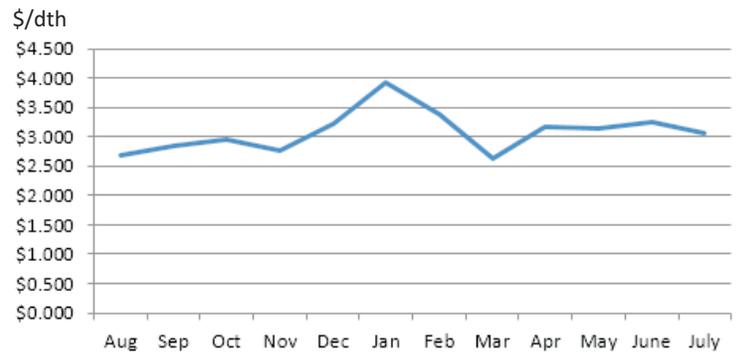


News Tracker:

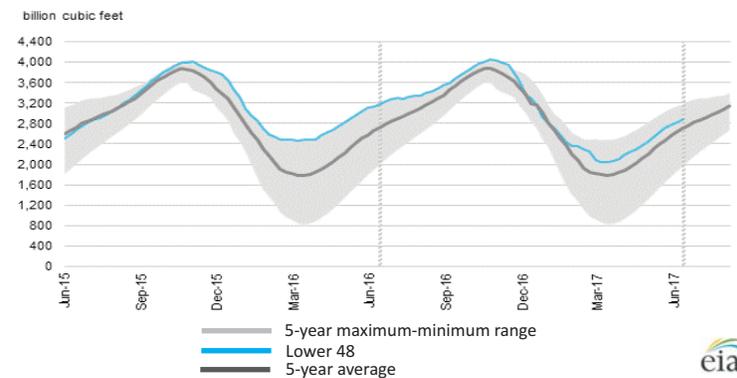
- Natural gas spot prices fell at most locations for the period Wednesday, June 28 to Wednesday, July 5 (the Report Week). The Henry Hub spot price fell from \$3.01 per million British thermal units (MMBtu) to \$2.90/MMBtu from start to end of the Report Week.
- At the New York Mercantile Exchange (Nymex), the July 2017 natural gas futures contract expired on June 28 at \$3.067/MMBtu.
- Working gas in storage was 2,888 Bcf for the storage week ending Friday, June 30. This represents a net increase of 72 Bcf from the previous week. Stocks were 285 Bcf less than last year at this time and 187 Bcf above the five-year average of 2,701 Bcf. At 2,888 Bcf, total working gas is within the five-year historical range.
- U.S. LNG exports remained unchanged week over week. One of the U.S. LNG export projects, Freeport LNG, filed an application with the Federal Energy Regulatory Commission for authorization to construct the fourth train at the facility, which has a nameplate capacity of 0.67 Bcf/d and a target online date in 2022. Three other trains are currently under construction and are scheduled to come online "sequentially between Q4 2018 and Q3 2019," according to a Freeport LNG announcement. Last week, the U.S. Department of Energy authorized additional exports of 0.33 Bcf/d at the Lake Charles LNG Project in Lake Charles, Louisiana. The project is now authorized to export up to 2.33 Bcf/d of LNG.
- Total U.S. consumption of natural gas rose by 1% compared with the previous report week, according to data from PointLogic. Power burn climbed by 7% week over week as the hot weather drove up demand for cooling. The increase in power burn more than offset a 20% decrease in demand in the residential and commercial sectors. Industrial sector consumption decreased by 1% week over week. Natural gas exports to Mexico decreased 4%.
- According to Baker Hughes, for the week ending Friday, June 30, the natural gas rig count increased by 1 to 184. The number of oil-directed rigs fell by 2 to 756. The total rig count decreased by 1, and it now stands at 940.

Excerpted from 

Monthly NYMEX Natural Gas Settle Price: Aug2016 - Jul 2017:



Working nat. gas in underground storage as of June 30, 2017



Forward 12-month NYMEX natural gas strip price - Aug17-Jul18:

Process Load-weighted \$2.925/dth - w/o/w = ▼\$0.188
 Typical Heat Load-weighted \$3.020/dth - w/o/w = ▼\$0.205

New pipelines adding to US natural gas export volumes to Mexico:



Two new natural gas pipelines have recently been put into service that will transport natural gas produced from the Permian basin to expanding demand markets in Mexico. When downstream infrastructure projects are completed, they are expected to contribute to continued growth of U.S exports of natural gas to Mexico. The San Isidro-Samalayuca pipeline (15 miles, 1,135 million cubic feet per day (MMcf/d)) was completed in May and the Ojinaga- El Encino pipeline (127 miles, 1,350 MMcf/d) was completed in June as reported via Genscape and confirmed by IEnova's parent company, Sempra Energy. These infrastructure projects are part of Mexico's Secretaría de Energía's (SENER) ongoing energy market reforms to expand the natural gas pipeline network and add electric power generation capacity. The San Isidro-Samalayuca pipeline connects with the recently completed Comanche Trail pipeline at the border in San Elizario, Texas. The Ojinaga- El Encino pipeline is supplied by the newly completed Trans-Pecos Pipeline at the Mexican border in Presidio, Texas. It is designed to bring natural gas south to El Encino where it connects to several other pipelines that extend further south and west into Mexico. In addition to these two projects, IEnova also completed

construction in June on the Ramal Empalme pipeline, a 12-mile, 226 MMcf/d branch off the existing Sonora pipeline that brings gas south from Arizona into northwestern Mexico. However, this pipeline is not expected to see significant flows until construction is completed on two new combined cycle plants, the 770 MW Empalme I and the 791 MW Empalme II. These plants, which are expected to come online in November 2017 and mid-2018, respectively, will be publicly owned and operated by the Comisión Federal De Electricidad (CFE) in Mexico.

Excerpted from 

"Ain't no man can avoid being born average, but there ain't no man got to be common." -Satchel Paige¹