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ORDER NUMBER G-30-25

IN THE MATTER OF the *Utilities Commission Act*, RSBC 1996, Chapter 473

and

the Fuel Price Transparency Act, SBC 2019, Chapter 46

and

BCUC Review of Aggregate/Anonymized Wholesale Purchaser Fuel Data Proposed for Publication

BEFORE:

E. B. Lockhart, Panel Chair E. A. Brown, Commissioner

on February 13, 2025

ORDER

WHEREAS:

- A. On November 28, 2019, the Government of British Columbia enacted the Fuel Price Transparency Act (FPT Act);
- B. By Order in Council (OIC) No. 123/20 dated March 9, 2020, the Lieutenant Governor in Council (LGIC) designated the British Columbia Utilities Commission (BCUC) as the Administrator of the FPT Act;
- C. By OIC No. 474/20 dated August 13, 2020, the LGIC established the Fuel Price Transparency Regulation under the FPT Act, which requires fuel importers, wholesalers, terminal owners/operators, and those who supply fuel to retail dealers, to make periodic submissions to the BCUC effective November 1, 2020;
- D. Section 9 of the FPT Act provides that the BCUC may publish fuel data, or other information or records acquired under the FPT Act, if it is satisfied that protected information will not be disclosed, or that the public interest in the disclosure of the protected information outweighs any potential harm to responsible persons;
- E. Section 4.1 of the Framework for the Determination of Confidentiality and Treatment of Protected Information collected pursuant to the FPT Act, attached as Appendix A to Order G-164-24 (Confidentiality Framework), provides that the BCUC may publish aggregate confidential protected information, on an anonymized or non-anonymized basis, in instances where the BCUC has determined that such publication is not likely to reveal the confidential protected information of any responsible person;

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- F. Section 4.1 of the Confidentiality Framework further provides that prior to publishing anonymized or non-anonymized aggregated confidential protected information, the BCUC will:
 - 1. Provide a description of the proposed aggregation methodology to all interested parties;
 - Provide a copy of any anonymized or non-anonymized aggregated confidential protected information proposed for publication (Proposal) to legal counsel of all responsible persons who have executed a Declaration and Undertaking form and any BCUC-approved Non-Disclosure Agreement ...; and
 - 3. Allow the responsible persons' legal counsel up to 60 days to review the Proposal and to provide written submissions and evidence to the BCUC regarding:
 - a. whether publication of any aggregate information included in the Proposal is likely to result in disclosure of the confidential protected information of any one responsible person, and if so why;
 - b. adjustments to any aggregate information included in the Proposal that would make direct or indirect disclosure of the confidential protected information of any one responsible person unlikely; and
 - c. any other submissions regarding the Proposal;
- G. By Order G-295-24 dated November 14, 2024, the BCUC established a hearing process regarding its proposal to publish certain anonymized aggregate fuel data collected pursuant to the FPT Act (Current Proposal) and included an opportunity for Responsible Persons to file written submissions and evidence regarding the BCUC's Current Proposal by December 16, 2024;
- H. By December 16, 2024, the BCUC had received submissions from Imperial Oil and Shell Canada Limited; and
- I. The Panel has reviewed the submissions received and finds that revising the methodologies for publication of wholesale related fuel data as set out in the Current Proposal is warranted.

NOW THEREFORE for the reasons outlined in the decision accompanying this order, effective immediately, the BCUC may publish wholesale-related fuel data using the approved methodologies attached as Appendix A to this order.

DATED at the City of Vancouver, in the Province of British Columbia, this 13th day of February 2025.

BY ORDER

Electronically signed by Blair Lockhart

E. B. Lockhart Commissioner

Attachment

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APPROVED METHODOLOGIES

The BCUC may publish Fuel Data reported under the <u>FPT Regulation – British Columbia Monthly Wholesale</u> <u>Purchaser Report</u> (Wholesale Purchaser Report) using the following methodologies, each of which will include data from no fewer than five Responsible Persons:

- 1. Number of Responsible Persons who filed a Wholesale Purchaser Report by calendar year on an aggregate and anonymized basis:¹
 - Total number (count) of Responsible Persons who filed a Wholesale Purchaser Report for all fuel types/grades and for each of the fuel types/grades listed in Schedule 1.
- 2. Volume of wholesale purchases of reportable fuel in British Columbia (BC) by fuel type/grade and for each of the fuel types/grades listed in Schedule 1 by calendar year on an aggregate and anonymized basis:²
 - Volume of wholesale purchases by fuel type/grade listed in Schedule 1.
 - Total volume of fuel reported as wholesale purchases in BC for combined grades of gasoline and diesel.
- 3. Annual market share percentage of top five firms that sell reportable fuel on the BC wholesale fuel market, for all fuels combined by calendar year.³
- 4. Volume of wholesale purchases of reportable fuel in BC for all fuels combined by calendar year on an aggregate and anonymized basis:⁴
 - Total volume of fuel reported as wholesale purchases in BC for integrated refiner-marketers and non-refiner marketers by calendar year.
 - Average volume per wholesale fuel purchase transaction for integrated refiner-marketers and non-refiner marketers by calendar year.
- 5. The percentage difference in average purchase price per litre paid by non-refiner marketers compared to the average purchase price per litre paid by integrated refiner-marketers in third-party transactions for combined fuel grades of gasoline by calendar year on an aggregate and anonymized basis.⁵

¹ Excluding data related to CBOB and RBOB.

² Excluding data related to CBOB and RBOB.

³ Excluding data related to CBOB and RBOB.

⁴ Excluding data related to CBOB and RBOB.

⁵ Excluding data related to CBOB and RBOB.

SCHEDULE 1

The BCUC may publish aggregate/anonymized fuel data for (i) gasoline, (ii) diesel, and (iii) the five combined fuel grade categories presented below.

Table 1: Wholesale Purchaser-Related Fuel Data – Fuel Types & Fuel Grades

Wholesale Purchaser Report		
Fuel Type	Fuel Grade	Combined Fuel Grade Categories
Gasoline	RUL 87	Regular Gasoline
	RUL 87-E10	
	RUL E15	
	RUL E85	
	MUL 89	Midgrade Gasoline
	MUL 89-E5	
	MUL 89-E10	
	PUL 91	Premium Gasoline
	PUL 91-E5	
	PUL 91-E10	
	SPUL 93/94	
	SPUL 93/94-E5	
	SPUL 93/94-E10	
Diesel	ULSD	Regular Diesel
	ULS Diesel Bio	Other Diesel
	HDRD	

BCUC Review of Aggregate/Anonymized Wholesale Purchaser Fuel Data Proposed for Publication

DECISION

1.0 Introduction and Background

The British Columbia Utilities Commission (BCUC) issued its revised Framework for Determination of Confidentiality and Treatment of Protected Information (Confidentiality Framework) by Order G-164-24 on June 18, 2024, for Fuel Data that Responsible Persons submit to the BCUC pursuant to the *Fuel Price Transparency Act* (FPT Act). Section 4.0 of the Confidentiality Framework outlines the tools the BCUC may use to publish Fuel Data that would otherwise be held confidential. Section 4.1 provides that "[t]he BCUC may publish aggregate confidential Protected Information, on an anonymized or non-anonymized basis, in instances where the BCUC has determined that such publication is not likely to reveal the confidential Protected Information of any Responsible Person."²

By Order G-295-24 dated November 14, 2024, the BCUC established a hearing process regarding its proposal to publish certain wholesale-related Fuel Data on an aggregate and anonymized basis (Current Proposal). Further, the BCUC established a regulatory timetable for Responsible Persons to file written submissions and evidence on the Current Proposal by December 16, 2024.

In its Current Proposal, the BCUC proposed publishing wholesale-related Fuel Data using the following methodologies, each of which will include data from no fewer than five Responsible Persons:³

- 1. Number of Responsible Persons who filed a Wholesale Purchaser Report by calendar year on an aggregate and anonymized basis:⁴
 - Total number (count) of Responsible Persons who filed a Wholesale Purchaser Report for all fuel types/grades and for each of the fuel types/grades listed in Schedule 1.
- 2. Volume of wholesale purchases of reportable fuel in British Columbia (BC) by fuel type/grade and for each of the fuel types/grades listed in Schedule 1 by calendar year on an aggregate and anonymized basis:⁵
 - Volume of wholesale purchases by fuel type/grade listed in Schedule 1.
 - Total volume of fuel reported as wholesale purchases in BC for combined grades of gasoline and diesel.
- 3. Annual market share percentage of top five firms that sell reportable fuel on the BC wholesale fuel market, for all fuels combined by calendar year.

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¹ Capitalized terms not otherwise defined have the same meaning as in the FPT Act.

² Order G-164-24, Appendix A, pp. 4–6.

³ In the Current Proposal, "non-refiner marketers" were referred to as both "non-refiner marketers" and "non-integrated refiner marketers". For clarity and consistency, this has been corrected to "non-refiner marketer" throughout. Further, "integrated-refiner marketer" has been corrected to "integrated refiner-marketer".

⁴ Excluding data related to CBOB and RBOB.

⁵ Excluding data related to CBOB and RBOB.

4. Volume of wholesale purchases of reportable fuel in BC for all fuels combined by calendar year on an aggregate and anonymized basis:

- Total volume of fuel reported as wholesale purchases in BC for integrated refiner-marketers and nonrefiner marketers by calendar year.
- Average volume per wholesale fuel purchase transaction for integrated refiner-marketers and nonrefiner marketers by calendar year.

5. Average purchase price per litre for third-party transactions for combined fuel grades of gasoline by calendar year and by month on an aggregate and anonymized basis:

- Volume-weighted average fuel price of wholesale gasoline purchases in BC reported as third-party transactions for integrated refiner-marketers and non-refiner marketers by calendar year.
- Volume-weighted average fuel price of wholesale regular gasoline purchases in BC reported as thirdparty transactions for integrated refiner-marketers compared to Kalibrate wholesale regular gasoline price by month.
- Difference between volume-weighted wholesale regular gasoline price for integrated refiner-marketers and Kalibrate wholesale regular gasoline price by month.
- Volume-weighted average fuel price of wholesale regular gasoline purchases in BC reported as thirdparty transactions for non-refiner marketers compared to Kalibrate wholesale regular gasoline price by month.
- Difference between volume-weighted wholesale regular gasoline price for non-refiner marketers and Kalibrate wholesale regular gasoline price by month.

6. Difference between average price of premium and regular gasoline in BC reported as third-party transactions by month on an aggregate and anonymized basis.

Shell Canada Limited (Shell) and Imperial Oil (Imperial) filed submissions regarding the Current Proposal by December 16, 2024.

2.0 Summary of Submissions

In the Current Proposal, the BCUC proposed to publish aggregate and anonymized wholesale-related Fuel Data using six methodologies, as described in section 1.0, above. Approval of these methodologies would allow the BCUC to publish, among other things, information on the total number of Responsible Persons who purchased reportable fuel on the wholesale market in a calendar year; annual market share of the top five firms that sold reportable fuel on the wholesale market; and the annual volume of reportable fuel purchased on the wholesale market.

Imperial and Shell expressed concerns, as outlined below, that some of the wholesale-related Fuel Data that has been designated as confidential Protected Information, if published as proposed, could undermine the competitiveness of the BC fuel market.

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Aggregation and anonymization of fuel data

Imperial submits, as an overarching concern it has for the Current Proposal, that it is unclear whether "the intent is to publish 'aggregated, anonymized data' (i.e. a single response based on all aggregated data) or 'aggregated and anonymized data' (a single aggregated response plus individual anonymized responses)." Imperial states that if data is published on only an anonymized basis, without aggregation, other market competitors may be able to accurately determine Imperial's wholesale volumes in market. Imperial supports aggregation of confidential Protected Information as it helps mitigates commercial and competitive sensitivities.

Confidential Protected Information combined with public sources

Imperial highlights a second concern it has with the entire Current Proposal and argues that publishing confidential Protected Information, in particular pricing information, raises commercial and competition law sensitivities. This information can be combined with information from other sources, such as subscription services, publicly available data, and provincial energy regulatory agencies, to "permit insights into company specific strategic decisions (pricing; volumes; etc.)". Imperial raises concerns in particular with publishing wholesale purchase prices as laid out in methodology 5 of the Current Proposal. Wholesale rack prices are publicly available, but the wholesale purchase price is based on the rack price minus a negotiated discount, and therefore the actual wholesale price is typically confidential for commercial and legal reasons. Imperial argues that publishing these confidential wholesale purchase prices, even on an aggregated basis, "will create an artificial level of transparency that may impact the competitiveness of relevant markets". 10

Shell raises concerns with methodology 5 of the Current Proposal that are similar to those articulated by Imperial. Shell argues that publishing the average price of wholesale purchases could help Responsible Persons understand the relationship between wholesale purchase prices and Kalibrate wholesale prices, which could result in Responsible Parties gaining "market intelligence on their competitor's wholesale discounts, which in turn could be used to drive competition out of the market."¹¹

Premium vs. Regular Gasoline Prices

Imperial argues that if the difference between the average prices for regular and premium gasoline is published, as the BCUC has proposed in methodology 6, competitors could be "able to reverse engineer the published data and accurately determine premium gasoline discounts to wholesalers." ¹²

Double Counting of Blend Stocks

Imperial is concerned that RBOB & CBOB (blending components) are being double counted in the published data under methodology 4. Imperial submits that "blending components could be included in the reported volumes without deduction on the reporting submitted by non-refiner marketers." ¹³

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⁶ Exhibit C4-1, p. 2.

⁷ Exhibit C4-1, p. 2.

⁸ Exhibit C4-1, p. 1.

⁹ See section 5 of the Current Proposal.

¹⁰ Exhibit C4-1, p. 1.

¹¹ Exhibit C2-2, p. 2.

¹² Exhibit C4-1, p. 4.

¹³ Exhibit C4-1, p. 3.

BC Low Carbon Fuel Standard Costs

In Imperial's view, the wholesale purchase price for gasoline proposed to be published under methodology 5 can differ significantly depending on how the integrated refiner-marketer complies with the BC Low Carbon Fuel Standard (LCFS). Imperial explains that the BC LCFS compliance costs can be included in the purchase price or not. In the case that the LCFS costs are not included, the Responsible Person has to blend higher ratios of biodiesel or renewable diesel, purchase compliance credits at market value, or make other investments that satisfy the regulation.¹⁴ As a result, Imperial argues that the purchase price for wholesale gasoline can vary greatly and may not be a meaningful indicator of the cost of supplying gasoline in the BC markets.¹⁵

3.0 Panel Discussion and Determinations

As detailed in the section above, Imperial stated it was unclear whether the BCUC proposed to publish "aggregated, anonymized data", as in a single response based on all aggregated data, and it expressed its strong support for publishing data on an aggregated basis. The Panel confirms that the methodologies are designed so that all published Fuel Data will be based on aggregated reporting, with the additional safeguard that the published information will be anonymous and based on Fuel Data from no fewer than five Responsible Persons. The Panel considers aggregation of data from no fewer than five Responsible Persons to strike an appropriate balance between any potential harm to Responsible Persons and the promotion of transparency, consistent with the purposes of the FPT Act.

The Panel considers that the risk of a company's specific strategic pricing model being exposed through publishing confidential wholesale-related Fuel Data as an aggregate and anonymized value decreases as the number of parties included in the aggregation increases. The methodologies contained in the Current Proposal protect against the risk of a Responsible Person's identity being revealed through reverse engineering of the Fuel Data. The methodologies are designed with safeguards that include anonymization, aggregation of data from no fewer than five Responsible Persons, and non-disclosure of the number of parties underlying each aggregate value.

However, the Panel is persuaded by Imperial and Shell that a revision to methodology 5 of the Current Proposal, regarding the average purchase price of wholesale gasoline and the difference relative to the Kalibrate wholesale price, is warranted such that the average purchase price as reported to the BCUC will not be published. Publishing the average purchase price or a value relative to a benchmark, such as the Kalibrate wholesale price, could allow company-specific pricing strategies to be calculated. Instead, the BCUC will publish the percentage difference in average purchase price per litre paid by non-refiner marketers compared to the average purchase price per litre paid by integrated refiner-marketers in third-party transactions for combined fuel grades of gasoline by calendar year. The percentage difference between the two groups of Responsible Persons is relative only to each other, not to a benchmark or the average purchase price, preventing the risk that published confidential Protected Information, even anonymized and aggregated, could be paired with information from other sources to calculate company-specific pricing strategies.

The Panel is also persuaded by Imperial's argument that publishing the difference between the average price of premium and regular gasoline could lead to parties reverse engineering the published data and uncovering strategic wholesale premium gasoline pricing. Accordingly, methodology 6 is removed from the Current Proposal.

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¹⁴ Exhibit C4-1, p. 3.

¹⁵ Exhibit C4-1, p. 3.

The Panel agrees with Imperial that blendstocks, RBOB and CBOB, could be double-counted under the methodologies contained in the Current Proposal. The Panel therefore finds it is warranted to remove RBOB and CBOB from the fuel data input into all methodologies.

The Panel disagrees with Imperial that the purchase price data proposed to be published under methodology 5 may not be a meaningful indicator of the cost of supplying gasoline in the British Columbia market. The Panel expects the BCUC to be cognizant of the nuances of the LCFS data and to put any values published in the appropriate context that fulfills the BCUC's obligation to publish data in a way that promotes competitiveness and public confidence in the competitiveness of the fuel market.

Further, the primary question before the Panel, as laid out in the Confidentiality Framework, is to determine whether the publication of any anonymized or non-anonymized aggregate confidential Protected Information included in the Current Proposal is likely to result in the direct or indirect disclosure of the confidential Protected Information of any one Responsible Person. In Imperial's concerns regarding the BC LCFS are not related to this issue. In light of the above, the Panel does not find that further modification to methodology 5 is warranted.

The Panel finds that with the revisions detailed above, publication of wholesale-related Fuel Data using the methodologies set out in the Current Proposal will not disclose the confidential Protected Information of any Responsible Person.

Therefore, in accordance with section 9 of the FPT Act and the Confidentiality Framework, effective immediately, the BCUC may publish wholesale-related Fuel Data using the approved aggregation and anonymization methodologies set out in Appendix A to Order G-30-25.

DATED at the City of Vancouver, in the Province of British Columbia, this 13th day of February 2025.

Electronically signed by Blair Lockhart

E. B. Lockhart
Panel Chair/Commissioner

Electronically signed by Elizabeth A. (Lisa) Brown

E. A. Brown Commissioner

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¹⁶ Order G-164-24, Appendix A, p. 4.