
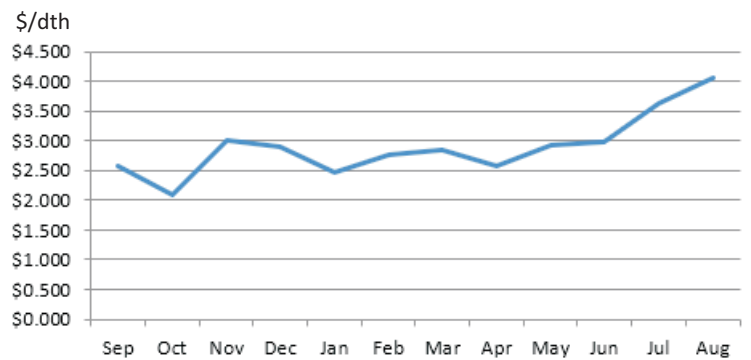


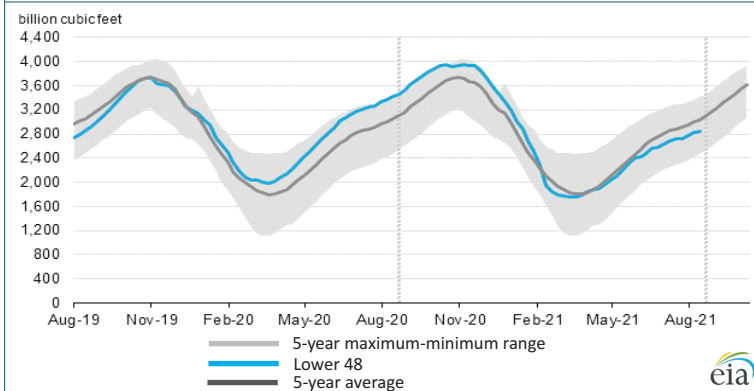
## Newstracker:

- Natural gas spot prices rose at most locations for the Report Week Wednesday, August 18, to Wednesday, August 25, during which the Henry Hub spot price rose from \$3.86/MMBtu to \$4.01/MMBtu.
- The price of the September 2021 NYMEX natural gas futures contract increased 4¢ to \$3.897/MMBtu for the Report Week. The price of the 12-month strip averaging September 2021 through August 2022 futures contracts climbed 4¢/MMBtu to \$3.709/MMBtu.
- Net natural gas injections into storage totaled 29 Bcf for the week ending August 20, compared with the five-year (2016-2020) average net injections of 44 Bcf and last year's net injections of 45 Bcf during the same week. Working natural gas stocks totaled 2,851 Bcf, which is 189 Bcf (6%) lower than the five-year average and 563 Bcf (16%) lower than last year at this time.
- Average total US consumption of natural gas rose by 0.8%, or 0.7 Bcf/d, week over week, driven by a 2.8%, or 1.0 Bcf/d, increase in power generation. Higher than average temperatures across the upper Midwest and the eastern portion of the US contributed to increased electric power demand. Average weekly residential and commercial consumption remained relatively unchanged. Declining demand in the industrial sector and exports offset some of the growth. Consumption in the industrial sector declined 0.5%, or 0.1 Bcf/d. Pipeline exports to Mexico fell 1.2%, or 0.1 Bcf/d, and pipeline deliveries to LNG export terminals declined by 2.6%, or 0.2 Bcf/d.
- The natural gas plant liquids composite price at Mont Belvieu, Texas, fell by 27¢/MMBtu, averaging \$9.56/MMBtu for the week ending August 25. Normal butane and isobutane prices fell 4%. Natural gasoline prices decreased 2%, in line with a 2% drop in Brent crude oil prices. Propane prices fell 2%. Ethane prices decreased 3%, more than the 1% decline in ethylene prices and the flat weekly average natural gas price at the Houston Ship Channel. The ethane premium to natural gas narrowed by 12%, or \$0.14/MMBtu, for the week ending August 25.
- According to Baker Hughes, for the week ending Tuesday, August 17, the natural gas rig count decreased by 5 rigs to 97 rigs, and it is now at its lowest level in over two months. The number of oil-directed rigs rose for the fourth week in a row, by 8 to 405 rigs. The total rig count increased by 3, and it now stands at 503, the highest level since mid-April 2020. Excerpted from 

## Monthly NYMEX Natural Gas Settle Price: Sep 2020 - Aug 2021:




## Working natural gas in underground storage as of August 20, 2021

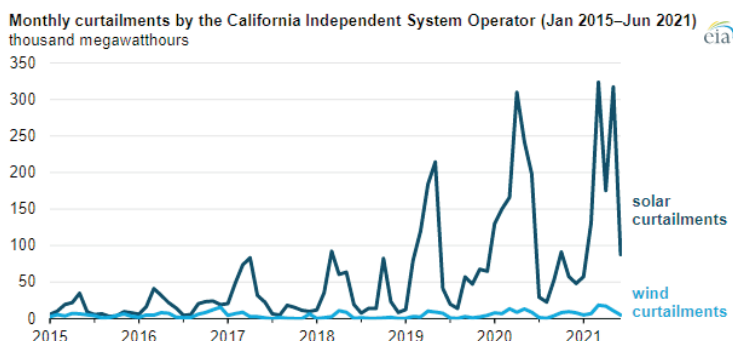


## Forward 12-month NYMEX natural gas strip price - Sep21-Aug22:

Process Load-weighted \$3.709/dth - w/o/w = ▲ \$0.041  
Heat Load-weighted \$3.882/dth - w/o/w = ▲ \$0.043

## California's curtailments of solar electricity generation continue to increase:

Curtailments of solar-powered electricity generation have increased in the California Independent System Operator (CAISO) region, the part of the electric grid that covers most of the state. In 2020, CAISO curtailed 1.5 million megawatthours of utility-scale solar, or 5% of its utility-scale solar production. Grid operators curtail electricity production from solar and wind generators when supply exceeds demand. In 2020, solar curtailments accounted for 94% of the total energy curtailed in CAISO. Solar curtailments tend to be greater in the spring months when electricity demand is relatively low (because of moderate temperatures decreasing heating and cooling demand) and solar output is relatively high. In the early afternoon hours of March 2021, CAISO curtailed an average of 15% of its utility-scale solar output. Increases in renewable generation and curtailments of solar and wind have followed an increase in new renewable capacity additions. To help meet California's target of 50% renewable generation by 2025, CAISO plans to add another 1.6 gigawatts (GW) of utility-scale solar capacity and 0.4 GW of onshore wind turbine capacity in 2021. Combined, these two technologies represent 44% of CAISO's total capacity additions in 2021. Small-scale solar capacity has also continued to grow. Customer-sited solar generation decreases the need for CAISO-operated generation, leading to more solar curtailments. Excerpted from 



"Wit and humor do not reside in slow minds." -Miguel de Cervantes - Don Quixote<sup>1</sup>