



NEW BRUNSWICK
ENERGY & UTILITIES BOARD

COMMISSION DE L'ÉNERGIE ET DES SERVICES PUBLICS
NOUVEAU-BRUNSWICK

ORDER

RESPECTING THE *PETROLEUM PRODUCTS PRICING ACT*

December 20, 2022

ORDER

- [1] **WHEREAS** the New Brunswick Energy and Utilities Board (Board) sets the maximum prices for motor fuels and heating fuels according to the *Petroleum Products Pricing Act* (Act) and the *General Regulation - Petroleum Products Pricing Act* (Regulation);
- [2] **AND WHEREAS** on December 16, 2022, various amendments to the Act and Regulation came into force;
- [3] **AND WHEREAS** section 4 of the Act includes the cost of carbon adjustor and the market adjustor as components of the maximum wholesale and retail prices for motor fuel and heating fuel;
- [4] **AND WHEREAS** section 13.2 of the Act requires the Board to set the cost of carbon adjustor and the market adjustor at any time the Board considers appropriate, using criteria and procedure as determined by the Board;
- [5] **AND WHEREAS** section 10 of the Act requires the Board to establish the benchmark price for each type of motor fuel and heating fuel, using the criteria and procedure prescribed by regulation;
- [6] **AND WHEREAS** the definition of “base product” in section 2 of the Regulation has been amended and requires the Board to select petroleum product price reports;
- [7] **AND WHEREAS** subsection 10(2.1) of the Act requires the Board to establish the benchmark price for premium grade gasoline using the weekly reference price for regular grade gasoline plus an amount per litre determined by the Board, using criteria and procedure as determined by the Board;
- [8] **AND WHEREAS** section 11 of the Act allows the Board to adjust the benchmark price for each type of motor fuel and heating fuel at any time the Board considers appropriate, using criteria and procedure as determined by the Board; and
- [9] **AND WHEREAS** the definition of “daily reference price” in section 2 of the Regulation has been amended and requires the Board to determine the relevant percentage of each base product for ultra-low sulphur diesel and furnace oil as set out Schedule A.1 of the Regulation.

NOW, THEREFORE, IT IS ORDERED THAT:

1. The cost of carbon adjustor is set at 0.00 cents per litre (cpl) until further order of the Board.
2. Board staff is directed to retain an expert consultant to conduct a review and file a report concerning the criteria and procedure that the Board should use to establish the cost of carbon adjustor.
3. Board staff is also directed to publish a notice on the Board's website and newspapers that written submissions are being sought from primary suppliers, wholesalers, retailers, other interested parties, and the Public Intervener for the Energy Sector regarding the methodology to be used in setting the cost of carbon adjustor.
4. Written submissions shall be filed with the Board by February 15, 2023, at 4:00 p.m. (Atlantic Time) by email to general@nbeub.ca. The subject line of submissions shall refer to "cost of carbon adjustor." The Board will set a public process after the submissions deadline and provide further direction.
5. The market adjustor is set at 0.00 cpl until further order of the Board.
6. Board staff is directed to retain a facilitator to establish a consultation process with primary suppliers, wholesalers, retailers, other interested parties, and the Public Intervener for the Energy Sector regarding the methodology for setting the market adjustor. Once the consultation process has concluded, the facilitator is to file a report summarizing the results of the consultation process. The Board will then set a public process for determining the methodology to set the market adjustor and provide further direction at that time.

7. For the purposes of setting the daily reference prices, the Board selects the following reports:

Petroleum Product	Report
Ultra-low sulphur diesel fuel (ULSD)	Argus Americas Biofuels
Conventional gasoline, E10 gasoline, ULSD, and furnace oil	Platts US Marketscan
E10 gasoline	Platts Biofuelscan
Propane	Weekly Oil Price Information Service (OPIS) Newsletter

8. The Board shall establish the benchmark price for premium grade gasoline by using the weekly reference price for regular grade gasoline plus 6.00 cpl until further order of the Board.
9. Board staff is directed to retain an expert consultant to conduct a review and file a report concerning the criteria and procedure that the Board should follow when establishing the benchmark price for premium grade gasoline. Once filed, the Board will review the report and provide further direction on a public process for setting the benchmark price for premium grade gasoline.
10. Until further order of the Board, the benchmark price for each type of motor fuel and heating fuel may be adjusted by the Board using the framework established in the previous section 6 of the Regulation as it existed prior to December 16, 2022. The Board may, however, use its discretion to depart from that framework taking into account the considerations of section 1.1 of the Act.

11. Board staff is also directed to publish a notice on the Board’s website and newspapers that written submissions are being sought from primary suppliers, wholesalers, retailers, other interested parties, and the Public Intervener for the Energy Sector regarding the methodology for adjusting the benchmark price for motor and heating fuels.
12. Written submissions are to be filed with the Board by February 28, 2023, at 4:00 p.m. (Atlantic Time) by email to general@nbeub.ca. The subject line shall refer to “adjustment to the benchmark price.” The Board will set a public process after the submission deadline and provide further direction.
13. Until further order of the Board, the relevant percentage for each base product relating to ultra-low sulphur diesel and furnace oil shall be the percentage as set out in the previous Schedule A.1 of the Regulation as it existed prior to December 16, 2022. The Board will set a public process for determining whether an adjustment in the relevant percentage is required and provide further direction.

Dated in Saint John, New Brunswick, this 20th day of December 2022.

BY THE BOARD



Kathleen Mitchell
Chief Clerk