

Oil Prices Down This Year Compared To Last

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BOSTON -- It may be July, but some residents are already looking ahead to winter wondering of it is a good time to lock in home heating oil prices.

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NewsCenter 5's David Brown reported that last year at this time, oil prices were more than \$4.

The summer months aren't quite so busy for MacFarlane Heating. The home heating delivery runs are scaled back a bit from the winter's crunch.

Scott MacFarlane said he likes what he sees this year for the price of a gallon of oil compared to last year.

"Last year at this point, I didn't know where we were going. If there was going to be any industry. If people could afford to pay for their heating oil," he said.

MacFarlane said commodities dealers and brokers drove up prices last year. In July 2008, consumers were paying \$4.69 a gallon. In February 2009, prices settled back to \$2.59. Now, a gallon of home heating oil averages \$2.49.

"I think because of what the economy is doing, the value of the dollar, that we are going to see oil prices about where they are right now," said MacFarlane.

But once you factor in a 15- to 30-cent a gallon surcharge for locking in the rate, it may not make sense.

Joining a co-op and buying in bulk could save you 15 to 30 cents per gallon with a \$20 membership fee.

"We can negotiate with a lot of heating oil dealers right from your community or nearby who will agree to lower how much they will charge to deliver the oil," said Larry Chretien, of MassEnergy Consumer's Alliance.

Consumer experts said it's not recommended that you lock in prices yet, but you should explore a budget plan that will spread payments out for the year.

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