
Propane situation update



March 12, 2014 | Washington, DC

By

Energy Information Administration

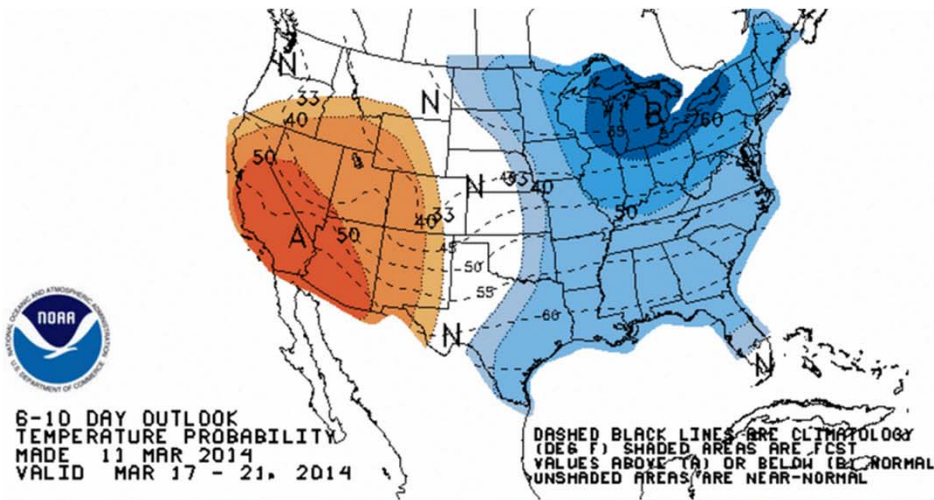


U.S. Energy Information Administration

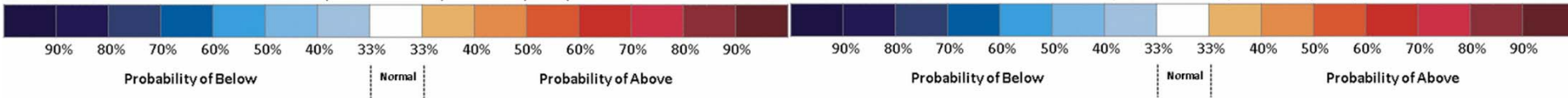
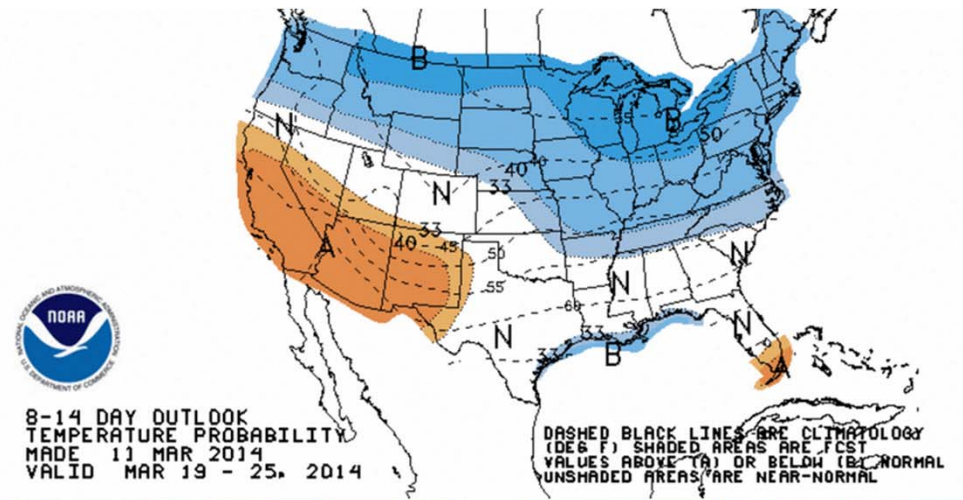
Independent Statistics & Analysis | www.eia.gov

NOAA forecast shows below normal temperatures across most of the Midwest for March 10 through March 18

6-10 day outlook



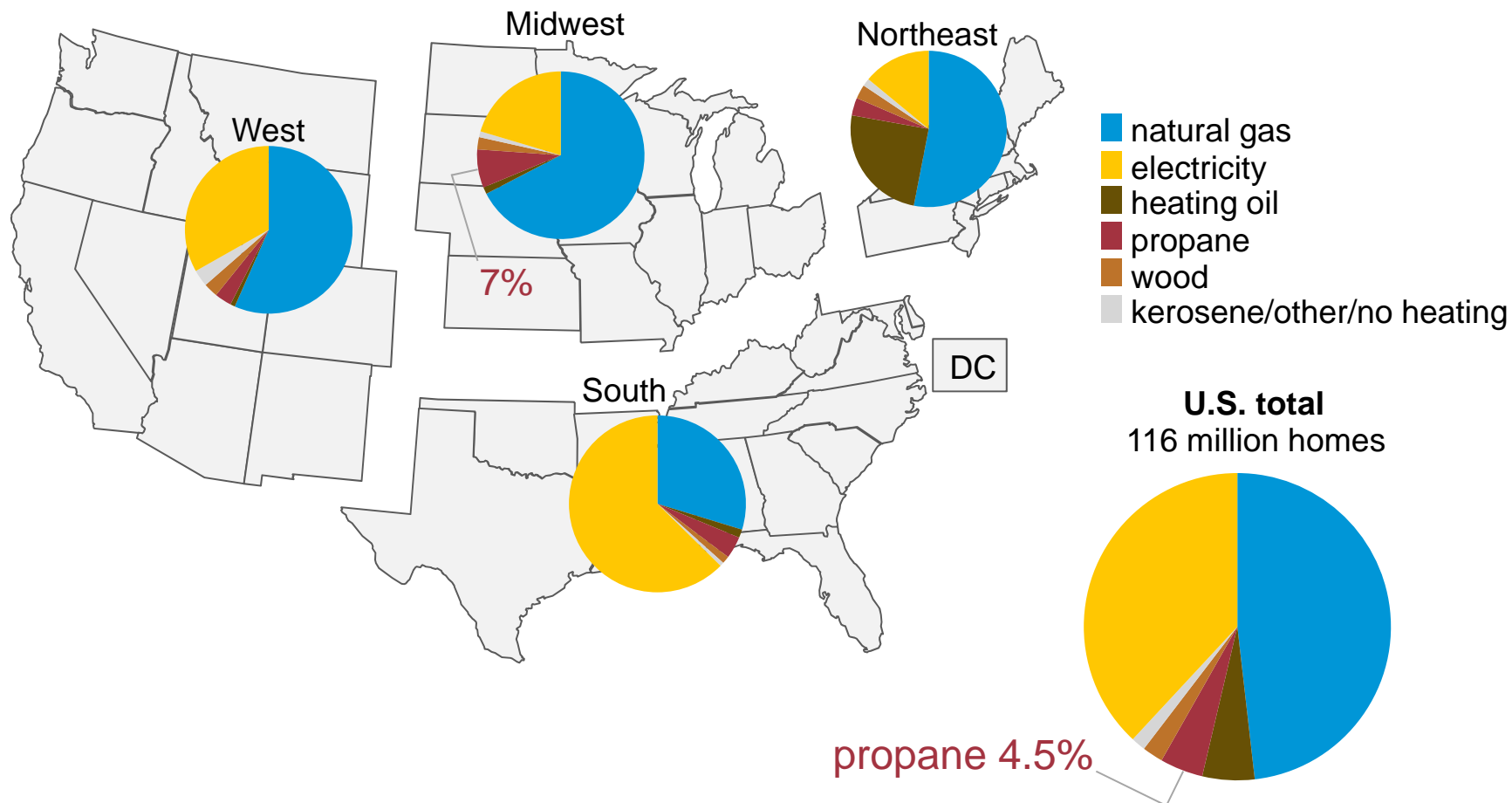
8-14 day outlook



Source: National Oceanic and Atmospheric Administration Climate Prediction Center, made March 11

Natural gas and electricity are the major heating fuels for most of the United States

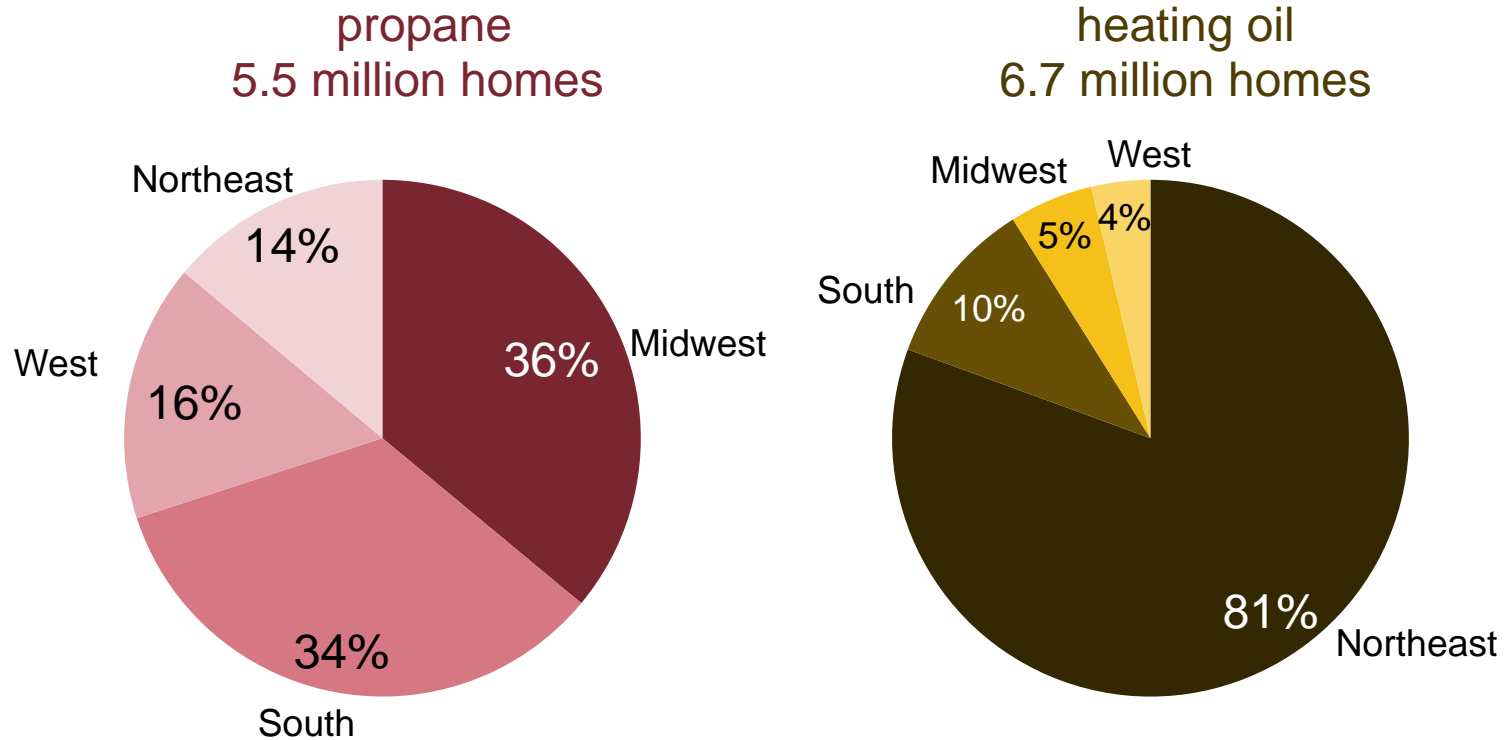
Share of homes by primary space heating fuel within each Census Region
(fuels add to 100%)



Source: U.S. Census Bureau, 2012 American Community Survey

Of all homes heated by propane, 36% are in the Midwest

Location of homes by primary space heating fuel across Census Regions
(regions add to 100%)



Source: U.S. Census Bureau, 2012 American Community Survey

Propane share of space heating demand by key regions and states

State	Propane-Heated Homes	Share of Total Homes
Michigan	320,522	8%
Wisconsin	245,071	11%
Ohio	240,185	5%
Minnesota	213,359	10%
Missouri	212,317	9%
Illinois	189,025	4%
Indiana	176,520	7%
Iowa	162,117	13%
Kentucky	113,175	7%
Tennessee	110,486	4%
Oklahoma	103,017	7%
Kansas	83,386	7%
Nebraska	57,442	8%
South Dakota	54,015	17%
North Dakota	38,617	13%
Midwest Total	2,319,254	7%

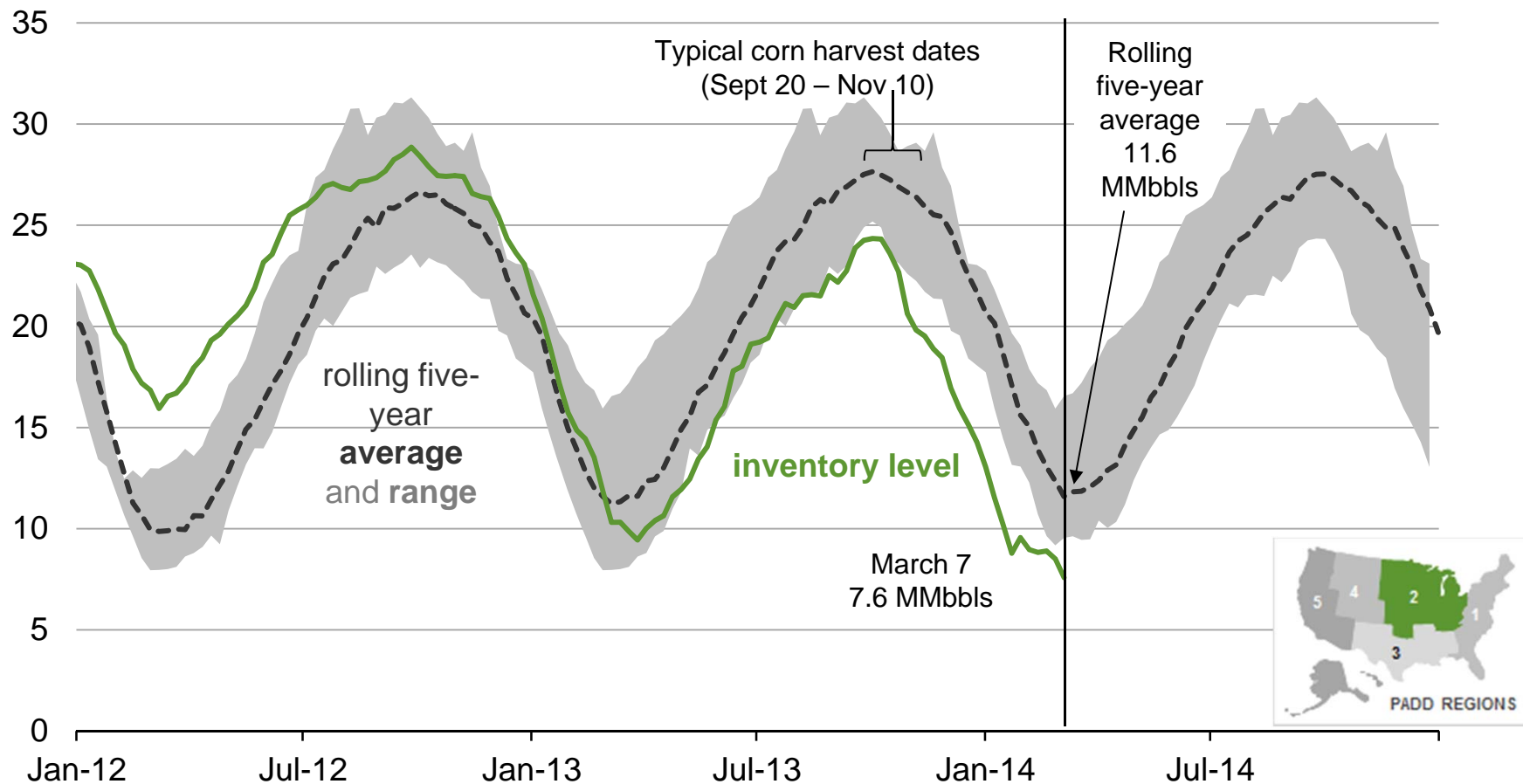
State	Propane-Heated Homes	Share of Total Homes
New York	237,738	3%
Pennsylvania	188,880	4%
New Hampshire	72,091	14%
Massachusetts	68,517	3%
New Jersey	60,990	2%
Connecticut	43,849	3%
Maine	41,477	7%
Vermont	38,497	15%
Rhode Island	10,361	3%
Northeast Total	762,400	4%



Source: Census Bureau, 2011

PADD 2 (Midwest) propane inventories have trended lower on strong crop drying and extremely cold temperatures

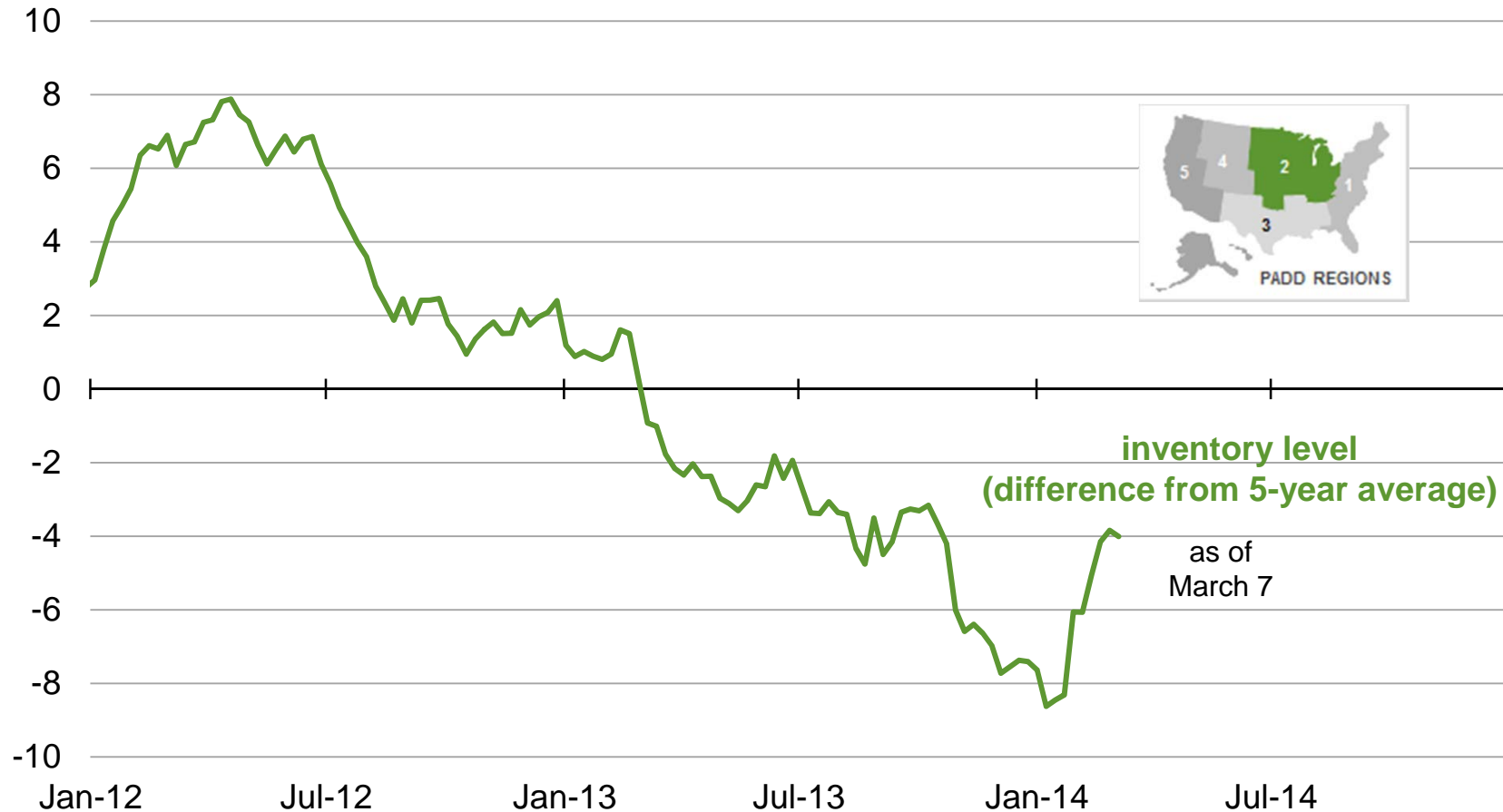
PADD 2 propane inventories
million barrels



Source: EIA, Weekly Petroleum Status Report, data through March 7

PADD 2 (Midwest) propane inventories remain below the 5-year average, but gap is narrowing

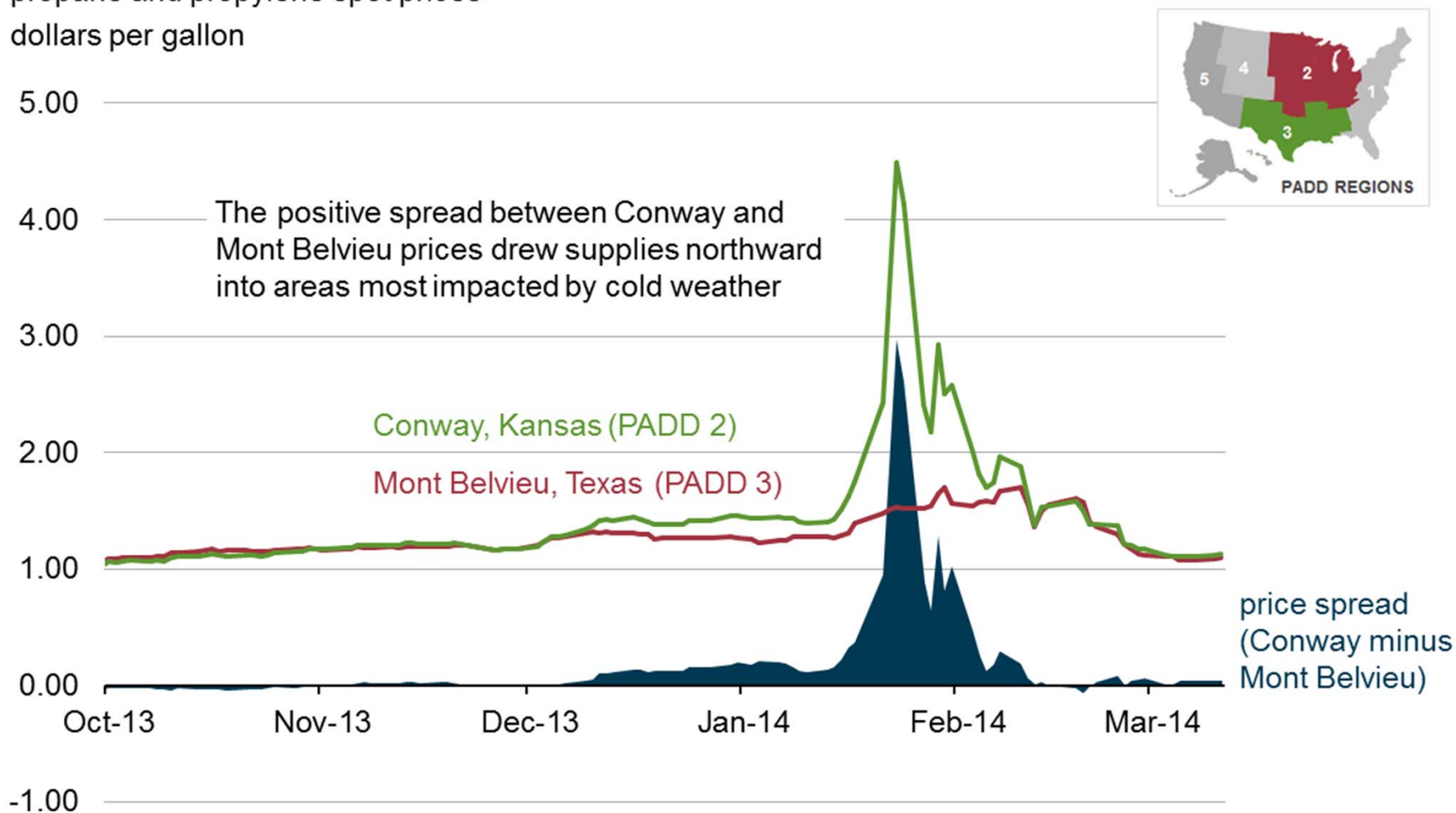
PADD 2 propane inventories, difference from 5-year average
million barrels



Source: EIA, Weekly Petroleum Status Report, data through March 7

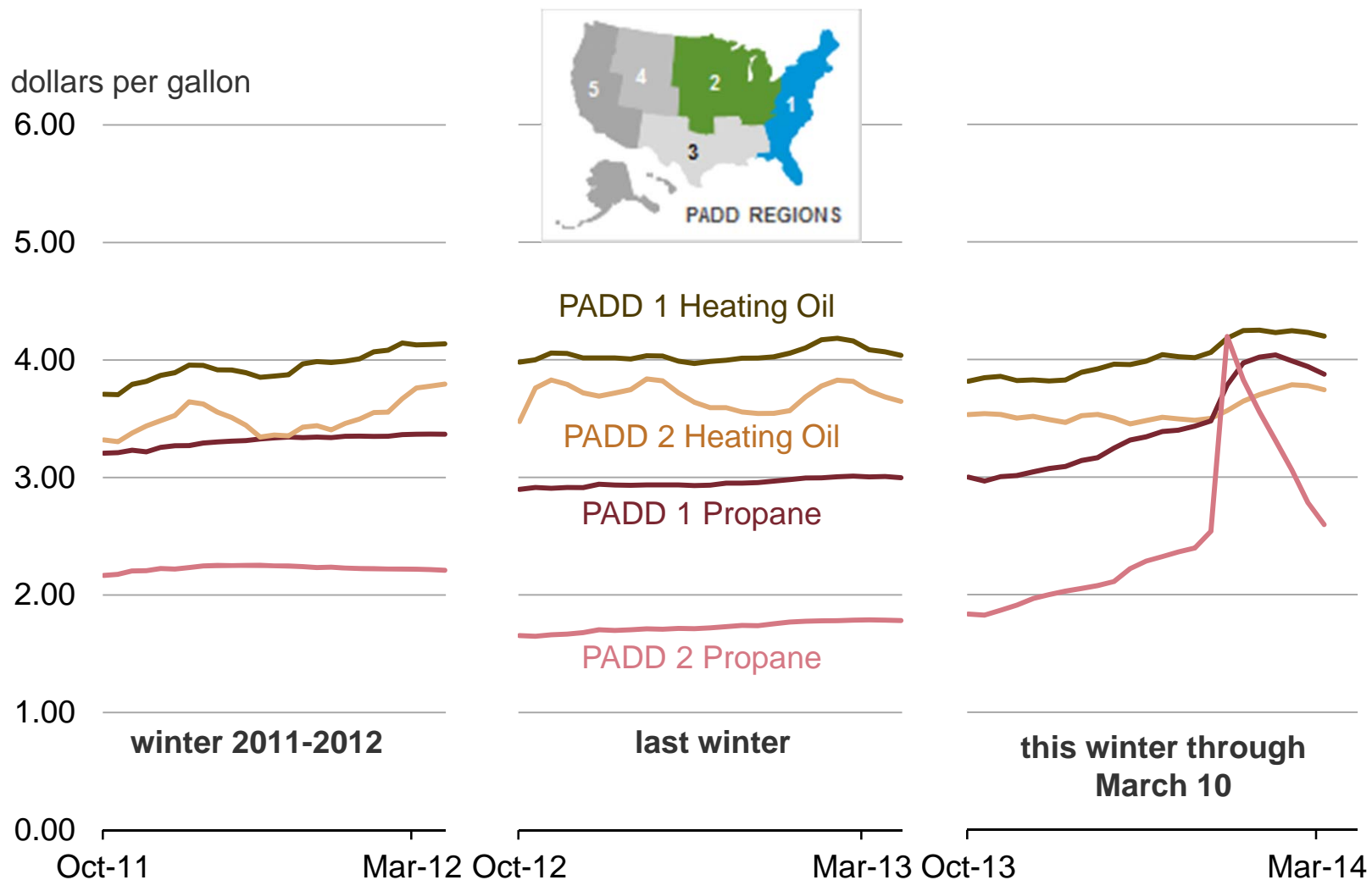
Conway (KS) price premium over Mt. Belvieu (TX) grew rapidly in late January, but has since narrowed

propane and propylene spot prices
dollars per gallon



Source: U.S. Energy Information Administration, Thomson Reuters, data through March 11

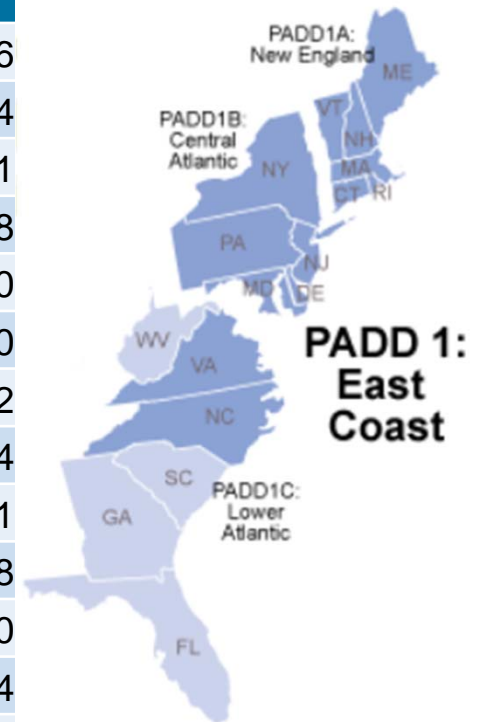
Retail propane prices in the Midwest, which rose sharply in late January, have moved lower



Source: State Heating Oil and Propane Program, data through March 10

State-reported residential retail prices for states in the East Coast

	1/27/14	2/3/14	2/10/14	2/17/14	2/24/14	3/3/14	3/10/14
Residential retail propane price (dollars per gallon, excluding taxes)							
Connecticut	3.653	3.792	3.918	3.870	3.902	3.902	3.776
Delaware	3.734	3.823	3.790	3.927	3.911	3.910	3.874
Maine	3.469	3.558	3.607	3.669	3.637	3.624	3.591
Maryland	3.865	3.956	4.055	4.134	4.144	4.125	4.098
Massachusetts	3.695	3.816	3.794	3.925	3.974	3.992	3.990
New Hampshire	3.672	3.706	3.728	3.835	3.827	3.835	3.840
New Jersey	4.235	4.451	4.433	4.460	4.436	4.431	4.362
New York	3.797	3.961	4.004	4.042	4.060	4.053	4.014
North Carolina	3.711	4.067	4.153	3.995	3.779	3.614	3.431
Pennsylvania	3.755	3.904	3.991	4.032	4.010	3.962	3.908
Rhode Island	4.207	4.399	4.456	4.538	4.615	4.660	4.660
Vermont	4.037	4.210	4.134	4.362	4.361	4.351	4.344
Virginia	3.753	4.039	4.069	4.066	3.915	3.806	3.767



Note: Florida, Georgia, South Carolina, West Virginia, and the District of Columbia do not report information

Source: EIA, State Heating Oil and Propane Program, data through March 10

<http://www.eia.gov/petroleum/heatingoilpropane/>

State-reported residential retail prices for states in the Midwest

	1/27/14	2/3/14	2/10/14	2/17/14	2/24/14	3/3/14	3/10/14
Residential retail propane price (dollars per gallon, excluding taxes)							
Indiana	4.215	4.265	4.043	3.753	3.472	3.248	3.011
Iowa	4.709	3.590	3.220	2.811	2.591	2.149	1.970
Kentucky	3.785	3.852	3.677	3.584	3.417	2.942	2.937
Michigan	3.611	3.766	3.667	3.692	3.359	3.247	2.992
Minnesota	4.610	3.967	3.480	3.264	2.985	2.658	2.416
Missouri	3.997	3.672	3.484	3.131	2.960	2.657	2.458
Nebraska	4.073	3.357	2.995	2.601	2.393	2.048	2.055
North Dakota	4.569	3.839	3.283	2.905	2.618	2.333	2.200
Ohio	3.731	3.908	3.808	3.733	3.615	3.489	3.365
South Dakota	4.107	3.664	3.408	3.019	2.797	2.751	2.582
Wisconsin	4.490	3.945	3.686	3.344	2.967	2.650	2.395



Note: Illinois, Kansas, Oklahoma, and Tennessee do not report information

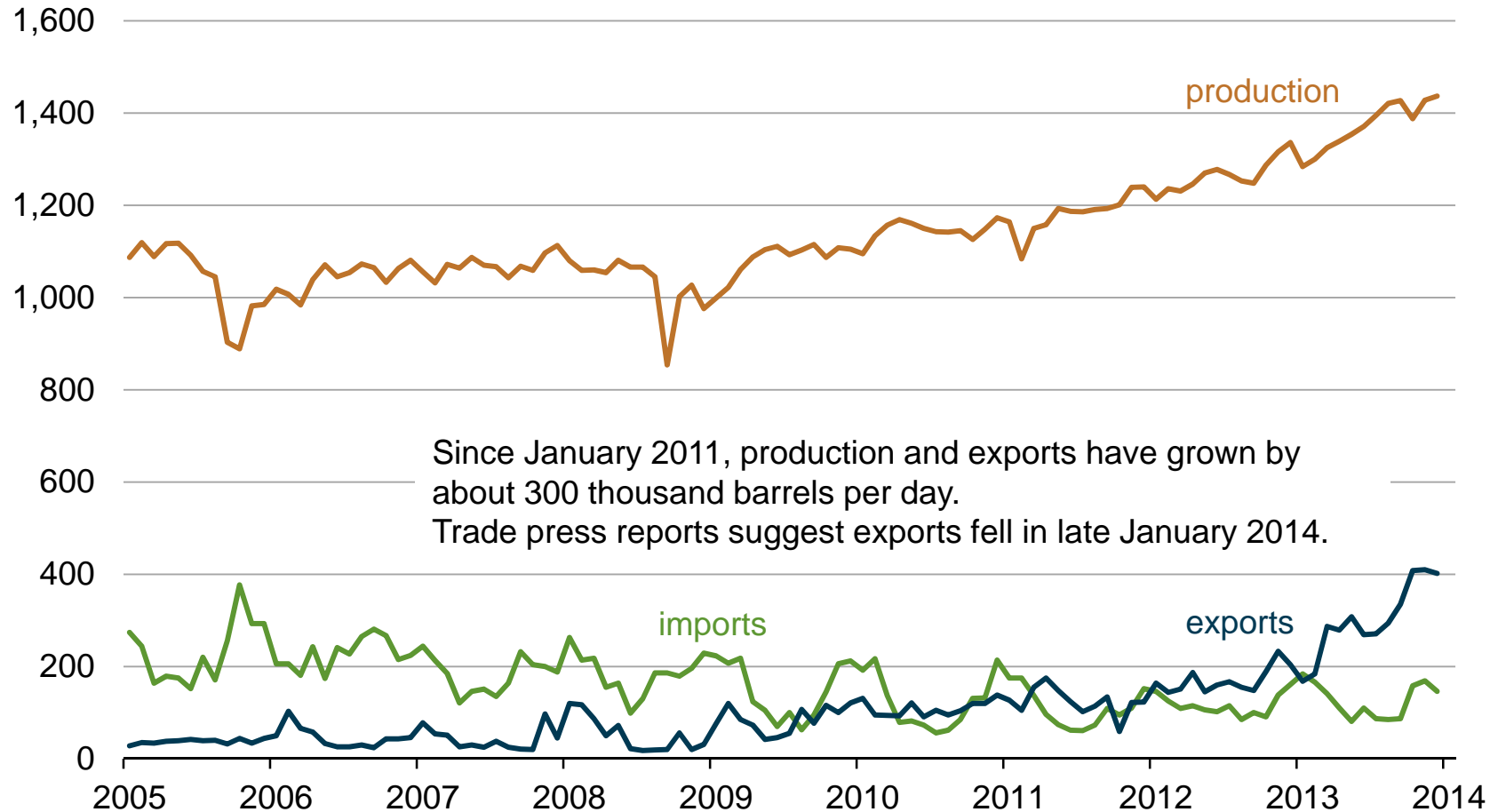
Source: EIA, State Heating Oil and Propane Program, data through March 10

<http://www.eia.gov/petroleum/heatingoilpropane/>

U.S. propane production and trade trends

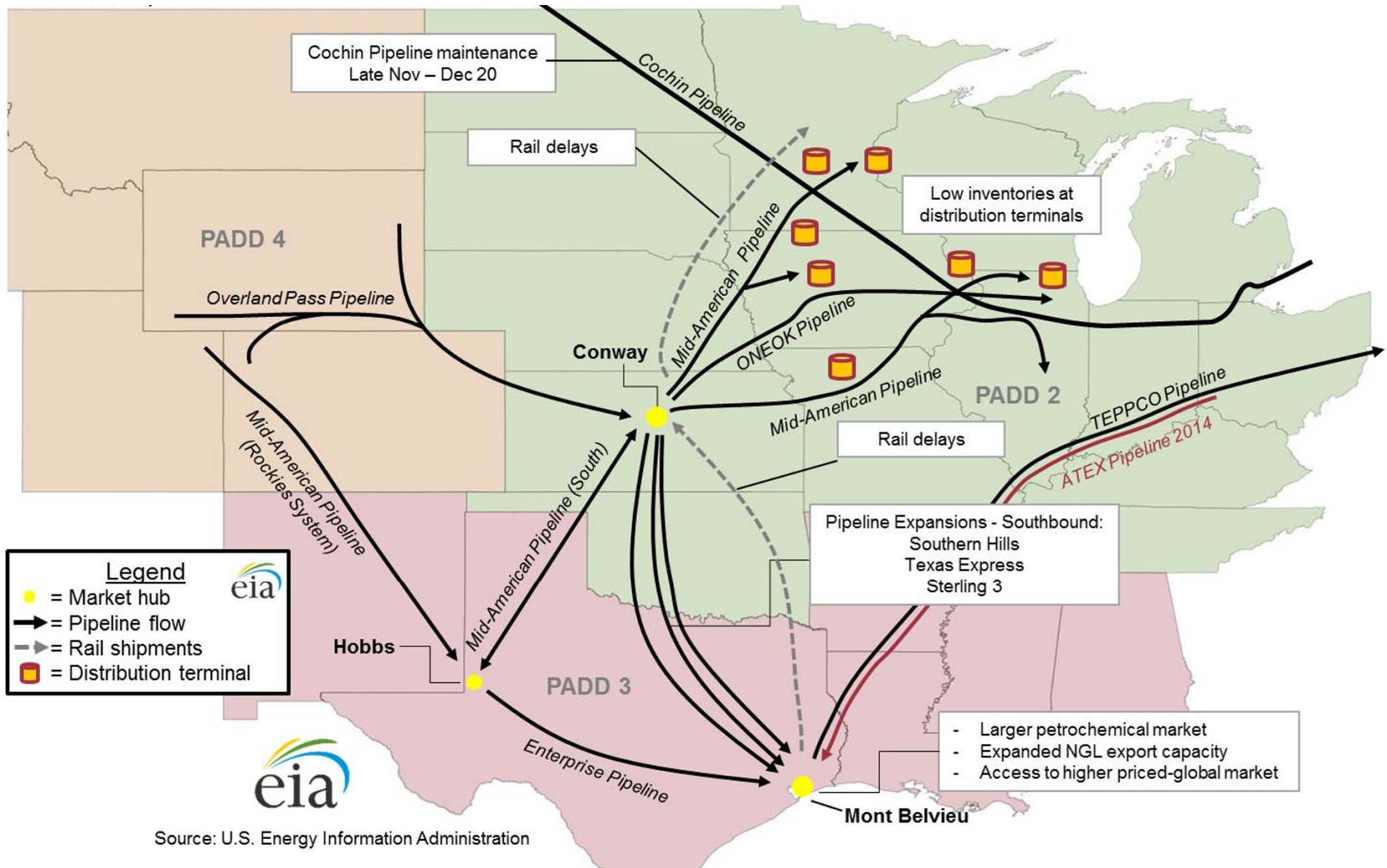
U.S. propane and propylene production, imports, and exports

thousand barrels per day



Source: EIA, Petroleum Supply Monthly through December 2013

Winter 2013 propane supply diagram



Source: U.S. Energy Information Administration

For more information

U.S. Energy Information Administration home page | www.eia.gov

Short-Term Energy Outlook | www.eia.gov/steo

Annual Energy Outlook | www.eia.gov/aeo

International Energy Outlook | www.eia.gov/ieo

Monthly Energy Review | www.eia.gov/mer

Today in Energy | www.eia.gov/todayinenergy

State Energy Portal | www.eia.gov/state

Drilling Productivity Report | www.eia.gov/petroleum/drilling