

2023/24 Winter Propane Market Update



November 22, 2023 | Washington, DC

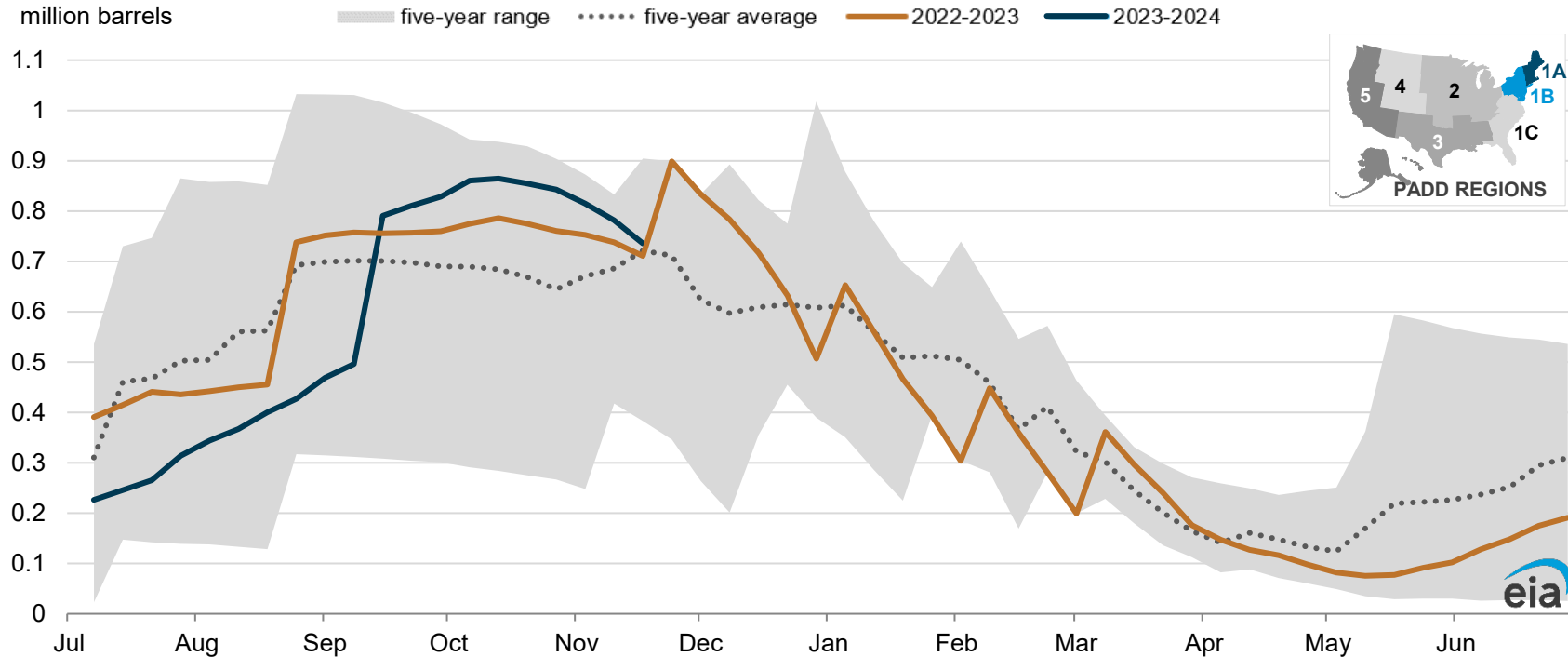
(Inventory data as of 11/17/23; residential heating fuel prices as of 11/20/23)

By

U.S. Energy Information Administration

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

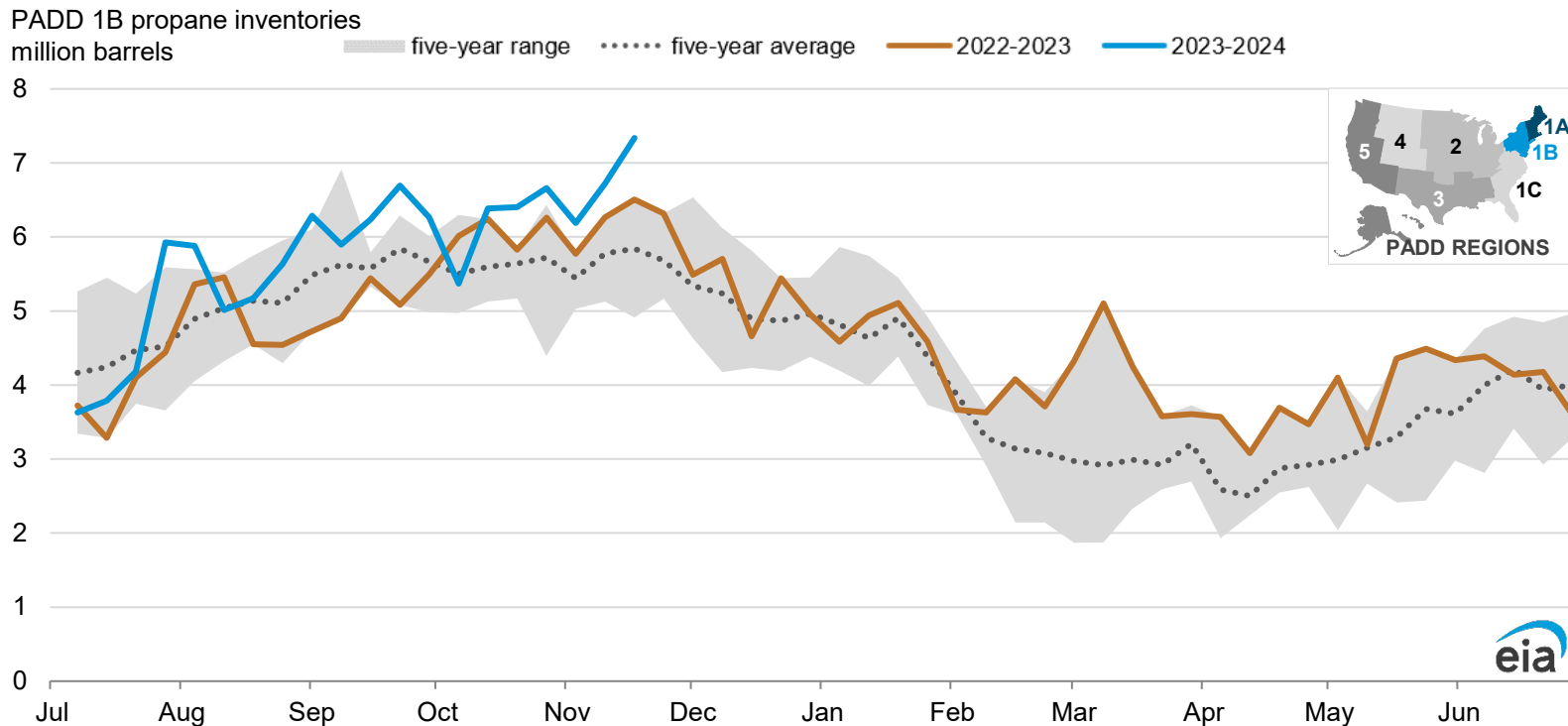
PADD 1A propane inventories
million barrels



Data source: EIA, *Weekly Petroleum Status Report*, November 22, 2023. Data through November 17, 2023.

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

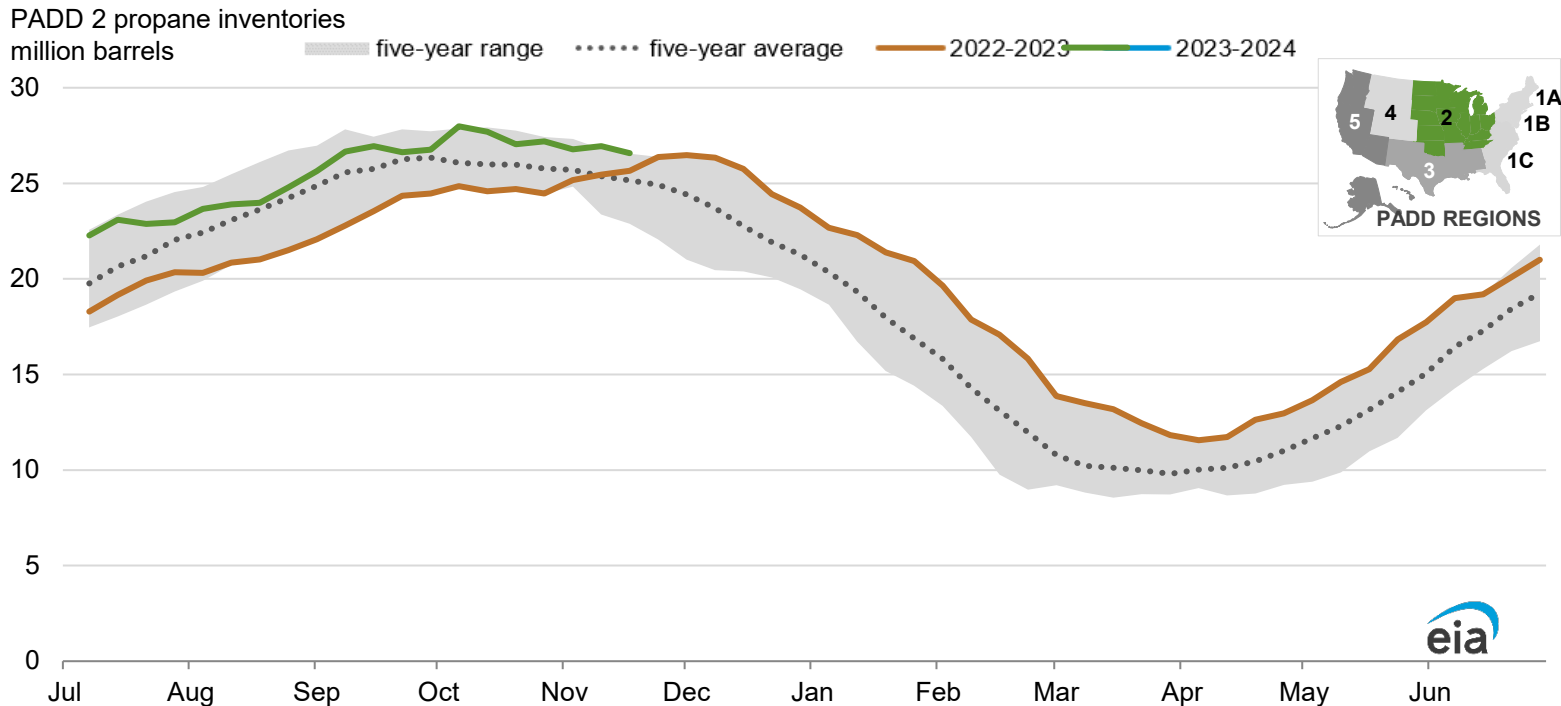
PADD 1B (Mid-Atlantic) propane inventories above the 5-year range



Data source: EIA, *Weekly Petroleum Status Report*, November 22, 2023. Data through November 17, 2023.

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

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

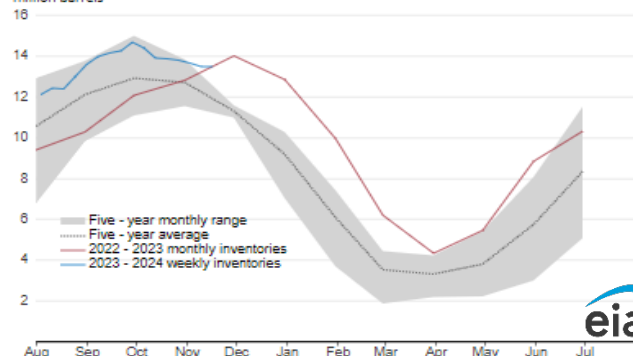


Data source: EIA, *Weekly Petroleum Status Report*, November 22, 2023. Data through November 17, 2023.

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

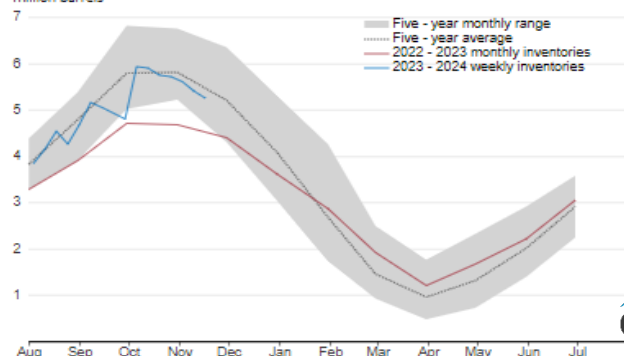
Selected state propane* inventories

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



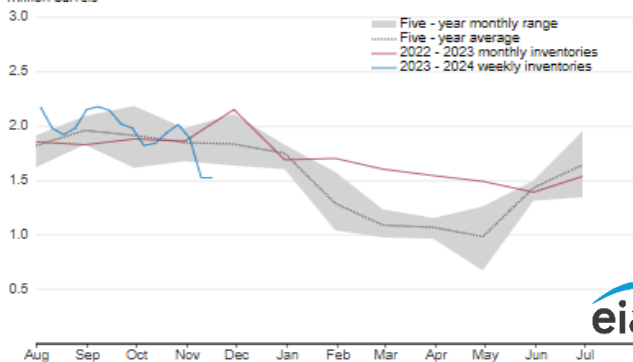
Source: U.S. Energy Information Administration, *Petroleum Supply Monthly* and *Weekly Petroleum Status Report*

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



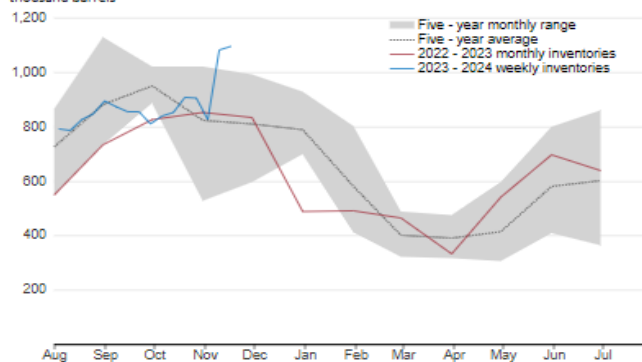
Source: U.S. Energy Information Administration, *Petroleum Supply Monthly* and *Weekly Petroleum Status Report*

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



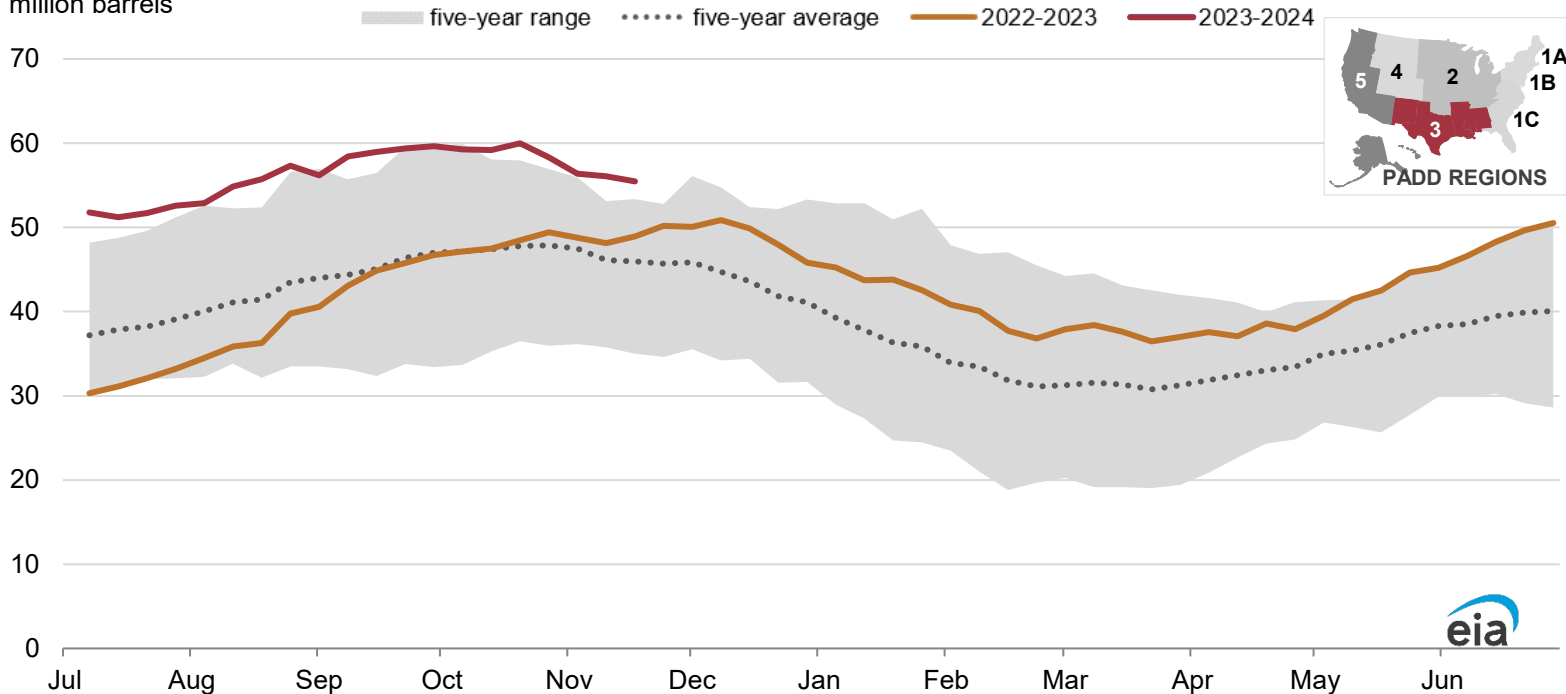
Source: U.S. Energy Information Administration, *Petroleum Supply Monthly* and *Weekly Petroleum Status Report*

Data Source: EIA, *Weekly Petroleum Status Report*, data through November 17, 2023

*propane/propylene for fuel use only

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

PADD 3 propane inventories
million barrels

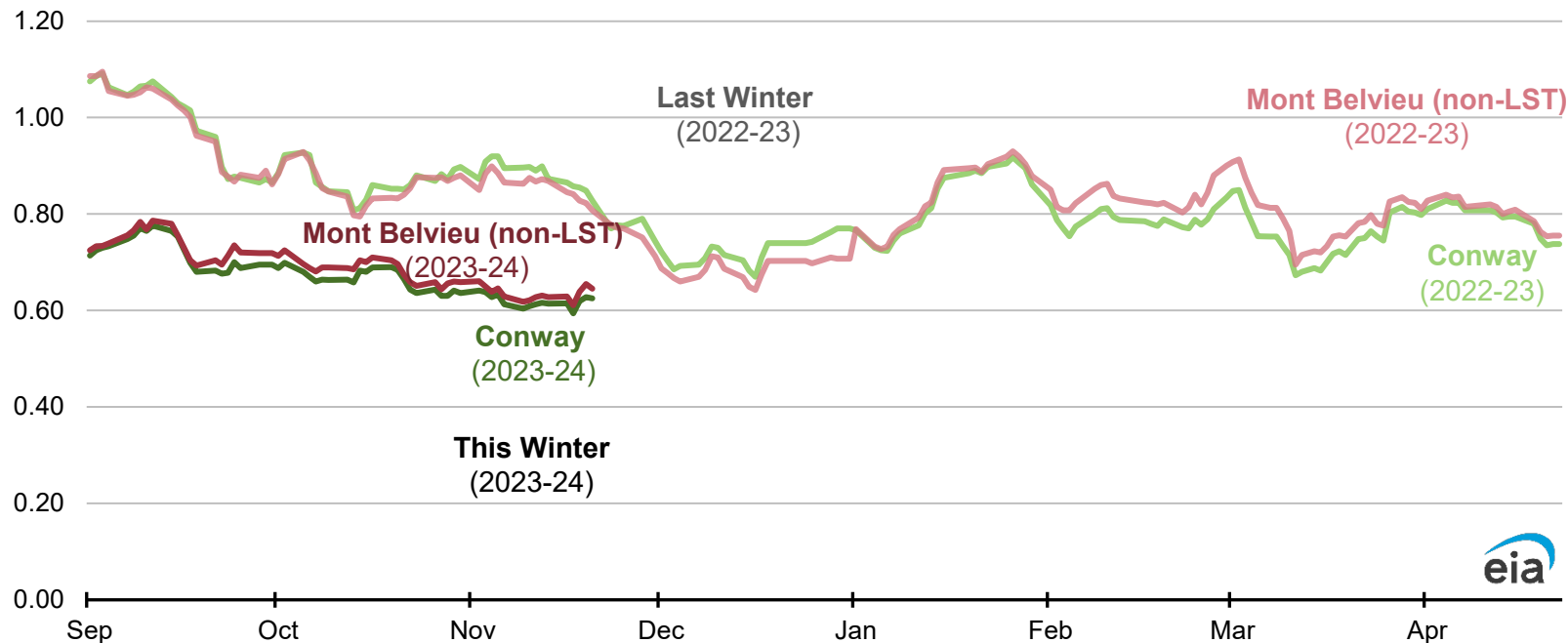


Data source: EIA, *Weekly Petroleum Status Report*, November 22, 2023. Data through November 17, 2023.

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

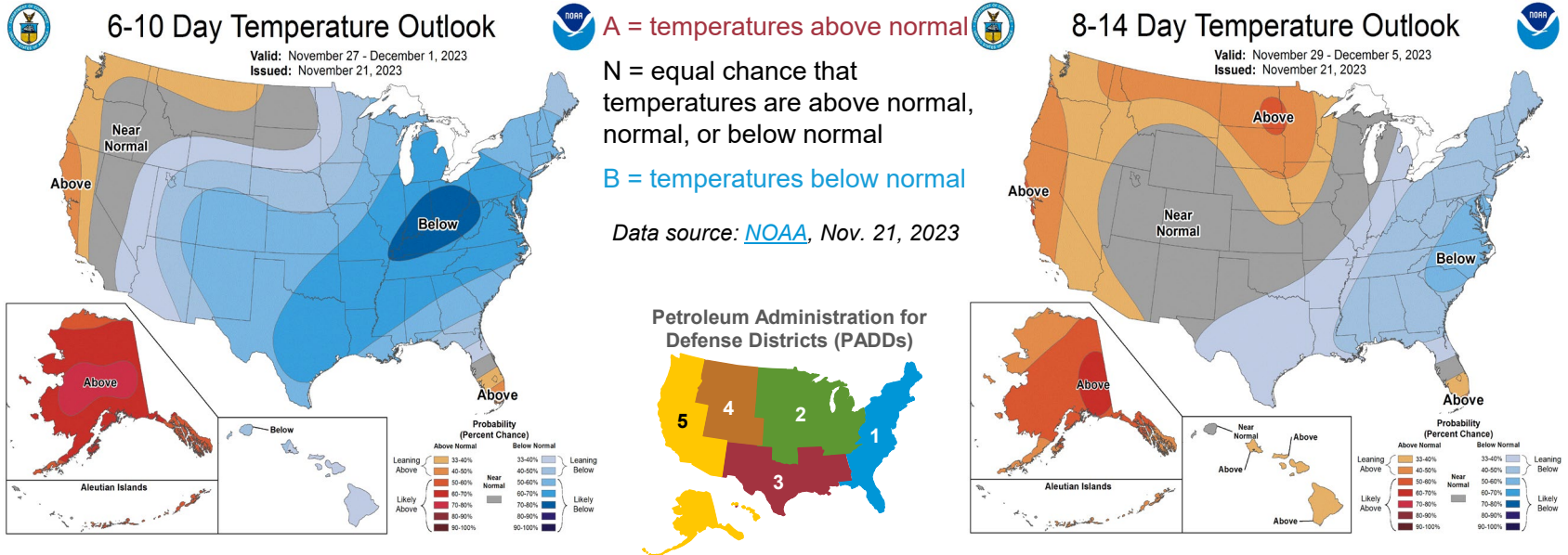
Mt. Belvieu, TX to Conway, KS propane spot prices moving together; Mt. Belvieu at ~2¢/gal premium

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



Data source: Bloomberg L.P., data through November 21, 2023

NOAA's projected temperatures: November 27 – Dec. 1, 2023, and November 29 – Dec. 5, 2023

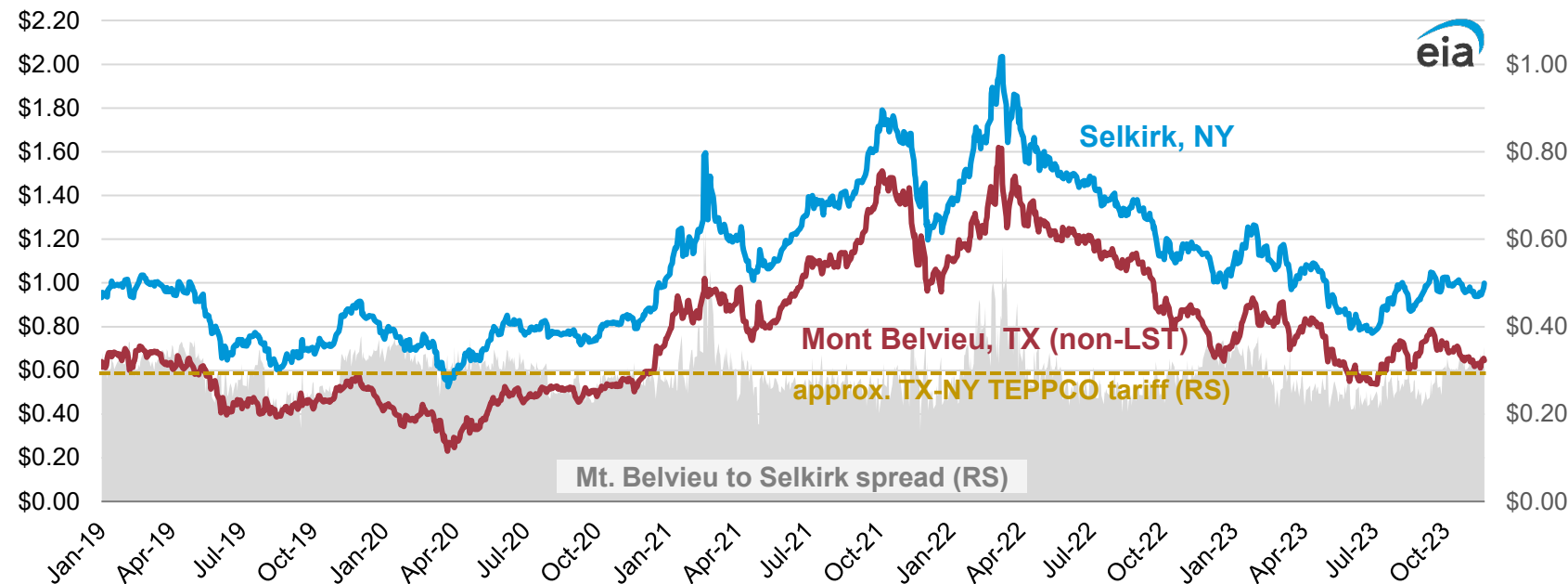


- NOAA forecasts below-normal temperatures stretching from the Rockies east to the East Coast, with a chance of normal to above-normal temperatures in the Rockies and along the West Coast. Further in the forecast the below-normal temperatures are forecasted to shift east, giving way to normal temperatures moving into the Midwest, and above-normal temperatures across most of the West Coast and Northern Plains regions.
- The cooler-than normal forecast for PADDs 1, 2, 3, and 4, could result in an increase in heating fuel demand in those regions over the coming week relative to normal for this time of year. Consumption in PADD 5 will likely be below-normal.

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

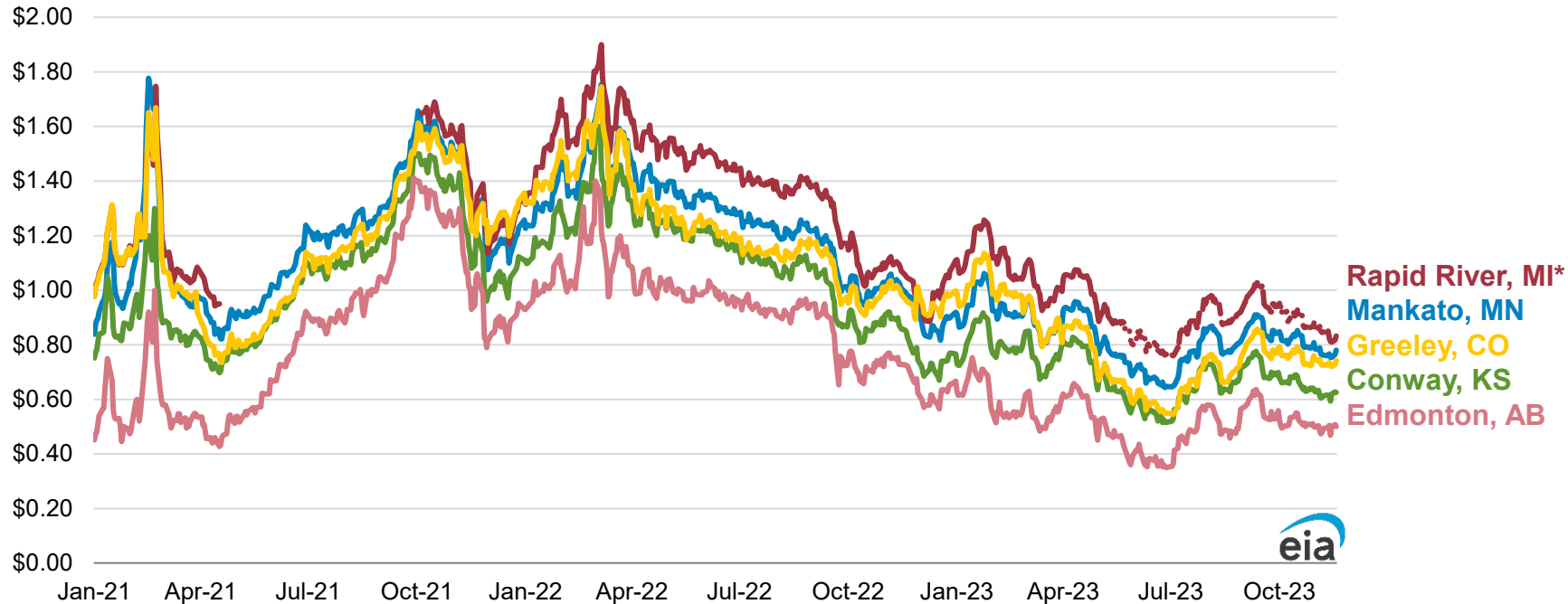


TEPPCO = Enterprise TE Products Pipeline Company LLC

Data source: Bloomberg L.P., data through November 21, 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

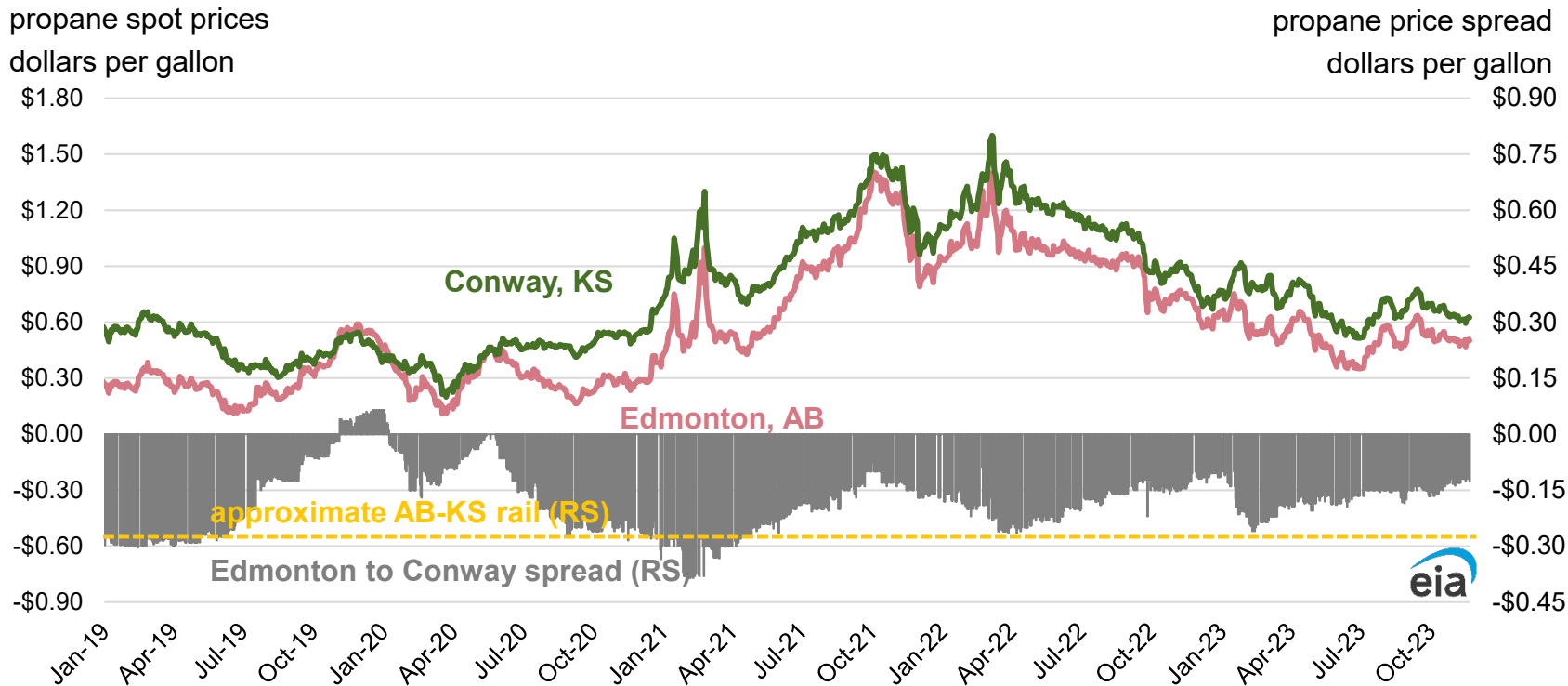
propane spot prices
dollars per gallon



Data source: Bloomberg L.P., data through November 21, 2023

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

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 21, 2023

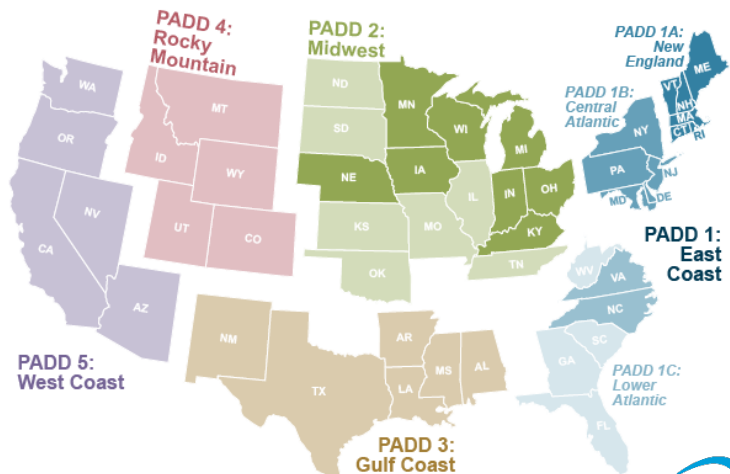
State Heating Oil and Propane Program (SHOPP) updates

- 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

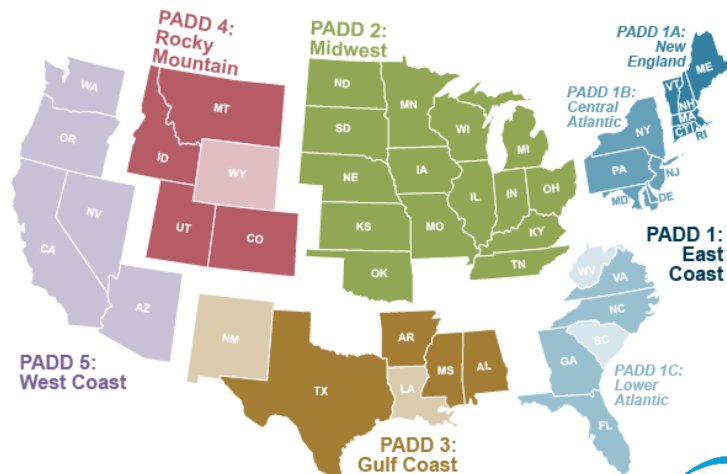
Indiana Minnesota
Iowa Nebraska
Kentucky Ohio
Michigan Wisconsin

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

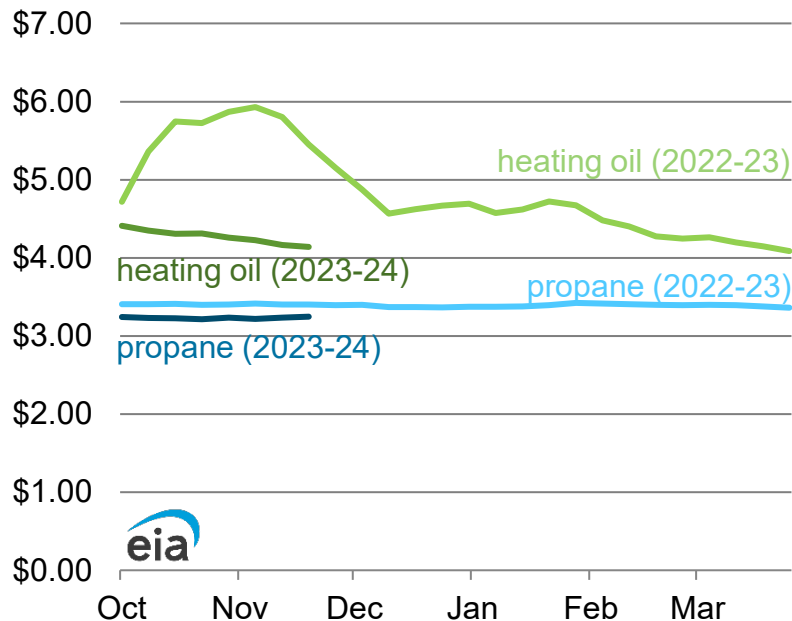


Data source: EIA, [Heating Oil and Propane Update](#)

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

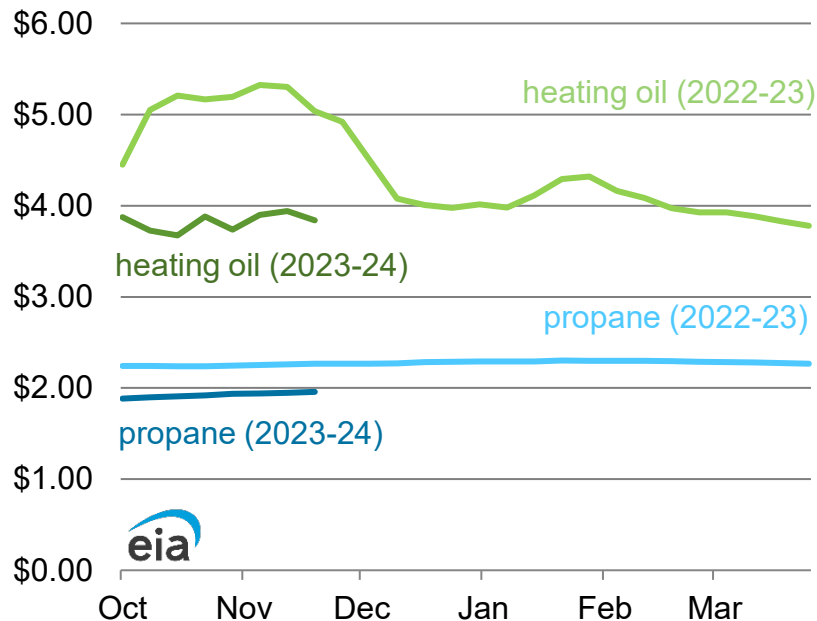
PADD 1

dollars per gallon



PADD 2

dollars per gallon



Data source: State Heating Oil and Propane Program, data through November 20, 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_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