

2021/22 Winter Propane Market Update



January 20, 2022 | Washington, DC

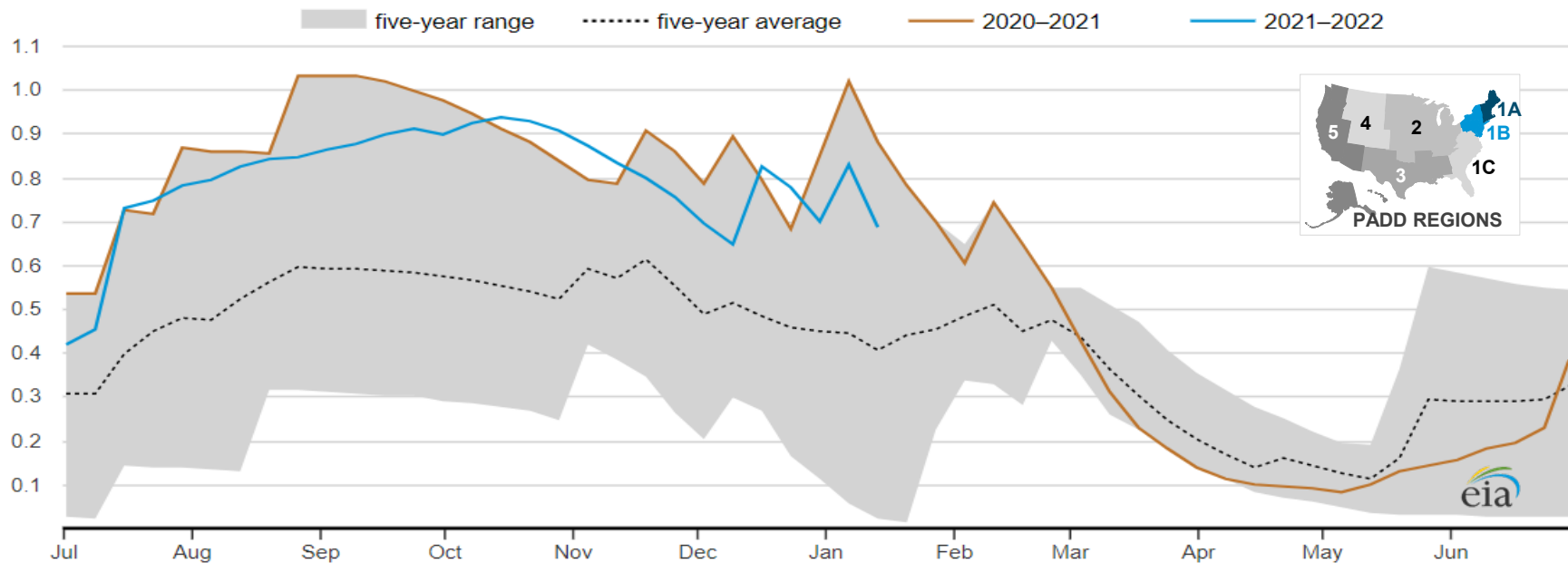
(Inventory data as of 01/14/22; residential heating fuel prices as of 01/17/22)

By

U.S. Energy Information Administration

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

New England (PADD 1A) ending stocks of propane and propylene
million barrels



Source: U.S. Energy Information Administration, *Weekly Petroleum Status Report*, January 20, 2022

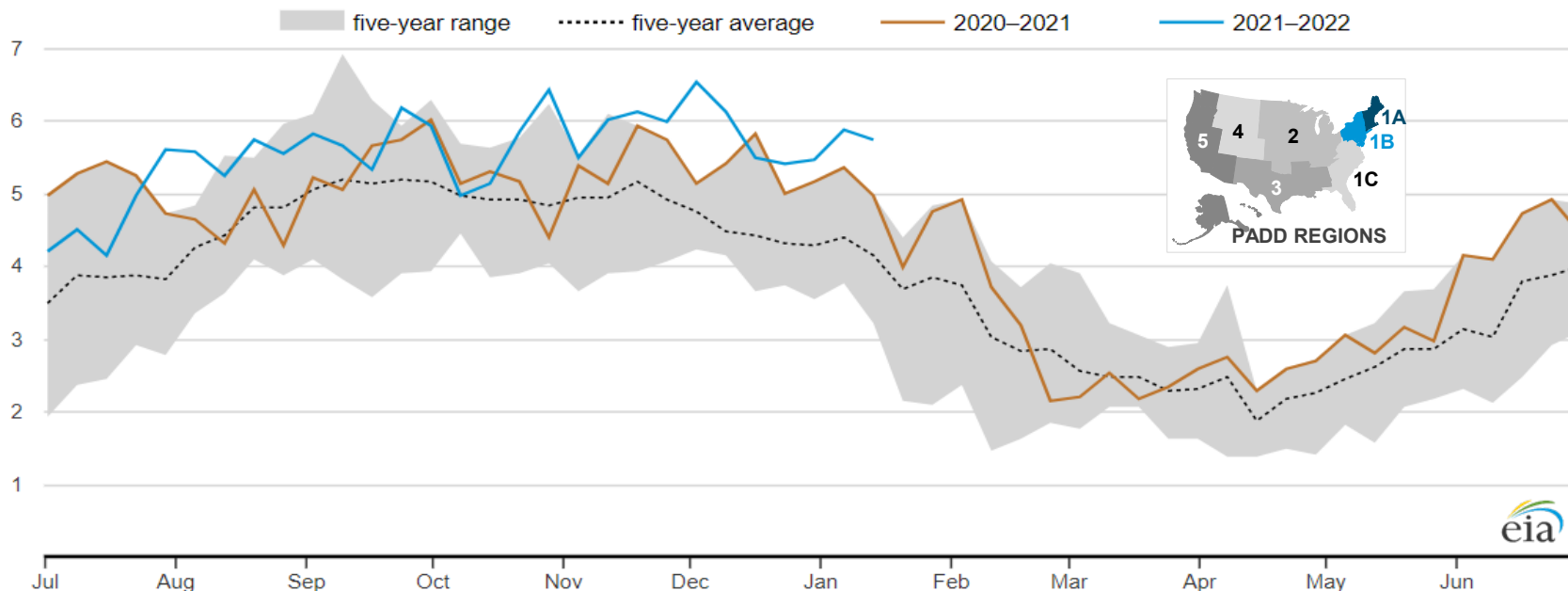
Note: PADD 1A is composed of Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont

data through January 14, 2021

*includes propylene stocks at refineries

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

Central Atlantic (PADD 1B) ending stocks of propane and propylene
million barrels



Source: U.S. Energy Information Administration, *Weekly Petroleum Status Report*, January 20, 2022

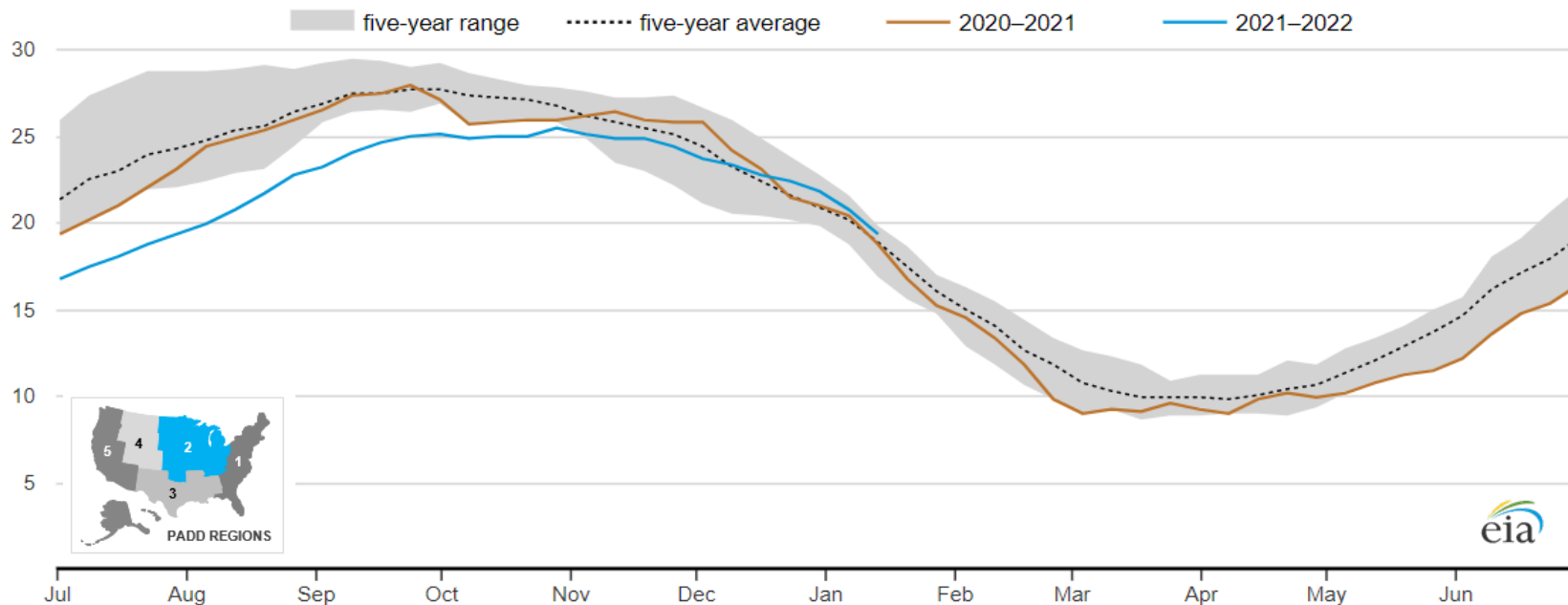
Note: PADD 1B is composed of Delaware, District of Columbia, Maryland, New Jersey, New York, and Pennsylvania

data through January 14, 2021

*includes propylene stocks at refineries

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

Midwest (PADD 2) ending stocks of propane and propylene
million barrels



Source: U.S. Energy Information Administration, *Weekly Petroleum Status Report*, January 20, 2022

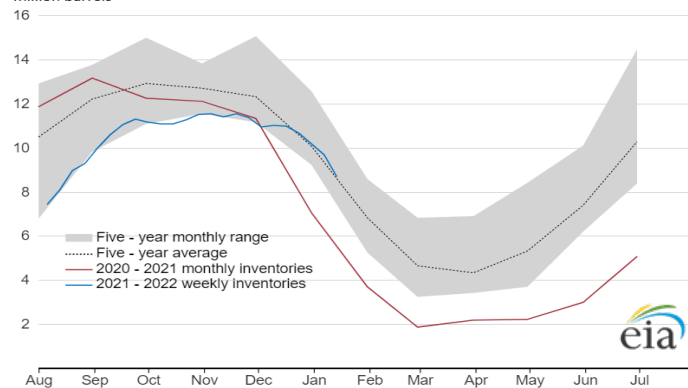
Note: PADD 2 is composed of Illinois, Indiana, Iowa, Kansas, Kentucky, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, Oklahoma, South Dakota, Tennessee, and Wisconsin

data through January 14, 2021

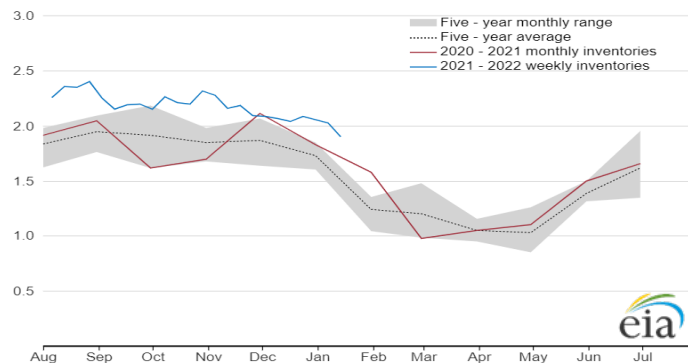
*includes propylene stocks at refineries

Selected state propane* inventories

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

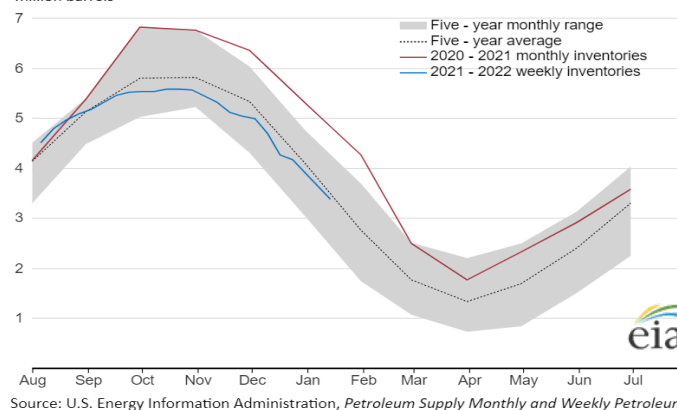


Illinois, Indiana, Ohio propane/propylene stock at refineries, terminals, and natural gas plants (not pipelines)
million barrels

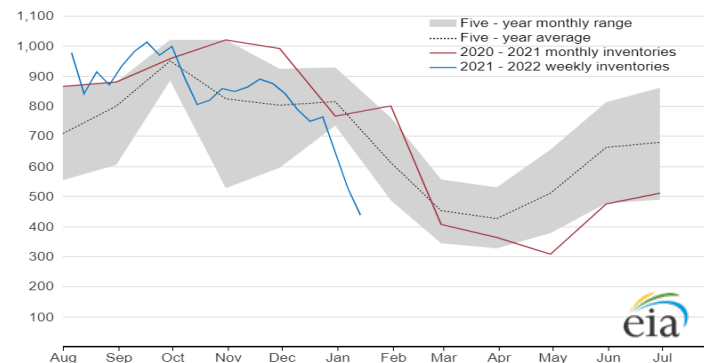


Note: data through January 14, 2021

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



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

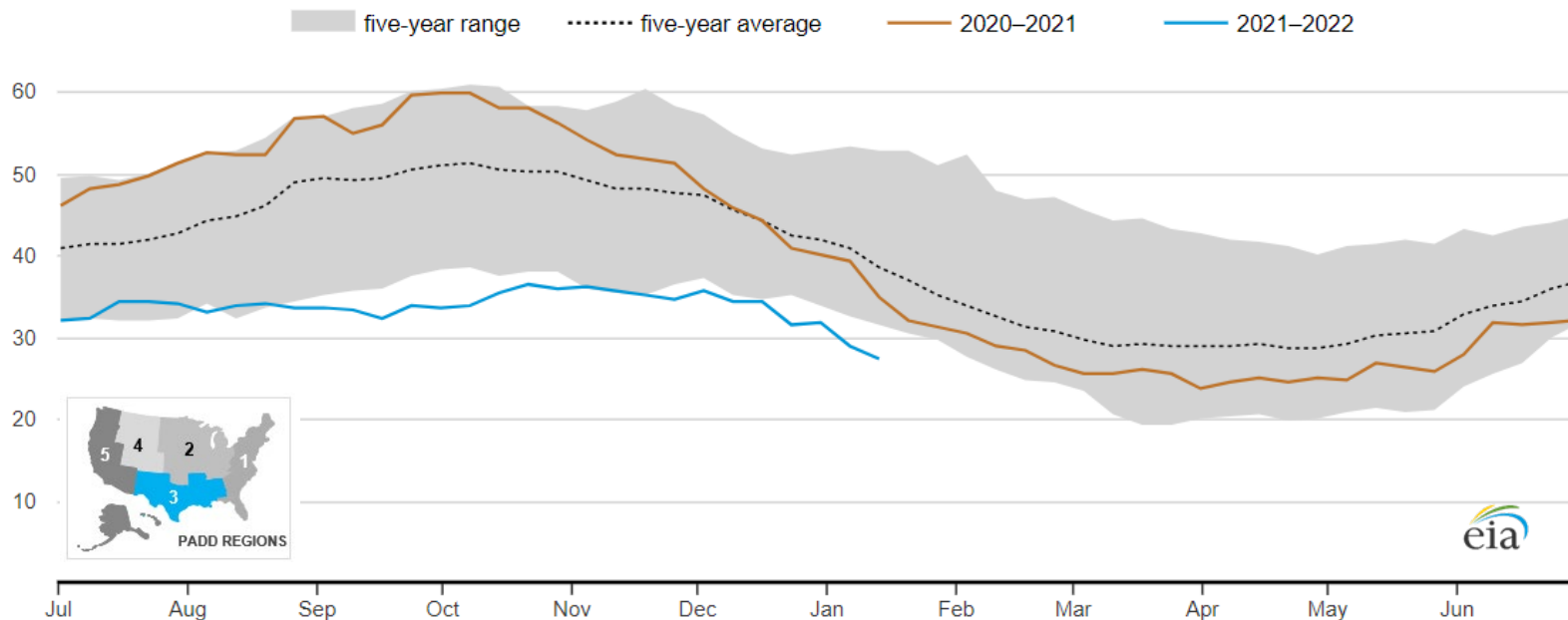


*includes propylene stocks at refineries

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

Gulf Coast (PADD 3) propane/propylene inventories

million barrels



Source: U.S. Energy Information Administration, *Weekly Petroleum Status Report*, January 20, 2022

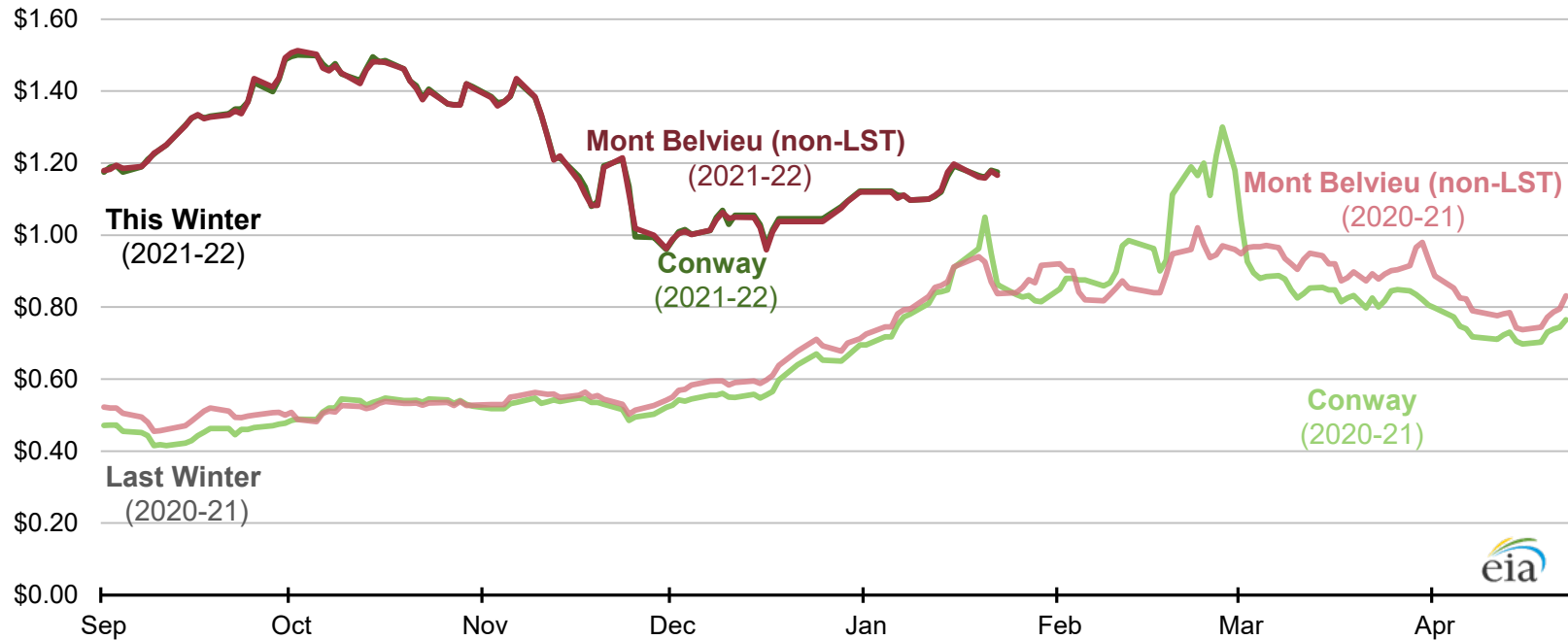
Note: PADD 3 is composed of Alabama, Arkansas, Louisiana, Mississippi, New Mexico, and Texas

data through January 14, 2021

*includes propylene stocks at refineries

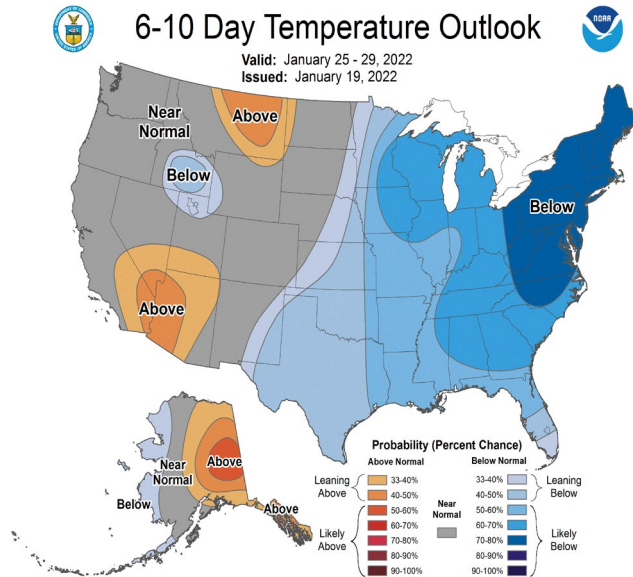
Conway, KS propane spot prices at a ~1¢/gal premium to the Mt. Belvieu, TX hub

Propane spot prices (Conway, KS and Mont Belvieu, TX)
dollars per gallon (\$/gal)



Source: Graph created by the U.S. Energy Information Administration, based on data from Bloomberg, data through January 18, 2022

NOAA's projected temperatures: January 25 – Jan. 29, 2022, and January 27 – Feb. 2, 2022



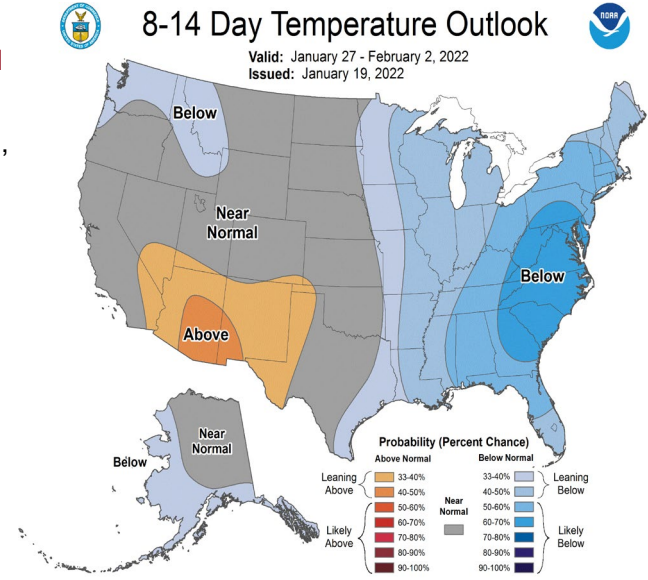
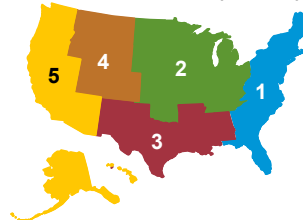
A = temperatures above normal

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

B = temperatures below normal

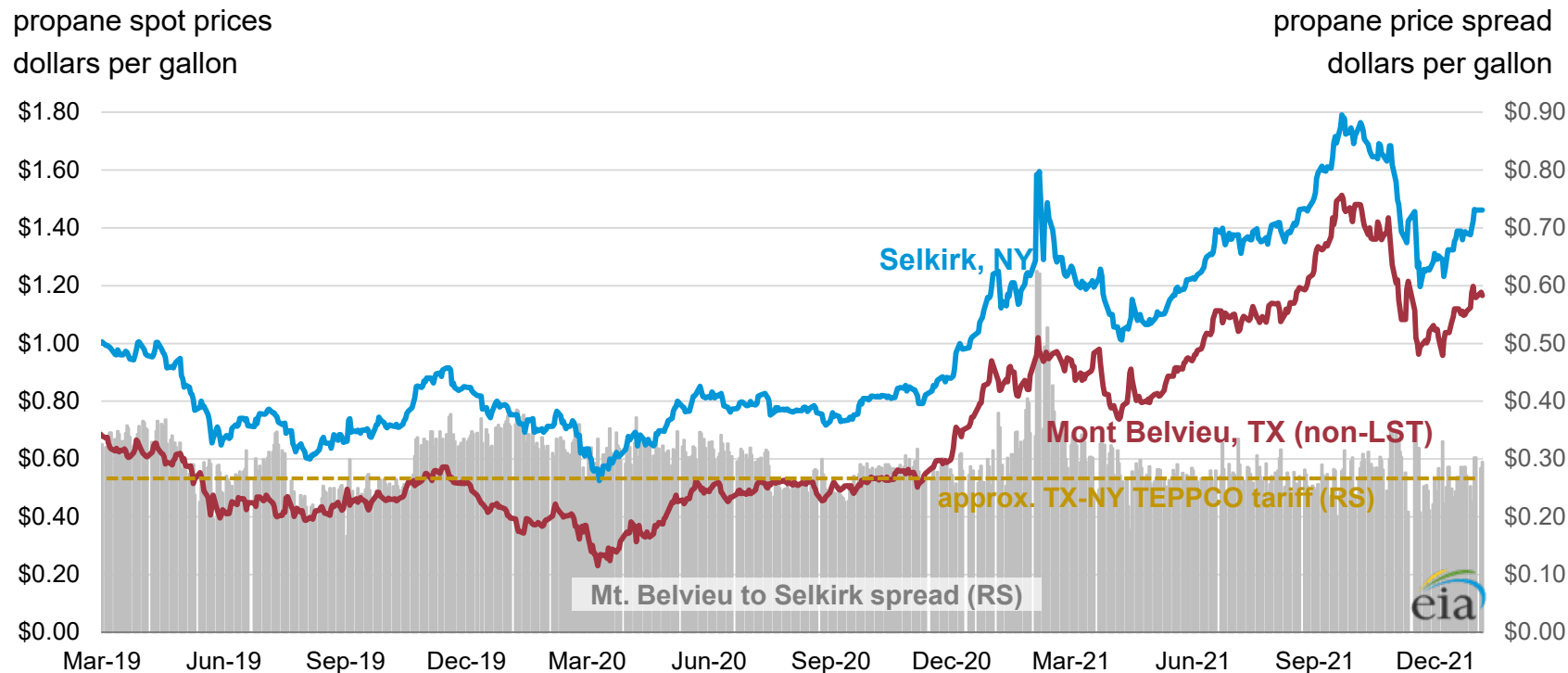
Source: [NOAA](https://www.noaa.gov), Jan. 19, 2022

Petroleum Administration for Defense Districts (PADDs)



- NOAA forecasts a moderate chance of below-normal temperatures in the Northeast, stretching west with decreasing probability. The western half of the lower-48 states is expected to have mostly near-normal temperatures, with some pockets of above-normal. The cooler-than-normal temperatures in the eastern half of the United States are expected to linger through the end of January and into the beginning of February.
- Propane heating demand will likely be above-average in PADDs 1, 2, and 3 heading into February. PADDs 4 and 5 are expected to have average propane heating demand for this time of year.

Northeast propane prices, dictated by tariff on the TEPPCO* pipeline, were sufficiently high to pull additional product from the Gulf Coast this week

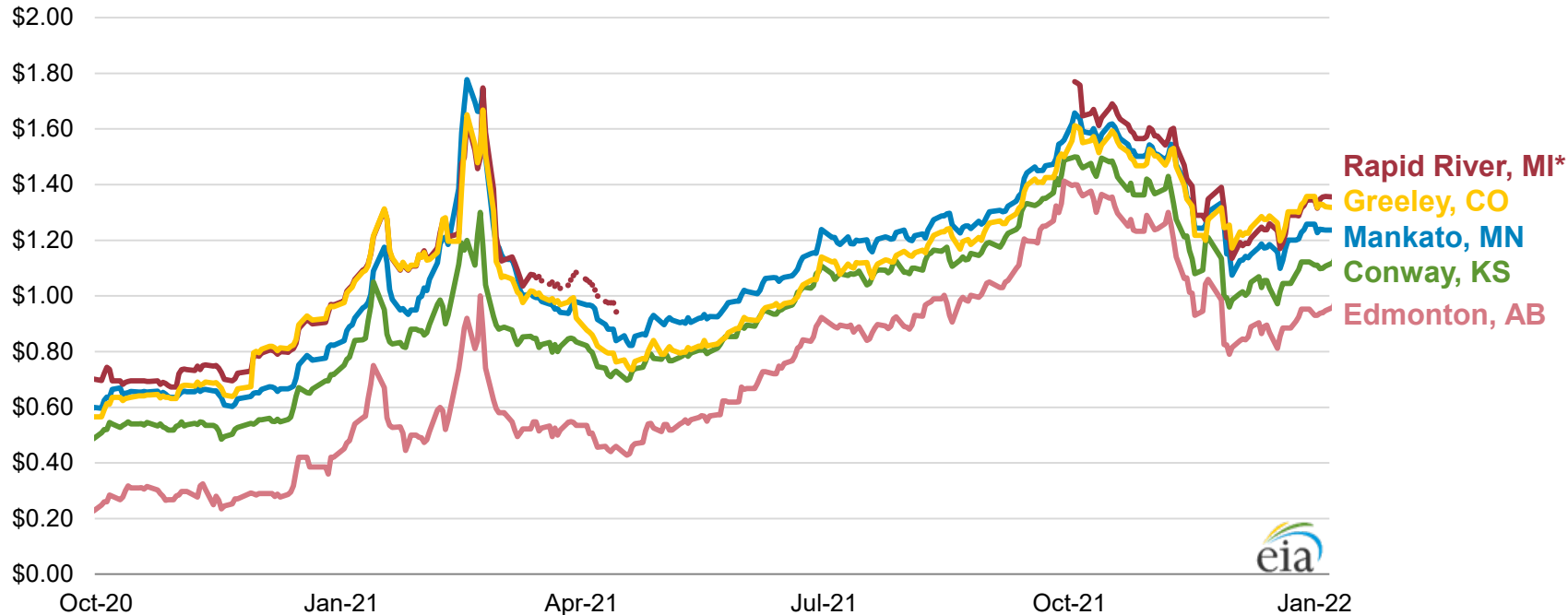


TEPPCO = Enterprise TE Products Pipeline Company LLC

Source: Graph created by the U.S. Energy Information Administration, based on data from Bloomberg, data through January 18, 2022; Enterprise Products Partners L.P., [Effective Tariffs](#), FERC No. 54.64.0

Prices at major Midwest market centers moving in tandem in response to wholesale prices at Conway, KS and Edmonton, AB

propane spot prices
dollars per gallon



Source: Graph created by the U.S. Energy Information Administration, based on data from Bloomberg, data through January 18, 2022

*Rapid River, MI rack prices unavailable during summer months

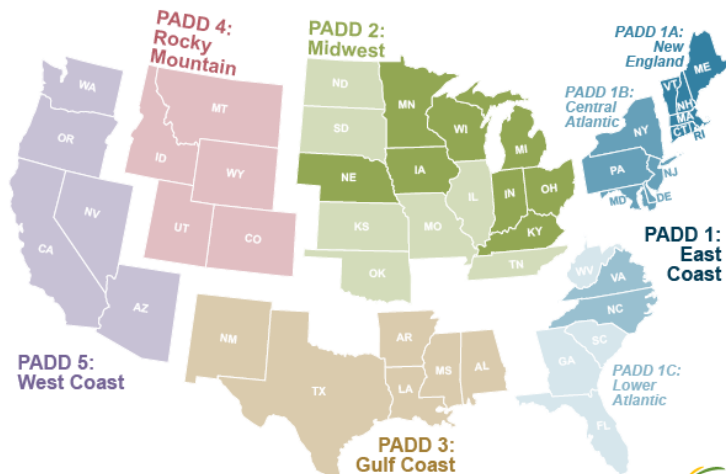
State Heating Oil and Propane Program (SHOPP) updates

- 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

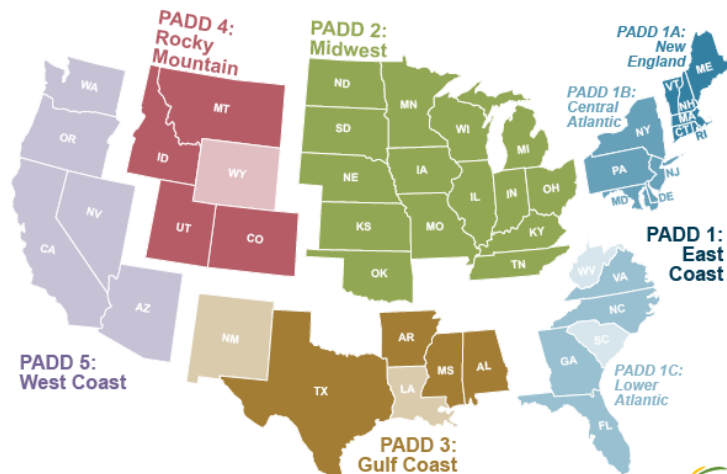
Indiana Minnesota
Iowa Nebraska
Kentucky Ohio
Michigan Wisconsin

PADD 1C: Lower Atlantic
North Carolina Virginia

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

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

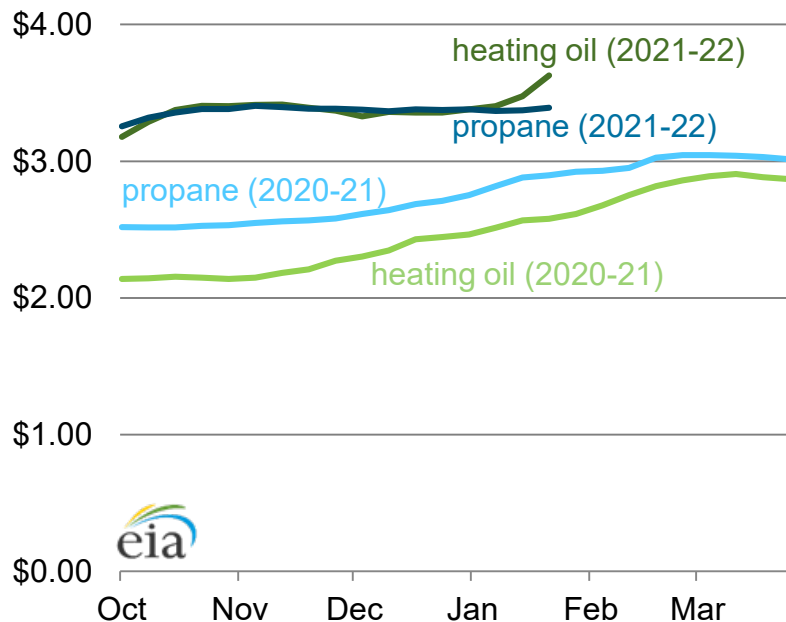
PADD 4: Rocky Mountain

Colorado Montana
Idaho Utah

Retail propane prices stayed flat this week and about 4% and 6% higher in PADD 1 and PADD 2, respectively, since the start of October

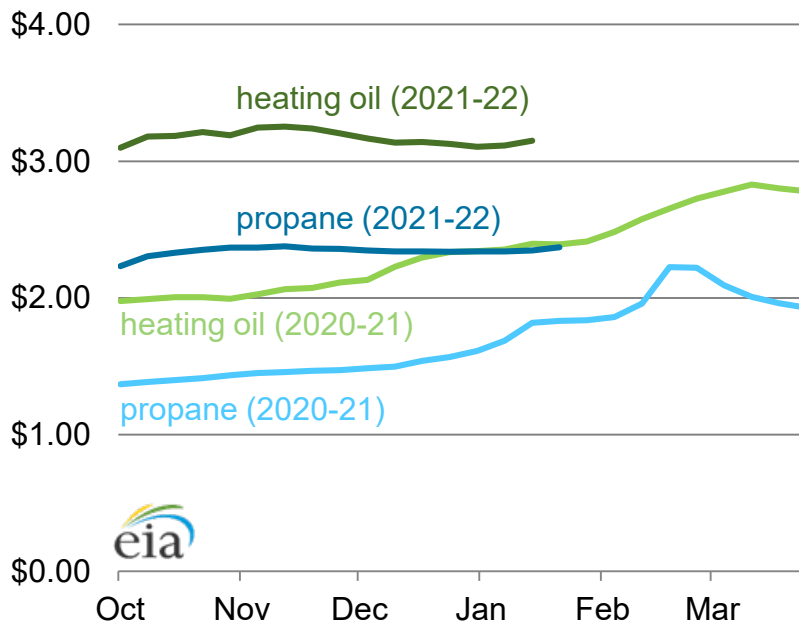
PADD 1

dollars per gallon



PADD 2

dollars per gallon

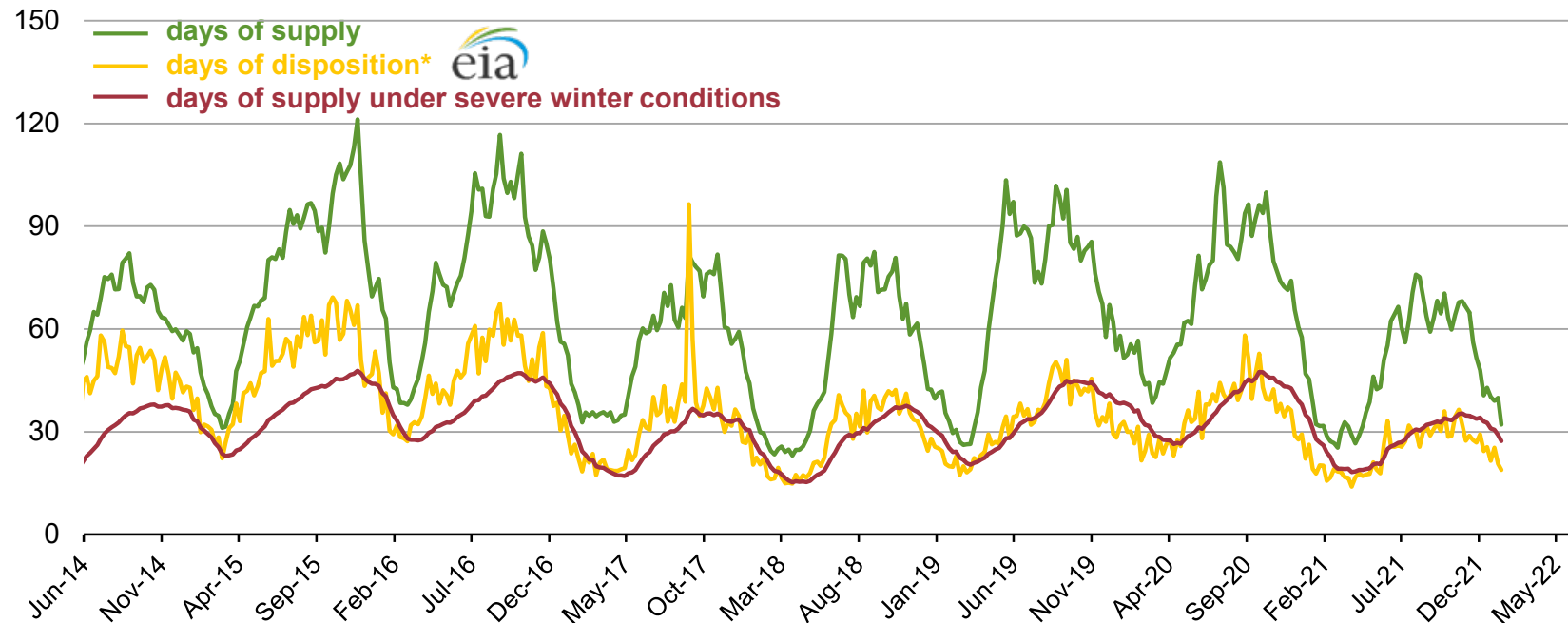


Source: State Heating Oil and Propane Program, data through January 17, 2022

Various days-of supply/disposition measures

U.S. weekly stocks of propane/propylene

days of supply & disposition



Note: *disposition = domestic product supplied + exports

Source: U.S. Energy Information Administration, Weekly Petroleum Status Report, data through January 14, 2021

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_mbbi_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