

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

MEDIA RELEASE

Thursday, June 12, 2008

Furnace, stove oil maximum prices increase; other fuels unchanged

The criteria for the Public Utilities Board's interruption formula were met for furnace and stove oil in the province this week, resulting in a 5.94 cents per litre (cpl) increase in their maximum prices effective 12:01 a.m. Thursday, June 12, 2008, except where a price freeze is still in effect.

The maximum prices for other regulated fuels, including all types of gasoline, automotive diesel, and residential propane, did not meet the interruption formula criteria and, therefore, will not change at this time.

Following last week's decrease in furnace and stove oil maximum prices of 4.29 cpl, commodity markets moved upward quickly. On Friday, heating oil prices increased an average of almost 8.0 cpl; these prices carried over into the weekend. While market activity eased from this rally to Tuesday's cut-off for interruption formula calculations, prices still remain high in the face of tight supplies and higher-than-expected off-peak demand. Poor U.S. economic data and the fluctuations in the value of the dollar also contributed to the recent pricing swings.

The Board will continue to closely watch commodities to ensure that prices in this province are in line with the realities of the marketplace.

Barring any extraordinary events, the next scheduled price change is Thursday, June 19, 2008.

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