

2023/24 Winter Propane Market Update



November 29, 2023 | Washington, DC

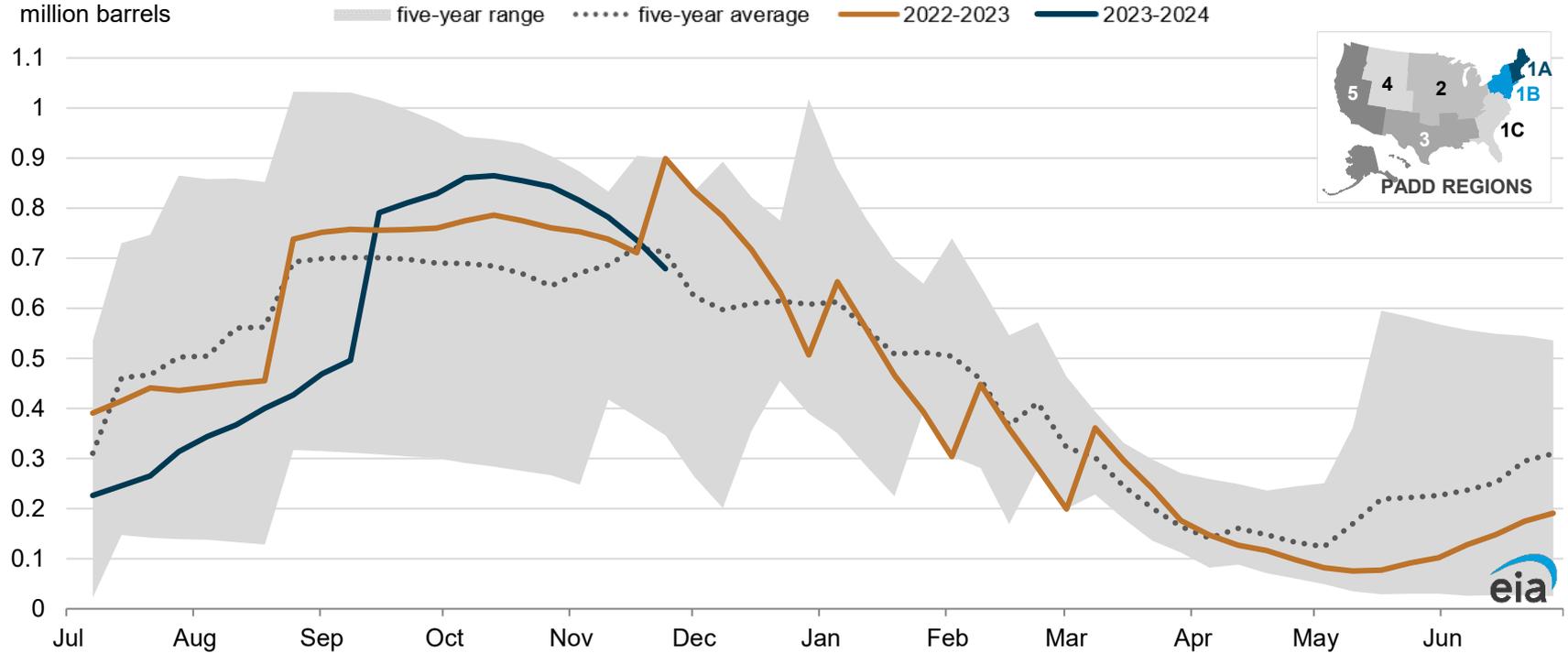
(Inventory data as of 11/24/23; residential heating fuel prices as of 11/27/23)

By

U.S. Energy Information Administration

PADD 1A (New England) propane inventories below the 5-year average

PADD 1A propane inventories
million barrels

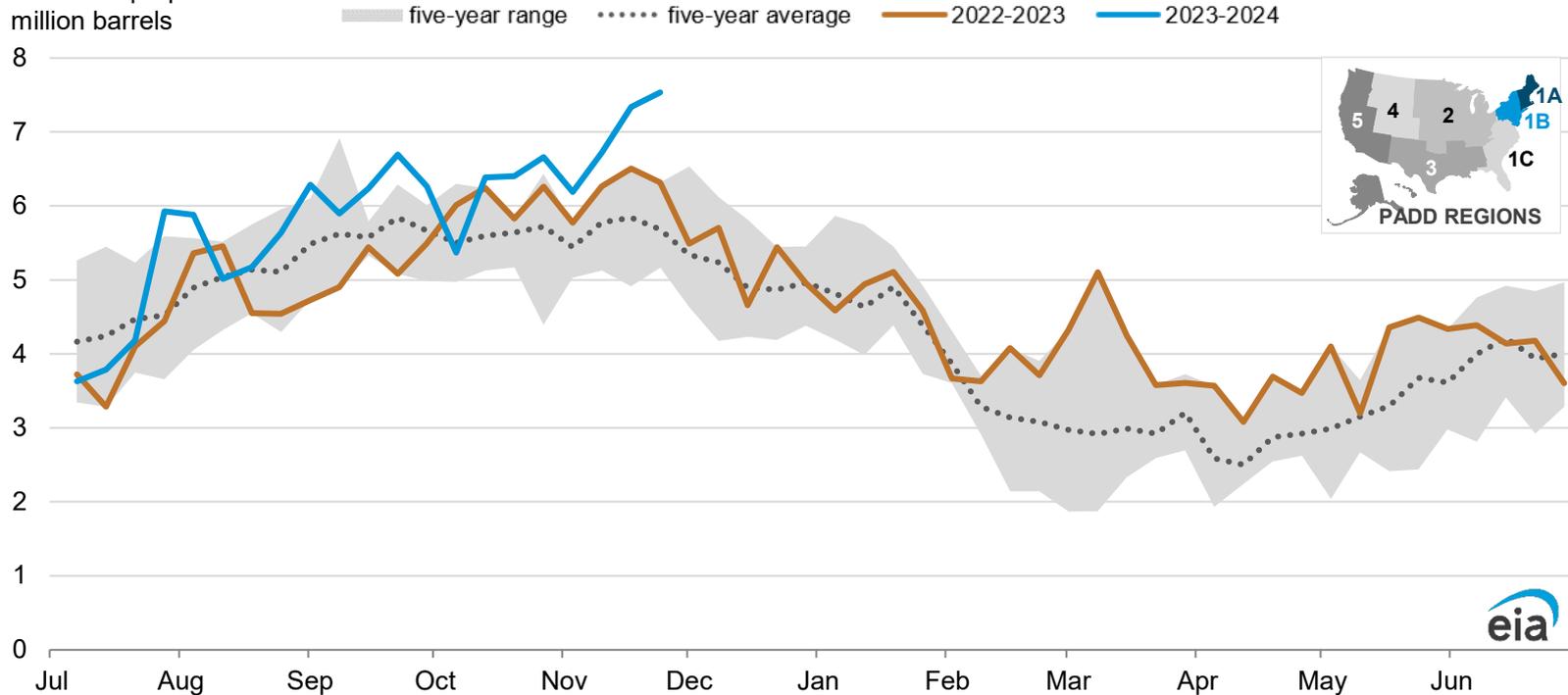


Data source: EIA, *Weekly Petroleum Status Report*, November 29, 2023. Data through November 24, 2023.

Note: PADD 1A is composed of Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont.

PADD 1B (Mid-Atlantic) propane inventories above the 5-year range

PADD 1B propane inventories
million barrels

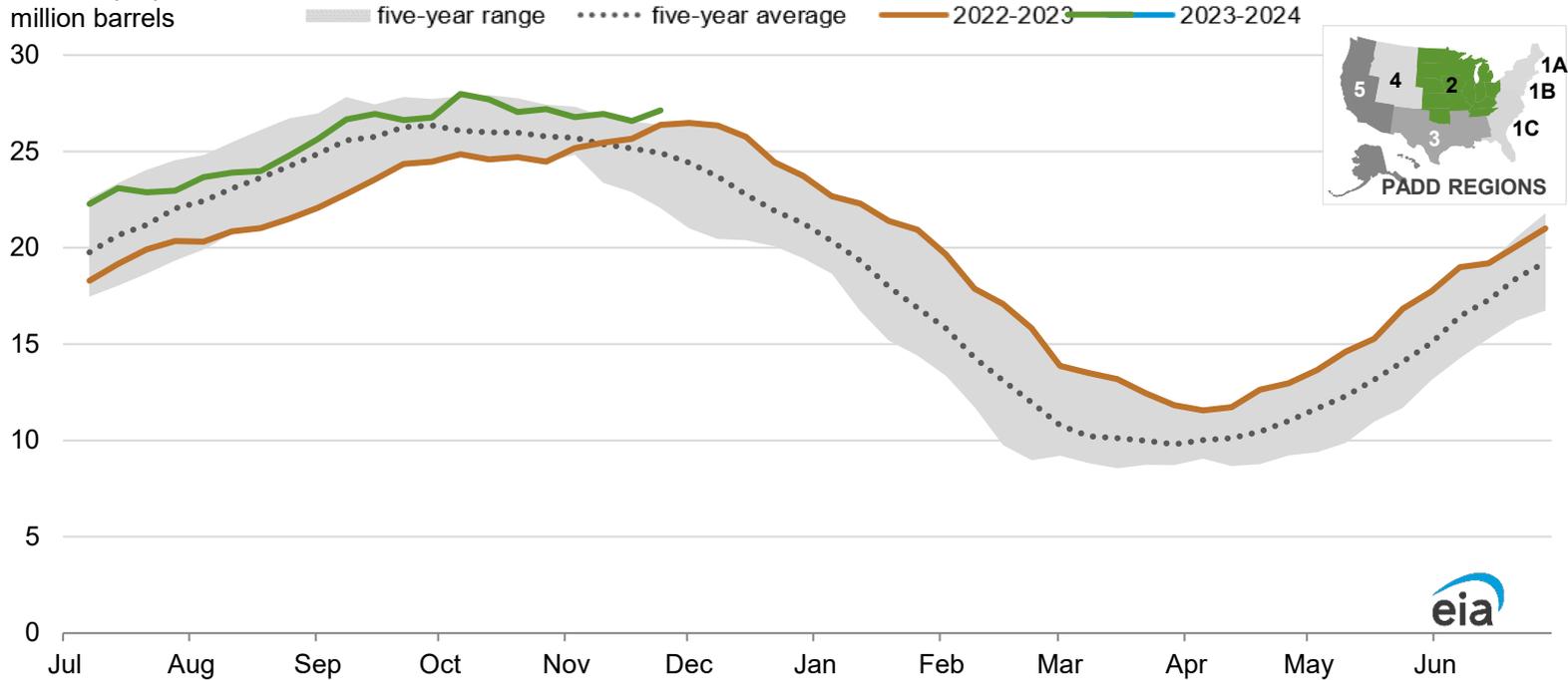


Data source: EIA, *Weekly Petroleum Status Report*, November 29, 2023. Data through November 24, 2023.

Note: PADD 1A is composed of Delaware, District of Columbia, Maryland, New Jersey, New York, and Pennsylvania.

PADD 2 (Midwest) propane inventories above the 5-year range

PADD 2 propane inventories
million barrels

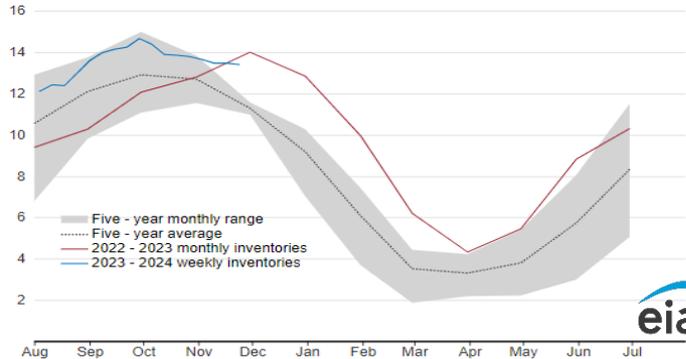


Data source: EIA, *Weekly Petroleum Status Report*, November 29, 2023. Data through November 24, 2023.

Note: PADD 2 is composed of Illinois, Indiana, Iowa, Kansas, Kentucky, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio Oklahoma, South Dakota, Tennessee, and Wisconsin.

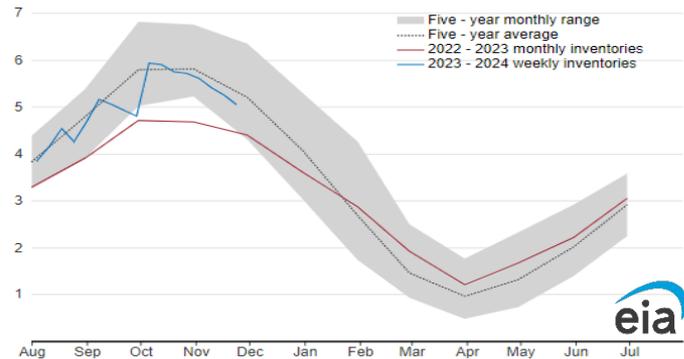
Selected state propane* inventories

Kansas propane/propylene stock at refineries, terminals, and natural gas plants (not pipelines)
million barrels



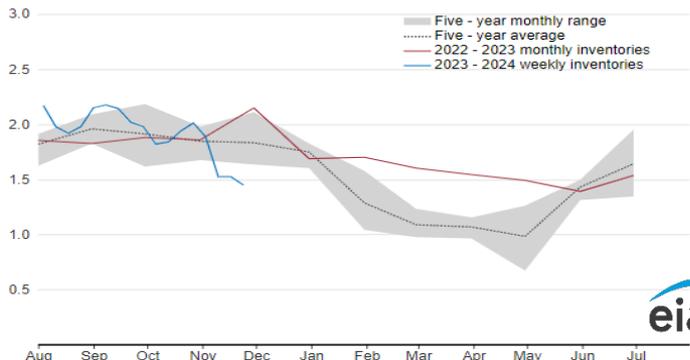
Source: U.S. Energy Information Administration, *Petroleum Supply Monthly and Weekly Petroleum Status Report*

Michigan propane/propylene stock at refineries, terminals, and natural gas plants (not pipelines)
million barrels



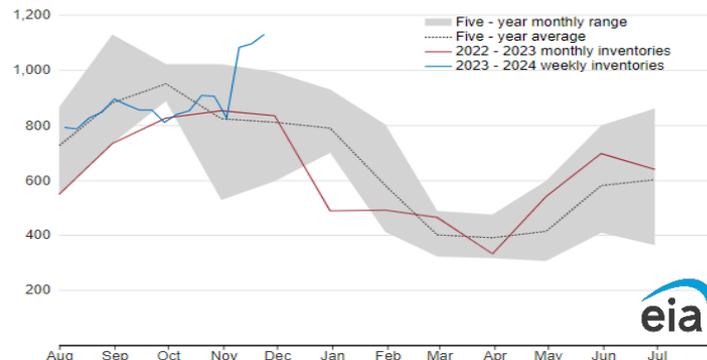
Source: U.S. Energy Information Administration, *Petroleum Supply Monthly and Weekly Petroleum Status Report*

Illinois, Indiana, Ohio propane/propylene stock at refineries, terminals, and natural gas plants (not pipelines)
million barrels



Source: U.S. Energy Information Administration, *Petroleum Supply Monthly and Weekly Petroleum Status Report*

Iowa, Minnesota, Wisconsin propane/propylene stock at refineries, terminals, and natural gas plants (not pipelines)
thousand barrels



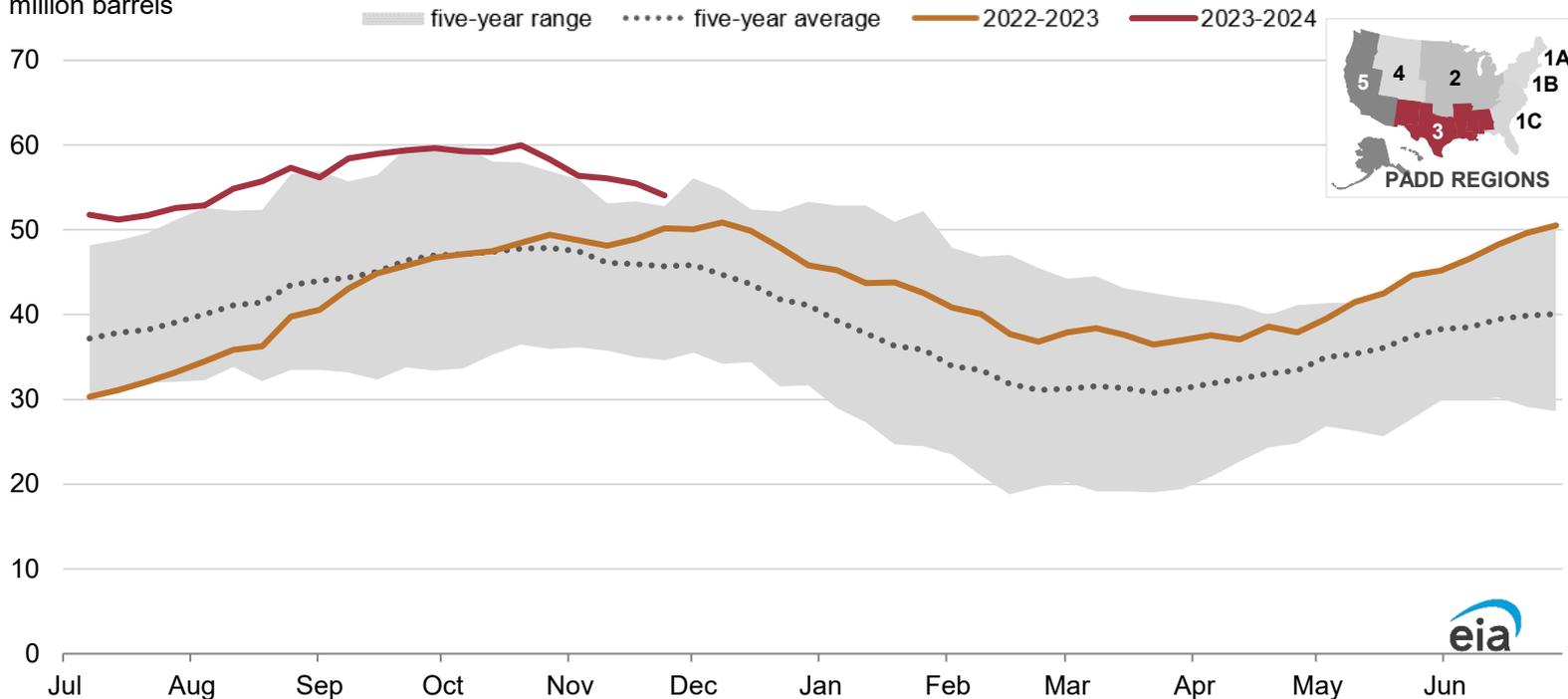
Source: U.S. Energy Information Administration, *Petroleum Supply Monthly and Weekly Petroleum Status Report*

Data Source: EIA, *Weekly Petroleum Status Report*, data through November 24, 2023

*propane/propylene for fuel use only

PADD 3 (Gulf Coast) propane inventories above the 5-year range

PADD 3 propane inventories
million barrels

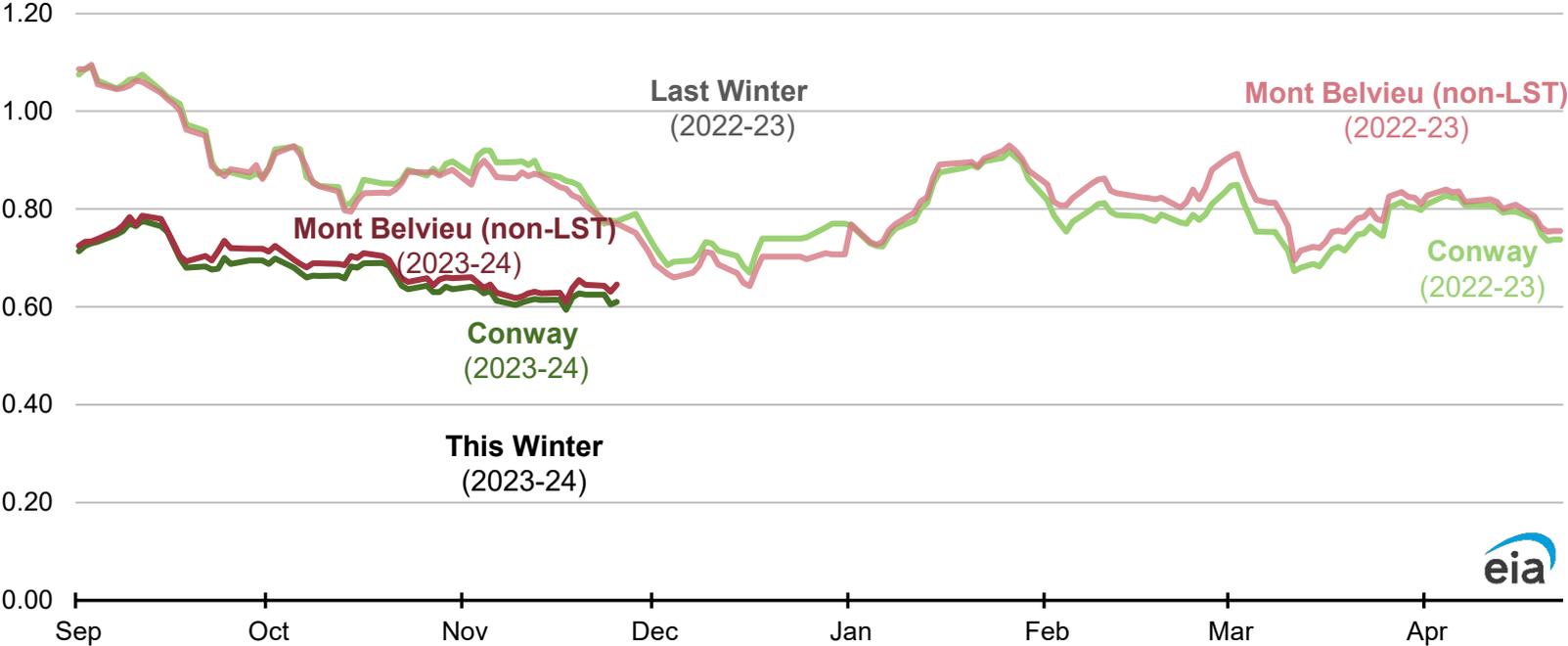


Data source: EIA, *Weekly Petroleum Status Report*, November 29, 2023. Data through November 24, 2023.

Note: PADD 3 is composed of Alabama, Arkansas, Louisiana, Mississippi, New Mexico, and Texas.

Mt. Belvieu, TX to Conway, KS propane spot prices moving together; Mt. Belvieu at ~3¢/gal premium

Propane spot prices (Conway, KS and Mont Belvieu, TX)
dollars per gallon



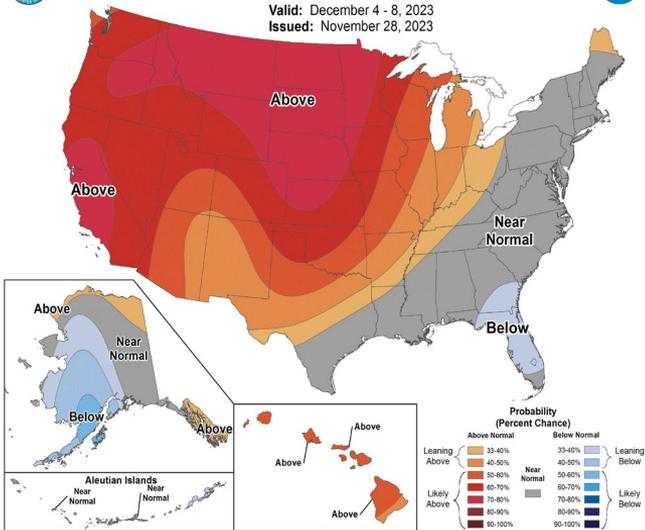
Data source: Bloomberg L.P., data through November 28, 2023

NOAA's projected temperatures:

November 27 – Dec. 1, 2023, and November 29 – Dec. 5, 2023

6-10 Day Temperature Outlook

Valid: December 4 - 8, 2023
Issued: November 28, 2023



A = temperatures above normal

N = equal chance that temperatures are above normal, normal, or below normal

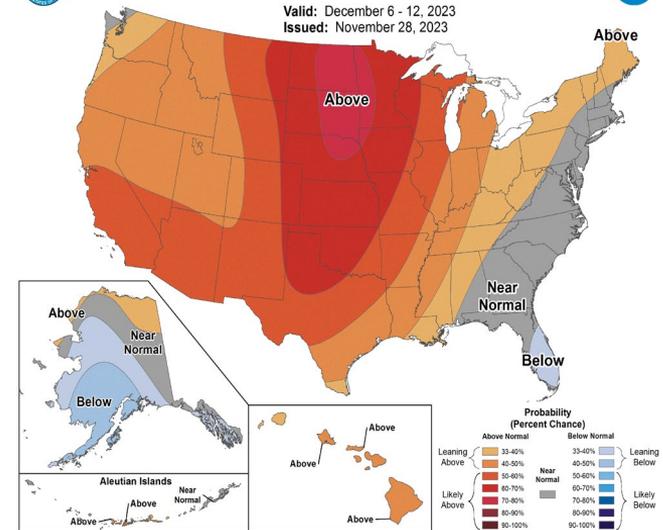
B = temperatures below normal

Data source: [NOAA](#), Nov. 28, 2023



8-14 Day Temperature Outlook

Valid: December 6 - 12, 2023
Issued: November 28, 2023



Petroleum Administration for Defense Districts (PADDs)

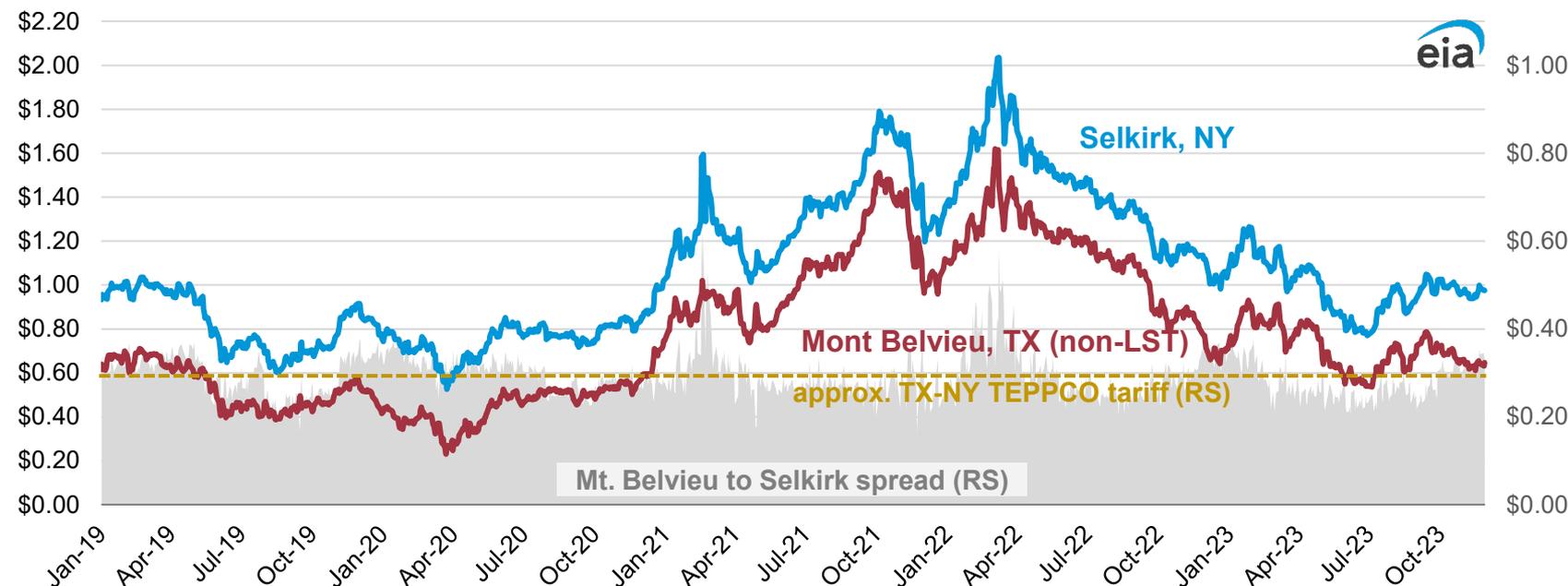


- NOAA forecasts an end to below-normal temperatures this coming week, as above-normal temperatures first envelop the western Lower-48 states, then shift further east across the Mississippi river. Below-normal temperatures are forecasted to persist in Alaska, and in the Lower-48 only in Florida.
- The warmer-than-normal weather forecast for PADDs 2, 4, and 5, and later in the forecast all of PADD 3 and most of PADD 1, is likely to result in below-normal consumption of heating fuels across much of the country over the coming week relative to normal for this time of year.

Northeast propane prices, generally dictated by tariff on TEPPCO* pipeline, remain high enough to pull product from the Gulf Coast

propane spot prices
dollars per gallon

propane price spread
dollars per gallon

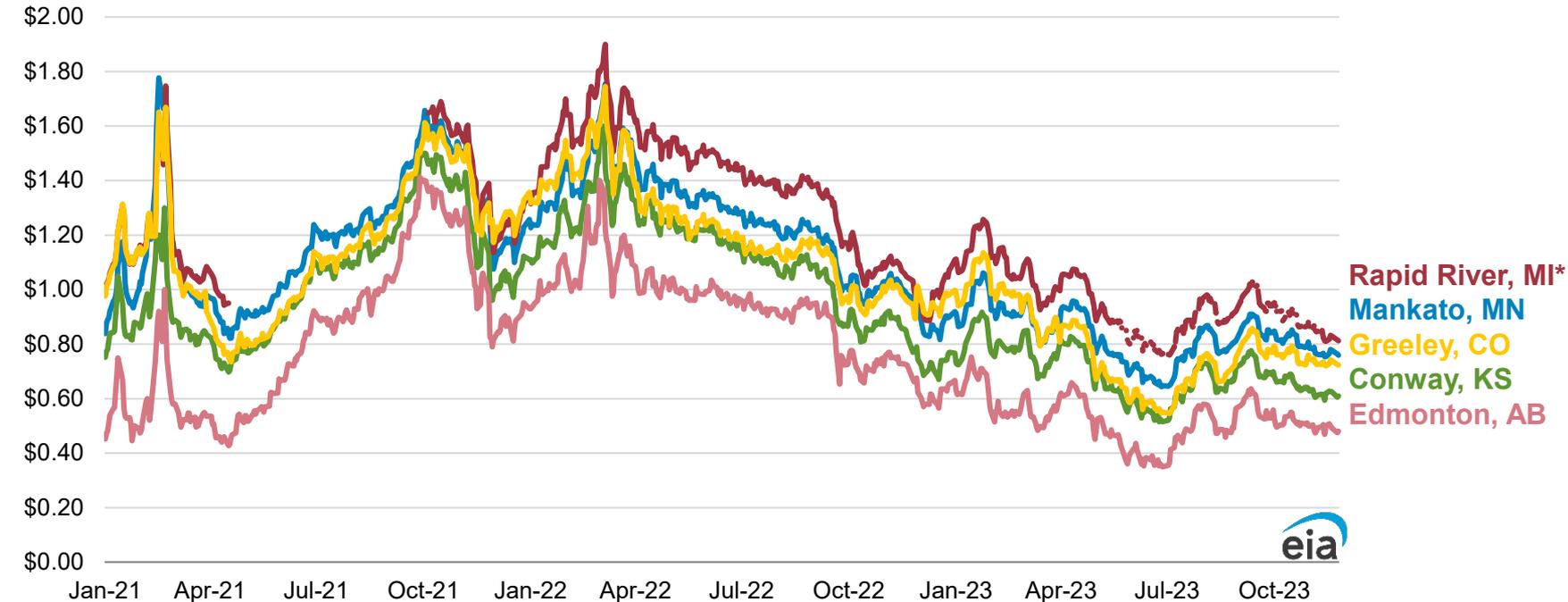


TEPPCO = Enterprise TE Products Pipeline Company LLC

Data source: Bloomberg L.P., data through November 28, 2023; Enterprise Products Partners L.P., [Effective Tariffs](#), FERC No. 54.69.0

Prices at major Midwest market centers closely correlated with Conway, lower this week compared to last week

propane spot prices
dollars per gallon



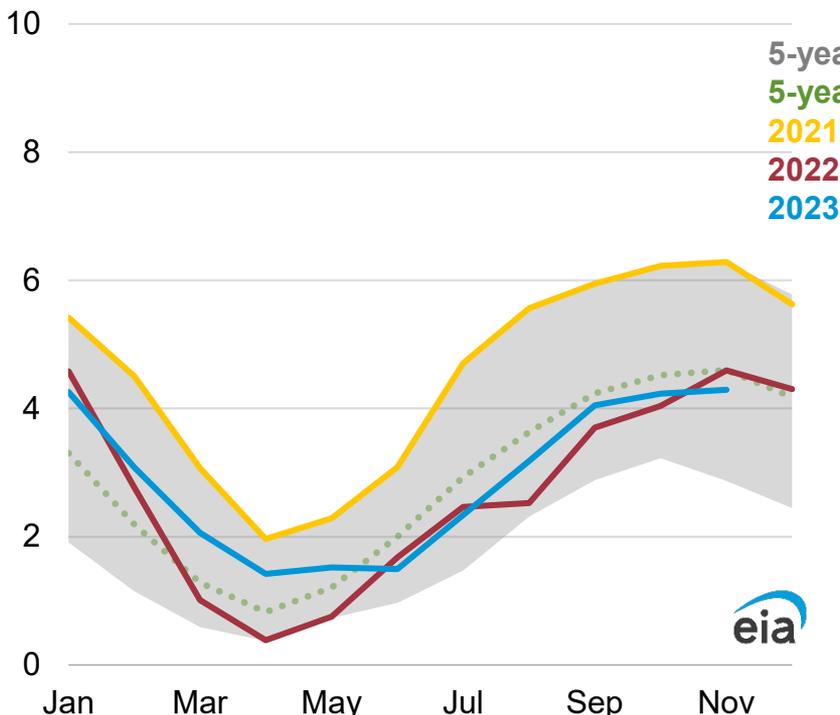
Data source: Bloomberg L.P., data through November 28, 2023

*Rapid River, MI rack prices not consistently available during summer months

November 1 inventories in Eastern Canada were just below the 5-year average; in Western Canada they were just above the 5-year average

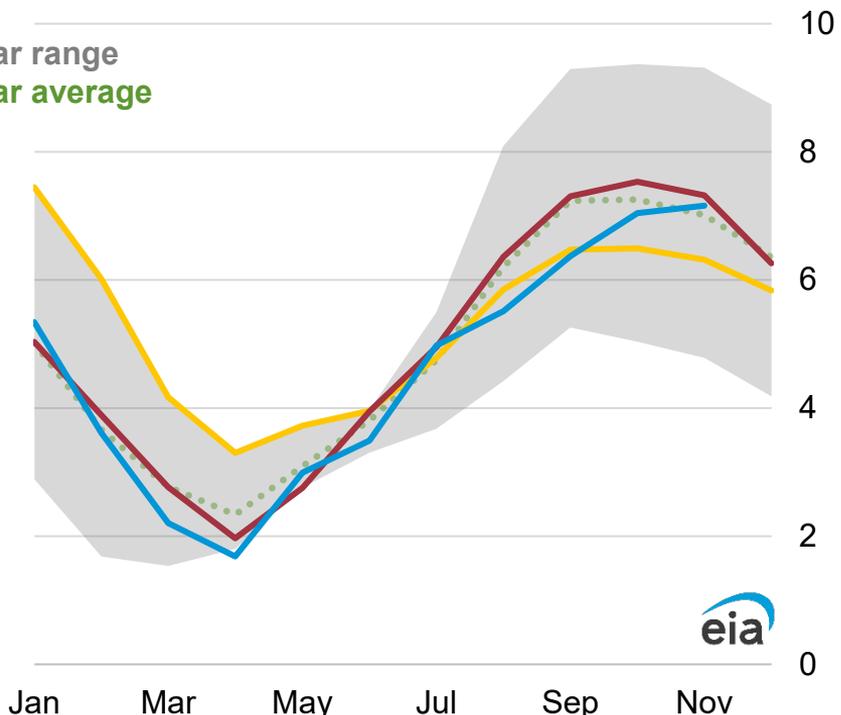
propane inventories in Eastern Canada

million barrels



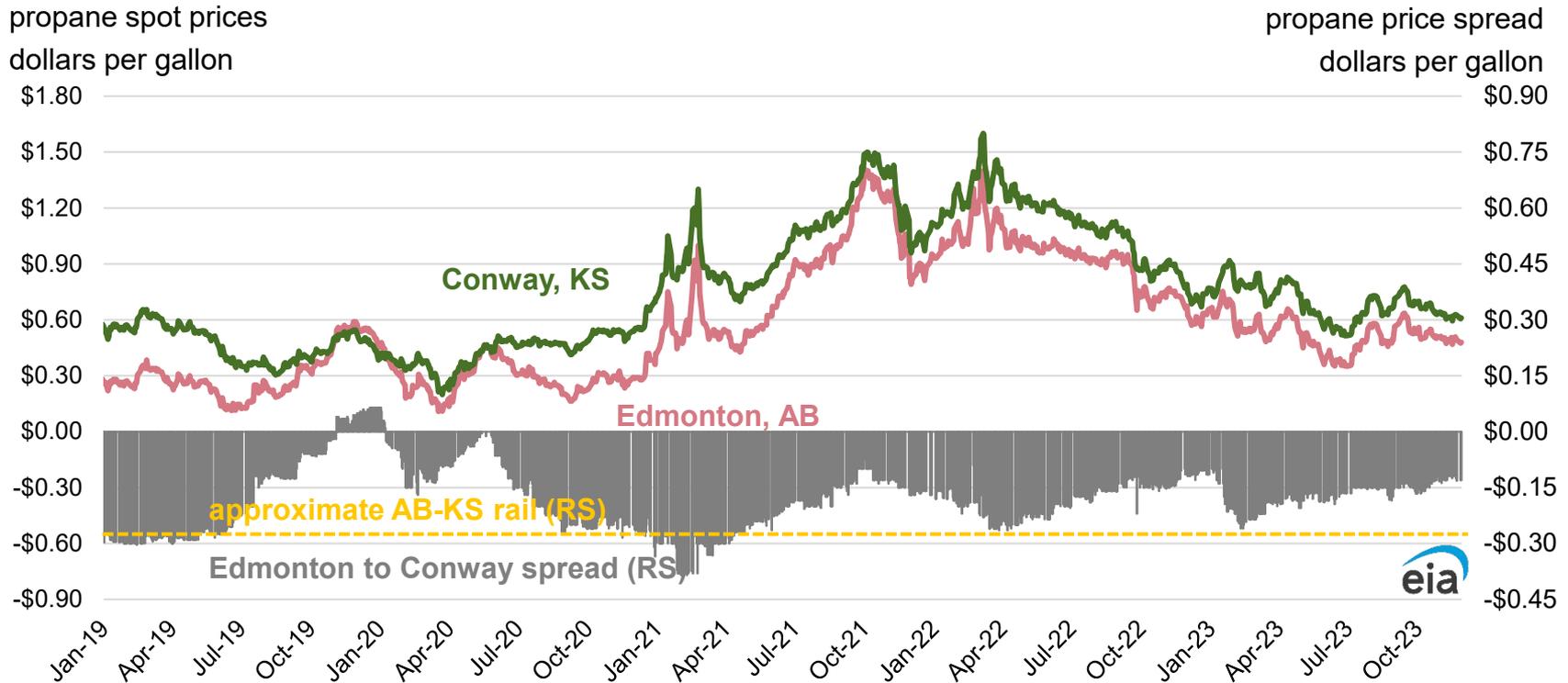
propane inventories in Western Canada

million barrels



Data source: [Canada Energy Regulator](#), November 16, 2023

Discount for Edmonton propane relative to Conway, around ~12¢/gal, not enough to cover rail transportation costs into most Midwest markets



Data source: Bloomberg L.P., data through November 28, 2023

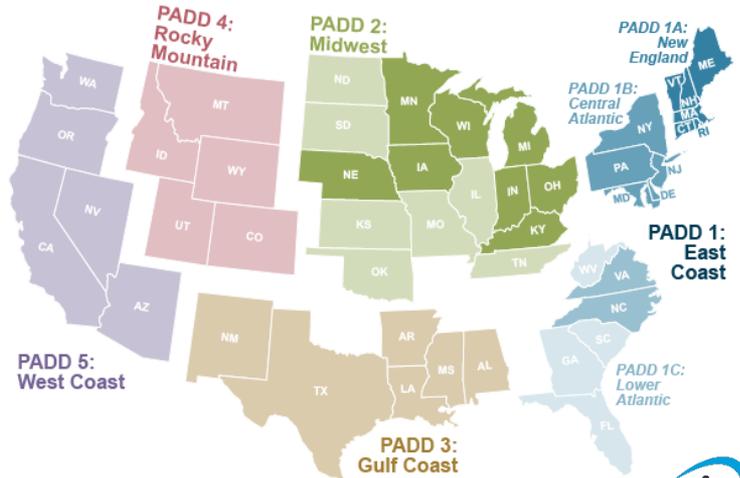
State Heating Oil and Propane Program (SHOPP) updates

- SHOPP is a collaborative program between states and EIA that provides weekly wholesale and retail prices for heating oil and propane at the state level.
- EIA expanded SHOPP in November 1714 to include 14 additional states in propane price data collection. In 2016, EIA added 10 new states to its wholesale propane price publication. This should be taken into consideration when comparing the average prices for the U.S., PADD 1, PADD 1B, PADD 1C, and PADD 2 averages.
- EIA has been providing more granular inventory data to states on a weekly basis since the 2016/2017 heating season.
- EIA implemented two new samples for residential heating oil and propane in November 1719. Under the new [sampling methodology](#), EIA is publishing [standard errors](#) for SHOPP prices.

Maps of states participating in Winter Fuels Survey

Petroleum Administration for Defense Districts

Winter Heating Fuels Survey — PADD 1 and 2 represented States



HEATING OIL



PADD 1: East Coast

PADD 1A: New England
Connecticut New Hampshire
Maine Rhode Island
Massachusetts Vermont

PADD 1B: Central Atlantic
Delaware New Jersey
District of Columbia New York
Maryland Pennsylvania

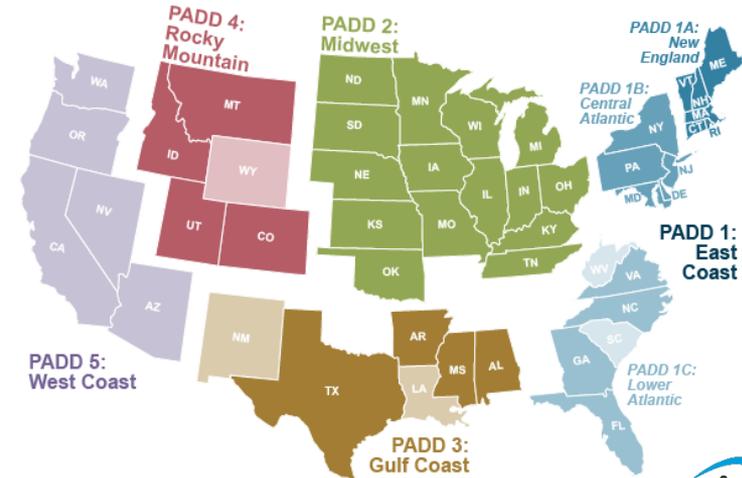
PADD 2: Midwest

Indiana Minnesota
Iowa Nebraska
Kentucky Ohio
Michigan Wisconsin

PADD 1C: Lower Atlantic
North Carolina Virginia

Petroleum Administration for Defense Districts

Winter Heating Fuels Survey — PADD 1, 2, 3, and 4 represented States



PROPANE



PADD 1: East Coast

PADD 1A: New England
Connecticut
Maine
Massachusetts
New Hampshire
Rhode Island
Vermont

PADD 1B: Central Atlantic
Delaware
Maryland
New Jersey
New York
Pennsylvania

PADD 1C: Lower Atlantic
Florida
Georgia
North Carolina
Virginia

PADD 2: Midwest

Illinois Nebraska
Indiana North Dakota
Iowa Ohio
Kansas Oklahoma
Kentucky South Dakota
Michigan Tennessee
Minnesota Wisconsin
Missouri

PADD 3: Gulf Coast

Alabama Mississippi
Arkansas Texas

PADD 4: Rocky Mountain

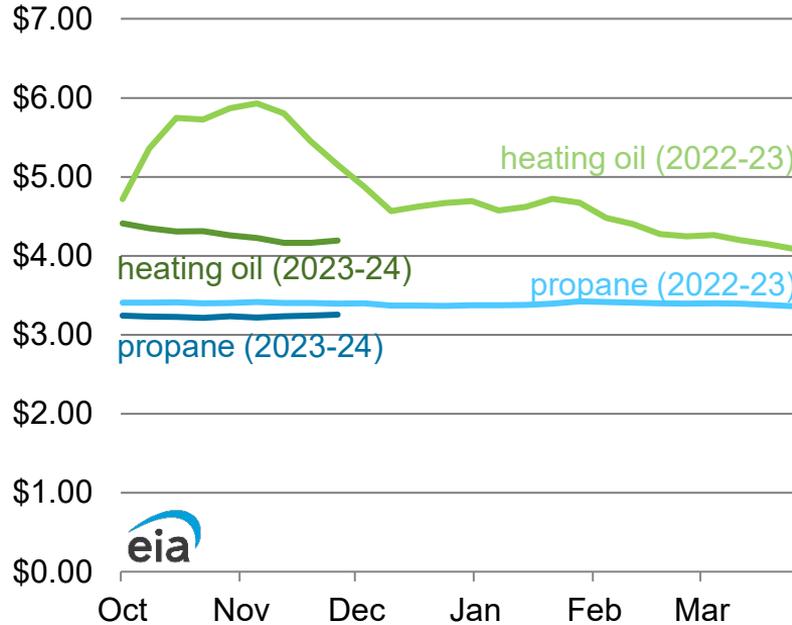
Colorado Montana
Idaho Utah

Data source: EIA, [Heating Oil and Propane Update](#)

Retail propane prices at the start of this heating season are lower compared to the end of the last heating season in both PADDs 1 and 2

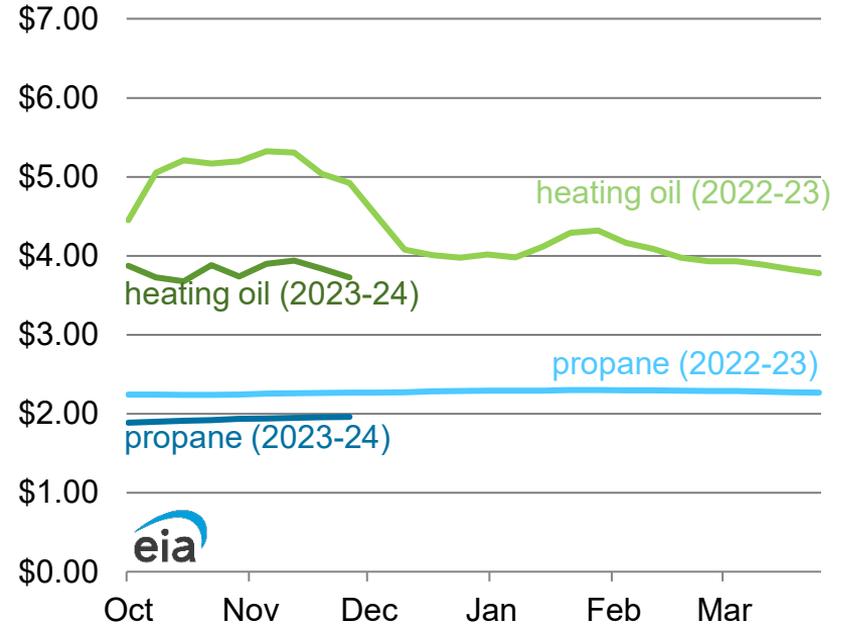
PADD 1

dollars per gallon



PADD 2

dollars per gallon



Data source: State Heating Oil and Propane Program, data through November 27, 2023

For more information

U.S. Energy Information Administration home page | www.eia.gov

State Energy Portal | www.eia.gov/state

Winter Heating Fuels Site | www.eia.gov/special/heatingfuels/

Movements of Propane by Rail |

http://www.eia.gov/dnav/pet/pet_move_railNA_a_EPLLPA_RAIL_mdbl_m.htm

Today in Energy | www.eia.gov/todayinenergy

Short-Term Energy Outlook | www.eia.gov/steo

Energy Explained – Hydrocarbon Gas Liquids |

http://www.eia.gov/energyexplained/index.cfm?page=hgls_home

Annual Energy Outlook | www.eia.gov/aeo

International Energy Outlook | www.eia.gov/ieo

Monthly Energy Review | www.eia.gov/mer