

FUEL • PROPANE

MARKET OUTLOOK

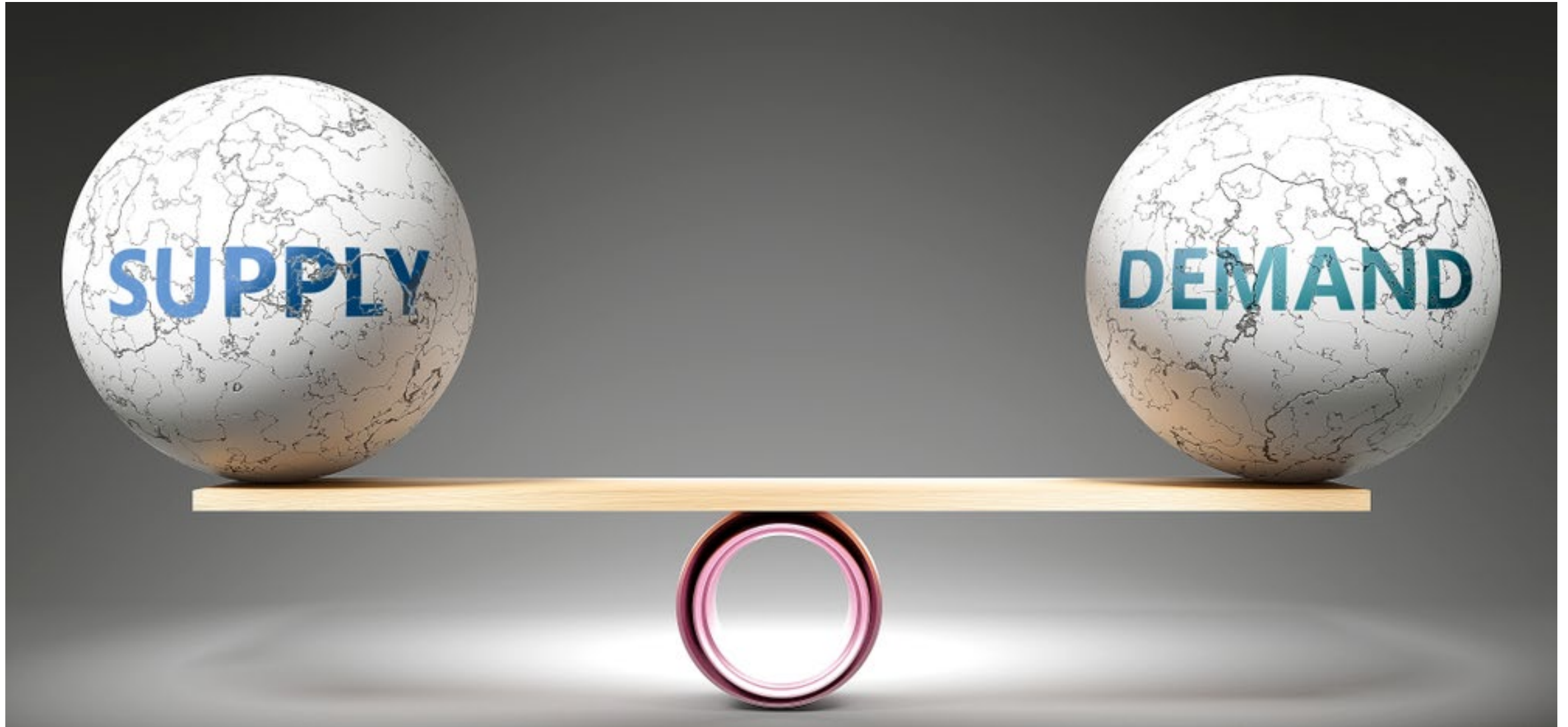


CHRISTENSEN

Proprietary & Confidential – DO NOT forward, copy or distribute

WHAT IMPACTS FUEL PRICES

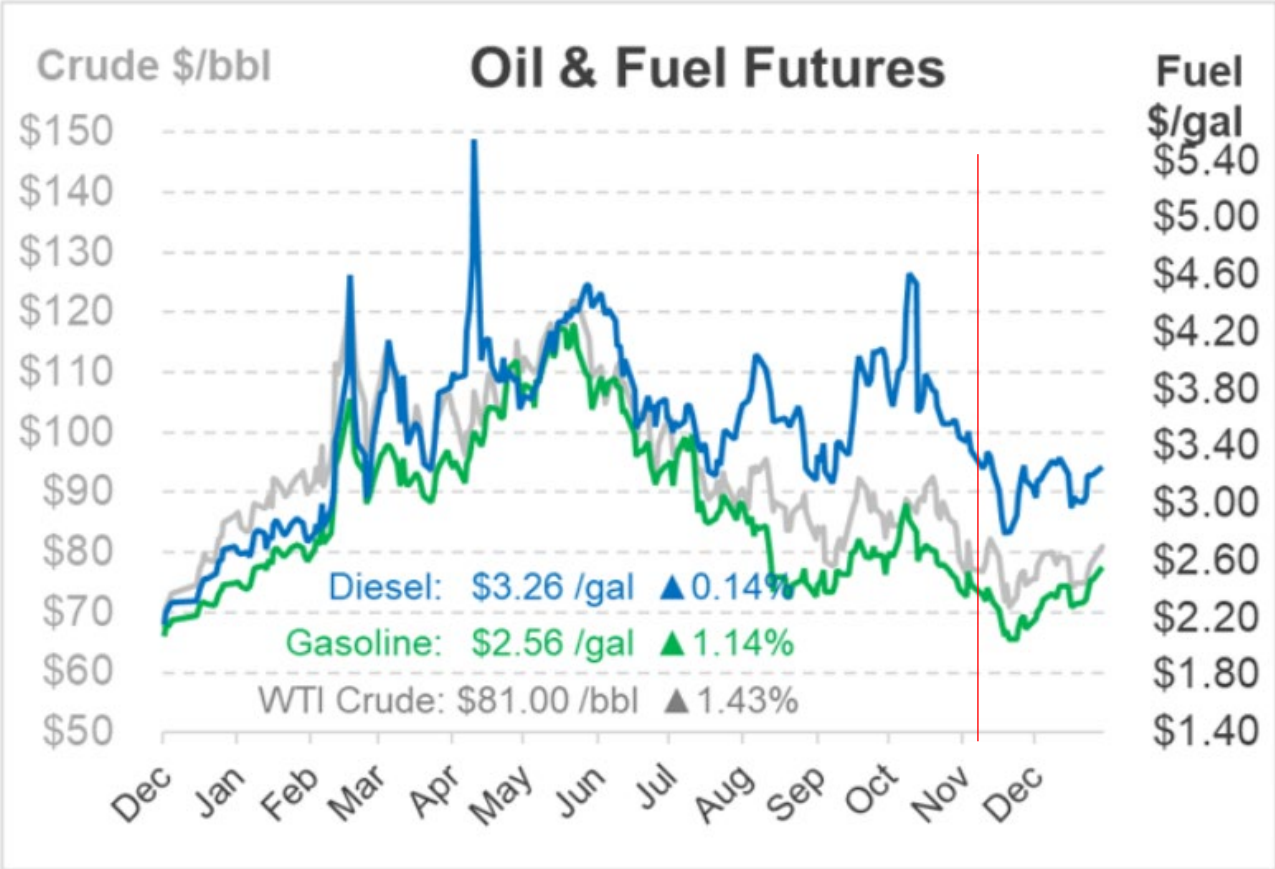
CHRISTENSEN



NYMEX PETROLEUM FUTURES

CHRISTENSEN

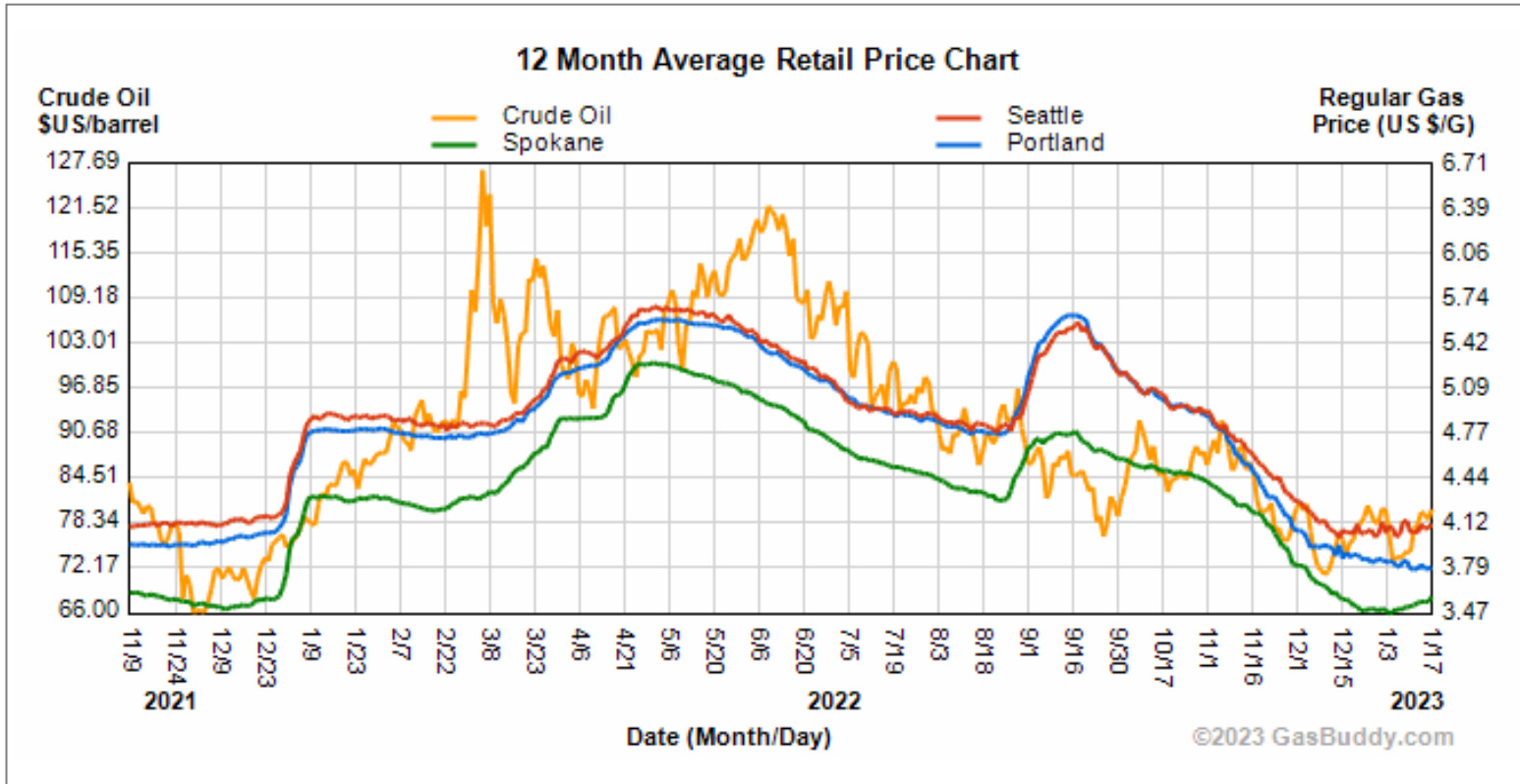
Petroleum Market at a Glance



Source: CME

HOW DID WE GET HERE

CHRISTENSEN



RUSSIA'S INVASION
SUPPLY CONSTRAINTS
LABOR SHORTAGES
REFINERY UTILIZATION
CHINA'S COVID LOCKDOWNS
OPEC PRODUCTION
RECESSION FEARS

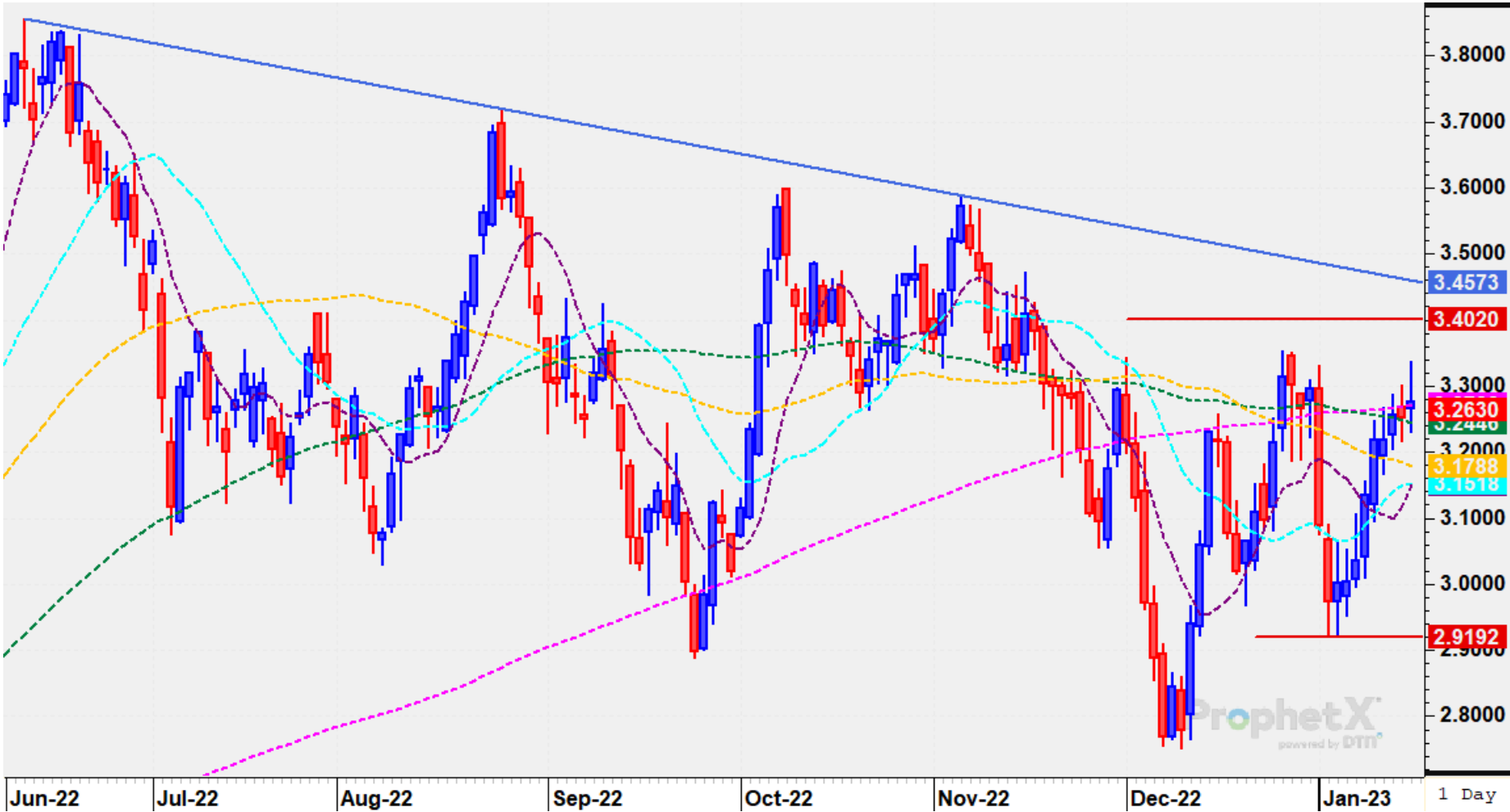
NYMEX FUTURES – Bottomed Dec 8th

CHRISTENSEN



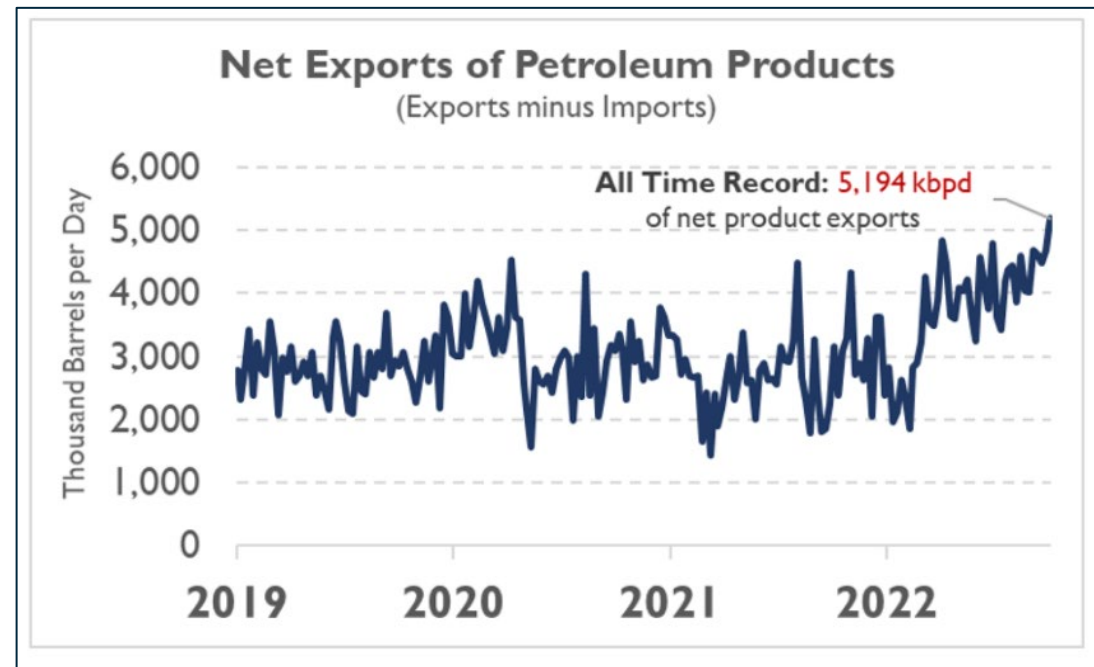
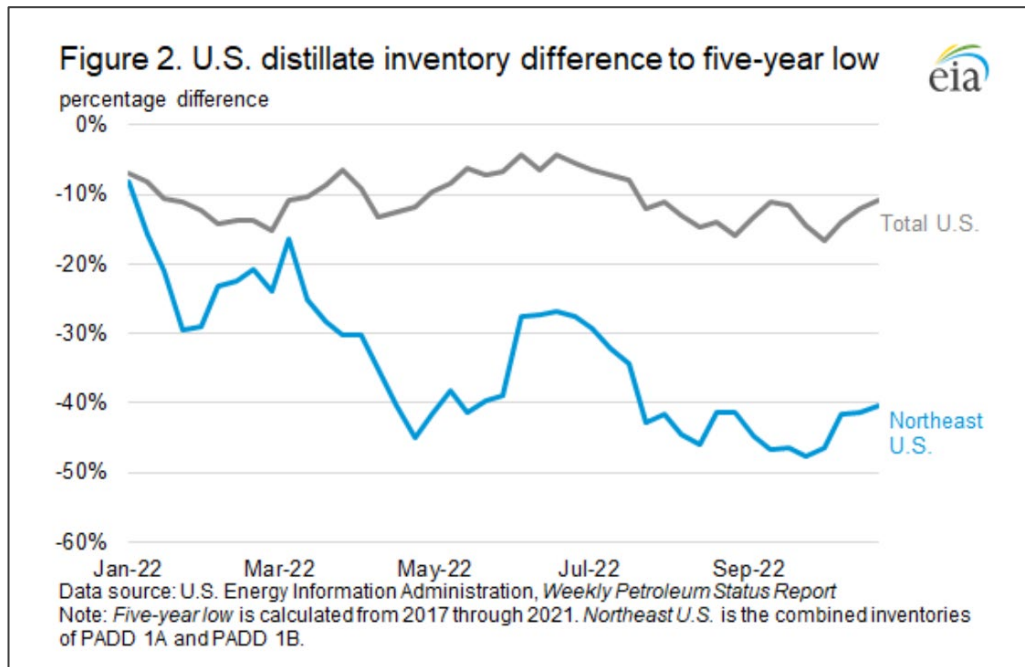
ULSD FUTURES CHART

CHRISTENSEN

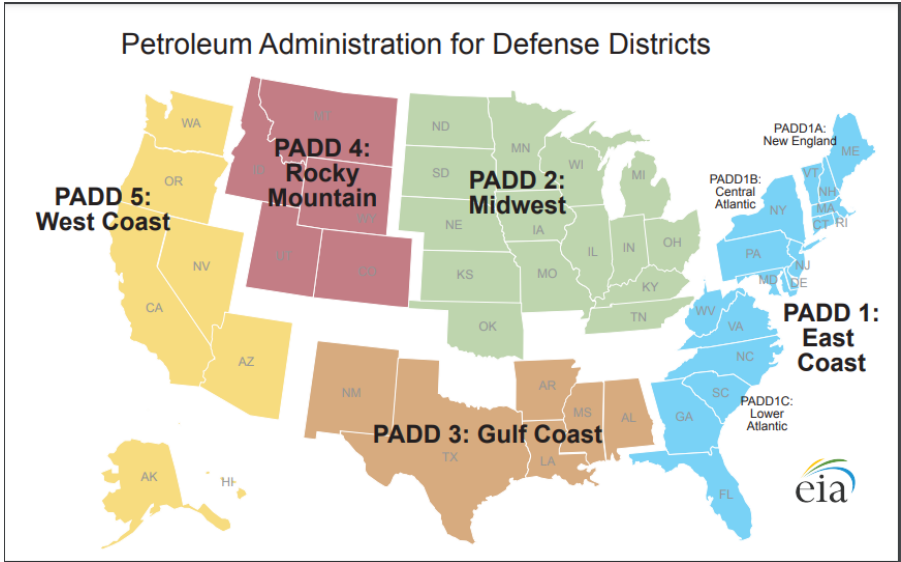
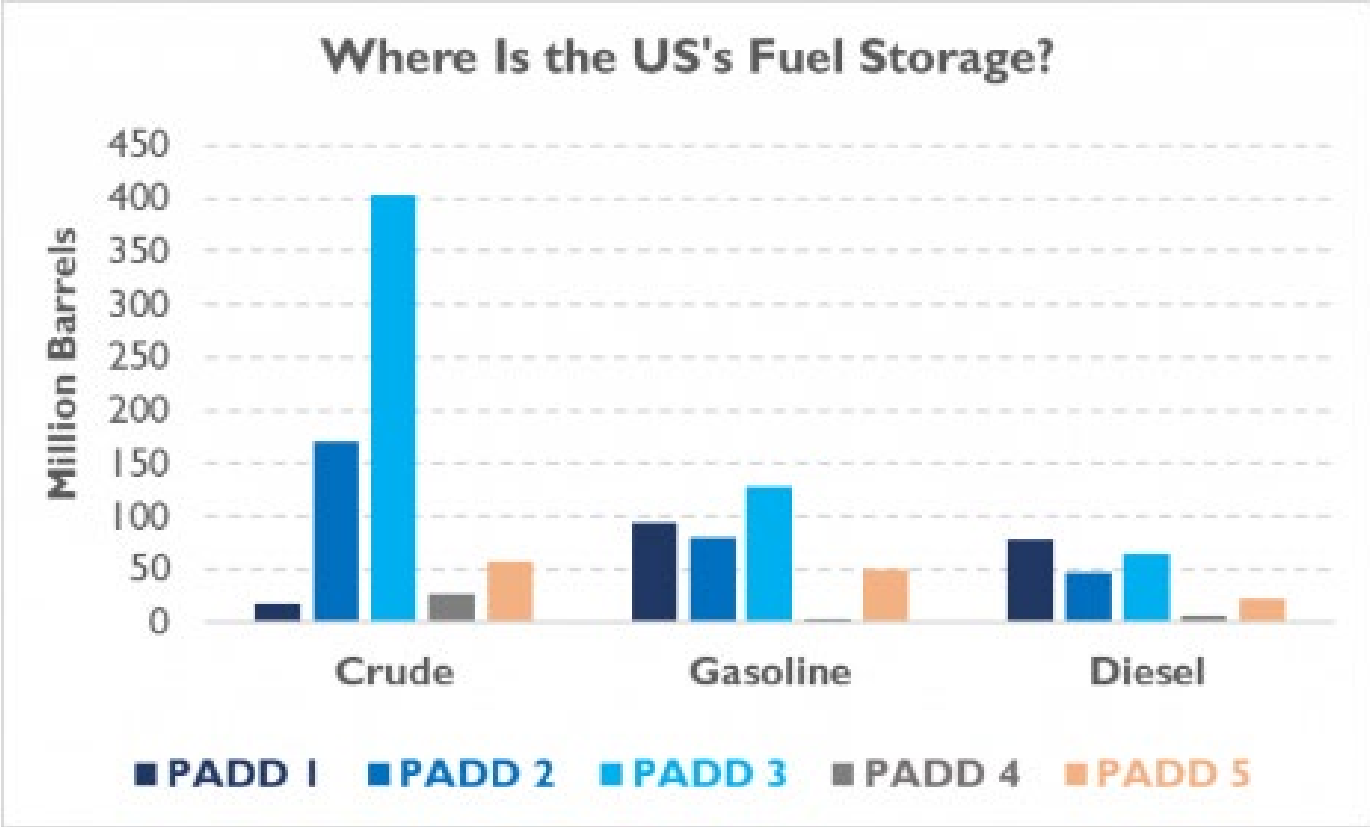


25 DAYS DIESEL

1. Low Inventories
2. Refinery Production Down
3. Diesel Exports Record High



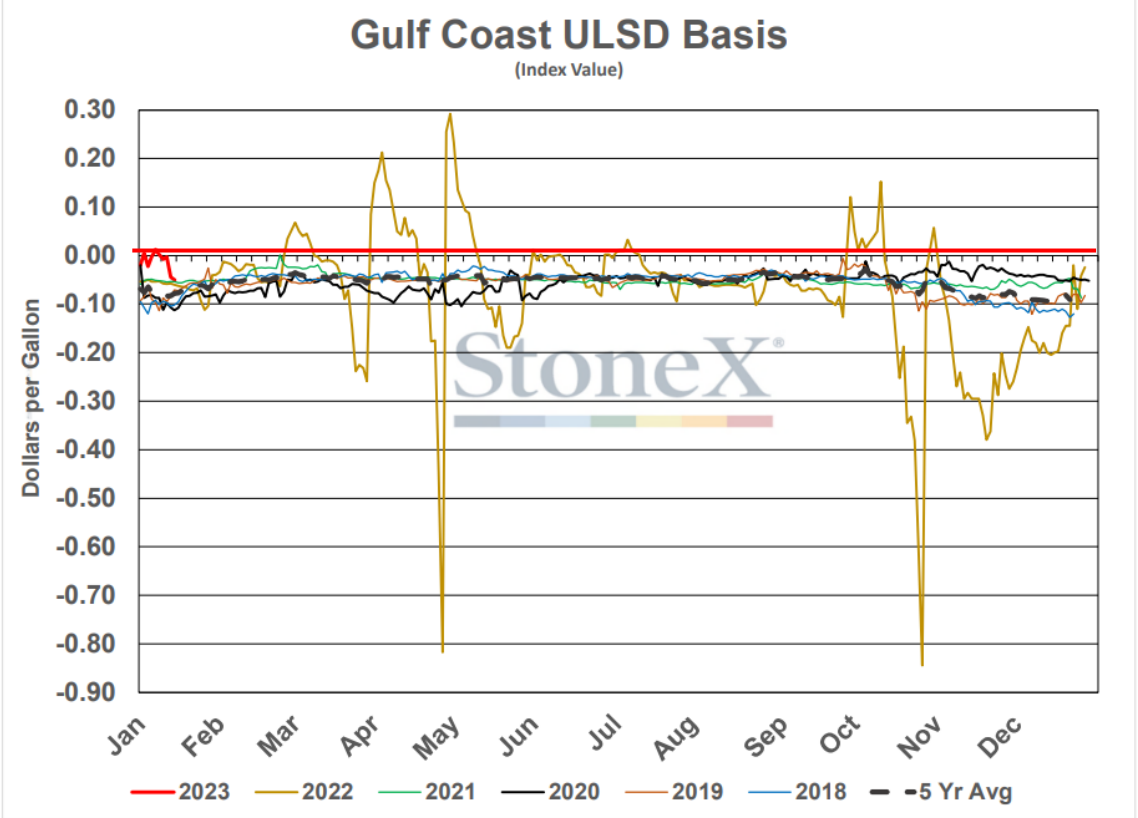
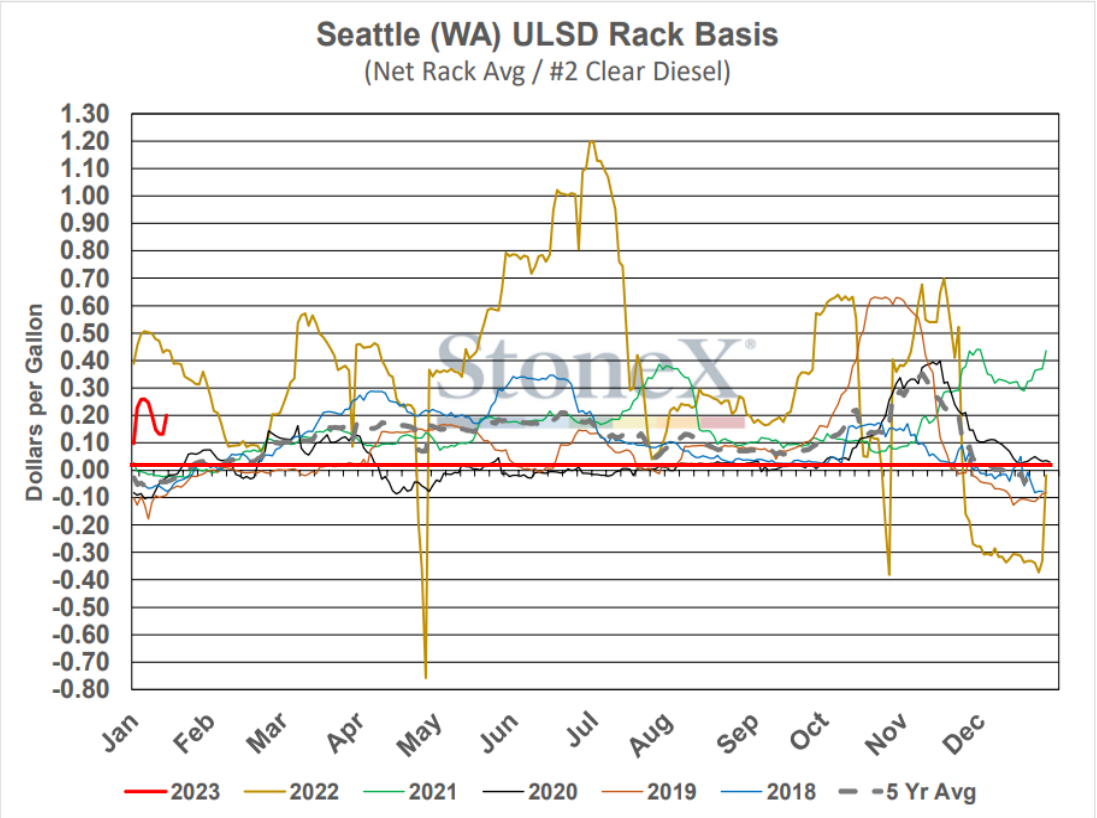
U.S. FUEL STORAGE



Source: EIA, March 2022

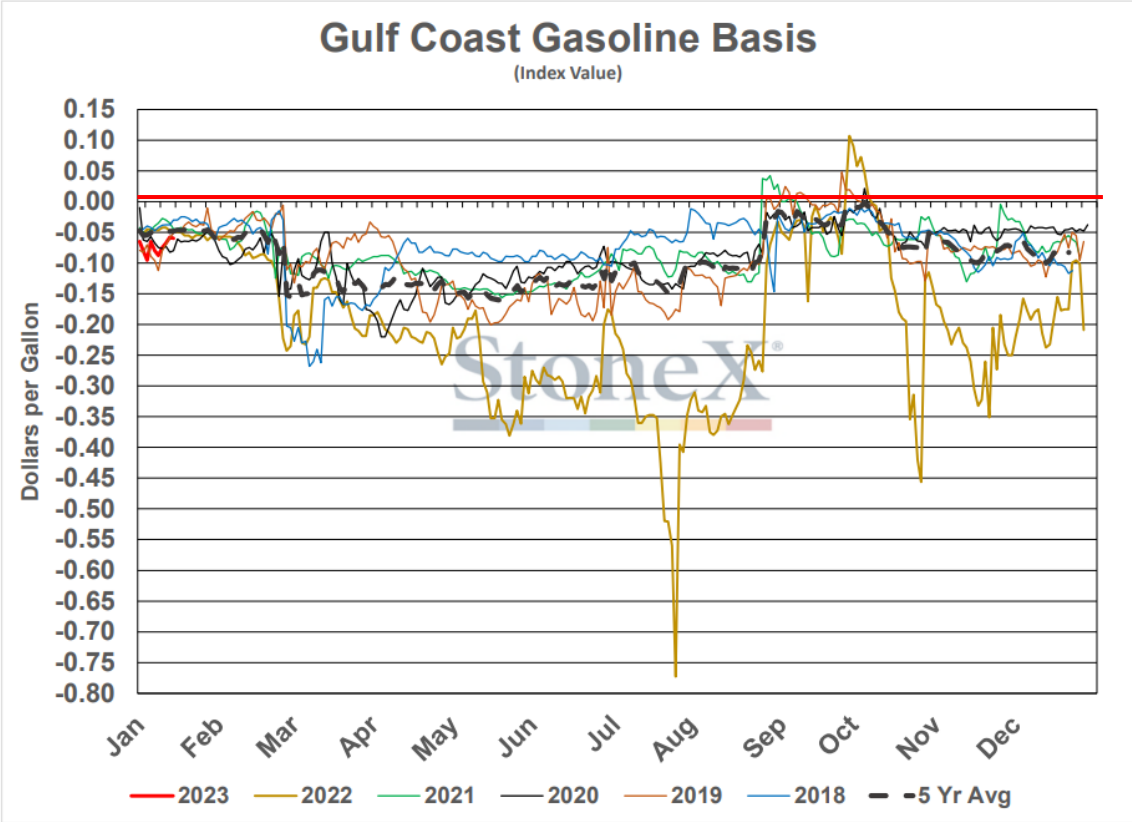
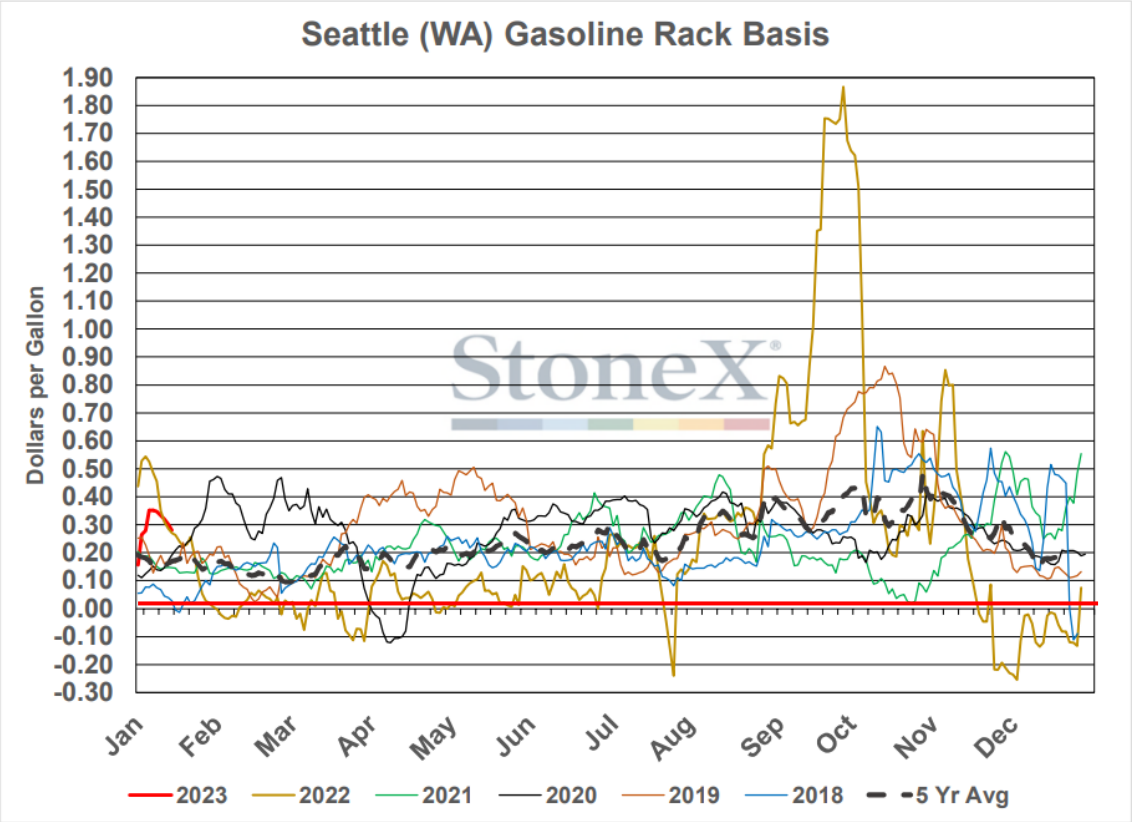
EXTREME PRICE VOLATILITY Diesel

CHRISTENSEN



EXTREME PRICE VOLATILITY Gasoline

CHRISTENSEN

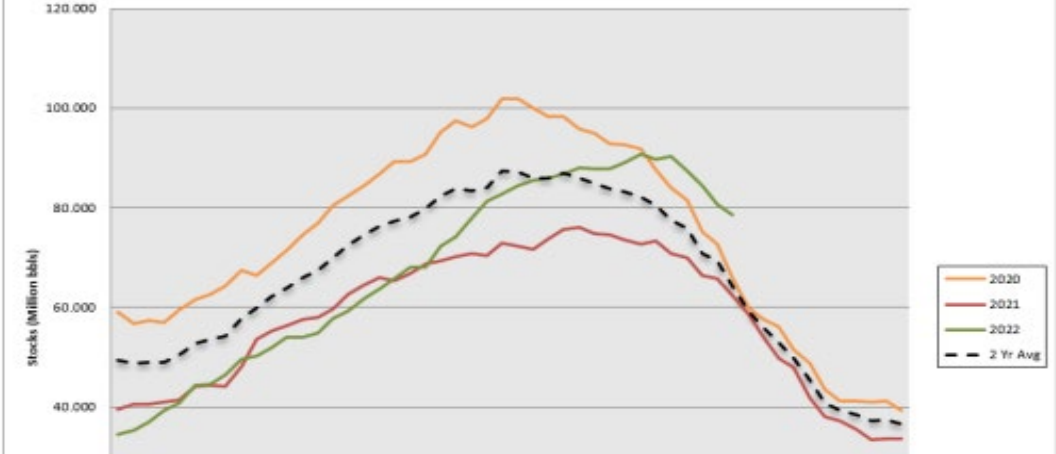


PROPANE INVENTORY

Conway Propane Prices



Overall U.S. Propane Inventories



Trailing 4 Week Avg U.S. Demand



Gas taxes and fees could reach \$1 per gallon under new Washington state transportation proposal

January 19, 2021 at 6:42 pm

Tuesday, May 18, 2021

Fourth Time's The Charm: Washington Enacts Clean Fuels Program, Creating West Coast Market For Low-Carbon Transportaton Fuels

Governor Signs Clean Fuels Standard Into Law In Washington State

May 18, 2021

Clean Fuels Program	
Product	Cents per Gallon
Clear Gasoline	\$ 0.01550
E10 Gasoline	\$ 0.01405
ULSD	\$ 0.01330
B5	\$ 0.01260
Cap at the Rack (CAR)	
Product	Cents per Gallon
NL E10	\$ 0.3300
MUL E10	\$ 0.3319
PUL E10	\$ 0.3337
Clear NL	\$ 0.3665
Clear MUL	\$ 0.3686
Clear PUL	\$ 0.3707
#2 ULSD	\$ 0.4228
#1 ULSD	\$ 0.4196
B5	\$ 0.4017

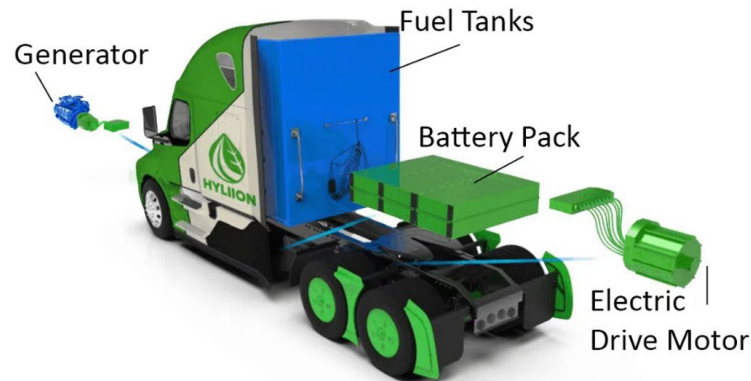
NET-ZERO BY 2050 – GREEN ENERGY

CHRISTENSEN

EV CHARGERS



TESTING NEW TRUCKS



ACTION PLAN

1. Investigate
 - EV
 - Hydrogen
 - Renewable Natural Gas
 - Renewable Diesel
 - Other Renewables
2. Focus on understanding regulations
3. Get involved
 - Local, state, federal representatives
 - Associations and roundtables
4. www.affordablefuelwashington.com
5. <https://ecology.wa.gov/Air-Climate/Climate-Commitment-Act>

PROMISES MADE BY AUTOMAKERS

CHRISTENSEN

2021



GM
BOLT
BOLT EUV
HUMMER EV

2022



MERCEDES
10 EVs



FORD
F-150
LIGHTNING

2023



HONDA
1 EV



MAZDA
2 EVs



NISSAN
8 EVs

2024

VOLVO

VOLVO
XC60

2025



AUDI
20 EVs



HYUNDAI
23 EVs



VOLKSWAGEN
1.5M EVs
BUILT



BMW
25% OF SALES



JAGUAR
100% EV

VOLVO

VOLVO
1M EVs ON
ROAD (50% OF
GLOBAL SALES)



FORD
\$29B
INVESTMENT



LAND ROVER
6 EVs



GM
30 EVs



TOYOTA
60 EVs

PROMISES MADE BY AUTOMAKERS

CHRISTENSEN

2026



KIA
11 EVs

2030



UK BAN ON ICE



KIA
40%
PRODUCTION



SUBARU
40% SALES



MITSUBISHI
50% SALES



VOLKSWAGEN
60% SALES

2033



AUDI
STOP ICE
PRODUCTION



VOLKSWAGEN
NO ICE SALES
IN EUROPE;
CONTINUE IN
USA & CHINA

2035



GM
ELIMINATE
GAS & DIESEL
POWERTRAINS
IN LIGHT
DUTY

2036



**JAGUAR
LAND ROVER**
TARGETING
ZERO
TAILPIPE
EMISSIONS

2040



GM
ENTIRE
OPERATION
CARBON
NEUTRAL

2050



**MAZDA
MITSUBISHI
NISSAN**
NET ZERO
CARBON
EMISSIONS



TINA HAMPTON
Product Manager - Fuel

THANK YOU

CHRISTENSEN