

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

**Prices April 12, 2022**

NYMEX Settle –April. – 2022	\$5.34
One Year NYMEX strip (May 2022 – Apr. 2023)	\$6.60
Summer NYMEX strip for 2022 (May, 2022 - Oct., 2022)	\$6.75
Winter NYMEX strip – 2021 (Nov., 2022 – Mar. 2023)	\$6.83
TCO Index Posting – April, 2022	\$4.63
DTI Index Posting – April, 2022	\$4.47

March 3, 2022 Storage Report:

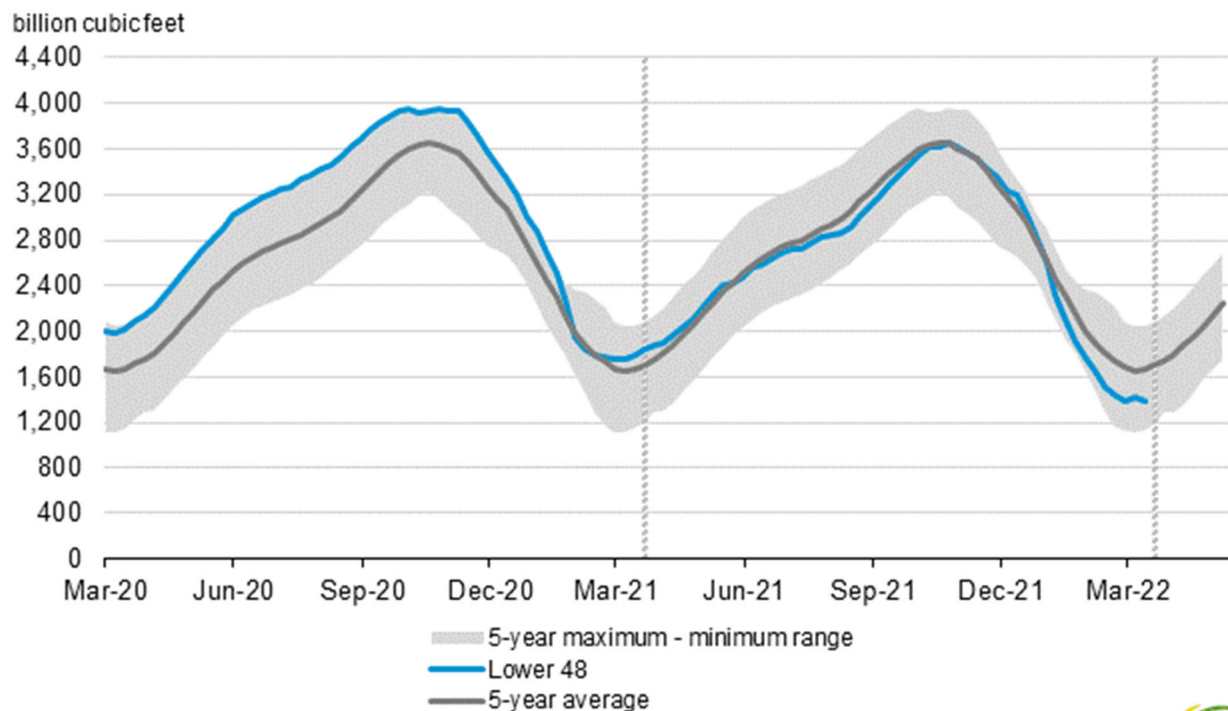
**Working gas in underground storage, Lower 48 states**

Region	Stocks billion cubic feet (Bcf)				Historical Comparisons			
					Year ago (04/01/21)		5-year average (2017-21)	
	04/01/22	03/25/22	net change	implied flow	Bcf	% change	Bcf	% change
East	241	268	-27	-27	305	-21.0	278	-13.3
Midwest	296	317	-21	-21	398	-25.6	371	-20.2
Mountain	91	89	2	2	115	-20.9	100	-9.0
Pacific	165	161	4	4	197	-16.2	180	-8.3
South Central	589	581	8	8	765	-23.0	739	-20.3
Salt	173	169	4	4	234	-26.1	229	-24.5
Nonsalt	416	412	4	4	532	-21.8	511	-18.6
<b>Total</b>	<b>1,382</b>	<b>1,415</b>	<b>-33</b>	<b>-33</b>	<b>1,781</b>	<b>-22.4</b>	<b>1,667</b>	<b>-17.1</b>

**Summary**

Working gas in storage was 1,382 Bcf as of Friday, April 1, 2022, according to EIA estimates. This represents a net decrease of 33 Bcf from the previous week. Stocks were 399 Bcf less than last year at this time and 285 Bcf below the five-year average of 1,667 Bcf. At 1,382 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 increase despite normal temperatures and lower local demand.** At the Algonquin Citygate, which serves [Boston-area consumers](#), the price went up \$1.60 from \$4.79/MMBtu last Wednesday to \$6.39/MMBtu yesterday. At the Transcontinental Pipeline Zone 6 trading point for New York City, the price increased \$1.64 from \$4.61/MMBtu last Wednesday to \$6.25/MMBtu yesterday. Natural gas demand in the Northeast declined by 3.7 Bcf/d (9%) to 35.4 Bcf/d, which was led by a decrease of 4.0 Bcf/d (31%) to 8.8 Bcf/d in the residential and commercial sectors, according to data from PointLogic. Net natural gas flows out of the Northeast increased by 1.3 Bcf/d (10%) to an average 13.9 Bcf/d this week which partially offset the decline in overall demand.

**Prices in the Appalachia production region rise, following similar trends in prices across the country.** The Tennessee Zone 4 Marcellus spot price increased \$1.44 from \$4.49/MMBtu last Wednesday to \$5.93/MMBtu yesterday. The price at Eastern Gas South in southwest Pennsylvania rose \$1.36 from \$4.59/MMBtu last Wednesday to \$5.95/MMBtu yesterday. Natural gas flows to the Midwest increased by 0.3 Bcf/d (6%) to 5.7 Bcf/d, according to data from PointLogic. However, natural gas flows to the New York and New Jersey area decreased

by 1.1 Bcf/d (11%) to 8.5 Bcf/d, resulting in lower net natural gas flows out of the region week over week to 25.5 Bcf/d.

**U.S. supply of natural gas rises slightly this week.** The average total supply of natural gas rose by 0.8% (0.8 Bcf/d) compared with the previous report week, according to data from PointLogic. Dry natural gas production grew by 0.8% (0.7 Bcf/d) compared with the previous report week, and average net imports from Canada increased by 1.9% (0.1 Bcf/d).

**U.S. demand for natural gas is down in nearly all sectors this week.** Total U.S. consumption of natural gas fell by 9.5% (7.6 Bcf/d) compared with the previous report week, with lower consumption across all sectors, according to data from PointLogic. The largest decrease this week was in the residential and commercial sectors, where consumption declined by 21.8% (6.5 Bcf/d) with average temperatures being close to normal in the largest heating centers of the United States this week, according to [NOAA](#). Natural gas consumed for power generation declined by 1.7% (0.4 Bcf/d) week over week, and industrial sector consumption decreased by 2.8% (0.7 Bcf/d) week over week. Natural gas exports to Mexico increased 5.0% (0.3 Bcf/d) and natural gas deliveries to U.S. LNG export facilities (LNG pipeline receipts) averaged 12.5 Bcf/d, or 0.7 Bcf/d lower than last week.

**U.S. LNG exports decrease by two vessels this week from last week.** Twenty-three LNG vessels (nine from Sabine Pass; four each from Cameron, Corpus Christi, and Freeport; and one each from Cove Point and Elba Island) with a combined LNG-carrying capacity of 86 Bcf departed the United States between March 31 and April 6, according to shipping data provided by Bloomberg Finance, L.P.

- **Rigs:** According to Baker Hughes, for the week ending Tuesday, March 29, the natural gas rig count was up by one rig from a week ago at 138 rigs. The Eagle Ford and the Marcellus each added one rig, and the Haynesville dropped one rig. The number of oil-directed rigs increased by 2 rigs to 533 rigs. The Permian added four rigs, and the Cana Woodford added one rig; one rig each was dropped in the Eagle Ford, the Williston, and an unspecified location. The total rig count now stands at 673, the highest level since March 27, 2020, and 243 rigs more than the same week last year.