STATE HEATING OIL & PROPANE PROGRAM FINAL REPORT 1997/98 HEATING SEASON

DOE/EI/29064--72

**New Hampshire Governor's Office of
Energy and Community Services**

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INTRODUCTION

The following is a summary report of the New Hampshire Governor's Office of Energy and Community Services (ECS) participation in the State Heating Oil and Propane Program (SHOPP) for the 1997/98 heating season. SHOPP is a cooperative effort, linking energy offices in East Coast and Midwest states, with the Department of Energy (DOE), Energy Information Administration (EIA) for the purpose of collecting retail price data for heating oil and propane. The program is funded by the participating state with a matching grant from DOE.

SHOPP was initiated in response to congressional inquiries into supply difficulties and price spikes of heating oil and propane associated with the winter of 1989/90. This is important to New Hampshire because heating oil controls over 55% of the residential heating market statewide. Propane controls 10% of the heating market statewide and is widely used for water heating and cooking in areas of the state where natural gas is not available. Lower installation cost, convenience, lower operating costs compared to electricity, and its perception as a clean heating fuel have all worked to increase the popularity of propane in New Hampshire and should continue to do so in the future. Any disruption in supply of these heating fuels to New Hampshire could cause prices to skyrocket and leave many residents in the cold.

SHOPP DESCRIPTION

EIA provides ECS with a list of oil and propane retailers that serve customers in New Hampshire. In turn ECS conducts phone surveys twice per month from October through March to determine the average retail price for each fuel. Data collected by ECS is entered into the Petroleum Electronic Data Reporting Option (PEDRO) and transmitted electronically to EIA. The results of the state retail price surveys, along with wholesale prices, supply, production and stock levels for oil, and propane, are published by EIA in the Weekly Petroleum Status Report. Data is also published electronically via the Internet or through the Electronic Publication System (EPUB).

In addition to publication by DOE/EIA, the survey results are a valuable public information tool in New Hampshire. After the first survey of each month, ECS issues a press release with the current and historical average statewide prices for oil and propane (see appendix). Print, radio and television media report on these prices regularly. This often generates follow-up interviews and calls from the general public, business and others.

ECS has participated in joint programs with EIA in the past. Most recently in 1987/88, ECS collected price and supply data for heating oil. Retail oil price data has been collected by ECS on a monthly basis since 1976.

ECS has participated in SHOPP since its inception for the 1990/91 heating season and plans to continue participation for the 1998/99 heating season as well.

ECS also tracks price and supply data from EIA sources including faxed market updates, the *Weekly Petroleum Status Report* and the EIA Internet site. Other published sources of information include the *Oil Daily*, the *Wall Street Journal*, the *Oil World* Internet site and *Penterra Energy Comments*.

The following sections summarize ECS participation in SHOPP for the 1997/98 heating season.

WEATHER

El Nino appears to have had a significant effect on New Hampshire weather last winter. Temperature and heating degree data for the 1997/98 heating season in New Hampshire indicate one of the warmest winters on record through the month of March. According to climatological data from the National Weather Service, the number of heating degree days fell 12% below normal and 7% below last year. The average temperatures in the first half of the heating season were 1 degree below average in October, 0.9 degrees below average in November and 3.7 degrees above normal in December. In the second half, January was 8.7 degrees above normal, February was 9.1 degrees above normal and in March it was 4.4 degrees above normal. The heating season started out with seasonal temperatures in New Hampshire during the lower use months of October and November. However, when the effects of El Nino began to impact the east coast, temperatures soared. Temperatures were well above normal from December through March. Consumption traditionally peaks in New Hampshire during January and February but above normal temperatures keeping heating fuel consumption well below normal.

HEATING DEGREE DAYS - Concord NH

PROPANE

SUPPLY

The most significant news for propane supply in New England for the 1997/98 heating season was the addition of an 8 million gallon refrigerated holding tank at the Sea-3 propane import terminal in Newington, New Hampshire. Sea-3 distributes 140 million gallons of propane per year making it the largest propane distributor in New England. With the addition of this tank Sea-3 has increased its storage capacity by 40%. The new tank will better enable Sea-3 to provide a constant supply. ECS attended the commissioning of the new tank and the Director of ECS, Deborah Schachter spoke to those in attendance about the importance of a dependable supply of propane and how Sea-3 was filling this need.

The additional storage capacity is essential for continued dependable supply. However, the winter of 97/98 certainly did not put any pressure on supplies of propane for New England or elsewhere. According to the *DOE Winter Fuels Report*, stocks of propane in Petroleum Administration Defense District I (PADD I) which includes all of the East Coast, stayed comfortably within their three year average range or higher throughout the winter.. PADD III, or the Gulf Coast Region, supplies New England with much of its propane. Stock levels there were within or above the three year average throughout the heating season.. Propane dealers reported no problems procuring supply from the Selkirk Pipeline which terminates in New York State, and supplies a significant portion of New Hampshire's propane.

PRICES

Prices hit historic highs in the winter of 96/97, but dropped considerably this heating season. New Hampshire retail propane prices were 4 cents lower than last year at the start of the heating season. Prices rose quickly in the 96/97 heating season reaching historic highs, while prices in the 97/98 heating season remained flat throughout the period. At its peak, the price for propane was never more than one cent higher than the price at the beginning of the heating season while prices rose by 17 cents in the 96/97 heating season.

The only disappointment from the consumers point of view was the failure of retail prices to decline as did wholesale. By February, the wholesale price in PADD I had fallen by ten cents from its October peak while retail prices did not follow this pattern. With so few gallons sold, many dealers allowed their margins to grow in order to maintain a profit.

The chart below shows margins between NH retail and New York wholesale prices widening as wholesale prices fall.

NEW HAMPSHIRE
MONTHLY AVERAGE RETAIL PROPANE PRICE

MONTH	1990	1991	1992	1993	1994	1995	1996	1997	1998
JANUARY		\$1.279	\$1.144	\$1.101	\$1.093	\$1.138	\$1.177	\$1.400	\$1.163
FEBRUARY		\$1.266	\$1.140	\$1.122	\$1.117	\$1.143	\$1.203	\$1.362	\$1.161
MARCH		\$1.213	\$1.132	\$1.133	\$1.123	\$1.141	\$1.227	\$1.305	\$1.158
APRIL		\$1.170	\$1.124	\$1.137	\$1.113	\$1.142	\$1.222	\$1.289	\$1.153
MAY		\$1.147	\$1.103	\$1.130	\$1.112	\$1.128	\$1.212	\$1.240	
JUNE		\$1.143	\$1.091	\$1.117	\$1.110	\$1.134	\$1.203	\$1.231	
JULY		\$1.134	\$1.068	\$1.116	\$1.107	\$1.136	\$1.187	\$1.179	
AUGUST		\$1.078	\$1.091	\$1.115	\$1.107	\$1.136	\$1.181	\$1.177	
SEPTEMBER		\$1.089	\$1.063	\$1.105	\$1.108	\$1.132	\$1.186	\$1.148	
OCTOBER	\$1.195	\$1.109	\$1.097	\$1.097	\$1.100	\$1.123	\$1.229	\$1.154	
NOVEMBER	\$1.323	\$1.153	\$1.068	\$1.089	\$1.116	\$1.117	\$1.258	\$1.153	
DECEMBER	\$1.275	\$1.151	\$1.097	\$1.092	\$1.125	\$1.117	\$1.316	\$1.163	
AV. YEAR	\$1.264	\$1.161	\$1.109	\$1.113	\$1.111	\$1.132	\$1.217	\$1.233	\$1.159
% Change		-8.17%	-4.48%	0.34%	-0.17%	1.92%	7.46%	1.37%	-6.05%
1992 \$ *	\$1.351	\$1.193	\$1.109	\$1.085	\$1.059	\$1.053	\$1.109	\$1.101	\$1.025
% Change		-11.66%	-7.06%	-2.20%	-2.36%	-0.54%	5.30%	-0.71%	-6.89%
Heat Season		1990/91	1991/92	1992/93	1993/94	1994/95	1995/96	1996/97	1997/98
Oct-Mar	\$1.259	\$1.138	\$1.108	\$1.102	\$1.127	\$1.161	\$1.301	\$1.177	
% Change		-9.56%	-2.65%	-0.55%	2.30%	2.97%	12.07%	-9.51%	
1992 \$	\$1.315	\$1.153	\$1.093	\$1.062	\$1.060	\$1.069	\$1.176	\$1.042	
% Change		-12.31%	-5.24%	-2.85%	-0.11%	0.79%	10.04%	-11.44%	

Difference - New York Wholesale vs. New Hampshire Retail Propane Price
1997/98 Heating Season

OUTLOOK

The additional propane storage at Sea-3 holds the promise of an on-going steady supply outlet for New Hampshire and New England. However, the system has yet to be tested during a severe cold spell. ECS will continue to communicate with Sea-3 as the need arises. Prices dropped considerably this year from the previous year. Petroleum supplies are plentiful now and oil producers have yet to show they can restrain production enough to push prices higher. On the retail side, many propane dealers started offering fixed price plans to their customers. This is an encouraging sign and should continue based on the high popularity of these plans.

HEATING OIL

SUPPLY

Heating oil stocks were even more favorable than propane stocks in the 1997/98 heating season. In PADD I, stocks ranged from the upper end of their three year average range to well above this level as we reached the latter stages of the heating season.

PRICES

Prices started the 1997/98 heating season about the same as the 96/97 heating season but quickly fell below last year's levels as the winter refused to establish itself in the region. Nervousness about Iraq pushed prices up by about 4 cents from September to December but warm weather in the latter months of the heating season caused prices to slide. However, like propane, retail price decreases lagged well behind wholesale decreases. Price decreases were minimal until March. The retail price started at 94 cents per gallon, peaked at 96 cents per gallon in December and fell to 88 cents per gallon by the beginning of April.

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1997/98

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NEW HAMPSHIRE GOVERNOR'S OFFICE OF ENERGY AND COMMUNITY SERVICES: #2 FUEL OIL SURVEY
Average statewide full service credit price; 40 dealers surveyed

YEAR	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998
MONTH																			
JAN	\$0.927	\$1.183	\$1.268	\$1.203	\$1.073	\$1.044	\$1.136	\$0.767	\$0.860	\$0.833	\$1.490	\$1.156	\$0.963	\$0.934	\$0.867	\$0.853	\$0.964	\$1.124	\$0.969
FEB	\$0.976	\$1.287	\$1.256	\$1.150	\$1.250	\$1.054	\$1.014	\$0.811	\$0.872	\$0.878	\$1.042	\$1.134	\$0.944	\$0.931	\$0.954	\$0.860	\$0.987	\$1.127	\$0.947
MAR	\$0.993	\$1.291	\$1.200	\$1.065	\$1.147	\$1.052	\$0.905	\$0.796	\$0.838	\$0.874	\$0.967	\$1.019	\$0.924	\$0.924	\$0.945	\$0.860	\$1.017	\$1.077	\$0.926
APR	\$1.002	\$1.281	\$1.155	\$1.030	\$1.079	\$1.062	\$0.871	\$0.796	\$0.832	\$0.887	\$0.948	\$0.953	\$0.892	\$0.913	\$0.885	\$0.838	\$1.065	\$1.037	\$0.884
MAY	\$1.004	\$1.276	\$1.148	\$1.068	\$1.107	\$1.057	\$0.793	\$0.781	\$0.839	\$0.882	\$0.924	\$0.897	\$0.876	\$0.890	\$0.866	\$0.833	\$1.044	\$1.000	
JUN	\$1.019	\$1.273	N/A	\$1.059	\$1.097	\$1.031	\$0.737	\$0.792	\$0.836	\$0.856	\$0.902	\$0.866	\$0.876	\$0.882	\$0.827	\$0.826	\$0.987	\$0.976	
JUL	\$1.020	\$1.256	N/A	\$0.970	\$1.107	\$0.993	\$0.710	\$0.796	\$0.817	\$0.816	\$0.846	\$0.841	\$0.898	\$0.879	\$0.815	\$0.818	\$0.932	\$0.944	
AUG	\$1.023	\$1.254	N/A	\$1.031	\$1.051	\$0.967	\$0.669	\$0.801	\$0.789	\$0.812	\$0.856	\$0.859	\$0.897	\$0.858	\$0.812	\$0.809	\$0.921	\$0.919	
SEP	\$1.022	\$1.253	N/A	\$1.049	\$1.040	\$0.982	\$0.667	\$0.810	\$0.771	\$0.803	\$1.139	\$0.907	\$0.889	\$0.848	\$0.815	\$0.808	\$0.940	\$0.923	
OCT	\$1.022	\$1.252	\$1.224	\$1.035	\$1.050	\$1.041	\$0.664	\$0.807	\$0.758	\$0.819	\$1.306	\$0.913	\$0.910	\$0.855	\$0.813	\$0.817	\$1.074	\$0.943	
NOV	\$1.028	\$1.252	\$1.247	\$1.032	\$1.053	\$1.091	\$0.661	\$0.830	\$0.734	\$0.872	\$1.273	\$0.982	\$0.929	\$0.870	\$0.819	\$0.817	\$1.088	\$0.954	
DEC	\$1.059	\$1.268	\$1.222	\$1.047	\$1.051	\$1.134	\$0.698	\$0.846	\$0.767	\$0.906	\$1.259	\$0.991	\$0.929	\$0.867	\$0.839	\$0.857	\$1.101	\$0.964	
AVERAGE	\$1.008	\$1.260	\$1.215	\$1.062	\$1.092	\$1.042	\$0.793	\$0.802	\$0.809	\$0.853	\$1.079	\$0.960	\$0.911	\$0.888	\$0.853	\$0.833	\$1.010	\$0.999	\$0.929
% CHANGE	38.31%	25.05%	-3.60%	-12.63%	2.86%	-4.54%	-23.94%	1.14%	0.95%	5.40%	26.51%	-11.07%	-5.13%	-2.53%	-3.89%	-2.34%	21.24%	-1.09%	-7.01%
1992 \$ *	\$1.669	\$1.910	\$1.733	\$1.454	\$1.437	\$1.328	\$0.985	\$0.965	\$0.940	\$0.950	\$1.153	\$0.986	\$0.911	\$0.865	\$0.813	\$0.775	\$0.921	\$0.890	\$0.822
% CHANGE	26.63%	14.44%	-9.24%	-16.10%	-1.20%	-7.58%	-25.83%	-2.03%	-2.57%	1.06%	21.37%	-14.45%	-7.69%	-5.00%	-6.00%	-4.71%	18.81%	-3.30%	-7.67%
HEATING																			
SEASON	'79-80	'80-1	'81-2	'82-3	'83-4	'84-5	'85-6	'86-7	'87-8	'88-9	'89-90	90-91	91-92	92-93	93-94	94-95	95-96	96-97	97-98
AVERAGE	\$0.917	\$1.145	\$1.249	\$1.185	\$1.097	\$1.051	\$1.053	\$0.731	\$0.842	\$0.807	\$1.016	\$1.191	\$0.953	\$0.926	\$0.891	\$0.841	\$0.910	\$1.099	\$0.949
% CHANGE	66.33%	24.93%	9.11%	-5.14%	-7.41%	-4.25%	0.26%	-30.58%	15.15%	-4.11%	25.83%	17.24%	-20.01%	-2.80%	-3.75%	-5.69%	8.22%	20.74%	-13.62%
1992 \$ *	\$1.588	\$1.806	\$1.829	\$1.653	\$1.471	\$1.359	\$1.323	\$0.894	\$0.998	\$0.918	\$1.110	\$1.245	\$0.965	\$0.913	\$0.859	\$0.791	\$0.838	\$0.993	\$0.840
% CHANGE	53.07%	13.70%	1.28%	-9.64%	-11.01%	-7.59%	-2.64%	-32.45%	11.61%	-8.03%	21.01%	12.10%	-22.44%	-5.39%	-5.98%	-7.90%	5.92%	18.56%	-15.46%

**Difference between New Hampshire Wholesale Retail Heating Oil
1997/98 Heating Season**

OUTLOOK

Warm weather has left the US with higher than normal stocks at the end of the season and the recent effort by oil producing countries to reign in production has not effected prices significantly. There are no unusual market conditions taking place now that would signal any potential concerns for stock builds over the summer or prices in the fall. However, it should be noted that this winter was extremely mild and would seem unlikely two years in a row. In the past, ECS has encouraged New Hampshire citizens to take advantage of summer pre purchase programs that will offer the consumer the best value. However, the average pre-purchase price has risen over the past few years. With an average price of around 85 cents per gallon this year, the consumers that did not participate in a plan and paid cash for their fuel probably broke even or came out slightly ahead over the winter. This could slow down the trend to pre-purchasing fuel by the consumer next year. On a longer term basis, it appears that the heating oil industry, like many others, is consolidating on both the retail and wholesale level with many of the smaller players leaving. We do not yet know what effect less competition will have on price and supply in New Hampshire.

ADMINISTRATION

The heating oil dealers were very cooperative this year as they have been in past years. No difficulties were encountered collecting prices except for an occasional problem of getting calls returned promptly. Propane companies were, for the most part cooperative, but problems remain. It is still difficult to get a permanent contact person. ECS still uses 900 to 1000 gallons annual consumption as a benchmark for price and will continue to do so. However, prices vary widely among dealers and there are still concerns that some companies are providing prices that do not accurately portray what is being charged to their customers.

The latest version of Pedro is easier to operate than its predecessors. However, the protections built in to the computer server used by ECS makes it impossible to transmit Pedro

data electronically. ECS has been assured that this problem will be solved before the next SHOPP cycle begins.

SHOPP RELATED ACTIVITIES DURING THE 1997-98 HEATING SEASON

As always, there was significant interest from the press and the general public about SHOPP. Print and broadcast media regularly reported on the results of the SHOPP surveys. News reports increased consumer awareness and the number of calls to ECS. Through this program, ECS has become the source for information on the heating oil and propane industries in New Hampshire.

On November 6, 1997, the Governor's Petroleum Task Force met in Concord, NH. This annual meeting brings together heating fuel retailers and wholesalers from the heating oil, propane and natural gas industries in New Hampshire to provide an assessment of supplies and prices for the upcoming heating season. In addition to the valuable information this forum provides, it also maintains a link between ECS and the heating fuel industry on all levels.

CONCLUSION

SHOPP continues to be an integral part of the programming activities at ECS. What originally started as a data collection program has grown into something larger and provides a valuable service to the citizens of New Hampshire. ECS will once again participate in this program for the 1998-99 heating season. ECS will also continue to use SHOPP as the center of activities in the effort to bring accurate price information to citizens, industry, government and policy makers.

ATTACHMENTS

State Winter Fuels Meeting Agenda

State Winter Fuels Meeting Attendance List

Heating Fuel Price Press Releases for 1996/97 Heating Season

1997 WINTER FUELS TASK FORCE

Thursday, November 6, 1997

Legislative Office Building - Room 201

1:30 PM - 3:30 PM

Agenda

Welcome & Introduction

Deborah Schachter - Director - Governor's Office of Energy and Community Services

National and Regional Update

Report from the DOE Winter Fuels Conference and the Northeast Regional Winter Fuels Meeting

*George Hunton - Manager - State Heating Oil and Propane Program
Governor's Office of Energy and Community Services*

New Hampshire Update

Heating Oil

Wholesale

Frank Sestito - Sprague Energy

Retail

Ray Bellemore - Bellemore Heating Oil

Propane

Wholesale

Micheal Tracey - Sea 3, Inc.

Retail

Jim Hurley - Eastern Propane

Natural Gas

Don Carroll - Energy North Natural Gas

NH Fuel Assistance Program Update

*MaryAnn Manoogian - Assistant Director - Low Income Energy Assistance
Governor's Office of Energy and Community Services*

Status Report on Electric Restructuring

Deborah Schachter - Director - Governor's Office of Energy and Community Services

Open Discussion

Adjourn

**WINTER FUELS TASK FORCE MEETING
NOVEMBER 6, 1997
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NEWS RELEASE

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October 10, 1997
For Release: Immediately

Contact: George Hunton
Program Manager

NH HEATING OIL PRICE RISES IN SEPTEMBER

Concord, NH – Slightly warmer than normal temperatures and adequate stock levels couldn't keep retail heating oil prices from climbing in September. The statewide average retail price for heating oil rose by 2 cents to 94.3 cents per gallon and the average cash price was 85.6 cents per gallon according to the survey conducted by the Governor's Office of Energy and Community Services (ECS). Despite the increase, the price is still over 13 cents lower than last year at this time.

George Hunton, State Heating Oil and Propane Program Manager for ECS, said that wholesale prices began drifting upward in the middle of September and then rose quickly on the news of potential pipeline maintenance problems in Iraq and the bombing of Iraqi targets by Iran. Current wholesale prices have shown a modest decline but are still around 6 cents higher than the beginning of September. He said that there could be some additional upward pressure on retail prices as they continue to adjust to increases on the wholesale level.

Barring any unusual events, the US Department of Energy predicts that lower crude oil prices and stocks that are currently well above last year will keep this winter's average heating oil price around 11 cents lower than last winter's. In New Hampshire that would translate to an average retail price of about \$1.00 per gallon over the course of the heating season.

The average retail price for propane increased by just over one-half cent to reach \$1.154 per gallon for a heating customer that consumes 900 to 1000 gallons of propane annually. The average retail price for kerosene increased by about 5 cents to reach \$1.182 per gallon. Despite the increases, propane is still 7.5 cents lower than last year at this time and kerosene is 15 cents lower than last year.

NH GASOLINE PRICE FALLS IN SEPTEMBER

While heating fuel prices increased in September the price for gasoline declined. The retail average for all grades was \$1.375, down by about two and one half cents from the beginning of September. The seasonal decline in demand combined with rising stocks to keep prices down despite recent events in Iraq. The price of all grades is about one cent higher than last year at this time.

AVERAGE RETAIL HEATING FUEL PRICE PER GALLON

HEATING FUEL	Oct. 97	Sept. 97	Difference in \$	Oct. 96	Difference in \$
#2 Heating Oil	\$ .943	\$ .923	+\$ .020	\$1.074	-\$ .131
Propane	\$1.154	\$1.148	+\$ .006	\$1.229	-\$ .075
Kerosene (K1)	\$1.182	\$1.133	+\$ .049	\$1.333	-\$ .151

AVERAGE RETAIL GASOLINE PRICE PER GALLON

Gasoline Type	Oct. 97	Sept. 97	Difference in \$	Oct. 96	Difference in \$
Self Serve Regular	\$1.250	\$1.281	-\$ .031	\$1.222	\$+.028
Self Serve Premium	\$1.434	\$1.457	-\$ .023	\$1.413	\$+.021
Full Serve Regular	\$1.322	\$1.346	-\$ .024	\$1.320	\$+.002
Full Serve Premium	\$1.479	\$1.519	-\$ .040	\$1.509	\$-.030
Average of all Grades	\$1.375	\$1.401	-\$ .026	\$1.366	\$+.009

Price surveys for all fuels are conducted on the first Monday of each month. Price surveys for heating fuels are conducted on the first and third Mondays of the month from October through March. 50 gasoline retailers, 40 heating oil retailers, 20 propane retailers and 10 Kerosene retailers participate in the survey. For more information contact George Hunton at the Governor's Office of Energy and Community Services at 603-271-2611.

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NEWS RELEASE

57 Regional Drive
Concord, New Hampshire 03301-8519
(603) 271-2611 and (800) 852-3466
TDD Access: Relay NH 1-800-735-2964
FAX: (603) 271-2615

Date: December 2, 1997
For Release: Immediately

Contact: George Hunton
Program Manager

HEATING OIL PRICE UP SLIGHTLY IN NOVEMBER

Concord, NH – The retail price for heating oil in New Hampshire climbed by one cent in November, according to the monthly survey conducted by the Governor's Office of Energy and Community Services (ECS). The average retail heating oil price was 96.4 cents per gallon on December 1, up by one cent from last month but almost 14 cents lower than last year at this time. The average cash price was \$.877.

According to George Hunton, State Heating Oil and Propane Program Manager for ECS, inventories of heating oil have fallen off in other areas of the country but remain well above last year on the East Coast, the largest consuming region for heating oil. The recent decision by OPEC to increase production ceilings by 10% and the potential for increased sales of crude oil from Iraq lessens the likelihood of higher heating oil prices through the heating season. However, the potential for short term price increases remains should demand increase rapidly due to unusually cold weather conditions.

Propane mirrored heating oil, rising by one cent in November. The statewide average retail price for a homeowner that consumes 900 to 1000 gallons of propane per year was \$1.163 per gallon. The gap between the current average price and last years price continues to widen and is now 15 cents lower than last year at this time. Kerosene also rose by about one cent per gallon and now stands at \$1.198 per gallon. However, the price is 17 cents lower than last year at this time.

With temperatures dropping and snow falling early this winter, the Governor's Office of Energy and Community Services reminds homeowners to monitor heating fuel levels regularly and to make sure to clear a path for heating fuel delivery personnel. This will help insure that heating fuel is delivered when needed.

GASOLINE PRICE FALLS AGAIN IN NOVEMBER

New Hampshire drivers saw gasoline prices fall for the third consecutive month. According to the survey conducted by ECS, the average retail price for gasoline was \$1.326, down by over two and one half cents from the beginning of November. After jumping by about ten cents in August, the price has now fallen back by over seven cents per gallon. The average price is also seven cents lower than last year at this time. According to George Hunton, adequate stocks and the decision by OPEC to increase production are contributing to the decline in gasoline prices.

HEATING FUEL	Dec. 97	Nov. 97	Difference in \$	Dec. 96	Difference in \$
#2 Heating Oil	\$.964	\$.954	+.010	\$1.101	-.137
Propane	\$1.163	\$1.153	+.010	\$1.316	-.153
Kerosene (K1)	\$1.198	\$1.190	+.008	\$1.368	-.170

GASOLINE	Dec. 97	Nov. 97	Difference in \$	Dec. 96	Difference in \$
Self Serve Regular	\$1.198	\$1.202	-.024	\$1.260	-.062
Self Serve Premium	\$1.382	\$1.413	-.031	\$1.446	-.064
Full Serve Regular	\$1.270	\$1.295	-.025	\$1.344	-.074
Full Serve Premium	\$1.453	\$1.478	-.025	\$1.537	-.084
Average - All Grades	\$1.326	\$1.352	-.026	\$1.397	-.071

Regional Averages for Heating Oil

	Retail Price	Cash Price
Concord/Lakes Region	\$.992	\$.878
North Country	\$.965	\$.896
Greater Seacoast	\$.930	\$.843
Southwest	\$.981	\$.864
Southern NH	\$.976	\$.870
Upper Valley/Lake Sunapee	\$1.062	\$.962

ONE YEAR RETAIL PRICE TREND

NEWS RELEASE

57 Regional Drive
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(603) 271-2611 and (800) 852-3466
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FAX: (603) 271-2615

Date: January 8, 1998
For Release: Immediately

Contact: George Hunton
Program Manager

HEATING OIL PRICE FALLING AS NH ENTERS SECOND HALF OF HEATING SEASON

Concord, NH – Heating your home will cost a little less in January as prices for heating oil start the new year slightly lower than in December. The statewide average retail price fell by one-half cent in December, according to the monthly survey conducted by the Governor's Office of Energy and Community Services (ECS). The average retail heating oil price was 95.9 cents per gallon on January 5, down by one-half cent from last month and over 16 cents lower than last year at this time. The average cash price was \$.870.

According to George Hunton, State Heating Oil and Propane Program Manager for ECS, a household using 150 gallons of heating oil in January will save \$25 compared to last year. He continued, "Heating oil prices normally peak in January and then begin to decline as the heating season winds down, however warmer than normal temperatures in December, the increase in OPEC production ceilings and the renewal of crude oil sales from Iraq are keeping inventories up and prices down. Unless we experience very cold weather conditions or some other unusual event that causes a short term price increase, the downward trend should continue."

The price for propane remained unchanged from the beginning of December. The statewide average retail price for a homeowner that consumes 900 to 1000 gallons of propane per year was \$1.163 per gallon. The gap between the current average price and last year's price has reached its widest point and is now almost 24 cents lower than last year at this time. The average retail price for kerosene was virtually unchanged from December and now stands at \$1.197 per gallon. However, this price is 20 cents lower than last year at this time.

GASOLINE PRICE FALLS AGAIN IN DECEMBER

New Hampshire drivers are ringing in the new year with lower gasoline prices. According to the survey conducted by ECS, the average retail price for gasoline has fallen for the fourth consecutive month and is now \$1.288 per gallon for all grades, down by almost four cents since the beginning of December. After jumping by about ten cents in August, the price has fallen by over 11 cents per gallon since then. The average gasoline price is over 12 cents lower than last year and is the lowest average recorded by ECS since March of 1996. According to George Hunton, adequate stocks, low crude oil prices and soft demand are contributing to the decline in gasoline prices.

**GOVERNOR'S OFFICE OF ENERGY AND COMMUNITY SERVICES
NEW HAMPSHIRE MONTHLY HEATING FUEL AND GASOLINE SURVEY
JANUARY 1998**

GASOLINE	Jan. 98	Dec. 97	Difference in \$	Jan. 97	Difference in \$
Self Serve Regular	\$1.159	\$1.198	-\$0.039	\$1.276	-\$0.117
Self Serve Premium	\$1.345	\$1.382	-\$0.037	\$1.460	-\$0.115
Full Serve Regular	\$1.230	\$1.270	-\$0.040	\$1.362	-\$0.132
Full Serve Premium	\$1.419	\$1.453	-\$0.034	\$1.545	-\$0.126
Average - All Grades	\$1.288	\$1.326	-\$0.038	\$1.411	-\$0.123

HEATING FUEL	Jan. 98	Dec. 97	Difference in \$	Jan. 97	Difference in \$
#2 Heating Oil	\$0.959	\$0.964	-\$0.005	\$1.124	-\$0.165
Propane	\$1.163	\$1.163	NC	\$1.400	-\$0.237
Kerosene (K1)	\$1.197	\$1.198	-\$0.001	\$1.377	-\$0.200

Average Heating Oil Price by Region

Region	Credit \$	Cash \$
Seacoast	\$0.929	\$0.842
Southern	\$0.970	\$0.862
Concord/Lakes	\$0.988	\$0.873
Southwest	\$0.981	\$0.864
North Country	\$0.951	\$0.875
Upper Valley	\$1.052	\$0.952

HEATING DEGREE DAYS - Concord NH

NEWS RELEASE

57 Regional Drive, Concord, New Hampshire 03301-8519

(603) 271-2611

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TDD Access: Relay NH 1-800-735-2964

Date: February 5, 1998
For Release: Immediately

Contact: George Hunton
Program Manager

RETAIL GASOLINE PRICE HITS THREE AND ONE HALF YEAR LOW

Concord, NH – New Hampshire retail gasoline prices have reached their lowest point in three and one-half years, according to the monthly survey conducted by the Governor's Office of Energy and Community Services (ECS). The average retail price for gasoline has fallen for the fifth consecutive month and is now \$1.248, down by four cents since the beginning of January. After jumping by about ten cents last August, the price has fallen by over 15 cents per gallon since then. The last time ECS recorded a lower average was in July of 1994. According to George Hunton, State Heating Oil and Propane Program Manager for ECS, "The potential for military conflict in Iraq caused wholesale prices to spike for a short time and then ease off as the likelihood diminished." He continued, "Demand has been strong this winter but supplies remain ample which should keep prices lower in the short term."

HEATING OIL PRICE FALLS FOR SECOND MONTH

The average retail price for heating oil declined for the second consecutive month, according to the monthly survey conducted by the Governor's Office of Energy and Community Services (ECS). The average retail heating oil price was 94.7 cents per gallon on February 3, down by more than one cent from last month and almost 2 cents since the beginning of December. The average price is 18 cents lower than last year at this time. The average cash price was \$.858.

According to George Hunton, "Heating oil stocks are at the upper end of their normal range and the average temperature has been above normal in December and January." He continued, "We are now well into the second half of the heating season and it is unlikely that there will any significant upward pressure on prices unless the situation in Iraq deteriorates."

The price for propane fell slightly from the beginning of January. The statewide average retail price for a homeowner that consumes 900 to 1000 gallons of propane per year was \$1.161 per gallon, down by less than one-half cent. The current average is 20 cents lower than last year at this time. The average retail price for kerosene dropped by three cents and now stands at \$1.172 per gallon. The average price is 20 cents lower than last year at this time.

HEATING FUEL	Feb. 98	Jan. 98	Difference in \$	Feb. 97	Difference in \$
#2 Heating Oil	\$.947	\$.959	-\$0.012	\$1.124	-\$0.165
Propane	\$1.161	\$1.163	-\$0.002	\$1.362	-\$0.201
Kerosene (K1)	\$1.172	\$1.206	-\$0.034	\$1.374	-\$0.202

GASOLINE	Feb. 98	Jan. 98	Difference in \$	Feb. 97	Difference in \$
Self Serve Regular	\$1.107	\$1.159	-\$0.052	\$1.268	-\$0.161
Self Serve Premium	\$1.311	\$1.345	-\$0.034	\$1.450	-\$0.139
Full Serve Regular	\$1.189	\$1.230	-\$0.041	\$1.355	-\$0.166
Full Serve Premium	\$1.386	\$1.419	-\$0.033	\$1.532	-\$0.146
Average - All Grades	\$1.248	\$1.288	-\$0.040	\$1.401	-\$0.153

Average Heating Oil Price by Region

Region	Credit \$	Cash \$
Seacoast	\$0.912	\$0.826
Southern	\$0.961	\$0.853
Concord/Lakes	\$0.986	\$0.872
Southwest	\$0.971	\$0.854
North Country	\$0.945	\$0.869
Upper Valley	\$1.052	\$0.952

ONE YEAR RETAIL PRICE TREND

NEWS RELEASE

57 Regional Drive, Concord, New Hampshire 03301-8519

(603) 271-2611

FAX: (603) 271-2615

TDD Access: Relay NH 1-800-735-2964

Date: March 9, 1998
For Release: Immediately

Contact: George Hunton
Program Manager

NH RETAIL GASOLINE PRICES PLUNGE IN FEBRUARY

Concord, NH – The New Hampshire average retail gasoline price plunged by 6 cents in February. According to the monthly survey conducted by the Governor's Office of Energy and Community Services (ECS), the average retail price for a gallon of gasoline fell for the sixth consecutive month and is now \$1.186. The price is 19 cents lower than last year at this time. The last time ECS recorded a lower average was in May of 1994. The six cent decline in one month is the largest recorded since the Persian Gulf War in 1991. According to George Hunton, State Heating Oil and Propane Program Manager for ECS, "US Demand for gasoline is high but there are currently ample supplies available to handle the increased demand. Higher production from OPEC, a new agreement allowing Iraq to export more crude oil and decreased demand for petroleum in Asia is pushing prices downward." He continued, "Gasoline prices should stay low in the short term. However, we could see some upward pressure on prices if gasoline consumption remains strong as we approach the heavy driving months of spring and summer."

HEATING OIL PRICES CONTINUE DECLINE

The average retail price for heating oil declined for the third consecutive month, according to the monthly (ECS) survey. The average retail heating oil price was 92.6 cents per gallon on March 2, down by more than two cents from last month and almost 4 cents from its high point in the beginning of December. The average price is 15 cents lower than last year at this time. The average cash price was \$.838.

According to George Hunton, "This was the second warmest February on record and one of the warmest winters recorded overall." He continued, "The heating season is winding down and it is highly unlikely that prices would increase at this stage. Heating oil prices will probably continue to drift downward as the heating season comes to a close."

The price for propane fell slightly from the beginning of February. The statewide average retail price for a homeowner that consumes 900 to 1000 gallons of propane per year was \$1.158 per gallon, down by less than one-half cent. The current average is about 15 cents lower than last year at this time. The average retail price for kerosene dropped by 4 cents and now stands at \$1.134 per gallon. The average price is 21 cents lower than last year at this time.

HEATING FUEL	Feb. 98	Jan. 98	Difference in \$	Feb. 97	Difference in \$
#2 Heating Oil	\$.926	\$.947	-\$0.021	\$1.077	-\$0.151
Propane	\$1.158	\$1.161	-\$0.003	\$1.305	-\$0.147
Kerosene (K1)	\$1.134	\$1.172	-\$0.038	\$1.345	-\$0.211

GASOLINE	Feb. 98	Jan. 98	Difference in \$	Feb. 97	Difference in \$
Self Serve Regular	\$1.045	\$1.107	-\$0.062	\$1.244	-\$0.199
Self Serve Premium	\$1.244	\$1.311	-\$0.067	\$1.427	-\$0.183
Full Serve Regular	\$1.121	\$1.189	-\$0.068	\$1.325	-\$0.204
Full Serve Premium	\$1.334	\$1.386	-\$0.052	\$1.504	-\$0.170
Average - All Grades	\$1.186	\$1.248	-\$0.062	\$1.375	-\$0.189

Average Heating Oil Price by Region

Region	Credit \$	Cash \$
Seacoast	\$0.876	\$0.790
Southern	\$0.951	\$0.844
Concord/Lakes	\$0.980	\$0.866
Southwest	\$0.946	\$0.829
North Country	\$0.931	\$0.855
Upper Valley	\$1.020	\$0.920