

Figures show enough oil

Knight News Service

Oil has poured into the United States during the last 12 months at levels high enough to meet current demands — even without rationing cutbacks— for gasoline, heating oil and jet fuel.

Thus, the United States, at worst, should be experiencing an oil shortage no more severe than what it endured last summer and last winter when there were only slight shortages in scattered regions of the country.

This conclusion is based on data compiled by the U.S. Bureau of Mines and the American Petroleum Institute, an organization supported by the oil industry. Both get their figures from the oil companies.

The Bureau of Mines data show that from January through September, the latest period for which its figures are available, supplies of oil products totaled 4.8 billion barrels while demand was at 4.7 billion barrels.

From October through December, American Petroleum Institute figures show that imports of both crude oil and refined products were running ahead of the same months in 1972 — despite fear that the Arab oil boycott

would drastically reduce supplies.

For the four weeks ending Nov. 30, imports of crude oil were averaging 3.2 million barrels a day — up 38 percent from the same time in 1972, when the figure was 2.3 million barrels a day.

For the four weeks ending Dec. 28, crude oil imports averaged 2.9 million barrels a day — an increase of 26 percent over the 2.3 million barrels a day imported during the same period in 1972.

While there are no final consumption statistics yet for 1973, available data from both the Bureau of Mines and the Petroleum Institute indicate petroleum supplies for the year will have totaled approximately 6 billion 403 million barrels and demand will have been about 6 billion 392 million.

The API figures have shown that the oil industry has stockpiled near-record levels of heating oils and jet fuel for this time of year.

According to the Institute's latest figures, released late Friday afternoon, there was another increase in heating oil

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inventories last week, which now stand at 203.5 million barrels — up 28 percent over this time last year.

The five largest oil companies in the country were asked why the large quantities of oil coming into the country were not being passed on directly to gas stations, airlines and homeowners. Only one company, Gulf Oil Corp., had an immediate response.

Fuller McCowan, coordinator of foreign public relations, said fuel oil is being held in reserve by Gulf because "the cold weather is ahead of you."

As for airline fuel, he said, "I have not heard that any airline is having trouble getting jet fuel."

McCowan said he would need more time for research to fully explain the apparent paradox between oil inflow into the U.S. and the current oil crisis. The companies that declined to respond at all until they could further study the data were Exxon, Mobil, Texaco and Standard of Southern California.

Last November, the White House released a statement forecasting that demand for petroleum products would outstrip supplies by 7.5 percent during the last three months of 1973.

But records maintained by the Bureau of Mines show that demand has run ahead

of supplies in the last quarters of both 1972 and 1971, as well as in other years.

In 1972, for example, when there were no rationing programs and no soaring prices for oil products, there was a 4 percent deficit between supply and demand.

Bureau of Mines data shows a regular pattern over the last three years, with the oil industry turning out more products than are used in the months from April through October.

But beginning in November, and continuing into March, the demand begins to run ahead of flow.

During February, 1973, for example, the flow of petroleum products represented 94 percent of demand. In February, 1972, it was even lower — 91 percent. And in February, 1971, it was 94 percent.

Then last June, supplies reached 106 percent of demand. In June of 1972, the figure was 103 percent; in June, 1971, it was 106 percent.

During these spring and summer months, the industry builds up its stockpiles, drawing from those inventories during winter months.

A barrel of crude oil, which holds 42 gallons, is converted into a variety of products, from gasoline to jet fuel to residual fuel for electrical utilities.