



Distillate Watch

December 5, 2001

Energy Information Administration
Office of Oil & Gas

SUPPLY

- Production of distillate fuel oil fell back to an average of 3.9 million barrels per day (MMBD) for the week, while the four-week average rose to 4.0 MMBD. Production of heating oil averaged 1.0 MMBD for the week but 1.1 MMBD for the four-week average. Total imports of distillates averaged 0.3 MMBD, with heating fuel accounting for 55 percent of the volume. Demand for distillate fuel averaged 3.7 MMBD for the week and the four-week average.
- By November 30, 2001, inventories of distillate fuel totaled 138.0 million barrels (MMB), an increase of 2.4 MMB. Diesel fuel stocks accounted for a majority of the increase, rising 2.1 MMB to a total of 75.4 MMB while heating oil increased 0.2 MMB to finish the week at 62.5 MMB. Total inventories ended the week within their normal range and 18.1 MMB higher than last year's unusually low level.

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

District	Total Distillate Week Ending					High Sulfur (Greater than 0.05% Sulfur) Week Ending				
	11/09/01	11/16/01	11/23/01	11/30/01	12/01/00	11/09/01	11/16/01	11/23/01	11/30/01	12/01/00
East Coast (PADD I)	608	558	525	508	568	304	246	231	219	357
Midwest (PADD II)	775	850	889	861	936	158	168	178	185	219
Gulf Coast (PADD III)	1,879	1,904	2,058	1,943	1,763	602	609	625	516	562
Rocky Mountain (PADD IV)	155	148	137	175	154	31	28	15	36	28
West Coast (PADD V)	481	481	474	441	445	93	98	86	66	62
U.S. Total	3,898	3,941	4,083	3,928	3,866	1,188	1,149	1,135	1,022	1,228

Distillate Stocks¹ by Petroleum Administration for Defense District (Million Barrels)

District	Total Distillate Week Ending					High Sulfur (Greater than 0.05% Sulfur) Week Ending				
	11/09/01	11/16/01	11/23/01	11/30/01	11/30/00	11/09/01	11/16/01	11/23/01	11/30/01	11/30/00
East Coast (PADD I)	58.0	57.0	59.4	61.8	41.9	39.6	39.0	39.7	41.7	25.4
PADD IX	10.7	10.8	11.6	11.3	6.1	8.4	8.4	9.0	8.7	4.5
PADD IY	34.4	33.7	35.2	36.8	24.3	25.5	25.0	25.8	26.5	16.7
PADD IZ	12.9	12.5	12.6	13.7	11.6	5.7	5.6	5.0	6.5	4.2
Midwest (PADD II)	25.0	25.8	28.3	28.8	30.0	7.5	6.9	7.5	7.6	8.3
Gulf Coast (PADD III)	33.5	33.2	32.7	31.7	34.0	12.1	11.2	12.3	10.4	12.7
Rocky Mountain (PADD IV)	2.5	2.6	3.0	3.2	3.3	0.4	0.4	0.3	0.4	0.4
West Coast (PADD V)	11.8	11.9	12.3	12.4	10.7	2.6	2.5	2.5	2.3	2.5
U.S. Total	130.7	130.5	135.6	138.0	119.9	62.2	60.0	62.3	62.5	49.3

¹ Distillate fuel oil stocks held in the Northeast Heating Oil Reserve are not included. For details, see Appendix D in the *Weekly Petroleum Status Report*.

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)*.

PRICES

- Distillate spot and futures prices were mixed last week, as news of bearish heating oil inventory data competed with news that Russia might consider a higher production cut after all. The United Nations renewed the existing oil-for-food program with Iraq, which would provide a cushion if a dispute should lead to an oil export ban. The New York Harbor spot price for heating oil rose 3.10 cents to 54.00 cents per gallon, while the Los Angeles CARB diesel fuel spot price fell 4.50 cents to 53.00 cents per gallon.
- Retail on-highway diesel fuel prices continued to fall throughout the country last week. The national average retail on-highway diesel fuel price decreased for the eleventh straight week, dropping by 2.9 cents to 119.4 cents per gallon. The average was 42.8 cents lower than a year ago, and the lowest since August 30, 1999. In addition, residential heating oil prices continued to fall as the average price on December 3, 2001, stood at 115.8 cents per gallon, 0.9 cent below the November 26 mark of 116.7 cents per gallon. Compared against a year-ago, the residential average price was down 40.2 cents from the December 4, 2000, posting of 156.0 per gallon.

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

City	Low-Sulfur Distillate					High-Sulfur Distillate				
	11/12/01	11/19/01	11/26/01	12/03/01	12/04/00	11/12/01	11/19/01	11/26/01	12/03/01	12/04/00
New York	59.58	51.75	51.65	54.75	104.85	58.33	51.00	50.90	54.00	104.10
Chicago	66.73	56.88	60.65	61.50	92.35	NA	NA	NA	NA	NA
Houston	57.68	49.35	49.28	53.18	93.35	56.55	48.65	49.15	52.05	93.10
Los Angeles (CARB)	65.00	59.00	57.50	53.00	117.00	NA	NA	NA	NA	NA

Source: Reuters Information Services.

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

District	On-Highway Diesel Fuel					Residential Heating Oil				
	11/12/01	11/19/01	11/26/01	12/03/01	12/04/00	11/12/01	11/19/01	11/26/01	12/03/01	12/04/00
East Coast (PADD I)	125.4	124.0	121.5	119.4	164.4	121.1	119.0	117.8	117.1	158.5
PADD IX	136.8	135.6	133.9	131.3	176.2	118.9	116.9	115.3	114.5	156.4
PADD IY	134.3	133.4	131.0	128.6	174.2	124.1	122.1	^R 121.1	120.5	161.8
PADD IZ	120.4	118.9	116.3	114.3	159.2	111.5	109.7	108.5	107.8	145.2
Midwest (PADD II)	127.5	126.0	123.0	119.8	157.7	109.2	106.5	^R 104.4	101.9	137.2
Gulf Coast (PADD III)	121.2	119.2	116.4	114.2	157.0	NA	NA	NA	NA	NA
Rocky Mountain (PADD IV)	131.3	128.6	125.9	121.3	165.5	NA	NA	NA	NA	NA
West Coast (PADD V)	136.3	133.9	130.3	125.9	179.1	NA	NA	NA	NA	NA
California	139.1	137.7	133.9	130.0	186.9	NA	NA	NA	NA	NA
U.S. Average**	126.9	125.2	122.3	119.4	162.2	120.1	118.0	116.7	115.8	156.0

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.

R = Revised.

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