

**Newstracker:**

-Natural gas spot prices fell across all locations from Wednesday, February 1, to Wednesday, February 8 (the Report Week), during which the Henry Hub spot price fell 24 cents to \$2.42/MMBtu.


-The March 2023 NYMEX contract price decreased to \$2.396/MMBtu, down 7.2 cents for the Report Week. The price of the 12-month strip averaging March 2023 through February 2024 futures contracts declined 7.2 cents to \$3.196/MMBtu. International natural gas futures prices decreased this Report Week, with LNG cargoes in East Asia decreasing \$1.13 to a weekly average of \$18.30/MMBtu and prices at TTF in the Netherlands decreasing \$0.21 to a weekly average of \$17.83/MMBtu.

-Net natural gas withdrawals from storage totaled 217 Bcf for the week ending February 3, compared with the five-year average net withdrawals of 171 Bcf and last year's net withdrawals of 228 Bcf during the same week. Working natural gas stocks totaled 2,366 Bcf, which is 117 Bcf (5%) more than the five-year average and 233 Bcf (11%) more than last year at this time.

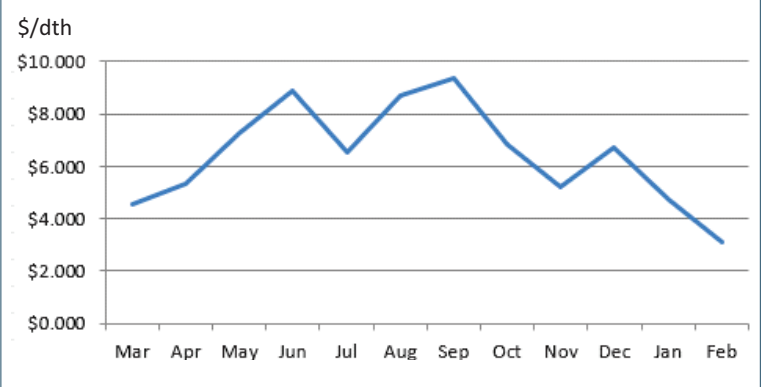
-Total US consumption of natural gas fell by 6.6% (6.9 Bcf/d) compared with the previous Report Week. Natural gas consumed for power generation declined by 6.1% (2.0 Bcf/d) week over week. Industrial sector consumption decreased by 2.4% (0.6 Bcf/d) week over week, while consumption in the residential and commercial sectors declined by 9.2% (4.3 Bcf/d). Natural gas exports to Mexico decreased 1.3% (0.1 Bcf/d). Natural gas deliveries to US LNG export facilities averaged 12.5 Bcf/d, or 0.2 Bcf/d lower than last week.

-The natural gas plant liquids composite price at Mont Belvieu, Texas, fell by 27 cents/MMBtu, averaging \$7.98/MMBtu for the week ending February 8. Propane prices fell 8%, while the weekly average price of Brent crude oil fell 3%, resulting in a 7% increase in the propane discount relative to crude oil.

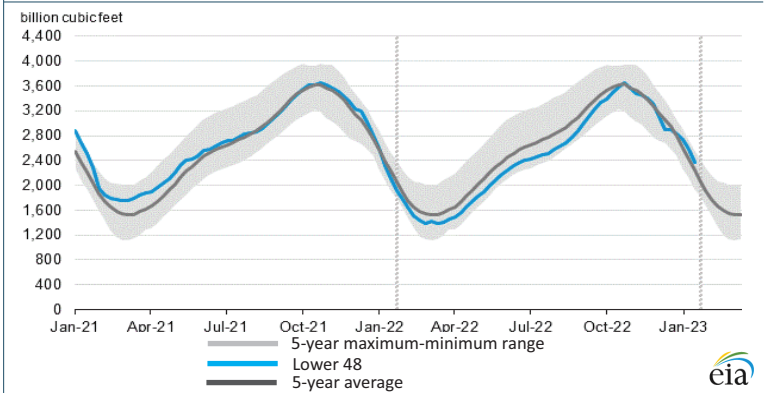
-For the week ending Tuesday, January 24, the natural gas rig count decreased by 2 to 158 rigs. The number of oil-directed rigs decreased by 10 to 599 rigs. The total rig count, which includes 2 miscellaneous rigs, now stands at 759 rigs, 12 fewer than last week.

Excerpted from 

**Monthly NYMEX Natural Gas Settle Price: Mar 2022 - Feb 2023:**



**Working natural gas in underground storage as of Feb. 3, 2023**

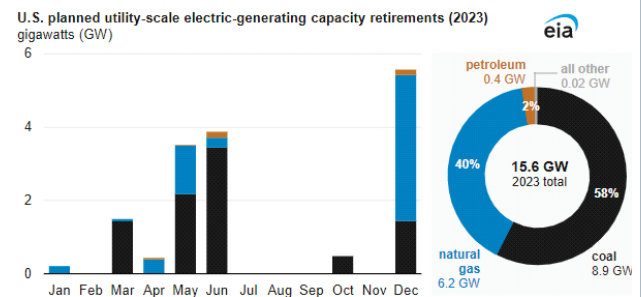


**Forward 12-month NYMEX natural gas strip price - Mar23-Feb24:**

Process Load-weighted \$3.196/dth - w/o/w = ▼\$0.072  
 Typical Heat Load-weighted \$3.405/dth - w/o/w = ▼\$0.070

**Coal and natural gas plants will account for 98% of U.S. capacity retirements in 2023:**

In 2023, US operators plan to retire 15.6 GW of electric-generating capacity, mostly natural gas-fired (6.2 GW) and coal-fired (8.9 GW) power plants. Substantial US coal-fired capacity has retired over the past decade, and a record 14.9 GW was retired in 2015. Annual coal retirements averaged 11.0 GW a year from 2015 to 2020, decreased to 5.6 GW in 2021, and then increased to 11.5 GW in 2022. The 8.9 GW of planned coal-fired capacity retirement this year is 4.5% of the current total coal-fired capacity. Most coal-fired power plants operating in the US were built in the 1970s and 1980s. As these aging coal-fired power plants compete with a growing number of highly efficient, modern natural gas-fired power plants, more of these coal-fired power plants are being retired. The largest coal-fired power plant expected to retire this year is the 1,490 MW W.H. Sammis Power Plant in Ohio. The oldest four of the plant's seven coal-fired units were retired in 2020; the last three units will be shut down this year, along with the plant's five petroleum-fired units (13 MW of combined capacity). Pleasants Power Station (1,278 MW) is the second-largest coal-fired power plant retirement expected this year. Energy Harbor, which plans to become a 100% carbon-free electricity supplier by the end of this year, owns both W.H. Sammis and Pleasants. 6.2 GW of U.S. natural gas-fired capacity is scheduled to retire in 2023, representing 1.3% of the operating natural gas fleet as of January. Most of the retiring natural gas capacity is made up of older steam and combustion turbine units, which produce electricity less efficiently than many of the newer combined-cycle natural gas units. Petroleum-fired power plants make up a small portion of generating capacity in the US at around 2.2%. Most of these plants are seldom run and serve as peaker plants—plants that only supply electricity during higher-than-normal electricity demand, such as during snowstorms and extreme heatwaves. This year, 0.4 GW of US petroleum-fired capacity is scheduled to retire.



“Experience is a hard teacher because she gives the test first, the lesson afterward.” -Vernon Law<sup>1</sup>