

Petroleum

Note 1. Petroleum Survey Respondents. The Energy Information Administration (EIA) uses a number of sources and methods to maintain the survey respondent lists. On a regular basis, survey managers review such industry publications as the *Oil & Gas Journal* and *Oil Daily* for information on facilities or companies starting up or closing down operations. Those sources are augmented by articles in newspapers, communications from respondents indicating changes in status, and information received from survey systems.

To supplement routine frames maintenance and to provide more thorough coverage, a comprehensive frames investigation is conducted every 3 years. This investigation results in the reassessment and recompilation of the complete frame for each survey. The effort also includes the evaluation of the impact of potential frame changes on the historical time series of data from these respondents. The results of this frame study are usually implemented in January to provide a full year under the same frame.

In 1991, EIA conducted a frame identifier survey of companies that produce, blend, store, or import oxygenates. A summary of the results from the identification survey was published in the *Weekly Petroleum Status Report* dated February 12, 1992, and in the February 1992 issue of the *Petroleum Supply Monthly*. In order to continue to provide relevant information about U.S. and regional gasoline supply, EIA conducted a second frame identifier survey of those companies during 1992. As a result, numerous respondents were added to the monthly surveys effective in January 1993. See Explanatory Note 7, "Frames Maintenance," in the *Petroleum Supply Monthly*.

Note 2. Motor Gasoline. Beginning in January 1981, EIA expanded its universe to include non-refinery blenders and separated blending components from finished motor gasoline as a reporting category. Also, survey forms were modified to describe refinery operations more accurately.

Beginning with the reporting of January 1993 data, EIA made adjustments to the product supplied series for finished motor gasoline. It was recognized that motor gasoline statistics published by EIA through 1992 were underreported because the reporting system was (1) not collecting all fuel ethanol blending, and (2) there was a misreporting of motor gasoline blending components that were blended into finished gasoline. The adjustments are incorporated into EIA's data beginning in January 1993. To facilitate data analysis across the 1992–1993 period, EIA prepared a table of 1992 data adjusted according to the 1993 basis. See *Petroleum Supply Monthly*, March 1993, Table H3.

Note 3. Distillate and Residual Fuel Oils. The requirement to report crude oil in pipelines or burned on leases as either distillate or residual fuel oil was eliminated. Prior to

January 1981, the refinery input of unfinished oils typically exceeded the available supply of unfinished oils.

That discrepancy was assumed to be due to the redesignation of distillate and residual fuel oils received as such but used as unfinished oil inputs by the receiving refinery. The imbalance between supply and disposition of unfinished oils would then be subtracted from the production of distillate and residual fuel oils. Two-thirds of that difference was subtracted from distillate and one-third from residual. Beginning in January 1981, EIA modified its survey forms to account for redesignated product and discontinued the above-mentioned adjustment.

Prior to 1983, crude oil burned on leases and used at pipeline pump stations was reported as either distillate or residual fuel oil and was included as product supplied for these products.

Note 4. Petroleum New Stock Basis. In January 1975, 1979, 1981, and 1983, numerous respondents were added to bulk terminal and pipeline surveys, affecting subsequent stocks reported and stock change calculations. Using the expanded coverage (new basis), the end-of-year stocks, in million barrels, would have been:

Crude Oil: 1982—645 (Total) and 351 (Non-SPR).

Distillate Fuel Oil: 1974—224; 1980—205; and 1982—186.

Jet Fuel (Total): 1974—30; 1980—42; and 1982—39.

Liquefied Petroleum Gases: 1974—113; 1978—136; 1980—128; and 1982—102.

Propane and Propylene: 1978—86; 1980—69; and 1982—57.

Motor Gasoline (Total): 1974—225; 1980—263; 1982—244.

Residual Fuel Oil: 1974—75; 1980—91; and 1982—69.

Total Petroleum: 1974—1,121; 1980—1,425; and 1982—1,461.

Stock change calculations beginning in 1975, 1979, 1981, and 1983 were made by using new basis stock levels.

In January 1984, changes were made in the reporting of natural gas liquids. As a result, unfractionated stream is now reported on a component basis (ethane, propane, normal butane, isobutane, and pentanes plus). This change affects stocks reported and stock change calculations. Under the new basis, 1983 end-of-year stocks, in million barrels, would have been 108 for liquefied petroleum gases, and 55 for propane and propylene.

In January 1993, changes were made in the monthly surveys to begin collecting bulk terminal and pipeline stocks of oxygenates. This change affected stocks reported and stock change calculations. However, a new basis stock level was not calculated for 1992 end-of-year stocks.

Note 5. Stocks of Alaskan Crude Oil. Stocks of Alaskan crude oil in transit were included for the first time in January 1981. The major impact of this change is on the reporting of stock change calculations. Using the expanded

coverage (new basis), 1980 end-of-year stocks, in million barrels, would have been 488 (Total) and 380 (Non-SPR).

Note 6. Petroleum Data Discrepancies. Due to differences internal to EIA data processing systems, some small discrepancies exist between data in the *Monthly Energy Review (MER)* and the *Petroleum Supply Annual (PSA)* and *Petroleum Supply Monthly (PSM)*. The data that have discrepancies are footnoted in Section 3 tables. The corresponding *PSA/PSM* values, in thousand barrels per day, are: Natural Gas Plant Liquids Production, 1976: 1,603; Total Exports, 1979: 472; Petroleum Products Exports, 1979: 237; and SPR Crude Oil Imports, 1978: 162.

Note 7. Petroleum Products Supplied and Petroleum Consumption. Total petroleum products supplied is the sum of the products supplied for each petroleum product, crude oil, unfinished oils, and gasoline blending components. For each of these, except crude oil, product supplied is calculated by adding refinery production, natural gas plant liquids production, new supply of other liquids, imports, and stock withdrawals, and subtracting stock additions, refinery inputs, and exports. Crude oil product supplied is the sum of crude oil burned on leases and at pipeline pump stations as reported on Form EIA-813, "Monthly Crude Oil Report." Prior to 1983, crude oil burned on leases and used at pipeline pump stations was reported as either distillate or residual fuel oil and was included as product supplied for these products. Petroleum product supplied (see Tables 3.5 and 3.6) is an approximation of petroleum consumption and is synonymous with the term "Petroleum Consumption" in Tables 3.7a-c and 3.8a-c.

Tables 3.7a–3.7c Sources

Petroleum consumption data in these tables are derived from data for "petroleum products supplied" from the following sources:

1973–1975: U.S. Department of the Interior, Bureau of Mines, *Mineral Industry Surveys*, "Petroleum Statement, Annual."

1976–1980: EIA, *Energy Data Reports*, "Petroleum Statement, Annual."

1981–2007: EIA, *Petroleum Supply Annual*.

2008: EIA, *Petroleum Supply Monthly*.

Energy-use allocation procedures by individual product are as follows:

Asphalt and Road Oil—All consumption of asphalt and road oil is assigned to the industrial sector.

Aviation Gasoline—All consumption of aviation gasoline is assigned to the transportation sector.

Distillate Fuel Oil—Distillate fuel oil consumption is assigned to the sectors as follows:

Distillate Fuel Oil Consumed by the Electric Power Sector—See Table 7.4b. For 1973–1979, electric utility consumption of distillate fuel oil is assumed to be the amount of petroleum (minus small amounts of kerosene and kerosene-type jet fuel deliveries) consumed in gas turbine and internal combustion plants. For 1980–2000, electric utility consumption of distillate fuel is assumed to be the amount of light oil (fuel oil nos. 1 and 2, plus small amounts of kerosene and jet fuel) consumed.

Distillate Fuel Oil Consumed by the End-Use Sectors, Annually—The aggregate end-use amount is total distillate fuel oil supplied minus the amount consumed by the electric power sector. The end-use total consumed annually is allocated into the individual end-use sectors (residential, commercial, industrial, and transportation) in proportion to each sector's share of sales as reported in EIA's *Fuel Oil and Kerosene Sales (Sales)* report series (DOE/EIA-0535), which is based primarily on data collected by Form EIA-821, "Annual Fuel Oil and Kerosene Sales Report" (previously Form EIA-172). Shares for the current year are based on the most recent *Sales* report.

Following are notes on the individual sector groupings:

Since 1979, the residential sector sales total is directly from the *Sales* reports. Prior to 1979, each year's sales subtotal of the heating plus industrial category is split into residential, commercial, and industrial (including farm) in proportion to the 1979 shares.

Since 1979, the commercial sector sales total is directly from the *Sales* reports. Prior to 1979, each year's sales subtotal of the heating plus industrial category is split into residential, commercial, and industrial (including farm) in proportion to the 1979 shares.

Since 1979, the industrial sector sales total is the sum of the sales for industrial, farm, oil company, off-highway diesel, and all other uses. Prior to 1979, each year's sales subtotal of the heating plus industrial category is split into residential, commercial, and industrial (including farm) in proportion to the 1979 shares, and this estimated industrial portion is added to oil company, off-highway diesel, and all other uses.

The transportation sector sales total is the sum of the sales for railroad, vessel bunkering, on-highway diesel, and military uses for all years.

Distillate Fuel Oil Consumed by the End-Use Sectors, Monthly—Residential sector and commercial sector monthly consumption is estimated by allocating the annual estimates, which are described above, into the months in proportion to each month's share of the year's sales of No. 2 heating oil. (For each month of the current year, the residential and commercial consumption increase from the same month in the previous year is based on the percent increase in that month's No. 2

heating oil sales from the same month in the previous year.) The years' No. 2 heating oil sales totals are from the following sources: for 1973–1980, the Ethyl Corporation, *Monthly Report of Heating Oil Sales*; for 1981 and 1982, the American Petroleum Institute, *Monthly Report of Heating Oil Sales*; and for 1983 forward, EIA, Form EIA-782A, "Refiners'/Gas Plant Operators' Monthly Petroleum Product Sales Report," No. 2 Fuel Oil Sales to End Users and for Resale.

The transportation highway use portion is allocated into the months in proportion to each month's share of the year's total sales for highway use as reported by the Federal Highway Administration's Table MF-25, "Private and Commercial Highway Use of Special Fuels by Months." After 1993, the sales-for-highway-use data are no longer available as a monthly series; the 1993 data are used for allocating succeeding year's totals into months.

A distillate fuel oil "balance" is calculated as total distillate fuel oil supplied minus the amount consumed by the electric power sector, residential sector, commercial sector, and for highway use.

Industrial sector monthly consumption is estimated by multiplying each month's distillate fuel oil "balance" by the annual industrial consumption share of the annual distillate fuel oil "balance."

Total transportation sector monthly consumption is estimated as total distillate fuel oil supplied minus the amount consumed by the residential, commercial, industrial, and electric power sectors.

Jet Fuel—Through 1982, small amounts of kerosene-type jet fuel were consumed by the electric power sector. Kerosene-type jet fuel deliveries to the electric power sector as reported on the Form FERC-423 (formerly Form FPC-423) were used as estimates of this consumption. Through 2004, all remaining jet fuel (kerosene-type and naphtha-type) is consumed by the transportation sector. Beginning in 2005, kerosene-type jet fuel is consumed by the transportation sector; while naphtha-type jet fuel is classified under "Other Petroleum Products," which is assigned to the industrial sector.

Kerosene—Kerosene product supplied is allocated into the individual end-use sectors (residential, commercial, and industrial) in proportion to each sector's share of sales as reported in EIA's *Fuel Oil and Kerosene Sales (Sales)* report series (DOE/EIA-0535), which is based primarily on data collected by Form EIA-821, "Annual Fuel Oil and Kerosene Sales Report" (previously Form EIA-172).

Since 1979, the residential sector sales total is directly from the *Sales* reports. Prior to 1979, each year's sales category called "heating" is split into residential, commercial, and industrial in proportion to the 1979 shares.

Since 1979, the commercial sector sales total is directly from the *Sales* reports. Prior to 1979, each year's sales category called "heating" is split into residential, commercial, and industrial in proportion to the 1979 shares.

Since 1979, the industrial sector sales total is the sum of the sales for industrial, farm, and all other uses. Prior to 1979, each year's sales category called "heating" is split into residential, commercial and industrial in proportion to the 1979 shares, and this estimated industrial (including farm) portion is added to all other uses.

Liquefied Petroleum Gases (LPG)—The annual shares of LPG's total consumption that are estimated to be used by each sector are applied to each month's total LPG consumption to create monthly sector consumption estimates. The annual sector shares are calculated as described below.

Sales of LPG to the residential and commercial sector are converted from thousand gallons per year to thousand barrels per year and are assumed to be the annual consumption of LPG by the sector.

The quantity of LPG sold each year for consumption in internal combustion engines is allocated between the transportation and industrial sectors on the basis of data for special fuels used on highways published by the U.S. Department of Transportation, Federal Highway Administration, in *Highway Statistics*. The allocations of LPG sold for internal combustion engine use to the transportation sector range from a low of 20 percent (in 2001) to a high of 73 percent (in 1994).

LPG consumed annually by the industrial sector is estimated as the difference between LPG total supplied and the estimated consumption of LPG by the sum of the residential and commercial sector and the transportation sector. The industrial sector includes LPG used by chemical plants as raw materials or solvents and used in the production of synthetic rubber; refinery fuel use; use as synthetic natural gas feedstock and use in secondary recovery projects; all farm use; LPG sold to gas utility companies for distribution through the mains; and a portion of the use of LPG as an internal combustion engine fuel.

Sources of the annual sales data for creating annual energy shares are:

1973–1982: EIA's "Sales of Liquefied Petroleum Gases and Ethane" reports, based primarily on data collected by Form EIA-174, "Sales of Liquefied Petroleum Gases."

1983: End-use consumption estimates for 1983 are based on 1982 end-use consumption because the collection of data under Form EIA-174 was discontinued after data year 1982.

1984 forward: American Petroleum Institute (API), "Sales of Natural Gas Liquids and Liquefied Refinery Gases," which is based on an LPG sales survey jointly sponsored by API, the Gas Processors Association, and the National Liquefied Petroleum Gas Association. EIA adjusts the data to remove quantities of pentanes plus and to estimate withheld values.

Lubricants—The consumption of lubricants is allocated to the industrial and transportation sectors for all months according to proportions developed from annual sales of lubricants to the two sectors from U.S. Department of Commerce, Bureau of the Census, *Current Industrial Reports*, "Sales of Lubricating and Industrial Oils and Greases." The 1973 shares are applied to 1973 and 1974; the 1975 shares are applied to 1975 and 1976; and the 1977 shares are applied to 1977 forward.

Motor Gasoline—The total monthly consumption of motor gasoline is allocated to the sectors in proportion to aggregations of annual sales categories created on the basis of the U.S. Department of Transportation, Federal Highway Administration, *Highway Statistics*, Tables MF-21, MF-24, and MF-25, as follows:

Commercial sales are the sum of sales for public non-highway use and miscellaneous and unclassified uses.

Industrial sales are the sum of sales for agriculture, construction, and industrial and commercial use as classified in the *Highway Statistics*.

Transportation sales are the sum of sales for highway use (minus the sales of special fuels, which are primarily diesel fuel and are accounted for in the transportation sector of distillate fuel) and sales for marine use.

Petroleum Coke—Portions of petroleum coke are consumed by the electric power sector (see Table 7.4b) and the commercial sector (see sources for Table 7.4c). The remaining petroleum coke is assigned to the industrial sector.

Residual Fuel Oil—Residual fuel oil consumption is assigned to the sectors as follows:

Residual Fuel Oil Consumed by the Electric Power Sector—See Table 7.4b. For 1973–1979, electric utility consumption of residual fuel oil is assumed to be the amount of petroleum consumed in steam-electric power plants. For 1980–2000, electric utility consumption of residual fuel oil is assumed to be the amount of heavy oil (fuel oil nos. 4, 5, and 6) consumed.

Residual Fuel Oil Consumed by the End-Use Sectors, Annually—The aggregate end-use amount is total residual fuel oil supplied minus the amount consumed by the electric power sector. The end-use total consumed annually is allocated into the individual end-use sectors (commercial, industrial, and transportation) in proportion to each sector's share of sales as reported in EIA's *Fuel Oil and Kerosene Sales (Sales)* report series (DOE/EIA-535), which is based primarily on data collected by Form EIA-821, "Annual Fuel Oil and Kerosene Sales Report" (previously Form EIA-172). Shares for the current year are based on the most recent *Sales* report.

Following are notes on the individual sector groupings:

Since 1979, commercial sales data are directly from the *Sales* reports. Prior to 1979, each year's sales subtotal of the heating plus industrial category is split into commercial and industrial in proportion to the 1979 shares.

Since 1979, industrial sales data are the sum of sales for industrial, oil company, and all other uses. Prior to 1979, each year's sales subtotal of the heating plus industrial category is split into commercial and industrial in proportion to the 1979 shares, and this estimated industrial portion is added to oil company and all other uses.

Transportation sales are the sum of sales for railroad, vessel bunkering, and military uses for all years.

Residual Fuel Oil Consumed by the End-Use Sectors, Monthly—Commercial sector monthly consumption is estimated by allocating the annual estimates, which are described above, into the months in proportion to each month's share of the year's sales of No. 2 heating oil. (For each month of the current year, the consumption increase from the same month in the previous year is based on the percent increase in that month's No. 2 heating oil sales from the same month in the previous year.) The years' No. 2 heating oil sales totals are from the following sources: for 1973–1980, the Ethyl Corporation, *Monthly Report of Heating Oil Sales*; for 1981 and 1982, the American Petroleum Institute, *Monthly Report of Heating Oil Sales*; and for 1983–1996, EIA, Form EIA-782A, "Refiners'/Gas Plant Operators' Monthly Petroleum Product Sales Report," No. 2 Fuel Oil Sales to End Users and for Resale.

A residual fuel oil "balance" is calculated as total residual fuel oil supplied minus the amount consumed by the electric power sector, commercial sector, and by industrial combined-heat-and-power plants (see sources for Table 7.4c).

Transportation sector monthly consumption is estimated by multiplying each month's residual fuel oil "balance" by the annual transportation consumption share of the annual residual fuel oil "balance."

Total industrial sector monthly consumption is estimated as total residual fuel oil supplied minus the amount consumed by the commercial, transportation, and electric power sectors.

Other Petroleum Products—Consumption of all remaining petroleum products is assigned to the industrial sector. Other petroleum products include pentanes plus, petrochemical feedstocks, special naphthas, still gas (refinery gas), waxes, and miscellaneous products. Beginning in 1981, also includes negative barrels per day of distillate and residual fuel oil reclassified as unfinished oils, and other products (from both primary and secondary supply) reclassified as gasoline blending components. Beginning in 1983, also includes crude oil burned as fuel. Beginning in 2005, also includes naphtha-type jet fuel.