

Newstracker:

-Natural gas spot prices rose at most locations from Wednesday, May 18, to Wednesday, May 25 (the Report Week), during which the Henry Hub spot price rose 85 cents to \$9.30/MMBtu.

International spot prices declined this Report Week, with prices in East Asia falling \$1.64/MMBtu to a weekly average of \$21.88/MMBtu, and TTF European day-ahead prices falling \$2.20/MMBtu to a weekly average of \$25.92/MMBtu. In the same week last year, East Asia and at TTF prices were \$10.05/MMBtu and \$9.04/MMBtu, respectively. Replenishment of working natural gas in European storage fields is contributing to the shrinking premium for European versus East Asian natural gas.

-The price of the June 2022 NYMEX natural gas futures contract increased 60.3 cents to \$8.971/MMBtu for the Report Week. The price of the 12-month strip averaging June 2022 through May 2023 futures contracts increased 44.2 cents to \$8.169/MMBtu.

-Natural gas net injections into storage totaled 80 Bcf for the week ending May 20, compared with the five-year average net injections of 97 Bcf and last year's net injections of 109 Bcf during the same week. Working natural gas stocks totaled 1,812 Bcf, which is 327 Bcf (15%) lower than the five-year average and 387 Bcf (18%) lower than last year at this time.

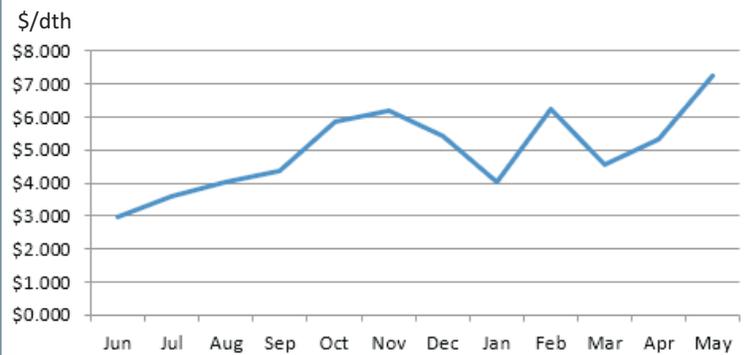
-Total US consumption of natural gas rose by 1.7% (1.0 Bcf/d) for the Report Week. Temperatures across much of the West were below normal while temperatures across the South, Mid-Continent, and Northeast averaged mostly above normal. Residential and commercial usage rose by 16.3% (1.6 Bcf/d). Natural gas deliveries to US LNG export facilities averaged 12.9 Bcf/d, or 0.9 Bcf/d higher than last week. Industrial sector consumption increased by 1.4% (0.3 Bcf/d). Power generation consumption declined by 2.8% (0.9 Bcf/d). Natural gas exports to Mexico were unchanged at 5.6 Bcf/d.

-The natural gas plant liquids composite price at Mont Belvieu, Texas, fell by 2 cents/MMBtu, averaging \$12.48/MMBtu for the week ending May 25, with propane prices falling 2%.

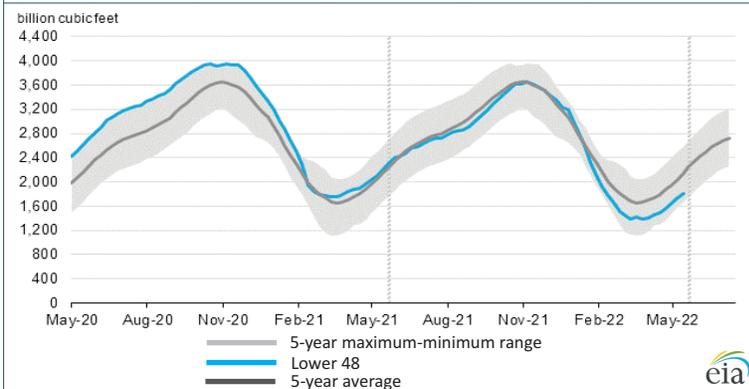
-For the week ending Tuesday, May 17, the natural gas rig count increased by 1 rig from the previous week to 150 rigs. Oil-directed rigs increased by 13 rigs to 576 rigs. The total rig count is now 728 rigs, 273 more rigs than the same week last year, and the highest level since March 27, 2020.

Excerpted from 

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



Working natural gas in underground storage as of May 20, 2022



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

Process Load-weighted \$8.169/dth - w/o/w = ▲ \$0.442
 Typical Heat Load-weighted \$8.210/dth - w/o/w = ▲ \$0.422

FERC approves new natural gas pipeline projects to increase US exports:

In the first quarter of 2022, the Federal Energy Regulatory Commission (FERC) approved three projects intended to increase US natural gas exports via pipeline and as LNG. FERC approved two projects that connect to LNG terminals in Louisiana. The Evangeline Pass Expansion Project is a 1.1 Bcf/d project which includes 13.1 miles of new pipeline and two new compressor stations that will deliver natural gas to the proposed Plaquemines LNG Project in Plaquemines Parish, Louisiana. The Alberta Xpress Project is a 0.17 Bcf/d project that will use existing capacity on the Great Lakes Gas Transmission (GLGT) system and the ANR pipeline and will add a new compressor station in Evangeline Parish, Louisiana. The project expands capacity from the GLGT receipt point at the Minnesota-Manitoba border to delivery points in the US Midwest and US Gulf Coast, increasing the available capacity for LNG export facilities in the region. The third project FERC approved expands capacity by 0.5 Bcf/d to transport US natural gas via pipeline to the Energia Costa Azul LNG Export Project in Baja California, Mexico. Two notable projects were completed in Florida and North Dakota this past quarter. The Putnam Expansion Project is a 0.17 Bcf/d expansion project on the Florida Gas Transmission pipeline that facilitates natural gas deliveries to a Seminole Generation Cooperative natural gas-fired power plant in Putnam County, Florida. The North Bakken Expansion Project is a 62-mile extension of the Williston Basin Interstate (WBI) pipeline system. The project provides 0.25 Bcf/d of additional takeaway capacity for natural gas produced in the core production area of the Bakken region in North Dakota and connects to the Northern Border Pipeline. An estimated 0.43 Bcf/d of new natural gas pipeline capacity was completed in the first quarter of 2022. In 2021, an estimated 7.44 Bcf/d of new pipeline capacity was added, the lowest amount added to interstate transmission since 2016.



“If you’re going to do something tonight that you’ll be sorry for in the morning, sleep late.” -Henny Youngman¹

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¹https://www.brainyquote.com/quotes/henny_youngman_106841?src=t_funny