

Newstracker:

-Natural gas spot prices fell at most locations from Wednesday, October 12 to Wednesday, October 19 (the Report Week), during which the Henry Hub spot price fell 97 cents to \$5.50/MMBtu.


-The price of the November 2022 NYMEX natural gas futures contract decreased 97.3 cents to \$5.462/MMBtu for the Report Week. The price of the 12-month strip averaging November 2022 through October 2023 futures contracts declined 55.3 cents to \$5.180/MMBtu. International natural gas futures prices declined this Report Week, with weekly average futures prices for LNG cargoes in East Asia decreasing \$2.71 to a weekly average of \$32.11/MMBtu, and natural gas futures for delivery at the TTF in the Netherlands decreasing \$8.53 to a weekly average of \$37.30/MMBtu.

-Net natural gas injections into storage totaled 111 Bcf for the week ending October 14, compared with the five-year average net injections of 73 Bcf and last year's net injections of 91 Bcf during the same week. Working natural gas stocks totaled 3,342 Bcf, which is 183 Bcf (5%) lower than the five-year average and 106 Bcf (3%) lower than last year at this time.

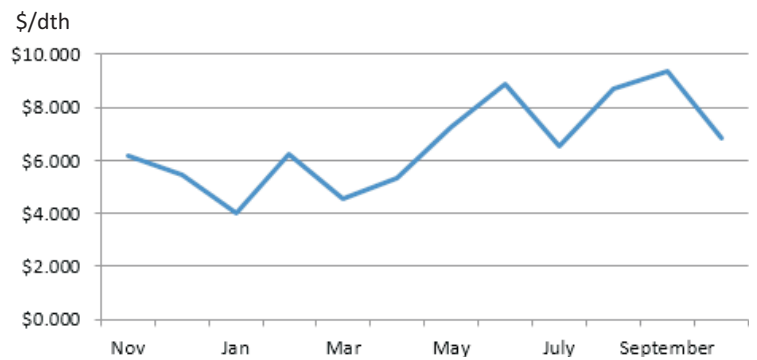
-Total US consumption of natural gas rose by 9.2% (6.2 Bcf/d) for the Report Week. Natural gas consumed for power generation declined by 0.4% (0.1 Bcf/d). Industrial sector consumption increased by 2.8% (0.6 Bcf/d), while consumption in the residential and commercial sectors increased by 39.9% (5.7 Bcf/d). Natural gas exports to Mexico increased 5.9% (0.3 Bcf/d). Natural gas deliveries to US LNG export facilities averaged 11.4 Bcf/d, or 0.6 Bcf/d higher than last week.

-For the week ending Tuesday, October 11, the natural gas rig count decreased by 1 rig to 157 rigs. The number of oil-directed rigs increased by 8 rigs from a week ago to 610 rigs. The total rig count, which includes 2 miscellaneous rigs, now stands at 769 rigs, the highest level since March 20, 2020, and 226 more than the same week last year.

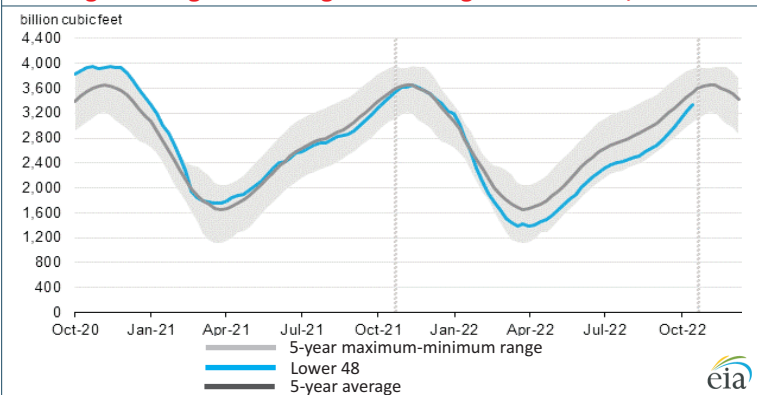
Click below to access the just-released Federal Energy Regulatory Commission Winter Energy Market and Reliability Assessment report.
<https://files.constantcontact.com/fc8c1a0b101/7eaf6ce8-7f59-47d7-9a00-a3d7a5c5314e.pdf>

Excerpted from 

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



Working natural gas in underground storage as of Oct. 14, 2022



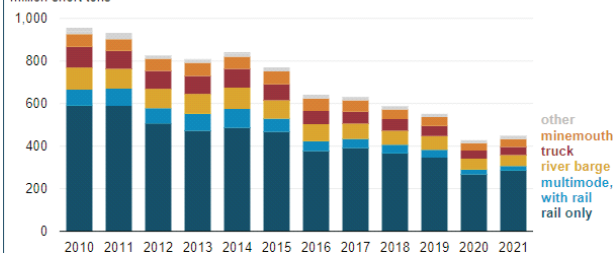
Forward 12-month NYMEX natural gas strip price - Nov22-Oct23:

Process Load-weighted \$5.180/dth - w/o/w = ▼\$0.553
Typical Heat Load-weighted \$5.522/dth - w/o/w = ▼\$0.666

Coal shipments to US power plant fell by more than half between 2010 and 2021:

US power plants received 449 million short tons (MMst) of coal in 2021, less than half of the 957 MMst they received in 2010. This decline resulted due to falling coal-fired power generation and closure of coal-fired power plants. Although coal shipments have been trending down over the past decade, 2021 shipments increased 5% from 2020 because coal-fired generation slightly increased. In 2021, coal-fired generation rose for the first time since 2014 because of higher electricity demand and higher natural gas prices versus relatively stable coal prices. A power plant's location and the cost-efficiency of the shipping method primarily determine how it receives its coal. Minemouth coal-fired power plants or plants that are built beside coal mines receive coal directly from the adjacent mine, usually through a long conveyor belt. For non-minemouth plants, coal must be transported from coal mines to the plant. Coal can be transported to power plants via freight railroad, river barge, truck, or a combination of these shipping methods. More coal is transported over the extensive

U.S. coal shipments to the electric power sector by transport mode (2010–2021)
million short tons



US freight rail network than any other shipping method; around 70% of the coal delivered to US power plants in both 2021 and 2010 was shipped either completely or in part by railroad. Although more expensive on a per-ton basis than truck or river barge, freight rail has been the most cost-effective way to move large volumes of coal over the long distances between mines in remote regions to coal-fired power plants, which are usually located near electricity customers. River barges are typically the lowest-cost way to transport large amounts of coal over long distances, but their use is limited to the relatively few coal-fired power plants located on navigable rivers.

Shipping coal entirely by truck is only cost-effective over short distances or for smaller shipments; this mode is generally used when a mine or plant doesn't have direct rail or barge access and is relatively close to a supplying mine.

"He who has the fastest golf cart never has a bad lie." -Mickey Mantle¹