



BCUC Staff Report: Quesnel Fuel Market

March 2025

As Administrator of the *Fuel Price Transparency Act*, the British Columbia Utilities Commission (BCUC) is responsible for collecting and publishing information about gasoline and diesel fuel activities in BC, in an effort to promote competitiveness and public confidence in the competitiveness of the fuel market.

The BCUC monitors the BC fuel industry by:

- collecting monthly reports on fuel imports, fuel purchased on the wholesale fuel market, fuel that is supplied to retail gas stations, and costs to purchase credits to comply with BC-specific low carbon fuel standards,
- collecting annual reports on terminal and tank storage data, and
- requesting information from fuel companies operating in BC on an ad hoc basis.

About this Report

The BCUC has initiated data collection projects in response to public requests for information about fuel prices in select BC cities.

British Columbians are encouraged to report concerns about fuel pricing behaviours that may require further investigation by the BCUC using the [Report Concerns](#) webpage found on gasprices.ca.

Last year, the BCUC received requests to investigate the retail price of fuel in Powell River. BCUC staff issued a [Fuel Market Report](#) to share the results of the BCUC's investigation, which found that there are certain characteristics unique to less populated retail markets, such as less competition, greater supply chain complexity, and less frequent resupplying. These characteristics were identified as contributing to pump prices in these smaller markets disconnecting from price trends in larger markets, remaining higher or lower for stretches of time.

Recently, BCUC staff investigated similar price concerns from consumers in Quesnel, BC. This report shares details of the information requested from retail stations in the area and what we learned about the operations of this rural BC market.

For more information about data collection projects like this one, please visit our [Special Projects](#) page.



Quesnel Data Request

In November 2024, the BCUC received requests for the BCUC to investigate the retail price of fuel in the Quesnel market and, in particular, the disconnect from cheaper retail pricing in other nearby markets, mainly Prince George.

In order to better understand the market dynamics being experienced by consumers, BCUC staff issued a [fuel data request](#) to retail fuel stations in Quesnel, pursuant to the BCUC's authority as Administrator of the [Fuel Price Transparency Act](#).

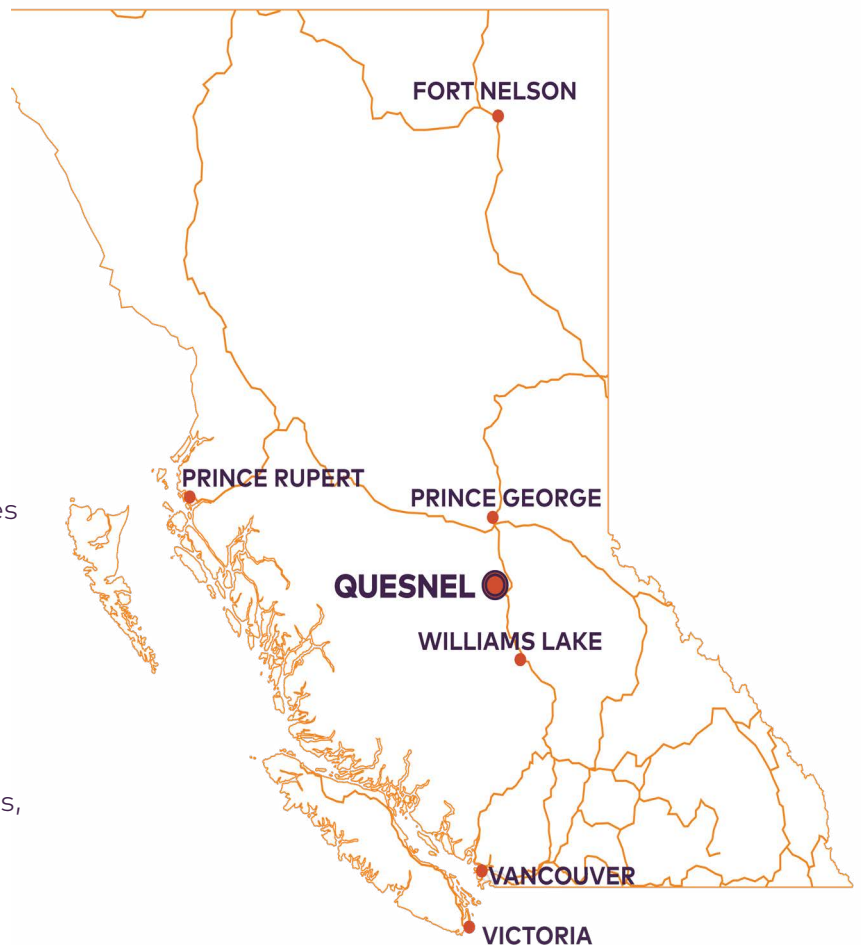
Retail stations in Quesnel were instructed to provide information regarding:



How gasoline and diesel prices are set in their area and at their retail station; and



Why gasoline pump prices in Quesnel and at their retail station (if applicable) are higher than in nearby markets, such as Prince George.



Response from Quesnel Retail Stations

In response to the BCUC staff data request, Quesnel retail station owners reported that their retail fuel prices do not necessarily track with prices that are set in other markets, such as nearby Prince George. This is largely due to Quesnel retail stations experiencing:



a greater distance from supply hubs (including from the refinery in Prince George);



more logistically complex and costly fuel supply routes;



site-specific operational costs; and



a smaller market size with fewer retail stations.

Retail station owners indicated that due to the above, retail prices in Quesnel can be higher or lower than prices in Prince George for stretches of time. Retail Station owners also emphasized that they set prices to remain competitive and expressed that big box competitors located in Prince George may be able to sell high volumes of fuel at lower margins than retail stations with smaller sales volumes.

Retail station owners also reported that their station's pricing behaviours and margins align with BCUC staff's observations in the [March 2024 Retail Fuel Market Report](#). In the report, BCUC staff identified certain characteristics unique to smaller, less populated retail markets, such as less competition, greater supply chain complexity, and less frequent resupplying. These characteristics contribute to asymmetrical pricing occurring in smaller markets.

As the Administrator of BC's [Fuel Price Transparency Act](#), the BCUC works to promote competitiveness and public confidence in the competitiveness of BC's fuel market.

To date, the BCUC has initiated several projects in response to public requests for information about fuel prices in select BC cities. We will continue to monitor pricing behaviours in Quesnel and across the province as part of these efforts.

A **big box competitor** is a marketer whose primary business is something other than petroleum, and their fuel sites are typically **co-located** with large-footprint retail grocery or merchandise sites (e.g., Costco). These locations typically have much **higher throughput** than market averages.



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