

Dockets P-1-1, P-6-1A, P-2-12A & P-6-2A

Order PW19-010

IN THE MATTER of prices charged by wholesaler licensees for petroleum products; and

IN THE MATTER of applications by Irving Energy Distribution and Marketing, Kenmac Energy Inc. and Superior Plus Inc. (dba Superior Propane) for changes in their propane pricing schedules.

BEFORE THE COMMISSION

on Thursday, the 12th day of April, 2019

J. Scott MacKenzie, Q.C., Chair John Broderick, Commissioner

Order

Compared and Certified a True Copy

(Sgd) Loretta Cameron

Land and Appeals

IN THE MATTER of prices charged by wholesaler licensees for petroleum products; and

IN THE MATTER of applications by Irving Energy Distribution and Marketing, Kenmac Energy Inc. and Superior Plus Inc. (dba Superior Propane) for changes in their propane pricing schedules.

Order

UPON reviewing and considering current international, national and regional market and related conditions;

AND UPON receiving the application of Irving Energy Distribution and Marketing ("Irving") on April 12, 2019 for a decrease of 2.2 cents per litre ("cpl") in its propane pricing schedule based on decreased costs, the application of Kenmac Energy Inc. ("Kenmac") on April 11, 2019 for a decrease of 2.0 cpl in its propane pricing schedule based on decreased costs, and the application of Superior Plus Inc. ("Superior") on April 11, 2019 for a decrease of 1.7 cpl in its propane pricing schedule based on decreased costs;

AND UPON it appearing to the Commission that:

- 1) An increase in all gasoline prices in both the dealer and consumer schedules of 4.7 cpl;
- 2) An increase in the diesel prices in both the dealer and consumer schedules of 1.7 cpl; and
- An increase in the furnace fuel and stove oil prices in the consumer schedule of 2.4 cpl;

will result in prices that are just and reasonable;

AND UPON it also appearing to the Commission that a decrease of 2.2 cpl in Irving's propane schedule, a decrease of 2.0 cpl in Kenmac's propane schedule, and a decrease of 1.7 cpl in Superior's propane schedule are just and reasonable;

NOW THEREFORE, pursuant to the *Island Regulatory and Appeals Commission Act* and *the Petroleum Products Act*;

IT IS ORDERED THAT

- 1. the prices contained in the attached Dealer Petroleum Prices Schedule shall be effective 12:01 a.m. on Saturday, April 13, 2019;
- 2. the prices contained in the attached Posted Consumer Petroleum Prices Schedule shall be the maximum prices charged by the respective licensee, effective 12:01 a.m. on Saturday, April 13, 2019;
- 3. the attached dealer prices, with H.S.T. added, shall be indicated on all documents accompanying deliveries of these products;
- 4. effective 12:01 a.m. Monday, April 15, 2019, the maximum propane prices charged by Irving Energy Distribution and Marketing be in accordance with Appendix "A" to this Order, the maximum propane prices charged by Kenmac Energy Inc. be in accordance with Appendix "B" to this Order, and the maximum propane prices charged by Superior Plus Inc. be in accordance with Appendix "C" to this Order;
- 5. the propane prices approved herein shall appear on all invoices covering sales or deliveries of propane; and
- 6. the prices determined in this Order, with adjustments resulting from tax changes only, shall remain in effect until otherwise ordered by the Commission.

DATED at Charlottetown, Prince Edward Island, this 12th day of April, 2019.

BY THE COMMISSION:

(Sgd) J. Scott MacKenzie J. Scott MacKenzie, Q.C., Chair

(Sgd) John Broderick John Broderick, Commissioner

NOTICE:

Section 58 of the Petroleum Products Act reads as follows:

58. Where any person has the status of a party or is an intervenor in any hearing before the Commission, he is entitled

(a to appeal the decision of the Commission to the Court of Appeal; and

(b) to participate as a party in the hearing of an appeal.

and an appeal shall be on a question of law or jurisdiction only and be governed by section 13 of the Island Regulatory and Appeals Commission Act.

Sections 13 (1) and (2) of *the Island Regulatory and Appeals Commission Act* provide as follows:

13.(1) An appeal lies from a decision or order of the Commission to the Court of Appeal upon a question of law or jurisdiction.

(2) The appeal shall be made by filing a notice of appeal in the Court of Appeal within twenty days after the decision or order appealed from and the rules of court respecting appeals apply with the necessary changes.

The information in this Order is confidential until the price changes take effect. Any unauthorized use or communication of this information by licensees or their employees, and in particular, any disclosure of the contents of this Order to the public, or to the media, prior to 12:01 a.m. on the date in which these price changes come into effect, is strictly prohibited, and may result in license suspension or monetary penalty. Orders of The Island Regulatory and Appeals Commission

| Island Regulatory and A | Appeals | Commis | sion | | | | | |
|------------------------------|---------|-------------|-------|-------|-------|-----------|------------|--------|
| Prince Edward Island | | | | | | Effective | e: April 1 | 3,2019 |
| RETAIL DEALER PUMP PRICES | | | | | | | | |
| ALL BRANDS: | | | l | l | l | l | l | |
| CANADIAN CENTS PER LITRE (cp | l) | | | | | | | |
| PRODUCT | Reg | ular | Mid-0 | Grade | Pren | nium | | |
| FRODUCT | Gas | oline | Gas | oline | Gase | oline | Die | sel |
| Benchmark Price | 77 | ' .4 | 80 |).9 | 84 | .3 | 81 | .2 |
| + Wholesale Margin | 5 | .0 | 5 | .0 | 5 | .0 | 5 | .0 |
| = Dealer Base Price | 82 | 2.4 | 85 | 5.9 | 89 | 9.3 | 86 | i.2 |
| + Federal Excise Tax | 10 |).0 | 10 |).0 | 10 |).0 | 4 | .0 |
| + PEI Prov. Tax | 9. | 68 | 9. | 68 | 9. | 68 | 15 | .83 |
| + Carbon Levy | 4. | 42 | 4. | 42 | 4. | 42 | 5. | 37 |
| = Wholesale Price (DTT) | 106 | 5.5 | 110 | 0.0 | 113 | 3.4 | 111 | .4 |
| Self-Serve | Min | Max | Min | Max | Min | Max | Min | Max |
| + Self-Serve Retail Margin | 5.5 | 6.5 | 5.5 | 6.5 | 5.5 | 6.5 | 5.5 | 6.5 |
| + HST (15%) | 16.8 | 17.0 | 17.3 | 17.5 | 17.8 | 18.0 | 17.5 | 17.7 |
| = Self-Serve Pump Price | 128.8 | 130.0 | 132.8 | 134.0 | 136.7 | 137.9 | 134.4 | 135.6 |
| | | | | | | | | |
| Full-Serve | Min | Max | Min | Max | Min | Max | Min | Max |
| + Full-Serve Retail Margin | 7.5 | 10.5 | 7.5 | 10.5 | 7.5 | 10.5 | 7.5 | 10.5 |
| + HST (15%) | 17.1 | 17.6 | 17.6 | 18.1 | 18.1 | 18.6 | 17.8 | 18.3 |
| = Full-Serve Pump Price | 131.1 | 134.6 | 135.1 | 138.6 | 139.0 | 142.5 | 136.7 | 140.2 |

Orders of The Island Regulatory and Appeals Commission

Consumer Schedule

| Island Regulatory and Appeals Commissi | on |
|--|----|
| Prince Edward Island | |

Effective: April 13, 2019

| POS | TED CONSU | JMER PE | TROLEUN | 1 PRICE | S | • • |
|---|--------------|--------------|----------------|--------------|--------------|----------------|
| CANADIAN CENTS PER LITRE (cpl) | Maximum | Federal | Price Incl. | PEI | | Max. Posted |
| | Consumer | Excise | Excise | Prov. | Carbon | Tank Truck |
| BRAND | Base Price | Tax | Tax | Тах | Levy | Price |
| ■ Bluewave Energy | | | | | | |
| Regular Unleaded Gasoline | | 10.0 | 102.5 | 9.68 | 4,42 | 116.6 |
| Mid-Grade Unleaded Gasoline | 94.7 | 10.0 | 102.5 | 9.68 | 4.42 | 118.8 |
| Premium Unleaded Gasoline | | | | | | |
| | 96.9 | 10.0 | 106.9 | 9.68 | 4.42 | 121.0 |
| Ultra Low-Sulphur Diesel | 98.1 | 4.0 | 102.1 | 15.83 | 5.37 | 123.3 |
| Stove Oil | 105.4 | | 105.4 | | | 105.4 |
| Furnace Oil | 97.5 | | 97.5 | | | 97.5 |
| ∎ Со-ор | | | | | | |
| Regular Unleaded Gasoline | 92.5 | 10.0 | 102.5 | 9.68 | 4.42 | 116.6 |
| Premium Unleaded Gasoline | 96.9 | 10.0 | 106.9 | 9.68 | 4.42 | 121.0 |
| Ultra Low-Sulphur Diesel | 98.5 | 4.0 | 102.5 | 15.83 | 5.37 | 123.7 |
| Stove Oil | 105.4 | | 105.4 | | | 105.4 |
| Furnace Oil | 97.5 | | 97.5 | | | 97.5 |
| Imperial Oil | | | | | | |
| Regular Unleaded Gasoline | 92.5 | 10.0 | 102.5 | 9.68 | 4.42 | 116.6 |
| Mid-Grade Unleaded Gasoline | 94.7 | 10.0 | 104.7 | 9.68 | 4.42 | 118.8 |
| Premium Unleaded Gasoline | 96.9 | 10.0 | 106.9 | 9.68 | 4.42 | 121.0 |
| Ultra Low-Sulphur Diesel | 98.5 | 4.0 | 102.5 | 15.83 | 5.37 | 123.7 |
| Stove Oil | 105.4 | 4.0 | 102.5 | 15.05 | 5.57 | 105.4 |
| Furnace Oil | 97.5 | | 97.5 | | | 97.5 |
| ■ Irving | 57.5 | | 57.5 | | | 57.5 |
| Regular Unleaded Gasoline | 01.7 | 10.0 | 101 7 | 0.00 | 4 4 2 | 115.0 |
| Mid-Grade Unleaded Gasoline | 91.7 93.8 | 10.0 10.0 | 101.7 103.8 | 9.68 9.68 | 4.42 4.42 | 115.8 117.9 |
| Premium Unleaded Gasoline | 95.8 | 10.0 | 105.8 | 9.68 | 4.42 | 119.9 |
| Ultra Low-Sulphur Diesel | 98.5 | 4.0 | 102.5 | 15.83 | 5.37 | 123.7 |
| Stove Oil | 104.9 | | 102.9 | 15.05 | 5157 | 104.9 |
| Furnace Oil | 97.5 | | 97.5 | | | 97.5 |
| ∎ Petro-Canada | | | ****** | | | |
| Regular Unleaded Gasoline | 92.5 | 10.0 | 102.5 | 9.68 | 4.42 | 116.6 |
| Mid-Grade Unleaded Gasoline | 94.7 | 10.0 | 104.7 | 9.68 | 4.42 | 118.8 |
| Premium Unleaded Gasoline | 96.9 | 10.0 | 106.9 | 9.68 | 4.42 | 121.0 |
| Ultra Low-Sulphur Diesel | 98.5 | 4.0 | 102.5 | 15.83 | 5.37 | 123.7 |
| Stove Oil | 105.4 | | 105.4 | | | 105.4 |
| Furnace Oil | 97.5 | | 97.5 | | | 97.5 |
| Furnace Oil-ThermaClean | 101.5 | | 101.5 | | | 101.5 |
| Ultramar | | | | | | |
| Regular Unleaded Gasoline | 92.5 | 10.0 | 102.5 | 9.68 | 4.42 | 116.6 |
| Mid-Grade Unleaded Gasoline | 94.7 | 10.0 | 104.7 | 9.68 | 4.42 | 118.8 |
| Premium Unleaded Gasoline | 96.9 | 10.0 | 106.9 | 9.68 | 4.42 | 121.0 |
| Ultra Low-Sulphur Diesel | 98.1 | 4.0 | 102.1 | 15.83 | 5.37 | 123.3 |
| Stove Oil | 105.4 | | 105.4 | | | 105.4 |
| Furnace Oil Wilson Fuel | 97.5 | | 97.5 | | | 97.5 |
| | 00.7 | 10.0 | 00.7 | 0.00 | 4.42 | 112.0 |
| Regular Unleaded Gasoline Ultra Low-Sulphur Diesel | 89.7 92.4 | 10.0 4.0 | 99.7 96.4 | 9.68 | 4.42 | 113.8 117.6 |
| Furnace Oil | 92.4 | 4.0 | 96.4 | 15.83 | 5.37 | 97.5 |
| ■ XTR | 37.5 | | 31.3 | | | 57.5 |
| | 07 E | | 07 5 | | | 07 E |
| Furnace Oil EFFECTIVE TAXATION RATES: GAS | 97.5 | | 97.5 | | | 97.5 |

Docket P-1-1, P-6-1A, P-12-2A & P-6-2A-Petroleum Pricing

APPENDIX "A"

IRVING ENERGY DISTRIBUTION AND MARKETING

EFFECTIVE APRIL 15, 2019

MAXIMUM (EX. TAX) PRICES

PRINCE EDWARD ISLAND

| CATEGORY | CENTS PER LITRE |
|------------------------------------|-----------------|
| Bulk Propane Delivery | 75.9 |
| Dispensing Units | 69.9 |
| Carburation and Portable Cylinders | 80.0 |

| 33 lb. Carburation Cylinders: | | |
|-------------------------------|--------|--------------|
| Handling Fee | \$3.00 | Per Cylinder |
| Rental Through CAT Rentals | \$4.00 | Per Cylinder |

| Rental Rates for Cylinders and Tanks: | | | | | |
|---------------------------------------|-----------------------|----------|---------------------------|--|--|
| 100 | lb. Portable Cylinder | \$36.00 | Per Year | | |
| 200 | lb. Fixed Cylinder | \$30.00 | Per Installation Per Year | | |
| 420 | lb. Fixed Cylinder | \$91.00 | Per Installation Per Year | | |
| 334 | Gallon Fixed Tank | \$60.00 | Per Installation Per Year | | |
| 500 | Gallon Fixed Tank | \$150.00 | Per Installation Per Year | | |
| 1,000 | Gallon Fixed Tank | \$250.00 | Per Installation Per Year | | |
| 1,750 | Gallon Fixed Tank | \$250.00 | Per Installation Per Year | | |
| 2,000 | Gallon Fixed Tank | \$250.00 | Per Installation Per Year | | |

Service Rates:

- All installations will be charged on the basis of time and materials used.
- Cylinder and tank removal fees are not to exceed \$75.00 per tank.

APPENDIX "B"

KENMAC ENERGY INC.

EFFECTIVE APRIL 15, 2019

MAXIMUM (EX. TAX) PRICES

PRINCE EDWARD ISLAND

| CATEGORY | CENTS PER LITRE | |
|------------------------------------|-----------------|--|
| Bulk Propane Delivery | 75.8 | |
| Dispensing Units | 69.8 | |
| Carburation and Portable Cylinders | 79.9 | |

33 lb. Carburation Cylinders:

Handling Fee

\$3.00 Per Cylinder

| 33 | lb. Portable Cylinder | \$3.60 | Per Month |
|-------|-----------------------|----------|--|
| 100 | lb. Portable Cylinder | \$3.60 | Per Month |
| 200 | lb. Fixed Cylinder | \$30.00 | Per Installation Per Year |
| 420 | lb. Fixed Cylinder | \$79.00 | Per Installation Per Year for First Tank; Additional \$10.00 Per Year for Each Added Tank |
| 334 | Gallon Fixed Tank | \$110.00 | Per Installation Per Year |
| 500 | Gallon Fixed Tank | \$110.00 | Per Installation Per Year |
| 1,000 | Gallon Fixed Tank | \$250.00 | Per Installation Per Year |
| 1,750 | Gallon Fixed Tank | \$250.00 | Per Installation Per Year |
| 2.000 | Gallon Fixed Tank | \$250.00 | Per Installation Per Year |

- All installations will be charged on the basis of time and materials used.
- Cylinder and tank removal fees are not to exceed \$75.00 per tank.

APPENDIX "C"

SUPERIOR PLUS INC.

EFFECTIVE APRIL 15, 2019

MAXIMUM (EX. TAX) PRICES

PRINCE EDWARD ISLAND

| CATEGORY | CENTS PER LITRE |
|-----------------------|-----------------|
| Bulk Propane Delivery | 77.2 |
| Dispensing Units | 71.7 |

| Rental Rates for Cylinders and Tanks: | | | | |
|---------------------------------------|----------------------|----------|---|--|
| 33 | lb. Cylinder | \$3.60 | Per Month | |
| 100 | lb. Cylinder | \$3.60 | Per Month | |
| Reside | ntial Installations | \$79.00 | Per Year for First Tank; Additional \$10.00 Per Year for Each Added Tank | |
| Comm | ercial Installations | \$110.00 | Per Year for First Tank; Additional \$10.00 Per Year for Each Added Tank | |
| Smart | Tank Sensor | \$120.00 | Additional Per Year | |

Service Rates:

- All installations will be charged on the basis of time and materials used.
- Cylinder and tank removal fees are not to exceed \$75.00 per tank.