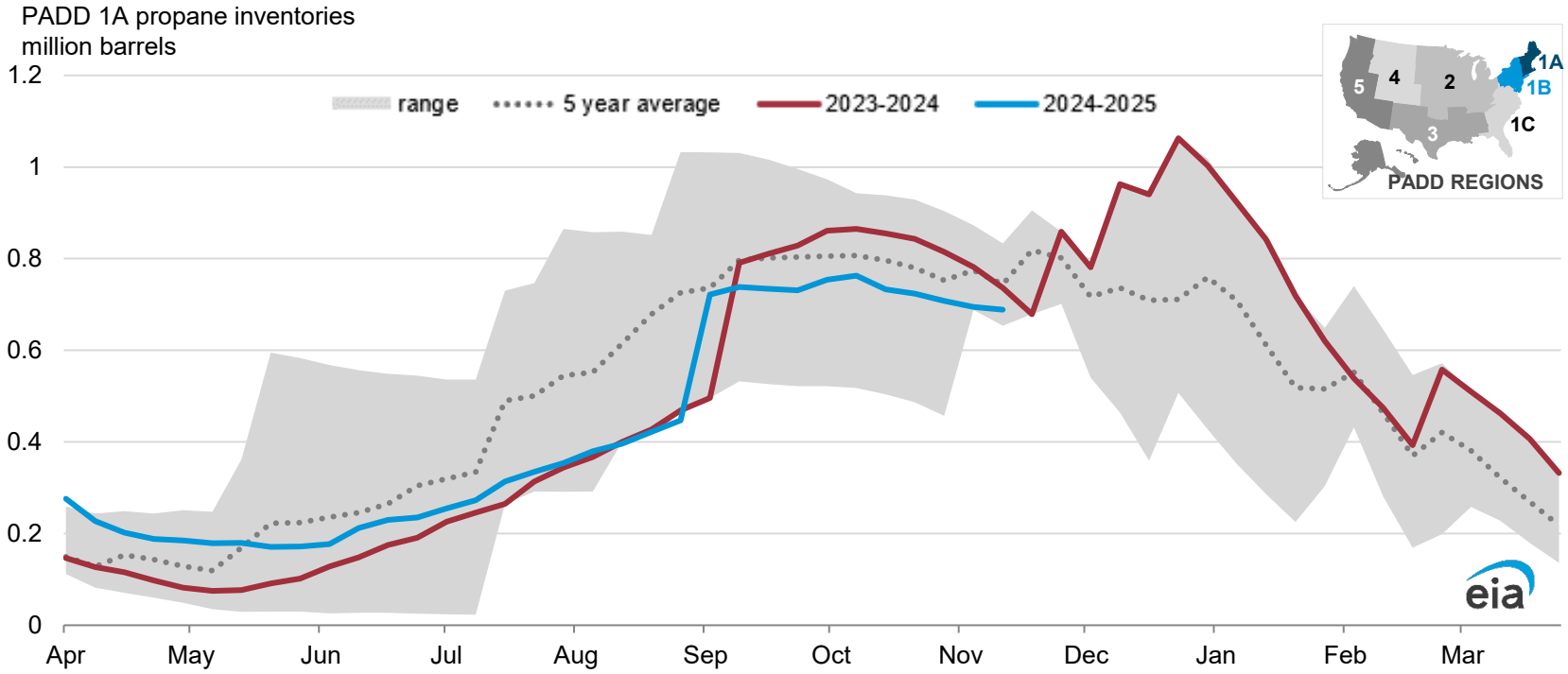
2024/25 Winter Propane Market Update

November 20, 2024 | Washington, DC
(Inventory data as of 11/15/24; residential heating fuel prices as of 11/18/24)

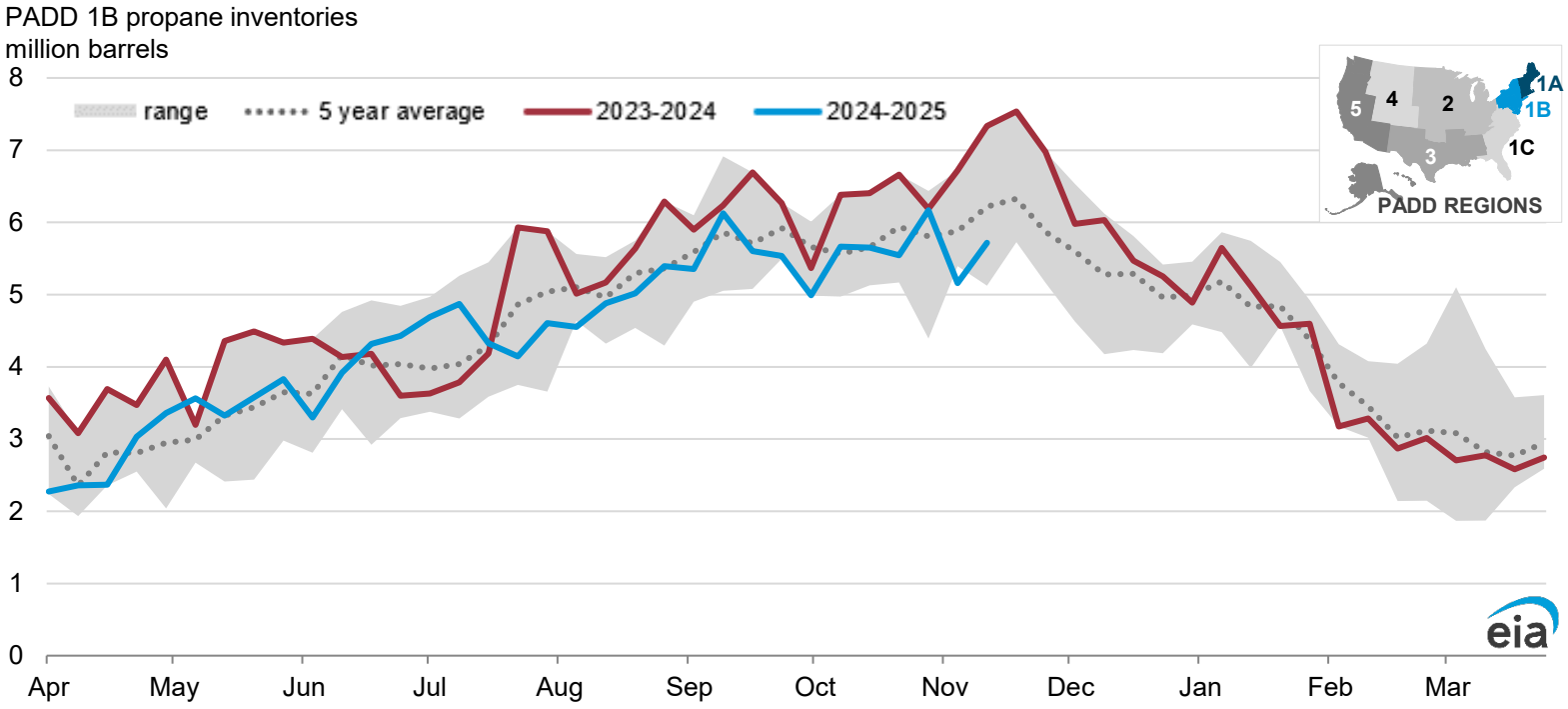
By
U.S. Energy Information Administration

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



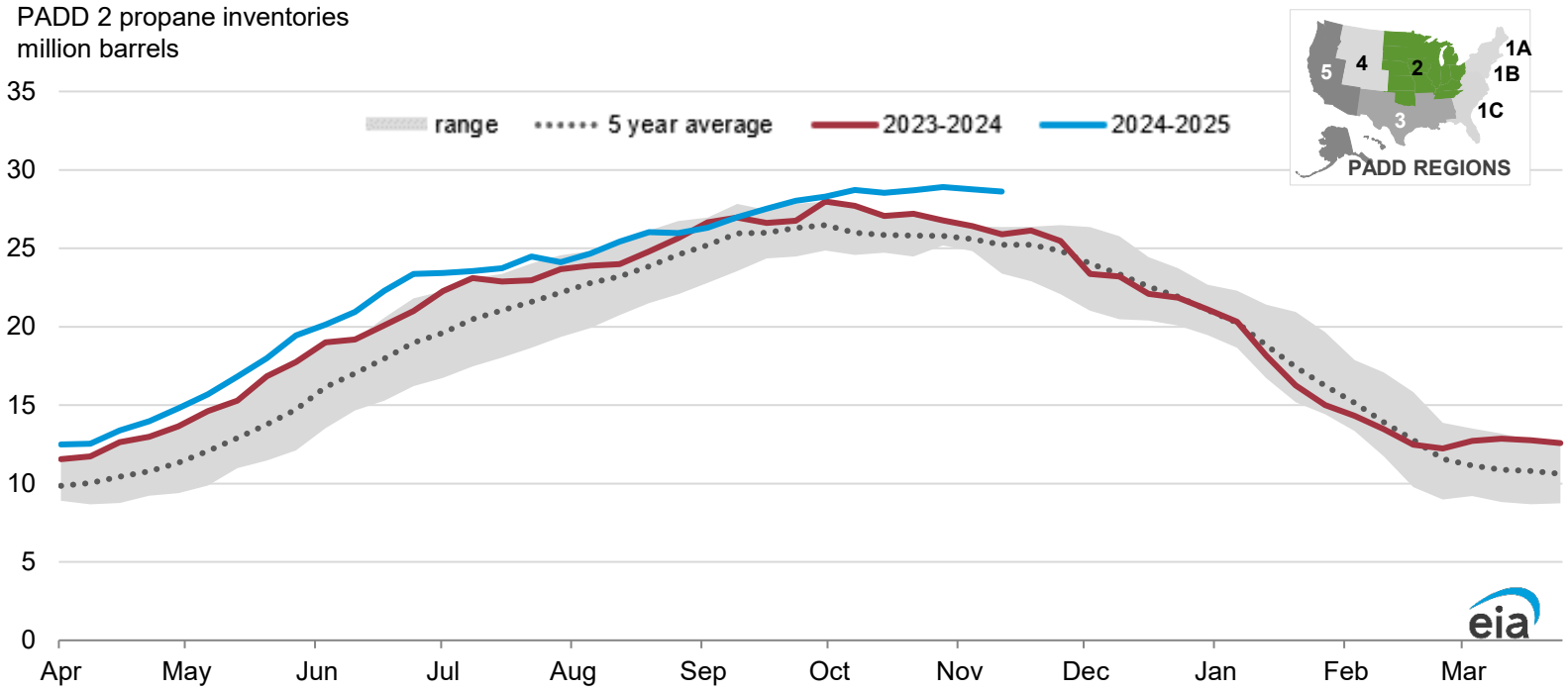
Data source: EIA, *Weekly Petroleum Status Report*, November 20, 2024. Data through November 15, 2024.
Note: PADD 1A is composed of Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont.

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



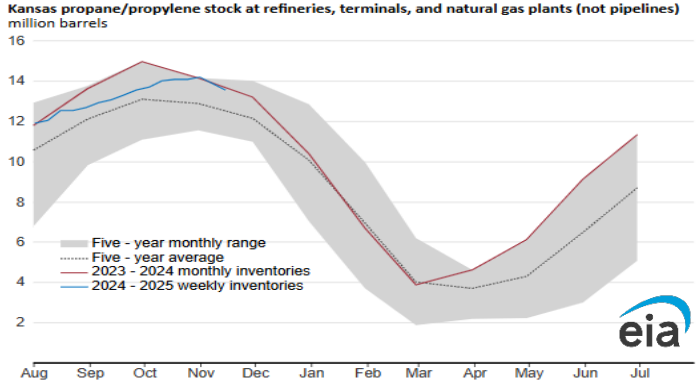
Data source: EIA, *Weekly Petroleum Status Report*, November 20, 2024. Data through November 15, 2024.
Note: PADD 1A is composed of Delaware, District of Columbia, Maryland, New Jersey, New York, and Pennsylvania.

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

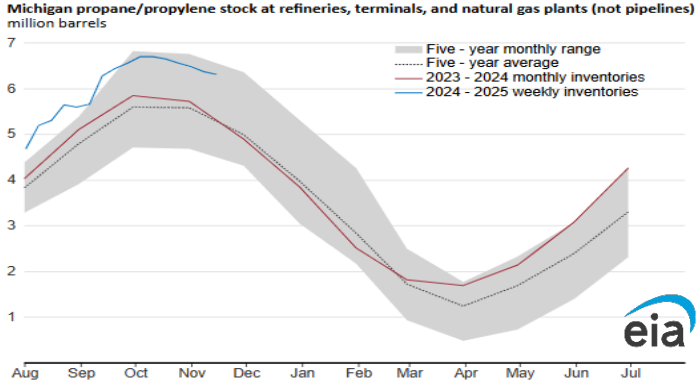


Data source: EIA, *Weekly Petroleum Status Report*, November 20, 2024. Data through November 15, 2024.
PADD 2 is composed of Illinois, Indiana, Iowa, Kansas, Kentucky, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio Oklahoma, South Dakota, Tennessee, and Wisconsin.

Selected state propane* inventories



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



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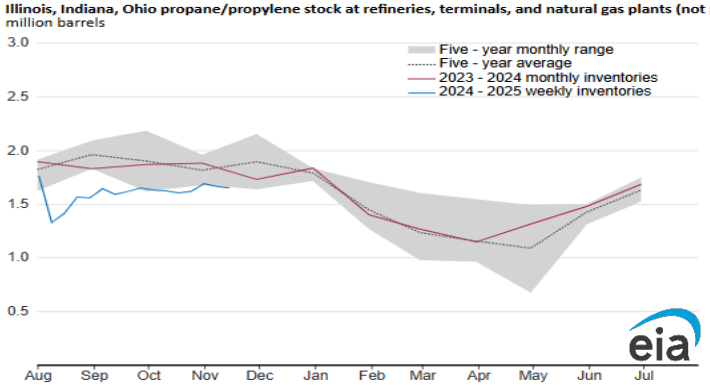

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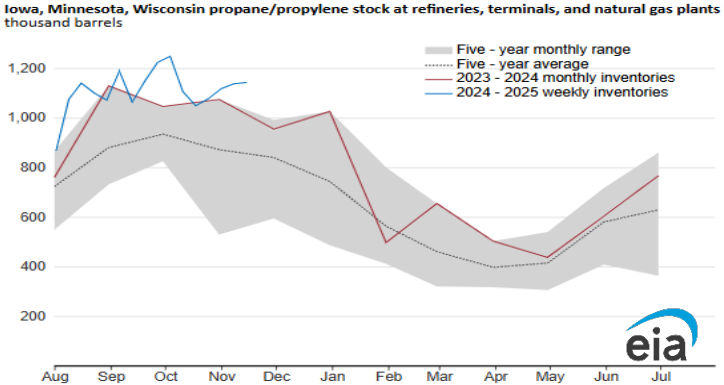
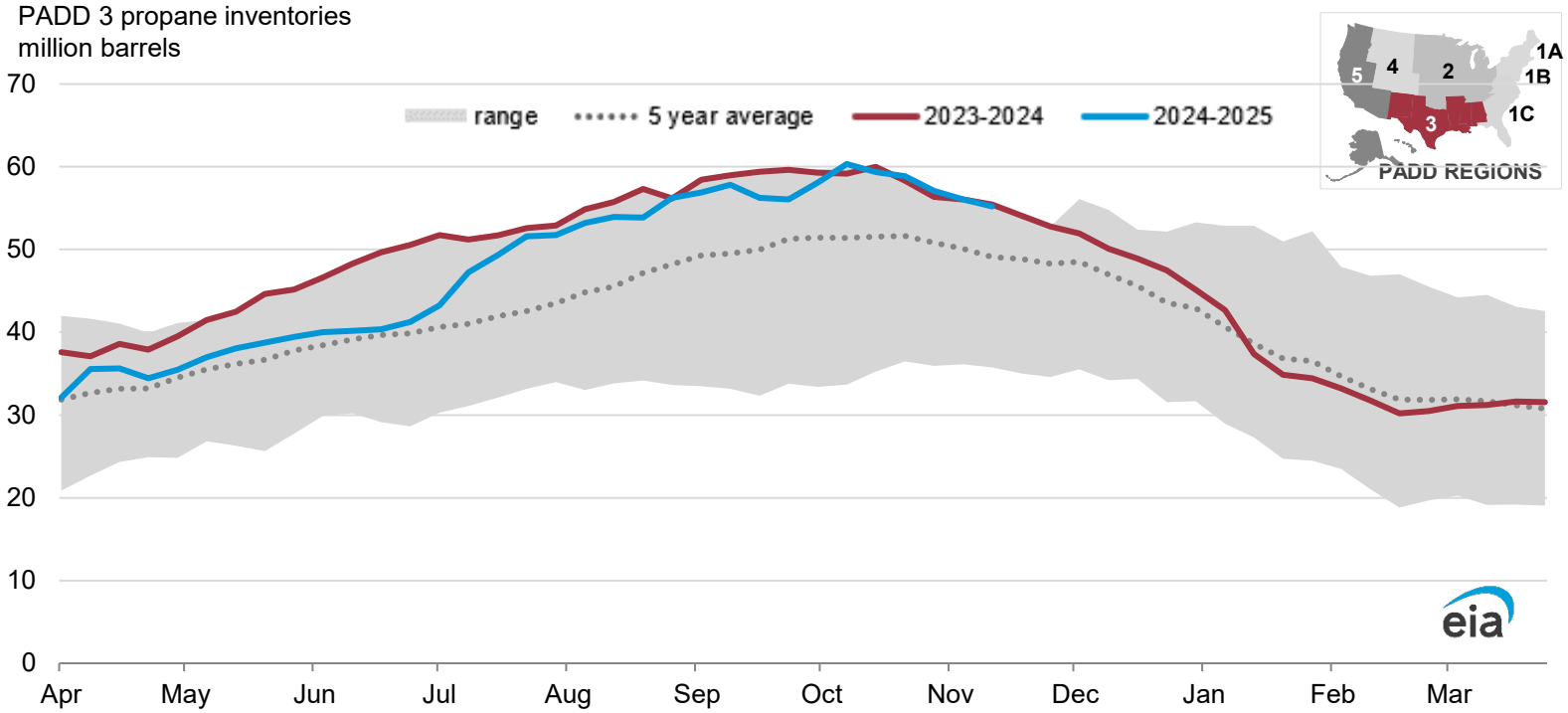


Source: U.S. Energy Information Administration, *Petroleum Supply Monthly and Weekly Petroleum Status Report*

Data Source: EIA, Weekly Petroleum Status Report, data through November 15, 2024

*propane/propylene for fuel use only

PADD 3 (Gulf Coast) propane inventories near 5-year highs



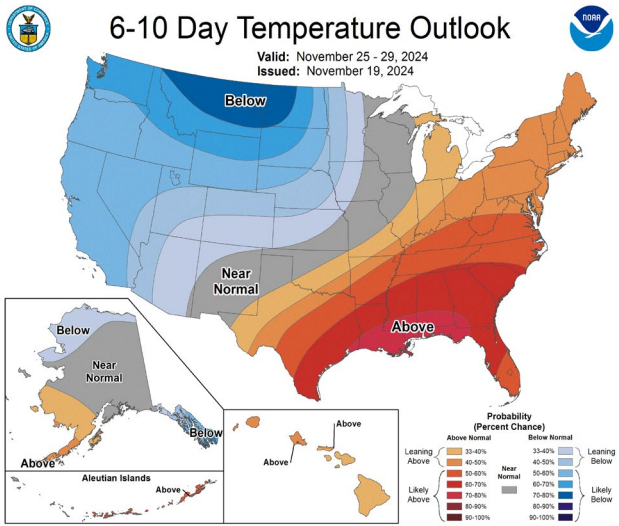
Data source: EIA, *Weekly Petroleum Status Report*, November 20, 2024. Data through November 15, 2024.
Note: PADD 3 is composed of Alabama, Arkansas, Louisiana, Mississippi, New Mexico, and Texas.

Wholesale propane spot prices higher than at this time last year; Mt. Belvieu, Texas now at ~7¢/gal premium to Conway, Kansas.

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

Data source: Bloomberg L.P., data through November 19, 2024

NOAA's projected temperatures: November 25 – Nov. 29, 2024, and November 27 – Dec. 3, 2024

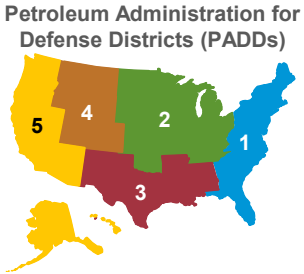


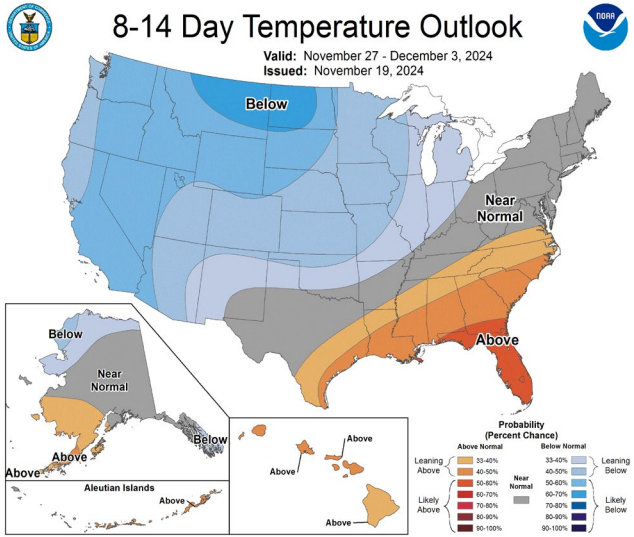
A = temperatures above normal

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

B = temperatures below normal

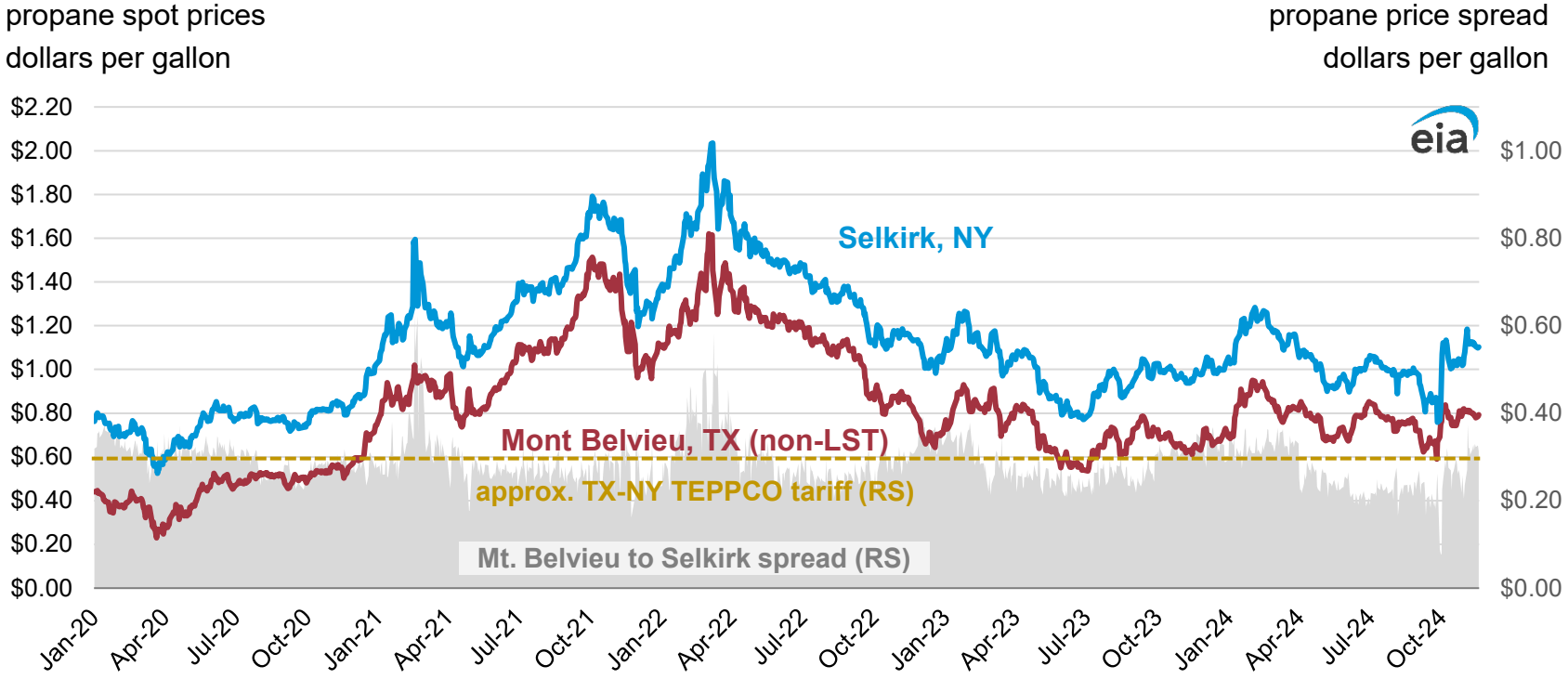
Data source: NOAA, Nov. 19, 2024





- NOAA forecasts below normal temperatures from the West to the northern Plains, with the highest probability on the northern border states. Above normal temperatures are expected from the Gulf Coast to the Eastern Seaboard and Great Lakes, with the highest probability in the South. Later in the forecast, cooler-than-normal temperatures will move east, enveloping the Great Lakes.
- Above-normal temperatures will likely result in lower winter heating demand for this time of year in PADD 1, 3 and eastern PADD 2. The western part of PADD 2 as well as PADDs 4 and 5 will likely have higher heating demand.

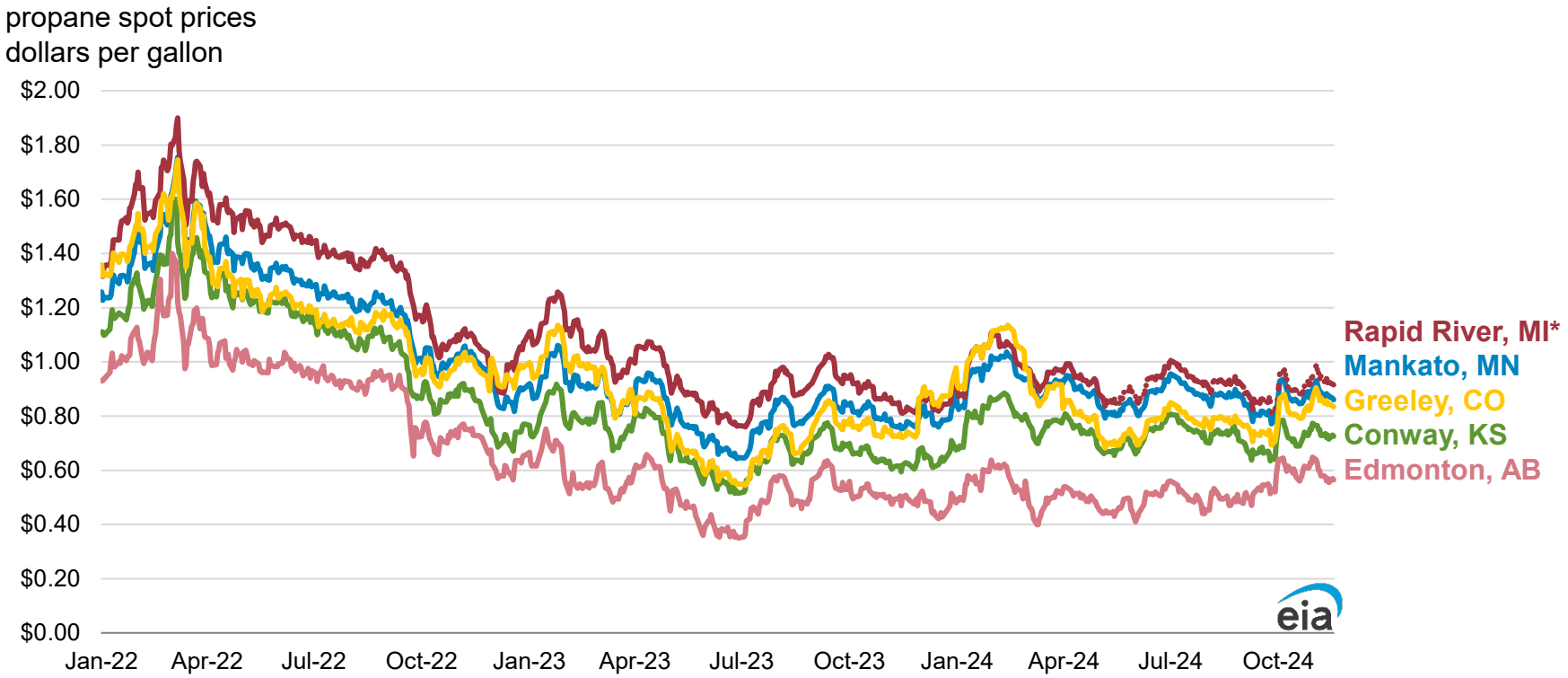
Northeast propane prices, generally dictated by tariff on TEPPCO* pipeline, are high enough to pull product from the Gulf Coast



TEPPCO = Enterprise TE Products Pipeline Company LLC

Data source: Bloomberg L.P., data through November 19, 2024; Enterprise Products Partners L.P., Effective Tariffs, FERC No. 54.70.0

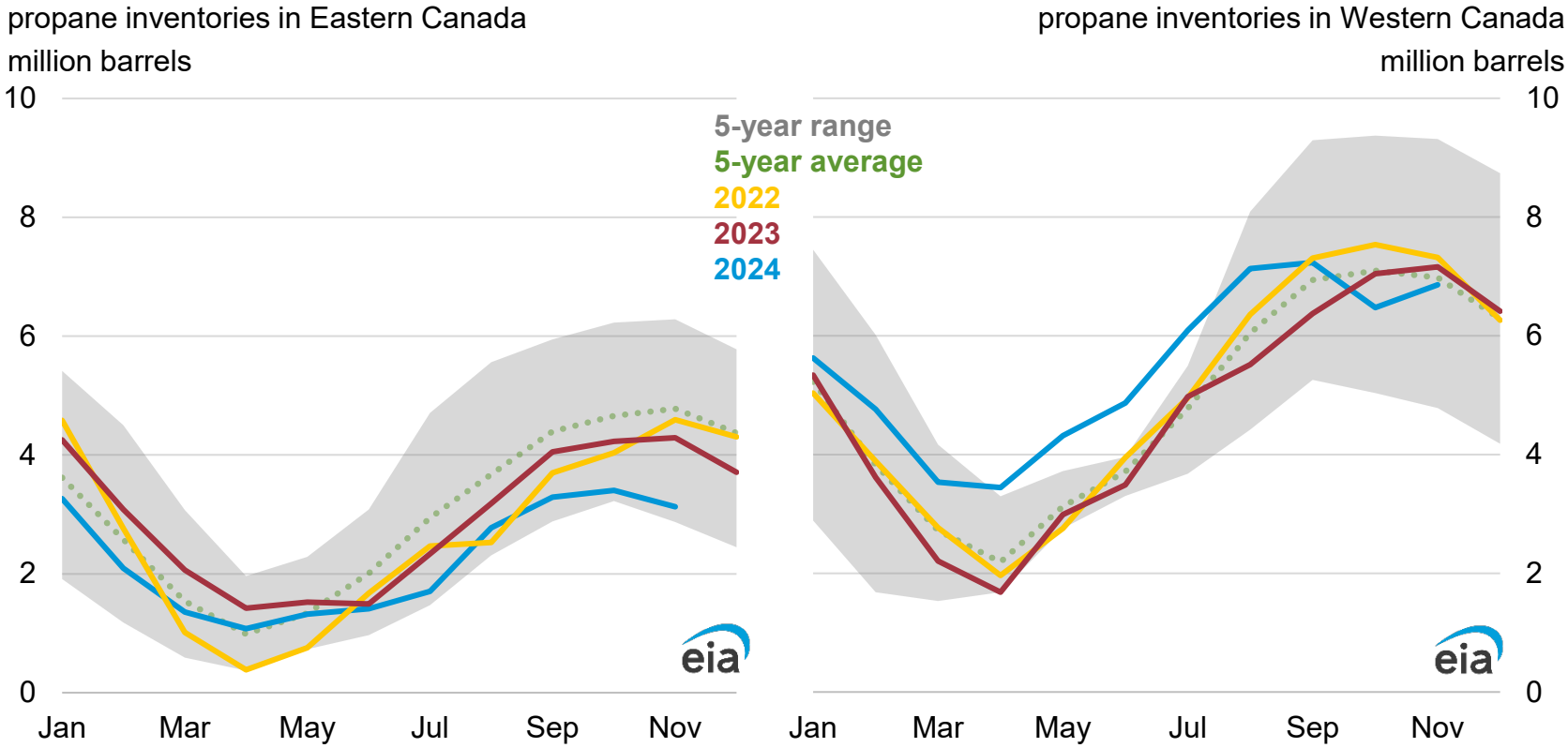
Prices at major Midwest market centers fell this week, stay correlated with Conway, KS



Data source: Bloomberg L.P., data through November 19, 2024

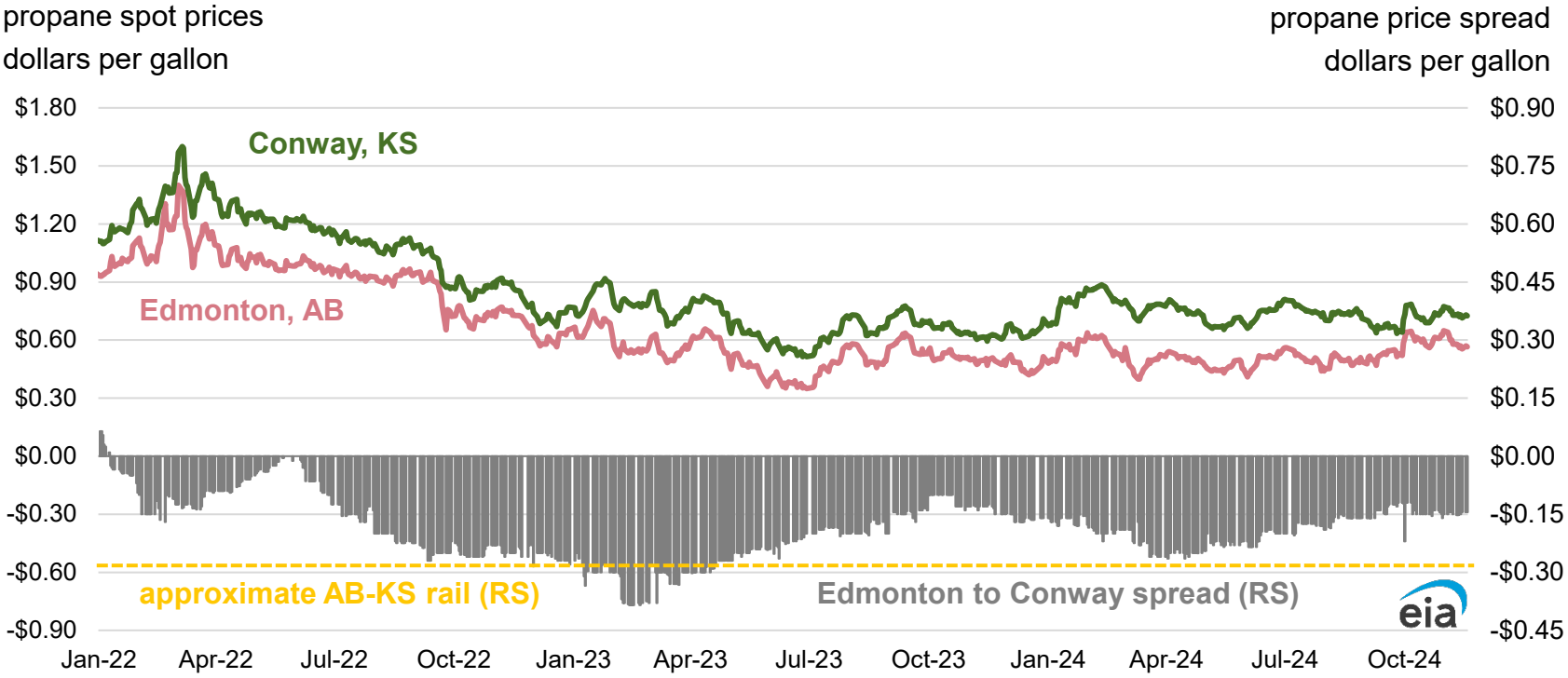
**Rapid River, MI rack prices not consistently available during summer months*

October propane inventories in Eastern were below the 5-year average and near the 5-year average in Western Canada



Data source: Canada Energy Regulator, November 15, 2024

Conway premium rose to ~16¢/gal over Edmonton this week, enough to cover rail transport into Midwest markets



Data source: Bloomberg L.P., data through November 19, 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.

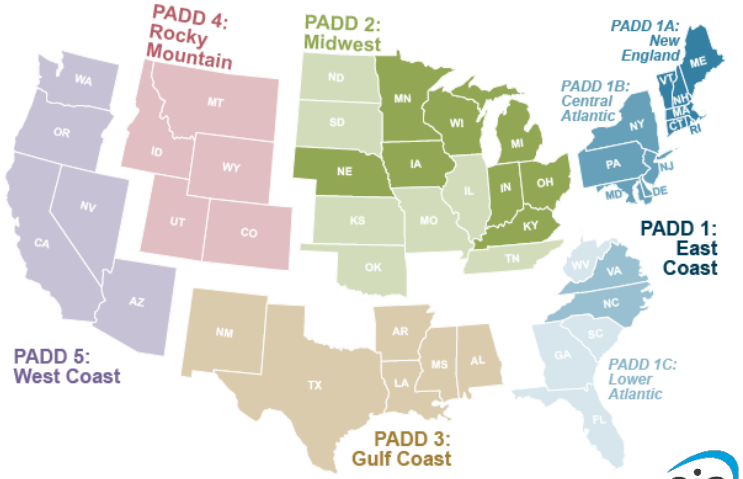
- EIA has been providing more granular inventory data to states on a weekly basis since the 2016/2017 heating season.

- 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

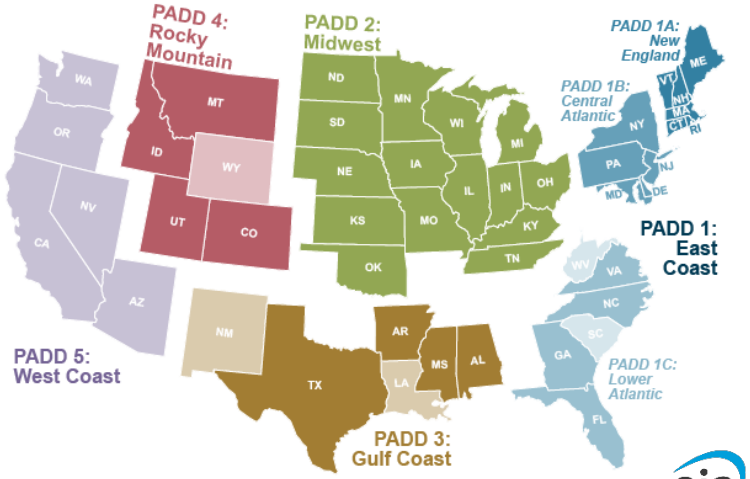
PADD 1B: Central Atlantic
Delaware, New Jersey, District of Columbia, New York, Maryland, Pennsylvania

PADD 1C: Lower Atlantic
North Carolina, Virginia

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

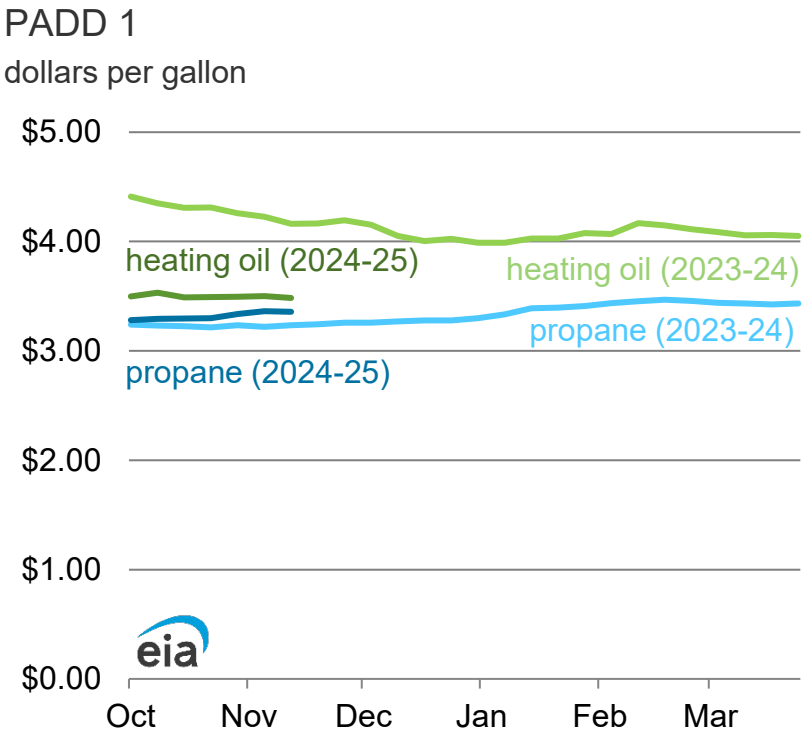
PADD 2: Midwest
Illinois, Nebraska, Indiana, North Dakota, Iowa, Ohio, Kansas, Oklahoma, Kentucky, South Dakota, Michigan, Tennessee, Minnesota, Wisconsin, Missouri

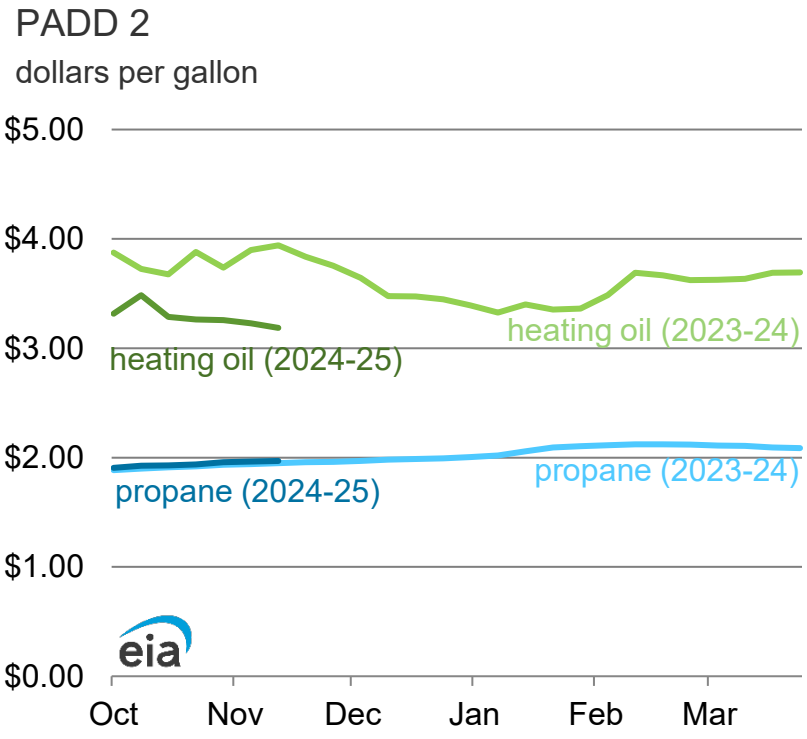
PADD 3: Gulf Coast
Alabama, Mississippi, Arkansas, Texas

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

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

Retail propane prices in PADD 1 are higher than prices at this time last year. PADD 2 propane prices are close to last year's prices.





Data source: State Heating Oil and Propane Program, data through November 18, 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_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