

News Tracker:

-Natural gas spot price movements were mixed for the period Wednesday, March 7, to Wednesday, March 14 (the Report Week). The Henry Hub spot price fell from \$2.77 per million British thermal units (MMBtu) to \$2.66/MMBtu from open to close of the Report Week, but, on average, the Henry Hub price for the week rose 5¢, from \$2.66/MMBtu last Report Week to \$2.71/MMBtu this Report Week.

-At the New York Mercantile Exchange (Nymex), the April 2018 natural gas futures contract price fell 5¢ from \$2.777/MMBtu to \$2.731/MMBtu from start to end of the Report Week.

- Net withdrawals from storage totaled 93 Bcf for the week ending March 9, compared with the five-year (2013-17) average net withdrawal of 97 Bcf and last year's net withdrawals of 55 Bcf during the same week. Working gas stocks totaled 1,532 Bcf, which is 296 Bcf (16%) lower than the five-year average and 718 Bcf (32%) lower than last year at this time. Temperatures in the Lower 48 states averaged 43 degrees Fahrenheit (°F), 1°F higher than the normal and 1°F lower than last year at this time. The average temperature was 2°F lower than the prior storage week.

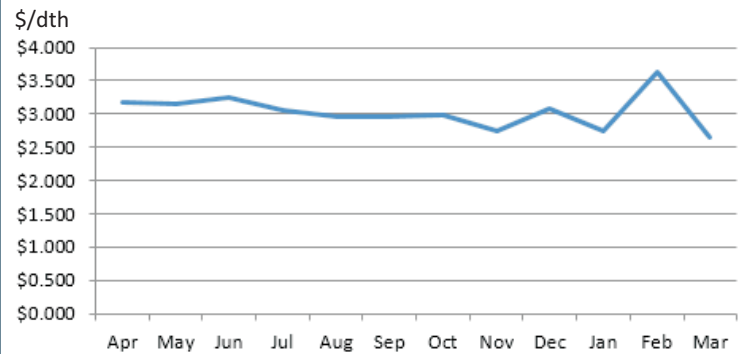
- With colder temperatures in many parts of the Lower 48 states, total U.S. consumption of natural gas rose by 5% compared with the previous report week, according to data from PointLogic Energy. Natural gas consumed for power generation climbed by 4% week over week. Industrial sector consumption increased by 2% week over week. In the residential and commercial sectors where natural gas use for space heating is common, consumption increased by 9%. Natural gas exports to Mexico decreased 1%.

-The natural gas plant liquids composite price at Mont Belvieu, Texas, fell by 9¢, averaging \$7.08/MMBtu for the week ending March 14. The price of propane, butane, and isobutane fell by 4%, 1%, and 2%, respectively. The price of ethane rose by 2%. The price of natural gasoline remained flat week over week.

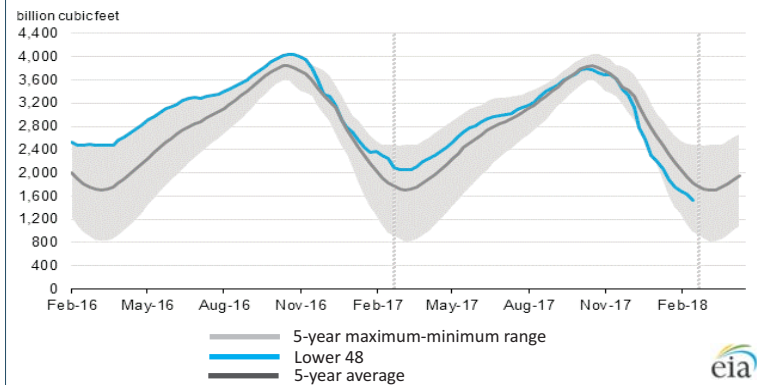
-According to Baker Hughes, for the week ending Tuesday, March 6, the natural gas rig count increased by 7 to 188. The number of oil-directed rigs fell by 4 to 796. The total rig count increased by 3, and it now stands at 984.

Excerpted from 

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



Working nat. gas in underground storage as of March 9, 2018




Forward 12-month NYMEX natural gas strip price - Apr18-Mar19:

Process Load-weighted \$2.912/dth - w/o/w = ▼\$0.022
 Typical Heat Load-weighted \$2.976/dth - w/o/w = ▼\$0.015

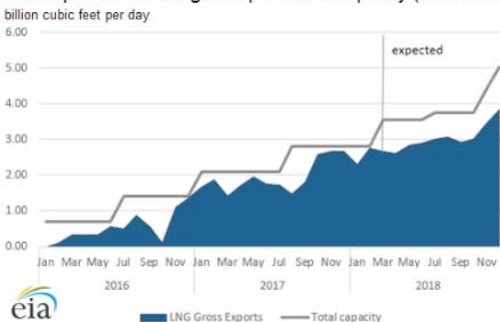
Dominion Energy's Cove Point LNG export facility begins commercial operation:

The Dominion Energy Cove Point liquefied natural gas (LNG) facility in Maryland exported its first LNG cargo during its final stage of commissioning on March 1, 2018, on Royal Dutch Shell PLC's LNG carrier, Gemmata, with a capacity of 3.0 billion cubic feet (Bcf). Its destination and buyer are unknown. The Federal Energy Regulatory Committee (FERC) granted approval for Cove Point to officially begin commercial operations on March 5. The Methane Spirit will likely be the next vessel to export Cove Point LNG at the end of March. Cove Point has a design capacity to liquefy up to 0.75 billion cubic feet per day (Bcf/d) of natural gas. The natural gas is sourced from the high-producing Marcellus and Utica shale plays. Cove Point is the only LNG

export facility on the east coast of the US and the second export facility operating in the Lower 48 states after Sabine Pass in Louisiana, which began commercial operations in 2016. Cove Point began receiving natural gas feedstock deliveries for LNG production in early December 2017. Two LNG cargoes were imported into Cove Point in December 2017 and January 2018 as cool down cargoes, which is the standard practice for preparing and testing liquefaction equipment systems for LNG production. According to S&P Global Platts Bentek Energy, the implied pipeline feedgas deliveries to the Cove Point terminal averaged 0.25 Bcf/d in February and increased to 0.45 Bcf/d in the two weeks leading up to the export. On the day of export, the pipeline deliveries decreased from a high of 920 million cubic feet per day (MMcf/d) to 18 MMcf/d. The US Energy Information Administration's Short Term Energy Outlook projects that LNG exports will average 2.9 Bcf/d in 2018, up 1 Bcf/d from 2017 levels. By 2019, LNG exports are expected to average 4.8 Bcf/d as new liquefaction capacity comes online.

Excerpted from 

U.S. liquefied natural gas exports and capacity (2016-2018)



"If you think nobody cares about you, try missing a couple payments." -Steven Wright¹