

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

AN ORDER OF THE BOARD

NO. P.P. 42(2020)

1 **IN THE MATTER OF** the *Petroleum*
2 *Products Act*, SNL 2001, Chapter P-10.1, and
3 regulations thereunder; and
4

5 **IN THE MATTER OF** a request by NARL
6 Marketing Limited Partnership for an increase
7 in the current maximum price for propane used
8 for heating purposes in various pricing zones
9 pursuant to section 8.(1) of the *Petroleum*
10 *Products Act*.
11
12

13 **WHEREAS** on August 20, 2020 NARL Marketing Limited Partnership (“North Atlantic”) wrote
14 the Board on a confidential basis requesting approval of temporary increases, varying by pricing
15 zone, in the maximum prices it may charge for propane heating fuel; and
16

17 **WHEREAS** North Atlantic advised that, as a result of the North Atlantic Refinery being placed
18 in standby mode on March 30, 2020, it has been required to source propane from supply points
19 in Saint John, New Brunswick and Dartmouth, Nova Scotia for the entirety of the second quarter
20 of 2020; and
21

22 **WHEREAS** in support of its request North Atlantic provided information and documentation
23 detailing the increases in transportation costs as well as other costs associated with the supply of
24 propane by North Atlantic from the alternate supply points; and
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26 **WHEREAS** on August 28, 2020 the Board forwarded questions to North Atlantic in relation to
27 the request; and
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29 **WHEREAS** on August 31, 2020 North Atlantic provided an amended request with updated costs
30 in response to the Board’s questions; and
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32 **WHEREAS** the Board has considered all information and documentation submitted in support
33 of the amended application filed August 31, 2020 and is satisfied that the transition of the North
34 Atlantic Refinery into standby mode has resulted in increased costs to North Atlantic to supply
35 propane to province; and

1 **WHEREAS** the Board is satisfied that it is appropriate to adjust, on an interim basis, the total
 2 allowed mark-ups for North Atlantic for propane heating fuel in pricing zones 1ANE, 1ANW,
 3 1AS, 2, 3, 4, 5, 6, 7W and 8, and that these increased total allowed mark-ups be used to set
 4 weekly maximum prices for North Atlantic in these zones until such time as supply resumes
 5 from the North Atlantic Refinery or some other alternate supply is established.

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 7
 8 **IT IS THEREFORE ORDERED THAT:**
 9

- 10 1. The total allowed mark-ups for regulated propane for North Atlantic will increase as set out
 11 below, effective 12:01 a.m. on Thursday, September 10, 2020, on an interim basis, until a
 12 further Order of the Board.
 13

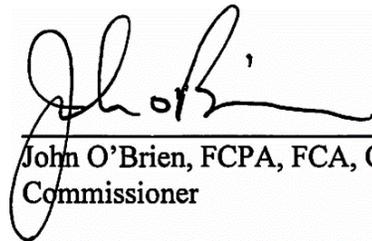
Increases to North Atlantic's Total Allowed Mark-Ups by Pricing Zone (cents per litre)									
1ANE	1ANW	1AS	2	3	4	5	6	7W	8
+17.23	+17.23	+17.23	+17.23	+12.60	+10.97	+10.97	+10.97	+10.97	+10.97

- 14 2. North Atlantic shall provide to the Board by the 1st of each month, commencing on October
 15 1, 2020, an update on the circumstances related to the supply of regulated propane by North
 16 Atlantic to the pricing zones noted in the table above, setting out any changes to the method
 17 of supply and the associated costs.

DATED at St. John's, Newfoundland and Labrador this 8th day of September, 2020.



Darlene Whalen, P. Eng., FEC
 Chair and Chief Executive Officer



John O'Brien, FCPA, FCA, CISA
 Commissioner



Christopher Pike, LL.B., FCIP
 Commissioner



Cheryl Blundon
 Board Secretary