



Missouri Department of Natural Resources Division of Energy

MISSOURI ENERGY BULLETIN

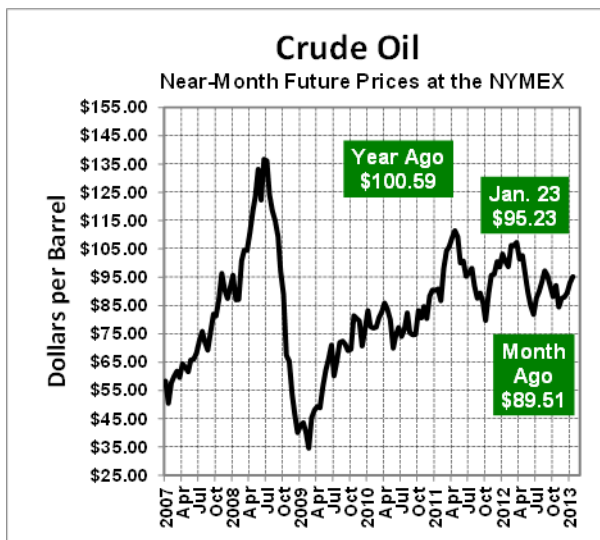
January 25, 2013

(Data is for the week ended January 19, 2013, unless stated otherwise.)

Crude Oil

U.S. crude oil prices increased \$5.72, or 6.0 percent, to \$95.23 per barrel in the past month and stand 5 percent lower than at this time last year.

Crude Oil - Near Month Future Prices (dollars per barrel)					
	01-23-13	12-19-12	change	01-18-12	change
NYMEX	\$95.23	\$89.51	up 6%	\$100.59	down 5%



- At the New York Mercantile Exchange (NYMEX), crude oil futures for March delivery ended \$1.45, or 1.5 percent, lower January 23 to close at \$95.23 per barrel as capacity on the Seaway pipeline was reduced and the International Monetary Fund cut its global growth forecasts.
- U.S. oil inventories increased on the week at 363.1 million barrels (MMB). Oil prices fell as capacity of the Seaway pipeline, which runs from Cushing, Oklahoma, to the Gulf Coast, was limited to 175,000 barrels per day (B/D) at the Jones Creek delivery point. The normal capacity is 400,000 B/D. Seaway's operators, Enterprise Products Partners and Enbridge,

limited capacity due to a significant drop in oil delivery at Gulf Coast refineries. Enterprise and Enbridge restarted the Seaway pipeline on January 11. Shipments have not reached capacity and U.S. oil stockpiles at Cushing, Oklahoma, used to negotiate futures prices for oil at the NYMEX, increased 1.78 MMB to a record 51.9 MMB in the week ending January 11, gaining for a 6th week.

- Compared to this time last year, the U.S. crude oil futures settlement price of \$95.23 is \$5.72, or 6 percent, higher. For calendar year 2013, crude values are \$2.11, or 2.2 percent, higher.
- Total petroleum products supplied to market over the last four-week period averaged 18.3 MMB/D, up 0.4 percent compared to the similar period last year. According to the January 24 Energy

Information Administration (EIA) weekly fuels report, U.S. oil inventories increased 2.8 MMB at 363.1 MMB. U.S. crude supplies are now 28.3 MMB higher than at this time last year.

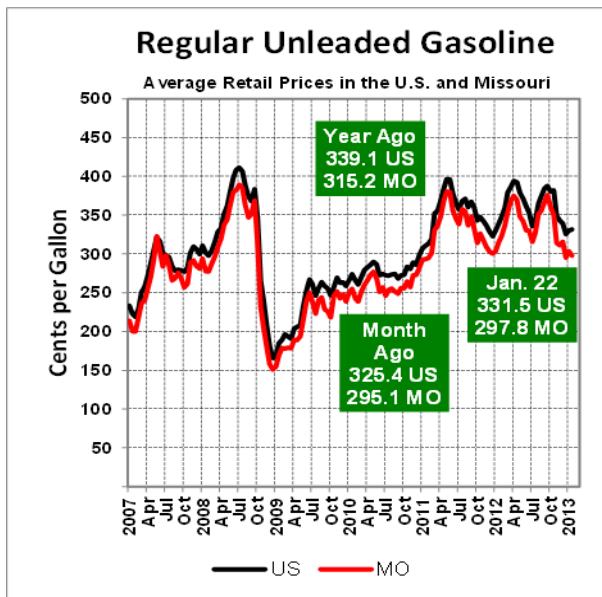
- Crude imports decreased at 7.7 MMB/D, down 0.3 MMB/D from the prior week. Imports at this time last year averaged nearly 9.0 MMB/D. Crude oil inventories represent 24.2 days of forward cover compared to 22.9 days at this time last year.
- U.S. refinery crude runs decreased 900,000 barrels per day with refiners processing just 14.2 MMB/D of crude. U.S. refinery capacity use was 83.6 percent, down 4.3 percent from the prior week and down 1.7 percent compared to this time last year.
- Gasoline output increased at 8.7 MMB/D on the week. Distillate output decreased at 4.3 MMB/D, and stands 74,000 B/D lower compared to the production level at this time last year.

Transportation Fuels

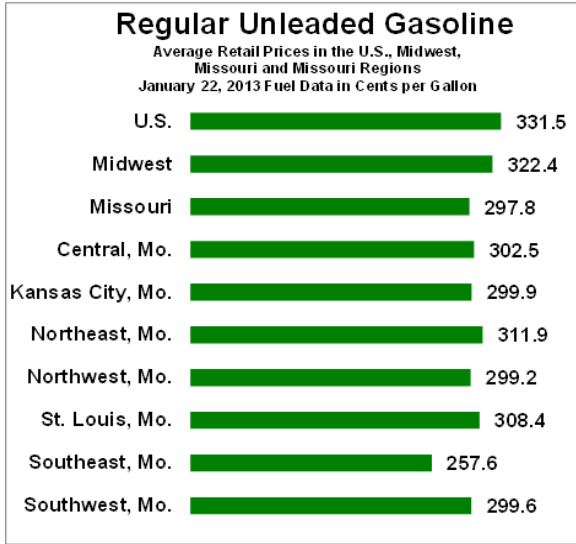
On January 22, Missouri's statewide average retail price for gasoline was \$2.98 per gallon, up 2.7 cents in the past month and down 17.4 cents in the past year.

Regular Unleaded Gasoline - Retail Prices (cents per gallon)					
	01-22-13	12-17-12	change	01-17-12	change
US	331.5	325.4	up 2%	339.1	down 2%
Missouri	297.8	295.1	up 1%	315.2	down 6%

Diesel Fuel - Retail Prices (cents per gallon)					
	01-22-13	12-17-12	change	01-17-12	change
US	331.5	325.4	up 2%	385.4	down 14%
Missouri	353.1	368.8	down 4%	361.9	down 2%



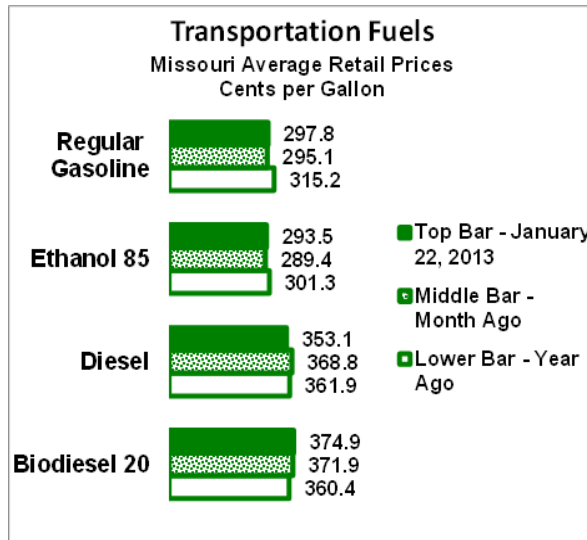
- On January 22, Missouri's average retail price for gasoline was more than \$2.98 per gallon, an increase of 2.7 cents in the past month. The average price for diesel fuel was down 15.7 cents per gallon in the past month. Missouri's average retail gasoline price is 17.4 cents, or 6 percent, lower, while the average diesel fuel price is 8.8 cents, or 2 percent, lower for the comparable period in January 2012.
- The U.S. average price for regular gasoline was up by 6.1 cents, or 2 percent, per gallon compared to last month at \$3.32 per gallon. The U.S. average was down by 7.6 cents compared to this time last year. In the past week, the U.S. average increased by 1 cent.



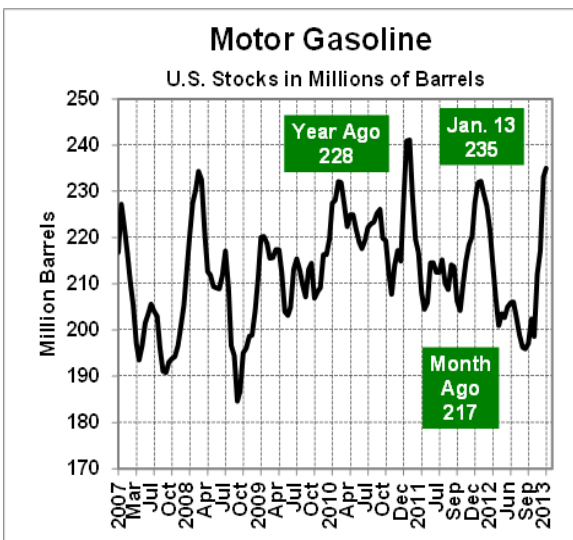
- Gasoline imports increased 55,000 B/D from the prior week at 0.43 MMB/D, 291,000 B/D lower than last year at this time.
- Implied demand for gasoline increased at 8.4 MMB/D, up 111,000 barrels per day from the prior week, and about 333,000 B/D higher compared to this same period last year. In the past 4 weeks, U.S. gasoline demand has averaged about 8.3 MMB/D, 113,000 B/D or 1.4 percent higher compared to the same 4-week period last year.
- U.S. gasoline supplies decreased 1.7 MMB at 233.3 MMB on the week. Gasoline inventories represent 28.0 days of supply for the U.S. based on implied demand during the

past 4-week average. U.S. gasoline inventories are up 6.1 MMB compared to this time last year and trend above the upper end of the five-year average for this time of year.

- Distillate stocks increased at 132.9 MMB and stand 12.6 MMB lower compared to the same period last year. Distillate demand was down at 3.4 MMB/D on the week and down 514,000 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 74,000 B/D. On a four-week average, distillate demand was down 85,000 B/D compared to the same period last year at 3.3 MMB/D.



- On January 22, Missouri's average retail price for E85 motor fuel, conventional motor fuel containing 85 percent ethanol, was about \$2.94 per gallon, 4 cents or about 1.4 percent lower than the average price for conventional motor gasoline.



- On January 22, Missouri's average retail price for B20, diesel fuel containing 20 percent biofuel, was \$3.75 per gallon, about 22 cents or 6.2 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

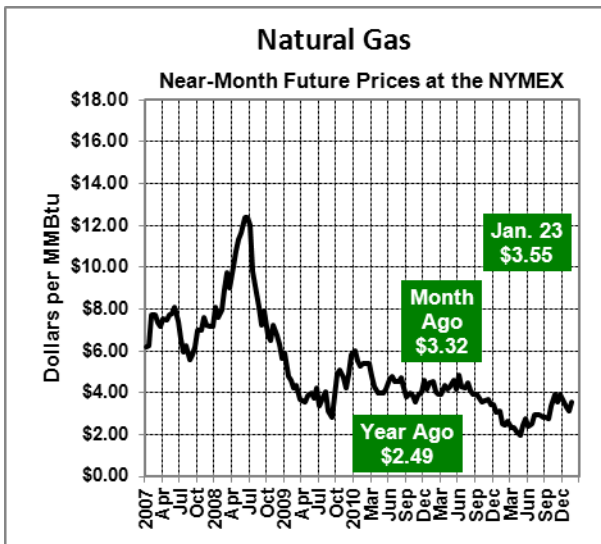
2012 to annual averages of \$3.44 per gallon and \$3.34 per gallon in 2013 and 2014, respectively.

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 January 23, natural gas futures closed at \$3.55 per million British thermal units (MMBtu), up 23 cents from a month ago and up 43 percent compared to last year at this time.

Natural Gas - Near Month Future Prices (dollars per MMBtu)					
	01-23-13	12-19-12	change	01-18-12	change
NYMEX	\$3.55	\$3.32	up 6%	\$2.49	up 33%



- At the NYMEX, natural gas futures for March 2013 delivery ended less than 1 cent lower on January 23 to close at \$3.55 per MMBtu. In the past month, natural gas values have increased 23 cents or 6 percent.
- During the week, the March 2013 futures contract price spread averaged between -7.2 cents and 5.4 cents per MMBtu. The 12-Month Strip (average of February 2013 to January 2014 contracts) gained 12 cents per MMBtu, starting at \$3.65 per MMBtu on January 16 and closing at \$3.77 per MMBtu on January 23.

• According to EIA, average natural gas consumption for the nation rose this report week by 9.1 percent over last week’s daily average. Below-normal temperatures across the United States contributed to the natural gas demand increase. The rise resulted principally from a 17 percent week-on-week increase in average residential/commercial consumption.

- Working gas in storage totaled 2,996 billion cubic feet (Bcf), 12.0 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 157 Bcf, or 5.0 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.

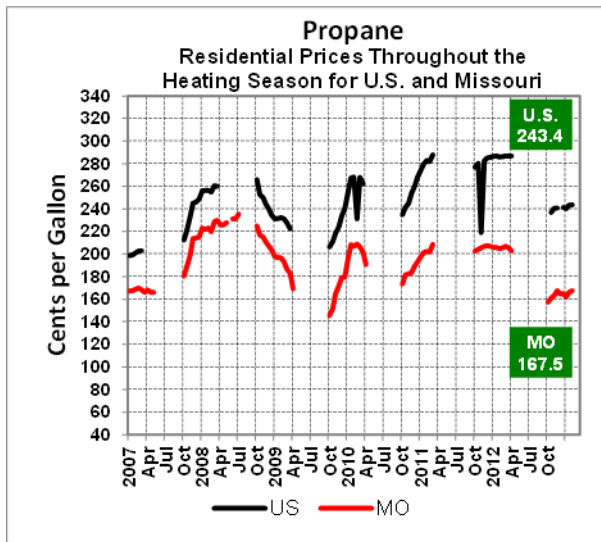
Propane

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 January 22, the average Missouri retail price for residential propane was about \$1.68 per gallon, up 5.5 cents in the past month, and down 18 percent compared to last year at this time.

Propane - Retail Prices (cents per gallon)					
	01-22-13	12-17-12	change	02-06-12	change
Missouri	167.5	162.0	up 3%	204.7	down 18%

- According to the Division of Energy's statewide propane price survey conducted January 22, the average Missouri retail residential propane price was \$1.68 per gallon, up 5.5 cents or 3 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 \$1.45 per gallon.
- U.S. inventories of propane decreased 3.1 MMB to end at 60.9 MMB. Propane inventories are now 10.1 MMB, or 20 percent, higher compared to the same period last year. Implied demand for propane increased 111,000 B/D at 1.7 MMB/D on the week, and up 129,000 B/D compared to the demand level for this time last year.
- Midwest propane inventories decreased 1.5 MMB on the week. At 18.9 MMB, Midwest inventories are 2.9 MMB, or 15.3 percent, lower than the 21.8 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 21.8 percent.

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; Web Address: www.dnr.mo.gov/energy/transportation/fb.htm