

## MEDIA RELEASE

---

*Thursday, April 12, 2007*

### **Maximum gasoline prices increase; mixed results for others**

The Public Utilities Board, through its Petroleum Pricing Office, will make its scheduled biweekly pricing adjustment effective 12:01 a.m. Thursday, April 12, 2007 in Newfoundland and Labrador (NL), except in regions where a price freeze is in effect.

The maximum prices for each of the fuels under regulation will change as follows:

- ◆ all types of gasoline will increase by 3.5/3.6 cents per litre (cpl) – depending on the HST rounding impact in a particular pricing zone;
- ◆ ultra low sulphur diesel in Newfoundland will rise by 0.2/0.3 cpl, while low sulphur diesel in Labrador will decrease by 0.5 cpl;
- ◆ No. 2 blend furnace oil will move upward 0.03 cpl, and stove oil will decrease by 0.40 cpl; and,
- ◆ residential propane used for home heating purposes will be lowered by 0.5 cpl.

Maximum gasoline prices in this province, which were last changed on March 29, 2007, have reached their highest level so far this year, and are on par with prices of a year ago.

Geopolitical events, such as those occurring in Iran (the second largest supplier in the Middle East), have resulted in upward pressure on global petroleum prices. Also demand/supply issues remain important elements in the market value of petroleum products at this time of year, particularly as refiners boost the production of gasoline over heating fuels. U.S. refinery output has yet to peak due to scheduled maintenance shutdowns or damage from unplanned outages, thus slowing production. Analysts have stated that gasoline supplies in the near term are currently in a shortfall position and may not be sufficient to meet expected demand. Distillate (furnace/stove oil and diesel) supplies have tightened, but improving weather conditions are expected to lower consumption for heating oil, while diesel demand remains strong.

Given these circumstances and the fact that gasoline prices traditionally rise in the lead-up to the summer driving season, there is yet no clear indication as to what consumers throughout North America can expect in the weeks ahead. The Board will continue to monitor the various marketplaces (global, international and national) and set regulated maximum prices based on its established methodology to ensure an adequate and continuous supply of petroleum products throughout NL.

-30-

Media contact: Michelle Hicks, Communications. Tel.: 1-866-489-8800 or 489-8837.  
E-mail: [mhicks@pub.nl.ca](mailto:mhicks@pub.nl.ca), or visit the Board's website at: [www.pub.nl.ca](http://www.pub.nl.ca).

---