



August 14, 2020

## **NEWS RELEASE – BCUC Welcomes BC Government Regulations for Fuel Wholesalers**

VANCOUVER – Today, the British Columbia Utilities Commission (BCUC) welcomed the BC government’s announcement establishing the regulations for fuel wholesalers in accordance with BC’s [Fuel Price Transparency Act](#) (FPT Act). [Order in Council \(OIC\) No. 474](#) outlines the regulations for wholesale fuel reporting in British Columbia, including the type of data that will be collected by the BCUC, the organizations who will be required to submit data, and the frequency of reporting. According to the BC government, wholesale companies will be required to make regular reports to the BCUC starting in November.

As the Administrator of BC’s FPT Act, the BCUC will be responsible for ensuring compliance to these regulations. The BCUC is currently reviewing [OIC No. 474](#) and will be working with the fuel industry to determine the most effective way to gather data in alignment with the OIC regulations. Updates regarding the BCUC’s role as the Administrator of the FPT Act will be made available on [GasPricesBC.ca](http://GasPricesBC.ca).

For more information, the BC government’s announcement can be viewed [here](#).

### **Background**

On May 21, 2019, the Lieutenant Governor in Council (LGIC), under section 5(1) of the *Utilities Commission Act* (UCA), requested the BCUC provide advice to the BC government on the price of wholesale and retail gasoline and diesel in British Columbia. The Terms of Reference for the inquiry are outlined in [Order in Council \(OIC\) No. 254](#).

The BCUC conducted an independent, transparent and public inquiry process, and on August 30, 2019, the BCUC issued its [Inquiry into Gasoline and Diesel Prices Final Report](#) to the Minister responsible. The Panel’s Report included the following key findings:

- There is a significant unexplained difference of approximately 13 cents per litre in wholesale gasoline prices between Southern BC and its Pacific Northwest cost comparator; and
- The wholesale market for gasoline in BC is not truly competitive with high market concentration levels, high barriers to entry, and the wholesaler’s ability to influence prices. Retail market prices can also be controlled by five refiner-marketers.

To review the Panel’s detailed findings, please refer to the Inquiry’s [proceeding page](#) on the BCUC website.

Following the BCUC’s Inquiry, [Bill 42 – The Fuel Price Transparency Act](#) was introduced in the BC Legislature by Minister Bruce Ralston on November 18, 2019. The FPT Act requires companies to report information and data on their activities in the gasoline and diesel fuel market in BC. Bill 42 received Royal Assent and became law on November 27, 2019. On March 9, 2020, the [BC government announced](#) the BCUC as the Administrator of the FPT Act. As the Administrator, the BCUC is responsible for collecting and publishing information about gasoline

and diesel fuel activities in BC in an effort to promote competitiveness and public confidence in the competitiveness of the fuel market.

As a first step in providing the public with more information about how gasoline and diesel prices are set in BC, the BCUC launched [GasPricesBC.ca](https://www.gaspricesbc.ca) on April 7, 2020. Through a series of dashboards, [GasPricesBC.ca](https://www.gaspricesbc.ca) displays publicly available data, which visitors can customize to view information based on geography or price components.

### **About the BCUC**

The BCUC is a regulatory agency responsible for oversight of energy utilities and compulsory auto insurance in British Columbia. It is the BCUC's role to balance the interests of customers with the interests of the businesses it regulates. The BCUC carries out fair and transparent reviews of matters within its jurisdiction and considers public input where public interest is impacted.

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