



Department of Economic Development
Division of Energy

MISSOURI ENERGY BULLETIN

September 12, 2017

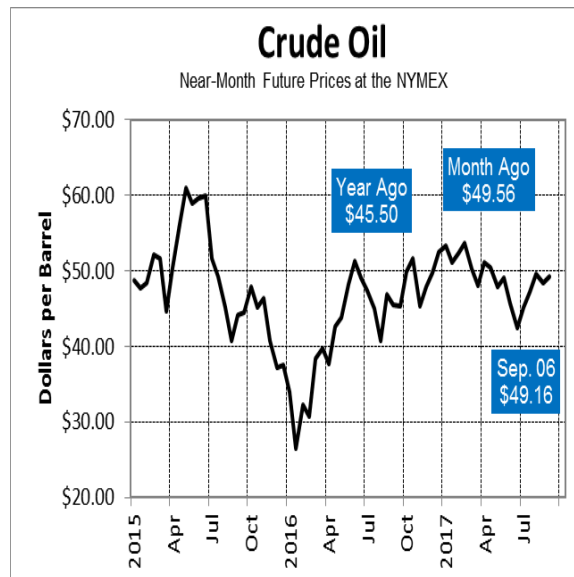
(Data are for the week ended September 1, 2017, unless stated otherwise.)

Crude Oil

U.S. crude oil prices decreased by \$0.40 to \$49.16 per barrel in the past month, 8 percent higher compared to this time last year.

Crude Oil - Near Month Future Prices (dollars per barrel)					
	09-06-17	08-09-17	change	09-07-16	change
NYMEX	\$49.16	\$49.56	down 1%	\$45.50	up 8%

- Crude oil futures for October delivery on the NYMEX ended \$0.50, or 1 percent, higher on September 6 to settle at \$49.16 per barrel, as strong global refining margins and the reopening of Gulf Coast refineries provided a more bullish outlook after sharp drops due to Hurricane Harvey.
- Many refineries, pipelines and ports that were shutdown due to Harvey 10 days ago are restarting. On Tuesday, about 3.8 million bpd of refining capacity, or 20 percent of the US total, was still shutdown, compared to 4.2 million bpd at the height of the storm. Phillips 66 began restarting its Sweeny, Texas refinery on Tuesday, and expects the plant to be at full production by mid-September.
- Compared to this time last year, the U.S. crude oil futures settlement price of \$49.16 is \$3.66, or 8 percent, higher.



- Domestic crude production was slightly lower than in the prior week at over 9.3 MMB/D. Last year at this time, production stood at over 8.5 MMB/D. Total crude imports declined from the prior week at nearly 8.0 MMB/D. Imports at this time last year averaged over 8.2 MMB/D.
- U.S. crude oil supplies increased 4.6 MMB on the week to 462.4 MMB. U.S. supplies are 18.4 MMB lower compared to this time last year.
- U.S. refinery crude runs decreased from the prior week with refiners processing 16.8 MMB/D. U.S. refinery capacity utilization was lower on the week at 79.7 percent. Last year at this time, capacity use stood at 93.3 percent.
- Gasoline output decreased on the week at 226.7 MMB/D. Output was 227.8 MMB/D at this time last year. Distillate output was lower from the prior week at nearly 5.0 MMB/D. Last year at this time, production stood at 5.0 MMB/D.
- Total petroleum products supplied to market, a measure of consumption, over the last four-week period stood at over 20.8 MMB/D, up by 0.2 percent compared to the same period last year.

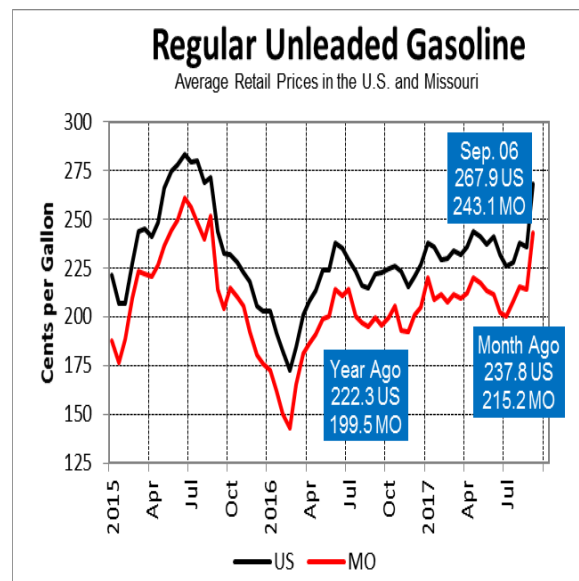
Transportation Fuels

On September 6, Missouri's statewide average retail price for gasoline was over \$2.43 per gallon, up 27.9 cents in the past month and up 43.6 cents in the past year.

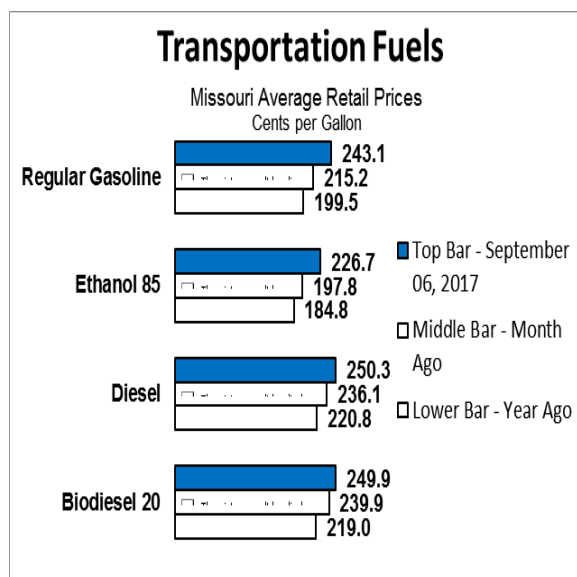
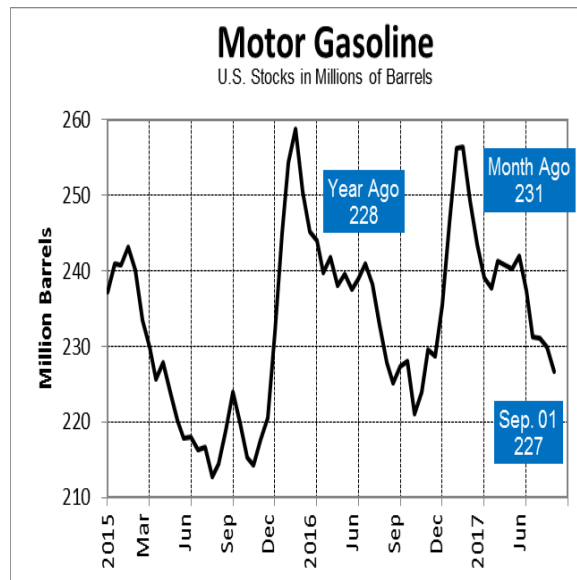
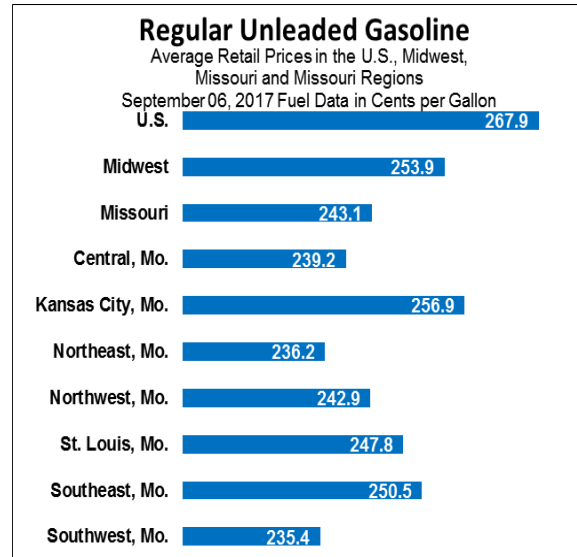
Regular Unleaded Gasoline - Retail Prices (cents per gallon)					
	09-06-17	08-07-17	change	09-06-16	change
US	267.9	237.8	up 13%	222.3	up 21%
Missouri	243.1	215.2	up 13%	199.5	up 22%

Diesel Fuel - Retail Prices (cents per gallon)					
	09-06-17	08-07-17	change	09-06-16	change
US	275.8	258.1	up 7%	240.7	up 15%
Missouri	250.3	236.1	up 6%	220.8	up 13%

- On September 6, Missouri's average retail price for gasoline was over \$2.43 per gallon, up 27.9 cents in the past month.
- Missouri's average price for diesel fuel was over \$2.50 per gallon, up 14.2 cents in the past month.
- Compared to last year at this time, Missouri's average retail gasoline price is 43.6 cents per gallon, or 22 percent, higher while the average retail diesel fuel price is 29.5 cents per gallon, or 13 percent, higher.
- At nearly \$2.68, the U.S. average price for regular gasoline is 30.1 cents per gallon, or 13 percent, higher compared to last month.



- The U.S. average price for regular gasoline is 45.6 cents per gallon, or 21 percent, higher compared to this time last year. In the past week, the U.S. average increased by 28.0 cents per gallon.
- Gasoline imports decreased from the prior week at over 0.6 MMB/D. Last year at this time, imports stood at over 0.7 MMB/D.
- Implied demand for gasoline decreased on the week at nearly 9.2 MMB/D. Demand stood at nearly 9.6 MMB/D at this time last year.
- In the past four weeks, U.S. gasoline demand has averaged over 9.5 MMB/D.
- U.S. gasoline supplies decreased 3.2 MMB on the week to 226.7 MMB. U.S. supplies are 1.1 MMB lower compared to this time last year.
- Distillate stocks decreased 1.4 MMB on the week at 147.8 MMB and stand 10.4 MMB lower compared to the same period last year.
- Distillate demand increased on the week at nearly 4.1 MMB/D. Demand stood at nearly 3.7 MMB/D at this time last year. On a four-week average, distillate demand was lower at nearly 4.1 MMB/D.
- On September 6, Missouri's average retail price for E85 motor fuel, conventional motor fuel containing 85 percent ethanol, was almost \$2.27 per gallon, 16.4 cents, or 6.7 percent, lower than the average price for conventional motor gasoline.
- On September 6, Missouri's average retail price for B20, diesel fuel containing 20 percent biofuel, was nearly \$2.50 per gallon, 0.4 cents per gallon, or less than one percent, lower than the average price for conventional diesel fuel.
- According to EIA's latest *Short Term Energy Outlook* dated August 8, 2017, U.S. regular gasoline retail prices, which averaged \$2.43 per gallon in 2015 and \$2.15 per gallon in 2016, are projected to average \$2.33 in 2017.



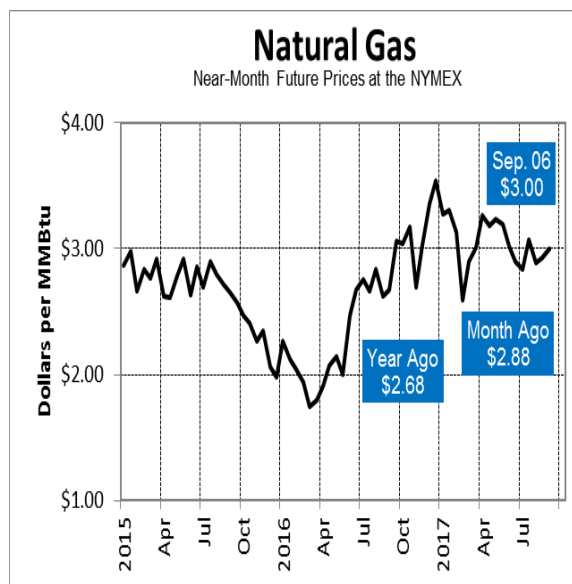
Natural Gas

Approximately 51.6 percent (1,220,485) 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 6, 2017, natural gas futures on the NYMEX closed at \$3.00 per million British thermal units (MMBtu), up \$0.32, or 12 percent, in the past year.

Natural Gas - Near Month Future Prices (dollars per MMBtu)					
	<u>09-06-17</u>	<u>08-09-17</u>	<u>change</u>	<u>09-07-16</u>	<u>change</u>
NYMEX	\$3.00	\$2.88	up 4%	\$2.68	up 12%

- The October 2017 NYMEX futures contract settled at \$3.00 per MMBtu on September 6, up 2.8 cents from the prior settlement.
- Futures are up \$0.32, or 12 percent, in the past year.
- Working gas in storage was 3,220 Bcf, 0.5 percent above the five-year average inventory level for the week. According to EIA's September 1, 2017 *Weekly Natural Gas Storage Report*, U.S. natural gas supplies are 212 Bcf, or 6.2 percent, lower than last year at this time.
- According to the EIA, Net injections into storage for the week ending September 1 totaled 65 Bcf, compared with the five-year (2012–16) average net injection of 58 Bcf and last year's net injections of 38 Bcf during the same week.
- Temperatures in the Lower 48 states averaged 71°F, 1°F lower than the normal and 5°F lower than last year at this time. Temperatures in northern areas of the Lower 48 states, including New England, Middle Atlantic, and the East and West North Central Census divisions ranged between 62°F and 68°F, or 2°F to 5°F below the normal. Temperatures in the southern areas, including the South Atlantic and the East and West South Central Census divisions ranged between 74°F and 77°F, or up to 4°F below the normal. Temperatures west of the Rocky Mountains averaged 77°F, about 6°F higher than the normal and 4°F higher than last year at this time..
- According to the EIA, total U.S. consumption of natural gas was unchanged from last week, averaging 55.7 Bcf/d. Natural gas consumed for power generation was flat, averaging 29.4 Bcf/d. Industrial sector consumption increased by 1 percent week over week. In the residential and commercial sectors, consumption declined by 5 percent. Natural gas exports to Mexico increased 6 percent from last week and are about 500 MMcf/d lower than pre-hurricane exports.



Propane

Approximately 9.2 percent (216,853) 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.

(Note: Beginning April 2017, Missouri residential retail propane prices will be reported only for the first full week of each month through September 2017.)

On September 7, the average Missouri retail price for residential propane was over \$1.39 per gallon, up 5.3 cents in the past month and up 25.1 cents in the past year.

Propane - Retail Prices (cents per gallon)					
	<u>09-07-17</u>	<u>08-07-17</u>	<u>change</u>	<u>09-06-16</u>	<u>change</u>
Missouri	139.1	133.8	up 4%	114.0	up 22%

- According to the Division of Energy's most recent statewide propane price survey conducted September 7, the average Missouri retail residential propane price was over \$1.39 per gallon, up 5.3 cents in the past month and up 25.1 cents compared to last year at this time.
- According to the survey, the highest Missouri retail residential price for propane was nearly \$1.70 per gallon. The lowest retail price was nearly \$1.20 per gallon.
- U.S. propane stocks increased by 6.3 MMB last week to 79.9 MMB as of September 1, 2017, 19.2 MMB, or 19.4 percent, lower than a year ago. Midwest propane stocks increased by over 1.4 MMB to over 24.4 MMB. Midwest inventories stood at nearly 29.2 MMB at this time last year.
- U.S. propane consumption was lower on the week at over 0.5 MMB/D. Consumption stood at over 1.2 MMB/D last year at this time.

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