

Newstracker:

-US natural gas spot prices rose at all locations from Wednesday, July 3, to Wednesday, July 10 (the Report Week), during which the Henry Hub spot price rose 32 cents to \$2.37/MMBtu.

-The August 2024 NYMEX natural gas futures contract decreased 8.9 cents to 2.329/MMBtu for the Report Week. The price of the 12-month strip averaging August 2024 through July 2025 futures contracts fell 7.7 cents to \$3.001/MMBtu. International natural gas futures prices decreased this Report Week, with LNG cargoes in East Asia falling 8 cents to a weekly average of \$12.49/MMBtu, and prices at TTF in the Netherlands falling 13 cents to a weekly average of \$10.51/MMBtu. In the same week last year, prices were \$12.04/MMBtu in East Asia and \$9.78/MMBtu at TTF.

-Total US consumption of natural gas rose by 6.0% (4.4 Bcf/d) compared with the previous Report Week. Natural gas consumed for power generation climbed by 10.0% (4.3 Bcf/d) week over week amid above-normal temperatures on the East and West Coasts. Industrial sector consumption decreased by 0.3% (0.1 Bcf/d) and residential and commercial consumption increased by 1.4% (0.1 Bcf/d). Natural gas exports to Mexico increased 3.1% (0.2 Bcf/d). Natural gas deliveries to US LNG export facilities averaged 11.9 Bcf/d, or 0.4 Bcf/d lower than last week.

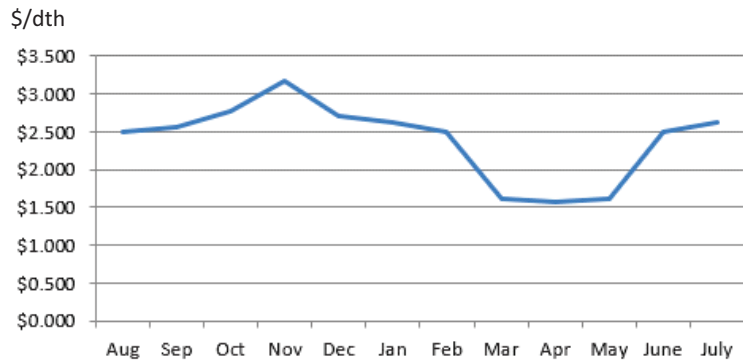
-The natural gas plant liquids composite price at Mont Belvieu, Texas, fell by 11 cents/MMBtu, averaging \$7.19/MMBtu for the Report Week. Propane prices decreased 2%, while Brent crude oil prices decreased 1% week over week. The propane discount to crude oil increased 1% for the week.

-For the week ending Tuesday, July 2, the natural gas rig count rose by 4 rigs from the prior week to 101 rigs. The number of oil-directed rigs was unchanged on the week. The total rig count, which includes 5 miscellaneous rigs, now stands at 585 rigs, 95 fewer rigs than a year ago.

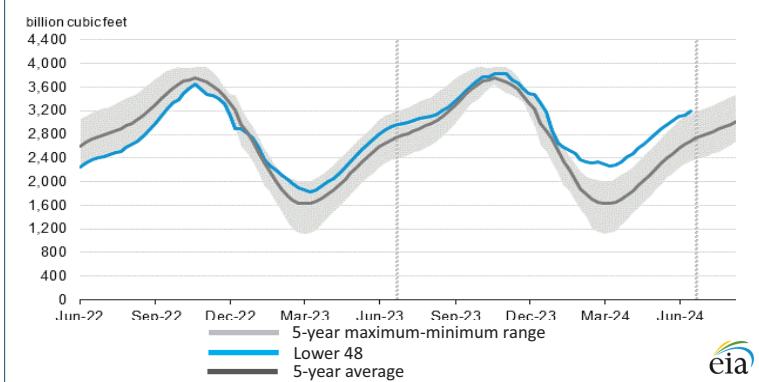
-Net natural gas injections into storage totaled 65 Bcf for the week ending July 5, compared with the five-year average net injections of 57 Bcf and last year's net injections of 57 Bcf during the same week. Working natural gas stocks totaled 3,199 Bcf, which is 504 Bcf (19%) more than the five-year average and 283 Bcf (10%) more than last year at this time.

Excerpted from 

Monthly NYMEX Natural Gas Settle Price: Aug 2023 - Jul 2024:



Working natural gas in underground storage as of July 5, 2024



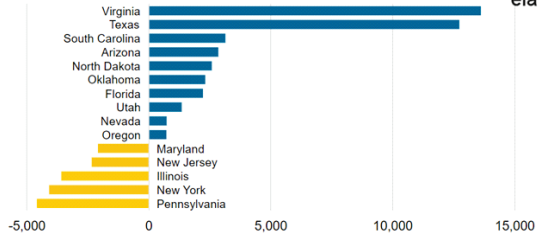
Forward 12-month NYMEX natural gas strip price - Aug24-Jul25:

Process Load-weighted \$3.001/dth - w/o/w = ▼\$0.077
 Typical Heat Load-weighted \$3.183/dth - w/o/w = ▼\$0.077

Commercial electricity demand grew fastest in states with rapid computing facility growth:

Consumption of electricity in the US commercial sector totaled 14 billion kilowatthours (BkWh) in 2023, 1% more than in 2019. However, the growth in commercial demand for electricity is concentrated in a handful of states experiencing rapid development of large-scale computing facilities such as data centers. Electricity demand has grown the most in Virginia, which added 14 BkWh, and Texas, which added 13 BkWh. Commercial electricity demand in the 10 states with the most electricity demand growth increased by a combined 42 BkWh between 2019 and 2023, representing growth of 10% in those states over that four-year period. By contrast, demand in the forty other states decreased by 28 BkWh over the same period, a 3% decline. Although growth in the top 10 states has been fairly consistent over time, commercial electricity consumption declined between 2022 and 2023 in a few because of mild summer weather. Electricity demand has grown the most in Virginia, largely driven by Dominion Energy Virginia, the main electricity utility in the state. Virginia has become a major hub for data centers, with 94 new facilities connected since 2019 given the access to a densely packed fiber backbone and to four subsea fiber cables. Electricity demand also grew substantially in Texas, where relatively low costs for electricity and land have attracted a high concentration of data centers and cryptocurrency mining operations. North Dakota stands out with the fastest relative growth at 37% (up 2.6 BkWh) between 2019 and 2023, attributed to the establishment of large computing facilities in the state. In addition, western states such as Arizona and Utah have shown robust growth in commercial electricity demand, further contributing to the overall increase in the top 10 states. In contrast, demand for electricity by the commercial sector in some large states such as New York, Illinois, and California has been flat or has declined compared with 2019. The US Energy Information Administration (EIA) forecasts that US electricity consumption in the commercial sector will grow by 3% in 2024 and by 1% in 2025. However, the EIA stipulates that data center developments are evolving rapidly, and they plan to re-evaluate their forecasts regularly.

Select states by growth in commercial sector electricity consumption (2019-2023) change in annual sales of electricity to commercial customers, gigawatthours (GWh)



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Excerpted from 

“The most important thing you want is for the man across the line of scrimmage to know your name when the game is over.” - Mike Webster

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