

Newstracker:

-Natural gas spot prices rose at most locations for the Report Week of Wednesday, February 27 to Wednesday, March 6. Henry Hub spot prices rose from \$2.85 per million British thermal units (MMBtu) to \$2.94/MMBtu from start to finish of the Report Week.

-At the New York Mercantile Exchange (Nymex), the price of the April 2019 natural gas futures contract increased 4¢, from \$2.799/MMBtu to \$2.841/MMBtu from open to close of the Report Week. The price of the 12-month strip averaging April 2019 through March 2020 futures contracts climbed 4¢/MMBtu to \$2.976/MMBtu.

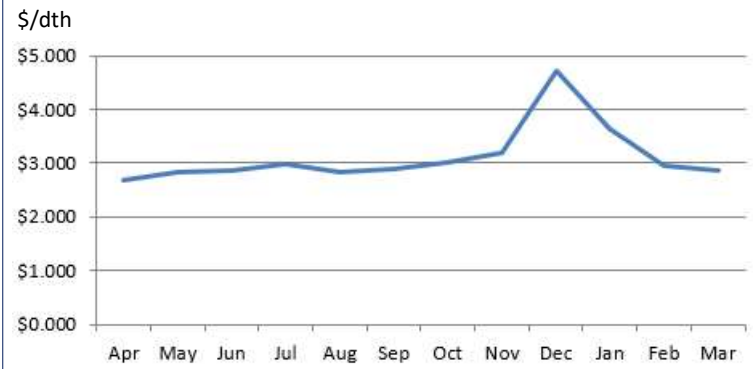
- Net natural gas withdrawals from storage totaled 149 Bcf for the week ending March 1, compared with the five-year (2014-18) average net withdrawals of 109 Bcf and last year's net withdrawals of 60 Bcf during the same week. Working gas stocks totaled 1,390 Bcf, which is 464 Bcf (25%) lower than the five-year average and 243 Bcf (15%) lower than last year at this time.

- Cold temperatures led total U.S. consumption of natural gas to rise by 11% compared with the previous report week, according to data from PointLogic Energy. Total U.S. consumption averaged 100.2 Bcf/d for the week, 32% higher than the same week last year. The residential and commercial sectors saw the largest increases as consumption rose by 16%. Natural gas consumed for power generation climbed by 9% week over week. Industrial sector consumption increased by 5% week over week. Natural gas exports to Mexico decreased 1%. Total daily demand (including exports) has exceeded 100 Bcf since February 24.

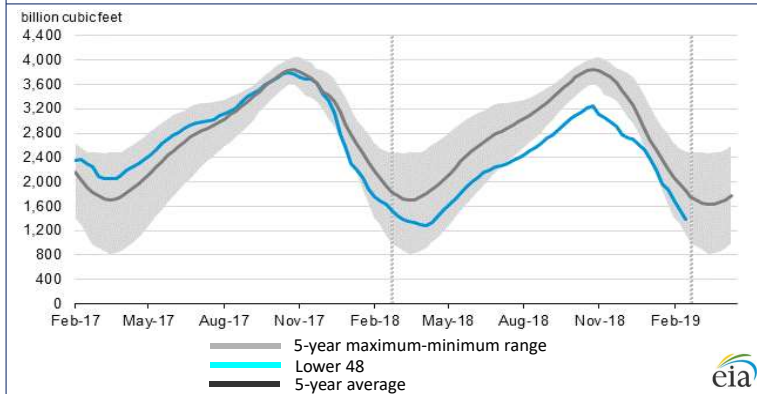
-The natural gas plant liquids composite price at Mont Belvieu, Texas, fell by 19¢/MMBtu, averaging \$6.59/MMBtu for the week ending March 6. The price of ethane, propane, butane, and isobutane fell by 2%, 4%, 5%, and 5%, respectively. The price of natural gasoline remained flat week over week.

-According to Baker Hughes, for the week ending Tuesday, February 26, the natural gas rig count increased by 1 to 195. The number of oil-directed rigs fell by 10 to 843. The total rig count decreased by 9, and it now stands at 1,038.

Monthly NYMEX Natural Gas Settle Price: Apr 2018 - Mar 2019:



Working natural gas in underground storage as of Mar. 1, 2019



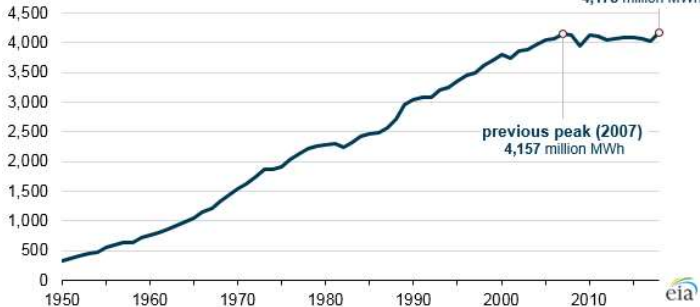
Forward 12-month NYMEX natural gas strip price - Apr19-Mar20:


Process Load-weighted \$2.976/dth - w/o/w = ▲\$0.038
 Typical Heat Load-weighted \$3.032/dth - w/o/w = ▲\$0.037

Record US electricity generation in 2018 driven by record residential, commercial sales:

US net electricity generation increased by 4% in 2018, reaching a record high of 4,178 million megawatthours (MWh). 2018 was the first time total utility-scale generation surpassed the pre-recession peak of 4,157 million MWh set in 2007. Weather is the primary driver of year-to-year fluctuations in electricity demand. The increased demand for electricity in 2018 including record demand in the commercial and residential sectors is largely attributable to cold winters and a hot summer. Both the residential and commercial sectors reached all-time highs for retail sales of electricity in 2018. About 87% of US households cool their homes in the summer with air conditioning, and about 35% of homes use electricity as their primary heating source during the winter. The hot summer and cold winter months of 2018 contributed to increased retail electricity sales to the sector, up 6% from the previous year. Electricity use in commercial buildings is also affected by the weather but to a lesser degree; electricity sales to the commercial sector last year increased 2% from 2017. Electricity use in the industrial sector has been relatively unchanged in recent years, with 2018 electricity sales to this sector 3% lower than in 2017. Retail sales of electricity do not include distributed generation, such as electricity generated by small-scale solar PV systems installed on residential rooftops. These systems reduce the amount of electricity that consumers need to buy from the electric grid. Although small-scale solar PV generation has grown, its output was not enough to meet increased demand for electricity in 2018. In 2018, customer-sited solar installations produced an estimated 30 million MWh of electricity, compared with less than one million MWh in 2007.

U.S. annual net generation, all fuels (1950-2018)
million megawatthours (MWh)



Excerpted from  eia

"I am not a Luddite. I am suspicious of technology. I am perfectly aware of its benefits, but I also try to pay attention to some of the negative effects." -Neil Postman¹