

**NEWFOUNDLAND AND LABRADOR
BOARD OF COMMISSIONERS OF PUBLIC UTILITIES**

AN ORDER OF THE BOARD

NO. P.P. 12(2025)

1 **IN THE MATTER OF** the **Petroleum Products**
2 **Act**, SNL 2001, Chapter P-10.1 and regulations
3 thereunder; and
4

5 **IN THE MATTER OF** a request from the Minister
6 pursuant to Section 8.1(3) of the **Petroleum**
7 **Products Act** to review the suitability of the
8 pricing mechanism for benchmark prices and
9 the maximum mark-up between the wholesale
10 price to the retailer and the retail price to the
11 consumer for all regulated fuels; and
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13 **IN THE MATTER OF** changes with respect to
14 wholesale mark-ups, zone differentials and
15 total allowed mark-ups for all regulated
16 petroleum products as a result of the Board's
17 Petroleum Products Pricing Review.
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20 **WHEREAS** on June 7, 2022, pursuant to Section 8.1(3) of the **Petroleum Products Act**, the
21 Minister of Digital Government and Service NL requested that the Board review the suitability
22 of the pricing mechanism for benchmark prices and the maximum mark-up between the
23 wholesale price to the retailer and the retail price to the consumer for all regulated fuels; and
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25 **WHEREAS** as part of the Petroleum Products Pricing Review the Board engaged consultants and
26 sought information and feedback from the industry, consumers and community groups; and
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28 **WHEREAS** on June 6, 2024 the Board issued a consultation document for industry and public
29 input which outlined potential changes to benchmarking, mark-ups and zone differentials, and
30 other pricing matters, for the Island portion of the Province; and
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32 **WHEREAS** on January 27, 2025, the Board issued a final report for the Island which outlined in
33 detail the changes to petroleum products pricing to be implemented on the Island portion of
34 the Province, including the Board's rationale and implementation plan for those changes; and

1 **WHEREAS** the Board considered all information and feedback provided by its consultants, the
2 industry, consumers and community groups during the Review related to the Island and
3 concluded that:

- 4
- 5 • No adjustments to current wholesale mark-ups for gasoline and diesel motor fuels and
6 furnace oil heating fuel are warranted, except in Zones 4a and 7b for furnace oil heating
7 fuel;
- 8 • Increases to the zone differentials for gasoline and diesel motor fuels and furnace oil
9 heating fuel are warranted in most Island pricing zones;
- 10 • Increases to the retail mark-ups for gasoline and diesel motor fuels and furnace oil
11 heating fuel are warranted;
- 12 • Adjustments to the total allowed mark-ups and zone differentials for propane heating
13 fuel are warranted;
- 14 • The resulting changes to mark-ups and zone differentials should be phased-in weekly
15 over a period of 6 weeks;
- 16 • The setting of maximum prices for stove oil heating fuel on the Island portion of the
17 Province is no longer necessary;
- 18 • The setting of maximum prices for all regulated petroleum products is no longer
19 necessary for Zone 5b: Little Bay Islands;
- 20 • The effective day of weekly maximum price adjustments should move to Friday instead
21 of Thursday;
- 22 • Argus Media-reported market data will replace Platts US Marketscan-reported market
23 data in the calculation of average benchmark prices;
- 24 • A 5-day average, rather than a 7-day average, will be used in the calculation of
25 benchmark prices; and
- 26

27 **WHEREAS** in Order No. P.P. 6(2025) the Board commenced the implementation of the changes
28 flowing from the Review, including mark-up and zone differential changes for gasoline and
29 diesel motor fuels and furnace oil and propane heating fuels on the Island; and

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31 **WHEREAS** in Order Nos. P.P. 8(2025) and P.P. 10(2025) the Board continued the
32 implementation of the changes flowing from the Review, including mark-up changes for
33 gasoline and diesel motor fuels and furnace oil heating fuel on the Island; and

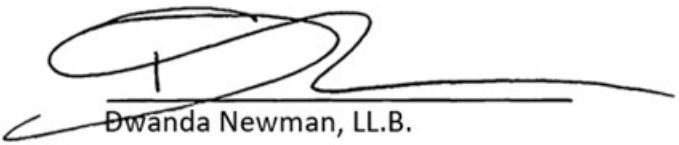
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35 **WHEREAS** the Board is satisfied that the implementation of the mark-up changes should
36 continue and therefore retail mark-ups for gasoline and diesel motor fuels and furnace oil
37 heating fuel on the Island should change accordingly.


1 **IT IS THEREFORE ORDERED THAT:**
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- 3 1. The total allowed mark-ups for gasoline and diesel motor fuels and furnace oil heating
4 fuel, as set out in Schedule A to this Order, are approved for the Island portion of the
5 Province effective 12:01 a.m. Thursday, February 27, 2025.

DATED at St. John's, Newfoundland and Labrador, this 26th day of February, 2025.


Dwanda Newman, LL.B.
Vice-Chair


John O'Brien, FCPA, FCA, CISA
Commissioner


Jo-Anne Galarneau
Board Secretary

Gasoline Motor Fuels				
All Island Zones				
Product	Type of Mark-Up	Current	Phase-In Adjustment	New
Gasoline	Wholesale	15.65	N/A	15.65
	Retail	13.28	+1.0	14.28
	Total Allowed	28.93	+1.0	29.93

Diesel Motor Fuel				
All Island Zones				
Product	Type of Mark-Up	Current	Phase-In Adjustment	New
Diesel	Wholesale	14.07	N/A	14.07
	Retail	17.03	+1.0	18.03
	Total Allowed	31.10	+1.0	32.10

Furnace Oil Heating Fuel				
All Island Zones				
Product	Type of Mark-Up	Current	Phase-In Adjustment	New
Furnace Oil	Wholesale	9.11	N/A	9.11
	Retail	21.27	+1.0	22.27
	Total Allowed	30.38	+1.0	31.38