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Prince Edward Island Energy Corporation

Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

10. Long-term indebtedness

	2017	2016
Toronto Dominion, 2.51%, payable in monthly payments of principal and interest of \$264,353, due February 2046.	78,724,542	80,000,000
Toronto Dominion, 3.41%, payable in monthly payments of principal and interest of \$346,861, due March 2038.	62,378,732	64,379,346
Toronto Dominion, 2.99%, payable in monthly payments of principal and interest of \$332,458, due July 2033.	51,503,148	53,913,487
Toronto Dominion, 2.45%, payable in monthly interest only payments until April 2021, then monthly payments of principal and interest of \$260,928, due April 2030.	25,766,564	-
Province of PEI, 3.86%, payable in monthly payments of principal and interest of \$70,560, due June 2035.	11,078,931	11,489,376
Toronto Dominion, 1.87%, payable in monthly payments of principal and interest of \$97,363, due April 2021.	4,589,737	-
Toronto Dominion, 2.40%, payable in monthly payments of principal and interest of \$28,145, due May 2023.	1,923,202	2,211,031
Bonds Payable, 5% compounded with dates ranging from December 31, 2006 to April 30, 2008 maturing five years from the date of issuance, guaranteed by the Province of Prince Edward Island.	1,000	1,000
Province of PEI, refinanced during the year	-	25,766,564
Province of PEI, refinanced during the year	-	5,572,835
Bank of Montreal, repaid during the year	-	561,927
Accrued interest payable	276	170,853
	235,966,132	244,066,419
Less: current portion	(8,076,267)	(8,194,530)
	227,889,865	235,871,889

The aggregate maturities of long-term indebtedness including accrued interest subsequent to March 31, 2017 are as follows: 2018 - \$8,076,267; 2019 - \$7,797,098; 2020 - \$8,025,966; 2021 - \$8,261,805; 2022 - \$9,751,872; thereafter - \$194,053,124.

The current portion of long-term indebtedness includes \$500,000 relating to a payment made subsequent to year end that was based on conditions existing at the end of the reporting period. Per the terms of the loan, this payment was at the discretion of the Corporation.

In accordance with a loan agreement, the Corporation must deposit \$30,000 per month into a sinking fund for future settlement of long-term indebtedness. The balance of the sinking fund is presented on the Consolidated Statement of Financial Position as restricted cash.

Prince Edward Island Energy Corporation

Notes to the Consolidated Financial Statements
For the Years Ended March 31, 2012

9. Long-term Indebtedness

	2012	2011
Province of PEI, interest calculated at the 30-day treasury bill rate plus 0.25%, terms and conditions to be finalized in 2012.	36,083,388	-
Province of PEI, 4.87%, payable in monthly payments of principal and interest of \$209,730, due March 2022.	19,892,611	21,400,531
Province of PEI, interest calculated at the 30-day treasury bill rate plus 0.25%, payable in monthly payments of interest and principal based on kilowatt hour sales, due April 2021.	11,121,772	-
Province of PEI, interest calculated at the 30-day treasury bill rate plus 0.25%, no set terms of repayment.	4,684,400	12,684,400
Bank of Montreal, 6.6%, payable in monthly payments of principal and interest of \$82,051, due October 2016, secured by a full guarantee provided by the Province of Prince Edward Island.	3,885,027	4,587,849
Bonds Payable, 5% compounded with dates ranging from December 31, 2006 to April 30, 2008 maturing five years from the date of issuance, guaranteed by the Province of Prince Edward Island.	1,667,450	5,372,550
Bonds Payable, 5% annually with dates ranging from December 31, 2006 to April 30, 2008 maturing five years from the date of issuance, guaranteed by the Province of Prince Edward Island.	640,200	1,811,700
Accrued Interest Payable	384,462	1,202,869
	78,359,310	47,059,899
Less: current portion	(5,997,392)	(8,422,173)
Less: capitalized bond issuance costs	-	(14,030)
	72,361,918	38,623,696

The aggregate maturities of long-term indebtedness including accrued interest subsequent to March 31, 2012 are as follows: 2013 - \$5,997,392; 2014 - \$4,016,167; 2015 - \$3,885,493; 2016 - \$4,045,675; 2017 - \$3,799,930; thereafter - \$15,846,865.

The Province of PEI debt of \$36,083,388 and \$4,684,400 has been excluded from the aggregate maturities as the repayment terms are not yet known.

The \$36,083,388 debt payable to the Province of PEI relates to the Point Lepreau financing and the Wind Energy Institute of Canada. No current portion has been recorded because there are additional advances to be made in 2012 and the terms and conditions of repayment have yet to be finalized.

The \$11,121,772 debt payable to the Province of PEI relates to Dalhousie financing. Due to the variable monthly payment based on kilowatt hour sales and the variable interest rate, estimated monthly payments and the interest rate at March 31, 2012 have been used to calculate the current portion of this long-term debt, as well as estimated maturities.