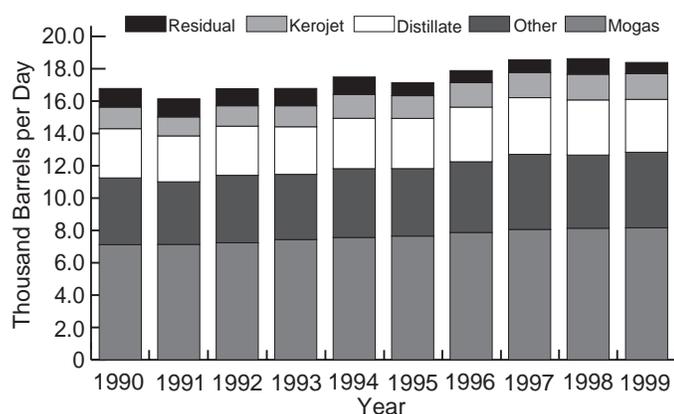


# Highlights

The total demand for refined petroleum products in April 1999<sup>1</sup>, measured as product supplied, averaged 18.4 million barrels per day (Table & Figure H1). This is the lowest daily average for total demand during April since 1996. On average, cooling degree day temperatures across the U.S. were warmer than normal and much warmer than this time last year according to data collected by the National Oceanic and Atmospheric Administration.<sup>2</sup> The Nation's economy remained healthy through April with most Districts expanding at a moderate pace as increases were noted in retail sales, motor vehicle sales, and manufacturing.<sup>3</sup>

**Figure H1. Total Demand, 1990-Current, Comparison in April for Petroleum Products**



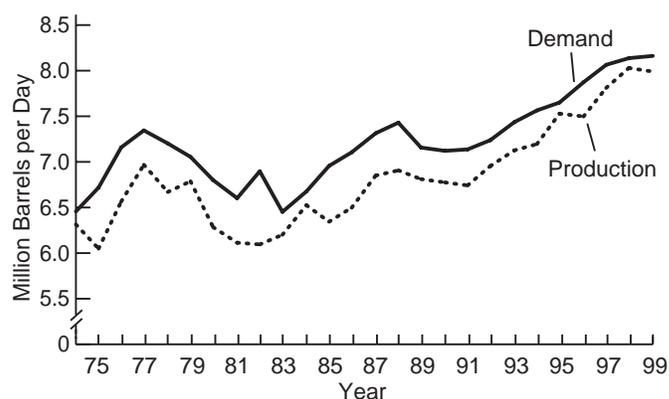
Source: Energy Information Administration, *Petroleum Supply Annual*, DOE/EIA-0340 (various issues), and *Petroleum Supply Monthly*, DOE/EIA-0109 (various issues).

April 1999 highlights include:

- Finished motor gasoline **demand** set a record high for the month at an average of 8.2 million barrels per day. **Imports** were higher than normal for the month, averaging 430 thousand barrels per day. Finished motor gasoline **stocks** ended the month at their highest level for April since 1994.
- Distillate fuel oil **production** averaged 3.4 million barrels per day, 44 thousand barrels per day below the record high for the month. **Stocks** of distillate fuel oil ended the month at 127.4 million barrels, the highest total for the month since 1981.
- Residual fuel oil **demand** declined to an average of 687 thousand barrels per day, the lowest April average in decades. **Stocks** ended the month totaling 39.8 million barrels, slightly above last April.
- Kerosene-type jet fuel set April records for **demand** and **production**, each averaging 1.6 million barrels per day. **Stocks** of kerosene-type jet fuel ended the month 3.7 million barrels higher than last April for a total of 45.1 million barrels.

- Propane inventories ended the month 2.5 million barrels higher than last year and **at the highest total for the month since 1987**.
- Crude oil **production** averaged 5.8 million barrels per day, the lowest average for the month since 1950. **Imports** of crude oil were off slightly from the record for this time of year. Crude oil **stocks**, excluding the Strategic Petroleum Reserve (SPR), totaled 335.9 million barrels by month's end, down over four percent compared to last April.

**Figure H2. Finished Motor Gasoline, Year-to-Date April Comparisons, 1974-1999**



Source: Energy Information Administration, *Petroleum Supply Annual*, DOE/EIA-0340 (various issues), and *Petroleum Supply Monthly*, DOE/EIA-0109 (various issues).

## Motor Gasoline

Supported by the strong economy and the trend for bigger, less fuel efficient vehicles, demand for motor gasoline continues to set new highs.<sup>4</sup> **Demand** for finished motor gasoline reached a **record high for April** at an average of 8.2 million barrels per day (Figure H2). Retail prices for conventional motor gasoline, although relatively cheap, averaged \$1.13 a gallon (including taxes), nearly a six percent increase compared to this time last year (Figure H3).<sup>5</sup> **Production** of finished motor gasoline was just below the April record high set last year, at an average of 8.0 million barrels per day. Averaging 430 thousand barrels per day, **imports** of finished motor gasoline came into the states at their **highest rate in three years**. Finished motor gasoline imports along both the East and West Coast increased substantially compared to this time last year. Recent refinery problems along the West Coast drove up domestic gasoline prices which helped make exporting finished motor gasoline to the U.S. attractive.<sup>6</sup> About a month before the start of the summer driving season, **stocks** of finished motor gasoline totaled 171.1 million barrels, the highest level for this time of year since 1994.

<sup>1</sup>April 1999 data are monthly-from-weekly estimates based on the Energy Information Administration's Weekly Petroleum Supply Reporting System.

<sup>2</sup>"Cooling Degree Day Data Monthly Summary, Monthly Data for April 1999", *National Oceanic and Atmospheric Administration*, accessible via the Internet at <http://nic.fb4.noaa.gov>.

<sup>3</sup>"The Beige Book Summary", *Federal Reserve Board*, May 5, 1999, accessible via the Internet at <http://www.bog.frb.fed.us/>.

<sup>4</sup>"Gasoline Season Hinges On US Demand Growth", *Petroleum Intelligence Weekly*, April 19, 1999, p. 5.

<sup>5</sup>"Table 16. U.S. Retail Motor Gasoline and On-Highway Diesel Fuel Prices, 1998 to Present", *Weekly Petroleum Status Report*, May 7, 1999, p. 27.

<sup>6</sup>"Questions Over Refineries Keep West Coast Gasoline Prices Strong", *The Oil Daily*, April 7, 1999, p. 3.

**Table H1. Petroleum Supply Summary**  
(Million Barrels per Day, Except Where Noted)

Category	1999			1998	January - April	
	Estimated April	March	Difference <sup>a</sup>	April	1999	1998
<b>Products Supplied</b> .....	18.4	19.5	-1.1	18.6	19.0	18.4
Finished Motor Gasoline.....	8.2	8.1	0.1	8.1	8.0	7.9
Distillate Fuel Oil.....	3.3	3.8	-0.6	3.4	3.6	3.5
Residual Fuel Oil .....	0.7	0.9	-0.3	1.0	0.9	0.8
Jet Fuel.....	1.6	1.7	-0.1	1.6	1.7	1.6
Other Petroleum Products <sup>b</sup> .....	4.7	4.9	-0.3	4.5	4.9	4.6
<b>Crude Oil Inputs</b> .....	15.2	14.5	0.7	15.0	14.6	14.5
<b>Operating Utilization Rate (%)</b> .....	95.9	91.7	4.2	97.3	93.1	94.9
<b>Imports</b> .....	10.5	10.6	-0.1	10.4	10.4	9.9
<b>Crude Oil</b> .....	8.5	8.8	-0.2	8.5	8.5	8.1
Strategic Petroleum Reserve .....	0.0	0.0	0.0	0.0	0.0	0.0
Other.....	8.5	8.8	-0.2	8.5	8.5	8.1
<b>Products</b> .....	2.0	1.8	0.2	1.9	1.9	1.8
Finished Motor Gasoline.....	0.4	0.3	0.1	0.3	0.3	0.3
Distillate Fuel Oil.....	0.1	0.2	-0.1	0.2	0.2	0.2
Residual Fuel Oil .....	0.2	0.3	-0.1	0.2	0.2	0.2
Jet Fuel.....	0.1	0.1	(s)	0.1	0.1	0.1
Other Petroleum Products <sup>c</sup> .....	1.1	0.9	0.2	1.2	1.0	1.0
<b>Exports</b> .....	1.0	0.8	0.2	1.0	0.9	1.0
Crude Oil .....	0.1	0.1	(s)	0.2	0.1	0.2
Products .....	0.9	0.7	0.2	0.9	0.7	0.8
<b>Total Net Imports</b> .....	9.5	9.8	-0.3	9.4	9.6	8.9
<b>Stock Change<sup>d</sup></b> .....	0.6	-0.6	1.1	0.9	-0.2	0.4
Crude Oil .....	-0.2	0.3	-0.6	0.5	0.1	0.4
Products .....	0.8	-0.9	1.7	0.4	-0.2	(s)
<b>Total Stocks</b> .....	1,626	1,608	18	1,614	—	—
<b>(million barrels)</b>						
<b>Crude Oil</b> .....	908	908	(s)	915	—	—
Strategic Petroleum Reserve <sup>e</sup> .....	572	572	(s)	563	—	—
Other.....	336	336	(s)	351	—	—
<b>Products</b> .....	718	700	18	699	—	—
Finished Motor Gasoline.....	171	168	3	168	—	—
Distillate Fuel Oil.....	127	126	2	126	—	—
Residual Fuel Oil .....	40	40	(s)	39	—	—
Jet Fuel.....	45	41	4	41	—	—
Other Petroleum Products <sup>c</sup> .....	335	326	8	325	—	—

<sup>a</sup> Difference is equal to volume for current month minus volume for previous month.

<sup>b</sup> Includes crude oil product supplied, natural gas liquids, liquefied refinery gases (LRG's), other liquids, and all finished petroleum products except finished motor gasoline, distillate fuel oil, residual fuel oil, and jet fuel.

<sup>c</sup> Includes natural gas liquids, liquefied refinery gases (LRG's), other liquids, and all finished petroleum products except motor gasoline, jet fuel, distillate fuel oil, and residual fuel oil.

<sup>d</sup> A negative number indicates a decrease in stocks and a positive number indicates an increase.

<sup>e</sup> Crude oil stocks in the Strategic Petroleum Reserve include non-U.S. stocks held under foreign or commercial storage agreements.

(s) = Less than 0.05 million barrels per day, or less than 0.05 percent, or less than 0.5 million barrels.

Note: Totals may not equal sum of components due to independent rounding.

Source: Energy Information Administration (EIA), 1997, *Petroleum Supply Annual*, Volume II; appropriate issues of the *Petroleum Supply Monthly* and the *Weekly Petroleum Status Report*.

Data for the current month are preliminary estimates, based on weekly submissions. For an explanation of estimation methodology and accuracy, see Appendix A of *Weekly Petroleum Status Report* and the article, "Accuracy of Petroleum Supply Data", published in the October 1998, *Petroleum Supply Monthly*.

**Table H2. U.S. Refinery Inputs, Capacities<sup>1</sup> and Utilization Rates: 1998-1999**  
(Thousand Barrels per Day, Except Where Noted)

Item	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec
<b>1998</b>												
Gross Refinery Inputs .....	14,655	14,340	14,851	15,170	15,305	15,651	15,704	15,806	15,041	14,241	15,089	15,168
Operating Refinery Capacity <sup>2</sup> .....	15,538	15,555	15,547	15,587	15,617	15,687	15,695	15,689	15,703	15,346	15,481	15,797
Idle Capacity <sup>3</sup>	167	158	184	144	144	135	135	143	129	537	449	154
Idle Three Months or Less .....	41	20	46	0	0	0	0	14	0	420	369	37
Idle More than Three Months .....	127	138	138	144	144	135	135	129	129	117	80	117
Operable Refinery Capacity .....	15,705	15,713	15,732	15,732	15,761	15,822	15,830	15,832	15,832	15,883	15,930	15,951
Utilization Rate (percent)												
Operating Capacity .....	94.3	92.2	95.5	97.3	98.0	99.8	100.1	100.7	95.8	92.8	97.5	96.0
Operable Capacity .....	93.3	91.3	94.4	96.4	97.1	98.9	99.2	99.8	95.0	89.7	94.7	95.1
<b>1999</b>												
Gross Refinery Inputs .....	14,762	14,719	14,802									
Operating Refinery Capacity <sup>2</sup> .....	15,953	15,955	16,139									
Idle Capacity <sup>3</sup>	200	227	131									
Idle Three Months or Less .....	71	98	2									
Idle More than Three Months .....	129	129	129									
Operable Refinery Capacity .....	16,153	16,181	16,270									
Utilization Rate (percent)												
Operating Capacity .....	92.5	92.3	91.7									
Operable Capacity .....	91.4	91.0	91.0									

<sup>1</sup>Capacities are on a calendar day basis.

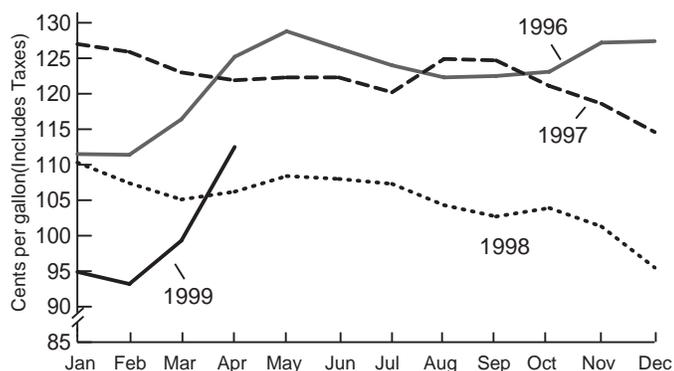
<sup>2</sup>Operating capacity equals the operable capacity less the total idle capacity.

<sup>3</sup>Idle capacity is the component of operable capacity that is not in operation and not under active repair, but is capable of being placed in operation within 30 days; and capacity not in operation but is under active repair that can be completed within 90 days.

Note: Totals may not equal sum of components due to independent rounding.

Sources: Energy Information Administration (EIA), 1997, *Petroleum Supply Annual*, Volume 2, Table 16; EIA, *Petroleum Supply Monthly*, 1998 data issue, Table 28.

**Figure H3. Retail Prices for Conventional Motor Gasoline, 1996-current**



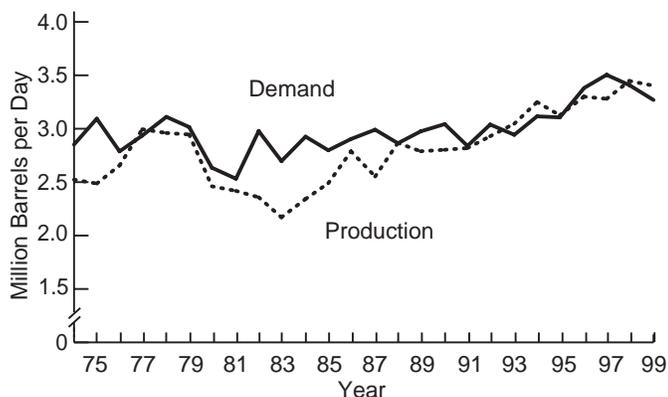
Source: Energy Information Administration, *Weekly Petroleum Status Report*, DOE/EIA-0208 (various issues).

## Distillate Fuel Oil

Warm weather and weak demand from the domestic rail industry kept demand for distillates at their lowest average for this time of year since 1995. According to the Association of American Railroads, domestic carload freight traffic was off 0.8 percent compared to a year ago.<sup>7</sup> **Demand** for distillate fuel oil averaged 3.3 million barrels per day, down four percent compared to last April. Distillate fuel oil **production**, on the other hand, reached the second highest average for April ever, at an average of 3.4 million barrels per day (Figure H4). **Imports** of distillate fuel oil averaged 149 thousand barrels per day, the lowest average for the month in four years. Total **stocks** of distillate fuel oil ended the month at 127.4 million barrels, 1.7 million barrels higher than last year. Low-sulfur distillate fuel oil came to a total of 69.3 million barrels.

<sup>7</sup>"Rail Carload Freight Off During April", *Association of American Railroads*, May 6, 1999, accessible via the Internet at <http://www.aar.org>.

**Figure H4. Distillate, Year-to-Date April Comparisons, 1974-1999**

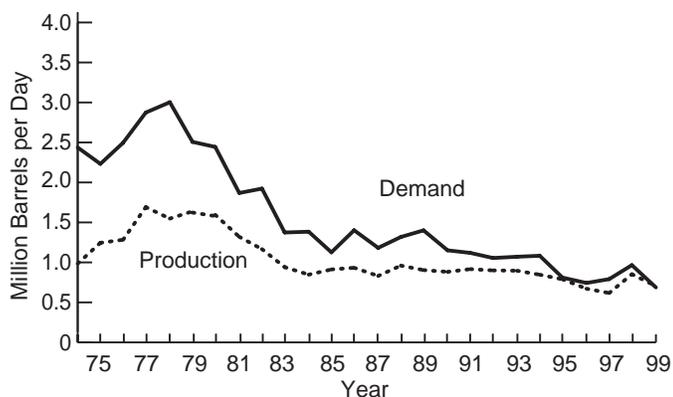


Source: Energy Information Administration, *Petroleum Supply Annual*, DOE/EIA-0340 (various issues), and *Petroleum Supply Monthly*, DOE/EIA-0109 (various issues).

## Residual Fuel Oil

Residual fuel oil dropped to the **lowest daily average in April in over three decades**. **Demand** for residual fuel oil averaged 687 thousand barrels per day, down 29 percent from last year (Figure H5). **Production** of residual fuel oil was within the normal seasonal range at an average of 704 thousand barrels per day. Residual fuel oil **imports** averaged 179 thousand barrels per day, the lowest average for April in four years. **Stocks** ended the month only slightly above last April at a total of 39.8 million barrels.

**Figure H5. Residual, Year-to-Date April Comparisons, 1974-1999**

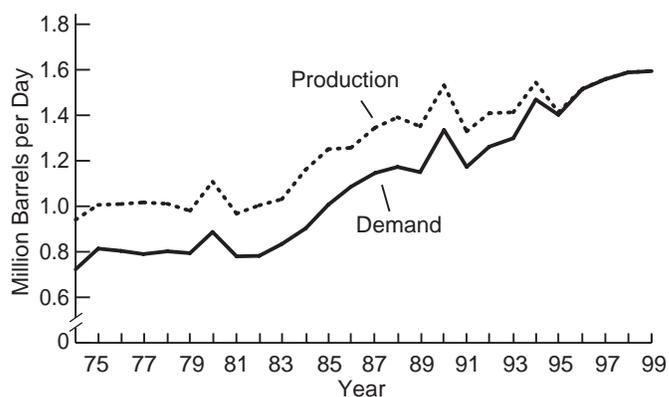


Source: Energy Information Administration, *Petroleum Supply Annual*, DOE/EIA-0340 (various issues), and *Petroleum Supply Monthly*, DOE/EIA-0109 (various issues).

## Kerosene-Type Jet Fuel

Kerosene-type jet fuel **demand** set a **record high for the month** at an average of 1.6 million barrels per day (Figure H6). **Production** also set an **April record, as well as one of the highest averages ever** at 1.6 million barrels per day. Total jet fuel **imports**, both kerosene and naphtha-type, were in the upper range for this time of year at an average of 111 thousand barrels per day. Kerosene-type jet fuel **stocks** ended the month 3.7 million barrels higher than last April, totaling 45.1 million barrels.

**Figure H6. Kerojet, Year-to-Date April Comparisons, 1974-1999**



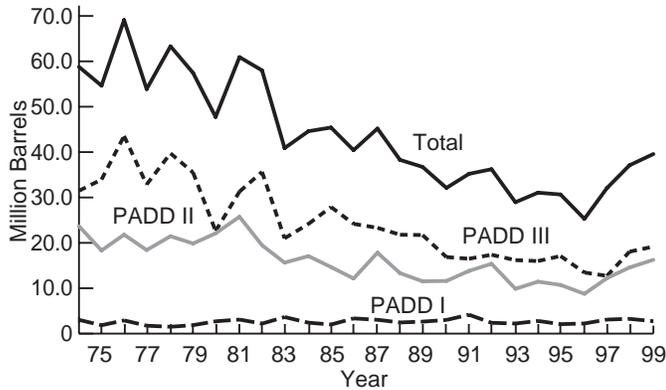
Source: Energy Information Administration, *Petroleum Supply Annual*, DOE/EIA-0340 (various issues), and *Petroleum Supply Monthly*, DOE/EIA-0109 (various issues).

## Propane

April's relatively modest 3.7 million barrel stock build left stocks at their highest level for this time of year since 1987. Propane **inventories** ended the month totaling 39.6 million barrels or 2.5 million barrels higher than this time last year (Figure H7). Most of the build was in the Midwest which increased 2.2 million barrels to end the month totaling 16.3 million barrels. East Coast stocks ended the month with an additional 854 thousand barrels for a total of 2.7 million barrels. Gulf Coast stocks added another 404 thousand barrels for a total of 19.2 million barrels. Only propane inventories along the East Coast ended the month below that of last April.

U.S. propane inventories may reach over 70 million barrels by the start of the next heating season if average build trends are maintained during the spring and summer months. The average stock build during the past five years measured about 35 million barrels, which if maintained would leave inventories at their second highest pre-heating season level this decade.

**Figure H7. Propane Stocks, Year-to-Year April Comparisons, 1974-1999**



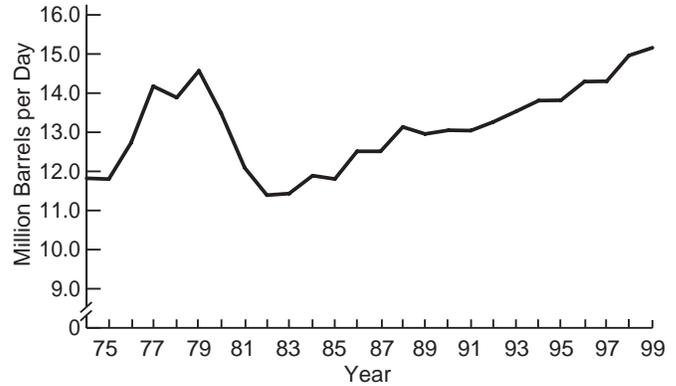
Source: Energy Information Administration, *Petroleum Supply Annual*, DOE/EIA-0340 (various issues), and *Petroleum Supply Monthly*, DOE/EIA-0109 (various issues).

## Crude Oil

Domestic crude oil **production** dropped to **the lowest average since May 1952**, averaging only 5.8 million barrels per day (Figure H8). Budget cuts in upstream spending made earlier when crude oil prices were historically low have resulted in declines in production and despite the rising oil and product prices, upstream spending may not increase this year as budgets are already in place.<sup>8</sup> Alaskan field production of crude oil averaged 1.0 million barrels per day, the lowest average for the month since 1977. **Imports** of crude oil were near the record high for this time of year at an average of 8.5 million barrels per day. Net imports of crude oil, imports minus exports, set an April record high at an average of 8.4 million barrels per day.

Crude oil **stocks**, excluding the SPR, ended the month totaling 335.9 million barrels. April's non-SPR crude oil stocks ended the month down 15.3 million barrels compared to this time last year. Total crude oil stocks, including non-U.S. stocks held under foreign or commercial storage agreements, totaled 907.9 million barrels.

**Figure H9. Year-to-Date April Comparisons for Crude Oil Inputs, 1974-1999**

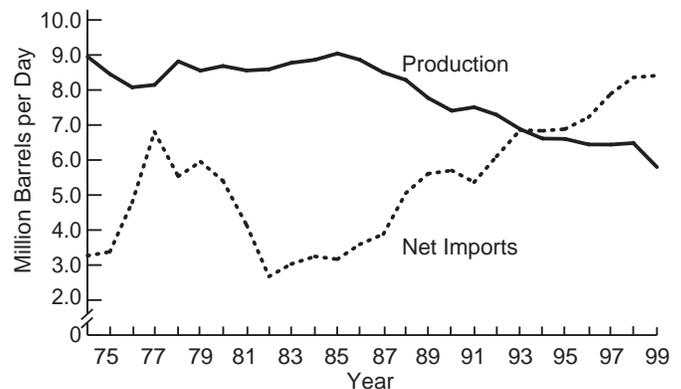


Source: Energy Information Administration, *Petroleum Supply Annual*, DOE/EIA-0340 (various issues), and *Petroleum Supply Monthly*, DOE/EIA-0109 (various issues).

## Refinery Operations

Crude oil **inputs** averaged 15.2 million barrels per day, an April record high (Figure H9). The estimated refinery **operable utilization rate** (gross input divided by operable capacity) averaged 94.8 percent of capacity versus 96.4 percent a year ago.

**Figure H8. Crude Oil, Year-to-Date April Comparisons for Production and Net Imports, 1974-1999**



Source: Energy Information Administration, *Petroleum Supply Annual*, DOE/EIA-0340 (various issues), and *Petroleum Supply Monthly*, DOE/EIA-0109 (various issues).

<sup>8</sup>“U.S. Majors Accelerate Their Shift of Focus Away From Costly Domestic Oil Production”, *The Oil Daily*, May 4, 1999, p. 5.