

Media Release

Thursday, October 3, 2024
Weekly Adjustment of Maximum Prices of Regulated Petroleum Products
and
Island Winter Blending Begins with Changes for Furnace Oil Blending

Effective 12:01 a.m. Thursday, October 3, 2024, 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 prices reflect recent changes in market commodity prices and the implementation of winter blending for diesel motor fuel and furnace oil heating fuel on the Island.

The changes to maximum fuel prices are as follows:

- all types of gasoline motor fuel will decrease by up to 2.3 cents per litre (cpl);
- diesel motor fuel on the Island will increase by up to 2.0 cpl;
- diesel motor fuel in Zones 13 and 13a will decrease by 0.9 cpl;
- furnace oil heating fuel will increase by 1.70 cpl;
- stove oil heating fuel on the Island will decrease by 0.73 cpl;
- stove oil heating fuel in Zones 13 and 13a will decrease by 0.89 cpl; and,
- propane heating fuel will increase by 0.3 cpl.

While the Board's next regularly scheduled price adjustment is on Thursday, October 10, 2024, the Board continues to monitor changes in market prices for motor fuels and heating fuels and will adjust maximum prices outside the scheduled adjustment as appropriate.

Island Diesel Motor Fuel and Furnace Oil Heating Fuel Blending

Each year in October the winter blend for diesel motor fuel and furnace oil heating fuel on the Island is phased in to reflect seasonal changes in the product. These product changes are necessary to maintain fuel efficiency and pourability in colder temperatures. Throughout October the product blend reflected in maximum prices for diesel motor fuel and furnace oil heating fuel is changed over the course of several weeks to reduce the Ultra Low Sulphur Diesel (ULSD) component from 100% to 25%.

As part of the Island seasonal blend changes this year, the Board will also implement changes to its blending for furnace oil heating fuel on the Island to better reflect the product which is being sold. Based on the information provided in the ongoing Petroleum Products Pricing Review, the specifications of the product sold as furnace oil heating fuel on the Island should be based on a blend which includes Ultra Low Sulphur Kerosene (ULSK) rather than Jet, which had been used in prior years. The Board has determined that it is appropriate to make this change for Island furnace oil heating fuel coincident with the implementation of the fall blend to ensure that the product sold throughout the season is better reflected in the established maximum price.

With this adjustment, the Board will take the first step in the implementation of the winter blend for Island diesel motor fuel and Island furnace oil heating fuel and will shift to the use of ULSK for Island furnace oil heating fuel, as follows:

- the maximum price of both Island diesel motor fuel and Island furnace oil heating fuel are calculated based on a 75% ULSD and 25% ULSK blend.

More information about how maximum prices are set, including a full breakdown by pricing zone and a discussion of the Board's benchmark blending methodology, can be found on the Board's website [here](#).

Petroleum Products Pricing Review

On June 6, 2024 as part of the ongoing Petroleum Products Pricing Review, the Board released its **Island Consultation Document**. Throughout the summer the Board heard presentations and received commentary with respect to Island petroleum products pricing. While the Board is now considering these matters it has determined that, based on the information provided, the blending methodology for Island furnace oil heating fuel should be changed at this time to better reflect the winter product blend. The other matters raised in the review related to Island petroleum products pricing remain under consideration and will be addressed by the Board later this fall. The Board's Island Consultation Document can be found [here](#).

On October 1, 2024 the Board also released its **Labrador Consultation Document** addressing petroleum products pricing matters for Labrador. Consultation is ongoing in relation to petroleum products pricing for Labrador and members of the industry or the public may request to make a presentation by **Friday, October 11, 2024** or may submit comments by **Friday, October 25, 2024**. Upon conclusion of this consultation the Board will consider changes for petroleum products pricing for Labrador. The Labrador Consultation Document can be found [here](#).



Additional documentation associated with the Board’s Petroleum Products Pricing Review can be found on the Board’s website **here**.

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