

## June 2022 Market Report

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Including market research provided by BUE's analyst team

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### NYMEX Natural Gas Pricing

The July 2022 contract settled at \$6.551/MMBtu.

The August 2022 contract was trading around \$5.59/MMBtu (as of publish date).

### Natural Gas Storage Report

Current BCF in Storage (2022 vs 2021):

Week Ending	Total BCF	Week Ending	Total BCF
03-Jun-22	2,003	04-Jun-21	2,411
10-Jun-22	2,095	11-Jun-21	2,427
17-Jun-22	2,169	18-Jun-21	2,482
24-Jun-22	2,251	25-Jun-21	2,558

There is about 12% less in underground storage now than there was at this same time last year.

### Weather (as of publish date)

#### 6-10 Day: Much above-average heat will expand over the central and western US.

Above-average heat is expected across the mid-US. Temperatures may end up slightly cooler than normal along the East and West Coasts.

#### 11-15 Day: Undulating above-average heat will continue to push CDDs to the higher side of normal.

Above-average temperatures are expected across the majority of the US, except for the East Coast and the so. Rockies.

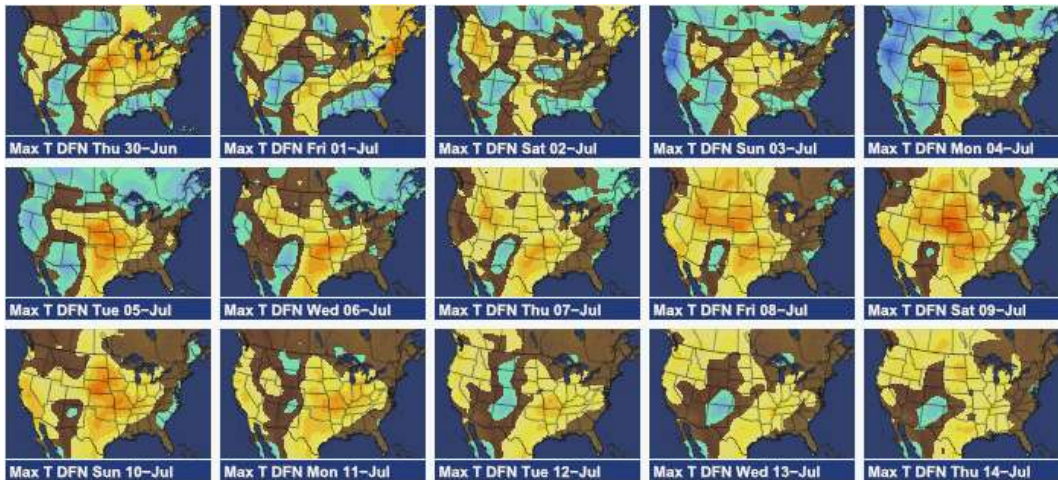


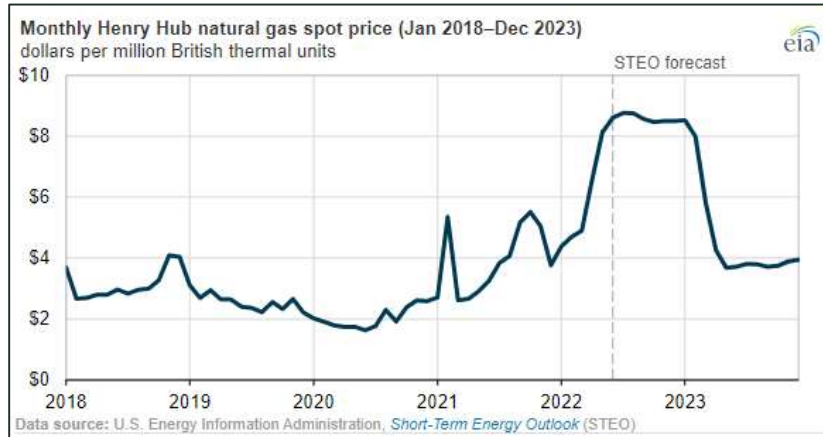
Photo and forecast courtesy of WSI Trader.

## Market Updates

### EIA expects U.S. natural gas prices to remain high through 2022

<https://www.eia.gov/todayinenergy/detail.php?id=52698>

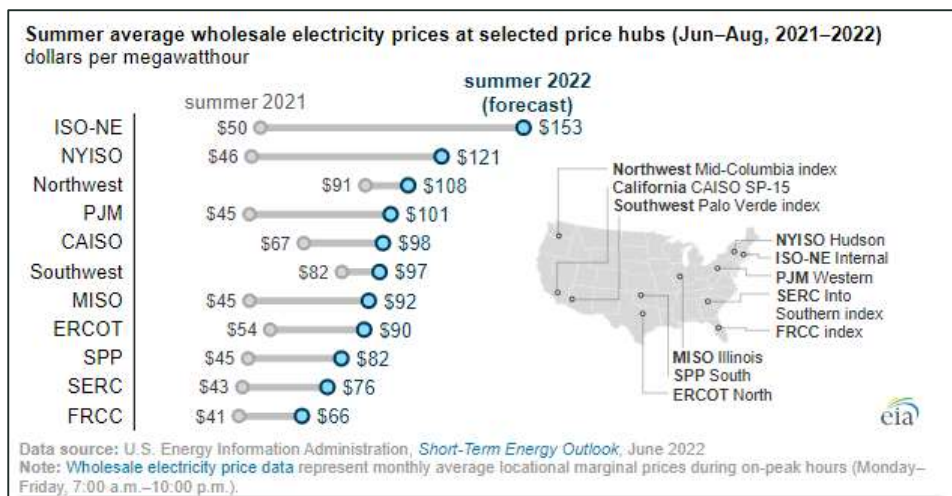
Natural gas spot prices at the Henry Hub averaged \$8.14 per MMBtu in May 2022, and it is expected that the Henry Hub price will average \$8.71/MMBtu this summer (June through August). The steady increase is believed to be a result of lower-than-average natural gas inventories resulting from factors affecting both supply and demand.



### EIA expects significant increases in wholesale electricity prices this summer

<https://www.eia.gov/todayinenergy/detail.php?id=52798&src=email>

Electricity prices in the Northeast regions (ISO New England, New York ISO, and PJM markets) are forecasted to exceed \$100 per MWh between June and August 2022. This is an increase the average of about \$50/MWh last summer. It is also forecasted that summer electricity prices will average \$98/MWh in California's CAISO market and \$90/MWh in the ERCOT market in Texas. There are many factors that determine wholesale electricity prices, but the cost of fuel for fossil-fuel generators is an important driver. Wholesale prices are especially tied to natural gas prices because natural gas-fired units are often dispatched to supply power – and often are the most expensive generators.



## Fire causes shutdown of Freeport liquefied natural gas export terminal

<https://www.eia.gov/todayinenergy/detail.php?id=52859>

The shutdown of Freeport LNG will reduce total U.S. liquefied natural gas (LNG) export capacity by approximately 2 Bcf per day (about 17% of total U.S. LNG export capacity). This facility is one of seven LNG export facilities operating in the United States. The preliminary assessment from the owner suggests that the fire was caused by excess pressure in an LNG transfer pipeline that moves LNG from the facility's storage tank to the terminal's dock facilities. The fire did not affect Freeport LNG's main facilities, such as its liquefaction trains, LNG storage tanks, dock facilities, or LNG process areas. They do not expect the terminal to return to full service until late 2022, although it aims to have the terminal partially operating in approximately 90 days.

>> Original story: [LNG plant outage will aid U.S. natgas stocks as utility demand soars | Reuters](#)

## Biden waives solar panel tariffs for four countries, invokes defense law

<https://www.reuters.com/world/us/biden-waives-solar-panel-tariffs-invokes-defense-law-white-house-confirms-2022-06-06/>

The Biden Administration authorized the Defense Production Act and increased the power of federal procurement by deploying solar master service agreements that should increase the speed and efficiency of domestic production and give "super preferences" to some of those domestic producers. This is a reaction to accelerate **domestic** production of clean energy technology (i.e., solar panel parts). But in the meantime, while domestic production scales up to current needs, the administration will allow companies to source from Southeast Asian countries – free of duties.

>> See the Fact Sheet for the entire statement from the White House briefing room: [FACT SHEET: President Biden Takes Bold Executive Action to Spur Domestic Clean Energy Manufacturing | The White House](#)

## Prices Fall In 2023-24 PJM Capacity Auction

<http://www.energychoicematters.com/stories/20220621b.html>

Capacity prices across most of the PJM Interconnection fell about 40% to an average of \$43.66/MW-day from \$78.13/MW-day in the previous auction.

## DOT proposes rules for national EV charging network, including 97% uptime and 150 kW requirements

[https://www.utilitydive.com/news/dot-proposes-rules-for-national-ev-charging-network-including-97-uptime-a/625262/?utm\\_source=Sailthru&utm\\_medium=email&utm\\_campaign=Issue:%202022-06-10%20Utility%20Dive%20Newsletter%20%5Bissue:42360%5D&utm\\_term=Utility%20Dive](https://www.utilitydive.com/news/dot-proposes-rules-for-national-ev-charging-network-including-97-uptime-a/625262/?utm_source=Sailthru&utm_medium=email&utm_campaign=Issue:%202022-06-10%20Utility%20Dive%20Newsletter%20%5Bissue:42360%5D&utm_term=Utility%20Dive)

In general, the proposal would require standard plugs, American-made EV chargers, an average annual uptime - the measure of system reliability - of greater than 97%, data-sharing provisions and the ability simultaneously charge at least four vehicles at a minimum power of 150 kW.