

Appendix B

Northeast Heating Oil Reserve

On July 10, 2000, President Clinton directed the Department of Energy to establish the Northeast Heating Oil Reserve. The reserve is intended to reduce the risks presented by home heating oil shortages, such as the ones experienced in December 1996 and January-February 2000.

Maximum inventory of heating oil in the reserve will be two million barrels. The Department of Energy believes that a two million barrel reserve will provide relief for shortages, caused by severe winter weather, for approximately ten days. This is also the time frame, ten days, that it takes for ships to bring heating oil from the Gulf of Mexico to New York Harbor. Inventory for the reserve was acquired by exchanging crude oil from the Strategic Petroleum Reserve for heating oil to be delivered to the storage facilities.

For more information on the Northeast Heating Oil Reserve please contact Mr. Nathan Harvey from the Office of Petroleum Reserves at (202) 586-4734.

Northeast Heating Oil Reserve inventories classified as "Distillate Fuel Oil - Greater than 0.05 percent sulfur" are not considered to be in the commercial sector and therefore are excluded from distillate fuel oil supply and disposition statistics in Energy Information Administration publications, such as the *Weekly Petroleum Status Report*, *Petroleum Supply Monthly*, and *This Week In Petroleum*.

Northeast Heating Oil Reserve (Thousand Barrels)

| Terminal Operator | Location | Week Ending August 29, 2008 |
|--------------------------|----------------|-----------------------------|
| First Reserve Terminal | Woodbridge, NJ | 1,000 |
| Williams Energy Services | New Haven, CT | 500 |
| Motiva Enterprises LLC | New Haven, CT | 250 |
| Motiva Enterprises LLC | Providence, RI | 250 |

Source: Energy Information Administration