



Kelowna 250-869-8487 or Vernon 250- 275-4956
August 2011 Energy Update - Edition 84

Where Does Your Fuel Come From?

Sometimes suppliers make assumptions we shouldn't. We were surprised to field an enquiry the other day asking if our fuel was inferior to the fuel purchased at service stations. The caller was wondering if the fuel purchased and marketed by Independents like us was lower quality than the fuel marketed by Big Oil.

First of all, that's a great question. Secondly, the answer is a resounding NO! People are sometimes surprised to hear that our truck is lined up behind an Esso truck and before a PetroCan truck at the wholesale rack in Kamloops or Vancouver. We are customers of Shell, Petro-Canada (Suncor), Chevron, and Esso. All suppliers use the same tanks and pipeline to store and transport the fuel from the 2 major refiners in Edmonton. In fact, the majors prefer to peddle their product at the wholesale (rather than retail) level because it removes them from any risk of travelling the roads and delivering the product.

August Lube Special

This month we celebrate our long-standing relationship with our primary lubricant supplier Conoco-Phillips.



RED TAC EP2 Multi-purpose Grease:

JUST \$24.95 per 10 pack

And for the Boaters: **Unimix 2Cycle oil (NMWA approved):**

JUST \$49.95 per case of 12

These hot prices are Cash and Carry from our Carion Road warehouse. * plus EHC, Deposits, and taxes

Fun and Games Department

Congratulations to Katie over at **Kelowna Tool and Die** who won \$300 for her company in the Stanley Cup Pool, and also a fill for her own personal vehicle. Katie works across the street from us so we know she will be able to find us. We have big plans for more fun in September. Stay tuned!!



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Price Trends

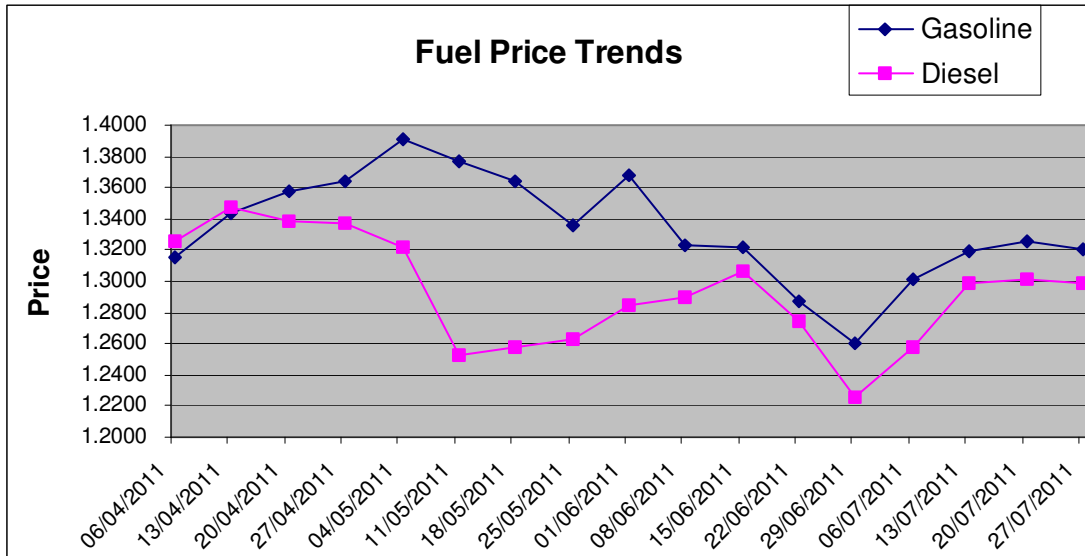
What if I suggested to you that prices in the Okanagan were actually a touch lower than the market as a whole, and we are getting a bit of a bargain for now? I know, you would tell me I have been out in the sun too long, but that line doesn't work this summer because there has been no sun!

Here's what we see:

- The economy is still fragile but strengthening oh so slowly
- General petroleum demand is picking up as industry gains some confidence. (in Canada)
- The weak U.S. dollar exerts a slight downward pressure on Canadian pricing.
- The 1.1 to 1.3 cent increase in the BC Carbon Tax July 1 has placed little upward pressure on the fuel pricing.
- Reduced tourist traffic has not pushed up gasoline pricing as much as in previous years.

Yes, the price of fuel is still high, but we are moving into the "new normal" in the world of energy. If the U.S. recovery ever occurs, watch for a significant spike in the price of energy. Until then, try to "enjoy" our current "bargains".

If you are interested in following energy stories more frequently, you can follow us on Twitter **@OKFuelguys**. We try to post an energy related story most weekdays, and the rest of the time we engage in the back and forth of Okanagan living.



We never forget how fortunate we are to partner with you. Thank you for your support.

Sean, Lynn, Kevin, Peter, and Ross

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