

NEWFOUNDLAND AND LABRADOR  
BOARD OF COMMISSIONERS OF PUBLIC UTILITIES  
Petroleum Pricing Office

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## **MEDIA RELEASE**

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*Thursday, January 17, 2008*

### **All regulated fuels see increases to maximum prices**

The Public Utilities Board, through its Petroleum Pricing Office, will set new maximum prices for all fuels throughout Newfoundland and Labrador (NL), except in regions under a price freeze, as per its scheduled biweekly adjustment.

Effective 12:01 a.m. Thursday, Jan. 17, 2008, maximum fuel prices will increase as follows:

- all types of gasoline by 1.2/1.3 cents per litre ( cpl) – depending on the HST rounding impact in a particular pricing zone;
- ultra low sulphur diesel by 1.1/1.2 cpl;
- No. 2 blend furnace oil by 1.88 cpl and stove oil by 1.07 cpl; and,
- residential propane used for home heating purposes by 1.6 cpl.

The first week of this pricing period (Jan. 2-15, 2008) started in a strong upward position with record high crude oil prices putting substantial pressure on the commodity market prices for refined petroleum products. In recent days, on the downside of the market however, fuel prices have been tempered by concerns that the U.S. economy (the world's largest consumer of energy and fuel) is either in, or about to enter, a recession and will curtail demand growth. Overall, the offsetting factors during this two-week period have contributed to a net increase in fuel prices.

Other influences which continue to impact the high volatility of the commodity markets for refined fuel products include tensions in Iran, hostilities in the oil-rich Niger Delta, and unrest in the Middle East. Conversely, relatively good weather conditions and stronger refinery utilization rates enabled inventories for distillates (heating oil and diesel) and gasoline to rebound.

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