

MEDIA RELEASE

Further increase in the maximum price of gasoline

Effective 12:01 a.m., Saturday, September 3, 2005, the Public Utilities Board's Petroleum Pricing Office (PPO) announces an increase of 13.6 cents per litre (cpl) in the maximum price for all types of gasoline in Newfoundland and Labrador. This increase is the second in as many days, following an increase of 18.9 cpl on Friday, and is necessary to avoid potentially critical product shortages. The maximum price of Regular Unleaded Gasoline for Zone 1 (St. John's-Avalon) will increase from 134.5 cpl to 148.1 cpl as of 12:01 a.m. Saturday, September 3, 2005.

There will be no change at this time in the maximum price for other products.

This adjustment is the result of the ongoing unprecedented spike in pricing for gasoline occurring on world markets. As the price continues to rise on world markets, many local suppliers have advised the Board that they are withholding deliveries until the price is adjusted to reflect market conditions and what they have to pay for the product. These increases are not unlike those being experienced across the country and reflect the current market realities while ensuring continued product supply to consumers.

The Board will continue to respond to the extraordinary market conditions as necessary to ensure that the product is appropriately priced and available to consumers.

Media Contact: Cheryl Blundon, Board Secretary. Tel: (709) 726-8600.