

Newstracker:

-Natural gas spot prices fell at most locations during the Report Week of Wednesday, April 10 to Wednesday, April 17. Henry Hub spot prices fell from \$2.69 per million British thermal units (MMBtu) to \$2.56/MMBtu from start to finish of the Report Week.

-At the New York Mercantile Exchange (Nymex), the price of the May 2019 natural gas futures contract decreased 18¢, from \$2.700/MMBtu to \$2.517/MMBtu from open to close of the Report Week. The price of the 12-month strip averaging May 2019 through April 2020 futures contracts declined 15¢/MMBtu to \$2.726/MMBtu.

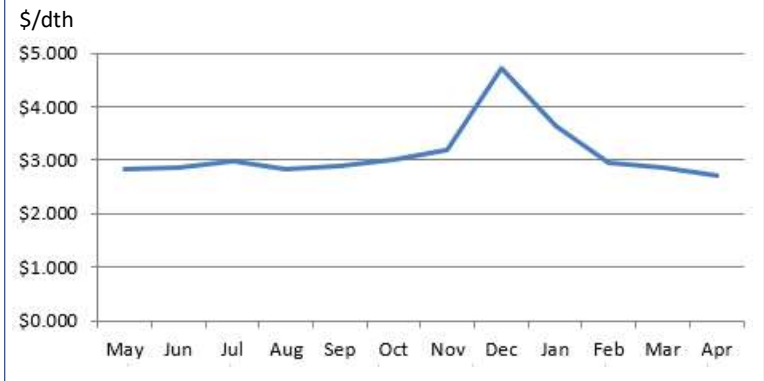
- Net natural gas injections into storage totaled 92 Bcf for the week ending April 12, compared with the five-year (2014-18) average net injections of 21 Bcf and last year's net withdrawals of 34 Bcf during the same week. Working gas stocks totaled 1,247 Bcf, which is 414 Bcf (25%) lower than the five-year average and 57 Bcf (4%) lower than last year at this time.

- Total U.S. consumption of natural gas was unchanged from the previous report week, averaging 62.8 Bcf/d according to data from PointLogic Energy. Natural gas consumed for power generation declined by 3% week over week. Industrial sector consumption increased by 1% week over week. In the residential and commercial sectors, consumption increased by 2%. Natural gas exports to Mexico have decreased since maintenance on the NET Mexico pipeline in South Texas, which interconnects to the Los Ramones pipeline, began on April 16. According to data from Genscape, exports to Mexico have decreased by an average of 20%, or 1.0 Bcf/d, as a result of this maintenance, which is scheduled to last through April 21.

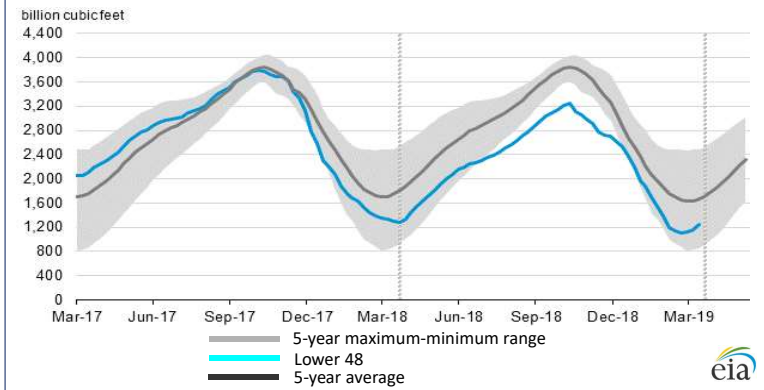
-The natural gas plant liquids composite price at Mont Belvieu, Texas, rose by 21¢/MMBtu, averaging \$6.15/MMBtu for the week ending April 17. The price of ethane, propane, butane, isobutane, and natural gasoline all rose, by 7%, 4%, 2%, 2% and 1%, respectively.

-According to Baker Hughes, for the week ending Tuesday, April 9, the natural gas rig count decreased by 5 to 189. The number of oil-directed rigs rose by 2 to 833. The total rig count decreased by 3, and it now stands at 1,022.

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



Working natural gas in underground storage as of Apr. 12, 2019

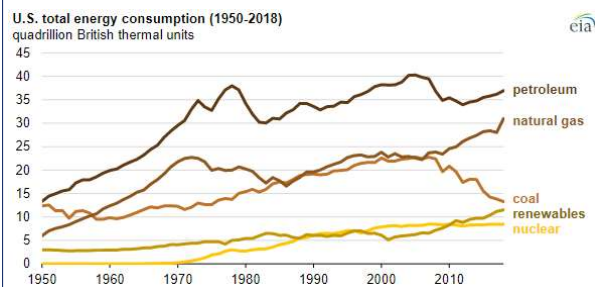


Forward 12-month NYMEX natural gas strip price - May19-Apr20:


Process Load-weighted \$2.726/dth - w/o/w = ▼\$0.149
 Typical Heat Load-weighted \$2.817/dth - w/o/w = ▼\$0.136

In 2018, the United States consumed more energy than ever before:

Primary energy consumption in the US reached a record high of 101.3 quadrillion Btu in 2018, up 4% from 2017 and 0.3% above the previous record in 2007. Consumption of fossil fuels—petroleum, natural gas, and coal—grew by 4% in 2018 and accounted for 80% of US total energy consumption. Natural gas consumption reached a record high, rising by 10% from 2017. This increase in natural gas, along with relatively smaller increases in the consumption of petroleum fuels, renewable energy, and nuclear electric power, more than offset a 4% decline in coal consumption. Petroleum consumption increased to 20.5 million barrels per day (b/d), or 37 quadrillion Btu in 2018, up nearly 500,000 b/d from 2017 and the highest level since 2007. Growth was driven primarily by increased use in the industrial sector, which grew by about 200,000 b/d in 2018. Natural gas consumption reached a record high 83.1 billion cubic feet/day (Bcf/d), the equivalent of 31 quadrillion Btu, in 2018. Natural gas use rose across all sectors in 2018, primarily driven by weather-related factors that increased demand for space heating during the winter and for air conditioning during the summer. As more natural gas-fired power plants came online and existing



natural gas-fired power plants were used more often, natural gas consumption in the electric power sector increased 15% from 2017 levels to 29.1 Bcf/d. Natural gas consumption also grew in the residential, commercial, and industrial sectors in 2018, increasing 13%, 10%, and 4% compared with 2017 levels, respectively. Coal consumption fell to 688 million short tons (13 quadrillion Btu) in 2018, the fifth consecutive year of decline. Almost all of the reduction came from the electric power sector, which fell 4% from 2017 levels. Renewable energy consumption in the US reached a record high 11.5 quadrillion Btu in 2018, rising 3% from 2017, largely driven by the addition of new wind and solar power plants. Nuclear consumption increased less than 1% compared with 2017 levels but still set a record for electricity generation in 2018.

Excerpted from 

“All the great things are simple, and many can be expressed in a single word: freedom, justice, honor, duty, mercy, hope.” -Winston Churchill¹

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¹https://www.brainyquote.com/quotes/william_hazlitt_152997