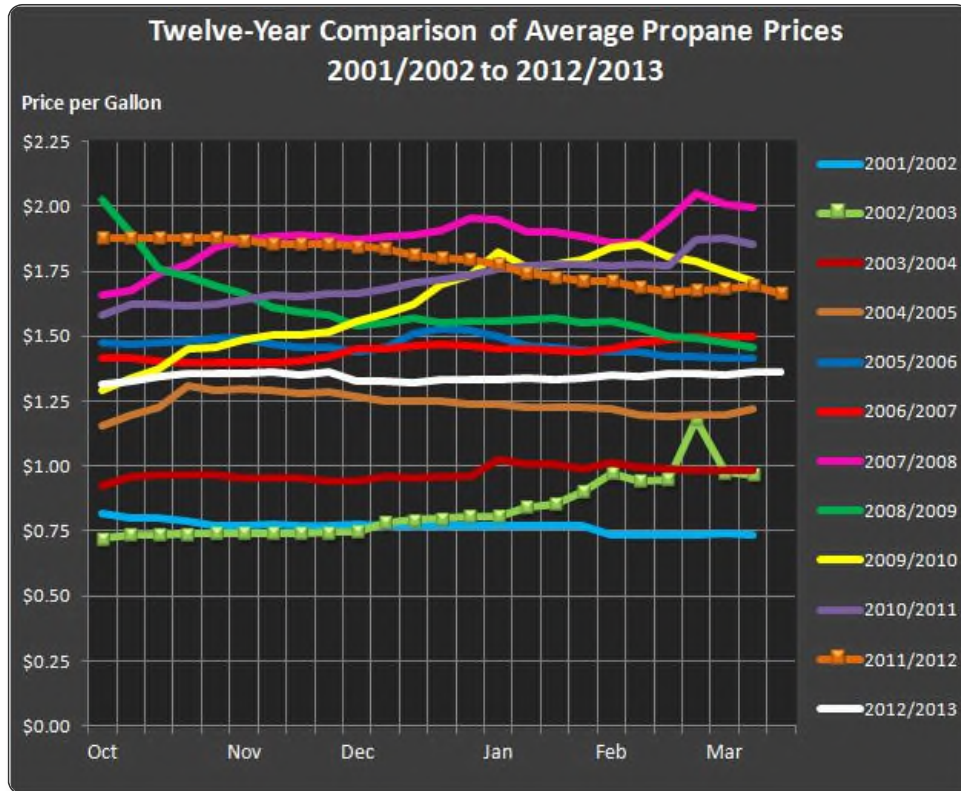


State of Nebraska Heating Oil and Propane Program

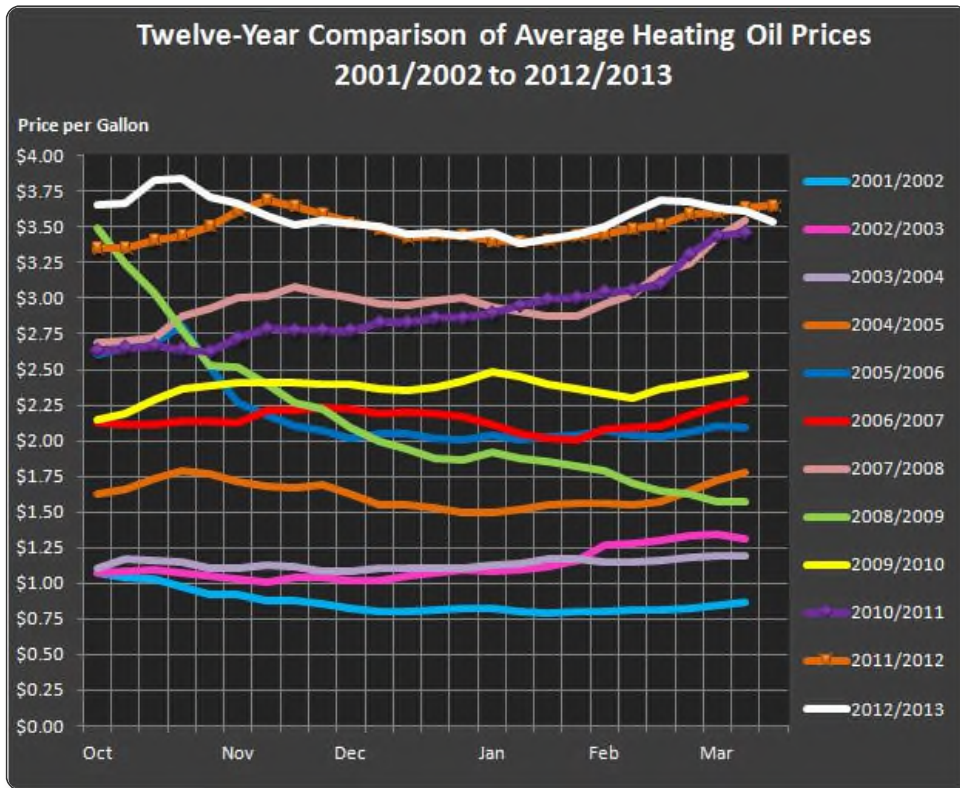
2012/2013 Winter Heating Season
Annual Report
July 2013

Multi-Year Comparison of Weekly Average Prices

Propane: Nebraska's average [propane](#) prices dropped considerably from historical prices and remained stable during the 2012/2013 heating season. The average price began the heating season 56 cents lower than the beginning of last season at \$1.32 per gallon and remained in the \$1.30s during the rest of the heating season finishing at \$1.36. The price of \$1.36 was 31 cents lower than the previous season—ending price. In fact, the 2012/2013 season—ending price was lower than the season—ending prices from the previous seven years. As the graph shows, the average price of propane had been creeping up 20 to 30 cents at the beginning of each heating season. Let's hope that the 2012/2013 heating season for propane prices was not an anomaly (something that deviates from the norm or from expectations) but becomes the norm (a standard pattern of behavior that is considered normal).



Heating Oil: The average [heating oil](#) price began the 2012/2013 heating season 30 cents higher than the beginning of the last heating season. Average heating oil prices increased during mid-October hitting a peak of \$3.84. After peaking, the average price steadily fell until it reached \$3.39. The price then began a slow but steady climb to \$3.69 where the price reversed direction and steadily decreased until the end of the 2012/2013 heating season to finish at \$3.54. As the graph shows, the average price of heating oil has taken a sizable jump or a sizeable drop at the beginning of each heating season a majority of the time over the twelve surveyed years.



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 2012/2013 heating season was \$1.35 per gallon. This was a 25-percent drop from last season's average price. The 2012/2013 season's average price decreased 44 cents from last season's average of \$1.79 and was 4 cents lower than the twelve-year average of \$1.39 per gallon. The season averages for the last twelve years are listed in the following table:

Heating Season	Average Price	Percent Increase/(Decrease) From Prior Year
2012/2013	\$1.35	(25%)
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	NA
Average Twelve-Year Price	\$1.39	

Heating Oil: The average home heating charge price for delivery of No. 2 heating oil, excluding taxes and cash discounts, in Nebraska for the 2012/2013 heating season was \$3.57 per gallon. The season's average price rose 7 cents from last season's average of \$3.50, and was \$1.35 above the twelve-year average of \$2.22. It hasn't been often that we've seen a single-digit increase or decrease from a prior year. The season averages for the last twelve years are listed in the following table:

Heating Season	Average Price	Percent Increase/(Decrease) From Prior Year
2012/2013	\$3.57	2%
2011/2012	\$3.50	21%
2010/2011	\$2.90	22%

Heating Season	Average Price	Percent Increase/(Decrease) From Prior Year
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	NA
Average Twelve-Year Price	\$2.22	

Average Price in October

Propane: The average price of propane in October reflects expected weather conditions and the winter supply outlook. The average price for October in the 2012/2013 heating season was \$1.34, which was 2 cents lower than the twelve-year average and 54 cents lower than the previous October. The October average prices for the past twelve years are listed in the following table:

Heating Season	Average October Price	Percent Increase/(Decrease) From Prior Year
2012/2013	\$1.34	(29%)
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	NA
Average Twelve-Year October Price	\$1.36	

Heating Oil: The average price of heating oil in October reflects expected weather conditions and the winter supply outlook. The average price for October in the 2012/2013 heating season was \$3.74, which was \$1.44 higher than the twelve-year average and 35 cents more than the previous October. The October average prices for the past twelve years are listed in the following table:

Heating Season	Average October Price	Percent Increase/(Decrease) From Prior Year
2012/2013	\$3.74	10%
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	NA
Average Twelve-Year October Price	\$2.30	

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 June, 2013.