

News Tracker:

-Natural gas spot price movements were mixed from Wednesday, March 15 to Wednesday, March 22 (the "Report Week"), but they fell sharply in the Northeast. The Henry Hub spot price fell slightly from \$3.00/MMBtu to \$2.98/MMBtu from the start to the end of the Report Week.

-At the New York Mercantile Exchange (Nymex), the April 2017 natural gas futures contract price rose 3¢ from \$2.981/MMBtu to start the Report Week to \$3.011/MMBtu to end the Report Week.

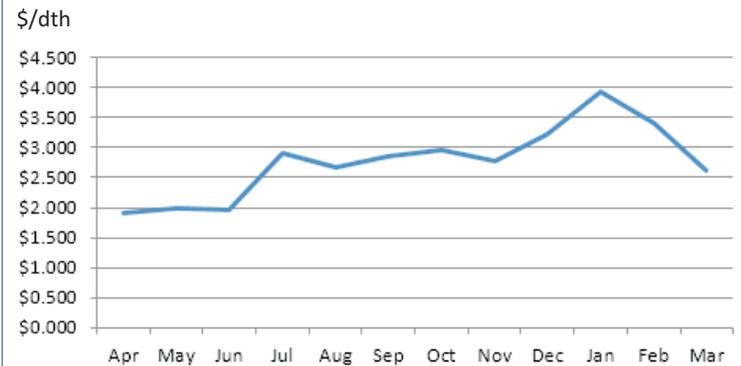
-A late winter blast of cold weather during the storage week ending Friday, March 17 resulted in larger withdrawals from working gas storage. Net withdrawals from storage totaled 150 Bcf, compared with the five-year (2012-16) average net withdrawal of 21 Bcf and last year's net injections of 13 Bcf during the same week. Cold temperatures and wintry conditions throughout the week for most of the Lower 48 states east of the Rockies contributed to increased heating demand for natural gas compared with normal levels, leading to larger withdrawals from storage. Working gas stocks totaled 2,092 Bcf, which is 266 Bcf (15%) more than the five-year average and 399 Bcf (16% less) less than last year at this time. Temperatures in the Lower 48 states averaged 39°F, 5°F lower than the normal and 16°F lower than last year at this time. The colder-than-normal temperatures prevailed throughout most of the Lower 48 states, east of the Rockies. In particular, temperatures were considerably colder than normal in areas of the Lower 48 states where natural gas is an important fuel source for space heating.

-Total U.S. consumption of natural gas fell by 15% compared with the previous report week, according to data from PointLogic. Last week's weather featured unusually cold weather and a snowstorm in the Northeast, which pushed demand up. This week, weather moderated across most of the country, pushing demand down. Week over week, power burn declined by 9%; industrial sector consumption decreased by 5%; and residential/commercial sector consumption declined by 26%. Natural gas exports to Mexico decreased 2%.

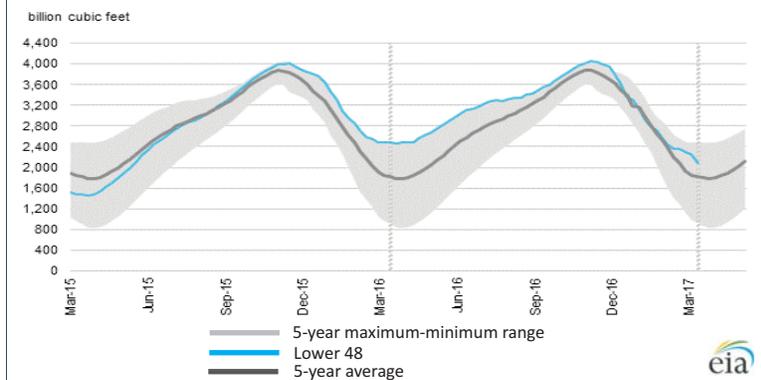
-The natural gas plant liquids (NGPL) composite price at Mont Belvieu, Texas, fell by 33¢, averaging \$5.88/MMBtu for the week ending March 22.

Excerpted from 

Monthly NYMEX Natural Gas Settle Price: Apr2016 - Mar 2017:



Working nat. gas in underground storage as of March 17, 2017



Forward 12-month NYMEX natural gas strip price - Apr17-Mar18:

Process Load-weighted \$3.258/dth - w/o/w = ▲\$0.049
 Typical Heat Load-weighted \$3.300/dth - w/o/w = ▲\$0.049

FERC certifies several new natural gas pipelines in 2017:

Several large natural gas interstate pipeline projects have come online in recent years to support the shifting geography of domestic natural gas production. The Marcellus and Utica shale plays in the Northeast, where production has grown and resources are abundant, are major drivers for pipeline development. In 2016, the Federal Energy Regulatory Commission (FERC) certificated 17.6 billion cubic feet per day (Bcf/d) of new natural gas pipeline capacity. So far in 2017, FERC certificated more than 7 Bcf/d of new pipeline capacity before losing its quorum following the departure of one commissioner in February, which left just two sitting commissioners and three vacant seats. The seven projects certificated during the first few weeks of 2017 include more than 1,500 miles of natural gas pipeline construction and expansions, involving combined additions of more than 7 Bcf/d of capacity. The pipeline projects are concentrated in the eastern half of the US to improve access to markets for growing eastern natural gas production, and they have projected 2017 and 2018 in-service dates. Two large-capacity projects, the Rover Pipeline Project (and related projects) and the Atlantic Sunrise Pipeline Project, were among those that received certificates in early 2017. The Rover Pipeline will move natural gas out of the Utica shale play that spans parts of New York, Pennsylvania, West Virginia, and Ohio, with construction projected to commence in the first quarter of 2017. The Atlantic Sunrise Pipeline will move natural gas out of the Marcellus shale play to markets in the mid-Atlantic and southeastern states, with construction estimated to begin in mid-2017.

Natural gas pipeline projects certificated in 2017



Excerpted from 

"Don't let schooling interfere with your education." -Mark Twain¹

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¹<https://www.brainyquote.com/quotes/quotes/m/marktwain141715.html>