in this regard. The Annual Regional Meeting of the Canadian Petroleum Products Institute was held in Charlottetown on 8 July 1998, and was attended by the Vice-Chair, the Director and Assistant to the Director.

**Pricing**

As indicated above, the Commission's mandate also requires that it ensure at all times a just and reasonable price for heating and motor fuels to consumers and licensees within the Province. In addition to dealing with individual applications for price changes to wholesalers' dealer and posted consumer prices, the Commission regularly monitors available pricing information from sources in other jurisdictions and from Natural Resources - Canada. With respect to crude oil cost-related applications, wholesalers are normally given six opportunities each year to file for pricing adjustments. If the Commission's monitoring of crude oil costs indicates that prices should be reduced and applications have not been received, the Commission will initiate an investigation and/or hearing into this matter and order prices to be decreased if this is determined to be necessary. Wholesalers may apply for "non-crude" related adjustments once a year.

The base price differential between regular unleaded and premium unleaded gasolines was not changed from the

differential established some time ago, i.e. the differential was not to exceed 4.0 cents per litre, with mid-grade product continuing to be priced midway between the regular and premium grades to the nearest one-tenth of a cent. These maximum differentials are to remain in effect until the matter is again given specific consideration and are ordered otherwise by the Commission.

The Commission also has the responsibility of determining retailers' minimum and maximum markups. These markups were most recently fixed by the Commission in its Order No. P.910424 issued on 24 April 1991. This Order authorized a minimum markup of 4.0 cents and a maximum of 5.5 cents per litre at self-serve pumps and a minimum markup of 5.0 cents and a maximum of 6.5 cents per litre at full-serve pumps. In addition, the markup selected by a dealer for each mode of service was ordered to be applied consistently to each grade of gasoline sold or offered for sale at the outlet. At split-serve outlets, diesel fuel and each grade of gasoline sold at self-serve pumps must be priced at least one cent lower than the prices at which full-serve diesel fuel and each grade of gasoline are being offered for sale. The Consumers' Direct Charge Co-operative Association Limited in Charlottetown remains the only motor fuels outlet that is exempt from this Order. This outlet is permitted to sell gasoline only to its members, and its full-serve markup was last fixed by the Commission on 1 May 1991 in its Order No. P.910501 at a minimum of 2.0 cents per litre and a maximum of 3.5 cents per litre.

Each retail pump operated in this jurisdiction must clearly indicate the grade of gasoline offered for sale, i.e., regular, mid-grade or premium unleaded, in order to enable consumers to choose product of similar quality (e.g., octane ratings) and make appropriate comparisons regarding price. In addition to identifying pumps in the above-noted manner, wholesalers may choose to also display their own

individual product trade names, e.g., “Super”, “Plus”, “Supreme”, “Gold”, etc.

The Commission continued to periodically publish approved posted consumer prices of furnace fuel, as well as pump prices of the various grades of gasoline and diesel fuel, during this report period. These ads also contained tax and markup information. Appended are examples of these advertisements showing prices that were in effect as of 31 March 1998 and as of 31 March 1999, as well as a graph indicating the various pricing components which combine to form the total pump price of regular gasoline on each of those dates. Also appended is a document indicating Charlottetown’s regular unleaded gasoline prices over the past year as compared to the other capital cities in the Atlantic region. All price changes authorized by the Commission were the subject of press releases.

Sixty applications by wholesalers relating to pricing adjustments were dealt with during this period. Some of these applications related to changes in propane costs. One further application from Petro-Canada relating to a requested non-crude cost adjustment is currently awaiting decision.

The P.E.I. Petroleum Marketers Association requested the Commission to review its Decision and Order No. P.970516-1 with the possibility of restoring the reductions ordered therein with respect to furnace oil and stove oil prices. After review, however, the Commission decided that the approved prices of these products continue to be just and reasonable.

As at 15 March 1999, two wholesalers had filed for “non-crude adjustments” — Petro-Canada for increases in its dealer prices of 0.3 cents per litre in order to recover some of the management costs associated with the Petro-Points program, and Ultramar Ltd. for 2.0 cpl increase in furnace oil prices and 1.4 cpl increase in stove oil prices. Public notice of these applications was given, with input to be received by the

Commission up until 15 April 1999. The Ultramar application was subsequently withdrawn and the Petro-Canada application remained undecided as of the end of this reporting period.

**Storage/Dispensing**

The Federal Government has continued to divest to recently-created Port or Harbour Authorities (made up of local stakeholders, i.e. fishermen, etc.) various responsibilities and costs relating to federally-owned wharves. Several new or updated dispensing facilities at various ports were licensed during the period covered by this report, and the Commission continues to work closely with the Fisheries and Oceans – Canada and their Consultants, Jacques Whitford Environmental Ltd., as well as with Transport – Canada, with regard to many of these marine locations. Regulation No. 17 made pursuant to the Petroleum Products Act remains unchanged and contains certain restrictions with respect to the fueling of watercraft directly from tank trucks. This activity is permitted only where fixed facilities are non-existent or inaccessible, and only when written authorization has been obtained by the licensee from the authority having jurisdiction of the particular wharf.

**Issues/Matters Decided/Outlet Closures**

Further to our last report, Rick and Jane Kennedy opened their new Ultramar facility and presently offer motor fuels at a convenience store constructed on Granville Street North in Summerside. This Applicant has recently applied to install a car wash at that location, but no decision had been reached by the period covered by this report.

Decision and Order No. P.980730 was issued by the Commission on 30 July 1998 approving in principle the application by Jamie D. Fox for an initial petroleum products dealers license in respect of twenty-four hour split-serve dispensing in

conjunction with a proposed convenience store at Gateway Village, Borden-Carleton. This outlet was built and was offering service to the public in late 1998.

Decision and Order No. P.981008-1 was issued by the Commission on 8 October 1998. In this Decision, the Commission denied an application by Lowmar Inc. for an initial petroleum products dealers license in conjunction with an existing convenience store in North Bedeque.

An application for initial licensing from 150540 Canada Ltd. was filed early in 1999. This application related to a general merchant class of outlet with fast-food facility and car wash to be constructed on Granville Street North in Summerside, and was publicly advertised. As of the end of this reporting period, a hearing had been scheduled to commence on 19 May 1999.

James W. Richards was granted permission to dispense clear gasoline to pleasurecraft at Bowdridge Landing marina, Murray Harbour.

Early in the period covered by this report, the Commission approved an application by Irving Oil Limited for permission to demolish the Bonshaw Service Station; an application by R. Maxwell Cooper Ltd. to upgrade the dispensing facilities at its outlet in Eldon to offer split-serve; and an application on behalf of Bedford Service Station to alter the outlet by the deletion of automotive bay services and the installation of self-serve car wash facilities.

Peters Road Service Station (now Winds Inc.) was also altered to remove automotive bay services as a result of an earlier approval, and Kinkora Service Station changed hands and after a period of operation as a service station, permission was granted to demolish this facility and construct a new convenience store in conjunction with gasoline dispensing. This new facility was almost completed by the end of the period covered by this report. Work was completed on the

conversion of the Kings Byway Service Station in Montague to a C-store and payment office during this period. Permission was granted with respect to alterations to the Ocean View Service Station at Souris, which alterations resulted in the removal of automotive bay services and a change of class from "service station" to "general merchant".

The shares of Souris Petroleum Ltd. (Ultramar) were purchased by Kenmac Energy Inc. who now operate the Company distributing Petro-Canada products.

Approval was granted for the reopening of the former Albion Service Station by Heath Crane. This outlet commenced dispensing product early in 1999.

An application was received to change the class of the Highfield Service Station by leveling the existing outlet and rebuilding a facility without automotive service bays. This application was advertised in the press and interventions were received. This application was heard on 29 March 1999, but no decision had been reached prior to the end of this reporting period.

The Commission had received and publicly advertised an application by Patrick Murphy with respect to the Islander Service Station, Alberton, for expansion of the associated convenience store and deletion of automotive bay services during this period.

The Trans-Canada Service Station (Shell) at Cornwall was renovated with the approval of the Commission following a fire. These renovations resulted in the removal of one automotive service bay and the substitution of a small C-store in that area.

### **Non-Compliance/Enforcement**

During this period as well, there were seventeen hearings scheduled for a variety of alleged breaches of the Petroleum Products Act and/or Regulations. In all of these cases, the alleged violator was given

the option of appearing at a hearing or of acknowledging the non-compliance cited and accepting the penalty or penalties imposed. In all cases, the non-compliance was acknowledged and the optional penalty accepted. Violations included such things as using inconsistent markups on gasoline products, incorrect pricing to consumers or dealers, unauthorized installation of equipment, operating in non-compliance with class of license or licensing conditions, non-pricing of delivery documents, fueling vehicles with motors running, and so on. The financial penalties imposed during this period totalled \$6,375.00. Several informal warnings were issued relating to minor infractions. When the non-compliance alleged is deemed to impact seriously with respect to the public, no optional penalty is offered, and the matter comes before a hearing of the Commission and a formal Decision and Order is rendered. All formal Decisions of the Commission appear on the Commission's web site.

Individual dealers found in violation as a result of overcharging for product (in addition to any other penalty which may be imposed), are sometimes ordered to operate with a reduced maximum allowable markup for a period of time so that customers who have been subjected to overcharging may have an opportunity to recover their losses.

**Statistical Data**

Sixty-two formal Decisions and Orders relating to this Division were issued by the Commission during the period covered by this Report. A summary of these Orders is appended.

Nine wholesalers were licensed in this jurisdiction for the period covered by this report (See Table 1). They are Ultramar Ltd., Shell Canada Products Limited, Imperial Oil Limited, Irving Oil Limited, Petro-Canada, Co-Op Atlantic, Superior Propane Inc., Wilson Fuels Ltd. and Buyertran Bunker Inc. Irving handles

propane in addition to the other common petroleum products and Superior handles propane only. At this time, Wilson presently has prices authorized relating to the supply of product to dealers only, and Buyertran handles only Bunker "C".

Following is annual statistical data in numerical and graph form involving numbers of licenses issued, retail licenses by classification, summary of total product sales\*, total gasoline sales, and total retail gasoline sales (excluding marine) for the calendar years 1989-1998 inclusive. Schedules also follow which indicate average maximum self-serve gasoline prices in effect in this Province as of February of each year for the years 1985 to 1999 inclusive.

*\*It should be noted that adjustments in the figures previously given for the year 1997 insofar as total product sales are concerned became necessary due to volumes exchanged between wholesalers having been indicated as volumes sold. This results in changes in various 1997 statistics and associated graphs.*

Also provided are statistics relating to average gasoline volume per retail outlet (general merchant/service station/garage) for the years 1989 to 1998 inclusive, as well as sales of gasoline by grades for the years 1990 to 1998 inclusive.



## Notice re Petroleum Prices

Approved Minimum and Maximum Prices

Following are the approved minimum & maximum pump prices in cents per litre of gasolines and diesel fuels in P.E.I. Prices include allowable dealer markups\*, the taxes noted below and GST. Dealers may price anywhere within the ranges provided markup is consistent on all gasoline grades and at split-serve outlets, self-serve prices are at least one cent below full-serve prices.

BRAND	Full-Serve Pump Prices		Self-Serve Pump Prices	
	MIN. *(5.0)	MAX. (6.5)	MIN. (4.0)	MAX. (5.5)
<b>ULTRAMAR</b>				
Regular Unleaded	56.3	57.9	55.2	56.8
Mid-Grade Unleaded	58.4	60.0	57.4	59.0
Premium Unleaded	60.5	62.1	59.4	61.0
Low Sulphur Diesel	55.1	56.7	54.0	55.6
<b>SHELL CANADA</b>				
Regular Unleaded	56.3	57.9	55.2	56.8
Mid-Grade Unleaded	58.4	60.0	57.4	59.0
Premium Unleaded	60.5	62.1	59.4	61.0
Low Sulphur Diesel	56.9	58.5	55.9	57.5
<b>IMPERIAL OIL</b>				
Regular Unleaded	56.3	57.9	55.2	56.8
Mid-Grade Unleaded	58.4	60.0	57.4	59.0
Premium Unleaded	60.5	62.1	59.4	61.0
Low Sulphur Diesel	55.1	56.7	54.0	55.6
<b>IRVING OIL</b>				
Regular Unleaded	56.4	58.0	55.3	56.9
Mid-Grade Unleaded	58.5	60.1	57.5	59.1
Premium Unleaded	60.6	62.2	59.5	61.1
Low Sulphur Diesel	55.1	56.7	54.0	55.6
<b>PETRO-CANADA</b>				
Regular Unleaded	56.3	57.9	55.2	56.8
Mid-Grade Unleaded	58.4	60.0	57.4	59.0
Premium Unleaded	60.5	62.1	59.4	61.0
Low Sulphur Diesel	54.2	55.9	53.2	54.8
<b>CO-OP ATLANTIC</b>				
Regular Unleaded	56.3	57.9		
Mid-Grade Unleaded	58.4	60.0		
Premium Unleaded	60.5	62.1	N/A	
Low Sulphur Diesel	57.2	58.9		

PRICES INCLUDE Provincial Tax of 13.0 cents/litre on all grades of gasoline and 13.5 cents/litre on diesel fuel. Federal Excise Tax is 10.0 cents/litre on gasoline and 4.0 cents/litre on diesel.

**POSTED FURNACE FUEL PRICES are as follows, PLUS 7% GST:**

<b>ULTRAMAR</b>	<b>31.9</b>	<b>IRVING OIL</b>	<b>31.9</b>
<b>SHELL CANADA</b>	<b>31.3</b>	<b>PETRO-CANADA</b>	<b>32.1</b>
<b>IMPERIAL OIL</b>	<b>31.4</b>	<b>CO-OP ATLANTIC</b>	<b>31.7</b>

NOTE: Prices are in cents per litre and are based on dealer and posted consumer prices in effect as of 13 MARCH 1998. Prices may change without notice with approval or tax revision.



## Notice re Petroleum Prices

Approved Minimum and Maximum Prices

Following are the approved minimum & maximum pump prices in cents per litre of gasolines and diesel fuels in P.E.I. Prices include allowable dealer markups\*, the taxes noted below and GST. Dealers may price anywhere within the ranges provided markup is consistent on all gasoline grades and at split-serve outlets, self-serve prices are at least one cent below full-serve prices.

BRAND	Full-Serve Pump Prices		Self-Serve Pump Prices	
	MIN. *(5.0)	MAX. (6.5)	MIN. (4.0)	MAX. (5.5)
<b>ULTRAMAR</b>				
Regular Unleaded	49.0	50.6	47.9	49.5
Mid-Grade Unleaded	51.1	52.8	50.1	51.7
Premium Unleaded	53.2	54.8	52.1	53.7
Low Sulphur Diesel	49.8	51.4	48.7	50.3
<b>SHELL CANADA</b>				
Regular Unleaded	49.0	50.6	47.9	49.5
Mid-Grade Unleaded	51.1	52.8	50.1	51.7
Premium Unleaded	53.2	54.8	52.1	53.7
Low Sulphur Diesel	49.6	51.3	48.6	50.2
<b>IMPERIAL OIL</b>				
Regular Unleaded	49.0	50.6	47.9	49.5
Mid-Grade Unleaded	51.1	52.8	50.1	51.7
Premium Unleaded	53.2	54.8	52.1	53.7
Low Sulphur Diesel	49.4	51.0	48.4	50.0
<b>IRVING OIL</b>				
Regular Unleaded	49.0	50.6	47.9	49.5
Mid-Grade Unleaded	51.1	52.8	50.1	51.7
Premium Unleaded	53.2	54.8	52.1	53.7
Low Sulphur Diesel	49.6	51.3	48.6	50.2
<b>PETRO-CANADA</b>				
Regular Unleaded	49.0	50.6	47.9	49.5
Mid-Grade Unleaded	51.1	52.8	50.1	51.7
Premium Unleaded	53.2	54.8	52.1	53.7
Low Sulphur Diesel	49.6	51.3	48.6	50.2
<b>CO-OP ATLANTIC</b>				
Regular Unleaded	49.1	50.7		
Mid-Grade Unleaded	51.3	52.9		
Premium Unleaded	53.3	54.9	N/A	
Low Sulphur Diesel	50.3	51.9		

PRICES INCLUDE Provincial Tax of 13.0 cents/litre on all grades of gasoline and 13.5 cents/litre on diesel fuel. Federal Excise Tax is 10.0 cents/litre on gasoline and 4.0 cents/litre on diesel.

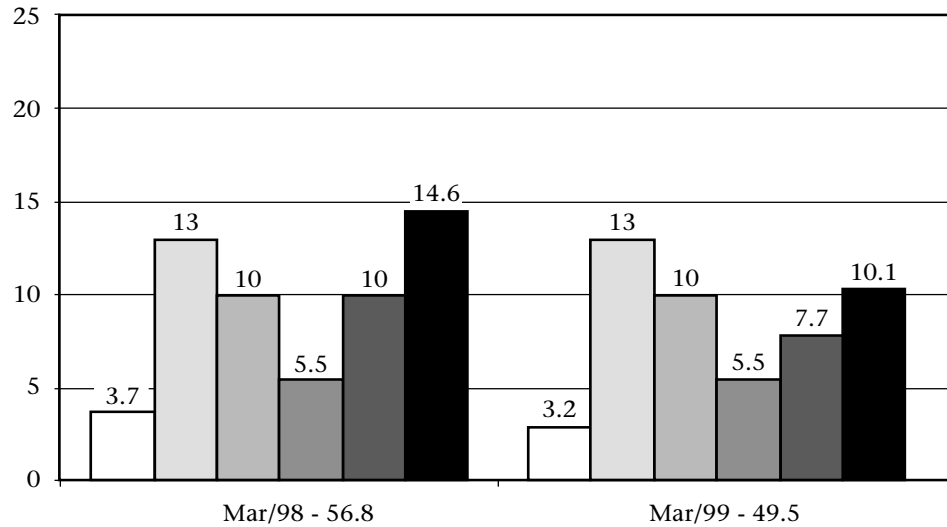
**POSTED FURNACE FUEL PRICES are as follows, PLUS 7% GST:**

<b>ULTRAMAR</b>	<b>26.9</b>	<b>IRVING OIL</b>	<b>26.8</b>
<b>SHELL CANADA</b>	<b>26.4</b>	<b>PETRO-CANADA</b>	<b>27.0</b>
<b>IMPERIAL OIL</b>	<b>26.4</b>	<b>CO-OP ATLANTIC</b>	<b>26.7</b>

NOTE: Prices are in cents per litre and are based on dealer and posted consumer prices in effect as of 19 MARCH 1999. Prices may change without notice with approval or tax revision.

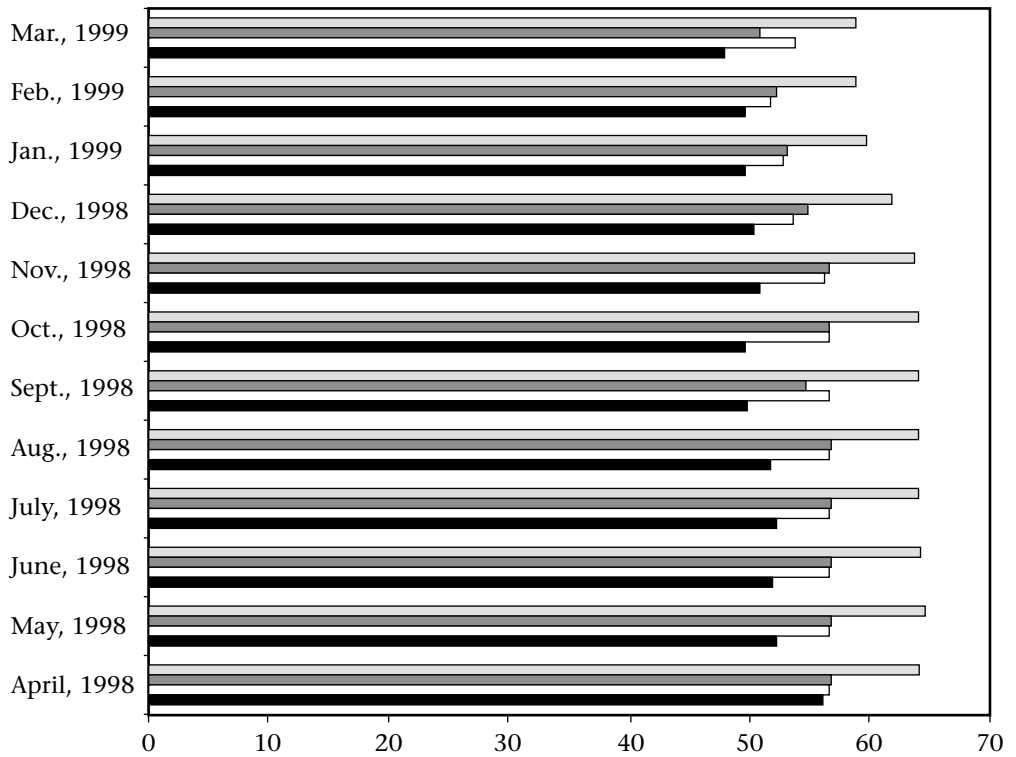
**Regular Unleaded -  
Cents per Litre**

- G.S.T.
- Province of P.E.I. Tax
- Federal Excise Tax
- Retail Dealer Margin
- Refinery Margin including freight
- Average Crude Cost



**Regular Unleaded -  
Cents per Litre -  
Atlantic Region**  
April, 1998 to  
March, 1999

- St. John's
- Fredericton
- Halifax
- Charlottetown



	April 1998	May 1998	June 1998	July 1998	Aug. 1998	Sept. 1998	Oct. 1998	Nov. 1998	Dec. 1998	Jan. 1999	Feb. 1999	Mar. 1999
St. John's	63.9	64.5	64.3	63.9	63.9	63.9	63.9	63.7	61.9	59.7	59	58.9
Fredericton	56.9	56.9	57	56.9	56.9	54.9	56.7	56.6	55.1	53.1	52.4	51
Halifax	56.7	56.7	56.7	56.7	56.7	56.7	56.7	56.5	53.7	52.9	51.9	53.9
Ch'town	56.1	52.3	52.2	52.4	51.8	50	49.6	51.1	50.5	49.6	49.6	48

TABLE 1

**Summary of Licenses Issued Under the Petroleum Products Act**

Year	Total	Wholesalers	Retail Outlets	Retail Distributors	Tank Trucks
1998	364	9	225	30	100
1997	380	9	227	35	109
1996	395	8	247	34	106
1995	405	7	255	35	108
1994	414	8	264	36	106
1993	420	8	272	36	104
1992	426	8	274	36	108
1991	444	8	285	39	112
1990	459	10	298	40	111
1989	461	10	304	40	107

Note: In addition to the above-noted licenses, since 1992, Slemon Park Corporation has been licensed with respect to the sale of aviation fuels.

TABLE 2

**Summary of Retail Outlets by Classification**

Year	Total	Stations	Merchants	Garages	Marine	Propane
1998	225	69**	60	10	78	8****
1997	227	77**	55	11	75	9****
1996	247	87**	50	11	87	12***
1995	255	91**	51	12	89	12***
1994	264	98**	50	13	91	12
1993	272	105**	50	13	93	11
1992	274	106**	51	14	92	11
1991	285	112*	51	16	94	12
1990	298	119*	50	20	97	12
1989	304	120	50	20	102	12

\*\*\*\* In addition, twenty-three dealers of other classes also retail propane

\*\*\*\* In addition, twenty-two dealers of other classes also retail propane

\*\*\* In addition, twenty-four dealers of other classes also retail propane

\*\* Two Commercial Diesel Cardlocks included in Stations

\* One Commercial Diesel Cardlock included in Stations

TABLE 3

**Summary of Petroleum Products Sold (in litres)**

Year	Total	Gasoline	Fuel Oils	Diesel	Propane
1998	462,011,050	195,446,662	170,331,531	77,797,268	18,435,589
1997*	478,756,167	193,759,312	189,509,152	75,629,092	19,858,611
1996	462,822,031	191,452,938	172,685,213	77,550,021	21,133,859
1995	449,514,976	186,554,592	171,323,704	72,173,046	19,463,634
1994	445,284,824	185,149,709	179,361,223	61,693,597	19,080,313
1993	428,573,875	177,959,704	177,041,370	55,546,736	18,026,065
1992	409,415,920	173,188,232	164,002,469	54,890,642	17,334,577
1991	406,363,488	173,439,206	161,000,101	54,916,074	17,008,107
1990	432,473,283	184,143,150	165,724,016	65,878,582	16,727,535
1989	420,755,004	178,181,336	165,956,570	59,728,041	16,889,057

\* 1997 figures differ from those contained in our previous report due to product transferred between wholesalers being reported as sold.

TABLE 4  
**\*Retail Dealers -  
 Gasoline Volume  
 Statistics**

Year	Volume (Litres)	Number of Outlets	Average Volume/Outlet
1997	179,614,986	141	1,273,865
1996	175,216,972	146	1,200,116
1995	171,511,737	152	1,128,367
1994	168,349,978	159	1,058,805
1993	162,234,393	166	977,316
1992	157,574,624	170	926,910
1991	156,675,026	177	885,170
1990	162,608,356	187	869,563
1989	162,680,053	188	865,319

\* Service Stations/Garages/General Merchants

FIGURE 1

**Summary of  
 Retail Outlets**

- Service Stations
- Marine
- General Merchants
- Garages
- Propane

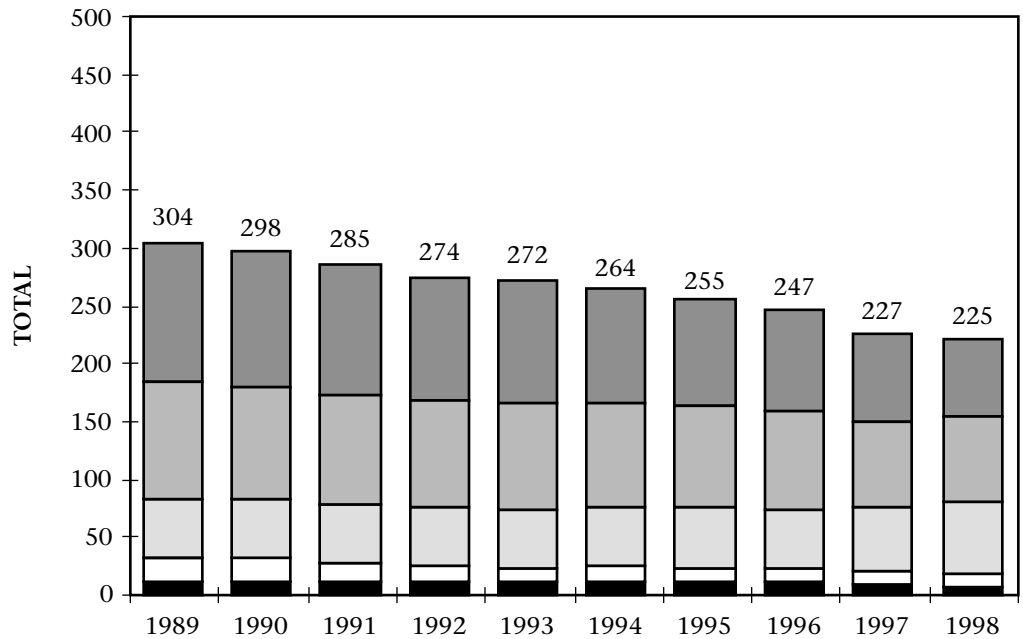


FIGURE 2

**Summary of Total Sales**

- Gasoline
- Fuel Oil
- Diesel
- Propane

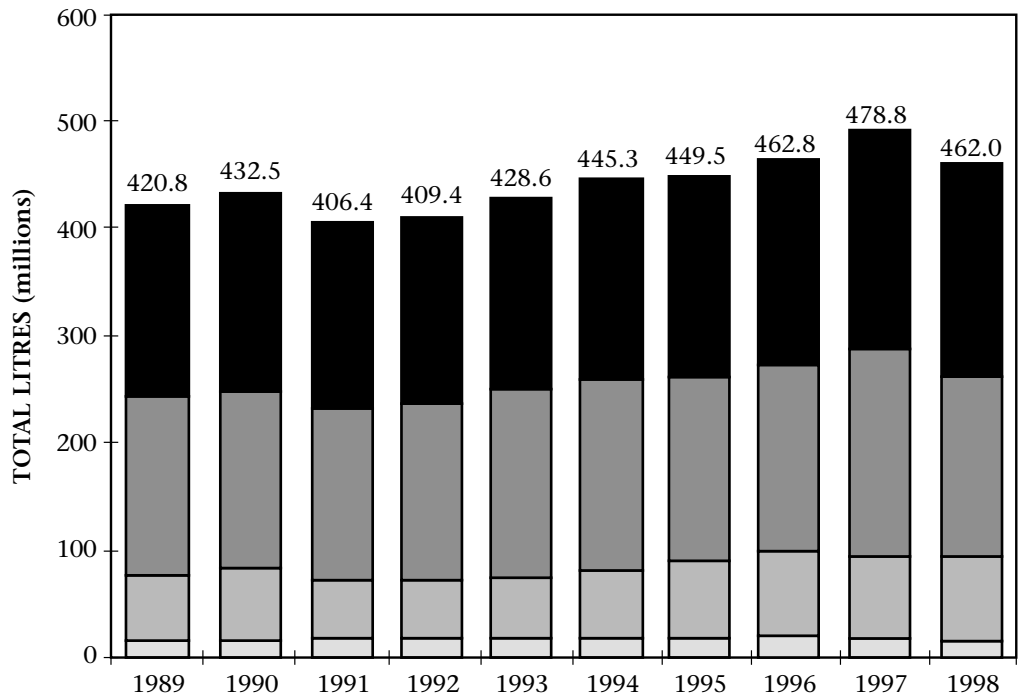


FIGURE 3

**Summary of Gasoline Sales Retail**  
(Excluding Marine)

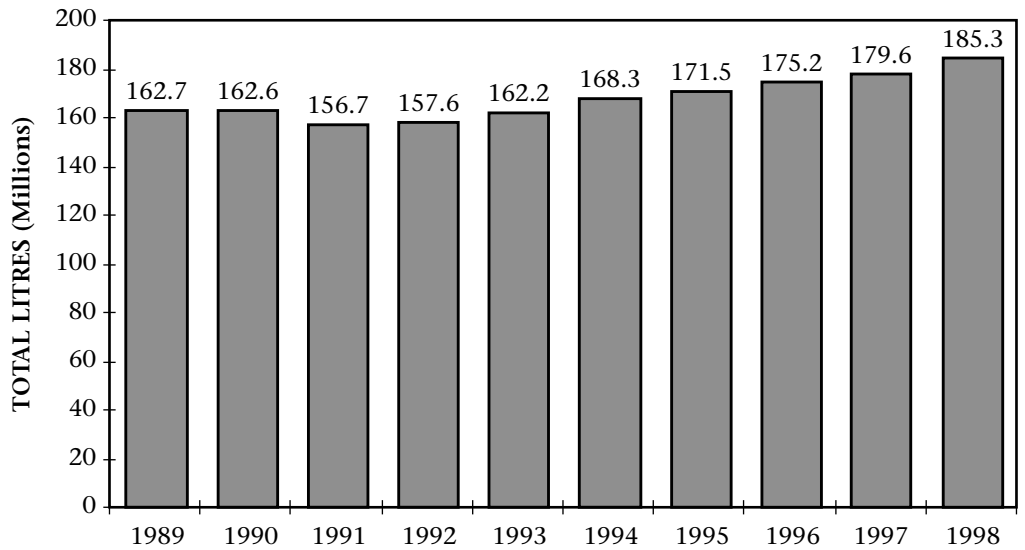


FIGURE 4  
**Summary of  
 Total Gasoline  
 Sales**

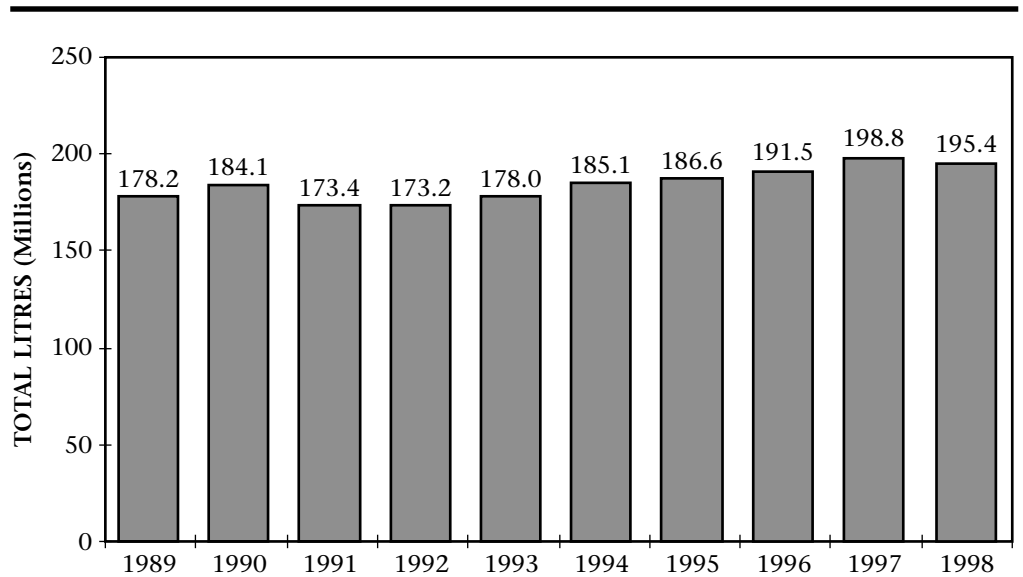
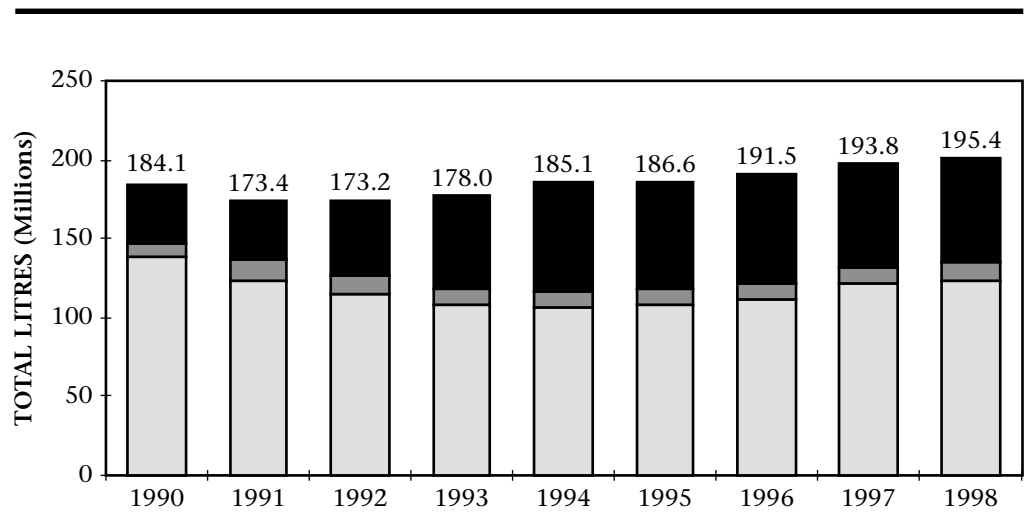


FIGURE 5  
**Sales of Gasoline  
 by Grades**

- Premium Unleaded
- Mid-Grade Unleaded
- Regular Unleaded

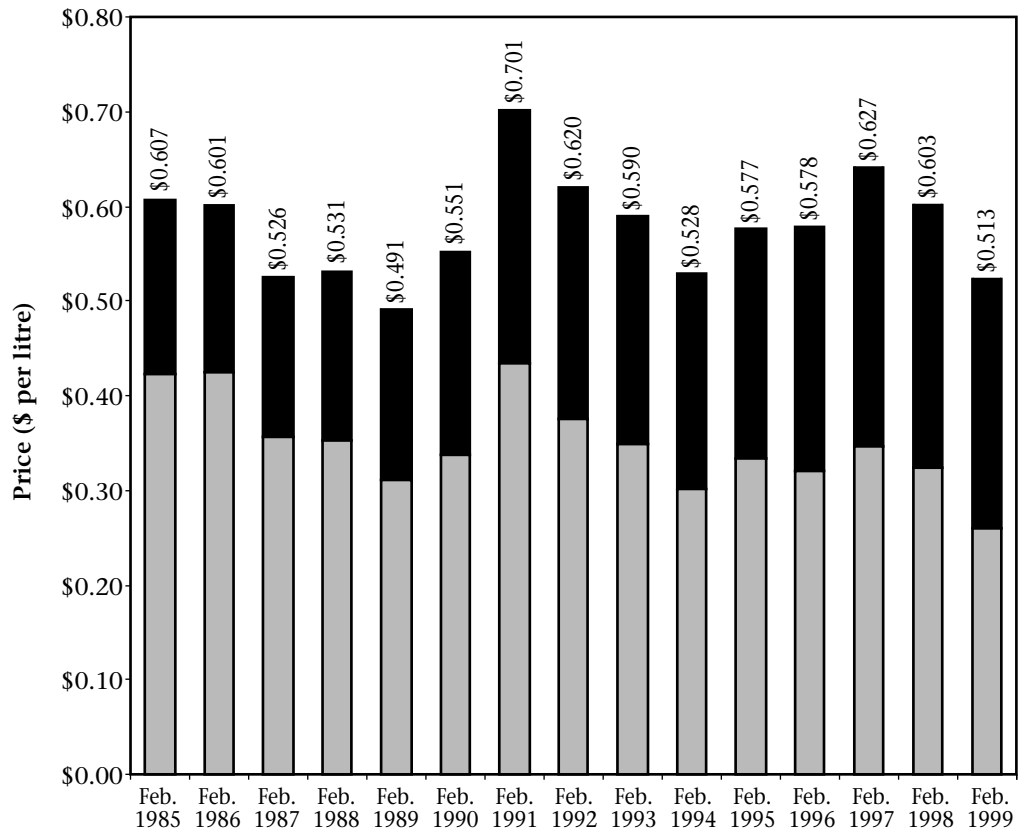


Note: 1990 Figures for Regular Unleaded Include 2.3 Million Litres of Leaded Gasoline

FIGURE 6

**Regular Gasoline Pump Prices**

Taxes  
 Price Before Taxes\*

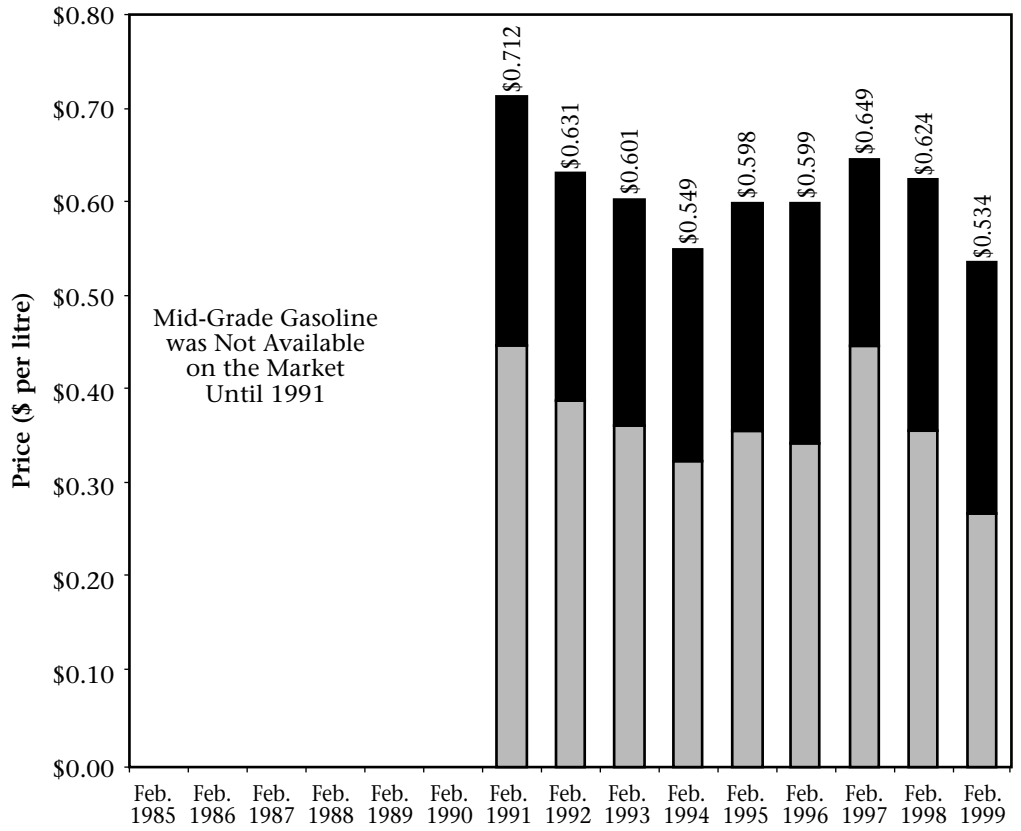


\*Includes average dealer markup of 5.5 cents per litre

FIGURE 7

**Mid-Grade Gasoline Pump Prices**

- Taxes
- Price Before Taxes\*

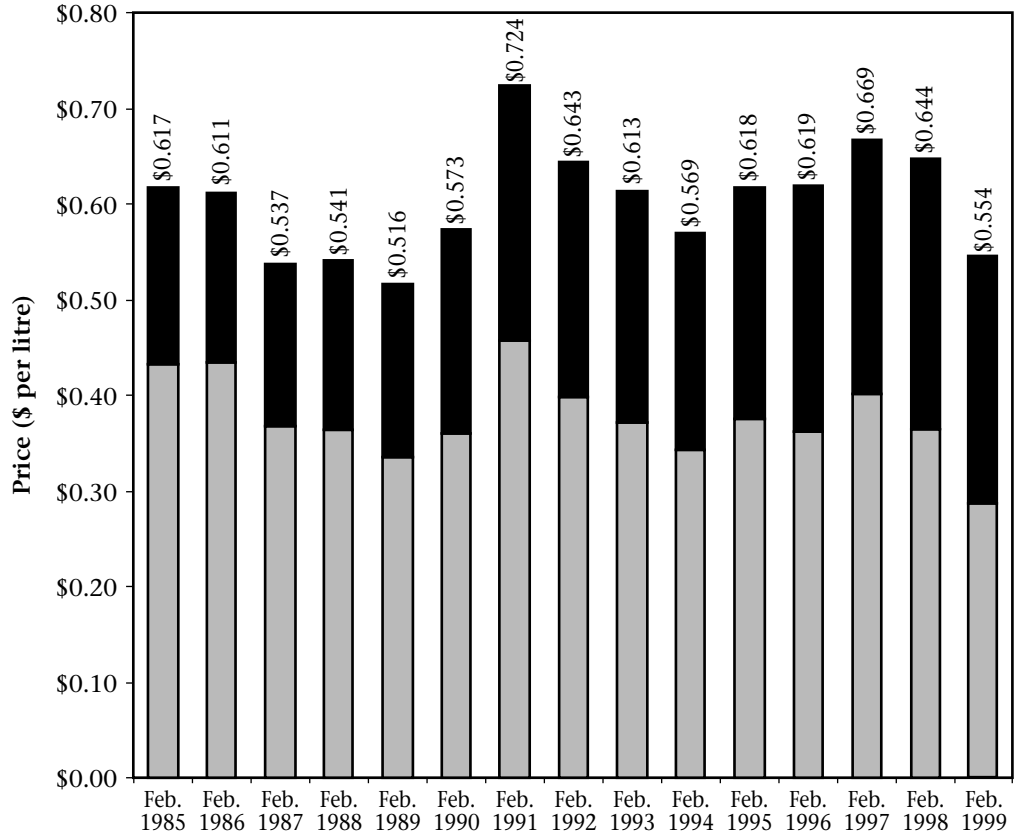


\*Includes average dealer markup of 5.5 cents per litre

FIGURE 8

**Premium Gasoline Pump Prices**

Taxes  
 Price Before Taxes\*



\*Includes average dealer markup of 5.5 cents per litre

**Summary of  
Orders Issued**

1 April 1998 to  
31 March 1999

Date	Order No.	Re.
98/04/21	P.980421-1	Decision and Order re application by Ultramar Ltd. for decreases in dealer and posted consumer pricing schedules, based on crude oil costs. (Decreases in dealer and consumer pricing schedules.)
98/04/21	P.980421-2	Decision and Order re application by Shell Canada Products Limited for decreases in dealer and posted consumer pricing schedules, based on crude oil costs. (Decreases in dealer and consumer pricing schedules.)
98/04/21	P.980421-3	Decision and Order re application by Imperial Oil Limited for decreases in dealer and posted consumer pricing schedules, based on crude oil costs. (Decreases in dealer and consumer pricing schedules.)
98/04/21	P.980421-4	Decision and Order re application by Irving Oil Limited for decreases in dealer and posted consumer pricing schedules, based on crude oil costs. (Decreases in dealer and consumer pricing schedules.)
98/04/21	P.980421-4A	Decision and Order re application by Irving Oil Limited for amendments to propane pricing schedule. (Decreases in prices except for category entitled "Cylinder Exchange Centres".)
98/04/21	P.980421-5	Decision and Order re application by Petro-Canada for decreases in dealer and posted consumer pricing schedules, based on crude oil costs, and for increase in price of dealer low sulphur diesel based on non-crude costs. (Overall decreases in dealer and consumer pricing schedules.)
98/04/21	P.980421-6	Decision and Order re application by Wilson Fuel Co. Limited for decreases in dealer pricing schedule, based on crude oil costs. (Decreases in dealer pricing schedule.)
98/04/23	P.980423-4	Decision and Order re application by Irving Oil Limited for decreases in prices of all grades of gasoline in dealer pricing schedule, due to market conditions. (Decreases in dealer gasoline prices only.)
98/05/05	P.980505-1	Decision and Order re application by Ultramar Ltd. for decreases in prices of all grades of gasoline in dealer pricing schedule, due to market conditions. (Decreases in dealer gasoline prices only.)
98/05/06	P.980506-1	Decision and Order re application by Imperial Oil Limited for decreases in prices of all grades of gasoline in dealer pricing schedule, due to market conditions. (Decreases in dealer gasoline prices only.)
98/05/08	P.980508-2	Decision and Order re application by Shell Canada Products Limited for decreases in dealer pricing schedule, due to market conditions. (Decreases in dealer pricing schedule only.)

**Summary of  
Orders Issued**

1 April 1998 to  
31 March 1999

Date	Order No.	Re.
98/05/08	P.980508-6	Decision and Order re application by Co-Op Atlantic for decreases in dealer pricing schedule, due to market conditions. (Decreases in dealer pricing schedule only.)
98/05/11	P.980511-5	Decision and Order re application by Petro-Canada for decreases in prices of all grades of gasoline in dealer pricing schedule, due to market conditions. (Decreases in dealer gasoline prices only.)
98/06/25	P.980625-1	Decision and Order re application by Ultramar Ltd. for increases in dealer and posted consumer pricing schedules, based on crude oil costs. (Increases in dealer and consumer pricing schedules.)
98/06/25	P.980625-2	Decision and Order re application by Shell Canada Products Limited for increases in dealer and posted consumer pricing schedules, based on crude oil costs. (Increases in dealer and consumer pricing schedules.)
98/06/25	P.980625-3	Decision and Order re application by Imperial Oil Limited for increases in dealer and posted consumer pricing schedules, based on crude oil costs. (Increases in dealer and consumer pricing schedules.)
98/06/25	P.980625-4	Decision and Order re application by Irving Oil Limited for increases in dealer and posted consumer pricing schedules, based on crude oil costs. (Increases in dealer and consumer pricing schedules.)
98/06/25	P.980625-5	Decision and Order re application by Petro-Canada for increases in dealer and posted consumer pricing schedules, based on crude oil costs. (Increases in dealer and consumer pricing schedules.)
98/06/25	P.980625-2A	Decision and Order re application by Superior Propane Inc. for elimination and restructuring of certain of its pricing categories, and decreases in propane prices in all remaining categories. (Decreases in prices in certain categories.)
98/06/25	P.980625-4A	Decision and Order re application by Irving Oil Limited for amendments to its propane pricing schedule. (Decreases in prices except for category entitled "Cylinder Exchange Centres".)
98/06/26	P.980626-6	Decision and Order re application by Co-Op Atlantic for adjustments in dealer and posted consumer pricing schedules based on increased crude oil costs and market conditions. (Increases in dealer pricing schedule and in prices of all products in consumer schedule with the exception of gasoline, which was decreased due to market conditions.)
98/07/30	P.980730	Decision and Order re application by Jamie D. Fox for an initial petroleum products dealers license in respect of split-serve dispensing in conjunction with a proposed convenience store at Gateway Village, Borden-Carleton (approved).

**Summary of  
Orders Issued**

1 April 1998 to  
31 March 1999

Date	Order No.	Re.
98/08/05	P.980805-1	Decision and Order re application by Ultramar Ltd. for decreases in prices of all grades of gasoline in dealer pricing schedule, due to market conditions. (Decreases in dealer gasoline prices only.)
98/08/11	P.980811-1	Decision and Order re application by Imperial Oil Limited for decreases in dealer pricing schedule, due to market conditions. (Decreases in dealer pricing schedule only.)
98/08/27	P.980827-1	Decision and Order re application by Ultramar Ltd. for decreases in dealer and posted consumer pricing schedules, based on crude oil costs. (Decreases in dealer and consumer pricing schedules.)
98/08/27	P.980827-2	Decision and Order re application by Shell Canada Products Limited for decreases in dealer and posted consumer pricing schedules, based on crude oil costs. (Decreases in dealer and consumer pricing schedules.)
98/08/27	P.980827-3	Decision and Order re application by Imperial Oil Limited for decreases in dealer and posted consumer pricing schedules, based on crude oil costs, while allowing for a previous reduction in dealer prices due to market conditions. (Decreases in dealer and consumer pricing schedules.)
98/08/27	P.980827-4	Decision and Order re application by Irving Oil Limited for decreases in dealer and posted consumer pricing schedules, based on crude oil costs. (Decreases in dealer and consumer pricing schedules.)
98/08/27	P.980827-4A	Decision and Order re application by Irving Oil Limited for amendments to propane pricing schedule. (Decreases in prices except for category entitled "Cylinder Exchange Centres".)
98/08/27	P.980827-5	Decision and Order re application by Petro-Canada for decreases in dealer and posted consumer pricing schedules, based on crude oil costs. (Decreases in dealer and consumer pricing schedules.)
98/08/27	P.980827-7	Decision and Order re application by Wilson Fuel Co. Limited for decreases in dealer pricing schedule, based on crude oil costs. (Decreases in dealer pricing schedule.)
98/09/03	P.980903-2	Decision and Order re application by Imperial Oil Limited for decreases in dealer pricing schedule, due to market conditions. (Decreases in dealer pricing schedule only.)
98/09/09	P.980909-2	Decision and Order re application by Shell Canada Products Limited for decreases in dealer pricing schedule, due to market conditions. (Decreases in dealer pricing schedule only.)
98/09/10	P.980910-4	Decision and Order re application by Irving Oil Limited for decreases in prices of all grades of gasoline in dealer pricing schedule, due to market conditions. (Decreases in dealer gasoline prices only.)

**Summary of  
Orders Issued**

1 April 1998 to  
31 March 1999

Date	Order No.	Re.
98/09/15	P.980915-5	Decision and Order re application by Petro-Canada for decreases in prices of all grades of gasoline in dealer pricing schedule, due to market conditions. (Decreases in dealer gasoline prices only.)
98/10/08	P.981008-1	Decision and Order re application by Lowmar Inc. for an initial petroleum products dealers license in conjunction with an existing convenience store in North Bedeque. (Denied).
98/10/28	P.981028-1	Decision and Order re application by Ultramar Ltd. for increases in dealer and posted consumer pricing schedules, based on crude oil costs. (Increases in dealer and consumer pricing schedules.)
98/10/28	P.981028-2	Decision and Order re application by Shell Canada Products Limited for increases in dealer and posted consumer pricing schedules, based on crude oil costs. (Increases in dealer and consumer pricing schedules.)
98/10/28	P.981028-3	Decision and Order re application by Imperial Oil Limited for increases in dealer and posted consumer pricing schedules, based on crude oil costs. (Increases in dealer and consumer pricing schedules.)
98/10/28	P.981028-4	Decision and Order re application by Irving Oil Limited for increases in dealer and posted consumer pricing schedules, based on crude oil costs. (Increases in dealer and consumer pricing schedules.)
98/10/28	P.981028-5	Decision and Order re application by Petro-Canada for increases in dealer and posted consumer pricing schedules, based on crude oil costs. (Increases in dealer and consumer pricing schedules.)
98/10/28	P.981028-7	Decision and Order re application by Wilson Fuel Co. Limited for increases in dealer pricing schedule, based on crude oil costs. (Increases in dealer pricing schedule.)
98/11/10	P.981110-5	Decision and Order re application by Petro-Canada for decreases in prices of all grades of gasoline in dealer pricing schedule, due to market conditions. (Decreases in dealer gasoline prices only.)
98/12/29	P.981229-1	Decision and Order re application by Ultramar Ltd. for decreases in dealer and posted consumer pricing schedules, based on crude oil costs. (Decreases in dealer and consumer pricing schedules.)
98/12/29	P.981229-2	Decision and Order re application by Shell Canada Products Limited for decreases in dealer and posted consumer pricing schedules, based on crude oil costs. (Decreases in dealer and consumer pricing schedules.)
98/12/29	P.981229-3	Decision and Order re application by Imperial Oil Limited for decreases in dealer and posted consumer pricing schedules, based on crude oil costs. (Decreases in dealer and consumer pricing schedules.)

**Summary of  
Orders Issued**

1 April 1998 to  
31 March 1999

Date	Order No.	Re.
98/12/29	P.981229-4	Decision and Order re application by Irving Oil Limited for decreases in dealer and posted consumer pricing schedules. (Decreases in dealer and consumer pricing schedules.)
98/12/29	P.981229-4A	Decision and Order re application by Irving Oil Limited for amendments to propane pricing schedule. (Increases in prices except for category entitled "Cylinder Exchange Centres".)
98/12/29	P.981229-5	Decision and Order re application by Petro-Canada for decreases in dealer and posted consumer pricing schedules, based on crude oil costs. (Decreases in dealer and consumer pricing schedules.)
98/12/29	P.981229-7	Decision and Order re application by Wilson Fuel Co. Limited for decreases in dealer pricing schedule, based on crude oil costs. (Decrease in dealer pricing schedule.)
99/02/25	P.990225-1	Decision and Order re application by Ultramar Ltd. for decreases in dealer and posted consumer pricing schedules, based on crude oil costs. (Decreases in dealer and consumer pricing schedules.)
99/02/25	P.990225-2	Decision and Order re application by Shell Canada Products Limited for decreases in dealer and posted consumer pricing schedules, based on crude oil costs. (Decreases in dealer and consumer pricing schedules.)
99/02/25	P.990225-3	Decision and Order re application by Imperial Oil Limited for decreases in dealer and posted consumer pricing schedules, based on crude oil costs. (Decreases in dealer and consumer pricing schedules.)
99/02/25	P.990225-4	Decision and Order re application by Irving Oil Limited for decreases in dealer and posted consumer pricing schedules, based on crude oil costs. (Decreases in dealer and consumer pricing schedules.)
99/02/25	P.990225-4A	Decision and Order re application by Irving Oil Limited for amendments to propane pricing schedule. (Decreases in prices except for category entitled "Cylinder Exchange Centres".)
99/02/25	P.990225-5	Decision and Order re application by Petro-Canada for decreases in dealer and posted consumer pricing schedules, based on crude oil costs. (Decreases in dealer and consumer pricing schedules.)
99/02/25	P.990225-7	Decision and Order re application by Wilson Fuel Co. Limited for decreases in dealer pricing schedule, based on crude oil costs. (Decrease in dealer pricing schedule.)
99/03/02	P.990302-6	Decision and Order re application by Co-Op Atlantic for decreases in gasoline prices in dealer pricing schedule, due to market conditions. (Decreases in dealer gasoline prices only.)

**Summary of  
Orders Issued**

1 April 1998 to  
31 March 1999

Date	Order No.	Re.
99/03/09	P.990309-3	Decision and Order re application by Imperial Oil Limited for decreases in dealer pricing schedule, due to market conditions. (Decreases in dealer pricing schedule only.)
99/03/11	P.990311-1	Decision and Order re application by Ultramar Ltd. for decreases in prices of all grades of gasoline in dealer pricing schedule, due to market conditions. (Decreases in dealer gasoline prices only.)
99/03/16	P.990316-5	Decision and Order re application by Petro-Canada for decreases in dealer pricing schedule, due to market conditions. (Decreases in dealer pricing schedule only.)
99/03/17	P.990317-4	Decision and Order re application by Irving Oil Limited for decreases in gasoline prices in dealer schedule, due to market conditions. (Decreases in dealer gasoline prices only.)

**Summary of Moves**

Petroleum Division staff is also responsible for the issuance of authorizations with respect to the movement of buildings and/or other structures under the *Electric Power and Telephone Act*. During the fiscal year ending 31 March 1999, the following persons applied for and received permission to move buildings which involved the raising or cutting of overhead wires or cables:

<b>NUMBER</b>	<b>NAME</b>	<b>ADDRESS</b>
1286	Wayne Richards	Vernon River, P.E.I.
1287	Sandra Strain	Murray Harbour R.R.#1, P.E.I.
1288	Lesley Dubey	Tyne Valley, P.E.I.
1289	Dale Murphy	Montague R.R.#1, P.E.I.
1290	Grafton Cole	Kensington R.R.#5, P.E.I.
1291	Nancy MacDonald	Souris R.R.#4, P.E.I.
1292	P. D. Construction Ltd.	Winsloe R.R.#10, P.E.I.
1293	Dr. Marvin Clark	Charlottetown, P.E.I.
1294	Brendan Fitzgerald	Richmond, P.E.I.
1295	P. D. Construction Ltd.	Winsloe R.R.#10, P.E.I.
1296	Gillis Bros. (1998) Ltd.	Bedeque, P.E.I.

Permits were issued based on administrative fees of \$75.00 for the first utility involved, plus \$25.00 for each additional utility involved. If extensions were required, an administrative fee of \$20.00 for each utility involved was charged. In addition to the issuance of the above-noted permits, staff gave consideration to several additional applications, which after review, resulted in determinations that the proposed moves would not involve the interruption of power or the cutting of telephone lines or cables.



**Residential  
Rental  
Property  
Division**

**Residential Rental  
Property Division**

1 April 1998 to  
31 March 1999

**I. INTRODUCTION**

The Division is responsible for the administration of the *Rental of Residential Property Act*, primarily dealing with disputes between lessors and lessees.

The following outlines the major roles and responsibilities of the Division and the level of activity under each of the related statutes. Statistical information is based upon the fiscal year from April 1, 1998 to March 31, 1999.

**II. RENTAL OF RESIDENTIAL  
PROPERTY ACT**

The administration of the *Rental of Residential Property Act* is carried out by the Rental Division, while the Commission hears appeals from the decisions of the Director of Residential Rental Property and those rental officers who have been delegated decision making power by the Director.

The *Act* establishes the obligations and responsibilities of the parties to rental agreements for residential premises. Procedures are set out to deal with violations and to enforce obligations under rental agreements. The *Act* sets out mechanisms whereby violations are expeditiously handled and the system is readily accessible to all parties. The *Act* outlines, among other things, procedures for the enforcement of statutory conditions, the handling of security deposits, the termination of rental agreements, rent owing and properly increasing rent.

The Division has exclusive responsibility for the administration of the *Act* and Regulations. The Director of the Division is responsible for:

- Providing information to the public to promote understanding of rights and responsibilities under this *Act*;
- Advising lessors and lessees with respect to matters relating to rental agreements;

- Receiving and investigating allegations of violations of rental agreements, or of the *Act* or the regulations;
- Holding hearings, giving notice thereof to the parties, determining matters of procedure at hearings and making decisions or orders with respect to matters relating to the rights of lessors or lessees arising pursuant to this *Act*; and
- Entering and inspecting residential premises, after serving an inspection order, for the purpose of carrying out the powers or duties under this *Act* or the Regulations.

As a result of legislative changes, the *Act* now applies to all premises licensed under the *Tourism Industry Act* where guests rent such premises for a continuous period of one month or more.

The *Act* is administered on a province-wide basis with the majority of hearings being held at the offices of the Commission. Hearings are also held at the various Regional Services Centres when the housing unit involved is in that regional area.

During 1998-99 the Division received 252 new applications concerning rental matters (see Table 1 and Figure 1) and issued 215 orders (see Table 2) on those applications. During the 1997-98 reporting period the Division received 274 new applications and issued 231 orders. In 1998-99 the Division received 13,588 inquiries, which is a decrease of approximately 3% from the 1997-98 level of 14,024 inquiries. (see Table 3).

The following sections outline the level of activity under the main sections of the *Act*.

**A. Enforcement of Statutory  
or Other Conditions of a  
Rental Agreement**

The statutory conditions are those obligations of either the lessor (landlord) or the lessee (tenant) as set out in the *Act* and the standard form of rental agreement. Statutory conditions include such

issues as: good behavior, condition of the premises, subletting of the premises, and late payment penalty. Other conditions of a rental agreement include the return of security deposits and rent owing. Recent amendments to the *Act* provide for a process for dealing with personal property abandoned by tenants. In all cases the parties are encouraged to resolve disputes after their rights are explained. When this is unsuccessful, an application is received and processed by investigation and/or hearing.

During the reporting period the Division received 192 applications involving statutory or other conditions. This is the same as the previous year's total.

### **B. Security Deposits**

The *Act* sets out the handling and processing requirements for security deposits taken as a condition of the rental agreement. The lessor is required to deposit the funds at a financial institution in a designated trust account and interest accrues to the lessee while the deposit is held. Within 10 days of the lessee delivering up possession of the premises, the lessor is to return the deposit with interest. The lessor may retain all or a portion of the deposit to cover damages or unpaid rent but if this is done, the lessee must be advised of the nature and amount of charges made. If an agreement is not reached between the parties, the lessee may request a decision by the Director at which time the deposited funds are forwarded and held in trust by the Director. An investigation is then carried out and a decision is rendered.

The Division received 25 applications involving security deposits during this reporting period. This is a decrease of 4 over the previous year's total of 29 applications.

### **C. Termination of Rental Agreements**

The *Act* provides for limited security of tenure for the lessee whereby the lessee must be given in writing the proper notice and the reason for the termination

of the rental agreement. Termination is allowed only for the reasons set out in Sections 13, 14 and 15 of the *Act*.

In 1998-99, the Division received 27 applications involving the termination of rental agreements during the reporting period. This represents a decrease of 11 from the previous year's level of 38 applications.

### **D. Rent Increases**

Each year the Director invites written representation from lessors and lessees to assist in establishing the annual prescribed percentage rent increase. The Director is responsible for preparing background material for the Commission on this issue, with the Commission responsible for making the decision on the allowable percentage rent increase for the coming year. The allowable percentage rent increase for 1998 was 1.5%. Any rent increase exceeding the established amount requires approval by the Director before being charged and collected.

During the reporting period the Division received 8 applications involving rent increases. This represents a decrease of 7 from the previous year's level of 15 applications.

### **E. Appeals to the Commission**

The Commission has the power to hear appeals from the decisions of the Director. Of the 215 orders issued on rental matters during the reporting period, 13 were appealed and resulted in Commission decisions. During 1997-98 there were 15 appealed of the 231 orders issued.

### **F. Significant Events**

During this reporting period, the Division continued to automate its information management system to assist with tracking and reporting rental applications and rental inquiries. The system allows for up-to-date information to be accessed and includes such data as the nature of the application or the inquiry, the parties involved and the current status of applications.

FIGURE 1

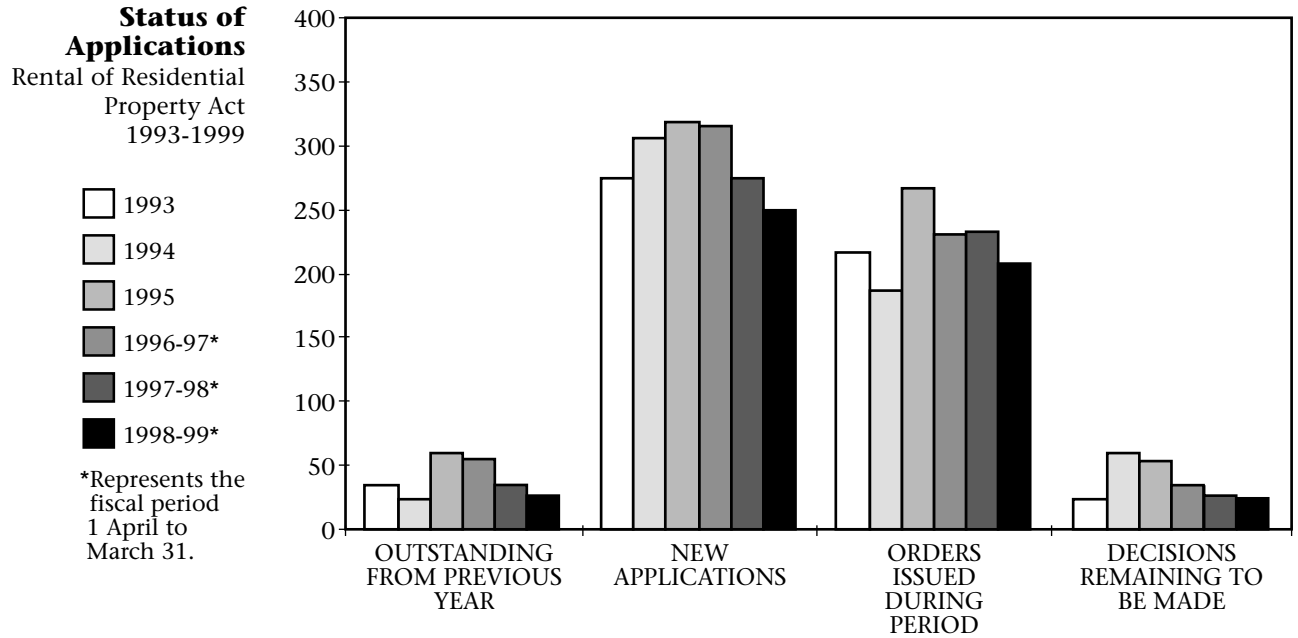


TABLE 1

**Nature of New Applications**  
Rental of Residential Property Act 1993-1999

NATURE OF NEW APPLICATIONS	1993	1994	1995	1996 -97*	1997 -98*	1998 -99*
<b>DETERMINATION OF SECURITY DEPOSITS</b>	16	21	26	9	29	25
<b>BREACH OF STATUTORY CONDITIONS</b>						
Condition of Premises	9	22	16	34	25	24
Services	6	8	11	12	5	3
Good Behavior	0	0	1	0	1	0
Lessee Cleanliness and/or Damages	0	1	0	0	0	0
Sublet by Lessee	0	0	0	0	0	0
Entry of Premises	0	2	1	2	1	1
Entry Doors	0	1	0	1	1	0
Late Penalty Payment	0	0	0	0	0	0
Quiet Enjoyment	3	0	2	2	1	5
Mobile Homes	1	0	0	0	0	2
Lessee Delivery of Possession	23	34	45	61	40	37
Security Deposit	50	41	35	26	33	18
Rent	96	110	114	92	81	96
Other	2	0	0	3	4	6
<b>TERMINATION</b>	46	42	48	55	38	27
<b>RENT INCREASE</b>	22	20	19	19	15	8
<b>TOTAL</b>	<b>274</b>	<b>302</b>	<b>318</b>	<b>316</b>	<b>274</b>	<b>252</b>

\* Represents the fiscal period April 1 to March 31.

TABLE 2

**Orders Issued**

Rental of Residential  
Property Act  
1993-1999

	1993	1994	1995	1996 -97*	1997 -98*	1998 -99*
Determination of Security Deposits	13	11	27	9	26	20
Breach of Statutory Conditions	150	136	190	177	164	163
Termination	37	26	32	27	27	22
Rent Increase	17	13	18	17	14	10
<b>TOTAL</b>	<b>217</b>	<b>186</b>	<b>267</b>	<b>230</b>	<b>231</b>	<b>215</b>

\* Represents the fiscal period April 1 to March 31.

TABLE 3

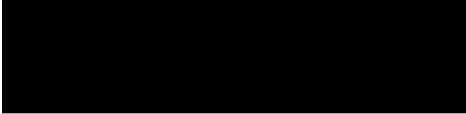
**Inquiries**

Rental of Residential  
Property Act  
1993-1999

NATURE OF INQUIRY	1993	1994	1995	1996 -97*	1997 -98*	1998 -99*
<b>BREACH OF STATUTORY CONDITIONS</b>						
Condition of Premises	597	551	765	1,151	1,003	980
Services	407	325	485	841	612	509
Good Behavior	44	76	102	494	333	232
Lessee Cleanliness and/or Damages	34	38	173	400	764	780
Sublet by Lessee	20	16	44	20	27	55
Entry of Premises	81	142	160	275	248	246
Entry Doors	27	28	52	87	55	50
Late Penalty Payment	11	7	10	12	9	10
Quiet Enjoyment	37	64	237	126	90	138
Lessee Delivery of Possession	61	207	390	573	392	418
Mobile Homes	14	13	3	20	17	92
Rent	927	1,243	2,502	3,468	2,748	2,741
Other Statutory Conditions	10	76	349	287	231	315
No Statutory Condition Specified	0	0	0	0	0	0
<b>SECURITY DEPOSITS</b>	<b>1,081</b>	<b>1,251</b>	<b>1,744</b>	<b>1,821</b>	<b>1,964</b>	<b>1,849</b>
<b>TERMINATION</b>	<b>1,505</b>	<b>2,117</b>	<b>2,983</b>	<b>3,748</b>	<b>3,357</b>	<b>3,182</b>
<b>RENT INCREASE</b>	<b>751</b>	<b>830</b>	<b>927</b>	<b>714</b>	<b>598</b>	<b>472</b>
<b>OTHER</b>	<b>927</b>	<b>846</b>	<b>451</b>	<b>1,150</b>	<b>1,576</b>	<b>1,519</b>
<b>TOTAL</b>	<b>6,534</b>	<b>7,830</b>	<b>11,377</b>	<b>15,187</b>	<b>14,024</b>	<b>13,588</b>

Note: There are some (Office or Telephone) calls which involve more than one category inquiry.

\*Represents the fiscal period April 1 to March 31.



**Technical  
Services  
Division  
Report**

**Technical Services  
Division Report**

**1. Introduction**

The Technical Services Division is the technical support arm of the Commission. The Division's primary responsibilities focus on information technology planning, management and support. The Division also monitors or regulates 2 electric utilities and some 26 municipal and private water-sewer utilities in the Province. In addition, the Division is responsible for the administration of certain tax appeals.

Specific areas of utility regulation and responsibility that fall under the Division are derived from the *Electric Power and Telephone Act*, the *Maritime Electric Company Limited Regulation Act*, the *Water and Sewerage Act*, and sections of the *Revenue Administration Act*.

In the area of electric utilities, limited sections of the *Electric Power and Telephone Act*<sup>1</sup> continue to apply to both Maritime Electric Company, Limited and the City of Summerside Municipal Electric Utility. Under the *Maritime Electric Company Limited Regulation Act*, the Commission's role is limited to that of monitoring the utility's compliance with the legislation as well as the disposition of formal complaints. Under the *Electric Power and Telephone Act City of Summerside Electric Utility Exemption Regulations* — which came into force on February 24, 1996 — a similar regime of compliance monitoring and complaint disposition has been established. Both utilities are now effectively exempt from economic regulation.

Effective January 1, 1998, rates charged by Maritime Electric under the *Maritime Electric Company Limited Regulation Act* were benchmarked against rates charged by the New Brunswick Power Corporation (NB Power). Under the *City of Summerside Electric Utility Exemption Regulations*, Summerside Electric's rates were similarly established.

<sup>1</sup> Telecommunications regulation in Prince Edward Island is a federal responsibility administered by the Canadian Radio-television and Telecommunications Commission (CRTC).

Specifically, sections 7.(2) and 7.(4) of the *Maritime Electric Company Limited Regulation Act* state as follows:

7. (2) *The Utility shall file a tariff as and when required, to provide that on January 1, 1995, July 1, 1995, January 1, 1996, July 1, 1996, January 1, 1997 and July 1, 1997 the rates shall be reduced by one percent, so that each rate shall be 99% of the equivalent rate in effect in the immediately preceding six month period.*

7. (4) *The Utility shall file a tariff to be effective January 1, 1998, under which the rates shall be such that the amounts payable by customers in each rate classification shall not exceed 110% of the amount that would be payable if the customers in that classification were served in New Brunswick by the New Brunswick Power Corporation.*

Sections 2. (e), (f) and (g) of the *Electric Power and Telephone Act City of Summerside Electric Utility Exemption Regulations* provide as follows:

2.(e) *that customers of the utility located outside the boundaries of the City of Summerside receive service at the same rates as customers inside the boundaries of the City of Summerside, to December 31, 1997;*

(f) *that effective January 1, 1998, customers of the utility located outside the boundaries of the City of Summerside shall receive service at rates which shall not exceed 110% of the amount that would be payable if the customers in that classification were served in New Brunswick by the New Brunswick Power Corporation;*

(g) *that prior to January 1, 1998, the utility shall file terms and conditions and ancillary charges under which the utility shall provide service after January 1, 1998 to customers of the utility located outside the boundaries of the City of Summerside, using the following criteria:*

(i) *the ancillary charges shall not exceed 110% of the most nearly equivalent ancillary charges imposed or required by*

*the New Brunswick Power Corporation of its customers in New Brunswick, and (ii) the terms and conditions of service shall, in their entirety be not less favourable to the utility's customers generally, than are the most equivalent terms and conditions of service of the New Brunswick Power Corporation to its customers in New Brunswick.*

Under the *Water and Sewerage Act*, the Commission regulates certain<sup>2</sup> municipal and private utilities operating water or wastewater management facilities in Prince Edward Island, including establishing and monitoring rates for these utilities.

Under the *Revenue Administration Act*, the Commission acts as an appellate tribunal that hears appeals from decisions of the Provincial Tax Commissioner in relation to tax assessments under provincial revenue acts. The Technical Services Division administers these responsibilities.

## 2. Information Technology

The Commission's information systems continue to be developed to meet changing needs. During the reporting period, major database management development work was undertaken in the Land Information System to address ongoing changes in the *Lands Protection Act*. In addition, major work on the Petroleum Database and Licensing System was completed.

Like other organizations, the Commission continues to address the Y2K issue in its IT development strategy. Current projections indicate that all hardware and software used by the Commission will be Y2K compliant by mid-summer 1999.

The Commission's public web site continues to be a major development initiative. Online since 1997, the site is seeing an increasing number of visitors. Feedback on the site has been positive. Plans are

<sup>2</sup> The utilities operating in the cities of Charlottetown and Summerside and the towns of Stratford and Cornwall are exempt from the jurisdiction of the Commission.

underway to increase the content of the site and to better enable public access to information through the integration of the site with certain internal database management systems.

## 3. Regulatory Highlights

### Electric Utilities

Effective January 1, 1998, new Rate Schedules and Policies (RSP) Manuals were introduced by Maritime Electric Company, Limited and the City of Summerside Municipal Electric Utility.

The policies established in the manuals — like the rates — are based on those in effect in New Brunswick, and replace the *Prince Edward Island Electric Utilities General Rules & Regulations* formerly in effect.

In accordance with current legislative requirements, electric rates in Prince Edward Island are now established at 10% above the rates charged by NB Power in New Brunswick.

During this period, NB Power increased its Schedule of Rates by an average of 2.9% which resulted in Maritime Electric's and Summerside Electric's rates increasing, effective October 1, 1998 by the same amount.

Statistical reports provided in this section include information on operating costs and the distribution of sales for Maritime Electric and City of Summerside Electric.

### Water and Sewerage Utilities

In June 1998, the Montague sewer and water utility applied to the Commission for an extension in a filing deadline to confirm the utility's interim water rate. Order UW94-4 initially established an interim water rate for Montague effective January 1, 1994.

The Montague utility plans to place water meters on all properties other than single-family dwellings and requested additional time to complete the installation of the meters, to allow for the collection of

consumption data, and to prepare a proposed rate structure.

The Commission issued Order UW98-1 allowing Montague until December 31, 1999 to file its rate application.

In February 1999, the Commission issued two Orders pertaining to applications received from the Cavendish sewer utility. Order UW99-1 deals with an amendment to Commission Order UW93-11 to update the plan of serviced areas in the Community to include additional serviced areas. Order UW99-2 approves an amendment to Cavendish's tariff to remove an exemption clause relating to Marco Polo Land.

In response to various applications for development approval, the Commission issued twelve permits for construction or amendments to utilities' systems during this period. Work included the extension of water services in North Rustico, the placement of a water tank in Kensington and the installation of a private, central water system in Covehead. Souris, Miscouche, Georgetown, O'Leary, Mount Stewart and Borden all carried out replacement or repair work to their systems as well.

In 1997, the Commission adopted a new uniform system of accounts for water and sanitary sewerage utilities, including the implementation of new annual report forms. The first phase of the project saw eight utilities introduced to the new system. The remainder of the utilities were introduced to the new system during this period, including site visits to each utility to go over the changes being implemented.

Numerous utility-related inquiries and complaints were also dealt with during this period.

**Sales Tax Appeals**

In April 1998, the Commission finalized a sales tax appeal concerning Northern Telecom and the Provincial Tax Commissioner. The appeal centered on two principal issues:

- Whether the software, including engineering and installation software and extended warranty plan software updates provided by Nortel to Island Tel is computer software as defined in the *Revenue Tax Act Regulations*; and
- Whether sales tax is payable on the manufactured cost of the hardware or the retail selling price of the hardware.

Order UT98-1, issued by the Commission, determined that the software and updates to that software are not computer software within the meaning of the *Revenue Tax Act Regulations*. The decision of the Provincial Tax Commissioner respecting sales tax on software associated with the DMS-100 switch was reversed; the decision of the Provincial Tax Commissioner respecting sales tax on engineering and installation software was also reversed; and the decision of the Provincial Tax Commissioner respecting sales tax on the hardware portion of the DMS-100 switch was affirmed.

A similar sales tax matter outstanding before the Commission involving Island Tel was held in abeyance pending the outcome of the Commission's decision in the Northern Tel appeal. In November 1998, the Commission proceeded with the appeal and held a hearing to deal with preliminary issues. Order UT98-2 was issued in December 1998.

The Order deals with the disclosure of documents by the Provincial Tax Commissioner to an appellant and the Commission on the filing of an appeal and upon whom the onus rests to approve or disprove the validity of the assessment.

Order UT98-2 is currently under appeal by Island Tel to the Appeal Division of the P.E.I. Supreme Court. The appeal before the Commission is on hold pending disposition of the appeal before the Supreme Court.

Also on hold before the Commission is an appeal by GMAC Leaseco Limited against a decision of the Provincial Tax Commis-

sioner dated May 11, 1998. A request by the Appellant to have the matter held in abeyance was agreed to by the Respondent and accepted by the Commission.

In February 1999, the Commission received an appeal filed by Purple Parrot Holdings Ltd. The appeal relates to an assessment by the Provincial Tax Commissioner on “admission charges”. At the close of this reporting period, the matter before the Commission had not been finalized.

Also in February, the Commission received an appeal by Island Construction against a decision of the Provincial Tax Commissioner dated June 30, 1998. Order UT99-1, issued in March, concludes that the Commission has no jurisdiction to hear the matter as the deadline for appeal had elapsed.

As noted in last year’s report, the issue of the Commission’s jurisdiction in revenue tax matters was the subject of an appeal to the Appeal Division of the Supreme Court of P.E.I. by the Provincial Tax Commissioner. The appeal involved a 1996 decision of the Commission in the matter of Maritime Dredging Limited.

In its decision<sup>3</sup> on this appeal, the Court determined that “the concept of the specialization of duties dictates that deference be shown to the tribunal on subject matters which fall squarely within its area of expertise.” The Court’s decision also stated: “On the other hand, where the tribunal does not possess expertise on the subject matter before it, and there is a statutory right of appeal, this may be reason to refuse deference.” In this appeal, the Court determined that the Commission’s decision was subject to review on the standard of correctness as the Commission was acting in its appellate as opposed to its regulatory capacity.

Another important finding in this matter deals with the question of whether an

appeal before the Commission — in this case under the *Revenue Administration Act* — is considered to be in the form of a hearing *de novo*. The Court stated that the appeal to the Commission is by way of hearing *de novo*. Parties are entitled to appear, be heard and to submit “further evidence”.

The outcome of the Court’s decision is significant in confirming the Commission’s authority to deal with such matters.

In January 1998, the Provincial Tax Commissioner made application for Leave to Appeal to the Supreme Court of Canada on the above decision of the P.E.I. Supreme Court. Primarily, the issue on appeal dealt with whether P.E.I. has territorial jurisdiction over certain public harbours in the province. The appeal was dismissed by the Court.

Statistical information following in this section of the report is based, for the most part, on data for the calendar year 1998.

<sup>3</sup> *Provincial Tax Commissioner (Prince Edward Island) v. Maritime Dredging Ltd.* (1997), 157 Nfld & P.E.I.R. (P.E.I.S.C.A.D.)

**Summary of Orders Issued**

1 April 1998 to  
31 March 1999

Date	Order No.	Re:
Apr. 21/98	UT98-1	<p><i>Northern Telecom Limited v. Provincial Tax Commissioner</i> An appeal against a decision of the Provincial Tax Commissioner, dated May 2, 1994.</p> <p>The appeal centered on two principal issues:</p> <ol style="list-style-type: none"> <li>1. Whether certain software, including engineering and installation software and extended warranty plan software updates provided by Nortel to Island Tel, is computer software as defined in the <i>Revenue Tax Act Regulations</i>; and</li> <li>2. Whether sales tax is payable on the manufactured cost of the hardware or the retail selling price of the hardware. (UT94102)</li> </ol>
Jun. 18/98	UW98-1	<p><i>Montague Sewage and Water Collection and Treatment Corporation</i> An application for approval to amend Commission Order UW94-4 to extend the deadline for confirmation of the Utility's Interim Schedule of Water Rates and Charges. (UW22305)</p>
Dec. 21/98	UT98-2	<p><i>Island Tel v. Provincial Tax Commissioner</i> An appeal against a decision of the Provincial Tax Commissioner, dated March 27, 1997.</p> <p>Order UT98-2 deals with the following preliminary issues:</p> <ol style="list-style-type: none"> <li>1. document disclosure;</li> <li>2. onus of proof; and,</li> <li>3. validity of regulations. (UT97101)</li> </ol>
Feb. 25/99	UW99-1	<p><i>Cavendish Sewer Utility</i> An application to amend Order UW93-11 to update the plan of serviced areas in the Community to include additional serviced areas. (UW46303)</p>
Feb. 25/99	UW99-2	<p><i>Cavendish Sewer Utility</i> An application by the Cavendish Sewer Utility to amend its tariff of sanitary sewerage rates and charges to remove an exemption clause relating to Marco Polo Land. (UW46303)</p>
Mar. 25/99	UT99-1	<p><i>Island Construction Limited v. Provincial Tax Commissioner</i> An appeal against a decision of the Provincial Tax Commissioner, dated June 30, 1998.</p> <p>The appeal related to tax assessed on a loader; however, the Commission concluded in its order that it had no jurisdiction to hear the matter as the deadlines for appeal had elapsed. (UT99102)</p>

**Selected  
Statistics  
Maritime Electric**

FIGURE 1

**Electricity Costs Compared to the Consumer Price Index**  
January 1, 1989 - March 31, 1999

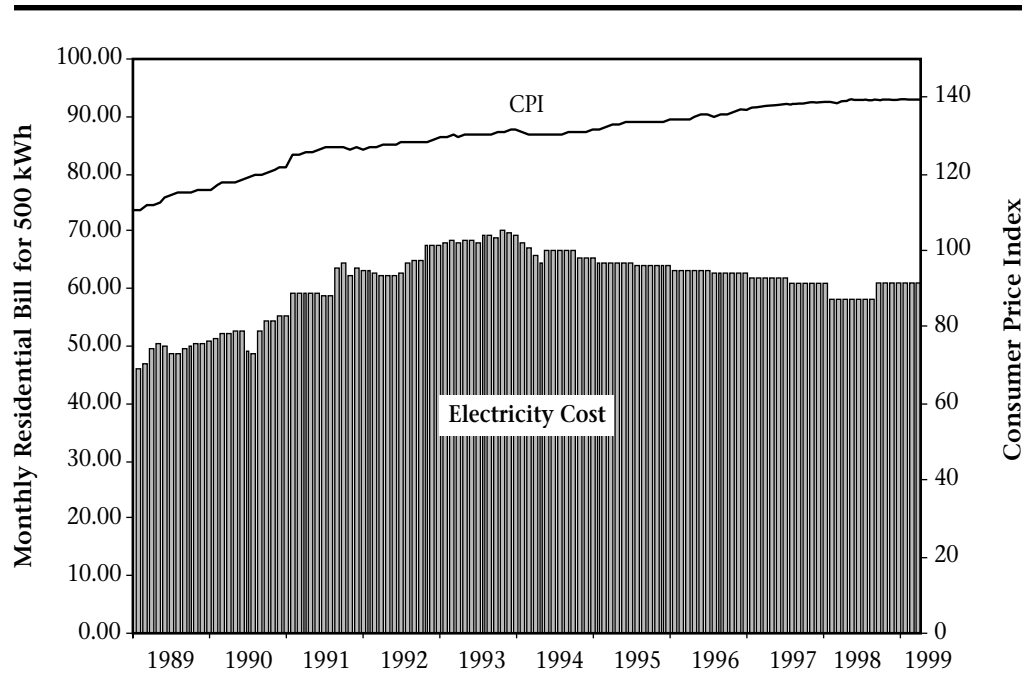


FIGURE 2

**Selected Financial Data**

- After Tax Net Earnings (\$)
- Income Taxes (\$)
- Finance Expenses (\$)
- Depreciation (\$)
- Operating Expenses (\$)
- ✱ Return on Average Common Equity (%)

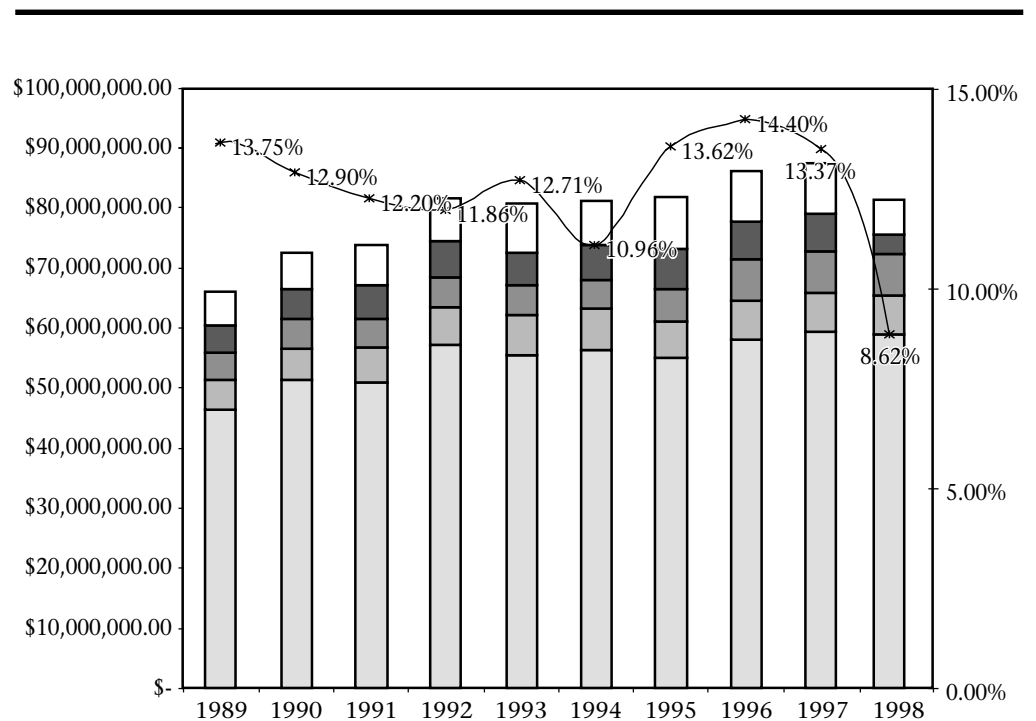
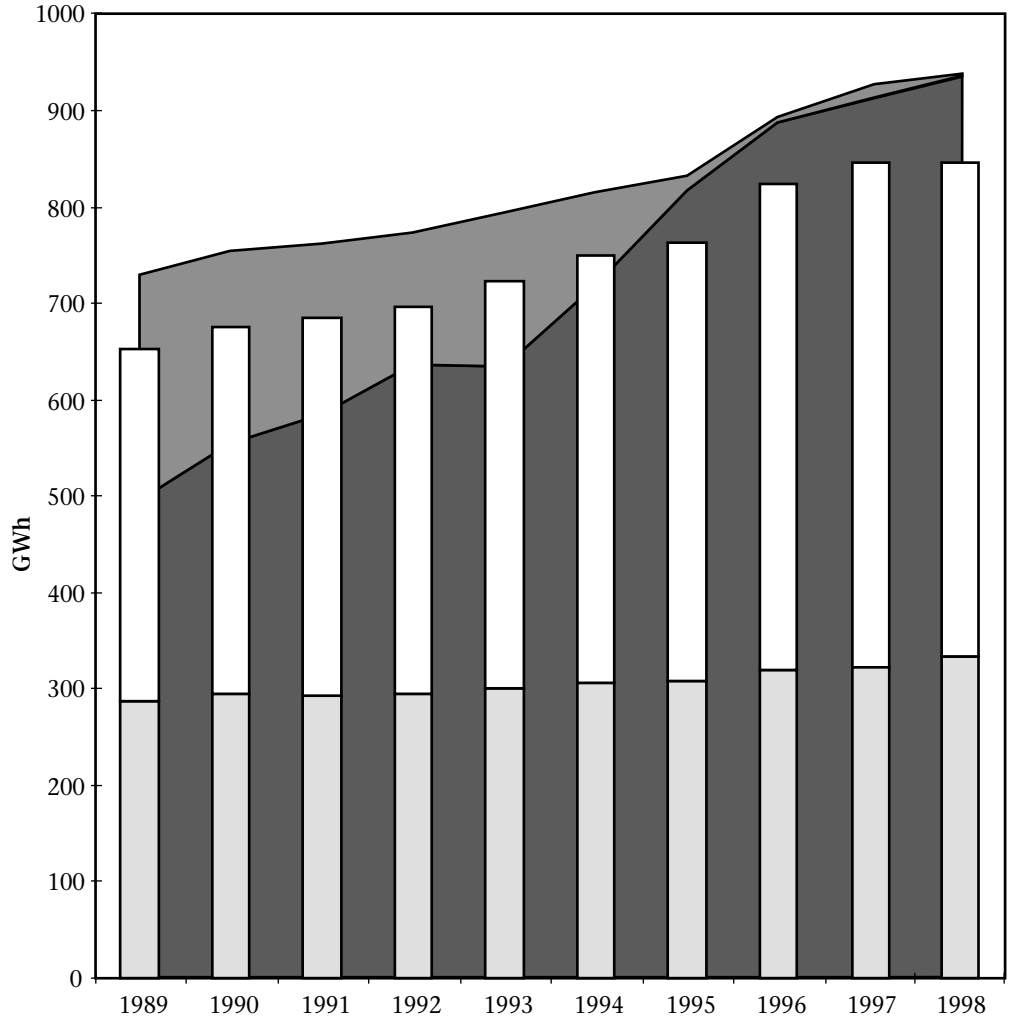


FIGURE 3

**Selected  
Operating  
Data**

- Generated Energy
- Purchased Energy
- General Service & Other Sales
- Residential Customer Sales





**Selected  
Statistics  
Summerside Electric**

FIGURE 1

**Electricity Costs Compared to the Consumer Price Index**  
January 1, 1989 - March 31, 1999

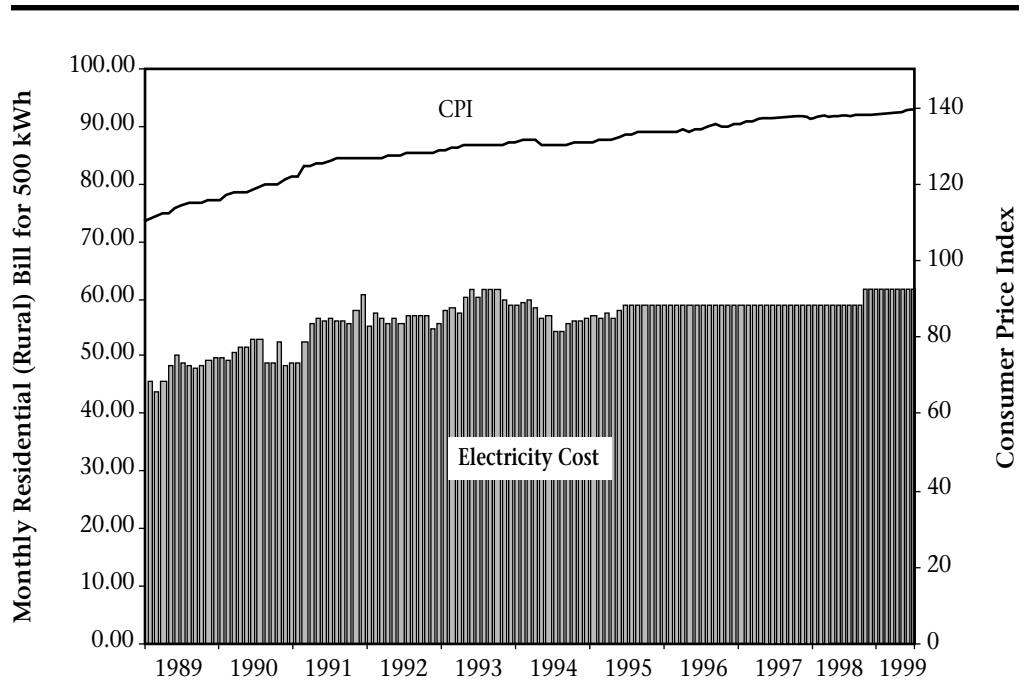


FIGURE 2

**Selected Financial Data**

- Net Income (\$)
- Finance Expenses (\$)
- Depreciation (\$)
- Operating Expenses (\$)

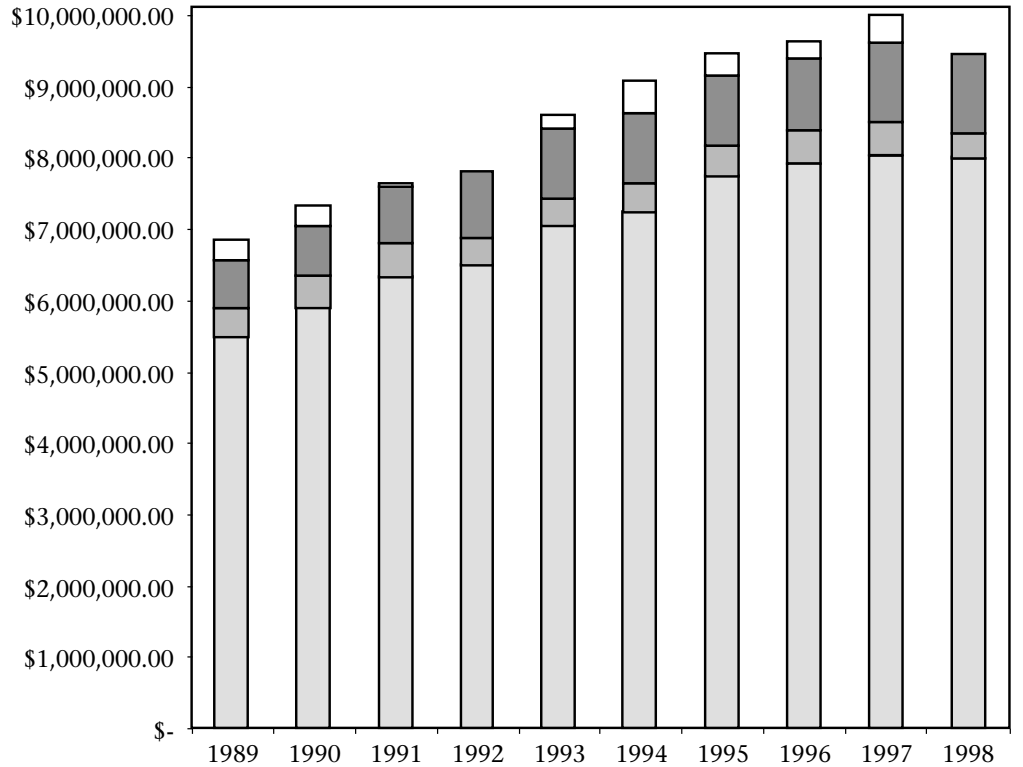
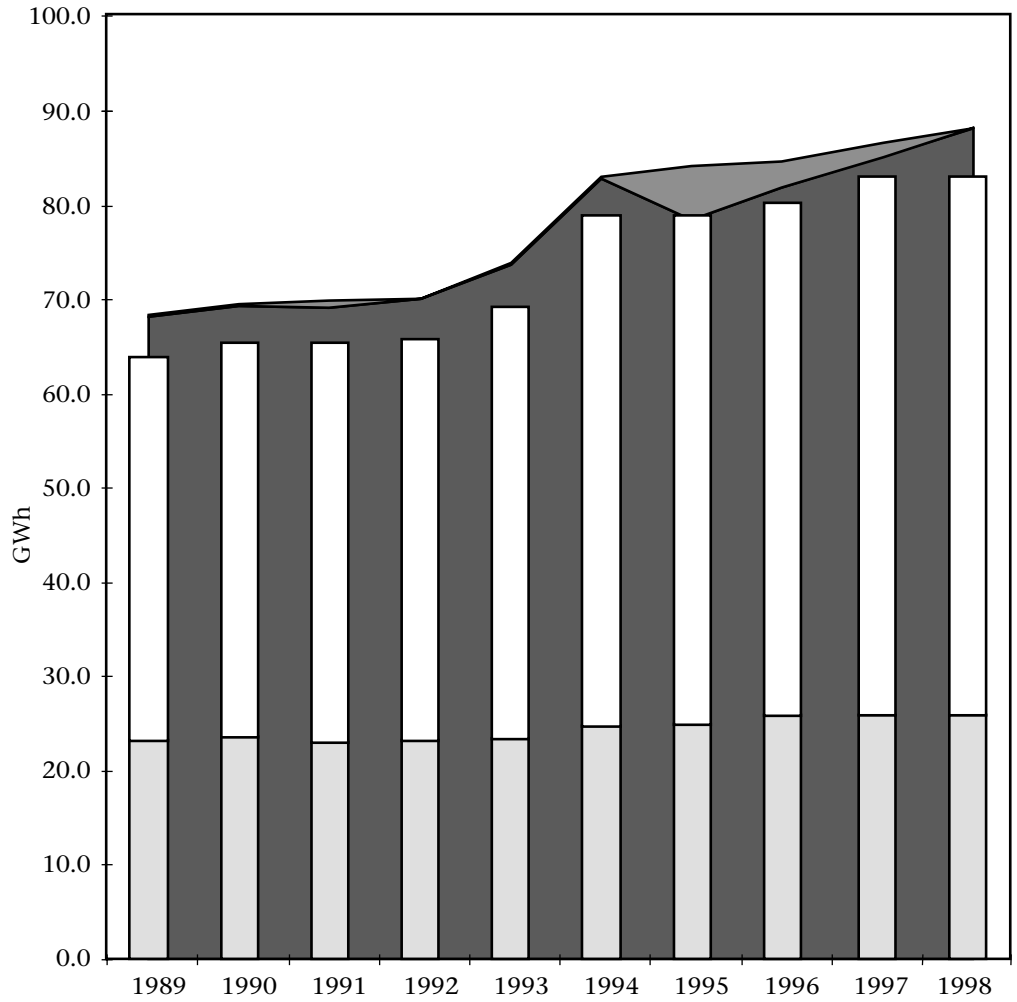


FIGURE 3

**Selected  
Operating  
Data**

- Generated Energy
- Purchased Energy
- General Service & Other Sales
- Residential Customer Sales





**Selected Statistics  
Municipal Water and  
Sewer Utilities**

FIGURE 1

**Current Single-Family Dwelling Charge Municipal Sewerage Utilities**

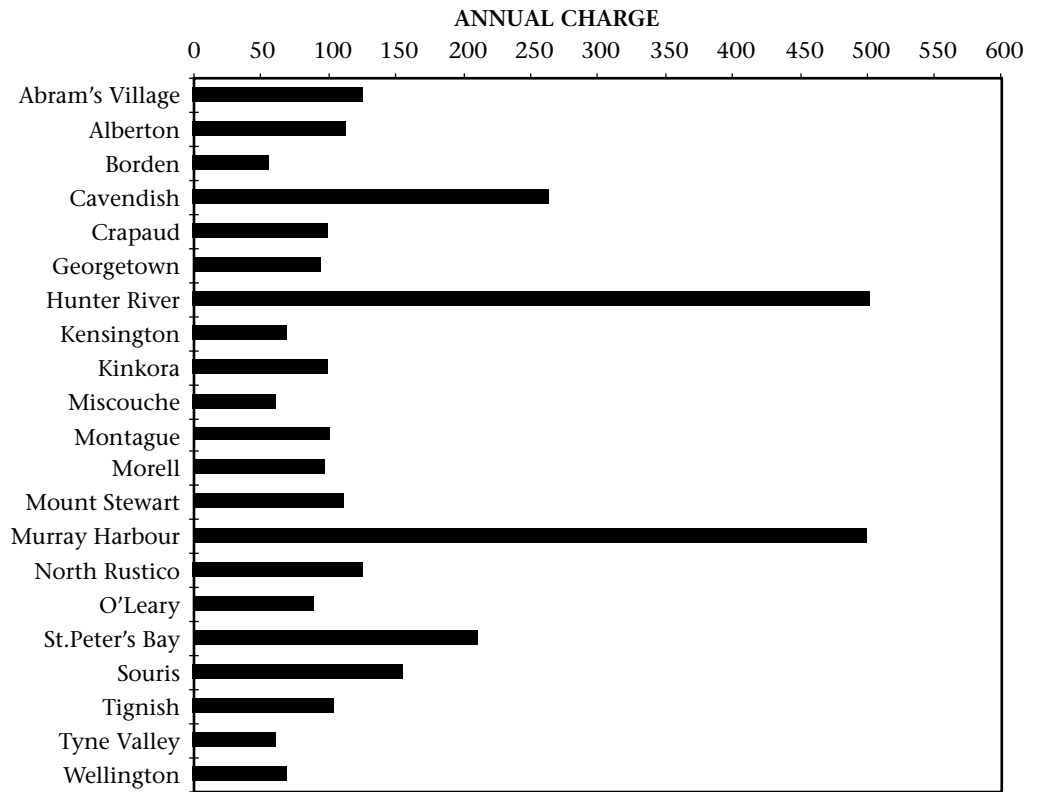


FIGURE 2

**Current Single-Family Dwelling Charge Municipal Water Utilities**

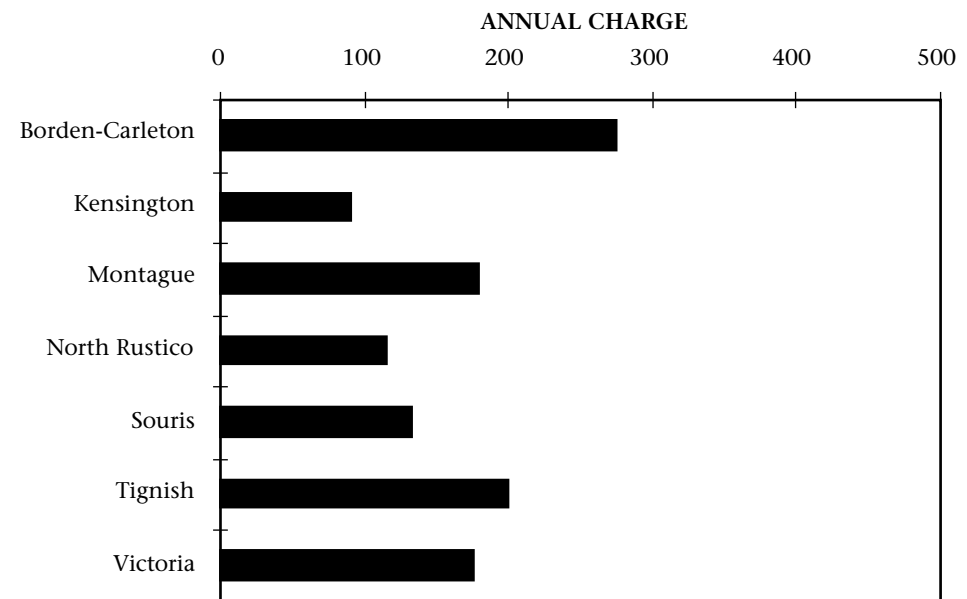
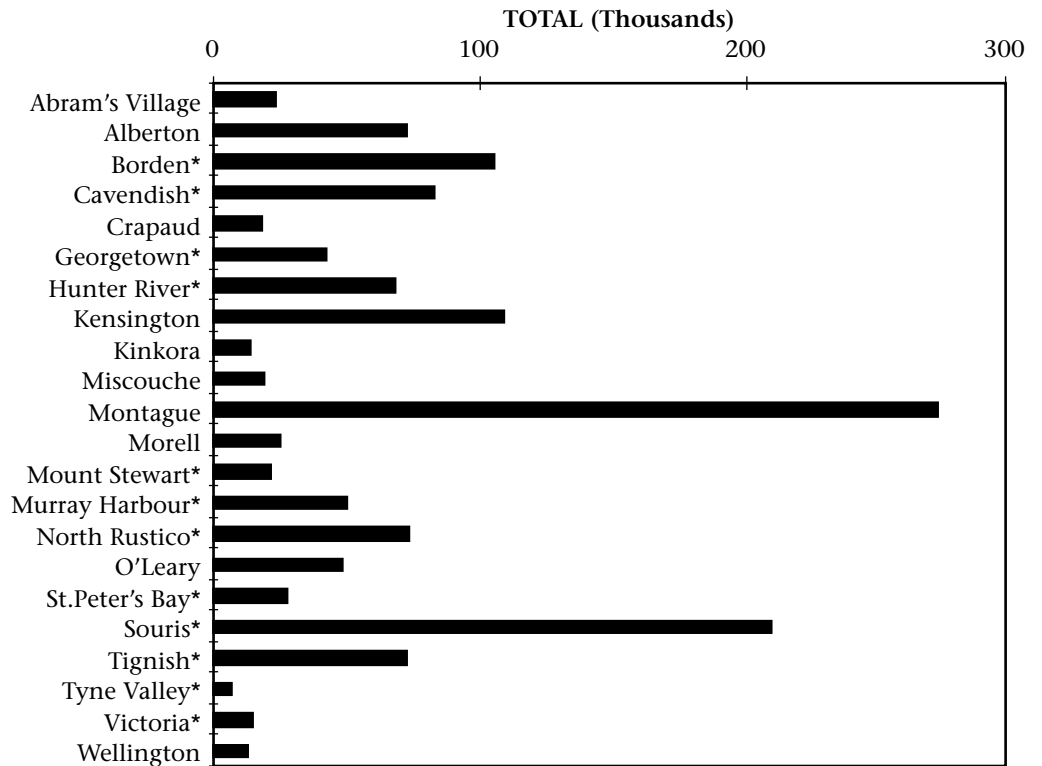
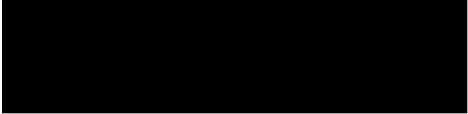


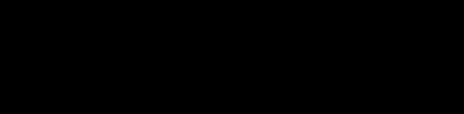
FIGURE 3

**Municipal Water and Sewerage Utilities  
1998 Total Revenues**  
(Population Under 7,000)



\*Unreported - Figures are estimates





**Island Regulatory  
and Appeals Commission**

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