

Newstracker:


-Natural gas spot prices decreased in all regions from Wednesday, August 31 to Wednesday, September 7 (the Report Week), during which the Henry Hub spot price fell 82 cents to \$8.13/MMBtu.

-The price of the October 2022 NYMEX natural gas futures contract decreased \$1.285 to \$7.842/MMBtu for the Report Week. The price of the 12-month strip averaging October 2022 through September 2023 futures contracts declined by 86.9 cents to \$6.526/MMBtu. International futures prices declined this Report Week after reaching record highs the previous week. Weekly average futures prices for LNG cargoes in East Asia decreased \$7.95 to a weekly average of \$56.07/MMBtu, and natural gas futures for delivery at the Title Transfer Facility in the Netherlands decreased \$17.13 to a weekly average of \$66.49/MMBtu.

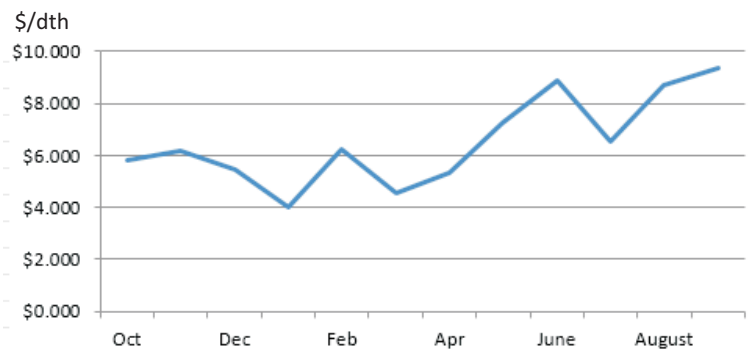
-Net natural gas injections into storage totaled 54 Bcf for the week ending September 2, compared with the five-year average net injections of 65 Bcf and last year's net injections of 48 Bcf during the same week. Working natural gas stocks totaled 2,694 Bcf, which is 349 Bcf (11%) lower than the five-year average and 222 Bcf (8%) lower than last year at this time. The average rate of injections into storage is 5% lower than the five-year average so far in the refill season.

-Total US natural gas consumption fell by 2.1% (1.5 Bcf/d) compared with the previous Report Week. Natural gas consumed for power generation declined by 3.2% (1.3 Bcf/d). Industrial sector consumption increased by 1.2% (0.3 Bcf/d). Residential and commercial sector consumption declined by 4.9% (0.4 Bcf/d). Natural gas exports to Mexico decreased 4.4% (0.3 Bcf/d). Natural gas deliveries to US LNG export facilities averaged 11.2 Bcf/d, or 0.2 Bcf/d higher than last week.

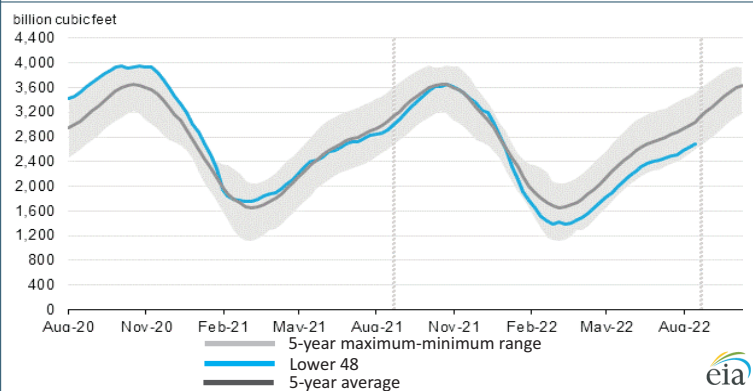
-The natural gas plant liquids composite price at Mont Belvieu, Texas, fell by 66 cents/MMBtu, averaging \$10.72/MMBtu for the Report Week. The natural gasoline price fell 7%, following the price of Brent crude oil, which fell 9%. The propane price fell 3%.

-For the week ending Tuesday, August 30, the natural gas rig count increased by 4 rigs from a week ago to 162. The number of oil-directed rigs decreased by 9 rigs from a week ago to 596 rigs. The total rig count now stands at 760 rigs, which is 263 more than the same week last year. Excerpted from 

Monthly NYMEX Natural Gas Settle Price: Oct 2021 - Sep 2022:



Working natural gas in underground storage as of September 2, 2022



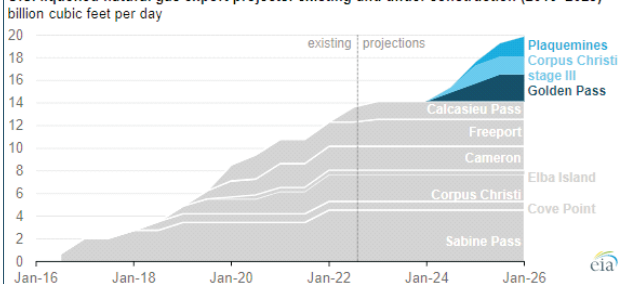
Forward 12-month NYMEX natural gas strip price - Oct22-Sep23:

Process Load-weighted \$6.526/dth - w/o/w = ▼\$0.869
Typical Heat Load-weighted \$7.159/dth - w/o/w = ▼\$0.1048

US LNG export capacity to grow as three additional projects begin construction:

The US began exporting LNG from the US Lower 48 states in February 2016. As of July 2022, the US has more LNG export capacity than any other country and has exported more LNG than any other country. US LNG exports averaged 11.1 Bcf/d during the first half of 2022. The seventh, and most recent, US LNG export project Calcasieu Pass LNG placed all of its liquefaction trains in service by August, ahead of schedule. In addition to Golden Pass LNG, which started construction in 2019, two more projects on the US Gulf Coast have recently begun construction. Golden Pass LNG is constructing standard-size liquefaction trains with peak LNG production capacity of up to 0.8 Bcf/d per train. In contrast, the other two projects under construction, Plaquemines LNG and Corpus Christi Stage III, use a modular technology with mid-scale refrigeration trains, which has a shorter project construction timeline. Calcasieu Pass LNG, which also uses mid-scale liquefaction technology, started LNG production 30 months after its final investment decision the shortest construction period for any US

U.S. liquefied natural gas export projects: existing and under construction (2016–2025)



LNG export project so far. Once completed, the three export projects under construction will expand US LNG peak export capacity by a combined 5.7 Bcf/d by 2025. Golden Pass LNG consists of three standard-size trains, each with a peak capacity of 0.8 Bcf/d, for a total capacity of 2.4 Bcf/d. Golden Pass LNG is on the site of an existing regasification facility and will use shared infrastructure, which helps to reduce project costs and shorten the construction timeline. Plaquemines LNG consists of 24 mid-scale trains, each with a peak capacity of 0.07 Bcf/d. Each liquefaction train is part of a two-unit block for a total of 12 blocks with a combined peak capacity of 1.8 Bcf/d. Corpus Christi Stage III is on the site of an existing terminal with three liquefaction trains in operation. Each of the 14 new, mid-scale trains under construction has a peak capacity of 0.11 Bcf/d. Each train is part of a two-unit block for a total of seven blocks with a combined peak capacity of 1.6 Bcf/d.

“When someone hands you a flyer, it’s like they’re saying here you throw this away.” -Mitch Hedberg¹