

## News Tracker:

-Natural gas spot prices fell at most locations this Report Week (Wednesday, February 1 to Wednesday, February 8). The Henry Hub spot price fell from \$3.12 per million British thermal units (MMBtu) to \$3.05/MMBtu from the open to the close of the Report Week.

-At the New York Mercantile Exchange (Nymex), the March 2017 natural gas futures contract price fell 4¢ from \$3.168/MMBtu to begin the Report Week to \$3.126/MMBtu to end the Report Week.

- Natural gas pipeline deliveries to the Sabine Pass liquefaction terminal averaged 2.1 Bcf/d for the report week, 20% higher than in the previous week.

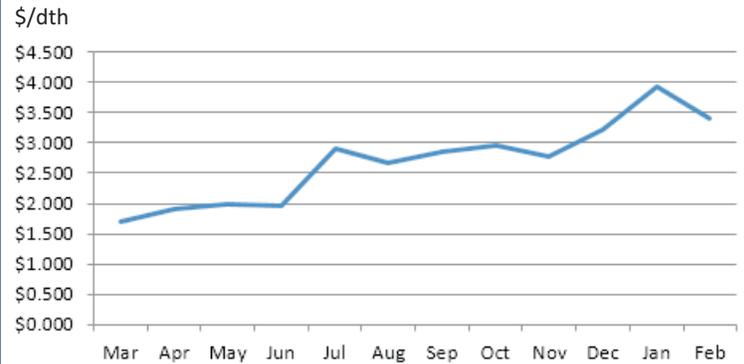
-Net withdrawals from storage totaled 152 Bcf for the storage report week ending February 3, compared with the five-year (2012-16) average net withdrawal of 138 Bcf and last year's net withdrawals of 93 Bcf during the same week. Colder temperatures throughout the week for most of the Lower 48 states contributed to increased heating demand for natural gas and withdrawals from storage. Working gas stocks totaled 2,559 Bcf, which is 325 Bcf (11%) less than last year at this time and 45 Bcf (2%) more than the five-year average. Temperatures in the Lower 48 states averaged 38°F, 4°F higher than normal and 4°F lower than last year at this time. Temperatures fell 6°F on average for the week in the Lower 48 states.

-The natural gas plant liquids composite price at Mont Belvieu, Texas, rose by \$1.02, closing at \$7.69/MMBtu for the week ending February 3. This increase was driven by a 26% increase in ethane prices. The price of natural gasoline, propane, butane, and isobutane also rose by 16%, 12%, 15%, and 13%, respectively.

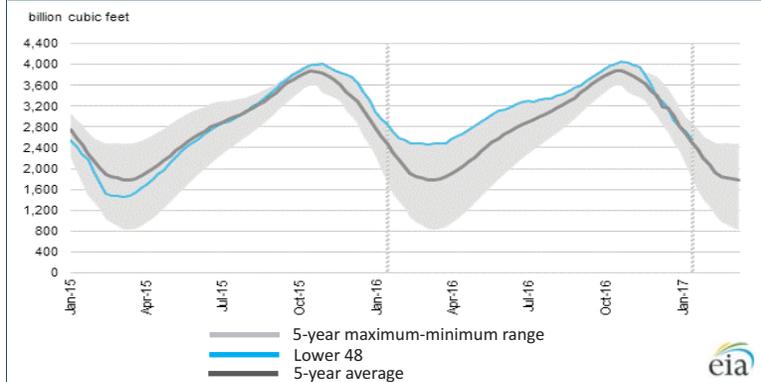
-According to Baker Hughes, for the week ending Friday, February 3, the natural gas rig count remained flat at 145. The number of oil-directed rigs rose by 17 to 583. The total rig count climbed by 17, and it now stands at 729.

Excerpted from 

## Monthly NYMEX Natural Gas Settle Price: Mar2016 - Feb 2017:



## Working nat. gas in underground storage as of February 3, 2017

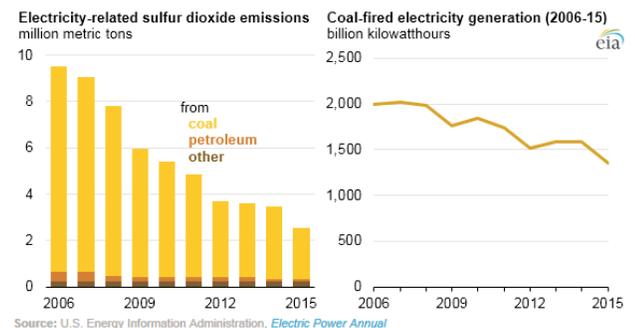


## Forward 12-month NYMEX natural gas strip price - Mar17-Feb18:

Process Load-weighted \$3.384/dth - w/w = ▲\$0.021  
 Typical Heat Load-weighted \$3.406/dth - w/w = ▲\$0.020

## Sulfur dioxide emissions from US power plants have fallen faster than coal generation:

Sulfur dioxide (SO<sub>2</sub>) emissions produced in the generation of electricity at power plants in the US declined by 73% from 2006 to 2015, a much larger reduction than the 32% decrease in coal-fired electricity generation over that period. From 2014 to 2015, the most recent year with complete power plant emissions data, SO<sub>2</sub> emissions fell 26% the largest annual drop in percentage terms in the previous decade. Nearly all electricity-related SO<sub>2</sub> emissions are associated with coal-fired generation. Several factors have contributed to lower SO<sub>2</sub> emissions: [Changes in the electricity generation mix](#). Electricity generation from coal fell 14% from 2014 to 2015. This drop was mostly offset by an increase in electricity generation from natural gas, but because natural gas has only trace amounts of sulfur, the net effect resulted in fewer SO<sub>2</sub> emissions. [Installation of environmental equipment](#). To comply with the federal Mercury and Air Toxics (MATS) rule, several coal and oil-fired plants installed pollution control equipment. Plants had to comply by April 15, 2015, or for some plants that received one-year extensions, by April 15, 2016. Two types of pollution control technologies installed for MATS compliance that also reduced SO<sub>2</sub> emissions are dry sorbet injection systems (DSI) and flue gas desulfurization (FGD) systems, also known as scrubbers. Between December 2014 and April 2016, DSI systems were installed on 15 gigawatts of coal capacity, and FGD scrubbers were installed on 12 GW of coal capacity. During 2015, these plants burned 18% less coal than in 2014 and reduced their SO<sub>2</sub> emissions by 49%. [Lower utilization of the most-polluting plants](#). Different coal-fired plants produce SO<sub>2</sub> at different rates. Plants that produce more than two metric tons of SO<sub>2</sub> per million kilowatt-hours of electricity generation were used less often in 2015.



Excerpted from 

“Fanaticism consists of redoubling your effort when you have forgotten your aim.” -George Santayana<sup>1</sup>