

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

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## MEDIA RELEASE

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*Thursday, Nov. 30, 2006*

### **No change for maximum regulated fuel prices**

The criteria for the Public Utilities Board and its Petroleum Pricing Office's interruption formula (IF) were not met for either of the fuels regulated in Newfoundland and Labrador, including all types of gasoline, automotive diesel, furnace/stove oil and residential propane. Therefore, the maximum prices last established Nov. 23, 2006 will remain in effect.

The next scheduled price change is Dec. 7, 2006.

#### **BACKGROUND**

**Regulation schedule:** On Nov. 23, 2006, the Board initiated a new schedule of setting maximum prices for petroleum products every two weeks. Every Thursday following a scheduled adjustment, consumers will experience either no change in price or a change triggered by the criteria being met for the interruption formula (IF).

**Interruption formula:** The Board's Interruption Formula (IF), which is used to adjust for market volatility between scheduled pricing adjustments, has new criteria:

- a. For gasoline, diesel or furnace/stove oil, price fluctuations on NYMEX (New York Mercantile Exchange) must exceed an average of  $\pm 4.0$  cents per litre (cpl) over a seven-day period from the last regulated benchmark price for each fuel.
- b. The IF criteria for residential propane will remain unchanged. Figures are derived from pricing activity at the Sarnia rack that is published in Bloomberg's *Oil Buyer's Guide*. Weekly figures must exceed a  $\pm 5.0$  cpl change from the previously established benchmark under regulation.

More information can be found on the Board's website at [www.pub.nl.ca](http://www.pub.nl.ca), or via this [link](#) under the heading "Overview of the New Regulatory Pricing Model."

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