

# NYSDERDA WEEKLY HEATING FUELS REPORT

October 11, 2004

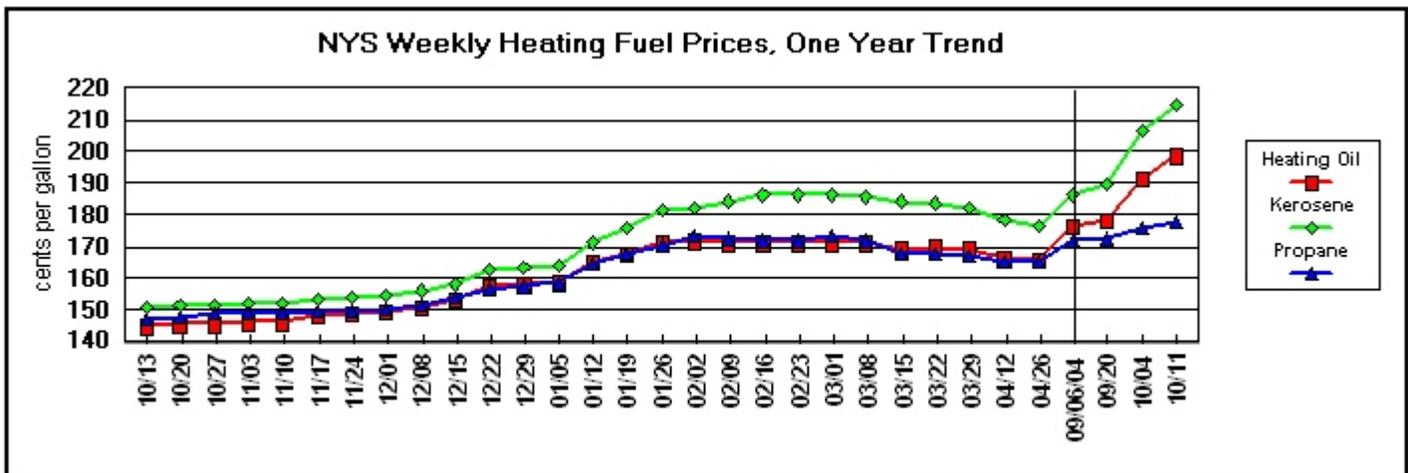
## Highlights

- The US Minerals Management Service reports 27.73% of Gulf of Mexico crude oil production and 13.87% of natural gas production remains shut-in following Hurricane Ivan. Restoration activities continue.
- On Thursday 10/14, NYMEX, crude oil futures prices reached a new high of \$54.70 per barrel. Heating oil futures also set a new high, \$1.55 per gallon.

**Retail Petroleum Prices** - On a Statewide basis this week, prices increased 7.0¢/gallon (3.7%) for heating oil, 8.2¢/gallon (4.0%) for kerosene, and 2.4¢/gallon (1.4%) for propane. Kerosene is now at an all-time NYS high. Compared to the year-earlier, prices have risen 53.5¢/gallon (36.8%) for heating oil, 63.8¢/gallon (42.3%) for kerosene, and 31.4¢/gallon (21.4%) for propane. Higher crude oil prices continued to drive the cost of all refined petroleum products higher.

**Crude Oil Prices** - For the week ending 10/8/04, West Texas Intermediate (WTI) crude oil spot prices equaled \$51.57/bbl, an increase of \$1.86/bbl, or 3.7%, from the week-ago level of \$49.71/bbl. Prices are now \$20.88/bbl, or 68.0%, higher than the year-earlier weekly average of \$30.69/bbl (see graph on last page).

**Central Atlantic Stocks** - Regionally, only propane inventories recorded a gain in the past week, Propane stocks are also above the year-earlier and 5-year trend. Heating oil, diesel fuel, and residual fuel oil all posted counter-seasonal declines this week. Storage volumes of these three fuels are all below the year-ago level, with heating oil and residual fuel well below the 5-year average. At the national level, weekly stocks of natural gas rose 2.2%, and are higher than both a year-ago (6.0%) and the 5-year average (7.2%). Crude oil inventories increased during the week to 278.2 million barrels (1.5%) as the Gulf Coast region saw an end of import delays associated with hurricanes. Volumes remain below the year-ago and 5-year trend.



Central Atlantic Region, Weekly Inventories (million barrels)							
Fuel Type	10/8/04	10/1/04	% Change vs Last Week	10/10/03	% Change vs Last Year	5-Year Average	% Change vs 5-Year Avg
No. 2 Fuel Oil	18.1	18.4	-1.6	23.9	-24.3	24.1	-24.9
Diesel Fuel	8.5	8.7	-2.3	9.5	-10.5	8.4	1.2
Propane	2.456	2.336	5.1	1.789	37.3	2.09	17.5
#6 Residual Oil	8.6	9.0	-4.4	9.1	-5.5	10.4	-17.3
US Natural Gas	3,159	3,092	2.2	2,981	6.0	2,948	7.2
US Crude Oil	278.2	274.0	1.5	290.0	-4.1	291.3	-4.5

Notes: Natural gas in billion cubic feet (Bcf), Central Atlantic is DE, DC, MD, NJ, NY, and PA Source: US DOE/EIA

<b>New York State Retail #2 Heating Oil Posted Credit Prices (cents per gallon)</b>					
<b>REGION</b>	<b>10/11/04</b>	<b>10/4/04</b>	<b>This Week % change</b>	<b>10/13/03</b>	<b>Year Ago % change</b>
Long Island	207.4	201.6*	2.9	159.8	29.8
New York City	215.0	204.3	5.2	162.4	32.4
Lower Hudson	205.8	200.2*	2.8	148.7	38.4
Upper Hudson	195.4	188.8	3.5	138.6	41.0
Capital District	188.8	181.1*	4.3	132.9	42.1
North Country	189.8	182.3	4.1	137.0	38.5
Central	187.2	181.9*	2.9	132.2	41.6
Western	186.5	180.0*	3.6	137.4	35.7
<b>Statewide</b>	<b>198.7</b>	<b>191.7*</b>	<b>3.7</b>	<b>145.2</b>	<b>36.8</b>
<b>New York State Retail Propane Posted Credit Prices (cents per gallon)</b>					
Long Island	196.4	197.8	-0.7	179.6	9.4
Mid-Hudson	181.3	178.7*	1.5	146.4	23.8
Capital District	194.8	193.4	0.7	153.9	26.6
North Country	180.7	180.7	0	148.2	21.9
Central	169.7	166.3*	2.0	139.0	22.1
Western	163.5	158.8	3.0	135.9	20.3
<b>Statewide</b>	<b>178.0</b>	<b>175.6*</b>	<b>1.4</b>	<b>146.6</b>	<b>21.4</b>
<b>New York State Retail Kerosene Posted Credit Prices (cents per gallon)</b>					
Mid-Hudson	223.2	214.3*	4.2	157.6	41.6
Capital District	213.2	201.4*	5.9	146.2	45.8
North Country	210.3	201.7	4.3	150.8	39.5
Central	208.5	204.2*	2.1	142.6	46.2
Western	211.7	205.2*	3.2	151.8	39.5
<b>Statewide</b>	<b>214.7</b>	<b>206.5*</b>	<b>4.0</b>	<b>150.9</b>	<b>42.3</b>

\* = revised

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

- heating oil - highest price 202.4¢/gallon on 2/07/00, lowest price 87.6¢/gallon on 9/08/98.
- kerosene - highest price 214.7¢/gallon on 10/11/04, lowest price 130.9¢/gallon on 9/09/02.
- propane - highest price 184.8¢/gallon on 3/10/03, lowest price 107.2¢/gallon on 9/20/99.

**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.

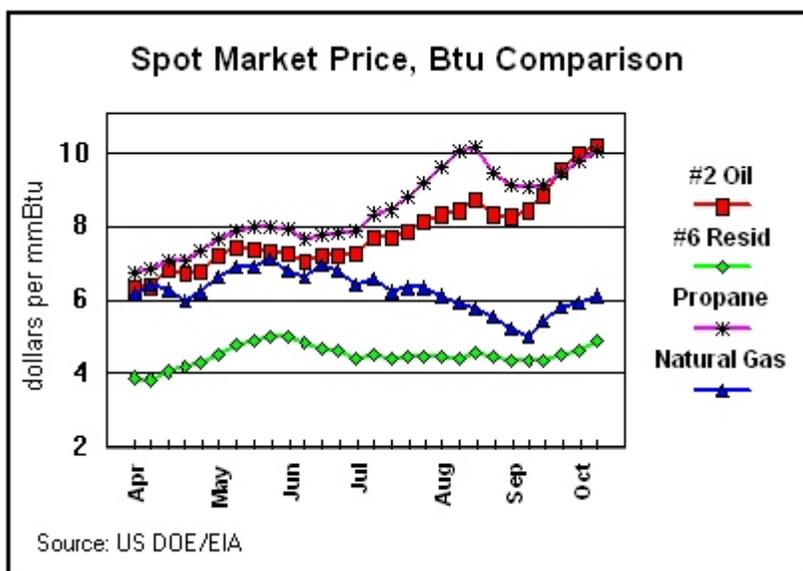
**Heating Degree Days** - On a statewide basis during the past week, the number of heating degree days (55) were 36.8% less than last year (87), and 19.1% lower than normal (68). On a cumulative basis, current year heating degree days (79) trail a year-ago (144) by 45.1% and the normal trend (120) by 34.2%.

### New York State Heating Degree Day Information, Weekly & Cumulative

Region	Week Ending 10/9/04			October 2, 2004 - October 9, 2004		
	2004	2003	Normal	2004 - 05	% Change vs 2003 - 04	% Change vs Normal
Albany	77	113	79	122	185	137
Buffalo	75	112	76	111	205	136
Massena	90	132	101	160	227	181
NYC	20	51	36	22	81	61
Syracuse	63	109	80	99	183	143
<b>Statewide</b>	<b>55</b>	<b>87</b>	<b>68</b>	<b>79</b>	<b>144</b>	<b>120</b>

**Btu Comparison** - The Btu graph equates the spot market price for New York Harbor #2 home 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.

**Analysis** - This price review is for the week ending 10/8/04. During the past week all fuels showed gains. The price increases recorded were 3.02¢/gallon (2.2%) for heating oil, 4.51¢/gallon (6.5%) for residual fuel, 2.16¢/gallon (2.6%) for propane, and \$0.169 mmBtu (2.8%) for natural gas. As a result of these price changes, the natural gas Btu equivalency price is now \$1.22 mmBtu higher than 1.0% sulfur #6 residual oil, but \$4.06 mmBtu lower than #2 heating oil. On a Btu basis, the price of heating oil has exceeded natural gas since 2/13/04, a 35 week period.



**US Crude Oil Prices** - The graph at the right shows weekly average WTI spot market crude oil prices for the current season and the last two years. In the current year, prices have climbed steadily upward since January, with only minor, temporary periods of declines. The current average weekly high of \$51.57/bbl, is the highest ever achieved.

Additional historic **regional specific** prices and supply information is available at NYSERDA's web site:

[www.nyserdera.org/prices.html](http://www.nyserdera.org/prices.html) Also, heating oil and diesel inventory graphs at

[www.nyserdera.org/nyepichart.pdf](http://www.nyserdera.org/nyepichart.pdf)

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