

# THE ISLAND REGULATORY AND **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 PW19-040

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), **Parkland** Fuel Corporation (dba Island Petroleum) and Noonan Petroleum Ltd. regarding propane pricing.

#### BEFORE THE COMMISSION

on Thursday, the 5th day of December, 2019

J. Scott MacKenzie, Q.C., Chair M. Douglas Clow, Vice-Chair John Broderick, Commissioner Terry McKenna, Commissioner

# Order

Compared and Certified a True Copy

(Sgd) Loretta Cameron

Regulatory Services

# 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), Parkland Fuel Corporation (dba Island Petroleum) and Noonan Petroleum Ltd. regarding 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) A decrease in all gasoline prices in both the dealer and consumer schedules of 3.0 cents per litre (cpl);
- 2) A continuation of the diesel prices currently in effect in both the dealer and consumer schedules; and
- 3) A continuation of the furnace fuel and stove oil prices currently in effect 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 December 3, 2019 for an increase of 7.2 cents per litre (cpl) in its propane pricing schedule based on increased costs;
- The application of Kenmac Energy Inc. (Kenmac) on December 3, 2019 for an increase of 8.0 cpl in its propane pricing schedule based on increased costs;
- The application of Superior Plus Inc. (Superior) on December 3, 2019 for an increase of 8.2 cpl in its propane pricing schedule based on increased costs;
- 4) The application of Parkland Fuel Corporation (Island Petroleum) on December 4, 2019 for an increase of 6.6 cpl in its propane pricing schedule based on increased costs; and
- 5) The application of Noonan Petroleum Ltd (Noonan) on December 3, 2019 for an increase of 8.0 cpl in its propane pricing schedule based on increased costs:

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

- 1) An increase of 7.2 cpl in Irving's propane schedule;
- 2) An increase of 8.0 cpl in Kenmac's propane schedule;
- 3) An increase of 8.2 cpl in Superior's propane schedule;
- 4) An increase of 6.6 cpl in Island Petroleum's propane schedule; and
- 5) An increase of 8.0 cpl in Noonan Petroleum's propane schedule;

will result in prices that are just and reasonable;

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

### IT IS ORDERED THAT

- the prices contained in the attached Dealer Petroleum Prices Schedule shall be effective 12:01 a.m. on Friday, December 6, 2019;
- 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 Friday, December 6, 2019;
- 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. Friday, December 6, 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
- 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 5th day of December, 2019.

#### BY THE COMMISSION:

(Sgd) J. Scott MacKenzie
J. Scott MacKenzie, Q.C., Chair
(Sgd) M. Douglas Clow
M. Douglas Clow, Vice-Chair
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(Sgd) John Broderick
John Broderick, Commissioner
(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.

Island Regulatory and A	Appeals	Commis	sion						
Prince Edward Island					Effe	ctive: De	ecember	6, 2019	
RETAIL DEALER PUMP PRICES									
ALL BRANDS:					~~~~~		~~~~~	·····	
CANADIAN CENTS PER LITRE (cpl	.)								
PRODUCT		ular oline		Grade oline		nium oline	Di∈	esel	
Benchmark Price	62	2.4	65	5.9	69	9.3	79	.1	
+ Wholesale Margin	5	.0	5	.0	5	.0	5	.0	
= Dealer Base Price	67.4		70.9		74	74.3		84.1	
+ Federal Excise Tax	10.0		10	0.0	) 1(		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)	91	.5	95	.0	98	.4	109	9.3	
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%)	14.6	14.7	15.1	15.2	15.6	15.7	17.2	17.4	
= Self-Serve Pump Price	111.6	112.7	115.6	116.7	119.5	120.6	132.0	133.2	
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%)	14.9	15.3	15.4	15.8	15.9	16.3	17.5	18.0	
= Full-Serve Pump Price	113.9	117.3	117.9	121.3	121.8	125.2	134.3	137.8	

Island Regulatory and App				Eff	activa: Dac	ombor 6 20
Prince Edward Island Effective: December 6, 2  POSTED CONSUMER PETROLEUM PRICES					elliber 6, 20	
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CANADIAN CENTS PER LITRE (cpl)	Maximum	Federal	Price Incl.	PEI		Max. Poste
	Consumer	Excise	Excise	Prov.	Carbon	Tank Truc
BRAND	Base Price	Tax	Tax	Tax	Levy	Price
■ Bluewave Energy						
Regular Unleaded Gasoline	77.5	10.0	87.5	9.68	4.42	101.6
Mid-Grade Unleaded Gasoline	79.7	10.0	89.7	9.68	4.42	103.8
Premium Unleaded Gasoline	81.9	10.0	91.9	9.68	4.42	106.0
Ultra Low-Sulphur Diesel	96.0	4.0	100.0	15.83	5.37	121.2
Stove Oil	104.6		104.6			104.6
Furnace Oil	96.7		96.7			96.7
■ Co-op						
Regular Unleaded Gasoline	77.5	10.0	87.5	9.68	4,42	101.6
Premium Unleaded Gasoline	81.9	10.0	91.9	9.68	4.42	106.0
Ultra Low-Sulphur Diesel	96.4	4.0	100.4	15.83	5.37	121.6
Stove Oil	104.6 96.7		104.6 96.7			104.6 96.7
Furnace Oil ■ <b>Imperial Oil</b>	90.7		90.7			90.7
Regular Unleaded Gasoline	77.5	10.0	87.5	9,68	4,42	101.6
						101.6
Mid-Grade Unleaded Gasoline Premium Unleaded Gasoline	79.7	10.0	89.7	9.68	4.42	103.8
	81.9	10.0	91.9	9.68	4.42	
Ultra Low-Sulphur Diesel	96.4	4.0	100.4	15.83	5.37	121.6
Stove Oil Furnace Oil	104.6 96.7		104.6 96.7			104.6 96.7
	90.7		90.7			90.7
■ Irving	76 7	10.0	06.7	0.00	4.42	100.0
Regular Unleaded Gasoline Mid-Grade Unleaded Gasoline	76.7 78.8	10.0	86.7 88.8	9.68 9.68	4.42	100.8 102.9
Premium Unleaded Gasoline	80.8	10.0	90.8	9.68	4.42	102.9
Ultra Low-Sulphur Diesel	96.4	4.0	100.4	15.83	5.37	121.6
Stove Oil	104.1		104.1			104.1
Furnace Oil	96.7		96.7			96.7
■ Petro-Canada						
Regular Unleaded Gasoline	77.5	10.0	87.5	9.68	4.42	101.6
Mid-Grade Unleaded Gasoline	79.7	10.0	89.7	9.68	4.42	103.8
Premium Unleaded Gasoline	81.9	10.0	91.9	9.68	4.42	106.0
Ultra Low-Sulphur Diesel	96.4	4.0	100.4	15.83	5.37	121.6
Stove Oil	104.6		104.6			104.6
Furnace Oil	96.7		96.7			96.7
Furnace Oil-ThermaClean ■ Ultramar	100.7		100.7			100.7
	77 E	10.0	07 E	0.60	4.42	101.6
Regular Unleaded Gasoline Mid-Grade Unleaded Gasoline	77.5 79.7	10.0	87.5 89.7	9.68 9.68	4.42 4.42	101.6 103.8
Premium Unleaded Gasoline	81.9	10.0	91.9	9.68	4.42	105.0
Ultra Low-Sulphur Diesel	96.0	4.0	100.0	15.83	5.37	121.2
Stove Oil	104.6		104.6			104.6
Furnace Oil	96.7		96.7			96.7
■ Wilson Fuel						
Regular Unleaded Gasoline	74.7	10.0	84.7	9.68	4.42	98.8
Ultra Low-Sulphur Diesel	90.3	4.0	94.3	15.83	5.37	115.5
Furnace Oil	96.7		96.7			96.7
■ XTR						
Furnace Oil	96.7		96.7			96.7

# APPENDIX "A"

# IRVING ENERGY DISTRIBUTION AND MARKETING

# **EFFECTIVE DECEMBER 6, 2019**

# **MAXIMUM (EX. TAX) PRICES**

#### PRINCE EDWARD ISLAND

CATEGORY	CENTS PER LITRE
Bulk Propane Delivery	82.4
Dispensing Units	76.4
Carburation and Portable Cylinders	86.5

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

Rental Ra	tes for Cylinders and	l 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 DECEMBER 6, 2019**

# **MAXIMUM (EX. TAX) PRICES**

#### **PRINCE EDWARD ISLAND**

CATEGORY	CENTS PER LITRE
Bulk Propane Delivery	85.5
Dispensing Units	79.5
Carburation and Portable Cylinders	89.6

33 lb. Carburation Cylinders:		
Handling Fee	\$3.00	Per Cylinder

Rental Ra	Rental Rates for Cylinders and Tanks:				
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 Each 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		
Service R	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 "C"

# SUPERIOR PLUS INC.

# **EFFECTIVE DECEMBER 6, 2019**

### **MAXIMUM (EX. TAX) PRICES**

#### PRINCE EDWARD ISLAND

CATEGORY	CENTS PER LITRE
Bulk Propane Delivery	85.4
Dispensing Units	79.9

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 Installation Per Year for Each 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 DECEMBER 6, 2019**

**MAXIMUM (EX. TAX) PRICES** 

PRINCE EDWARD ISLAND

CATEGORY	CENTS PER LITRE
Bulk Propane Delivery	85.0

# APPENDIX "E"

# NOONAN PETROLEUM LTD.

# **EFFECTIVE DECEMBER 6, 2019**

# **MAXIMUM (EX. TAX) PRICES**

#### **PRINCE EDWARD ISLAND**

CATEGORY	CENTS PER LITRE
Bulk Propane Delivery	85.5
Dispensing Units	79.5
Carburation and Portable Cylinders	89.6

33 lb. Carburation Cylinders:		
Handling Fee	\$3.00	Per Cylinder

Rental Rates for Cylinders and Tanks:					
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 Each 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		
Service R	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.