



Environmental Services Division

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GASOLINE PRICES INCH UP

DES MOINES – Gasoline prices have continued their climb this spring and are above \$2 per gallon in all major Iowa markets.

“The state of our national economy continues to be the main driver for energy prices. There are signs of possible economic recovery, which has created an expectation that demand for oil and gasoline will go up” said Tommi Makila, Energy Policy Analyst with the Iowa Department of Natural Resources (DNR). “The expectation of future growth in consumption has been driving prices up, but relatively low overall demand and large inventories should moderate the price increases we see this summer.”

Motor Fuels

The May 15 average price of 10 percent ethanol blended mid-grade gasoline in Iowa was \$2.16 per gallon, which is 41 percent lower than the May 2008 price of \$3.66 per gallon of the same blend. The May 15 average price for diesel in Iowa was \$2.18 per gallon, which is 51 percent lower than the May 2008 price of \$4.49. For Iowa metro area averages, visit:

http://www.energy.iowa.gov/Newsroom/fuel_price.html

Self-Serve	5/15/09	4/16/09	Difference
Regular Unleaded with 10% Ethanol	\$2.16	\$1.95	+\$0.21
Regular Unleaded	\$2.22	\$2.01	+\$0.21
Premium Unleaded	\$2.26	\$2.10	+\$0.16
Diesel	\$2.18	\$2.19	-\$0.01

Source: Oil Price Information Service, www.opisnet.com

Crude Oil

On May 15, a barrel of West Texas Cushing Sweet Crude Oil settled at \$56.34. The price is a thirteen percent increase over April’s price of \$49.98 and 58 percent lower than the May 2008 price of \$132.78.

Heating Fuels

On May 14, natural gas was trading at \$4.08/MMBtu, which is \$7.75 lower than one year ago, a 66 percent decrease. The U.S. Department of Energy, Energy Information Administration reports that working natural gas in storage as of May 8, 2009 was 2,013 billion cubic feet (Bcf), 374 Bcf above the 5-year average (2004-2008), and 497 Bcf higher than the level during the corresponding week last year.

A survey completed by the DNR on May 14, 2009, indicated that the average retail price of propane in Iowa was \$1.33, which is \$0.82 lower than the price of propane at this time last year. The same survey

found that heating oil is selling in Iowa for an average of \$1.81 per gallon across the state, which is \$2.33 lower than the price in May of last year, a 56 percent decrease.

Now that the cooling season is upon us, consumers are encouraged to think about energy saving strategies for the summer season. The U.S. Department of Energy provides energy savings tips on its “Stay Cool, Save Money” website at <http://www.energysavers.gov/seasonal/>. Iowa Energy Center’s “Home Series” also provides energy saving information for consumers. Home Series booklets are available at <http://www.energy.iastate.edu/homeseries/index.htm>

Heating Fuel Type	5/14/09	4/16/09	Difference
Natural Gas*	4.08/MMbtu	3.57/MMbtu	+\$0.51/MMbtu
Propane**	\$1.33	\$1.48	-\$0.15
#2 Heating Oil**	\$1.81	\$1.79	+\$0.02
*Source: Wall Street Journal, **Source: IDNR			