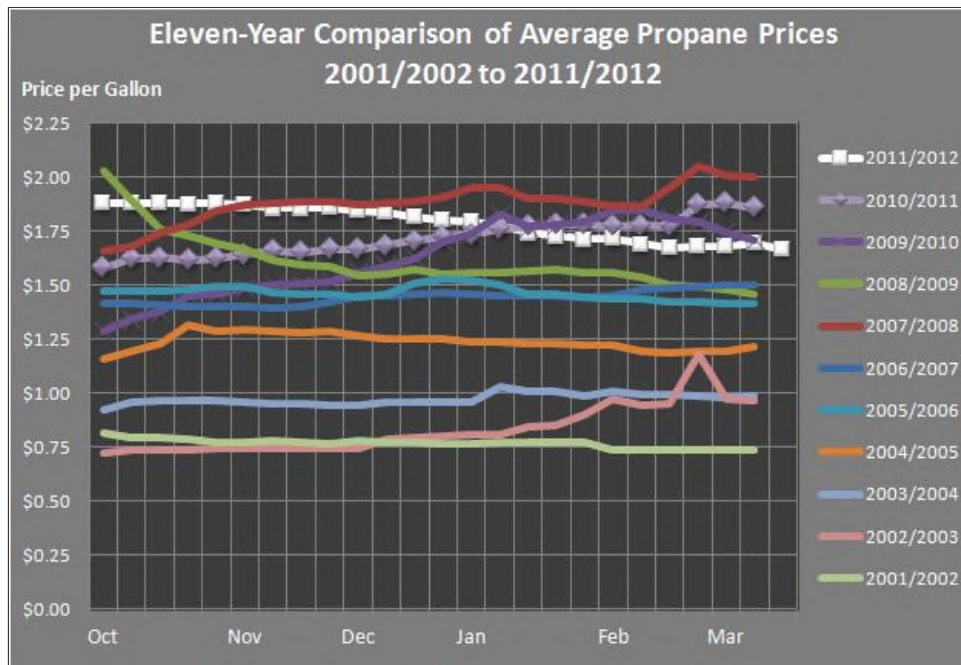


State of Nebraska Heating Oil and Propane Program

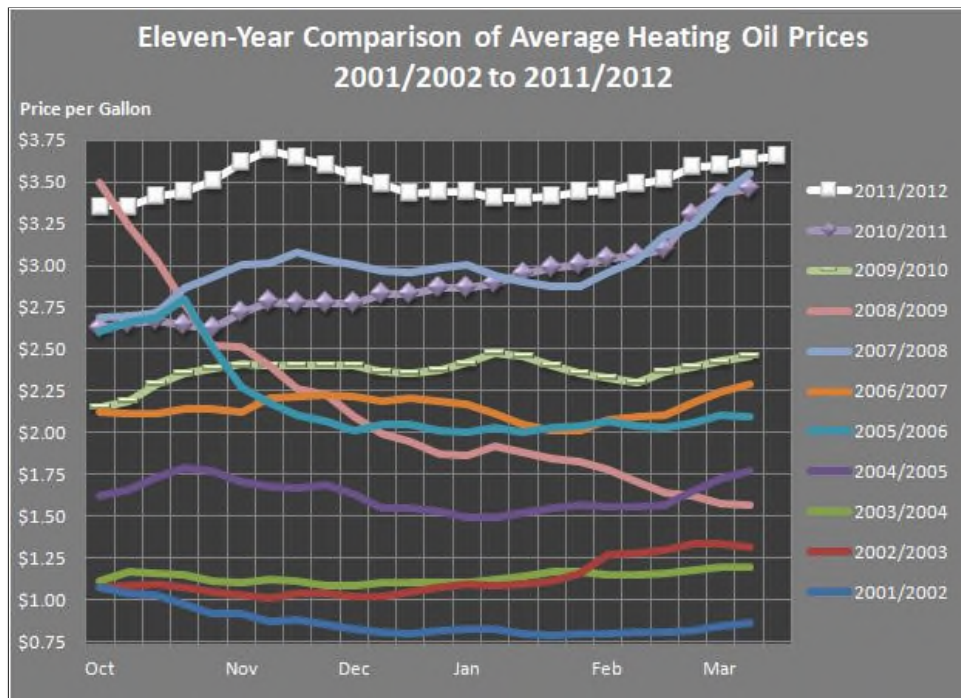
2011/2012 Winter Heating Season
Annual Report
July 2012

Multi-Year Comparison of Weekly Average Prices

Propane: Nebraska's average propane prices remained high but stable during the 2011/2012 heating season. The prices began the heating season 30 cents higher than last season at \$1.88 per gallon but then the price experienced a slow descent during the rest of the heating season to finish at \$1.67. The ending price was lower than the prior two years. As the graph shows, the average price of propane has crept up 20 to 30 cents at the beginning of each heating season.



Heating Oil: Heating oil prices began the 2011/2012 heating season 73 cents higher than the previous heating season. Heating oil prices increased through October and part of November to hit a peak of \$3.69. After peaking, the price steadily fell until it reached \$3.40 and began a slow but steady ascent over the rest of the 2011/2012 heating season to finish at \$3.65. As the graph shows, the average price of heating oil has taken quite a jump at the beginning of each heating season a majority of the time.



Average Price for the Heating Season

Propane: The average home heating charge price for delivery of consumer grade propane, excluding taxes and cash discounts, in Nebraska for the 2011/2012 heating season was \$1.79 per gallon. The season average increased 7 cents from last season's average of \$1.72 and was 39 cents higher than the eleven-year average of \$1.40 per gallon.

The season averages for the last eleven years are listed in the following table:

Heating Season	Average Price	Percent Increase/(Decrease) From Prior Year
2011/2012	\$1.79	4%
2010/2011	\$1.72	6%
2009/2010	\$1.63	1%
2008/2009	\$1.61	(14%)
2007/2008	\$1.88	30%
2006/2007	\$1.45	(1%)
2005/2006	\$1.46	18%
2004/2005	\$1.24	28%
2003/2004	\$0.97	17%
2002/2003	\$0.83	8%
2001/2002	\$0.77	
Average Eleven-Year Price	\$1.40	

Heating Oil: The average home heating charge price for delivery of No. 2 heating oil, excluding taxes and cash discounts, in Nebraska for the 2011/2012 heating season was \$3.50 per gallon. The season average jumped 60 cents from last season's average of \$2.90, and \$1.41 above the eleven-year average of \$2.09.

The season averages for the last eleven years are listed in the following table:

Heating Season	Average Price	Percent Increase/(Decrease) From Prior Year
2011/2012	\$3.50	21%
2010/2011	\$2.90	22%
2009/2010	\$2.37	10%
2008/2009	\$2.15	(28%)
2007/2008	\$3.00	40%
2006/2007	\$2.15	(2%)
2005/2006	\$2.19	34%
2004/2005	\$1.63	43%
2003/2004	\$1.14	1%
2002/2003	\$1.13	30%
2001/2002	\$0.87	
Average Eleven-Year Price	\$2.09	

Average Price in October

Propane: The average price of propane in October reflects weather conditions and the winter supply outlook. The average price for October in the heating season 2011/2012 was \$1.61, which was 30 cents higher than the eleven-year average and 25 cents higher than the previous October. The October averages for the past eleven years are listed in the

following table.

Heating Season	Average October Price	Percent Increase/(Decrease) From Prior Year
2011/2012	\$1.88	17%
2010/2011	\$1.61	18%
2009/2010	\$1.36	(26%)
2008/2009	\$1.85	8%
2007/2008	\$1.71	21%
2006/2007	\$1.41	(5%)
2005/2006	\$1.48	21%
2004/2005	\$1.22	27%
2003/2004	\$0.96	32%
2002/2003	\$0.73	(8%)
2001/2002	\$0.79	
Average Eleven-Year October Price	\$1.36	

Heating Oil: The average price of heating oil in October reflects weather conditions and the winter supply outlook. The average price for October was \$2.65, which was 60 cents higher than the eleven-year average and 40 cents more than the previous October. The October averages for the past eleven years are listed in the following table.

Heating Season	Average October Price	Percent Increase/(Decrease) From Prior Year
2011/2012	\$3.39	28%
2010/2011	\$2.65	18%
2009/2010	\$2.25	(28%)
2008/2009	\$3.14	14%
2007/2008	\$2.75	29%
2006/2007	\$2.13	(20%)
2005/2006	\$2.66	56%
2004/2005	\$1.70	48%
2003/2004	\$1.15	6%
2002/2003	\$1.08	7%
2001/2002	\$1.01	
Average Eleven-Year October Price	\$2.17	

Sources: *State Heating Oil and Propane Survey* and the *Weekly Petroleum Status Report*. Energy Information Administration, Washington, DC. Nebraska Energy Office, Lincoln, NE.

This report was completed July, 2012.