



NOTICE

Proposed Increases to the Wholesale & Retail Margins for Gasoline, Diesel and Furnace Oil

The Prince Edward Island Regulatory & Appeals Commission is currently reviewing the appropriate wholesale and retail margins for gasoline, diesel and furnace oil sold in Prince Edward Island. The review is in accordance with the *Petroleum Products Act* and Commission Order PC19-003.

Background

In 2019, the Commission initiated a review of the appropriate minimum and maximum retail margins for gasoline and diesel sold in PEI.

In January 2020, the Commission increased the minimum and maximum retail margin for gasoline and diesel by 0.5 cents a liter (see Order PC19-003). No changes were made to the wholesale margin for gasoline or diesel, or to the margin for furnace oil, at that time. The Commission advised that it would review the wholesale and retail margins for gasoline, diesel and furnace oil prior to December 31, 2021.

In 2021, the Commission engaged an independent expert, Kalibrate, to assist with the margin review. On July 20, 2022, Kalibrate submitted its report and recommendations to the Commission.

Details

Kalibrate has determined that the operating costs for petroleum wholesalers and retailers have increased in recent years. As a result, Kalibrate is recommending the following increases to the wholesale and retail margins for gasoline, diesel and furnace oil sold in PEI:

- That the wholesale margin for gasoline and diesel be increased by 2.01 cents a liter;
- That the retail margin for gasoline and diesel be increased by 1.93 cents a liter; and
- That the furnace oil margin be increased by 1.63 cents a liter.

How to see the report

The information contained in this notice is an overview only and is not comprehensive. A complete copy of Kalibrate's report and recommendations are available on the Commission website at irac.pe.ca/petroleum.

How to comment

The Commission invites public input. Written comments can be submitted to the Commission at the address provided below. Written comments must be received by **Monday, August 15, 2022**. All written comments received by the Commission will be made public and posted on the Commission website.

A public hearing will not be held unless the Commission determines a hearing is necessary. If there is a public hearing, a Notice of Hearing will be published. Otherwise, the Commission will issue its decision in the form of a written Order. All Orders issued with respect to the Application will be posted on the Commission website at www.irac.pe.ca

Contact Information

For additional information, or to submit comments to the Commission, please contact:

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