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Heating Oil Expenditure Outlook Revised Downward, But Mainers Should Stay Prepared

Augusta, Maine – The Governor’s Office of Energy Independence and Security (OEIS) conducted its weekly heating fuel price survey on Monday, January 16, 2012 and found that the current statewide average cash price for No. 2 heating oil to be **\$3.70 per gallon**, up \$0.02 from last week.

“Relatively mild temperatures at the beginning of the heating season reduced demand for heating fuels throughout the Northeast, according to the U.S. Department of Energy’s data analysis division,” said OEIS Director Ken Fletcher. “The Energy Information Administration (EIA) revised its short-term energy outlook to estimate that average household heating oil expenditures are now expected to increase by 4 percent this winter, compared to its 8 percent growth forecast in October. Despite the rosier predictions, we do live in Maine and can expect snow, ice and cold for the remainder of the winter. Homeowners and businesses should stay aware of the possibilities for storms, price spikes and/or fuel disruptions and ensure they have adequate heating fuel supply at all times. Using this week’s average heating oil price and converting to a common heating unit value (million Btu) the price of fuel oil is at \$26.68. This compares with an equivalent heating unit value for natural gas of \$15.70 (at \$1.57/therm); propane, \$34.49 (at \$3.15/gallon); wood pellets, \$14.30 (at \$236/ton); and cord wood, \$10.50 (at \$210/cord). OEIS has a calculator on its web site that allows consumers to estimate home heating costs and price impacts of various energy sources. http://www.maine.gov/oeis/docs/heatcalculatorMEv3_1.xls.

As of January 16, 2012

Heating Oil	Statewide	Southwest	Central	Eastern	Western	Northern
Average	3.70	3.63	3.78	3.75	3.59	3.83
High	4.07	3.75	4.07	3.89	3.75	3.85
Low	3.47	3.48	3.59	3.59	3.47	3.80
Kerosene	4.10	4.04	4.16	4.15	3.97	4.23
Propane	3.15					

It is important to note that the price for heating oil is a statewide average and that prices in a given geographic region of the state may be considerably higher or lower than the statewide average. Within the OEIS sample, the lowest actual heating oil price of \$3.47 per gallon can be found in the Western region. The highest price of \$4.07 per gallon was found in the Central region. The statewide kerosene price average is \$4.10 per gallon at this time. The statewide average for propane **based on a use of 925 gallons a year** is \$3.15 per gallon. The table above provides current Maine cash prices in dollars rounded to the nearest penny. On January 17, the price of WTI crude oil, a major driver of refined petroleum product prices, including heating oil, was at \$100.46 per barrel. Efficiency Maine links Maine homeowners and businesses with qualified, certified contractors who provide access to energy improvement options. For program details call 866-376-2463 or visit www.energymaine.com.