

**For Immediate Release**

**Nova Scotians to Pay More for Gasoline**

Ottawa – May 3, 2006 - The Canadian Petroleum Products Institute (CPPI) is disappointed to hear that Nova Scotia has decided to regulate the retail price of gasoline which will ultimately cost consumers more to drive their cars.

Alain Perez, CPPI President, acknowledges that while the province has the right to regulate gasoline prices, he is surprised that Premier Rodney MacDonald has taken this action.

“The Nova Scotia government commissioned a study by Gardner Pinfold and MJ Ervin that clearly shows gasoline regulation will add more costs for Nova Scotian drivers and tourists. The pattern identified in the study shows that Nova Scotians will pay an additional \$20 million to \$30 million annually. This is consistent with the history of regulated markets in PEI and Newfoundland and Labrador. Nova Scotians, in today’s unregulated market, pay far less than consumers in Atlantic regulated markets.”

CPPI will comment further once the details of the Nova Scotia regulation have been announced. However, since the province operates in an open market for imports and exports of petroleum products, the application of regulation may also, during certain market cycles, affect the supply of products in the province.

CPPI is a national association of major Canadian companies involved in the refining, distribution and/or marketing of petroleum products for transportation, home energy and industrial uses. Collectively, CPPI member companies operate 17 refineries (representing 80 per cent of Canadian refining capacity) and supply 10,000 branded retail outlets with transportation fuels.

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