

News Tracker:

-Natural gas spot price movements around the United States were for the period Wednesday, April 12 to Wednesday, April 19 (the Report Week). The Henry Hub spot price rose from \$2.99 per million British thermal units (MMBtu) to \$3.12/MMBtu from start to end of the Report Week.

-At the New York Mercantile Exchange (Nymex), the May 2017 natural gas futures contract price was flat for the Report Week at \$3.185/MMBtu.

- Natural gas net injections into storage totaled 54 Bcf for the storage week ending April 14, compared with the five-year (2012-16) average net injection of 35 Bcf and last year's net injections of 6 Bcf during the same week. Working gas stocks total 2,115 Bcf, which is 282 Bcf (15%) more than the five-year average and 368 Bcf (15%) less than last year at this time. During the most recent storage week, the average natural gas spot price at the Henry Hub was \$3.08/MMBtu, while the Nymex futures price of natural gas for delivery in January 2018 averaged \$3.64/MMBtu, a difference of 56¢. The premium was 98¢ a year ago. The price premium provides incentives for continued injections of natural gas into storage. Temperatures in the Lower 48 states averaged 56°F, 4°F higher than the normal and 6°F higher than last year at this time. Temperatures were warmer than normal in most areas of the Lower 48 states outside of the Pacific Census division. Temperatures in the Pacific Census division averaged 54°F, 1°F lower than the normal and 5°F lower than last year at this time.

-The natural gas plant liquids composite price at Mont Belvieu, Texas, rose by 13¢, averaging \$6.50/MMBtu for the week ending April 19.

The price of natural gasoline and ethane both fell by 1%. The price of propane, butane, and isobutane rose by 4%, 5%, and 3%, respectively.

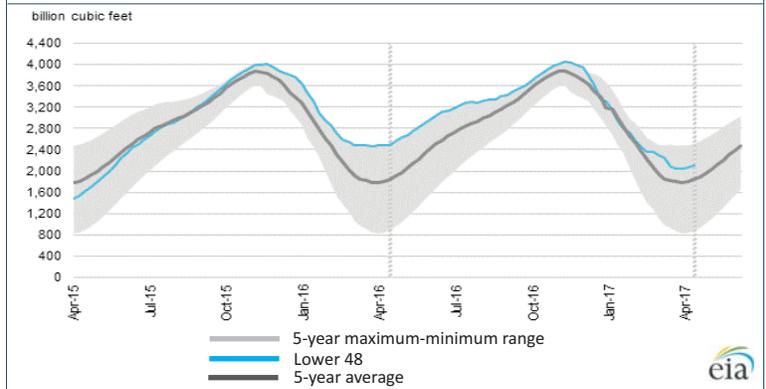
-According to Baker Hughes, for the week ending Friday, April 14, the natural gas rig count decreased by 3 to 162. The number of oil-directed rigs rose by 11 to 683. The total rig count increased by 8, and it now stands at 847.

Excerpted from 

Monthly NYMEX Natural Gas Settle Price: May2016 - Apr 2017:



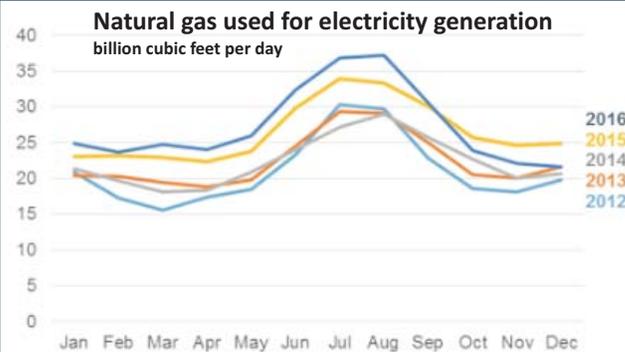
Working nat. gas in underground storage as of April 14, 2017



Forward 12-month NYMEX natural gas strip price - May17-Apr18:

Process Load-weighted \$3.385/dth - w/o/w = ▲\$0.012
 Typical Heat Load-weighted \$3.455/dth - w/o/w = ▲\$0.010

Thirteen gigawatts of natural gas-fired power generating capacity to be added in 2017:



In 2017, 13 gigawatts (GW) of natural gas-fired generating capacity is scheduled to come online in the US, adding to total end-of-2016 natural gas-fired capacity of 431 GW. More than 90% of these capacity additions are coming from combined-cycle power plants, which offer improved efficiency over simple-cycle combustion turbines or steam turbines alone. So far in 2017, two combined-cycle facilities over 1 GW in total have been completed and put into service: one in Maryland and one in Florida. The two largest combined-cycle power plants to be completed in 2017 are scheduled to be in service ahead of peak summer demand: a 1,100 megawatt (MW) combined-cycle plant in Kentucky and a 1,000 MW combined-cycle facility in Maryland. Total planned retirements of natural gas-fired generating capacity for 2017 are less than 2 GW, with 1.7 GW coming from older steam turbines. In 2016, 8.9 GW of natural gas-fired generating capacity was added, and 4.3 GW was retired (4.1 GW steam turbine), with a net gain of 4.6 GW.

The amount of natural gas consumed for electricity generation has generally increased year over year, while total US net generation across all fuels has remained relatively flat. However, in the fourth quarter 2016, consumption decreased below 2015 levels for the same period as natural gas prices for electricity generators rose.

Excerpted from 

“I think it’s wrong that only one company makes the game Monopoly.” -Steven Wright¹