

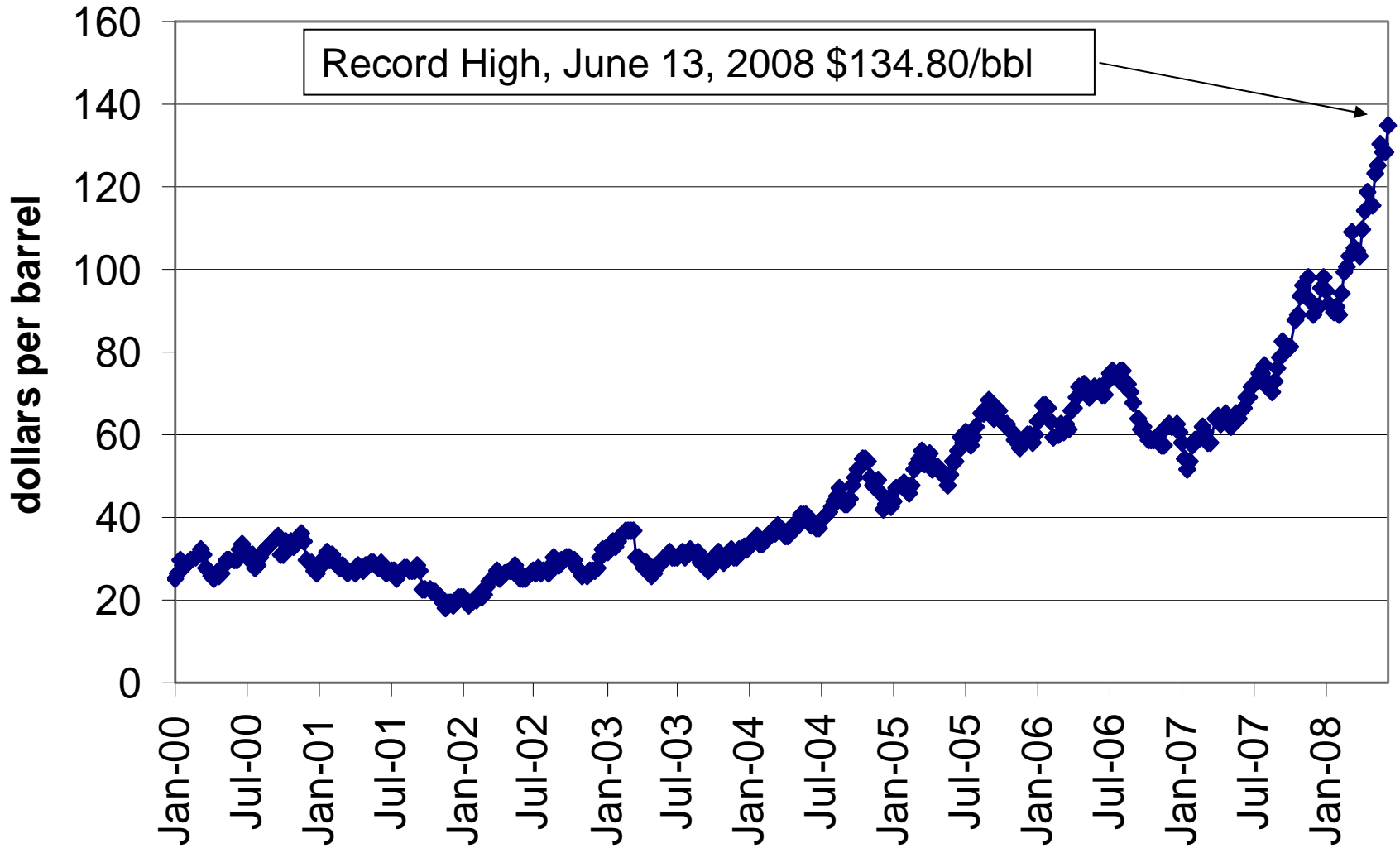
NYS Agencies Pre-Winter Heating Fuels Summit: Petroleum Fuels

Charles M. Wesley

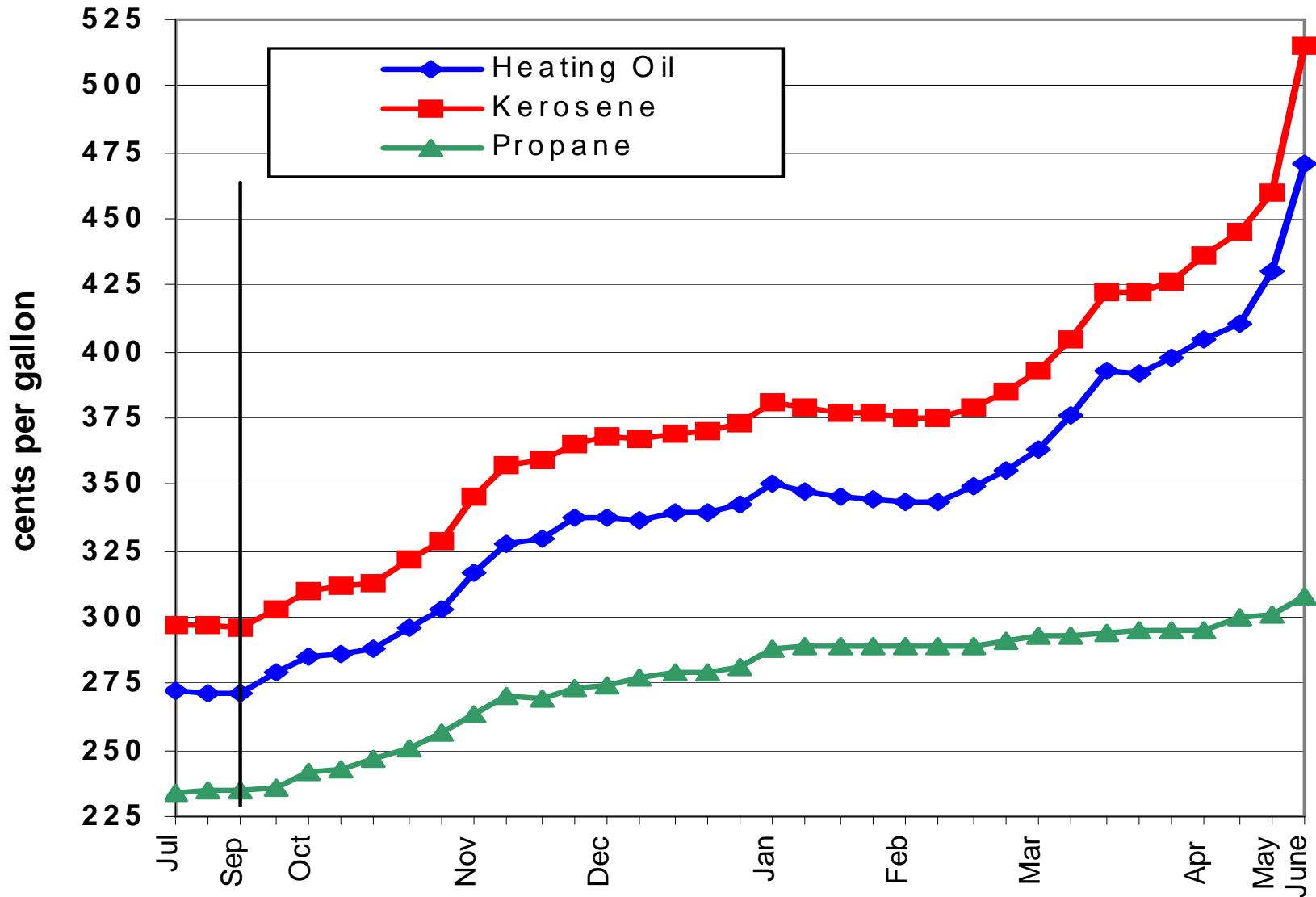
NYS Energy Research & Development Authority

July 1, 2008
Blue Room, Capitol

Spot WTI Crude Oil, Weekly Average



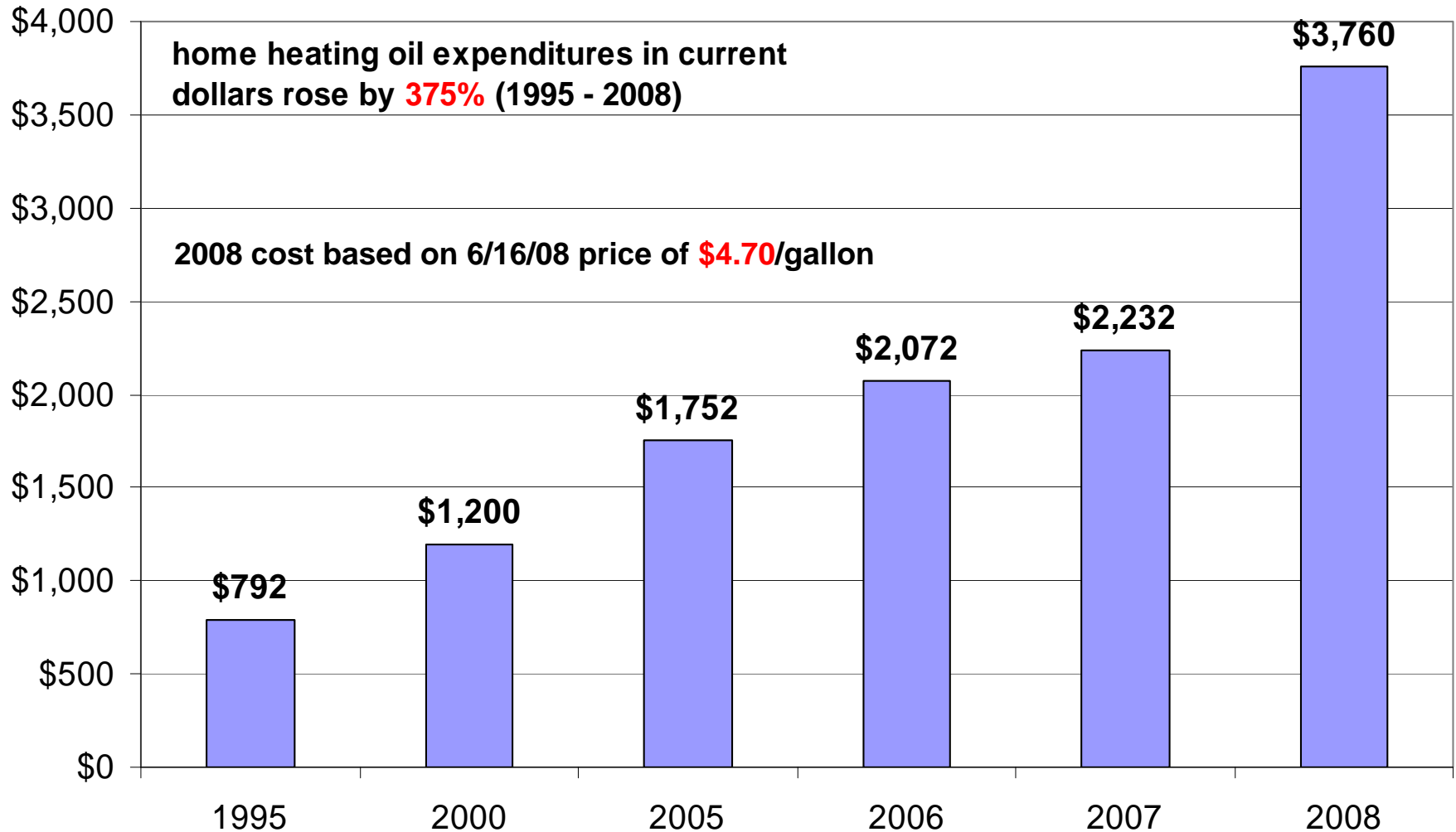
NYS Heating Fuel Prices, One Year Trend



source: NY SERDA

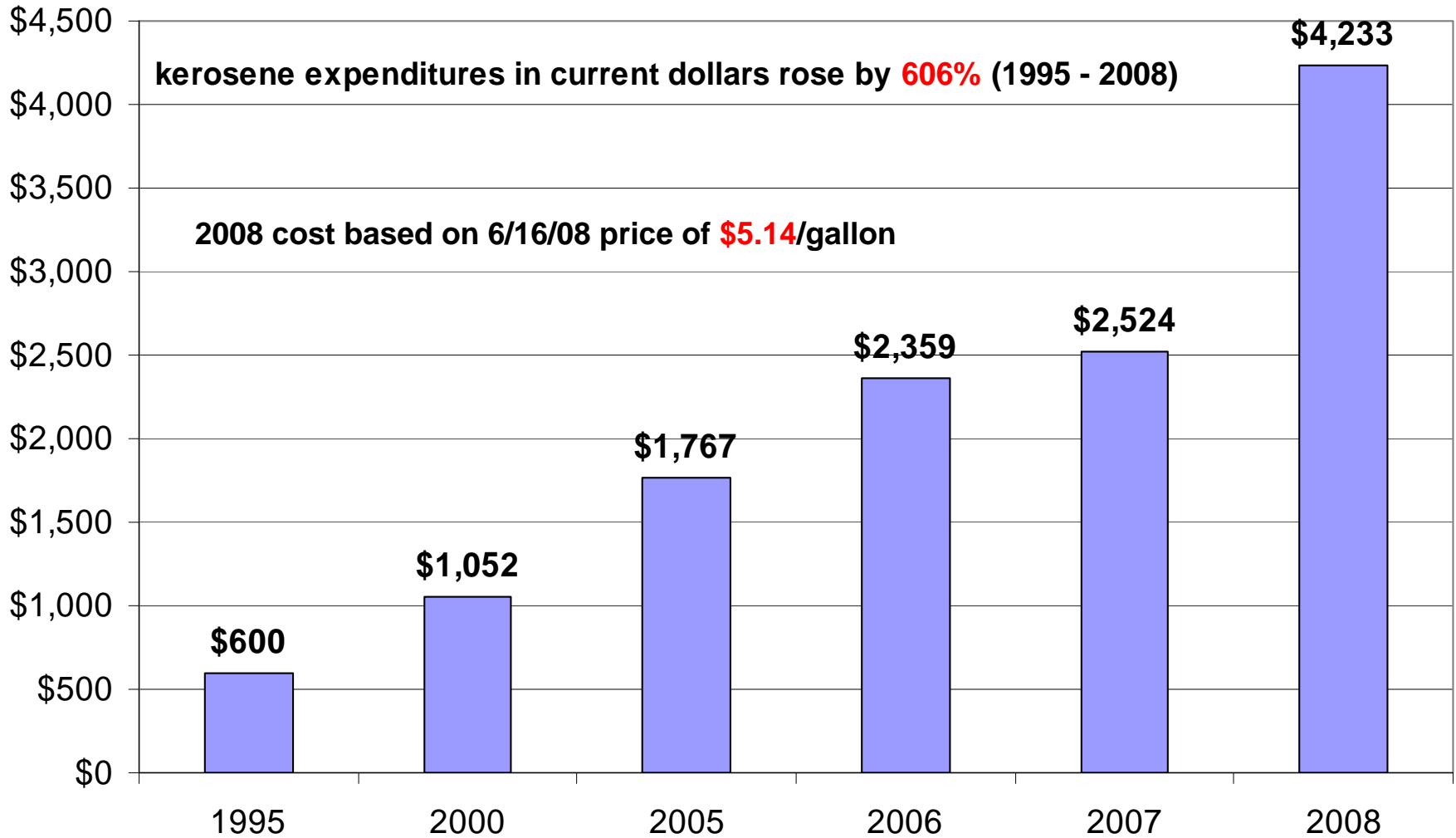
NYS Annual Heating Oil Expenditure per Household

Example: 800 gallons of fuel used



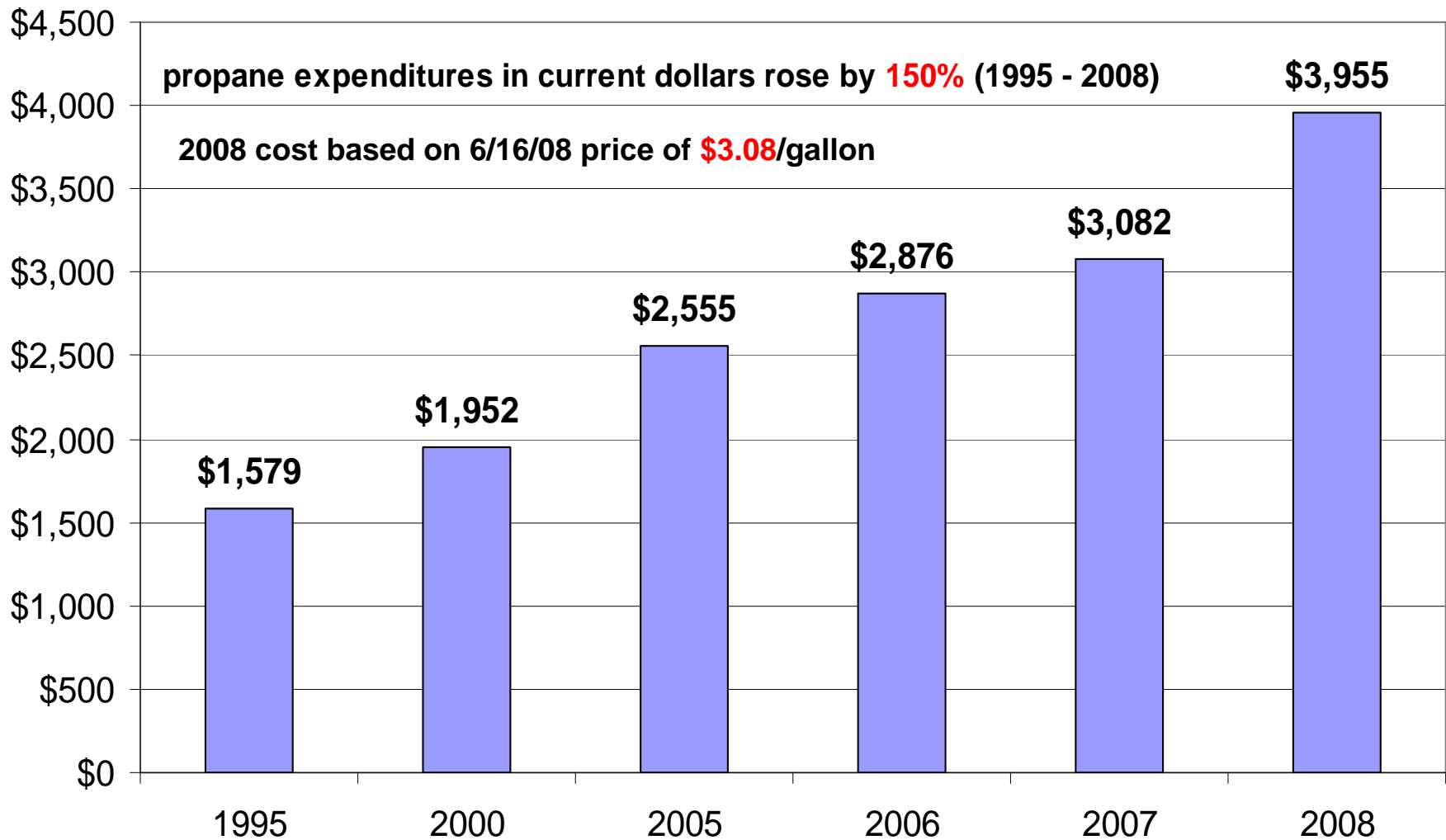
NYS Annual Kerosene Expenditure per Household

Example: 822 gallons of fuel used



NYS Annual Propane Expenditure per Household

Example: 1,284 gallons of fuel used



Supplier & User Issues

● Distribution Companies

- Prices
- Receivables from last year
- May not supply until last year is squared up
- Must pay supplier in 10 days
- Customer has 30 days to pay, cost of the 20 day float is significant. Grows as payments are delayed
- Pre-Pay and price lock-in plans....costly
- Prices at these levels will alter historic business practices

● Consumers

- Prices
- Many still owe from last year
- Difficult to afford pre-pay or lock-in programs
- Because of monetary pressure users may wait to last moment to fill tanks
- May seek alternative & questionable heating solutions
- Users may be forced to make difficult decisions