

Pineau's Fuels Inc.
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It feels like our industry is being targeted and in favor of the consumer. We have been losing money since March of 2022.

July was a record loss. Our comparison from July 2021 to 2022 is down 114%. Meanwhile refiners are up 550%. One would think that our volume would be less, but we are actually up in volume this year in comparison to other years.

In other years, we made our money when the price was going down, giving us a better margin. Now with these unscheduled price changes, its cutting into our profits. No business can operate on a 10% gross margin value. The old margin does not even cover our fuels costs to operate today. This new price increases of only 1.6 and 2 cents, in our opinion, this is detrimental. Not even enough to cover our increased credit card expenses. We will likely not even notice it in our margins. A good start would be 3x but it should be 4x the above the propose increase.

We realize the push to fade out fossil fuels, but you could keep our margins at 30 cents and that will keep the price up and eventually people will stop buying it; not kill local businesses so they are forced out. Who will be there to sell and deliver the diesel if smaller companies like us are forced out. Diesel is not going anywhere anytime soon.

We are not sure why it is so complex for the pricing. If our margins are at best now, its the rack price plus 21 cents. We need at least rack price plus 30 cents. Its that simple.

These unscheduled price changes as the price are going down is not necessarily needed since prices are now being adjusted weekly. Such as this week the 9 cents is coming out of our pockets.

Loved to hear your thoughts!

Pineau's Fuels