



April 9, 2019

Dear Valued Customer

Subject: New Approach to Carbon Tax B.C.

Beginning April 1, 2018 and continuing in successive years **B.C.'s Carbon Tax** rate commenced at \$35 per tonne of carbon dioxide equivalent emissions. The tax rate will increase each year by \$5 per tonne until it reaches \$50 per tonne in 2021.

New revenues generated from increasing the carbon tax will be used to;

- Provide carbon tax relief and protect affordability
- Maintain industry competitiveness
- Encourage new green initiatives

Details on this program can be found at: [Carbon Tax and Motor Fuel Tax](#)

Our current method of charging a Motor Fuel Surcharge is to apply the rates posted in the Freight Carriers Association of Canada (FCA) Diesel Fuel Cost Change Index. The FCA index excludes the **B.C. Carbon Tax** referenced below associated with the type of fuel purchased in B.C. as part of its calculation.

2018 B.C. Gasoline Carbon Tax:	<u>7.78 ¢/litre</u>	B.C. Diesel Carbon Tax:	<u>8.95 ¢/litre</u>
2019 B.C. Gasoline Carbon Tax:	<u>8.98 ¢/litre</u>	B.C. Diesel Carbon Tax:	<u>10.23 ¢/litre</u>

Therefore, to ensure continued transparency we will continue to apply the Carbon Fee with the adjusted rates effective May 1, 2019 as follows:

Carbon Fee: 1.5% of Freight Charges (An Increase of .5%)
(Accessorial or Heat Charges Are Exempt)

Please do not hesitate to contact your Customer Service Representative or the undersigned if you have any questions at (604) 270-6077.

Sincerely,

A handwritten signature in cursive script that reads "William R. McKinnon".

William McKinnon-President