From: Dan MacIsaac
Sent: Tuesday, August 2, 2022 2:57 PM
To: Allison MacEwen
Cc: Jeff Doucette
Subject: RE: Kalibrate Consulting Report

Hi Allison
Thank you for forwarding the Kalibrate report and I offer the following comments :
-I feel it strongly validates that regulated retail margins have not kept pace with operating cost increases. To have a 0.5cpl increase adjustment over a ten year period to retail gas dealers is not fair and reasonable.
-The study did not take into consideration our significant cost increases over the last year ie. Credit card fees alone at 3.5cpl now take 58% of our margin.
- Recommended margin adjustments must be applied at the minimum and maximum retail price levels to achieve the intended purpose of the report and properly address margin shortfalls .
-Retailers need a solid formula going forward using the new benchmarks to properly address retail margins on an annual basis ie. CPI changes
- It is a shame that carbon tax is automatically added to retail pricing with the proceeds intended to drive consumers away from our business. The tax is in fact higher than our retail margin and punishment to customers requiring an essential service.

While we appreciate the recommended margin adjustments there is still work to be done to ensure PEI retailers are given more consideration in a reasonable time frame. To have this report miss the time lines more than once and delaying recommended adjustments until after our busy retail gasoline season is discouraging.. We are not ‘big oil’ buying back shares and increasing dividends . We are local retailers in a regulated environment facing ‘ off oil ‘ government incentives, staffing shortages, minimum wage increases ,inflation etc . and we need IRAC to recognize these and other factors on a consistent basis .
Please call if you have questions or suggestions.

Dan MacIsaac