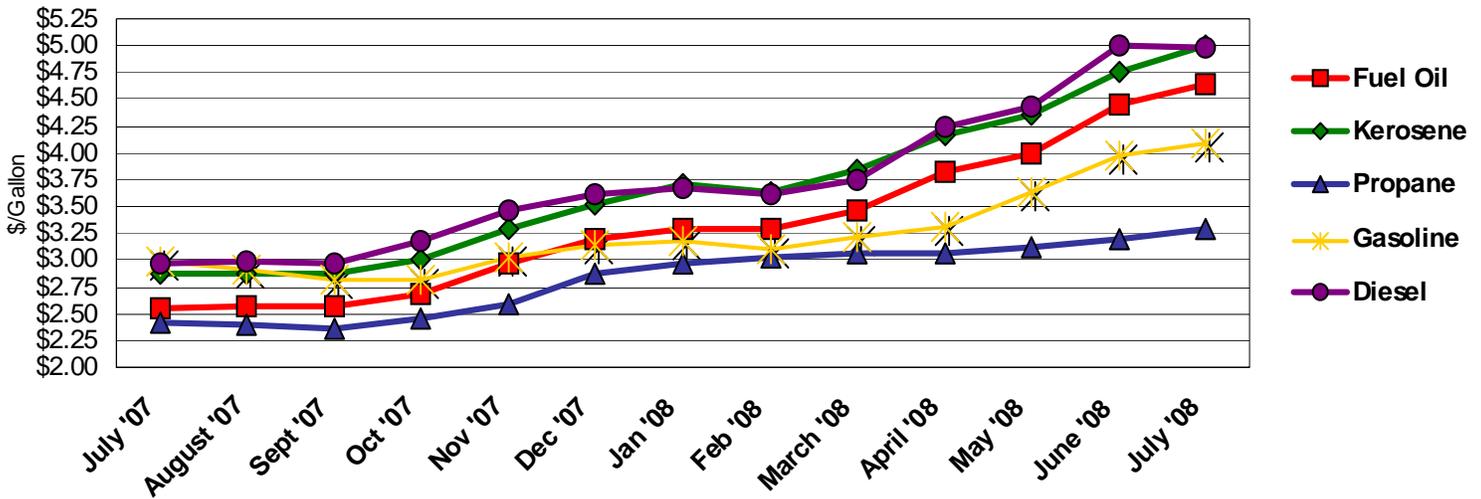


# VERMONT FUEL PRICE REPORT

July 2008

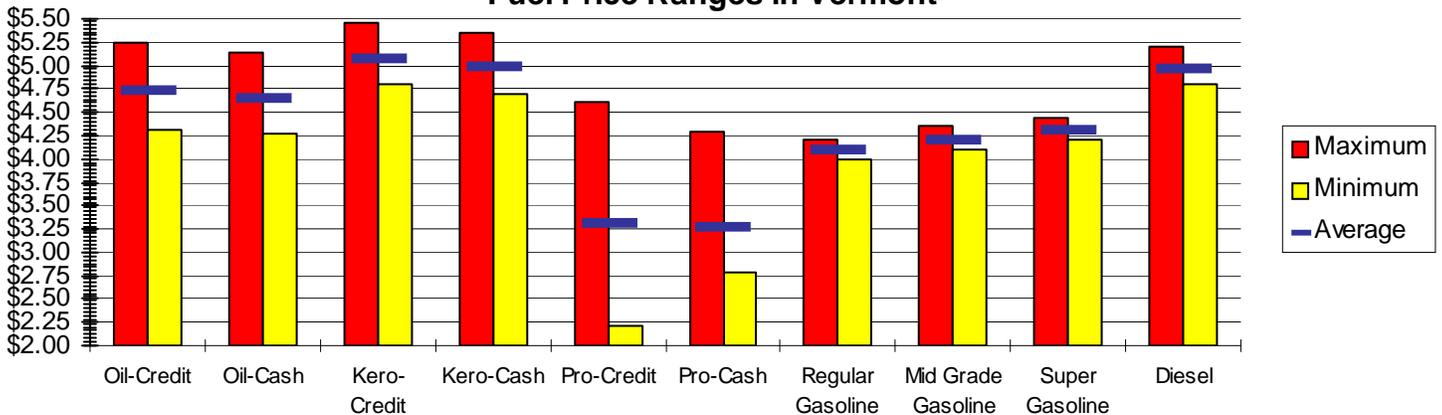
## One-Year Price Trend



## Vermont Average Retail Petroleum Prices (per gallon)

	July '08	June '08	%change	July '07	%change
No. 2 Fuel Oil	\$4.65	\$4.46	4.27%	\$2.55	82.09%
Kerosene	\$5.00	\$4.76	4.87%	\$2.87	74.25%
Propane	\$3.29	\$3.21	2.77%	\$2.42	35.89%
Reg. Unleaded Gasoline	\$4.09	\$3.97	3.08%	\$2.99	36.92%
Diesel	\$4.98	\$5.00	-0.33%	\$2.98	67.36%

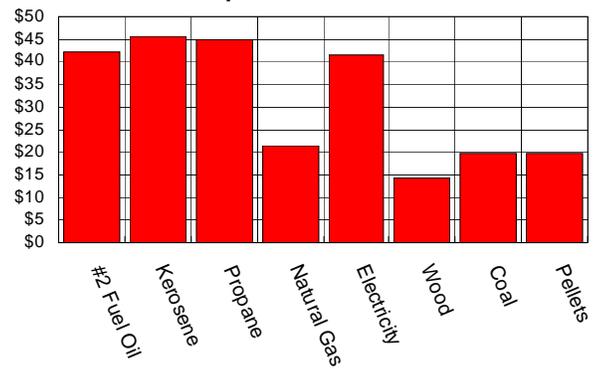
## Fuel Price Ranges in Vermont



## Comparing the Cost of Heating Fuels

Type of Energy	BTU/unit	Adj Effic	\$/unit	\$/MMBtu
Fuel Oil, gallon	138,200	80%	\$4.65	\$42.04
Kerosene, gallon	136,600	80%	\$5.00	\$45.71
Propane, gallon	91,600	80%	\$3.29	\$44.95
Natural Gas, therm	100,000	80%	\$1.71	\$21.38
Electricity, kwh	3,412	100%	\$0.14	\$41.35
Wood, cord (green)	22,000,000	60%	\$190.00	\$14.39
Coal, ton	24,000,000	60%	\$285.00	\$19.79
Pellets, ton	16,400,000	80%	\$257.00	\$19.59

## Cost per 1 Million BTU

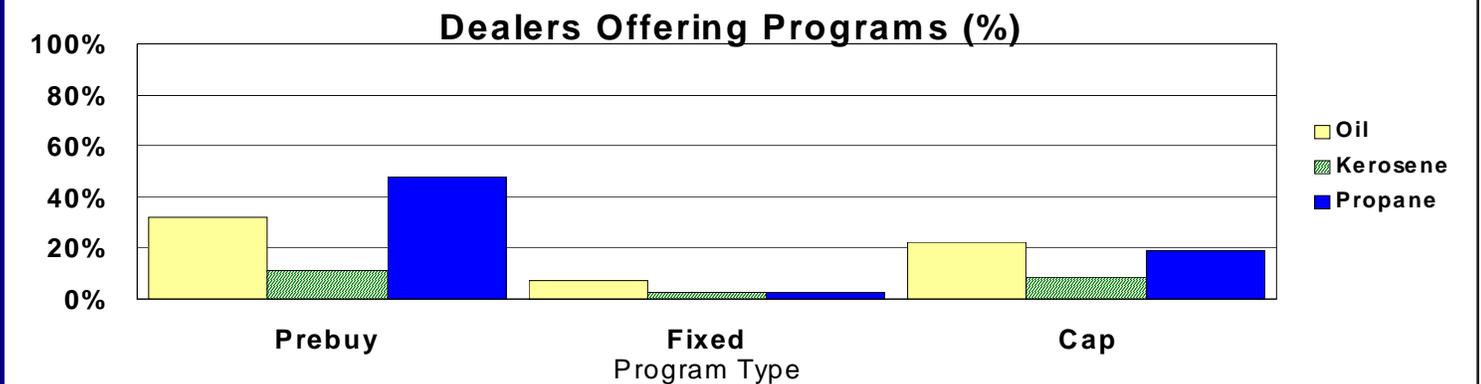
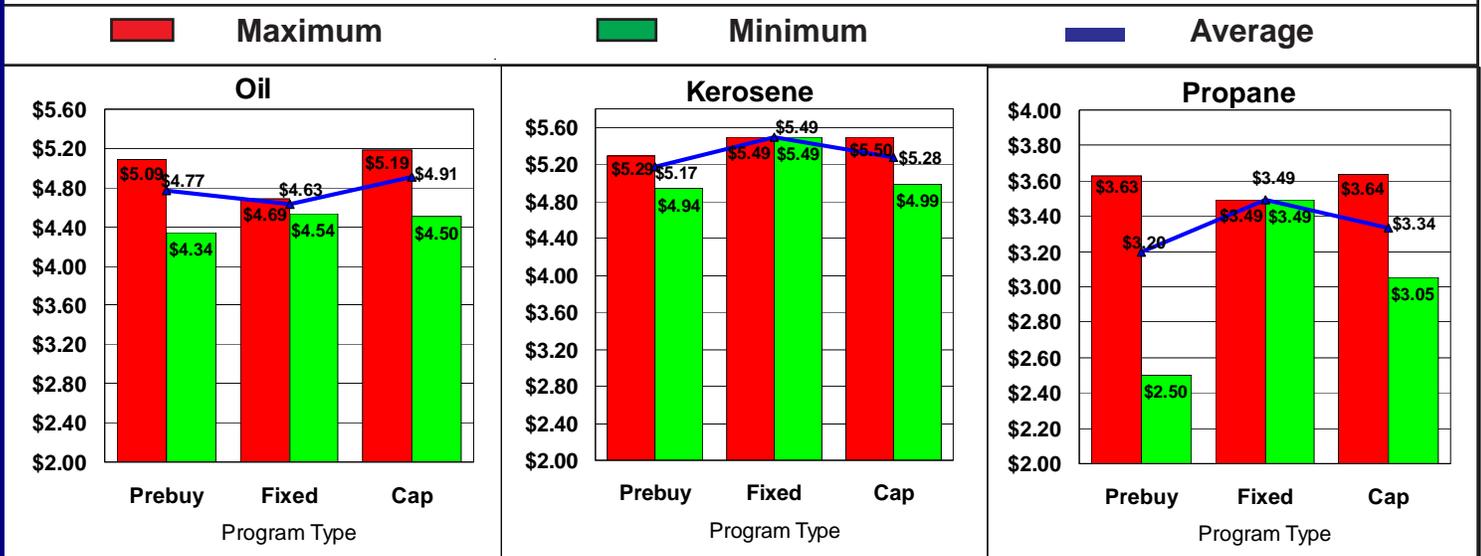


# Price Protection Programs

Many fuel dealers offer their customers “price protection” programs. With **"Pre-Buy"** programs customers can purchase a specified volume of fuel at a discounted price by paying for the heating season's fuel in advance. In **"Fixed Price"** programs, a pre-determined price per unit is set for all of the fuel delivered during the heating season. In **"Cap"** programs, the fuel price will not exceed a pre-determined value, and may go down based on market conditions at time of delivery. Cap and Fixed Price programs may be part of "Budget" programs in which the customer agrees to make equal monthly payments, often for 10 to 12 months.

Price protection programs can be beneficial for several reasons. First, they provide a degree of certainty. Customers make commitments to local dealers, who make commitments to their suppliers, who make commitments to the refining industry. This chain of commitment reduces market volatility and increases the ability for market participants to efficiently schedule their resources. Secondly, customers are better able to budget their finances and thus are not caught short during the heating season. Lastly, price protection programs typically save customers money as the costs of buying fuel at the current or “spot” price can add up quickly. However, price protection programs don't guarantee savings so citizens need to consider their options carefully.

The charts below show the availability and price per gallon for price protection programs as of **July 7th**, from a representative sample (approximately 70) Vermont fuel dealers.



NOTE: The Vermont Fuel Price Report is published monthly by the Vermont Department of Public Service. Prices are collected on or about the first Monday of each month and reflect dealer discounts for cash or self-service, except propane prices, which are an average of the credit and discount price. For more information please contact Kelly Launder at 1-800-642-3281 or (802) 828-4039 or by email at [kelly.launder@state.vt.us](mailto:kelly.launder@state.vt.us).