



# Missouri Department of Natural Resources Division of Energy

## MISSOURI ENERGY BULLETIN

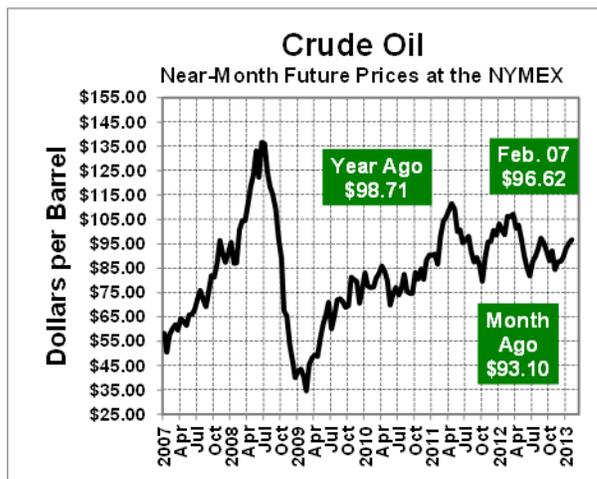
February 8, 2013

*(Data is for the week ended February 1, 2013, unless stated otherwise.)*

### Crude Oil

U.S. crude oil prices increased \$3.52, or 4 percent, to \$96.62 per barrel in the past month and stand 2 percent lower than at this time last year.

Crude Oil - Near Month Future Prices (dollars per barrel)					
	02-06-13	01-09-13	change	02-08-12	change
NYMEX	\$96.62	\$93.10	up 4%	\$98.71	down 2%



- At the New York Mercantile Exchange (NYMEX), crude oil futures for March delivery ended \$0.02, or less than 1 percent, lower February 6 to close at \$96.62 per barrel as the weekly federal fuels report showed oil inventories fell at Cushing, Oklahoma.
- Oil futures slipped after stockpiles declined 315,000 barrels last week at Cushing, Oklahoma, to 51.4 MMB, a one-month low. Nationwide inventories gained 2.62 million barrels (MMB) to 371.7 MMB. Crude values remain flat on concern that flow limits on the Seaway pipeline would

bolster a glut at Cushing. Due to lower off take at the Gulf, Enterprise Products Partners announced that capacity on the Seaway pipeline to the Gulf Coast from Cushing will be limited until late 2013. Increasing domestic oil production and the lack of pipeline capacity bolstered stockpiles at Cushing to a record 51.9 MMB in the week ending January 11. U.S. oil stockpiles at Cushing, Oklahoma, are used to negotiate futures prices at the NYMEX.

- Compared to this time last year, the U.S. crude oil futures settlement price of \$96.62 is \$2.09, or 2 percent, lower. For calendar year 2013, crude values are \$4.78, or 5.2 percent, higher.
- Total petroleum products supplied to market over the last four-week period averaged 18.3 million barrels per day (MMB/D), up by 1.2 percent compared to the similar period last year. According to the February 6 Energy Information Administration (EIA) weekly fuels report, U.S. oil inventories

increased 2.6 MMB at 371.7 MMB. U.S. crude supplies are now 32.4 MMB higher than at this time last year.

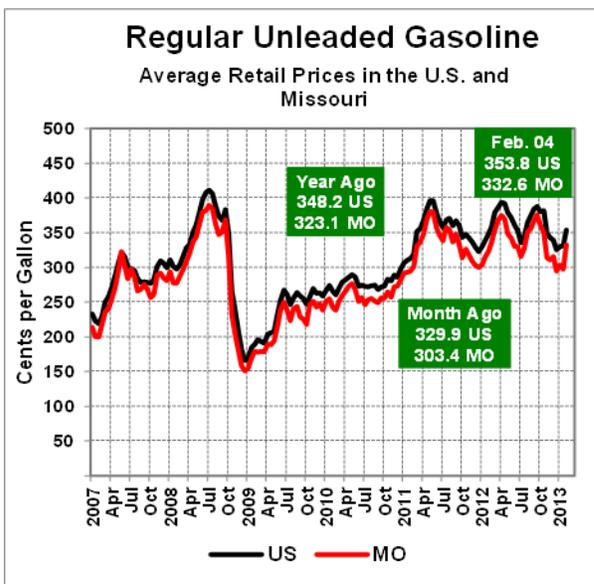
- Crude imports decreased at 7.6 MMB/D, down 0.5 MMB/D from the prior week. Imports at this time last year averaged 8.4 MMB/D. Crude oil inventories represent 25.5 days of forward cover compared to 23.6 days at this time last year.
- U.S. refinery crude runs decreased 50,000 barrels per day (B/D) with refiners processing just 14.4 MMB/D of crude. U.S. refinery capacity use was 84.2 percent, down 0.8 percent from the prior week and down 1.1 percent compared to this time last year.
- Gasoline output decreased at 8.8 MMB/D on the week. Distillate output increased at 4.5 MMB/D, and stands 17,000 B/D lower compared to the production level at this time last year.

### Transportation Fuels

**On February 4, Missouri’s statewide average retail price for gasoline was more than \$3.32 per gallon, up 29.2 cents in the past month and up 9.5 cents in the past year.**

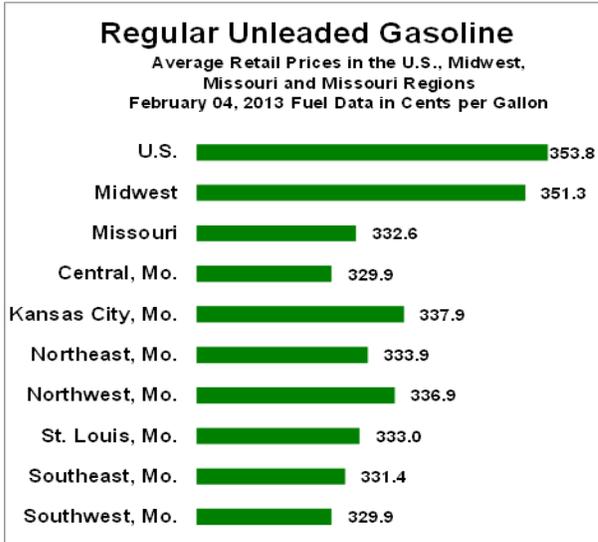
Regular Unleaded Gasoline - Retail Prices (cents per gallon)					
	02-04-13	01-07-13	change	02-06-12	change
US	353.8	329.9	up 7%	348.2	up 2%
Missouri	332.6	303.4	up 10%	323.1	up 3%

Diesel Fuel - Retail Prices (cents per gallon)					
	02-04-13	01-07-13	change	02-06-12	change
US	353.8	329.9	up 7%	385.6	down 8%
Missouri	374.6	367.0	up 2%	364.9	up 3%



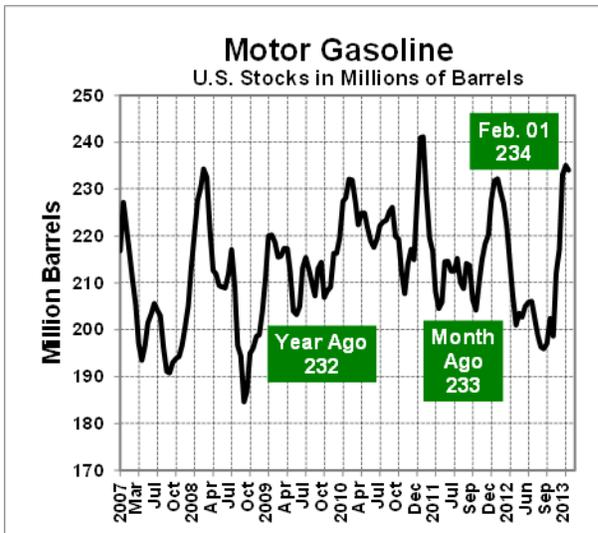
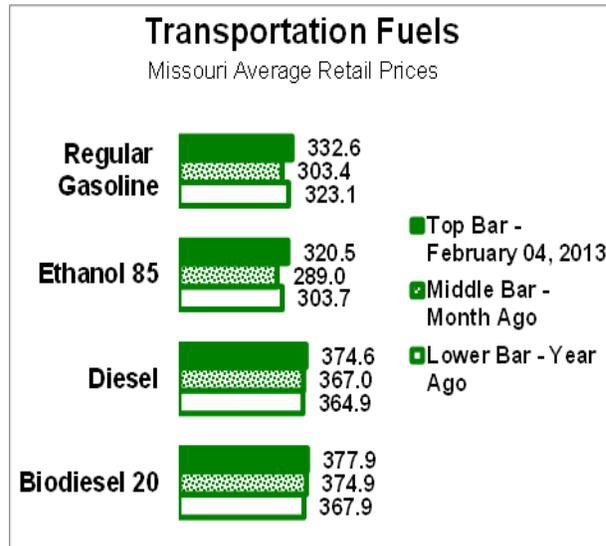
- On February 4, Missouri’s average retail price for gasoline was more than \$3.32 per gallon, an increase of 29.2 cents in the past month. The average price for diesel fuel was up 7.6 cents per gallon in the past month. Missouri’s average retail gasoline price is 9.5 cents, or 3 percent, higher, while the average diesel fuel price is 9.7 cents, or 3 percent, higher for the comparable period in February 2012.
- The U.S. average price for regular gasoline was up by 23.9 cents, or 7 percent, per gallon compared to last month at \$3.59 per gallon. The U.S. average was up by 5.6 cents compared to this time last year. In the past week, the U.S. average increased by about 2 cents.

- Gasoline imports increased 70,000 B/D from the prior week at 0.7 MMB/D, 22,000 B/D lower than last year at this time.



- Implied demand for gasoline decreased at 8.4 MMB/D, down 86,000 B/D from the prior week, and about 376,000 B/D higher compared to this same period last year. In the past 4 weeks, U.S. gasoline demand has averaged about 8.4 MMB/D, 379,000 B/D or 4.7 percent higher compared to the same 4-week period last year.
- U.S. gasoline supplies increased 1.7 MMB at 234.0 MMB on the week. Gasoline stocks represent 27.8 days of supply for the U.S. based on implied demand during the past 4-week average. U.S. gasoline inventories are up 2.3 MMB compared to this time last year and trend at the upper end of the five-year average for this time of year.

- Distillate stocks decreased at 129.6 MMB and stand 17.0 MMB lower compared to the same period last year. Distillate demand was down at 3.6 MMB/D on the week and up 188,000 B/D compared to the same period last year. On the week, distillate demand, which includes diesel fuel, kerosene and home heating oil, was down 97,000 B/D. On a four-week average, distillate demand was down 132,000 B/D compared to the same period last year at 3.5 MMB/D.
- On February 4, Missouri's average retail price for E85 motor fuel, conventional motor fuel containing 85 percent ethanol, was about \$3.21 per gallon, 12 cents or about 3.7 percent lower than the average price for conventional motor gasoline.



- On February 4, Missouri's average retail price for B20, diesel fuel containing 20 percent biofuel, was \$3.78 per gallon, about 3 cents or less than 1 percent higher than the statewide average retail price for conventional diesel fuel.
- According to EIA's January 8, 2013, *Short Term Energy Outlook*, falling crude prices will help national average regular gasoline retail prices fall from an average \$3.63 per gallon in 2012 to annual averages of \$3.44

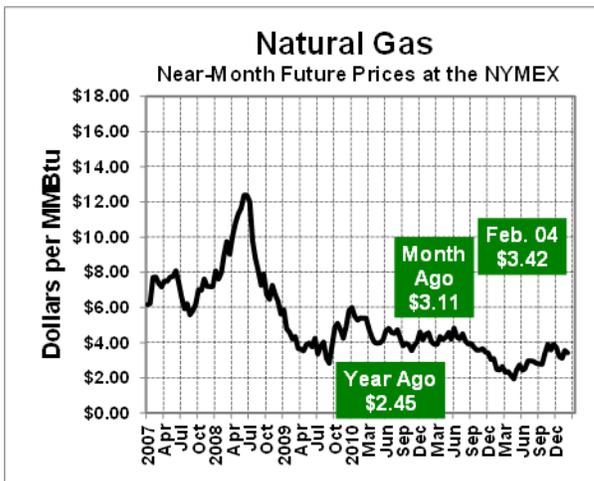
per gallon and \$3.34 per gallon in 2013 and 2014, respectively.

### Natural Gas

Approximately 58 percent (1,261,397) of Missouri households use natural gas to heat their homes. Natural gas is also used to produce goods and electricity.

**On February 6, natural gas futures closed at \$3.42 per million British thermal units (MMBtu), up 31 cents from a month ago and up 40 percent compared to last year at this time.**

Natural Gas - Near Month Future Prices (dollars per MMBtu)					
	02-06-13	01-10-13	change	02-08-12	change
NYMEX	\$3.42	\$3.11	up 10%	\$2.45	up 40%



- At the NYMEX, natural gas futures for March 2013 delivery ended less than 2 cents higher on February 6 to close at \$3.42 per MMBtu. In the past month, natural gas values have increased 31 cents or 10 percent.
- During the week, the March 2013 and April 2013 New York Mercantile Exchange (NYMEX) contracts increased on February 6 by 2.5 percent and 2.3 percent, respectively, over closing prices on Wednesday, January 30. The March 2013 contract closed on February 6 at \$3.42 per MMBtu, compared to \$3.34 per MMBtu on January 30, while the April 2013 contract closed at \$3.46 per MMBtu, compared at \$3.39 per MMBtu on January 30.

January 30, while the April 2013 contract closed at \$3.46 per MMBtu, compared at \$3.39 per MMBtu on January 30.

- According to EIA, due to high heating demand resulting from the week’s cold weather, average daily residential and commercial consumption rose by 9.8 percent compared to the prior week. Consumption of natural gas for electric power also increased by 7.5 percent, while industrial consumption increased by 1.6 percent.
- Working gas in storage totaled 2,684 billion cubic feet (Bcf), 15.0 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 226 Bcf, or 7.8 percent, lower than last year at this time.
- According to EIA’s *Short Term Energy Outlook*, released January 8, 2013, Midwest households that heat with natural gas may realize an increase in expenditures by 16.3 percent to \$720 for the 2012/13 heating season based on an increase in consumption of approximately 20.9 percent.

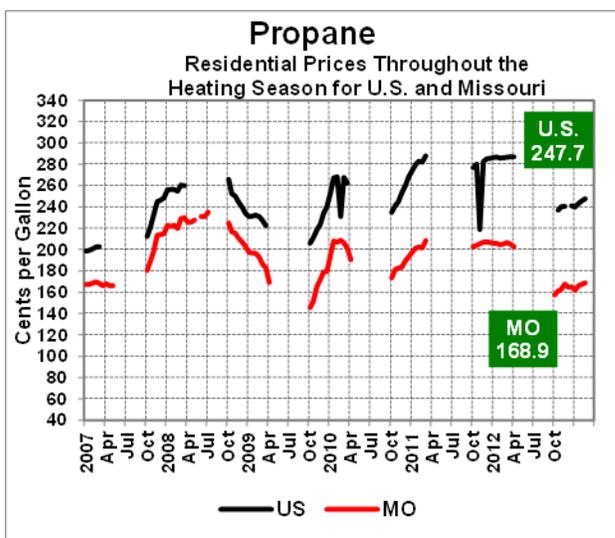
## Propane

Approximately 13 percent (293,603) of Missouri households heat with propane, which is also used to support commercial operations, produce goods, dry grain harvests and fuel vehicles.

**On February 4, the average Missouri retail price for residential propane was about \$1.69 per gallon, up 2.8 cents in the past month, and down 18 percent compared to last year at this time.**

Propane - Retail Prices (cents per gallon)					
	<u>02-04-13</u>	<u>01-07-13</u>	<u>change</u>	<u>02-21-12</u>	<u>change</u>
Missouri	168.9	166.1	up 2%	205.5	down 18%

- According to the Division of Energy's statewide propane price survey conducted February 4, the average Missouri retail residential propane price was \$1.69 per gallon, up 2.8 cents or 2 percent in the past month.



- According to the survey, the highest Missouri retail residential price for propane was nearly \$2.00 per gallon, while the lowest retail price was about \$1.46 per gallon.
- U.S. inventories of propane decreased 2.6 MMB to end at 54.9 MMB. Propane inventories are now 8.2 MMB, or 18 percent, higher compared to the same period last year. Implied demand for propane decreased 149,000 B/D at 1.6 MMB/D on the week, and up 17,000 B/D compared to the demand level for this time last year.
- Midwest propane inventories decreased 1.4 MMB on the week. At 15.7 MMB, Midwest inventories are 4.0 MMB, or 25.5 percent, lower than the 19.7 MMB reported at this time last year.
- According to EIA's *Short Term Energy Outlook*, released January 8, 2013, Midwest households that heat with propane may realize a decrease in expenditures by 5.9 percent to \$1,448 for the heating season based on a decrease in price of 48 cents per gallon.

The Missouri Energy Bulletin is distributed twice a month by the Missouri Department of Natural Resources' 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 on-line 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 65102-0176; Phone: (573) 751-3443 or (800) 361-4827; Fax: (573) 751-6860; E-mail: [energy@dnr.mo.gov](mailto:energy@dnr.mo.gov); Web Address: [www.dnr.mo.gov/energy/transportation/fb.htm](http://www.dnr.mo.gov/energy/transportation/fb.htm)