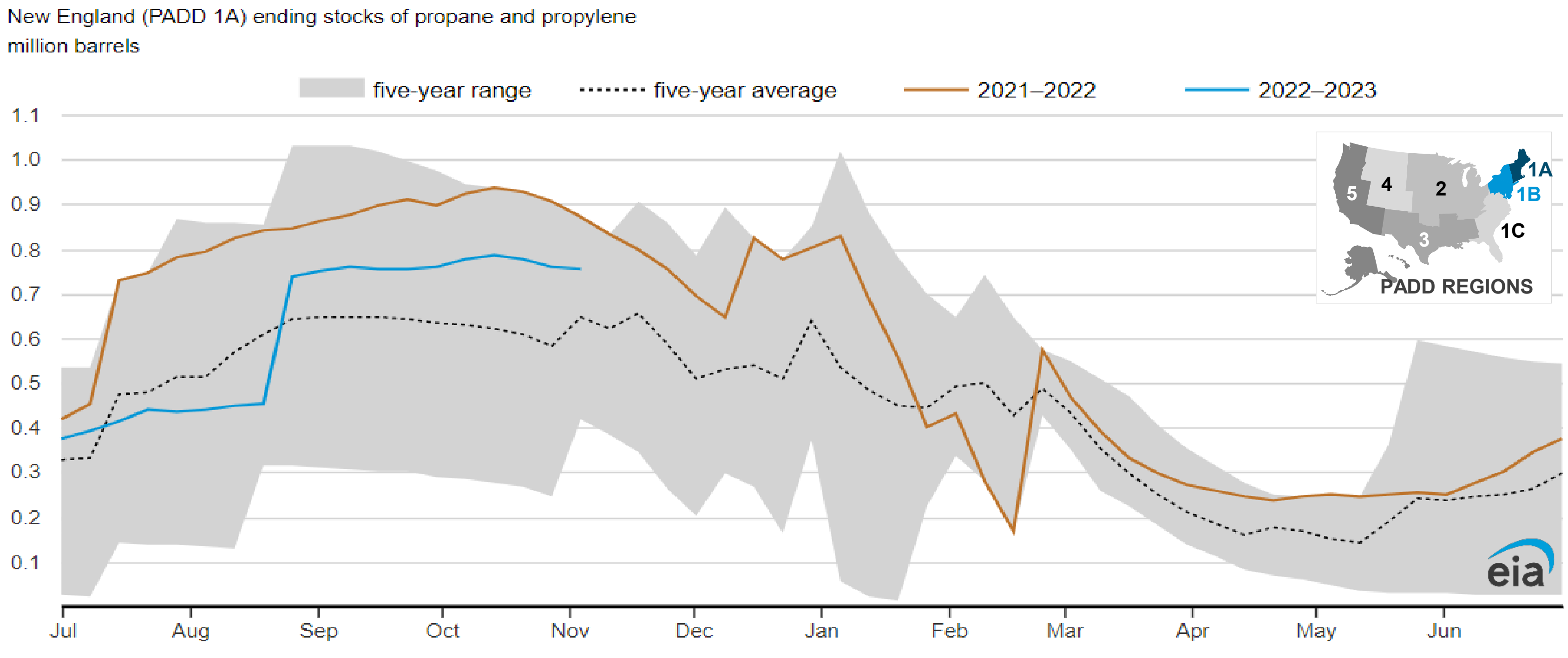
2022/23 Winter Propane Market Update

November 9, 2022 | Washington, DC
(Inventory data as of 11/4/22; residential heating fuel prices as of 11/7/22)

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

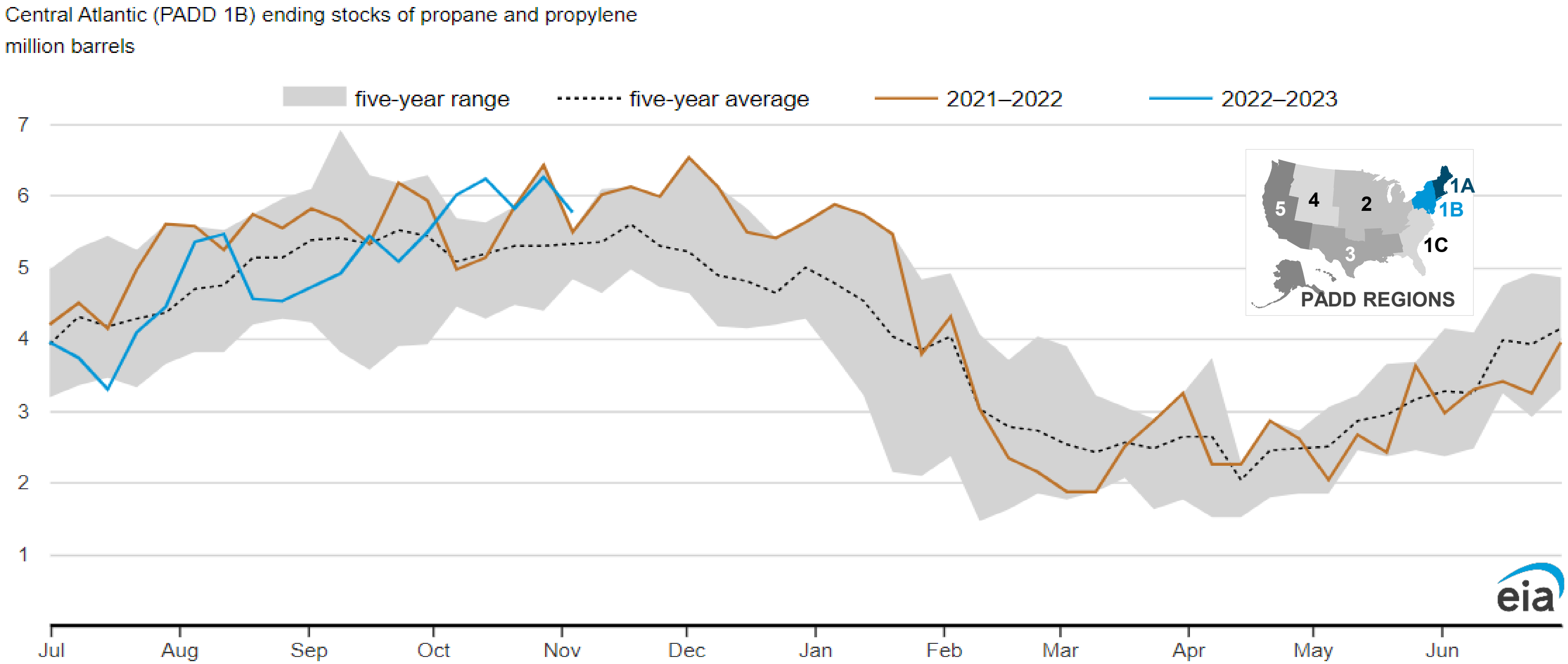


Source: U.S. Energy Information Administration, *Weekly Petroleum Status Report*, November 09, 2022

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

data through November 4, 2022

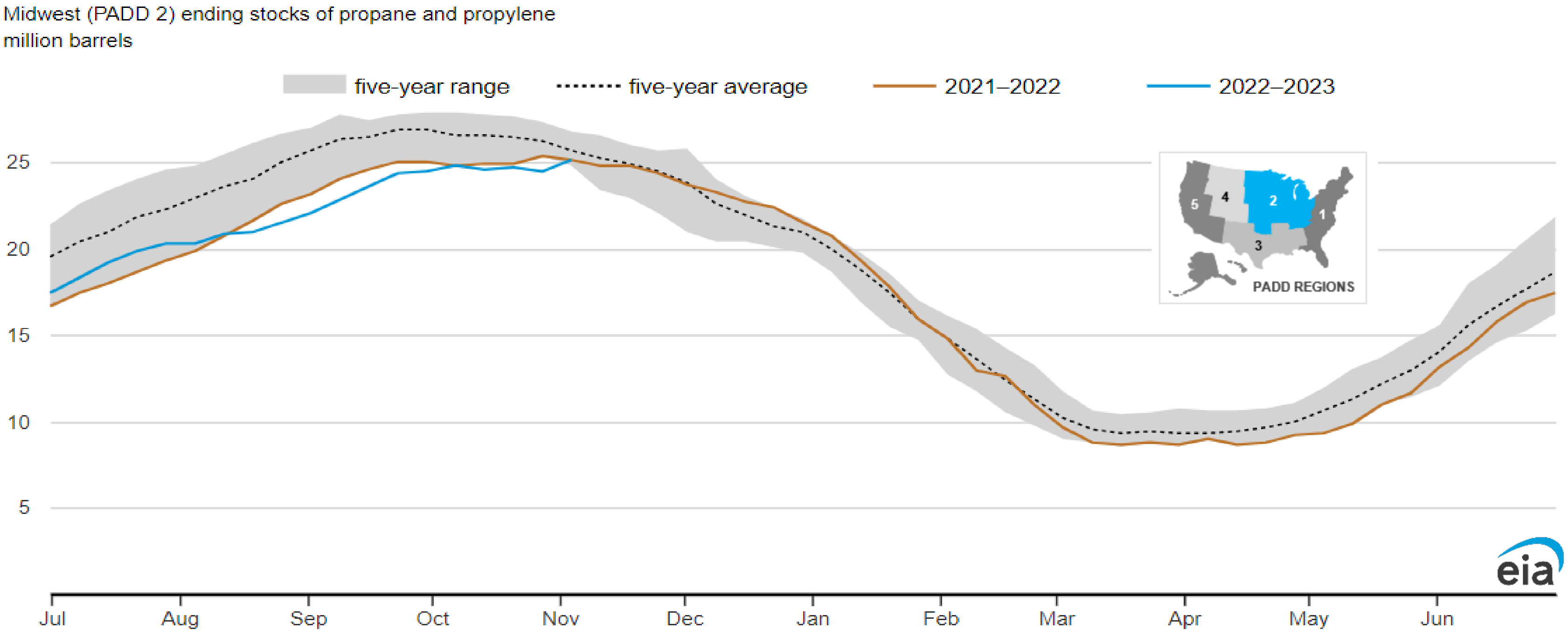
PADD 1B (Mid-Atlantic) propane inventories above the 5-year range



Source: U.S. Energy Information Administration, *Weekly Petroleum Status Report*, November 09, 2022
Note: PADD 1B is composed of Delaware, District of Columbia, Maryland, New Jersey, New York, and Pennsylvania.

data through November 4, 2022

PADD 2 (Midwest) propane inventories at the bottom of the 5-year range

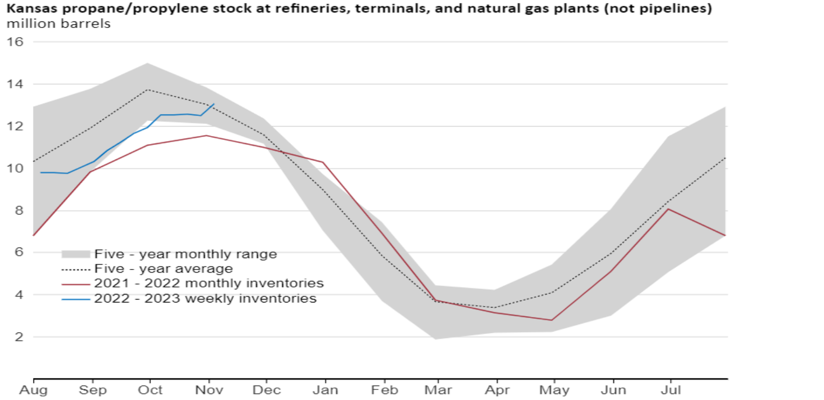


Source: U.S. Energy Information Administration, *Weekly Petroleum Status Report*, November 09, 2022

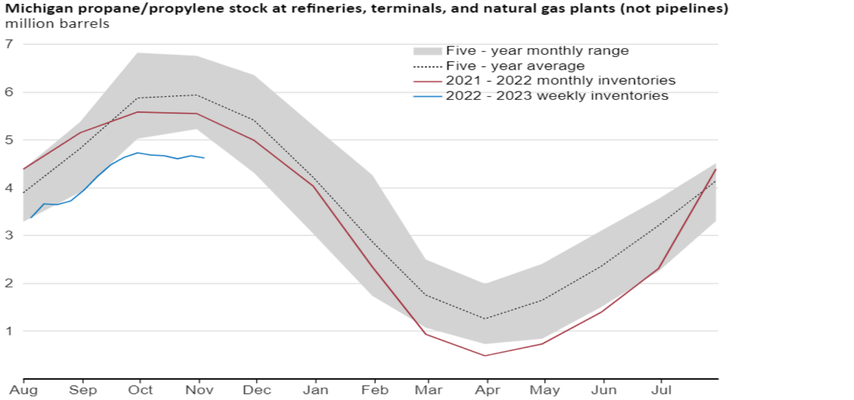
Note: PADD 2 is composed of Illinois, Indiana, Iowa, Kansas, Kentucky, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, Oklahoma, South Dakota, Tennessee, and Wisconsin.

data through November 4, 2022

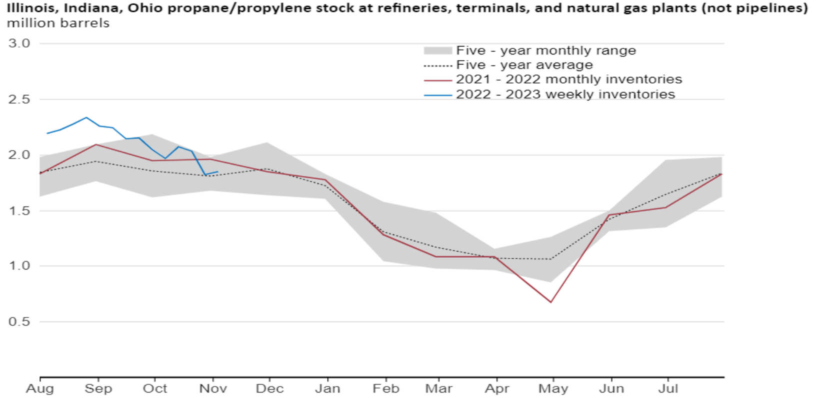
Selected state propane* inventories



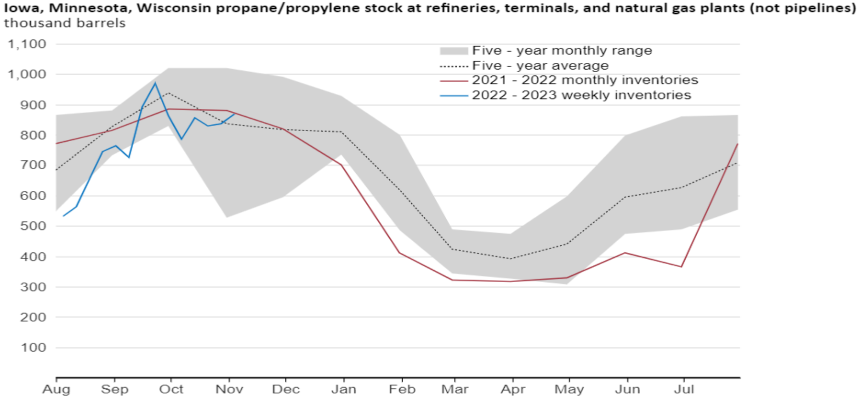
Source: U.S. Energy Information Administration, *Petroleum Supply Monthly and Weekly Petroleum Status Report*



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



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

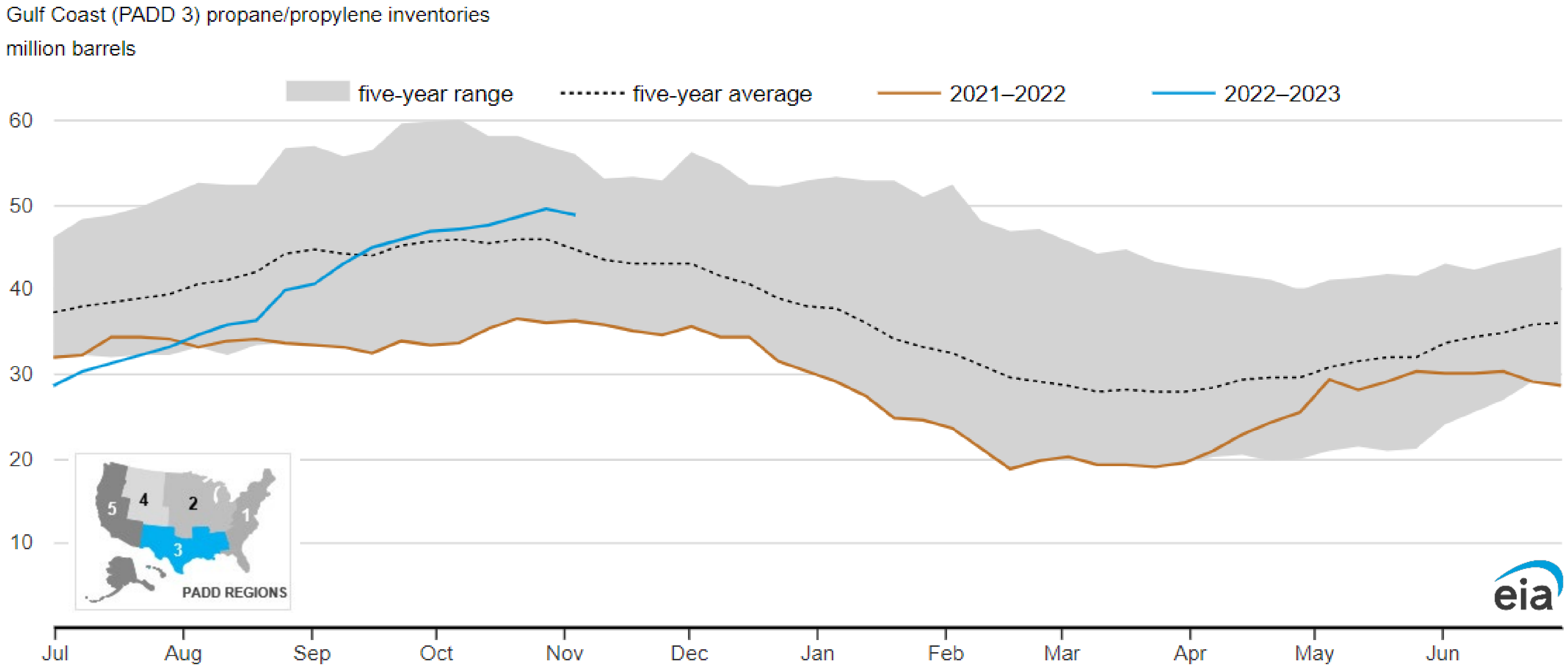


Source: U.S. Energy Information Administration, *Petroleum Supply Monthly and Weekly Petroleum Status Report*

Data source: EIA, Weekly Petroleum Status Report, data through November 4, 2022

*propane/propylene for fuel use only

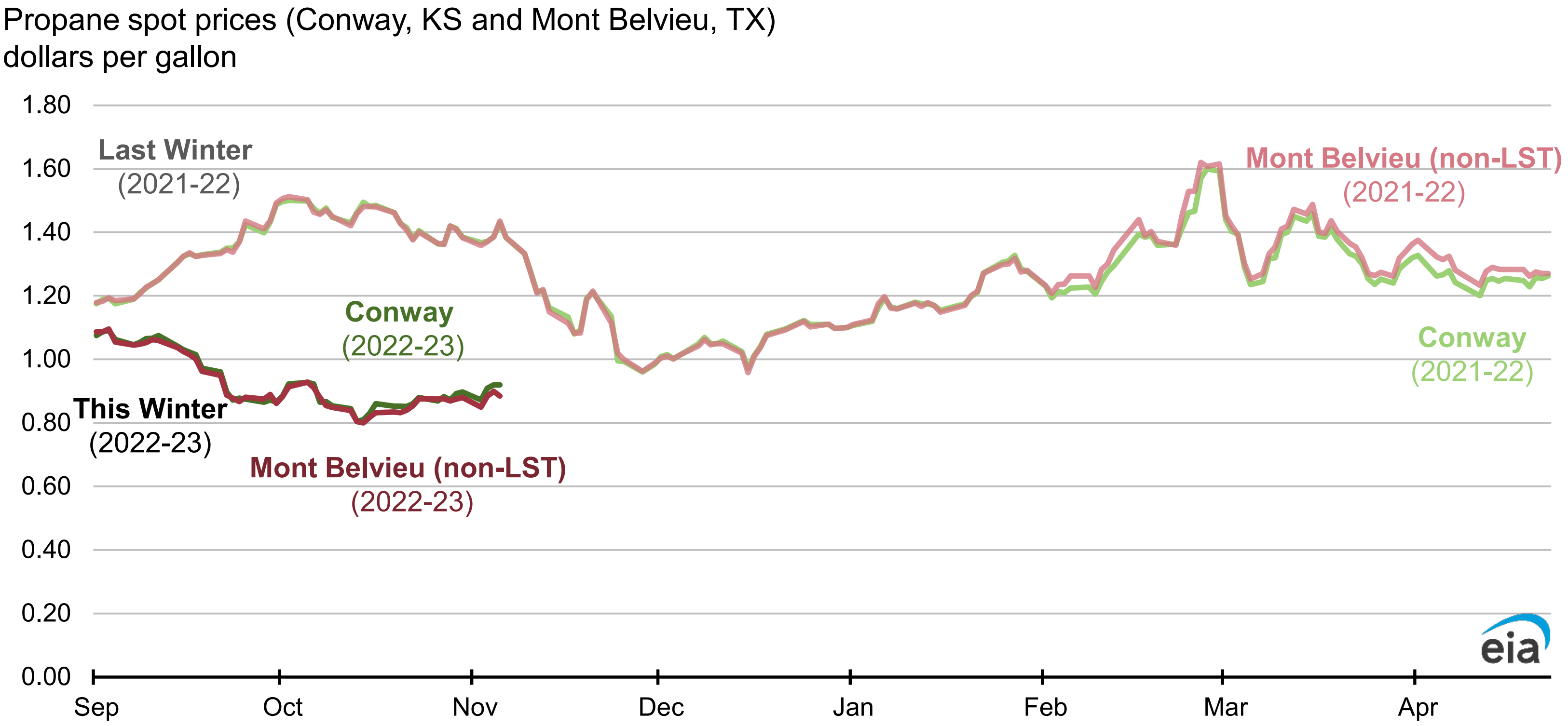
PADD 3 (Gulf Coast) propane inventories above the 5-year average



Source: U.S. Energy Information Administration, *Weekly Petroleum Status Report*, November 09, 2022
Note: PADD 3 is composed of Alabama, Arkansas, Louisiana, Mississippi, New Mexico, and Texas.

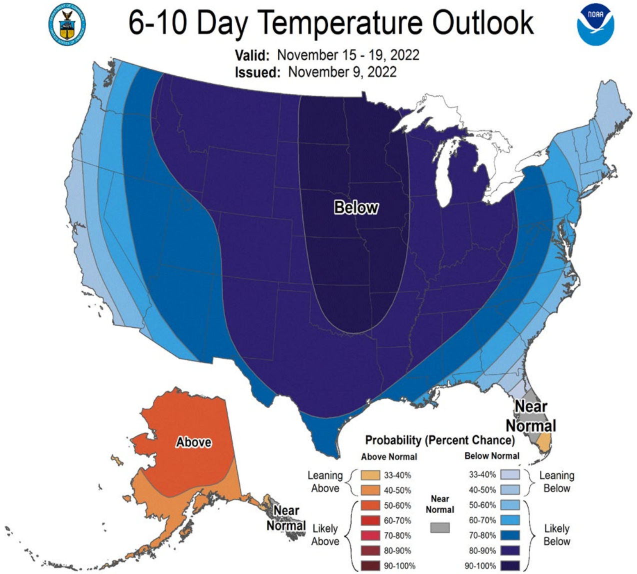
data through November 4, 2022

Conway, KS propane spot prices now at a ~3¢/gal premium to Mt. Belvieu, TX



Data source: Graph created by the U.S. Energy Information Administration, based on data from Bloomberg, data through November 8, 2022

NOAA's projected temperatures: November 15 – Nov. 19, 2022, and November 17 – Nov. 23, 2022

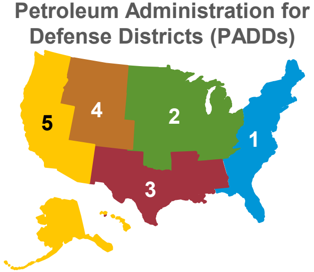


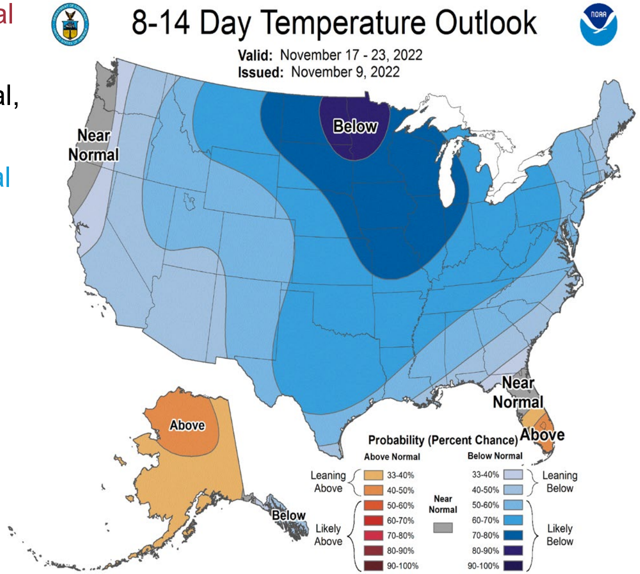
A = temperatures above normal

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

B = temperatures below normal

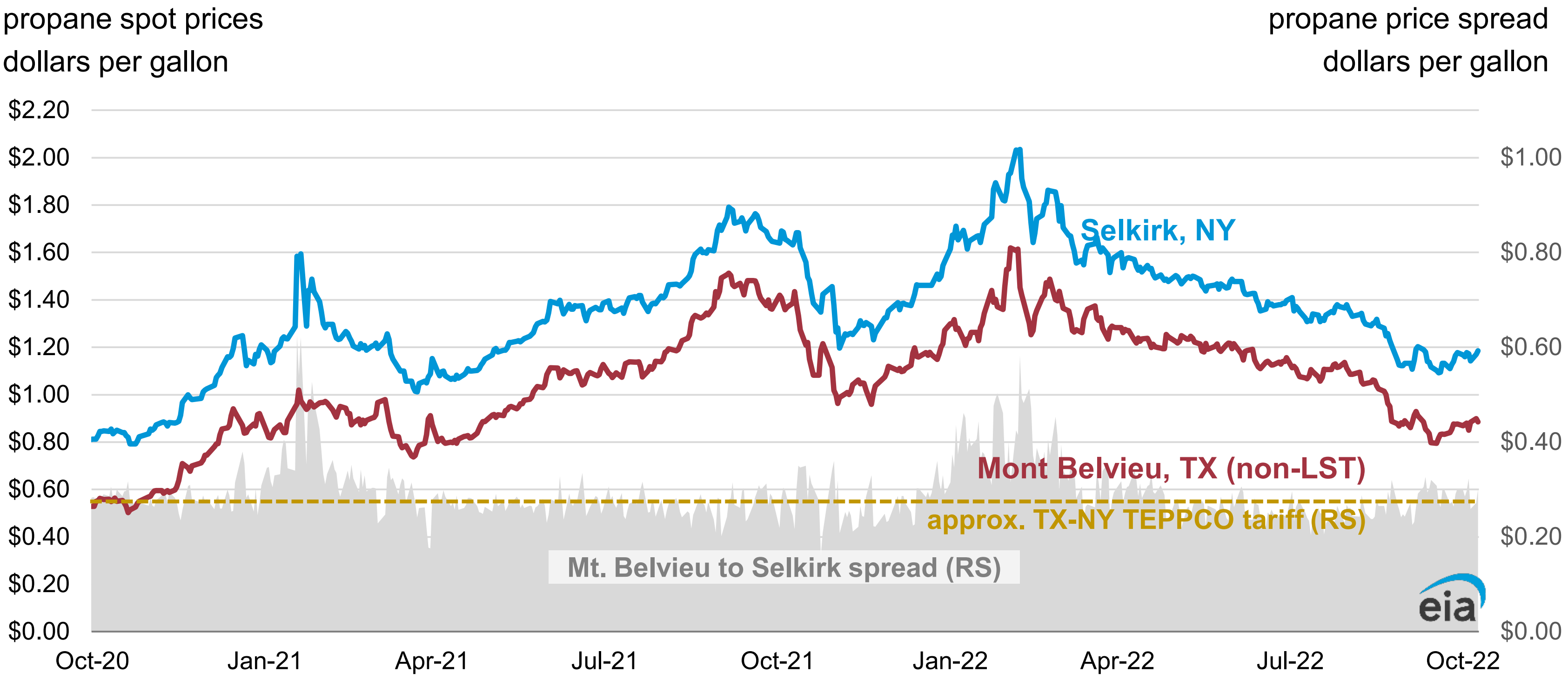
Data source: NOAA, Nov. 9, 2022





- For the second half of November NOAA forecasts a high chance of below-normal temperatures along the central spine of the Lower 48 States, with probability declining towards the coast. Early in the forecast only Alaska and Florida are forecasted to experience normal to above-normal temperatures. Later in the forecast probability of below-normal temperatures falls along the Pacific and Atlantic coasts, but persists throughout the inland states
- The cooler-than normal temperatures forecasted across PADDs 2, 3, and 4, and early in the forecast all of PADDs 1 and 5, are likely to result in above average propane demand for this time of year. High demand is likely to persist through the third week of November.

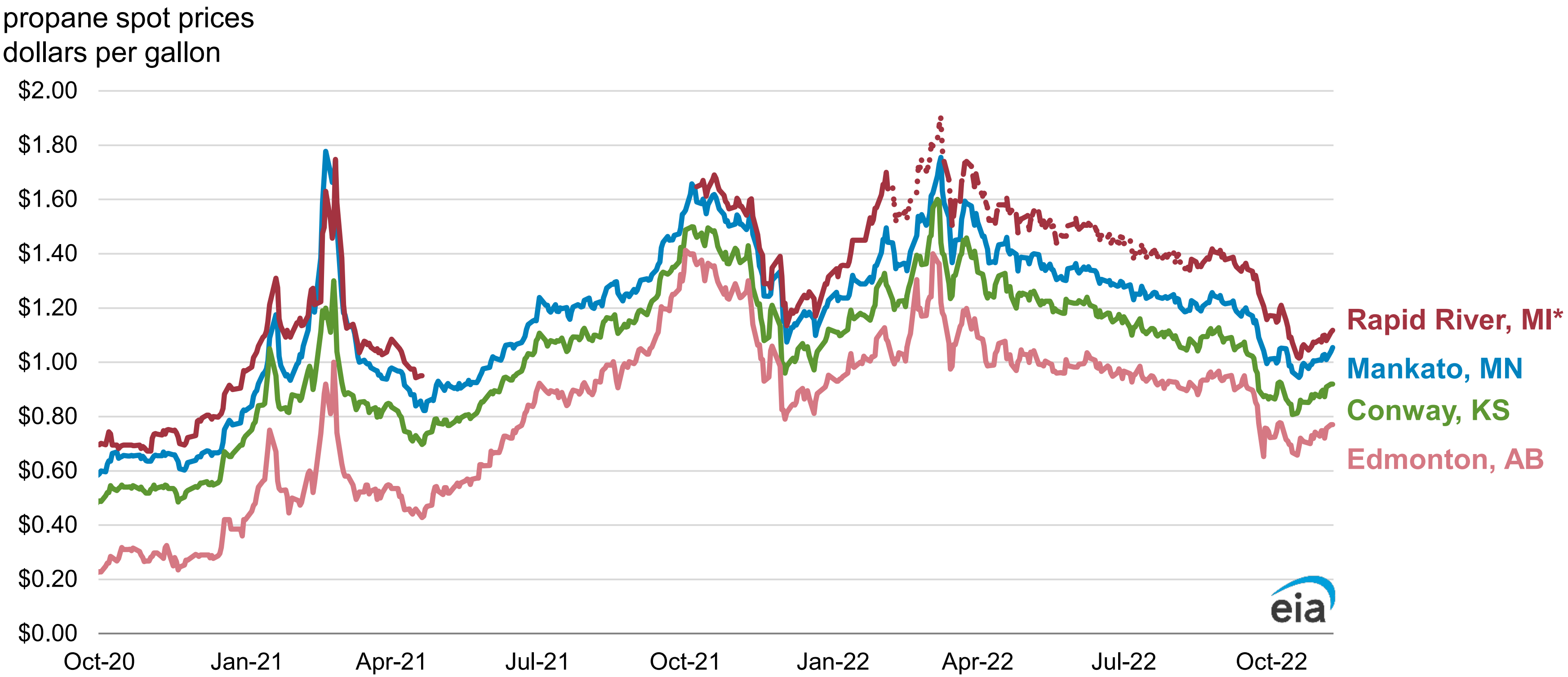
Northeast propane prices, generally dictated by tariff on TEPPCO* pipeline, currently high enough to pull product from the Gulf Coast



TEPPCO = Enterprise TE Products Pipeline Company LLC

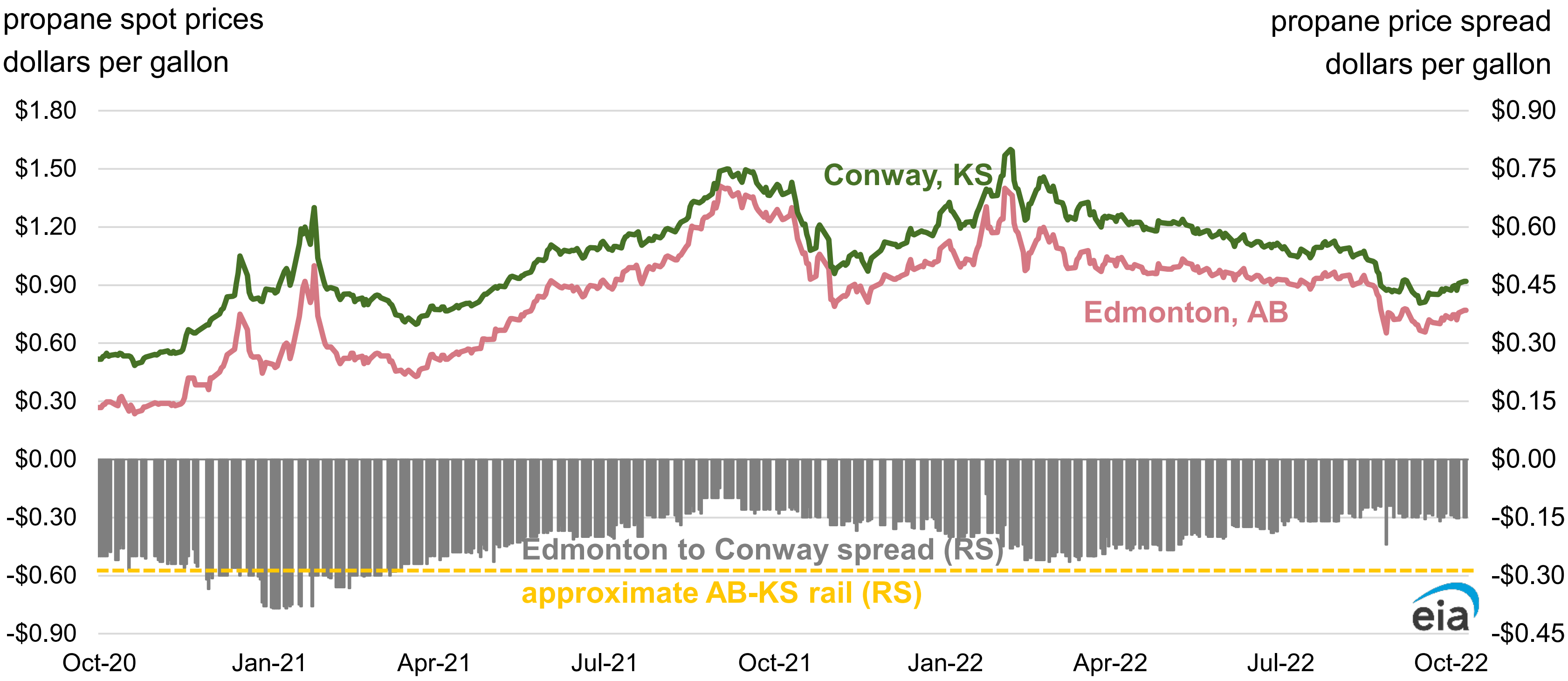
Data source: Graph created by the U.S. Energy Information Administration, based on data from Bloomberg, data through November 8, 2022; Enterprise Products Partners L.P., [Effective Tariffs](), FERC No. 54.64.0

Prices at major Midwest market centers closely correlated with Conway, with Edmonton prices at similar discount to Conway as last winter



Data Source: Graph created by the U.S. Energy Information Administration, based on data from Bloomberg, data through November 8, 2022
**Rapid River, MI rack prices not consistently available during summer months*

Discount for Edmonton propane relative to Conway, around ~15¢/gal, not enough to cover rail transportation costs into most Midwest markets



Data source: Graph created by the U.S. Energy Information Administration, based on data from Bloomberg, data through November 8, 2022

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.

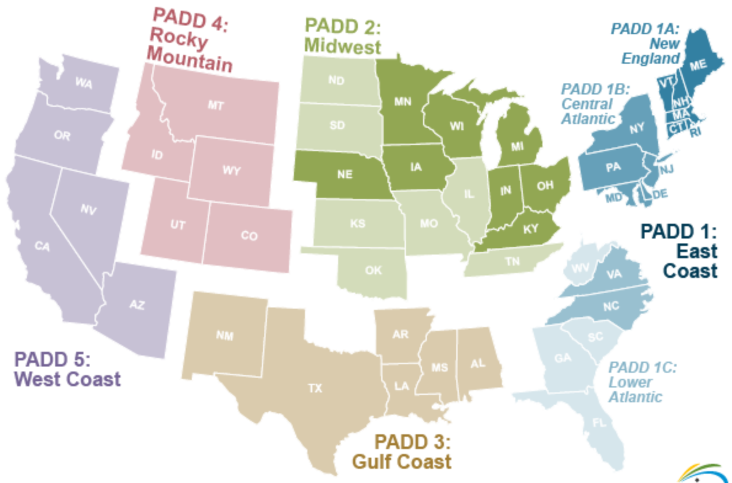
- EIA has been providing more granular inventory data to states on a weekly basis since the 2016/2017 heating season.

- 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, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont

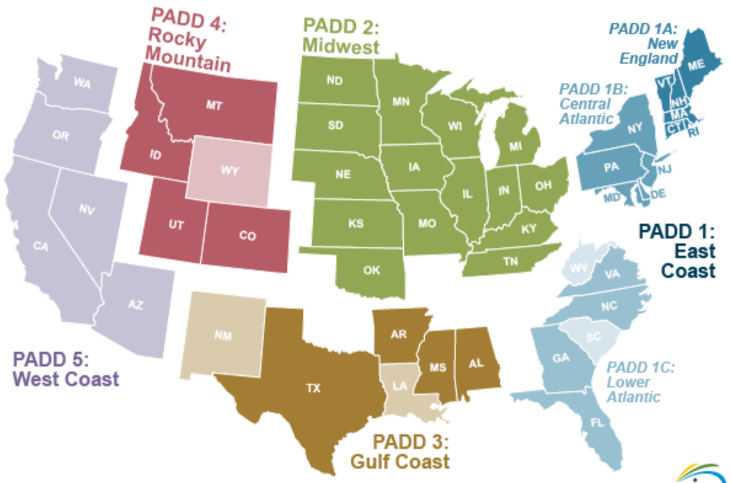
PADD 1B: Central Atlantic
Delaware, District of Columbia, Maryland, New Jersey, New York, Pennsylvania

PADD 1C: Lower Atlantic
North Carolina, Virginia

PADD 2: Midwest
Indiana, Iowa, Kentucky, Michigan, Minnesota, Nebraska, Ohio, Wisconsin

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

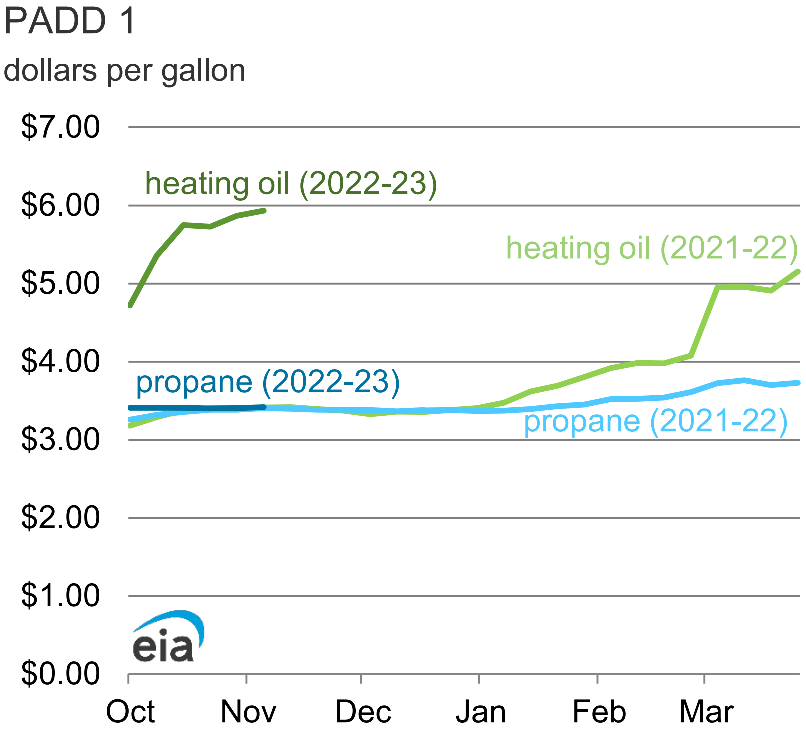
PADD 2: Midwest
Illinois, Indiana, Iowa, Kansas, Kentucky, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, Oklahoma, South Dakota, Tennessee, Wisconsin

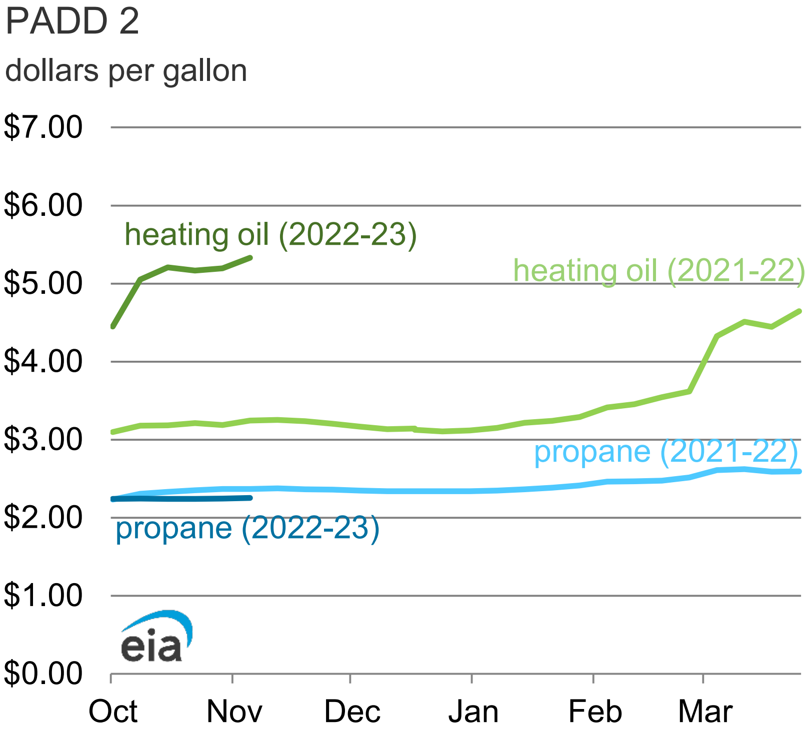
PADD 3: Gulf Coast
Alabama, Arkansas, Mississippi, Texas

PADD 4: Rocky Mountain
Colorado, Idaho, Montana, Utah

Data source: EIA, Heating Oil and Propane Update

Retail propane prices in PADD 1 are at the same level compared to this time last year, while propane prices in PADD 2 are lower

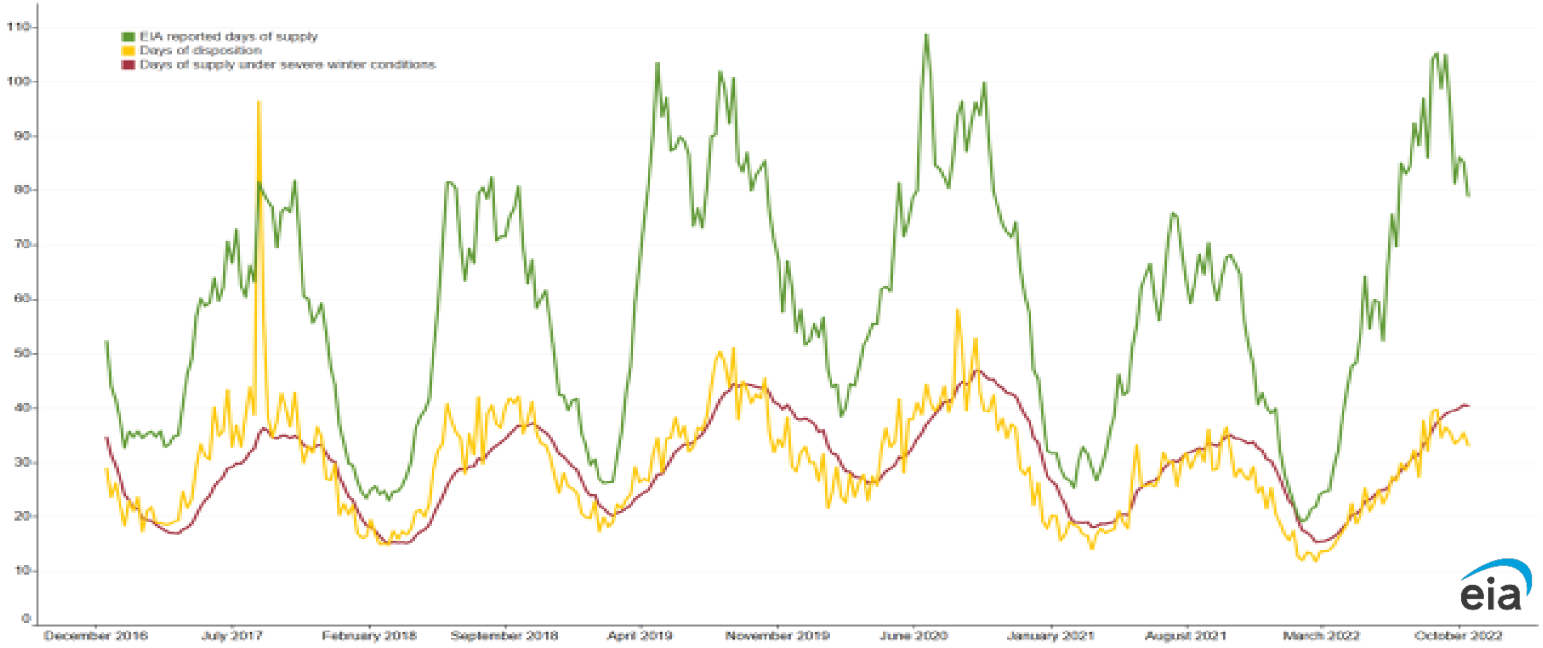




Data source: State Heating Oil and Propane Program, data through November 7, 2022

Various days-of supply/disposition measures

U.S. weekly stocks of propane/propylene
days of supply & disposition



*Note: *disposition = domestic product supplied + exports*
Data source: U.S. Energy Information Administration, Weekly Petroleum Status Report, data through November 4, 2022
For more information, please see EIA's [webinar on Propane Market Indicators and Measures of Supply Adequacy]()

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_mbbl_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