



North Carolina Monthly Petro Price Monitor

March 22, 2011

SUMMARY

The average price of regular gasoline in North Carolina dropped one cent per gallon since the March 14 report, but still remains 43 cents more than the previous month and 78 cents more than the price in March 2010. The flattening of pump prices comes as motorists had been seeing costs increasing on a near daily basis since the first week of February. This lull comes amid the continued unrest in the Middle East and Japan’s efforts to cope the devastation of the recent earthquake and resulting damage to key elements of its nuclear-powered energy production facilities.

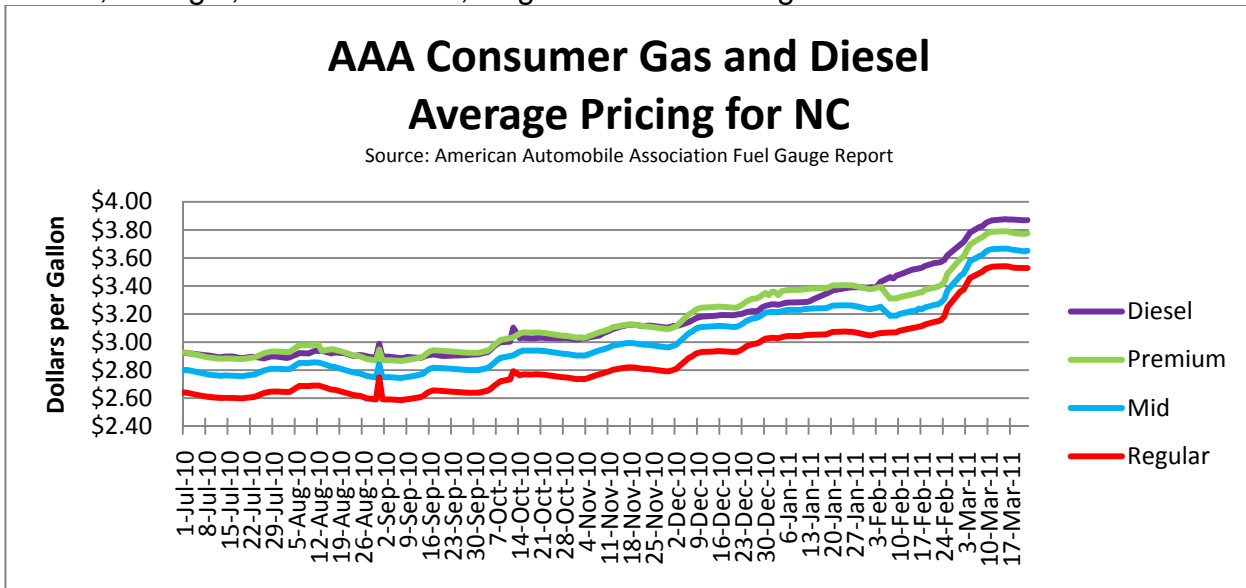
Ultra low sulfur diesel showed no change over the March 14 report, increased 38 cents over the previous month, and is 98 cents more than in March 2010. Spot prices for jet fuel decreased 10 cents per gallon over the last report, but remained 19 cents per gallon more than in February 2011, and 92 per gallon over March 2010. The home heating fuels monitoring has period ended and will not begin again until October 2011.

Current N.C. per gallon average for petroleum products

Road Fuels	Mar 22, 2011	Mar 14, 2011	Feb. 2011	Mar. 2010
Regular gasoline	\$3.53	\$3.54	\$3.10	\$2.75
Mid-grade	\$3.65	\$3.67	\$3.24	\$2.88
Premium	\$3.78	\$3.79	\$3.36	\$3.01
Ultra low sulfur diesel	\$3.87	\$3.87	\$3.49	\$2.89
Jet Fuel (SPOT)	\$3.03	\$3.13	\$2.84	\$2.11

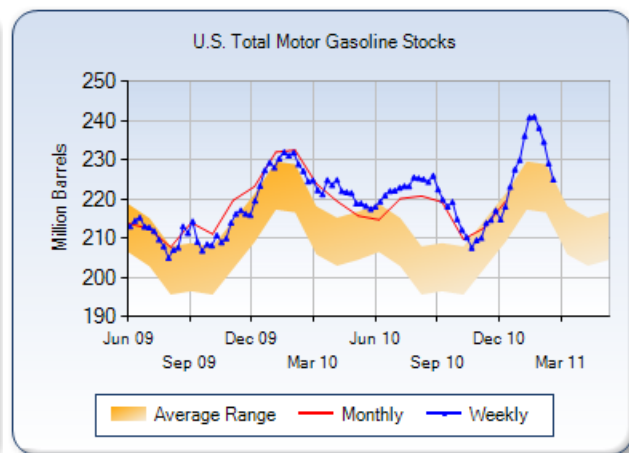
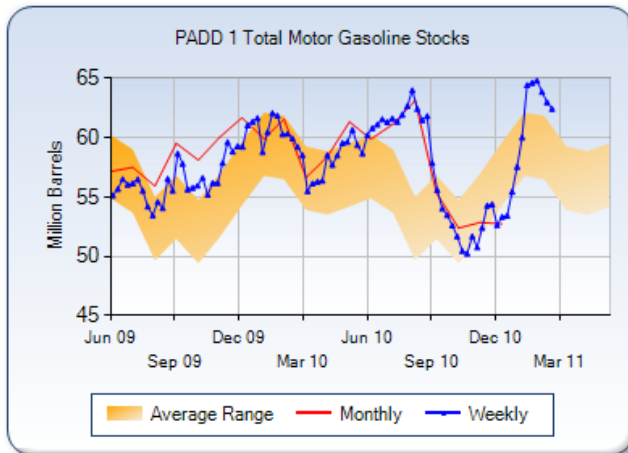
Source: EIA, Petroleum Navigator, Weekly Retail Gasoline and Diesel Prices, Weekly Heating Oil and Propane Prices and the AAA Fuel Gauge Report

The Energy Information Administration divides the nation into several regions – Petroleum Administration Defense Districts. North Carolina is in District 1C, East Coast, Lower Atlantic; with Florida, Georgia, South Carolina, Virginia and West Virginia.



Gasoline Stocks

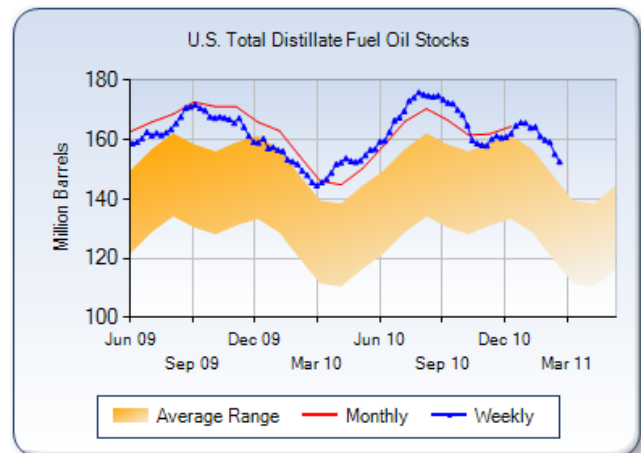
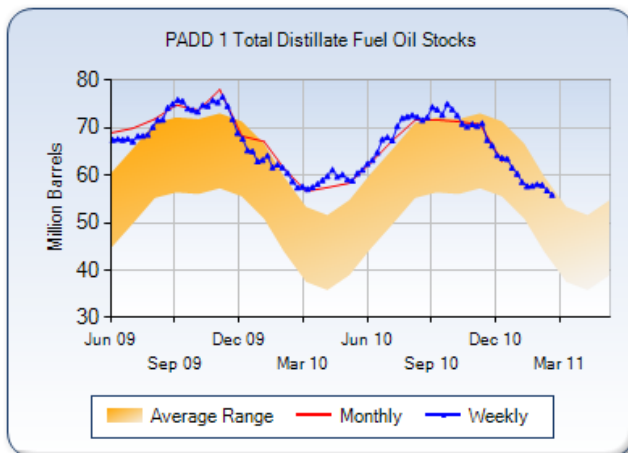
Monthly on-hand supplies in the East Coast, Lower Atlantic District are below the lower range of the five-year average, while the weekly inputs appear to be trending above the five-year average. On a national basis, monthly gasoline stocks continue to trend upwards and weekly stocks exceed the five-year average.



Source: Energy Information Administration, Stocks of Total Motor Gasoline by Petroleum Administration for Defense District, June 2009 to present

Diesel Stocks

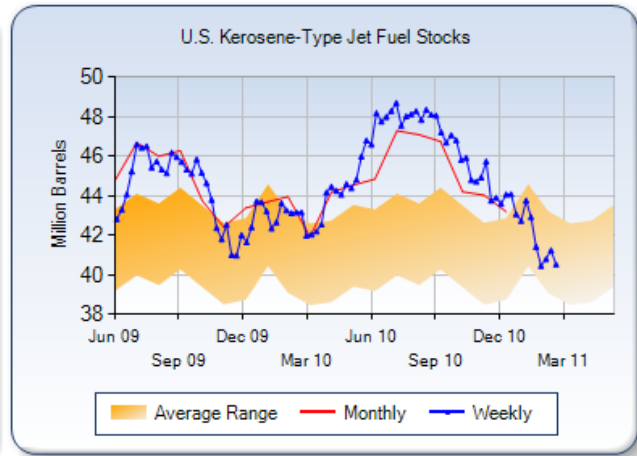
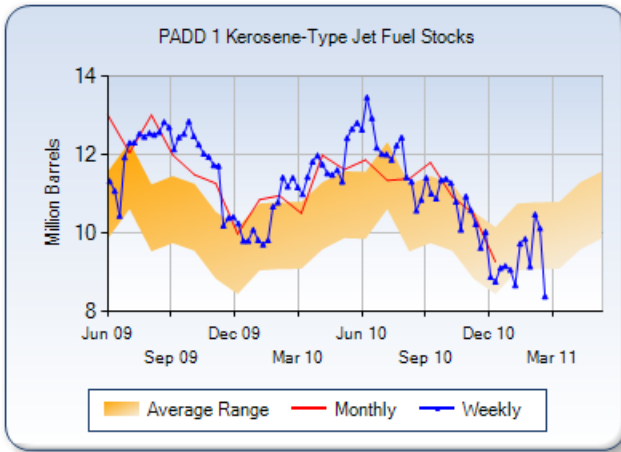
The on hand supplies of diesel in the East Coast, Lower Atlantic District appear well within the five-year average range. The monthly trend remains near the upper range of the five-year average, while the weekly supplies are following the five-year average trend. On a national basis, diesel stocks are well above the five-year average.



Source: Energy Information Administration, Stocks of Distillate Fuel Oil by Petroleum Administration for Defense District, June 2009 to present

Jet Fuel Stocks

The on hand supplies of jet fuel in the East Coast, Lower Atlantic District appear within the five-year average range. The monthly trend appears to remain within the five-year average, while the weekly supplies are following the five-year average trend. On a national basis, jet fuel stocks are above the five-year average.

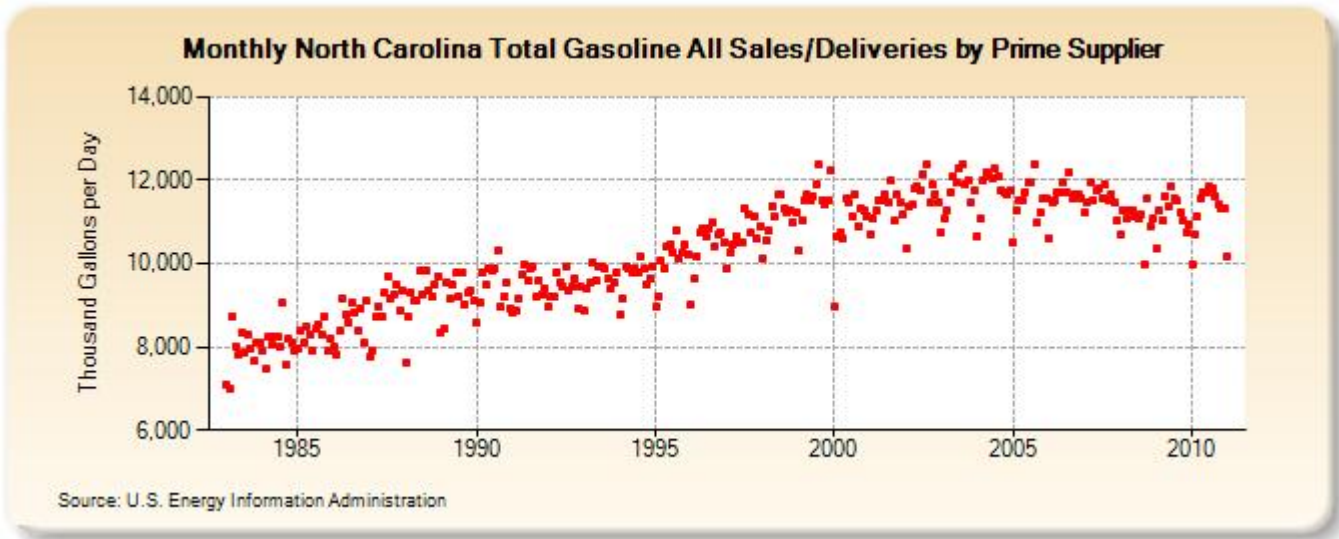


Source: Energy Information Administration, Stocks of Distillate Fuel Oil by Petroleum Administration for Defense District, June 2009 to present

Gasoline Demand

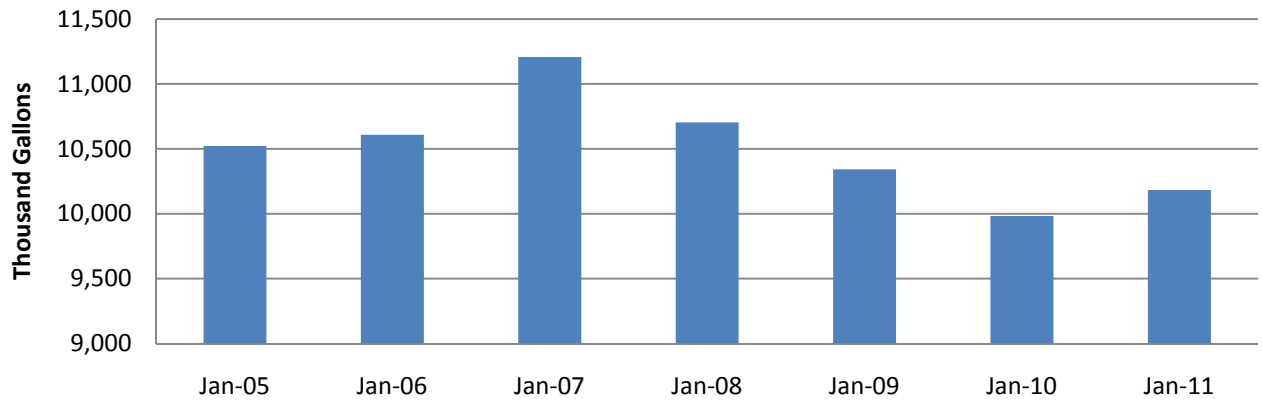
For the first time since January 2008, the demand for gasoline in North Carolina is increasing – though not at the pre-recession January 2007 level, according to the Energy Information Administration. The Energy Information Administration tracks total gasoline sales and deliveries by prime suppliers. Prime suppliers are organizations that produce, import or transport petroleum products across state lines, such as major oil companies, and then sells the products to local distributors and retailers. Over the last 30 years, the total volume of gasoline has increased (see the chart below). In January 2007 demand was 11.2 million gallons a day and dropped 4.5 percent a year later to 10.7 million.

Total gasoline sales and deliveries for January 2010 were 9.98 million gallons per day and increased in January 2011 to 10.183 million gallons per day. While that is a 2 percent increase over the year, it is still 4.8 percent less than in January 2008.



Source: U.S. Energy Information Administration

North Carolina Prime Supplier Gasoline Delivery and Sales January 2005-2011



Editorial Note

The Monitor is a brief status report of the most recent week, with some analysis of causes for price changes. The North Carolina Energy Office tracks supplies, prices and events that have an impact on petroleum products. Questions about the information in the Monitor can be directed to Bob Mielish at bmielish@nccommerce.com.