

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

**AN ORDER OF THE BOARD**

**NO. P.P. 19(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  
12

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 "Review") the Board engaged  
26 consultants and sought information and feedback from the industry, consumers and  
27 community groups; and  
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29 **WHEREAS** on October 1, 2024 the Board issued a consultation document for industry and public  
30 input which outlined potential changes to benchmarking, mark-ups and zone differentials, and  
31 other pricing matters, for Labrador; and  
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33 **WHEREAS** on March 13, 2025, the Board issued a final report for Labrador which outlined in  
34 detail the changes to petroleum products pricing to be implemented in Labrador, including the  
35 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 and concluded that for  
3 Labrador:

- 4
- 5 • Wholesale mark-ups for gasoline and diesel motor fuels and stove oil heating fuel will be  
6 adjusted in all Labrador pricing zones to align with the wholesale mark-ups implemented  
7 on the Island portion of the Province in Order No. P.P. 6(2025);
- 8 • Zone differentials for gasoline and diesel motor fuels and stove oil heating fuel will be  
9 decreased in all Labrador pricing zones to reflect the net impact of:
  - 10 ○ changes to offset the wholesale mark-up increases; and,
  - 11 ○ changes to reflect cost increases since the differentials were last adjusted;
- 12 • Increases to the retail mark-ups for gasoline and diesel motor fuels and stove oil heating  
13 fuel in all Labrador pricing zones are warranted;
- 14 • The resulting changes to mark-ups and zone differentials should be phased-in weekly  
15 over a period of 5 weeks;
- 16 • Adjustments to the total allowed mark-ups and zone differentials for propane heating  
17 fuel in Labrador are warranted;
- 18 • Zone 11b - Coastal Labrador South (Drum Delivery) should be combined with Zone 11a -  
19 Coastal Labrador South (Tanker Supplied) at Zone 11a's pricing.
- 20 • The Town of Cartwright should be established as a new pricing zone 11c in Labrador,  
21 with new zone differentials reflecting the cost of supply;
- 22 • Maximum prices should continue to be adjusted seasonally based on actual acquisition  
23 costs in marine tanker supplied areas of Labrador;
- 24 • The effective day of weekly maximum price adjustments should move to Friday instead  
25 of Thursday for Zones 13 and 13a;
- 26 • Argus Media-reported market data should replace Platts US Marketscan-reported  
27 market data in the calculation of average benchmark prices for Zones 13 and 13a;
- 28 • A 5-day average, rather than a 7-day average, should be used in the calculation of  
29 benchmark prices for Zones 13 and 13a; and
- 30 • A new diesel motor fuel blend schedule should be implemented commencing in the fall  
31 of 2025 for Zones 13 and 13a.

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33 **WHEREAS** the Board is satisfied that the wholesale mark-ups and zone differentials in Labrador  
34 should be changed to begin the implementation of the Board's findings for Labrador in the  
35 Review; and

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37 **WHEREAS** the Board is satisfied that a change to the retail mark-up for stove oil heating fuel in  
38 Zones 11a and 14 should be made for alignment with the stove oil retail mark-ups in other  
39 Labrador pricing zones; and

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41 **WHEREAS** the Board is satisfied that the Town of Cartwright should be established as a new  
42 pricing Zone 11c effective March 21, 2025; and

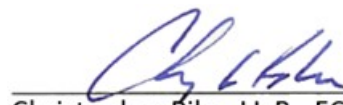
1 **WHEREAS** the Board is satisfied that the changes to the effective day of weekly maximum price  
2 adjustments, the market reporting agency and the number of days used in the calculation of  
3 average benchmark prices for Zones 13 and 13a should be implemented with the beginning of  
4 the phase-in of the wholesale mark-up and zone differential changes.  
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7 **IT IS THEREFORE ORDERED THAT:**  
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- 9 1. The wholesale and total allowed mark-ups for gasoline and diesel motor fuels and stove  
10 oil heating fuel, as set out in Schedule A to this Order, are approved for Labrador  
11 effective 12:01 a.m. Friday, March 21, 2025.  
12  
13 2. The zone differentials for gasoline and diesel motor fuels and stove oil heating fuel, as  
14 set out in Schedule B to this Order, are approved for Labrador effective 12:01 a.m.  
15 Friday, March 21, 2025.  
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17 3. The total allowed mark-ups and zone differentials for propane heating fuel, as set out in  
18 Schedule C to this Order, are approved for Labrador effective 12:01 a.m. Friday, March  
19 21, 2025.

**DATED** at St. John's, Newfoundland and Labrador, this 20<sup>th</sup> day of March, 2025.

  
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John O'Brien, FCPA, FCA, CISA  
Commissioner

  
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Christopher Pike, LL.B., FCIP  
Commissioner

  
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Jo-Anne Galarneau  
Board Secretary

<b>Gasoline Motor Fuels All Labrador Zones Excluding Zones 11a and 14</b>				
<b>Product</b>	<b>Type of Mark-Up</b>	<b>Current</b>	<b>Phase-In Adjustment</b>	<b>New</b>
Gasoline	Wholesale	10.65	+5.0	15.65
	Retail	10.28	N/A	10.28
	Total Allowed	20.93	+5.0	25.93

<b>Gasoline Motor Fuels Zones 11a and 14</b>				
<b>Product</b>	<b>Type of Mark-Up</b>	<b>Current</b>	<b>Phase-In Adjustment</b>	<b>New</b>
Gasoline	Wholesale	10.65	+5.0	15.65
	Retail	12.67	N/A	12.67
	Total Allowed	23.32	+5.0	28.32

<b>Diesel Motor Fuel All Labrador Zones</b>				
<b>Product</b>	<b>Type of Mark-Up</b>	<b>Current</b>	<b>Phase-In Adjustment</b>	<b>New</b>
Diesel	Wholesale	10.07	+4.0	14.07
	Retail	14.03	N/A	14.03
	Total Allowed	24.10	+4.0	28.10

<b>Stove Oil Heating Fuel All Labrador Zones Excluding Zones 11a and 14</b>				
<b>Product</b>	<b>Type of Mark-Up</b>	<b>Current</b>	<b>Phase-In Adjustment</b>	<b>New</b>
Stove Oil	Wholesale	8.11	+1.0	9.11
	Retail	20.28	N/A	20.28
	Total Allowed	28.39	+1.0	29.39

<b>Stove Oil Heating Fuel Zones 11a and 14</b>				
<b>Product</b>	<b>Type of Mark-Up</b>	<b>Current</b>	<b>Phase-In Adjustment<sup>1</sup></b>	<b>New</b>
Stove Oil	Wholesale	15.49	(6.38)	9.11
	Retail	12.90	+7.38	20.28
	Total Allowed	28.39	+1.0	29.39

<sup>1</sup> Includes adjustments for alignment with all other pricing zones on the Island.

<b>Gasoline Motor Fuels Zone Differentials Labrador (cents per litre)</b>			
<b>Zone</b>	<b>Current</b>	<b>Phase-In Adjustment</b>	<b>New</b>
<b>10 - Labrador - The Straits to Red Bay</b>	12.20	(4.50)	7.70
<b>11 - Labrador South - Lodge Bay / Pinsent's Arm</b>	12.20	(4.50)	7.70
<b>11a - Coastal Labrador South</b>	27.81	(4.50)	23.31
<b>11c - Cartwright</b>	12.20	(1.47)	10.73
<b>12 - Central Labrador</b>	7.23	(4.50)	2.73
<b>13 - Western Labrador</b>	10.73	(4.50)	6.23
<b>13a - Churchill Falls</b>	12.91	(4.50)	8.41
<b>14 - Coastal Labrador North</b>	27.81	(4.50)	23.31

<b>Diesel Motor Fuel Zone Differentials Labrador (cents per litre)</b>			
<b>Zone</b>	<b>Current</b>	<b>Phase-In Adjustment</b>	<b>New</b>
<b>10 - Labrador - The Straits to Red Bay</b>	15.59	(3.50)	12.09
<b>11 - Labrador South - Lodge Bay / Pinsent's Arm</b>	15.59	(3.50)	12.09
<b>11a - Coastal Labrador South</b>	27.31	(3.50)	23.81
<b>11c - Cartwright</b>	15.59	(0.91)	14.68
<b>12 - Central Labrador</b>	6.98	(3.50)	3.48
<b>13 - Western Labrador</b>	9.73	(3.50)	6.23
<b>13a - Churchill Falls</b>	11.91	(3.50)	8.41
<b>14 - Coastal Labrador North</b>	27.31	(3.50)	23.81

<b>Stove Oil Heating Fuel Zone Differentials Labrador (cents per litre)</b>			
<b>Zone</b>	<b>Current</b>	<b>Phase-In Adjustment</b>	<b>New</b>
<b>10 - Labrador - The Straits to Red Bay</b>	18.50	(0.50)	18.00
<b>11 - Labrador South - Lodge Bay / Pinsent's Arm</b>	18.50	(0.50)	18.00
<b>11a - Coastal Labrador South</b>	25.40	(0.50)	24.90
<b>11c - Cartwright</b>	18.50	(3.60)	14.90
<b>12 - Central Labrador</b>	4.20	(0.50)	3.70
<b>13 - Western Labrador</b>	5.20	(0.50)	4.70
<b>13a - Churchill Falls</b>	7.30	(0.50)	6.80
<b>14 - Coastal Labrador North</b>	25.40	(0.50)	24.90

<b>Propane Heating Fuel Labrador Mark-Up and Zone Differential Changes (cents per litre)</b>						
<b>Zone</b>	<b>Total Allowed Mark-Ups</b>			<b>Zone Differentials</b>		
	<b>Current</b>	<b>Adjustment</b>	<b>New</b>	<b>Current</b>	<b>Adjustment</b>	<b>New</b>
<b>10</b>	63.09	+6.51	69.60	6.50	(2.60)	3.90
<b>11</b>	63.09	+6.51	69.60	15.20	(10.00)	5.20
<b>11a</b>	63.09	(7.00)	56.09	23.40	n/a	23.40
<b>11c</b>	63.09	+6.51	69.60	15.20	(8.1)	7.10
<b>12</b>	51.09	+5.00	56.09	1.20	+1.80	3.00
<b>13</b>	51.09	+5.00	56.09	3.20	(3.2)	0.00
<b>13a</b>	51.09	+5.00	56.09	5.30	(3.8)	1.50
<b>14</b>	63.09	(7.00)	56.09	23.40	n/a	23.40