

United States Department of Labor



**Bureau of Labor Statistics** 

Philadelphia, Pa. 19106

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## AVERAGE ENERGY PRICES IN THE PHILADELPHIA AREA, MAY 2009

Philadelphia area consumers paid more than the U.S. city average for electricity (26.2 percent) and utility (piped) gas (41.1 percent), but less than the national average for gasoline (-2.3 percent) in May 2009 according to data from the Consumer Price Index (CPI) published by the Bureau of Labor Statistics of the U.S. Department of Labor. Sheila Watkins, the Bureau's regional commissioner, noted that local consumers have consistently paid more than the national average for electricity and utility gas during May over the last 10 years. (See table A.) On the other hand, local gasoline prices in May over the last decade were typically lower than or close to those for the United States as a whole.

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
1999	\$0.085	\$0.114	34.1	0.662	\$0.801	21.0	\$1.233	\$1.169	-5.2
2000	0.085	0.111	30.6	0.730	0.793	8.6	1.552	1.521	-2.0
2001	0.090	0.116	28.9	1.020	1.173	15.0	1.812	1.739	-4.0
2002	0.089	0.118	32.6	0.772	0.962	24.6	1.508	1.451	-3.8
2003	0.092	0.117	27.2	0.966	1.113	15.2	1.587	1.576	-0.7
2004	0.093	0.122	31.2	1.006	1.248	24.1	2.050	1.950	-4.9
2005	0.097	0.122	25.8	1.152	1.266	9.9	2.257	2.234	-1.0
2006	0.110	0.135	22.7	1.263	1.663	31.7	2.993	3.042	1.6
2007	0.115	0.147	27.8	1.288	1.506	16.9	3.176	3.057	-3.7
2008	0.120	0.152	26.7	1.505	1.528	1.5	3.813	3.739	-1.9
2009	0.126	0.159	26.2	1.051	1.483	41.1	2.314	2.261	-2.3

 Table A. Average prices for electricity, utility (piped) gas, and gasoline, United States and Philadelphia area, May 1999-2009

A kilowatt-hour (kWh) of electricity cost Philadelphia area consumers \$0.159 in May 2009— 4.6 percent higher than one year earlier, and 43.2 percent more than in 2000 when the local price was at its lowest May level over the last 10 years. Nationwide, electricity prices averaged \$0.126 in May 2009, an increase of 5.0 percent over the year. Electricity prices have generally trended upwards over the decade at both the local and national levels. Philadelphia prices stayed well above the national average as local prices tended to be more than 25 percent above the national level with only one exception. (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 \$1.483 in May 2009, a decrease of 2.9 percent from the previous May. However, national prices dropped 30.2 percent over the last year to \$1.051 per therm. The local area's natural gas prices have been above the U.S. average price level in May over the last 10 years, though the differences have varied considerably. Just last May, there was only a 1.5 percent difference between Philadelphia prices and those for the nation. Due to the strong decline in national prices over the year, this May's percent difference increased to 41.1 percent, the highest of the last 10 years. (See chart B.)

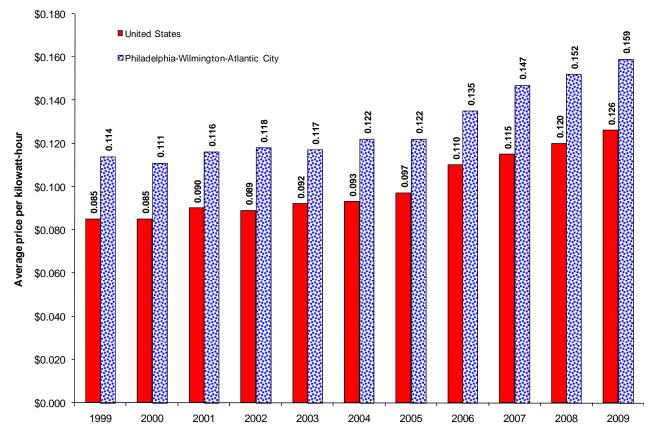
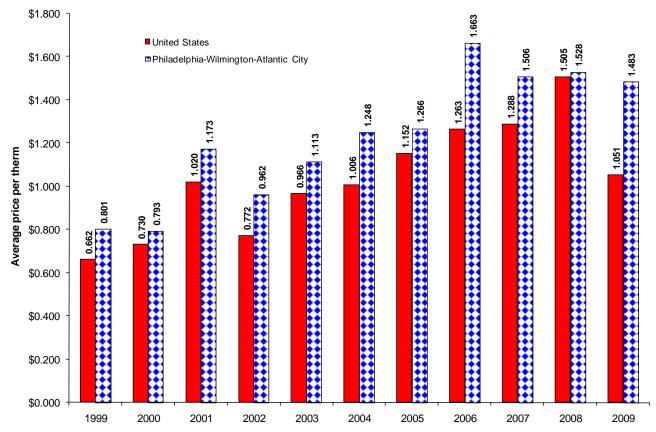
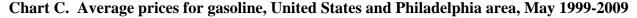


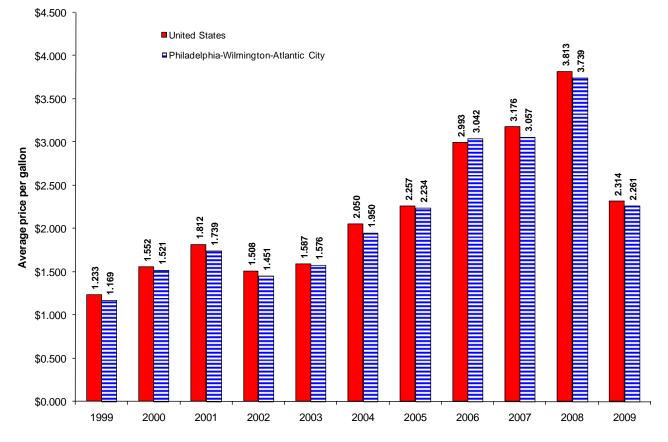
Chart A. Average prices for electricity, United States and Philadelphia area, May 1999-2009

Chart B. Average prices for utility (piped) gas, United States and Philadelphia area, May 1999-2009



Gasoline prices are historically subject to rapid monthly fluctuations. Over the last decade, the price per gallon in the U.S. and the Philadelphia area has generally trended upward; however, since last May, gasoline prices dropped 39.3 percent in the U.S. and 39.5 percent in Philadelphia. In May 2009, the price of gasoline in the Philadelphia area (\$2.261 per gallon) was 2.3 percent lower than the national price level (\$2.314). With the exception of May 2006, Philadelphia gasoline prices were below those for the nation in May over the last 10 years. (See chart C.)





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 <u>www.bls.gov/ro3/</u>.

## **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 crossclassifications, 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.