

Federated Co-operatives Limited

P.O. Box 1050
401 – 22nd Street East
Saskatoon SK
S7K 3M9 Canada

T 306-244-3311
F 306-244-3403
inquiries@fcl.crs
www.fcl.crs

**PARKLAND – ADVANCE RULING ON CONFIDENTIALITY
FOR FPTA REPORTING EXHIBIT C7-5**



June 15, 2021

British Columbia Utilities Commission
Suite 410
900 Howe Street
Vancouver, British Columbia V6Z 2N3

Attention: Patrick Wruck, Commission Secretary

Dear Sir:

Re: British Columbia Utilities Commission – Framework for the Determination of Confidentiality and Treatment of Protected Information collected pursuant to the Fuel Price Transparency Act – Issuance of Framework Draft No. 2 - Letter of Written Comments

This is further to the British Columbia Utilities Commission (“BCUC”) regulatory timetable established by Order G-303-20 dated November 30, 2020 respecting Parkland Corporation’s Request for an Advance Ruling on Confidentiality for the *Fuel Price Transparency Act* (the “FPT Act”) Reporting Submissions (the “Proceedings”) and the Framework for Determination of Confidentiality and Treatment of Protected Information Draft No. 2 (Framework Draft No. 2) issued by the BCUC on May 25, 2021.

Background

Federated Co-operatives Limited (“FCL”) is a wholesaling, manufacturing, marketing and administrative co-operative owned by more than 160 independent local co-operative associations – 18 of which are located in British Columbia. These local co-operative associations own and operate agro centres, food stores, gas bars/convenience stores and home centres. In British Columbia, there are 64 local co-operative retail gas bars and 30 local co-operative commercial cardlock facilities.

On October 8, 2020, the BCUC granted FCL’s application to intervene in the Proceedings.

Effective November 1, 2020, FCL became subject to the reporting requirements in the FPT Act and the *Fuel Price Transparency Regulation* (the “FPT Regulation”).

On May 25, 2021, the BCUC requested that interveners address a series of questions in their submissions regarding Framework Draft No. 2. FCL’s responses are included in the Appendix.

If you would like to discuss further or require more information, please contact Tanya Hornung, Government Relations Manager at Tanya.Hornung@fcl.crs or at 306-719-4025.

Sincerely,

A handwritten signature in blue ink that reads "Darren Hudema".

Darren Hudema
Director, Supply and Distribution,
Energy Business Unit

Federated Co-operatives Limited

P.O. Box 1050
401 – 22nd Street East
Saskatoon SK
S7K 3M9 Canada

T 306-244-3311
F 306-244-3403
inquiries@fcl.crs
www.fcl.crs



Appendix

General - Connections Between Data

In addressing the matter of confidentiality, specifically the harm associated with the publication of Fuel Data reported by Responsible Persons, FCL would like to address the perspective that some of the data points, when viewed in isolation, may not be seen as requiring designation as confidential Protected Information. FCL submits that, when viewed in context, this same information, when considered together with other information that may be made available by the BCUC or other sources, may be commercially sensitive information. In some cases, data reported may not cause significant harm, if that is the only field to be unprotected. FCL's concern is with respect to the collective unprotecting of multiple data fields which, when combined and potentially in connection with other publicly available information, would provide insight into our confidential business and erode our competitive advantage, thereby causing significant harm.

For instance, the BCUC states that there are a limited number of fuel wholesalers in the market and, as a result, this is general industry knowledge and Seller Name and Address should not be protected. This may be accurate if this is the sole unprotected data field. However, if the Seller Name along with, for example, the Transaction Type were unprotected, insight into the nature of commercial contracts would be clearer and potentially harm counterparty relationships and contract negotiations, both currently and in the future.

Demonstrating this further, if Seller Name and Address were not protected and, alternatively, for example, Internal ID is also not protected, the risk of harm may be present. As stated in previous submissions, the industry uses bill of lading numbers to identify and track loads. Each Responsible Person has their own unique numbering convention which is generally known within the industry. This, as a stand-alone data point, may not appear to present significant harm; however, if other data is also available, such as Seller Name and Address the clarity around the scale of commercial contracts enhances, similar to the previous example. In instances where two points of data are unprotected, the risk of harm increases as each additional data field is made available, meaning there is enhanced ability to piece together the individual data fields and gain insight into a Responsible Person's commercial business and relationships.

FCL acknowledges the BCUC's statement that Internal ID is not prescriptive and is subject to the decision of each Responsible Party, further stating it is solely for the purposes of auditing; however, the bill of lading number is the sole ID used to provide verification as part of day-to-day operations and during audits. This is in part due to the fact that bills of lading are legally required documentation under various regulatory regimes and are the record for each load with respect to volumes, supply origin and delivered location. Furthermore, the bills of ladings, specifically the number, are used when issuing invoices and handling counterparty reconciliations and contract obligations.

If Internal ID is not considered Protected Information, Responsible Parties will be required to manipulate their internal data and assign a "secondary" number, which will complicate the nature of the reporting and auditing, furthering risk to the overall integrity of data being reported. Additionally, this will impede the BCUC's ability to meet the intention of this policy instrument, which is to present how the price of fuel is determined, and importantly complicate the audit process for both the BCUC and Responsible Persons. There are often multiple persons who may take custody of fuel and if one person reports a different ID, as a means of mitigating the non-protective nature of the data field, this will lead to varying ID numbers reported for the same load and potential unintended consequences for both parties. FCL is of the view that data required for the purposes of auditing be excluded from reporting to avoid this complication and reduce some of the Responsible Person's confidentiality concerns.

Low Carbon Fuel Standard Data

FCL notes that LCFS-related data is already provided to the director pursuant to *The Greenhouse Gas Reduction (Renewable and Low Carbon Fuel Requirements) Act* and made available on a monthly and quarterly basis, in an

Federated Co-operatives Limited

P.O. Box 1050
401 – 22nd Street East
Saskatoon SK
S7K 3M9 Canada

T 306-244-3311
F 306-244-3403
inquiries@fcl.crs
www.fcl.crs



aggregated form, to the public. FCL requests that consideration be given as to amending reporting processes to avoid the need for duplicative reporting.

Periodic Review

FCL submits that the proposal to review the status of confidential Protected Information in two years is too short. Commercial practices may remain substantially the same for many years and so the sensitivity of the information will not be diminished. In addition, contracts with third parties often extend beyond two years, and the confidentiality obligations in those agreements extends even further (often indefinitely). Such a short period of time imposes an unnecessary administrative burden on Responsible Persons.