

INDUSTRY OUTLOOK

The national average price of retail on-highway diesel rose 2.1 cents to a new record of \$2.588 per gallon, the Energy Information Administration (EIA) reported today. Cumulatively, the national average has surged 24.6 cents over the past four weeks, and now stands 71.4 cents higher compared to the same time in 2004. The West Coast region reported the highest regional average at \$2.897 per gallon, while the Gulf Coast region had the lowest average (\$2.512 per gallon). The EIA also reported this afternoon that the price of U.S. retail gasoline jumped 6.2 cents to \$2.612 per gallon, marking the first time in 52 weeks that gasoline prices have exceeded diesel prices. Gasoline pump prices are now 38.6% (or 72.8 cents) higher than during the same week in 2004. Last week, crude oil prices remained extremely volatile. On Wednesday, the price of West Texas Intermediate (WTI) oil fell \$2.83 from the previous trading day to \$63.25 per barrel; however, the price leapt \$2.08 on Friday, and settled at \$65.35 per barrel. Friday's settlement price was 36.5% higher than at the same time last year, and

only \$1.51 lower than the record high of \$66.86 per barrel set on August 12, 2005. Analysts linked Friday's run-up in oil prices to a fire at a huge refinery in Venezuela, and protests at a major oil pipeline in Ecuador. It was reported that the protesters and the government in Ecuador reached a truce yesterday. Diminished global spare production capacity and increased global oil demand are just a few factors keeping oil prices near record levels. Meanwhile, market data as reported by the American Petroleum Institute (API) for the week ending August 12, 2005, showed that crude oil stocks decreased by 1.4 million barrels during that week and finished at 320.9 million barrels. The drop left crude oil inventories 9.6% higher than at the same time last year. Conversely, total distillate (diesel and heating oil) stocks experienced a sizeable gain of 2.8 million barrels, and were 4.2% higher compared to a year earlier. On the demand side, year-to-date through mid-August, the demand for diesel fuel is 4.1% higher compared to the same period last year.

RETAIL AND WHOLESALE DIESEL PRICES

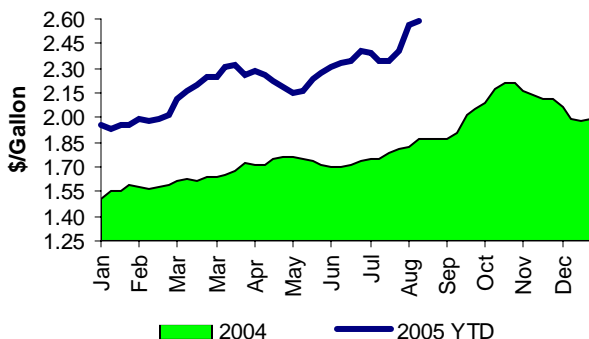
ENERGY INFORMATION ADMINISTRATION ON-HIGHWAY RETAIL DIESEL PRICES (U.S. \$/GAL)

	08/22/05	WEEK CHG.	08/15/05	08/08/05	Year Ago	Year Chg.	Year High	Year Low
NATIONAL	2.588	0.021	2.567	2.407	1.874	0.714	2.588	1.869
EAST COAST	2.564	0.020	2.544	2.386	1.861	0.703	2.564	1.858
New Eng.	2.642	0.024	2.618	2.492	1.944	0.698	2.642	1.944
Ctrl. Atl.	2.654	0.021	2.633	2.484	1.944	0.710	2.654	1.933
Lowr. Atl.	2.519	0.020	2.499	2.334	1.818	0.701	2.519	1.815
MIDWEST	2.540	0.016	2.524	2.336	1.846	0.694	2.540	1.844
GULF COAST	2.512	0.031	2.481	2.323	1.833	0.679	2.512	1.819
ROCKY MTN.	2.679	0.064	2.615	2.486	1.896	0.783	2.679	1.877
WEST COAST	2.897	0.006	2.891	2.801	2.061	0.836	2.897	1.973
California	3.037	-0.005	3.042	2.943	2.153	0.884	3.042	2.014

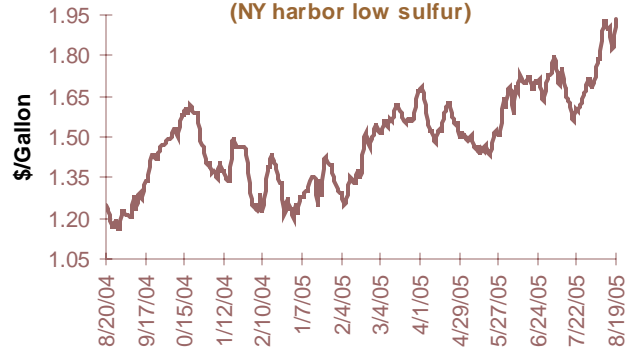
NO. 2 LOW-SULFUR DIESEL SPOT MARKET BUY AVERAGE PRICES (U.S. \$/GAL)

NY Harbor	1.938	0.011	1.927	1.721	1.248	0.689	1.938	1.164
Houston *	1.859	0.156	1.704	1.645	1.190	0.669	1.859	1.148
Los Angeles*	2.073	0.001	2.072	1.915	1.261	0.812	2.073	1.165
Chicago *2	n.a.	n.a.	1.997	1.804	1.285	n.a.	1.997	1.186

National Diesel Fuel Price
(EIA Survey)



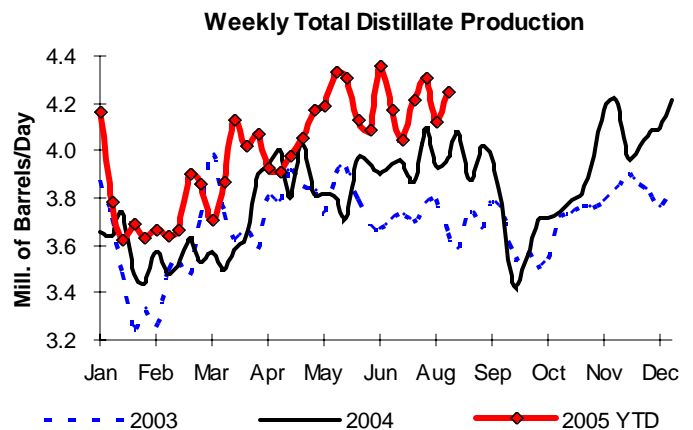
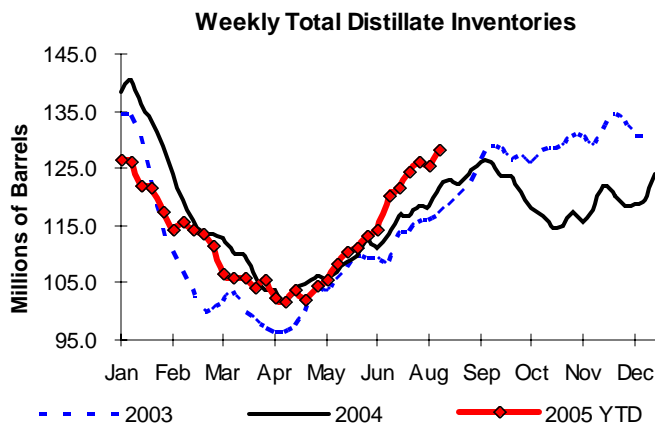
Wholesale Diesel Price
(NY harbor low sulfur)



API Weekly Statistics: Production, imports, and estimated demand are in thousands of barrels per day. Inventories are in thousands of barrels. (Y-T-D = Year-to-Date; "---" = data not available)

Source: *Weekly Statistical Bulletin*, American Petroleum Institute

AUGUST 12, 2005	Current	Year Ago	Year % Chg.	Y-T-D Avg.	Y-T-D % Chg.
Total Distillate Market					
Production	4,247	3,971	7.0%	3,999	6.1%
Inventories	128,169	123,054	4.2%	113,547	-1.0%
Imports	162	386	-58.0%	268	-28.0%
Estimated Demand	4,007	4,135	-3.1%	4,244	0.8%
Low-Sulfur Diesel Market					
Production	3,122	3,035	2.9%	2,924	5.5%
Inventories	74,852	75,958	-1.5%	70,327	-0.5%
Imports	84	197	-57.4%	119	-16.7%
Estimated Demand	3,145	3,081	2.1%	3,064	4.1%
Crude Oil Stocks	320,852	292,830	9.6%	315,836	8.4%
U.S. Refining					
Percent Operated Capacity	94.9%	96.2%	-1.4%	---	---



Heating Oil #2 Futures Prices

NYMEX (\$/Gal)	Latest	Previous Week	% change (week)
Sep-05	1.8228	1.9055	-4.3%
Oct-05	1.8561	1.9361	-4.1%
Nov-05	1.8821	1.9576	-3.9%
Dec-05	1.9046	1.9746	-3.5%
Jan-06	1.9236	1.9896	-3.3%
Feb-06	1.9311	1.9936	-3.1%
Mar-06	1.9216	1.9771	-2.8%
Apr-06	1.8831	1.9321	-2.5%
May-06	1.8451	1.8916	-2.5%
Jun-06	1.8186	1.8646	-2.5%
Jul-06	1.8216	1.8666	-2.4%
Aug-06	1.8336	1.8756	-2.2%
Sep-06	1.8506	1.8896	-2.1%

Oil Market Data¹

U.S. Market (thous. bbl/d)	(four-week averages)				
	08/12/05	08/05/05	% change (week)	08/13/04	% change (year)
Supply	22,206	22,499	-1.3%	21,784	1.9%
Demand	21,056	20,854	1.0%	20,657	1.9%
Surplus/Deficit	1,150	1,645	---	1,127	---

Baker-Hughes Rotatory U.S. Rig Count

	08/12/05	08/05/05	% change (week)	08/13/04	% change (year)
	1,429	1,436	-0.5%	1,232	16.0%

Other Oil/Fuel Prices

	Latest	Previous Week	Last Year	Year High	Year Low
Crude WTI Oil (\$/bbl)	65.35	66.86	47.86	66.86	40.71
Brent Oil (\$/bbl)	63.93	67.09	44.77	67.09	36.86
Forties Oil (\$/bbl)	64.88	67.94	45.72	67.94	37.96
OPEC Basket (\$/bbl) ^{1**}	n.a.	54.95	39.47	55.79	34.29
Natural Gas (\$/mmbtu)	9.111	9.588	5.552	9.752	4.570
Retail Gasoline (\$/gal)	2.612	2.550	1.884	2.612	1.778
Wholesale Gasoline (\$/gal)	1.904	2.005	1.267	2.005	1.041

¹ Oil & Gas Journal ² Journal of Commerce; weekly closings * Prices lag one week; weekly averages ** Latest data from Oil & Gas Journal