

Slight Drop in Winter Heating Bills Predicted



A predicted warmer winter should translate into slightly lower heating bills across most of the U.S., according to the annual Winter Fuels Outlook from the Energy Information Administration.

For buildings heated with electricity or natural gas across most of the country, heating bills should see a small decline from last year. Only those buildings heated with natural gas in the South are likely to see a rise in heating costs due to regional natural gas price differences.

Natural gas suppliers increased their storage injection rates this summer and as a result, supplies in most regions are reported at 2 percent above the five-year average.

Weather-wise, the EIA report pulls in forecast models from the National Oceanic and Atmospheric Administration to predict that heating degree days will be 4 percent lower than last winter on average. Last winter was recorded as being slightly colder than the 10-year average.

Regionally, the Midwest is forecast to see a 7 percent decrease in heating degree days (meaning it will be warmer) compared to last winter while the south will be unchanged from last year.

Heating degree days is a measurement of the demand for energy needed to heat a building. It assumes that when the temperature drops below 65 degrees F, buildings need to be heated.

HDD is used by a variety of industries to forecast energy usage for budgeting purposes. To figure HDD, subtract the mean temperature (high plus low divided by 2) from 65. The result is the HDD for that day. Monthly or seasonal HDD can be compared to averages and applied to heating fuel usage over that period.

Pricewise, natural gas prices are expected to be higher than last winter while propane and heating oil prices expected to be slightly lower than last winter. Electricity prices are expected to remain flat from last year.

Download a copy of the EIA Winter Fuels Outlook [here](#).