

News Tracker:

-Natural gas spot price movements were mixed for the period of Wednesday, October 4 to Wednesday, October 11 (the Report Week). The Henry Hub spot price rose from \$2.81 per million British thermal units (MMBtu) to \$2.93/MMBtu from open to close of the Report Week.

-At the New York Mercantile Exchange (Nymex), the November 2017 natural gas futures contract price fell 5¢ from \$2.940/MMBtu to \$2.889/MMBtu from start to end of the Report Week.

-Net natural gas injections into storage totaled 87 Bcf for the week ending October 6, equivalent to the five-year (2012-16) average net injection of 87 Bcf and higher than last year's net injections of 79 Bcf during the same week. Declines in power demand for natural gas contributed to increased net injections compared with the previous report week despite declines in natural gas production. So far during the 2017 refill season, net injections into storage are 15% lower than the comparable five-year average 1,544 Bcf during the 2017 refill season compared with the five-year average increase of 1,817 Bcf. Temperatures in the Lower 48 states averaged 64°F, 2°F higher than the normal and 2°F lower than last year at this time.

-Total U.S. consumption of natural gas rose by 7% compared with the previous report week, according to data from PointLogic Energy. Natural gas consumed for power generation climbed by 12% week over week, industrial sector consumption decreased by 2%, and residential and commercial sector consumption increased by 18%. Natural gas exports to Mexico increased 3%.

U.S. LNG exports increased as five vessels (LNG-carrying capacity 18.4 Bcf) departed the Sabine Pass liquefaction terminal last week.

The natural gas plant liquids composite price at Mont Belvieu, Texas, rose by 10¢, averaging \$7.92/MMBtu for the week ending October 11. The price of ethane fell by 2%. The price of natural gasoline rose by 1%, and propane, butane, and isobutane prices each rose by 2%.

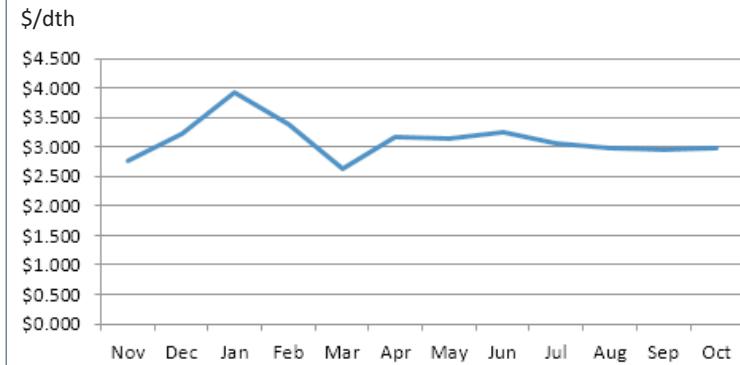
According to Baker Hughes, for the week ending Friday, October 6, the natural gas rig count decreased by 2 to 187. The number of oil-directed rigs also fell by 2 to 748. The total rig count decreased by 4, and it now stands at 936.

Excerpted from 

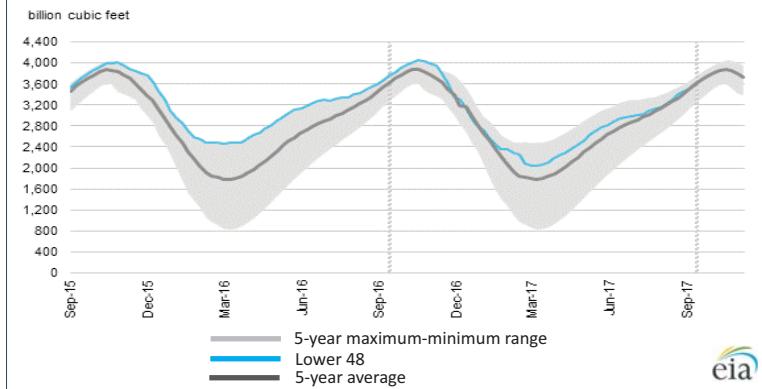
State taxes on gasoline in 2017 up 4.5% from 2016:

The simple average of taxes and fees on gasoline levied by the states and the District of Columbia in effect as of July 1, 2017, was 27.9 cents per gallon (¢/gal), up 4.5% from the same time last year. These taxes and fees range from a low of 8.95 ¢/gal in Alaska to a high of 59.3 ¢/gal in Pennsylvania. Gasoline buyers in the U.S. pay these taxes at the pump in addition to the federal tax of 18.4 ¢/gal, which has remained unchanged since 1993. State taxes on diesel tend to be somewhat higher averaging 28.6 ¢/gal and ranging from 8.95 ¢/gal in Alaska to 75.8 ¢/gal in Pennsylvania. The federal tax on diesel of 24.4 ¢/gal is slightly higher than the federal tax on gasoline. Since July 1, 2016, New Jersey had the highest increases in their state excise taxes for gasoline and diesel fuel, which were up by 23 ¢/gal and 27 ¢/gal, respectively. Over the same period, Iowa reduced its gasoline and diesel taxes and fees by 1.2 ¢/gal and 1.0 ¢/gal, respectively, and California reduced its diesel taxes by 4.5 ¢/gal. A variety of taxes and fees are levied on motor fuels by all levels of government in the United States. Although these charges often include relatively small fees that provide revenue for environmental protection and other dedicated funds, governments use the largest portion of fuel tax revenues to build and maintain transportation infrastructure, effectively making the taxes equivalent to road user fees.

Monthly NYMEX Natural Gas Settle Price: Nov 2016 - Oct 2017:



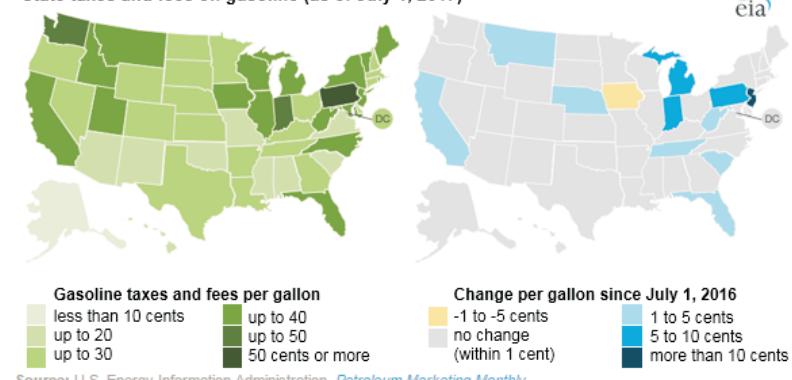
Working nat. gas in underground storage as of October 6, 2017



Forward 12-month NYMEX natural gas strip price - Nov17-Oct18:

Process Load-weighted \$3.004/dth - w/o/w = $\text{▼} \$0.025$
 Typical Heat Load-weighted \$3.061/dth - w/o/w = $\text{▼} \$0.041$

State taxes and fees on gasoline (as of July 1, 2017)



Source: U.S. Energy Information Administration, *Petroleum Marketing Monthly*

Excerpted from 

"Life is not easy for any of us. But what of that? We must have perseverance and above all confidence in ourselves."

We must believe that we are gifted for something and that this thing must be attained." -Marie Curie¹

This newsletter is provided to you for informational purposes only. The Legacy Energy Group, LLC makes no representations or warranties concerning the accuracy of the information contained herein and assumes no liability for any errors or omissions in the content herein. It is not intended to provide advice or recommendation. The Legacy Energy Group, LLC is a Kentucky limited liability company with offices in Virginia and Michigan, and serves clients throughout the United States and Canada.

©1999-2017 The Legacy Energy Group, LLC

¹<https://www.brainyquote.com/quotes/quotes/m/mariecurie126077.html>