

News Tracker:


-Natural gas spot prices fell at most locations from Wednesday, January 17 to Wednesday, January 24 (the Report Week). From start to end of the Report Week, the Henry Hub spot price fell from \$3.87 per million British thermal units (MMBtu) to \$3.56/MMBtu.

-At the New York Mercantile Exchange (Nymex), the February 2018 natural gas futures contract price rose 28¢ from \$3.232/MMBtu to \$3.509/MMBtu during the Report Week.

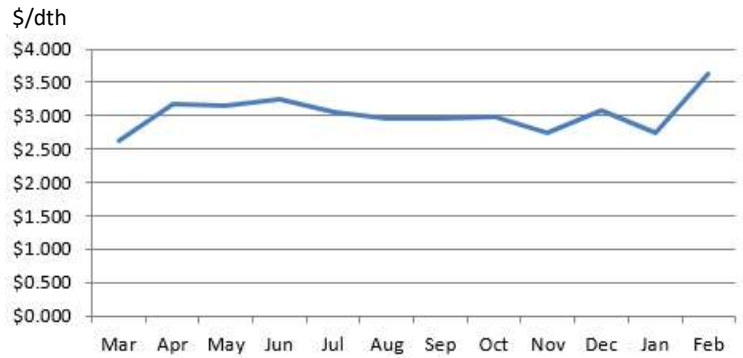
- Net withdrawals from storage totaled 288 Bcf for the week ending January 19, compared with the five-year (2013-17) average net withdrawal of 164 Bcf and last year's net withdrawals of 137 Bcf during the same week. Working gas stocks total 2,296 Bcf, which is 486 Bcf less than the five-year average and 519 Bcf less than last year at this time. Working gas stocks are 59 Bcf less than the 5-year range for this period. Total net withdrawals over the last four weeks top the previous four-week record of 980 Bcf, posted for the period between January 17 and February 14, 2014, during a polar vortex. This week's withdrawal from storage of 288 Bcf tied the second-highest net withdrawal ever reported on the Weekly Natural Gas Storage Report (WNGSR). The two largest weekly net withdrawals in the history of the WNGSR have occurred in the last three weeks. If withdrawals from storage match the five-year average for the remainder of the heating season, which traditionally runs from October 31 to March 31, working gas stocks will total 1,216 Bcf, or 29% lower than the five-year average.

-The natural gas plant liquids composite price at Mont Belvieu, Texas, fell by 5¢, averaging \$7.98/MMBtu for the week ending January 24. The price of ethane, butane, and isobutane fell by 1%, 1%, and 3%, respectively. The price of natural gasoline and propane remained flat week over week.

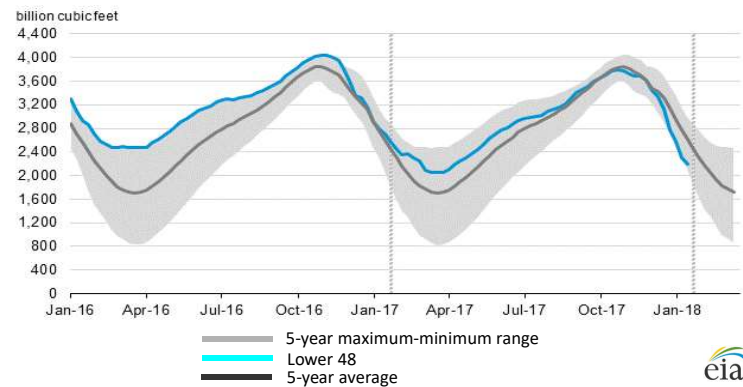
-According to Baker Hughes, for the week ending Tuesday, January 16, the natural gas rig count increased by 2 to 189. The number of oil-directed rigs fell by 5 to 747. The total rig count decreased by 3, and it now stands at 936.

Excerpted from 

Monthly NYMEX Natural Gas Settle Price: Mar 2017 - Feb 2018:



Working nat. gas in underground storage as of January 26, 2018



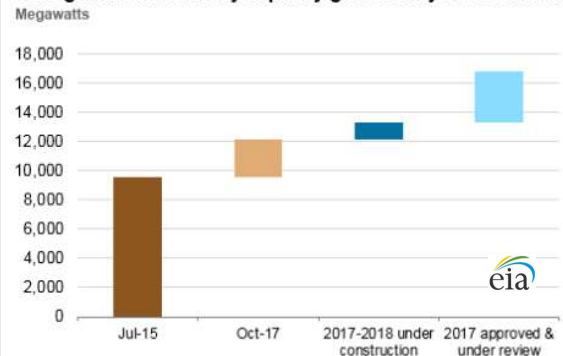
Forward 12-month NYMEX natural gas strip price - Mar18-Feb19:

Process Load-weighted \$2.918/dth - w/o/w = ▼\$0.038
 Typical Heat Load-weighted \$2.976/dth - w/o/w = ▼\$0.038


Record Ohio natural gas production spurs new natural gas processing and generation facilities:

In October 2017, Ohio's natural gas production reached a new high of 5.5 billion cubic feet per day (Bcf/d), doubling its May 2015 values. Most of Ohio's natural gas production growth has come from the development of the Utica shale play, and Ohio currently represents 6% of total US production. As the state's natural gas production expands, Ohio's natural gas processing capacity and natural gas-fired electric generation capacity have grown as well. With additional projects scheduled to come online in the coming years, growth in capacity for making use of Ohio's natural gas and its products is expected to continue.

Ohio gas-fired electricity capacity growth July 2015 onward



At the end of 2017, Ohio had about 4.2 Bcf/d of natural gas processing capacity, up from nearly 3.4 Bcf/d in 2014. According to data from IHS and Bentek Energy, two projects are schedule to come online in 2018 and will add an additional 0.4 Bcf/d to Ohio's natural gas processing capacity. Both projects have capacities of 0.2 Bcf/d. Currently, most of Ohio's electricity is generated with coal and natural gas. As of October 2017, coal accounted for 16,273 megawatts (MW) (50%) of nameplate electric generation capacity in Ohio, while natural gas provided 12,121 MW (37%). From July 2015 through October 2017, 2,587 megawatts of natural gas generation capacity was added in the state. Two additional natural gas-fired combined cycle electricity generation plants are slated to enter service in 2018. Construction of the 700-MW Carroll County Energy Center was completed at the end of 2017 and is now undergoing startup and commissioning testing. NTE Energy is currently constructing the Middletown Energy Center, a 475-MW natural gas-fired electric generating facility in Middletown, Ohio, which is expected to start up in 2018. An additional 3,480 MW of natural gas-fired generation capacity has been approved by the Ohio Public Utilities Commission.

Excerpted from 

“Accept the challenges so that you can feel the exhilaration of victory.” -George S. Patton¹