

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

MEDIA RELEASE

Saturday, July 1, 2023

**Extraordinary Adjustment of Maximum Prices of Regulated Petroleum Products to Reflect
Changes to Carbon Taxation**

Upcoming Changes relating to Clean Fuel Regulations

Effective 12:01 a.m. Saturday, July 1, 2023, the Public Utilities Board set maximum prices for gasoline and diesel motor fuels in all areas of the province, including those areas where a suspension of maximum price adjustments is in effect, to reflect changes to carbon taxation.

The changes to maximum fuel prices are as follows:

- all types of gasoline motor fuel will increase by up to 3.8 cents per litre (cpl); and,
- diesel motor fuel will increase by up to 4.6 cpl.

The Government of Canada recently mandated provinces to update carbon tax rates and remove exemptions to align with federally proposed changes for 2023. As a result, effective July 1, 2023, Federal Fuel Charge rates will be applied on fuels sold in Newfoundland and Labrador and Provincial carbon taxes will no longer apply.

Motor Fuels

The impact of the changes in carbon taxation on maximum prices for motor fuels in the province is set out in the table below:

Impact of Carbon Taxation Changes on Maximum Motor Fuel Prices Newfoundland and Labrador Effective July 1, 2023			
Type of Regulated Product	Current Carbon Tax Rate <i>Up to June 30, 2023</i> (cents per litre)	Federal Fuel Charge Rate <i>Effective July 1, 2023</i> (cents per litre)	Change in Maximum Motor Fuel Prices (excluding HST) (cents per litre)
Gasoline Motor Fuels	11.05	14.31	3.26
Diesel Motor Fuel	13.41	17.38	3.97

Heating Fuels

There are no changes to the Board's established maximum prices for heating fuels with this adjustment as taxation is not included in maximum prices for heating fuels. The Federal Fuel Charge rates will apply to heating fuels and will be included in the taxes that are applied at the point of sale by heating fuel companies.

The point of sale impact of the Federal Fuel Charge rates for heating fuels will be 17.38 cpl for Furnace Oil and Stove Oil and 10.06 cpl for propane heating fuel, plus the applicable HST.

More information with respect to the Federal Fuel Charge rates can be found on the Federal Government's website [here](#).

Upcoming Changes Relating to Federal Clean Fuel Regulations

In addition to the Federal Fuel Charge rate changes effective July 1, 2023, the federal Clean Fuel Regulations also become effective for gasoline and diesel motor fuels on July 1, 2023. The federal Clean Fuel Regulations changes do not apply to heating fuels.

As a result of amendments to the **Petroleum Products Act Regulations** introduced on June 23, 2023, the Board is required to reflect the additional costs associated with the federal Clean Fuel Regulations for gasoline and diesel motor fuels. The Board is currently reviewing these amendments as well as a report filed by its consultant, Grant Thornton, and comments filed by stakeholders. A decision regarding maximum price changes relating to the federal Clean Fuel Regulations is expected to be implemented with next week's regular weekly price adjustment effective Thursday, July 6, 2023.

The amendments to the **Petroleum Products Act Regulations**, the Grant Thornton report and the comments received from stakeholders can be found on the Board's website [here](#). More information with respect to the federal Clean Fuel Regulations can be found [here](#).

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