



News Release

Gasoline Compensation Program Announced

Iqaluit, Nunavut (July 14, 2005) – A program is being put in place to compensate Nunavut customers who had to purchase a higher-than-normal number of spark plugs last winter because of fuel-related problems, the Government of Nunavut's Petroleum Products Division (PPD) announced today.

The program ensures affected customers are reimbursed for spark plugs purchased as a result of abnormal spark plug fouling between September 2004 and April 2005 in communities supplied from Shell Canada's Scotford Refinery in Edmonton. The Scotford gasoline was delivered mainly to Kivalliq communities. Reimbursement will be in the form of gasoline vouchers.

"I am pleased that Shell has stepped forward as a good corporate citizen," said Community and Government Services Minister Levinia Brown. "This has been a complex situation and we have had good cooperation from Shell in addressing the concerns about the fuel."

Shell's investigation supports the view that fuel-related problems resulted in spark plug fouling in communities supplied by the Scotford Refinery. This would have led to short-term engine performance issues such as excessive exhaust smoke, engine stalling, uneven idling and backfiring that would have been corrected by replacing spark plugs. The relationship between the fuel and spark plug fouling was also evident in the PPD's independent lab testing and field survey.

"This program is an example of the cooperative effort of the Government of Nunavut and Shell Canada," says Mark Anderson, Manager, Refinery Sales and Trading, Shell Canada Limited. "Shell stands behind the quality of its products and that has included working together to resolve this issue and a finding fair solution."

Information on how to access claim forms will be made available on community radio stations and through newspaper advertising.

The sparkplug compensation program will include:

- Reimbursement via gasoline vouchers for fouled spark plugs at \$6 a piece for up to 30 spark plugs per claimant with no receipt required;
- Full reimbursement via gasoline vouchers of the actual cost of spark plugs to claimants who have receipts for 30 or more fouled spark plugs.

Those who may wish to pursue a claim for engine damage will have access to Shell's claims process through the PPD. This involves a thorough investigation into a complaint.

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Since late last fall, the Government of Nunavut and Shell have investigated and resolved reports of increased incidents of spark plug fouling mostly in communities in the Kivalliq Region. Ongoing research confirmed a decision by Shell and PPD to introduce an additive to the gasoline last March, which has improved snowmobile performance. Shell and PPD are confident the modifications being made to this year's fuel supply will prevent problems in future winters.

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