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Sent: Friday, September 25, 2020 9:12 PM
To: Commission, Secretary
Subject: FPT Draft Reporting Guidelines - Comments and Questions

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Good evening

I am writing to seek clarification and/or provide feedback on the Draft Reporting Guidelines that were released by the BCUC in regards to FPT Act. The guidelines appear to be broad and we are concerned about the complexities of the various businesses involved in the fuel supply. It is our hope to get further clarification on the specifics of the guidelines and how they apply to our business.

I have listed some of our questions and/or concerns with the draft guidelines below:

Importer Report

1. Is the importer report meant to cover **all** fuel imported into BC, regardless of end use?
 - a. The presentation stated that fuel sold at a cardlock is excluded. Does that mean that fuel that's imported and destined for a cardlock is not to be reported on the importer report? See point 4e for complications on this point
2. The guidelines description of "Purchase Price per Litre" suggest to exclude BC fuel taxes. Why would there be BC fuel taxes on the purchase price of fuel purchased on fuel outside of BC? For example, if fuel were purchased in Washington, you would expect there to have been Washington state taxes. Should we interpret the comment to mean to exclude the fuel taxes of the originating jurisdiction?
3. Transportation Costs Per Litre. This value seems like it would be difficult for the BCUC to pinpoint and will open up to variations on submission by not comparing "apples to apples" when comparing different entities submissions. The majority of the fuel that we import is done so with an estimated internal transportation cost, and we do not have hard data to support it (in an easily presentable fashion), unless we have hired a third party transportation company to haul on our behalf (which is rare). Other companies, that only use third party haulers, will have a much easier time with this calculation and will have verifiable evidence of costs..
 - a. There is also the element of multiple destination locations for one load of fuel. For example, we could import a full load of fuel from Alberta that could have one portion destined to a cardlock, and then multiple separate deliveries included to external customers. We 1) wouldn't have an exact breakdown of transportation costs for that load, and 2) would require a massive amount of manual calculation to drill into the hundreds or thousands of transactions to dissect transport costs, especially when to multiple locations.
4. Following up on 3, we import fuel destined for many different locations (often with different destination types within one load). It would be extremely difficult and costly to breakdown exactly where every litre is destined, based on the BCUC's guidelines. Some examples of our activities included:
 - a. Fuel imported direct to a customer
 - b. Fuel imported for storage (for future bulk sale)
 - c. Fuel imported to a cardlock for sale
 - d. Some combination of A/B/C within the same trip
 - e. There is often blurred lines between our cardlock and storage, as the tanks can act as both

Wholesaler Report

1. 100% of the fuel that we purchase in BC is from the terminal rack. The BCUC's presentation outlined that fuel purchased from the terminal rack is excluded from FPT regulations. Does this mean that we are not required to fill out this form?

Annual Storage Report

2. Could we be provided with more information on who is required to report on these volumes and have further definition on what classifies as a "terminal"?
 - a. We operate cardlock facilities that also act as storage facilities for relatively small quantities of fuel – are these considered under the storage report requirements?

Please let me know if you feel that it would be beneficial to have a follow up call on any of the above points.

Thank you in advance,

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As COVID-19 continues to impact our lives, our top priority is the health and safety of our employees, clients, families and communities. Let us know how we can help you during these challenging times.

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