THE COMPETITION TRIBUNAL

IN THE MATTER OF an application by the Commissioner of Competition for a consent order pursuant to sections 92 and 105 of the *Competition Act*, R.S.C. 1985, c. C-34;

AND IN THE MATTER OF the proposed acquisition by Ultramar Ltd. of a petroleum product terminal facility and wholesale supply business located in Ottawa currently owned by Coastal Canada Petroleum Inc.;

BETWEEN:

THE COMMISSIONER OF COMPETITION

Applicant

- and -

ULTRAMAR LTD.

Respondent

AFFIDAVIT OF MICHAEL DILAURO

I, Michael Dilauro, of the City of Ottawa, in the Province of Ontario, AFFIRM THAT:

1. I am a Commerce Officer with the Mergers Branch, Competition Bureau, Industry Canada and an authorized representative of the Commissioner of Competition ("Commissioner"). In this capacity I have been engaged in the review of the proposed acquisition of the petroleum product terminal by Ultramar Ltd. ("Ultramar") which is currently owned by Coastal Canada Petroleum, Inc. ("Coastal").

2. I have been involved in the conduct and management of the inquiry and assessment of the proposed acquisition, described in the statement of grounds and material facts filed in support of the notice of application by the Commissioner in this

matter.

3. I have conducted research and I have analysed the impact of this proposed

transaction. During the course of my research and analysis I examined such factors

as the product and geographic markets, market shares and barriers to entry. As

such, I have knowledge of the information contained in the statement of grounds and

material facts and I believe that information is true.

4. In the statement of grounds and material facts, I describe the proposed

acquisition and provide a competitive analysis of the Ultramar acquisition of the

Coastal terminal. I have concluded that the transaction would likely lessen or prevent

competition substantially in the Ottawa market for terminal facilities and wholesale

supply of refined petroleum product. However, I believe that the remedies put in place

pursuant to the draft consent order will remove the risk of this transaction causing

competitive harm and the remedy will also ensure that independent marketers

continue to have access to suitable terminal facilities and competitive wholesale

supply of refined petroleum product in the Ottawa region.

AFFIRMED before me at

the City of Hull, in the Province of Quebec on

the 15th day of February, 2000.

A Commissioner, etc.

Michael Dilauro

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AFFIDAVIT OF MICHAEL DILAURO

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