



News Tracker:

-Natural gas spot prices were mixed this Report Week (Wednesday, September 28 to Wednesday, October 5). The Henry Hub spot price fell from \$2.98 per million British thermal units (MMBtu) last to open the Report Week to \$2.86/MMBtu to close the Report Week.

-At the New York Mercantile Exchange (Nymex), the October 2016 natural gas futures contract expired on September 28 at \$2.952/MMBtu. The November 2016 contract closed the current Report Week at \$3.041/MMBtu.

-Working gas stocks post second-largest build of 2016 refill season, but are still below historical norms. Net injections into storage totaled 80 Bcf for the storage report week ending September 30, compared with the five-year (2011-15) average net injection of 95 Bcf and last year's net injections of 96 Bcf during the same week. This marks the second-largest net injection of the 2016 refill season, just below the 82 Bcf build posted for the week ending May 27. The 2016 refill season remains on pace to be the only refill season, aside from 2012, not to post a single week that exceeds 100 Bcf threshold typically exceeded at least two times during the refill season. Working gas stocks total 3,680 Bcf, 205 Bcf above the five-year average and 74 Bcf above last year at this time. When the refill season began on April 1, working gas stocks were 874 Bcf above the five-year average. Temperatures in the Lower 48 states averaged 69°F, 5°F higher than normal and the same as last year at this time. Cooling degree days (CDD) in the Lower 48 states totaled 42, compared with 39 last year and a normal of 25.

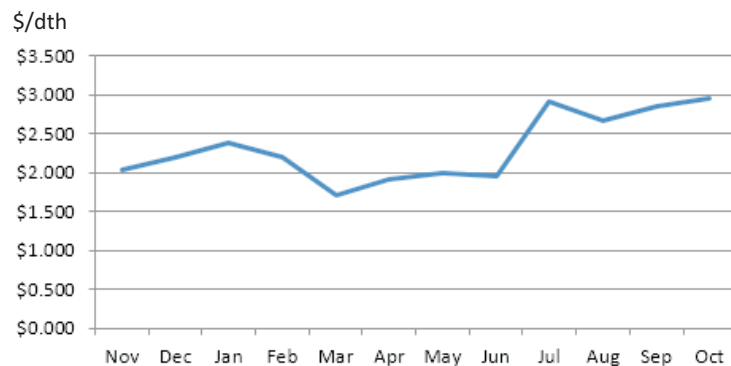
- Total U.S. consumption of natural gas fell by 4% compared with the previous report week, driven by a 14% decline in power burn. Industrial sector consumption increased by 1%, while residential and commercial consumption rose by 16% as some areas enter the heating season. Natural gas exports to Mexico fell 4%.

-The natural gas plant liquids composite price at Mont Belvieu, Texas, rose by 16¢, closing at \$5.46/MMBtu for the week ending September 30. The price of natural gasoline and propane increased by 5% and 2%, respectively, while the price of ethane, butane, and isobutane each rose by 3%.

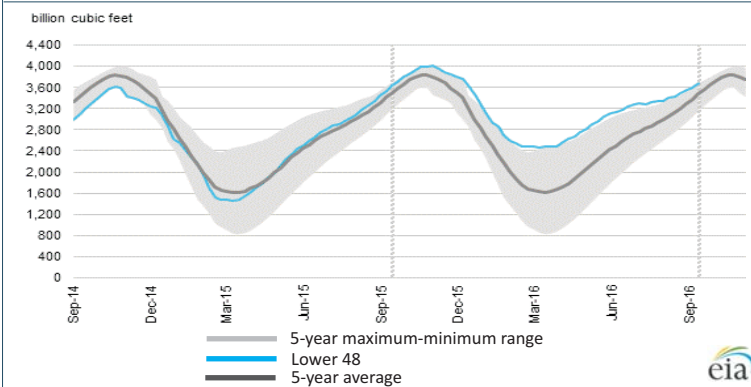
-According to Baker Hughes, for the week ending Friday, September 30, the natural gas rig count increased by 4 to 96. The number of oil-directed rigs rose by 7 to 425. The total rig count climbed by 11, and it now stands at 522

Excerpted from EIA

Monthly NYMEX Natural Gas Settle Price: Nov 2015 - Oct 2016:



Working nat. gas in underground storage as of September 30, 2016



Forward 12-month NYMEX natural gas strip price - Nov16-Oct17:

Process Load-weighted \$3.183/dth (w/w = +\$0.067)
 Typical Heat Load-weighted \$3.247/dth (w/w = +\$0.066)

Hurricane Matthew may cause problems for East Coast energy infrastructure:



Hurricane Matthew is moving near or over the east coast of Florida as a Category 3 storm Friday morning. The storm is on track to move north along the East Coast as far as North Carolina this weekend, potentially bringing torrential rainfall, storm surges, and flooding to the region. To help analysts assess energy-related potential storm effects, the Energy Information Administration maintains an energy disruptions map that displays energy infrastructure and real-time storm information <click here to access>. Because of the storm's proximity to the coast, high winds, rainfall, and flooding will potentially affect electricity infrastructure such as power transmission and distribution lines. Thousands of customers are already without power. Although there are no petroleum refineries or natural gas processing plants along the East Coast from Florida to Maryland, some product terminals could be affected, potentially reducing energy imports. Governors in Florida, North Carolina, South Carolina, and Georgia have declared states of emergency in advance of the storm's arrival. It has been more than a decade since a hurricane rated Category 3 or higher has made landfall in the United States. Hurricane Sandy, the last major hurricane to affect this region, was a Category 1 storm by the time it made landfall in New Jersey in October 2012. Hurricane Sandy had major impacts on energy infrastructure, as downed power lines and flooded electric substations contributed to more than eight million customers losing power. Fuel distribution networks and crude oil and petroleum product terminals were damaged, and the lack of electricity caused many service stations to be unable to provide gasoline. EIA's energy disruptions map displays key layers of energy infrastructure, including oil refineries, power plants, and major electric transmission lines, and real-time storm information from the National Weather Service. The disruption map page also contains links to the U.S. Department of Energy's Emergency Situation Reports and other websites that provide updates on the effect of severe weather on energy infrastructure. GasBuddy, a retail gasoline price comparison site, maintains a crowd-sourced tracking tool to determine fuel availability at thousands of retail stations in the Southeast.

"I think the responsibility comes from your families, just like mine. I had guys I admired: Joe DiMaggio, Ted Williams, Stan Musial, and later Jackie Robinson, but your mother and father are the ones that have got to teach you right from wrong." -Willie Mays¹

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¹Willie Mays Interview - Academy of Achievement (Dec 16, 2013), retrieved October 7, 2016 from <http://www.achievement.org/autodoc/page/may0int-8>