News

Average Energy Prices in the Philadelphia Area, July 2008

Philadelphia area consumers paid more for electricity (30.5 percent) than the U.S. city average, while the local prices for utility (piped) gas (0.5 percent) and gasoline (0.0 percent) were about the same as the average price charged throughout the country in July 2008 as measured by the Consumer Price Index (CPI), the Bureau of Labor Statistics of the U.S. Department of Labor reported today. Sheila Watkins, the Bureau's regional commissioner noted that with few exceptions, local consumers have consistently paid more for electricity and utility gas than the national average during July over the last 10 years, while gasoline prices tended to be similar to the United States as a whole. (See table A.)
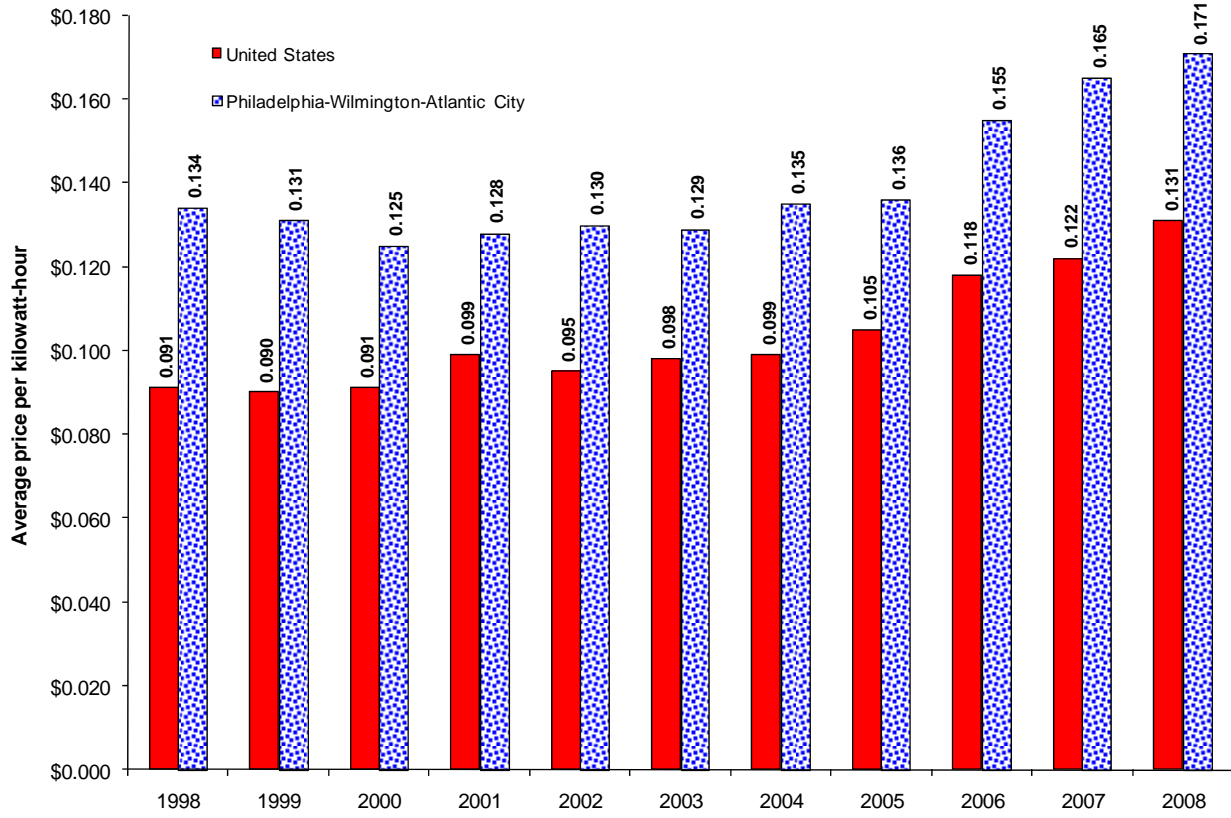
Table A. Average prices for electricity, utility (piped) gas, and gasoline, United States and Philadelphia area, July 1998-2008

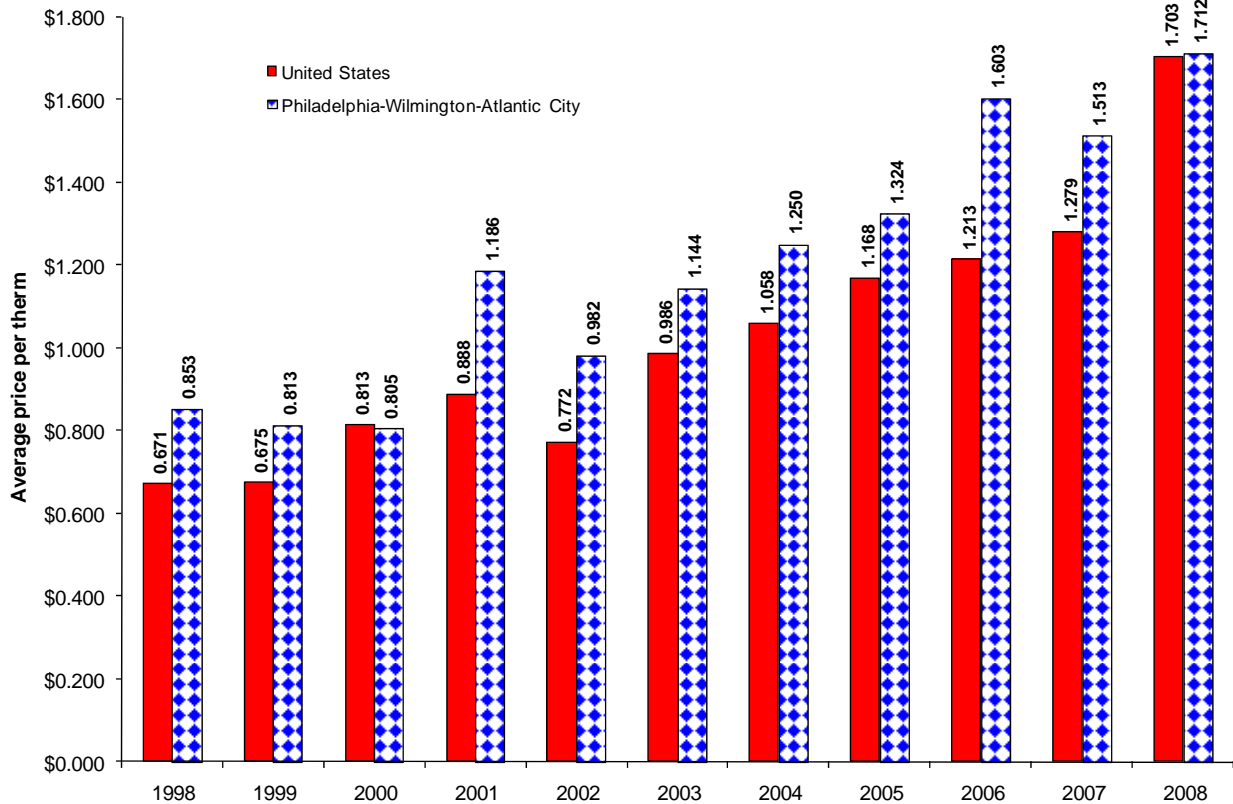| Year	Electricity per kWh			Utility (piped) gas per therm			Gasoline per gallon		
	United States	Philadelphia-Wilmington-Atlantic City	Percent difference	United States	Philadelphia-Wilmington-Atlantic City	Percent difference	United States	Philadelphia-Wilmington-Atlantic City	Percent difference
1998	$0.091	$0.134	47.3	$0.671	$0.853	27.1	$1.134	$1.093	-3.6
1999	0.090	0.131	45.6	0.675	0.813	20.4	1.244	1.187	-4.6
2000	0.091	0.125	37.4	0.813	0.805	-1.0	1.642	1.669	1.6
2001	0.099	0.128	29.3	0.888	1.186	33.6	1.565	1.657	5.9
2002	0.095	0.130	36.8	0.772	0.982	27.2	1.496	1.431	-4.3
2003	0.098	0.129	31.6	0.986	1.144	16.0	1.567	1.529	-2.4
2004	0.099	0.135	36.4	1.058	1.250	18.1	1.982	1.995	0.7
2005	0.105	0.136	29.5	1.168	1.324	13.4	2.357	2.382	1.1
2006	0.118	0.155	31.4	1.213	1.603	32.2	3.046	3.158	3.7
2007	0.122	0.165	35.2	1.279	1.513	18.3	3.013	2.976	-1.2
2008	0.131	0.171	30.5	1.703	1.712	0.5	4.142	4.144	0.0

A kilowatt-hour (kWh) of electricity cost Philadelphia area consumers $0.171 in July 2008, 3.6 percent higher than one year earlier, and 36.8 percent more than in 2000 when the local price was at its lowest in the last 10 years. Nationwide, electricity prices averaged $0.131 in July 2008. Though electricity prices have generally trended upwards over the decade at both the local and national levels, the gap between the local price and the U.S. average has narrowed, going from a 47.3-percent differential in July 1998 to a 30.5-percent differential in July 2008. (See chart A.)

A therm—a measure of constant heating value—of utility (piped) gas, commonly referred to as natural gas, in the Philadelphia area averaged $1.712 in July 2008 compared with $1.703 in the nation as a whole. The local area's natural gas price has, for the most part, been above the national price level in July over the last decade. (See chart B.) The average price per therm in the local area was 0.5 percent higher than the U.S. average in 2008. This was the smallest July-to-July difference over the last decade, well below the peak 33.6-percent differential in 2001.

Chart A. Average prices for electricity, United States and Philadelphia area, July 1998-2008
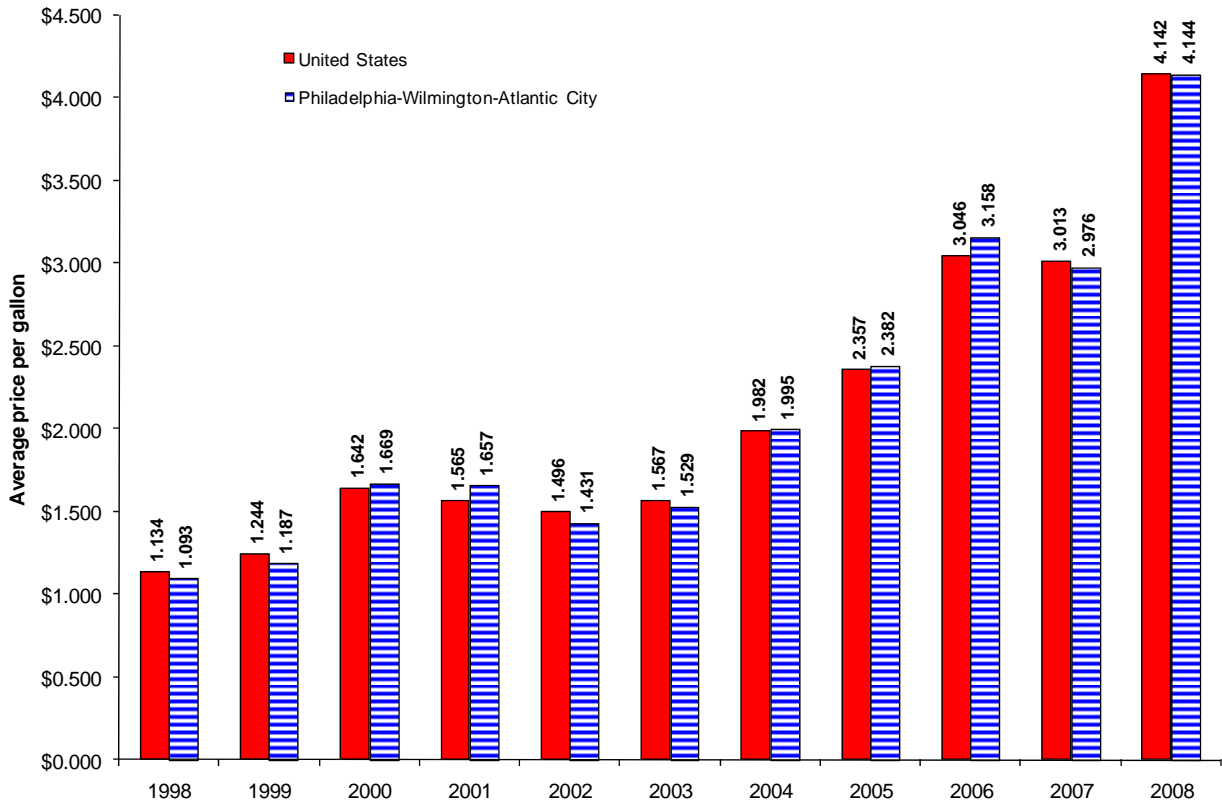

Legend: United States; Philadelphia-Wilmington-Atlantic City

Year	United States	Philadelphia-Wilmington-Atlantic City
1998	0.091	0.134
1999	0.090	0.131
2000	0.091	0.125
2001	0.099	0.128
2002	0.095	0.130
2003	0.098	0.129
2004	0.099	0.135
2005	0.105	0.136
2006	0.118	0.155
2007	0.122	0.165
2008	0.131	0.171

(Average price per kilowatt-hour)

Chart B. Average prices for utility (piped) gas, United States and Philadelphia area, July 1998-2008

Legend: United States; Philadelphia-Wilmington-Atlantic City

Year	United States	Philadelphia-Wilmington-Atlantic City
1998	0.671	0.853
1999	0.675	0.813
2000	0.813	0.805
2001	0.888	1.186
2002	0.772	0.982
2003	0.986	1.144
2004	1.058	1.250
2005	1.168	1.324
2006	1.213	1.603
2007	1.279	1.513
2008	1.703	1.712

(Average price per therm)

Gasoline prices are historically subject to rapid monthly fluctuations; however, over the last decade, the price per gallon in the Philadelphia area has generally trended upward—from $1.093 in July 1998 to $4.144 in July 2008. The local July 2008 price was $1.168 higher than that recorded one year ago and $3.051 higher than the level reported in July 1998. Nationally, the average price for a gallon of gasoline rose $1.129 since July 2007 and $3.008 since July 1998. (See chart C.)

Chart C. Average prices for gasoline, United States and Philadelphia area, July 1998-2008

The Philadelphia-Wilmington-Atlantic City, Pa.-N.J.-Del.-Md. Consolidated Metropolitan Area includes Bucks, Chester, Delaware, Montgomery, and Philadelphia Counties in Pennsylvania; Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, and Salem Counties in New Jersey; New Castle County in Delaware; and Cecil County in Maryland.

Additional information

Information in this release will be made available to sensory impaired individuals upon request. Voice phone: 202-691-5200; TDD message referral phone number: 1-800-877-8339.

For personal assistance or further information on the CPI data, as well as other Bureau data, contact the Mid-Atlantic Information Office at 215-597-3282 from 8:30 a.m. to 12:00 p.m. and 1:00 p.m. to 3:30 p.m. ET. Information on the Consumer Price Index and other surveys and programs is available on our Web site at www.bls.gov/ro3/.

Technical Information

Average prices for electricity, utility (piped) gas, and gasoline are published monthly for the U.S. city average, the 4 regions, the 3 population size classes, 10 region/size-class cross-classifications, and the 14 largest local index areas. For electricity, average prices per kilowatt-hour (kWh) and per 500 kWh are published. For utility (piped) gas, average prices per therm, per 40 therms, and per 100 therms are published. For gasoline, the average price per gallon is published. Average prices for commonly available grades of gasoline are published as well as the average price across all grades.

Price quotes for 40 therms and 100 therms of utility (piped) gas and for 500 kWh of electricity are collected in sample outlets for use in the average price programs only. Since they are for specified consumption amounts, they are not used in the CPI. All other price quotes used for average price estimation are regular CPI data.

With the exception of the 40 therms, 100 therms, and 500 kWh price quotes, all eligible prices are converted to a price per normalized quantity. These prices are then used to estimate a price for a defined fixed quantity.