

## Newstracker:

-Natural gas spot prices fell at most locations for the Report Week of Wednesday, July 31 to Wednesday, August 7. Henry Hub spot prices fell from \$2.23 per million British thermal units (MMBtu) to \$2.12/MMBtu from open to close of the Report Week.


-At the New York Mercantile Exchange (Nymex), the price of the September 2019 natural gas futures contract decreased 15¢, from \$2.233/MMBtu to \$2.083/MMBtu from start to finish of the Report Week. The price of the 12-month strip averaging September 2019 through August 2020 futures contracts declined 12¢/MMBtu to \$2.304/MMBtu.

- Net natural gas injections into storage totaled 55 Bcf for the week ending August 2, compared with the five-year (2014-18) average net injections of 43 Bcf and last year's net injections of 46 Bcf during the same week. Working gas stocks totaled 2,689 Bcf, which is 111 Bcf (4%) lower than the five-year average and 343 Bcf (15%) more than last year at this time.

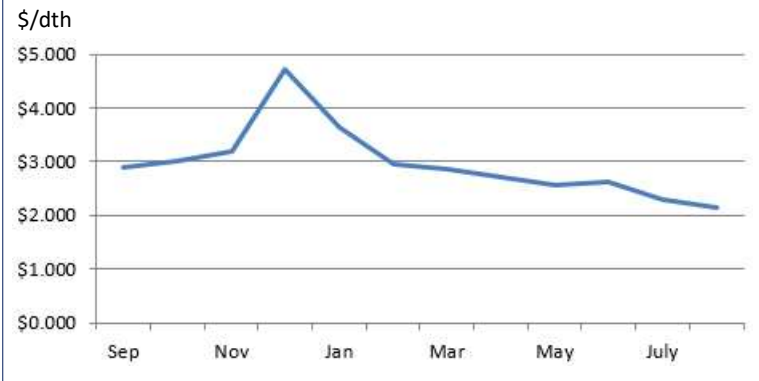
- Total U.S. consumption of natural gas rose by 1% compared with the previous report week, according to data from PointLogic Energy. Natural gas consumed for power generation climbed by 3% week over week, reaching an all-time high of 44.4 Bcf/d yesterday. Industrial sector consumption decreased by 2% week over week. In the residential and commercial sectors, consumption increased by 4%. Natural gas exports to Mexico increased 1%.

-The natural gas plant liquids composite price at Mont Belvieu, Texas, rose by 32¢/MMBtu, averaging \$4.39/MMBtu for the week ending August 7. The price of natural gasoline fell by 1%. The price of ethane, butane, and propane rose by 25%, 16%, and 9%, respectively. The price of isobutane remained flat week over week.

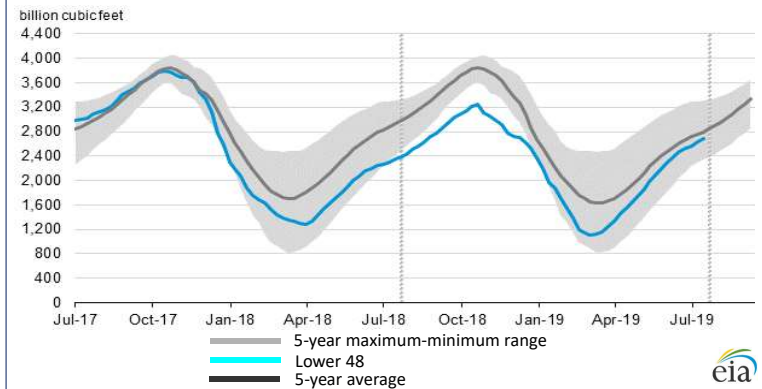
-According to Baker Hughes, for the week ending Tuesday, July 30, the natural gas rig count increased by 2 to 171. The number of oil-directed rigs fell by 6 to 770. The total rig count decreased by 4, and it now stands at 942.

Excerpted from 

## Monthly NYMEX Natural Gas Settle Price: Sep 2018 - Aug 2019:



## Working natural gas in underground storage as of August 2, 2019



## Forward 12-month NYMEX natural gas strip price - Sep19-Aug20:


Process Load-weighted \$2.304dth - w/o/w = ▼\$0.121  
 Typical Heat Load-weighted \$2.359/dth - w/o/w = ▼\$0.126

## US sets new daily record high for natural gas use in the power sector:

The US likely set a new daily record on Friday, July 19, of 44.5 billion cubic feet (Bcf) for natural gas consumption by electric power plants, according to S&P Global Platts. US power sector natural gas consumption exceeded the previous record of 43.1 Bcf. Higher-than-normal temperatures and relatively low natural gas prices contributed to increased natural gas consumption by electric generators. Higher electricity demand for air conditioning during a heat wave from July 15 through July 22 drove the increased power generation, especially from natural gas-fired generators. Relatively low natural gas prices have also led to higher natural gas-fired generation this summer. In recent years, many natural gas-fired generators have come online throughout the country, especially in the PJM Interconnection, the regional transmission organization (RTO) responsible for managing wholesale electricity in 13 states and the District of Columbia. More than 12 gigawatts (GW) of new natural gas-fired electric generation capacity "primarily highly efficient combined-cycle units" have entered service in PJM since the beginning of 2018. The new capacity has increased total natural gas-fired capacity in the region by 17% and accounts for 55% of the total natural gas combined-cycle capacity added in the nation. For the past few years, natural gas-fired power plants have been dispatched in PJM at higher levels during periods of increased demand. On July 19, in the hour ending 6:00 p.m. ET, PJM dispatched a total of 155 GW, 66 GW (or 43%) of which was met by natural gas-fired generators. In comparison, 43 GW of coal-fired generation capacity, the second-highest fuel source on that day, was dispatched in that hour.

Daily estimated electric power sector natural gas consumption in the Lower 48 states billion cubic feet



Excerpted from 

"When you are courting a nice girl an hour seems like a second. When you sit on a red-hot cinder a second seems like an hour. That's relativity." -Albert Einstein<sup>1</sup>