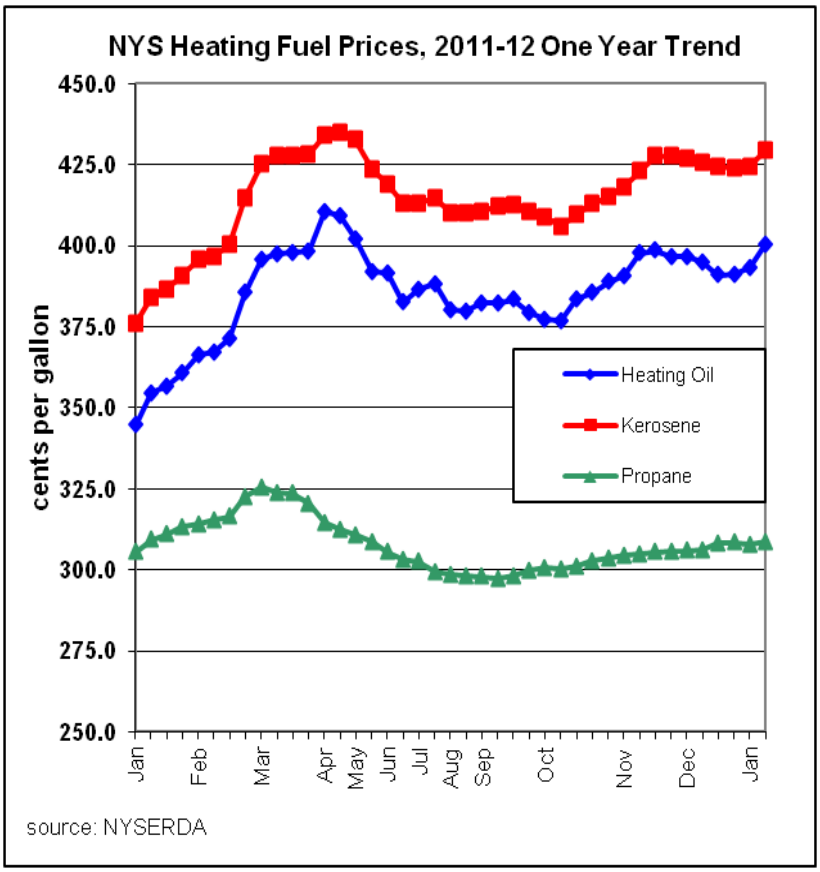
# NYSERDA Heating Fuels Report

January 9, 2012

## Highlights

- WTI crude oil spot prices have increased in five out of the past six weeks amid concerns and political tensions over Iran's threat to close the Strait of Hormuz. The Strait is a critical chokepoint with oil shipments accounting for roughly 35% of all seaborne flows according to the U.S. Energy Information Administration.
- Henry Hub natural gas spot prices last week averaged $2.925 per million Btu. Prices have not been this low since September 2009 and the last time the price reached this level during the month of January was in 2002.

**Retail Petroleum Prices**—On a statewide basis since the last survey on January 2nd, prices increased 7.1¢/gallon (1.8%) to 400.4¢/gallon for heating oil, 4.8¢/gallon (1.1%) to 429.4¢/gallon for kerosene, and 0.8¢/gallon (0.3%) to 308.6¢/gallon for propane. Compared to a year earlier, prices increased 55.7¢/gallon (16.2%) for heating oil, 53.2¢/gallon (14.1%) for kerosene, and 3.1¢/gallon (1.0%) for propane.




**Crude Oil Prices**—For the week ending 1/6/12, WTI crude oil spot prices averaged $102.39/bbl, an increase of $2.59/bbl (2.6%) from the week-ago average of $99.80/bbl. WTI prices are now $12.85/bbl (14.4%) above the year-ago weekly average of $89.54/bbl. The all-time weekly average high of $142.52/bbl occurred on 7/03/08.

**Spot Natural Gas Prices**—For the week ending 1/6/12, Henry Hub natural gas spot prices averaged $2.925 per million Btu (mmBtu), a decrease of $0.115/mmBtu (3.8%) from the prior week level of $3.040/mmBtu. Prices are currently $1.589/mmBtu (35.2%) below the year-earlier weekly average of $4.514/mmBtu.

**Residential Natural Gas Prices**—The NYS average price in October 2011 was $1.599/therm, a decrease of $0.308/therm (16.2%) from the prior month of $1.908/therm, and was $0.002/therm (0.1%) higher than the year earlier average of $1.597/therm.

**Middle Atlantic Stocks**—Current and historic heating fuel inventory data is presented in the table below.

**Middle Atlantic Region, Weekly Inventories (million barrels)**

| Fuel Type | 1/6/2012 | 12/30/2011 | % Change vs. Last Week | Year Ago | % Change vs. Last Year | 5-Year Average | % Change vs. 5-Year Avg |
|---|---|---|---|---|---|---|---|
| Highway Diesel (0-15 ppm) | 10.7 | 9.6 | 11.7% | 10.6 | 1.4% | 8.9 | 20.0% |
| Non-road Diesel (15-500 ppm) | 1.7 | 1.8 | -3.4% | 3.6 | -51.2% | 3.6 | -51.8% |
| Home Heating Oil ( >500 ppm) | 18.5 | 18.7 | -1.0% | 23.7 | -21.8% | 21.9 | -15.5% |
| Propane | 3.023 | 3.183 | -5.0% | 1.559 | 93.9% | 1.866 | 62.0% |
| #6 Residual Oil | 7.6 | 7.6 | -1.1% | 9.9 | -23.9% | 11.2 | -32.4% |
| US Natural Gas | 3,377 | 3,472 | -2.7% | 2,979 | 13.4% | 2,886 | 17.0% |
| US Crude Oil | 334.6 | 329.7 | 1.5% | 333.1 | 0.5% | 317.4 | 5.4% |

Notes: Natural Gas in billion cubic feet (Bcf), Middle Atlantic is DE, DC, MD, NJ, NY, and PA

ppm = parts per million sulfur content

Source: US DOE/EIA

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| New York State Retail #2 Heating Oil Posted Credit Prices (cents per gallon) | | | | | |
|---|---|---|---|---|---|
| REGION | 1/9/2012 | 1/2/2012 | % Change vs. Prior Survey | Year Ago | % Change vs. Last Year |
| Long Island | 414.9 | 404.9 | 2.5% | 354.2 | 17.1% |
| New York City | 413.5 | 409.1 | 1.1% | 354.1 | 16.8% |
| Lower Hudson | 408.7 | 400.3 | 2.1% | 348.7 | 17.2% |
| Upper Hudson | 393.3 | 385.2 | 2.1% | 340.9 | 15.4% |
| Capital District | 389.3 | 381.8 | 2.0% | 333.7 | 16.7% |
| North Country | 388.5 | 383.3 | 1.4% | 346.8 | 12.0% |
| Central | 389.2 | 381.2 | 2.1% | 337.0 | 15.5% |
| Western | 387.0 | 385.3 | 0.4% | 329.1 | 17.6% |
| **Statewide** | **400.4** | **393.3** | **1.8%** | **344.7** | **16.2%** |
| **New York State Retail Propane Posted Credit Prices - 1,100 gallon usage category (cents per gallon)** | | | | | |
| Long Island | 341.8 | 336.8 | 1.5% | 327.6 | 4.3% |
| Mid-Hudson | 311.2 | 310.8 | 0.1% | 306.5 | 1.5% |
| Capital District | 329.0 | 328.5 | 0.2% | 344.1 | -4.4% |
| North Country | 342.8 | 342.8 | 0.0% | 355.3 | -3.5% |
| Central | 285.8 | 284.4 | 0.5% | 278.1 | 2.8% |
| Western | 284.4 | 284.5 | 0.0% | 270.6 | 5.1% |
| **Statewide** | **308.6** | **307.8** | **0.3%** | **305.5** | **1.0%** |
| **New York State Retail Kerosene Posted Credit Prices (cents per gallon)** | | | | | |
| Mid-Hudson | 439.1 | 432.8 | 1.5% | 384.3 | 14.3% |
| Capital District | 432.7 | 426.1 | 1.5% | 378.2 | 14.4% |
| North Country | 414.9 | 411.6 | 0.8% | 376.1 | 10.3% |
| Central | 429.0 | 424.1 | 1.2% | 369.7 | 16.0% |
| Western | 421.3 | 419.9 | 0.3% | 365.4 | 15.3% |
| **Statewide** | **429.4** | **424.6** | **1.1%** | **376.2** | **14.1%** |
| **New York State Average Residential Natural Gas Prices ($/therm)** | | | | | |
| REGION | October 2011 | September 2011 | % Change vs. Prior Month | October 2010 | % Change vs. Last Year |
| **Statewide** | **1.599** | **1.908** | **-16.2%** | **1.597** | **0.1%** |

*** Revision**

**Historic Retail Prices**—Statewide average high and low prices since Sept. 1997 for #2 & propane & Sept. 2000 for kerosene.

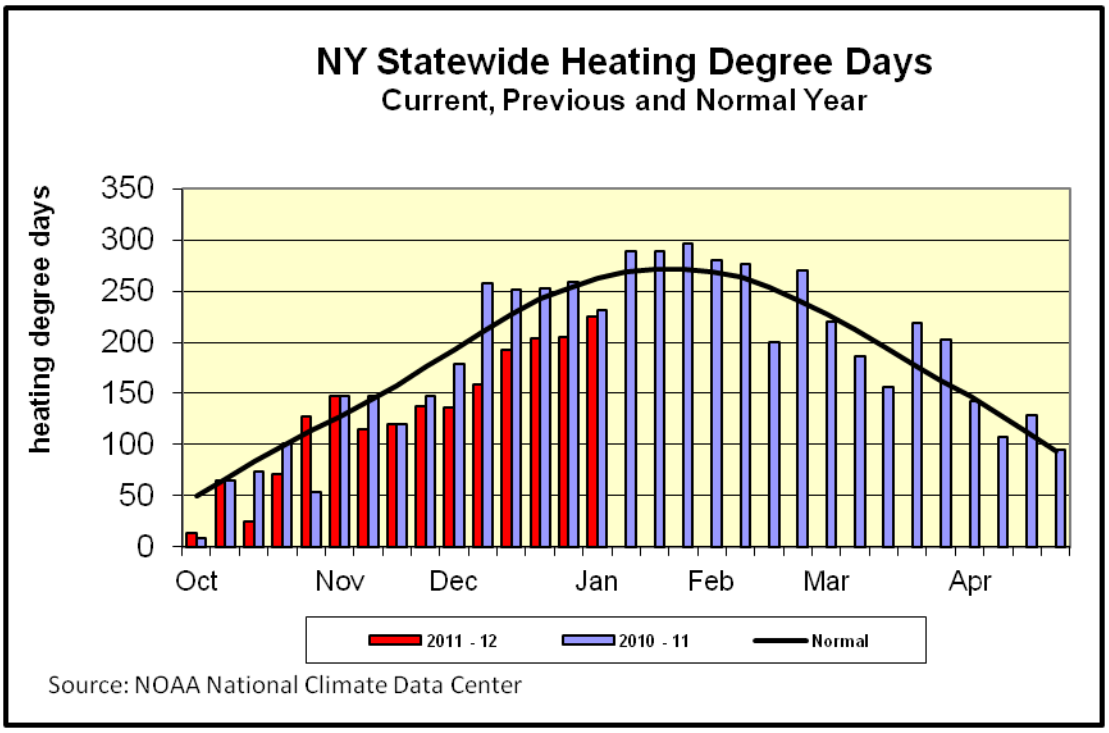
- Heating oil—highest price 477.8¢/gallon on 7/14/08, lowest price 87.6¢/gallon on 9/08/98.
- Propane—highest price 325.4¢/gallon on 3/07/11, lowest price 107.2¢/gallon on 9/20/99.
- Kerosene—highest price 506.8¢/gallon on 7/14/08, lowest price 130.9¢/gallon on 9/09/02.

**Residential Natural Gas Prices:** Statewide average prices are derived from US EIA most currently available data. NYS gas utility specific prices can be found on the NYS DPS website at http://www.dps.state.ny.us/TypicalBills.htm#GasRes.

**New York State Regions:** ***Long Island:*** Nassau and Suffolk ***New York City:*** Bronx, Kings, New York, Queens, and Richmond ***Lower Hudson:*** Dutchess, Putnam, Rockland, and Westchester ***Upper Hudson:*** Columbia, Greene, Orange, Sullivan, and Ulster ***Capital District:*** Albany, Fulton Montgomery, Rensselaer, Saratoga, Schenectady, Schoharie, and Washington ***North Country:*** Clinton, Essex, Franklin, Hamilton, Jefferson, Lewis, St. Lawrence, and Warren ***Central:*** Broome, Cayuga, Chenango, Cortland, Delaware, Herkimer, Madison, Oneida, Onondaga, Oswego, Otsego, Tioga, and Tompkins ***Western:*** Allegany, Cattaraugus, Chautauqua, Chemung, Erie, Genesee, Livingston, Monroe, Niagara, Ontario, Orleans, Schuyler, Seneca, Steuben, Wayne, Wyoming, and Yates counties. **Propane & Kerosene:** ***Mid-Hudson:*** Columbia, Dutchess, Greene, Orange, Putnam, Rockland, Sullivan, Ulster, and Westchester counties.

**Heating Degree Days**—On a statewide basis during the past week, the number of heating degree days (225) was 2.6% below the year-ago level of (231) and 14.1% below the normal trend (262). On a cumulative basis, current year heating degree days (1,942) are below the year-ago level (2,296) by 15.4% and trail the normal trend (2,404) by 19.2%.

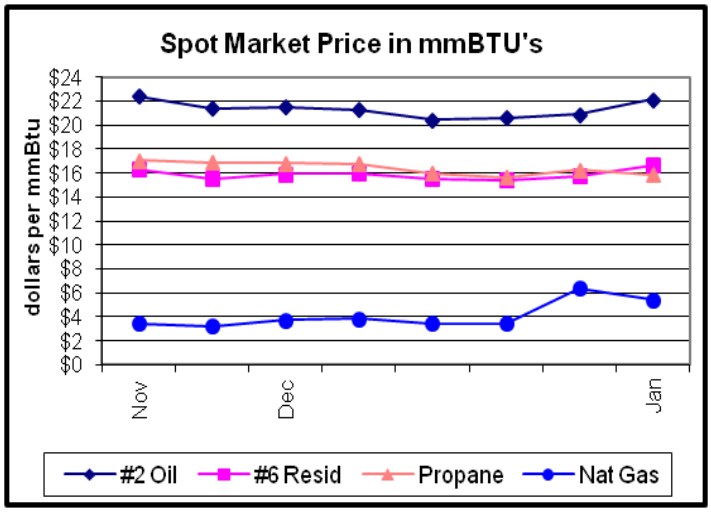
| New York State Heating Degree Day Information, Weekly & Cumulative | | | | | | |
|---|---|---|---|---|---|---|
| | Week Ending January 07 | | | Cumulative From October 1 | | |
| **Region** | **2012** | **2011** | **Normal** | **2011-12** | **2010-11** | **Normal** |
| Albany | 248 | 251 | 277 | 2,183 | 2,675 | 2,612 |
| Binghamton | 258 | 268 | 293 | 2,356 | 2,848 | 2,841 |
| Buffalo | 242 | 258 | 276 | 2,126 | 2,636 | 2,585 |
| Glens Falls | 265 | 256 | 319 | 2,422 | 2,912 | 3,002 |
| Massena | 309 | 267 | 343 | 2,676 | 3,013 | 3,200 |
| NYC | 189 | 191 | 220 | 1,457 | 1,738 | 1,849 |
| Rochester | 241 | 250 | 277 | 2,164 | 2,675 | 2,603 |
| Syracuse | 228 | 250 | 284 | 2,059 | 2,644 | 2,656 |
| Watertown | 258 | 260 | 314 | 2,347 | 2,872 | 2,977 |
| **Statewide** | **225** | **231** | **262** | **1,942** | **2,296** | **2,404** |

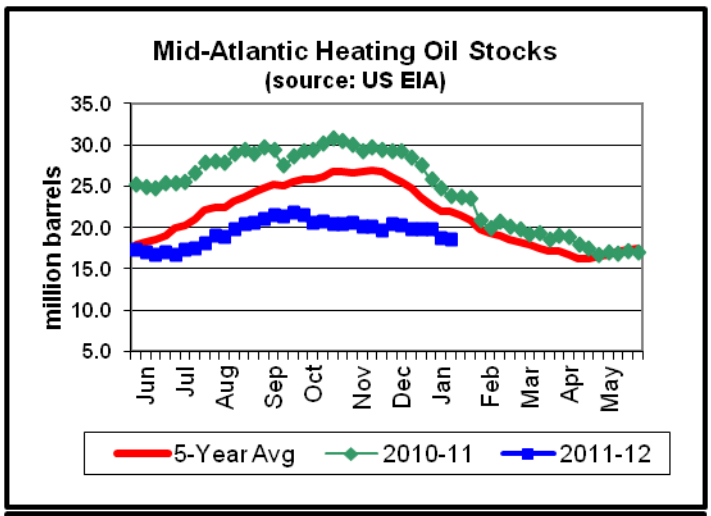


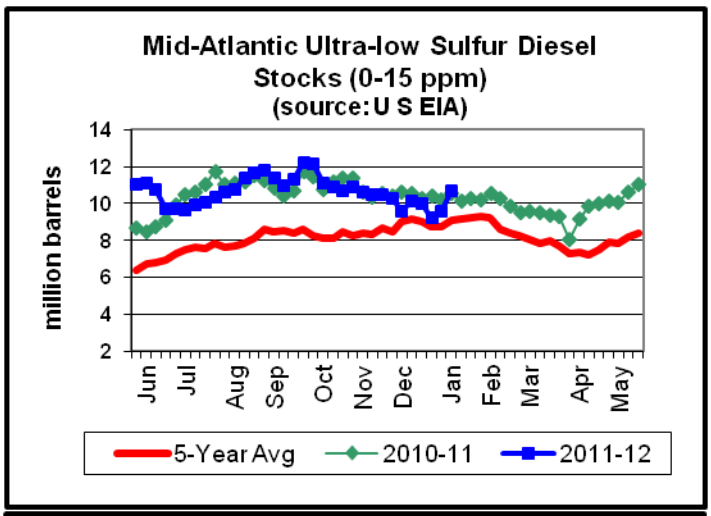
**Btu Price Equivalents**—The Btu graph equates the spot market price, in table below, for NY Harbor #2 heating oil and 1.0% sulfur low pour #6 residual fuel, Mont Belvieu propane, and the New York City gate natural gas price on a dollar per million Btu (mmBtu) basis.

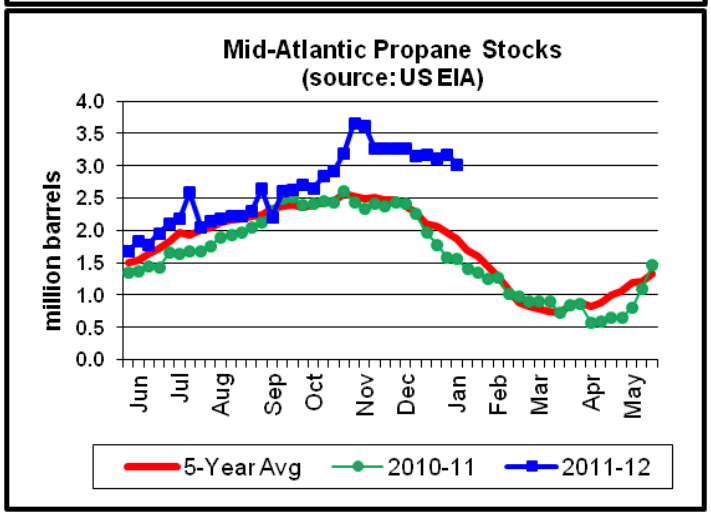
| New York Spot Prices, Weekly Average | | | |
|---|---|---|---|
| **Fuel** | **1/6/2012** | **Year Ago** | **% Change** |
| Ultra LS Diesel | 310.5 | 254.0 | 22.3% |
| #2 Fuel Oil | 306.7 | 250.9 | 22.3% |
| #6 Residual 1.0% | 249.2 | 185.3 | 34.5% |
| Propane | 136.2 | 132.7 | 2.6% |
| Natural Gas | 5.435 | 6.305 | -13.8% |

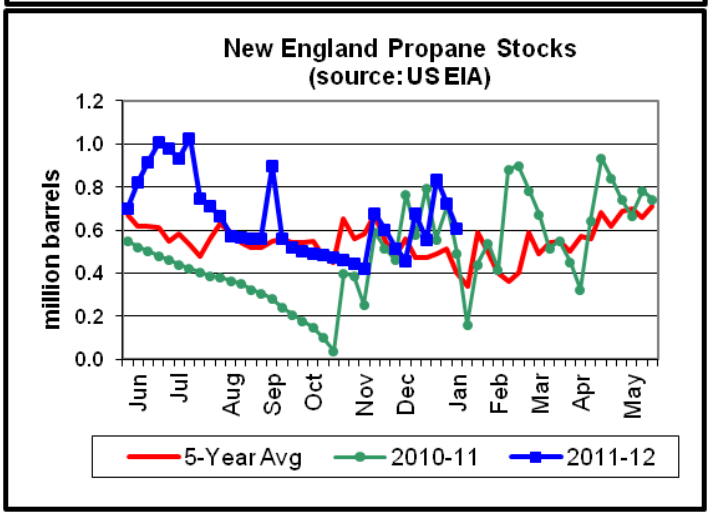
Note: Fuel in ¢/gallon, natural gas ($/mmBtu)=NYcitygate




Additional historic **regional specific** prices and supply information is available at NYSERDA's website. For more information please contact Charlie Wesley at (518) 862-1090 ext. 3364, e-mail cmw@nyserda.org.