

Southeastern Ohio Oil and Gas Association  
Gas Committee Report  
March, 2022

**Prices March 8, 2022**

NYMEX Settle – Mar. – 2022	\$4.57
One Year NYMEX strip (Mar. 2022 – Feb. 2023)	\$4.83
Summer NYMEX strip for 2022 (April, 2022 - Oct., 2022)	\$4.77
Winter NYMEX strip – 2021 (Nov., 2022 – Mar. 2023)	\$4.91
TCO Index Posting – March, 2022	\$3.92
DTI Index Posting – March, 2022	\$3.80

March 3, 2022 Storage Report:

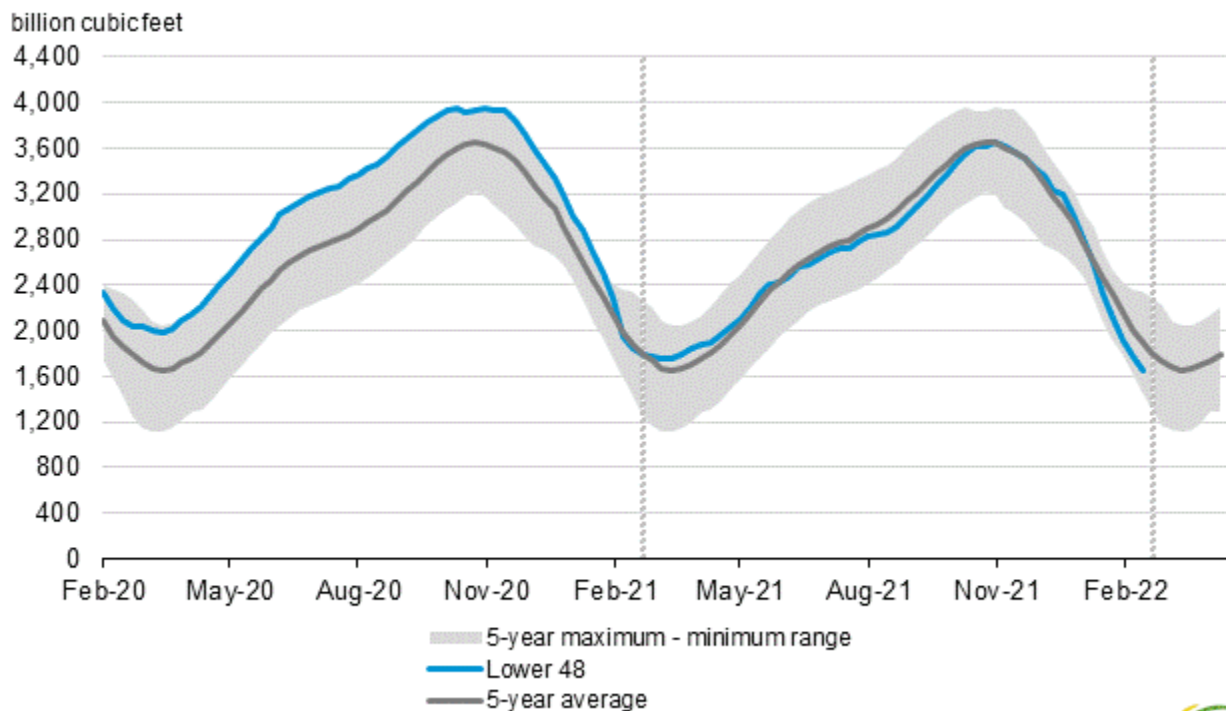
**Working gas in underground storage, Lower 48 states**

Region	Stocks billion cubic feet (Bcf)				Historical Comparisons			
					Year ago (02/25/21)		5-year average (2017-21)	
	02/25/22	02/18/22	net change	implied flow	Bcf	% change	Bcf	% change
East	358	396	-38	-38	389	-8.0	397	-9.8
Midwest	404	450	-46	-46	471	-14.2	481	-16.0
Mountain	96	105	-9	-9	118	-18.6	109	-11.9
Pacific	164	176	-12	-12	211	-22.3	83	-10.4
South Central	620	655	-35	-35	670	-7.5	728	-14.8
Salt	163	168	-5	-5	158	3.2	220	-25.9
Nonsalt	457	487	-30	-30	512	-10.7	509	-10.2
<b>Total</b>	<b>1,643</b>	<b>1,782</b>	<b>-139</b>	<b>-139</b>	<b>1,859</b>	<b>-11.6</b>	<b>1,898</b>	<b>-13.4</b>

**Summary**

Working gas in storage was 1,643 Bcf as of Friday, February 25, 2022, according to EIA estimates. This represents a net decrease of 139 Bcf from the previous week. Stocks were 216 Bcf less than last year at this time and 255 Bcf below the five-year average of 1,898 Bcf. At 1,643 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



### EIA 2022 price forecast:

The agency estimated that Henry Hub prices would average \$3.97/MMBtu for full-year 2021 and \$3.98/MMBtu in 2022, down from the previous month's estimates of \$4.10/MMBtu in 2021.

### Prices/Supply/Demand

**Prices in the Northeast rise with higher natural gas consumption.** At the Algonquin Citygate, which serves [Boston-area consumers](#), the price went up \$6.46 from \$15.09/MMBtu last Wednesday to \$21.55/MMBtu yesterday. At the Transcontinental Pipeline Zone 6 trading point for New York City, the price increased 9 cents from \$4.77/MMBtu last Wednesday to \$4.86/MMBtu yesterday. Natural gas consumption in the Northeast increased on average by 3.3 Bcf/d (14%) to 27.0 Bcf/d this report week, according to PointLogic. Residential and commercial sector consumption was up 2.9 Bcf/d (23%) to an average of 15.3 Bcf/d, and natural gas consumption in the power sector increased 0.2 Bcf/d (3%) to an average of 8.2 Bcf/d this week. Temperatures in the [Boston area](#) were colder than normal, particularly over the weekend, and forecasts are for colder-than-normal temperatures this weekend. In New England, [oil-fired electricity generation](#) and [coal-fired electricity generation](#) were introduced back into the electricity supply mix, displacing natural gas-fired electricity generation. Oil-fired electricity generation hit its high for the week on Friday at just over 6% of total electricity generation, and on Sunday coal-fired generation was almost 4% of total electricity generation. Natural gas-fired electricity generation averaged 43% of total electricity generation this week compared with an average of 47% last week.

According to [Algonquin Gas Transmission](#), the [Exemplar](#), an LNG carrier capable of regasifying LNG for delivery into the natural gas pipeline system (also known as a floating storage and regasification unit (FSRU)), discharged approximately 321 million cubic feet (MMcf) of LNG at the [Northeast Gateway LNG Terminal](#) between February 19 and February 28. The FSRU completed discharging its cargo of approximately 3.0 Bcf of LNG into the New England market and departed the terminal on March 1.

**Appalachian Basin production area prices rise in response to Northeast demand.** The Tennessee Zone 4 Marcellus spot price increased 6 cents from \$4.33/MMBtu last Wednesday to \$4.39/MMBtu yesterday. The price at Eastern Gas South in southwest Pennsylvania rose 11 cents from \$4.17/MMBtu last Wednesday to \$4.28/MMBtu yesterday. Net natural gas flows out of the region were up an average 0.6 Bcf/d (2.0%) this week, according to PointLogic. Flows to the New York and New Jersey area increased by 1.0 Bcf/d (10.0%) to average 10.9 Bcf/d. Natural gas flows to the Midwest and Southern Corridor were lower this week by 0.2 Bcf/d (3.4%) and by 0.3 Bcf/d (5.2%), averaging 6.2 Bcf/d and 5.4 Bcf/d, respectively.

**U.S. natural gas supply decreases from all sources this week.** Average total supply of natural gas fell this report week by 1.0% (1.0 Bcf/d) compared with the previous report week, according to data from PointLogic. Dry natural gas production decreased by 1.0% (0.9 Bcf/d), and average net imports from Canada decreased by 1.9% (0.1 Bcf/d).

**U.S. natural gas demand is up in every consuming sector this week.** Total U.S. consumption of natural gas rose in all sectors this week, increasing by 4.5% (4.1 Bcf/d) compared with the previous report week, according to data from PointLogic. Natural gas consumption for power generation climbed by 8.8% (2.4 Bcf/d) week over week and in the residential and commercial sectors consumption increased by 4.1% (1.6 Bcf/d). Temperatures across the United States varied regionally. Most of the country had below-average daytime and nighttime temperatures, but some areas in the Southeast experienced daytime and nighttime temperatures that were significantly above average, according to data from [NOAA](#). Industrial sector consumption increased by 0.2% (0.04 Bcf/d) week over week, and natural gas exports to Mexico increased 4.6% (0.3 Bcf/d). Natural gas deliveries to U.S. LNG export facilities (LNG pipeline receipts) averaged 12.3 Bcf/d, or 0.4 Bcf/d higher than last week.

**U.S. LNG exports increase by six vessels this week from last week.** Twenty-four LNG vessels (nine from Sabine Pass, five from Corpus Christi, three each from Cameron and Freeport, two from Cove Point, and one each from Elba Island and Calcasieu Pass) with a combined LNG-carrying capacity of 92 Bcf departed the United States between February 24 and March 2, according to shipping data provided by Bloomberg Finance, L.P.

As of March 4, the national Baker Hughes total U.S. rig count is 650.