

EIA-Short-Term Energy Outlook - Highlights

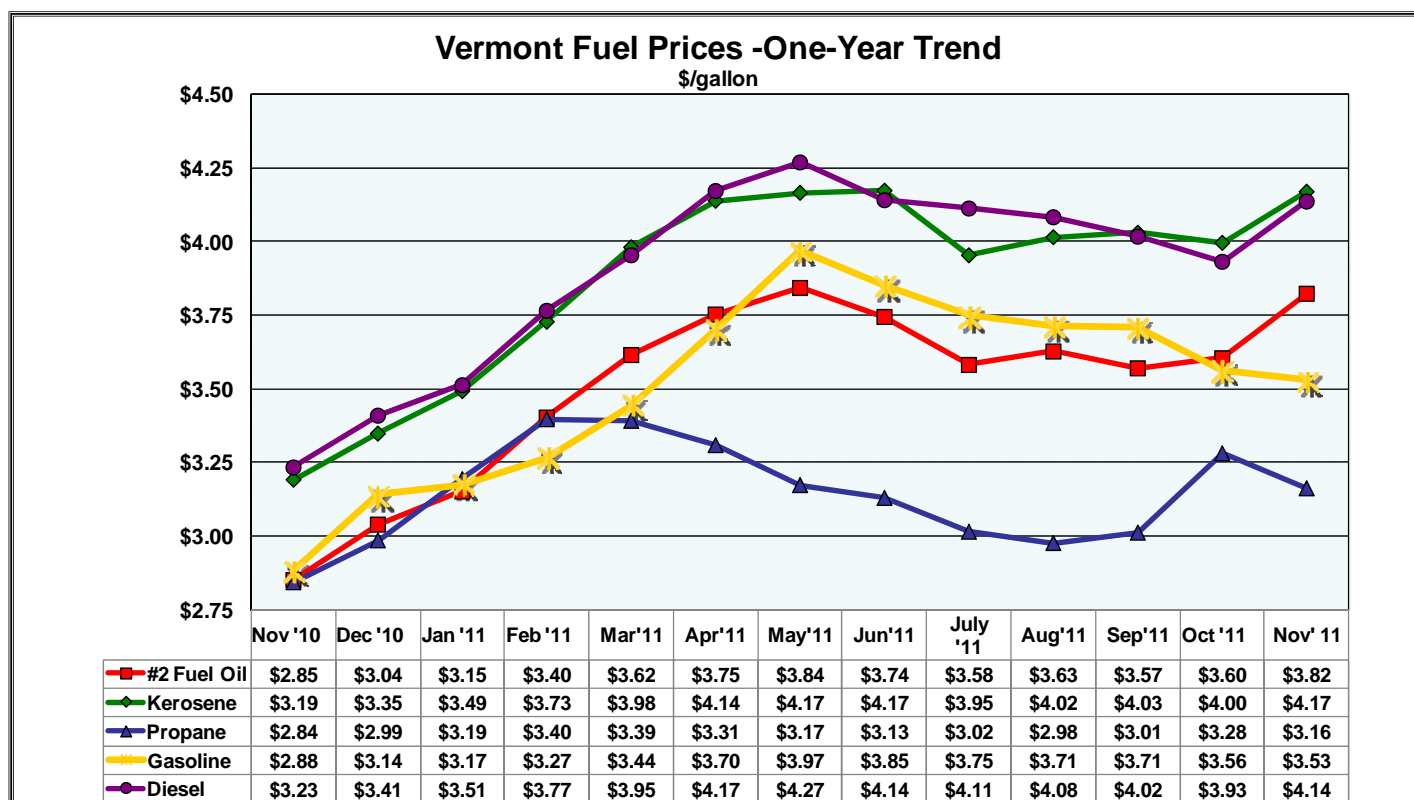
EIA expects the U.S. average refiner acquisition cost of crude oil to remain relatively flat, averaging about \$100 per barrel in 2011 and 2012. The value of West Texas Intermediate (WTI) benchmark crude oil was about \$11 per barrel below the U.S. refiner acquisition cost of crude oil in the third quarter of this year. The forecast WTI price discount narrows to \$8 per barrel by the fourth quarter of 2012, as rail and truck capacity is added to the region.

EIA's U.S. and world economic growth assumptions have been lowered from last month's Outlook. World oil-consumption-weighted real GDP grows by 3.1 percent in 2012, compared with 3.5 percent in the previous Outlook.

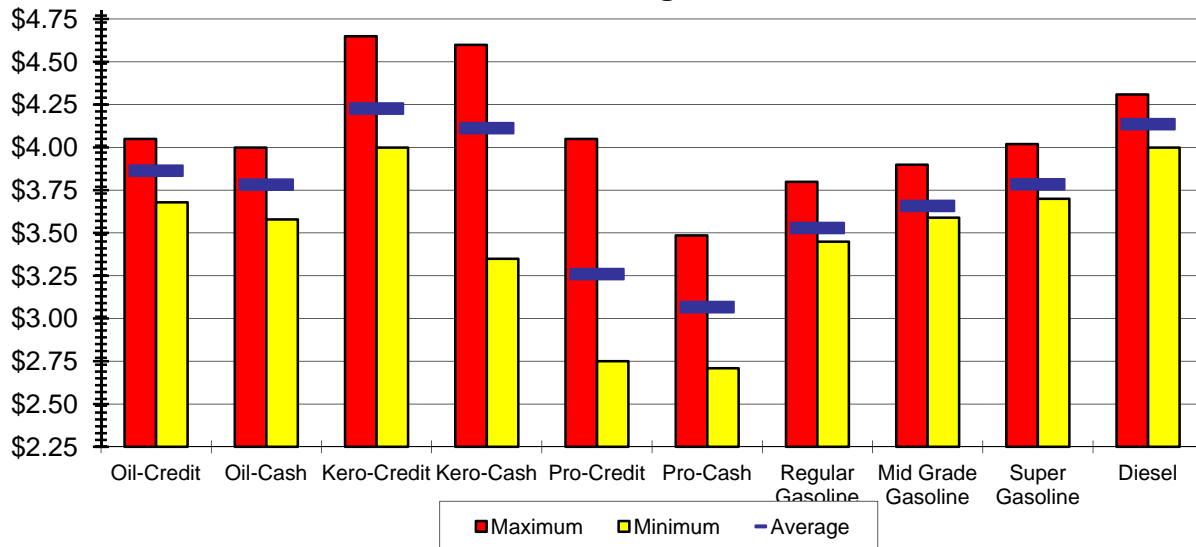
EIA projects that average household heating expenditures for heating oil and propane will increase by 10 percent and 9 percent, respectively, this winter (October 1 to March 31) compared with last winter. Average expenditures for households that heat with oil or propane are forecast to be higher than in any previous winter. In contrast, natural gas and electricity expenditures are projected to remain close to last year's levels.

Regular-grade gasoline retail prices have fallen by 46 cents per gallon from their peak monthly average this year of \$3.91 per gallon for May to \$3.45 per gallon for October. This drop in prices results from falling crude oil prices as well as the normal seasonal decline in consumption and the switch in production from summer-grade gasoline to lower-cost winter-grade gasoline. EIA projects gasoline retail prices to continue to decline, albeit slightly, through the end of the year.

Natural gas working inventories ended October 2011 at an estimated 3.8 trillion cubic feet (Tcf), about 1 percent below the same time last year. The projected Henry Hub natural gas spot price averages \$4.09 per million British thermal units (MMBtu) in 2011, \$0.30 per MMBtu lower than the 2010 average, and \$4.13 per MMBtu in 2012.



Fuel Price Ranges in Vermont



	November '11	October '11	%change	November '10	%change
No. 2 Fuel Oil	\$3.823	\$3.682	3.83%	\$2.851	34.08%
Kerosene	\$4.170	\$4.037	3.28%	\$3.192	30.63%
Propane	\$3.163	\$3.089	2.40%	\$2.844	11.22%
Reg. Unleaded Gasoline	\$3.529	\$3.593	-1.77%	\$2.881	22.49%
Diesel	\$4.136	\$3.995	3.54%	\$3.234	27.92%

Type of Energy	BTU/unit	Adj Effic	\$/unit	\$/MMBtu
Fuel Oil, gallon	138,200	80%	\$3.82	\$34.58
Kerosene, gallon	136,600	80%	\$4.17	\$38.16
Propane, gallon	91,600	80%	\$3.16	\$43.16
Natural Gas, therm	100,000	80%	\$1.67	\$20.83
Electricity, kwh	3,412	100%	\$0.15	\$43.46
Wood, cord (green)	22,000,000	60%	\$180.00	\$13.64
Pellets, ton	16,400,000	80%	\$247.00	\$18.83

* The natural gas price is based on the rate effective 10/22/11

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. Propane prices are based on 1,000 + gallons. For more information please contact Mike Kundrath at (802) 828-4081 or by email at michael.kundrath@state.vt.us.