

New York State Energy Office

FINAL REPORT

**State Heating Oil and Propane Program
SEPTEMBER, 1990 THROUGH MAY, 1991**

June 30, 1991

DISCLAIMER

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PREFACE

This final report is prepared in response to U.S. Department of Energy - Energy Information Administration (EIA) 1990-1991 State Heating Oil and Propane Program. The joint program which involved oil industry, states and EIA, was effective November 5, 1990; and terminated September 30, 1991. This program was conducted by the Petroleum staff, Division of Policy Analysis and Planning, New York State Energy Office. Heating oil and propane price and monitoring data was transmitted via dialcom to EIA according to the agreed schedule.

This report constitutes the State Energy Office final requirement in fulfillment of the federal cooperative agreement, contract number DE-FC01-91E122620.

I. SUMMARY

This report provides an informational summary on home heating and propane prices and inventories during the October 1990- May 1991 period.

The New York State Energy Office monitored retail and wholesale prices of home heating oil and propane during the heating season in fulfillment of its contractual obligation with DOE. This Office has participated in the cooperative program since the 1978-79 heating season.

During the reporting period fuel dealers and distributors submitted their data to SEO in a timely and cooperative manner. In addition to supporting the EIA to meet its Congressional mandate of providing an accurate and timely energy price profile, SEO has made valuable use of the data by establishing its own computer data base. The accumulated information was submitted to EIA biweekly via PEDRO according to the pre-arranged schedule.

The New York State weighted average retail price of home heating oil and propane during the reported period, October 1990-May 1991, revealed a seasonal high in October due to the Persian Gulf crisis. The prices continued to decline during the heating season and ended slightly above the previous years average.

Wholesale, spot market and rack prices generally followed the same pricing pattern as retail.

Home heating oil inventories in primary storage were adequate throughout the heating season. No major supply problems were reported affecting the inventory levels at primary or secondary storage. Above normal temperatures throughout the heating season helped reduce the demand and ease pressure on regional stocks.

The required surveys were conducted and reported in strict compliance with appropriate guidelines and contractual agreements between the U.S. Department of Energy and the State of New York. See Attachment 1 for details of the Notice of Financial Assistance award. No problems in the reporting of data and information were experienced.

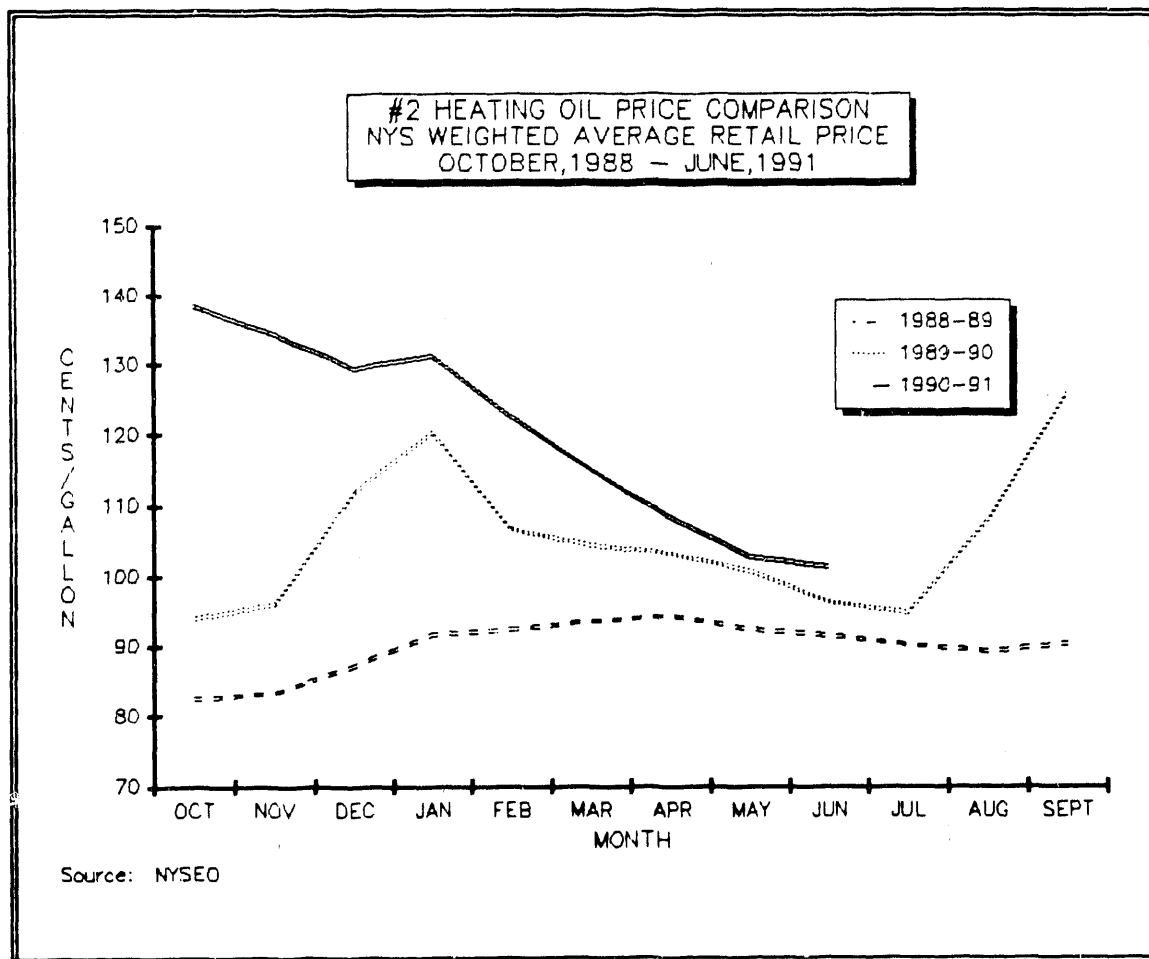
II. PRICE SURVEY

A. Residential Prices

The statewide weighted average price of No.2 heating oil showed prices were high at the start of the 1990-91 heating season followed by a steady decline for the remainder of the season. It reached a high of 138.76¢/gallon on October 25, 1990 (see Chart 1).

The statewide average price, during the contract period (October through May) declined to its low point of 103.03¢/gallon in the last week of May. The lowest single price, 79.00¢/gallon, was in Schenectady County (Upstate area) and the highest reported price, 151.90¢/gallon was reported in Queens County (Downstate area).

Chart 1



There was a 72.90¢/gallon difference during the current heating season

between the highest and lowest reported prices (See Table 1).

TABLE 1
1990-1991 RESIDENTIAL #2 HEATING OIL PRICES

<u>Survey Date</u>	<u>Percent Change from Previous Date</u>	<u>Statewide Average Price</u>	<u>High</u>	<u>Low</u>
10/04/90	-	133.11	150.90	108.90
10/11/90	+2.19	136.02	150.90	113.00
10/18/90	+1.78	138.44	151.90	115.00
10/25/90	+0.23	138.76	150.90	118.00
11/01/90	-1.54	136.31	150.90	110.00
11/08/90	-0.09	136.19	150.90	110.00
11/15/90	-0.29	135.80	150.90	110.00
11/22/90	-0.49	135.14	150.90	110.00
11/29/90	-0.51	134.45	149.90	110.00
12/06/90	+0.42	135.02	150.90	110.00
12/13/90	-1.16	133.45	147.90	107.00
12/20/90	-1.63	131.27	147.90	106.00
12/27/90	-1.16	129.75	147.90	106.00
01/03/91	+0.06	129.83	147.90	106.00
01/10/91	-1.04	128.48	147.90	106.00
01/17/91	+1.61	130.55	149.90	106.00
01/24/91	+0.73	131.50	149.90	104.90
01/31/91	-1.69	129.28	147.90	100.00
02/07/91	-1.81	126.94	142.90	95.00
02/14/91	-1.28	125.31	142.90	98.00
02/21/91	-0.60	124.56	139.90	98.00
02/28/91	-1.42	122.79	135.90	95.00
03/07/91	-1.91	120.44	135.90	97.00
03/14/91	-1.62	118.49	132.90	95.00
03/21/91	-1.67	116.51	132.90	95.00
03/28/91	-1.08	115.25	129.90	89.00
04/04/91	-1.21	113.86	129.90	89.00
04/11/91	-2.28	111.26	127.90	89.00
04/18/91	-1.34	109.77	125.90	85.00
04/25/91	-1.26	108.39	125.90	85.00
05/02/91	-0.95	107.36	125.90	83.00
05/09/91	-1.70	105.53	119.09	80.00
05/16/91	-0.94	104.54	117.90	80.00
05/23/91	-0.87	103.63	116.90	80.00
05/30/91	-0.58	103.03	118.00	79.00

The highest and lowest reported State average retail weighted price for the last five seasons are as follows:

	<u>1986-1987</u>	<u>1987-1988</u>	<u>1988-1989</u>	<u>1989-1990</u>	<u>1990-1991</u>	<u>9 Year* Record</u>
High:	2/12/87 88.39¢	1/21/88 92.84¢	4/13/89 94.61¢	1/4/90 140.70¢	10/25/90 138.76¢	1/4/90 140.70¢
Low:	10/23/86 77.20	10/1/87 88.03¢	10/20/88 82.69¢	10/15/89 92.00¢	4/25/91 108.39¢	10/23/86 77.20¢

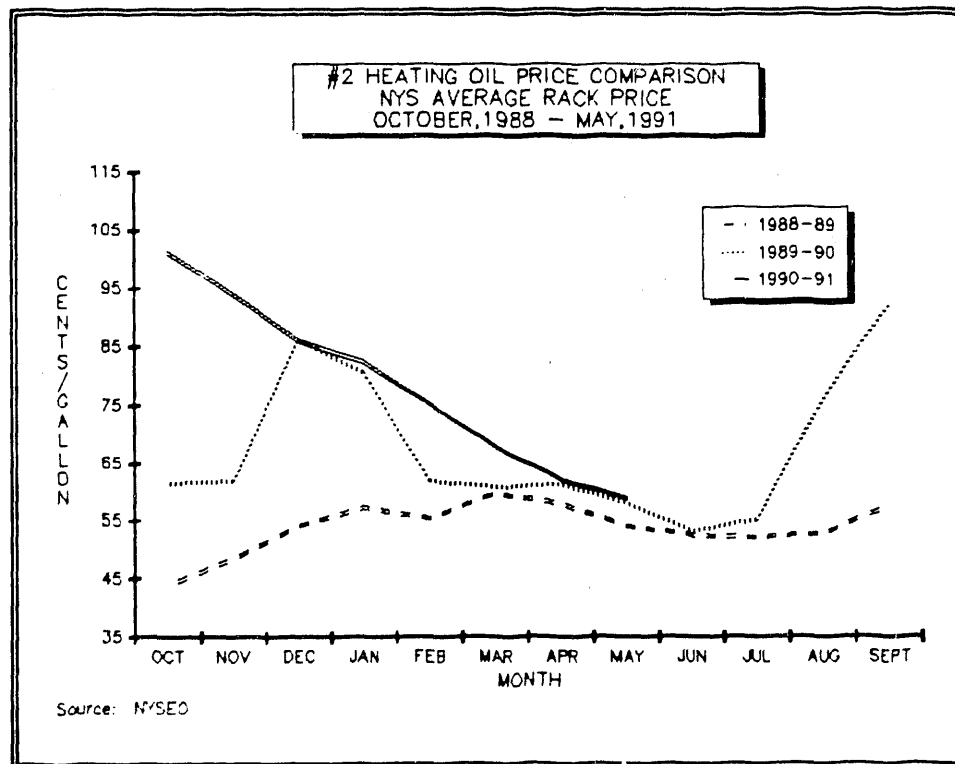
The residential oil price averaged 123.60¢/gallon for this heating season. This average represents a 16.96¢/gallon increase from the previous heating season's price average of 106.64¢/gallon. The downstate New York Metropolitan area had higher prices than the upstate markets because it is more sensitive to increased operating costs, lower inventories and a reflection of the market forces, especially the New York Harbor spot market. These surveys served as an input for the State Energy Office bi-weekly Heating Oil Fact Sheet which is available for a general distribution throughout the state (see Attachment 2).

B. Wholesale Price

The average wholesale rack price peaked in October and has shown a steady decrease through May. During the heating season, the average price remained above the previous year levels, except for a brief period in December when it dipped below. (See Chart 2).

The average wholesale price for the contract period was 78.67¢/gallon, an 18.93¢/gallon increase from the previous year's average of 59.74¢/gallon. The change in the wholesale average price compared to a year ago was 1.97¢/gallon more than the similar difference in the residential price.

Chart 2

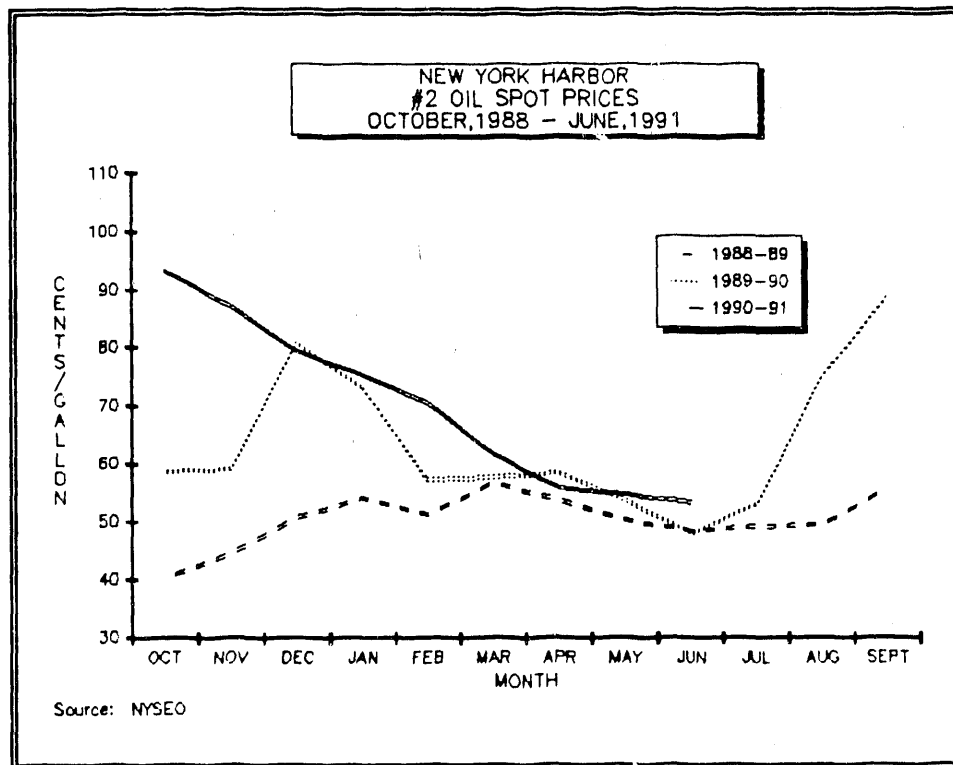


C. Spot Market Prices

The New York Harbor spot market #2 heating oil prices, as shown in Chart 3, started the 1990-91 heating season dramatically higher than in the previous year but declined steadily during the remainder of the season. The Persian Gulf

hostilities and subsequent solution were the contributing factors for this price pattern. These changes had an impact on this state's No.2 heating oil prices, particularly in the downstate area.

Chart 3



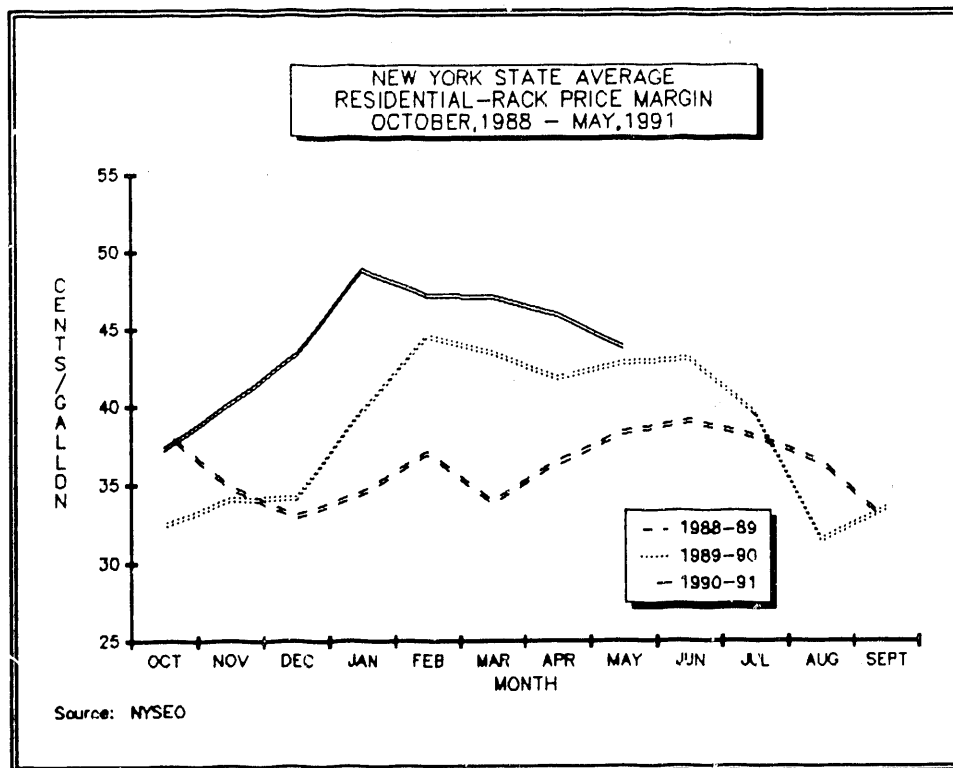
D. Residential-Wholesale Price Margin

The wholesale and residential price difference is the dealer's gross margin. This office weights the residential prices to reflect regional degree days and oil heated housing units, but uses wholesale prices quoted from published surveys.

The data shows the following trends for the last three seasons (See Chart 4).

- Dealer heating oil margins fluctuate according to the time of year and availability of product. The 1988-89 heating season margins generally ranged between 33-38¢/gallon.
- The 1989-90 period dealer margins ranged between 33-45¢/gallon.
- The 1990-91 season gross margins were greater than each of the last two seasons ranging between 37-48¢/gallon.

Chart 4



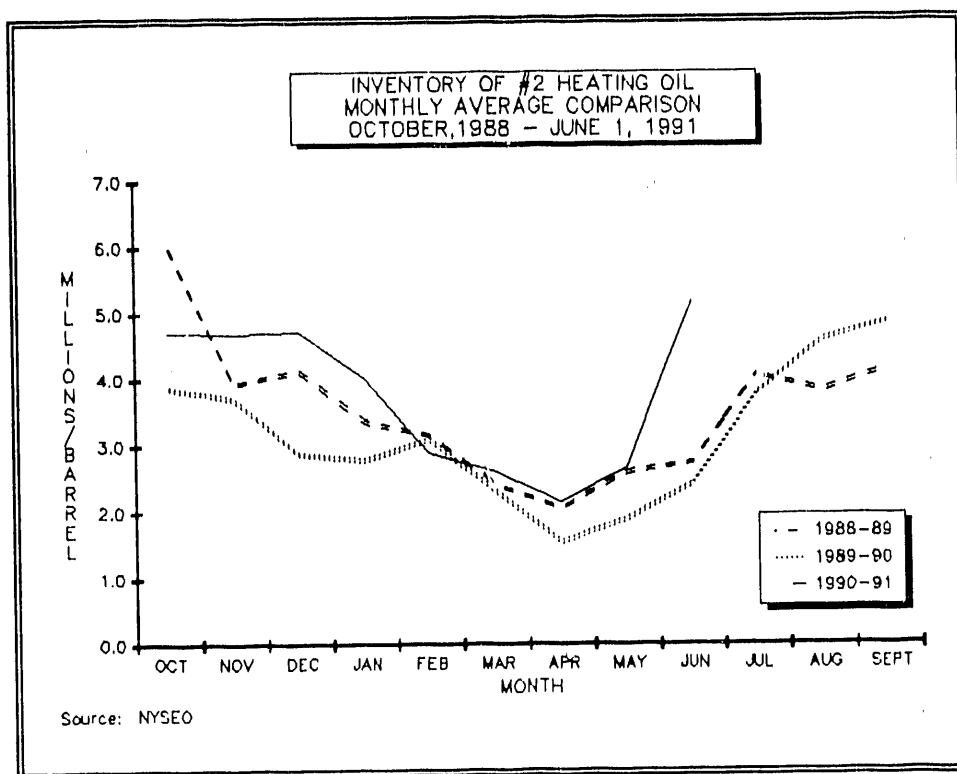
III. INVENTORY

A. Primary Fuel

During the 1990-91 heating season, No.2 heating oil inventories at all levels of supply were adequate to satisfy New York State's demand. In October, primary inventory started above the year ago level and continued at a higher volume until February (see Chart 5). While they approximated the previous year's volume in March, stock levels rebounded and remained above year ago levels for the remainder of the reporting period.

During the past three heating seasons, monthly in-State No.2 heating oil stocks peaked at 6.1 million barrels in October, 1988. Inventories during the recent October through May period averaged approximately 28.5 percent above the comparable previous season and 2.0 percent above the 1988-1989 season (see Table 2).

Chart 5



NYSEO
TABLE 2
#2 HEATING OIL INVENTORIES

<u>88/89</u>		<u>89-90</u>		<u>90-91</u>	
10/88	6,073,204	10/89	3,887,903	10/90	4,701,308
11/88	3,946,667	11/89	3,723,036	11/90	4,679,632
12/88	4,142,935	12/89	2,896,132	12/90	4,723,117
1/89	3,385,701	1/90	2,805,822	1/91	4,014,930
2/89	3,183,564	2/90	3,009,732	2/91	2,879,579
3/89	2,433,452	3/90	2,331,264	3/90	2,609,980
4/89	2,072,857	4/90	1,563,106	4/90	2,151,048
5/89	2,621,682	5/90	1,908,265	5/90	2,665,267
6/89	2,761,418	6/90	2,446,366	6/91	5,165,007
7/89	4,080,775	7/90	3,791,639		
8/89	3,842,232	8/90	4,607,121		
9/89	4,164,822	9/90	4,883,075		

B. Secondary Level

During the last week in September, 1990, ninety-eight No.2 heating oil dealers¹ statewide were surveyed concerning their current secondary inventory practices and expected plans for the heating season. The survey was conducted by telephone and a copy of the questionnaire is attached (See Attachment 3).

At the beginning of the recent heating season, statewide #2 fuel and diesel stocks appeared less plentiful than a year ago. Nearly 20 percent of the companies in the survey maintaining inventories had less fuel in stock than a year ago. Less than 8.0 percent of the dealers indicated larger stocks than at the end of September 1989. Approximately 55 percent of the dealers surveyed did not intend to fill their storage tanks this year compared to 48 percent a year ago. Current high wholesale prices and uncertainty in the marketplace discouraged dealers from purchasing fuel to satisfy late seasonal needs. Historically, periods of rising petroleum product prices discourage inventory build-up because resellers purchase only to satisfy current requirements.

IV. DEGREE DAYS

As shown in Table 3 statewide cumulative heating degree days totalled 4831 from

¹ Dealers, for purposes of this survey, are local oil companies delivering petroleum fuels to residential customers.

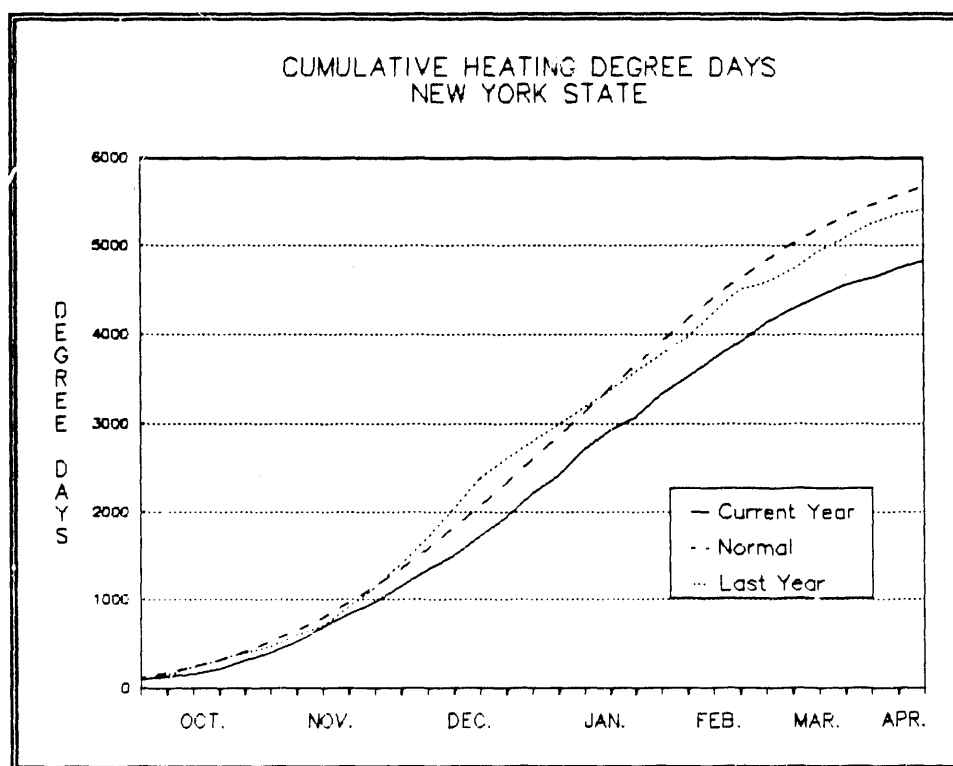
July 1st, 1990 through April 27th, 1991 and were 10.8% less than the corresponding 1989-90 period (5414) and 15.0% less than normal (5681). Chart 6 and Table 4 indicates that cumulative degree days in the 1991-1990 period were steadily below normal levels.

TABLE 3
- New York State -
Heating Degree Days

Weekly Summary

<u>Period</u>	<u>Current Heating Season (1990-91)</u>	<u>Last Heating Season (1989-90)</u>	<u>Normal Heating Season</u>	<u>Percent Change 1990-91 vs. 1989-90</u>	<u>1990-91 vs. Normal</u>
<u>Cumulative</u>					
07/01/90 - 12/01/90	974	1142	1157	-14.7	-15.8
<u>Weekly</u>					
12/02/90 - 12/08/90	183	280	207	-34.6	-11.6
12/09/90 - 12/15/90	194	290	224	-33.1	-13.4
12/16/90 - 12/22/90	154	337	239	-54.3	-35.6
12/23/90 - 12/29/90	227	339	249	-33.0	-8.8
12/30/90 - 01/05/91	220	208	258	+5.8	-14.7
01/06/91 - 01/12/91	260	205	266	+26.8	-2.3
01/13/91 - 01/19/91	207	194	266	+6.7	-22.2
01/20/91 - 01/26/91	295	192	268	+53.6	+10.1
01/27/91 - 02/02/91	217	194	266	+11.9	-18.4
02/03/91 - 02/09/91	142	205	266	-30.7	-46.6
02/10/91 - 02/16/91	262	190	259	+37.9	+1.2
02/17/91 - 02/23/91	199	204	250	-2.5	-20.4
02/24/91 - 03/02/91	197	273	236	-27.8	-16.5
03/03/91 - 03/09/91	183	253	219	-27.7	-16.4
03/10/91 - 03/16/91	216	87	203	+148.3	+6.4
03/17/91 - 03/23/91	158	141	187	+12.1	-15.5
03/24/91 - 03/30/91	139	204	169	-31.9	-17.8
03/31/91 - 04/06/91	130	154	148	-15.6	-12.2
04/07/91 - 04/13/91	74	154	131	-51.9	-43.5
04/14/91 - 04/20/91	118	119	115	-0.8	+2.6
04/21/91 - 04/27/91	82	49	98	+67.3	-16.3
<u>Cumulative</u>					
07/01/90 - 04/27/91	4831	5414	5681	-10.8	-15.0

Chart 6



New York State Energy Office

Table 4
New York State Heating Degree Days

	<u>Monthly Summary</u>			Percent Change	
	Current Heating Season (1990-91)	Last Heating Season (1989-90)	Normal Heating Season	1990-91 vs. 1989-90	1990-91 vs. Normal
October	260	342	348	-24.0	-25.3
November	590	699	651	-15.6	-9.4
December	830p	1377	1018	-39.7	-18.5
January	1082p	895	1158	+20.9	-6.6
February	840p	864	1015	-2.8	-17.2
March	752p	779	870	-3.5	-13.6
April	403p	479	515	-15.9	-21.7

p: preliminary

V. DISCOUNTS

In the 1990/1991 heating season 71.6 percent of the dealers in the home heating oil price monitoring program (289 companies representing 305 different county level prices) offer some form of cash discount. The statewide average discount is 4.5¢/gallon.

Downstate 58.5 percent of the dealers had discount programs with the typical price reduction equalling 3.7¢/gallon. The Suburban area has the largest average discount, 4.4¢/gallon, and Long Island represented the smallest, 3.5¢/gallon. Regionwide cash discounts range from 20¢/gallon (oversize tank plus cash) to 0.5¢/gallon. The borough of Manhattan is the only downstate area where a cash discount was not identified in our survey.

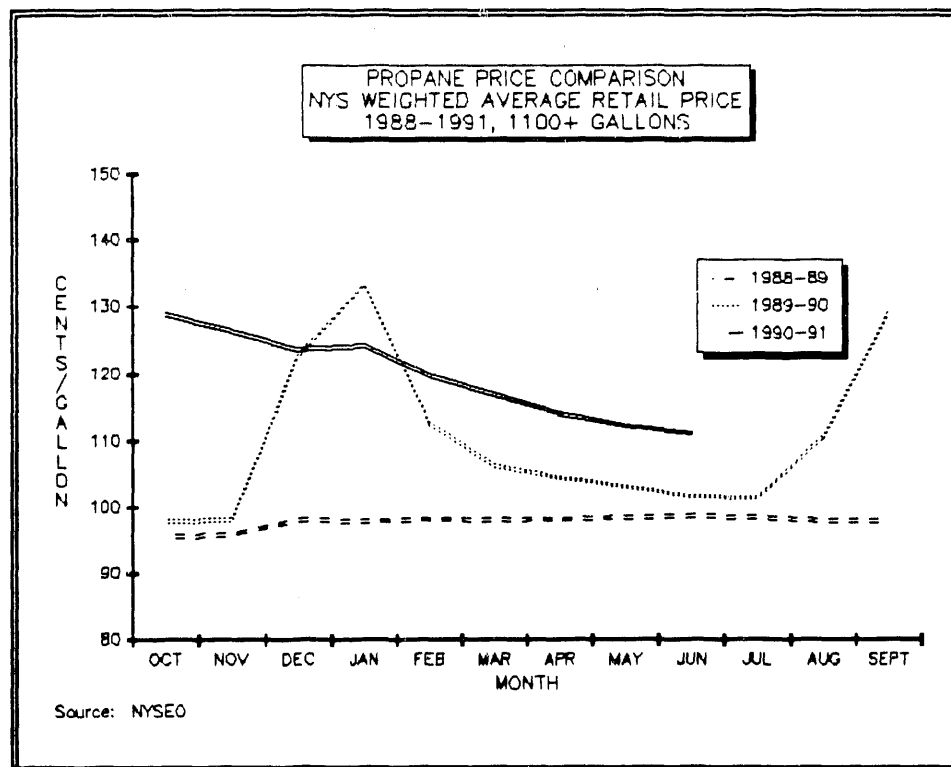
The cash discount upstate was available at 77.9 percent of the dealers and averaged 4.9¢/gallon. Typical regional discounts ranged from 5.5¢/gallon in the Western area to 4.3¢/gallon in the Lower Hudson market. Individual dealer discounts vary from 13¢/gallon (including oversize tank) to 0.5¢/gallon. Ulster was the only upstate county that our survey failed to identify a cash or other type discount.

VI. PROPANE

Unlike heating oil, propane has a wider range of residential uses. In addition to hot

water and home heating, it is used for cooking (indoor and outdoor) and transportation in both fleet and non-highway vehicles. Propane prices were collected for the following categories of annual sales: Less than 75 gallons/yr, 75 to 400 gallon/yr, 401 to 1100 gallons/yr, and over 1100 gallons/yr. Retail prices were at the seasonal high level at the start of the October 1990 survey and declined steadily afterward with the exception of December and January 1991 (see Chart 7). Prices for all categories of usage, as shown below generally followed this trend. At the end of the heating season, April, 1991 downstate prices typically were 19¢/gallon to 41¢/gallon higher than upstate prices.

Chart 7



Statewide average propane prices in the last two years have consistently remained above comparable 1988/89 heating season levels and with exception of December and

January above year ago. These surveys contributed to the biweekly Propane Fact Sheet published by this office for general distribution through out the state (see Attachment 4).

VII. CONCLUSION

The 1990-91 season saw No.2 heating oil prices at near record high levels in the beginning of the season then steadily decline during the remainder of the season. The recent season's warmer than the previous year's weather coupled with adequate inventories at all levels of supply resulted in minimal supply problems and consumer complaints.

The information and data obtained from the surveys provided the necessary material to prepare publically available summaries, fact sheets, price reviews and press releases to interested parties. Attached as enclosures are the latest copies of information disseminated to the media, utilities, industry, associations, federal, state and local governments and consumer groups.

VIII. RECOMMENDATION

The New York State Energy Office strongly encourages the Federal Department of Energy to continue in future heating seasons its financial assistance program requiring the states to monitor No.2 heating oil propane prices and inventories. Extreme cold temperatures over an extended period could result in spot supply shortages requiring a

more intense monitoring program. The weekly/biweekly surveys provided "up-to-the-minute" prices and inventories with valuable data for DOE and State management review. Changing world crude supplies, Middle East tensions and OPEC meetings can impact suddenly on #2 heating oil prices and availability. Therefore current information is most valuable in responding to Congressional and media inquiries.

The program and the resulting information is extremely valuable to both DOE's Energy Information Administration and state energy agencies. In New York State it supports price and inventory trends monitoring, which provides information to handle inquiries about fuel prices from individual consumers, consumer groups, business and trade associations, local and state governmental agencies. Additionally, the program is used to develop vital data bases necessary for policy analyses, planning, and energy demand forecasting. The program has also proven to be a valuable data source for designing and evaluating government sponsored financial assistance programs. Therefore, it is most important for this State, in cooperation with EIA, to continue the established fuel price and supply monitoring program.

U.S. DEPARTMENT OF ENERGY
NOTICE OF FINANCIAL ASSISTANCE AWARD
(See Instructions on Reverse)

Attachment 1

Under the authority of Public Law 95-91 and 95-224 as amended by 97-258

subject to legislation, regulations and policies applicable to (cite legislative program title):

The Federal Energy Administration Act of 1974

1. PROJECT TITLE 1990-1991 State Heating Oil and Propane Program		2. INSTRUMENT TYPE <input type="checkbox"/> GRANT <input checked="" type="checkbox"/> COOPERATIVE AGREEMENT	
3. RECIPIENT (Name, address, zip code, area code and telephone no.) New York State Energy Office, Agency Building #2, Empire State Plaza, Albany, New York 12223		4. INSTRUMENT NO. DE-FC01-91EI22620	5. AMENDMENT NO. A000
8. RECIPIENT PROJECT DIRECTOR (Name and telephone No.) John S. Edwards (518) 473-3727		6. BUDGET PERIOD FROM: 5/28/91 THRU 9/30/91	7. PROJECT PERIOD 9/30/91 FROM: 5/28/91 THRU
9. RECIPIENT BUSINESS OFFICER (Name and telephone No.) John S. Edwards (518) 473-3727		10. TYPE OF AWARD <input checked="" type="checkbox"/> NEW <input type="checkbox"/> CONTINUATION <input type="checkbox"/> RENEWAL <input type="checkbox"/> REVISION <input type="checkbox"/> SUPPLEMENT	
11. DOE PROJECT OFFICER (Name, address, zip code, telephone No.) Georgia Collier, EI-22 1000 Independence Avenue, S.W. Washington, D.C. 20585 (202) 586-1108		12. ADMINISTERED FOR DOE BY (Name, address, zip code, telephone No.) U.S. Department of Energy Office of Placement and Administration ATTN: Bill Heaps, PR-322.2 1000 Independence Avenue, S.W. Washington, D.C. 20585 (202) 586-3347	
13. RECIPIENT TYPE <input checked="" type="checkbox"/> STATE GOVT <input type="checkbox"/> INDIAN TRIBAL GOVT <input type="checkbox"/> HOSPITAL <input type="checkbox"/> FOR PROFIT ORGANIZATION <input type="checkbox"/> INDIVIDUAL <input type="checkbox"/> LOCAL GOVT <input type="checkbox"/> INSTITUTION OF HIGHER EDUCATION <input type="checkbox"/> OTHER NONPROFIT ORGANIZATION <input type="checkbox"/> C <input type="checkbox"/> P <input type="checkbox"/> SP <input type="checkbox"/> OTHER (Specify)			
14. ACCOUNTING AND APPROPRIATIONS DATA a. Appropriation Symbol 8910216.91 b. B & R Number TA-01-10 c. FT/AF/POC CR-16-91/EI-M1/250 d. CFA Number 03372567			15. EMPLOYER I.D. NUMBER/SSN 14-6013200
16. BUDGET AND FUNDING INFORMATION a. CURRENT BUDGET PERIOD INFORMATION (1) DOE Funds Obligated This Action \$ 27,489 (2) DOE Funds Authorized for Carry Over \$ 0 (3) DOE Funds Previously Obligated in this Budget Period \$ 0 (4) DOE Share of Total Approved Budget \$ 27,489 (5) Recipient Share of Total Approved Budget \$ 27,510 (6) Total Approved Budget \$ 54,999			b. CUMULATIVE DOE OBLIGATIONS PR No. 01-91EI22620.000 B/NC B206 (1) This Budget Period \$ 27,489 (Total of lines a. (1) and a. (3)) (2) Prior Budget Periods \$ 0 (3) Project Period to Date \$ 27,489 (Total of lines b. (1) and b. (2))
17. TOTAL ESTIMATED COST OF PROJECT \$ 54,999			

(This is the current estimated cost of the project. It is not a promise to award nor an authorization to expend funds in this amount.)

8. AWARD/AGREEMENT TERMS AND CONDITIONS

This award/agreement consists of this form plus the following:

a. Special terms and conditions (if grant) or schedule, general provisions, special provisions (if cooperative agreement)

b. Applicable program regulations (specify) N/A (Date)

c. DOE Assistance Regulations, 10 CFR Part 600, as amended, Subparts A and ☐ B (Grants) or ☒ C (Cooperative Agreements).d. Application/proposal dated 12/13/90 ☐ as submitted ☒ with changes as negotiated

9. REMARKS

2. EVIDENCE OF RECIPIENT ACCEPTANCE

William D. Cotter 6/6/91
(Signature of Authorized Recipient Official) (Date)

William D. Cotter

(Name)

Commissioner

(Title)

21. AWARDED BY

Scott Sheffield 5/28/91
(Signature) (Date)

Scott Sheffield

(Name)

Contracting Officer



HOME HEATING OIL FACT SHEET

June 28, 1991

SUMMARY

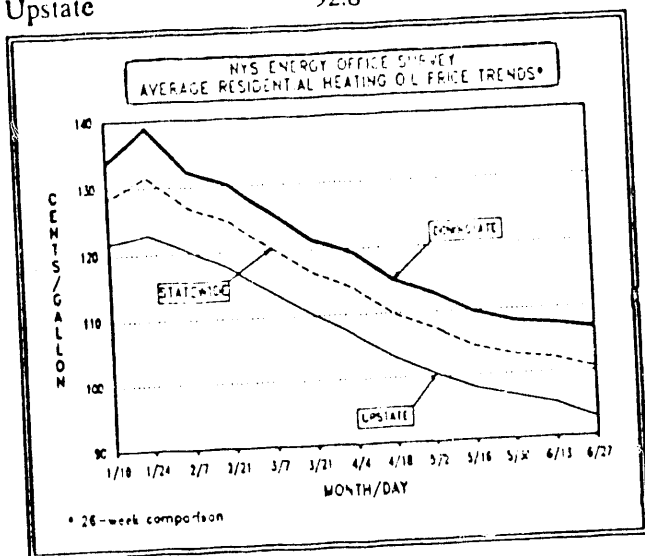
Statewide average home heating oil prices continued moving lower in the past two weeks but remained at their highest June levels since 1985. Over the last two weeks residential prices typically fell 1.6¢/gallon bringing the decline since the end of March 1991 to 14.7¢/gallon. Despite this downturn, current prices are 4.5¢/gallon higher than a year ago.

Average residential prices continue to decrease more noticeably upstate than downstate. As a result of the 0.7¢/gallon and 2.5¢/gallon declines, respectively, in typical downstate and upstate prices in the last two weeks, this regional spread widened to 14.0¢/gallon -- its largest level in five months. In the downstate area, price reductions of more than a penny a gallon in the Suburban and Long Island regions where moderated by the 0.5¢/gallon drop in New York City. Throughout upstate, regional changes were more volatile as price declines ranged from 1.2¢/gallon in the Capital District to 3.6¢/gallon in the Southern Tier. Compared to a year ago, present average prices have increased 5.4¢/gallon downstate and 3.5¢/gallon upstate.

Typical wholesale #2 oil costs fell 1.0¢/gallon during the latter half of June to resume their six month-long downturn that was stalled during the prior two week period. Average terminal prices have fallen 9.7¢/gallon since the close of the past heating season, but are 6.1¢/gallon higher than last year.

RESIDENTIAL AND WHOLESALE PRICE TRENDS (cents per gallon)

Residential Weekly Price	Average	High	Low	Past Period Averages	
				06/13/91	06/28/90
Statewide	100.6	115.9	67.9	102.2	96.1
Downstate	106.8	115.9	87.0	107.5	101.4
Upstate	92.8	108.0	67.9	95.3	89.3

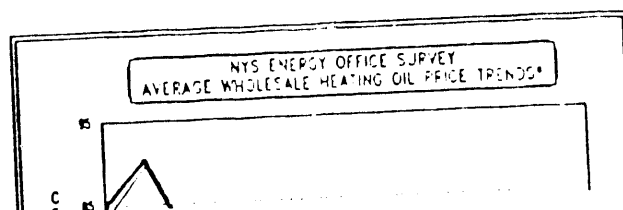
Regional Detail^{1/}: 06/13/91

Region	Average	High	Low
Long Island	108.3	115.9	99.9
New York City	107.4	112.9	87.0
Suburban	100.3	109.9	89.9
Lower Hudson	94.4	99.9	73.0
Capital District	93.0	103.0	79.0
North Country	91.5	99.9	81.0
Southern Tier	92.0	104.0	84.0
Central	94.6	101.9	84.0
Western	90.8	100.9	67.9

Wholesale^{2/}
Price
Albany, NY

-----06/27/91-----
High 65.6 Low 55.1

Price
Average 57.0





NEW YORK STATE ENERGY OFFICE

WILLIAM D. COTTER
COMMISSIONER

SECONDARY LEVEL SURVEY - HEATING OILS

Name _____ Date _____

County _____

Phone (518) _____

- 1) Do you have storage? ☐ Yes ☐ No If yes,
☐ Kerosene
☐ No.2 Fuel Oil
2. Compared to last year at this time, the inventory is:
☐ More _____ %
☐ Less _____ %
☐ About the Same
- 3) Do you anticipate filling your storage? (if asked, respond before early November)
☐ Yes
☐ No

If so, by what date? _____

How do you plan to maintain adequate supply to satisfy customer needs throughout the home heating season?

- ☐ Primarily from your storage
☐ From storage and frequent terminal liftings
☐ Soley from terminal liftings

- 4) Do you trade at the New York Merchantile Exchange in the future's market on No.2 Heating Oil?
☐ Yes
☐ No
- 5) Do you have more than one supplier?
☐ Yes
☐ No

- 6) What approximate share of your estimated 1987/88 heating season requirements will be satisfied by contract purchases? _____

- 7) Other Comments: _____

BY: _____



PROPANE FACT SHEET

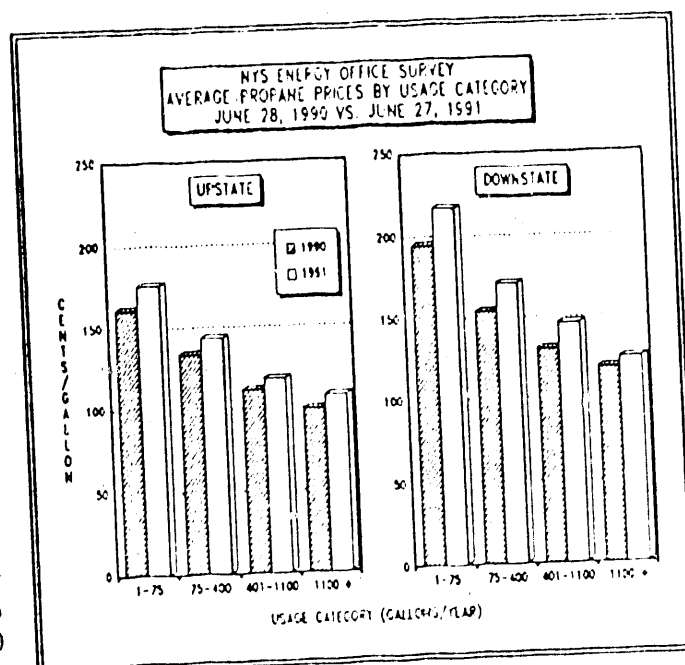
July 1, 1991

SUMMARY

Average statewide retail propane prices eased between 0.5¢/gallon and 1.8¢/gallon over the past two weeks with the largest reductions in the over 1100 gallon/year category. As a result, typical prices in June fell by 1.3¢/gallon to 3.0¢/gallon, the largest monthly downturn since March 1991. Nonetheless, compared to a year ago, current prices are 7.7¢/gallon to 15.5¢/gallon higher depending on category of sales.

Over the last two weeks, average prices generally declined in all regions although the less than 75 gallons/year bracket showed mixed changes. Downstate price behavior was dominated by decreases of 2.3¢/gallon to more than 3.0¢/gallon on Long Island. Upstate price reductions typically were largest in the North Country and Southern Tier regions, but the Capital District showed the steepest declines in the over 1100 gallon/year category. During the past two months, the general downturn in retail prices has been greatest in the North Country where 5¢/gallon to 6¢/gallon decreases are shown for all sales brackets. Suburban and Capital District prices also have moved lower since April, particularly in the over 1100 gallon category where typical decreases of nearly 7.5¢/gallon have occurred.

A seasonal lull in demand has caused wholesale propane costs to fall to their lowest levels since late July 1990. Contract prices during the last two weeks declined more than 3.0¢/gallon at Selkirk and Mont Belvieu. Compared to a year ago, however, current contract and spot prices remain higher in domestic markets and Sarnia.



Retail Average Propane Prices (¢/gallon) - June 13, 1991 Survey

Area	Less Than 75 gallons/yr		75 to 400 gallons/yr		401 to 1100 gallons/yr		Over 1100 gallons/yr	
	06/27/91	06/13/91	06/27/91	06/13/91	06/27/91	06/13/91	06/27/91	06/13/91
Statewide	181.7	182.2	147.2	148.1	122.1	123.0	109.6	111.4
High	269.9	269.9	234.6	234.6	171.8	179.3	160.6	168.1
Low	127.4	127.4	105.0	105.0	96.9	96.9	82.5	82.5
Downstate	217.3	218.5	170.7	172.4	146.2	147.9	124.5	127.1
Upstate	175.7	176.0	143.2	144.0	118.0	118.8	107.1	108.7
Regions: 1/								
Long Island	221.3	223.6	180.6	183.1	156.3	158.6	139.4	143.1
New York City	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Suburban	213.3	213.3	160.7	161.7	136.1	137.1	109.7	111.2
Lower Hudson	194.2	193.0	148.0	148.7	124.2	125.0	111.3	112.1

END

DATE
FILMED

4/10/92

