

2023/24 Winter Propane Market Update



February 28, 2024 | Washington, DC

(Inventory data as of 2/23/24; residential heating fuel prices as of 2/26/24)

By

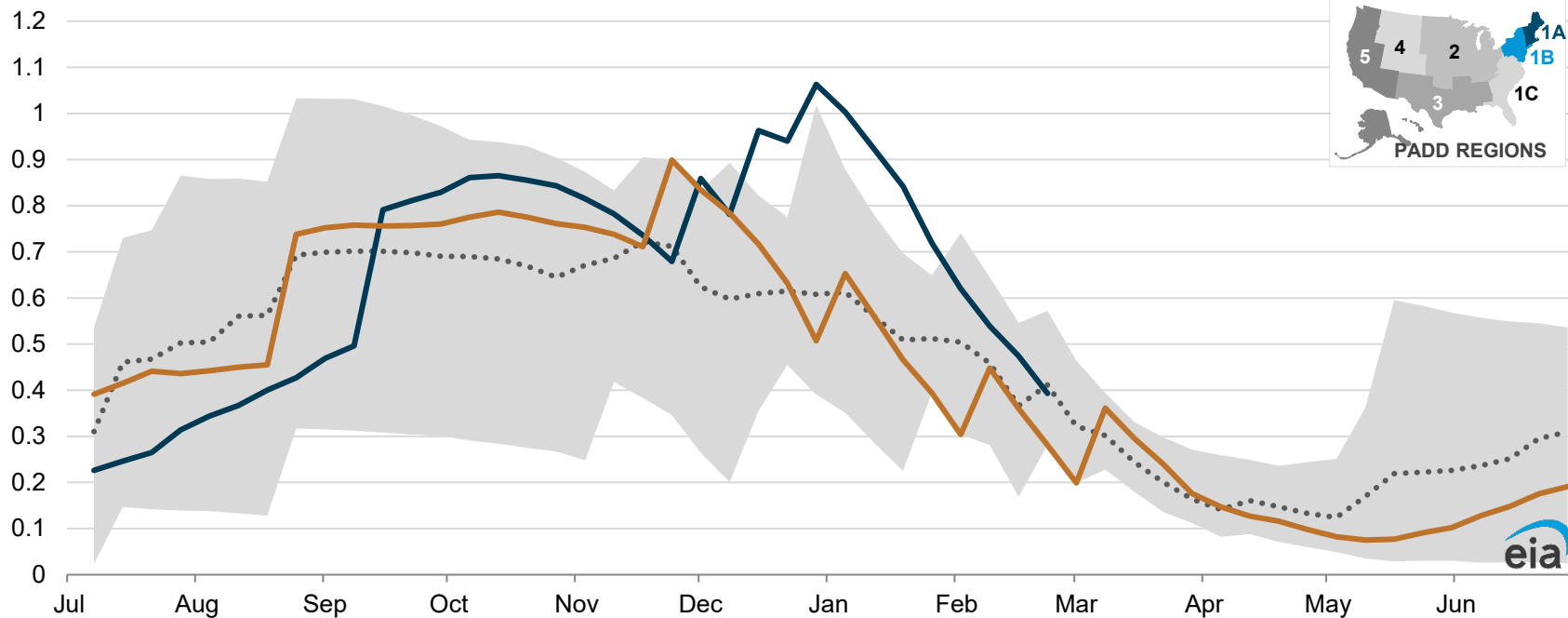
U.S. Energy Information Administration

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

PADD 1A propane inventories

million barrels

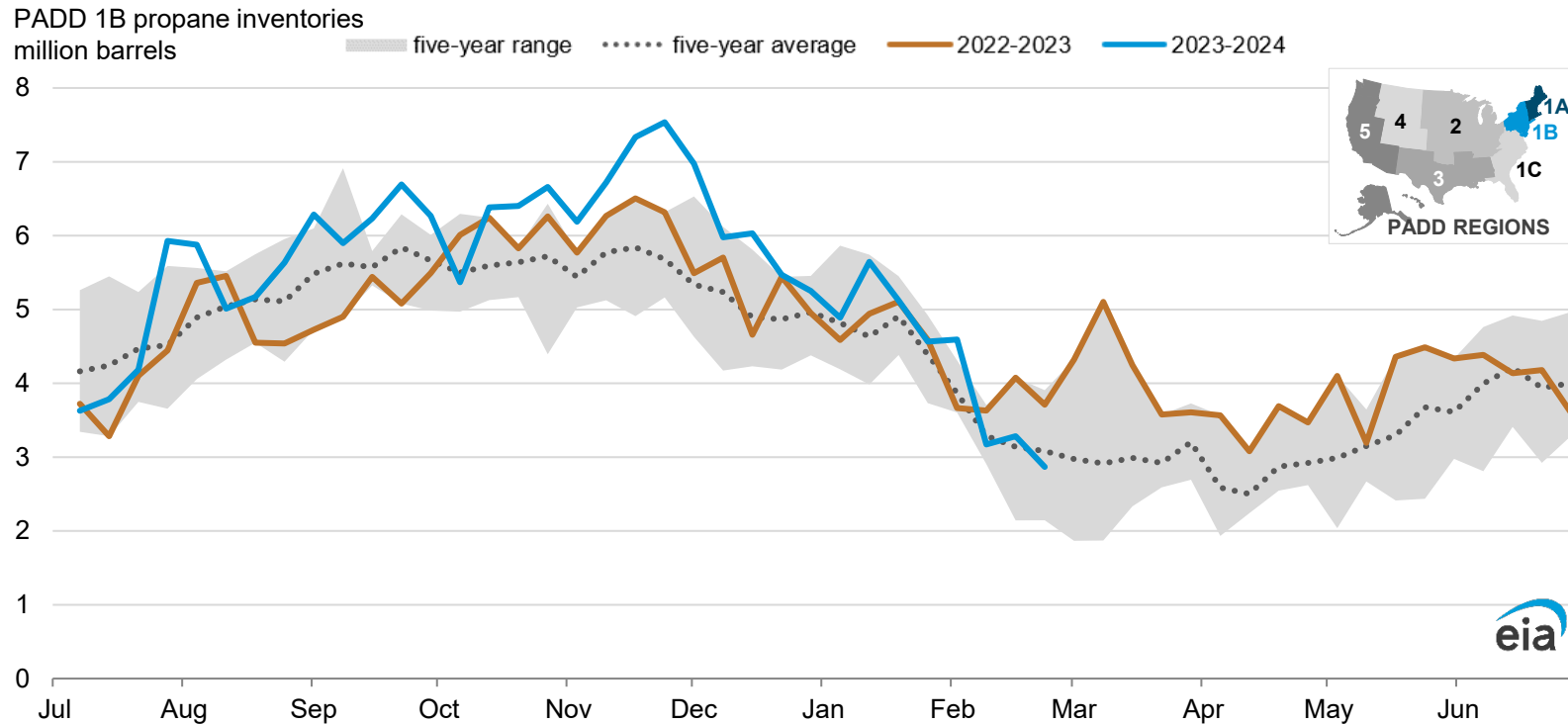
■ five-year range five-year average — 2022-2023 — 2023-2024



Data source: EIA, *Weekly Petroleum Status Report*, February 28, 2024. Data through February 23, 2024.

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

PADD 1B (Mid-Atlantic) propane inventories below the 5-year average



Data source: EIA, *Weekly Petroleum Status Report*, February 28, 2024. Data through February 23, 2024.

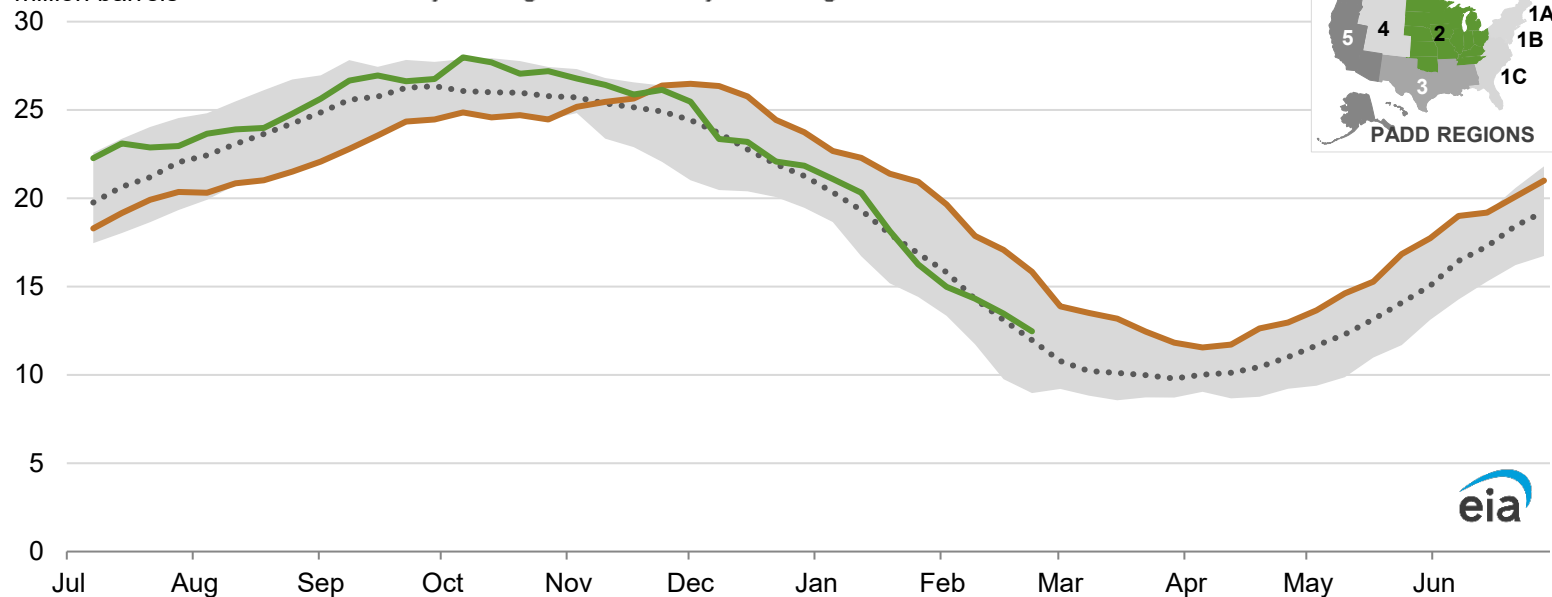
Note: PADD 1A is composed of Delaware, District of Columbia, Maryland, New Jersey, New York, and Pennsylvania.

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

See note below on past publication error

PADD 2 propane inventories

million barrels



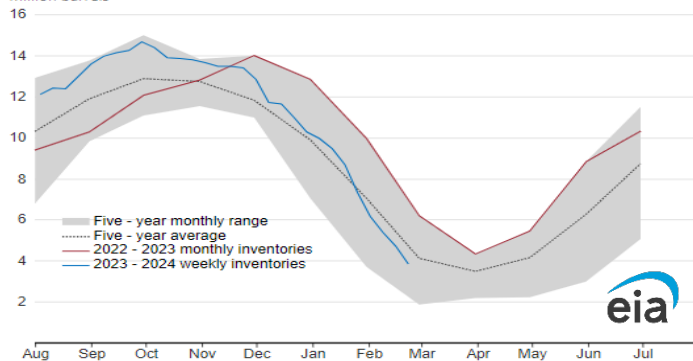
Data source: EIA, *Weekly Petroleum Status Report*, February 28, 2024. Data through February 23, 2024.

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

Note: PADD 2 propane stocks published in the *Weekly Petroleum Status Report* from November 15 through December 20 were misstated. Current week's publication shows correct stocks and the PADD 2 inventory chart shows corrected propane stocks. We have published an errata table with correct stock levels for all impacted weeks in [Appendix E](#) of the [Weekly Petroleum Status Report](#).

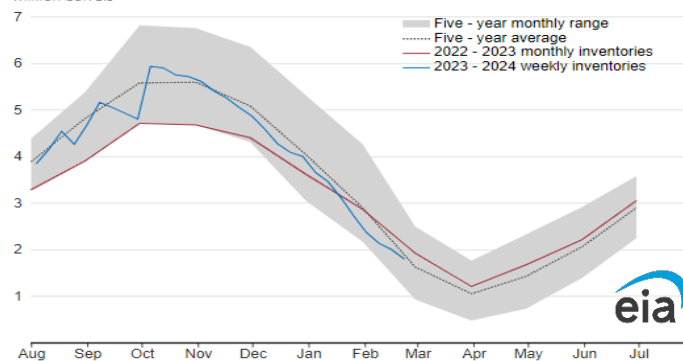
Selected state propane* inventories

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



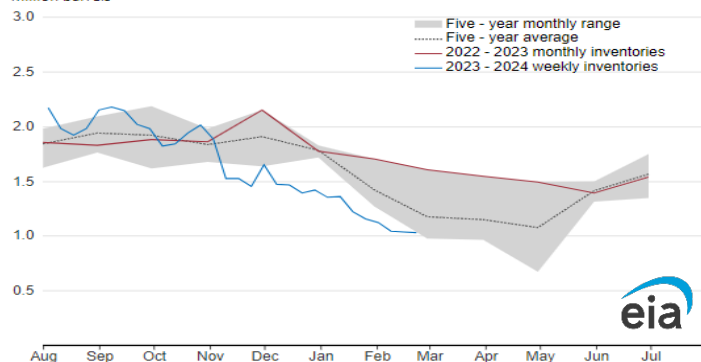
Source: U.S. Energy Information Administration, *Petroleum Supply Monthly* and *Weekly Petroleum Status Report*

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



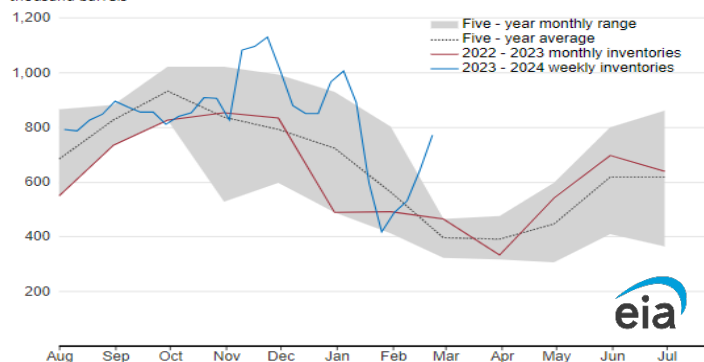
Source: U.S. Energy Information Administration, *Petroleum Supply Monthly* and *Weekly Petroleum Status Report*

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



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)



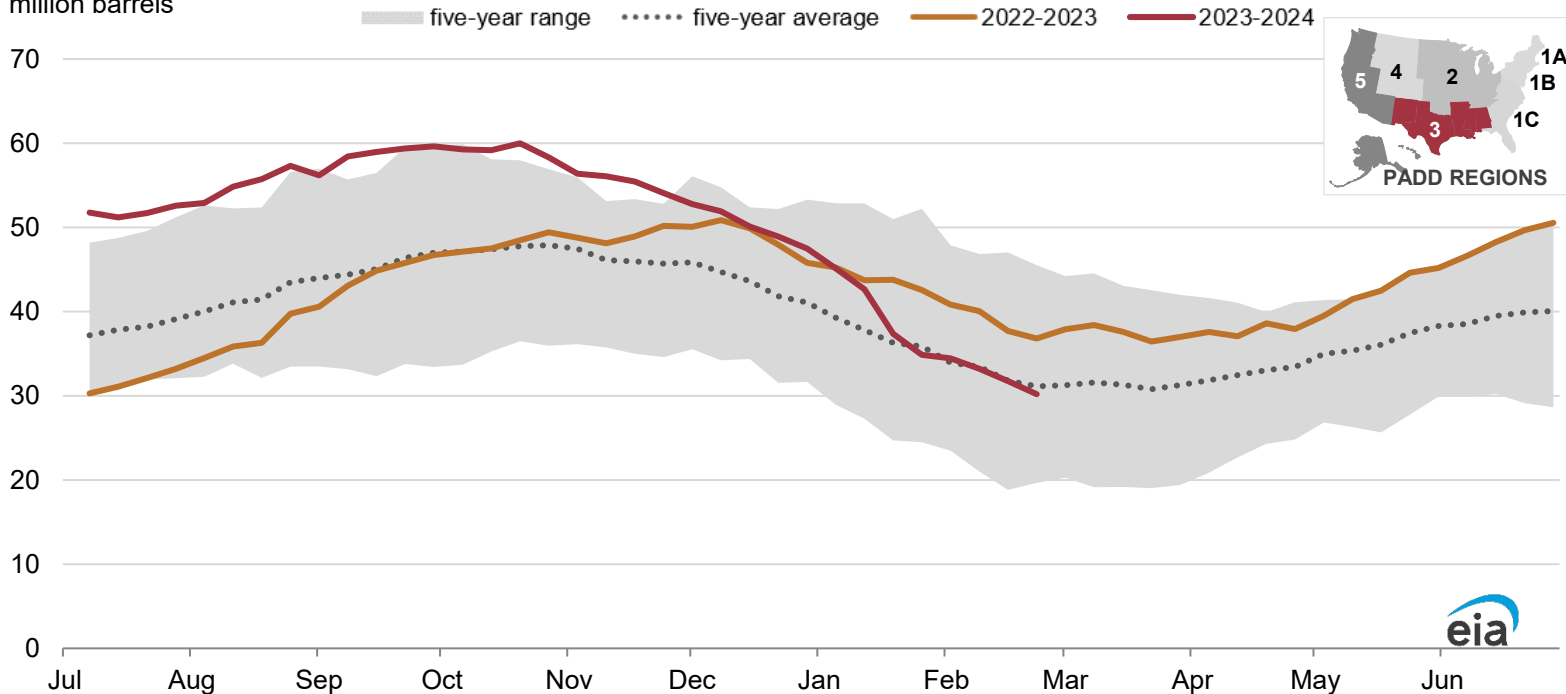
Source: U.S. Energy Information Administration, *Petroleum Supply Monthly* and *Weekly Petroleum Status Report*

Data Source: EIA, *Weekly Petroleum Status Report*, data through February 23, 2024

*propane/propylene for fuel use only

PADD 3 (Gulf Coast) propane inventories below the 5-year average

PADD 3 propane inventories
million barrels



Data source: EIA, *Weekly Petroleum Status Report*, February 28, 2024. Data through February 23, 2024.

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

Weekly Petroleum Status Report to release Propane, fractionated and ready for sale stocks

Notice: The U.S. Energy Information Administration (EIA) released weekly ending stocks of *Propane, fractionated and ready for sale* with data for the week ended February 23, 2024. The data are now available in the [Weekly Petroleum Status Report](#) (WPSR).

The following are data keys and headings affected by release of the new data.

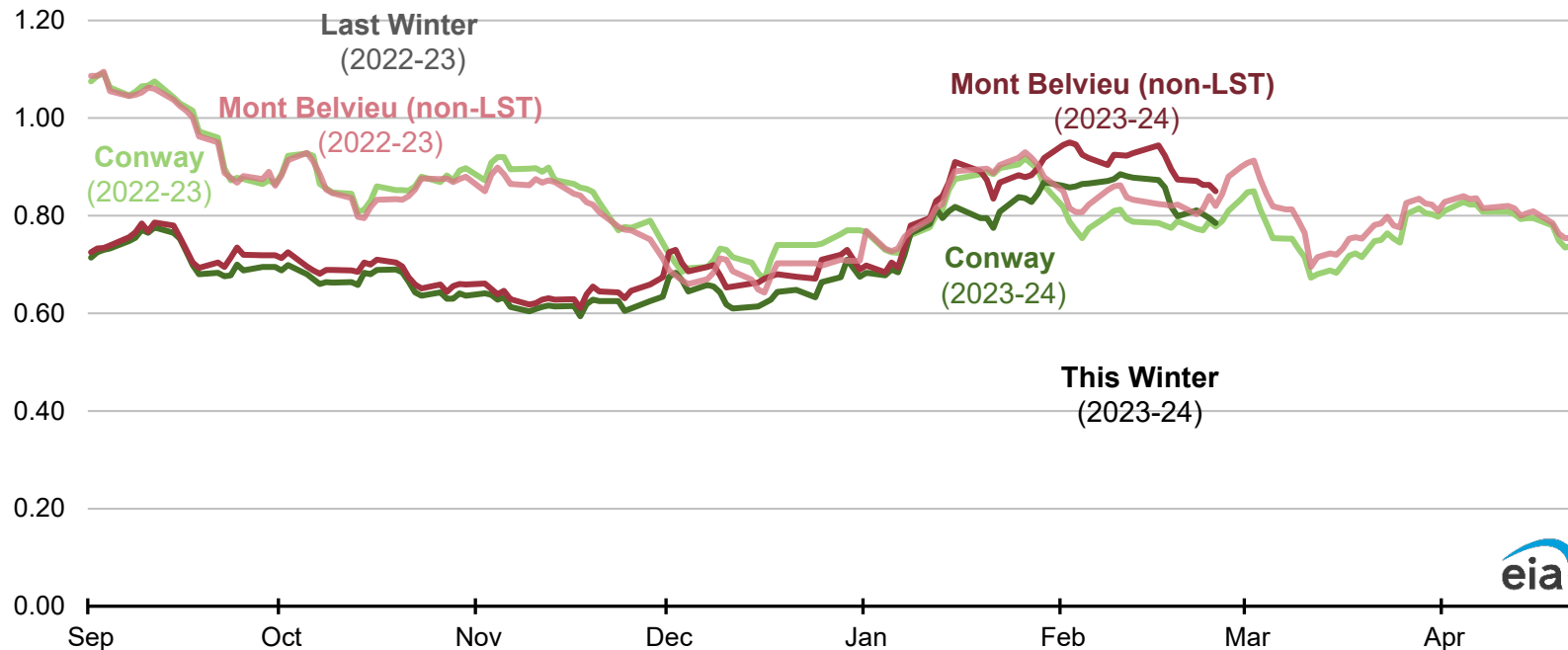
sourcekey	data series
W_EPLLP0C_SKB_NUS_MBBL	Weekly U.S. Ending Stocks of Propane, fractionated and ready for sale (Thousand Barrels)
W_EPLLP0C_SKB_R10_MBBL	Weekly East Coast (PADD 1) Ending Stocks of Propane, fractionated and ready for sale (Thousand Barrels)
W_EPLLP0C_SKB_R1X_MBBL	Weekly New England (PADD 1A) Ending Stocks of Propane, fractionated and ready for sale (Thousand Barrels)
W_EPLLP0C_SKB_R1Y_MBBL	Weekly Central Atlantic (PADD 1B) Ending Stocks of Propane, fractionated and ready for sale (Thousand Barrels)
W_EPLLP0C_SKB_R1Z_MBBL	Weekly Lower Atlantic (PADD 1C) Ending Stocks of Propane, fractionated and ready for sale (Thousand Barrels)
W_EPLLP0C_SKB_R20_MBBL	Weekly Midwest (PADD 2) Ending Stocks of Propane, fractionated and ready for sale (Thousand Barrels)
W_EPLLP0C_SKB_R30_MBBL	Weekly Gulf Coast (PADD 3) Ending Stocks of Propane, fractionated and ready for sale (Thousand Barrels)
W_EPLLP0C_SKB_R40_MBBL	Weekly Rocky Mountain (PADD 4) Ending Stocks of Propane, fractionated and ready for sale (Thousand Barrels)
W_EPLLP0C_SKB_R50_MBBL	Weekly West Coast (PADD 5) Ending Stocks of Propane, fractionated and ready for sale (Thousand Barrels)

EIA released monthly ending stocks of *Propane, fractionated and ready for sale* in the [Petroleum Supply Monthly](#) (PSM) beginning with [data](#) for the month of September 2023.

Source: U.S. Energy Information Administration, [Weekly Petroleum Status Report](#)

Wholesale propane spot prices close to parity with last year's levels; Mt. Belvieu, Texas now at ~6¢/gal premium to Conway, Kansas.

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



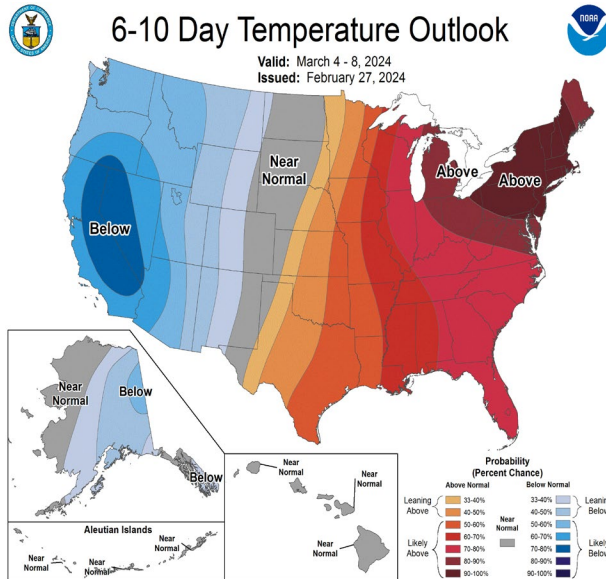
Data source: Bloomberg L.P., data through February 27, 2024



U.S. Energy Information Administration

NOAA's projected temperatures:

March 4 – Mar. 8, 2024, and March 6 – Mar. 12, 2024

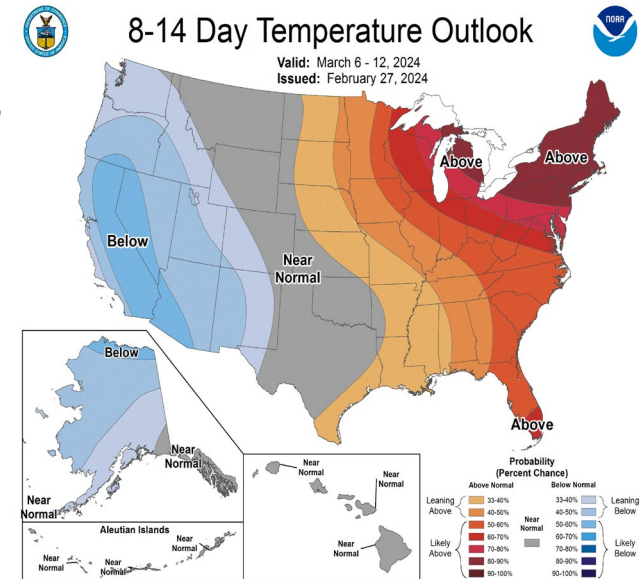
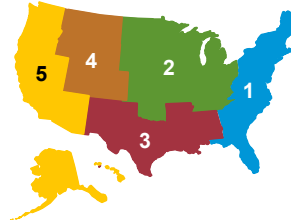


A = temperatures above normal
N = equal chance that temperatures are above normal, normal, or below normal

B = temperatures below normal

Data source: [NOAA](https://www.noaa.gov), Feb. 27, 2024

Petroleum Administration for Defense Districts (PADDs)

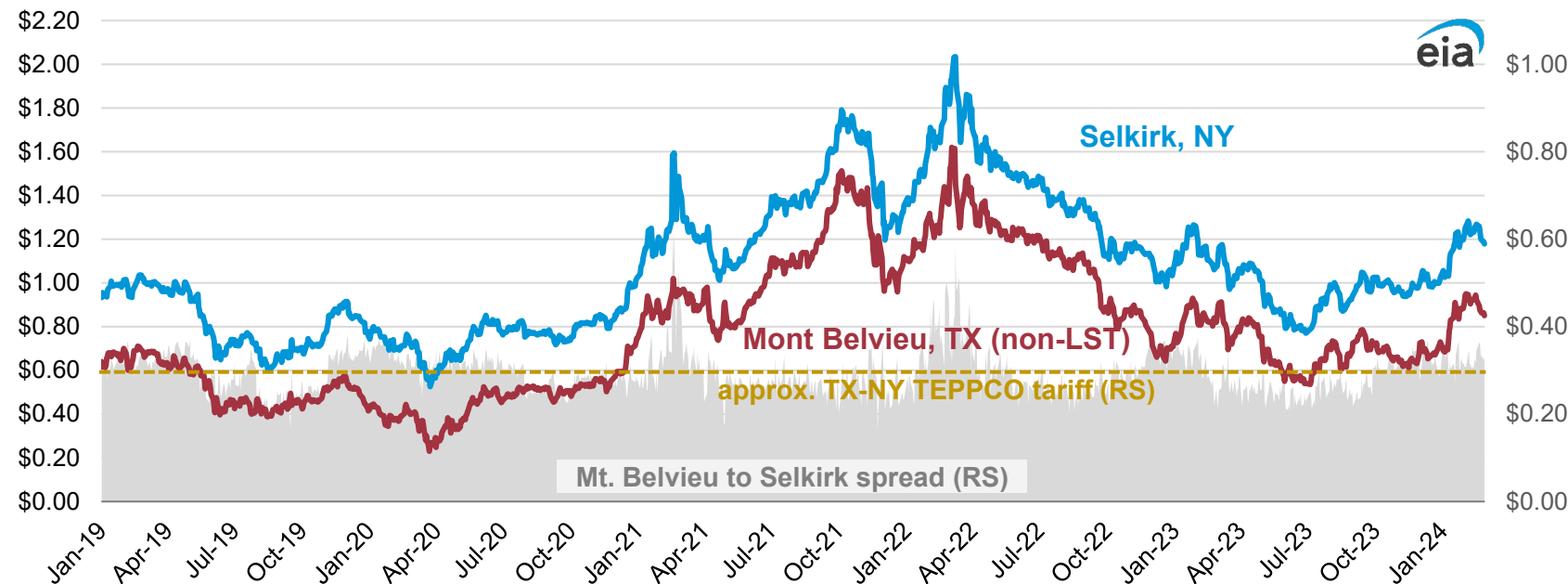


- NOAA forecasts similar temperatures to last week's forecast, with above-normal temperatures expected east of the Rockies, with the highest probability from the Northeast to parts of the Great Lakes. Cooler-than-normal temperatures are expected west of the Rockies and in Alaska. Later in the forecast, cooler-than-normal temperatures could move slightly southeast, while near-normal temperatures stretch across the Plains states.
- Warmer-than-normal weather will likely result in lower winter heating demand for this time of year in PADDs 1, 2, and 3, while PADD 4 will likely have normal heating demand for this time of year. Heating demand in PADD 5 is expected to be higher 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

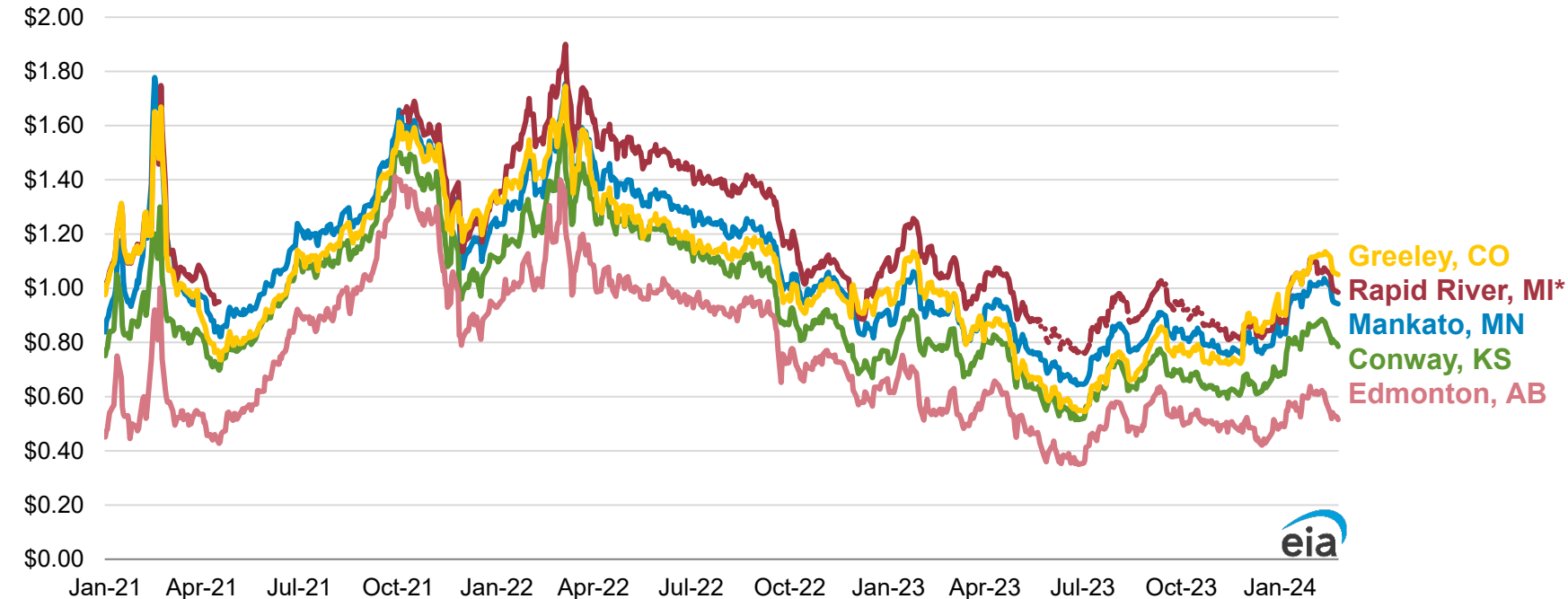


TEPPCO = Enterprise TE Products Pipeline Company LLC

Data source: Bloomberg L.P., data through February 27, 2024; Enterprise Products Partners L.P., [Effective Tariffs](#), FERC No. 54.70.0

Prices at major Midwest market centers fell this week, stay correlated with Conway, KS

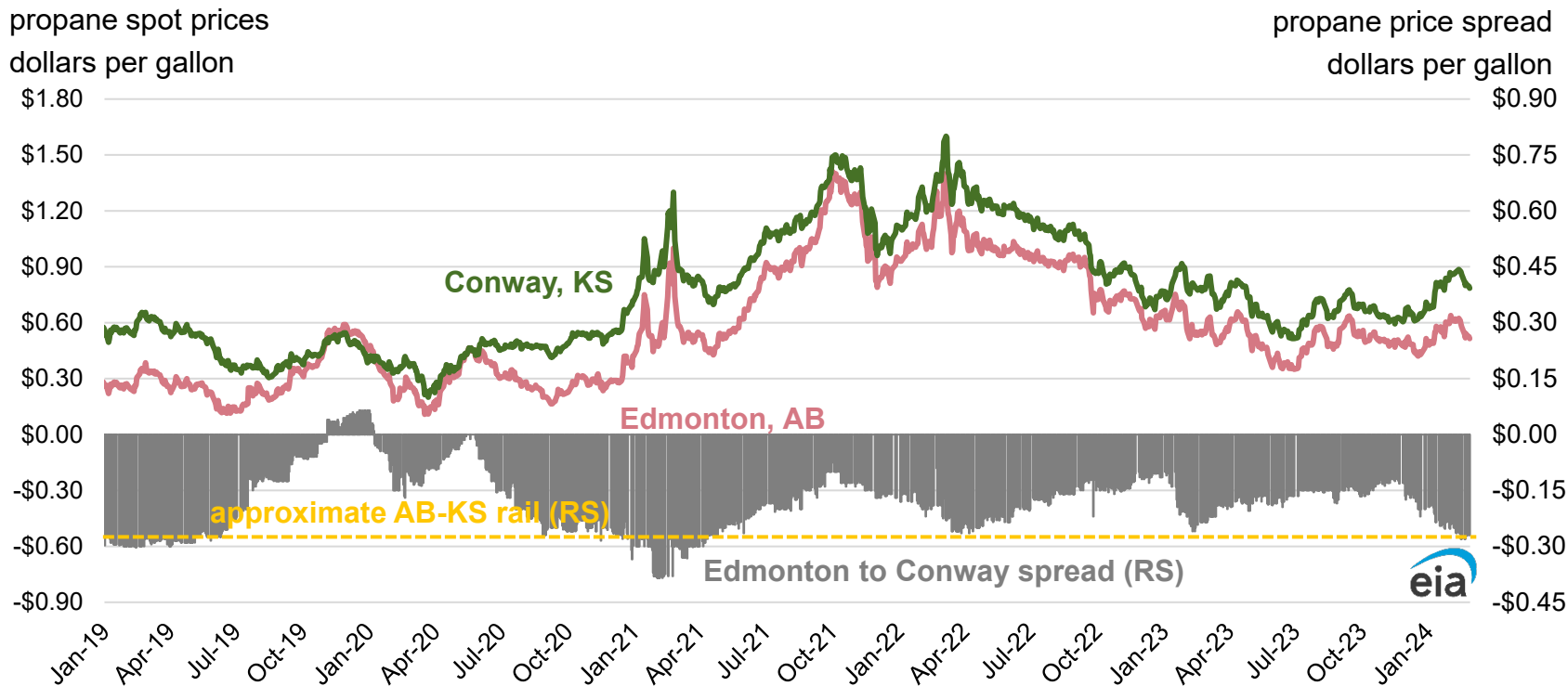
propane spot prices
dollars per gallon



Data source: Bloomberg L.P., data through February 27, 2024

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

Rise in Conway propane spot prices widening premium to around ~27¢/gal over Edmonton, enough to cover rail transport into Midwest markets



Data source: Bloomberg L.P., data through February 27, 2024

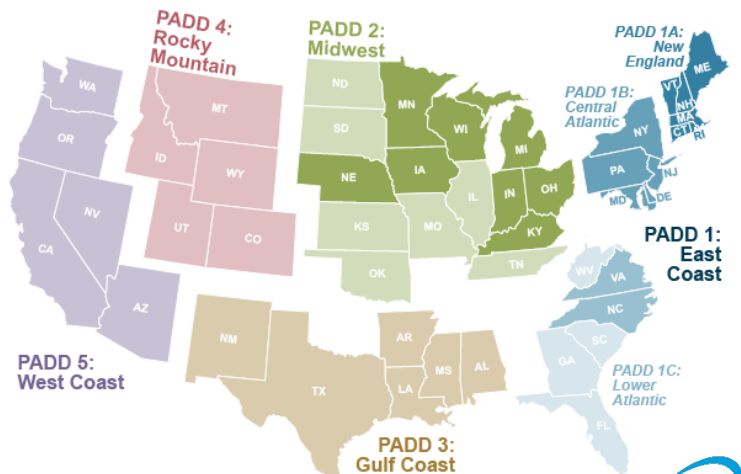
State Heating Oil and Propane Program (SHOPP) updates

- 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 October 2014 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 October 2019. 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

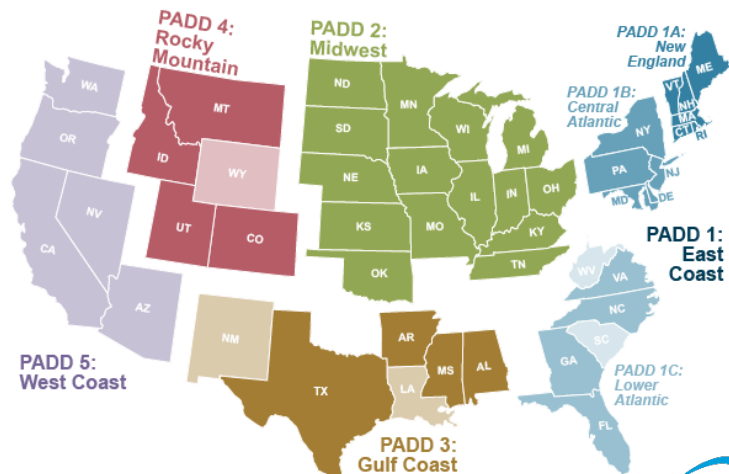
Indiana Minnesota
Iowa Nebraska
Kentucky Ohio
Michigan Wisconsin

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

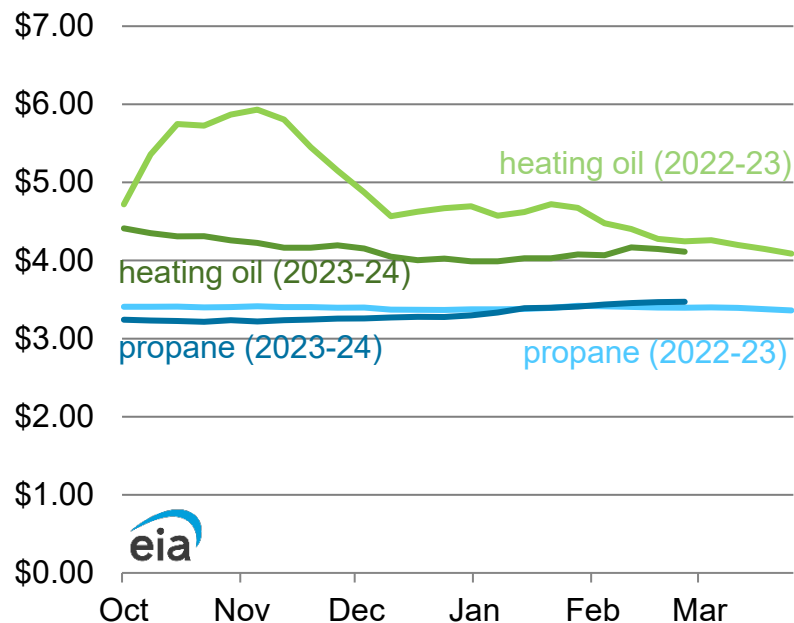


Data source: EIA, [Heating Oil and Propane Update](#)

Retail propane prices in PADD 1 are slightly higher than prices at this time last year; prices in PADD 2 remain below last year's levels

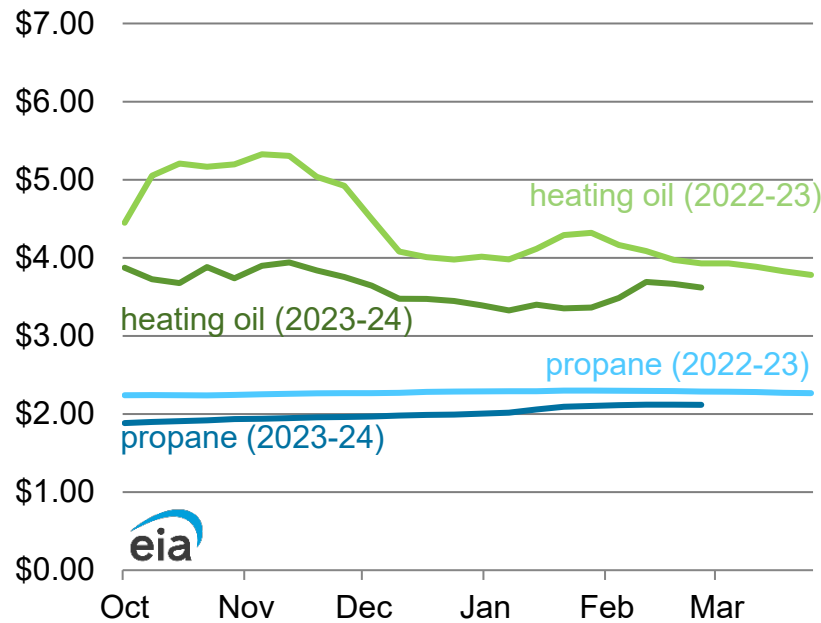
PADD 1

dollars per gallon



PADD 2

dollars per gallon



Data source: State Heating Oil and Propane Program, data through February 26, 2024

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_mbb1_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