

# 2023/24 Winter Propane Market Update



---

*January 4, 2024 | Washington, DC*

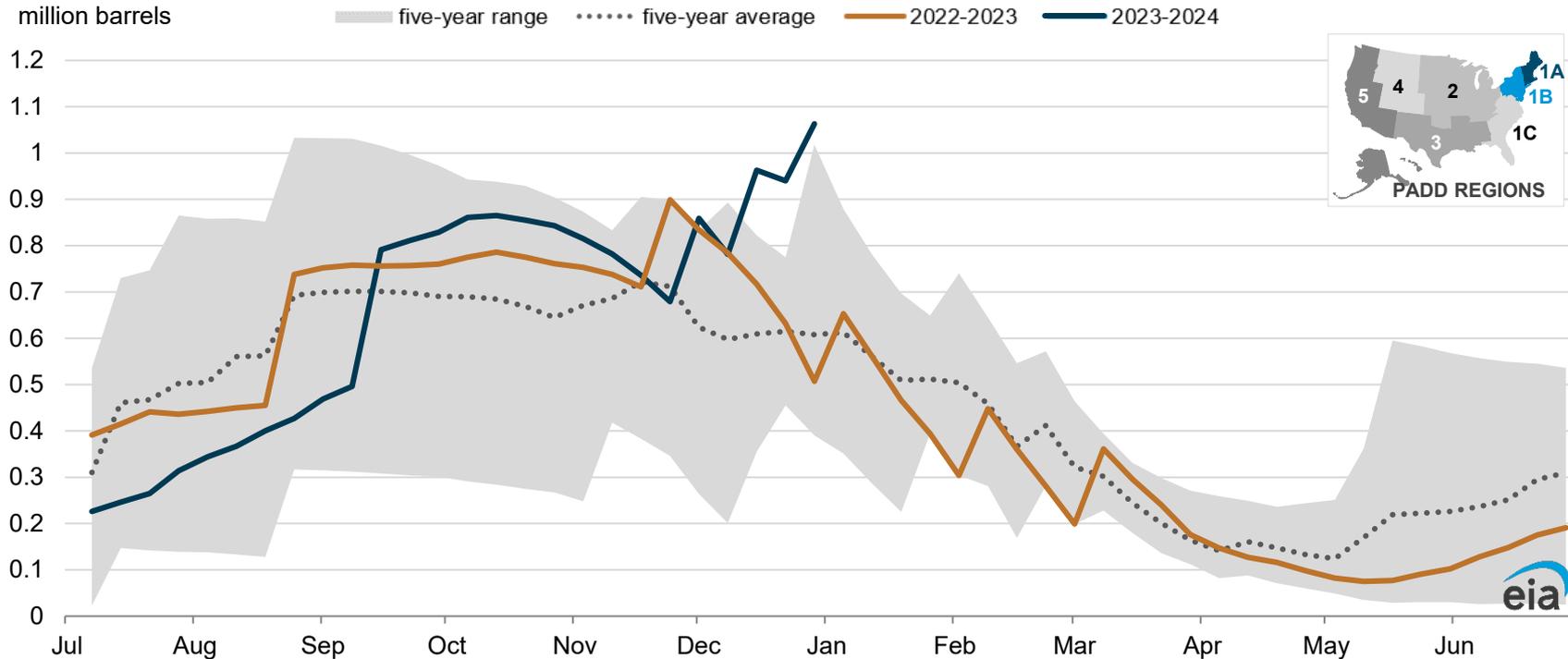
*(Inventory data as of 12/29/23; residential heating fuel prices as of 1/1/24)*

*By*

*U.S. Energy Information Administration*

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

PADD 1A propane inventories  
million barrels

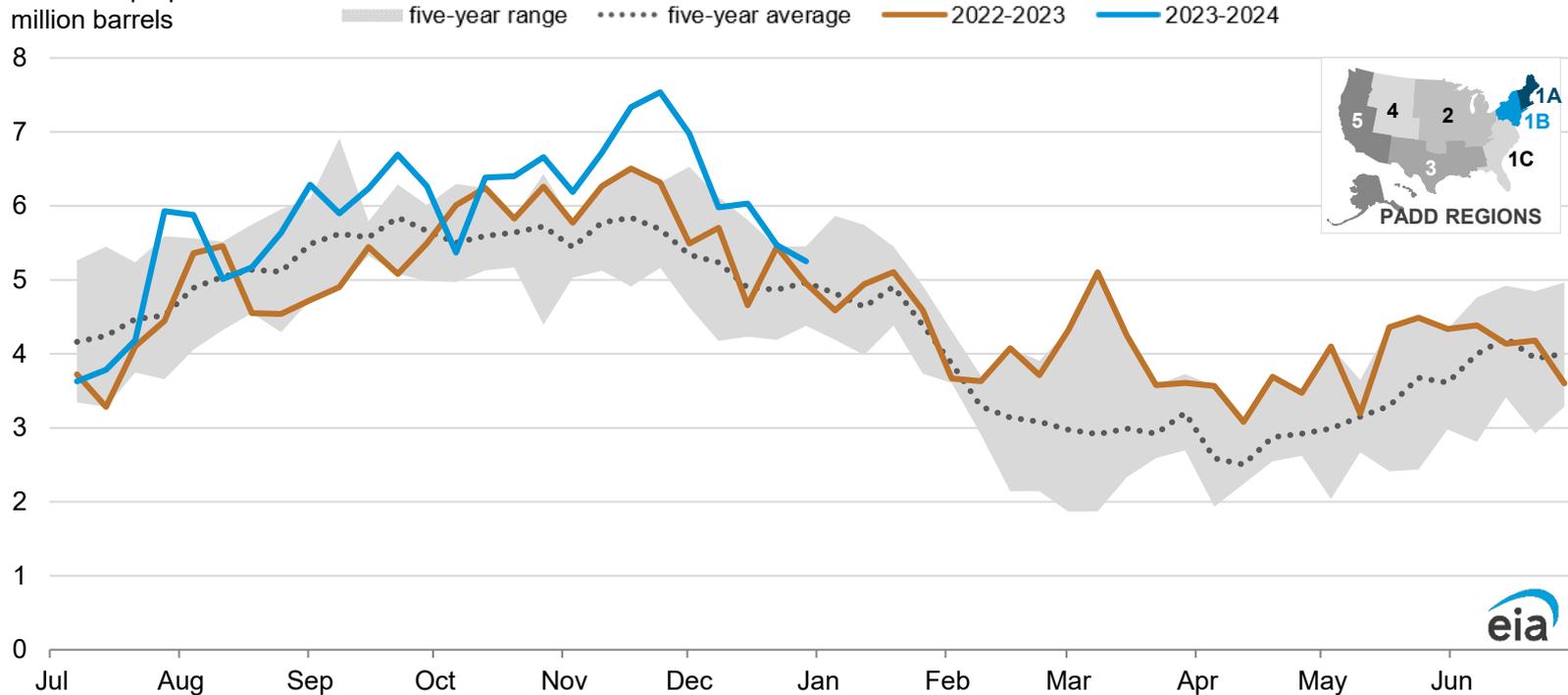


Data source: EIA, *Weekly Petroleum Status Report*, January 4, 2024. Data through December 29, 2023.

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 average

PADD 1B propane inventories  
million barrels



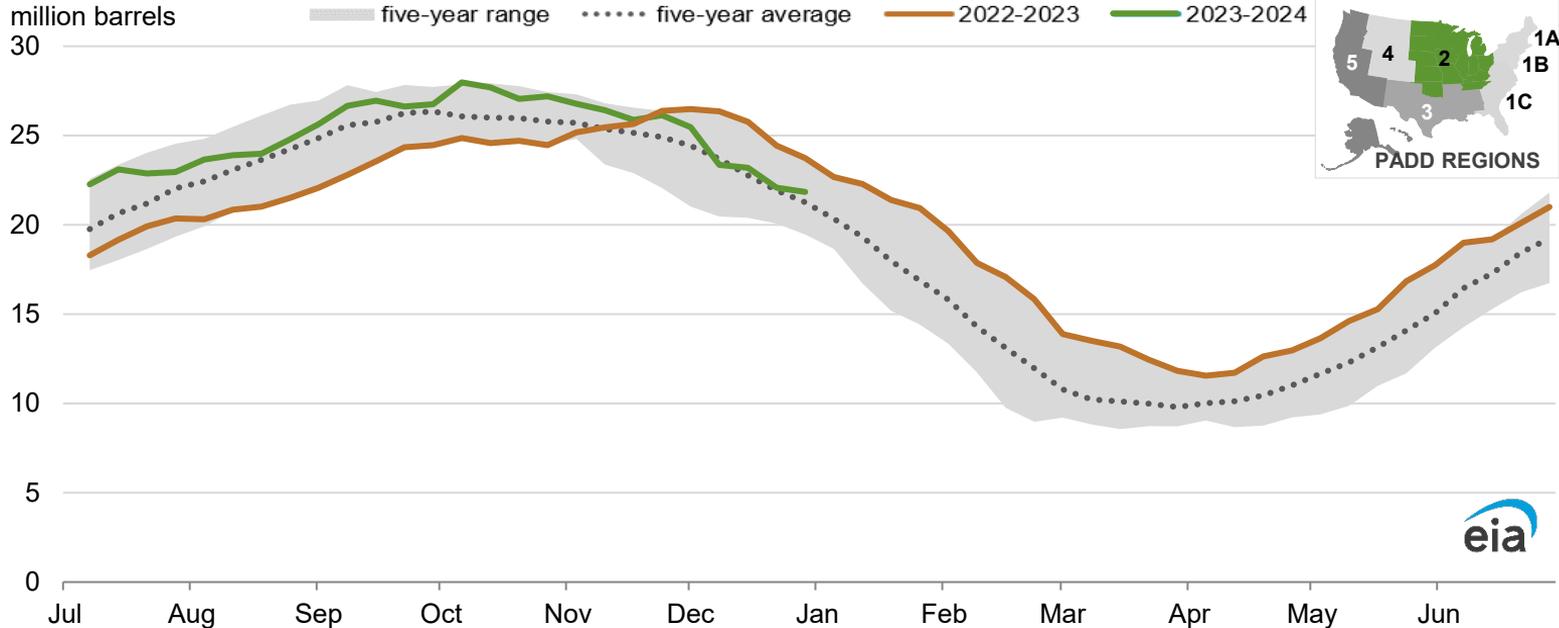
Data source: EIA, *Weekly Petroleum Status Report*, January 4, 2024. Data through December 29, 2023.

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*, January 4, 2024. Data through December 29, 2023.

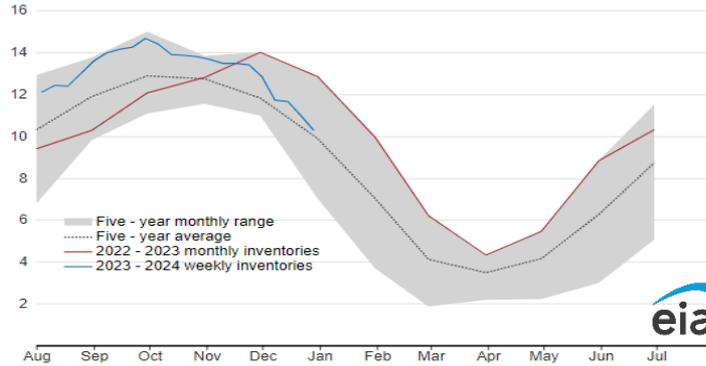
PADD 2 is composed of Illinois, Indiana, Iowa, Kansas, Kentucky, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio Oklahoma, South Dakota, Tennessee, and Wisconsin.

Note: PADD 2 propane stocks published in the *Weekly Petroleum Status Report* between November 15 and 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](#).



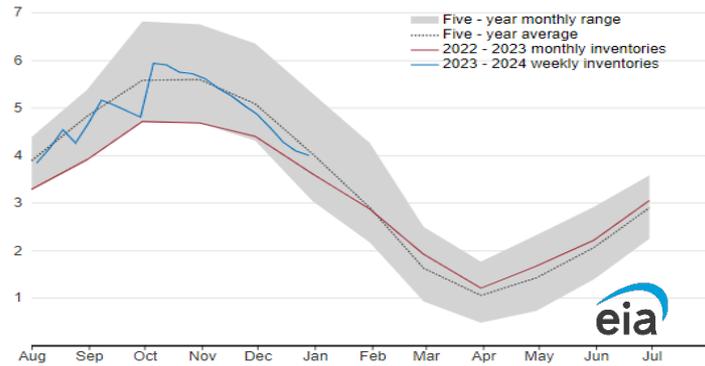
# Selected state propane\* inventories

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



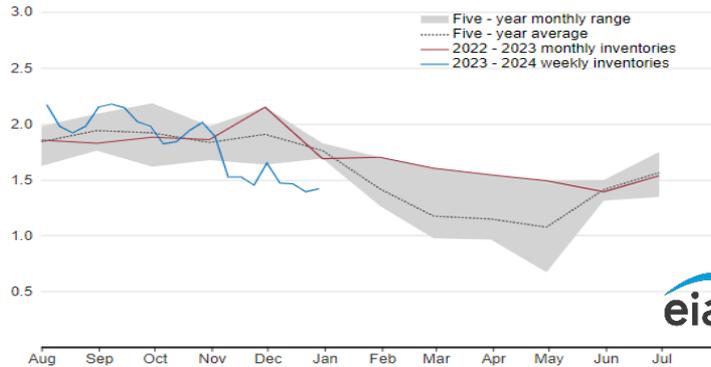
Source: U.S. Energy Information Administration, *Petroleum Supply Monthly and Weekly Petroleum Status Report*

**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*

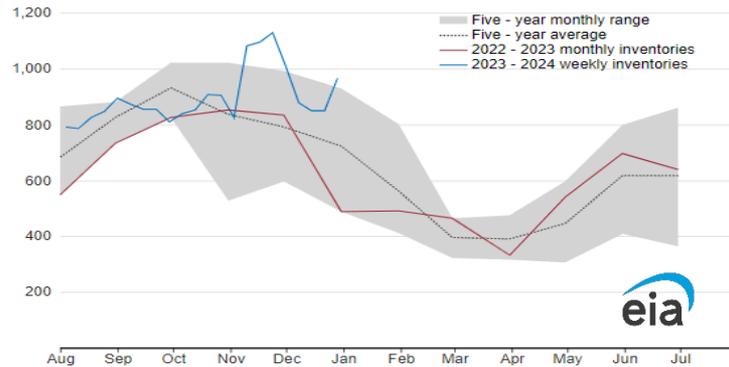
**Illinois, Indiana, Ohio propane/propylene stock at refineries, terminals, and natural gas plants (not pipelines)**  
million barrels



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

Data Source: EIA, *Weekly Petroleum Status Report*, data through December 29, 2023

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

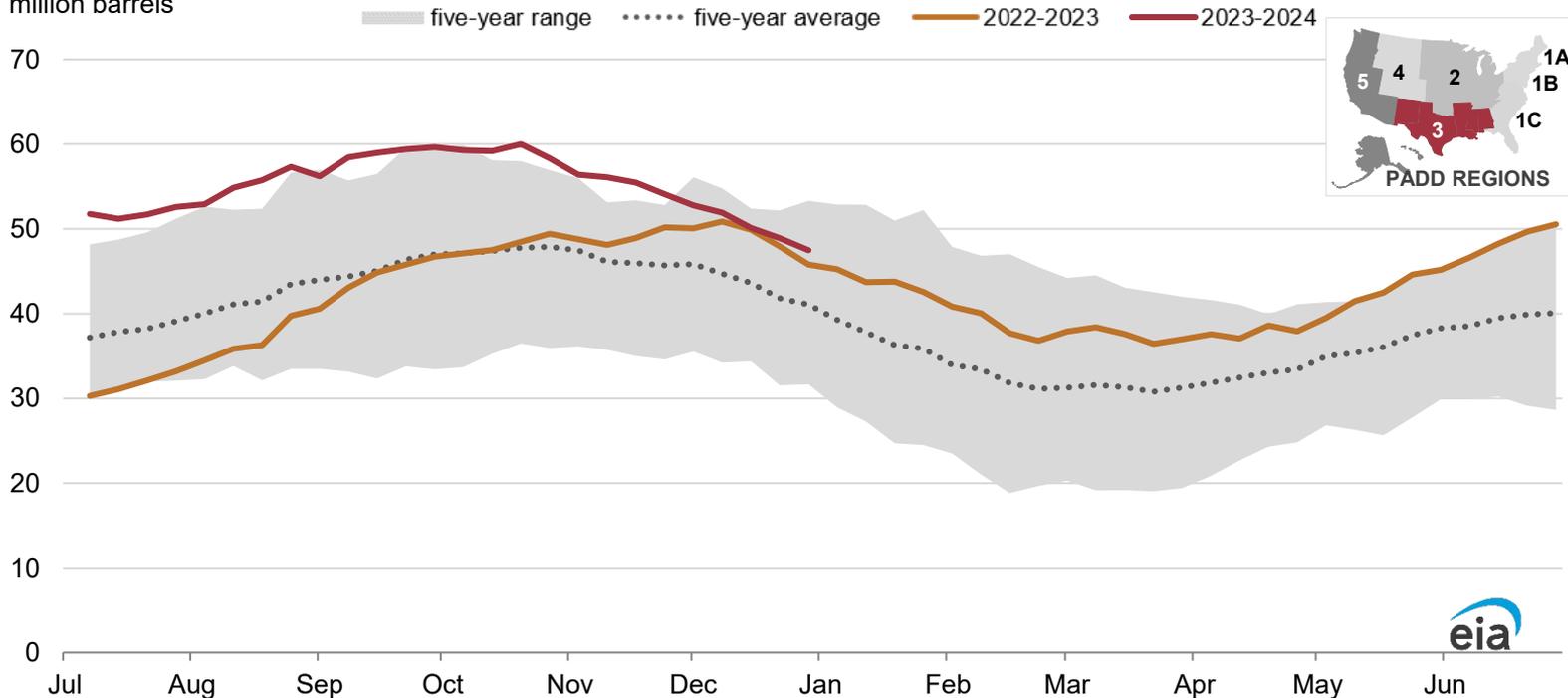


Source: U.S. Energy Information Administration, *Petroleum Supply Monthly and Weekly Petroleum Status Report*

\*propane/propylene for fuel use only

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

PADD 3 propane inventories  
million barrels

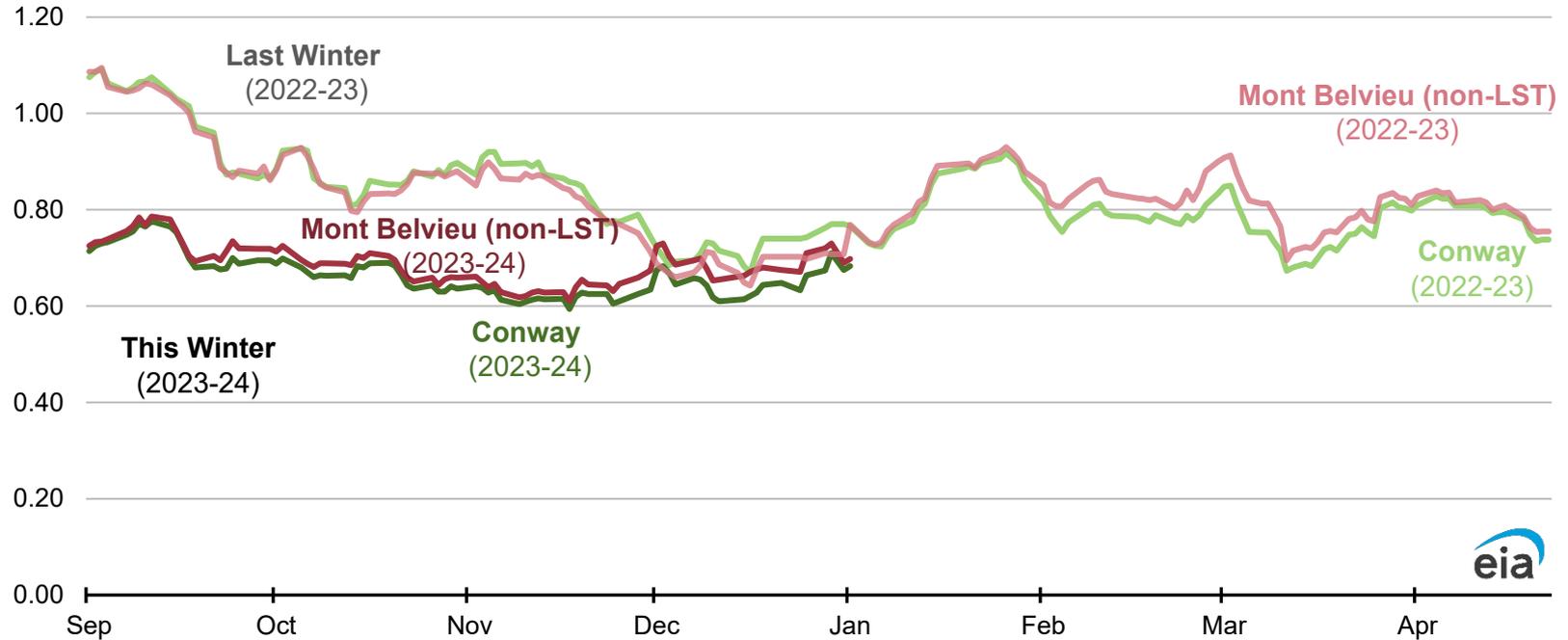


Data source: EIA, *Weekly Petroleum Status Report*, January 4, 2024. Data through December 29, 2023.

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

# Wholesale propane spot prices now slightly lower than last year's, with Mt. Belvieu, Texas at ~2¢/gal premium to Conway, Kansas.

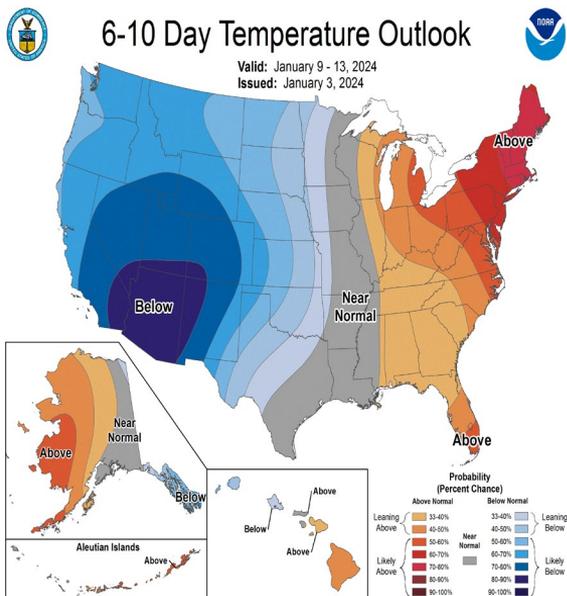
Propane spot prices (Conway, KS and Mont Belvieu, TX)  
dollars per gallon



Data source: Bloomberg L.P., data through January 3, 2024

# NOAA's projected temperatures:

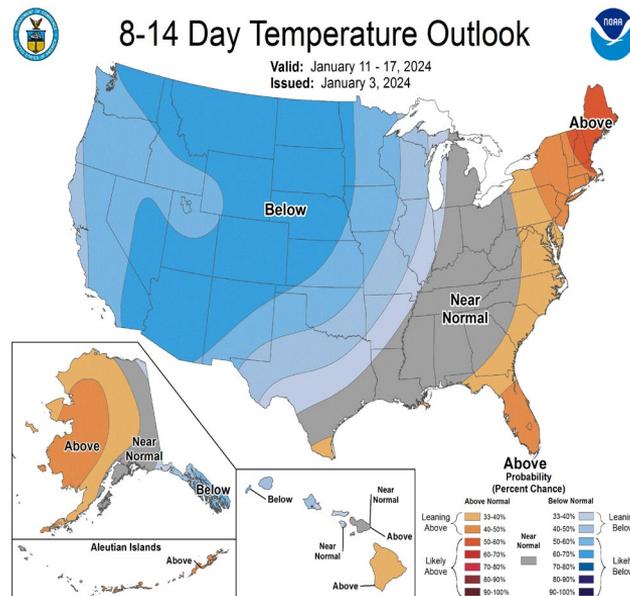
## January 9 – Jan. 13, 2024, and January 11 – Jan. 17, 2024



**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), Jan. 4, 2024

### Petroleum Administration for Defense Districts (PADDs)

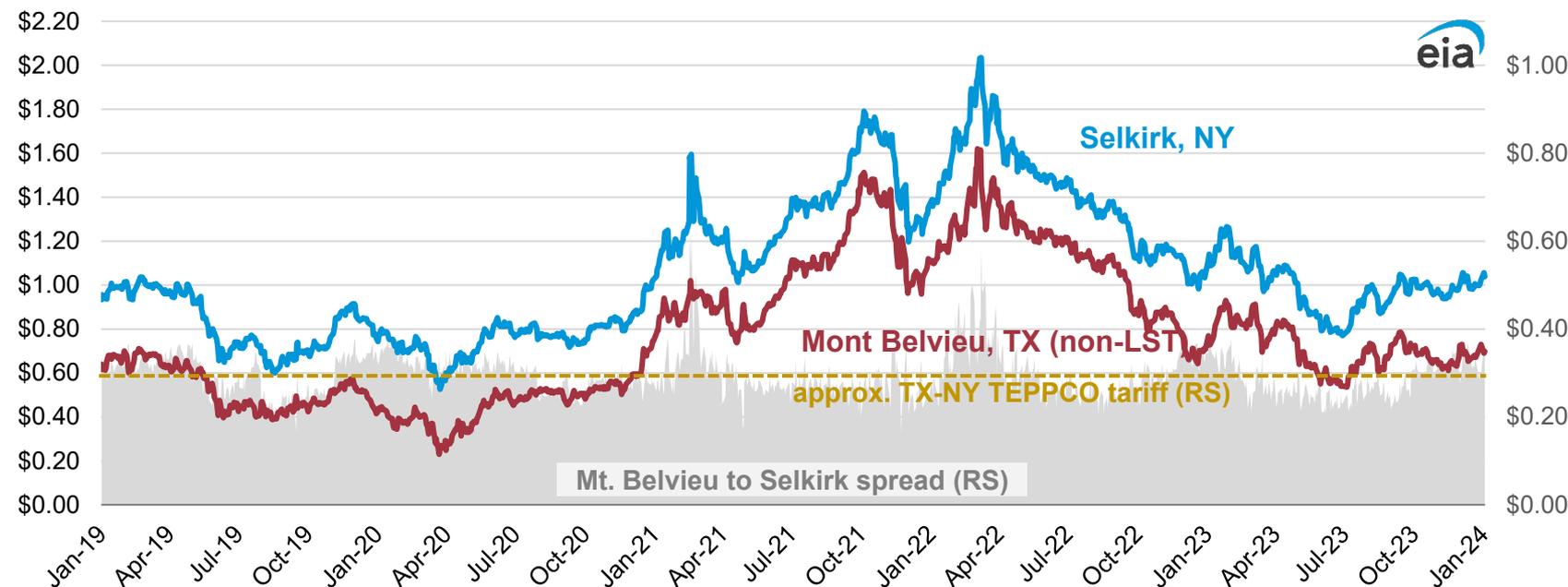


- NOAA forecasts below-normal temperatures across the western Lower-48 states with the highest probability in the Southwest. Chances of above-normal temperatures are high in New England and Alaska earlier in the forecast, while cooler-than-normal temperatures move eastward, encompassing the Midwest and parts of the Great Lakes.
- Heating fuel demand is likely to rise to normal and above-normal levels for this time of year in PADDs 3, 4, and 5. Warmer-than-normal temperatures in PADDs 1 and 2 will likely result in lower heating fuel demand 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

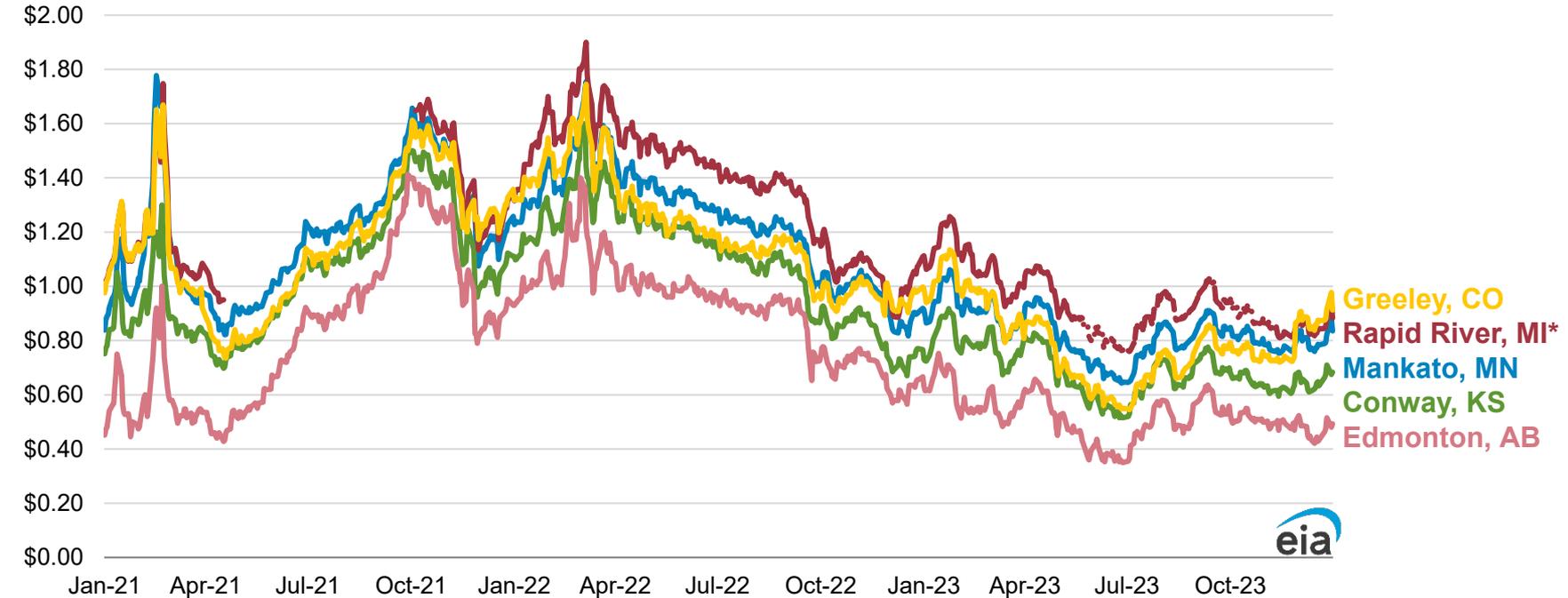


TEPPCO = Enterprise TE Products Pipeline Company LLC

Data source: Bloomberg L.P., data through January 3, 2024; Enterprise Products Partners L.P., [Effective Tariffs](#), FERC No. 54.69.0

# Prices at major Midwest market centers fell this week; the price at Greeley, CO has remained elevated

propane spot prices  
dollars per gallon



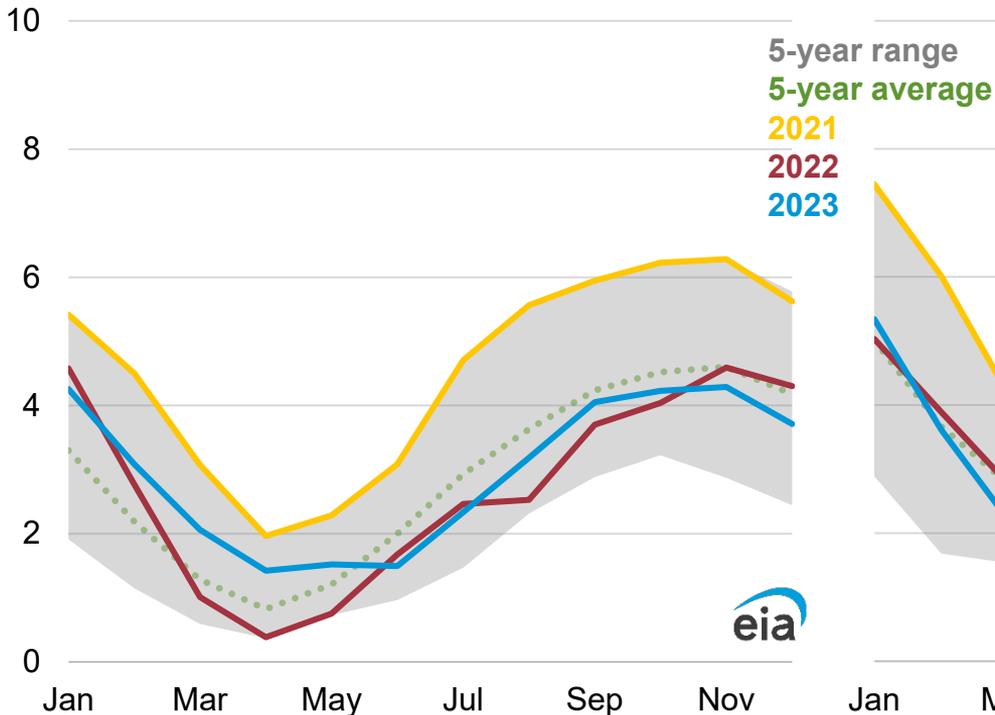
Data source: Bloomberg L.P., data through January 3, 2024

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

# December 1 inventories in Eastern Canada were just below the 5-year average; in Western Canada they were at the 5-year average

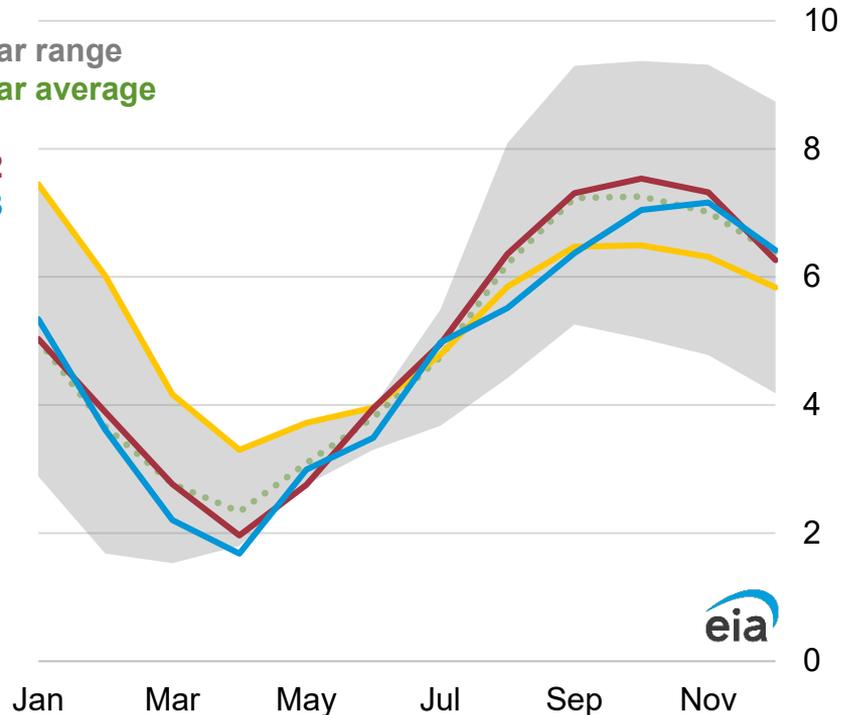
propane inventories in Eastern Canada

million barrels



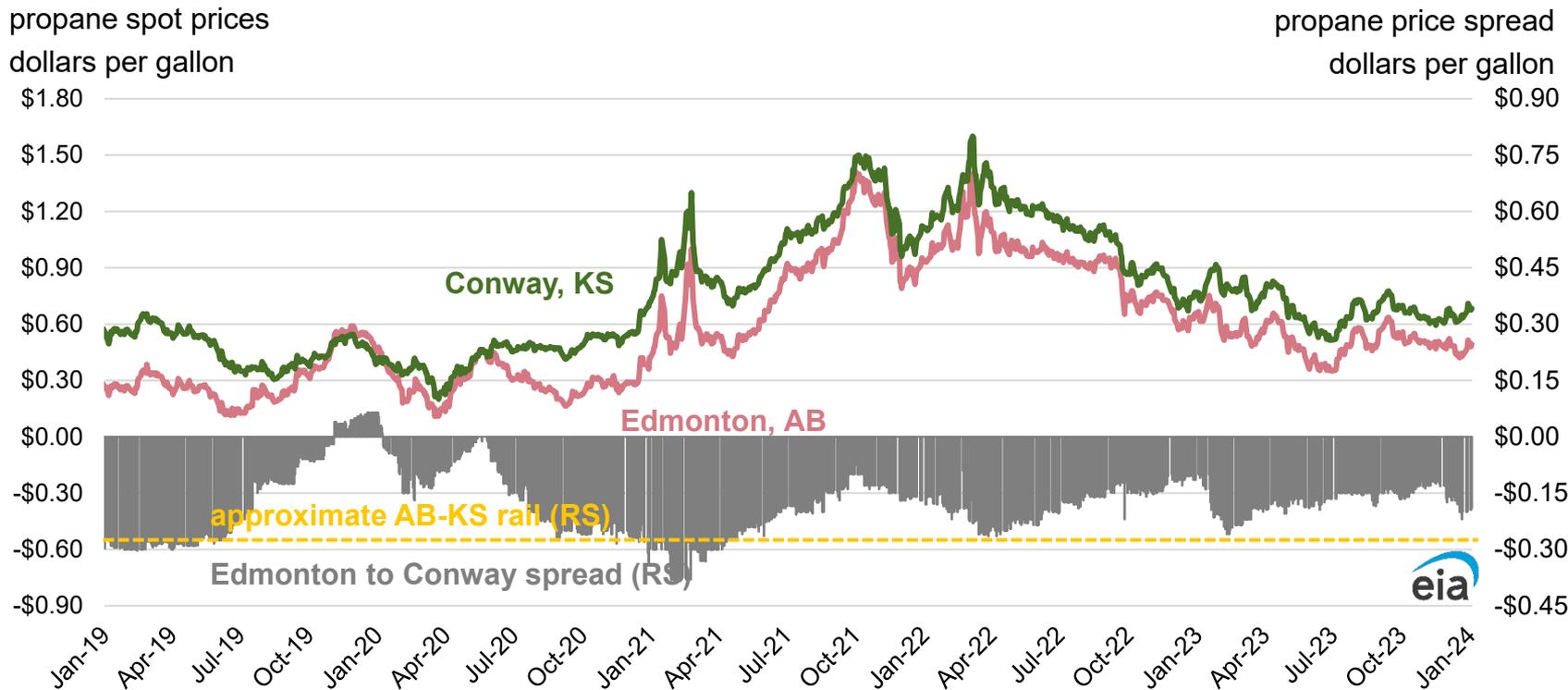
propane inventories in Western Canada

million barrels



Data source: [Canada Energy Regulator](#), December 29, 2023

# Discount for Edmonton propane relative to Conway rising to around ~20¢/gal, enough to cover rail transportation costs into some Midwest markets



Data source: Bloomberg L.P., data through January 3, 2024

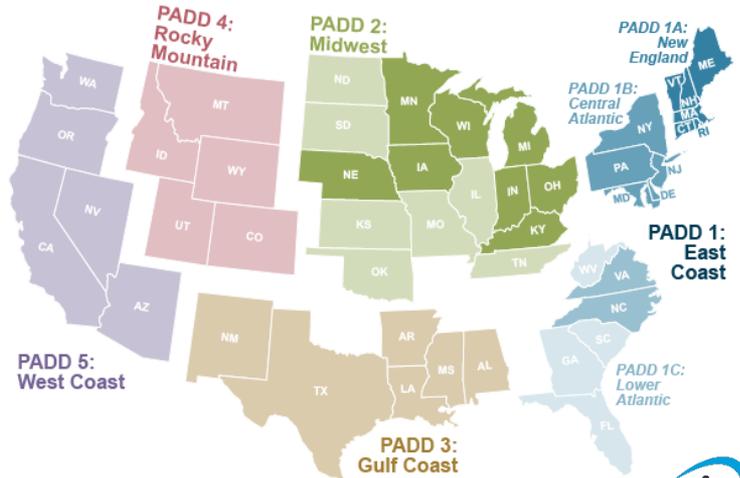
## State Heating Oil and Propane Program (SHOPP) updates

- 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

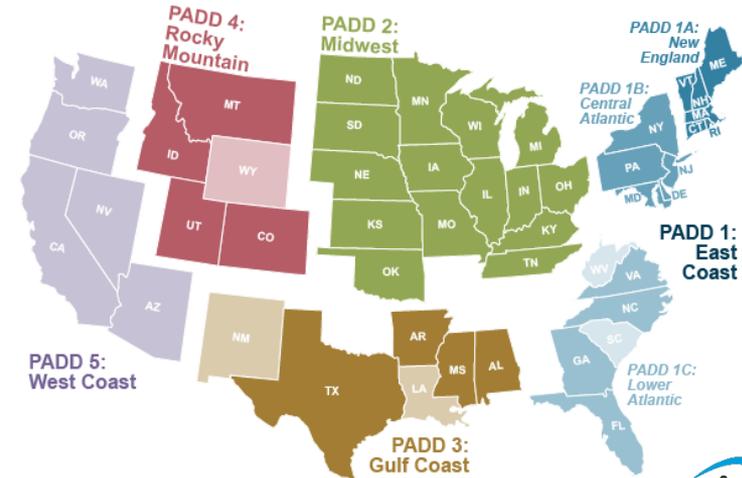
#### PADD 2: Midwest

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

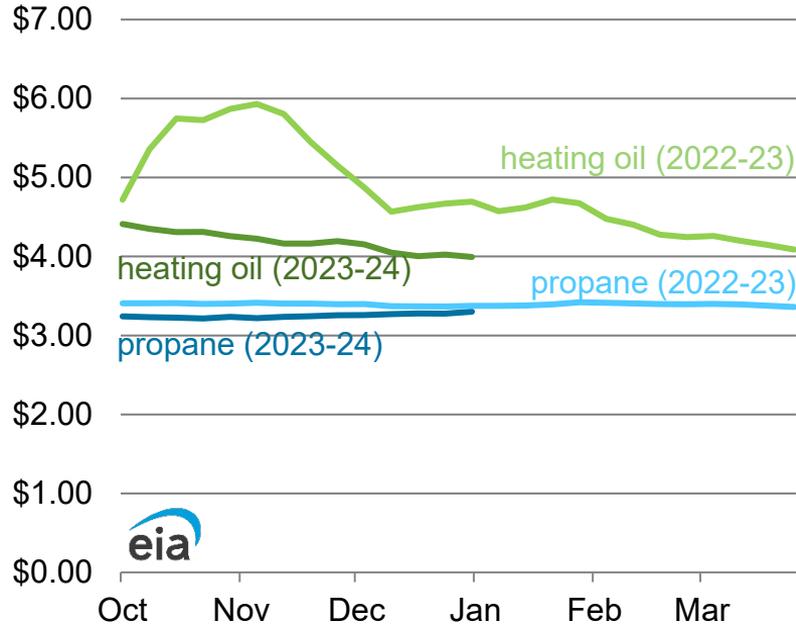
Colorado Montana  
Idaho Utah

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

# Retail propane prices in PADD 1 are close to prices at this time last year; prices in PADD 2 are lower than at this time last year

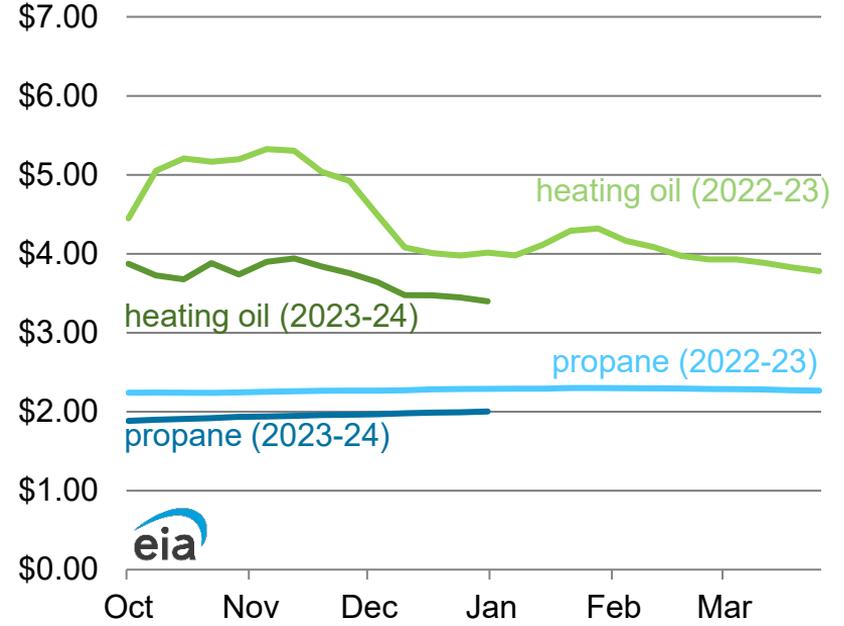
## PADD 1

dollars per gallon



## PADD 2

dollars per gallon



Data source: State Heating Oil and Propane Program, data through January 1, 2024

## For more information

U.S. Energy Information Administration home page | [www.eia.gov](http://www.eia.gov)

State Energy Portal | [www.eia.gov/state](http://www.eia.gov/state)

Winter Heating Fuels Site | [www.eia.gov/special/heatingfuels/](http://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](http://www.eia.gov/dnav/pet/pet_move_railNA_a_EPLLPA_RAIL_mbb1_m.htm)

Today in Energy | [www.eia.gov/todayinenergy](http://www.eia.gov/todayinenergy)

Short-Term Energy Outlook | [www.eia.gov/steo](http://www.eia.gov/steo)

Energy Explained – Hydrocarbon Gas Liquids |

[http://www.eia.gov/energyexplained/index.cfm?page=hgls\\_home](http://www.eia.gov/energyexplained/index.cfm?page=hgls_home)

Annual Energy Outlook | [www.eia.gov/aeo](http://www.eia.gov/aeo)

International Energy Outlook | [www.eia.gov/ieo](http://www.eia.gov/ieo)

Monthly Energy Review | [www.eia.gov/mer](http://www.eia.gov/mer)