

INTRODUCTION

- [1] This decision determines an application filed with the Residential Tenancy Office (the “Rental Office”) under the *Residential Tenancy Act* (the “Act”).
- [2] The Landlord seeks to retain part of the security deposit for rent owing, travel expenses, and utilities, for a total claim of \$803.25.

DISPOSITION

- [3] The Landlord will retain \$623.27 of the security deposit.
- [4] The Landlord must return the \$308.81 balance of the security deposit.

BACKGROUND

- [5] The Unit is a room with shared common facilities in a building owned by the Landlord (the “Residential Property.”)
- [6] On August 30, 2024, the Landlord and the Tenant entered into a written fixed-term tenancy agreement for the Unit, ending on August 31, 2025. Rent was \$750.00 monthly, and a \$750.00 security deposit was paid at the beginning of the tenancy.
- [7] Around September 15, 2024, the Landlord and Tenant orally amended the tenancy agreement when another occupant moved into the Unit with the Tenant. Rent was \$900.00 due on the first day of each month, and an additional \$150.00 for the security deposit, totalling \$900.00, was paid around September 15, 2024.
- [8] On July 31, 2025, the Tenant and the occupant moved out of the Unit.
- [9] On August 4, 2025, the Landlord filed a *Form 2(B) Landlord Application to Determine Dispute* (the “Application”) with the Rental Office seeking to keep the security deposit and additional compensation. The Landlord served the Tenant the Application by email on August 4, 2025.
- [10] On December 4, 2025, the Rental Office sent the parties notice of a teleconference hearing scheduled for January 20, 2026.
- [11] On January 7, 2026, the Rental Office sent the parties a 22-page PDF evidence package.
- [12] On January 20, 2026, the Landlord’s representative (the “Representative”), the Tenant, and the Tenant’s witness participated in a teleconference hearing. The parties confirmed receipt of the evidence package and that everything they had submitted to the Rental Office was included.
- [13] After the hearing, the parties submitted additional evidence, which was shared with the other party and added to the record.

ISSUE

- A. Has the Landlord established compensation claims against the Tenant?

ANALYSIS

- [14] The Representative stated that the Landlord is seeking to keep \$803.25 of the security deposit. The Landlord is seeking \$450.00 for rent owing, \$305.13 for travel expenses, and \$48.12 in electricity expenses.
- [15] The Representative stated that the Tenant provided notice on July 22, 2025, that he would be vacating the Unit on July 31, 2025. The Representative stated that the fixed term ended on August 31, 2025, and that the Tenant provided insufficient notice to end the fixed term. The Landlord found a new tenant for the Unit for August 15, 2025, so the Landlord is only seeking \$450.00, which is one-half of the monthly rent for August 2025.
- [16] The Representative stated that the Landlord only agreed to return the Tenant's security deposit if a new tenant could be secured for August 1, 2025; however, this did not occur.
- [17] The Representative stated the Landlord lives in another province and does not have a property representative in PEI. The Landlord was required to travel approximately 1,200 kms from their residence to the Unit to find a new tenant and to clean and prepare the Unit for the next tenant.
- [18] The Representative stated the Landlord incurred gasoline costs of \$68.69 and \$76.76 travelling to the Unit on August 5, 2025. The Landlord then returned home on August 9, 2025, and incurred gasoline costs of \$67.65 and \$72.03, as well as a Confederation Bridge toll of \$20.00.
- [19] The Representative stated that the Unit was not clean upon the Tenant's move-out, but the Landlord is not claiming any cleaning expenses. The Landlord is also not claiming any accommodation expenses, as the Landlord stayed in the Unit while in PEI.
- [20] The Representative stated that the Landlord is claiming \$48.12 in electricity expenses because the Tenant did not pay his portion of the July 2025 electricity bill before vacating.
- [21] The Tenant stated that he provided the Landlord notice on July 22, 2025, that he would be vacating by August 1, 2025. He said the Landlord told him that it was ok, and the Landlord never stated that they were keeping the security deposit.
- [22] The Tenant stated that he could have given the Unit's key to the next tenant, and the Landlord did not have to travel to the Unit. He stated that the Unit was clean when he vacated.
- [23] The Tenant stated that he agreed to pay the \$48.12 owing for the electricity expense.

Rent

- [24] I find that the lawful rent for the Unit is \$750.00 and not \$900.00. Subsections 47(1), (2) and 49(1) of the Act state:
- 47(1) A landlord shall not increase rent except in accordance with this Part.*
- 47(2) The obligations of a landlord under this Part run with the rental unit and not the tenant.*
- 49(1) No landlord shall increase the rent charged for a rental unit by more than the allowable annual increase, except in accordance with section 50.*
- [25] The Representative stated the Landlord increased the rent because an additional person moved into the Unit. I find that this rent increase was not compliant under the Act.

[26] Subsection 55(3) of the Act states:

(3) A tenant may end a fixed-term tenancy by giving the landlord a notice of termination effective on a date that

(a) is not earlier than one month after the date the landlord receives the notice;

(b) is not earlier than the date specified in the tenancy agreement as the end of the tenancy; and

(c) is the day before the day that rent is payable under the tenancy agreement.

[27] I find that the Landlord has established that the Tenant failed to provide proper notice to end the fixed-term tenancy agreement. The Act states that a tenant's notice cannot be earlier than the date specified in the tenancy agreement as the end of the tenancy, which in this case was August 31, 2025. However, the Tenant vacated the Unit on July 31, 2025.

[28] I further find that the Landlord had fulfilled their responsibility to try to reduce (mitigate) rental income losses, under section 46 of the Act and was able to re-rent the Unit for August 15, 2025. Therefore, I find that the Landlord has established that the Tenant owes the Landlord rent for the period from August 1 to 14, 2025, in the amount of \$338.71 (14 days / 31 days x \$750.00).

Travel expenses

[29] The Landlord's gasoline and Confederation Bridge toll claims incurred for re-renting the Unit are determined under clause 85(1)(d) of the Act, which states:

After hearing an application, the Director may make an order

(d) requiring a landlord to compensate a tenant or a tenant to compensate a landlord for loss suffered or expense incurred as a result of a contravention of this Act or the tenancy agreement.

[30] In Order LR25-15, the Island Regulatory and Appeals Commission (the "Commission") determined a similar matter which involved the same Landlord. In that matter, the Landlord was also required to travel from their hometown to PEI to re-rent a unit that had been vacated following a contravention of the Act. The Commission found that the tenant had to compensate the Landlord for the Landlord's travel expenses, which included gasoline and a Confederation Bridge toll.

[31] In this case, I find that the Tenant contravened the Act by failing to provide proper notice to end the fixed-term tenancy agreement. As a result of this contravention, the Landlord incurred gasoline expenses and a Confederation Bridge toll when travelling to PEI and back home again after re-renting the Unit.

[32] I note that the Landlord's first gasoline cost in their hometown (\$68.69) establishes the baseline for the Landlord's gasoline usage for the trip to the Unit. Therefore, this first cost to fill the vehicle will not be included in the total gasoline cost.

[33] However, I find the Landlord incurred gasoline costs of \$76.76 on August 6, 2025, on the way to the Unit. The Landlord also incurred gasoline costs totalling \$139.68 (\$67.65 and \$72.03) on August 9, 2025, upon their return to their hometown from the Unit.

[34] Furthermore, I am satisfied that the Landlord incurred a \$20.00 toll on the Confederation Bridge on August 9, 2025, for the return trip to their hometown from the Unit.

[35] I find that the Landlord has established claims for gasoline and a Confederation Bridge toll totalling \$236.44 (\$76.76 + \$139.68 + \$20.00). This claim is allowed in part.

Electricity

- [36] The Representative stated that the Tenant owes \$48.12 in electricity expenses from July 2025. The Tenant agreed that he owed these expenses. This claim is allowed.

CONCLUSION

- [37] I find that the Landlord has established a rent owing claim of \$338.71, travel expenses of \$236.44, and an electricity expense of \$48.12, totalling \$623.27.
- [38] The Landlord will keep part of the Tenant's security deposit in the amount of \$623.27.
- [39] The security deposit plus interest totals \$931.58.
- [40] The Landlord must return the balance of the security deposit totalling \$308.81, as outlined by the timeline below.
- [41] The security deposit interest calculation is as follows:

Security Deposit	Interest
\$750.00 (Sept. 1/24 – Sept. 14/24)	\$0.60
\$900.00 (Sept. 15/24 – Feb. 6/26)	\$30.98
Total	\$31.58

IT IS THEREFORE ORDERED THAT

1. The Landlord will keep part of the security deposit in the amount of \$623.27.
2. The Landlord must return the balance of the security deposit totalling \$308.81 by March 6, 2026.

DATED at Charlottetown, Prince Edward Island, this 6th day of February, 2026.

(sgd.) Mitch King

Mitch King
Residential Tenancy Officer

NOTICE**Right to Appeal**

This Order can be appealed to the Island Regulatory and Appeals Commission (the "Commission") by serving a Notice of Appeal with the Commission and every party to this Order within **20 days of this Order**. If a document is sent electronically after 5:00 p.m., it is considered received the next day that is not a holiday. If a document is sent by mail, it is considered served on the third day after mailing.

Filing with the Court

If no appeal has been made within the noted timelines, this Order can be filed with the Supreme Court of Prince Edward Island and enforced as if it were an order of the Court.