

Vermont Department of Public Service

Energy Efficiency Division

STATE HEATING OIL AND PROPANE PROGRAM

FINAL REPORT

**Survey of #2 heating oil and propane prices at the retail level
October 2001 through March 2001**

**Funded by the U.S. Department of Energy
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State Heating Oil and Propane Program 2000 - 2001 Vermont Final Report

The Energy Efficiency Division of the Vermont Department of Public Service (DPS) monitored the price and inventory of residential heating oil and propane during the 2000 - 2001 heating season under a grant from the U.S. Department of Energy's Energy Information Administration (EIA). DPS staff collected data weekly between October 2, 2000 and March 19, 2001 on the retail price of #2 home heating oil and propane by telephone survey. Propane price quoted was based on the rate for a residential home heating customer using 1,000+ gallons per year. The EIA weighted, analyzed, and reported the data collected from their sample.

The DPS supplemented the EIA data collection in two ways. First, it collects data on the price of kerosene, motor gasoline, and diesel fuel in addition to the EIA required fuels. Second, it continues the survey a monthly basis through the non-heating season. These mechanisms improve the Department's relationship with its suppliers and provide the resources for better characterization of the petroleum market.

The DPS uses the expanded sample set to produce a monthly news letter, the *Vermont Fuel Price Report* (copies attached). The *Report* includes current and projected information on price and supply of petroleum fuels¹. In past years the *Report* was mailed to over 125 fuel dealers, news media, consumer advocates, and state agencies and was also available on the internet at the DPS web site. At the beginning of this heating season the DPS began distribution of the *Report* exclusively through its expanded Fuels web page, which is available available at

<http://www.state.vt.us/psd/ee/FuelPrice/FuelPriceHome.htm>

This web page features current and past reports, DPS analysis, and a page of links to market information. The DPS also set up an e-mail list to notify subscribers of changes to the web page. These change, which were undertaken to offset the increased uncompensated costs of weekly reporting as requested by the EIA, has been positively received by our constituents.

The DPS has been actively involved in state and regional responses to the price spike experienced last heating season. This involvement included:

- presenting at the Coalition of Northeast Governors (CONEG) Regional Heating Fuels

¹ Due to the difference in data sets and statistical methods, the numbers in the *Report* may vary from the numbers produced by the EIA.

Task Force meetings in July, 2000

- attending at the CONEG/New England Fuel Institute joint meeting and the annual SHOPP meeting in August, 2000
- participating in the New England Governors Conference (NEGC) Power Planning Committee meeting and the EIA/NASEO Winter Fuels Meeting in October, 2000
- preparation for and participation in the Northeast Winter Fuels Emergency Workshop and Simulation Exercise in December, 2000.
- participation in weekly conference calls during the heating season sponsored by NEGC

The DPS also contributed to specific products to the regional/national effort. Most notable among these are:

- an alternative design for the Northeast Home Heating Oil Reserve convey by letter to Secretary Richardson.
- criteria for evaluating the design of the Northeast Home Heating Oil Reserve.

The DPS staff member with primary responsibility for SHOPP spent over 440 hours on project related activities during the first three quarters of FY 2001, an increase of more than 250% compared to the previous year.