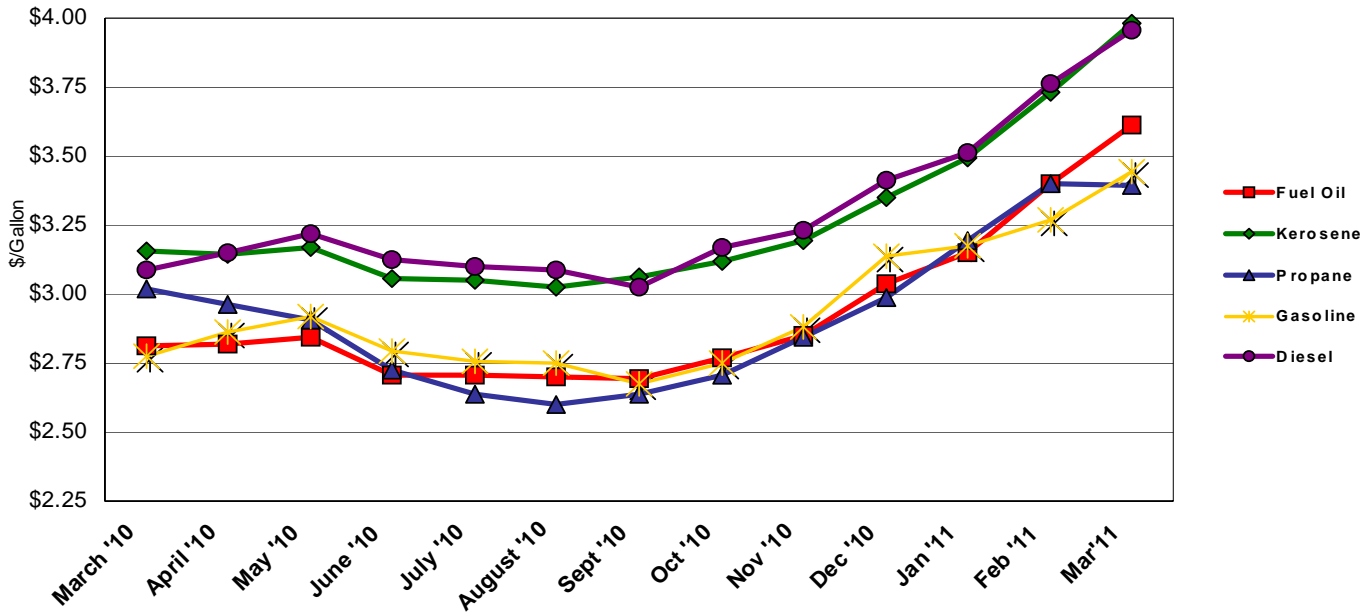


VERMONT FUEL PRICE REPORT

March 2011

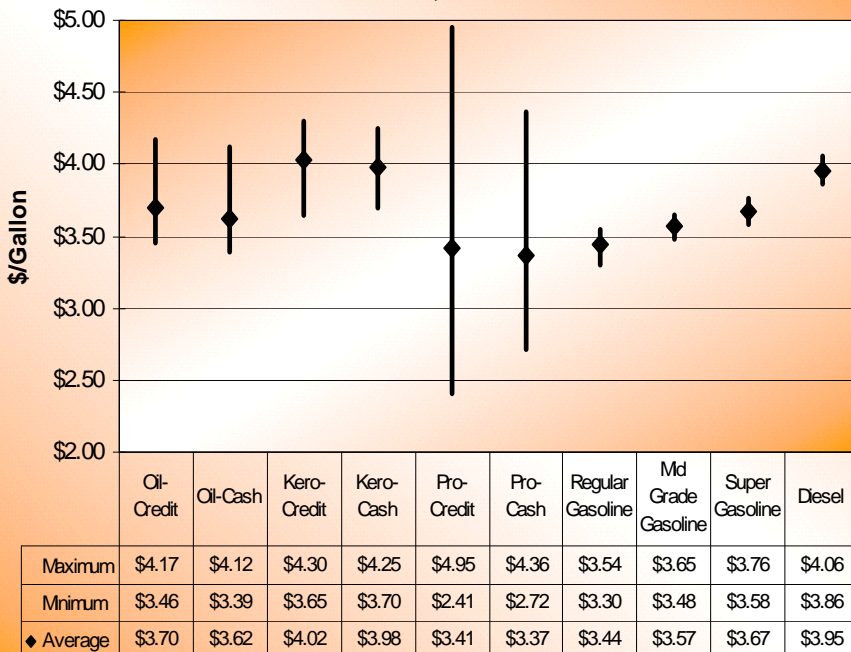
One-Year Price Trend



Vermont Average Retail Petroleum Prices (per gallon)

	Feb '11	Mar'11	%change	March '10	%change
No. 2 Fuel Oil	\$3.40	\$3.62	6.23%	\$2.81	21.10%
Kerosene	\$3.73	\$3.98	6.78%	\$3.16	18.12%
Propane	\$3.40	\$3.39	-0.16%	\$3.02	12.43%
Reg. Unleaded Gasoline	\$3.27	\$3.44	5.39%	\$2.78	17.67%
Diesel	\$3.77	\$3.95	5.01%	\$3.09	22.05%

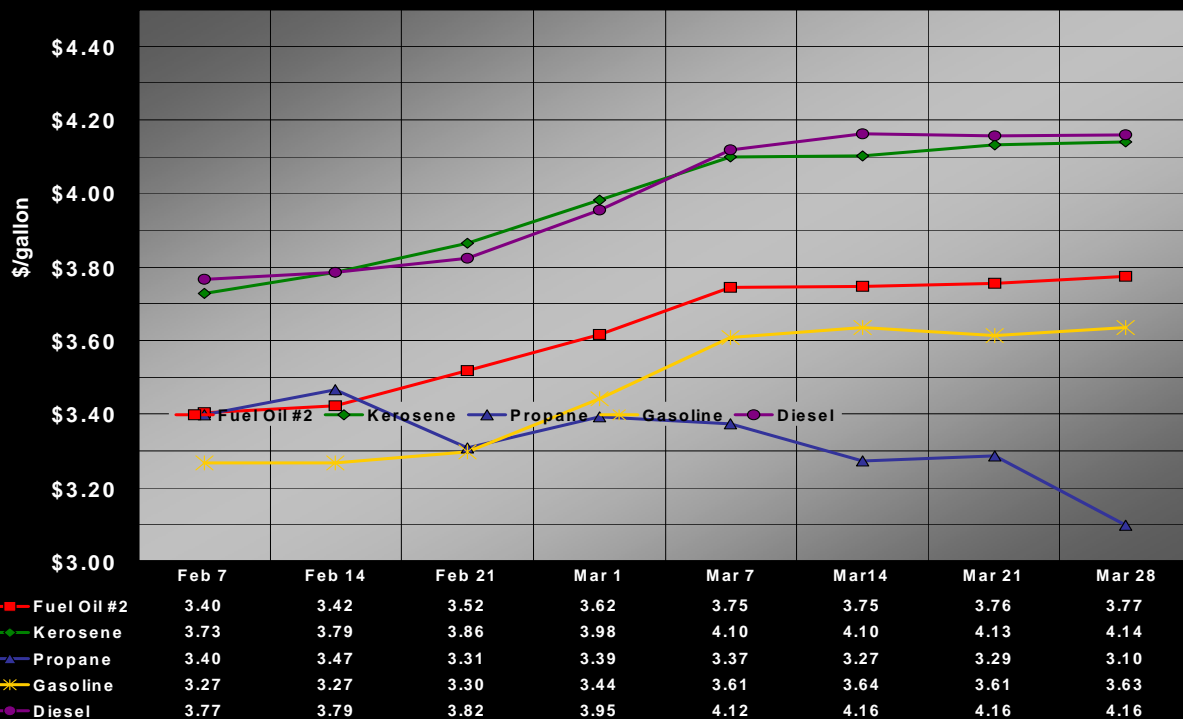
Fuel Price Ranges in Vermont March 1, 2011



Comparing the Cost of Heating Fuels

Type of Energy	\$/unit	\$/MMBtu
Fuel Oil, gallon	\$3.62	\$32.70
Kerosene, gallon	\$3.98	\$36.43
Propane, gallon	\$3.39	\$46.29
Natural Gas, therm	\$1.55	\$19.40
Electricity, kwh	\$0.15	\$43.46
Wood, cord (green)	\$180.00	\$13.64
Pellets, ton	\$247.00	\$18.83

Weekly Average Fuel Prices



EIA- Short-Term Energy Outlook

Continuing unrest in Libya as well as other North African and Middle Eastern countries has led to the highest crude oil prices since 2008. As a result, EIA has raised its forecast for the average cost of crude oil to refiners to \$105 per barrel in 2011, \$14 higher than in the previous *Outlook*. However, EIA has raised its 2011 forecast for WTI by only \$9 per barrel to \$102 per barrel because of the projected continued price discount for this type of crude compared with other crudes. EIA projects a further small increase in crude oil prices in 2012, with the refiner acquisition cost for crude oil averaging \$106 per barrel and WTI averaging \$105 per barrel

The recent rapid increase in spot crude and gasoline prices has led to a significant rise in retail product prices. Motorists currently experiencing a jump in pump prices will likely see further increases from now through the spring since the recent increase in crude oil prices has not yet been fully passed through to gasoline prices. EIA expects the retail price of regular-grade motor gasoline to average \$3.56 per gallon in 2011, 77 cents per gallon higher than the 2010 average and about 40 cents above the projected price in the previous *Outlook*. EIA projects gasoline prices to average about \$3.70 per gallon during the peak driving season (April through September) with considerable regional and local variation. There is also significant uncertainty surrounding the forecast, with the current market prices of futures and options contracts for gasoline suggesting a 25-percent probability that the national monthly average retail price for regular gasoline could exceed \$4.00 per gallon during summer 2011. Rising crude oil prices are the primary reason for higher retail prices, but higher refining margins are also expected to be a contributing factor

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.