Maine Heating Fuels Inventory 2004

Maine State Planning Office
Maine Office of Energy Independence and Security
Report to the Maine Legislature, Utilities and Energy Committee
Betsy Elder 1/25/2005

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Table of Contents

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Executive Summary

The State Planning Office is required to file a report annually with the Utilities and Energy Committee on Maine heating fuel inventories. [1] Additionally, we offer a summary of New England fuel stocks and the projected impact of these inventory levels on Maine for the coming winter. As we have stated in prior annual reports to the Committee, Maine's heating oil inventory situation can change practically overnight, because the storage capacity in the state is adequate to meet demand for only five to six days. Maine depends on regional inventories and its ability to be re-supplied because in-state storage capacities are not extensive. The most relevant factor in assessing Maine's heating fuel supplies is the state of regional inventories. Because inventories can fluctuate dramatically, SPO is proposing legislation this session to replace this annual reporting requirement with a more meaningful reporting requirement.

Warmer than normal temperatures so far this winter season have allowed U.S. distillate inventories to recover and build-up from the low levels witnessed earlier in the fall. Because U.S. distillate (heating oil and diesel) inventories are below the low end of the five-year average, to meet a weather-induced surge in demand, supplies will primarily come from imports and refinery production. "...With distillate fuel production already at high levels and inventories of distillate fuel already at low levels in Europe (leaving less supply available for export than usual) additional supply from these sources may not come easily."[2] Most of this fall, U.S. stocks of high sulfur distillate, more commonly known as heating oil, have hovered around 50 million barrels, approximately 13% below the five-year average of 55 million barrels. In contrast to U.S. and Mid-Atlantic heating oil stocks, New England heating oil inventories are in the 8 million barrel range, and are currently about 20% higher than the five-year average. Warmer than normal weather this fall and a backwardated market (where consumers delay oil purchases on the hope that prices will go down later) are likely responsible for causing today's robust supplies in New England.

Kerosene and No.2 heating oil stock inventories follow a cyclical seasonal pattern of supply reduction during the summer months and a build-up of supplies prior to and during the winter heating season. Year-round storage capacity for heating oil in Maine is usually in the range between 1.5 and 1.8 million barrels. This December Maine had 62% of its storage capacity filled with 200,919 more barrels of heating oil inventory than last December. Prices are high enough that consumers may be waiting until it is absolutely necessary to fill their tanks. A significant depletion of what currently looks to be adequate supplies in both Maine and New England could occur with the onset of consistently cold weather.

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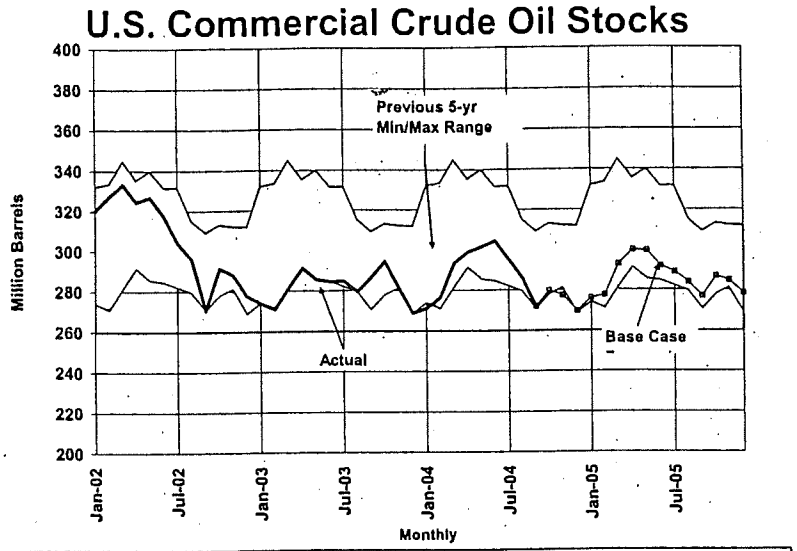
[1] In 2000, the Maine legislature enacted 5 M.R.S.A. § 3307-C in response to a surge in demand for heating oil and attendant 50% price increases that year. 5 M.R.S.A. § 3307-C requires the SPO to prepare an annual report on the state of No.2 heating oil and kerosene inventories with bi-weekly data provided by terminal operators. If SPO determines there may be a significant shortfall, it shall inform the legislature by report due December 31st each year and make recommendations for State action in response to the anticipated supply short-fall.

[2] This Week in Petroleum, 12/15/04, DOE/EIA, page 1

Global Issues Impact Maine Prices and Inventories

The main factor behind high heating oil prices this season is the price of crude oil, which, in October 2004, hit the highest historical level of $55.00/barrel (nominal). According to the DOE/EIA, US crude stocks are at the low end of the five-year average and are likely to remain tight all winter. (See figure below) "Spare global production capacity has shrunk by 5 million barrels per day over the last two years.* Two thirds of this decline is due to increased OPEC output, given the strength of demand, and one third is due to a net loss of capacity within OPEC, especially Venezuela, Iraq and Indonesia. Spare refining capacity in the global down-stream system has also shrunk to low levels in the last two years with demand growth far outstripping refining capacity growth. At seasonal heights of demand, spare capacity is completely gone." [3]



Retail heating oil prices this winter are forecast by DOE/EIA to exceed last year's prices by 37%, although in Maine heating oil prices met that projection prior to the onset of cold weather. The factors responsible for higher prices and a volatile oil market include: a devalued dollar, increased demand for petroleum products in Asia and Europe, reduced exploration efforts, OPEC output manipulations, and political events in Venezuela, Russia, Nigeria and Iraq. Some market analysts have implied that hedge funds and other speculative and unusual investments in the petroleum market have exacerbated a bad situation by further inflating already high oil prices.[4] September's

[3] Barclays Capital, October 2004 Presentation at the DOE/EIA Winter Fuels Outlook Meeting.
*This compares to world demand of 80 mbd. worldwide.
[4] CNN Money, September 27, 2004

hurricanes in the Gulf Coast further complicated matters. U.S. Gulf Coast oil production is still recovering from Hurricane Ivan. The cumulative shut-in oil production for the period 9/11/04 through 1/3/05 is 38,004,500 bbls. or 6.28% of the Gulf's expected annual production, which is approximately 605 million barrels. [5]

In the 1990's several structural changes took place in the oil industry making it more competitive. Oil price deregulation and trade in oil product futures caused petroleum prices to respond to supply and demand conditions in much the same way as other commodities, although oil includes a geopolitical component other commodities do not. The current price-setting process also involves more market participants including: traders, brokers, speculators, retailers, wholesalers and refiners. More transactions are directly or indirectly linked to spot or futures market prices. These factors have contributed to a market that has become more volatile.

Theoretically, increased competition in the broad international market should make it less likely that any one player or sector can dominate or control price and supply patterns. Yet the reality in today's global marketplace, where OPEC production decisions dictate and have a direct, pervasive and manipulative impact on global crude oil prices, a form of producer pricing prevails. Oil is a political commodity and "heightened geopolitical risk has translated into higher prices, something analysts call a *risk premium.*"[6] "Now that worldwide production is running at full speed to meet increased demand, there is no cushion left in the system to weather a political blow to producers like Iraq, Venezuela, Iran, Russia or Nigeria. So once again, for oil markets, politics matters."[7] Moreover, geopolitics is the primary driver.

Regional/New England Heating Fuel Market Operational Trends

Distillate fuel oil is refined from crude oil and is used primarily for production of heating oil and diesel fuel. Distillate oil can be divided into two classes; low-sulfur and high-sulfur. While some residential heating systems can tolerate both types of distillate fuel, high-sulfur distillate is the product usually thought of as heating oil. High sulfur distillate oil can also be used in off-road equipment, but 1990 Clean Air Act Amendments require on-highway transportation, primarily heavy trucks, to use a distillate fuel with a sulfur content of less than 0.05 percent (referred to as low-sulfur diesel). Low sulfur diesel is dyed and taxed so that it might be discerned from non-taxable, illegal use of heating oil for transportation purposes. Low sulfur diesel currently makes up about 67 percent of the total distillate sold.[8]

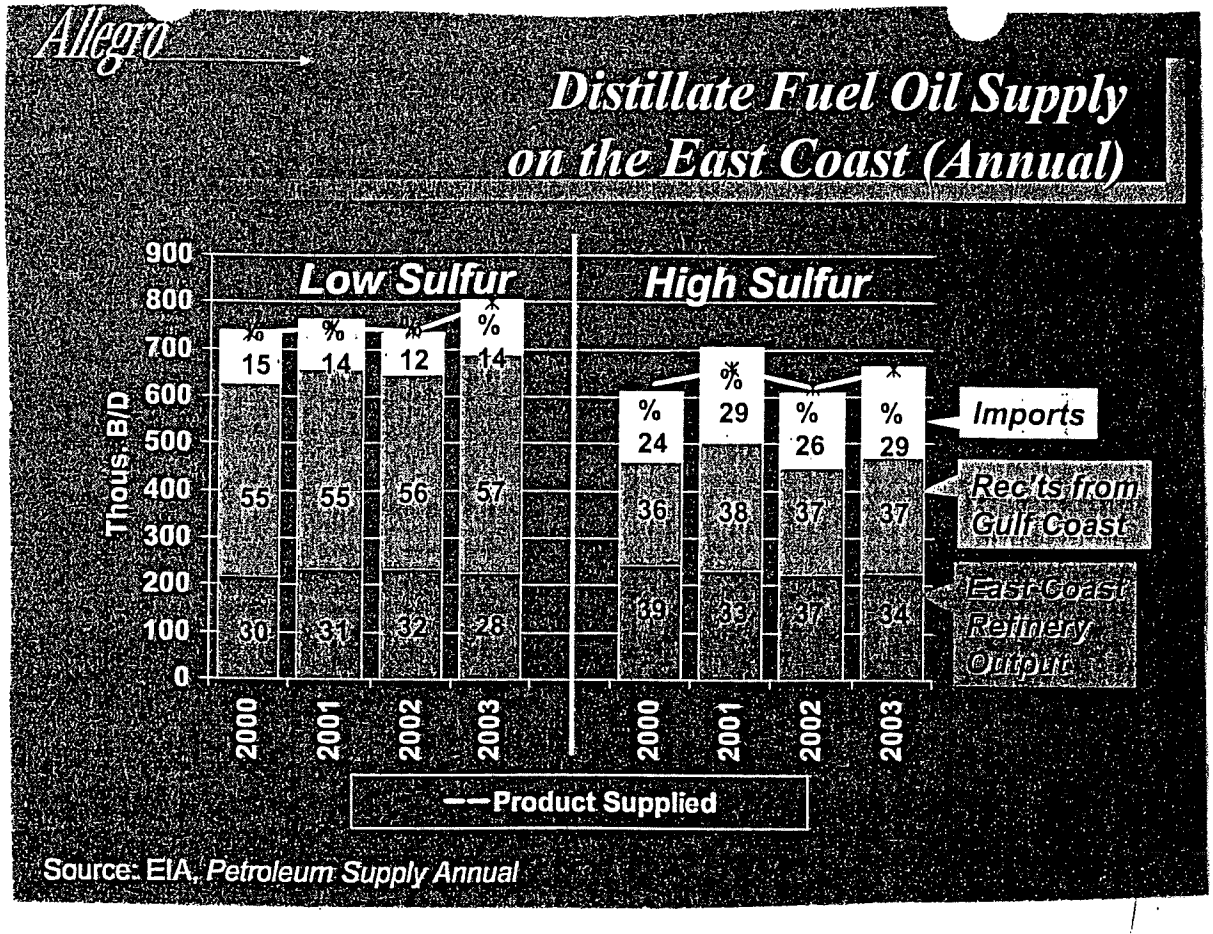
The Northeast does not have a refinery or distillate pipeline, yet is this country's biggest consumer of heating oil. The Northeast uses 70% of the heating oil supply in 12

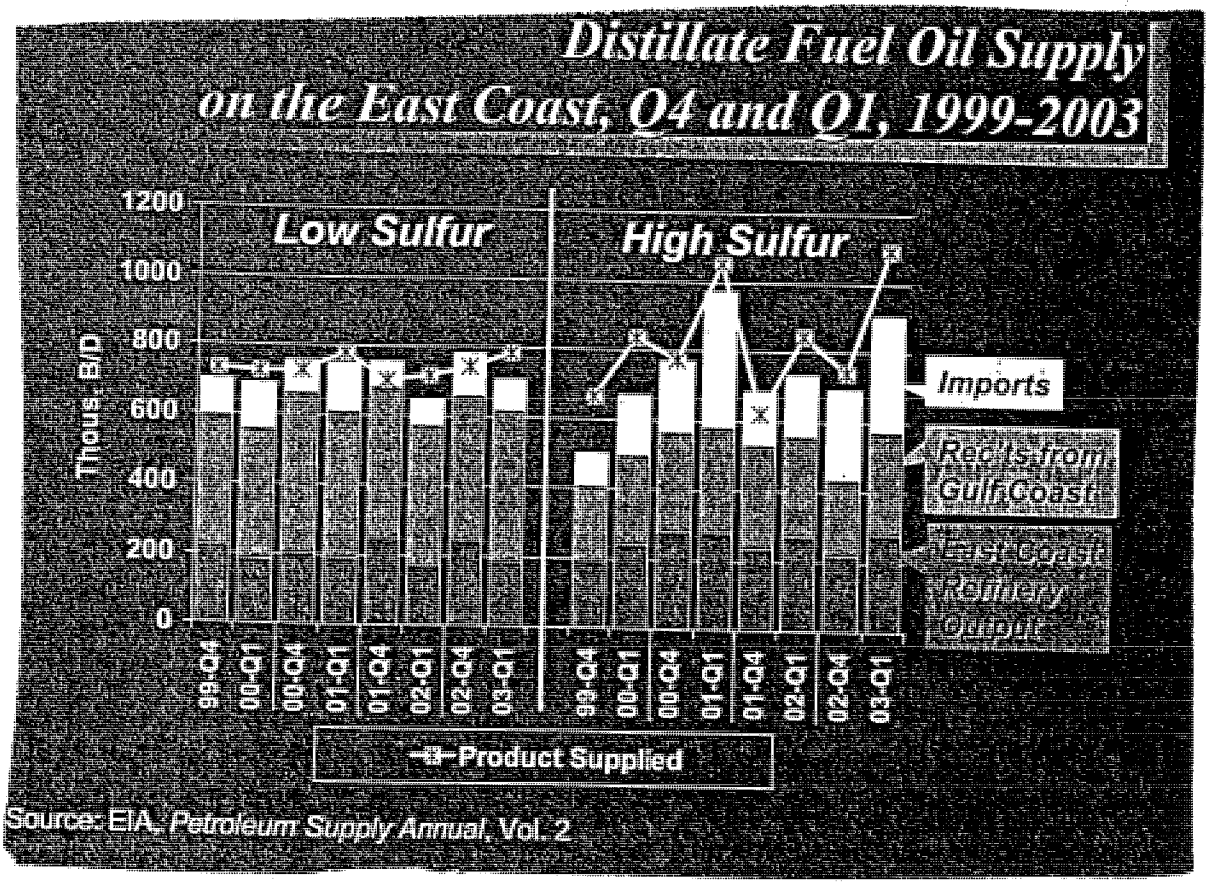
[5] DOE's Energy Assurance Daily, January 3, 2005

[6] Amy Myers Jaffe, quoted from New York Times article, 1/3/05, As Geopolitics Takes Hold, Cheap Oil Recedes Into Past

[7] New York Times article, 1/3/05, As Geopolitics Takes Hold, Cheap Oil Recedes Into Past, Jad Mouawad

[8] American Petroleum Institute - API


Allegro
Distillate Fuel Oil Supply on the East Coast (Annual)
Low Sulfur
High Sulfur
Thous. B/D
900
800
700
600
500
400
300
200
100
0
% 15
% 14
% 12
% 14
% 24
% 29
% 26
% 29
55
55
56
57
36
38
37
37
30
31
32
28
39
33
37
34
2000
2001
2002
2003
2000
2001
2002
2003
Imports
Rec'ts from Gulf Coast
East Coast Refinery Output
Product Supplied
Source: EIA, Petroleum Supply Annual


Distillate Fuel Oil Supply on the East Coast, Q4 and Q1, 1999-2003
Low Sulfur
High Sulfur
Thous. B/D
1200
1000
800
600
400
200
0
99-Q4
00-Q1
00-Q4
01-Q1
01-Q4
02-Q1
02-Q4
03-Q1
Imports
Rec'ts from Gulf Coast
East Coast Refinery Output
Product Supplied
Source: EIA, Petroleum Supply Annual, Vol. 2

weeks, and Maine ranks 6th in the nation for its total consumption of this product. In a normal heating season, 70% of the heating oil supplies for New England come directly from refineries, 15% from inventories and 15% from imports. Trade plays a critical role in influencing winter peak demands. The U.S. cannot meet all of its distillate needs through its domestic refinery capacity and is a net importer of distillate. On a year-round average basis, exports and imports of high sulfur distillate are about in balance, but in the peak winter months, imports increase and exports decrease. The distillate trade (and generically the petroleum trade) is significantly affected by geographic logistics and regulations. The bulk of U.S. refining capability is in the Gulf Coast while the greatest need for heating oil is in the Northeast. Most of the U.S. Gulf distillate production moves by pipeline to other parts of the country where it is needed and the remainder moves by ship. Under the Jones Act, shipments between U.S. ports must be made on U.S. flag-ships. Standard U.S. vessels usually have more expensive requirements than foreign flag carriers, which drives up the transportation cost of the commodity. This increases the attractiveness of exports, relative to domestic sources.

Residential consumers need to recognize that the same forces that compel higher prices, in response to increased demand, may also serve to keep heating oil prices as low as possible under normal market conditions. Building excessive heating oil stock can be a costly practice that competitive enterprises will seek to minimize. Suppliers will fare poorly in the competitive market for failing to correctly estimate the level of inventories necessary to satisfy customer contracts. If inventories are too high, suppliers pay unnecessary storage costs, thereby reducing profits. If inventories are too low, they lose customers to competitors. Market incentives ensure that private unregulated suppliers of distillate adequately prepare for each winter season. The movement of the oil industry to *just-in-time delivery* systems allows the oil dealer to minimize risk, the costs associated with risk and the overhead cost of storage. In fact, the trend toward a more competitive, *through-put* oriented heating oil market has helped to insure that oil prices, on an inflation-adjusted basis, remain highly competitive relative to other fuels. However, the way in which market dynamics operate, especially when viewed in the context of increasing New England dependence on natural gas for heavy industrial uses and electric generation, suggests that price volatility will recur.

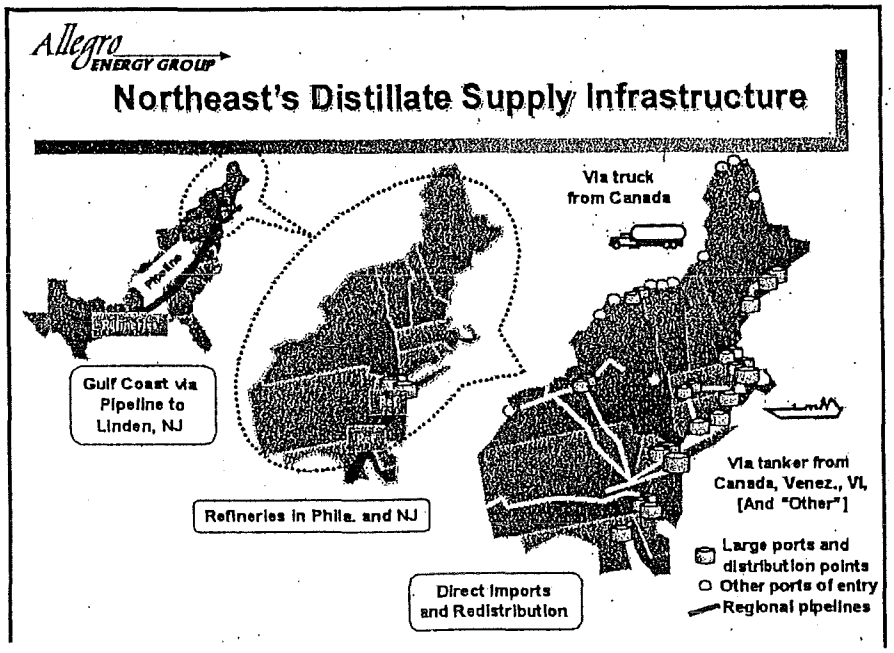
High heating oil prices in New England can occur not only because of high crude prices, but also in response to higher demand when temperatures are coldest. Consumers perceive heating oil prices to be constantly increasing because the market dictates higher costs during the winter months when consumer demand and dependence are greatest. Because the Northeast residential sector is highly dependent on home heating oil, whose prices are normally highest in the winter, colder than normal winter weather will further increase demand and stimulate the potential for price volatility. If heating oil re-supply problems are coupled with additional distillate fuel oil demand from interruptible or fuel-switching customers, home heating oil prices can rise sharply, as they have in other winters.

Supply issues and consumer tastes and preferences dictate the market, but the most significant factor influencing demand in the Maine home heating oil market is the

weather. Seasonal temperature change, cold weather, snow, and harbor icing all inhibit efficient deliveries. As one would expect in the Northeast United States, the winter months of December, January and February are also the months of highest heating oil consumption. Industry reliance on *just-in-time deliveries* involves some risk. Ninety percent of New England heating oil moves by sea and is dependent upon a smooth and well-oiled operation. If the transportation system is unreliable or stressed by weather, slippery roads and frozen harbors, deliveries may not be flawless. The ability of oil suppliers to re-supply kerosene, propane and heating oil is crucial especially for Maine, whose ability to store supplies is very limited. In 2000, Northeast Home Heating Oil Reserve (NHHOR) was established to provide a cushion to this oil dependent region. NHHOR is discussed later in this report.

New England's Regional Oil Distribution System

Northeast U.S. crude supplies originate primarily in Venezuela. The nearest refineries are in Philadelphia and New Jersey, which send products to Boston and New York harbors. The Northeast receives the bulk of its distillate supply from the Gulf Coast via the Colonial pipeline to Linden, New Jersey. From there, deliveries are made to Maine harbors through terminals in Portland, South Portland, Searsport, Bucksport and Belfast. The St. John, New Brunswick (Canada/Irving) refinery provides a reliable source of refined products from the north. Maine imports 60-75% of its distillate supply from Canadian and New England distribution centers. Maine is farther from refineries and supply centers than the other New England states, and supplies tend to dwindle at the end of the supply chain. The bulk of New England's storage capacity resides in Connecticut, New York and Massachusetts.



Maine's Oil Distribution System

Maine's oil distribution system has three categories. There are **primary** terminal facilities, which receive shiploads of products, **secondary** (or bulk storage facilities) and **tertiary** (or local) distribution facilities. Maine's oil distribution system is dependent on the status of supplies and the accessibility of regional inventories. Unlike other New England states, we have very little tank storage capacity, no pipelines (except for crude oil) and no refineries. Bulk storage facilities are designed to receive quantities of oil for further distribution by truck to tertiary distributors. Since *just-in-time* inventories have become the standard mode of operation, tertiary storage facilities have decreased, but they are still by far the most numerous type of storage facility in Maine.

Maine has over 270 oil dealers that compete within a small population. Competition between the larger statewide retail oil delivery companies, such as Irving, Dead River, Webber Energy and C.N. Brown, and the smaller locally owned delivery businesses, results in a relatively stable consumer market with some of the lowest prices in New England. Ninety-five percent of Maine's customers pay the cash price, in contrast to other New England customers who pay 10% higher retail prices on average, in part because of fuel taxes in many of our neighboring states. Heating oil demand is fairly inelastic as there are few realistic alternatives to it and the demand for heating oil is influenced by necessity, not price.

Heating oil inventories in bulk-storage facilities can change significantly in a matter of hours during an intense period of rapid response deliveries. Quantities of heating fuels that are delivered to Primary Terminals are more relevant to the storage picture. The following companies operate in Maine at the indicated locations.

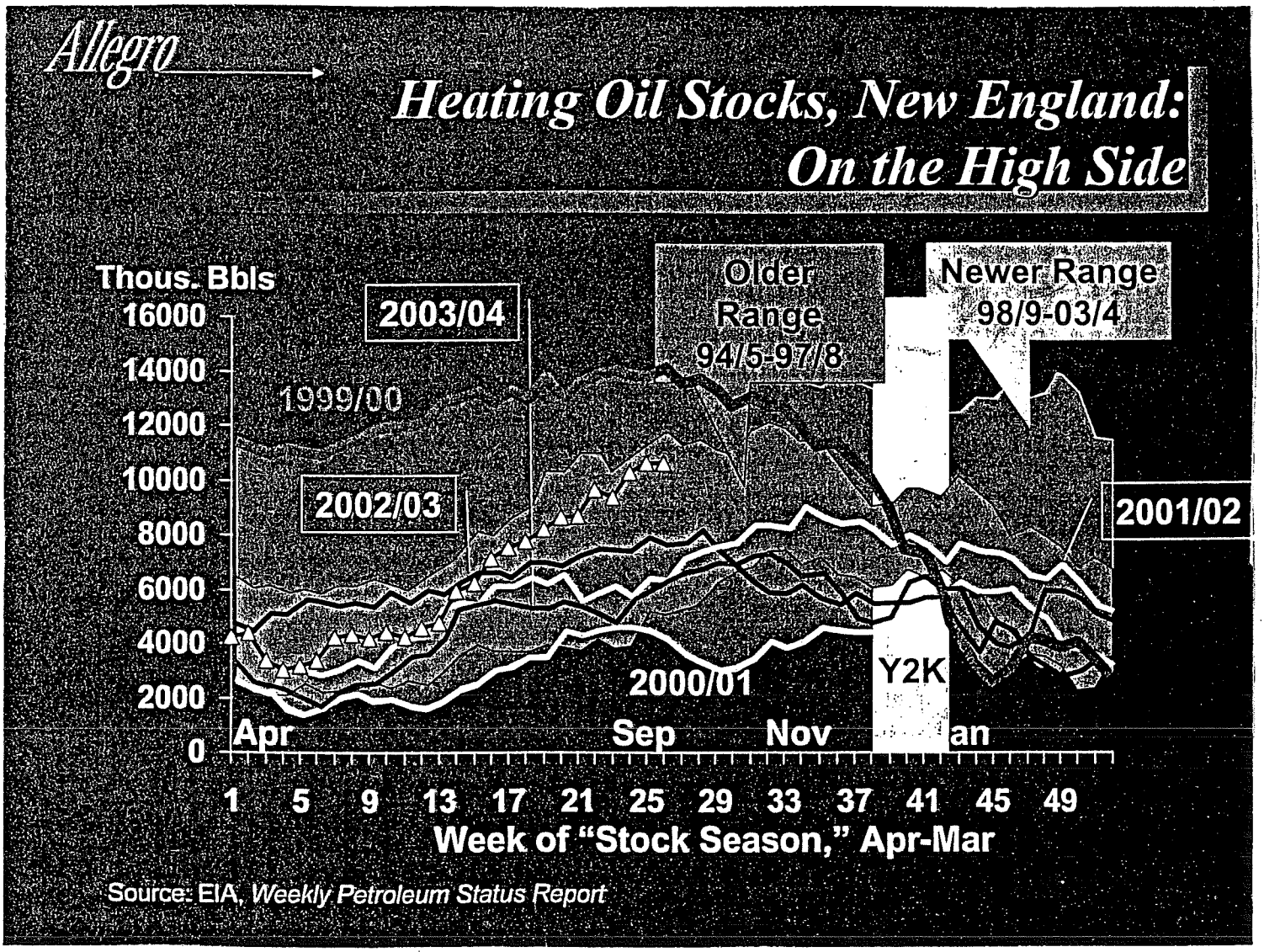
Active Maine Terminal Facilities for Primary Petroleum Storage and Distribution

Company Name - Location(s)
Motiva - South Portland, Bangor
Gulf Oil Ltd. Partnership - South Portland
Sprague Energy - Bucksport, Searsport, South Portland
ExxonMobil- Portland & Bangor via pipeline
Irving - Searsport
Webber Oil - Bangor
Webber Tanks - Bucksport, Brewer
Florida Power and Light (FPL) Yarmouth, Wiscassett (#6 heavy oil only)

Note: Global and Sunoco are through-putters. With no terminal of their own, they *put through* the product from another company's terminal. Portland Pipeline Corp. transports only crude oil via pipeline to Canada. Section 3307-C of Maine Statute 5 MSRA mandates that these companies report heating fuel inventory, storage and anticipated delivery information to the State Planning Office on a bi-weekly basis. SPO has received information from and established good communication with all of these companies.

New England Heating Fuel Inventories

While current U.S. distillate inventory levels hover at 50 million barrels, much lower than the five-year average, New England distillate inventories are 20% higher than the five-year average at 8 million barrels. Usually by December a substantial transfer of heating oil into the tanks of consumers has occurred. There is speculation among market analysts that heating oil stocks in New England are higher than usual this year because many consumers are waiting for cold weather to fill up their tanks in anticipation that high prices may come down before they are forced to act.

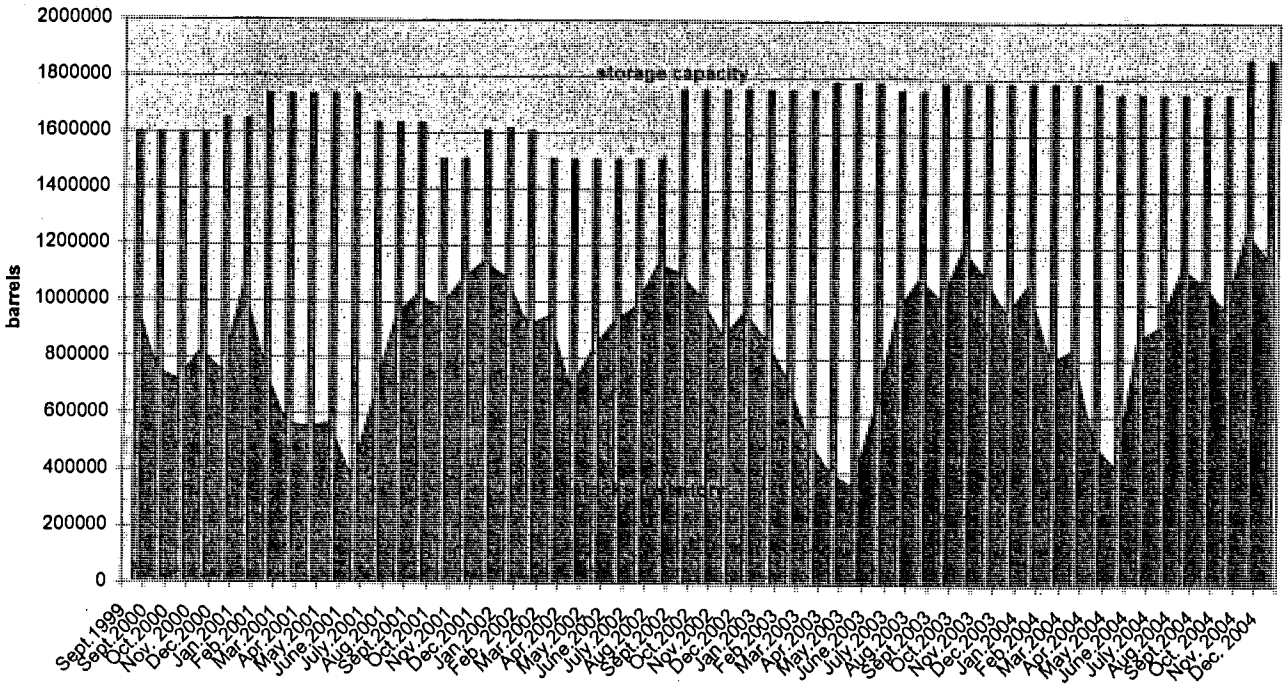


Maine Heating Fuel Inventories

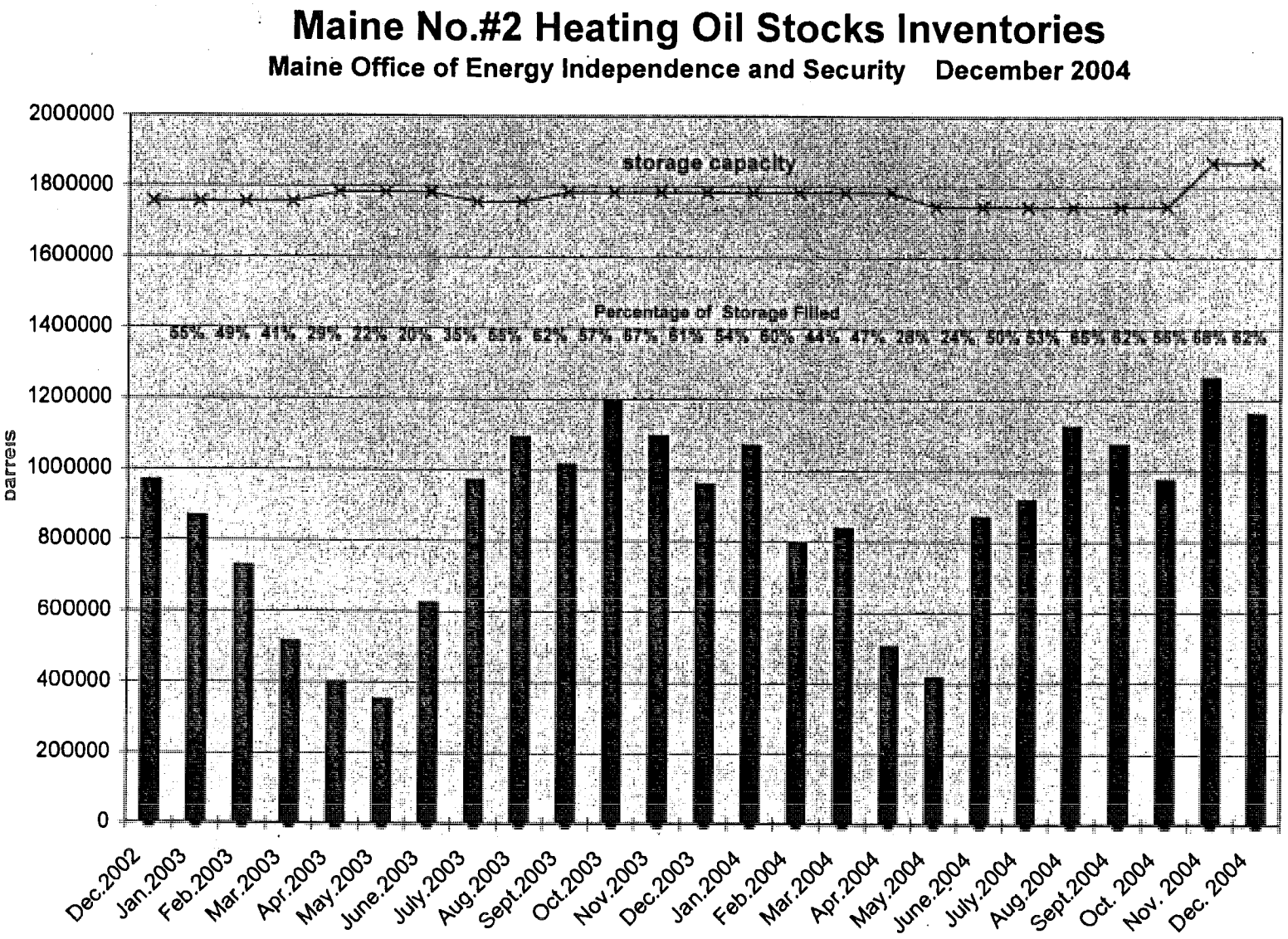
The Maine Office of Energy Independence and Security's research into the state of heating oil and kerosene inventories over the past five years reveals basic trends about Maine's storage capacity and inventory levels. As demonstrated in the following chart, year-round storage capacity for heating oil is usually in the range between 1.5 and 1.8 million barrels. Since fall 2002 until the present, heating oil storage capacity has been consistently in the 1.8 million barrel range.

As one may observe in the chart below, heating oil stock inventories follow a cyclical seasonal pattern of supply reduction during the summer months and a build-up of supplies prior to and during the winter heating season. For example, during December 2001 and January 2002, supplies built to over 1 million barrels and dropped off sharply during February and March 2002. This is a typical trend. All of the dips in the chart are during summer months and the most robust supply levels are during the heating season between October and March. December 2004 inventory levels are higher than those for December 2003 and December 2002, and comparable with December 2001, whose inventories were in the 1.14 million barrel range. At 1,160,981 barrels, December 2004 heating oil stock levels are higher than all other years shown. This could lead one to believe that heating oil supplies are adequate this year, but one must always keep in mind the ability to re-supply factor.

Maine No.2 Heating Oil Stocks Inventories in Relation to Storage Capacity 1999-2004
Maine Office of Energy Independence and Security December 2004



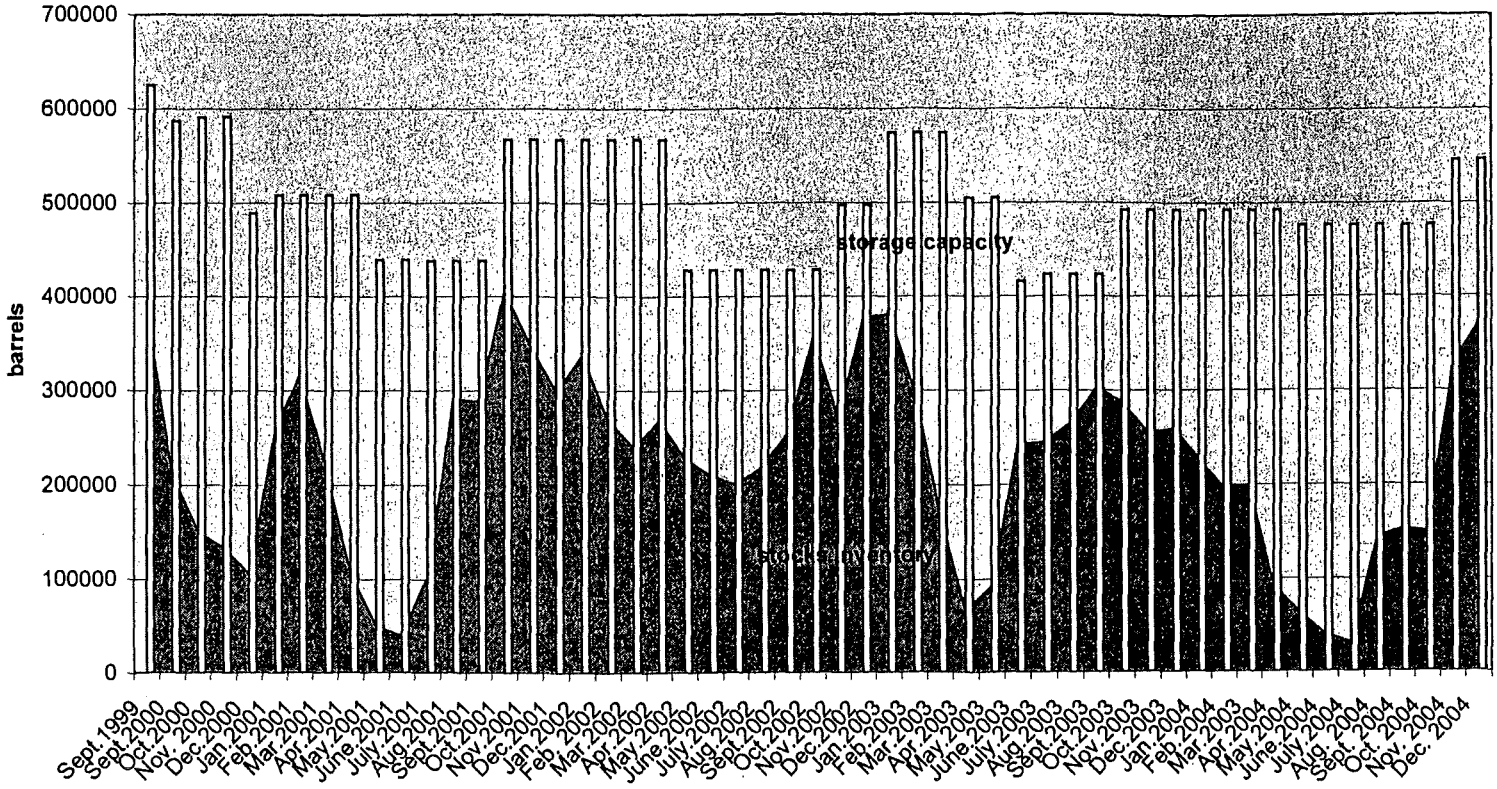
In the following figure, which shows heating oil stocks from December 2002 through December 2004, with detail on the percentage of storage filled, it is easier to see this relationship. December 2002 and 2003 heating inventories were less than 1 million barrels, compared to 2001 when December supplies were at 1,143,744 barrels, or December 2004 when supplies tally up to 1,160,981 barrels. December 2002 and 2003 are also similar in their percentage of storage capacity filled at 55% and 54% respectively compared to this year when 62% of storage capacity is filled by December. This year we have more heating oil inventory in storage than last year at this time. However, there is speculation that high prices are driving consumers to wait until it is absolutely necessary to fill up their tanks. A significant depletion of what look to be adequate supplies in both Maine and New England could occur with the onset of consistently cold weather.



Very similar observations can be made about kerosene. Kerosene storage capacity stays in the 500,000 barrel range with some seasonal variation. Like heating oil kerosene stocks typically follow a seasonal cycle of supply reduction during the summer months and a build-up of supplies prior to and during the winter heating season. Kerosene stocks start to build during September and October and peak in January, February and March. At 369,412 barrels, December 2004 kerosene stock levels are comparable to December 2002 and much higher than December 2000, 2001and 2003.

Maine Kerosene Stocks Inventories in Relation to Storage Capacity 1999-2004

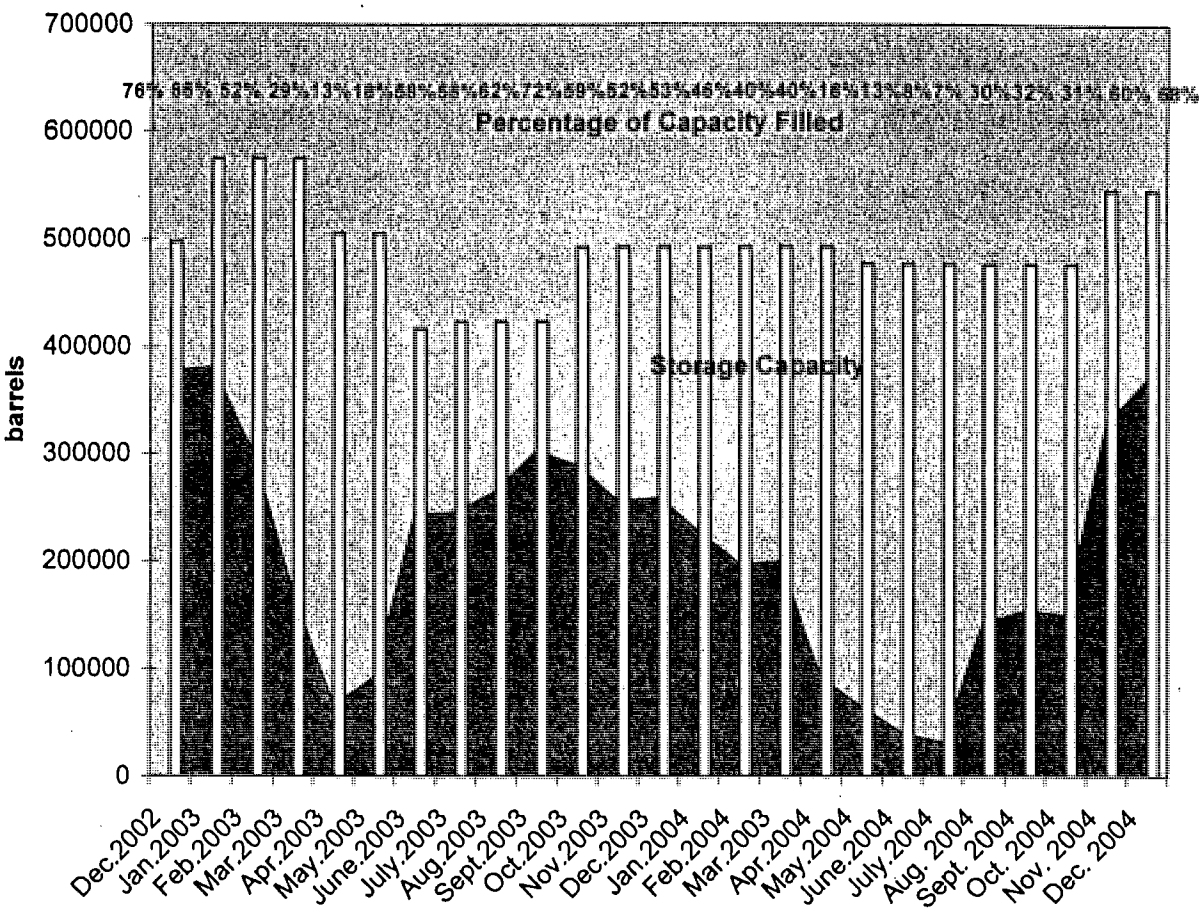
Maine Office of Energy Independence and Security December 2004



In the following figure, which shows kerosene stocks from December 2002 through December 2004 with detail on the percentage of storage filled, it appears that we are starting the 2004 heating season with higher kerosene inventories compared to last year. In December 2002 kerosene stocks were at 377,309 barrels with 76% of storage capacity filled. In December 2003 kerosene stocks were at 258,936 barrels with 53% of storage capacity filled, and this year we have 369,412 barrels with 68% of storage filled.

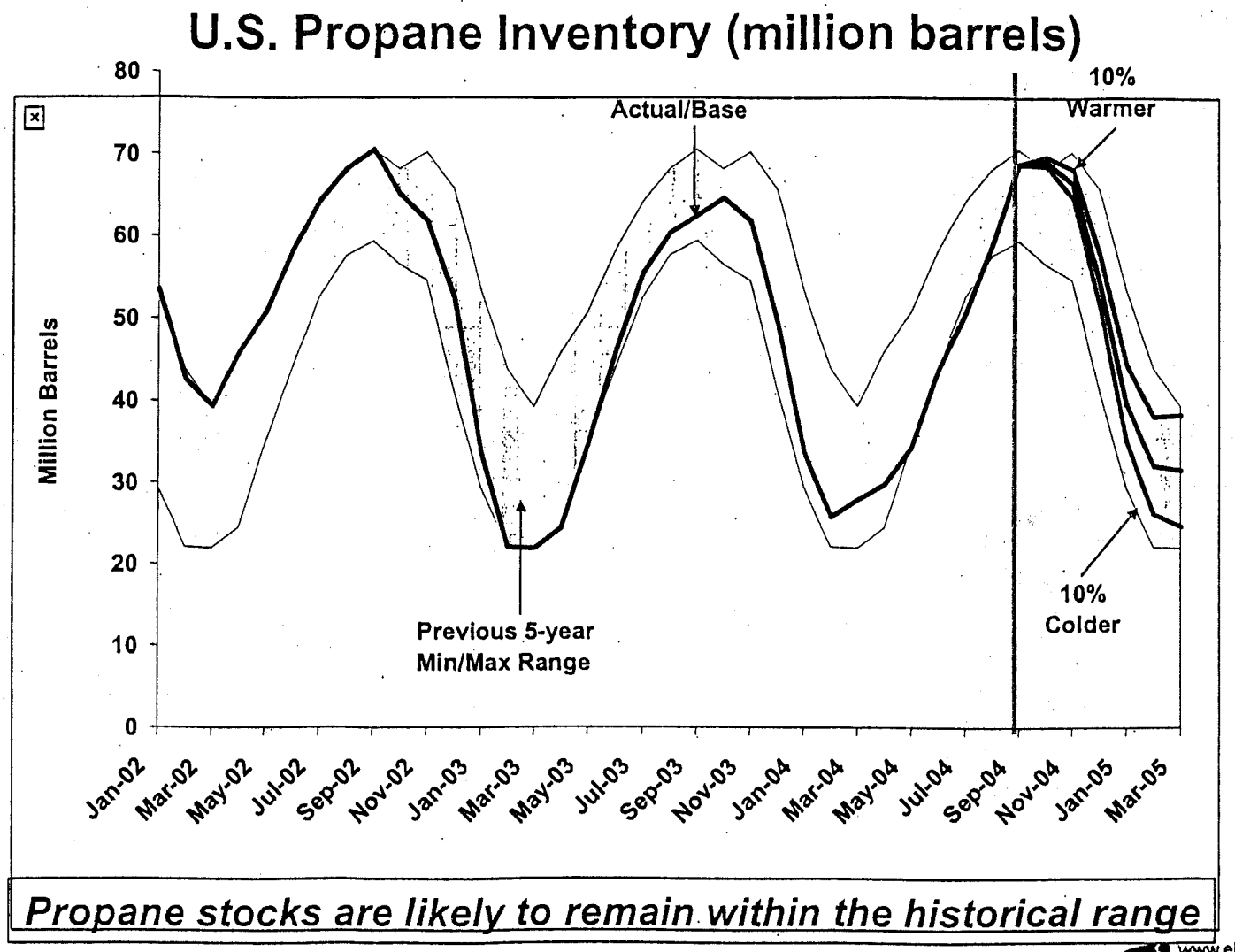
Maine Kerosene Stocks Inventories

Maine Office of Energy Independence and Security December 2004



Propane

Propane is the primary heating fuel for roughly 26,245 Maine households, or 5.5% of the population. Comprised of crude oil with natural gas additives, propane price movements correspond to those of these fuels. Forty percent of the natural gas stream is propane, which is extracted during production. Propane demand is highly seasonal and supplies are stored under pressure. New England receives propane in three ways. Algerian and Middle Eastern propane comes via sea-going terminals in Providence, R.I. and Portsmouth, N.H.. The TEPPCO (Texas Eastern Products Pipeline Company) pipeline running from Texas to Albany, N.Y. provides some supply and outsourced Canadian propane arrives in Auburn, Maine by rail. Seventy percent of Maine's propane comes from Canada via Duke Energy. U.S. propane inventories are currently above the upper end of the normal range for this time of year. DOE/EIA projects that propane stocks are likely to remain within this historical range through-out the heating season.



www.eia.doe.gov

Sources: History: EIA; Projections: Short-Term Energy Outlook, October 2004.

Strategic Petroleum Reserve

The Strategic Petroleum Reserve (SPR) is the U.S. government's 599 million barrel emergency supply of crude oil. This oil is stored at four sites near the Texas and Louisiana Gulf Coast in over fifty salt caverns. Each cavern is 2,000 to 4,000 feet below the earth's surface with a total capacity of 700 million barrels. The artificially created, underground caverns offer advantages over above-ground storage tanks, including higher security and significantly lower storage costs. Additionally, their location near the Gulf Coast offers the advantage of close proximity to the nation's commercial oil network of pipelines, ships, barges and refineries.

The U.S. government is the landowner of the U.S. Outer Continental Shelf and is entitled to one-sixth royalty on all oil and gas production. Producing companies usually pay cash to royalty holders on the value of the wellhead revenues but sometimes pay "in-kind" rather than in cash. Under the "royalty-in-kind" (RIK) program, the government takes possession of the physical barrels and stores them in the SPR.

Reserves in the SPR have been used on several occasions over the past seven years to address short-term supply situations that have arisen at various points in the chain of distribution. Rather than an outright sale of stock in the SPR, these transactions have been in the form of exchanges. The most significant occurred in the fall of 2000, shortly after President Clinton announced plans to establish the Northeast Home Heating Oil Reserve (NHHOR) in response to relatively low stocks of heating oil. Over 2.8 million barrels of crude oil were exchanged for 2 million barrels of heating oil and the one-year use of storage facilities in the Northeast. Also in 2000, President Clinton authorized the exchange of up to 30 million barrels to help avert the potential for fuel shortages in the winter. This 30 million barrel oil exchange required the companies that received oil from the SPR to return the same quantity, plus an additional amount, to the SPR in the fall of 2001.

As a result of summer 2002's solicitations, the SPR awarded one-year contracts to the same terminals as before with options to extend the contracts annually for four years. SPR has conducted many practice auctions or tests of its on-line heating oil bidding platform. Prior to late December 2002, SPR delayed deliveries into the reserve due to developments in Venezuela. The strike in Venezuela held world market exports at one-fifth below normal levels and brought U.S. inventories of crude oil to their lowest levels in 26 years. Shortly after January 1, 2003 the U.S. DOE extended the delivery date to September 30, 2003 for 3.1 million barrels of crude oil to be returned to the SPR. Oil companies pay in-kind interest on deferred deliveries, and an increased volume of oil will be placed in SPR storage when returns are accomplished.

Northeast Home Heating Oil Reserve (NHHOR)

After experiencing extreme price volatility and having the prospect of spot shortages for home heating oil in the northeast, the NHHOR was established in 2000 as part of the SPR. As its name suggests, the NHHOR stock is refined product stored in the northeast region. It was established as a temporary measure to ensure that adequate supplies of heating oil would be available for the winter of 2000-01, but the NHHOR has become a fixed component of the nation's energy preparedness effort. Although it has never actually been used, the two million barrel storage capacity of the NHHOR is viewed as a critical emergency buffer to supplement commercial fuel supplies should the oil dependent northeast region be hit by a severe heating oil supply disruption.

The NHHOR oil would provide a ten-day supply for the 5.3 million households in the northeast that use heating oil. It could take ten days to ship this product from the Gulf Coast to New York Harbor. The stock in the NHHOR is stored at four locations: two in Connecticut, one in New Jersey and one in Rhode Island. Currently, 1,000,000 barrels of

the NHHOR are available to serve New York Harbor, 250,000 barrels are available to Providence, R.I. and 750,000 barrels are in Connecticut. The logic for these location choices was that 50% of the heating oil that comes to the northeast transits N.Y Harbor. Each location holds the stock in privately-owned, surface tanks contracted for by the Department of Energy. No one company can hold more than 40% of the NHHOR at any one location. The companies that are storing the NHHOR have a one year contract with four additional option years. They are compensated by the government (DOE/SPR) for their storage of oil at a negotiated rate.

2007 will be the next opportunity for companies to bid on being selected as a NHHOR storage site. In order to actually serve the oil consuming northeast, the SPR has indicated a desire to receive bids for NHHOR oil resources from the northern New England states.

The Energy Policy and Conservation Act of 2000 sets conditions for the release of the Northeast Home Heating Oil Reserve at the discretion of the President who **may** make the requisite finding of a *severe energy supply interruption* for the sale of product under the following two conditions: (1) if there is a *dislocation* in the heating oil market, or (2) a circumstance exists (other than the defined dislocation) that is a regional supply shortage of significant scope and duration and the Reserve's release would significantly reduce its adverse impact. The law deems a *dislocation* to have occurred only when *the price differential between crude oil and No. 2 heating oil increases by over 60% over its five-year rolling average for the months of mid-October through March, and continues for seven consecutive days; and the price differential continues to increase during the most recent week for which price information is available.*

Existing Maine Storage Potential

The fact that oil prices can rise and fall very quickly has caused wholesale and retail dealers to become increasingly averse to the risks, as well as the costs, associated with maintaining inventories at levels which may have been typical a couple of decades ago. More stringent environmental regulations for oil storage have also contributed to decisions to reduce actual storage capacity at the wholesale, retail and end-use levels. Although sufficient capacity appears to be available throughout New England at the terminal level, SPO's 1990 survey of Maine oil dealers revealed that, on average, a typical company has gross storage capacity which, if full, would provide only six percent of its yearly sales volumes, far less than an entire heating season's supply.

Because oil storage is expensive, there has been a growing dependence on *through-put* and *just in time* inventory, rather than pre-season stockpiling to meet winter heating oil needs. As a result, both wholesale and retail oil dealers are less likely to suffer losses should prices decline and less likely to capture higher than normal profit levels during a widespread price run-up. Maine's retail oil industry has become unwilling, because of the associated risks, and unable, due to the lack of sufficient storage capacity, to maintain enough of an inventory cushion to protect Maine consumers from exposure to

price volatility and supply disruptions in upstream markets. Because of this change in behavior, Maine's consumers are now more exposed to price volatility.

It should be noted that Maine prices often fall faster and farther than the rest of New England, in part because Maine appears to have a more diverse and competitive retail oil industry. However, many rural regions of Maine do not enjoy this price phenomenon because dealers in those areas depend more on their own expensive bulk storage than dealers in close proximity to the major wholesale terminals in Southern and Central Maine (South Portland and Searsport). Maine storage capacities are underutilized. The Maine Department of Transportation, Maine Emergency Management Agency, Maine Department of Revenue Services and the Maine Fire Marshall's Office have all provided the SPO with data on storage capacity throughout the State. This information is available in SPO's Maine Heating Fuels Inventory 2000, Appendices 8-13.

State Interagency Energy Planning and Heating Fuel Response Team

Since year 2000, the State has coordinated a Maine Interagency Heating Fuel Response Team which brings together staff from appropriate state agencies to address potential energy emergencies. (See Appendix 3 for a listing) In addition, in June 2004 The Maine Office of Energy Independence and Security launched a new state energy information website. For a wide spectrum of energy information ranging from policy to programs, fuel prices to paybacks, consult www.maineenergyinfo.com .

In light of high heating fuel prices and lower than necessary Federal LIHEAP funds in the fall of 2004, Governor John Baldacci launched **Operation Keep ME Warm**, an initiative to help some of Maine's most vulnerable citizens prepare for the cold winter months. **Operation Keep ME Warm** was the first of its kind, public-private partnership that matched volunteers with Mainers who pre-qualified for weatherization assistance. Volunteers installed kits of energy conservation measures in over 1,500 homes. The Maine Commission for Community Service coordinated the volunteers who came from National Service Programs like Americorps, Senior Corps and VISTA and technical schools, Maine businesses and government. Members of the National Guard also participated.

The Maine Emergency Management Agency (MEMA), in conjunction with the SPO and representatives from other departments, conducted a series of meetings during 2000-01 to analyze the logistics and details of how an energy crisis might unfold, including highly unlikely and extreme situations in which the Governor could use his emergency powers. A State of Maine Energy Emergency Plan was developed by MEMA and SPO in coordination with a stakeholder group of Maine State agencies and submitted to DOE in 2002. The State's response to an energy crisis would employ the same emergency systems that are applied in any other hazard situation. MEMA believes that any fuel supply emergency would be a slowly emerging situation (compared to less predictable disasters such as a flood or hurricane) wherein existing local and county

response plans would be utilized before the situation developed into an event requiring state response.

Anticipated Reductions, Curtailments or Shortfalls in product deliveries or storage inventories in the coming months

SPO information indicates adequate volumes of Maine heating fuels are in storage this year. Oil and gas companies have increased their security measures since the September 11th attacks and this heightened state of awareness persists. The wholesale kerosene market has shrunk in Maine and consumers should be aware of this in planning for winter. Maine has only four terminals which distribute kerosene including; Irving, Sprague, Webber Oil and Webber Tanks.

Appendices

APPENDIX 1
SPO Raw Data on Heating Oil and Kerosene Inventories

Month/Year	Stocks Inventory	Storage Capacity	percentage of storage filled	
Sept.1999	994,432	1,594,480	62%	No.#2
Sept.2000	752,009	1,594,033	47%	
Oct.2000	715,365	1,595,753	45%	
Nov. 2000	820,424	1,594,753	51%	
Dec.2000	748,831	1,644,753	45%	
Jan.2001	1,059,931	1,644,753	64%	
Feb.2001	761,564	1,734,981	44%	
Mar.2001	564,503	1,734,981	32%	
Apr.2001	554,761	1,734,981	33%	
May.2001	567,180	1,734,981	32%	
June.2001	369,882	1,734,981	21%	
July.2001	658,964	1,634,561	40%	
Aug.2001	949,341	1,634,561	58%	
Sept.2001	1,028,013	1,634,561	63%	
Oct.2001	975,702	1,507,561	65%	
Nov.2001	1,078,703	1,507,561	61%	
Dec.2001	1,143,744	1,607,981	71%	
Jan.2002	1,085,082	1,617,753	67%	
Feb. 2002	914,682	1,607,981	57%	
Mar.2002	952,181	1,507,561	63%	
Apr.2002	687,776	1,507,561	46%	
May.2002	832,447	1,507,561	55%	
June.2002	933,092	1,507,561	62%	
July.2002	986,726	1,507,561	65%	
Aug.2002	1,136,075	1,507,561	75%	
Sept.2002	1,103,676	1,754,561	63%	
Oct.2002	1,016,711	1,754,561	58%	
Nov.2002	874,044	1,754,561	50%	
Dec.2002	966,766	1,754,561	55%	
Jan.2003	866,103	1,754,561	49%	
Feb.2003	726,860	1,754,561	41%	
Mar.2003	513,693	1,754,561	29%	
Apr.2003	399,445	1,781,561	22%	
May.2003	351,640	1,781,561	20%	
June.2003	623,778	1,781,561	35%	
July.2003	971,343	1,754,561	55%	
Aug.2003	1,091,947	1,754,561	62%	
Sept.2003	1,014,312	1,781,561	57%	
Oct.2003	1,196,345	1,781,561	67%	
Nov.2003	1,095,149	1,781,561	61%	
Dec.2003	960,062	1,781,561	54%	
Jan.2004	1,069,953	1,781,561	60%	
Feb.2004	793,730	1,781,561	44%	
Mar.2004	836,730	1,781,561	47%	
Apr.2004	505,311	1,781,561	28%	
May.2004	417,467	1,742,561	24%	
June.2004	869,676	1,742,561	50%	
July.2004	916,682	1,742,561	53%	
Aug.2004	1,125,835	1,742,561	65%	
Sept.2004	1,074,883	1,742,561	62%	
Oct. 2004	974,352	1,742,561	56%	
Nov. 2004	1,263,039	1,867,561	68%	
Dec. 2004	1,152,981	1,867,561	62%	

Month/Year	Stocks Inventory	Storage Capacity	percentage of storage filled	
Sept.1999	384,223	625,000	61%	kerosene
Sept.2000	209,688	587,000	36%	
Oct.2000	150,457	591,000	25%	
Nov. 2000	133,619	592,000	23.00%	
Dec.2000	105,493	489,000	22%	
Jan.2001	258,574	508,246	51%	
Feb.2001	317,486	508,246	62%	
Mar.2001	222,219	508,246	44%	
Apr.2001	107,274	508,246	21%	
May.2001	49,881	439,000	11%	
June.2001	39,885	439,000	9%	
July.2001	103,166	438,000	24%	
Aug.2001	291,106	438,000	66%	
Sept.2001	288,880	438,000	66%	
Oct.2001	405,650	567,246	72%	
Nov.2001	347,582	567,246	61%	
Dec.2001	298,826	567,246	53%	
Jan.2002	336,596	567,246	59%	
Feb. 2002	269,162	567,246	47%	
Mar.2002	239,258	567,246	42%	
Apr.2002	268,274	567,246	47%	
May.2002	228,898	428,000	53%	
June.2002	210,397	428,000	49%	
July.2002	200,303	428,000	47%	
Aug.2002	218,451	428,000	51%	
Sept.2002	252,980	428,000	59%	
Oct.2002	357,757	428,000	83%	
Nov.2002	271,350	497,246	54%	
Dec.2002	377,309	497,246	76%	
Jan.2003	380,978	574,246	66%	
Feb.2003	300,651	574,246	52%	
Mar.2003	169,373	574,246	29%	
Apr.2003	66,022	505,000	13%	
May.2003	92,596	505,000	18%	
June.2003	242,961	416,000	58%	
July.2003	244,904	423,000	58%	
Aug.2003	264,706	423,000	62%	
Sept.2003	302,462	423,000	72%	
Oct.2003	288,508	492,246	59%	
Nov.2003	254,878	492,246	52%	
Dec.2003	258,936	492,246	53%	
Jan.2004	226,688	492,246	46%	
Feb.2004	196,785	492,246	40%	
Mar.2003	199,307	492,246	40%	
Apr.2004	91,135	492,246	18%	
May.2004	64,103	476,000	13%	
June.2004	39,458	476,000	8%	
July.2004	32,000	476,000	7%	
Aug. 2004	143,169	476,000	30%	
Sept. 2004	153,392	476,000	32%	
Oct. 2004	150,006	476,000	31%	
Nov. 2004	327,765	545,246	60%	
Dec. 2004	369,412	545,246	68%	

APPENDIX 2
Active Primary Terminal Listings, Maine DEP
MDEP Raw Data Tables for Barrels of Petroleum Products Transferred into Maine from 1995- Nov.2004
MDEP Raw Data on Petroleum Exports 2004

ACTIVE TERMINAL FACILITIES

LICENSE STATUS	LIC #	COMPANY NAME	LOCATION	ST	CONTACT	CONTACT TELEPHONE
Active	324	COLDBROOK ENERGY, INC.	HAMPDEN	ME	KEVIN FISH	207-945-9465
		Coldbrook has not brought in any product by vessel since 1/98.				
Active	308	FPL ENERGY INC	YARMOUTH	ME	SANDRA LINDENBERG	207-846-8101
Active	310	GLOBAL COMPANIES, LLC	SOUTH PORTLAND	ME	MARCUS B. THOMPSON	781-398-4348
Active	300	GULF OIL LIMITED PARTNERSHIP	SOUTH PORTLAND	ME	MARIA ALVES	617-889-9065
Active	322	IRVING OIL TRANSPORTATION CO	SEARSPORT	ME	TAMMY SMITH	207-941-7316
Active	304	EXXON MOBIL CORPORATION	SOUTH PORTLAND	ME	KIRK MATHEWS (DALLAS)	713-656-9882
Active	307	MOTIVA	SOUTH PORTLAND	ME	KEVIN ERRINGTON (TERM OP)	207-799-3394
Active	299	MASTER STA ATL DETCH CUTLER	CUTLER	ME	NORMAN LABEGE	207-259-8211
		Cutler has not transferred any product into the state since 11/95				
Active	455	PIKE INDUSTRIES	BANGOR	ME	ROLAND FOGG	207-942-4681
Active	306	PORTLAND PIPE LINE CORP PIERII	SOUTH PORTLAND	ME	DAVID CYR	207-767-0450
Active	317	SPRAGUE ENERGY CORP	BUCKSPORT	ME	NATALIE HEBERT	603-430-7244
Active	319	SPRAGUE ENERGY CORP	SEARSPORT	ME	NATALIE HEBERT	603-430-7244
Active	302	SPRAGUE ENERGY CORP.	SOUTH PORTLAND	ME	NATALIE HEBERT	603-430-7244
Active	325	WEBBER OIL CO.	BANGOR	ME	CANDICE MORRILL	207-942-5501
Active	326	WEBBER TANKS, INC.	BUCKSPORT	ME	JEFFERY MURDY	207-469-3165

BARRELS OF PETROLEUM PRODUCTS TRANSFERRED INTO MAINE FROM JANUARY 1995 TO NOVEMBER 2004

KEROSENE # 1FUEL OIL				CODE 01									TOTAL BY
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YEAR
2004	234,209	230,093	220,295	23,981	915	608	130,633	154,786	100,909	76,794	228,922		1,402,145
2003	138,597	158,736	95,621	66,370	139,664	214,544	455	81,952	63,328	103,121	107,428	121,913	1,291,729
2002	220,159	32,731	98,430	99,089	1,334	26,714	35,327	46,712	123,125	64,375	184,926	287,744	1,220,666
2001	256,581	10,059	74,456	2,608	15,415	79,584	177,577	112,354	76,672	45,192	74,854	72,161	997,513
2000	145,744	200,685	83,526	12,263	31,811	12,376	27,804	132,927	26,589	64,034	136,836	277,242	1,151,837
1999	231,592	109,672	29,218	28,441	192,711	140,790	2,153	849	432	18,714	75,050	193,036	1,022,658
1998	92,893	148,598	53,862	521	6,973	246,087	106,074	65,139	87,170	66,370	185,640	100,961	1,160,288
1997	104,295	130,714	148,834	24,941	269,640	6,461	169,328	6,818	159,817	82,193	56,695	414,839	1,574,575
1996	344,510	123,683	65,866	120,810	40,376	22,082	5,836	164,299	250,009	384,308	225,671	174,881	1,922,331
1995	335,740	152,149	42,560	1,016	34,253	6,364	13,092	59,966	27,283	250,560	160,208	291,267	1,374,458
TOTALS	1,511,355	875,560	498,322	190,600	591,179	513,744	501,864	542,352	627,972	911,371	914,954	1,524,387	9,203,660

In July 2003, we split the codes to better represent the difference between Fuel Oil #2 and Diesel. Directly below are the figures for the combination of #2 Fuel Oil and Diesel from January1995 to June 2003. Below that are the figures for #2 Fuel Oil for July 2003 to June 2004. Below that are the figures for Diesel for July 2003 to June 2004.

DIESEL / FUEL OIL #2				CODE 02									TOTAL BY
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YEAR
2003	2,574,510	1,932,674	1,848,013	1,247,826	1,338,550	1,265,451							10,207,024
2002	2,060,921	2,045,078	1,303,910	1,031,973	1,639,388	723,684	1,025,118	918,334	935,071	969,340	1,798,632	1,959,712	16,411,161
2001	2,181,267	1,861,215	1,400,189	1,224,066	1,190,857	1,211,125	1,087,527	998,437	1,255,205	1,230,980	1,578,168	1,513,092	16,732,128
2000	1,551,329	1,797,347	1,412,866	959,420	1,088,971	1,008,113	915,934	1,353,014	1,013,911	1,497,617	1,501,367	1,820,043	15,919,932
1999	2,129,155	1,833,978	1,476,505	1,310,261	668,621	1,339,274	981,713	877,592	677,156	1,304,114	1,252,722	1,055,264	14,906,355
1998	1,537,883	1,516,543	1,762,564	1,130,530	1,381,618	1,025,603	669,537	832,148	1,181,664	966,794	1,147,478	1,794,952	14,947,314
1997	1,814,240	1,737,803	1,488,201	1,291,253	1,101,445	1,124,311	928,033	1,072,717	1,116,793	1,080,464	1,418,141	1,947,005	16,120,406
1996	1,996,845	1,290,458	1,188,863	1,148,338	1,158,512	835,030	544,806	922,849	885,870	1,574,031	1,408,299	1,628,494	14,582,395
1995	2,011,276	1,759,648	1,395,592	1,174,954	1,201,872	602,394	1,148,280	815,797	952,223	730,029	1,676,850	2,260,685	15,729,600
TOTALS	13,221,995	11,796,992	10,124,780	8,238,822	7,791,896	7,145,850	6,275,830	6,872,554	7,082,822	8,384,029	9,983,025	12,019,535	108,938,130

2003 FUEL OIL #2 ONLY				CODE 02									TOTAL BY
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YEAR
2004	1,958,001	1,883,218	888,675	996,700	448,984	1,069,405	556,475	562,145	436,972	722,956	1,064,176		10,587,707
2003							537,121	615,048	773,441	1,055,800	924,808	1,739,869	5,646,087

2003 DIESEL ONLY				CODE 29									TOTAL BY
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YEAR
2004	344,602	656,891	406,900	319,375	280,608	404,622	340,732	553,246	538,829	387,553	776,575		5,009,933
2003							423,235	243,759	413,858	326,906	411,040	378,944	2,197,742

FUEL OIL #6				CODE 05/06									
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	
2004	1,274,008	739,826	330,096	340,170	265,718	573,792	400,789	127,493	334,142	314,995	465,844		5,166,873
2003	873,779	738,426	944,921	564,797	713,415	424,044	340,000	411,178	457,811	363,162	588,006	548,016	6,967,555
2002	561,322	424,359	678,848	234,151	540,592	73,291	420,564	357,518	596,345	467,590	554,656	748,202	5,657,438
2001	1,853,572	709,998	688,633	781,018	488,088	665,149	454,605	554,199	416,191	761,052	459,394	381,096	8,212,995
2000	865,565	1,064,545	872,104	595,002	777,595	849,898	590,784	732,732	609,163	869,457	973,809	904,945	9,705,599
1999	1,316,998	1,075,360	798,256	1,023,423	1,818,732	843,627	1,109,485	997,080	725,458	930,134	768,702	772,675	12,179,930
1998	1,249,707	1,137,952	706,162	854,666	1,179,586	812,953	1,163,204	815,988	864,476	813,788	936,763	1,389,390	11,924,635
1997	701,747	807,270	994,203	990,930	637,830	1,129,538	959,757	650,544	680,767	960,186	1,129,839	1,273,588	10,916,199
1996	1,085,792	1,230,600	659,869	561,974	938,742	882,291	583,699	780,106	401,183	863,964	612,189	1,328,493	9,928,902
1995	1,114,317	743,628	1,130,197	1,015,242	724,441	791,854	868,282	761,969	740,390	867,829	783,856	1,091,945	10,633,950
TOTALS	8,187,698	6,769,353	5,849,424	5,822,255	6,565,014	5,975,310	5,729,816	5,292,618	4,437,628	6,066,410	5,664,552	7,142,132	73,502,210

In July 2003, we split the codes to better represent the difference between Regular Unleaded Gasoline and Premium Unleaded Gasoline. Directly below are the figures for the combination of Regular Unleaded Gasoline and Premium Unleaded Gasoline from January 1995 to June 2003.
Below that are the figures for Regular Unleaded Gasoline for July 2003 to June 2004.
Below that are the figures for Premium Unleaded Gasoline for July 2003 to June 2004.

UNLEADED GASOLINE (REG & SUPER)						CODE 23							TOTAL BY
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YEAR
2003	1,851,606	1,320,322	1,938,520	1,119,890	2,040,650	1,808,976							10,079,964
2002	1,514,664	1,497,451	1,363,001	1,511,555	1,740,291	1,748,090	1,955,280	2,080,240	1,992,949	1,702,844	1,690,933	1,575,887	20,373,185
2001	1,787,386	1,399,102	1,349,104	1,785,844	1,861,408	1,473,969	2,276,213	1,679,808	1,993,294	1,502,992	1,231,203	1,686,825	20,027,148
2000	1,395,082	1,548,238	1,755,580	1,283,303	1,815,460	1,581,295	1,935,527	1,686,559	1,339,096	1,751,848	1,866,538	1,319,764	19,278,290
1999	1,916,828	1,972,722	1,209,419	1,497,951	1,489,033	1,806,547	1,742,579	2,016,255	1,497,275	1,863,747	1,546,261	1,512,427	20,071,044
1998	1,664,068	1,566,163	1,732,871	1,580,320	2,303,254	1,591,683	2,027,791	2,244,267	2,029,811	1,759,643	1,688,757	1,293,650	21,482,278
1997	1,823,312	1,378,965	1,869,550	1,665,044	1,895,978	2,030,352	1,878,268	2,026,039	2,016,811	2,119,723	1,963,260	1,607,125	22,274,427
1996	1,557,428	1,574,849	1,554,676	1,448,144	1,870,256	1,920,986	1,913,841	2,330,118	1,663,769	1,920,828	1,801,378	1,618,596	21,174,869
1995	1,643,804	1,778,853	1,433,309	1,681,322	1,567,849	1,759,187	1,971,520	1,942,232	1,340,400	1,903,718	1,067,035	1,751,484	19,840,713
TOTALS	11,787,908	11,218,892	10,904,509	10,941,928	12,803,238	12,164,019	13,745,739	13,925,278	11,880,456	12,822,499	11,164,432	10,789,871	144,148,769

REGULAR UNLEADED GASOLINE ONLY						CODE 23							TOTAL BY
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YEAR
2004	1,586,993	1,539,897	1,607,631	1,463,068	1,967,602	1,786,479	1,923,212	1,770,151	2,002,839	1,687,292	1,563,962		18,899,126
2003							1,957,558	1,772,592	1,552,862	2,009,591	1,396,026	1,697,408	10,386,037

PREMIUM UNLEADED GASOLINE ONLY						CODE 28							TOTAL BY
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YEAR
2004	125,709	147,748	91,131	105,319	51,289	65,715	29,825	24	69,287	0	133,130		819,177
2003							244,046	154,243	191,906	61,395	30,503	128,645	810,738

AVIATION GASOLINE				CODE 24									TOTAL BY
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YEAR
2004	940	583	1,048	810	7,691	1,731	**9,534**	**1,298**	**2,983**	**6,375**	**14,806**		**47,799**
2003	1,166	607	206	1,353	1,577	1,482	2,586	2,158	1,560	1,267	786	1,155	**15,903**
2002	1,143	207	803	2,091	2,123	1,143	40,563	2,320	3,494	1,675	882	861	**57,305**
2001	1,125	588	37,566	1,752	2,527	2,136	1,920	3,106	1,387	32,028	374	827	**85,336**
2000	900	1,036	1,185	1,098	2,961	2,313	2,239	3,110	2,641	1,853	1,208	1,197	**21,741**
1999	1,567	1,416	1,201	1,363	2,524	3,005	3,196	3,248	2,594	1,621	1,996	1,054	**24,785**
1998	985	1,320	1,373	2,012	2,844	1,863	4,286	4,006	2,686	1,980	1,535	1,125	**26,015**
1997	1,613	1,269	1,682	2,291	3,183	3,355	5,020	4,363	3,070	2,908	1,691	1,745	**32,190**
1996	1,652	1,390	2,315	2,079	2,756	3,589	4,355	4,814	2,752	4,032	2,027	1,410	**33,171**
1995	1,541	1,869	1,965	2,378	4,126	4,102	5,162	5,169	3,862	3,740	1,734	1,963	**37,611**
TOTALS	**9,383**	**8,888**	**47,287**	**12,973**	**20,921**	**20,363**	**26,178**	**27,816**	**18,992**	**48,162**	**10,565**	**9,321**	**260,849**

JET FUEL JP-1 & JET-A				CODES 26 & 27									TOTAL BY
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YEAR
2004	36,000	147,145	205,583	78,208	214,567	71,449	**61,291**	**155,426**	**165,083**	**323,780**	**45,287**		**1,503,819**
2003	71,956	187,852	208,210	232,560	106,570	223,821	106,845	112,033	129,958	147,369	206,144	95,855	**1,829,173**
2002	167,271	40,375	191,734	141,310	37,939	103,504	136,427	117,790	110,679	36,991	170,564	97,033	**1,351,617**
2001	161,977	66,578	93,883	93,177	135,374	65,470	185,117	127,699	172,446	312,837	198,260	86,614	**1,699,432**
2000	103,601	45,412	121,023	20,788	207,635	158,585	113,013	125,981	166,132	47,975	73,237	237,505	**1,420,887**
1999	188,326	98,587	70,709	117,183	27,858	187,885	206,122	108,439	138,273	72,880	157,390	72,492	**1,446,144**
1998	90,654	15,566	86,221	21,494	22,125	157,865	37,319	194,857	95,802	96,512	110,579	167,356	**1,096,350**
1997	4,043	55,469	57,320	4,396	106,887	25,300	44,706	111,331	97,236	21,371	103,290	22,353	**653,702**
1996	104,142	40,015	21,230	96,031	58,127	88,263	94,434	67,746	88,795	82,688	3,597	83,634	**828,702**
1995	52,039	65,561	18,899	1,709	66,023	2,020	84,513	36,617	70,121	83,508	86,888	1,289	**569,187**
TOTALS	**704,782**	**387,188**	**469,285**	**354,778**	**624,029**	**685,388**	**765,224**	**772,670**	**828,805**	**717,771**	**733,241**	**671,243**	**7,714,404**

ASPHALT				CODE 41									TOTAL BY
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YEAR
2004	2,048	1,536	0	171,561	**9,430**	**221,060**	**162,783**	**171,836**	**121,192**	**63,217**	**5,353**		**930,016**
2003	0	0	**503**	118,096	**48,006**	53,199	188,704	112,082	84,379	**187,301**	58,324	56,791	**907,385**
2002	0	0	0	226,540	128,342	90,043	183,813	79,285	181,080	46,740	25,664	0	**961,507**
2001	151,675	0	345	47,699	86,747	92,591	109,561	107,176	131,070	115,828	0	0	**842,692**
2000	0	0	0	134,170	163,722	79,809	268,561	225,233	69,462	123,954	14,477	48,107	**1,127,495**
1999	0	109,941	519	51,604	231,603	80,271	149,301	112,946	97,072	52,500	20,874	686	**907,317**
1998	0	85,208	60,504	5,578	32,664	177,357	162,571	107,301	180,654	171,752	35,432	2,751	**1,021,772**
1997	57,977	62,686	0	4,057	99,501	182,487	104,849	227,583	84,372	109,706	33,567	34,203	**1,000,988**
1996	38,914	0	256	6,062	41,164	33,709	133,593	79,941	60,327	45,822	35,207	0	**474,995**
1995	0	0	184	115,854	115,867	128,506	273,714	232,494	190,566	152,994	42,898	64,754	**1,317,831**
TOTALS	**248,566**	**257,835**	**61,808**	**365,024**	**771,268**	**774,730**	**1,202,150**	**1,092,674**	**813,523**	**772,556**	**182,455**	**150,501**	**6,693,090**

OTHER PETROLEUM PRODUCTS	CODE 81	EX: MINERAL OIL, HYDRAULIC FLUID											TOTAL BY
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YEAR
2004	2,561	1,743	2,616	2,524	2,552	2,334	1,511	1,769	2,113	1,556	1,447		22,726
2003	2,234	1,792	3,189	1,693	2,758	2,016	2,463	2,878	2,960	5,284	2,085	2,680	32,032
2002	3,648	4,399	4,629	4,637	5,719	4,823	3,824	5,136	2,152	2,491	3,572	3,062	48,092
2001	406	380	4,523	5,388	5,138	5,492	3,864	5,290	3,062	4,200	5,026	4,837	47,606
2000	1,944	2,097	2,759	2,206	2,350	1,905	2,635	2,983	1,946	3,603	407	604	25,439
1999	1,103	315	470	947	954	791	1,573	1,417	786	1,270	1,414	2,469	13,509
1998	0	321	103	746	1,666	1,430	1,898	1,398	1,422	1,105	793	1,266	12,148
1997	503	660	160	771	593	1,312	473	1,240	314	4	160	665	6,855
1996	326	244	553	667	610	278	870	885	520	512	681	395	6,541
1995	346	905	531	637	577	796	734	594	616	408	477	390	7,011
TOTALS	4,628	4,922	9,099	11,362	11,888	12,004	12,047	13,807	8,666	11,102	8,958	10,626	119,109

CRUDE	CODE 61	PIPELINE THRU-PUT TO CANADA											TOTAL BY
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YEAR
2004	12,186,050	13,140,139	13,557,848	11,250,518	12,992,717	13,478,354	12,818,697	15,035,683	14,335,381	13,217,782	13,130,015		145,143,184
2003	12,777,873	10,742,680	16,788,586	13,577,261	11,410,420	13,712,174	14,924,755	13,615,304	12,028,665	14,577,800	13,633,733	12,537,460	160,326,711
2002	13,630,468	10,426,795	11,463,709	11,862,012	11,228,970	12,862,589	13,496,241	15,309,473	14,253,897	12,599,475	11,452,311	14,005,426	152,591,366
2001	13,373,676	13,333,578	15,415,801	11,158,371	16,423,318	12,086,637	12,823,708	11,960,189	13,303,409	14,648,533	10,161,458	10,818,366	155,507,044
2000	11,829,142	11,409,266	13,684,268	10,401,886	14,573,183	13,334,249	13,533,000	13,507,010	13,795,933	13,646,190	14,825,581	13,352,947	157,892,655
1999	7,996,559	5,309,500	6,582,461	7,717,109	9,089,730	9,181,055	10,865,274	9,499,576	8,363,895	10,812,360	11,269,562	10,585,049	107,272,130
1998	5,991,091	5,221,411	6,666,280	7,699,630	5,908,574	4,606,358	8,257,096	6,985,353	5,929,910	7,560,714	5,317,122	6,631,645	76,775,184
1997	7,681,131	5,672,832	5,993,909	4,917,603	5,939,245	5,600,136	6,873,751	6,712,070	4,763,434	8,184,223	5,873,311	7,163,487	75,375,132
1996	6,573,397	6,208,532	7,488,549	4,358,709	5,033,631	6,080,937	6,787,223	5,452,013	5,529,962	5,627,988	6,568,774	4,477,644	70,187,359
1995	5,059,005	4,044,813	6,174,478	3,241,233	4,962,913	4,463,751	5,631,592	6,017,187	6,618,864	5,100,081	6,433,673	3,620,761	61,368,351
TOTALS	58,504,001	51,199,932	62,005,746	49,494,541	61,930,594	55,353,123	64,771,644	60,133,398	58,305,407	65,580,089	60,449,481	56,649,899	704,377,855

1/6/05

Betsy Here are the totals for the petroleum products that are exported from Maine.

Remember that not all the requests for refunds for petroleum products exported from Maine are in for 2003 or 2004. A few companies submit their request on a yearly basis; other companies submit quarterly; while most submit monthly.

Also, the products are grouped together as all gasoline and all other distillates rather than being broken down by product.

I have included the figures that have been updated for 2003 to show you that even though the product is exported, we do not have the figures for the time period until the companies request a refund from the Ground Water Oil Clean-up Fund for petroleum products exported from Maine.

FOR COMPARISON ONLY. These are the figures that I gave you on 1/28/04.

MONTH(S)	GASOLINE GALLONS	**GASOLINE (BARRELS)**	GAS FEE	$ GAS	FUEL GALLONS	**FUEL (BARRELS)**	FUEL FEE	$ FUEL	$ GAS & FUEL
Jan-03	11,783,223	**280,553**	0.58	$162,721	5,758,777	**137,114**	0.29	$39,763	$202,484
Feb-03	10,889,304	**262,396**	0.58	$152,190	5,216,825	**124,210**	0.29	$36,021	$192,950
Mar-03	11,526,120	**274,431**	0.58	$159,170	5,098,859	**121,401**	0.29	$35,206	$194,377
Apr-03	11,097,523	**264,227**	0.58	$153,252	3,017,172	**71,837**	0.29	$20,833	$174,084
May-03	13,393,078	**318,883**	0.58	$184,952	2,122,733	**50,541**	0.29	$14,657	$199,609
Jun-03	13,639,672	**324,754**	0.58	$188,357	1,996,382	**47,533**	0.29	$13,785	$202,142
Jul-03	12,268,642	**292,111**	0.58	$169,424	1,471,274	**35,030**	0.29	$10,159	$179,583
Aug-03	15,571,518	**370,750**	0.58	$214,372	2,037,813	**48,519**	0.29	$14,071	$228,442
Sep-03	10,060,535	**239,537**	0.58	$138,931	1,935,118	**46,074**	0.29	$13,362	$152,293
Oct-03	7,118,044	**169,477**	0.58	$98,297	1,122,664	**26,730**	0.29	$7,752	$106,049
Nov-03	5,596,766	**133,256**	0.58	$77,189	1,026,481	**24,440**	0.29	$7,088	$84,276
Dec-03	5,632,562	**134,109**	0.58	$77,783	1,202,871	**28,640**	0.29	$8,306	$86,089
	128,576,987	**3,064,483**		$1,776,637	32,006,969	**762,071**		$221,000	$2,002,377

Following are the figures that I compiled from the refund request figures to date (1/6/05). As you can see, there have been more refund requests for 2003 showing more petroleum product exported from Maine. Most of the refund requests have been received for 2003.

MONTH PRODUCT EXPORTED	**GASOLINE GALLONS**	**GASOLINE (BARRELS)**	**GAS FEE**	**$ GAS**	**FUEL GALLONS**	**FUEL (BARRELS)**	**FUEL FEE**	**$ FUEL**	**$ GAS & $FUEL TOTALED**
Jan-03	12,586,525	299,679	.58	$173,814	6,229,230	148,315	.29	$43,011	$216,825
Feb-03	11,678,100	281,177	.58	$163,082	5,579,196	132,838	.29	$38,523	$201,605
Mar-03	12,337,560	293,751	.58	$170,376	5,790,645	137,872	.29	$39,983	$210,359
Apr-03	12,049,691	286,897	.58	$166,400	3,581,445	85,273	.29	$24,729	$191,130
May-03	14,479,832	344,758	.58	$199,960	2,597,523	61,846	.29	$17,935	$217,895
Jun-03	14,944,432	355,820	.58	$206,375	2,491,218	59,315	.29	$17,201	$223,577
Jul-03	22,338,275	531,864	.58	$308,481	2,783,856	66,282	.29	$19,222	$327,703
Aug-03	26,109,019	621,643	.58	$359,226	3,497,888	83,283	.29	$24,152	$383,378
Sep-03	18,779,441	447,130	.58	$259,335	3,751,462	89,321	.29	$25,903	$285,238
Oct-03	22,067,998	525,429	.58	$304,749	4,819,855	114,758	.29	$33,280	$338,028
Nov-03	17,710,558	421,680	.58	$244,374	4,942,045	117,668	.29	$34,124	$278,498
Dec-03	18,469,931	439,760	.58	$255,061	6,465,972	153,952	.29	$44,646	$299,707
	203,551,362	4,849,588		$2,811,233	52,530,335	1,250,722		$362,709	$3,173,943

MAINE INTERAGENCY HEATING FUEL RESPONSE TEAM

State Planning Office:

Beth Nagusky — Phone: 287-4315
Director of Energy
State Planning Office
State House Station 38
Augusta, Maine 04333
beth.nagusky@maine.gov

Betsy Elder — Phone 287-8927
Hydroelectric License Coordinator — Fax 287-8059
State Planning Office
State House Station 38
Augusta, ME 04333
betsy.elder@maine.gov

Charles Pray — Phone 287-8936
State Nuclear Safety Advisor
Public Advocates Office
State House Station 112
Augusta, ME. 04330
charles.pray@state.maine.gov

Governor's Office:

Richard Davies — Phone 287-3531
Executive Department-Governor's Office — Fax 287-1034
State House Station 1
Augusta, ME 04333
richard.davies@.maine.gov

Lee Umphrey — Phone 287-3531
Executive Department-Governor's Office — Fax 287-1034
State House Station 1
Augusta, ME 04333
lee.umphrey@.maine.gov

Maine State Housing Authority:

Jo-Ann L. Choate — Phone 626-4600
Maine State Housing Authority — Fax 624-5780
353 Water Street
Augusta, ME 04330
jchoate@mainehousing.org

Following are the figures that I compiled from the refund request figures to date (1/6/05). As you can see, many of the refund requests for 2004 have not yet been received.

MONTH PRODUCT EXPORTED	GASOLINE GALLONS	GASOLINE (BARRELS)	GAS FEE	$ GAS	FUEL GALLONS	FUEL (BARRELS)	FUEL FEE	$ FUEL	$ GAS & $FUEL TOTALED
Jan-04	18,851,972	466,468	.58	$270,551	10,108,690	240,683	.29	$69,798	$340,349
Feb-04	13,928,602	331,633	.58	$192,347	6,180,462	147,154	.29	$42,675	$235,022
Mar-04	12,898,839	307,115	.58	$178,127	5,265,032	125,358	.29	$36,354	$214,481
Apr-04	12,011,579	285,990	.58	$165,793	3,923,224	93,410	.29	$27,089	$192,882
May-04	13,330,224	317,386	.58	$184,084	2,689,600	64,038	.29	$18,571	$202,655
Jun-04	14,142,851	336,735	.58	$195,306	2,954,610	70,348	.29	$20,401	$215,707
Jul-04	14,208,000	338,286	.38	$128,549	1,716,539	40,870	.19	$7,765	$136,314
Aug-04	14,574,271	347,006	.38	$131,862	1,855,963	44,190	.19	$8,396	$140,258
Sep-04	8,511,057	202,644	.38	$77,005	1,325,233	31,553	.19	$5,995	$83,000
Oct-04	2,460,239	58,577	.38	$22,259	628,785	14,971	.19	$2,845	$25,104
Nov-04			.38				.19		
Dec-04									
	124,917,634	2,991,840		1,545,883	36,648,138	872,575		239,888	1,785,772

YEAR PRODUCT EXPORTED	GASOLINE GALLONS	GASOLINE (BARRELS)		$ GAS	FUEL GALLONS	FUEL (BARRELS)		$ FUEL	$ GAS & $FUEL TOTALED
Jan-Dec 1996	228,785,329	5,447,375		$2,924,808	61,815,846	1,471,806		$441,542	$3,366,350
Jan-Dec 1997	231,307,919	5,507,332		$2,920,207	50,963,595	1,210,422		$351,416	$3,271,623
Jan-Dec 1998	211,303,251	5,028,104		$2,079,734	44,353,482	1,056,341		$222,732	$2,302,465
Jan-Dec 1999	131,119,589	3,147,152		$1,195,918	40,270,233	1,055,314		$200,510	$1,396,427
Jan-Dec 2000	132,667,837	3,158,758		$1,428,382	41,832,664	996,015		$220,441	$1,648,824
Jan-Dec 2001	139,827,419	3,329,224		$1,598,028	42,788,975	1,018,785		$244,508	$1,842,536
Jan-Dec 2002	144,089,473	3,430,702		$1,989,807	48,420,415	1,152,867		$334,287	$2,324,094
Jan-Dec 2003	203,551,362	4,849,588		$2,811,233	52,530,335	1,250,722		$362,709	$3,173,943
Partial 2004	124,917,634	2,991,840		$1,545,883	36,648,138	872,575		$239,888	$1,785,772

AVERAGE	GASOLINE GALLONS	GASOLINE (BARRELS)			FUEL GALLONS	FUEL (BARRELS)			
1996-2003 Aver	177,831,522	4,237,279			47,871,943	1,151,534			

APPENDIX 2

Active Primary Terminal Listings, Maine DEP

MDEP Raw Data Tables for Barrels of Petroleum Products Transferred into Maine from 1995- Nov.2004

MDEP Raw Data on Petroleum Exports 2004

APPENDIX 3

State Interagency Heating Fuel Response Team

MAINE INTERAGENCY HEATING FUEL RESPONSE TEAM

State Planning Office:

Beth Nagusky — Phone: 287-4315
Director of Energy — Fax 287-1039
Maine Office of Energy Security and Independence/
State Planning Office
State House Station 38
Augusta, Maine 04333
beth.nagusky@maine.gov

Betsy Elder — Phone 287-8927
Hydroelectric License Coordinator — Fax 287-1039
Maine Office of Energy Security and Independence/
State Planning Office
State House Station 38
Augusta, ME 04333
betsy.elder@maine.gov

Charles Pray — Phone 287-8936
State Nuclear Safety Advisor
Public Advocates Office
State House Station 112
Augusta, ME. 04330
charles.pray@state.maine.gov

Governor's Office:

Richard Davies — Phone 287-3531
Executive Department-Governor's Office — Fax 287-1034
State House Station 1
Augusta, ME 04333
richard.davies@.maine.gov

Lee Umphrey — Phone 287-3531
Executive Department-Governor's Office — Fax 287-1034
State House Station 1
Augusta, ME 04333
lee.umphrey@.maine.gov

Maine State Housing Authority:

Jo-Ann L. Choate — Phone 626-4600
Maine State Housing Authority — Fax 624-5780
353 Water Street
Augusta, ME 04330
jchoate@mainehousing.org

Peter Wintle
Maine State Housing Authority
353 Water Street
Augusta, ME 04330
pwintle@mainehousing.org
Phone 626-4600
Fax 624-5780

Dan Simpson
Maine State Housing Authority
353 Water Street
Augusta, ME 04330
dsimpson@mainehousing.org
Phone 626-4600
Fax 624-5780

Attorney General:

Francis Ackerman
Attorney General Office
State House Station 6
Augusta, ME 04333
francis.ackerman@maine.gov
Phone 626-8847
Fax 624-7730

Kathi Peters
Attorney General Office
State House Station 6
Augusta, ME 04333
kathi.peters.@maine.gov
Phone 626-8854
Fax 624-7730

Department of Environmental Protection:

Bryce J. Sproul
Department of Environmental Protection
State House Station 17
AMHI Complex
Augusta, ME 04333-0017
bryce.j.sproul@maine.gov
Phone 287-7048
Fax 287-7826

David Maxwell
ME DEP
State House Station 17
Augusta, ME 04333
david.w.maxwell@maine.gov
Phone 287-7872
Fax 287-7826

Marcia Arnold
ME DEP
State House Station 17
Augusta, ME 04333
marcia.a.arnold@maine.gov
Phone 287-6120
Fax 287-7826

Maine Emergency Management Agency:

Lynette Miller
MEMA
State House Station 72
Augusta, ME 04333
lynette.c.miller@maine.gov
Phone 626-4503
Fax 626-4499

Darla S. Chafin
MEMA
State House Station 72
Augusta, ME 04333
Darla.S.Chafin@maine.gov
Phone 626-4503
Fax 626-4499

Department of Transportation:

John E. Dority
MDOT
State House Station 16
Child Street
Augusta, ME 04333
john.dority@maine.gov
Phone 287-2551
Fax 287-8300

Rob Elder
Department of Transportation
State House Station 16
Augusta, ME 04333
Robert.elder@maine.gov
Phone 287-2841
Fax 287-2032

Public Utilities Commission:

Tom Welch
Maine Public Utilities Commission
State House Station 18
Augusta, ME 04333
Thomas.Welch@maine.gov
Phone 287-1361
Fax 287-1039

Matt Thayer
Maine Public Utilities Commission
State House Station 18
Augusta, ME 04333
Matt.Thayer@maine.gov
Phone 287-1594
Fax 287-1039

Derek Davidson
Maine Public Utilities Commission
State House Station 18
Augusta, ME 04333
Derek.D.Davidson@maine.gov
Phone 287-1596
Fax 287-1039

Office of Public Advocate:

Steve Ward
Office of Public Advocate
State House Station 112
Augusta, ME 04333
Stephen.G.Ward@maine.gov
Phone 287-4312
Fax 287-4317

Charles Pray
State Nuclear Safety Advisor
Public Advocates Office
State House Station 112
Augusta, ME. 04330
charles.pray@state.maine.gov
Phone 287-8936

Department of Human Services:

Cindy Boyd
DHS - General Assistance
State House Station 11
Augusta, ME 04333
cindy.boyd@maine.gov
Phone 287-3097
Fax 287-5096

Mary Walsh
DHS-Elder and Adult Services
11 State House Station
Augusta, ME. 04330
mary.walsh@maine.gov
Phone 624-5335
Fax 624-5361

Department of Administrative and Financial Services:

Dick Thompson
DAFS
State House Station 76
Augusta, ME 04333
richard.b.thompson@maine.gov
Phone 624-7340
Fax 287-6578

Department of Economic and Community Development:

Brian Dancause
DECD
State House Station 59
Augusta, ME 04333
brian.k.dancause@maine.gov
Phone 624-7498
Fax 287-5701

Legislative Branch – For their information

Office of Fiscal and Program Review:

Tim Leet — Phone 287-1635
Office of Fiscal and Program Review — Fax 287-6469
State House Station 5
Augusta, ME 04333
tim.leet@maine.gov

Rachel Tremblay — Phone 287-1635
Office of Fiscal and Program Review — Fax 287-6469
State House Station 5
Augusta, ME 04333
rachel.tremblay@maine.gov

Office of Policy and Legal Analysis:

Jon Clark, Esq. — Phone 287-1670
Senior Attorney — Fax 287-1790
Office of Policy and Legal Analysis
Maine State Legislature
State House Station 13
Augusta, ME 04333
jon.clark@maine.gov

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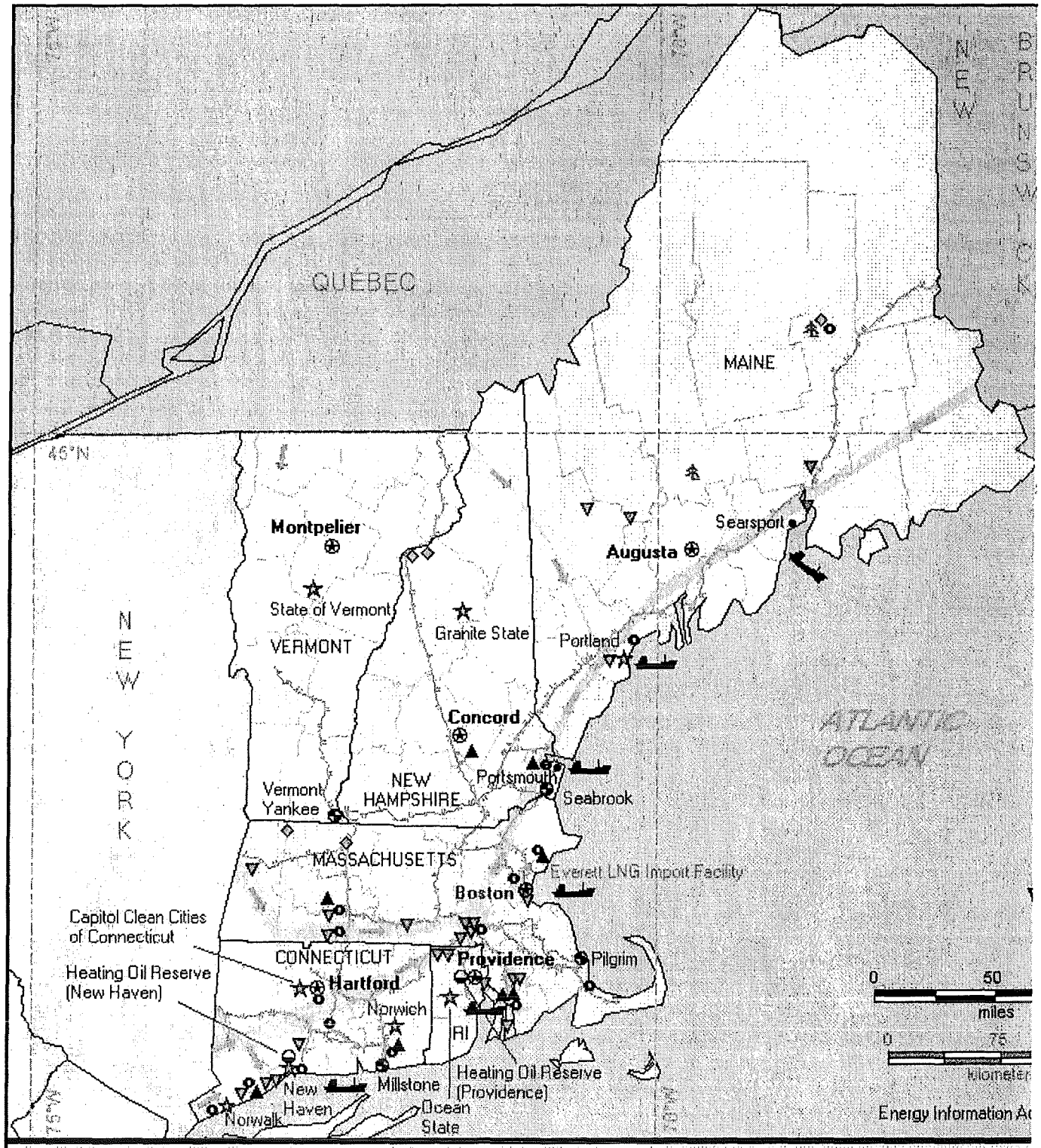
APPENDIX 4
DOE/EIA Map of New England Energy Infrastructure


QUEBEC
MAINE
NEW BRUNSWICK
46°N
Montpelier
State of Vermont
VERMONT
Granite State
Augusta
Searsport
Portland
NEW YORK
Concord
NEW HAMPSHIRE
Vermont Yankee
Portsmouth
Seabrook
ATLANTIC OCEAN
MASSACHUSETTS
Everett LNG Import Facility
Boston
Capitol Clean Cities of Connecticut
Heating Oil Reserve (New Haven)
CONNECTICUT
Hartford
Providence
Pilgrim
Norwich
RI
0 50
miles
0 75
kilometer
Heating Oil Reserve (Providence)
New Haven
Millstone
Norwalk
Ocean State
Energy Information Ad
Clean City Programs
State Capitals
State Capitals with Clean City Programs
Electricity Plants (100 MW and greater)
Nuclear
Coal
Hydroelectric
Petroleum
Geothermal
Natural Gas
Wood
Biomass
Transmission Lines (345 kV or more)
Major Coal Mines
Surface
Underground
Oil Import Sites
Oil Refineries
Natural Gas Flow (1 mile in width ≅ 100 millio
Natural Gas Market Centers (Hubs)