

# Vermont Fuel Price Report

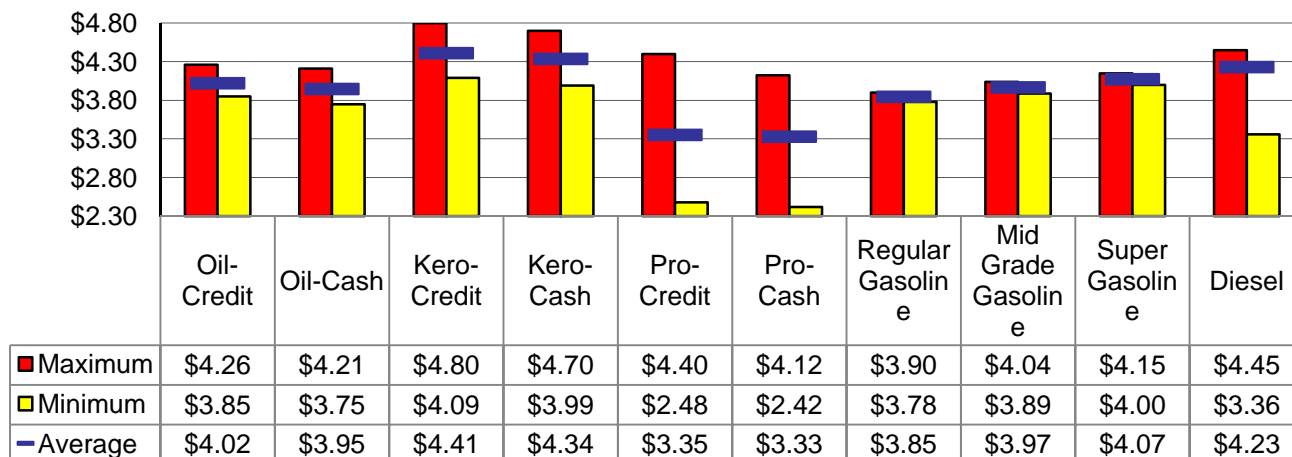
March 2012

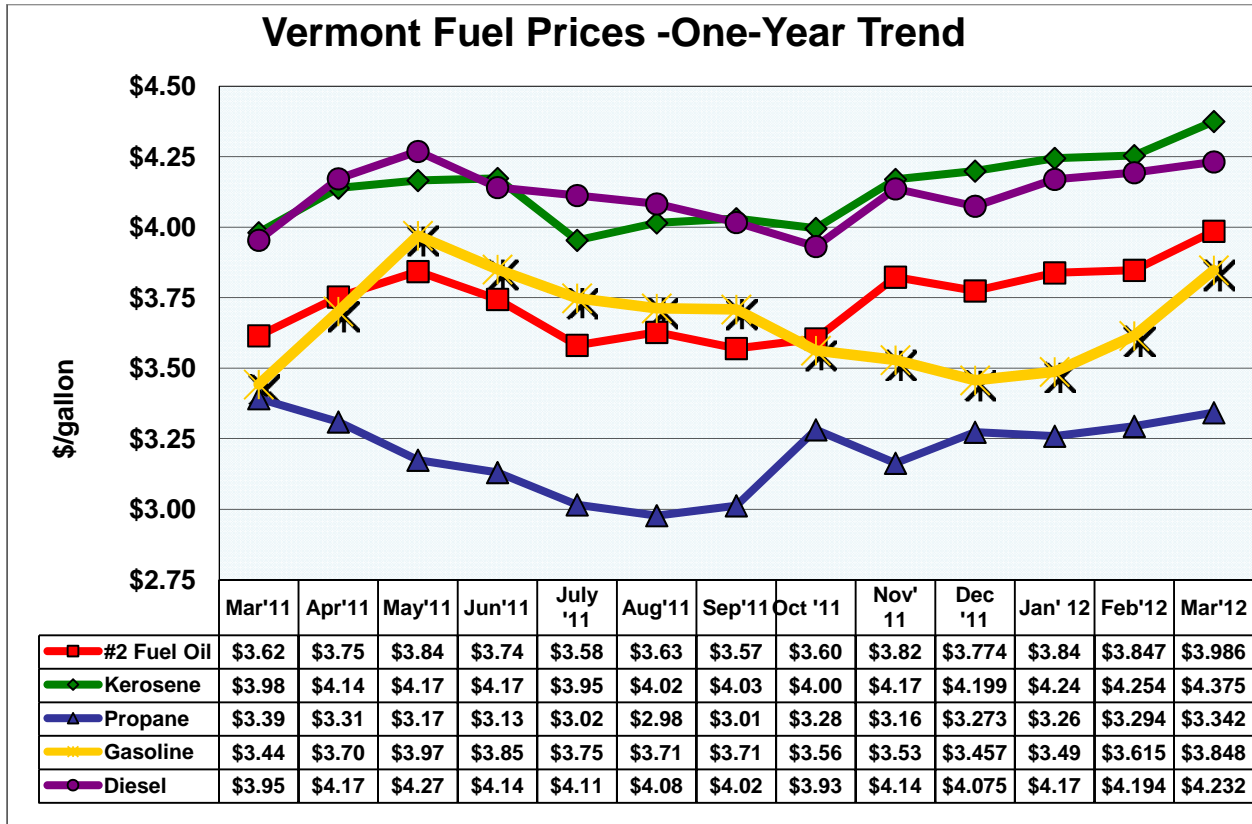
## EIA-Short-Term Energy Outlook – Highlights

- EIA expects the price of West Texas Intermediate (WTI) crude oil to average about \$106 per barrel in 2012, \$5 per barrel higher than in the previous Outlook and \$11 per barrel higher than the average price last year. Supply disruptions in the Middle East and Africa contributed to a significant increase in world crude oil prices during February. EIA has increased the forecast 2012 average cost of crude oil to U.S. refiners from \$105 per barrel in last month's Outlook to \$115 per barrel. Constraints in transporting crude oil from the U.S. midcontinent region contribute to the expected continuing discount for WTI relative to other world crude oil prices. EIA expects WTI prices to remain relatively flat in 2013, averaging about \$106 per barrel, while the U.S. refiner average cost of crude oil averages \$110 per barrel.
- EIA expects regular-grade motor gasoline retail prices to average \$3.79 per gallon in 2012 and \$3.72 per gallon in 2013, compared with \$3.53 per gallon in 2011. During the April through September summer driving season this year, prices are forecast to average about \$3.92 per gallon with a peak monthly average price of \$3.96 per gallon in May. The June 2012 New York Harbor Reformulated Blendstock for Oxygenate Blending (RBOB) futures contract averaged \$3.26 for the five trading days ending March 1. Based on the market value of futures and options contracts, there is a 39 percent probability that its price at expiration will exceed \$3.35 per gallon, consistent with a monthly average regular-grade gasoline retail price of roughly \$4.00 per gallon in June. The value of futures and options contracts imply a 2 percent probability that its price at expiration will exceed \$4.35 per gallon, consistent with a monthly average regular-grade gasoline retail price of approximately \$5.00 per gallon.
- The warm weather this winter has resulted in natural gas working inventories that continue to set new record seasonal highs, with February 2012 ending at an estimated 2.44 trillion cubic feet (Tcf), about 41 percent above the same time last year. EIA's average 2012 Henry Hub natural gas spot price forecast is \$3.17 per million British thermal units (MMBtu), a decline of about \$0.83 per MMBtu from the 2011 average spot price. EIA expects that Henry Hub spot prices will average \$3.96 per MMBtu in 2013.

For additional energy related information and data visit the EIA website at <http://www.eia.gov/>

### Fuel Price Ranges in Vermont





Vermont Average Retail Petroleum Prices (per gallon)					
	Mar'12	Feb'12	%change	Mar'11	%change
No. 2 Fuel Oil	\$3.986	\$3.847	3.60%	\$3.62	10.26%
Kerosene	\$4.375	\$4.254	2.85%	\$3.98	9.91%
Propane	\$3.342	\$3.294	1.47%	\$3.39	-1.47%
Reg. Unleaded Gasoline	\$3.848	\$3.615	6.45%	\$3.44	11.77%
Diesel	\$4.232	\$4.194	0.91%	\$3.95	7.02%

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.

Comparing the Cost of Heating Fuels				
Type of Energy	BTU/unit	Adj Effic	\$/unit	\$/MMBtu
Fuel Oil, gallon	138,200	80%	\$3.99	\$36.05
Kerosene, gallon	136,600	80%	\$4.38	\$40.04
Propane, gallon	91,600	80%	\$3.34	\$45.61
Natural Gas, therm	100,000	80%	\$1.64	\$20.51
Electricity, kwh	3,412	100%	\$0.15	\$43.46
Wood, cord (green)	22,000,000	60%	\$190.00	\$14.39
Pellets, ton	16,400,000	80%	\$247.00	\$18.83

\* The natural gas price is based on the rate effective 1/23/12

\*Wood green updated 11/16/11

If you are looking for possible savings on your heating costs consider replacing the less efficient unit with a high efficiency furnace/ boiler. Contact your local fuel dealer for more information. The table below is illustrative of theoretical potential savings of Standard Efficiency v. High Efficiency furnaces/boilers.

Comparing the Cost of Heating Fuels at High Efficiency					
	Standard Efficiency		High Efficiency	Theoretical Savings/mmBTU	
	Adj Effic	\$/MMBtu	AFUE	\$/MMBtu	
Fuel Oil, gallon	80%	\$36.05	86%	\$33.54	\$2.52
Kerosene, gallon	80%	\$40.04	88%	\$36.40	\$3.64 Kerosene - Heater
Propane, gallon	80%	\$45.61	95%	\$38.41	\$7.20 Propane - Furnace
			85%	\$42.93	Propane - Boiler
Natural Gas, therm	80%	\$20.51	95%	\$17.26	\$3.25 Natural Gas - Furnace
			88%	\$18.64	Natural Gas - Boiler
Wood, cord (green)	60%	\$14.39	68%	\$12.70	\$1.69 Woodstove
Pellets, ton	80%	\$18.83			

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