



## Interrogatories of Commission Staff

**TO:** Gardner Pinfold Consultants Inc.  
**FROM:** Cheryl Mosher, Senior Financial Advisor  
**DATE:** June 22, 2023  
**RE:** Petroleum Products Benchmark and Margin Review  
**DOCKET:** PMC22-01


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**The Island Regulatory and Appeals Commission (the “Commission”), in assessing the Petroleum Products Benchmark and Margin Review report prepared by Gardner Pinfold Consultants Inc., requests responses to the following interrogatories:**

1. In recommendation #5, it was concluded that 5.0 cpl margin for secondary wholesalers is just and reasonable.
  - a. What expenditures were included in your review that attributed to the 5.0 cpl conclusion?
  - b. Please provide a table which represents the whole sale expenditures similar to Table 2: Annual operating costs for all motor fuel outlets reporting, 2018-21.
2. In recommendation #6, it was recommended the Commission may wish to issue guidance to industry clarifying the scope of wholesale activities it deems are covered by the wholesale margin under the existing pricing formula that relies on the rack price as a benchmark price.
  - a. If the Commission continues to use the rack price as the benchmark, please provide a list of the expenditures typically included in the rack price as compared to a list of expenditures typically included as part of the wholesale margin.
3. In recommendation #7, a wholesale margin is broken out from the existing margin for both furnace oil and commercial diesel.
  - a. Please explain the difference between the wholesale margin in recommendation #5 which states the margin is for secondary wholesalers as compared to recommendation #7 which does not differentiate between primary and secondary.
  - b. What type of organization will be allowed to charge the 3 cpl wholesale margin in your recommendation?

4. If the Commission determines the rack price is the appropriate benchmark going forward, what steps would you propose the Commission follow to determine if costs related to the Clean fuel standards are being passed through as an additive to rack, and how we might calculate the cost?

**Additional interrogatories may follow.**



Cheryl Mosher, CA, CPA  
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Prince Edward Island Regulatory & Appeals Commission