

MEDIA RELEASE

Friday, April 1, 2022

Extraordinary Adjustment of Maximum Prices of Regulated Petroleum Products

Due to recent extraordinary commodity market developments, the Public Utilities Board will intervene and adjust maximum prices for regulated petroleum products outside of its regular pricing schedule. Since the Board last adjusted maximum prices on Thursday, March 31, 2022 there has been a significant upward shift in certain benchmarks used by the Board to set maximum prices of regulated petroleum products and a significant downward shift in other benchmarks. For example there was a significant increase in the daily benchmark prices for Ultra Low Sulphur Kerosene, used in the calculation of the blended benchmark prices for diesel motor fuel and stove oil heating fuel in Labrador, and for Jet, used in the calculation of the blended benchmark prices for furnace oil heating fuel. Conversely there was significant downward pressure in the benchmark price used in the calculation of stove oil heating fuel on the Island. The resulting shifts in the Board's average benchmark prices are extraordinary and the Board has determined an adjustment of maximum prices for regulated petroleum products is warranted at this time.

Effective 12:01 a.m. Friday, April 1, 2022, the Public Utilities Board set maximum prices for diesel motor fuel, furnace oil heating fuel and stove oil heating fuel in all areas of the province, except where maximum price adjustments have been suspended. No price adjustments will be made to gasoline motor fuel (all-grades) or propane heating fuel at this time.

The changes to maximum fuel prices are as follows:

- diesel motor fuel on the Island will increase by up to 14.9 cents per litre ("cpl");
- diesel motor fuel in Labrador will increase by 23.8 cpl;
- furnace oil heating fuel will increase by 12.74 cpl;
- stove oil heating fuel on the Island will decrease by 10.59 cpl; and,
- stove oil heating fuel in Labrador will increase by 20.70 cpl.

The Carbon Tax reflected in maximum prices remains unchanged with this adjustment as the Board has not been advised of a change in this tax in this province.

While the Board's next price change is scheduled for Thursday, April 7, 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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