



## Division of Energy

# MISSOURI ENERGY BULLETIN

March 9, 2015

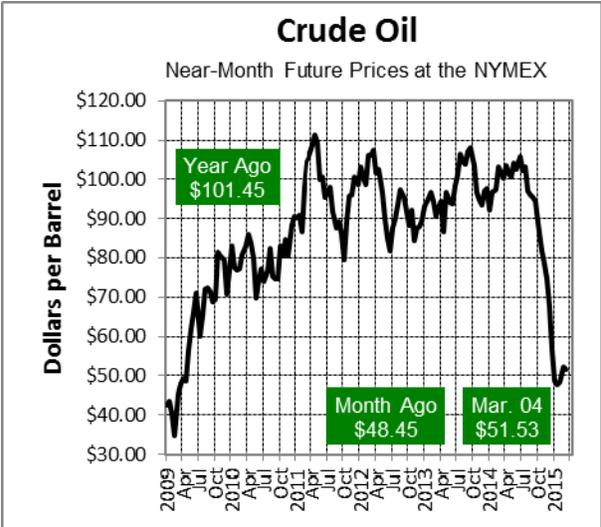
*(Data is for the week ended February 27, 2015, unless stated otherwise.)*

### Crude Oil

**U.S. crude oil prices increased \$3.08, to \$51.53 per barrel in the past month and stand 49 percent lower compared to this time last year.**

Crude Oil - Near Month Future Prices (dollars per barrel)					
	<u>03-04-15</u>	<u>02-04-15</u>	<u>change</u>	<u>03-05-14</u>	<u>change</u>
NYMEX	\$51.53	\$48.45	up 6%	\$101.45	down 49%

- At the New York Mercantile Exchange (NYMEX), crude oil futures for April 2015 delivery ended \$1.01, or 2.0 percent, higher on the March 4 trade day, to settle at \$51.53 per barrel, as domestic oil stockpiles increased less than expected.
- Stockpiles at Cushing, Oklahoma, the domestic inventory site used by the NYMEX, increased 536,000 barrels to 49.2 MMB. Supplies at the hub had increased by more than 1 million barrels (MMB) every week this year until now. Cushing supplies have more than doubled since November 2014.
- Compared to this time last year, the U.S. crude oil futures settlement price of \$51.53 is \$49.92, or about 49 percent, lower.
- According to the March 11 weekly Energy Information Administration (EIA) fuels report, U.S. oil inventories increased 10.3 MMB to 444.4 MMB. U.S. crude supplies are now 80.6 MMB higher compared to this time last year.
- Crude imports increased from the prior week at about 7.4 MMB/D. Imports at this time last year averaged about 7.1 MMB/D. Domestic crude production increased at 9.3 MMB/D on the week. Last year at this time, production stood at about 8.1 MMB/D.



- U.S. refinery crude runs decreased from the prior week with refiners processing about 15.1 MMB/D of crude. U.S. refinery capacity use was down on the week at 86.6 percent. Last year at this time, capacity use stood at 87.4 percent.
- Gasoline output was down slightly on the week at 9.5 MMB/D. Production at this time last year averaged 9.4 MMB/D. Distillate output was down from the prior week at 4.6 MMB/D. Last year at this time, production stood at 4.6 MMB/D.
- Total petroleum products supplied to market, a measure of consumption, over the last four-week period averaged 19.9 MMB/D, up by 7.7 percent compared to the same period last year.

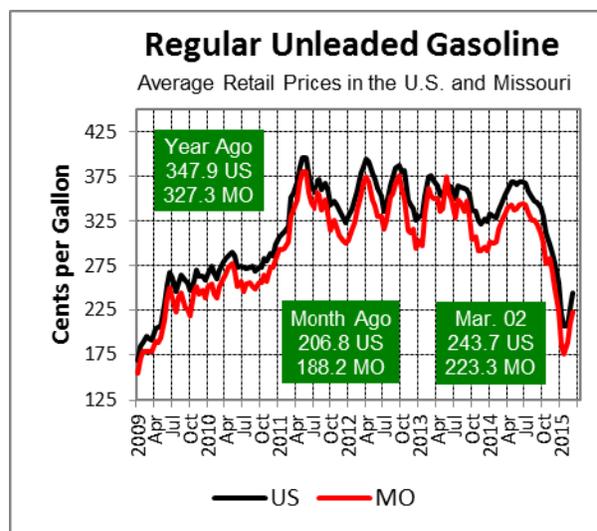
## Transportation Fuels

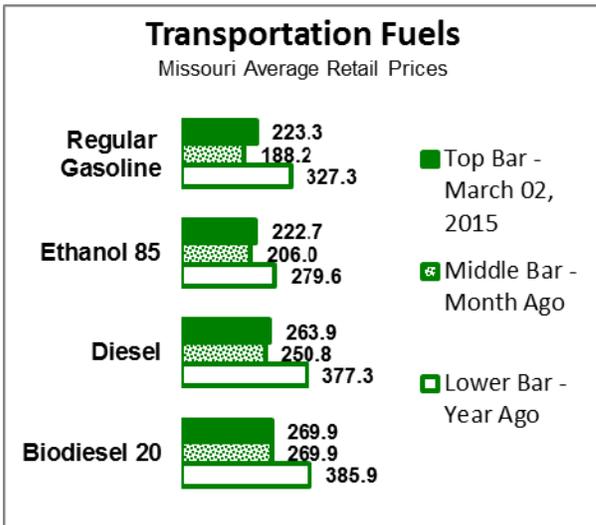
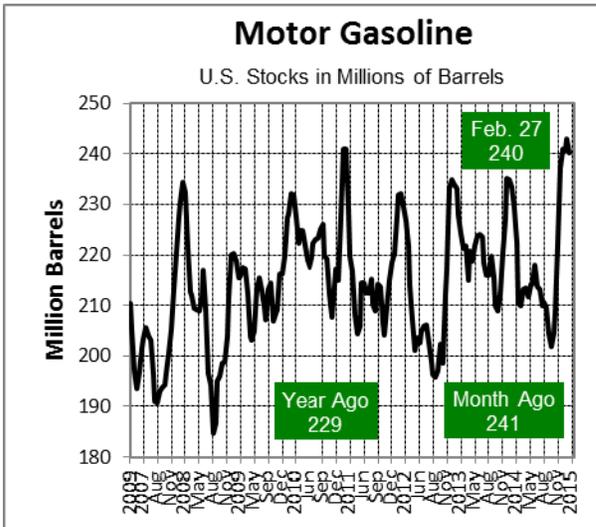
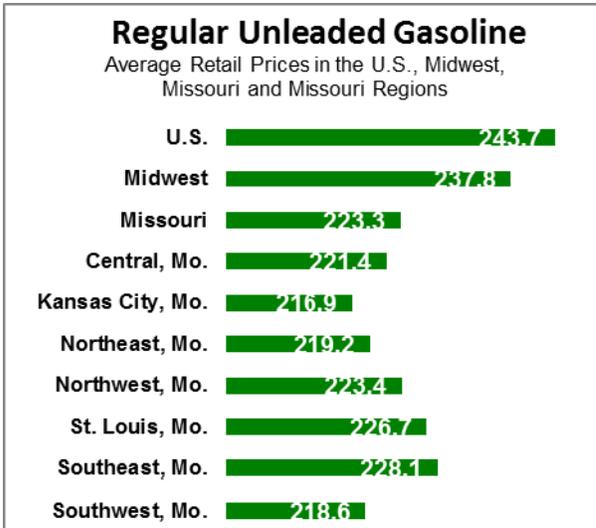
On March 2, Missouri's statewide average retail price for gasoline was about \$2.23 per gallon, up 35.1 cents in the past month and down 104.0 cents in the past year.

Regular Unleaded Gasoline - Retail Prices (cents per gallon)					
	03-02-15	02-02-15	change	03-03-14	change
US	243.7	206.8	up 18%	347.9	down 30%
Missouri	223.3	188.2	up 19%	327.3	down 32%

Diesel Fuel - Retail Prices (cents per gallon)					
	03-02-15	02-02-15	change	03-03-14	change
US	293.6	283.1	up 4%	401.6	down 27%
Missouri	263.9	250.8	up 5%	377.3	down 30%

- On March 2, Missouri's average retail price for gasoline was about \$2.43 per gallon, up 35.1 cents in the past month.
- Missouri's average price for diesel fuel was up 13.1 cents per gallon, or 5 percent, in the past month.
- Missouri's average retail gasoline price is 104.0 cents, or 32 percent, lower while the average retail diesel fuel price is 113.4 cents, or 30 percent, lower for the comparable period in March 2014.
- At nearly \$2.44, the U.S. average price for regular gasoline is 36.9 cents per gallon, or 18 percent, higher compared to last month.
- The U.S. average was down 104.2 cents, or 30 percent, compared to this time last year. In the past week, the U.S. average increased by 14.1 cents per gallon.





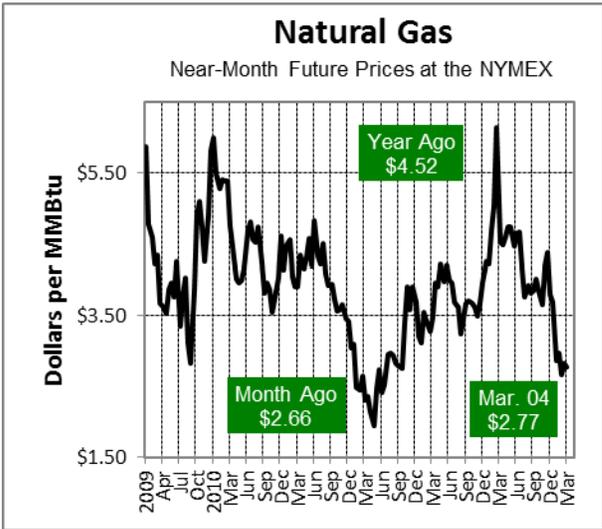
- Gasoline imports increased from the prior week at 0.6 MMB/D, 0.3 MMB/D higher compared to last year at this time.
- Implied demand for gasoline decreased at 8.6 MMB/D. At this time last year, demand was about 8.4 MMB/D.
- In the past four weeks, U.S. gasoline demand has averaged about 8.7 MMB/D, 0.3 MMB/D higher compared to the same four-week period last year.
- U.S. gasoline supplies were unchanged on the week at 240.1 MMB. U.S. inventories are up 11.1 MMB compared to this time last year and trend above the five-year average for this time of year.
- Distillate stocks decreased at 123.0 MMB and stand 8.5 MMB higher compared to the same period last year.
- Distillate demand decreased at 4.1 MMB/D on the week. Demand stood at 3.5 MMB/D at this time last year. On a four-week average, distillate demand was higher at 4.2 MMB/D.
- On March 2, Missouri's average retail price for E85 motor fuel, conventional motor fuel containing 85 percent ethanol, was about \$2.23 per gallon, 0.6 cents or less than 1 percent lower than the average price for conventional motor gasoline.
- On March 2, Missouri's average retail price for B20, diesel fuel containing 20 percent biofuel, was about \$2.70 per gallon, 6.0 cents or 2.3 percent higher than the average retail price for conventional diesel fuel.
- According to the February 10, 2015, *Short Term Energy Outlook*, EIA expects U.S. regular gasoline retail prices, which averaged \$3.36 per gallon in 2014, to average \$2.33 per gallon in 2015. US motorists are expected to spend \$750 less for gasoline in 2015 compared to last year.

# Natural Gas

Approximately 53 percent (1,251,339) of Missouri households use natural gas to heat their homes. Natural gas is also used to produce goods and electricity. (Data updated from the most recent U.S. Census report.)

**On March 4, natural gas futures at the NYMEX closed at \$2.77 per million British thermal units (MMBtu), up \$0.11 or 4 percent in the last month.**

Natural Gas - Near Month Future Prices (dollars per MMBtu)					
	03-04-15	02-04-15	change	03-05-14	change
NYMEX	\$2.77	\$2.66	up 4%	\$4.52	down 39%



- At the NYMEX, natural gas futures for April 2015 delivery ended 5.7 cents higher on the March 4 trade day to close at \$2.77 per MMBtu. In the past year, natural gas values have decreased by \$1.75 per MMBtu, or 39 percent.
- For the reporting week, February 25 to March 4, the price of the April 2015 contract decreased by about 9.0 cents, moving from about \$2.86 to \$2.77 per MMBtu.
- The 12-month strip (the average of the 12 contracts between April 2015 and March 2016) fell from \$3.07/MMBtu on February 25 to \$3.00/MMBtu on March 4.

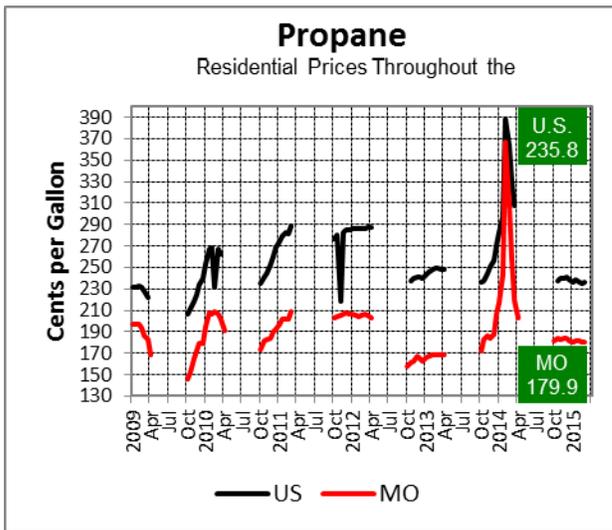
- According to the EIA, total domestic consumption fell 7.3 percent week over week, and was 0.5 percent less than the same week last year. Residential and commercial consumption fell 10.9 percent from last week, with consumption beginning the report week high, then dropping drastically. Consumption of gas for electric power generation fell 3.7 percent.
- Working gas in storage totaled 1,710 Bcf, 2.8 percent above the five-year average inventory level for the week, according to EIA’s *Weekly Natural Gas Storage Report*. U.S. natural gas supplies are 492 Bcf, or 40.4 percent, higher than last year at this time.
- According to the February 10, 2015, *Short Term Energy Outlook*, EIA expects that households heating with natural gas in the Midwest will spend an average of \$112, or 14.6 percent, less this winter than last winter, reflecting prices that are about 3.9 percent lower and consumption that is nearly 11.1 percent lower.

## Propane

Approximately 10 percent (234,133) of Missouri households use propane to heat their homes. (Data updated from the most recent U.S. Census report.) Propane is also used to support commercial operations, produce goods, dry grain harvests and fuel vehicles.

**On March 2, the average Missouri retail price for residential propane was about \$1.80 per gallon, 1.3 cents lower in the past month and down 77.7 cents in the past year.**

Propane - Retail Prices (cents per gallon)					
	03-02-15	02-02-15	change	03-03-14	change
Missouri	179.9	181.2	down 1%	257.6	down 30%



- According to the Division of Energy's most recent statewide propane price survey conducted March 2, the average Missouri retail residential propane price was about \$1.80 per gallon, 1.3 cents lower in the past month and down 77.7 cents compared to last year at this time.
- According to the survey, the highest Missouri retail residential price for propane was nearly \$2.10 per gallon. The lowest retail price was about \$1.56 per gallon.
- U.S. propane stocks decreased by 4.2 MMB last week to 55.1 million barrels as of February 27, 2015, 27.9 MMB

(102.8%) higher than a year ago. Midwest inventories decreased by 2.5 MMB. At 16.8 MMB, Midwest inventories are 8.3 MMB (97.7%), higher than a year ago.

- US demand for propane increased at about 1.8 MMB/D on the week. Propane demand is 0.5 MMB/D higher compared to this time last year.
- According to the February 10, 2015, *Short Term Energy Outlook*, EIA expects that households heating with propane in the Midwest will spend an average of \$796, or 35.1 percent, less this winter than last winter, reflecting prices that are about 26.8 percent lower and consumption that is nearly 11.3 percent lower.

**For more information on propane, please visit:**

<http://energy.mo.gov/energy/services/be-prepared-for-propane>

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The *Missouri Energy Bulletin* is distributed twice a month by the Missouri Department of Economic Development's Division of Energy. The Division of Energy collects transportation and propane heating fuel prices from several retail providers located throughout the state. To preserve confidentiality, price data are averaged and reported by region. The bulletin is a public resource made available to state government decision-makers, other interested individuals upon request and online at the division's Web address. The department thanks each of the following in helping to provide accurate, timely data on fuel supplies and prices: the U.S. Department of Energy's Energy Information Administration; the National Association of State Energy Officials; the St. Louis AAA Auto Club; and Missouri's energy retailers. For more information, contact: MO Dept. of Economic Development, Division of Energy, P.O. Box 1766, Jefferson City, MO 65102-1766; Phone: 573-751-2254; Fax: 573-751-6860; Email: [energy@ded.mo.gov](mailto:energy@ded.mo.gov); Web Address: <http://energy.mo.gov/energy/stay-informed/missouri-energy-bulletins>.