

Southeastern Ohio Oil and Gas Association  
Gas Committee Report  
August, 2021

**Prices August 13, 2021**

NYMEX Settle – Aug. - 2021	\$4.04
One Year NYMEX strip (Sept. 2021 – Aug. 2022)	\$3.66
Summer NYMEX strip for 2021 (Sept.-October, 2021)	\$3.83
Winter NYMEX strip – 2021 (Nov., 2021 – Mar. 2022)	\$3.98

TCO Index Posting – August, 2021	\$3.02
DTI Index Posting – August, 2021	\$2.69

July 8, 2021 Storage Report:

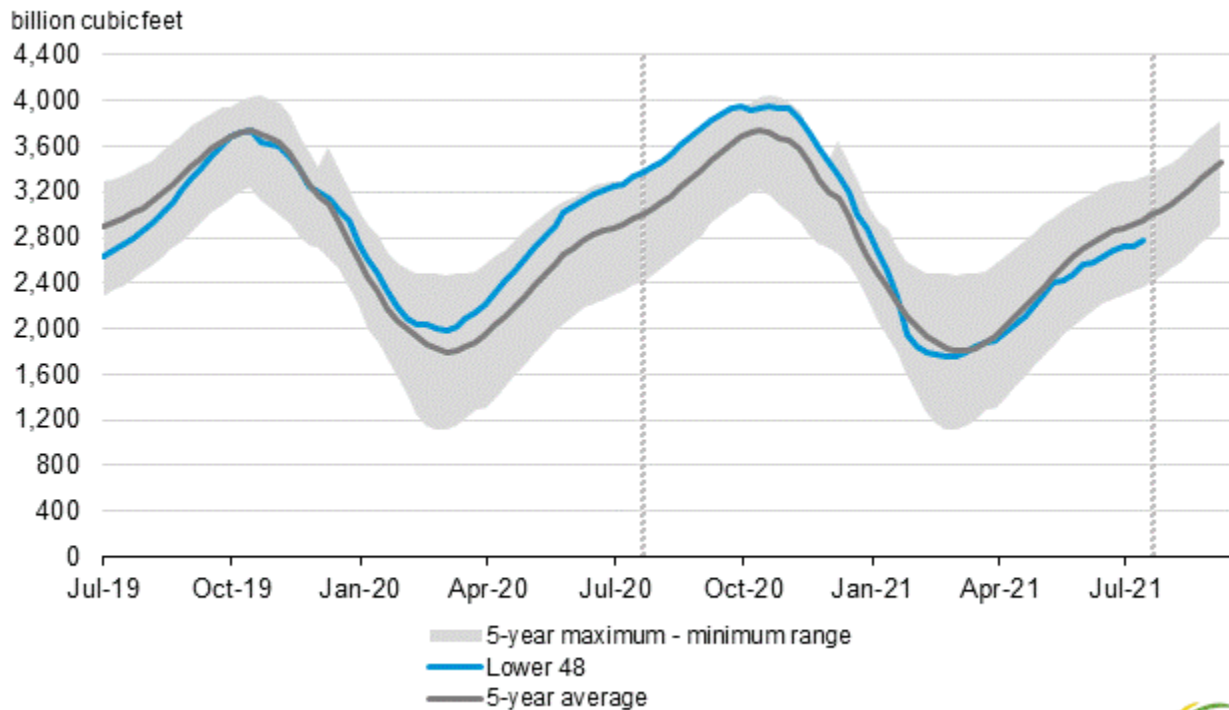
Working gas in underground storage, Lower 48 states

Region	Stocks billion cubic feet (Bcf)				Historical Comparisons			
	08/06/21	07/31/21	net change	implied flow	Year ago (08/06/20)		5-year average (2016-20)	
					Bcf	% change	Bcf	% change
<b>East</b>	628	604	25	25	735	-14.4	674	-6.7
<b>Midwest</b>	741	719	22	22	852	-13.0	757	-2.1
<b>Mountain</b>	185	184	1	1	205	-9.8	187	-1.1
<b>Pacific</b>	241	244	-3	-3	314	-23.2	286	-15.7
<b>South Central</b>	979	976	3	3	1,218	-19.6	1,050	-6.8
<b>Salt</b>	247	250	-3	-3	337	-26.7	271	-8.9
<b>Nonsalt</b>	732	726	6	6	882	-17.0	779	-6.0
<b>Total</b>	<b>2,776</b>	<b>2,727</b>	<b>49</b>	<b>49</b>	<b>3,324</b>	<b>-16.5</b>	<b>2,954</b>	<b>-6.0</b>

## Summary

Working gas in storage was 2,776 Bcf as of Friday, August 6, 2021, according to EIA estimates. This represents a net increase of 49 Bcf from the previous week. Stocks were 548 Bcf less than last year at this time and 178 Bcf below the five-year average of 2,954 Bcf. At 2,776 Bcf, total working gas is within the five-year historical range.

Working gas in underground storage compared with the 5-year maximum and minimum



Source: U.S. Energy Information Administration



## Prices/Supply/Demand

**Northeast prices rise as high temperatures result in increased electricity demand for air conditioning.** At the Algonquin Citygate, which serves [Boston-area consumers](#), the price went up \$1.07 from \$3.83/MMBtu last Wednesday to a weekly high of \$4.90/MMBtu yesterday. At the Transcontinental Pipeline Zone 6 trading point for New York City, prices also reached a weekly high yesterday, rising 34¢ from \$3.75/MMBtu last Wednesday to \$4.09/MMBtu yesterday. According to data from IHS Markit, natural gas consumed in the electric power sector in the Northeast increased 1.4 Bcf/d this week compared with last week. The National Weather Service put excessive heat warnings into effect this week for [New York](#) and [areas of New England](#) in Connecticut, Massachusetts, and Rhode Island; heat index values up to 105°F are possible.

**Prices in the Appalachian Basin production region rise in response to increased demand in the Northeast.** The Tennessee Zone 4 Marcellus spot price increased 3¢ from \$3.61/MMBtu last Wednesday to \$3.64/MMBtu yesterday. Prices at the Tennessee Zone 4 hub reached a high of \$3.72/MMBtu on Monday. The price at Eastern Gas in southwest Pennsylvania rose 6¢ from \$3.65/MMBtu last Wednesday to \$3.71/MMBtu yesterday, after reaching a weekly high of \$3.76/MMBtu on Thursday.

**U.S. total supply declines for the second week in a row, as dry natural gas production and imports decline.** According to data from IHS Markit, the average total supply of natural gas fell by 0.3%, or 0.3 Bcf/d, compared with the previous report week. Dry natural gas production declined 0.1% (0.1 Bcf/d), net natural gas imports from Canada dropped 4.1% (0.2 Bcf/d), and sendout from LNG import terminals decreased 1.6% to 0.06 Bcf/d.

**U.S. natural gas consumption rises in most sectors, offset somewhat by declines in the industrial sector and LNG export terminal pipeline receipts.** [With temperatures trending slightly warmer than average over the past week](#), total U.S. consumption of natural gas rose by 2.3%, or 1.6 Bcf/d, compared with the previous report week, according to data from IHS Markit. Power generation and residential and commercial consumption rose by 3.2% and 5.6% (1.2 Bcf/d and 0.5 Bcf/d), respectively. Natural gas exports to Mexico increased 1.6%, or 0.1 Bcf/d. The industrial sector average volumes decreased slightly by 0.6%, or 0.1 Bcf/d, while average natural gas deliveries to U.S. LNG export facilities (LNG pipeline receipts) dropped 6.3% from last week to 9.9 Bcf/d, 0.6 Bcf/d lower than last week.

**U.S. LNG exports remain the same week over week.** Twenty-one LNG vessels (six from Sabine Pass, five from Freeport, four from Corpus Christi, three from Cameron, two from Cove Point, and one from Elba Island) with a combined LNG-carrying capacity of 77 Bcf departed the United States between August 5 and August 11, 2021, according to shipping data provided by Bloomberg Finance, L.P.

The ODNR quarterly report lists 2,723 horizontal shale wells, 2,674 of which reported oil and natural gas production during the quarter.

There are currently 3,428 Utica Permits, and 2,914 Utica shale wells drilled.

There was a total of 2,326,539,953 Bcf produced in the calendar year of 2020.

As of July 4, the national total rig count increased to 470.