



Distillate Watch

June 21, 2000

Energy Information Administration
Office of Oil & Gas

SUPPLY

- An increase in distillate demand along with a decrease in production resulted in a stock drawdown last week. Total distillate stocks dropped to 103.4 million barrels (MMB) for the week ending June 16, 2000. Distillate stocks fell 1.5 MMB from the previous week and were 30.6 MMB less than last year. Low sulfur stocks were 66.2 MMB, falling by 1.2 MMB while heating oil stocks decreased by 0.2 MMB to 37.3 MMB. Distillate production decreased 18 thousand barrels per day to 3.6 million barrels per day (MMBD). Imports were 0.2 MMBD, rising by 40 thousand barrels per day. Demand increased by 0.6 MMBD last week to 3.9 million barrels per day.
- Crude oil input to U.S. refineries was 15.7 MMBD this week with refiners utilizing 98.1 percent of 16.2 MMBD in operating capacity.

Distillate Production by Petroleum Administration for Defense District (Thousand Barrels per Day)

District	Total Distillate Week Ending					Low Sulfur (0.05% or less Sulfur) Week Ending				
	05/26/00	06/02/00	06/09/00	06/16/00	06/18/99	05/26/00	06/02/00	06/09/00	06/16/00	06/18/99
East Coast (PADD I)	532	460	408	458	423	264	208	264	296	219
Midwest (PADD II)	951	939	871	847	800	698	738	675	606	569
Gulf Coast (PADD III)	1,628	1,674	1,680	1,619	1,521	1,103	1,097	1,108	1,105	1,055
Rocky Mountain (PADD IV)	146	151	149	159	153	115	118	125	134	117
West Coast (PADD V)	509	532	483	490	398	389	371	367	366	351
U.S. Total	3,766	3,756	3,591	3,573	3,295	2,569	2,532	2,539	2,507	2,311

Distillate Stocks by Petroleum Administration for Defense District (Million Barrels)

District	Total Distillate Week Ending					Low Sulfur (0.05% or less Sulfur) Week Ending				
	05/26/00	06/02/00	06/09/00	06/16/00	06/16/99	05/26/00	06/02/00	06/09/00	06/16/00	06/16/99
East Coast (PADD I)	27.6	29.3	31.0	30.5	57.6	13.6	14.6	15.1	15.2	17.9
PADD IX	3.0	2.9	2.5	2.8	NA	0.9	1.0	0.7	1.0	NA
PADD IY	14.2	15.1	16.8	16.3	NA	6.1	6.1	6.9	6.6	NA
PADD IZ	10.4	11.3	11.7	11.4	NA	6.6	7.5	7.5	7.6	NA
Midwest (PADD II)	26.9	29.2	28.6	28.2	32.7	18.9	20.9	20.3	19.8	22.4
Gulf Coast (PADD III)	27.8	28.2	29.4	28.5	29.5	18.2	17.4	18.9	18.1	18.8
Rocky Mountain (PADD IV)	2.8	3.0	3.1	3.1	3.0	2.4	2.6	2.7	2.7	2.5
West Coast (PADD V)	12.9	12.8	12.9	13.1	11.1	10.0	10.0	10.4	10.4	8.2
U.S. Total	98.1	102.5	104.9	103.4	134.0	63.2	65.5	67.4	66.2	69.8

* See the *Weekly Petroleum Status Report* Appendix A for a description of the derivation of average inventory levels. For information about distillate supply data, contact the National Energy Information Center at (202)586-8800. Internet: Infoctr@eia.doe.gov. Source: Energy Information Administration, *Weekly Petroleum Status Report* (WPSR). Year-ago production data taken from comparable week last year; year-ago stock data interpolated from final Petroleum Supply Monthly data.

PRICES

- Distillate spot and futures prices rose early last week, following crude oil and gasoline, then turned lower as world oil markets declined ahead of the OPEC meeting starting on June 21. While crude oil prices declined on expectations that OPEC members would agree to raise output, most distillates dropped even further, resulting in negative crack spreads. The New York Harbor spot price for heating oil fell 4.35 cents for the week to 73.65 cents per gallon, while the Los Angeles CARB diesel fuel spot price rose 1.50 cents to 82.50 cents per gallon.
- The national average retail on-highway diesel fuel price rose after three weeks of decline, increasing 1.2 cents to 142.3 cents per gallon as of June 19, 2000, 34.1 cents per gallon higher than a year ago. Prices moved modestly higher in most regions, but eased in the Central Atlantic, Rocky Mountains, and California.

No. 2 Distillate Spot Prices by City (Cents per Gallon)

City	Low-Sulfur Distillate					High-Sulfur Distillate				
	05/30/00	06/05/00	06/12/00	06/19/00	06/21/99	05/30/00	06/05/00	06/12/00	06/19/00	06/21/99
New York	¹ 80.00	76.30	79.10	75.03	45.25	¹ 76.38	75.70	78.00	73.65	43.28
Chicago	¹ 80.75	80.50	85.10	83.45	47.60	NA	NA	NA	NA	NA
Houston	¹ 76.13	74.44	76.20	72.40	43.70	¹ 74.25	72.41	75.10	71.53	41.38
Los Angeles (CARB)	¹ 79.50	80.00	81.00	82.50	61.00	NA	NA	NA	NA	NA

Source: Reuters Information Services.

¹ Data for Monday, May 29, 2000 were not available due to the Memorial Day Holiday.

No. 2 Distillate Retail Prices by Petroleum Administration for Defense District (Cents per Gallon, Including Taxes*)

District	On-Highway Diesel Fuel					Residential Heating Oil				
	05/29/00	06/05/00	06/12/00	06/19/00	06/21/99	05/29/00	06/05/00	06/12/00	06/19/00	06/21/99
East Coast (PADD I)	143.6	142.5	142.0	142.5	105.8	<div style="border: 1px solid black; padding: 5px; width: fit-content; margin: auto;"> Prices Available During Heating Season Only (October through March) </div>				
PADD IX	151.8	152.3	151.0	151.0	111.0					
PADD IY	153.2	152.3	151.6	151.4	113.5					
PADD IZ	138.7	137.4	137.0	138.0	102.1					
Midwest (PADD II)	144.1	142.4	141.0	143.5	105.2					
Gulf Coast (PADD III)	138.3	136.8	135.9	136.7	103.1					
Rocky Mountain (PADD IV)	145.8	145.6	146.2	145.8	113.7					
West Coast (PADD V)	145.2	145.1	145.2	145.5	130.5					
California	151.0	150.5	150.8	150.5	142.0					
U.S. Average**	143.1	141.9	141.1	142.3	108.2					

Source: Diesel Fuel prices: Energy Information Administration, Form EIA-888, On-Highway Diesel Price Survey; Residential Heating Oil prices for PADDs I and II: from data supplied by 21 State Energy Offices (SHOPP prices) from October through mid-March.

* Taxes, if any, are not included in residential heating oil prices.

** Residential heating oil average is for PADDs I and II only.

NA =Not Available.

For information about distillate spot and diesel fuel retail price data, contact the National Energy Information Center: 202-586-8800; Internet: Infoctr@eia.doe.gov.