

June 2008



## Short-Term Energy Outlook

June 10, 2008 Release

### *Highlights*

- West Texas Intermediate (WTI) crude oil prices were on a rollercoaster ride upwards over the last month, increasing from \$113 to \$133 per barrel over the first 3 weeks on May, then falling back to \$122 on June 4 before surging to over \$138 by June 6. Supply uncertainties in several oil exporting regions, coupled with healthy demand growth in the emerging market countries, continued to pressure oil markets. The overall picture of strong demand and tight supply is expected to continue. WTI prices, which averaged \$72 per barrel in 2007, are projected to average \$122 per barrel in 2008 and \$126 per barrel in 2009.
- Regular-grade gasoline is expected to average \$3.78 per gallon in 2008, or 97 cents above the 2007 average price. The U.S. average regular gasoline price, currently over \$4 per gallon, is projected to peak at \$4.15 per gallon in August. Retail diesel fuel prices are projected to average \$4.32 per gallon in both 2008 and 2009, an increase of \$1.44 per gallon over the 2007 average.
- World oil consumption is projected to grow by 1 million barrels per day (bbl/d) in 2008. U.S. consumption of liquid fuels and other petroleum is expected to decline by about 290,000 bbl/d in 2008 because of higher petroleum product prices and slower economic growth. Adjusting for increased ethanol use, U.S. petroleum consumption is projected to fall by 440,000 bbl/d in 2008.
- The Henry Hub natural gas spot price averaged \$7.17 per thousand cubic feet (Mcf) in 2007 and is expected to average about \$11 per Mcf in both 2008 and 2009.
- Based on the current Atlantic hurricane season outlook from the [National Oceanic and Atmospheric Administration](#) (NOAA), EIA estimates expected production shut-ins on the U.S. Gulf Coast during the upcoming hurricane season (June through November) of about 11 million barrels for crude oil and 78 billion cubic feet (Bcf) for natural gas ([The 2008 Outlook for Hurricane](#)

[Production Outages in the Gulf of Mexico](#)). Actual shut-ins may differ significantly from this estimate depending on the number, track, and strength of hurricanes as the season progresses.

### ***Global Petroleum***

The combination of rising consumption, further downward revisions in the supply outlook for countries outside of the Organization of the Petroleum Exporting Countries (OPEC), and low surplus production capacity reinforce the perception that supply is having a difficult time keeping up with demand growth, accounting for much of the upward trend in oil prices. Consumption in countries outside of the Organization for Economic Cooperation and Development (OECD) continues to grow rapidly, offsetting weaker consumption in OECD countries, especially the United States. Declining production in a number of non-OPEC nations, including Mexico, United Kingdom, and Norway, is largely offsetting increases in other countries. Slow growth in non-OPEC supply is coinciding with disruptions in supplies from some OPEC countries, such as Nigeria. Ongoing geopolitical concerns in several producing countries, including Venezuela and Iran, have contributed to oil price volatility.

The market remains concerned that the cushion of surplus production capacity of less than 2 million bbl/d (almost all located in Saudi Arabia) and/or stocks is insufficient to protect against possible changes in supply or consumption, especially as we enter the summer hurricane season. The absence of a Saudi commitment to add capacity beyond its current goal of 12.5 million bbl/d adds to the uncertainty about the adequacy of future supply capacity growth.

***Consumption.*** Preliminary data indicate global oil consumption rose by about 630,000 bbl/d during the first quarter of 2008 compared with year-earlier levels, much lower than the 1.0-million-bbl/d growth expected in the previous *Outlook*. Most of this downward revision occurred in the OECD countries. With this revision, OECD consumption during the first quarter is estimated to have fallen by 460,000 bbl/d from year-earlier levels, with the declines concentrated in the United States. Consumption in the other OECD regions was flat during the first quarter, with European consumption increasing relative to year-earlier levels only because warmer-than-normal weather led to unseasonably low consumption in first quarter of 2007. OECD consumption is projected to decrease by 240,000 bbl/d in 2008 and increase slightly in 2009.

In contrast, consumption in the non-OECD countries is projected to grow by 1.2 million bbl/d in 2008, led by China, India, and the Middle East ([World Oil Consumption](#)). Continued economic growth, fuel subsidies, and increased oil-fired

power generation are supporting increases in non-OECD oil consumption. Efforts to ease subsidies in some non-OECD Asian nations such as India and Indonesia could eventually lead to higher prices in those countries and lower overall non-OECD consumption growth. However, China represents the single largest source of world oil consumption growth in our forecast, and that country has not yet begun to remove price subsidies.

**Non-OPEC Supply.** Non-OPEC supply growth remains weak despite 6 years of rising prices. Non-OPEC production is expected to rise by 310,000 bbl/d in 2008, down sharply from last month's *Outlook*. Actual production data from Russia, Norway, and Mexico, along with lowered expectations for Brazil, are the principal reasons for the downward revision. Non-OPEC supply during the first quarter of the year was 240,000 bbl/d lower than the first quarter of 2007, and the second quarter of 2008 is expected to be 200,000 bbl/d lower than last year. As a result, virtually all of the growth in non-OPEC supply is expected in the second half of the year, with an expected year-over-year increase of 820,000 bbl/d, driven by growth in Brazil and Azerbaijan ([Non-OPEC Oil Production Growth](#)). EIA has also revised its estimates of non-OPEC supply growth downwards in 2009 to 1.1 million bbl/d, slightly below expected consumption growth for the year. Given recent history, EIA believes that the pace and timing of non-OPEC supply growth will continue to be subject to possible delays in key projects and accelerating production declines in some older fields. As a result, net production gains could be less than the current forecast, leading to a higher price path.

**OPEC Supply.** OPEC crude oil production is projected to average 36.9 million bbl/d in the second quarter, 140,000 bbl/d higher than first quarter levels. Over the quarter, lower production in Nigeria, due to security problems and a workers strike, was offset by higher Iraqi and Saudi production. Saudi Arabia reportedly increased output in mid-May by 300,000 bbl/d, with production expected to reach 9.4 million bbl/d in June. At these production levels, global surplus production capacity, virtually all of which is in Saudi Arabia, should be about 1.4 million bbl/d in June ([OPEC Surplus Oil Production Capacity](#)). OPEC crude oil production is expected to increase during the third quarter of 2008, although this is dependent upon how the security situation in Iraq and Nigeria evolves. Iraq plans to raise exports from the north by about 100,000 bbl/d in June if security conditions permit.

**Inventories.** OECD commercial inventories fell in the first quarter of 2008 by about 430,000 bbl/d, in line with the 5-year average decline during that part of the year. At the end of the first quarter, OECD commercial inventories stood at 2.54 billion barrels, 18 million barrels above the 5-year average and equal to 53 days of forward consumption. However, OECD stock additions during the second quarter are

projected to be far below the average 5-year build, with OECD commercial inventories staying at or below their 5-year average for the remainder of the year ([Days of Supply of OECD Commercial Stocks](#)).

### ***U.S. Petroleum***

**Production.** In 2008, total domestic crude oil output is projected to average 5.1 million bbl/d, the same as in 2006 and 2007 ([U.S. Crude Oil Production](#)). Production growth in the lower-48 and Federal Gulf of Mexico regions is expected to offset declines in Alaskan production. In 2009, total production is projected to average 5.3 million bbl/d, up 210,000 bbl/d from 2008. Federal Gulf of Mexico output is expected to rise 270,000 bbl/d due mostly to the Thunder Horse platform coming on-stream in late 2008 and the Tahiti platform beginning production in 2009, but declines are projected for Alaska and the lower-48 States. This projection includes an estimated expectation of hurricane-induced outage of about 11 million barrels for the offshore region in 2008 (see [Hurricane Outlook](#)). Fuel ethanol production is projected to increase from an annual average of 420,000 bbl/d in 2007, to 580,000 bbl/d in 2008 and 640,000 bbl/d in 2009.

**Consumption.** Total petroleum consumption of liquid fuels and other petroleum products averaged 20.7 million bbl/d in 2007, similar to 2006 ([U.S. Petroleum Products Consumption Growth](#)). Based on prospects for a weak economy and record high crude oil and product prices extending into next year, consumption is projected to shrink by 290,000 bbl/d in 2008, a sharper drop than the nearly 200,000 bbl/d projected in the previous *Outlook*. In 2009, total consumption is projected to rise by 140,000 bbl/d, somewhat less than the nearly 200,000 bbl/d increase projected in the previous *Outlook*.

**Prices.** WTI crude oil prices, which averaged \$72 per barrel in 2007 ([Crude Oil Prices](#)), are projected to average \$122 per barrel in 2008, up about \$12 per barrel from the projection in last month's *Outlook*; and \$126 per barrel in 2009, up more than \$20 per barrel from the previous *Outlook*.

EIA projects that regular-grade motor gasoline retail prices, which averaged \$2.81 per gallon in 2007, will average \$3.78 per gallon this year, up more than 25 cents from last month's *Outlook*. Gasoline prices are expected to continue to rise from \$3.98 per gallon on June 2 to a monthly average price peak of \$4.15 per gallon in August. This forecast reflects a sizable narrowing of refiner gasoline margins from those of last year because of weakness in gasoline demand and growth in ethanol supply. In 2009, regular-grade gasoline retail prices are projected to average \$3.92 per gallon, 48 cents higher than projected in the previous *Outlook*.

Diesel fuel retail prices in 2008 and 2009 are projected to average \$4.32 per gallon, up from \$2.88 per gallon last year. This reflects strength in diesel demand, particularly in emerging markets, that has significantly increased the margins between diesel prices and crude oil costs from those of last year. Diesel fuel prices are projected to remain near the June 2 price of \$4.71 per gallon over the next few months as refiner margins begin to weaken slightly, offsetting the projected rise in crude oil costs.

### **Natural Gas**

**Consumption.** Total natural gas consumption is expected to increase by 2.2 percent in 2008 and by 0.9 percent in 2009 ([Total U.S. Natural Gas Consumption Growth](#)). Year-over-year increases in the residential, commercial, and electric power sectors have been largely weather-driven. In 2009, residential and commercial sector consumption is expected to decline slightly while natural gas consumption for electricity generation is expected to increase by 2.5 percent. Growth in the industrial sector, which increased by 4.8 percent in the first quarter of 2008 compared with the corresponding period last year, seems to be tied to export strength and some resurgence in natural-gas-intensive industries, such as fertilizers. In annual terms, natural gas consumption in the industrial sector is expected to increase by 1.3 percent in 2008 and 0.4 percent in 2009.

**Production and Imports.** Total U.S. marketed natural gas production is expected to increase by 6 percent in 2008 and by 1.5 percent in 2009. This projection includes an estimated expected hurricane-induced outage of about 78 Bcf for the offshore region in 2008 (see [Hurricane Outlook](#)). High rig counts in the lower-48 onshore region, particularly in unconventional reserve basins, are expected to lead to an increase in onshore production of 7.4 percent in 2008. In annual terms, marketed natural gas production in 2009 from the Federal Gulf of Mexico is projected to increase by 2.6 percent while the lower-48 onshore region is expected to increase by 1.4 percent.

Liquefied natural gas (LNG) imports remain substantially below last year. LNG supplies continue to flow to the higher-priced markets of Asia-Pacific and Europe. LNG imports to the United States this year are expected to total about 530 Bcf, a decline of about 240 Bcf from the 2007 total. In 2009, LNG imports are expected to reach about 850 Bcf as new liquefaction capacity increases world supply.

**Inventories.** On May 30, 2008, working natural gas in storage was 1,806 Bcf ([U.S. Working Natural Gas in Storage](#)). Current inventories are now 1 Bcf below the 5-year average (2003-2007) and 326 Bcf below the level during the corresponding week last year.

**Prices.** The Henry Hub spot price averaged \$11.65 per Mcf in May, \$1.16 per Mcf above the average spot price in April. High oil prices, low LNG imports, consumption growth, and a year-over-year decline in working inventories of 326 Bcf have all contributed to the recent strength in spot prices. These conditions are expected to continue and keep pressure on natural gas prices. On an annual basis, the Henry Hub spot price is expected to average a little over \$11 per Mcf in 2008 and in 2009, an average increase of about \$1.35 per Mcf from last month's forecast.

### ***Electricity***

**Consumption.** Three of the five warmest summers since 1975 in terms of cooling degree-days occurred in 2005, 2006, and 2007 ([U.S. Summer Cooling Degree Days](#)). NOAA projects temperatures this summer will fall back to near-normal levels, thus limiting annual growth in electricity consumption to 0.6 percent for 2008. Consumption is expected to grow at a higher rate of 1.6 percent in 2009 ([U.S. Total Electricity Consumption](#)).

**Prices.** The cost of most fuels used in generating electricity has risen significantly since the beginning of the year. How soon these higher generation costs are passed through to consumers depends on a number of factors such as the terms of utilities' fuel purchase contracts and the regulatory structure within a given State. Average U.S. residential electricity prices are expected to increase by about 3.7 percent in 2008 and by 3.6 percent in 2009 ([U.S. Residential Electricity Prices](#)).

### ***Coal***

**Consumption.** Electric-power-sector coal consumption grew by 1.9 percent in 2007. Slow growth in total electricity consumption is expected to limit growth in electric-power-sector coal consumption to 0.9 percent in 2008. Projected increases from other generation sources (nuclear, natural gas, hydroelectric, and wind) in 2009 will continue to dampen electric-power-sector coal consumption growth, projected to be 0.6 percent in 2009 ([U.S. Coal Consumption Growth](#)).

**Production and Inventories.** U.S. coal production ([U.S. Coal Production](#)) is estimated to have fallen by 1.5 percent in 2007. Growth in domestic consumption and exports will contribute to a 2.9-percent increase in coal production in 2008. Secondary (consumer-held) coal stocks are estimated to have grown by 5.5 percent in 2007 to 159 million short tons. Coal consumers are expected to continue to build stocks in 2008, growing by an average of 6.2 percent. Primary stocks, held by coal producers/distributors, are projected to decline by more than 6 million short tons between the end of 2007 and the end of 2009.

**Table SF01. U.S. Motor Gasoline Summer Outlook**

Energy Information Administration/Short-Term Energy Outlook -- June 2008

	2007			2008			Year-over-year Change (percent)		
	Q2	Q3	Season	Q2	Q3	Season	Q2	Q3	Season
<b>Prices (dollars per gallon)</b>									
WTI Crude Oil (Spot) <sup>a</sup>	<b>1.55</b>	<b>1.80</b>	<b>1.67</b>	2.94	3.16	3.05	89.8	75.8	82.2
Imported Crude Oil Price <sup>b</sup>	<b>1.48</b>	<b>1.68</b>	<b>1.58</b>	2.73	2.98	2.85	84.1	77.6	80.7
U.S. Refiner Average Crude Oil Cost	<b>1.49</b>	<b>1.70</b>	<b>1.59</b>	2.77	3.01	2.89	86.1	77.3	81.4
Wholesale Gasoline Price <sup>c</sup>	<b>2.38</b>	<b>2.22</b>	<b>2.30</b>	3.23	3.50	3.36	35.8	57.6	46.4
Wholesale Diesel Fuel Price <sup>c</sup>	<b>2.12</b>	<b>2.24</b>	<b>2.18</b>	3.71	4.00	3.86	75.1	78.3	76.7
Regular Gasoline Retail Price <sup>d</sup>	<b>3.02</b>	<b>2.85</b>	<b>2.93</b>	3.77	4.13	3.95	25.0	44.8	34.7
Diesel Fuel Retail Price <sup>d</sup>	<b>2.81</b>	<b>2.90</b>	<b>2.85</b>	4.43	4.75	4.59	57.4	64.0	60.8
<b>Gasoline Consumption/Supply (million barrels per day)</b>									
Total Consumption	<b>9.391</b>	<b>9.489</b>	<b>9.440</b>	9.317	9.437	9.378	-0.8	-0.5	-0.7
Total Output <sup>e</sup>	<b>8.187</b>	<b>8.334</b>	<b>8.261</b>	8.063	8.267	8.165	-1.5	-0.8	-1.2
Total Stock Withdrawal <sup>f</sup>	<b>-0.041</b>	<b>0.067</b>	<b>0.014</b>	0.128	0.084	0.106			
Net Imports <sup>f</sup>	<b>1.244</b>	<b>1.087</b>	<b>1.165</b>	1.127	1.087	1.106	-9.5	0.0	-5.1
Ethanol Production	<b>0.405</b>	<b>0.432</b>	<b>0.418</b>	0.576	0.597	0.586	42.2	38.3	40.2
Refinery Utilization (percent)	<b>88.8</b>	<b>90.3</b>	<b>89.6</b>	87.3	89.2	88.3			
<b>Gasoline Stocks, Including Blending Components (million barrels)</b>									
Beginning	<b>201.2</b>	<b>204.9</b>	<b>201.2</b>	221.2	209.6	221.2			
Ending	<b>204.9</b>	<b>198.7</b>	<b>198.7</b>	209.6	201.8	201.8			
<b>Economic Indicators (annualized billion 2000 dollars)</b>									
Real GDP	<b>11,520</b>	<b>11,659</b>	<b>11,590</b>	11,666	11,727	11,697	1.3	0.6	0.9
Real Income	<b>8,607</b>	<b>8,692</b>	<b>8,650</b>	8,996	8,762	8,879	4.5	0.8	2.6

<sup>a</sup> Spot Price of West Texas Intermediate (WTI) crude oil.<sup>b</sup> Cost of imported crude oil to U.S. refineries.<sup>c</sup> Price product sold by refiners to resellers.<sup>d</sup> Average pump price including taxes.<sup>e</sup> Refinery output plus motor gasoline field production *including* fuel ethanol blended into gasoline and new supply of oxygenates and other hydrocarbons for gasoline production but excluding volumes related to net imports or inventory changes in motor gasoline blending components.<sup>f</sup> Total stock withdrawal and net imports includes both finished gasoline and gasoline blend components.

GDP = gross domestic product.

Notes: Minor discrepancies with other Energy Information Administration (EIA) published historical data are due to rounding. Historical data are printed in bold. Forecasts are in italic. The forecasts were generated by simulation of the Short-Term Integrated Forecasting System.

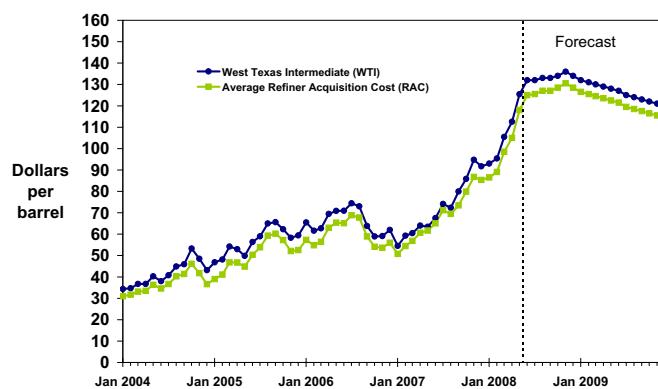
Sources: Historical data: latest data available from: EIA, *Petroleum Supply Monthly*, DOE/EIA-0109; Monthly Energy Review, DOE/EIA-0035; U.S. Department of Commerce, Bureau of Economic Analysis; Federal Reserve System. Macroeconomic projections are based on Global Insight Macroeconomic Forecast Model.



## Short-Term Energy Outlook

### Chart Gallery for June 2008

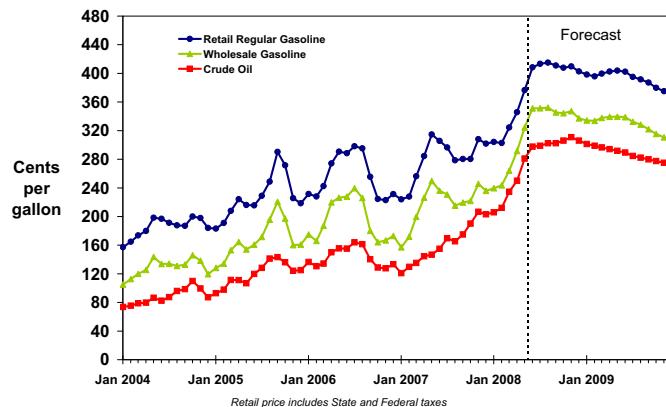
Crude Oil Prices



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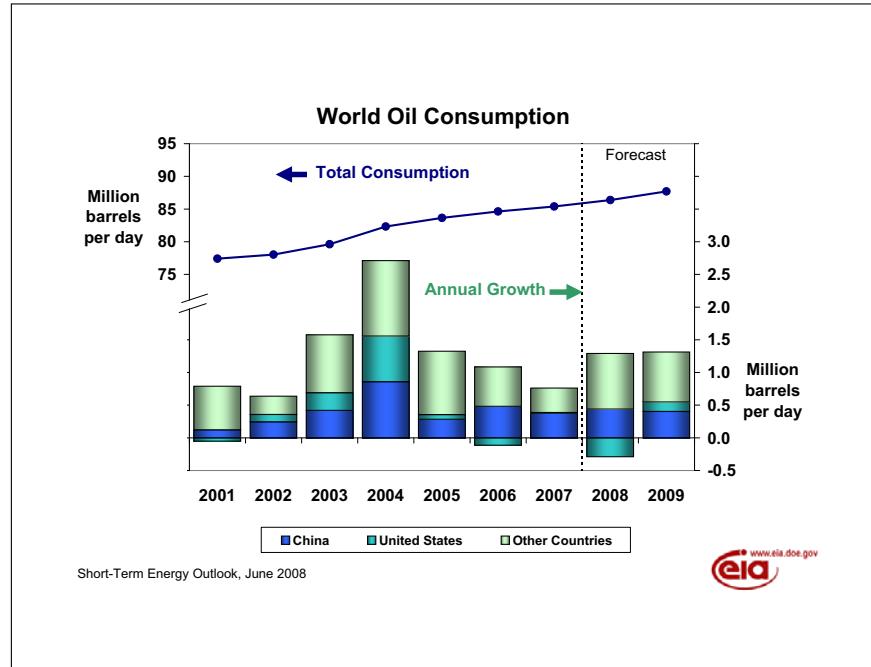
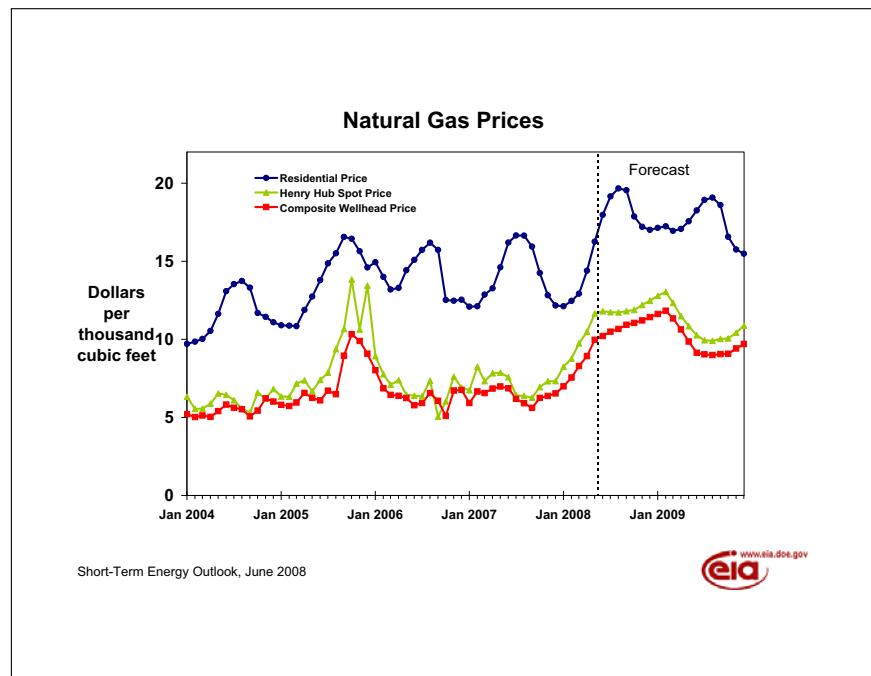
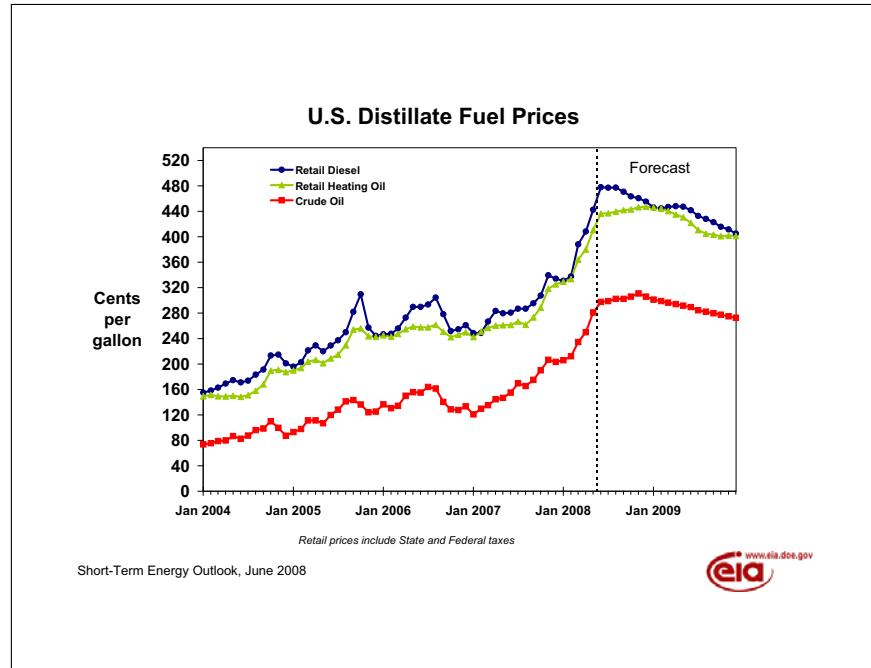
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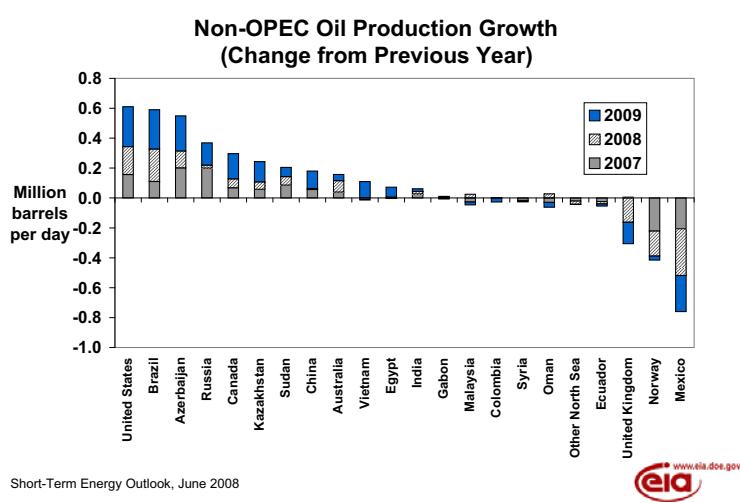
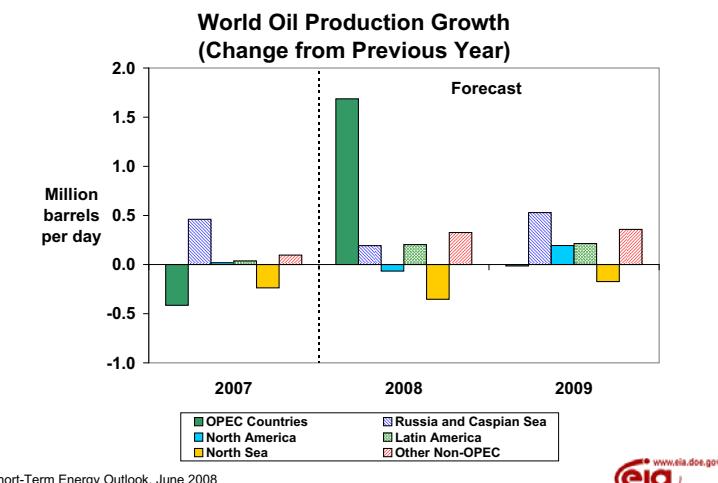
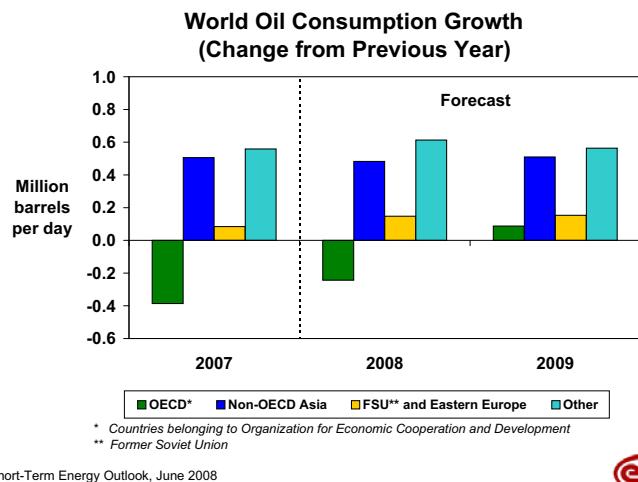
Gasoline and Crude Oil Prices



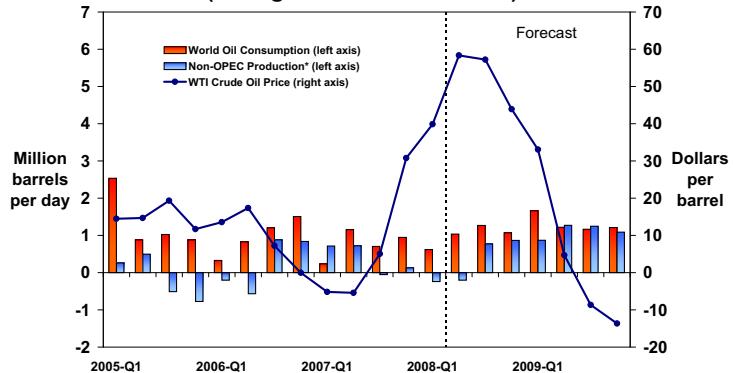
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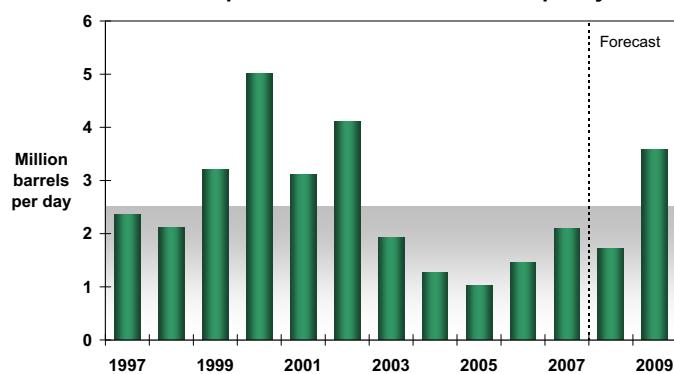
### World Consumption and Non-OPEC Production (Change from Previous Year)



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### OPEC Surplus Crude Oil Production Capacity

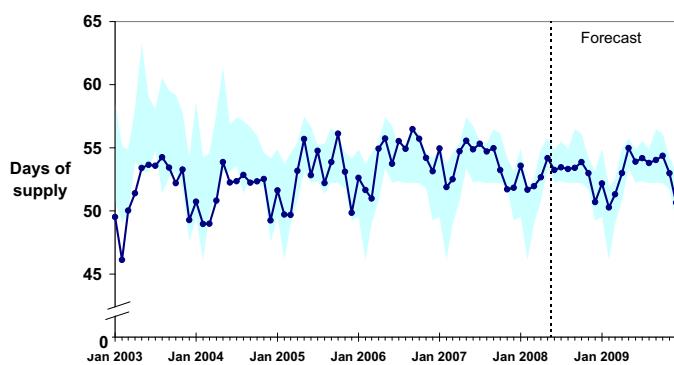


Note: Shaded area represents 1997-2007 average (2.5 million barrels per day)

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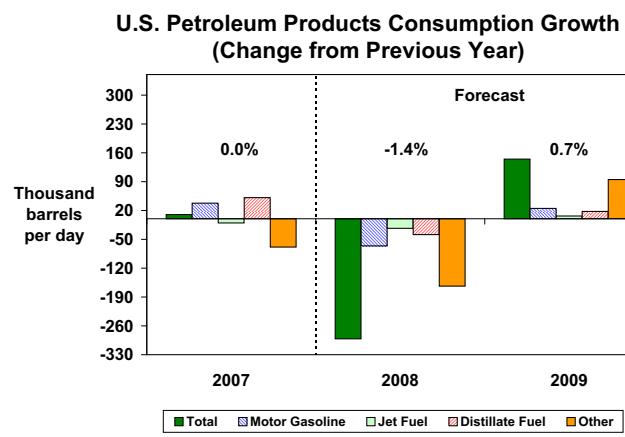
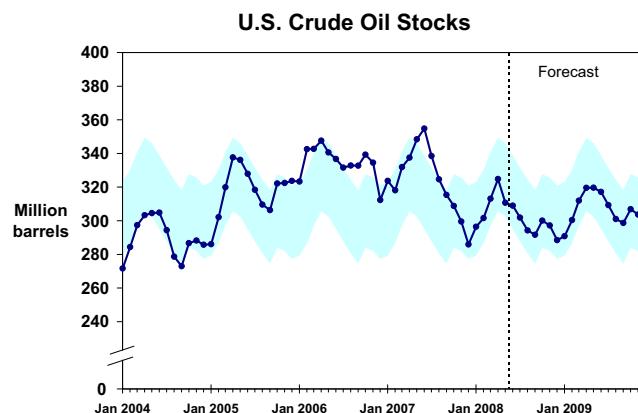
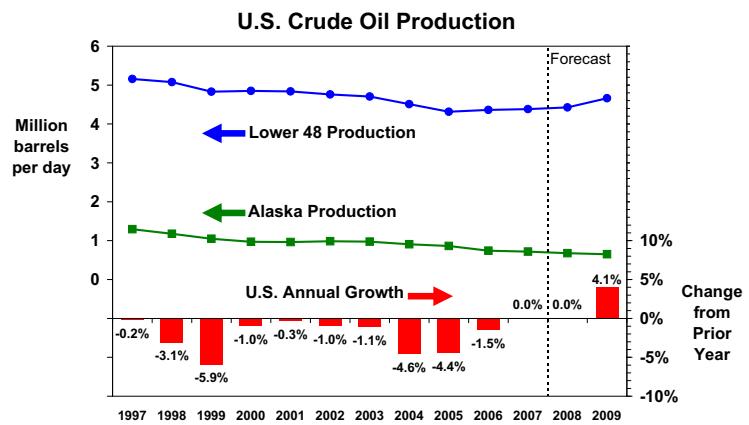
### Days of Supply of OECD Commercial Oil Stocks

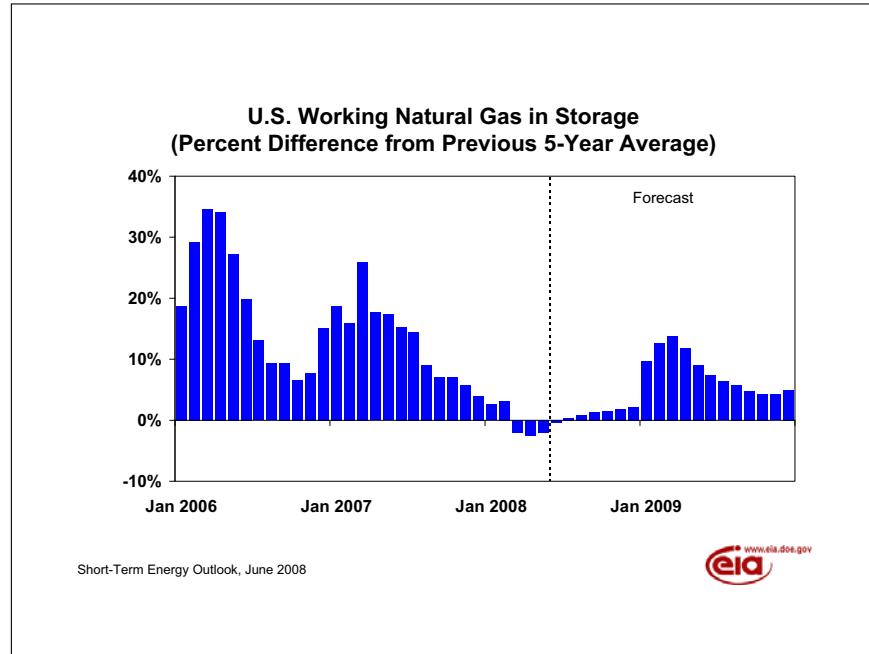
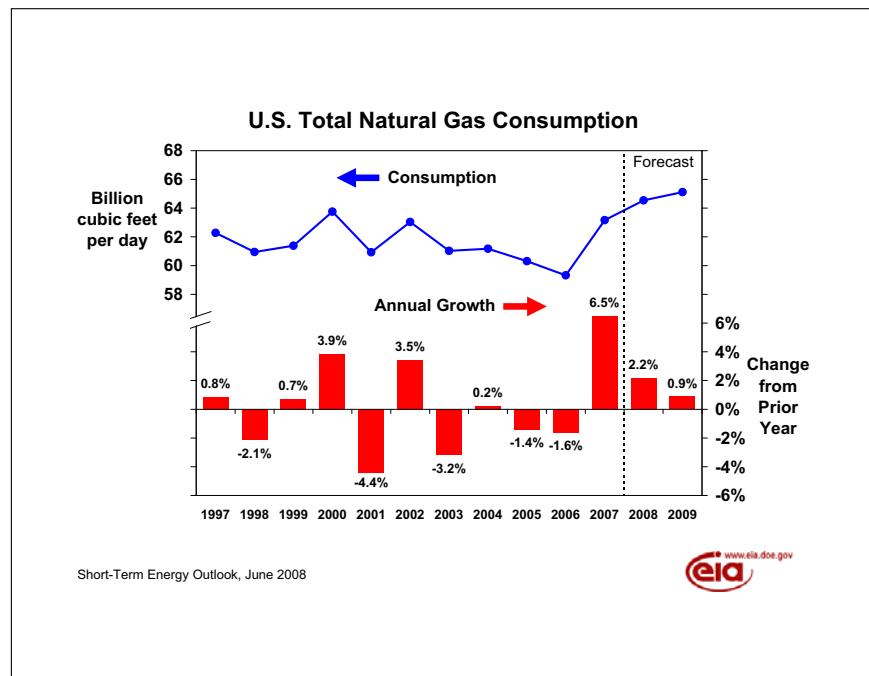
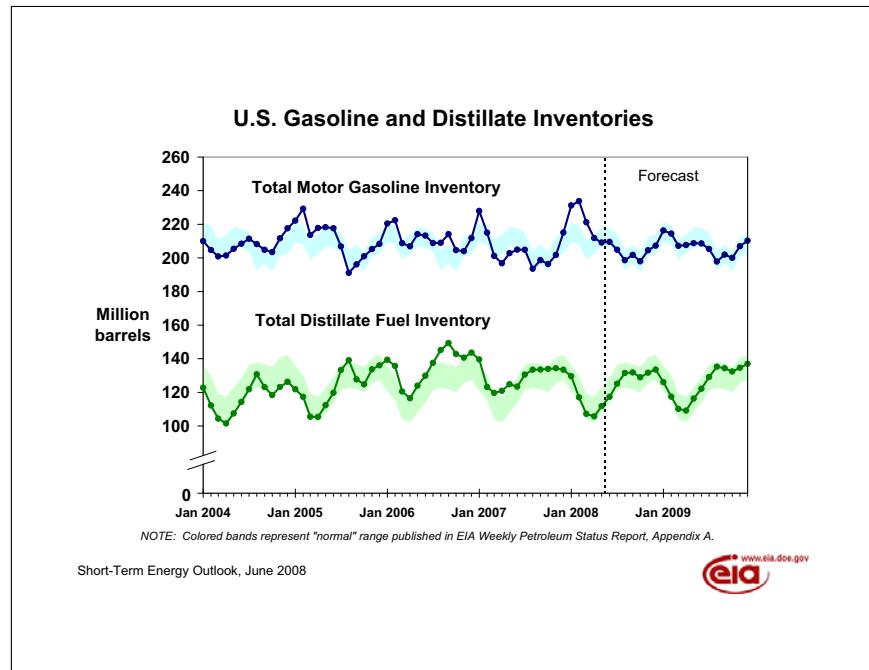


NOTE: Colored band represents the 5-year minimum/maximum range for each month.

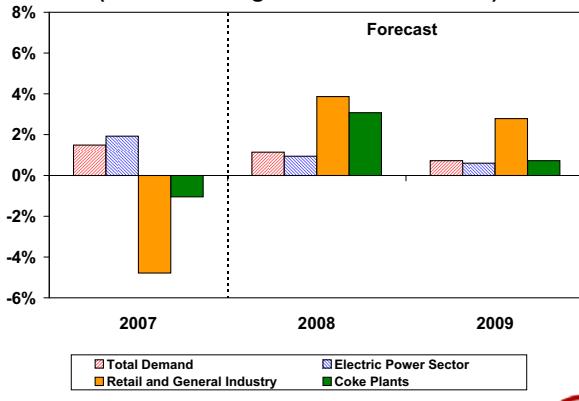
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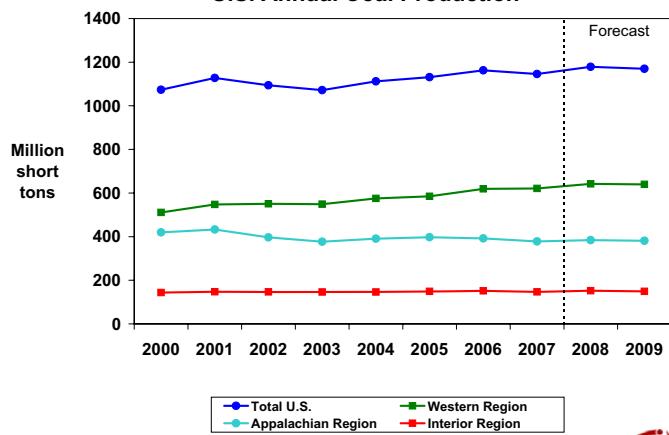
### U.S. Coal Consumption Growth (Percent Change from Previous Year)



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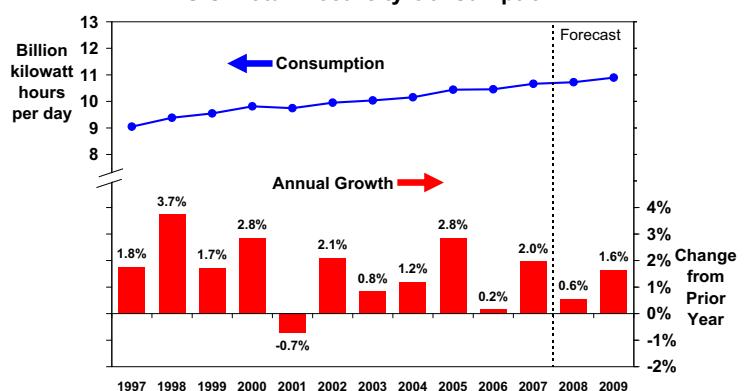
### U.S. Annual Coal Production



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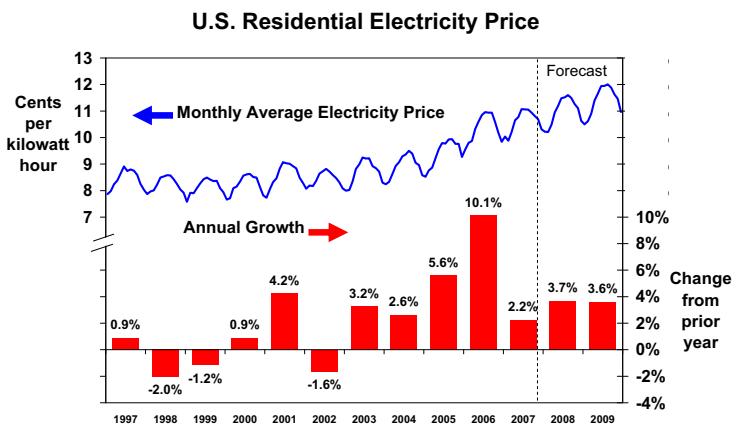


### U.S. Total Electricity Consumption



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### U.S. Annual Energy Expenditures As Percent of Gross Domestic Product

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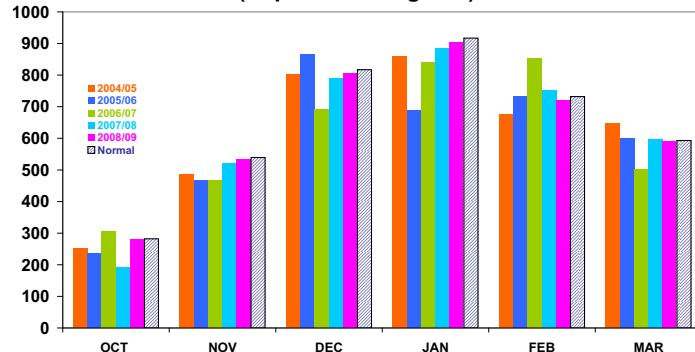
### U.S. Summer Cooling Degree-Days (Population-weighted)

Source: National Oceanic and Atmospheric Administration, National Weather Service  
[http://www.cpc.ncep.noaa.gov/products/analysis\\_monitoring/cdus/degree\\_days/](http://www.cpc.ncep.noaa.gov/products/analysis_monitoring/cdus/degree_days/)

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### U.S. Winter Heating Degree-Days (Population-weighted)

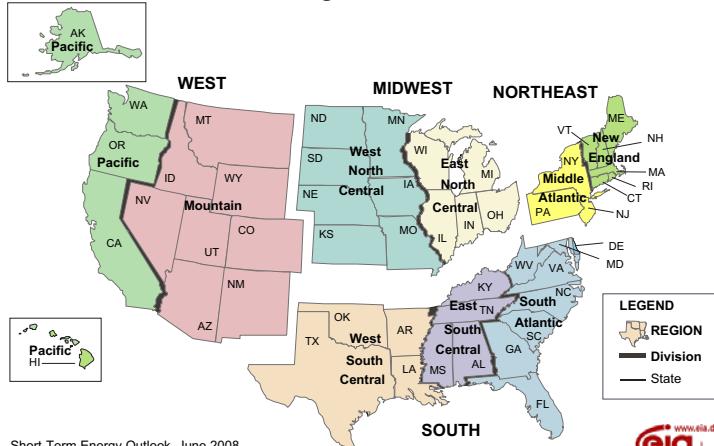


Source: National Oceanic and Atmospheric Administration, National Weather Service  
[http://www.cpc.noaa.gov/products/analysis\\_monitoring/cdus/degree\\_days/](http://www.cpc.noaa.gov/products/analysis_monitoring/cdus/degree_days/)

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### U.S. Census Regions and Census Divisions



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**Table 4b. U.S. Petroleum Refinery Balance (Million Barrels per Day, Except Utilization Factor)**

Energy Information Administration/Short-Term Energy Outlook - June 2008

	2007				2008				2009				Year		
	1st	2nd	3rd	4th	1st	2nd	3rd	4th	1st	2nd	3rd	4th	2007	2008	2009
<b>Refinery Inputs</b>															
Crude Oil .....	<b>14.76</b>	<b>15.22</b>	<b>15.52</b>	<b>15.09</b>	14.59	15.08	15.34	14.92	14.44	15.13	15.22	14.85	<b>15.15</b>	14.98	14.91
Pentanes Plus .....	0.16	<b>0.19</b>	<b>0.18</b>	<b>0.18</b>	0.15	0.18	0.18	0.19	0.17	0.18	0.18	0.19	<b>0.18</b>	0.18	0.18
Liquefied Petroleum Gas .....	0.32	<b>0.26</b>	<b>0.29</b>	<b>0.41</b>	0.36	0.27	0.28	0.38	0.33	0.26	0.28	0.38	<b>0.32</b>	0.32	0.31
Other Hydrocarbons/Oxygenates .....	0.46	<b>0.47</b>	<b>0.48</b>	<b>0.51</b>	0.54	0.60	0.62	0.65	0.66	0.67	0.68	0.70	<b>0.48</b>	0.60	0.68
Unfinished Oils .....	0.50	<b>0.81</b>	<b>0.72</b>	<b>0.72</b>	0.67	0.77	0.75	0.69	0.56	0.75	0.77	0.71	<b>0.69</b>	0.72	0.70
Motor Gasoline Blend Components .....	0.18	<b>0.30</b>	<b>0.19</b>	<b>-0.09</b>	0.28	0.44	0.26	0.12	0.22	0.38	0.28	0.12	<b>0.14</b>	0.27	0.25
Aviation Gasoline Blend Components .....	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	<b>0.00</b>	0.00	0.00
Total Refinery Inputs .....	<b>16.38</b>	<b>17.24</b>	<b>17.38</b>	<b>16.82</b>	<b>16.58</b>	17.34	17.42	16.95	16.39	17.37	17.41	16.95	<b>16.96</b>	17.07	17.03
<b>Refinery Processing Gain</b> .....	<b>0.99</b>	<b>0.97</b>	<b>1.02</b>	<b>1.04</b>	<b>0.98</b>	0.98	1.00	1.02	0.98	0.99	1.00	1.02	<b>1.01</b>	0.99	1.00
<b>Refinery Outputs</b>															
Liquefied Petroleum Gas .....	<b>0.54</b>	<b>0.85</b>	<b>0.75</b>	<b>0.44</b>	<b>0.55</b>	0.84	0.76	0.46	0.54	0.84	0.76	0.46	<b>0.65</b>	0.65	0.65
Finished Motor Gasoline .....	8.13	<b>8.42</b>	<b>8.45</b>	<b>8.37</b>	<b>8.34</b>	8.39	8.42	8.49	8.14	8.42	8.44	8.51	<b>8.34</b>	8.41	8.38
Jet Fuel .....	1.44	<b>1.43</b>	<b>1.46</b>	<b>1.47</b>	<b>1.47</b>	1.48	1.50	1.46	1.46	1.48	1.50	1.47	<b>1.45</b>	1.48	1.48
Distillate Fuel .....	3.98	<b>4.10</b>	<b>4.19</b>	<b>4.26</b>	<b>4.01</b>	4.25	4.27	4.26	4.06	4.27	4.26	4.25	<b>4.13</b>	4.20	4.21
Residual Fuel .....	0.66	<b>0.64</b>	<b>0.70</b>	<b>0.68</b>	<b>0.63</b>	0.68	0.65	0.66	0.65	0.64	0.63	0.65	<b>0.67</b>	0.66	0.64
Other Oils (a) .....	2.62	<b>2.78</b>	<b>2.85</b>	<b>2.65</b>	<b>2.57</b>	2.68	2.82	2.64	2.53	2.72	2.81	2.63	<b>2.72</b>	2.68	2.67
Total Refinery Output .....	<b>17.37</b>	<b>18.22</b>	<b>18.40</b>	<b>17.86</b>	<b>17.57</b>	18.32	18.42	17.97	17.38	18.37	18.40	17.96	<b>17.96</b>	18.07	18.03
<b>Refinery Distillation Inputs</b> .....	<b>15.13</b>	<b>15.49</b>	<b>15.76</b>	<b>15.41</b>	<b>14.85</b>	15.35	15.69	15.29	14.81	15.48	15.57	15.22	<b>15.45</b>	15.30	15.27
<b>Refinery Operable Distillation Capacity</b> .....	<b>17.46</b>	<b>17.45</b>	<b>17.44</b>	<b>17.44</b>	<b>17.54</b>	17.59	17.59	17.59	17.59	17.59	17.59	17.59	<b>17.45</b>	17.58	17.59
<b>Refinery Distillation Utilization Factor</b> .....	<b>0.87</b>	<b>0.89</b>	<b>0.90</b>	<b>0.88</b>	<b>0.85</b>	0.87	0.89	0.87	0.84	0.88	0.89	0.87	<b>0.89</b>	0.87	0.87

- = no data available

(a) "Other Oils" includes aviation gasoline blend components, finished aviation gasoline, kerosene, petrochemical feedstocks, special naphthas, lubricants, waxes, petroleum coke, asphalt and road oil, still gas, and miscellaneous products.

**Notes:** The approximate break between historical and forecast values is shown with historical data printed in bold; estimates and forecasts in italics.**Historical data:** Latest data available from Energy Information Administration databases supporting the following reports: *Petroleum Supply Monthly*, DOE/EIA-0109;*Petroleum Supply Annual*, DOE/EIA-0340/2; *Weekly Petroleum Status Report*, DOE/EIA-0208.

Minor discrepancies with published historical data are due to independent rounding.

**Projections:** Generated by simulation of the EIA Regional Short-Term Energy Model.



**Table 4d. U.S. Regional Heating Oil Prices and Distillate Inventories**

Energy Information Administration/Short-Term Energy Outlook - June 2008

	2007				2008				2009				Year		
	1st	2nd	3rd	4th	1st	2nd	3rd	4th	1st	2nd	3rd	4th	2007	2008	2009
<b>Prices (cents per gallon)</b>															
<b>Refiner Wholesale Prices</b>															
Heating Oil .....	170	196	208	250	270	352	380	370	359	353	335	325	206	332	345
Diesel Fuel .....	184	212	224	257	283	371	400	385	371	372	354	337	221	361	358
<b>Heating Oil Residential Prices Excluding Taxes</b>															
Northeast .....	240	249	256	301	324	381	418	426	425	412	387	383	260	374	407
South .....	228	237	248	302	327	376	407	419	417	403	378	379	250	376	401
Midwest .....	225	247	260	300	320	390	423	423	413	403	387	381	252	392	398
West .....	247	258	266	320	330	400	438	442	433	422	398	398	271	406	415
U.S. Average .....	238	248	255	301	324	383	419	425	423	411	386	383	259	377	405
<b>Heating Oil Residential Prices Including State Taxes</b>															
Northeast .....	252	262	268	316	340	400	439	447	446	432	406	402	273	392	427
South .....	238	248	258	315	341	392	425	437	435	420	395	396	261	392	418
Midwest .....	238	262	275	317	338	413	448	447	437	427	410	403	267	415	421
West .....	254	265	273	328	339	411	449	453	444	433	409	408	278	417	426
U.S. Average .....	250	261	268	316	340	402	440	446	444	431	406	401	272	395	425
<b>Total Distillate End-of-period Inventories (million barrels)</b>															
PADD 1 (East Coast) .....	43.6	44.8	57.2	55.3	33.2	41.1	56.1	55.5	37.5	45.2	58.5	58.3	55.3	55.5	58.3
PADD 2 (Midwest) .....	28.5	30.1	29.2	30.1	28.5	29.5	29.4	29.7	27.6	29.1	29.0	29.6	30.1	29.7	29.6
PADD 3 (Gulf Coast) .....	31.9	33.5	32.5	31.2	29.9	31.3	31.7	32.3	30.2	32.5	32.2	33.2	31.2	32.3	33.2
PADD 4 (Rocky Mountain) ....	3.3	3.1	2.7	3.3	3.1	3.0	2.8	3.2	3.0	3.0	2.8	3.2	3.3	3.2	3.2
PADD 5 (West Coast) .....	12.4	11.9	12.0	13.6	12.5	12.4	11.8	12.8	11.9	12.3	11.9	12.7	13.6	12.8	12.7
U.S. Total .....	119.7	123.4	133.6	133.5	107.2	117.3	131.8	133.5	110.2	122.1	134.4	137.0	133.5	133.5	137.0

- = no data available

**Notes:** The approximate break between historical and forecast values is shown with historical data printed in bold; estimates and forecasts in italics.

Regions refer to Petroleum Administration for Defense Districts (PADD) for inventories and to U.S. Census regions for prices.

See "Petroleum for Administration Defense District" and "Census region" in EIA's Energy Glossary (<http://www.eia.doe.gov/glossary/index.html>) for a list of States in each region.

**Historical data:** Latest data available from Energy Information Administration databases supporting the following reports: *Petroleum Marketing Monthly*, DOE/EIA-0380;

*Petroleum Supply Monthly*, DOE/EIA-0109; *Petroleum Supply Annual*, DOE/EIA-0340/2; and *Weekly Petroleum Status Report*, DOE/EIA-0208.

Minor discrepancies with published historical data are due to independent rounding.

**Projections:** Generated by simulation of the EIA Regional Short-Term Energy Model.

Table 4e. U.S. Regional Propane Prices and Inventories

Energy Information Administration/Short-Term Energy Outlook - June 2008

	2007				2008				2009				Year		
	1st	2nd	3rd	4th	1st	2nd	3rd	4th	1st	2nd	3rd	4th	2007	2008	2009
<b>Prices (cents per gallon)</b>															
Propane Wholesale Price (a) .....	95	111	119	146	145	162	173	180	175	159	163	172	117	164	169
<b>Propane Residential Prices excluding Taxes</b>															
Northeast .....	220	233	241	260	270	283	293	299	300	284	282	287	236	284	291
South .....	207	212	207	244	257	259	258	278	287	266	253	270	219	264	275
Midwest .....	167	169	167	194	204	217	224	239	246	228	217	230	176	220	235
West .....	211	206	197	239	258	259	257	279	285	262	248	269	216	264	269
U.S. Average .....	194	201	195	226	237	251	251	266	273	258	244	257	204	250	262
<b>Propane Residential Prices including State Taxes</b>															
Northeast .....	230	244	252	271	282	296	306	312	313	297	294	300	247	297	304
South .....	218	222	217	256	270	272	271	292	302	280	266	284	230	278	289
Midwest .....	177	178	176	205	216	229	236	252	260	240	230	243	186	232	248
West .....	223	217	208	252	273	274	271	294	301	277	262	284	228	279	285
U.S. Average .....	204	212	205	237	250	264	264	280	287	272	257	271	215	263	275
<b>Propane End-of-period Inventories (million barrels)</b>															
PADD 1 (East Coast) .....	3.2	3.7	4.5	4.6	2.5	4.6	4.8	4.7	2.5	3.9	4.5	4.6	4.6	4.7	4.6
PADD 2 (Midwest) .....	8.6	16.6	23.5	19.5	9.0	18.3	24.8	21.5	9.7	18.2	24.7	21.6	19.5	21.5	21.6
PADD 3 (Gulf Coast) .....	14.4	21.8	27.5	25.7	13.3	22.3	32.4	26.0	12.6	22.4	32.4	25.8	25.7	26.0	25.8
PADD 4 (Rocky Mountain) .....	0.4	0.4	0.4	0.4	0.4	0.5	0.6	0.5	0.4	0.4	0.6	0.5	0.4	0.5	0.5
PADD 5 (West Coast) .....	0.4	1.3	2.5	2.0	0.4	1.1	2.4	1.8	0.5	1.3	2.5	1.8	2.0	1.8	1.8
U.S. Total .....	27.0	43.8	58.3	52.1	25.6	46.7	64.9	54.5	25.7	46.2	64.6	54.3	52.1	54.5	54.3

- = no data available

(a) Propane price to petrochemical sector.

Notes: The approximate break between historical and forecast values is shown with historical data printed in bold; estimates and forecasts in italics.

Regions refer to Petroleum Administration for Defense Districts (PADD) for inventories and to U.S. Census regions for prices.

See "Petroleum for Administration Defense District" and "Census region" in EIA's Energy Glossary (<http://www.eia.doe.gov/glossary/index.html>) for a list of States in each region.Historical data: Latest data available from Energy Information Administration databases supporting the following reports: *Petroleum Marketing Monthly*, DOE/EIA-0380;*Petroleum Supply Monthly*, DOE/EIA-0109; *Petroleum Supply Annual*, DOE/EIA-0340/2; and *Weekly Petroleum Status Report*, DOE/EIA-0208.

Minor discrepancies with published historical data are due to independent rounding.

Projections: Generated by simulation of the EIA Regional Short-Term Energy Model.

























