

# ~ OPIS Propane Daily ~

## Rack and Spot Propane Prices and News - Everyday

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We are interested in hearing how you like this service and any suggestions you may have to improve it.

***Feel free to e-mail me by clicking here: [Diane Miller, Editor, OPIS Propane Daily.](#)***

Account: 00007

01/10/2020

**Special Propane Report For:** OPIS, 00007

**U.S. Spot Averages for 01/10/2020**

Market	Prev. Day Avg Price	Change from Prior Day	Month-to-Date Average	Latest Price
OPIS Gulf Coast	44.0625	-0.0625	44.4271	44.0625
OPIS Mid-Continent	41.0000	0.5000	40.7917	41.0000

\*Spot prices shown are for FOB terminal in cents/gallon excluding taxes and discounts

Notice to Subscribers: Gulf Coast propane prices represent the average of TET and non-TET prices. TET assets are currently owned by Energy Transfer LP.

### NEWS UPDATE

With limited direction to be found from the petroleum futures complex, most spot NGLs hovered near prior-day levels in the early going Friday.

As of 9:45 a.m. ET, WTI was down 0.5% at \$59.23/bbl, Brent slipped 0.2% to \$65.22/bbl, RBOB was up 0.4% at \$1.66/gal and natural gas firmed up 1.8% to \$2.21/MMBtu.

Mont Belvieu NGLs were likewise little moved, with even the largest changes from the day before struggling to top 1%.

TET (Lone Star) propane anys were up 0.3% to 45.125-45.875cts/gal, while non-TET (Enterprise) was just a hair softer at 42.5-42.875cts/gal. Other non-TET (Targa) was talked at 43.5-46cts/gal, and Hattiesburg in-line saw a morning bid/ask of 46-49cts/gal.

Conway propane anys traded at 41-41.5cts/gal, up 0.6%. Year on year, C3 is down by 24.3%. Based on recent values, the Conway discount to TET and non-TET C3 was 4.375cts and 0.75cts, respectively.

NGL Energy Partners has once again completed a divestment and once again declined to name the company purchasing the business.

A SEC filing Thursday afternoon announced that NGL Energy Partners completed the sale of its refined products' business in the Midcontinent last week, but there were few details in the filing.

NGL said that the sale was made to "an undisclosed third party" that purchased the inventory and open derivative positions of NGL Energy Partners in the region. There were no specifics on which terminals and which PADD 2 customers might be impacted.

The deal was reminiscent of a transaction in 2019. NGL sold its TransMontaigne Product Services and associated assets for \$275.5 million last summer, and OPIS exclusively reported that the buyer was an affiliate of Pilot Flying J. The "book" of refined product sales had quietly been shopped all spring.

Eventually a letter to TransMontaigne customers acknowledged that they completed the purchase, effective Oct. 1, 2019. That deal included considerable line space on Colonial and Plantation Pipelines as well as the exclusive right to utilize 18 terminals, two wholly owned refined products terminals in Georgia and multiple third-party throughput agreements. All associated customer contracts, inventory and other working capital associated with the assets was included.

There is speculation that Pilot may have been interested in the more recent Midcontinent sale, but sources say other buyers might have been solicited.

This transaction is considerably different from the \$275.5-million sale of the TransMontaigne assets in 2019. The SEC filing noted that NGL Partners paid \$6.3 million to the undisclosed buyer to "facilitate the assignment of the system storage agreements."

#### RACK UPDATE

DIXIE PL  
ALBANY, GA

2020-01-10 10:00:40 EST

** OPIS PROPANE PRICES **					
	Storage	Terms	Price	Move	Date of Move
CHS Inc	Pipeline	N-Rpt	56.070	+0.50	01/10
Crestwood	Pipeline	N-10	54.850	-1.50	01/09
Enterpris	Pipeline	N-10	54.900	-1.50	01/10
Martin	Pipeline	N-10	55.500	-0.75	01/09
NGL LTD.	Pipeline	N-15	55.250	-1.00	01/09
NGLWHL SL	Pipeline	N-10	55.360	+0.50	01/10
Targa	Pipeline	N-10	55.180	+0.50	01/10
	LOW		54.850		
	HIGH		56.070		
	AVERAGE		55.301		
	CONT LOW		54.850		
	CONT HIGH		56.070		
	CONT AVG		55.370		

\* Rack prices shown are for FOB terminal in U.S. cents/gallon excluding taxes and discounts

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