



Division of Energy

MISSOURI ENERGY BULLETIN

February 10, 2017

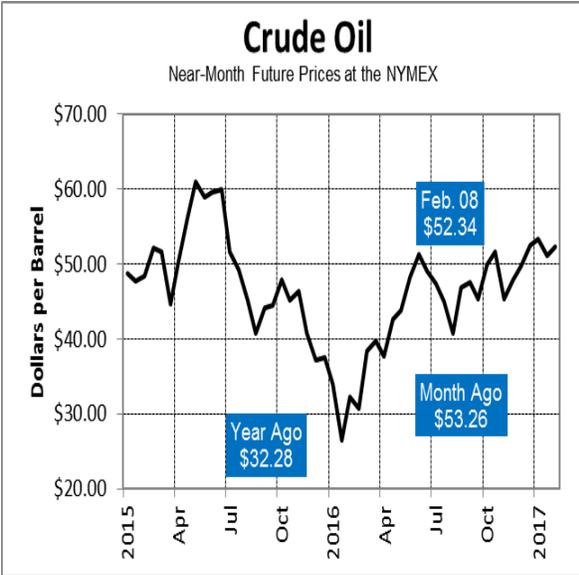
(Data are for the week ended February 3, 2017, unless stated otherwise.)

Crude Oil

U.S. crude oil prices decreased by \$0.92 to \$52.34 per barrel in the past month and stand 62 percent higher compared to this time last year.

| Crude Oil - Near Month Future Prices (dollars per barrel) | | | | | |
|---|-----------------|-----------------|----------------|-----------------|---------------|
| | <u>02-08-17</u> | <u>01-04-17</u> | <u>change</u> | <u>02-03-16</u> | <u>change</u> |
| NYMEX | \$52.34 | \$53.26 | down 2% | \$32.28 | up 62% |

- Crude oil futures for March delivery on the NYMEX ended \$0.17, or 0.3 percent, higher February 8 to settle at \$52.34 per barrel, as signs of rising gasoline demand negated a larger-than-expected build in crude inventory levels after trading as low as \$51.50 per barrel earlier in the session.
- A survey from S&P Global Platts released February 6 showed that the 10 members of OPEC that pledged to cut crude output under an agreement that began at the start of the year achieved 91 percent of their required cuts in January.
- Compared to this time last year, the U.S. crude oil futures settlement price of \$52.34 is \$20.06, or 62 percent, higher.



- Domestic crude production was slightly higher from the prior week at nearly 9.0 MMB/D. Last year at this time, production stood at nearly 9.2 MMB/D. Total crude imports increased from the prior week at nearly 9.4 MMB/D. Imports at this time last year averaged over 7.1 MMB/D.
- U.S. refinery crude runs decreased from the prior week with refiners processing nearly 15.9 MMB/D. U.S. refinery capacity utilization was down on the week at 87.7 percent. Last year at this time, capacity use stood at 86.1 percent.

- Gasoline output increased on the week at over 9.8 MMB/D. Output was nearly 9.6 MMB/D at this time last year. Distillate output increased from the prior week at over 4.8 MMB/D. Last year at this time, production stood at nearly 4.4 MMB/D.
- Total petroleum products supplied to market, a measure of consumption, over the last four-week period stood at about 19.9 MMB/D, up by 0.3 percent compared to the same period last year.

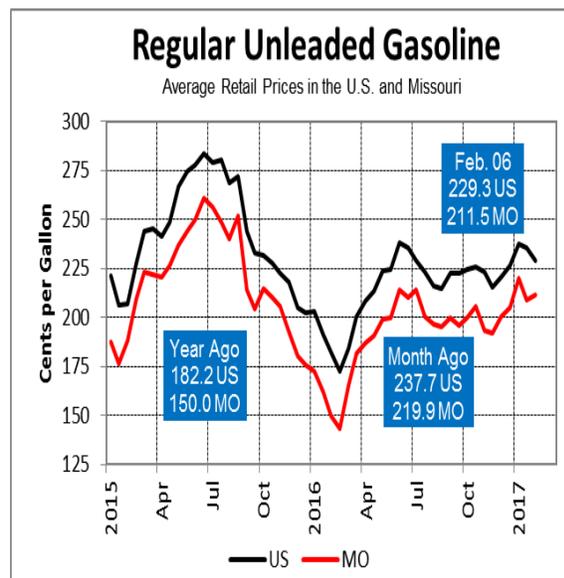
Transportation Fuels

On February 6, Missouri's statewide average retail price for gasoline was nearly \$2.12 per gallon, down 8.4 cents in the past month and up 61.5 cents in the past year.

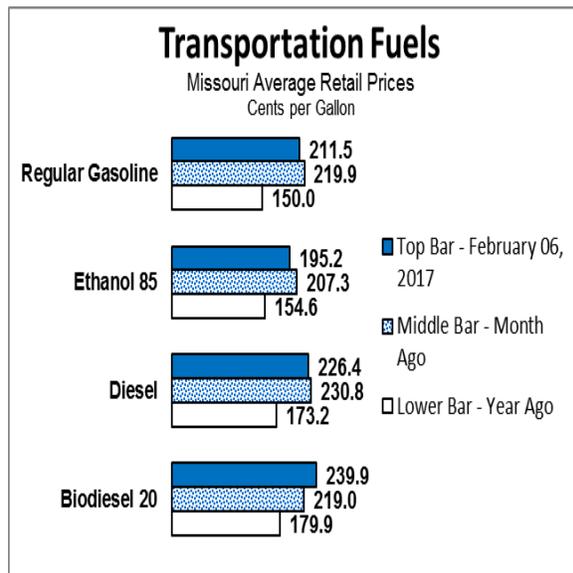
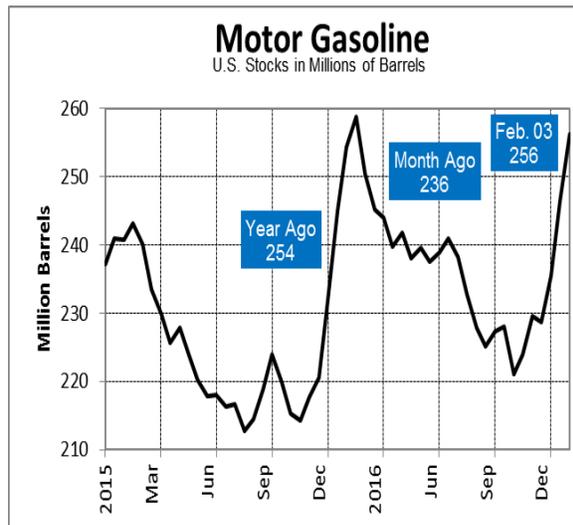
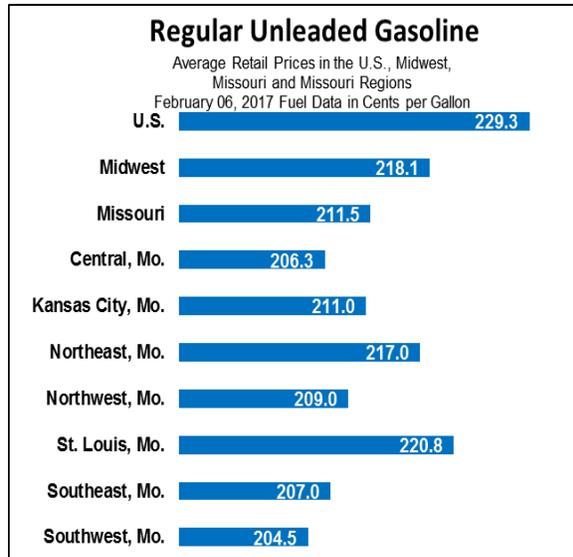
| Regular Unleaded Gasoline - Retail Prices (cents per gallon) | | | | | |
|--|----------|----------|---------|----------|--------|
| | 02-06-17 | 01-03-17 | change | 02-01-16 | change |
| US | 229.3 | 237.7 | down 4% | 182.2 | up 26% |
| Missouri | 211.5 | 219.9 | down 4% | 150.0 | up 41% |

| Diesel Fuel - Retail Prices (cents per gallon) | | | | | |
|--|----------|----------|---------|----------|--------|
| | 02-06-17 | 01-03-17 | change | 02-01-16 | change |
| US | 255.8 | 258.6 | down 1% | 203.1 | up 26% |
| Missouri | 226.4 | 230.8 | down 2% | 173.2 | up 31% |

- On February 6, Missouri's average retail price for gasoline was nearly \$2.12 per gallon, down 8.4 cents in the past month.
- Missouri's average price for diesel fuel was over \$2.26 per gallon, down 4.4 cents in the past month.
- Compared to last year at this time, Missouri's average retail gasoline price is 61.5 cents per gallon, or 41 percent, higher while the average retail diesel fuel price is 53.2 cents per gallon, or 31 percent, higher.
- At over \$2.29, the U.S. average price for regular gasoline is 8.4 cents per gallon, or 4 percent, lower compared to last month.
- The U.S. average price for regular gasoline is up 47.1 cents per gallon, or 26 percent, compared to this time last year. In the past week, the U.S. average decreased by less than a cent per gallon.
- Gasoline imports increased from the prior week at over 0.8 MMB/D. Last year at this time, imports stood at nearly 0.7 MMB/D.



- Implied demand for gasoline increased on the week at nearly 9.0 MMB/D. Demand stood at over 9.1 MMB/D at this time last year.
- In the past four weeks, U.S. gasoline demand has averaged over 8.3 MMB/D.
- U.S. gasoline supplies decreased 0.9 MMB on the week to 256.2 MMB. U.S. supplies are up 0.5 MMB compared to this time last year.
- Distillate stocks were unchanged on the week at 170.7 MMB and stand 9.8 MMB higher compared to the same period last year.
- Distillate demand increased on the week at over 3.9 MMB/D. Demand stood at nearly 3.2 MMB/D at this time last year. On a four-week average, distillate demand was higher at nearly 3.9 MMB/D.
- On February 6, Missouri's average retail price for E85 motor fuel, conventional motor fuel containing 85 percent ethanol, was \$1.95 per gallon, 16.3 cents, or 7.8 percent, lower than the average price for conventional motor gasoline.
- On February 6, Missouri's average retail price for B20, diesel fuel containing 20 percent biofuel, was nearly \$2.40 per gallon, 13.5 cents per gallon, or 5.7 percent, higher than the average price for conventional diesel fuel.
- According to EIA's latest *Short Term Energy Outlook* dated February 7, 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 \$2.39 in 2017.



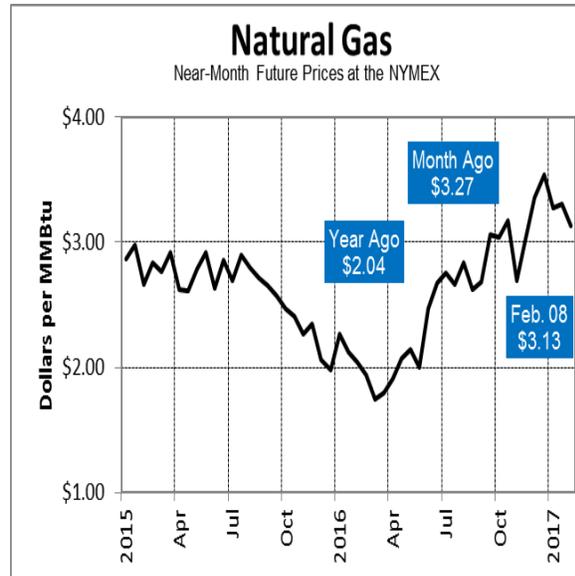
Natural Gas

Approximately 52 percent (1,220,179) 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 February 8, 2017, natural gas futures on the NYMEX closed at \$3.13 per million British thermal units (MMBtu), up \$1.09, or 53 percent, in the past year.

| Natural Gas - Near Month Future Prices (dollars per MMBtu) | | | | | |
|--|-----------------|-----------------|---------------|-----------------|---------------|
| | <u>02-08-17</u> | <u>01-04-17</u> | <u>change</u> | <u>02-03-16</u> | <u>change</u> |
| NYMEX | \$3.13 | \$3.27 | down 4% | \$2.04 | up 53% |

- The March 2017 NYMEX futures contract settled at \$3.13 per MMBtu on February 8, up less than a cent from the prior settlement.
- Futures are up \$1.09, or 53 percent, in the past year.
- Working gas in storage was 2,559 Bcf, 1.8 percent above the five-year average inventory level for the week. According to EIA's February 3, 2017 *Weekly Natural Gas Storage Report*, U.S. natural gas supplies are 325 Bcf, or 11.3 percent, lower than last year at this time.
- According to the EIA, estimates of net natural gas withdrawals from storage generally ranged from 149 Bcf to 160 Bcf, with a median of 155 Bcf.
- Temperatures in the Lower 48 states averaged 38°F, 4°F higher than normal and 4°F lower than last year at this time. Temperatures fell 6°F on average for the week in the Lower 48 states. Temperatures in most regions outside of the Mountain region were significantly higher than seasonal norms for the period. Heating degree days (HDD) in the Lower 48 states totaled 191, compared with 166 last year and a normal of 219.
- According to the EIA, total U.S. consumption of natural gas fell by 5 percent compared with the previous report week. Power burn declined by 2 percent week over week, while industrial sector consumption decreased by 1 percent week over week. The largest decrease was in the residential and commercial sectors, where consumption declined by 8 percent—more than 3 Bcf/d—as temperatures rose around the country. Natural gas exports to Mexico decreased 1 percent.



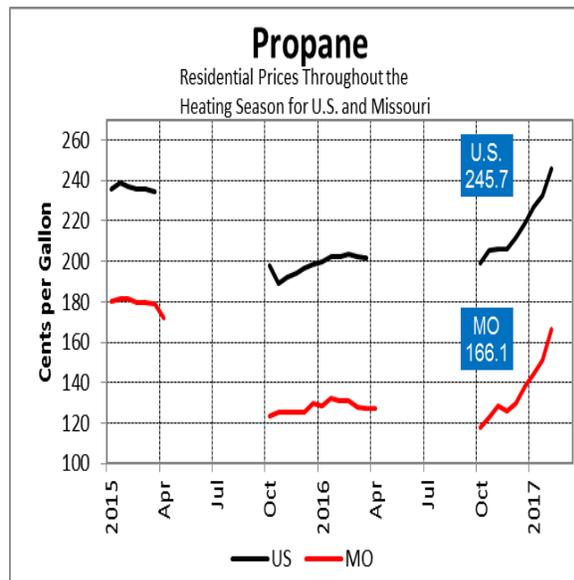
Propane

Approximately 9.2 percent (217,551) 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 February 6, the average Missouri retail price for residential propane was over \$1.66 per gallon, up 21.7 cents in the past month and up 35.2 cents in the past year.

| Propane - Retail Prices (cents per gallon) | | | | | |
|--|-----------------|-----------------|---------------|-----------------|---------------|
| | <u>02-06-17</u> | <u>01-03-17</u> | <u>change</u> | <u>02-01-16</u> | <u>change</u> |
| Missouri | 166.1 | 144.4 | up 15% | 130.9 | up 27% |

- According to the Division of Energy’s most recent statewide propane price survey conducted February 6, the average Missouri retail residential propane price was over \$1.66 per gallon, up 21.7 cents in the past month and up 35.2 cents compared to last year at this time.
- According to the survey, the highest Missouri retail residential price for propane was \$2.35 per gallon. The lowest retail price was \$1.39 per gallon.
- U.S. propane stocks decreased by 6.9 MMB last week to 55.8 MMB barrels as of February 3, 2017, 19.0 MMB, or 25.4 percent, lower than a year ago. Midwest propane stocks declined 0.8 MMB to 15.4 MMB. Midwest inventories stood at nearly 18.4 MMB at this time last year.



- U.S. propane consumption was higher on the week at nearly 1.8 MMB/D. Consumption stood at nearly 1.6 MMB/D last year at this time.

For more information on propane, please visit:

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

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

<http://energy.mo.gov/energy/stay-informed/missouri-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, visit:

<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>.