

Newstracker:

-Natural gas spot prices fell at most locations for the period of Wednesday, February 19 to -Wednesday, February 26 (the Report Week). The Henry Hub spot price fell from \$2.02 per million British thermal units (MMBtu) to \$1.92/MMBtu from start to finish of the Report Week.

-At the New York Mercantile Exchange (Nymex), the March 2020 natural gas futures contract expired Wednesday, February 26 at \$1.821/MMBtu, down 13¢/MMBtu from the previous Wednesday. The April 2020 contract price decreased to \$1.837/MMBtu on Wednesday, February 26, down 13¢/MMBtu from the previous Wednesday. The price of the 12-month strip averaging April 2020 through March 2021 futures contracts declined 9¢/MMBtu to \$2.21/MMBtu.


- The net withdrawal from storage totaled 143 Bcf for the week ending February 21, compared with the five-year (2015-19) average net withdrawal of 122 Bcf and last year's net withdrawal of 167 Bcf during the same week. Working natural gas stocks totaled 2,200 Bcf, which is 179 Bcf (9%) more than the five-year avg. and 637 Bcf (41%) more than last year at this time.

-Total US consumption of natural gas fell by 4% compared with the previous report week, according to data from IHS Markit. Natural gas consumed for power generation declined by 3% week over week. Industrial sector consumption increased by 2% week over week. In the residential and commercial sectors, consumption declined by 8%. Natural gas exports to Mexico were the same as last week, averaging 5.4 Bcf/d.

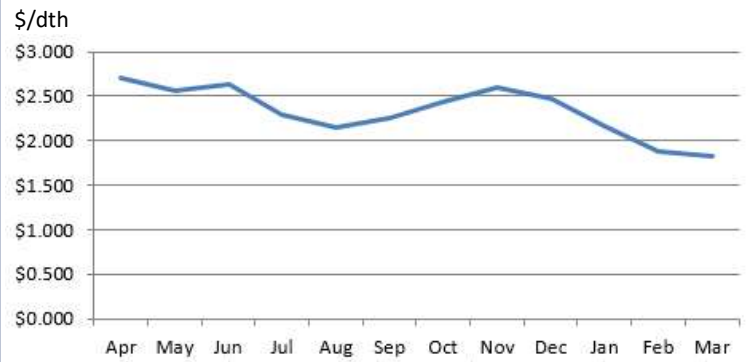
-US LNG exports increased week over week as nineteen LNG vessels with a combined LNG-carrying capacity of 69 Bcf departed the US between February 20 and February 26, 2020, according to data from Bloomberg.

-The natural gas plant liquids composite price at Mont Belvieu, Texas, rose by 9¢/MMBtu, averaging \$4.64/MMBtu for the week ending February 26. The prices of natural gasoline and butane fell by 4% and 1%, respectively. The prices of propane and isobutane rose by 8% and 4%, respectively. The price of ethane remained flat week over week.

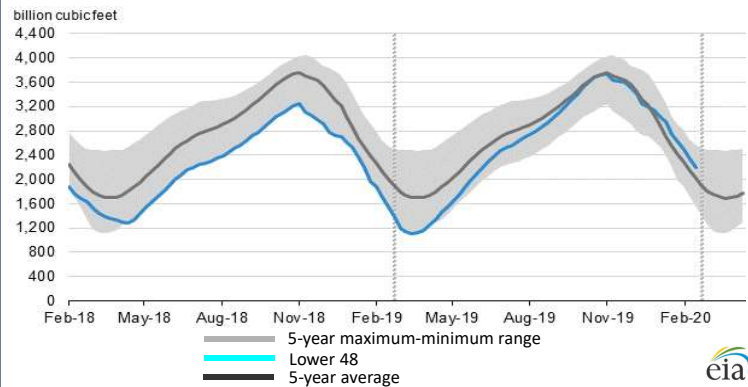
-According to Baker Hughes, for the week ending Tuesday, February 18, the natural gas rig count remained flat at 110. The number of oil-directed rigs rose by 1 to 679. The total rig count increased by 1, and it now stands at 791.

Excerpted from 

Monthly NYMEX Natural Gas Settle Price: Mar 2019 - Feb 2020:



Working natural gas in underground storage as of Feb. 21, 2020




Forward 12-month NYMEX natural gas strip price - Mar20-Feb21:

Process Load-weighted \$2.121/dth - w/o/w = ▼\$0.092
 Typical Heat Load-weighted \$2.219/dth - w/o/w = ▼\$0.083

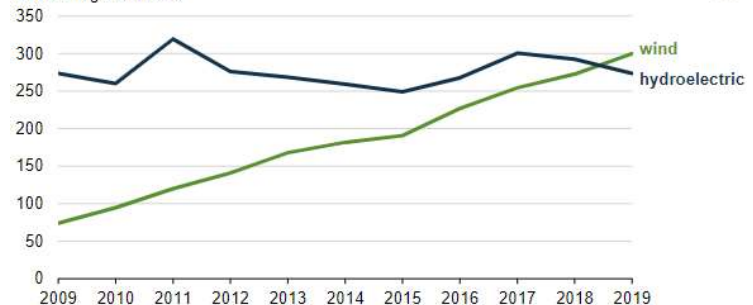
Wind has surpassed hydro as most-used renewable electricity generation source in US :

In 2019, US annual wind generation exceeded hydroelectric generation for the first time. Wind is now the top renewable source of electricity generation in the country, a position previously held by hydroelectricity. Annual wind generation totaled 300 million megawatt-hours (MWh) in 2019, exceeding hydroelectric generation by 26 million MWh. Wind generation has increased steadily during the past decade, in part, because the Production Tax Credit (PTC), which drove wind capacity additions, was extended. Annual hydroelectric generation has fluctuated between 250 million MWh and 320 million MWh in the past decade, reflecting a stable capacity base and variable annual precipitation. Annual changes in hydroelectric generation are primarily the result of variations in annual precipitation patterns and water runoff.

Although weather patterns also affect wind generation in different regions, capacity growth has been the predominant driver of annual changes in wind generation. Both hydroelectric and wind generation follow seasonal patterns. Hydroelectric generation is typically greatest in the spring when precipitation and melting snowpack increase water runoff. Seasonal patterns in wind generation vary across the country, but wind generation is usually greatest in the spring and fall. As of the end of 2019, the United States had 103 GW of wind capacity, nearly all of which (77%) were installed in the past decade. The United States has 80 GW of hydroelectric capacity, most of which has been operating for several decades. Only 2 GW of hydroelectric capacity has been added in the past decade, and some of those additions involved converting previously nonpowered dams.

Excerpted from 

Annual electricity generation from wind and hydroelectric sources (2009-2019)
 million megawatt-hours



“Farming looks mighty easy when your plow is a pencil and you're a thousand miles from the corn field.” -Dwight D. Eisenhower¹