



THE GOVERNMENT OF NORFOLK ISLAND

MEDIA RELEASE

Fuel shipping costs cause increase in electricity tariff

Minister for Finance Neville Christian said today that he had been advised by Mobil and Martins Agencies of substantial increases in the cost of the latest shipment of unleaded petrol and diesel. He had been informed that because the most recent tanker did not bring any stocks of aviation fuel or kerosene, the total cost of relocating the tanker to service Norfolk Island via Noumea and the freight costs of the voyage had been apportioned across the remaining two fuels.

Mr Christian said that there had been negotiations with the companies concerned, which had resulted in a lower level of increase than first suggested, but that he understood that the cost of unleaded petrol would increase at the pump by 7.87 cents per litre and that the cost per litre of diesel fuel (distillate) would increase by 8.95 cents.

The Minister said that the consequent increase in costs to the Electricity Undertaking would mean that the power tariff for the next quarter would have to rise. The amount of the rise was being assessed and would be notified in the near future.

Neville Christian
Minister for Finance

6th July 2007