

**NEWFOUNDLAND AND LABRADOR  
BOARD OF COMMISSIONERS OF PUBLIC UTILITIES**

**AN ORDER OF THE BOARD**

**NO. P.P. 2(2024)**

1 **IN THE MATTER OF** the **Petroleum**  
2 **Products Act**, SNL 2001, Chapter P-10.1  
3 and regulations thereunder; and  
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5 **IN THE MATTER OF** Section 7 of the  
6 **Petroleum Products Regulations** to require  
7 the inclusion of a carbon price adjustment  
8 in the maximum price of motor fuels; and  
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10 **IN THE MATTER OF** the carbon-intensity limit  
11 reductions mandated in the **Clean Fuel**  
12 **Regulations (Canada)** effective January 1, 2024.  
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15 **WHEREAS** pursuant to the **Clean Fuel Regulations (Canada)**, the Government of Canada  
16 directed carbon intensity reduction requirements in respect of motor fuels produced in Canada  
17 or imported into Canada on or after July 1, 2023; and  
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19 **WHEREAS** in June 2023 the provincial **Petroleum Products Regulations** were amended to  
20 require that the Board include a carbon price adjustment in the maximum price of motor fuels  
21 to mitigate the costs incurred by wholesalers and retailers related to compliance with the **Clean**  
22 **Fuel Regulations (Canada)**; and  
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24 **WHEREAS** in Order No. P.P. 45(2023) effective July 6, 2023 the Board implemented a carbon  
25 price adjustment of 3.74 cents per litre for gasoline motor fuel and 4.17 cents per litre for diesel  
26 motor fuel for all zones except Zones 10, 11, 11a, 11b, 12 and 14, on an interim basis; and  
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28 **WHEREAS** in Order No. P.P. 78(2023) effective December 21, 2023 upon the winter resupply of  
29 product in most zones in Labrador the Board implemented a carbon price adjustment of 3.74  
30 cents per litre for gasoline motor fuel and 4.17 cents per litre for diesel motor fuel for Zones 10,  
31 11, 11a, 11b, 12 and 14, on an interim basis; and  
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33 **WHEREAS** effective January 1, 2024 the **Clean Fuel Regulations (Canada)** require further  
34 carbon-intensity limit reductions of 1.5 CO<sub>2</sub>e per megajoule of energy for gasoline and diesel  
35 motor fuels; and

1 **WHEREAS** the Board is satisfied that it is appropriate to adjust the carbon price adjustment for  
2 gasoline and diesel motor fuel for all zones, except Zones 10, 11, 11a, 11b, 12 and 14, to  
3 account for the carbon-intensity limit reductions implemented on January 1, 2024 and to reflect  
4 inflationary increases since the carbon price adjustment was implemented in 2023; and

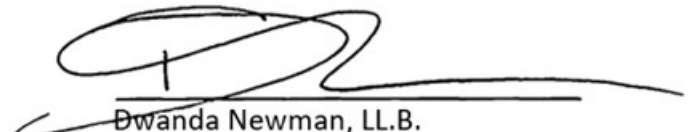
5  
6 **WHEREAS** the Board is satisfied that the carbon price adjustments established for Zones 10, 11,  
7 11a, 11b, 12 and 14 should not be changed at this time as these adjustments were  
8 implemented in December 2023 upon the winter resupply of product and the suspension of  
9 maximum price adjustments; and


10  
11 **WHEREAS** the Board has determined that for all zones, except Zones 10, 11, 11a, 11b, 12 and  
12 14, the carbon price adjustment for gasoline motor fuel should be increased from 3.74 cents  
13 per litre to 5.40 cents per litre and the carbon price adjustment for diesel motor fuel should be  
14 increased from 4.17 cents per litre to 6.02 cents per litre.

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17 **IT IS THEREFORE ORDERED THAT:**

- 18  
19 1. A carbon price adjustment of 5.40 cents per litre for gasoline motor fuel and 6.02 cents per  
20 litre for diesel motor fuel is approved, on an interim basis, effective January 11, 2024, for all  
21 zones, except Zones 10, 11, 11a, 11b, 12 and 14, until further Order of the Board.

**DATED** at St. John's, Newfoundland and Labrador, this 10<sup>th</sup> day of January, 2024.

  
Dwanda Newman, LL.B.  
Vice-Chair

  
John O'Brien, FCPA, FCA, CISA  
Commissioner

  
Jo-Anne Galarneau  
Executive Director and Board Secretary