Weekly Gasoline Report

The Gasoline Report is a roundup of consumer gasoline prices from across Ontario and Canada. The graph shows price trends for three Ontario cities for the previous 12 month period. The report and graph are updated weekly.

This week's Gasoline Report is for the week ending January 2, 2006

Higher wholesale prices and the end of price wars in some markets caused the Ontario average retail price of regular unleaded gasoline to increase by 2.0 cents to 104.4 cents a litre, a five-week high.

Prices rose by 5.0 cents in North Bay, 4.9 cents in Windsor (to a seven-month high), 2.4 cents in London (to a five-week high), 2.2 cents in Toronto (to a five-week high), 1.4 cents in Ottawa (to a five-week high), and 0.2 cents in Sudbury. Prices fell by 1.0 cents in Thunder Bay (to a two-month low) and 0.6 cents in Sault Ste. Marie (to a six-week low). The average price gap between northern and southern Ontario narrowed for the second straight week, from 3.2 cents to 1.2 cents, a two-month low. The Ontario average retail diesel price, after increasing two straight weeks, declined by 0.3 cents from a record high to 109.3 cents.

The Canadian average retail gasoline price increased for the third straight week, by 1.2 cents to 107.0 cents, a five-week high. Prices rose by 2.7 cents in Toronto (to a six-month high), 1.8 cents in Montreal (to a five-week high), and 1.5 cents in Halifax (to a five-week high). Prices fell by 1.9 cents in Vancouver (from a four-week high), 1.5 cents in Edmonton (to a two-month low), and 0.5 cents in both Calgary (to a two-month low) and Saint John. The Canadian average retail diesel price, after increasing two straight weeks, declined by 0.3 cents from a record high to 114.0 cents.

Gasoline marketing margins increased in six Ontario cities in 2007, due in part to a rebound in gasoline demand and ongoing rationalization of the retail petroleum network, according to a Ministry of Energy analysis.

Margins in Toronto averaged 4.9 cents a litre, up from 4.5 cents in 2006 and their highest since 2000, while in Ottawa they increased from 5.2 cents to 6.6 cents, their highest in at least 15 years. In London, margins rose from 4.3 cents to 5.6 cents, their highest since at least 1993, and in Hamilton they grew from 3.5 cents to 4.5 cents, their highest in at least eight years. In the north, margins in Thunder Bay jumped from 8.1 cents to 9.9 cents, their highest since at least 1993, and in Sault Ste. Marie they rose from 5.8 cents to 7.4 cents, a three-year high. Margins in southern Ontario have increased sharply from their lows in 2004, when dealers in Toronto and Ottawa earned only 1.3 and 1.5 cents, respectively. Thunder Bay had the widest range of margins in 2007, from a high of 20.9 cents on Jan. 22 to a low of -4.5 cents on May 22. Margins (pump price minus the wholesale or rack price) are the amount left to the dealer to cover operating costs and provide a return on investment (Ministry of Energy).

The table and graphic on the next pages show this week's gasoline price trends.

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For the week ending January 2, 2007

Market	December 27	January 2	+/-
Ottawa	104.5	105.9	1.4
Toronto West	101.6	103.7	2.1
Toronto East	101.5	103.8	2.3
Windsor	99.4	104.3	4.9
London	101.9	104.3	2.4
Sudbury	98.9	99.1	0.2
S. Ste. Marie	107.1	106.5	-0.6
Thunder Bay	108.7	107.7	-1.0
North Bay	99.8	104.8	5.0
Timmins	112.9	112.9	0.0
Ontario Average	**102.4**	**104.4**	**2.0**

Market	December 24	December 31	+/-
St John's NF	115.8	115.8	0.0
Charlottetown	107.7	107.7	0.0
Halifax	112.3	113.8	1.5
Saint John NB	107.3	106.8	-0.5
Quebec City	113.4	113.4	0.0
Montreal	115.3	117.1	1.8
Toronto	102.0	104.7	2.7
Winnipeg	103.1	103.1	0.0
Regina	104.9	104.9	0.0
Edmonton	95.8	94.3	-1.5
Calgary	97.0	96.5	-0.5
Vancouver	109.8	107.9	-1.9
Canada Average	**105.8**	**107.0**	**1.2**

Source: Ontario Ministry of Energy; MJ Ervin & Associates

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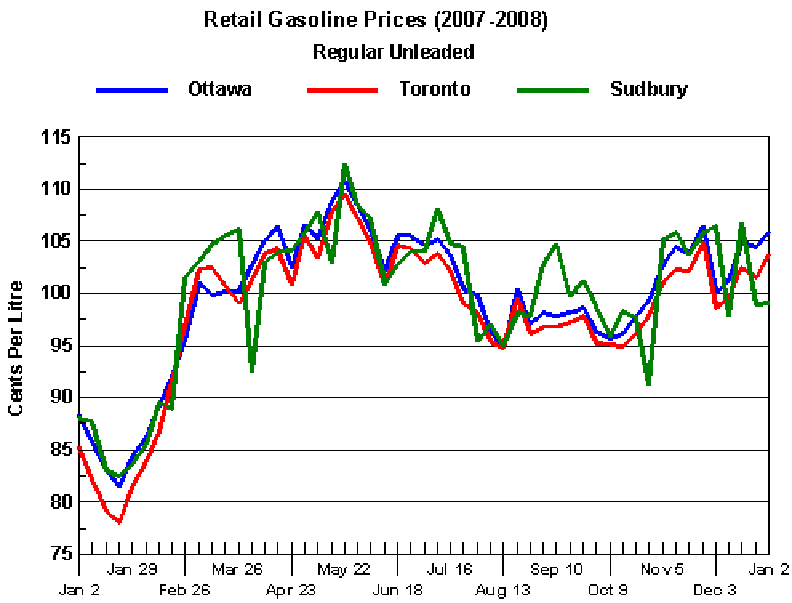

Source: Ontario Ministry of Energy; MJ Ervin & Associates