

Southeastern Ohio Oil and Gas Association
Gas Committee Report
September 2021

Prices September 7, 2021

NYMEX Settle – Sept. - 2021	\$4.37
One Year NYMEX strip (Oct. 2021 – Sept. 2022)	\$3.66
Summer NYMEX strip for 2022 (April,2022 - Oct., 2022)	\$3.55
Winter NYMEX strip – 2021 (Nov., 2021 – Mar. 2022)	\$4.64

TCO Index Posting – September, 2021	\$3.65
DTI Index Posting – September, 2021	\$3.44

September 2, 2021 Storage Report:

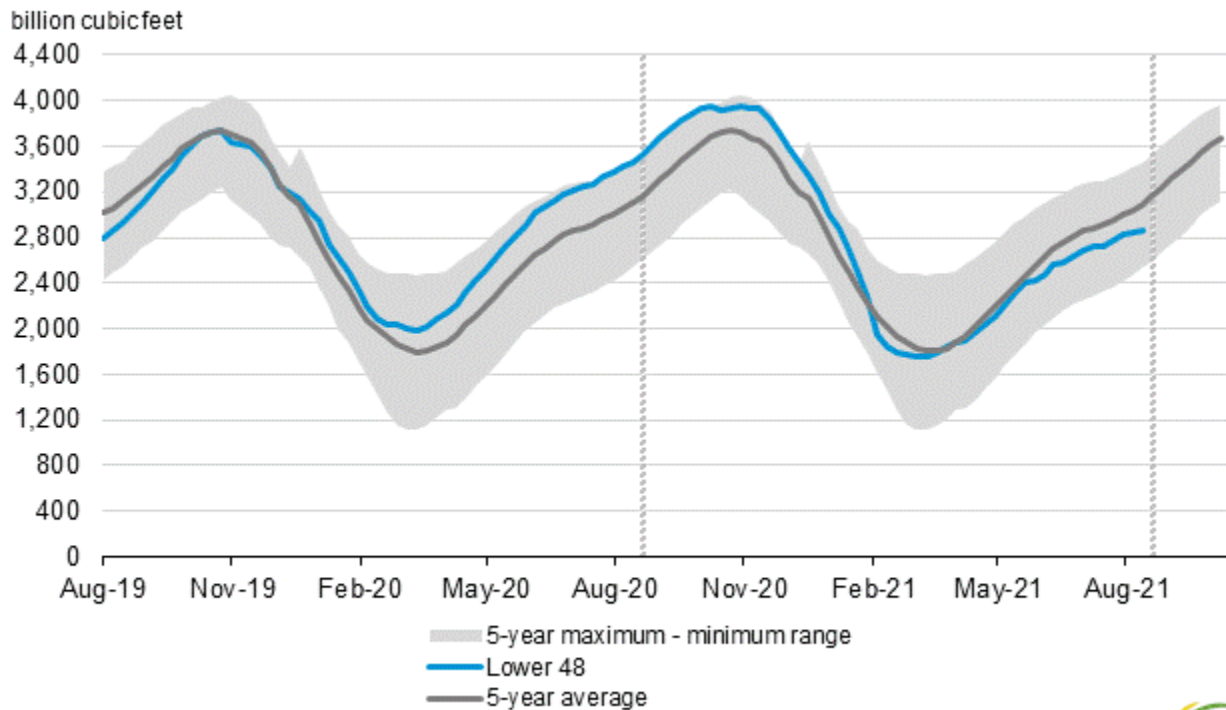
Working gas in underground storage, Lower 48 states

Region	Stocks billion cubic feet (Bcf)				Historical Comparisons			
	08/27/21	08/20/21	net change	implied flow	Year ago (08/27/20)		5-year average (2016-20)	
					Bcf	% change	Bcf	% change
East	678	661	17	17	787	-13.9	738	-8.1
Midwest	812	790	22	22	921	-11.8	834	-2.6
Mountain	190	188	2	2	212	-10.4	195	-2.6
Pacific	243	241	2	2	304	-20.1	287	-15.3
South Central	948	970	-22	-22	1,225	-22.6	1,039	-8.8
Salt	214	229	-15	-15	331	-35.3	253	-15.4
Nonsalt	734	742	-8	-8	894	-17.9	786	-6.6
Total	2,871	2,851	20	20	3,450	-16.8	3,093	-7.2

Summary

Working gas in storage was 2,871 Bcf as of Friday, August 27, 2021, according to EIA estimates. This represents a net increase of 20 Bcf from the previous week. Stocks were 579 Bcf less than last year at this time and 222 Bcf below the five-year average of 3,093 Bcf. At 2,871 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

Prices fall in the Northeast in response to lower temperatures and reduced demand from the electric power generation sector. At the Algonquin Citygate, which serves [Boston-area consumers](#), the price went down 35¢ from \$4.32/MMBtu last Wednesday to \$3.97/MMBtu yesterday. At the Transcontinental Pipeline Zone 6 trading point for New York City, the price decreased 13¢ from \$3.99/MMBtu last Wednesday to \$3.86/MMBtu yesterday. [Temperatures](#) fell throughout the region yesterday, declining in the New York City area to more than 10°F below normal. IHS Markit estimates electric power generation demand in the Northeast declined from close to 12.4 Bcf/d last Wednesday to 8.1 Bcf/d yesterday in response to lower electricity demand for air-conditioning, as well as power outages in the region. Public Service Enterprise Group, the largest utility in New Jersey, [reports](#) as many as 135,000 customers in its service territory were without power on Wednesday, after the remnants of Hurricane Ida swept through the region.

Prices in the Appalachian Basin reach weekly highs yesterday in response to higher prices in the Southeast and Midwest and increased pipeline flows out of the region. The Tennessee Zone 4 Marcellus spot price increased 14¢ from \$3.68/MMBtu last Wednesday to \$3.82/MMBtu yesterday. The price at Eastern Gas South in southwest Pennsylvania rose 11¢ from \$3.73/MMBtu last Wednesday to \$3.84/MMBtu yesterday. IHS Markit estimates westbound flows from the region exceeded 6.2 Bcf/d yesterday, for the first time since late June. Southbound flows also rose to compensate for reduced production in the Gulf of Mexico.

Average U.S. natural gas supply falls week over week. Total average natural gas supply fell by 2.3%, or 2.3 Bcf/d, compared with the previous report week, according to data from IHS Markit. Average dry natural gas production and marketed production decreased by 2.4% and 2.6%, respectively (or 2.2 Bcf/d and 2.8 Bcf/d), driven by a decrease in production from the Gulf of Mexico. Average net imports from Canada were relatively flat at 5.1 Bcf/d, and they remain approximately 0.3 Bcf/d above levels in the same week last year.

Average U.S. natural gas consumption decreases compared with previous report week due to lower demand for electric power generation. Average total U.S. consumption of natural gas fell by 1.4%, or 1.0 Bcf/d, compared with the prior report week. Natural gas demand for power generation fell by 2.3%, or 0.9 Bcf/d, as [temperatures moderated](#) near the end of the report week across the central and northeastern United States. The industrial sector and pipeline fuel use decreased by 0.6% and 2.9% (or 0.1 Bcf/d and 0.2 Bcf/d), respectively. Demand in the residential and commercial sector was relatively flat week over week, as were pipeline receipts at liquefied natural gas (LNG) export terminals. Exports to Mexico increased by 4.1%, or 0.2 Bcf/d.

U.S. LNG exports increase week over week. Twenty LNG vessels (six from Sabine Pass, four each from Corpus Christi and Freeport, three from Cameron, two from Cove Point, and one from Elba Island) with a combined LNG-carrying capacity of 73 Bcf departed the United States between August 26 and September 1, 2021, according to shipping data provided by Bloomberg Finance, L.P.

The ODNR quarterly report list horizontal shale wells, 2,753 of which reported oil and natural gas production during the first quarter of 2021.

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

There was a total of 548,140,794 Bcf produced in the first quarter of 2021.

As of September 3, the national Baker Hughes total rig count increased to 497.