


PROVINCE OF BRITISH COLUMBIA

ORDER OF THE LIEUTENANT GOVERNOR IN COUNCIL

Order in Council No. 254

, Approved and Ordered

May 21, 2019



Lieutenant Governor

Executive Council Chambers, Victoria

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and consent of the Executive Council, orders that the attached order, British Columbia Utilities Commission Inquiry Respecting Gasoline and Diesel Prices, is made.



Presiding Member of the Executive Council

(This part is for administrative purposes only and is not part of the Order.)

Authority under which Order is made:

Act and section: Utilities Commission Act, R.S.B.C. 1996, c. 473, s. 5

Other: _____

BRITISH COLUMBIA UTILITIES COMMISSION INQUIRY RESPECTING GASOLINE AND DIESEL PRICES

Definitions

1 In this order:

“Act” means the *Utilities Commission Act*;

“gasoline and diesel” includes the components of gasoline and diesel;

“refining margin” means the difference between the amount a refiner pays for crude oil and other components and the amount the refiner charges its customers for gasoline and diesel;

“retail margin” means the difference between the amount a retailer pays for gasoline and diesel and the amount the retailer charges its customers for gasoline and diesel, excluding taxes.

Referral to commission

2 By this order, the Lieutenant Governor in Council, under section 5 (1) of the Act, requests that the commission advise the Lieutenant Governor in Council respecting gasoline and diesel prices in British Columbia in accordance with the terms of reference set out in section 3 of this order.

Terms of reference

- 3 (1) Subject to subsection (2), the terms of reference, in accordance with which the commission must inquire into the matter referred to it by section 2, are as follows:
- (a) the commission must advise on the factors influencing gasoline and diesel prices since 2015 and the mechanisms the Province could use to moderate price fluctuations and increases;
 - (b) without limiting paragraph (a), the commission must inquire into the following:
 - (i) the differences, if any, in refining margins among British Columbia and other jurisdictions in Canada and the reasons for any differences;
 - (ii) the differences, if any, in retail margins among British Columbia and other jurisdictions in Canada, and among different regions in British Columbia, and the reasons for any differences;
 - (iii) factors that have contributed to the increases in gasoline and diesel prices, both retail and wholesale, including, without limitation,
 - (A) the access of refineries in British Columbia to crude oil supply and other components,
 - (B) the amount of gasoline and diesel stored in British Columbia for sale in British Columbia,
 - (C) usage of refinery and pipeline capacity,
 - (D) wholesale and retail market sizes and demand,
 - (E) methods of distribution of gasoline and diesel to retailers, and
 - (F) seasonal variations in supply and demand;

- (iv) the extent to which gasoline and diesel price changes have been determined by competition and the extent to which those changes have been determined by other factors;
 - (v) measures used in other jurisdictions in Canada and North America to enhance transparency about how gasoline and diesel prices are determined.
- (2) The commission may not inquire into the effects of Provincial enactments or policy on gasoline and diesel prices in British Columbia.
- (3) Further terms of reference for the inquiry are as follows:
 - (a) the commission may exercise all of its powers under the Act that the commission considers necessary to conduct the inquiry;
 - (b) the commission must submit to the Minister of Jobs, Trade and Technology a final report describing the results of the inquiry and including its advice no later than August 30, 2019.