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September 25, 2020

(Via E-mail: Commission.Secretary@bcuc.com)

Marija Tresoglavic
Acting Commission Secretary
Suite 410, 900 Howe Street
Vancouver, British Columbia
V6Z 2N3

Dear Ms. Tresoglavic,

**Re: Draft Reporting Guidelines for the Fuel Price Transparency Regulation, Issued
September 11, 2020**

Shell Canada Products (Shell) appreciates the opportunity to comment on the Draft Reporting Guidelines for the Fuel Price Transparency Regulation, B.C. Reg. 52/2020 (the Regulation), issued on September 11, 2020 (the Guidelines).

Shell recognizes the Government's goal to improve transparency on the factors that impact retail prices at fuel pumps in British Columbia, to create greater competitiveness in the fuel market, and to provide more detailed fuel market data and information for consumers. Shell recommends that the British Columbia Utilities Commission (BCUC) leverage information that is already published and publicly or commercially available where possible to support the Regulation. Doing so would align with the approach taken in other jurisdictions, notably Ontario. The BCUC has the opportunity to lessen, to the greatest extent possible, the additional regulatory and administrative burdens and costs such data collection will create for both itself and the industry. With that in mind, Shell offers the following comments on the Guidelines for consideration as the BCUC works to implement the Regulation.

Confidentiality

Shell considers the pricing information requested to be commercially sensitive and confidential business information. Shell seeks to keep such data confidential, does not voluntarily disclose it, and routinely puts in place barriers to protect this information in its commercial dealings. Shell has significant concerns that the compelled disclosure and potential public release of the

requested data will potentially cause significant commercial or competitive harm to Shell. Further, the collection and publication of this information would result in the information being shared with competitors, which could impact market behaviour, reduce competitiveness, and ultimately which could harm consumers, contrary to the intent of the Regulation.

As noted in the Guidelines, submissions will be made public, unless the information contains protected information as outlined in Section 9 of the Fuel Price Transparency Act or the BCUC has accepted the information as confidential pursuant to the BCUC Rules of Practice and Procedure established by BCUC Order G-15-19. Submitting confidentiality requests on a one-off basis, without ruling prior to submission, does not provide confidence that the confidentiality of this information will be protected.

Given possible significant impacts of pricing information being released publicly, **Shell recommends the BCUC provide an advance ruling to accept all pricing information as confidential prior to implementation of reporting under the Guidelines.**

Implementation Timing

The draft Guidelines were issued September 11, 2020, with final guidelines intended to be issued by October 5, 2020. Online account registration is expected to be available October 16, 2020. As noted in the discussion of scope below, the volume of information required as outlined in the Guidelines is extensive. The Guidelines are proposed to be finalized on October 5, with a coming-into-force date of November 1, 2020.

This is an insufficient amount of time to allow companies to be able to modify data systems to pull information in the format requested, putting companies at risk of non-compliance as data are not currently available in the format required.

Shell's reporting requirements as proposed in the Guidelines are expected to require thousands of lines of transactions to be reported per month.

Shell recommends the BCUC delay reporting deadlines of the Guidelines by six months or provide confirmation that enforcement will not be pursued in the first six months.

Information could still be gathered for months beginning with the November 2020 proposed requirement, but allowing companies up to six months to begin reporting would allow time for companies to adjust systems and develop new processes to meet this new obligation.

Scope of Information

Aggregation of Information

Under the Guidelines and the Regulation, Shell will be required to submit monthly importer reports, monthly wholesale purchaser reports, annual storage reports for our three terminals, and monthly retail supplier reports. For the monthly reports proposed, this is a significant

volume of information. Shell's reporting requirements as proposed in the Guidelines are expected to require thousands of lines of transactions to be reported per month.

Given the breadth and volume of information being requested, this will create a significant administrative, data collection and systems burden on Shell and the BCUC.

To further protect confidentiality and reduce the volume of data the BCUC and companies are required to process, **Shell recommends individual transactions and shipments be allowed to be aggregated where fuel type, fuel grade and supplier/buyer/seller are the same.** This does not reduce the value of information provided, but will reduce the volume of reported information.

Shell also notes that there are limitations to what data Shell can operationally collect and legally require, as in some cases fuels may be purchased via the trading market and the exact source unknown. Further, information related to transaction pricing are subject to contractual confidentiality provisions, and disclosure could give rise to contractual penalties for breach of contract.

Shell does not take exception to the information requested for the annual storage reports.

Reporting on Price of LCFR Credits

The Guidelines require monthly reporting of the purchase price per litre to the responsible person for validated credits under section 8 of the Greenhouse Gas Reduction (Renewable and Low Carbon Fuel Requirements) Act that were purchased by the responsible person during the reporting period.

Compliance with the Low Carbon Fuel Requirements (LCFR) is on an annual basis; as proposed the monthly reporting period for LCFR credits does not align with their compliance period. As such, monthly reporting would be a preliminary estimate only, with finalized LCFR credit price on a per litre basis only available in January of the following year. Reporting estimates on a monthly basis adds little value as data would be an estimate only, and would be required to be updated each year. For this reason, **Shell recommends LCFR credit price be required on an annual basis to be consistent with the compliance reporting for this element.**

Process for Clarifications

As this is a new process, there are likely to be clarifications required as obligated parties work through reporting requirements and the details of information requested (e.g., exemptions for retail dealers). **Shell recommends the BCUC implement a timely process for obligated parties to receive clarification on information requirements and to resolve systems issues, if encountered.**

Closing

We would be pleased to discuss our comments with you further or answer any questions you may have. Please direct any questions or requests for additional information to the undersigned at Kirsten.Sauder@shell.com or (403) 691-2691.

Best regards,

A handwritten signature in blue ink, appearing to read 'KS', with a long horizontal flourish extending to the right.

Kirsten Sauder
Trading and Supply Products Manager