

Parkland to buy Chevron Canada's downstream business, refinery for \$1.46bn

Independent Canadian fuel marketer, Parkland Fuel, has agreed to buy Chevron Canada's Burnaby refinery and downstream fuel business for CAD1.46 billion (USD 1.1 billion).

Parkland also has to pay an additional CAD186 million in working capital for the acquired business.

The acquired assets include 129 Chevron stations mostly located in Metro Vancouver, 37 commercial cardlock and three marine fueling stations, a complimentary refinery in Burnaby, terminals located in Burnaby, Hatch Point, and Port Hardy, British Columbia, and a wholesale business which includes aviation fuel sales to the Vancouver International Airport, states the company release.

With the acquisition, Parkland becomes Canada's largest fuel retailer by site count supplying more than 1,800 stations, and the second largest convenience store operator. Its purchase of c-store chain CST Brands is expected to close in the second quarter of 2017.

"Parkland is acquiring a highly integrated business which adds significant supply infrastructure and logistics capability to support Parkland's existing operations. The refinery in Burnaby is an important asset to Metro Vancouver and British Columbia and we will continue to operate it with the capable and experienced professionals who manage the refinery today," said Bob Espey, President and Chief Executive Officer of Parkland.