

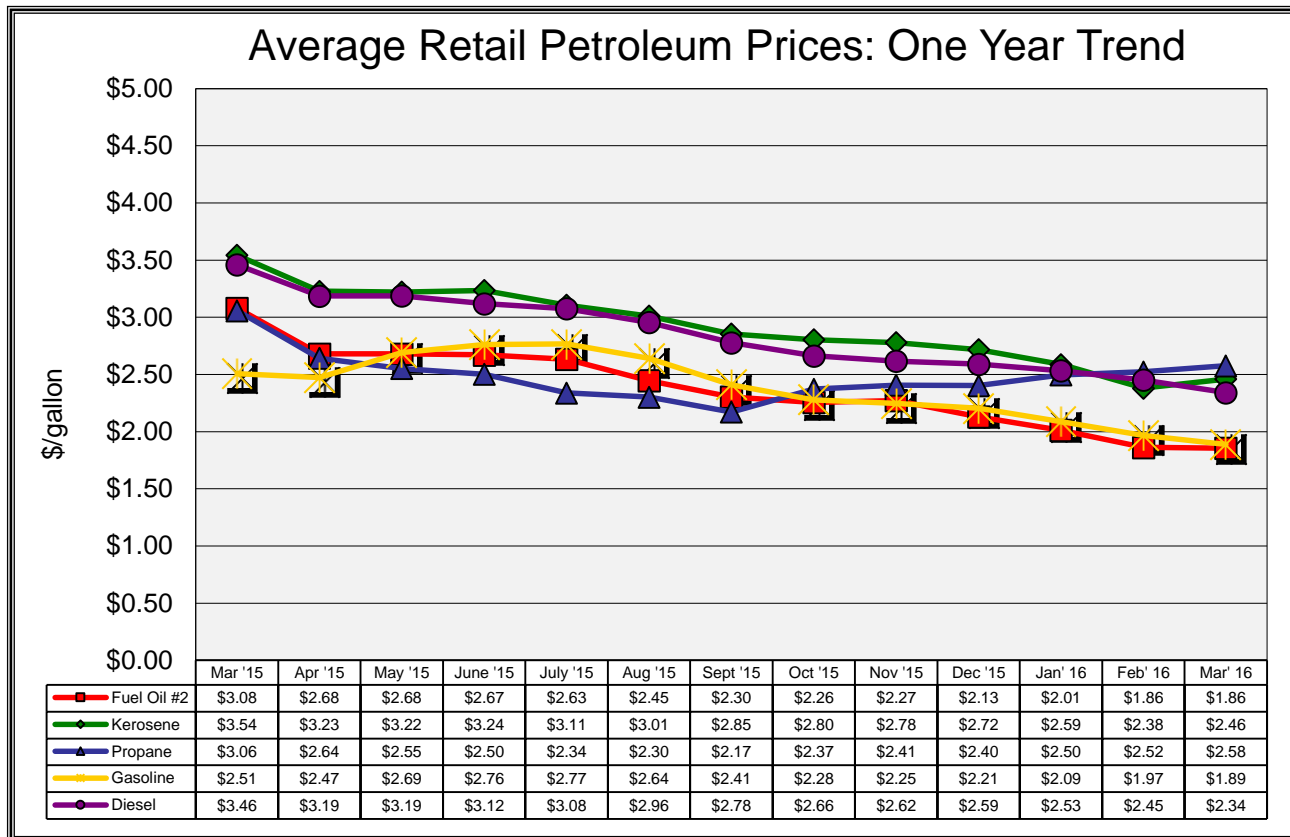
EIA-Short-Term Energy Outlook – Highlights

- North Sea Brent crude oil prices averaged \$32/barrel (b) in February, a \$1/b increase from January.
- Brent crude oil prices are forecast to average \$34/b in 2016 and \$40/b in 2017, \$3/b and \$10/b lower than forecast in last month's STEO, respectively. The lower forecast prices reflect oil production that has been more resilient than expected in a low-price environment and lower expectations for forecast oil demand growth.
- Forecast West Texas Intermediate (WTI) crude oil prices are expected to average the same as Brent in 2016 and 2017. However, the current values of futures and options contracts suggest high uncertainty in the price outlook. For example, EIA's forecast for the average WTI price in June 2016 of \$35/b should be considered in the context of recent Nymex contract values for June 2016 delivery ([Market Prices and Uncertainty Report](#)) suggesting that the market expects WTI prices to range from \$24/b to \$58/b (at the 95% confidence interval).
- U.S. crude oil production averaged an estimated 9.4 million barrels per day (b/d) in 2015, and it is forecast to average 8.7 million b/d in 2016 and 8.2 million b/d in 2017. EIA estimates that crude oil production in February averaged 9.1 million b/d, which was 80,000 b/d below the January level.
- Natural gas working inventories were 2,536 billion cubic feet (Bcf) on February 26, 46% higher than during the same week last year and 36% higher than the previous five-year average (2011-15) for that week. EIA forecasts that inventories will end the winter heating season (March 31) at 2,288 Bcf, which would be 54% above the level at the same time last year. Henry Hub spot prices are forecast to average \$2.25/million British thermal units (MMBtu) in 2016 and \$3.02/MMBtu in 2017, compared with an average of \$2.63/MMBtu in 2015.
- Natural gas is expected to fuel the largest share of electricity generation in 2016 at 33%, compared with 32% for coal. This would be the first time that natural gas provides more electricity generation than coal on an annual average basis. In 2017, natural gas and coal are both forecast to fuel 32% of electricity generation. For renewables, the forecast share of total electricity generation supplied by hydropower rises from 6% in 2016 to 7% in 2017, and the forecast share for other renewables increases from 8% in 2016 to 9% in 2017.

Editor's Note: Data presented in the Vermont Fuel Price Report, as in the past, is collected on the first Monday of the month.

VERMONT FUEL PRICE REPORT

MARCH
2016



Vermont Average Retail Petroleum Prices (per gallon)					
	Mar' 16	Feb' 16	% Change	Mar '15	% Change
No. 2 Fuel Oil	\$1.86	\$1.86	-0.4%	\$3.08	-39.7%
Kerosene	\$2.46	\$2.38	3.4%	\$3.54	-30.6%
Propane	\$2.58	\$2.52	2.1%	\$3.06	-15.8%
Reg. Unleaded Gasoline	\$1.89	\$1.97	-4.0%	\$2.51	-24.7%
Diesel	\$2.34	\$2.45	-4.5%	\$3.46	-32.3%

VERMONT FUEL PRICE REPORT

MARCH
2016

Comparing the Cost of Heating Fuels							
Type of Energy, Physical Unit	BTU per Physical Unit	Typical Efficiency	\$ per Physical Unit	\$ per MMBtu		High Efficiency	\$ per MMBtu
Fuel Oil, gallon	138,200	80%	\$1.86	\$16.79		95%	\$14.14
Kerosene, gallon	136,600	80%	\$2.46	\$22.51			
Propane, gallon	91,600	80%	\$2.58	\$35.15		95%	\$29.60
Natural Gas, Ccf	100,000	80%	\$1.40	\$17.55	*	95%	\$14.78
Electricity, kWh (resistive heat)	3,412	100%	\$0.15	\$43.46			
Electricity, kWh (cold climate heat pump)	3,412		\$0.15		#	240%	\$18.32
Wood, cord (green)	22,000,000	60%	\$227.14	\$17.21	^		
Pellets, ton	16,400,000	80%	\$294.00	\$22.41	^		

* The natural gas price is based on the rate effective February 1st, 2016

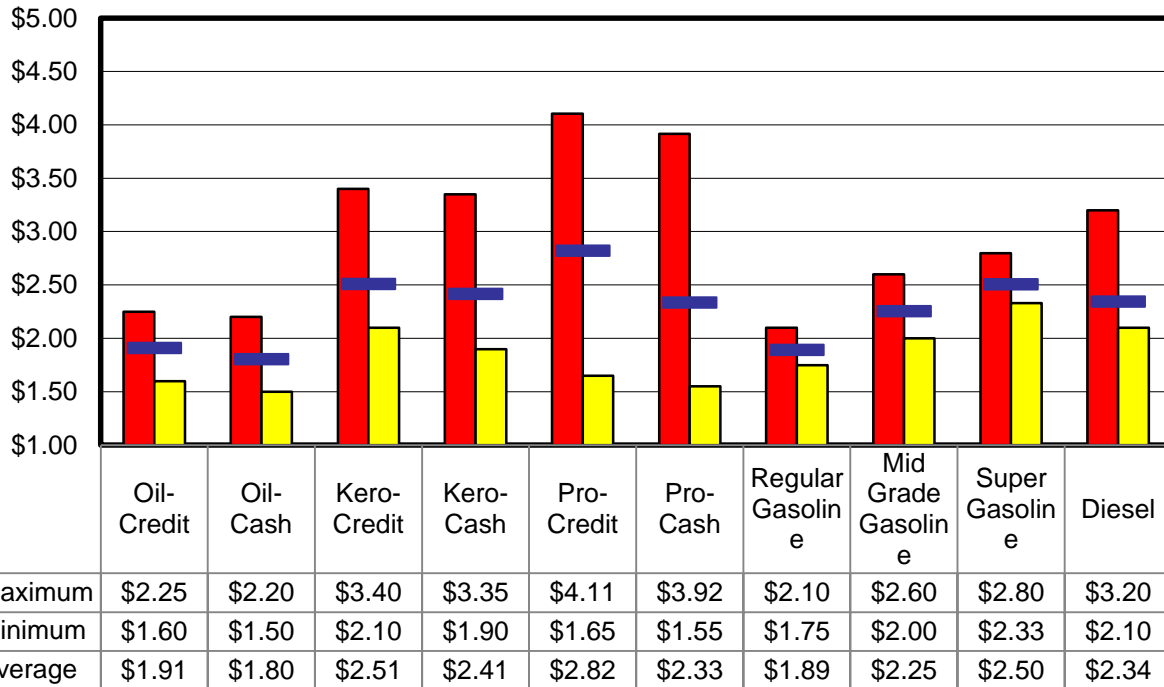
see October 2015 Fuel Price Report for discussion of heat pump coefficient of performance

^ Cord Wood and Pellets prices updated 8/5/15

VERMONT FUEL PRICE REPORT

MARCH
2016

Fuel Price Ranges in Vermont (\$ per gallon)

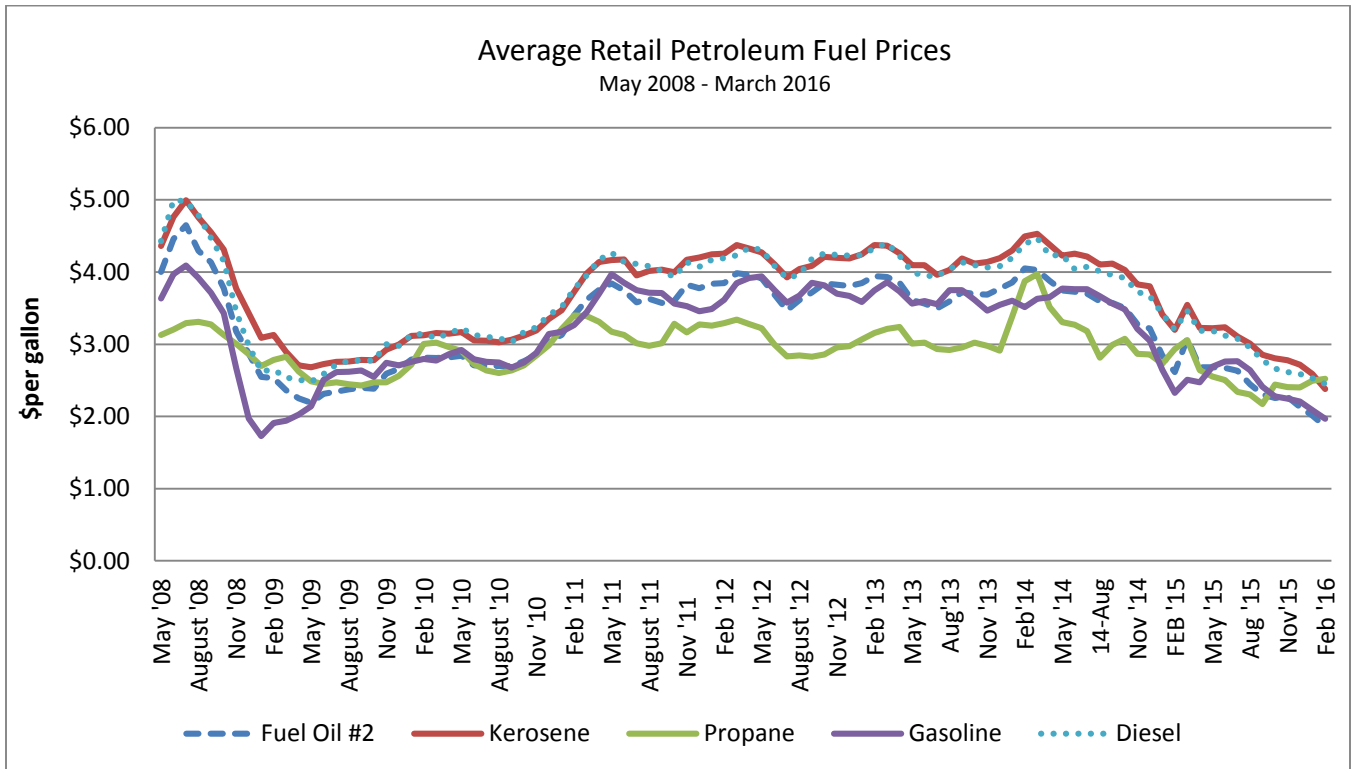


Fuel Price Ranges in Vermont

	Oil-Credit	Oil-Cash	Kero-Credit	Kero-Cash	Pro-Credit	Pro-Cash	Regular Gasoline	Mid Grade Gasoline	Super Gasoline	Diesel
Stan.Dev \$	\$0.18	\$0.18	\$0.30	\$0.31	\$0.74	\$0.58	\$0.26	\$0.94	\$0.24	\$0.42
Stan.Dev %	9.40%	9.77%	11.96%	12.83%	26.38%	24.98%	2.05%	5.88%	1.93%	2.22%

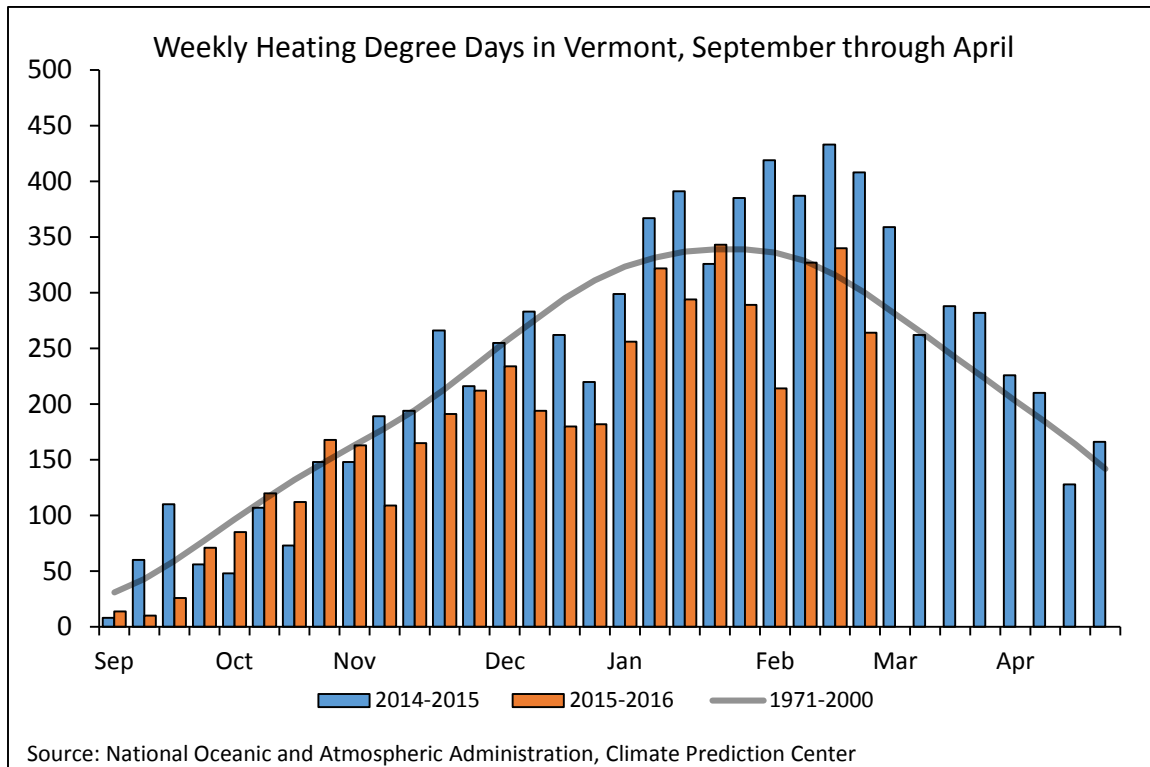
VERMONT FUEL PRICE REPORT

MARCH
2016



VERMONT FUEL PRICE REPORT

MARCH
2016



Heating Degree Days in Vermont per Month

	Current Season 2015-2016	Last Season 2014-2015	"Normal" Season 1971-2000
Sep	121	234	211
Oct	485	376	491
Nov	840	1,013	984
Dec	790	1,020	1,137
Jan	1,504	1,768	1,670
Feb	1,145	1,647	1,281
Mar		1,191	1,008
Apr		730	693
Cumulative	4,885	7,979	7,474

VERMONT FUEL PRICE REPORT

MARCH
2016

Disclaimer: "This report was prepared as an account of work sponsored by an agency of the United States Government. Neither the United States Government nor any agency thereof, nor any of their employees, makes any warranty, express or implied, or assumes any legal liability or responsibility for the accuracy, completeness, or usefulness of any information, apparatus, product, or process disclosed, or represents that its use would not infringe privately owned rights. The views and opinions of authors expressed herein do not necessarily state or reflect those of the United States Government or any agency thereof."

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 John Woodward at (802) 828-3061 or by email at john.woodward@vermont.gov.