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[2011

Prices Regulation Act (Chapter 320)

NOTICE OF DECLARED MONITORED GOODS AND SERVICES

PURSUANT to Section 32A(1) of the *Prices Regulation Act* (Chapter 320) ("the Act"), I, Peter O'Neill, CMG, MP., Treasurer and Minister for Finance and Public Service, declare—

- (a) Petrol, meaning motor spirit (or blend) identified as a Class A refined petroleum product with an octane rating of 97;
- (b) Distillate, meaning gas oil identified as a Class C refined petroleum product with a maximum sulphur content of 0.05% wt.;
- (c) Kerosene, meaning a dual purpose Class B refined petroleum product used for lighting and cooking in home appliances;
- (d) Aviation Gasoline, meaning a Class A refined petroleum product with an octane rating of 100/103; and
- (e) Jet A1, meaning a type of aviation fuel designed for use in aircraft powered by gas-turbine engines that meet the specification for DEF STAN 91-91 (Jet A-1), ASTM specification D1655 (Jet A-1) and IATA Guidance Material (Kerosene Type), NATO Code F-35;

to be declared monitored goods for the purpose of the *Prices Regulation Act* (Chapter 320);

and I declare:—

- (f) the carriage by sea freight of Petrol, Distillate and Kerosene, whether in bulk, in tanktainers or in drums, from the Napa Napa Oil Refinery or from Port Moresby to the main ports of Lae, Rabaul, Madang and Kimbe;
- (g) the carriage by sea freight of Petrol, Distillate and Kerosene, whether in bulk, in tanktainers or in drums, from Lae to the out ports of Alotau, Oro Bay, Lihir, Kavieng, Wewak and Manus; and
- (h) the carriage by road freight or otherwise of Petrol, Distillate and Kerosene, whether in bulk, in tanktainers or in drums, from the depots or distribution points of wholesale distributors of those petroleum products to retailers or other customers of those wholesalers;

to be declared monitored services for the purposes of the *Prices Regulation Act* (Chapter 320).

The Independent Consumer and Competition Commission ("the Commission") shall monitor the prices of Petrol, Distillate and Kerosene, supplied by InterOil Limited or its associated companies ("InterOil") from its refinery at Napa Napa or from importation to ensure that those prices do not exceed the Import Parity Price (IPP), determined in accordance with the Project Agreement dated 29th May, 1997 between the State and EP InterOil Ltd and InterOil Limited, as amended and notified in writing from time to time, to the Commission by the Minister for Petroleum and Energy, or such Minister exercising the State powers in relation to the IPP.

Notice of Declared Monitored Goods and Services—continued

The Commission shall monitor the prices of Petrol, Distillate and Kerosene imported by wholesale distributors to ensure that those prices do not exceed world price equivalent identified as the IPP.

The Commission shall monitor the prices and volumes of Aviation Gasoline and Jet A1 supplied by InterOil from its refinery at Napa Napa (or the landed price where the product is imported by InterOil or other wholesale distributors) to ensure that those prices do not exceed world price equivalent.

In addition to price monitoring, the Commission shall monitor the volumes of Petrol, Distillate and Kerosene produced by InterOil from its Napa Napa refinery or imported by InterOil, the advance nominations from each wholesale distributor for supply by InterOil, and the imports of those petroleum products by the wholesale distributors.

The Commission shall monitor the prices of sea freight and road freight services for Petrol, Distillate and Kerosene to ensure that those prices do not unreasonably exceed the cost of providing the services and that the freight component in the prices charged to retailers or to consumers for those petroleum products properly reflect the freight cost and no more.

This declaration shall come into effect and apply as of 1st November, 2010 in place of the previous declaration on these goods and services.

Dated this 5th day of November, 2010.

P. O'NEILL, CMG, MP.,
Treasurer and Minister for Finance.

*Prices Regulation Act (Chapter 320)***GENERAL PETROLEUM PRICING ORDER 2011**

MADE by the Independent Consumer and Competition Commission under Section 21 of the *Prices Regulation Act* (Chapter 320) to amend Public Notice on "*Maximum Margins for Wholesale, Retail and Drum Filling Margins of Petroleum Products*" as published in *National Gazette* No. G278 of 25th November, 2010 and to come into operation as of 1st January, 2011.

The Public Notice on "*Maximum Margins for Wholesale, Retail and Drum Filling Margins of Petroleum Products*" is amended and replaced with the following:

In this Order, the wholesale margin applies to petrol, diesel and kerosene and aviation gasoline while the retail and drum filling margins apply to petrol, diesel and kerosene.

MAXIMUM MARGINS FOR 2011

Type of Margin	Maximum Margin (toea per litre)
Wholesale Margin	31.3
Retail Margin	19.2
Drum Filling Margin	7.5

The above margins are expressed in toea per litre.

Dated this 8th day of December, 2010.

Assoc. Prof. B. MANOKA, (PhD),
Commissioner/CEO,
For and On behalf of the Independent Consumer & Competition Commission.