



Division of Energy

MISSOURI ENERGY BULLETIN

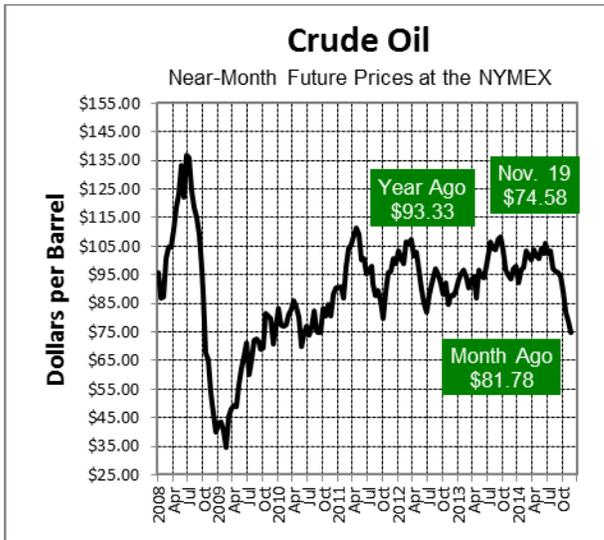
November 21, 2014

(Data is for the week ended November 14, 2014, unless stated otherwise.)

Crude Oil

U.S. crude oil prices decreased \$7.20, or 9 percent, to \$74.58 per barrel in the past month and stand 20 percent lower compared to this time last year.

Crude Oil - Near Month Future Prices (dollars per barrel)					
	11-19-14	10-22-14	change	11-20-13	change
NYMEX	\$74.58	\$81.78	down 9%	\$93.33	down 20%



- At the New York Mercantile Exchange (NYMEX), crude oil futures for December 2014 delivery ended \$0.03 lower on the November 19 trade day to settle at \$74.58, as traders continued to weigh the possibility of an OPEC cut in oil output at their November 27 meeting.
- The outcome of the OPEC meeting may, in part, hinge on the November 24 deadline for talks on Iran’s nuclear program, according to analysts. Iran is seeking a deal with world powers that includes the easing or lifting of economic sanctions. The Iran talks and OPEC meeting are both taking place in Vienna.

- Compared to this time last year, the U.S. crude oil futures settlement price of \$74.58 is \$18.75, or 20 percent, lower. Oil values have decreased over \$33 per barrel since June 2014.
- Total petroleum products supplied to market, a measure of consumption, over the last four-week period averaged 19.8 MMB/D, down by 2.3 percent compared to the same period last year.
- According to the November 19 weekly Energy Information Administration (EIA) fuels report, U.S. oil inventories increased 2.6 MMB to 381.1 MMB. U.S. crude supplies are now 7.4 MMB lower than compared to this time last year.

- Crude imports increased from the prior week at 7.6 MMB/D. Imports at this time last year averaged 7.9 MMB/D. Domestic crude production was unchanged at 9.0 MMB/D on the week. Last year at this time, production stood at nearly 8.0 MMB/D.
- U.S. refinery crude runs were higher from the prior week with refiners processing about 16.2 MMB/D of crude. U.S. refinery capacity use was up on the week at 91.2 percent. Last year at this time, capacity use stood at 88.6 percent.
- Gasoline output increased on the week at 9.6 MMB/D, unchanged compared to last year at this time. Distillate output was unchanged from the prior week at 4.8 MMB/D. Last year at this time, production stood at 4.9 MMB/D.

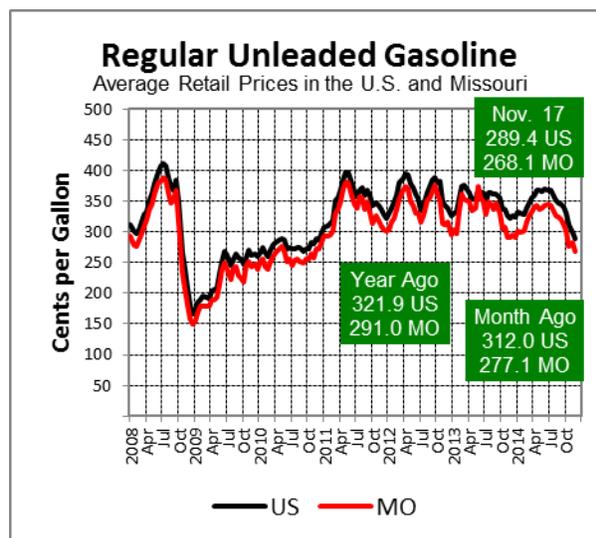
Transportation Fuels

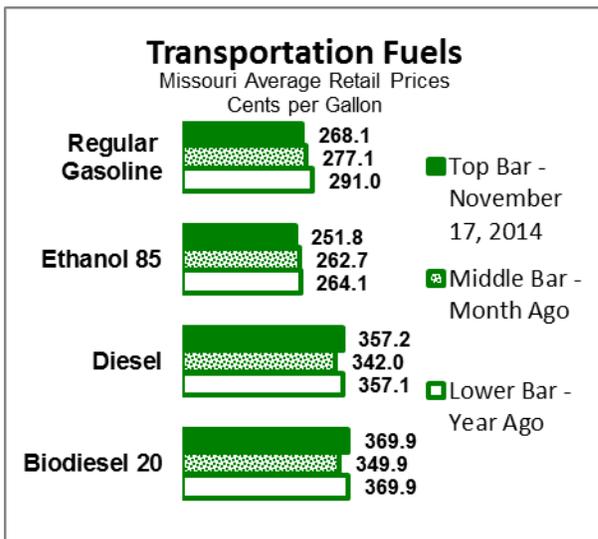
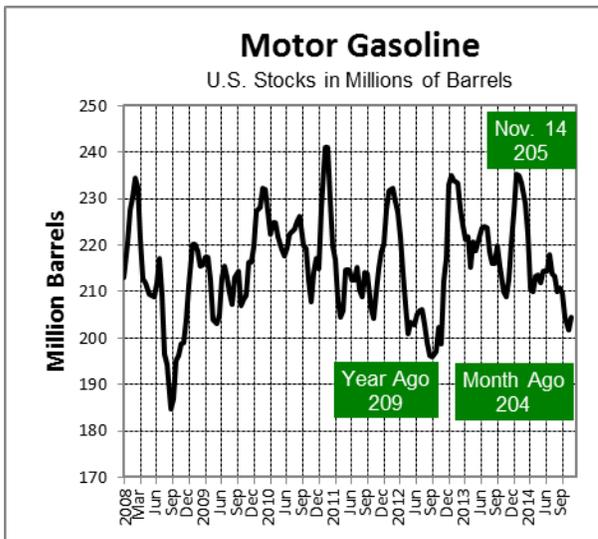
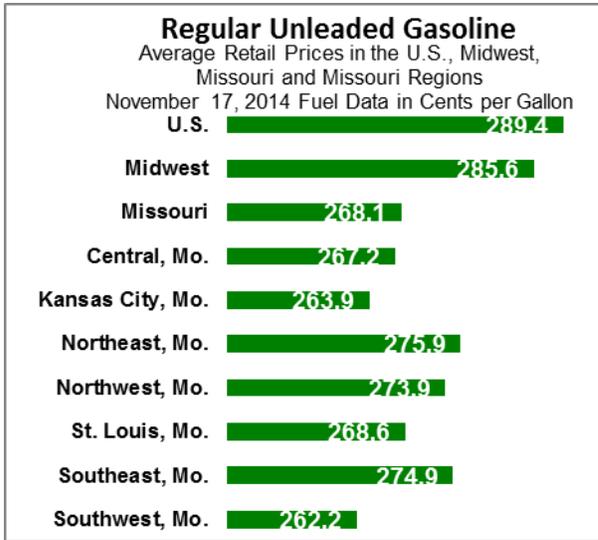
On November 17, Missouri's statewide average retail price for gasoline was about \$2.68 per gallon, down 9 cents in the past month and down nearly 23 cents in the past year.

<i>Regular Unleaded Gasoline - Retail Prices (cents per gallon)</i>					
	<u>11-17-14</u>	<u>10-20-14</u>	<u>change</u>	<u>11-18-13</u>	<u>change</u>
US	289.4	312.0	down 7%	321.9	down 10%
Missouri	268.1	277.1	down 3%	291.0	down 8%

<i>Diesel Fuel - Retail Prices (cents per gallon)</i>					
	<u>11-17-14</u>	<u>10-20-14</u>	<u>change</u>	<u>11-18-13</u>	<u>change</u>
US	289.4	365.6	down 21%	321.9	down 10%
Missouri	357.2	342.0	up 4%	357.1	up 0%

- On November 17, Missouri's average retail price for gasoline was about \$2.68 per gallon, down 9 cents in the past month.
- The average price for diesel fuel was up 15.2 cents per gallon, or 4 percent, in the past month.
- Missouri's average retail gasoline price is 22.9 cents, or 8 percent, lower while the average retail diesel fuel price is 13.4 cents, or 4 percent, lower for the comparable period in November 2013.
- The U.S. average price for regular gasoline is 22.6 cents per gallon, or 7 percent, lower compared to last month at \$2.89 per gallon.
- The U.S. average was down 32.5 cents, or 10 percent, compared to this time last year. In the past week, the U.S. average decreased by 4.7 cents per gallon.





- Gasoline imports decreased from the prior week at 0.4 MMB/D. Imports were 450,000 barrels per day last year at this time.
- Implied demand for gasoline was higher at 9.2 MMB/D. At this time last year, demand was 8.9 MMB/D.
- In the past four weeks, U.S. gasoline demand has averaged about 9.1 MMB/D, unchanged from the same four-week period last year.
- U.S. gasoline supplies increased at 204.6 MMB on the week. U.S. inventories are down 4.3 MMB compared to this time last year and trend within the five-year average for this time of year.
- Distillate stocks decreased at 114.8 MMB and stand 2.3 MMB higher compared to the same period last year.
- Distillate demand decreased at 3.8 MMB/D on the week. Demand stood at 4.3 MMB/D at this time last year. On a four-week average, distillate demand increased at 3.8 MMB/D.
- On November 17, Missouri's average retail price for E85 motor fuel, conventional motor fuel containing 85 percent ethanol, was about \$2.52 per gallon, 16.3 cents or 6.1 percent lower than the average price for conventional motor gasoline.
- On November 17, Missouri's average retail price for B20, diesel fuel containing 20 percent biofuel, was about \$3.70 per gallon, 12.7 cents or 3.4 percent higher than the average retail price for conventional diesel fuel.
- According to the November 12, 2014, *Short Term Energy Outlook*, EIA forecasts the 2014 regular gasoline retail price to average \$3.39 per gallon and \$2.94 in 2015.

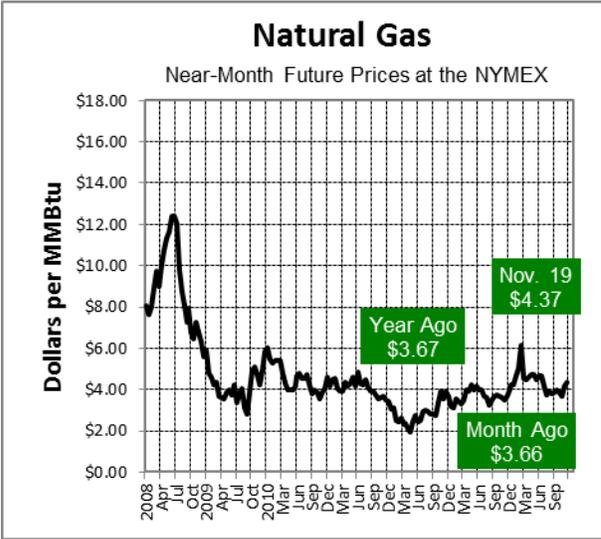
Natural Gas

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 November 19, natural gas futures at the NYMEX closed at \$4.37 per million British thermal units (MMBtu), up \$0.71 in the last month.

Natural Gas - Near Month Future Prices (dollars per MMBtu)					
	11-19-14	10-22-14	change	11-20-13	change
NYMEX	\$4.37	\$3.66	up 19%	\$3.67	up 19%

- At the NYMEX, natural gas futures for December 2014 delivery ended 12.7 cents higher on the November 19 trade day to close at \$4.37 per MMBtu. In the past year, natural gas values have increased by \$0.70 per MMBtu, or 19 percent.
- For the reporting week, November 12 to November 19, the price of the December 2014 contract increased by 17 cents, from \$4.20 to \$4.37 per MMBtu.
- According to the EIA, total gas demand increased more than 35 percent from the week before, largely driven by residential and commercial consumption, which grew 68.2 percent week-over-week. Nationally, power burn grew 23 percent, with growth shown in all regions, with the exception of the Rockies. In the Southeast, which uses more gas for power generation than any other region, power burn rose 28 percent compared to last week. Freezing temperatures during the last half of the report week extended as far south as Florida. The Southeast region relies more on electric power to satisfy space heating needs, which increases power burn in that region during periods of cold weather. Natural gas consumed in the industrial sector also increased, rising 6 percent over last week’s consumption level.
- Working gas in storage totaled 3,594 Bcf, 6.4 percent below the five-year average inventory level for the week, according to EIA’s *Weekly Natural Gas Storage Report*. U.S. natural gas supplies are 201 Bcf, or 5.3 percent, lower than last year at this time.
- EIA expects that households heating with natural gas in the Midwest will spend an average of \$67, or 8.7 percent, less this winter than last winter, reflecting prices that are about 4.7 percent higher and consumption that is nearly 13 percent lower.



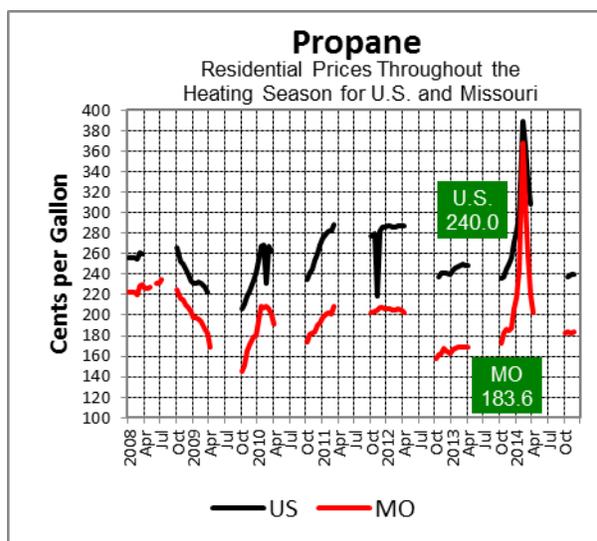
Propane

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 November 17, the average Missouri retail price for residential propane was about \$1.84 per gallon, less than 1cent higher in the past month and down less than 1 cent in the past year.

<i>Propane - Retail Prices (cents per gallon)</i>					
	<u>11-17-14</u>	<u>10-20-14</u>	<u>change</u>	<u>11-18-13</u>	<u>change</u>
Missouri	183.6	183.4	up 0%	184.5	down 0%

- According to the Division of Energy’s most recent statewide propane price survey conducted November 17, the average Missouri retail residential propane price was about \$1.84 per gallon, less than 1cent higher in the past month and down less than 1 cent 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 \$1.61 per gallon.
- U.S. propane stocks decreased by 0.1 MMB to 81.2 MMB, 22.8 million barrels, or 39 percent, higher than a year ago. Midwest inventories were down slightly at 26.4 MMB. Midwest inventories are now 6.9 MMB, or 35.4 percent, higher than the 19.5 MMB reported at this time last year.
- Implied demand for propane increased at 1.3 MMB/D on the week. Propane demand is 324,000 B/D or 19.5 percent, lower compared to this time last year.
- EIA expects that households heating with propane in the Midwest will spend an average of \$857, or 37.8 percent, less this winter than last winter, reflecting prices that are about 28.7 percent lower and consumption that is nearly 13 percent lower. Factors that could affect propane demand include a repeat of last winter’s cold weather and recent infrastructure changes.



For more information on propane, please visit:

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

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<http://energy.mo.gov/energy/about/comprehensive-state-energy-plan>.

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; Web Address: <http://energy.mo.gov/energy/stay-informed/missouri-energy-bulletins>.