



220 Algonquin Boulevard East, Timmins, ON P4N 1B3
www.timmins.ca

May 4, 2016

TO: ALL ONTARIO MUNICIPALITIES

Dear Sir/Madam:

Re: City of Timmins Resolution – Regulate Gas Prices in Ontario

Attached hereto please find a certified true copy of City of Timmins Resolution 16-154 passed on April 27, 2016 for your review and support.

If your municipality supports this resolution, please forward a copy of your resolution to the City of Timmins.

Thank you.

Yours truly,

A handwritten signature in blue ink, appearing to read "SPC", is written over a blue line.

STEPH PALMATEER, AMCT
City Clerk

SP/jc



TIMMINS

TIMMINS | T'Y TIENS. | ᑭᑭᑭ

OFFICE OF THE CITY CLERK

Telephone: (705) 360-2602

Fax: (705) 360-2674

E-mail: steph.palmateer@timmins.ca

The Corporation of the City of Timmins

RESOLUTION

Moved by _____
Councillor Wawrzaszek

16-154

Seconded by _____
Councillor Doody

Whereas the price of fuel is critical to the day to day cost of living for all residents of Ontario;

And Whereas the price of fuel plays a large role in establishing a competitive business climate;

And Whereas some regions in Ontario have consistently experienced higher fuel costs that go beyond the cost difference of transporting fuel;

And Whereas the fuel sales industry is quick to raise fuel prices as the price of oil increases but fuel prices do not adjust as quickly when the price of oil decreases;

And Whereas history has shown that fuel prices increase for long weekends and holidays;

And Whereas the Province of Ontario has the ability to regulate fuel prices;

Now Therefore Be it Resolved that Council for the City of Timmins hereby petitions the Government of Ontario to regulate fuel prices to the levels that are affordable and profitable as in jurisdictions within Ontario that have lower fuel prices;

Be it Further Resolved that this resolution and the background information are forwarded for support to all Municipalities in Ontario;

And Further That all resolutions of support are returned to the City of Timmins for submission to the Premier of Ontario, the Minister of Finance, the Association of Municipalities of Ontario, Timmins - James Bay MPP Gilles Bisson and the Ontario Good Roads Association.

CARRIED.

CERTIFIED TRUE COPY
OF RESOLUTION 16-154

| | YEAS | NAYS |
|---------------|------|------|
| MAYOR | | |
| S. Black | | |
| COUNCILLORS | | |
| P. Bamford | | |
| J. Campbell | | |
| M. Doody | | |
| R. Dubeau | | |
| A. Grzela | | |
| A. Marks | | |
| N. Rinaldo | | |
| W. Wawrzaszek | | |


Steph Palmateer, City Clerk
Carried _____

Defeated _____

Deferred or Tabled _____

Date _____ April 27, 2016

| Ontario Regular Unleaded Gasoline Prices // Prix de l'essence ordinaire en Ontario - 2016 (cents/litre) Source: http://www.energy.gov.on.ca/en/fuel-prices/?fuel=REG&yr=2016 | | | | | | | | | | | | | | | Diff in highlighted prices | Price fluctuation (1st date +/- 2nd date) |
|--|--------|-------|-------|---------|--------|---------|----------|----------|----------|---------|--------|--------|--------|-----------|----------------------------|---|
| Date | Ottawa | Tor W | Tor E | Windsor | London | Sudbury | SS Marie | Thdr Bay | Nrth Bay | Timmins | ON Avg | S. Avg | N. Avg | N/S Diff. | | |
| 04-Jan | 89.5 | 101.8 | 100.5 | 92.3 | 92.8 | 104.4 | 103.9 | 104.4 | 98.8 | 107.9 | 98.2 | 97.5 | 103.9 | -6.4 | | |
| 11-Jan | 86.5 | 92.9 | 94.2 | 93.8 | 87.7 | 102.4 | 101.9 | 100.5 | 97.6 | 107.1 | 92.7 | 91.6 | 101.5 | -10 | 15 | 13 |
| 18-Jan | 83.4 | 92.8 | 91.4 | 86 | 84.8 | 94.4 | 100.9 | 99.8 | 96.4 | 103.9 | 90.3 | 89.3 | 98.2 | -8.9 | | 15 |
| 25-Jan | 84.6 | 94.8 | 93.4 | 83.8 | 85.4 | 91.4 | 98.4 | 94.6 | 93.1 | 99.9 | 91.2 | 90.7 | 94.5 | -3.7 | | 16 |
| 01-Feb | 81.5 | 94.8 | 92.5 | 82.4 | 86.5 | 95.4 | 97.9 | 90.9 | 97 | 98.9 | 90.4 | 89.8 | 94.9 | -5.1 | | |
| 08-Feb | 76.9 | 90.4 | 87.8 | 83.7 | 79.8 | 93.4 | 97.9 | 89.5 | 94.4 | 97.7 | 86.3 | 85.4 | 93.4 | -8.1 | 21 | 20 |
| 16-Feb | 87.5 | 91.8 | 89.4 | 80.5 | 81.4 | 92.8 | 95.9 | 86.7 | 92.6 | 93.9 | 88.9 | 88.5 | 91.5 | -3 | | |
| 22-Feb | 84.6 | 87.8 | 86.2 | 81.3 | 78.9 | 93.4 | 95.9 | 86.7 | 91.6 | 97.1 | 86.2 | 85.4 | 91.9 | -6.5 | | |
| 29-Feb | 86.5 | 89.8 | 87.9 | 76.8 | 79.7 | 92.4 | 95.9 | 93.2 | 90.8 | 96 | 87.6 | 86.9 | 93.3 | -6.4 | | |
| 07-Mar | 87 | 91.3 | 89.2 | 74.2 | 80.8 | 91.4 | 95.9 | 92.6 | 90 | 96 | 88.4 | 87.8 | 92.7 | -4.9 | 16 | 21 |
| 14-Mar | 91.5 | 95.3 | 93.7 | 85.7 | 85.9 | 94.4 | 95.9 | 99 | 89.4 | 99.9 | 93 | 92.6 | 95.9 | -3.3 | | |
| 21-Mar | 91 | 94.3 | 92.7 | 84.4 | 85.9 | 97.3 | 95.9 | 104 | 89.2 | 102.9 | 92.5 | 91.8 | 98.6 | -6.8 | | |
| 28-Mar | 95.4 | 99.3 | 97.9 | 84.2 | 89.5 | 97.4 | 103.9 | 104 | 89.2 | 102.7 | 96.7 | 96.3 | 99.9 | -3.6 | | |
| 04-Apr | 94.9 | 98.3 | 97.2 | 92.5 | 88.5 | 95.4 | 102 | 100 | 87.9 | 102 | 96.2 | 96 | 97.5 | -1.4 | 5 | |
| 11-Apr | 98.2 | 102.3 | 100.6 | 91.1 | 92.5 | 95.5 | 99.9 | 100 | 94.8 | 102 | 99.2 | 99.4 | 98.1 | 1.3 | 1 | 5 |
| 18-Apr | 99.6 | 102.2 | 101.5 | 95.9 | 92.7 | 106.4 | 106.9 | 106.9 | 99.2 | 111.5 | 100.9 | 100.2 | 106.1 | -5.9 | | |
| 25-Apr | 100.9 | 104.3 | 103 | 95.3 | 103.8 | 106.4 | 106.9 | 106.9 | 98.9 | 110 | 103 | 102.6 | 106 | -3.3 | 3 | |
| Year | 89.4 | 95.5 | 94.1 | 86.1 | 86.9 | 96.7 | 99.8 | 97.6 | 93.6 | 101.7 | 93 | 92.5 | 97.5 | -5.1 | | |
| Note: Retail pump prices are a mix of full-serve and self-serve prices. Prices include all applicable taxes. // Noté : Les prix de détail repré sentent un échantillon de stations avec et sans service et incluent toutes les taxes applicables. | | | | | | | | | | | | | | | | |

Comparing the blue highlighted prices - On March 7, 2016 price of gas in Windsor was 74.2c/L and in North Bay 90c/L for a difference of 15 cents. Less than a month later, on April 4, it became cheaper to buy gas in North Bay as price of gas in Windsor was 92.5c/L and the price in North Bay, 87.9c/L. The price of gas between the two municipalities have fluctuated by 21 cents in less than a month.

Comparing the purple highlighted prices - On Jan 11, Toronto East was 94.2c/L and Sudbury 102.4c/L. Price fluctuated by 13 cents by April 11 where Toronto East paid 100.6c/L and Sudbury paid 95.5c/L

Comparing the averages between Northern and Southern municipalities of Ontario in red font - On Jan 11 it was cheaper, on average, to buy gas in Northern Ontario than it was to buy gas in Southern Ontario - Logical?

Price Regulation

The Canadian government has constitutional authority to regulate gasoline prices only in an emergency. However, provinces and territories can regulate prices, and Quebec and the Atlantic provinces do so.

Provinces regulate gasoline prices to reduce price volatility -- high up or down price changes -- and to protect small independent retailers.

Quebec

Quebec sets minimum prices weekly based on its estimate of the acquisition cost of gasoline. The price includes an estimate of transportation costs and can include a minimum retail margin at the discretion of the regulating body, the Regie de l'energie du Quebec.

New Brunswick

In New Brunswick, the Energy and Utilities Board sets the maximum price every Thursday based on a formula that links the price to the New York Harbour price, with allowances made for other factors such as retail margins. No minimum price is set.

Nova Scotia

Nova Scotia also uses New York Harbour spot prices to set a benchmark price. Wholesale prices are set 6 cents a litre higher than the benchmark, and a transportation allowance is included in the price, ranging from 0.2 to 2.0 cents per litre, depending on the zone. Retailers are allowed a margin of 5.5 cents per litre and cannot sell below a margin of 4 cents per litre.

Prince Edward Island

In Prince Edward Island, prices are set by the Island Regulatory Appeals Commission. The Commission has full discretion in setting prices and tracks a wide variety of trends in determining the price level. In practice, it also uses New York Harbour prices to drive changes in the regulated price. Prices on the New York Mercantile Exchange (NYMEX) are averaged over a two week period and the new maximum and minimum prices are usually announced on the first and 15th of every month. Wholesalers have the right to apply for a decrease in their wholesale price. In theory, this could result in different prices from one brand to another. In practice, any such differences are rare and short-lived.

Newfoundland and Labrador

In Newfoundland and Labrador, the price of gasoline is set by the Board of Commissioners of Public Utilities. The Board sets a benchmark price based on spot market prices and adds on various factors such as wholesale and retail margins, transportation and taxes to arrive at a maximum price. The province is divided into 18 zones to accommodate differing transportation costs. Prices are revised monthly.

Background information:

Lowest Gasoline Price on Wednesday April 13th via Gasbuddy.com (NEOMA region) (20 cent volatility within region)

| | |
|-------------------|-------|
| Timmins | 111.6 |
| Hearst | 102.9 |
| Kapuskasing | 102.9 |
| Smooth Rock Falls | 102.9 |
| Cochrane | 102.9 |
| Iroquois Falls | 102.9 |
| New Liskeard | 92.9 |
| Kirkland Lake | 91.9 |

Other Northern Communities (21 cent volatility compared to Timmins) (15.6 cent volatility within region)

| | |
|-----------------|-------|
| Sudbury | 105.9 |
| Sault Ste Marie | 99.9 |
| Thunder Bay | 91.9 |
| North Bay | 90.7 |
| Parry Sound | 98.6 |
| Kenora | 92.9 |
| Sturgeon Falls | 92.9 |
| Espanola | 90.3 |

Other communities in Southern Ontario (26 cent volatility relative to Timmins) (13.2 cent volatility within region)

| | |
|---------------|------|
| Ottawa | 98.5 |
| Kingston | 97.9 |
| St Catharines | 97.9 |
| Hamilton | 94.6 |
| Niagara Falls | 93.9 |
| Windsor | 93.9 |
| Toronto | 92.9 |
| London | 86.3 |
| St Thomas | 86.3 |
| Peterborough | 85.6 |
| Sarnia | 85.3 |

Background information:

Lowest Gasoline Price on Monday, April 25th via Gasbuddy.com (NEOMA region) (16.6 cent volatility within region)

| | |
|-------------------|-------|
| Timmins | 109.6 |
| Hearst | 112.5 |
| Kapuskasing | 111.7 |
| Smooth Rock Falls | 106.9 |
| Cochrane | 109.9 |
| Iroquois Falls | 106.9 |
| New Liskeard | 96.9 |
| Kirkland Lake | 95.9 |

Other Northern Communities (21 cent volatility compared to Timmins) (13.0 cent volatility within region)

| | |
|-----------------|-------|
| Sudbury | 104.9 |
| Sault Ste Marie | 96 |
| Thunder Bay | 91.9 |
| North Bay | 94.7 |
| Parry Sound | 98.6 |
| Kenora | 98.5 |
| Sturgeon Falls | 95.4 |
| Espanola | 97.3 |

Other communities in Southern Ontario (26 cent volatility relative to Timmins) (11.2 cent volatility within region)

| | |
|---------------|------|
| Ottawa | 97.9 |
| Kingston | 94.9 |
| St Catharines | 97.9 |
| Hamilton | 98.6 |
| Niagara Falls | 98.5 |
| Windsor | 92.7 |
| Toronto | 94.9 |
| London | 97.9 |
| ST Thomas | 95.2 |
| Peterborough | 87.6 |
| Sarnia | 98.8 |