

# Propane update



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*November 7, 2014 | Washington, DC*

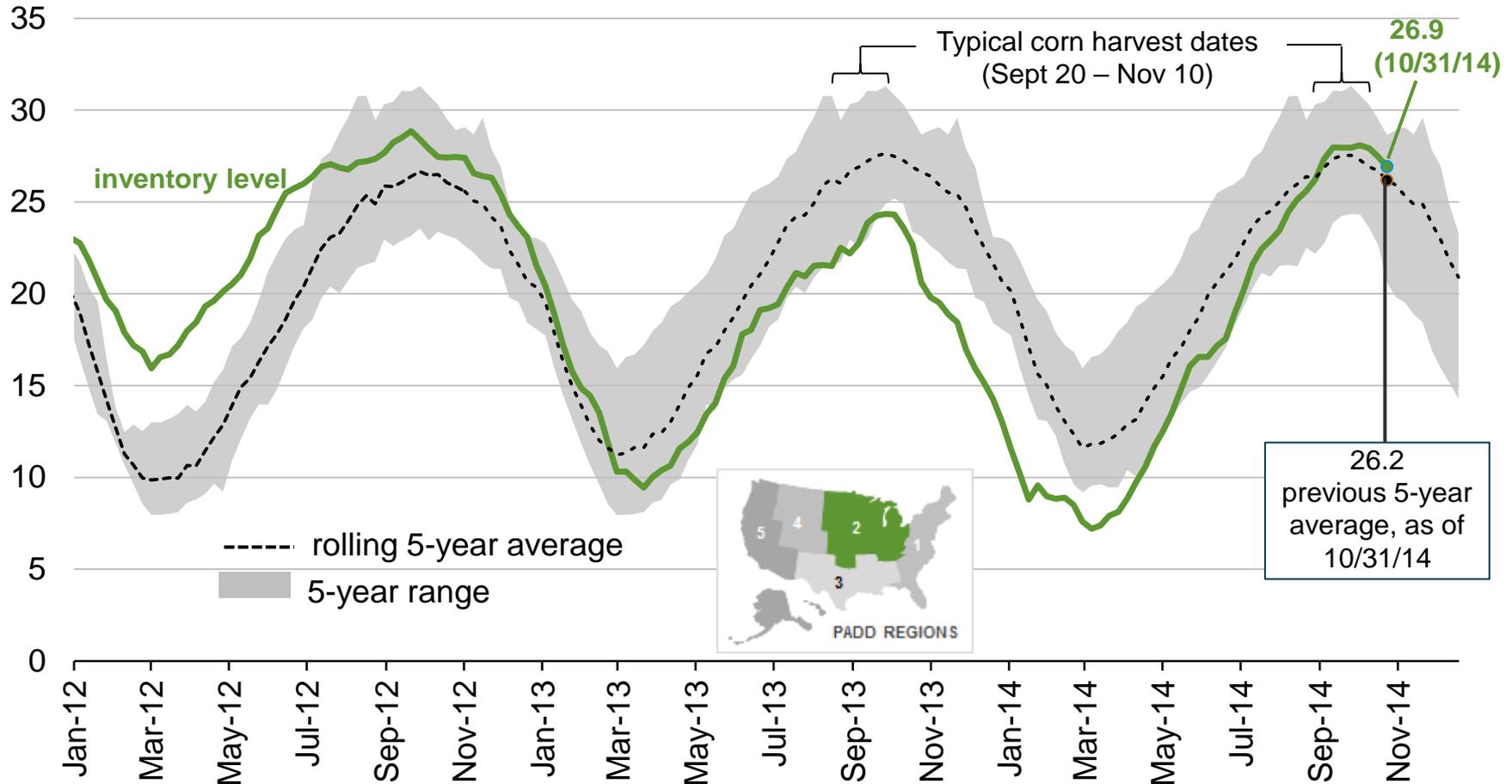
*By*

*U.S. Energy Information Administration*

# PADD 2 (Midwest) propane inventories are currently above the five-year average

PADD 2 propane\* inventories

million barrels



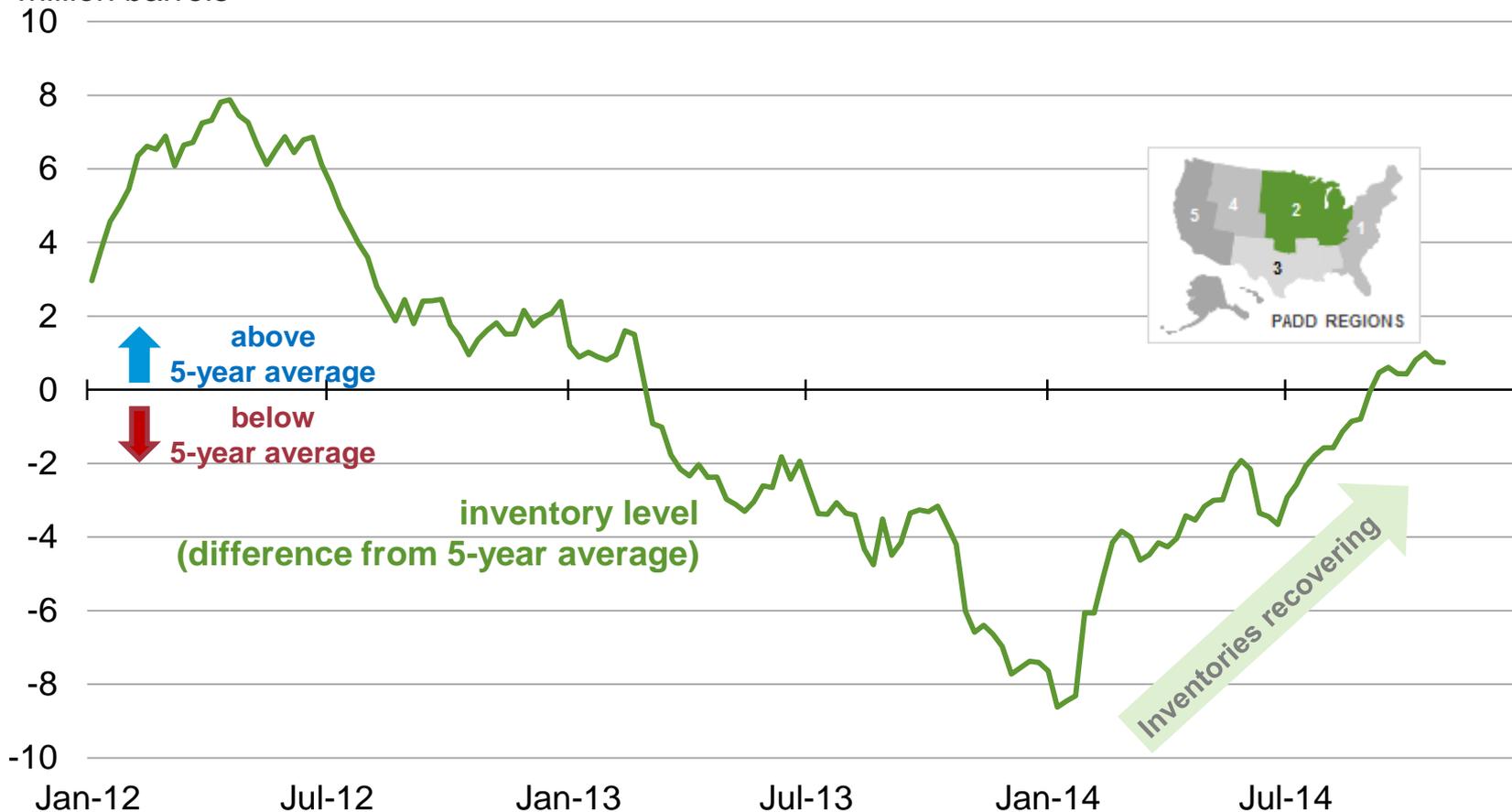
Source: EIA, Weekly Petroleum Status Report, data through October 31

\*propane/propylene for fuel use only

# PADD 2 (Midwest) propane inventories are now above the five-year average

PADD 2 propane\* inventories, difference from 5-year average

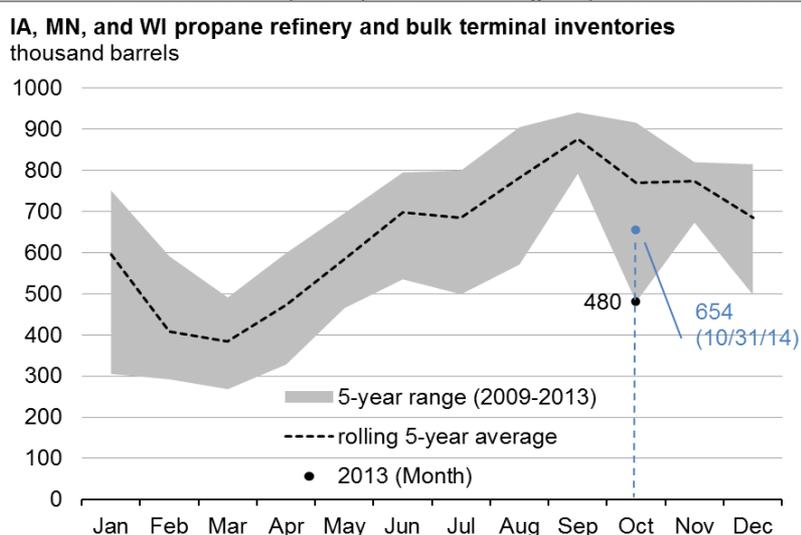
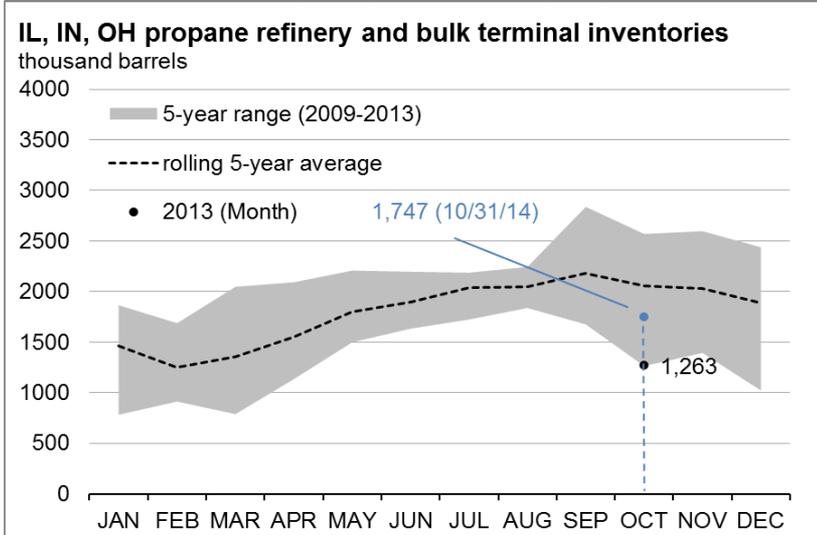
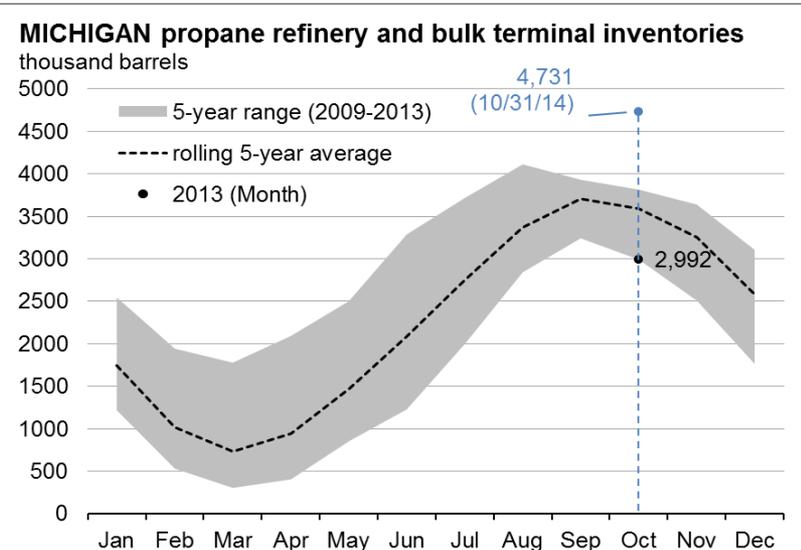
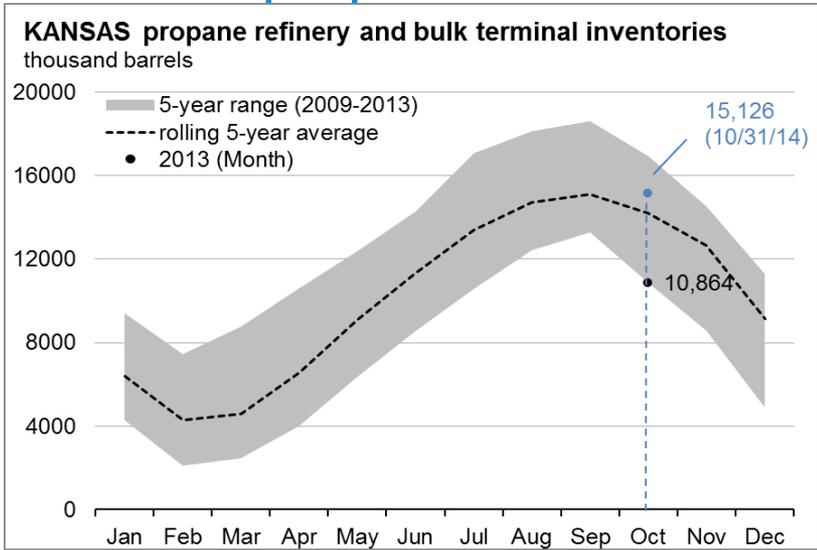
million barrels



Source: EIA, Weekly Petroleum Status Report, data through October 31

\*propane/propylene for fuel use only

# Current propane inventories for selected Midwest states



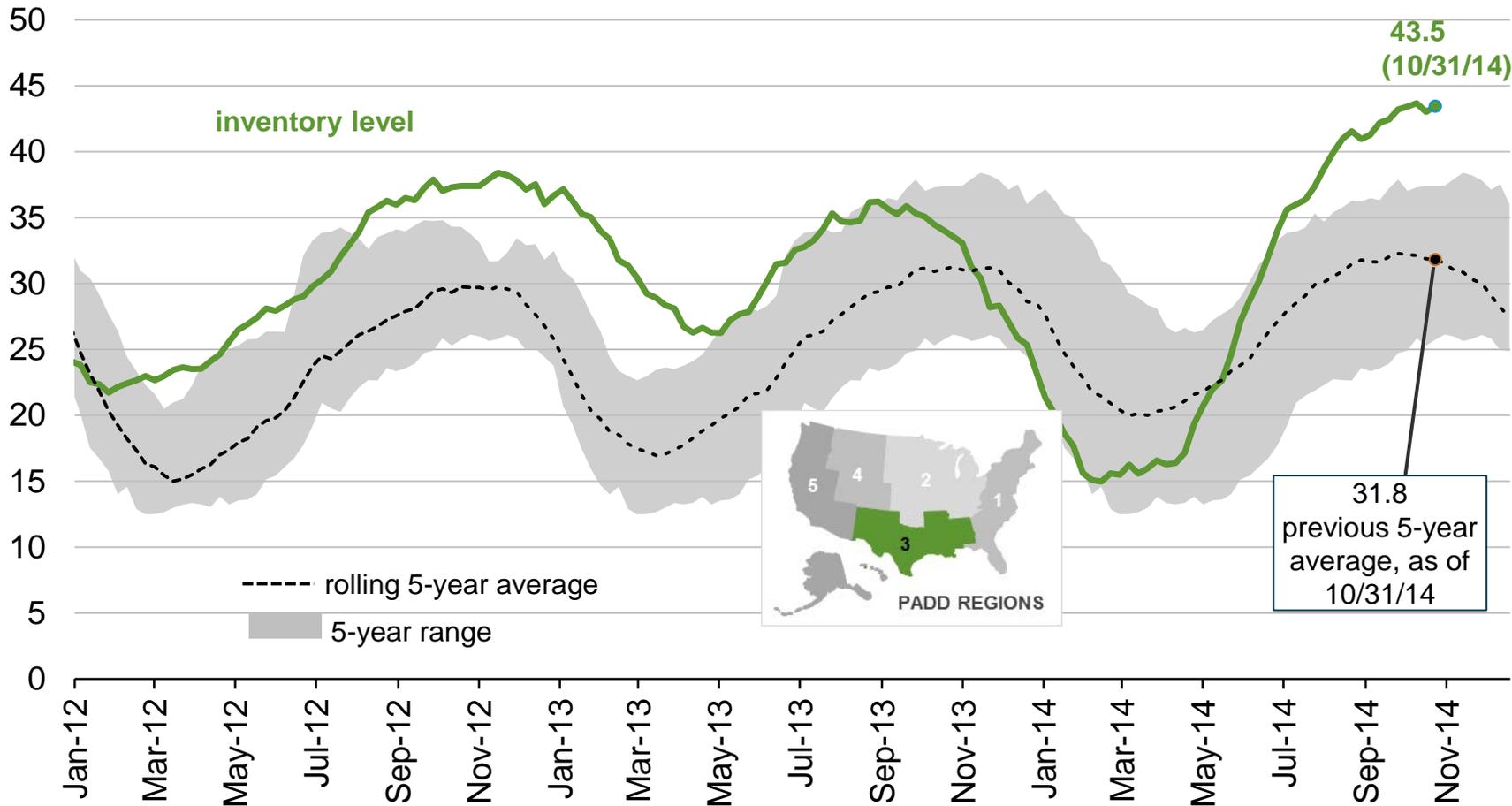
Source: EIA, Weekly Petroleum Status Report, data through October 31

\*propane/proplylene for fuel use only

# PADD 3 (Gulf coast) propane inventories are well above the five-year range

PADD 3 propane\* inventories

million barrels



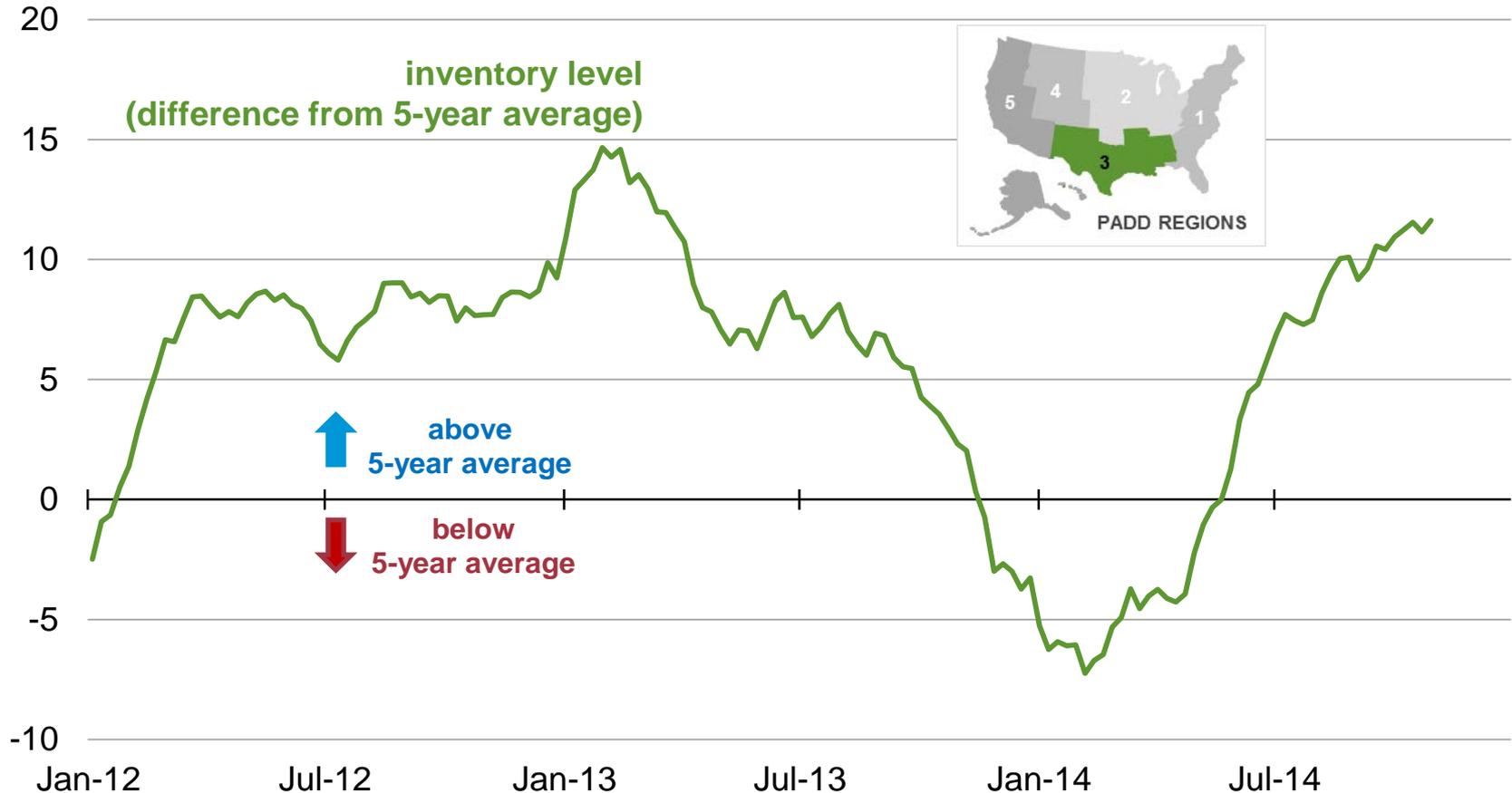
Source: EIA, Weekly Petroleum Status Report, data through October 31

\*propane/propylene for fuel use only

# PADD 3 (Gulf coast) propane inventories have been over the five-year average since May 2014

PADD 3 propane\* inventories, difference from 5-year average

million barrels



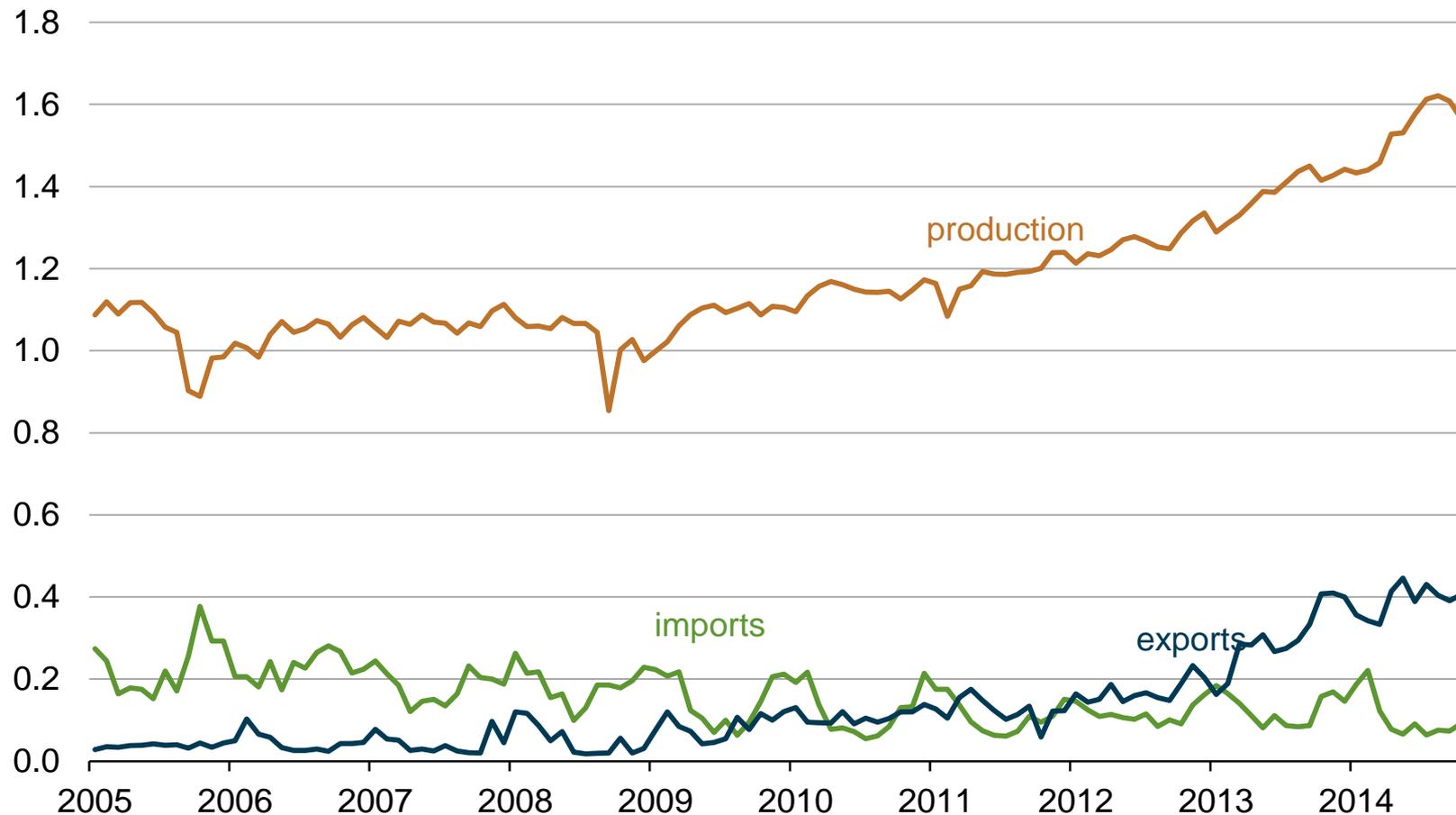
Source: EIA, Weekly Petroleum Status Report, data through October 31

\*propane/propylene for fuel use only

# U.S. propane production and trade trends

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

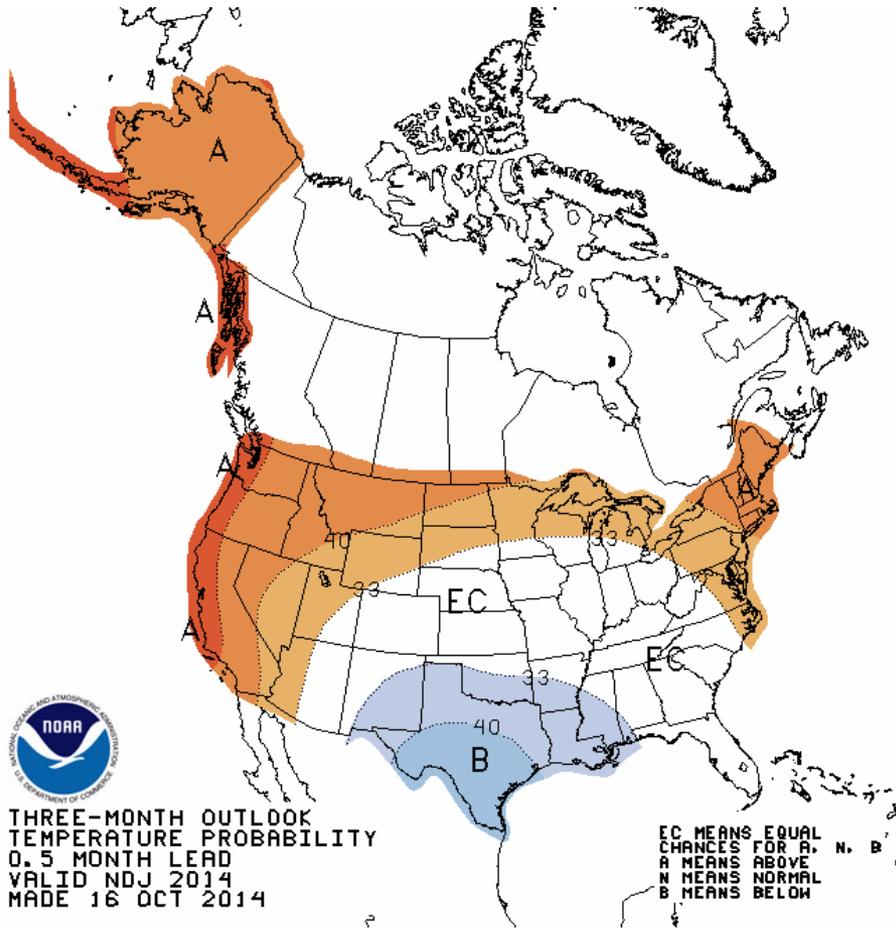
million barrels per day



Source: EIA, Petroleum Supply Monthly through July 2014; August and September 2014 are estimates

# NOAA's projected temperatures: November 2014 – January 2015

Overriding uncertainty for propane consumption this winter is still weather



A = temperatures above normal

EC = equal chance that  
temperatures are above normal,  
normal, or below normal

B = temperatures below normal

Source: NOAA, October 16, 2014

# National Propane Gas Association (NPGA): state affiliates indicate strong secondary and tertiary storage fill

- **ILLINOIS** – retailers indicate the majority of end-users have filled tanks, record corn crop could mean large demand for drying.
- **IOWA** – retailers' storage full including significant storage additions (one as much as 300,000 gallons), many customers opted for summer fill,
- **MICHIGAN** – retailers report a range of 66-90% of customers opting for pre-buy and price-lock programs. 30% increase in prebuy and price cap arrangements
- **MINNESOTA** – deliveries up by 25 mil. gal. over any previous year, expect summer fill at + 30 mil. gal. over same time last year.
- **MISSOURI** – strong interest in contracts and “pre-buy”; many residential customers opted for summer fill; 36% more propane sold in third quarter than last year.
- **NORTH DAKOTA** – 85% of commercial and residential customers filled early, already seeing grain-drying; ~4 million gallons of new commercial storage; Concerns over reliability of rail for delivery.
- **WISCONSIN** – Marketers report strong summer fill, plus addition of 34 large storage tanks of 30,000 gal. and greater.



## For more information

U.S. Energy Information Administration home page | [www.eia.gov](http://www.eia.gov)

Short-Term Energy Outlook | [www.eia.gov/steo](http://www.eia.gov/steo)

Annual Energy Outlook | [www.eia.gov/aeo](http://www.eia.gov/aeo)

International Energy Outlook | [www.eia.gov/ieo](http://www.eia.gov/ieo)

Monthly Energy Review | [www.eia.gov/mer](http://www.eia.gov/mer)

Today in Energy | [www.eia.gov/todayinenergy](http://www.eia.gov/todayinenergy)

State Energy Portal | [www.eia.gov/state](http://www.eia.gov/state)

Drilling Productivity Report | [www.eia.gov/petroleum/drilling](http://www.eia.gov/petroleum/drilling)

Winter Heating Fuels Site | [www.eia.gov/special/heatingfuels/](http://www.eia.gov/special/heatingfuels/)