



CANADIAN CARWASH ASSOCIATION

MAY 2006

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Energy Program Launched for Members

By Karen Dalton

THE CANADIAN CARWASH ASSOCIATION (CCA) has developed a new program to help its members manage and control energy costs. The CCA Fixed Price Energy Program, launched in March 2006, provides Association members with information on energy prices (gas and electricity), market trends and the opportunity to contract with an energy broker for competitive pricing. Initially the program covers natural gas supply contracts and will be expanded to include electricity contracts later in 2006.

Group pricing has been arranged to enable CCA member carwash operators to obtain lower prices normally offered only to large users. Association members benefit from rates reserved for large commercial customers.

Energy Information and Savings

"This new member benefit will offer advice to members on whether to sign a fixed-price energy contract, which supplier to choose and what price and term to select," said David Woodcroft, President of the Association.

"A fixed price contract can provide Association members with a better price for electricity and natural gas than they could achieve on their own," noted Woodcroft. In addition, members can obtain information on the energy market to help them make an informed energy procurement decision.

"The Association Board selected EnergyShop.com, an energy broker, who can objectively advise our members on the best energy strategy for them rather than relying on a single energy supplier," said Woodcroft.

"Natural gas prices provided through the Canadian Carwash Association program hosted by Energyshop.com have been between 6.9 and 8.9 cents lower per cubic meter when compared to the largest two companies that sell natural gas door to door. Savings over a five year contract for members are between \$8,625 and \$11,125 when compared to offers available through the door-to-door marketers," said Gregg Scott, P. Eng., President and founder of Energyshop.com who has 18 years of computer technology, engineering, and energy management experience.

"Group pricing has been arranged so smaller energy users can obtain lower prices normally offered only to large users. Association members benefit from rates reserved for large commercial customers," said Woodcroft.

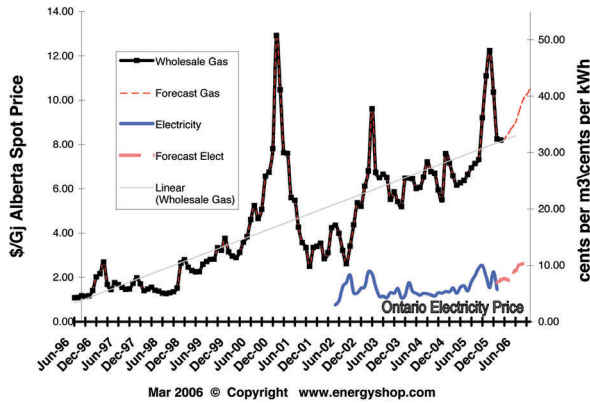
Members can receive a discount in British Columbia, Alberta, Saskatchewan, Manitoba and Ontario, the only provinces that currently have deregulated pricing.



INDUSTRY FORUM

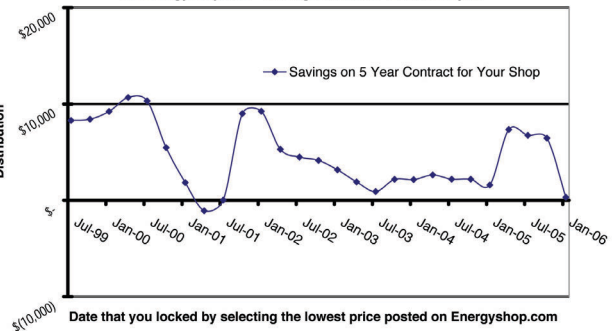
PROMOTING THE RESPONSIBLE GROWTH AND PROSPERITY OF THE CAR WASH INDUSTRY

Monthly Natural Gas & Electricity Price Forecast



▲ This chart shows the defined upward price trends for wholesale short-term natural gas dating back 10 years. Price increases have been driven by steadily increasing demand for the fuel, particularly in the residential and power generation sectors. Also shown is an Ontario electricity price forecast.

Savings From Locking In Your Natural Gas Rate on Energyshop.com - Average Carwash - 25,000 m³/year



▲ This chart shows the savings for five-year contracts that ended this year. For the average Toronto-area carwash sized business the savings over the term of the contract were about \$9,200 compared with those businesses who stayed with Enbridge Gas Distribution Inc.'s default rate. Calculations were done by Energyshop.com, which compares energy contract prices and offers an online sign-up service.

EnergyShop.com was established in 1998 to meet the need for unbiased information about natural gas and electricity deregulation and marketing. As an energy broker they are responsible for monitoring and managing energy contracts for businesses of all sizes. The broker reviews the available suppliers and pricing prior to each offer period and recommends the best available contracts based on price, contract terms and security of supply.

Flexibility

“A fixed-price energy contract is a long-term commitment, however business situations change during the course of a three or five-year contract. The Association has negotiated important contract terms for its members that can

provide flexibility should the need arise to change the contract,” added Scott.

A few examples of the flexibility include: 1) The sale of a carwash operation whereby a CCA energy contract can be assigned to the buyer provided the buyer meets the normal requirements of the energy supplier; 2) A CCA energy contract can also be terminated at no cost if the energy supplier cannot meet its obligations under the agreement; 3) In the event that a CCA energy contract is terminated for cause (e.g. unpaid bills) the normal penalty payable is the difference between the contracted price and the market price for natural gas plus administrative costs. These terms are generally more favourable than standard energy contracts.

“Energyshop is extremely impressed

with the professional nature of the Canadian Carwash Association. During the setup phases of the energy program the Association’s staff undertook to examine all of the important aspects of energy supply. They took special care to ensure that both contract terms and energy prices would be as favourable as possible for the members. They are a progressive organization and we look forward to helping them make the CCA energy program a huge success in the months ahead,” said Scott. •

For more information visit:

www.canadiancarwash.ca/energyprogram.asp
or call Denis Grey, CCA at 416-239-0339 or email: dgrey@canadiancarwash.ca.