

MEDIA RELEASE

Thursday, April 28, 2022

Weekly Adjustment of Maximum Prices of Regulated Petroleum Products

Effective 12:01 a.m. Thursday, April 28, 2022, the Public Utilities Board set maximum prices for regulated petroleum products in all areas of the province, except where maximum price adjustments have been suspended.

The changes to maximum fuel prices are as follows:

- all types of gasoline motor fuel will increase by up to 0.9 cents per litre (cpl);
- diesel motor fuel on the Island will increase by up to 1.2 cpl;
- diesel motor fuel in Labrador will decrease by 31.7 cpl;
- furnace oil heating fuel will increase by 1.11 cpl;
- stove oil heating fuel on the Island will increase by 4.16 cpl;
- stove oil heating fuel in Labrador will decrease by 27.56 cpl; and,
- propane heating fuel will increase by 0.7 cpl.

Except as set out below, these maximum prices reflect the change in the average benchmark price of the products over the current pricing period. As an example, the average benchmark price for gasoline, as tracked on the New York Mercantile Exchange (NYMEX) and converted to Canadian dollars, increased over the period by 0.74 cpl, resulting in an increase of up to 0.9 cpl, accounting for taxation and rounding.

With this adjustment, the calculation of the maximum price of furnace oil heating fuel and diesel motor fuel on the Island will reflect the continued phase-in of changes with respect to seasonal blending as follows:

- The maximum price of furnace oil heating fuel is calculated based on 10% Jet and 90% Ultra Low Sulphur Diesel (ULSD), replacing the blend of 15% Jet and 85% ULSD.
- The maximum price of diesel motor fuel supplied on the Island is calculated based on 10% Ultra Low Sulphur Kerosene (ULSK) and 90% ULSD, replacing the blend of 15% ULSK and 85% ULSD.

In addition, the decreases in the maximum prices for diesel motor fuel and stove oil heating fuel in Zone 13 – Western Labrador and Zone 13a – Churchill Falls reflect a significant decrease in the ULSK benchmark price used in the calculation of maximum prices for these products in these zones. The maximum prices also reflect a temporary increase in the retail portion of the total allowed mark-up to address the impact of benchmark price volatility for these products. In Order No. P.P. 26 (2022) the Board determined that an increase in the mark-up was reasonable based on cost and inventory information provided by retailers in the region.

While the Board's next regularly scheduled price adjustment is scheduled for Thursday, May 5, 2022 the Board continues to monitor the daily benchmark prices for motor fuels and heating fuels using the prescribed sources set out in the Petroleum Products Regulations and will adjust maximum prices outside the scheduled adjustment if circumstances warrant.

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