

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

MEDIA RELEASE

Thursday, September 11, 2008

Maximum distillate fuels decrease, while gasoline up slightly

Effective 12:01 a.m. Thursday, September 11, 2008, the Public Utilities Board will establish new maximum fuel prices for Newfoundland and Labrador as part of its scheduled biweekly adjustments.

Maximum prices will move as follows:

- all types of gasoline will increase 1.3 or 1.4 cents per litre (cpl) – due to HST rounding;
- ultra low sulphur diesel will decrease 0.9 or 1.0 cpl;
- furnace and stove oil will decrease 0.95 cpl; and,
- residential propane will increase 0.9 cpl.

The recent decline in crude oil pricing did not necessarily translate into decreases for all refined products. Maximum prices for each of these products are based on the values as they are individually traded on the commodities exchange. Even with the recent downward movement in crude oil prices, two weeks of market data resulted in a slight increase in the price of gasoline, primarily as a result of recent concerns about potential damage to oil infrastructure in the Gulf of Mexico from three hurricanes in the region. However, this upward pricing pressure was alleviated somewhat throughout the pricing period with favourable currency exchange rates, reassurances in relation to the release of emergency supplies, if necessary, and diminishing concerns in relation to potential storm damage.

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