



# Missouri Department of Natural Resources Division of Energy

## MISSOURI ENERGY BULLETIN

February 22, 2013

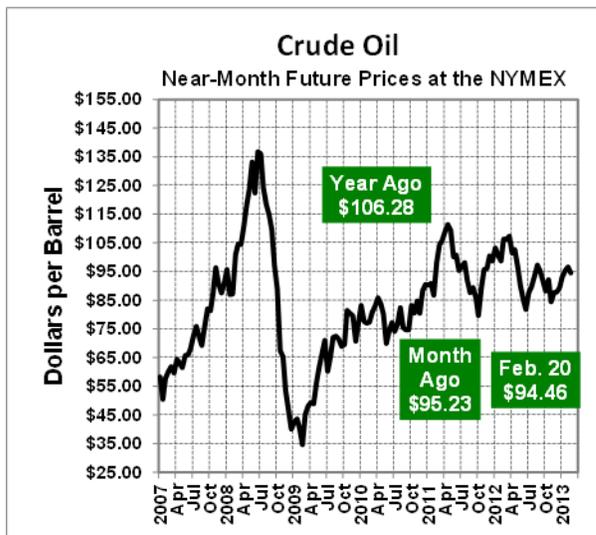
*(Data is for the week ended February 15, 2013, unless stated otherwise.)*

### Crude Oil

**U.S. crude oil prices decreased \$0.77, or 1 percent, to \$94.46 per barrel in the past month and stand 11 percent lower than at this time last year.**

| Crude Oil - Near Month Future Prices (dollars per barrel) |          |          |         |          |          |
|---|----------|----------|---------|----------|----------|
|   | 02-20-13 | 01-23-13 | change  | 02-22-12 | change   |
| NYMEX   | \$94.46  | \$95.23  | down 1% | \$106.28 | down 11% |

- At the New York Mercantile Exchange (NYMEX), crude oil futures for March delivery ended \$2.20, or 2.3 percent, lower on February 20 to close at \$94.46 per barrel, falling the most in 3 months as traders sold commodity funds including petroleum products and metals.



- Oil futures fell in line with the decrease in price for a variety of metals including platinum and silver. Oil also fell after minutes from the Federal Reserve's last meeting showed several policy makers noted the Central Bank should be ready to vary the pace of their \$85 billion in monthly bond purchases, signaling a change in the Federal Reserve's current fiscal stimulus program.
- Compared to this time last year, the U.S. crude oil futures settlement price of \$94.46 is \$11.82, or 11 percent, lower.

Total petroleum products supplied to market over the last four-week period averaged 18.5 million barrels per day (MMB/D), up by 2.7 percent compared to the similar period last year. According to the February 21 Energy Information Administration (EIA) weekly fuels report, U.S. oil inventories increased 4.1 MMB at 376.4 MMB. U.S. crude supplies are now 35.7 MMB higher than at this time last year.

- Crude imports increased at 7.1 MMB/D, up 176,000 barrels per day from the prior week. Imports at this time last year averaged 9.1 MMB/D. Crude oil inventories represent 26.2 days of forward cover compared to 23.4 days at this time last year.

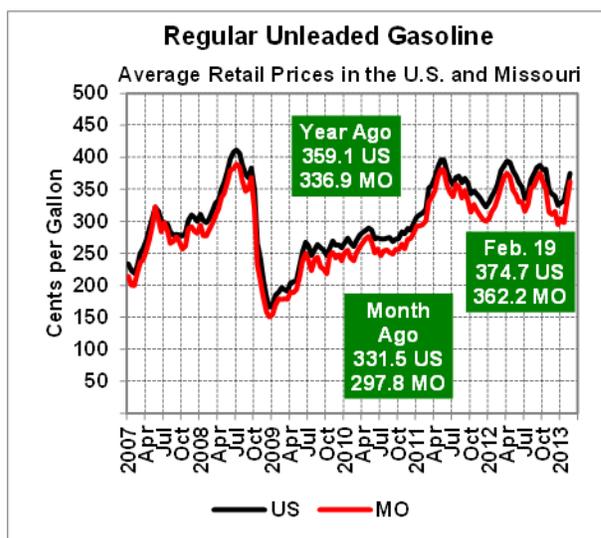
- U.S. refinery crude runs decreased 134,000 barrels per day (B/D) with refiners processing just 14.1 MMB/D of crude. U.S. refinery capacity use was 82.9 percent, down 1.1 percent from the prior week and down 2.6 percent compared to this time last year.
- Gasoline output decreased at 8.6 MMB/D on the week. Distillate output increased at 4.3 MMB/D, and stands 24,000 B/D lower compared to the production level at this time last year.

### Transportation Fuels

**On February 19, Missouri's statewide average retail price for gasoline was more than \$3.62 per gallon, up 64.4 cents in the past month and up 25.3 cents in the past year.**

| Regular Unleaded Gasoline - Retail Prices (cents per gallon) |          |          |        |          |        |
|--|----------|----------|--------|----------|--------|
|  | 02-19-13 | 01-22-13 | change | 02-21-12 | change |
| US   | 374.7    | 331.5    | up 13% | 359.1    | up 4%  |
| Missouri   | 362.2    | 297.8    | up 22% | 336.9    | up 8%  |

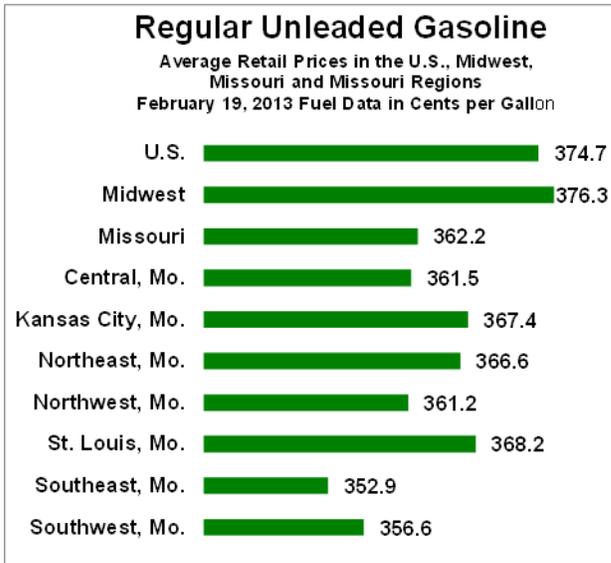
| Diesel Fuel - Retail Prices (cents per gallon) |          |          |        |          |        |
|--|----------|----------|--------|----------|--------|
|  | 02-19-13 | 01-22-13 | change | 02-21-12 | change |
| US   | 415.7    | 331.5    | up 25% | 396.0    | up 5%  |
| Missouri                                       | 393.8    | 353.1    | up 12% | 376.2    | up 5%  |



- On February 19, Missouri's average retail price for gasoline was more than \$3.62 per gallon, an increase of 64.4 cents in the past month. The average price for diesel fuel was up 40.7 cents per gallon in the past month. Missouri's average retail gasoline price is 25.3 cents, or 8 percent, higher, while the average diesel fuel price is 17.6 cents, or 5 percent, higher for the comparable period in February 2012.
- The U.S. average price for regular gasoline was up by 43.2 cents, or 13 percent, per gallon compared to last month at \$3.75 per gallon. The U.S. average was up by 15.6 cents compared to this time last year. In the

past week, the U.S. average increased by nearly 14 cents.

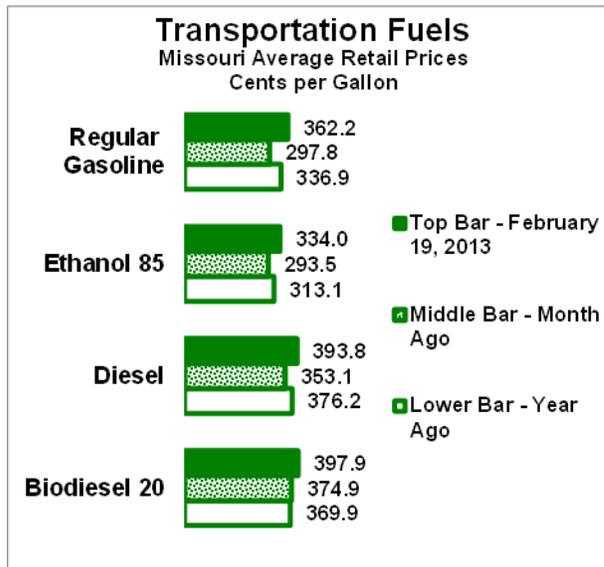
- Gasoline imports decreased 105,000 B/D from the prior week at 0.5 MMB/D, 339,000 B/D lower than last year at this time.
- Implied demand for gasoline was unchanged at 8.4 MMB/D from the prior week, and about 191,000 B/D lower compared to this same period last year. In the past 4 weeks, U.S. gasoline demand has averaged about 8.4 MMB/D, 226,000 B/D or 2.8 percent lower compared to the same 4-week period last year.



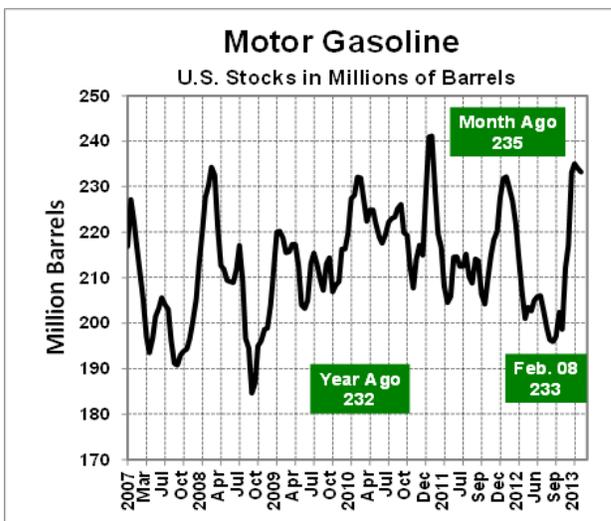
- U.S. gasoline supplies decreased 2.9 MMB at 230.4 MMB on the week. Gasoline stocks represent 27.3 days of supply for the U.S. based on implied demand during the past 4-week average. U.S. gasoline inventories are down 1.2 MMB compared to this time last year and trend at the upper end of the five-year average for this time of year.
- Distillate stocks decreased at 123.6 MMB and stand 19.9 MMB lower compared to the same period last year. Distillate demand was down at 3.8 MMB/D on the week and down 484,000 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

134,000 B/D. On a four-week average, distillate demand was up 197,000 B/D compared to the same period last year at 3.8 MMB/D.

- On February 19, Missouri's average retail price for E85 motor fuel, conventional motor fuel containing 85 percent ethanol, was about \$3.34 per gallon, 28 cents or about 8.4 percent lower than the average price for conventional motor gasoline.
- On February 19, Missouri's average retail price for B20, diesel fuel containing 20 percent biofuel, was \$3.98 per gallon, about 4 cents or 1 percent higher than the statewide average retail price for conventional diesel fuel.



- According to EIA's February 11, 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 \$3.55 per gallon and \$3.39 per gallon in 2013 and 2014, respectively.

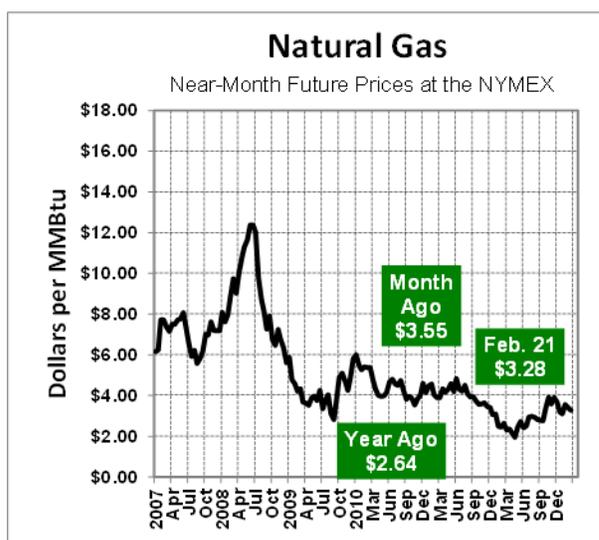


## Natural Gas

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 20, natural gas futures at the NYMEX closed at \$3.28 per million British thermal units (MMBtu), down 27 cents from a month ago and up 64 percent compared to last year at this time.**

| Natural Gas - Near Month Future Prices (dollars per MMBtu) |          |          |         |          |        |
|--|----------|----------|---------|----------|--------|
|  | 02-20-13 | 01-17-13 | change  | 02-22-12 | change |
| NYMEX  | \$3.28   | \$3.55   | down 8% | \$2.64   | up 24% |



- At the NYMEX, natural gas futures for March 2013 delivery ended less than 1 cent higher on February 20 to close at \$3.28 per MMBtu. In the past month, natural gas values have decreased 27 cents or 8 percent.
- The NYMEX futures price fell slightly week-on-week. The near-month price fell by 3 cents per MMBtu over the report period, from \$3.31 per MMBtu last Wednesday, February 13 to \$3.28 per MMBtu on February 20.
- According to EIA, overall natural gas consumption for the nation increased by 6.1 percent. The residential/commercial sector, the biggest gas-consuming sector during the

winter, consumed 7.4 percent more natural gas week-on-week. Natural gas consumption for power generation was also up, increasing by 7.3 percent. The Midwest faced colder temperatures week-on-week, consuming 23.6 percent more natural gas for power generation.

- Working gas in storage totaled 2,400 billion cubic feet (Bcf), 17.7 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 242 Bcf, or 9.2 percent, lower than last year at this time.
- According to EIA's *Short Term Energy Outlook*, released February 11, 2013, Midwest households that heat with natural gas may realize an increase in expenditures by 10.8 percent to \$685 for the 2012/13 heating season based on an increase in consumption of approximately 15.9 percent.

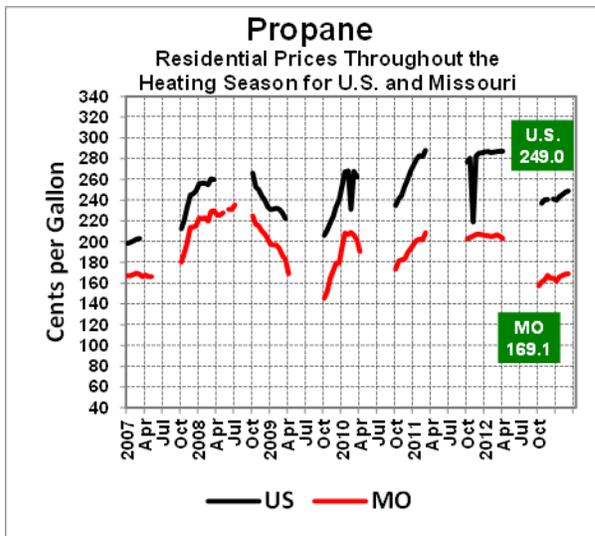
## Propane

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 19, the average Missouri retail price for residential propane was about \$1.69 per gallon, up 1.6 cents in the past month, and down 18 percent compared to last year at this time.**

| Propane - Retail Prices (cents per gallon) |                 |                 |               |                 |               |
|--|-----------------|-----------------|---------------|-----------------|---------------|
|  | <u>02-19-13</u> | <u>01-22-13</u> | <u>change</u> | <u>03-06-12</u> | <u>change</u> |
| Missouri                                   | 169.1           | 167.5           | up 1%         | 206.7           | down 18%      |

- According to the Division of Energy's statewide propane price survey conducted February 19, the average Missouri retail residential propane price was \$1.69 per gallon, up 1.6 cents or 1 percent in the past month.



- According to the survey, the highest Missouri retail residential price for propane was nearly \$2.10 per gallon, while the lowest retail price was about \$1.46 per gallon.
- U.S. inventories of propane decreased 1.3 MMB to end at 51.0 MMB. Propane inventories are now 6.2 MMB, or 13.8 percent, higher compared to the same period last year. Implied demand for propane decreased 124,000 B/D at 1.5 MMB/D on the week, and up 42,000 B/D compared to the demand level for this time last year.
- Midwest propane inventories decreased 0.4 MMB on the week. At 14.5 MMB, Midwest inventories are 3.4 MMB, or 19 percent, lower than the 17.9 MMB reported at this time last year.

- According to EIA's *Short Term Energy Outlook*, released February 11, 2013, Midwest households that heat with propane may realize a decrease in expenditures by 7.5 percent to \$1,423 for the heating season based on a decrease in price of 44 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)