

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

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**MEDIA RELEASE**

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*Monday, September 15, 2008*

**Intervention for maximum gasoline prices**

For the first time since September 2005, the Public Utilities Board will intervene outside of its regulated pricing schedule and adjust maximum gasoline prices upwards to ensure a supply of fuel to the local network.

Effective 12:01 a.m. Monday, Sept. 15, 2008, the maximum price for gasoline will increase 10.9 or 11.0 cents per litre (cpl) – depending on the HST rounding impact, as a result of recent extraordinary commodity market developments. At this time, there will be no change to maximum prices of other regulated fuels.

The first three market-trading days of this pricing period saw NYMEX (New York Mercantile Exchange) gasoline move upwards nearly 60 cents per gallon (cpg) or just over 15 cpl (cents per litre). The primary driver for this increase is Hurricane Ike, which landed on the coast of Texas, an area where approximately 25 per cent of the U.S. refining capacity is located. These escalating market gasoline prices have driven up costs for gasoline resellers and wholesalers such that existing maximum gasoline prices may not be economically viable for local suppliers because they are purchasing the fuel at a significantly higher price. Unless the maximum price of gasoline is increased to reflect these increased costs, it is possible that consumers throughout the province will experience shortages.

The Board will continue to monitor market data and will adjust maximum prices as appropriate in the circumstances.

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