

MEDIA RELEASE

May 20, 2021

Embargo until 12:01 am Thursday, May 20, 2021

Weekly Adjustment of Maximum Prices of Regulated Petroleum Products

Zones 10, 11, 11b and 12 maximum price suspensions lifted for most products

Effective 12:01 a.m. Thursday, May 20, 2021, the Public Utilities Board set maximum prices for all regulated petroleum products in all areas of the province, except where maximum price adjustments have been suspended for the winter months.

For the Island and Zones 13 – Western Labrador and 13a – Churchill Falls, the changes to maximum fuel prices are as follows:

- all types of gasoline motor fuel will increase by up to 1.6 cents per litre (cpl);
- diesel motor fuel will increase by up to 0.8 cpl;
- furnace oil heating fuel will increase by 0.65 cpl;
- stove oil heating fuel will increase by up to 0.65 cpl; and,
- propane heating fuel will decrease by 0.9 cpl.

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 1.36 cpl, resulting in an increase of up to 1.6 cpl, accounting for taxation and rounding.

Maximum Price Adjustments for Labrador Zones 10, 11, 11b and 12

Pursuant to Order No. P.P. 58(2020) the Board implemented changes to its maximum pricing methodology in Labrador effective November 26, 2020, including the suspension of maximum price adjustments for most products to coincide with winter supply in Zone 10 – Labrador – The Straits to Red Bay; Zone 11 – Labrador South – Lodge Bay / Cartwright; Zone 11b – Coastal Labrador South – Drum Delivery; and Zone 12 – Central Labrador. The spring resupply of product to these zones has now commenced and will be completed in the coming weeks. As a result, the suspension of maximum price adjustments is lifted for the following zones and products, effective May 20, 2021:

(1) Gasoline motor fuels

- Zone 10 – Labrador – The Straits to Red Bay
- Zone 11 – Labrador South – Lodge Bay / Cartwright
- Zone 11b – Coastal Labrador South – Drum Delivery
- Zone 12 – Central Labrador

(2) Diesel motor fuel and stove oil heating fuel

- Zone 10 – Labrador – The Straits to Red Bay
- Zone 11 – Labrador South – Lodge Bay / Cartwright
- Zone 11b – Coastal Labrador South – Drum Delivery

With the lifting of the suspension for these products the maximum prices effective May 20, 2021 reflect the current weekly average Benchmark Price for the products, as compared to weekly average Benchmark Prices in the fall 2020 when the prices were last adjusted. The impact of the changes in Benchmark Prices is set out in the table below:

| Changes to Maximum Prices – Zones 10, 11, 11b and 12 (cpl) | | | | |
|---|-----------|--------------------------------------|---------------------------------|---|
| Effective May 20, 2021 | | | | |
| Zone | Product | November 26, 2020 Benchmark Price | May 20, 2021 Benchmark Price | Change in Maximum Price (with HST, where applicable) ¹ |
| Zone 10 | Gasoline | 42.2836 | 69.8078 | +31.7 |
| | Diesel | 47.8041 | 68.4796 | +23.8 |
| | Stove Oil | 47.8041 | 68.4796 | +20.68 |
| Zone 11 | Gasoline | 42.2836 | 69.8078 | +31.7 |
| | Diesel | 47.8041 | 68.4796 | +23.8 |
| | Stove Oil | 47.8041 | 68.4796 | +20.68 |
| Zone 11b | Gasoline | 42.2836 | 69.8078 | +31.7 |
| | Diesel | 47.8041 | 68.4796 | +23.8 |
| | Stove Oil | 47.8041 | 68.4796 | +20.68 |
| Zone 12 | Gasoline | 42.2836 | 69.8078 | +31.7 |

The current suspension of maximum price adjustments for diesel motor fuel and stove oil heating fuel in Zone 12 and for all products in Zone 11a – Labrador South – Tanker Supplied and Zone 14 – Coastal Labrador North will remain in effect until resupply commences in the coming weeks.

The Board’s review is ongoing in relation to the issues raised in the 2020 Labrador Petroleum Products Review, including the costs of supply and whether there should be a suspension of maximum price adjustments for the spring/summer in certain Labrador zones. It is anticipated that further decisions in relation to these matters may be made in the coming weeks.

The next scheduled price change is Thursday, May 27, 2021.

¹ Actual changes may vary by +/- 0.1 cpl due to rounding.