



## Division of Energy

# MISSOURI ENERGY BULLETIN

September 11, 2015

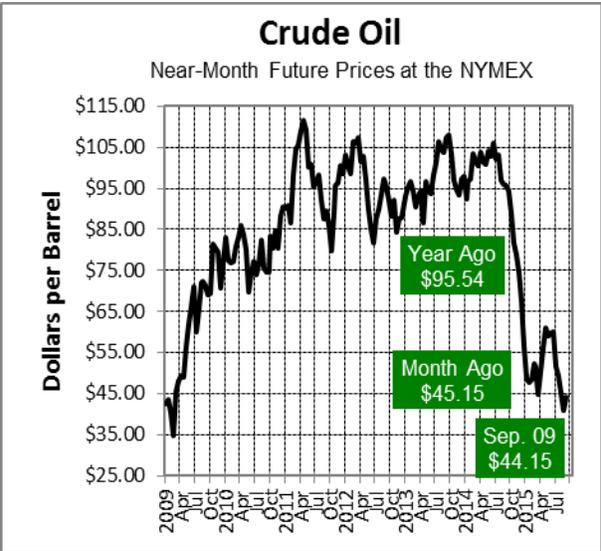
*(Data is for the week ended September 4, 2015, unless stated otherwise.)*

### Crude Oil

**U.S. crude oil prices decreased by \$1.00 to \$44.15 per barrel in the past month and stand 54 percent lower compared to this time last year.**

Crude Oil - Near Month Future Prices (dollars per barrel)					
	09-09-15	08-05-15	change	09-03-14	change
NYMEX	\$44.15	\$45.15	down 2%	\$95.54	down 54%

- Crude oil futures for October delivery on the NYMEX ended \$1.79, or 3.9 percent, lower on the September 9 trade day to settle at \$44.15 per barrel, after the Energy Information Administration (EIA) lowered its forecast for oil prices. EIA expects OPEC to fill the void from future domestic oil production cuts by the US and other oil producing nations around the world causing the current global oil glut to extend into 2016.
- The EIA left its estimate of global supply virtually unchanged at 96.5 million barrels per day (MMB/D) for 2015 and 97.3 MMB/D for next year. The continued strong supply led it to cut its price forecast for both US and global crude benchmarks. The EIA said WTI crude would average \$53.57 per barrel in 2016, down 1.6 percent from its previous forecast.
- Compared to this time last year, the U.S. crude oil futures settlement price of \$44.15 is \$51.39, or 54 percent, lower.
- According to the September 10 weekly EIA fuels report, U.S. crude inventories increased 2.6 MMB to 458.0 MMB. U.S. crude supplies are now 99.4 MMB higher compared to this time last year.



- Crude imports decreased from the prior week at 7.5 MMB/D, nearly 0.2 MMB/D lower compared to imports at this time last year. Domestic crude production decreased from the prior week at 9.1 MMB/D as oil companies scale back future drilling budgets. Last year at this time, production stood at about 8.6 MMB/D.
- U.S. refinery crude runs decreased from the prior week with refiners processing 16.1 MMB/D of crude. U.S. refinery capacity use was down on the week at 95.1 percent. Last year at this time, capacity use stood at 93.4 percent.
- Gasoline output decreased on the week at 9.6 MMB/D. Gasoline production at this time last year averaged nearly 9.0 MMB/D. Distillate output decreased from the prior week at 4.8 MMB/D. Last year at this time, production stood at 5.1 MMB/D.
- Total petroleum products supplied to market, a measure of consumption, over the last four-week period stood at 20.2 MMB/D, up by 4.2 percent compared to the same period last year.

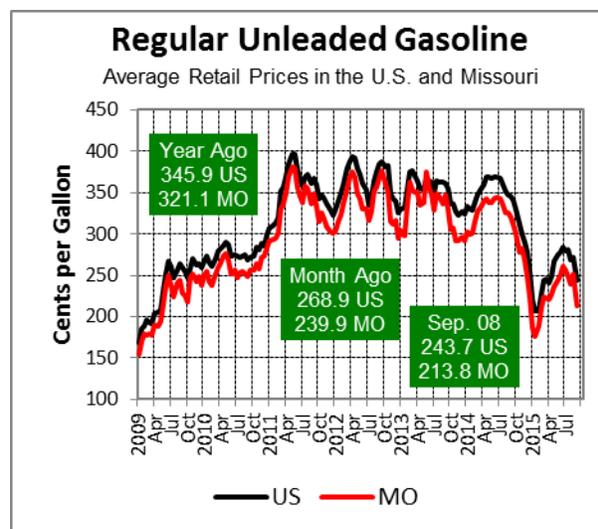
## Transportation Fuels

On September 8, Missouri's statewide average retail price for gasoline was about \$2.14 per gallon, down 26.1 cents in the past month and down 107.3 cents in the past year.

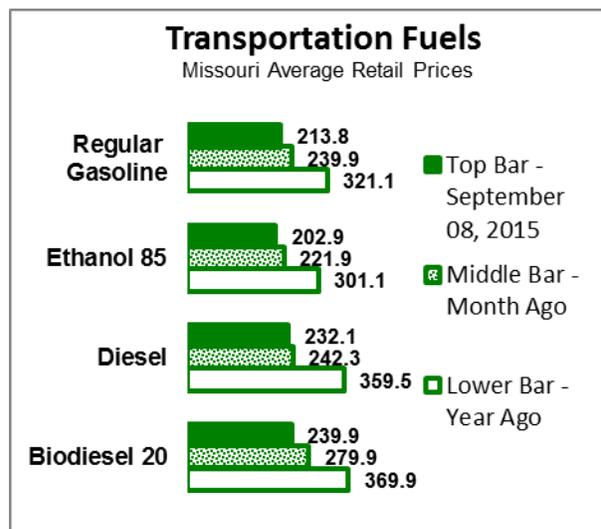
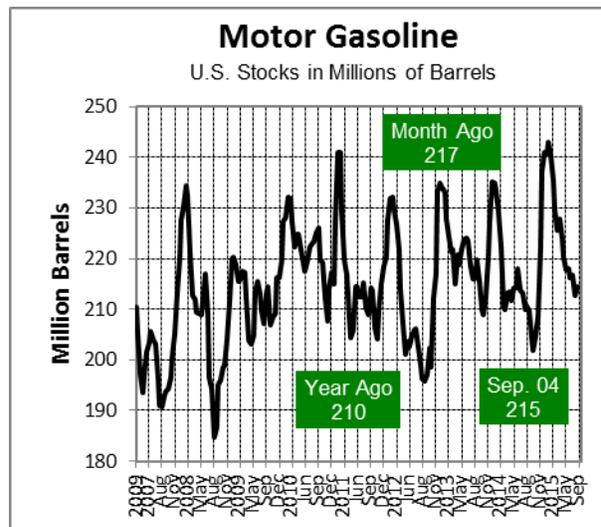
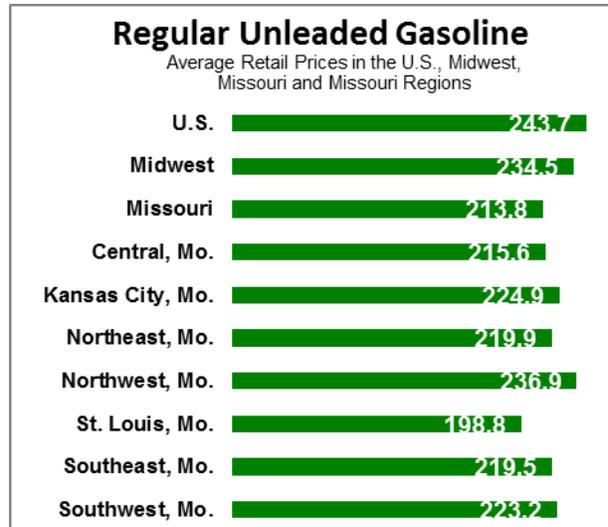
Regular Unleaded Gasoline - Retail Prices (cents per gallon)					
	<u>09-08-15</u>	<u>08-03-15</u>	<u>change</u>	<u>09-02-14</u>	<u>change</u>
US	243.7	268.9	down 9%	345.9	down 30%
Missouri	213.8	239.9	down 11%	321.1	down 33%

Diesel Fuel - Retail Prices (cents per gallon)					
	<u>09-08-15</u>	<u>08-03-15</u>	<u>change</u>	<u>09-02-14</u>	<u>change</u>
US	253.4	266.8	down 5%	381.4	down 34%
Missouri	232.1	242.3	down 4%	359.5	down 35%

- On September 8, Missouri's average retail price for gasoline was about \$2.14 per gallon, down 26.1 cents in the past month.
- Missouri's average price for diesel fuel was about \$2.32 per gallon, down 10.2 cents per gallon, or 4 percent, in the past month.
- Missouri's average retail gasoline price is 107.3 cents per gallon, or 33 percent, lower while the average retail diesel fuel price is 127.4 cents per gallon, or 35 percent, lower for the comparable period in September 2014.
- At nearly \$2.44, the U.S. average price for regular gasoline is 25.2 cents per gallon, or 9 percent, lower compared to last month.
- The U.S. average was down 102.2 cents per gallon, or 30 percent, compared to this time last year. In the past week, the U.S. average decreased by 7.3 cents per gallon.



- Gasoline imports decreased from the prior week at 0.6 MMB/D, about 0.3 MMB/D higher compared to last year at this time.
- Implied demand for gasoline decreased at 9.0 MMB/D. At this time last year, demand was 8.6 MMB/D.
- In the past four weeks, U.S. gasoline demand has averaged 9.3 MMB/D; nearly 0.4 MMB/D higher compared to the same four-week period last year.
- U.S. gasoline supplies increased 0.4 MMB on the week to 214.5 MMB. U.S. supplies are up 2.2 MMB compared to this time last year and continue to trend within the five-year average for this time of year.
- Distillate stocks increased at 150.9 MMB and stand 23.4 MMB higher compared to the same period last year.
- Distillate demand decreased on the week at nearly 3.6 MMB/D. Demand stood at 3.4 MMB/D at this time last year. On a four-week average, distillate demand was unchanged at 3.7 MMB/D.
- On September 8, Missouri's average retail price for E85 motor fuel, conventional motor fuel containing 85 percent ethanol, was about \$2.03 per gallon, 10.9 cents or 5.1 percent lower than the average price for conventional motor gasoline.
- On September 8, Missouri's average retail price for B20, diesel fuel containing 20 percent biofuel, was about \$2.40 per gallon, 7.8 cents or 3.4 percent higher than the average retail price for conventional diesel fuel.
- According to the September 9, 2015, *Short Term Energy Outlook*, regular gasoline retail prices are forecast to average \$2.41 per gallon in 2015 compared with \$3.36 per gallon in 2014. EIA projects U.S. regular gasoline retail prices to average \$2.11 per gallon in the fourth quarter of 2015.



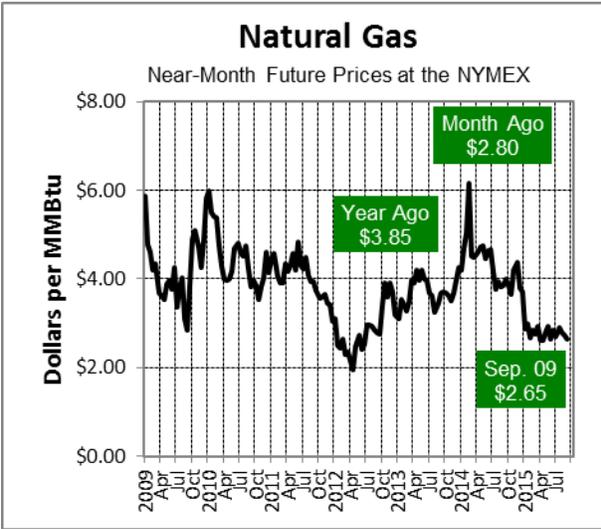
# Natural Gas

Approximately 52 percent (1,236,651) 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 9, natural gas futures at the NYMEX closed at \$2.65 per million British thermal units (MMBtu), down \$0.15, or 5 percent, in the past month.**

Natural Gas - Near Month Future Prices (dollars per MMBtu)					
	09-09-15	08-05-15	change	09-03-14	change
NYMEX	\$2.65	\$2.80	down 5%	\$3.85	down 31%

- The October NYMEX futures contract settled at \$2.65 per MMBtu on the September 9 trade day, a decrease of 6.0 cents from the prior settlement. Futures are down 15 cents in the past month.
- In the past year, natural gas values have decreased by \$1.20 per MMBtu, or 31 percent.
- For the reporting week, September 2 to September 9, the price of the October 2015 contract increased by less than half a cent per MMBtu.
- According to the EIA, U.S. consumption of natural gas decreased 0.8 percent for the week, led by a 1.9 percent decrease in natural gas used by the industrial sector. Total power burn increased by 1 percent, with power burn in the Rockies and the Southwest both decreasing by 14 percent, likely because of cooler temperatures in those regions.
- Working gas in storage totaled 3,261 billion cubic feet (Bcf), 4.1 percent above the five-year average inventory level for the week, according to EIA’s September 10, 2015 *Weekly Natural Gas Storage Report*. U.S. natural gas supplies are 473 Bcf, or 17.0 percent, higher than last year at this time.
- From the week ending April 3 (the beginning of the injection season) through the week ending September 4, net storage injections totaled 1,800 Bcf, or 155 Bcf lower than the 1,955 Bcf injected during the same 23 weeks in 2014. During these weeks for the years 2010 through 2014, net injections into storage averaged 1,483 Bcf.
- The estimated average unit value of the natural gas put into storage from April 3 to September 4 this year is \$2.76 per MMBtu, 36 percent lower than the average value of \$4.34 per MMBtu for the same 23 weeks last year. The highest winter-month NYMEX price (for the January 2016 contract) in trading for the week ending September 4 averaged \$3.01 per MMBtu. This price is 33 cents per MMBtu more than the October NYMEX contract price. A year ago, the difference was 29 cents per MMBtu



## Propane

Approximately 10 percent (227,100) 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 2015, Missouri residential retail propane prices will be reported only for the first full week of each month through September 2015.)*

**On September 8, the average Missouri retail price for residential propane was about \$1.20 per gallon, 1.0 cents lower in the past month and down 59.4 cents in the past year.**

<i>Propane - Retail Prices (cents per gallon)</i>					
	<u>09-08-15</u>	<u>08-03-15</u>	<u>change</u>	<u>09-02-14</u>	<u>change</u>
Missouri	120.1	121.1	down 1%	179.5	down 33%

- According to the Division of Energy's most recent statewide propane price survey conducted September 8, the average Missouri retail residential propane price was about \$1.20 per gallon, 1.0 cents lower in the past month and down 59.4 cents compared to last year at this time.
- According to the survey, the highest Missouri retail residential price for propane was \$1.73 per gallon. The lowest retail price was \$0.96 per gallon.
- U.S. propane stocks increased by 0.2 MMB last week to 96.6 MMB as of September 4, 2015, 20.5 MMB (27.0%) higher than a year ago. Midwest inventories decreased by 0.9 MMB to 26.4 MMB, 0.2 MMB (7.0%) higher than a year ago.
- U.S. demand for propane increased on the week to about 1.2 MMB/D as of September 4, 2015. Propane demand is currently 13.8 percent lower compared to this time last year.

**For more information on propane, please visit:**

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

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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](mailto:energy@ded.mo.gov); Web Address: <http://energy.mo.gov/energy/stay-informed/missouri-energy-bulletins>.