Energy Prices

Note 1. Crude Oil Refinery Acquisition Costs. Beginning with January 1981, refiner acquisition costs of crude oil are from data collected on U.S. Energy Information Administration (EIA) Form EIA-14, “Refiners’ Monthly Cost Report.” Those costs were previously published from data collected on Economic Regulatory Administration (ERA) Form ERA-49, “Domestic Crude Oil Entitlements Program Refiners Monthly Report.” Form ERA-49 was discontinued with the decontrol of crude oil on January 28, 1981. Crude oil purchases and costs are defined for Form EIA-14 in accordance with conventions used in Form ERA-49. The respondents for the two forms are also essentially the same. However, due to possible different interpretations of the filing requirements and a different method for handling prior period adjustments, care must be taken when comparing the data collected on the two forms.

The refiner acquisition cost of crude oil is the average price paid by refiners for crude oil booked into their refineries in accordance with accounting procedures generally accepted and consistently and historically applied by the refiners concerned. Domestic crude oil is that oil produced in the United States or from the outer continental shelf as defined in 43 USC Section 1331. Imported crude oil is either that oil reported on Form ERA-51, “Transfer Pricing Report,” or any crude oil that is not domestic oil. The composite cost is the weighted average of domestic and imported crude oil costs.

Crude oil costs and volumes reported on Form ERA-49 excluded unfinished oils but included the Strategic Petroleum Reserve (SPR). Crude oil costs and volumes reported on Federal Energy Administration (FEA) Form FEA-P110-M-1, “Refiners’ Monthly Cost Allocation Report,” included unfinished oils but excluded SPR. Imported averages derived from Form ERA-49 exclude oil purchased for SPR, whereas the composite averages derived from Form ERA-49 include SPR. None of the prices derived from Form EIA-14 include either unfinished oils or SPR.

Note 2. Crude Oil Domestic First Purchase Prices. The average domestic first purchase price represents the average price at which all domestic crude oil is purchased. Crude oil domestic first purchase prices were derived as follows: for 1949–1973, weighted average domestic first purchase values as reported by state agencies and calculated by the Bureau of Mines; for 1974 and 1975, weighted averages of a sample survey of major first purchasers’ purchases; for 1976 forward, weighted averages of all first purchasers’ purchases. The data series was previously called “Actual Domestic Wellhead Price.”

Note 3. Crude Oil F.O.B. Costs. F.O.B. literally means “Free on Board.” It denotes a transaction whereby the seller makes the product available with an agreement on a given port at a given price; it is the responsibility of the buyer to arrange for the transportation and insurance.

Note 4. Crude Oil Landed Costs. The landed cost of imported crude oil from selected countries does not represent the total cost of all imported crude. Prior to April 1975, imported crude costs to U.S. company-owned refineries in the Caribbean were not included in the landed cost, and costs of crude oil from countries that export only small amounts to the United States were also excluded. Beginning in April 1975, however, coverage was expanded to include U.S. company-owned refineries in the Caribbean. Landed costs do not include supplemental fees.

Note 5. Motor Gasoline Prices. Several different series of motor gasoline prices are published in this section. U.S. city average retail prices of motor gasoline by grade are calculated monthly by the Bureau of Labor Statistics during the development of the Consumer Price Index (CPI). These prices include all federal, state, and local taxes paid at the time of sale. Prior to 1977, prices were collected in 56 urban areas. From 1978 forward, prices are collected from a new sample of service stations in 85 urban areas selected to represent all urban consumers—about 80 percent of the total U.S. population. The service stations are selected initially, and on a replacement basis, in such a way that they represent the purchasing habits of the CPI population. Service stations in the current sample include those providing all types of service (i.e., full-, mini-, and self-serve).

Regular motor gasoline prices by area type are determined by EIA in a weekly survey of retail motor gasoline outlets (Form EIA-878, “Motor Gasoline Price Survey”). Prices include all federal, state, and local taxes paid at the time of sale. A representative sample of outlets by geographic area and size is randomly selected from a sampling frame of approximately 115,000 retail motor gasoline outlets. Monthly and annual prices are simple averages of weighted weekly estimates from “Weekly U.S. Retail Gasoline Prices, Regular Grade.” For more information on the survey methodology, see EIA, Weekly Petroleum Status Report, Appendix B, “Weekly Petroleum Price Surveys” section.

Refiner prices of finished motor gasoline for resale and to end users are determined by EIA in a monthly survey of refiners and gas plant operators (Form EIA-782A). The prices do not include any federal, state, or local taxes paid at the time of sale. Estimates of prices prior to January 1983 are based on Form FEA-P302-M-1/EIA-460, “Petroleum Industry Monthly Report for Product Prices,” and also exclude all federal, state, or local taxes paid at the time of sale. Sales for resale are those made to purchasers who are other-than-ultimate consumers. Sales to end users are sales made directly to the consumer of the product, including bulk consumers (such as agriculture, industry, and utilities) and residential and commercial consumers.

Note 6. Historical Petroleum Prices. Starting in January 1983, Form EIA-782, “Monthly Petroleum Product Sales Report,” replaced 10 previous surveys. Every attempt was made to continue the most important price series. However, prices published through December 1982 and those
published since January 1983 do not necessarily form continuous data series due to changes in survey forms, definitions, instructions, populations, samples, processing systems, and statistical procedures. To provide historical data, continuous series were generated for annual data 1978–1982 and for monthly data 1981 and 1982 by estimating the prices that would have been published had Form EIA-782 survey and system been in operation at that time. This form of estimation was performed after detailed adjustment was made for product and sales type matching and for discontinuity due to other factors. An important difference between the previous and present prices is the distinction between wholesale and resale and between retail and end user. The resale category continues to include sales among resellers. However, sales to bulk consumers, such as utility, industrial, and commercial accounts previously included in the wholesale category, are now counted as made to end users. The end-user category continues to include retail sales through company-owned and operated outlets but also includes sales to the bulk consumers such as agriculture, industry, and electric utilities. Additional information may be found in “Estimated Historic Time Series for the EIA-782,” a feature article by Paula Weir, printed in the December 1983 [3] Petroleum Marketing Monthly, published by EIA.

Note 7. Electricity Retail Prices. Average annual retail prices of electricity have the following plant coverage: Through 1979, annual data are for Classes A and B privately owned electric utilities only. For 1980–1982, annual data are for selected Class A utilities whose electric operating revenues were $100 million or more during the previous year. For 1983, annual data are for a selected sample of electric utilities. Beginning in 1984, data are for a census of electric utilities. Beginning in 1996, annual data also include energy service providers selling to retail customers.

Average monthly retail prices of electricity have the following plant coverage: Through 1985, monthly data are derived from selected privately owned electric utilities and, therefore, are not national averages. Beginning in 1986, monthly data are based on a sample of publicly and privately owned electric utilities. Beginning in 1996, monthly data also include energy service providers selling to retail customers.

Preliminary monthly data are from Form EIA-826, "Monthly Electric Sales and Revenue Report With State Distributions Report," which is a monthly collection of data from approximately 450 of the largest publicly and privately owned electric utilities as well as a census of energy service providers with retail sales in deregulated states; a model is then applied to the collected data to estimate for the entire universe of U.S. electric utilities. Preliminary annual data are the sum of the monthly revenues divided by the sum of the monthly sales. When final annual data become available each year from Form EIA-861, "Annual Electric Power Industry Report," their ratios to the preliminary Form EIA-826 values are used to derive adjusted final monthly values.

Note 8. Natural Gas Prices. Natural gas prices are intended to include all taxes. Instructions on the data collection forms specifically direct that all federal, state, and local taxes, surcharges, and/or adjustments billed to consumers are to be included. However, sales and other taxes itemized on more than 3,000 consumers’ bills are sometimes excluded by the reporting utilities. Delivered-to-consumers prices for 1987 forward represent natural gas delivered and sold to residential, commercial, industrial, vehicle fuel, and electric power consumers. They do not include the price of natural gas delivered on behalf of third parties to residential, commercial, industrial, and vehicle fuel customers except for certain states in the residential and commercial sectors for 2002 forward. Volumes of natural gas delivered on behalf of third parties are included in the consumption data shown in Table 4.3. Additional information is available in EIA, Natural Gas Monthly, Appendix C.
Table 9.2 Sources


Table 9.9 Sources

2008 forward: EIA, Electric Power Monthly, April 2015, Table 4.1; and Form EIA-923, “Power Plant Operations Report.”

Table 9.10 Sources

All Prices Except Vehicle Fuel and Electric Power
2012 forward: EIA, Natural Gas Monthly (NGM), April 2015, Table 3.

Vehicle Fuel Price
1989 forward: EIA, NGA, annual reports.

Electric Power Sector Price