



Department of Economic Development
Division of Energy

MISSOURI ENERGY BULLETIN

September 22, 2017

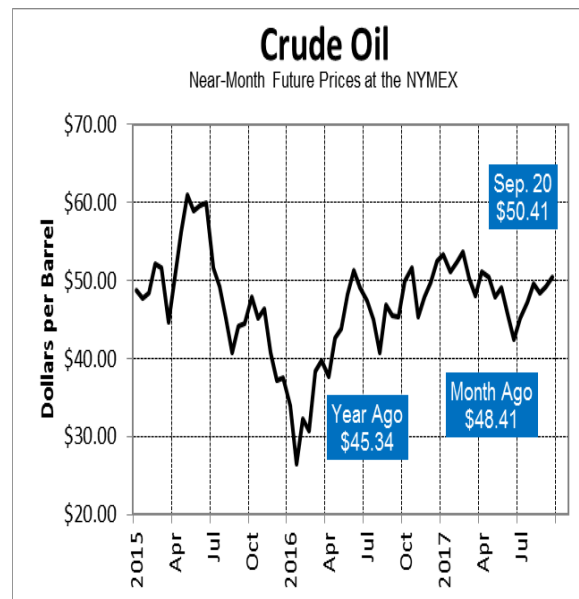
(Data are for the week ended September 15, 2017, unless stated otherwise.)

Crude Oil

U.S. crude oil prices increased by \$2.00 to \$50.41 per barrel in the past month, 11 percent higher compared to this time last year.

<i>Crude Oil - Near Month Future Prices (dollars per barrel)</i>					
	<u>09-20-17</u>	<u>08-23-17</u>	<u>change</u>	<u>09-21-16</u>	<u>change</u>
NYMEX	\$50.41	\$48.41	up 4%	\$45.34	up 11%

- Crude oil futures for November delivery on the NYMEX ended \$0.93, or 1.8 percent, higher on September 20 to settle at \$50.41 per barrel, as bearish EIA data showing US supplies rose more than expected were overshadowed by growing expectations that OPEC will decide to extend its agreement to cut oil output.
- A third-weekly build in US crude stockpiles comes after heavy flooding due to Hurricane Harvey knocked out nearly one quarter of the US refining capacity in August, pressuring demand for crude oil. The bullish start to the week for crude prices follow comments from Iraq’s oil minister that Iraq and other OPEC members were considering options, including extending production cuts beyond March and implementing a deeper output cut.
- Compared to this time last year, the U.S. crude oil futures settlement price of \$50.41 is \$5.07, or 11 percent, higher.



- Domestic crude production was slightly higher than in the prior week at over 9.5 MMB/D. Last year at this time, production stood at over 8.5 MMB/D. Total crude imports increased from the prior week at nearly 7.4 MMB/D. Imports at this time last year averaged over 8.5 MMB/D.
- U.S. crude oil supplies increased 4.6 MMB on the week to 472.8 MMB. U.S. supplies are 1.1 MMB lower compared to this time last year.
- U.S. refinery crude runs increased from the prior week with refiners processing nearly 15.2 MMB/D. U.S. refinery capacity utilization was higher on the week at 83.2 percent. Last year at this time, capacity use stood at 92.0 percent.
- Gasoline output decreased on the week at nearly 9.8 MMB/D. Output was nearly 10.1 MMB/D at this time last year. Distillate output was higher from the prior week at over 4.5 MMB/D. Last year at this time, production stood at nearly 5.0 MMB/D.
- Total petroleum products supplied to market, a measure of consumption, over the last four-week period stood at 20.4 MMB/D, up by 0.5 percent compared to the same period last year.

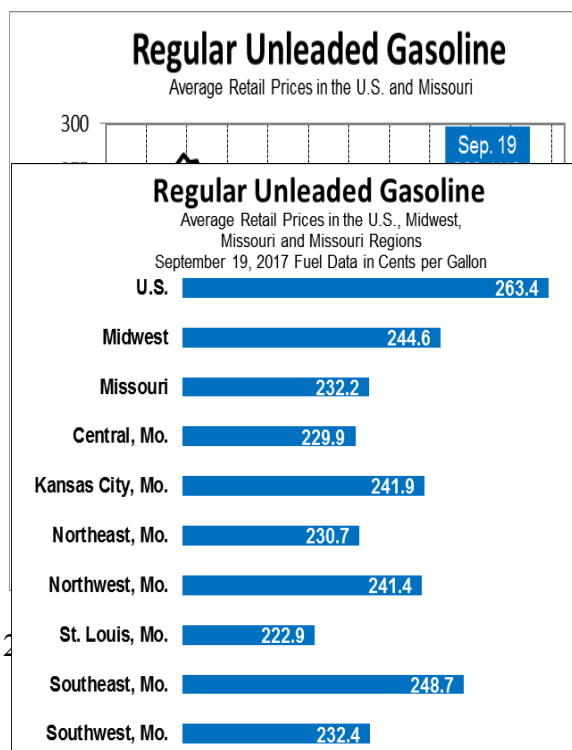
Transportation Fuels

On September 19, Missouri's statewide average retail price for gasoline was over \$2.32 per gallon, up 18.2 cents in the past month and up 36.5 cents in the past year.

Regular Unleaded Gasoline - Retail Prices (cents per gallon)					
	09-19-17	08-22-17	change	09-19-16	change
US	263.4	236.0	up 12%	222.5	up 18%
Missouri	232.2	214.1	up 8%	195.8	up 19%

Diesel Fuel - Retail Prices (cents per gallon)					
	09-19-17	08-22-17	change	09-19-16	change
US	278.6	259.6	up 7%	238.9	up 17%
Missouri	250.6	235.7	up 6%	216.3	up 16%

- On September 19, Missouri's average retail price for gasoline was over \$2.32 per gallon, up 18.2 cents in the past month.
- Missouri's average price for diesel fuel was nearly \$2.51 per gallon, up 14.9 cents in the past month.
- Compared to last year at this time, Missouri's average retail gasoline price is 36.5 cents per gallon, or 19 percent, higher while the average retail diesel fuel price is 34.3 cents per gallon, or 16 percent, higher.
- At over \$2.63, the U.S. average price for regular gasoline is 27.4 cents per gallon, or 12



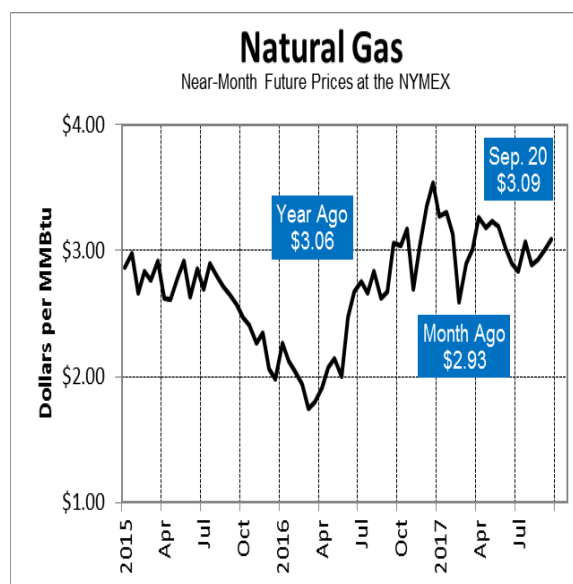
Natural Gas

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 20, 2017, natural gas futures on the NYMEX closed at \$3.09 per million British thermal units (MMBtu), up \$0.04, or 1 percent, in the past year.

Natural Gas - Near Month Future Prices (dollars per MMBtu)					
	<u>09-20-17</u>	<u>08-23-17</u>	<u>change</u>	<u>09-21-16</u>	<u>change</u>
NYMEX	\$3.09	\$2.93	up 6%	\$3.06	up 1%

- The October 2017 NYMEX futures contract settled at \$3.09 per MMBtu on September 20, down 2.4 cents from the prior settlement.
- In the past month, the futures contract has increased 17 cents, or 6 percent.
- Futures are up \$0.04, or 1 percent, in the past year.
- Working gas in storage was 3,408 billion cubic feet (Bcf), 2.0 percent above the five-year average inventory level for the week. According to EIA's September 21, 2017 *Weekly Natural Gas Storage Report*, U.S. natural gas supplies are 136 Bcf, or 3.8 percent, lower than last year at this time.



- According to the EIA, net injections to working gas totaled 97 Bcf for the week ending September 15.
- Temperatures in the Lower 48 states averaged 67°F, 2°F lower than the normal and 7°F lower than last year at this time. Temperatures west of the Rockies were generally warmer than normal. Temperatures in the Mountain Census division averaged 74°F, 7°F higher than the normal and 4°F higher than last year at this time, and temperatures in the Pacific Census division averaged 71°F, 3°F higher than the normal and 2°F higher than last year at this time.
- According to the EIA, total U.S. consumption of natural gas rose by 11 percent compared with the previous report week. Natural gas consumed for power generation climbed by 23 percent week over week as Florida electricity generation returned to pre-Hurricane Irma levels and temperatures rose in the East. Industrial sector consumption decreased by 2 percent week over week. In the residential and commercial sectors, consumption increased by 5 percent. Natural gas exports to Mexico decreased 2 percent.

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 decreased by 1.4 MMB last week to 80.8 MMB as of September 15, 2017, 20.9 MMB, or 20.6 percent, lower than a year ago. Midwest propane stocks increased week-over-week by over 0.6 MMB to nearly 26.4 MMB last week. Midwest inventories stood at nearly 29.3 MMB at this time last year.
- U.S. propane consumption was lower on the week at nearly 1.0 MMB/D. Consumption stood at nearly 0.7 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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<http://energy.mo.gov/energy/stay-informed/missouri-energy-bulletins>

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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>.