

## Newstracker:

-Natural gas spot prices rose at most locations for the period of Wednesday, October 9 to Wednesday, October 16 (the Report Week). Henry Hub spot prices rose from \$2.22 per million British thermal units (MMBtu) to \$2.25/MMBtu from start to finish of the Report Week.

-At the New York Mercantile Exchange (Nymex), the price of the November 2019 natural gas futures contract increased 7¢, from \$2.234/MMBtu to \$2.303/MMBtu from open to close of the Report Week. The price of the 12-month strip averaging November 2019 through October 2020 futures contracts climbed 1¢/MMBtu to \$2.377/MMBtu.

-Net natural gas injections into storage totaled 104 Bcf for the week ending October 11, compared with the five-year (2014-18) average net injections of 81 Bcf and last year's net injections of 82 Bcf during the same week. Working gas stocks totaled 3,519 Bcf, which is 14 Bcf more than the five-year average and 494 Bcf more than last year at this time. The average rate of net injections into storage is 27% higher than the five-year average so far in the refill season (April through October). If the rate of injections into storage matched the five-year average of 9.3 Bcf/d for the remainder of the refill season, total inventories would be 3,706 Bcf on October 31, which is 14 Bcf higher than the five-year average of 3,692 Bcf for that time of year.

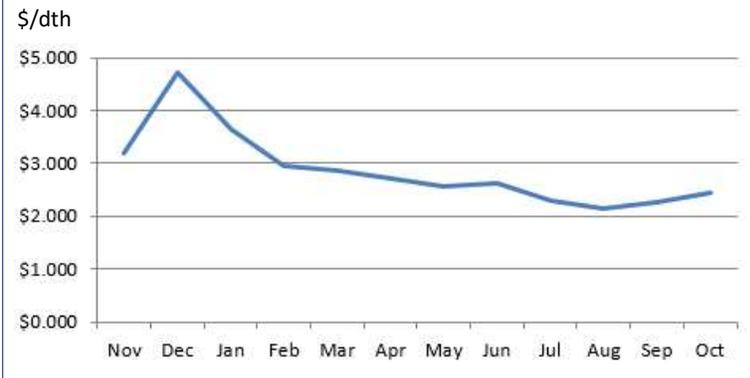
- Total U.S. consumption of natural gas fell by 1% compared with the previous report week, according to data from IHS Markit. Natural gas consumed for power generation declined by 7% week over week. Industrial sector consumption decreased by 2% week over week. In the residential and commercial sectors, consumption increased by 22% as heating and cooling demand was moderate with seasonal autumn temperatures. Natural gas exports to Mexico decreased 3%.

-The natural gas plant liquids composite price at Mont Belvieu, Texas, rose by 16¢/MMBtu, averaging \$5.28/MMBtu for the week ending October 16. The price of ethane fell by 4%. The price of natural gasoline and propane rose by 5%, and the price of butane and isobutane each 4%.

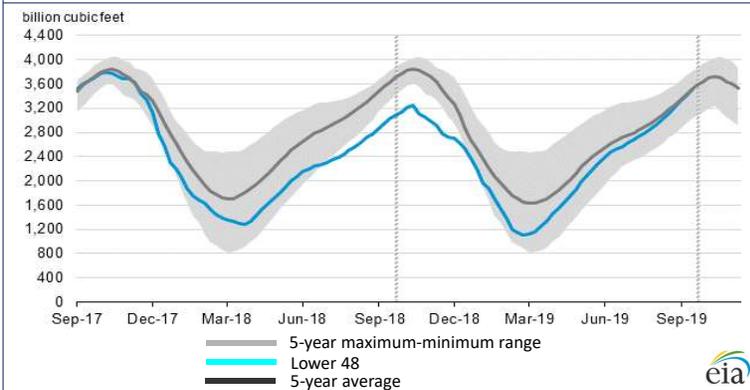
-According to Baker Hughes, for the week ending Tuesday, October 8, the natural gas rig count decreased by 1 to 143. The number of oil-directed rigs rose by 2 to 712. The total rig count increased by 1, and it now stands at 856.

Excerpted from 

## Monthly NYMEX Natural Gas Settle Price: Nov 2018 - Oct 2019:



## Working natural gas in underground storage as of Oct. 11, 2019



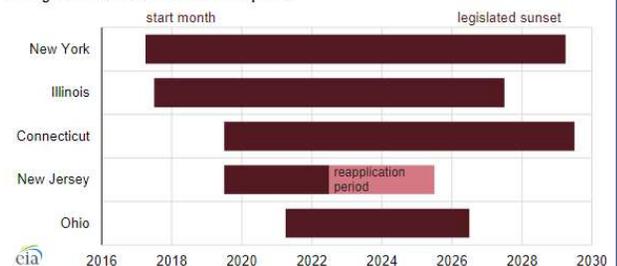
## Forward 12-month NYMEX natural gas strip price - Nov19-Oct20:

Process Load-weighted \$2.377/dth - w/o/w = ▲\$0.010  
 Typical Heat Load-weighted \$2.442/dth - w/o/w = ▲\$0.026

## Five states have implemented programs to assist nuclear power plants:

In late July 2019, Ohio became the fifth state in the US to enact policies that provide for compensation or other assistance for in-state nuclear generating plants. Connecticut, Illinois, New Jersey, and New York have implemented similar support programs for some of their nuclear power plants since 2017. All five state states have unbundled, retail-choice electricity markets where generators do not receive cost recovery from state regulatory commissions. Nuclear power is a significant source of in-state electricity generation in each of these five states. Collectively, the 14 reactors at the 10 plants receiving state support account for 9% of the utility-scale generating capacity in those five states and 13% of the nation's nuclear generating capacity. Because nuclear power plants tend to operate at higher capacity factors than other generator types, these plants' shares of their states' or the national electricity generation is larger than their shares of capacity. Declining prices for electric power in wholesale markets have placed economic pressures on many nuclear power plants in the US and led to several plant closures. Eight nuclear power plants have retired since 2013. The Three Mile Island nuclear power plant in Pennsylvania closed at the end of September, and another five US reactors are scheduled to retire by the end of 2025. In states with more traditional state-regulated power markets, the cost of electricity generation is regulated by state commissions, which can offer power plants protection from rising costs. In states with retail choice, plant owners generally do not have that protection, and some owners have indicated that they are unable to recover all costs of operation in today's relatively low-price wholesale market. The support programs for nuclear power in the five states allow the owners to make up for unrecovered costs, which are usually funded by surcharges to electricity customers or by permission to participate in clean energy markets previously restricted to renewables.

Timing of state subsidies for nuclear power



Excerpted from 

“Courage is what it takes to stand up and speak; courage is also what it takes to sit down and listen.” -Winston Churchill<sup>1</sup>