

**Newstracker:**

-Natural gas spot prices rose at most locations from Wednesday, May 11 to Wednesday, May 18 (the Report Week, during which the Henry Hub spot price rose 94 cents to \$8.45/MMBtu. International spot prices were mixed, with LNG swap prices in East Asia falling 11 cents to a weekly average of \$23.51/MMBtu. At the Title Transfer Facility (TTF) in the Netherlands, the day-ahead price increased 10 cents/MMBtu to a weekly average of \$28.11/MMBtu. In the same week last year, the prices in East Asia and at TTF were \$9.48/MMBtu and \$9.17/MMBtu, respectively.

-The price of the June 2022 NYMEX natural gas futures contract increased 72.8 cents to \$8.368/MMBtu for the Report Week. The price of the 12-month strip averaging June 2022 through May 2023 futures contracts increased 63 cents to \$7.728/MMBtu.

-Net natural gas injections into storage totaled 89 Bcf for the week ending May 13, compared with the five-year average 87 Bcf and last year's net injections of 71 Bcf during the same week. Working natural gas stocks totaled 1,732 Bcf, which is 310 Bcf (15%) lower than the five-year average and 358 Bcf (17%) lower than last year at this time.

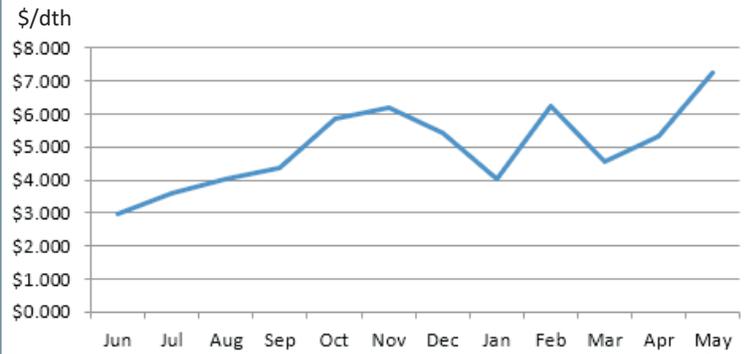
-Total US natural gas consumption fell by 3.5% (2.3 Bcf/d) versus the previous Report Week. Warming in the Northeast and Mid-Continent lowered demand for space heating, with residential and commercial consumption of natural gas declining by 30.8% (4.4 Bcf/d). Consumption by the electric power sector increased by 9.0% (2.6 Bcf/d) because of rising demand for air conditioning. Industrial sector consumption decreased by 2.2% (0.5 Bcf/d), and natural gas exports to Mexico decreased 4.1% (0.2 Bcf/d) to 5.6 Bcf/d. Natural gas deliveries to US LNG export facilities averaged 12.0 Bcf/d, or 0.2 Bcf/d lower than last week.

-The natural gas plant liquids composite price at Mont Belvieu, Texas, fell by 9 cents/MMBtu, averaging \$12.50/MMBtu for the week ending May 18. The Brent crude oil price rose 3%.

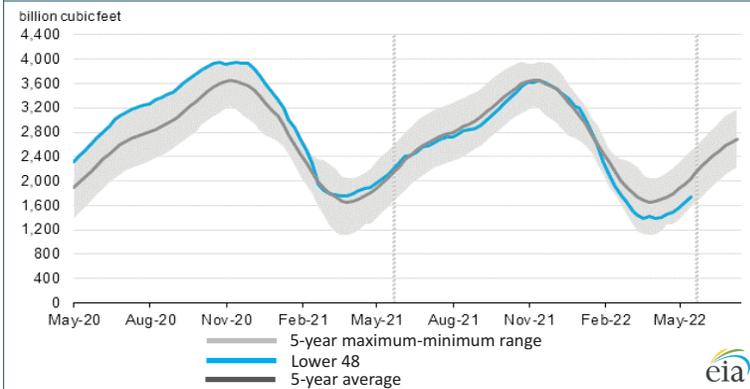
-For the week ending Tuesday, May 10, the natural gas rig count increased by 3 rigs from a week ago to 149 rigs. The number of oil-directed rigs increased by 6 to 563 rigs. The total rig count now stands at 714, the highest level since March 27, 2020, and 261 rigs more than the same week last year.

Excerpted from 

**Monthly NYMEX Natural Gas Settle Price: Jun 2021 - May 2022:**



**Working natural gas in underground storage as of May 13, 2022**

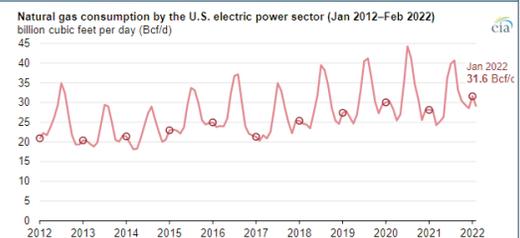


**Forward 12-month NYMEX natural gas strip price - Jun22-May23:**

Process Load-weighted \$7.728/dth - w/o/w = ▲ \$0.630  
 Typical Heat Load-weighted \$7.788/dth - w/o/w = ▲ \$0.631

**Natural gas consumed by US electric power sector sets January record in 2022:**

In January 2022, natural gas consumed for electric power in the US averaged 31.6 Bcf/d, the highest January average on record and the highest amount for any winter month. January's high electricity demand was due to a colder-than-average January combined with less coal-fired electric power generation (it was the coldest January since 2014). Natural gas consumption in the electric power sector peaks in the summer when demand for electricity is highest, largely driven by demand for air-conditioning. A smaller peak occurs during the winter, when electric heating equipment is used to heat buildings. The spring and fall seasons have the lowest natural gas consumption for electric power and the lowest overall electricity consumption. In January 2022, natural gas-fired generators provided 36% of the nation's electricity, and coal provided 23%. In the previous five Januarys (2017-21), those shares had been much more similar: natural gas at 33% and coal at 27%, on average. In the electric power sector, natural gas-fired generation units typically compete with coal-fired generation units to provide the lowest-cost wholesale electricity price for power suppliers. Natural gas-fired electric power generation has been higher this past winter than recent winters, in part, because of coal supply constraints and historically low levels of coal stocks at power plants. Coal stocks for the electric power sector fell to 80 million tons in September 2021, which is 37% lower than the five-year average. Recent wholesale power market consumption of unusually high-priced natural gas indicates that the competition between these two energy sources has changed. Combined-cycle natural gas-fired power plants normally compete directly with coal-fired power plants for the largest share of electricity generation. Net summer capacity (or the maximum output that generating equipment can supply to system load at the time of summer peak demand) has been increasing for natural gas and declining for coal. Natural gas-fired generation capacity at combined-cycle power plants has increased from 218 GW in 2012 to 278 GW in 2021. By comparison, the capacity of coal-fired power plants has declined from 305 GW in 2012 to 211 GW in 2021.



“You shall, I question not, find a way to the top if you diligently seek for it;  
 for nature hath placed nothing so high that it is out of reach of industry and valor.” -Alexander the Great<sup>1</sup>