

Newstracker:

-Natural gas spot price movements were mixed for the Report Week of Wednesday, May 8 to Wednesday, May 15. Henry Hub spot prices rose from \$2.59 per million British thermal units (MMBtu) to \$2.61/MMBtu during the course of the Report Week.


-At the New York Mercantile Exchange (Nymex), the price of the June 2019 natural gas futures contract decreased 1¢, during the Report Week, from \$2.610/MMBtu to \$2.601/MMBtu. The price of the 12-month strip averaging June 2019 through May 2020 futures contracts declined 1¢ to \$2.738/MMBtu.

-Net natural gas injections into storage totaled 106 Bcf for the week ending May 10, compared with the five-year (2014-18) average net injections of 89 Bcf and last year's net injections of 104 Bcf during the same week. Working gas stocks totaled 1,653 Bcf, which is 286 Bcf (15%) lower than the five-year average and 130 Bcf (9%) more than last year at this time.

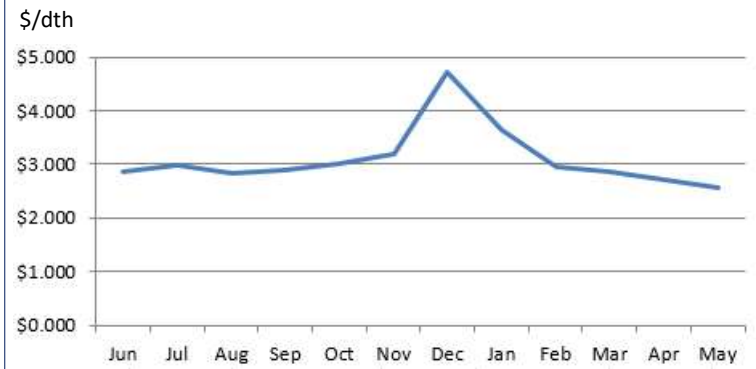
- Total U.S. consumption of natural gas rose by 1% compared with the previous report week, according to data from PointLogic Energy. Natural gas consumed for power generation declined by 3%, and industrial sector consumption increased by 1%. In the residential and commercial sectors, consumption increased by 9%. Natural gas exports to Mexico increased 3%.

-The natural gas plant liquids composite price at Mont Belvieu, Texas, rose by 5¢, averaging \$5.73/MMBtu for the week ending May 15. The price of ethane and natural gasoline fell by 2% and 1%, respectively. The price of propane, isobutane, and butane rose by 3%, 2%, and 1%, respectively.

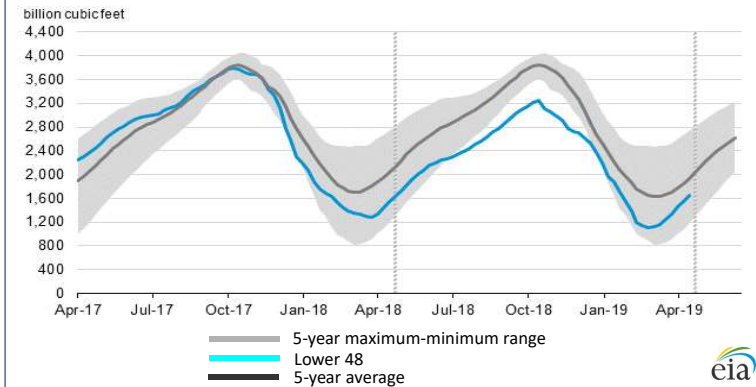
-According to Baker Hughes, for the week ending Tuesday, May 7, the natural gas rig count remained flat at 183. The number of oil-directed rigs fell by 2 to 805. The total rig count decreased by 2, and it now stands at 988.

Excerpted from 

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



Working natural gas in underground storage as of May 10, 2019

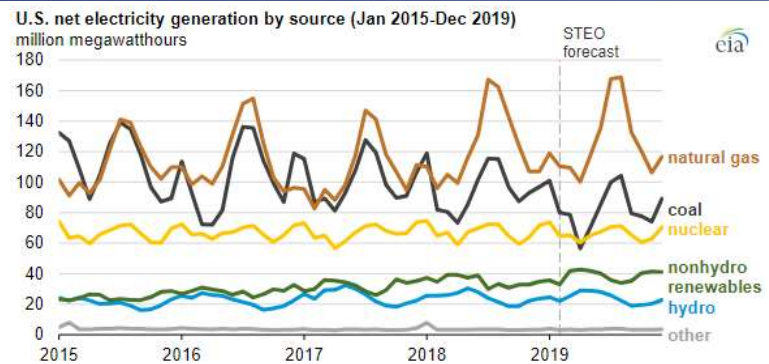



Forward 12-month NYMEX natural gas strip price - Jun19-May20:

Process Load-weighted \$2.738/dth - w/o/w = ▼\$0.007
 Typical Heat Load-weighted \$2.827/dth - w/o/w = ▼\$0.006

Less US electricity to come from coal this summer as natural gas, renewables rise:

The US Energy Information Administration (EIA) forecasts that US power plants will generate 1,168 million megawatthours of electricity during the 2019 summer months (June-August), 2% less than last summer, according to their May 2019 *Short-Term Energy Outlook*(STEO). EIA expects changes in the mix of energy sources, with coal forecast to drop 3% to 25% of total US generation this summer. Natural gas will provide the largest share of total US generation this summer at 40%, according to the STEO. EIA forecasts US coal-fired power plants generation level to drop 13% lower than last summer. US natural gas-fired power plants are forecast to account for 40% of total generation in summer 2019. According to the STEO, nuclear power plants will provide 18% of US electricity generation this summer, unchanged from nuclear's share last summer. At the national level, 9% of the 2018 U.S. summer generation mix was from nonhydro renewable sources, which include wind, biomass, geothermal, and utility-scale solar. Another 6% was from hydroelectric generation. In the summer of 2019, EIA forecasts those shares to be 9% for nonhydro renewables and 7% for hydro. Within nonhydro renewables, wind is expected to provide the largest share of generation this summer, at 6%. On an annual basis, wind is expected to provide 8% of the national total, slightly higher than hydro's share at 7%. If realized, this would be the first time hydro did not provide the most generation of any other renewable resource.



Excerpted from 

“When you’re small, you’re either funny or you get beat up a lot.” -Tim Conway¹