

# **EIA's Role in Providing Information Used by The Marketplace**

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Energy Information Administration**

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# Mission

*“EIA is a leader in providing high quality, policy-independent energy information to meet the requirements of Government, industry, and the public in a manner that promotes sound policymaking, efficient markets, and public understanding”*



# EIA's Legal Beginnings

- Created in 1974 as part of the Federal Energy Administration to establish the National Energy Information System to collect, assemble, evaluate, and analyze energy information
- In 1977 the current EIA was created
  - EIA was directed to establish a “...unified energy data and information program which will collect, evaluate, assemble, analyze and disseminate data and information...”
  - EIA's processes and products established as *independent* from review from Executive Branch officials



# EIA Products and Services

- **Data Products**
- **Analysis Products**
- **Forecasting Products**
- **Education Products**
- **Documentation Products**
- **Dissemination Services**
- **Quality Control Services**

# EIA Data Collection Programs

- Petroleum Supply
- Petroleum Marketing
- Natural Gas
- Oil & Gas Reserves and Production
- Electric Power
- Coal
- Nuclear
- Renewables and Alternate Fuels
- Greenhouse Gases
- Energy Consumption
- Financial Reporting

# Uses of Petroleum Data

- **Descriptive data reports**
  - *This Week in Petroleum*
  - *Weekly On-Highway Diesel Prices*
  - *Petroleum Marketing Annual*
- **Consumer information**
  - *A Primer on Gasoline Prices*
  - *Primer on Gasoline Sources and Markets*
- **Inputs to EIA's energy models**
- **Other government agencies**
- **Industry and consumers**

# Uses of Natural Gas Data

- **Descriptive data reports**
  - *Weekly Natural Gas Storage Report*
  - *Natural Gas Monthly*
  - *Natural Gas Annual*
  - *Reserves and Production Report*
- **Consumer information**
  - Consumer brochures
- **Inputs to EIA's energy models**
- **Government agencies**
- **Corporate and non-profit organizations**
- **Industry and consumers**

# Analysis Products

- **EIA analyzes energy issues using data from EIA surveys and other sources**
  - **Periodic analysis of important energy issues**
  - **Ongoing updates following energy developments around the world**
- **Conducting analysis helps EIA to maintain the quality of the data by**
  - **keeping EIA abreast of changing energy markets**
  - **helping EIA discover limitations and weaknesses in the data that can be addressed**

# Recent Natural Gas Analysis Products

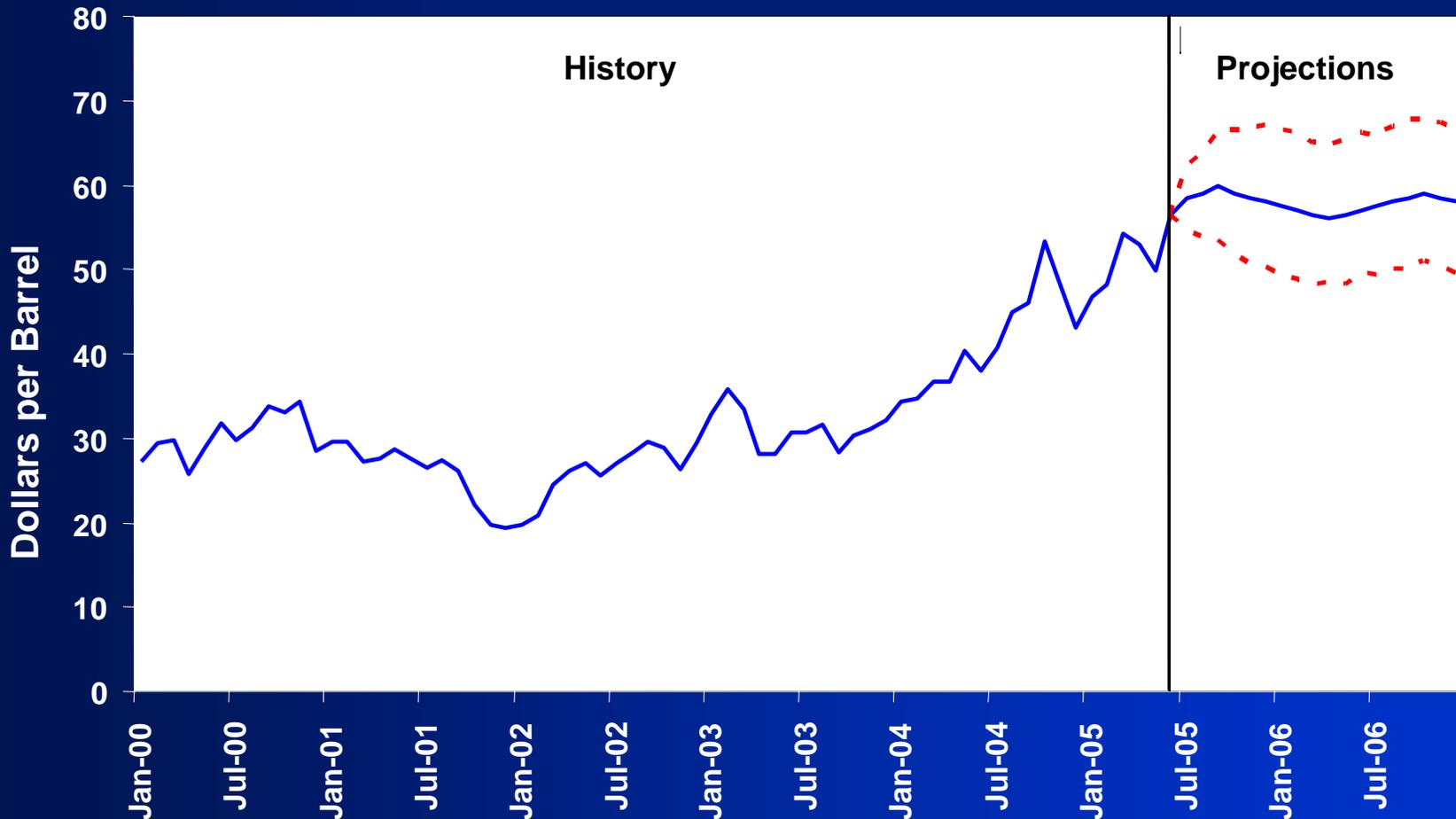
- *Weekly Natural Gas Update* (published every Thursday since May 1996)
- *Market Centers and Hubs: a 2003 Update* (July 2005)
- *Changes in U.S. Natural Gas Transportation Infrastructure in 2004* (June 2005)
- *Natural Gas: Major Legislative and Regulatory Actions (1935-2004)* (Fall 2004)
- *U.S. Natural Gas Imports and Exports: Issues and Trends 2003* (July 2004)
- *U.S. LNG Markets and Uses* (June 2004)
- *Status of Natural Gas Residential Choice Programs*
- *The Global Liquefied Natural Gas Market: Status and Outlook* (December 2003)

# ***Short-Term Energy Outlook***

- Monthly forecast of U.S. supply, demand, imports, stocks, and prices of various forms of energy
- Annually produces the *Summer Motor Gasoline Outlook* and the *Winter Fuels Outlook*
- The short-term model is being expanded to include more regional detail, which will provide greater depth, consistency, relevance, and credibility to forecasts

# Short-Term Projection Example: Crude Oil Prices

In July 2005, EIA projected that WTI crude oil prices would remain above \$55 per barrel through 2006



# ***Annual Energy Outlook and International Energy Outlook***

- The *AEO* is EIA's annual mid-term forecast of U.S. energy supply, demand, prices, and emissions
- Includes a policy-neutral reference case and multiple alternative scenarios
- The *IEO* looks at international energy demand and trade and carbon dioxide emissions
- For 2006, both are being extended from 2025 to 2030

# Education Products

- Information and educational products targeting adults and kids
- Aimed at providing energy information in layman terms in an easy-to-use format
- Topics reflect issues on which EIA gets frequent inquiries
  - Energy Information Sheets - Quickstats
  - References - Kid's Page
  - Energy Education Resources - Infocards
  - Brochures
    - › *Residential Heating Oil Prices: What Consumers Should Know*
    - › *Primer on Gasoline Prices*
    - › *Residential Gas Prices : Information for Consumers*
    - › *Propane Prices: What Consumers Should Know*
    - › *Where Does My Gasoline Come From?*
    - › *Greenhouse Gases, Climate Change and Energy*

# Dissemination via the Internet Provides Ready Access to Energy Information

- Between April 2004 and April 2005, EIA's website had 16.4 million unique users
- Internet traffic in May 2005 was almost 1.9 million customers
- EIA's five most popular products/subjects on the website are:
  1. Country Analysis Briefs
  2. The Kid's Page
  3. *Weekly On-Highway Diesel Prices*
  4. International Energy Statistics
  5. *Gasoline and Diesel Fuel Update*

# EIA Call Center and Email Response Service

- Serves as a worldwide point of contact for energy information
  - 17,900 calls in 2004
  - 12,500 email inquiries in 2004
- Topics vary based on current energy market issues. Recent topics include:
  - Are gasoline prices going to continue increasing?
  - How much oil do we import, and from where?
  - When are we going to run out of oil?
  - Can I tell where gas stations get their oil?

# Quality Initiatives

## INTERNAL

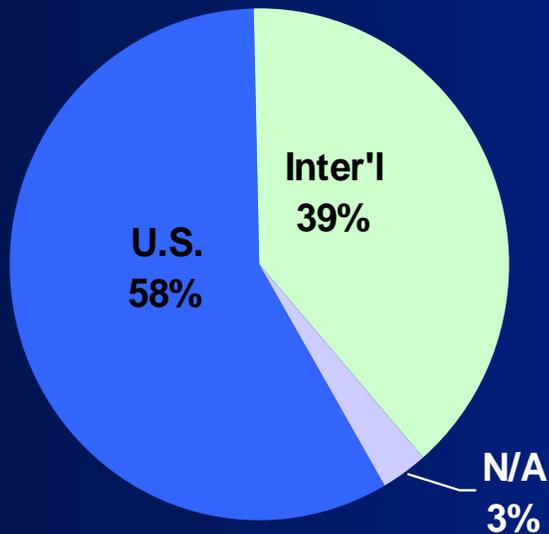
- Update frames
- State of the data evaluations
- Review of model documentation
- Monitor customer satisfaction
- Monitor timeliness of information
- Sharing best practices

## EXTERNAL

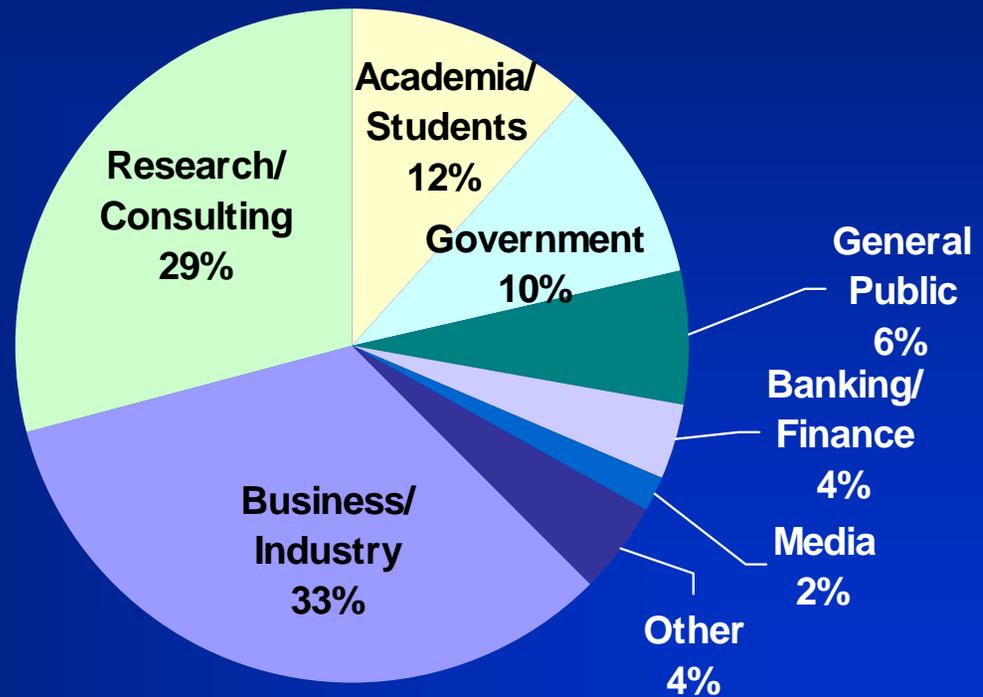
- Semi-annual advice from the American Statistical Association
- Independent Expert Reviews
- Usability testing

# Who Are EIA's Customers?

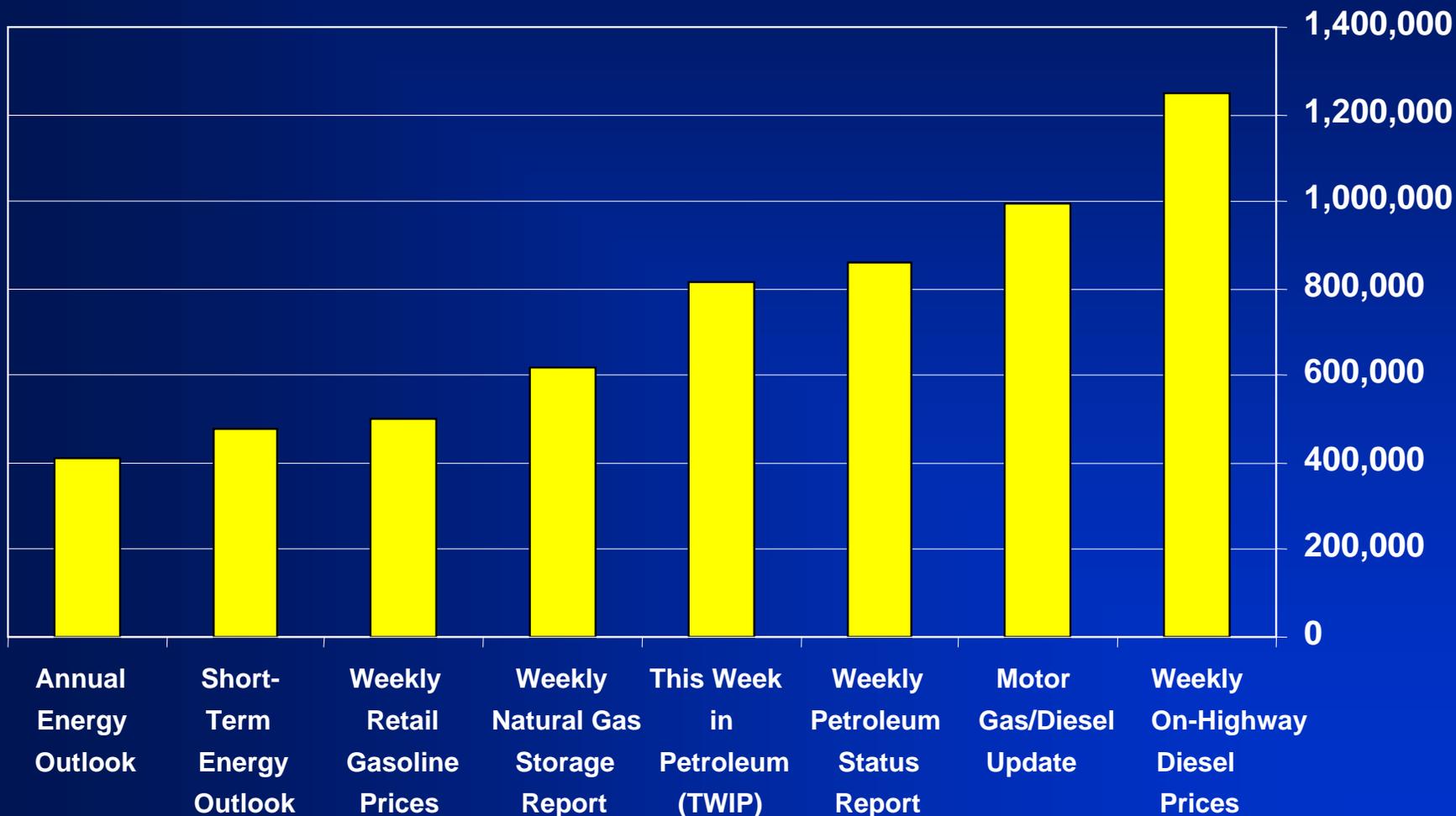
Customers by Country



Customers by Sector



# Web Hits for Selected EIA Products, July 2004 to June 2005



# Petroleum and Natural Gas Weekly Products

## Petroleum

- *Weekly Petroleum Status Report*
- *Gasoline and Diesel Fuel Update*
- *Retail Gasoline Prices*
- *This Week in Petroleum*

## Natural Gas

- *Weekly Natural Gas Storage Report*
- *Weekly Natural Gas Update*

**Question: Do EIA products affect the petroleum and natural gas markets?**

**Answer: Yes**



# Example #1: NYMEX Light, Sweet Crude Oil (WTI) Near-Month Futures Contract on January 28 (Wed.) & 29 (Thurs.), 2004

Comdty **GIP**

Enter 'GIP D' for day, 'GIP N' for night, 'GIP B' for both.

**2-DAY CHART** CL1 -- Generic 1st 'CL' Future

USD

JAN 29

Hi 33.62 Lo 32.41 Op 33.62 #Ticks 7552 14:46 s

**32.81**

**-.81**



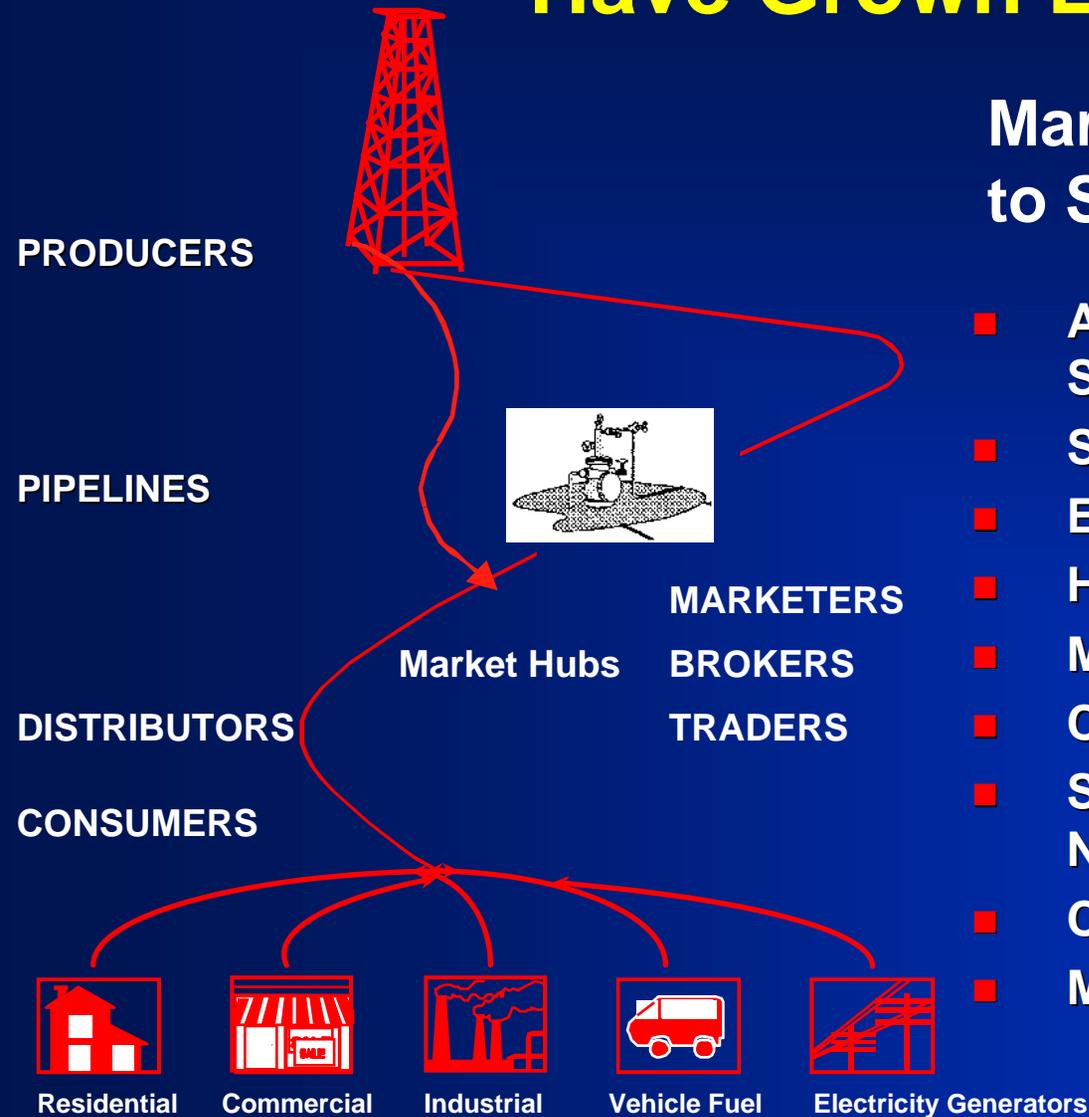
Australia 61 2 9777 8600      Brazil 5511 3048 4500      Europe 44 20 7330 7500      Germany 49 69 920410  
 Hong Kong 852 2977 6000      Japan 81 3 3201 8900      Singapore 65 6212 1000      U.S. 1 212 318 2000      Copyright 2004 Bloomberg L.P.  
 H136-1152-1 03-Feb-04 9:02:31



# Example #2: NYMEX Henry Hub Natural Gas Near-Month Futures Contract on January 28 (Wed.) & 29 (Thurs.), 2004



# With Restructuring, Information Needs Have Grown Exponentially



## Market Information Needed to Support:

- Acquisition: Supply, Transportation, Storage Service
- Service Reliability: Public Interest
- Electronic Trading: Spot, Futures
- Hub Services: Parking, Loaning, etc.
- Marketing
- Competition
- System Operation and Scheduling, Nominations, Critical Notices
- Consumer Decisions
- Market Transparency

# Natural Gas Market Information is Available from Government and Private Sources



**Regulators**

FERC, State PUC's, DOT, MMS, SEC, CFTC, EPA

**Non-Regulators**

EIA  
State Energy Offices



**Non-Government**

Operators  
Electronic Trading  
Trade Organizations  
Press  
Commercial Information Services

# **EIA's Petroleum and Natural Gas Data Program is Dynamic**

**Subject to Funding Constraints and Legislative Mandates**

## **EXAMPLES**

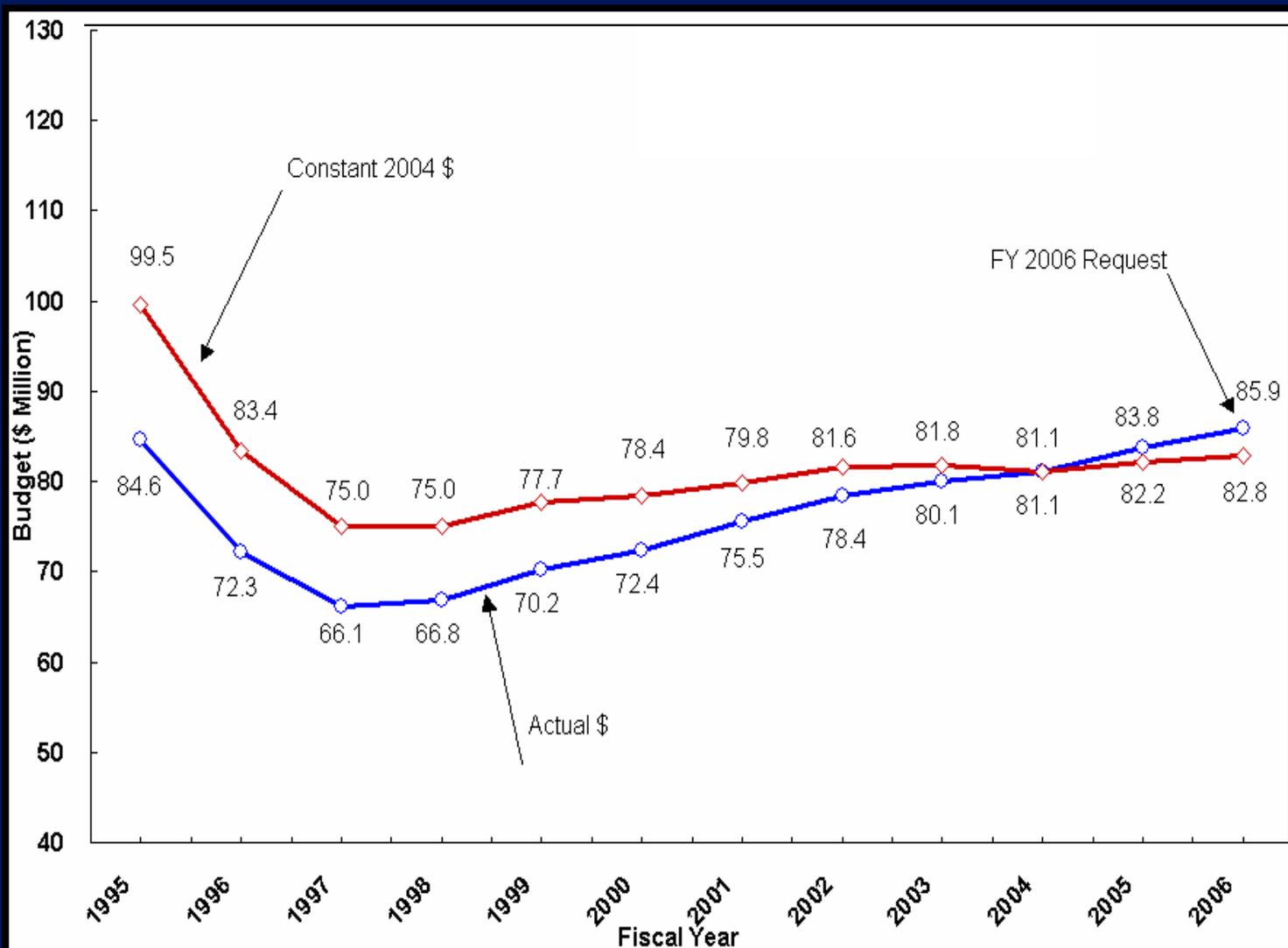
### **Petroleum:**

- **Survey revisions because of Clean Air Act**
- **New surveys because of the transition from the gasoline additive MTBE to ethanol**

### **Natural Gas:**

- **New production survey**
- **Enhancements to storage survey methodology**

# EIA's Resources Are Limited: Recent Budget History



**For more information about the  
Energy Information Administration, visit  
us on the Internet at  
<http://www.eia.doe.gov>**

