

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 PW19-042

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 19th day of December, 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

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) An increase in all gasoline prices in both the dealer and consumer schedules of 1.0 cents per litre (cpl);
- 2) An increase in the diesel prices in both the dealer and consumer schedules of 2.0 cpl; and
- 3) An increase in the furnace fuel and stove oil prices in the consumer schedule of 1.5 cpl;

will result in prices that are just and reasonable;

AND UPON receiving:

- The application of Irving Energy Distribution and Marketing (Irving) on December 17, 2019 for an increase of 8.4 cents per litre (cpl) in its propane pricing schedule based on increased costs;
- The application of Kenmac Energy Inc. (Kenmac) on December 16, 2019 for an increase of 4.3 cpl in its propane pricing schedule based on increased costs;
- The application of Superior Plus Inc. (Superior) on December 17, 2019 for an increase of 4.9 cpl in its propane pricing schedule based on increased costs;
- 4) The application of Parkland Fuel Corporation (Island Petroleum) on December 18, 2019 for an increase of 2.5 cpl in its propane pricing schedule based on increased costs; and
- 5) The application of Noonan Petroleum Ltd. (Noonan) on December 16, 2019 for an increase of 4.3 cpl in its propane pricing schedule based on increased costs:

AND UPON it also appearing to the Commission that:

- 1) An increase of 8.4 cpl in Irving's propane schedule;
- 2) An increase of 4.3 cpl in Kenmac's propane schedule;
- 3) An increase of 4.9 cpl in Superior's propane schedule;
- 4) An increase of 2.5 cpl in Island Petroleum's propane schedule; and
- 5) An increase of 4.3 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 20, 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 20, 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 20, 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 19th 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
(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.

sland Regulatory and Appeals Commission								
Prince Edward Island					Effec	tive: Dec	ember 2	0, 2019
RETAIL DEALER PUMP PRICES								
ALL BRANDS:								
CANADIAN CENTS PER LITRE (cp	l)							
DDODUCT	Reg	jular	Mid-Grade		Premium			
PRODUCT	Gas	oline	Gas	oline	Gas	oline	Die	esel
Benchmark Price	64	1.4	67	' .9	71	1.3	81	.1
+ Wholesale Margin	5	.0	5	.0	5	.0	5	.0
= Dealer Base Price	69.4		72	2.9	76.3 10.0	86.1		
+ Federal Excise Tax	10.0		10	0.0		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)	93.5		97	.0	100).4	111	L.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%)	14.9	15.0	15.4	15.5	15.9	16.0	17.5	17.7
= Self-Serve Pump Price	113.9	115.0	117.9	119.0	121.8	122.9	134.3	135.5
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%)	15.2	15.6	15.7	16.1	16.2	16.6	17.8	18.3
= Full-Serve Pump Price	116.2	119.6	120.2	123.6	124.1	127.5	136.6	140.1

Island Regulatory and Appeals Commission Prince Edward Island Effective: December 20, 2019 **POSTED CONSUMER PETROLEUM PRICES** CANADIAN CENTS PER LITRE (cpl) Maximum Federal Price Incl. PEI Max. Posted Consumer Excise Excise Prov. Carbon Tank Truck **BRAND** Base Price Tax Tax Tax Levy Price ■ Bluewave Energy Regular Unleaded Gasoline 103.6 79.5 10.0 89.5 9.68 4.42 4.42 105.8 Mid-Grade Unleaded Gasoline 81.7 10.0 91.7 9.68 Premium Unleaded Gasoline 83.9 10.0 93.9 9.68 4.42 108.0 Ultra Low-Sulphur Diesel 98.0 4.0 102.0 15.83 5.37 123.2 Stove Oil 106.6 106.6 106.6 Furnace Oil 98.7 98.7 98.7 ■ Co-op Regular Unleaded Gasoline 79.5 10.0 89.5 9.68 4.42 103.6 Premium Unleaded Gasoline 83.9 10.0 93.9 9.68 4.42 108.0 Ultra Low-Sulphur Diesel 98.4 4.0 102.4 15.83 5.37 123.6 Stove Oil 106.6 106.6 106.6 Furnace Oil 98.7 98.7 98.7 ■ Imperial Oil Regular Unleaded Gasoline 79.5 10.0 89.5 9.68 4.42 103.6 Mid-Grade Unleaded Gasoline 10.0 91.7 9.68 4.42 105.8 81.7 Premium Unleaded Gasoline 83.9 10.0 93.9 9.68 4.42 108.0 Ultra Low-Sulphur Diesel 98.4 4.0 102.4 15.83 5.37 123.6 Stove Oil 106.6 106.6 106.6 Furnace Oil 98.7 98.7 98.7 ■ Irving Regular Unleaded Gasoline 78.7 10.0 88.7 9.68 4.42 102.8 Mid-Grade Unleaded Gasoline 80.8 10.0 90.8 9.68 4.42 104.9 Premium Unleaded Gasoline 82.8 10.0 92.8 9.68 4.42 106.9 Ultra Low-Sulphur Diesel 102.4 98.4 4.0 15.83 5.37 123.6 Stove Oil 106.1 106.1 106.1 Furnace Oil 98.7 98.7 98.7 ■ Petro-Canada Regular Unleaded Gasoline 10.0 9.68 103.6 79.5 89.5 4.42 Mid-Grade Unleaded Gasoline 9.68 105.8 81.7 10.0 91.7 4.42 Premium Unleaded Gasoline 83.9 10.0 93.9 9.68 4.42 108.0 Ultra Low-Sulphur Diesel 98.4 4.0 102.4 15.83 5.37 123.6 Stove Oil 106.6 106.6 106.6 Furnace Oil 98.7 98.7 98.7 Furnace Oil-ThermaClean 102.7 102.7 102.7 ■ Ultramar Regular Unleaded Gasoline 79.5 10.0 9.68 4.42 103.6 89.5 Mid-Grade Unleaded Gasoline 81.7 10.0 91.7 9.68 4.42 105.8 Premium Unleaded Gasoline 83.9 10.0 93.9 9.68 4.42 108.0 Ultra Low-Sulphur Diesel 98.0 4.0 102.0 15.83 5.37 123.2 Stove Oil 106.6 106.6 106.6 Furnace Oil 98.7 98.7 98.7 ■ Wilson Fuel Regular Unleaded Gasoline 76.7 10.0 86.7 9.68 100.8 4.42 5.37 Ultra Low-Sulphur Diesel 4.0 15.83 117.5 92.3 96.3 Furnace Oil 98.7 98.7 98.7 ■ XTR Furnace Oil 98.7 98.7 98.7

EFFECTIVE TAXATION RATES: GAS AND DIESEL PRODUCTS 15%; STOVE AND FURNACE OIL PRODUCTS 5%

APPENDIX "A"

IRVING ENERGY DISTRIBUTION AND MARKETING

EFFECTIVE DECEMBER 20, 2019

MAXIMUM (EX. TAX) PRICES

PRINCE EDWARD ISLAND

CATEGORY	CENTS PER LITRE
Bulk Propane Delivery	90.8
Dispensing Units	84.8
Carburation and Portable Cylinders	94.9

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 DECEMBER 20, 2019

MAXIMUM (EX. TAX) PRICES

PRINCE EDWARD ISLAND

CATEGORY	CENTS PER LITRE
Bulk Propane Delivery	89.8
Dispensing Units	83.8
Carburation and Portable Cylinders	93.9

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 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 20, 2019

MAXIMUM (EX. TAX) PRICES

PRINCE EDWARD ISLAND

CATEGORY	CENTS PER LITRE
Bulk Propane Delivery	90.3
Dispensing Units	84.8

Rental Rates for Cylinders and Tanks:						
33	lb. Cylinder	\$3.60	Per Month			
100	lb. Cylinder	\$3.60	Per Month			
Residential 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 20, 2019

MAXIMUM (EX. TAX) PRICES

PRINCE EDWARD ISLAND

CATEGORY	CENTS PER LITRE
Bulk Propane Delivery	87.5

APPENDIX "E"

NOONAN PETROLEUM LTD.

EFFECTIVE DECEMBER 20, 2019

MAXIMUM (EX. TAX) PRICES

PRINCE EDWARD ISLAND

CATEGORY	CENTS PER LITRE
Bulk Propane Delivery	89.8
Dispensing Units	83.8
Carburation and Portable Cylinders	93.9

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 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

- 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.