

Newstracker:

-Natural gas spot prices fell at most major locations from Wednesday, August 30, to Wednesday, September 6 (the Report Week), during which the Henry Hub spot price held flat at \$2.49/MMBtu.


-The October 2023 NYMEX natural gas futures contract price decreased 28.6 cents to \$2.510/MMBtu for the Report Week. The price of the 12-month strip averaging October 2023 through September 2024 futures contracts fell 13.8 cents to \$3.208/MMBtu. International natural gas futures prices decreased this Report Week, as LNG cargoes in East Asia fell 7 cents to a weekly average of \$13.26/MMBtu, and prices at TTF in the Netherlands fell 46 cents to a weekly average of \$10.75/MMBtu. In the same week last year, prices were \$56.07/MMBtu in East Asia and \$66.49/MMBtu at TTF.

-Total US consumption of natural gas fell by 3.9% (2.9 Bcf/d) compared with the previous Report Week. Most of the decrease was due to a 7.1% (3.2 Bcf/d) week-over-week reduction in natural gas use for power generation. Industrial sector consumption increased by 0.3% (0.1 Bcf/d) and residential and commercial sector consumption increased by 2.5% (0.2 Bcf/d). Natural gas exports to Mexico were essentially unchanged this week. Natural gas deliveries to US LNG export facilities averaged 13.0 Bcf/d, or 0.9 Bcf/d higher than last week.

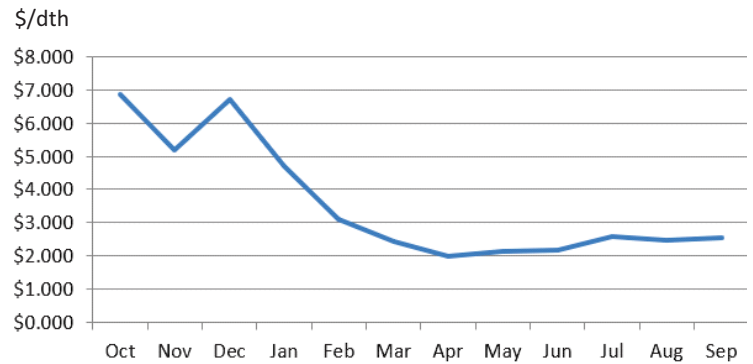
-The natural gas plant liquids composite price at Mont Belvieu, Texas, rose by 35 cents/MMBtu, averaging \$7.51/MMBtu for the week ending September 6. The average weekly Brent crude oil price rose 5%, resulting in increased prices of other natural gas liquids. The propane price rose 7%, widening the propane discount relative to crude oil by 4%.

-For the week ending Tuesday, August 29, the natural gas rig count decreased by 1 rig from a week ago to 114 rigs. The number of oil-directed rigs was unchanged from a week ago at 512 rigs. The total rig count, which includes 5 miscellaneous rigs, stands at 631 rigs, 129 fewer rigs than last year at this time.

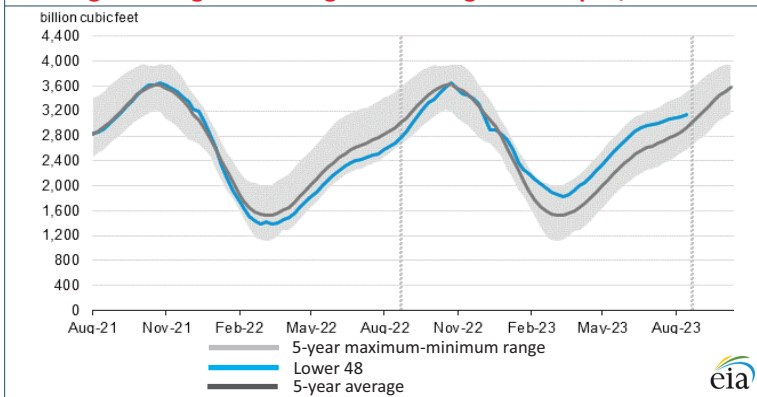
-Net natural gas injections into storage totaled 33 Bcf for the week ending September 1, compared with the five-year average net injections of 60 Bcf and last year's net injections of 55 Bcf during the same week. Working natural gas stocks totaled 3,148 Bcf, which is 222 Bcf (8%) more than the five-year average and 462 Bcf (17%) more than last year at this time.

Excerpted from 

Monthly NYMEX Natural Gas Settle Price: Oct 2022 - Sep 2023:



Working natural gas in underground storage as of Sep. 1, 2023




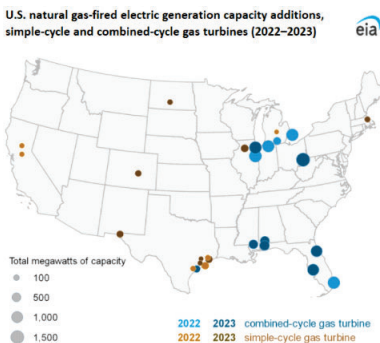
Forward 12-month NYMEX natural gas strip price - Oct23-Sep24:

Process Load-weighted \$3.208/dth - w/o/w = ▼\$0.138
 Typical Heat Load-weighted \$3.307/dth - w/o/w = ▼\$0.155

New natural gas-fired capacity additions expected to total 8.6 gigawatts in 2023:

So far in 2023, 10 natural gas-fired power plants have come online in the US with a total of 6.8 gigawatts (GW) of electric generating capacity. By the end of 2023, the US Energy Information Administration (EIA) expects another six natural gas-fired power plants with another 1.8 GW of capacity to come online. The additions include both combined-cycle gas turbine (CCGT) plants and simple-cycle gas turbine (SCGT) plants concentrated near the Gulf Coast and Appalachia natural gas producing regions, and in Florida. In 2022, a total of 11 natural gas-fired power plants came online, adding 5.5 GW of capacity. Total natural gas-fired capacity additions increased in both 2022 and 2023 after consecutive declines in the prior three years. In the next two years (2024 and 2025), EIA projects that 20 new natural gas-fired power plants will come online with a total capacity of 7.7 GW. CCGT plants commonly serve both base and peak electricity load because they are highly efficient and designed to run for extended periods of time. During 2022 and 2023, a total of 13 new CCGT plants with a combined capacity of 12.4 GW will have entered service. The average output for each of the 13 CCGT plants is 0.9 GW of electric generating capacity. Approximately 5.8 GW of the total capacity is located in Florida and Michigan. These two states already produce electricity primarily from natural gas-fired power plants. EIA expects 4.9 GW of additional CCGT additions in 2024 and 2025, only 0.1 GW of which is planned for 2024. During 2022 and 2023, 14 SCGT plants with total capacity of 1.9 GW will have begun operations. The average output for each of the 14 SCGT plants is almost 140 megawatts of electric generating capacity. Although the average capacity of SCGT plants is much lower than CCGT plants, SCGT plants are able to quickly ramp up operations in response to sudden changes in demand or when output from intermittent renewable energy sources is unavailable. Over half of the new SCGT capacity coming online in 2022 and 2023 is located in Texas, which has periods of high daily peak electricity demand throughout the summer and has had significant growth in renewable energy during the last few years. Additional new SCGT units with a total capacity of 2.8 GW, mostly located in Texas near high population areas, are expected to enter service in 2024 and 2025.

Excerpted from 



"It takes a lot of guts to jump. If people criticise, I would give them a set of skis and say, 'Do it yourself then.'" -Eddie the Eagle¹

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¹https://www.brainyquote.com/quotes/eddie_the_eagle_973180