

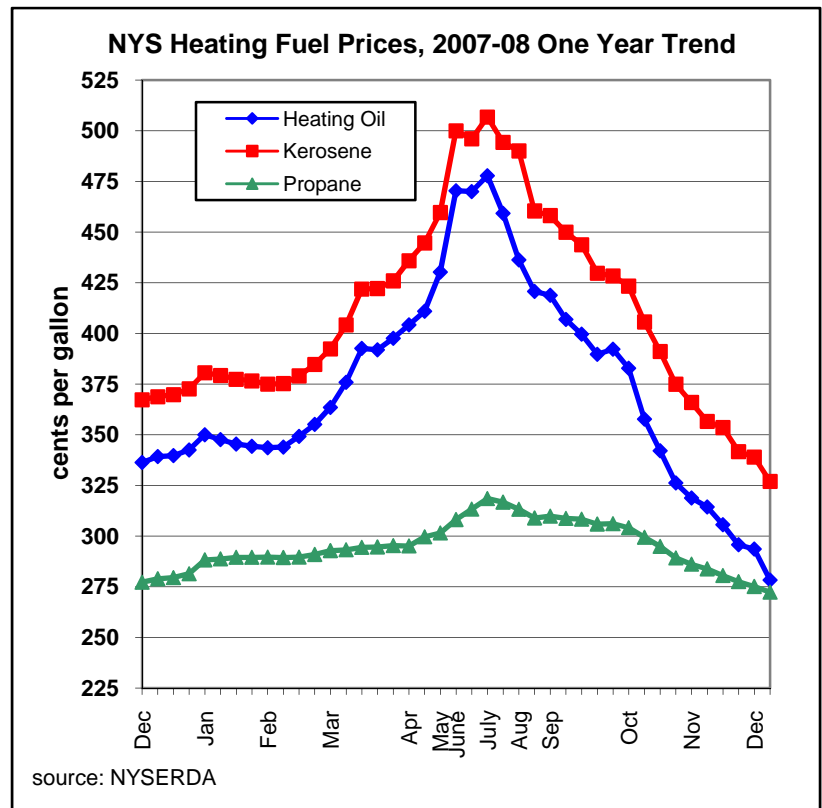
NYSERDA HEATING FUELS REPORT December 8, 2008

The Governor's Heat Smart NY Interagency Task Force - Rising energy costs may make this winter's heating bills much higher than in recent years. To prepare for this reality, Governor David A. Paterson called for the formation of an interagency taskforce, designed to bring together the agencies that provide the programs and services that families struggling to afford their home heating bills rely upon. By coordinating efforts, the agencies that make up the Governor's Heat Smart NY Interagency Task Force hope to simplify the process of finding assistance and unite resources under one direction and theme, Heat Smart NY. www.heatsmartny.org

Retail Petroleum Prices – On a statewide basis in the past week, prices decreased 15.7¢/gallon (5.3%) to 278.3¢/gallon for heating oil, 12.0¢/gallon (3.5%) to 327.0¢/gallon for kerosene, and 2.8¢/gallon (1.0%) to 272.3¢/gallon for propane. Compared to a year earlier, prices decreased 58.0¢/gallon (17.2%) for heating oil, 40.3¢/gallon (11.0%) for kerosene, and 4.9¢/gallon (1.8%) for propane.

Crude Oil Prices – For the week ending 12/5/08, WTI crude oil spot prices averaged \$44.66/bbl, a decrease of \$8.61/bbl (16.2%) from the week-ago average of \$53.27/bbl. WTI prices are now \$44.05/bbl (49.7%) below the year-ago weekly average of \$88.71/bbl. The all-time weekly average high of \$142.52/bbl occurred on 7/04/08.

Spot Natural Gas Prices – For the week ending 12/5/08, Henry Hub natural gas spot prices averaged \$6.452 per million Btu (mmBtu), a decrease of \$0.218/mmBtu (3.3%) from the prior week level of \$6.670/mmBtu. Prices are currently \$0.680/mmBtu (9.5%) below the year-earlier weekly average of \$7.132/mmBtu.



Residential Natural Gas Prices – NYS average prices in September 2008 were \$2.149/therm, a decrease of \$0.227/therm (9.6%) from the prior month of \$2.376/therm and \$0.390/therm (22.2%) more than the year earlier average of \$1.759/therm.

Middle Atlantic Stocks – Current and historic heating fuel inventory data is presented in the table below.

| Middle Atlantic Region, Weekly Inventories (million barrels) | | | | | | | |
|--|---------|----------|------------------------|----------|------------------------|----------------|-------------------------|
| Fuel Type | 12/5/08 | 11/28/08 | % Change vs. Last Week | Year Ago | % Change vs. Last Year | 5-Year Average | % Change vs. 5-Year Avg |
| Highway Diesel (0-15 ppm) | 7.4 | 6.9 | 7.2% | 7.4 | 0.0% | N/A | N/A |
| Non-road Diesel (15-500 ppm) | 3.1 | 2.9 | 6.9% | 4.6 | -32.6% | 7.7 | -59.7% |
| Home Heating Oil (>500 ppm) | 20.0 | 19.9 | 0.5% | 22.4 | -10.7% | 23.4 | -14.5% |
| Propane | 1.672 | 1.815 | -7.9% | 2.481 | -32.6% | 2.301 | -27.3% |
| #6 Residual Oil | 11.2 | 10.5 | 6.7% | 12.2 | -8.2% | 12.6 | -11.1% |
| US Natural Gas | 3,291 | 3,358 | -2.0% | 3,336 | -1.3% | 3,181 | 3.5% |
| US Crude Oil | 320.8 | 320.4 | 0.1% | 304.5 | 5.4% | 306.6 | 4.6% |

ppm = parts per million sulfur content
Notes: Natural Gas in billion cubic feet (Bcf), Middle Atlantic is DE, DC, MD, NJ, NY, and PA
Source: US DOE/EIA

| New York State Retail #2 Heating Oil Posted Credit Prices (cents per gallon) | | | | | |
|--|----------------|---------------|---------------------------|--------------|------------------------|
| REGION | 12/8/08 | 12/1/08 | % Change vs. Prior Survey | Year Ago | % Change vs. Last Year |
| Long Island | 283.0 | 301.2 | -6.0% | 345.2 | -18.0% |
| New York City | 284.1 | 303.7 | -6.5% | 347.0 | -18.1% |
| Lower Hudson | 281.0 | 298.8 | -6.0% | 342.2 | -17.9% |
| Upper Hudson | 277.8 | 295.8 | -6.1% | 331.1 | -16.1% |
| Capital District | 281.9 | 299.4 | -5.8% | 323.1 | -12.8% |
| North Country | 271.3 | 280.9 | -3.4% | 335.9 | -19.2% |
| Central | 273.1 | 282.8 | -3.4% | 329.0 | -17.0% |
| Western | 268.8 | 279.4 | -3.8% | 327.1 | -17.8% |
| Statewide | 278.3 | 294.0 | -5.3% | 336.3 | -17.2% |
| New York State Retail Propane Posted Credit Prices (cents per gallon) | | | | | |
| Long Island | 312.8 | 312.8 | 0.0% | 281.8 | 11.0% |
| Mid-Hudson | 276.7 | 277.2 | -0.2% | 276.3 | 0.1% |
| Capital District | 305.8 | 315.6 | -3.1% | 303.9 | 0.6% |
| North Country | 267.0 | 274.9 | -2.9% | 299.9 | -11.0% |
| Central | 250.8 | 252.5 | -0.7% | 264.2 | -5.1% |
| Western | 264.8 | 266.8 | -0.7% | 260.9 | 1.5% |
| Statewide | 272.3 | 275.1 | -1.0% | 277.2 | -1.8% |
| New York State Retail Kerosene Posted Credit Prices (cents per gallon) | | | | | |
| Mid-Hudson | 357.8 | 370.1* | -3.3% | 377.8 | -5.3% |
| Capital District | 330.3 | 344.6 | -4.1% | 361.4 | -8.6% |
| North Country | 317.5 | 326.4 | -2.7% | 370.0 | -14.2% |
| Central | 339.0 | 351.1 | -3.4% | 359.8 | -5.8% |
| Western | 320.9 | 335.2 | -4.3% | 358.4 | -10.5% |
| Statewide | 327.0 | 339.0* | -3.5% | 367.3 | -11.0% |
| New York State Average Residential Natural Gas Prices (\$/therm) | | | | | |
| REGION | September 2008 | August 2008 | % Change vs. Prior Month | Sept 2007 | % Change vs. Last Year |
| Statewide | 2.149 | 2.376 | -9.6% | 1.759 | 22.2% |

*** Revision**

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

- Heating oil – highest price 477.8¢/gallon on 7/14/08, lowest price 87.6¢/gallon on 9/08/98.
- Propane – highest price 318.5¢/gallon on 7/14/08, lowest price 107.2¢/gallon on 9/20/99.
- Kerosene – highest price 506.8¢/gallon on 7/14/08, lowest price 130.9¢/gallon on 9/09/02.

Residential Natural Gas Prices: Statewide average prices are derived from US EIA most currently available data. NYS gas utility specific prices can be found on the NYS DPS website at <http://www.dps.state.ny.us/TypicalBills.htm#GasRes>.

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, Schoenectady, 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.

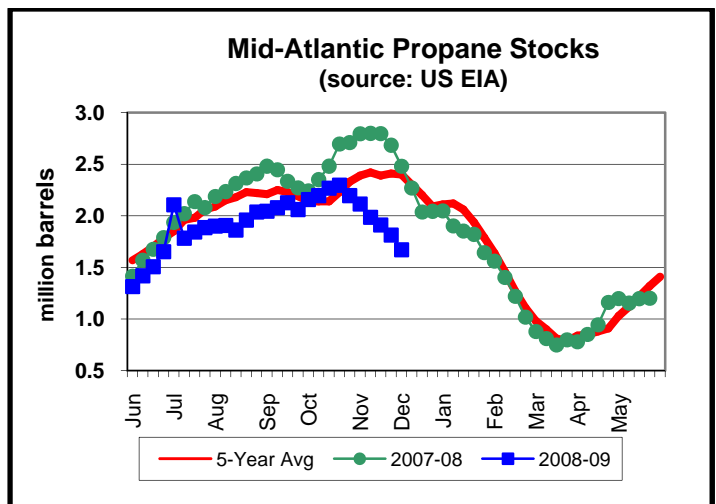
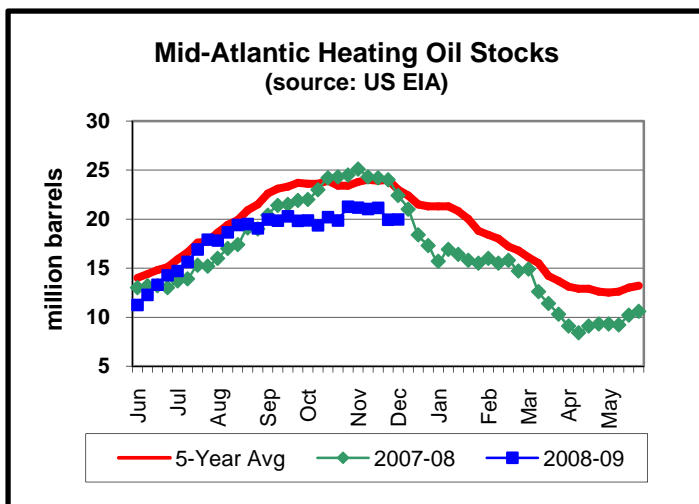
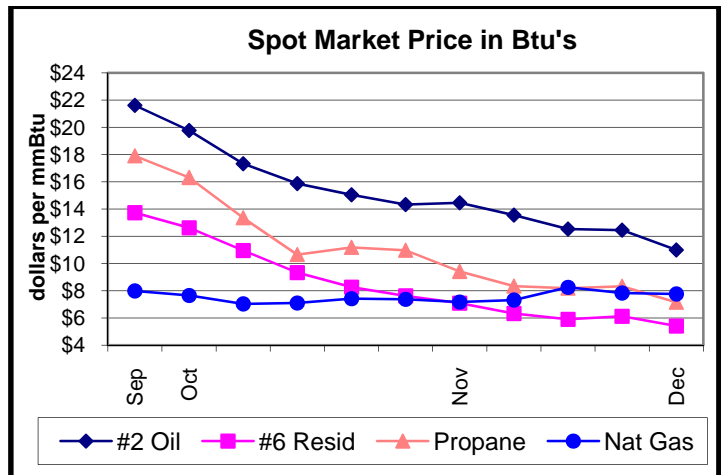
Heating Degree Days – On a statewide basis during the past week, the number of heating degree days (208) was 17.5% below the year-ago level (252) but 4.0% above the normal trend (200). On a cumulative basis, current year heating degree days (1,284) surpass the year-ago level (1,116) by 15.1% and the normal trend (1,278) by 0.5%.

| New York State Heating Degree Day Information, Weekly & Cumulative | | | | | | |
|--|------------------------------|------------|------------|---------------------------------|--------------|--------------|
| | Week Ending December 6, 2008 | | | Cumulative From October 1, 2008 | | |
| Region | 2008 | 2007 | Normal | 2008-09 | 2007-08 | Normal |
| Albany | 227 | 279 | 217 | 1,486 | 1,354 | 1,416 |
| Buffalo | 236 | 268 | 217 | 1,443 | 1,250 | 1,382 |
| Massena | 230 | 329 | 264 | 1,690 | 1,659 | 1,711 |
| NYC | 170 | 214 | 163 | 944 | 810 | 925 |
| Syracuse | 232 | 293 | 221 | 1,534 | 1,327 | 1,426 |
| Statewide | 208 | 252 | 200 | 1,284 | 1,116 | 1,278 |

Btu Comparison – The Btu graph equates the spot market price, in table below, for NY Harbor #2 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.

| New York Spot Prices, Weekly Average | | | |
|--------------------------------------|---------|----------|----------|
| Fuel | 12/5/08 | Year Ago | % Change |
| Low-Sulfur Diesel | 153.7 | 259.2 | -40.7% |
| #2 Fuel Oil | 152.5 | 250.9 | -39.2% |
| #6 Residual 1.0% | 81.0 | 165.9 | -51.2% |
| Propane | 61.5 | 149.9 | -59.0% |
| Natural Gas | 7.754 | 13.846 | -44.0% |

Note: Fuel in ¢/gallon, natural gas (\$/mmBtu)=NYcitygate



Additional historic **regional specific** prices and supply information is available at NYSERDA's website. For more information please contact Charlie Wesley at (518) 862-1090 ext. 3364, e-mail cmw@nyserdera.org.