

APPEALS COMMISSION Prince Edward Island Île-du-Prince-Édouard CANADA

Dockets P-1-1, P-6-1A,P-6-12A, P-6-2A, P-6-11A & P-6-9A

Order PW19-020

**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., Superior Plus Inc. (dba Superior Propane) and Parkland Fuel Corporation (dba Island Petroleum) for changes in their propane pricing schedules; and

**IN THE MATTER** of an application by Noonan Petroleum Ltd. for approval of initial propane pricing.

**BEFORE THE COMMISSION** on Friday, the 12th day of July, 2019

J. Scott MacKenzie, Q.C., Chair M. Douglas Clow, Vice-Chair Terry McKenna, 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., Superior Plus Inc. (dba Superior Propane) and Parkland Fuel Corporation (dba Island Petroleum) for changes in their propane pricing schedules; and

**IN THE MATTER** of an application by Noonan Petroleum Ltd. for approval of initial propane pricing

## Order

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

**AND UPON** it appearing to the Commission that:

- 1) An increase in all gasoline prices in both the dealer and consumer schedules of 3.0 cents per litre (cpl);
- 2) A decrease in the diesel prices in both the dealer and consumer schedules of 2.0 cpl; and
- 3) A continuation of the furnace fuel price in the consumer schedule;

will result in prices that are just and reasonable;

#### AND UPON receiving:

- The application of Irving Energy Distribution and Marketing ("Irving") on July11, 2019 for an increase of 1.0 cents per litre ("cpl") in its propane pricing schedule based on decreased costs;
- 2) The application of Kenmac Energy Inc. ("Kenmac") on July 10, 2019 for no change in its propane pricing schedule based on unchanged costs;
- The application of Superior Plus Inc. ("Superior") on July 11, 2019 for an increase of 0.8 cpl in its propane pricing schedule based on increased costs; and
- The application of Parkland Fuel Corporation ("Island Petroleum") on July 9, 2019 for an increase of 0.6 cpl in its propane pricing schedule based on increased costs;

**AND UPON** it also appearing to the Commission that:

- 1) An increase of 1.0 cpl in Irving's propane schedule;
- 2) No change in Kenmac's propane schedule;
- 3) An increase of 0.8 cpl in Superior's propane schedule; and
- 4) An increase of 0.6 cpl in Island Petroleum's propane schedule;

will result in prices that are just and reasonable;

**AND UPON** receiving the application of Noonan Petroleum Ltd. on July 3, 2019 for approval of initial propane pricing;

**AND UPON** it appearing to the Commission that the prices contained in Noonan Petroleum Ltd.'s proposed pricing 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 Monday, July 15, 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 Monday, July 15, 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, July 15, 2019, the maximum propane prices charged by:
  - a. Irving Energy Distribution and Marketing be in accordance with Appendix "A" to this Order;
  - b. Kenmac Energy Inc. be in accordance with Appendix "B" to this Order;
  - c. Superior Plus Inc. be in accordance with Appendix "C" to this Order;
  - d. Parkland Fuel Corporation be in accordance with Appendix "D" to this Order; and
  - e. Noonan Petroleum Ltd. be in accordance with Appendix "E" 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 July, 2019.

#### BY THE COMMISSION:

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

(Sgd) M. Douglas Clow M. Douglas Clow, Vice-Chair

(Sgd) Terry McKenna Terry McKenna, 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
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Island Regulatory and A	Appeals	Commis	sion					
Prince Edward Island						Effectiv	ve: July 1	5,2019
	RETA	AIL DEA	LER PL	JMP PR	ICES			
ALL BRANDS:								
CANADIAN CENTS PER LITRE (cp	l)							
DRODUCT	Reg	Jular	Mid-0	Grade	Pren	nium		
PRODUCT	Gas	oline	Gas	oline	Gas	oline	Die	esel
Benchmark Price	74	1.6	78	3.1	81	5	74	.3
+ Wholesale Margin	5	.0	5	.0	5	.0	5	.0
= Dealer Base Price	79	9.6	83	3.1	86	5.5	79	9.3
+ 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)	103.7		107.2		110	).6	104	1.5
Self-Serve								
	M in	Max	M in	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%)		16.5	16.9	17.1	17.4	17.6	16.5	16.7
= Self-Serve Pump Price	125.6	126.7	129.6	130.8	133.5	134.7	126.5	127.7
Full-Serve	M in	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%)	16.7	17.1	17.2	17.7	17.7	18.2	16.8	17.3
= Full-Serve Pump Price	127.9	131.3	131.9	135.4	135.8	139.3	128.8	132.3

Dealer Schedule

#### Orders of The Island Regulatory and Appeals Commission

Island Regulatory and Appeals Commission Prince Edward Island

Effective: July 15, 2019

FUS	TED CONSU		INULEUN		3	
CANADIAN CENTS PER LITRE (cpl)	Maximum	Federal	Price Incl.	PEI		Max. Poste
	Consumer	Excise	Excise	Prov.	Carbon	Tank Truck
BRAND	Base Price	Tax	Tax	Tax	Levy	Price
■ Bluewave Energy						
Regular Unleaded Gasoline	89.7	10.0	99.7	9.68	4.42	113.8
Mid-Grade Unleaded Gasoline	91.9	10.0	101.9	9.68	4.42	116.0
Premium Unleaded Gasoline	94.1	10.0	104.1	9.68	4.42	118.2
Ultra Low-Sulphur Diesel	91.2	4.0	95.2	15.83	5.37	116.4
Stove Oil	101.0		101.0	15.05	5157	101.0
Furnace Oil	93.1		93.1			93.1
	93.1		95.1			95.1
	00.7	10.0	00.7		4 4 2	112.0
Regular Unleaded Gasoline	89.7	10.0	99.7	9.68	4.42	113.8
Premium Unleaded Gasoline	94.1	10.0	104.1	9.68	4.42	118.2
Ultra Low-Sulphur Diesel	91.6	4.0	95.6	15.83	5.37	116.8
Stove Oil	101.0		101.0			101.0
Furnace Oil	93.1		93.1			93.1
∎ Imperial Oil						
Regular Unleaded Gasoline	89.7	10.0	99.7	9.68	4.42	113.8
Mid-Grade Unleaded Gasoline	91.9	10.0	101.9	9.68	4.42	116.0
Premium Unleaded Gasoline	94.1	10.0	104.1	9.68	4.42	118.2
Ultra Low-Sulphur Diesel	91.6	4.0	95.6	15.83	5.37	116.8
Stove Oil	101.0		101.0			101.0
Furnace Oil	93.1		93.1			93.1
■ Irving						
Regular Unleaded Gasoline		10.0	98.9	9.68	4.42	113.0
Mid-Grade Unleaded Gasoline	91.0	10.0	101.0	9.68	4.42	115.1
Premium Unleaded Gasoline	93.0	10.0	103.0	9.68	4.42	117.1
Ultra Low-Sulphur Diesel	91.6	4.0	95.6	15.83	5.37	116.8
Stove Oil	100.5		100.5			100.5
Furnace Oil	93.1		93.1			93.1
∎ Petro-Canada		************	******		******	
Regular Unleaded Gasoline		10.0	99.7	9.68	4.42	113.8
Mid-Grade Unleaded Gasoline	91.9	10.0	101.9	9.68	4.42	116.0
Premium Unleaded Gasoline	94.1	10.0	104.1	9.68	4.42	118.2
Ultra Low-Sulphur Diesel	91.6	4.0	95.6	15.83	5.37	116.8
Stove Oil	101.0		101.0			101.0
Furnace Oil	93.1		93.1			93.1
Furnace Oil-ThermaClean	97.1		97.1			97.1
Ultramar						
Regular Unleaded Gasoline	89.7	10.0	99.7	9.68	4.42	113.8
Mid-Grade Unleaded Gasoline	91.9	10.0	101.9	9.68	4.42	116.0
Premium Unleaded Gasoline	94.1	10.0	104.1	9.68	4.42	118.2
Ultra Low-Sulphur Diesel	91.2	4.0	95.2	15.83	5.37	116.4
Stove Oil	101.0		101.0			101.0
Furnace Oil	93.1		93.1			93.1
Wilson Fuel						
Regular Unleaded Gasoline	86.9	10.0	96.9	9.68	4.42	111.0
Ultra Low-Sulphur Diesel	85.5	4.0	89.5	15.83	5.37	110.7
Furnace Oil	93.1		93.1			93.1
XTR						
Furnace Oil	93.1		93.1			93.1

Docket P-1-1, P-6-1A, P-6-12A, P-6-2A, P-6-11A & P-6-9A—Petroleum Pricing

#### APPENDIX "A"

#### **IRVING ENERGY DISTRIBUTION AND MARKETING**

#### EFFECTIVE JULY 15, 2019

#### MAXIMUM (EX. TAX) PRICES

#### PRINCE EDWARD ISLAND

CATEGORY	CENTS PER LITRE
Bulk Propane Delivery	70.1
Dispensing Units	64.1
Carburation and Portable Cylinders	74.2

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 JULY 15, 2019

#### MAXIMUM (EX. TAX) PRICES

#### PRINCE EDWARD ISLAND

CATEGORY	CENTS PER LITRE
Bulk Propane Delivery	70.6
Dispensing Units	64.6
Carburation and Portable Cylinders	74.7

#### 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 JULY 15, 2019

#### MAXIMUM (EX. TAX) PRICES

#### PRINCE EDWARD ISLAND

CATEGORY	CENTS PER LITRE
Bulk Propane Delivery	70.3
Dispensing Units	64.8

Rental Ra	Rental Rates for Cylinders and Tanks:					
33	lb. Cylinder	\$3.60	Per Month			
100	lb. Cylinder	\$3.60	Per Month			
Reside	ential 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.

#### APPENDIX "D"

#### PARKLAND FUEL CORPORATION

#### EFFECTIVE JULY 15, 2019

MAXIMUM (EX. TAX) PRICES

PRINCE EDWARD ISLAND

CATEGORY	CENTS PER LITRE
Bulk Propane Delivery	70.4

#### APPENDIX "E"

#### NOONAN PETROLEUM LTD.

#### EFFECTIVE JULY 15, 2019

#### MAXIMUM (EX. TAX) PRICES

#### PRINCE EDWARD ISLAND

CATEGORY	CENTS PER LITRE	
Bulk Propane Delivery	70.6	
Dispensing Units	64.6	
Carburation and Portable Cylinders	74.7	

#### 33 lb. Carburation Cylinders:

Handling F	ee
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\$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.