

# Propane situation update



*March 5, 2014 / Washington, DC*

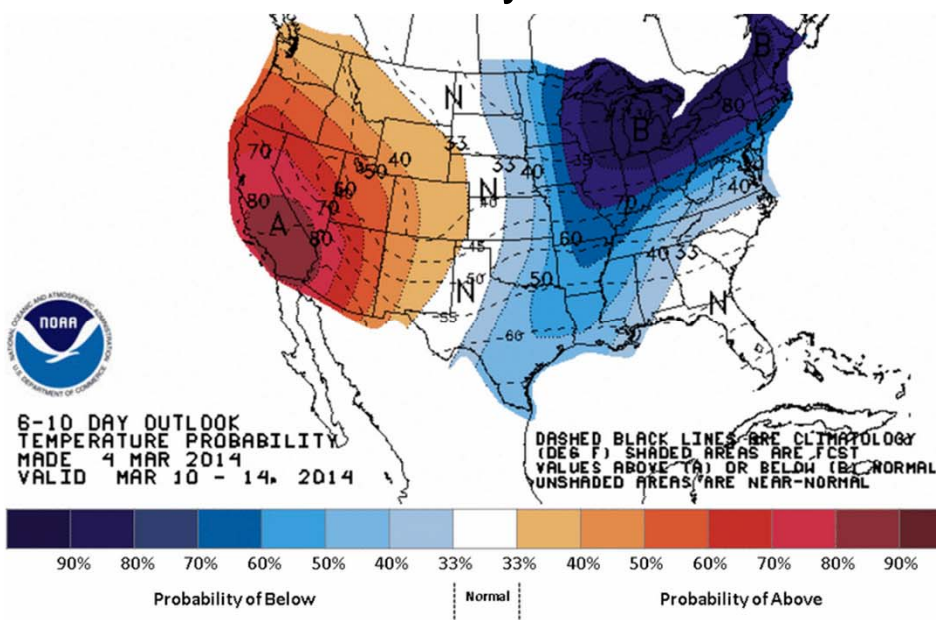
*By*

*Energy Information Administration*

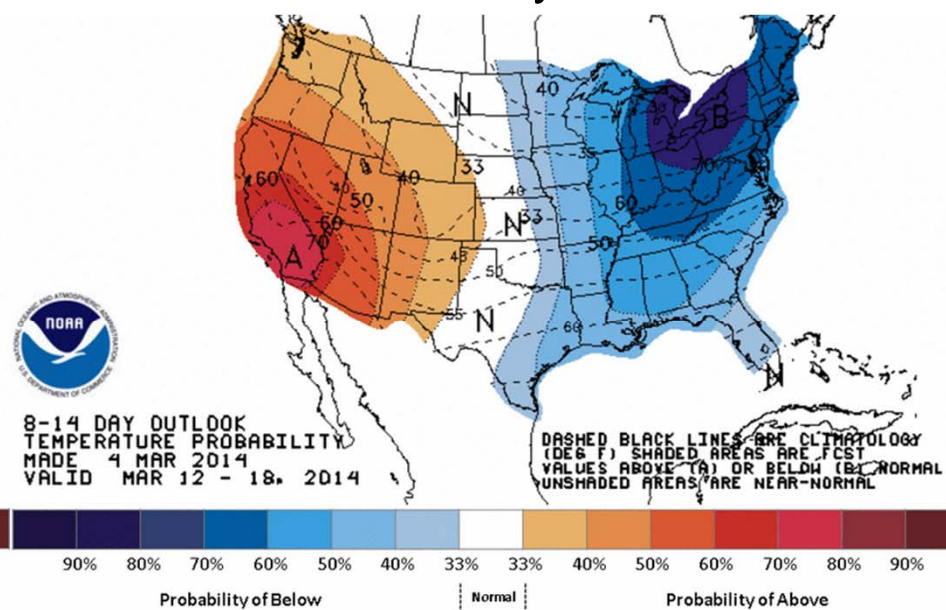


# NOAA forecast shows below normal temperatures across most of the Midwest for March 10 through March 18

## 6-10 day outlook



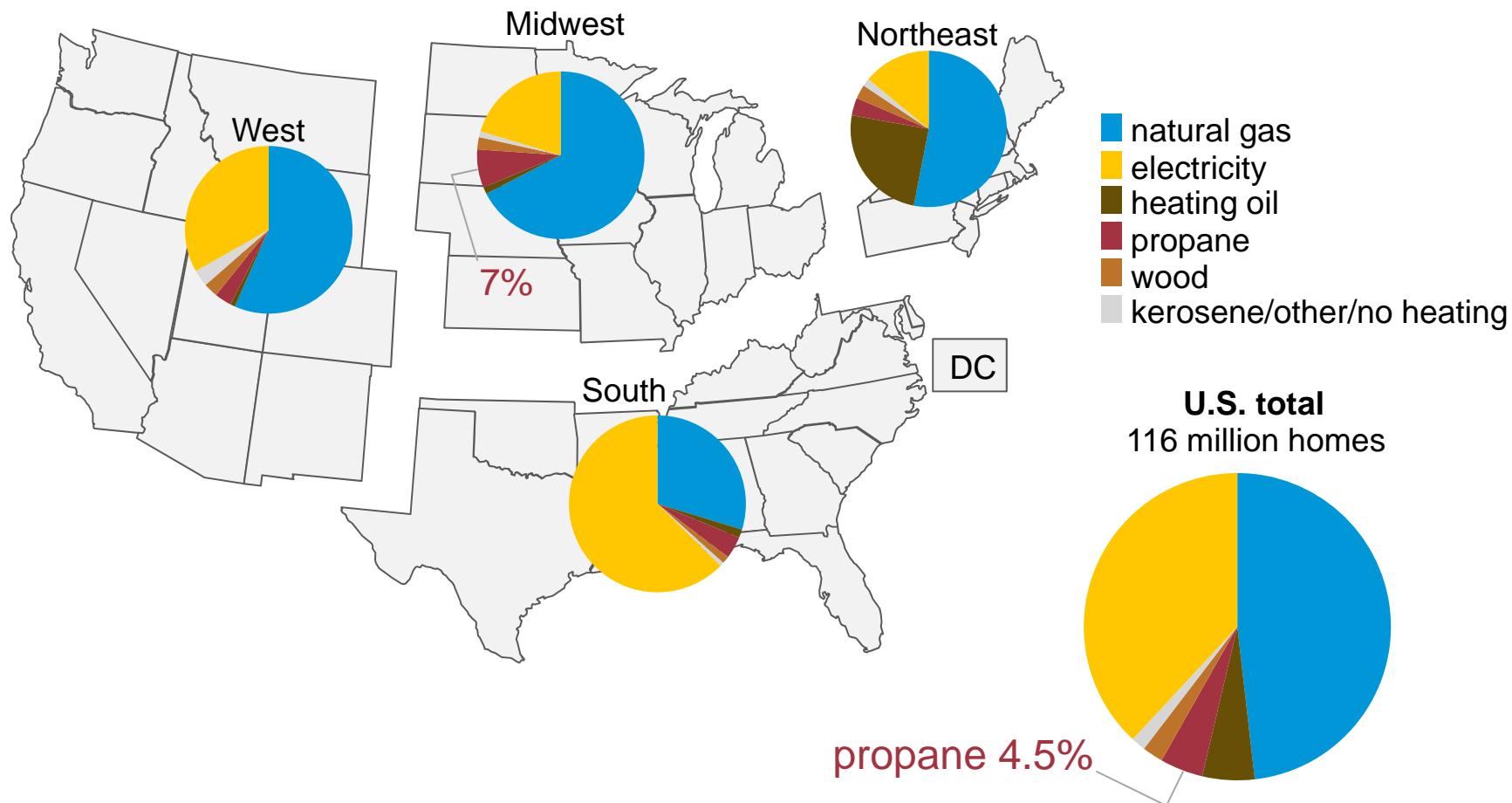
## 8-14 day outlook



Source: National Oceanic and Atmospheric Administration Climate Prediction Center, made March 4

# Natural gas and electricity are the major heating fuels for most of the United States

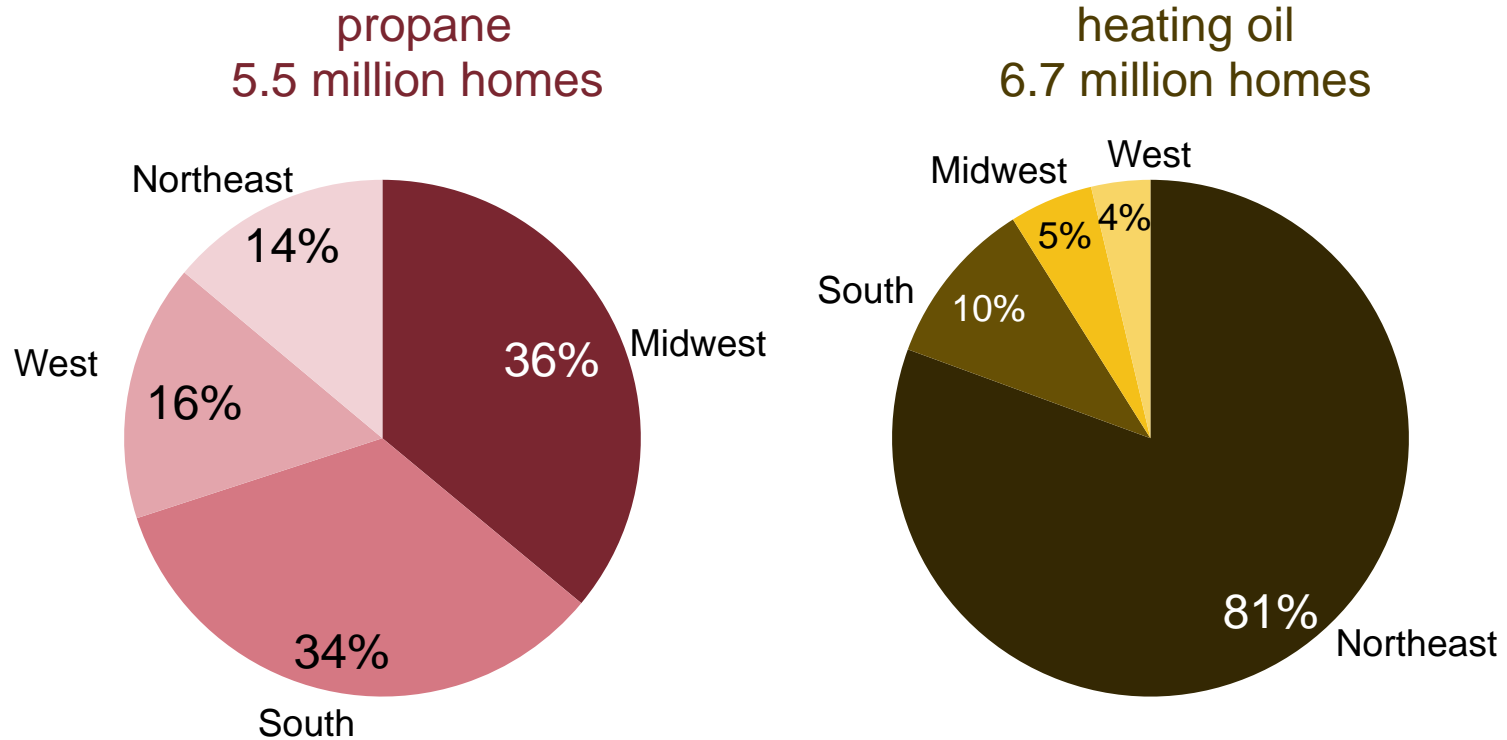
Share of homes by primary space heating fuel within each Census Region  
(fuels add to 100%)



Source: U.S. Census Bureau, 2012 American Community Survey

## Of all homes heated by propane, 36% are in the Midwest

Location of homes by primary space heating fuel across Census Regions  
(regions add to 100%)



Source: U.S. Census Bureau, 2012 American Community Survey

## Propane share of space heating demand by key regions and states

State	Propane-Heated Homes	Share of Total Homes
Michigan	320,522	8%
Wisconsin	245,071	11%
Ohio	240,185	5%
Minnesota	213,359	10%
Missouri	212,317	9%
Illinois	189,025	4%
Indiana	176,520	7%
Iowa	162,117	13%
Kentucky	113,175	7%
Tennessee	110,486	4%
Oklahoma	103,017	7%
Kansas	83,386	7%
Nebraska	57,442	8%
South Dakota	54,015	17%
North Dakota	38,617	13%
<b>Midwest Total</b>	<b>2,319,254</b>	<b>7%</b>

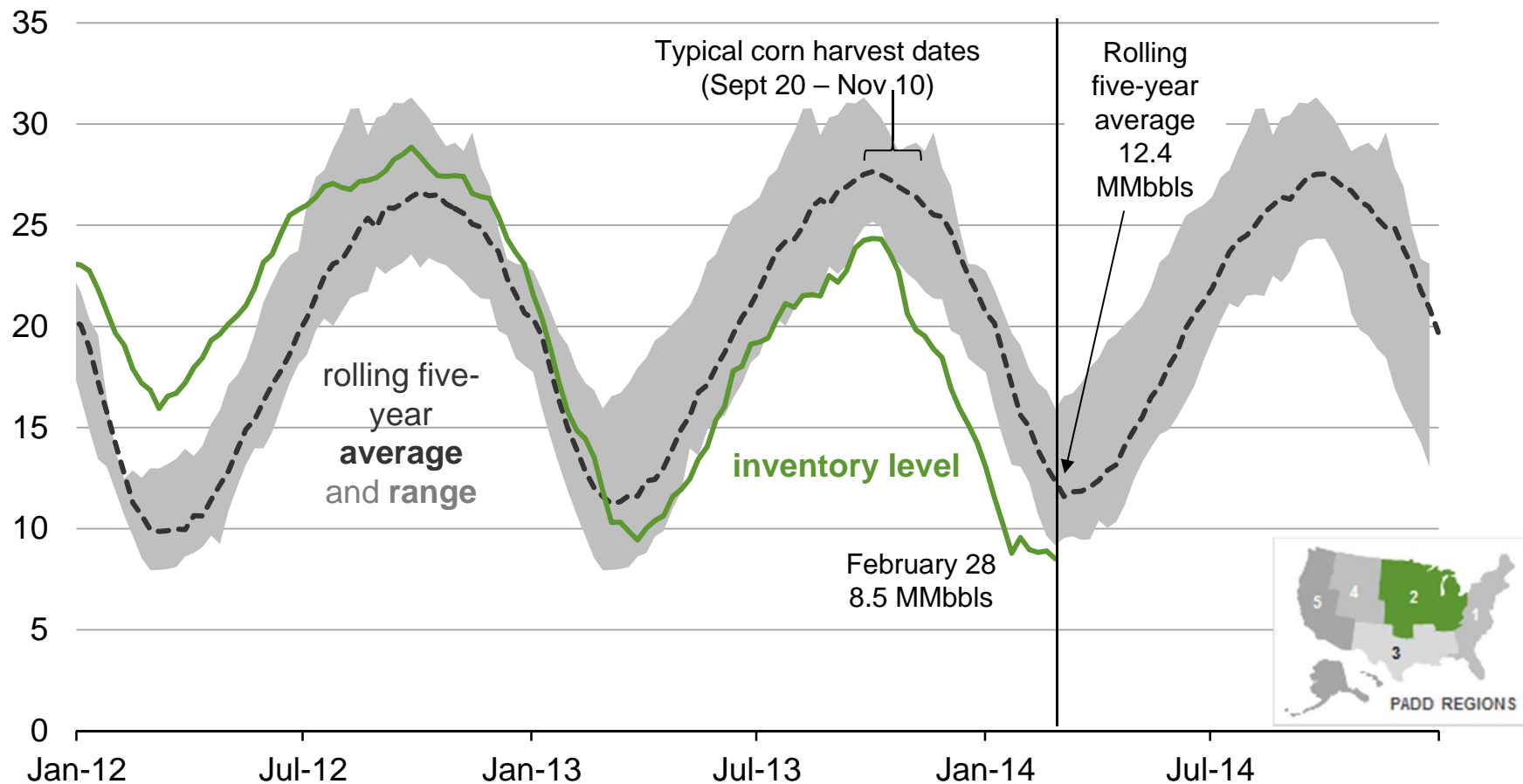
State	Propane-Heated Homes	Share of Total Homes
New York	237,738	3%
Pennsylvania	188,880	4%
New Hampshire	72,091	14%
Massachusetts	68,517	3%
New Jersey	60,990	2%
Connecticut	43,849	3%
Maine	41,477	7%
Vermont	38,497	15%
Rhode Island	10,361	3%
<b>Northeast Total</b>	<b>762,400</b>	<b>4%</b>



Source: Census Bureau, 2011

# PADD 2 (Midwest) propane inventories have trended lower on strong crop drying and extremely cold temperatures

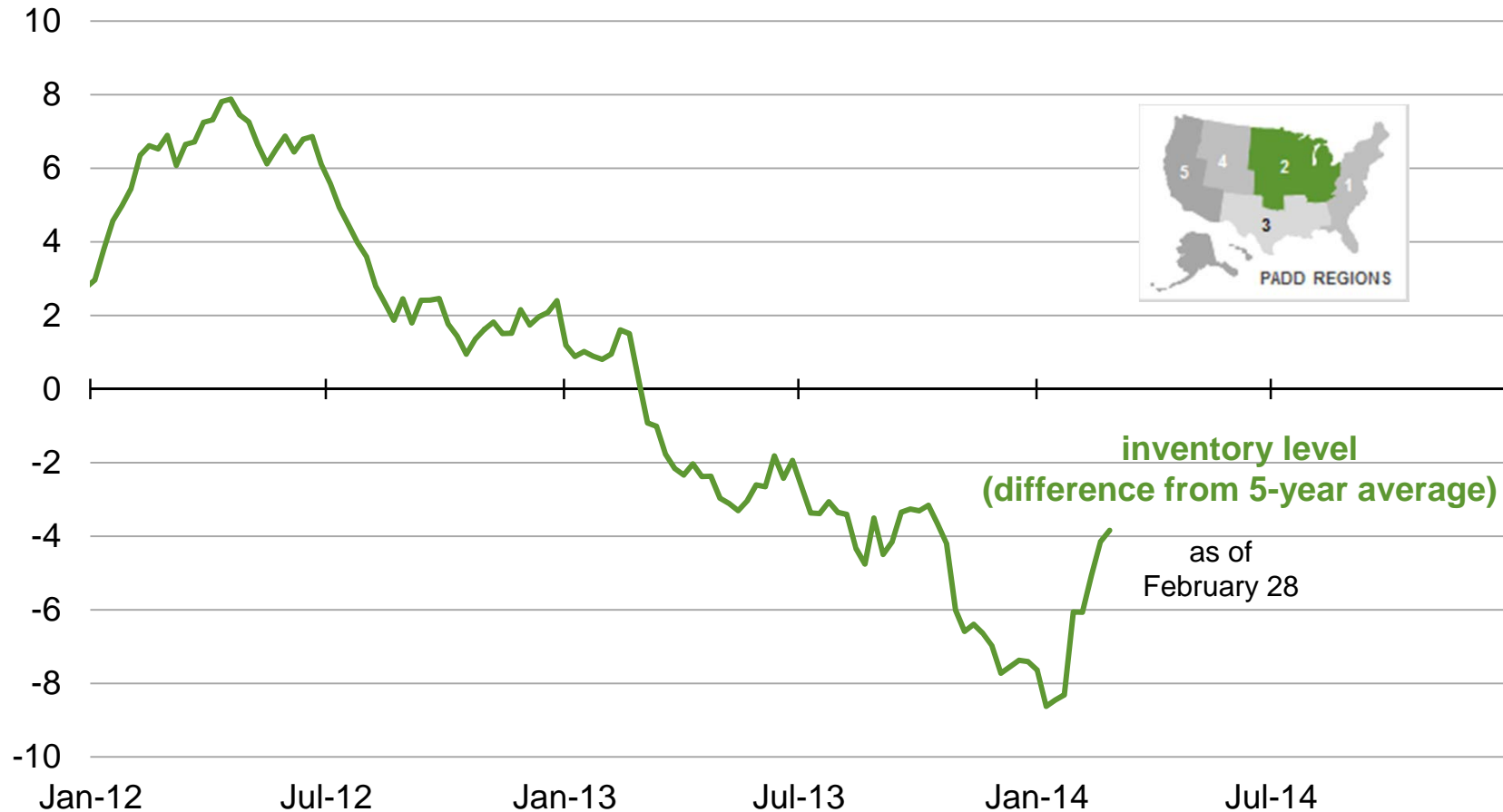
**PADD 2 propane inventories**  
million barrels



Source: EIA, Weekly Petroleum Status Report, data through February 28

# PADD 2 (Midwest) propane inventories remain below the 5-year average, but gap is narrowing

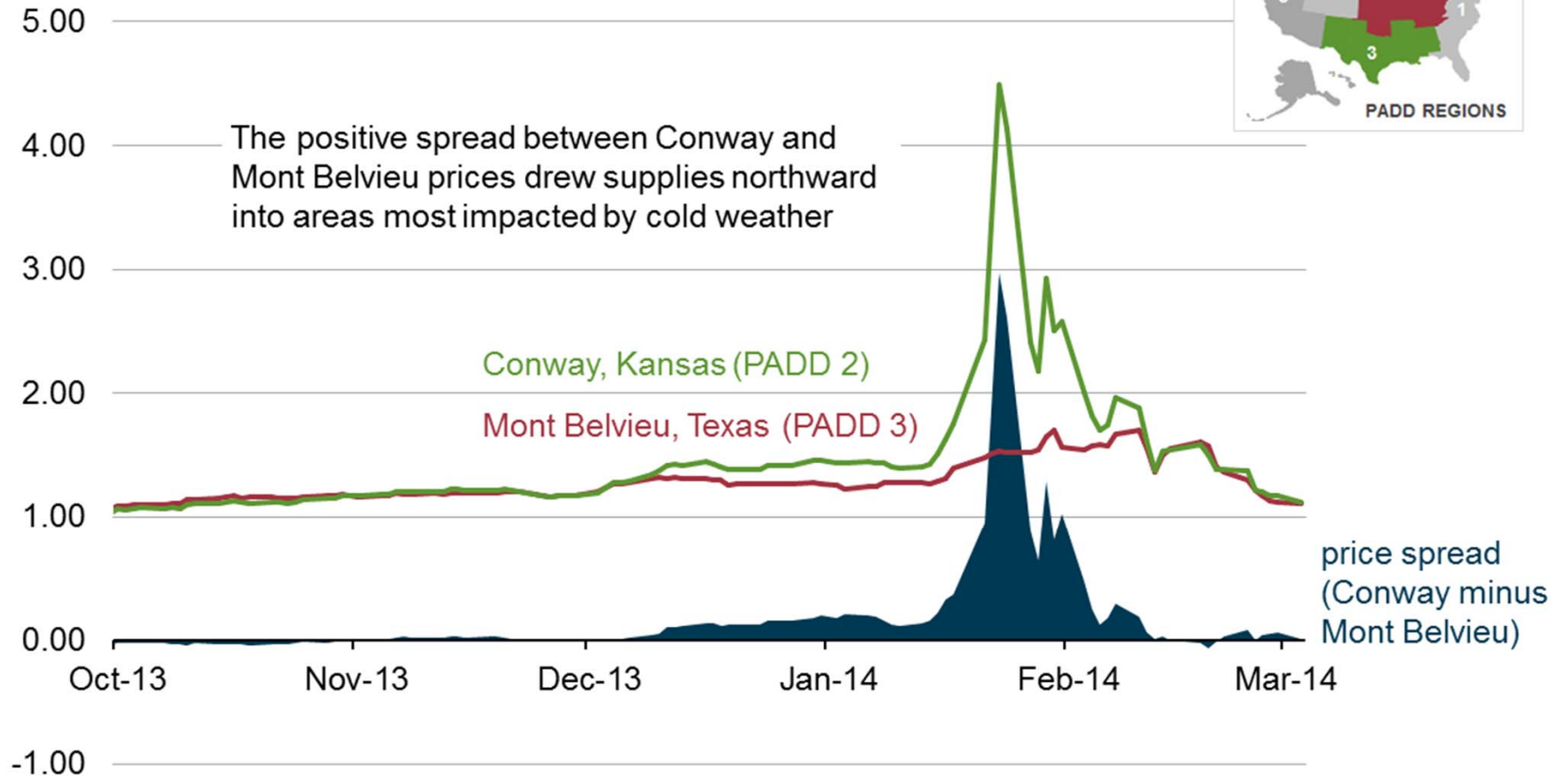
**PADD 2 propane inventories, difference from 5-year average**  
million barrels



Source: EIA, Weekly Petroleum Status Report, data through February 28

# Conway (KS) price premium over Mt. Belvieu (TX) grew rapidly in late January, but has since narrowed

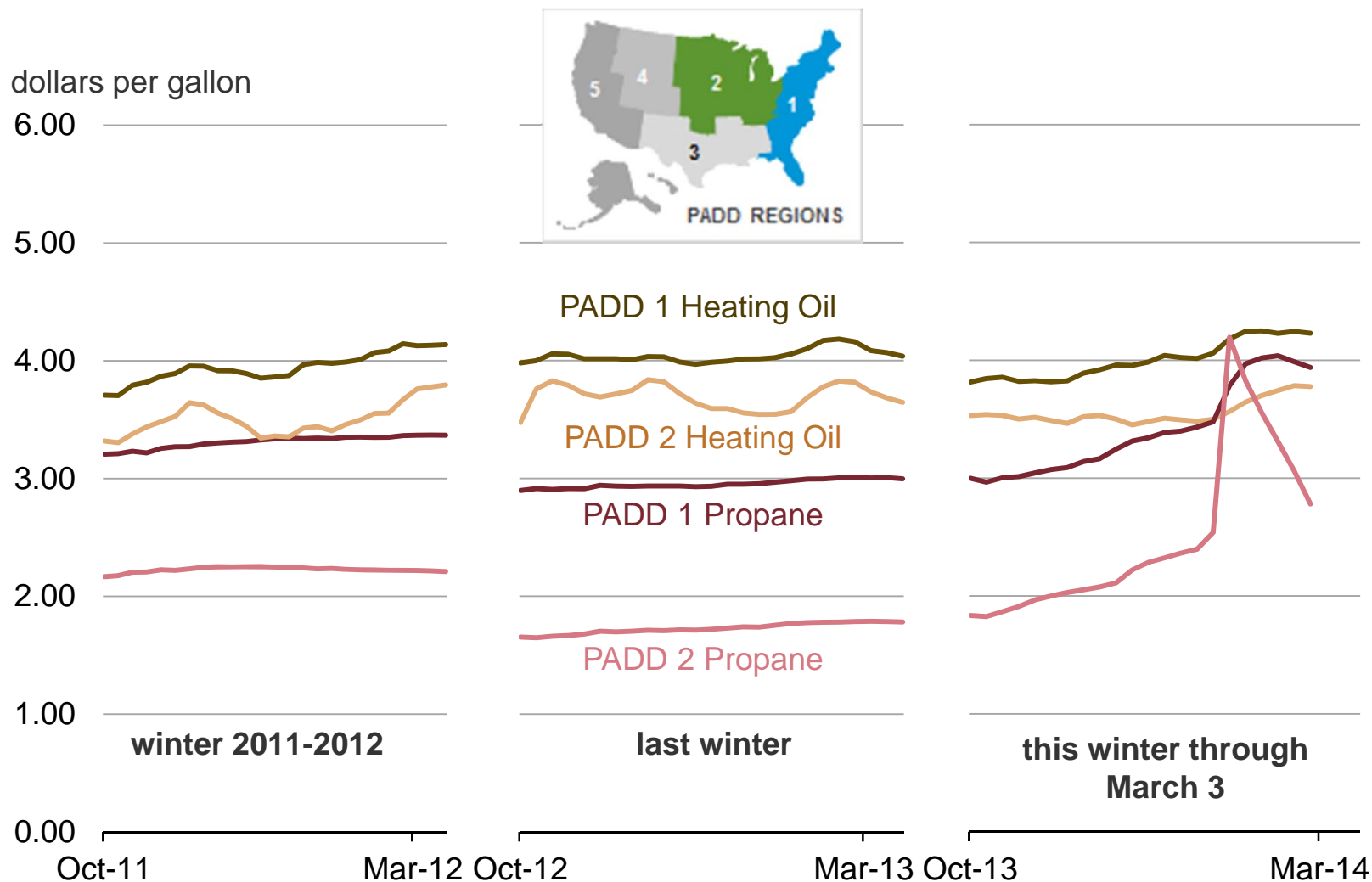
propane and propylene spot prices  
dollars per gallon



Source: U.S. Energy Information Administration, Thomson Reuters, data through March 3



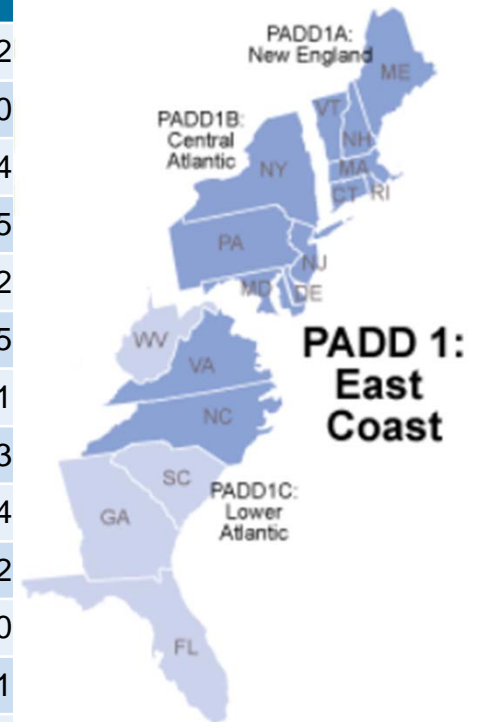
# Retail propane prices in the Midwest, which rose sharply in late January, have moved lower



Source: State Heating Oil and Propane Program, data through March 3

## State-reported residential retail prices for states in the East Coast

	1/20/14	1/27/14	2/3/14	2/10/14	2/17/14	2/24/14	3/3/14
<b>Residential retail propane price (dollars per gallon, excluding taxes)</b>							
<b>Connecticut</b>	3.528	3.653	3.792	3.918	3.870	3.902	3.902
<b>Delaware</b>	3.422	3.734	3.823	3.790	3.927	3.911	3.910
<b>Maine</b>	3.302	3.469	3.558	3.607	3.669	3.637	3.624
<b>Maryland</b>	3.603	3.865	3.956	4.055	4.134	4.144	4.125
<b>Massachusetts</b>	3.552	3.695	3.816	3.794	3.925	3.974	3.992
<b>New Hampshire</b>	3.539	3.672	3.706	3.728	3.835	3.827	3.835
<b>New Jersey</b>	3.984	4.235	4.451	4.433	4.460	4.436	4.431
<b>New York</b>	3.525	3.797	3.961	4.004	4.042	4.060	4.053
<b>North Carolina</b>	3.221	3.711	4.067	4.153	3.995	3.779	3.614
<b>Pennsylvania</b>	3.415	3.755	3.904	3.991	4.032	4.010	3.962
<b>Rhode Island</b>	4.037	4.207	4.399	4.456	4.538	4.615	4.660
<b>Vermont</b>	3.798	4.037	4.210	4.134	4.362	4.361	4.351
<b>Virginia</b>	3.378	3.753	4.039	4.069	4.066	3.915	3.818



Note: Florida, Georgia, South Carolina, West Virginia, and the District of Columbia do not report information

Source: EIA, State Heating Oil and Propane Program, data through March 3

<http://www.eia.gov/petroleum/heatingoilpropane/>

## State-reported residential retail prices for states in the Midwest

	1/20/14	1/27/14	2/3/14	2/10/14	2/17/14	2/24/14	3/3/14
<b>Residential retail propane price (dollars per gallon, excluding taxes)</b>							
Indiana	2.939	4.215	4.265	4.043	3.753	3.472	3.248
Iowa	2.584	4.709	3.590	3.220	2.811	2.591	2.149
Kentucky	2.577	3.785	3.852	3.677	3.584	3.417	2.942
Michigan	2.638	3.611	3.766	3.620	3.692	3.359	3.247
Minnesota	2.439	4.610	3.967	3.471	3.264	2.985	2.658
Missouri	2.433	3.997	3.672	3.484	3.131	2.960	2.657
Nebraska	2.005	4.073	3.357	2.995	2.601	2.393	2.048
North Dakota	2.322	4.569	3.839	3.283	2.905	2.651	2.333
Ohio	2.999	3.731	3.908	3.755	3.733	3.615	3.489
South Dakota	2.088	4.107	3.664	3.408	3.019	2.797	2.751
Wisconsin	2.276	4.490	3.945	3.686	3.344	2.967	2.650

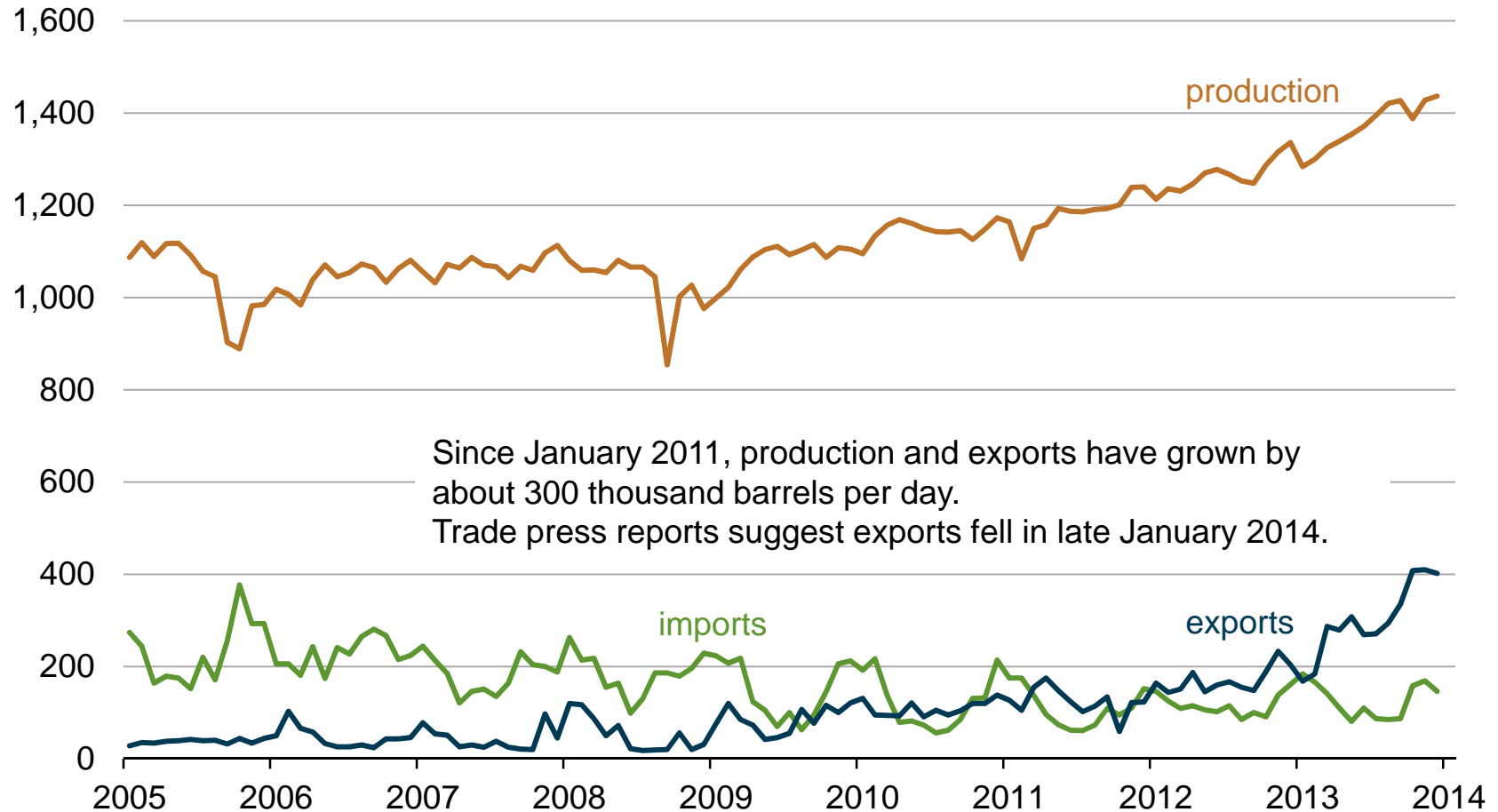


Note: Illinois, Kansas, Oklahoma, and Tennessee do not report information  
 Source: EIA, State Heating Oil and Propane Program, data through March 3  
<http://www.eia.gov/petroleum/heatingoilpropane/>

# U.S. propane production and trade trends

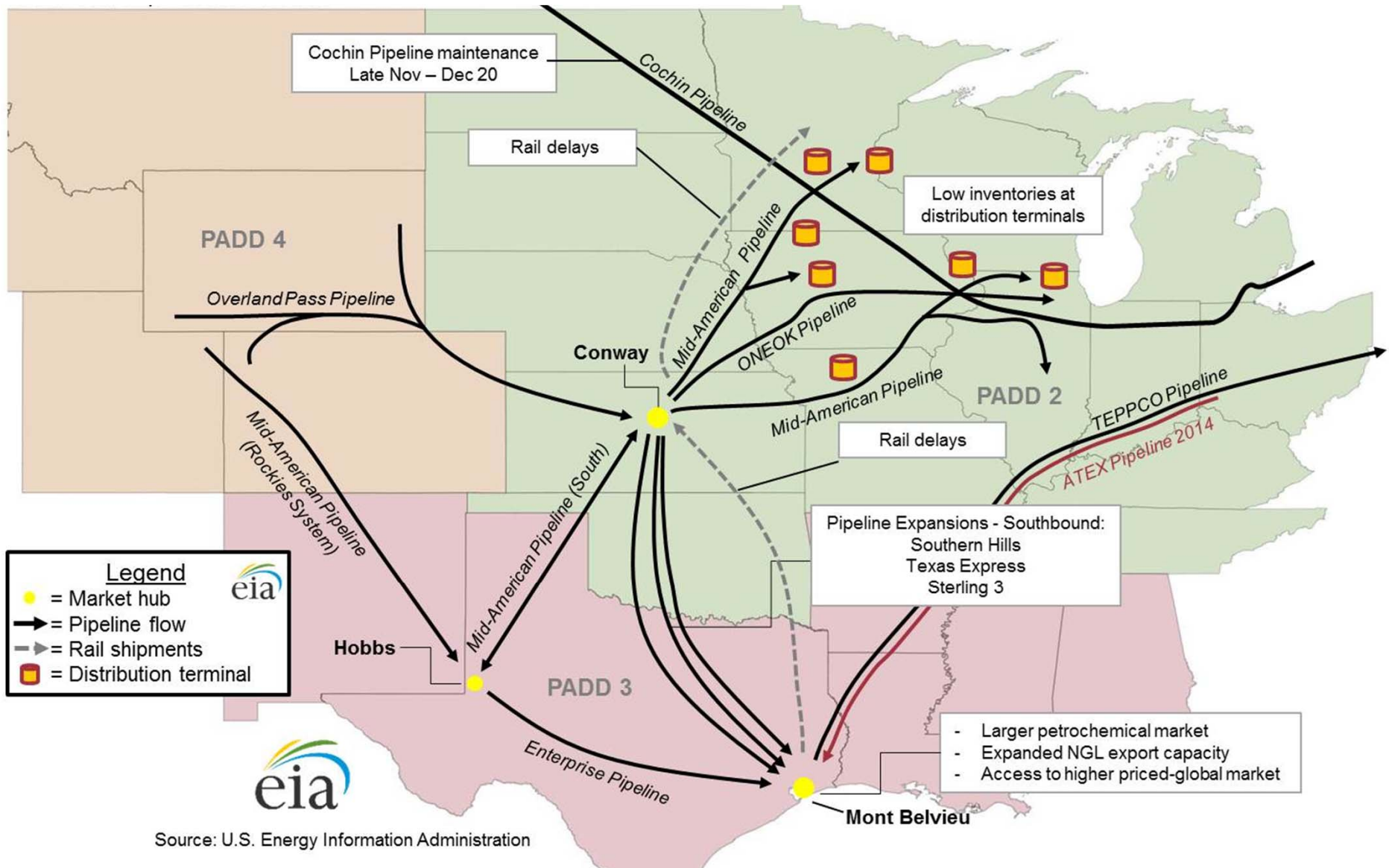
## U.S. propane and propylene production, imports, and exports

thousand barrels per day



Source: EIA, Petroleum Supply Monthly through December 2013

# Winter 2013 propane supply diagram



Source: U.S. Energy Information Administration

## For more information

U.S. Energy Information Administration home page | [www.eia.gov](http://www.eia.gov)

Short-Term Energy Outlook | [www.eia.gov/steo](http://www.eia.gov/steo)

Annual Energy Outlook | [www.eia.gov/aeo](http://www.eia.gov/aeo)

International Energy Outlook | [www.eia.gov/ieo](http://www.eia.gov/ieo)

Monthly Energy Review | [www.eia.gov/mer](http://www.eia.gov/mer)

Today in Energy | [www.eia.gov/todayinenergy](http://www.eia.gov/todayinenergy)

State Energy Portal | [www.eia.gov/state](http://www.eia.gov/state)

Drilling Productivity Report | [www.eia.gov/petroleum/drilling](http://www.eia.gov/petroleum/drilling)