

NEWFOUNDLAND AND LABRADOR
BOARD OF COMMISSIONERS OF PUBLIC UTILITIES
Petroleum Pricing Office

MEDIA RELEASE

July 12, 2007

No change for maximum fuel prices

Zone 14 price freeze lifted

The criteria for the Public Utilities Board's interruption formula (IF) were not met for either of the fuels under regulation, including all types of gasoline, automotive diesel, furnace/stove oil and residential propane. Therefore, the maximum prices last established July 5, 2007 will remain in effect.

Provided there are no extraordinary conditions, the next scheduled price change is July 19, 2007.

ZONE 14

Also effective 12:01 a.m. July 12, 2007, the Board through its Petroleum Pricing Office announced the removal of the price freeze for Zone 14 (Coastal Labrador North). As a result, the maximum allowable price for gasoline in Zone 14 will increase by 19.9 cpl, while low sulphur diesel will move upward by 8.9 cpl and stove oil by 8.13 cpl. This decision was taken following consultation with local suppliers, along with the improvement of ice conditions in this zone allowing a dependable supply of petroleum products to resume.

Zone 14 is the last of four zones to see its price freeze lifted. Other regions affected by this annual policy have already seen their maximum prices adjusted to reflect current market values: Zone 11 (Labrador South – Lodge Bay / Cartwright) occurred June 7, while Zones 11a (Coastal Labrador South – Tanker Supplied) and 11b (Coastal Labrador South – Drum Delivery) took place July 5. Following the period of a price freeze, new fuel products needed to supply these zones have to be purchased at higher market prices than those in effect when the price freeze was implemented last November. Consequently, these higher costs are reflected in the currently set maximum allowable prices.

More information regarding fuel-price regulation and the annual price freeze in Labrador zones can be found on the Board's website at www.pub.nl.ca.

-30-

Media contact: Michelle Hicks, Communications. Tel: 1-866-489-8800 or 489-8837.
E-mail: mhicks@pub.nl.ca.