



MISSOURI ENERGY BULLETIN

September 9, 2019

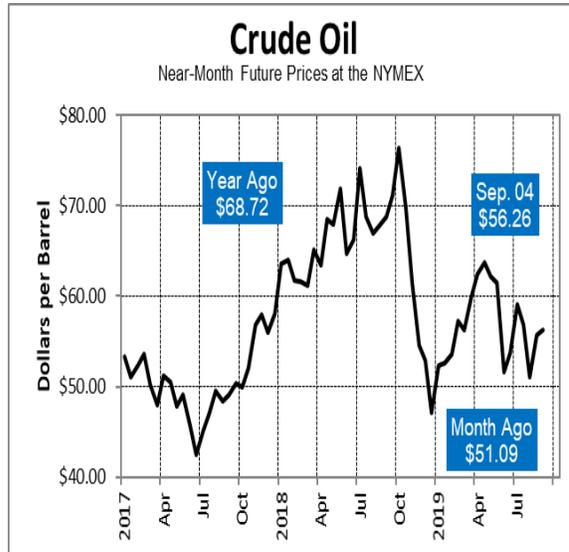
(Data are for the week ending August 30, 2019, unless stated otherwise.)

Crude Oil

U.S. crude oil prices increased by \$5.17 to \$56.26 per barrel in the past month and are 18 percent lower compared to this time last year.

| Crude Oil - Near Month Future Prices (dollars per barrel) | | | | | |
|---|----------|----------|--------|----------|----------|
| | 09-04-19 | 08-07-19 | change | 09-05-18 | change |
| NYMEX | \$56.26 | \$51.09 | up 10% | \$68.72 | down 18% |

- On September 4, crude oil futures for delivery on the NYMEX ended higher on the week to settle at \$56.26 per barrel. The price for crude oil futures is \$5.17, or 10 percent, above the month-ago level.
- Compared to this time last year, the U.S. crude oil futures settlement price of \$56.26 is \$12.46, or 18 percent, lower.
- According to the US Energy Information Administration's (EIA) *This Week in Petroleum* dated September 5, U.S. distillate fuel use in agriculture will likely be lower year-over-year since heavy rainfall and flooding prevented planting on 19 million acres in August.



- Domestic crude production was lower relative to the prior week at 12.4 million barrels per day (MMB/D). Last year at this time, production stood at approximately 11.0 MMB/D.
- Total crude imports were up over the prior week at approximately 6.9 MMB/D. Imports at this time last year were approximately 7.7 MMB/D.

- U.S. crude oil supplies decreased 4.8 MMB on the week to 423.0 MMB. U.S. supplies are 21.5 MMB higher compared to this time last year.
- U.S. refinery crude runs were lower relative to the prior week with refiners processing approximately 17.4 MMB/D. U.S. refinery capacity utilization was lower on the week at 94.8 percent. Last year at this time, capacity use stood at approximately 96.6 percent.
- Gasoline output was lower on the week at approximately 10.3 MMB/D. Output was approximately 10.2 MMB/D at this time last year. Distillate output was lower than the prior week at approximately 5.2 MMB/D. Last year at this time, production stood at 5.4 MMB/D.
- Total petroleum products supplied to market, a measure of consumption, over the last four-week period stood at 21.7 MMB/D, 1.6 percent higher compared to the same period last year.

Transportation Fuels

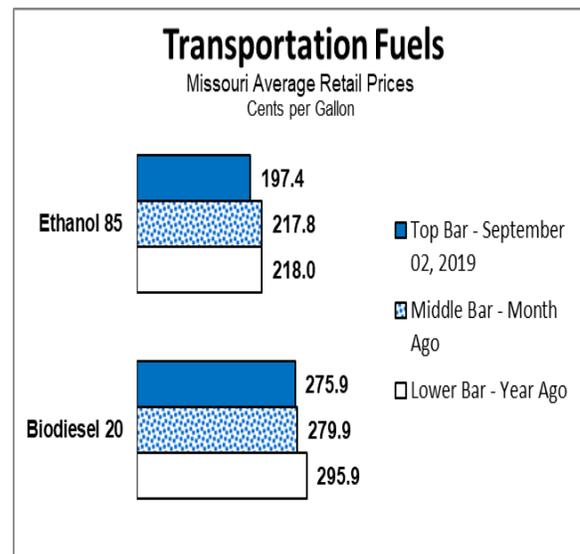
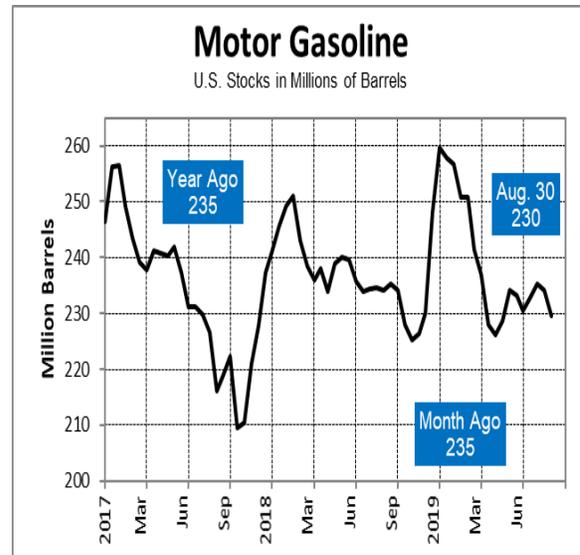
(Note: Gasoline and diesel prices may be obtained from the American Automobile Association (AAA) and the U.S. Energy Information Administration (EIA), as described below. Effective 06/25/2019, the Division of Energy no longer conducts phone surveys to obtain the prices for these fuels.)

For access to additional information on regional and national gasoline prices, stocks, production, and demand, please visit: <https://www.eia.gov/petroleum/weekly/gasoline.php>. To navigate to the above URL from EIA's home page, select the "Sources & Uses" tab at the top of the page, click on "This Week in Petroleum," and then click on the "GASOLINE" tab.

For access to and additional information on Missouri gasoline and diesel price averages by city and county, please visit: <https://gasprices.aaa.com/?state=MO>.

- At approximately \$2.56, the U.S. average price for regular gasoline on September 2 was 12.5 cents per gallon, or 5 percent, lower compared to last month.
- The U.S. average price for regular gasoline is 26.1 cents per gallon, or 9 percent, lower compared to this time last year. In the past week, the U.S. average decreased by approximately 1.1 cents.
- Gasoline imports decreased from the prior week at approximately 0.72 MMB/D. Last year at this time, imports stood at approximately 0.99 MMB/D.
- Implied demand for gasoline was lower on the week at approximately 9.5 MMB/D. Demand stood at approximately 9.7 MMB/D at this time last year.

- In the past four weeks, U.S. gasoline demand has averaged approximately 9.7 MMB/D.
- U.S. gasoline supplies are down 2.4 MMB on the week at 229.6 MMB. U.S. supplies are approximately 5.0 MMB higher than this time last year.
- Distillate stocks decreased 2.6 MMB on the week at 133.5 MMB and stand 0.4 MMB higher compared to the same period last year.
- Distillate demand was higher on the week at approximately 4.1 MMB/D. Demand stood at approximately 4.3 MMB/D at this time last year. On a four-week average, distillate demand was higher at approximately 4.0 MMB/D.
- On September 3, Missouri’s average retail price for E85 motor fuel, conventional motor fuel containing 85 percent ethanol, was approximately \$1.97 per gallon.
- On September 3, Missouri’s average retail price for B20, diesel fuel containing 20 percent biofuel, was approximately \$2.76 per gallon.
- According to EIA’s latest *Short Term Energy Outlook* dated August 6, 2019, U.S. regular gasoline retail prices, which averaged \$2.42 per gallon in 2017 and \$2.73 in 2018, are predicted to average \$2.62 in 2019 and \$2.71 in 2020.



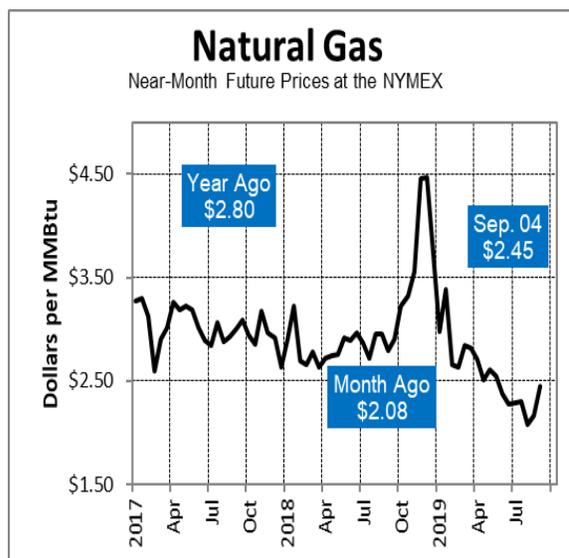
Natural Gas

Approximately 51.0 percent (1,217,836) of Missouri households use natural gas to heat their homes. (Data updated from the most recent U.S. Census report.) Natural gas is also used to produce goods and electricity.

On September 4, 2019, natural gas futures on the NYMEX closed at \$2.45 per million British thermal units (MMBtu), up approximately \$0.36, or 17 percent, in the past month.

| Natural Gas - Near Month Future Prices (dollars per MMBtu) | | | | | |
|--|----------|----------|--------|----------|----------|
| | 09-04-19 | 08-07-19 | change | 09-05-18 | change |
| NYMEX | \$2.45 | \$2.08 | up 17% | \$2.80 | down 13% |

- The October 2019 NYMEX futures contract settled at \$2.45 per MMBtu on September 4, \$0.22 higher than the August 28 settlement.
- In the past month, the futures contract has increased 36.2 cents, or 17 percent.
- Futures are down \$0.35, or 13 percent, in the past year.
- According to EIA's *Weekly Natural Gas Storage Report*, U.S. natural gas supplies are at 2,941 billion cubic feet (Bcf), 15.0 percent higher than last year at this time.
- According to the EIA, net injections to working gas totaled 84 Bcf for the week ending August 30.
- For the week ending August 29, temperatures in the Lower 48 states averaged cooler than normal for the Northeast and Upper Midwest, but warmer than normal for the Southern and Western US. Heating degree days nationally were at the expected normal, while cooling degree days were slightly above the normal.
- According to EIA, total US consumption of natural gas fell 1 percent over the prior report week. Residential and consumption increased by 4 percent. Natural gas consumed for power generation decreased by 3 percent on the week. Industrial sector consumption decreased 1 percent. Natural gas exports to Mexico increased 2 percent over the week.



Propane

Approximately 8.9 percent (213,192) 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 September 3, the average Missouri retail price for residential propane was approximately \$1.34 per gallon, down 35.7 cents, or 21 percent, in the past month.

| <i>Propane - Retail Prices (cents per gallon)</i> | | | | | |
|---|-----------------|-----------------|---------------|-----------------|---------------|
| | <u>09-03-19</u> | <u>08-05-19</u> | <u>change</u> | <u>09-03-18</u> | <u>change</u> |
| Missouri | 133.7 | 169.4 | down 21% | 154.6 | down 13% |

- According to the Division of Energy’s most recent statewide propane price survey conducted September 3, the average Missouri retail residential propane price was approximately \$1.34 per gallon.
- According to the survey, the highest Missouri retail residential price for propane was \$1.70 per gallon. The lowest retail price was \$1.01 per gallon.
- U.S. propane/propylene stocks increased over the prior report week at 97.0 MMB. As of August 30, U.S. propane/propylene stocks were 23.6 MMB, or 32.2 percent, higher than the year-ago inventory level for the same time of year. Midwest inventories increased by approximately 0.6 MMB to 26.7 MMB for the report week. Midwest inventories stood at approximately 25.7 MMB at the same time last year.
- U.S. propane consumption was higher week-over-week at 1.0 MMB/D. Consumption stood at approximately 1.1 MMB/D at the same time last year.

For more information on propane, please visit:

<https://energy.mo.gov/resources/be-prepared-for-propane>

To access previous issues of the Energy Bulletin, or to subscribe, please visit:

<https://energy.mo.gov/energy-bulletins>

To learn more about Missouri energy issues, please visit:

<http://energy.mo.gov/energy>

For more information about the Comprehensive State Energy Plan, please visit:

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

The *Missouri Energy Bulletin* is distributed twice a month by the Missouri Department of Natural Resources’ Division of Energy. The Division of Energy collects E-85, B-20, and propane heating fuel prices from a sample of retail providers located throughout the state. The average price reported is based on these sample prices and may or may not reflect the actual price of a particular retail provider. To preserve confidentiality, price data are averaged and reported by region. The bulletin is a public resource made available to state government decision-makers and 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 Natural Resources, Division of Energy, P.O. Box 176, Jefferson City, MO 65102; Phone: 573-751-2254; Fax: 573-751-6860; Email: energy@dnr.mo.gov; Web Address: <https://energy.mo.gov/energy-bulletins>.