

# 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 PW20-055

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 Wednesday, the 30th day of December, 2020

J. Scott MacKenzie, Q.C., Chair M. Douglas Clow, Vice-Chair Erin T. Mitchell, Commissioner Terry McKenna, Commissioner

# Order

Compared and Certified a True Copy

(Sqd) 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) 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 29, 2020 for an increase of 2.2 cents per litre (cpl) in its propane pricing schedule based on increased costs;
- The application of Kenmac Energy Inc. (Kenmac) on December 29, 2020 for an increase of 2.8 cpl in its propane pricing schedule based on increased costs;
- The application of Superior Plus Inc. (Superior) on December 29, 2020 for an increase of 1.2 cpl in its propane pricing schedule based on increased costs;
- 4) The application of Parkland Fuel Corporation (Island Petroleum) on December 29, 2020 for an increase of 2.8 cpl in its propane pricing schedule based on increased costs; and
- The application of Noonan Petroleum Ltd. (Noonan) on December 29, 2020 for an increase of 2.8 cpl in its propane pricing schedule based on increased costs;

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

- 1) An increase of 2.2 cpl in Irving's propane schedule;
- 2) An increase of 2.8 cpl in Kenmac's propane schedule;
- 3) An increase of 1.2 cpl in Superior's propane schedule;
- 4) An increase of 2.8 cpl in Island Petroleum's propane schedule; and
- 5) An increase of 2.8 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

- 1. the prices contained in the attached Retail Dealer Pump Prices Schedule shall be effective 12:01 a.m. on Thursday, December 31, 2020;
- the prices contained in the attached Maximum Consumer Petroleum Prices Schedule shall be the maximum prices charged by the respective licensee, effective 12:01 a.m. on Thursday, December 31, 2020;
- 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. Thursday, December 31, 2020, 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 30th day of December, 2020

### BY THE COMMISSION:

(Sgd) J. Scott MacKenzie
J. Scott MacKenzie, Q.C., Chair
 (Sgd) M. Douglas Clow
 M. Douglas Clow, Vice-Chair
(Sgd) Erin T. Mitchell
Erin T. Mitchell, 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 Appeals Commission								
Prince Edward Island	• •				Effec	tive: Dec	ember 3	1, 2020
	RETAIL DEALER PUMP PRICES							
ALL BRANDS:	ALL RDANDS.							L
ALL DRAINDS.					ŗ			
CANADIAN CENTS PER LITRE (cpl	)							
	Reg	ular	Mid-C	Grade	Pren	nium		
PRODUCT	Gas	oline	Gas	oline	Gas	oline	Die	esel
Benchmark Price	55	5.3	58	3.8	62	2.2	60	.8
+ Wholesale Margin	5	.0	5	.0	5	.0	5	.0
= Dealer Base Price	60.3		63	3.8	67	7.2	65.8	
+ Federal Excise Tax	10.0		10	0.0	10	0.0	4	.0
+ PEI Prov. Tax	8.47		8.	47	8.	47	14	.15
+ Carbon Levy	6.63		6.	63	6.	63	8.	05
= Wholesale Price (DTT)	85	.4	88	.9	92	.3	92	.0
Self-Serve	Min	Max	Min	Max	Min	Max	Min	Max
+ Self-Serve Retail Margin	6.0	7.0	6.0	7.0	6.0	7.0	6.0	7.0
+ HST (15%)	13.7	13.9	14.2	14.4	14.7	14.9	14.7	14.9
= Self-Serve Pump Price	105.1	106.3	109.1	110.3	113.0	114.2	112.7	113.9
Full-Serve	M in	Max	Min	Max	Min	Max	Min	Max
+ Full-Serve Retail Margin	6.0	10.5	6.0	10.5	6.0	10.5	6.0	10.5
+ HST (15%)	13.7	14.4	14.2	14.9	14.7	15.4	14.7	15.4
= Full-Serve Pump Price	105.1	110.3	109.1	114.3	113.0	118.2	112.7	117.9

# Island Regulatory and Appeals Commission

Prince Edward Island Effective: December 31, 2020

# MAXIMUM CONSUMER PETROLEUM PRICES

#### FOR PRODUCTS NOT SOLD AT RETAIL OUTLETS

	Maximum	Federal	Price Incl.	PEI		MAXIMUM
	Consumer	Excise	Excise	Prov.	Carbon	Consumer Price
CENTS PER LITRE (CPL)	Base Price	Tax	Tax	Tax	Levy	(Before HST)*
Regular Unleaded Gasoline	70.4	10.0	80.4	8.47	6.63	95.5
Mid-Grade Unleaded Gasoline	72.6	10.0	82.6	8.47	6.63	97.7
Premium Unleaded Gasoline	74.8	10.0	84.8	8.47	6.63	99.9
Ultra Low-Sulphur Diesel	78.1	4.0	82.1	14.15	8.05	104.3
Stove Oil	85.3		85.3			85.3
Furnace Oil	77.4		77.4			77.4
Furnace Oil-ThermaClean	81.4		81.4			81.4

<sup>\*</sup>TAXATION RATES ON MAXIMUM POSTED TANK TRUCK PRICES: GAS AND DIESEL PRODUCTS SUBJECT TO 15%; STOVE AND FURNACE OIL PRODUCTS SUBJECT TO 5%

# APPENDIX "A"

# IRVING ENERGY DISTRIBUTION AND MARKETING

# **EFFECTIVE DECEMBER 31, 2020**

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

### PRINCE EDWARD ISLAND

CATEGORY	CENTS PER LITRE
Bulk Propane Delivery	78.4
Dispensing Units	72.4
Carburation and Portable Cylinders	82.5

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 31, 2020**

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

#### **PRINCE EDWARD ISLAND**

CATEGORY	CENTS PER LITRE
Bulk Propane Delivery	79.2
Dispensing Units	73.2
Carburation and Portable Cylinders	83.3

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	\$89.00	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 31, 2020**

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

### PRINCE EDWARD ISLAND

CATEGORY	CENTS PER LITRE
Bulk Propane Delivery	77.9
Dispensing Units	72.4

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 31, 2020**

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

#### **PRINCE EDWARD ISLAND**

CATEGORY	CENTS PER LITRE
Bulk Propane Delivery	78.3

Rental Rates for Cylinders and Tanks:					
420	lb. Fixed Cylinder	\$80.00	Per Installation Per Year. Each Additional Tank \$40.00 Per Year. Generator Tanks \$80.00 Per Year		
334/500	Gallon Fixed Tank	\$125.00	Per Installation Per Year. Each Additional Tank \$65.00 Per Year. Generator Tanks \$150.00 Per Year		
1000	Gallon Fixed Tank	\$200.00	Per Installation Per Year. Each Additional Tank \$100.00 Per Year. Generator Tanks \$250.00 Per Year		
1750/2000	Gallon Fixed Tank	\$250.00	Per Installation Per Year. Each Additional Tank \$125.00 Per Year. Generator Tanks \$500.00 Per Year		
Tank Monitor \$50.0		\$50.00	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 \$110.00 per tank.

# APPENDIX "E"

# NOONAN PETROLEUM LTD.

# **EFFECTIVE DECEMBER 31, 2020**

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

#### **PRINCE EDWARD ISLAND**

CATEGORY	CENTS PER LITRE
Bulk Propane Delivery	79.2
Dispensing Units	73.2
Carburation and Portable Cylinders	83.3

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	\$89.00	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.