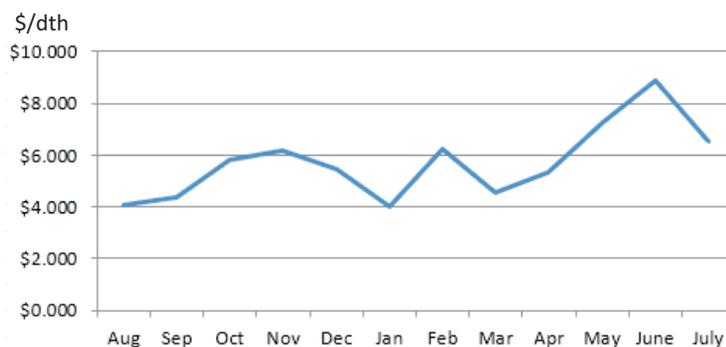


## Newstracker:

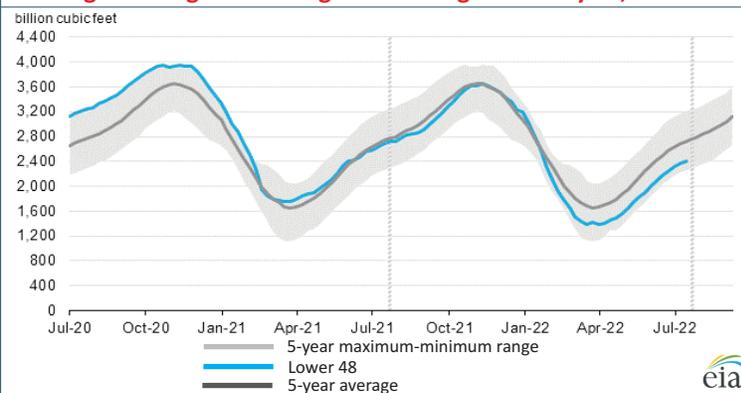
- Natural gas spot prices rose at most locations from Wednesday, July 13, to Wednesday, July 20 (the Report Week), during which the Henry Hub spot price rose 93 cents to \$7.56/MMBtu.
- The August 2022 NYMEX natural gas futures contract increased \$1.318 to \$8.007/MMBtu for the Report Week. The price of the 12-month strip averaging August 2022 through July 2023 futures contracts climbed 91.3 cents to \$6.848/MMBtu. International futures prices decreased as LNG cargoes in East Asia were \$1.02 lower at a weekly average of \$38.11/MMBtu, and natural gas futures for delivery at TTF in the Netherlands fell \$4.29 to a weekly average of \$47.59/MMBtu.
- Total US consumption of natural gas rose by 2.9% (2.1 Bcf/d) compared with the previous Report Week. Natural gas consumed for power generation climbed by 3.9% (1.6 Bcf/d) week over week. Industrial sector consumption increased by 0.8% (0.2 Bcf/d). Residential and commercial sector consumption increased by 3.5% (0.3 Bcf/d). Natural gas exports to Mexico increased 2.3% (0.1 Bcf/d). Natural gas deliveries to US LNG export facilities averaged 10.9 Bcf/d, or 0.2 Bcf/d lower.
- The average total supply of natural gas rose by 0.8% (0.8 Bcf/d) for the Report Week. Dry natural gas production grew by 0.6% (0.6 Bcf/d) and average net imports from Canada increased by 3.0% (0.2 Bcf/d).
- The natural gas plant liquids composite price at Mont Belvieu, Texas, rose by 46 cents, averaging \$11.78/MMBtu for the Report Week. Natural gas prices at the Houston Ship Channel rose 11%. The Brent crude oil price was unchanged. Propane fell 3%, increasing the propane discount to crude oil by 7%.
- Net natural gas injections into storage totaled 32 Bcf for the week ending July 15, compared with the five-year average net injections of 41 Bcf and last year's net injections of 50 Bcf during the same week. Working natural gas stocks totaled 2,401 Bcf, which is 328 Bcf (12%) lower than the five-year average and 270 Bcf (10%) lower than last year at this time.
- For the week ending Tuesday, July 13, the natural gas rig count was unchanged from a week ago at 153 rigs. The number of oil-directed rigs increased by 2 rigs to 599 rigs. The total rig count now stands at 756 rigs.

Excerpted from 

## Monthly NYMEX Natural Gas Settle Price: Aug 2021 - Jul 2022:



## Working natural gas in underground storage as of July 15, 2022



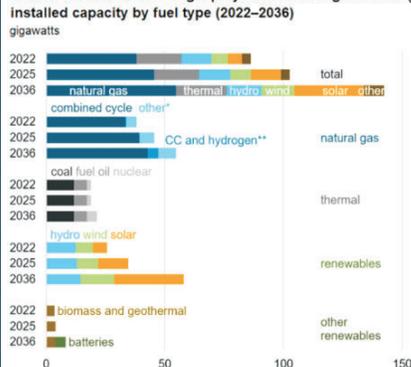
## Forward 12-month NYMEX natural gas strip price - Aug22-Jul23:

Process Load-weighted \$6.848/dth - w/o/w = ▲ \$0.913  
 Typical Heat Load-weighted \$7.214/dth - w/o/w = ▲ \$1.006

## Natural-gas fired electric power active generation and future expansion on the rise in Mexico:

On May 31, 2022, Mexico's Ministry of Energy (SENER) released its annual PRODESEN (the National Electric System Development Plan) 20222036. This report provides information on recent electricity generation and capacity trends and provides a business plan for future capacity development based on current Mexico energy policy. According to the report, natural gas-fired power plants were the primary source of electricity production in Mexico, generating 62% of the total electricity in 2021, up from 54% in 2015 and 34% in 2005. The report states that in the last five years (2017-2021), the share of Mexico's electricity

Mexico Secretaria de Energia projected electric generation installed capacity by fuel type (2022-2036)



generated by renewable sources has grown, while generation from thermal sources such as coal and fuel oil has declined. Renewable generation (hydropower, wind, solar, biomass, and geothermal energy) increased from 16% of total generation in 2017 to 25% in 2021, while generation by fuel oil and coal (combined) has declined from 24% to 9% over the same period. According to SENER's report, between 2017 and 2021, Mexico's installed electric generation capacity increased by 27%, from 68 gigawatts (GW) to 86 GW. Almost one-half of installed capacity additions (9 GW, or 48%) were natural gas-fired power plants, mostly combined cycle (CC) units. In 2021, combined cycle power plants accounted for 39% of Mexico's total installed capacity. Renewable power plants accounted for 52% of capacity additions in this period (6 GW of solar, 3 GW of wind, and 1 GW of other renewables). Almost 1 GW of fuel oil power plants has been either converted to natural gas or retired. In the report, SENER forecasts that in the next four years (2022-2025), Mexico will continue to expand both natural gas-fired and renewable electric generation capacity. Almost one-half (7.5 GW, or 45%) of the total 16.6 GW planned capacity additions in this period will be natural gas-fired power plants. Most of these plants will be combined-cycle units (5.7 GW), and 1.8 GW will be peaking power plants (gas turbine (GT) and internal combustion (IC) units).

"I never said most of the things I said." -Yogi Berra<sup>1</sup>