

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

MEDIA RELEASE

Thursday, July 31, 2008

All maximum fuel prices decrease

The Public Utilities Board will lower all maximum fuel prices in the province effective 12:01 a.m. Thursday, July 31, 2008, as per the Board's scheduled biweekly pricing adjustment.

Maximum fuel prices will decrease as follows:

- all types of gasoline by 2.9 cents per litre (cpl);
- ultra low sulphur diesel by 3.9 or 4.0 cpl – depending on the HST rounding impact;
- furnace and stove oil by 3.9 cpl; and,
- residential propane used for home heating purposes by 1.9 cpl.

The decreases for gasoline, diesel and furnace/stove oil follow the significant decreases experienced last week as a result of the operation of the Board's interruption formula. In two weeks, the prices of gasoline and diesel have dropped by nearly 13 cpl and furnace and stove oil by almost 12 cpl.

Analysts attribute the decline in the price of gasoline to reduced demand, particularly in the United States, caused by the ongoing high gasoline prices. Market prices for other fuels have also receded during this pricing period mainly as a result of improving stockpiles. The recent strength of the U.S. dollar, versus the euro and other international currencies, has also helped to push prices down as commodities are traded in U.S. currency.

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Media contact: Michelle Hicks, Communications. Tel: 1-866-489-8800 or (709) 489-8837.
E-mail: mhicks@pub.nl.ca, or visit the Board's website at: www.pub.nl.ca.