

April 2023 Market Report

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Including market research provided by BUE's analyst team

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NYMEX Natural Gas Pricing

The May 2023 contract settled at \$2.117/MMBtu.

The June 2023 contract was trading around \$2.200/MMBtu (as of publish date).

Natural Gas Storage Report

Current BCF in Storage (2023 vs 2022):

Week Ending	Total BCF	Week Ending	Total BCF
07-Apr-23	1,855	08-Apr-22	1,397
14-Apr-23	1,930	15-Apr-22	1,450
21-Apr-23	2,009	22-Apr-22	1,490
28-Apr-23	2,063	29-Apr-22	1,567

There is about 32% more in underground storage now than there was at this same time last year.

Weather (as of publish date)

6-10 Day: Spring warmth will undulate across the eastern two-thirds of the US next week, then start to shift into the West.

Above-average warmth is expected across most of the central and eastern US, except for parts of New England. Cooler-than-average temperatures are expected in the West.

11-15 Day: Anomalous late spring warmth will rebuild across western North America while the southern and eastern US turn unsettled and cooler.

The eastern US should experience average temperatures, but Texas and the south-central US might be cooler-than-normal. Above-average warmth is expected across western North America.

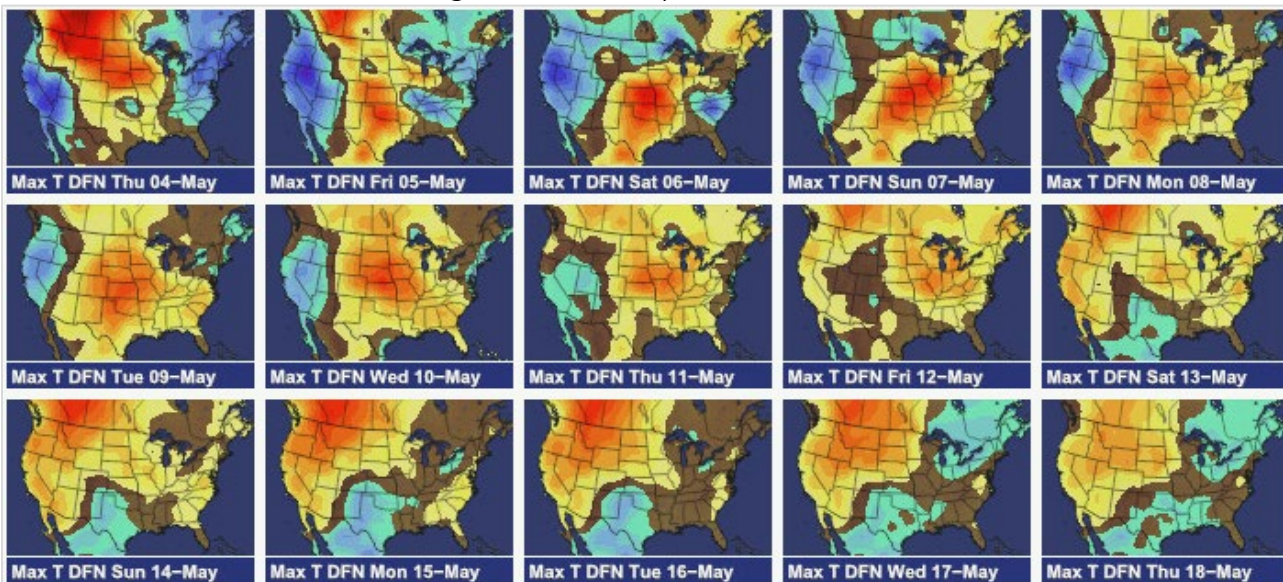


Photo and forecast courtesy of WSI Trader.

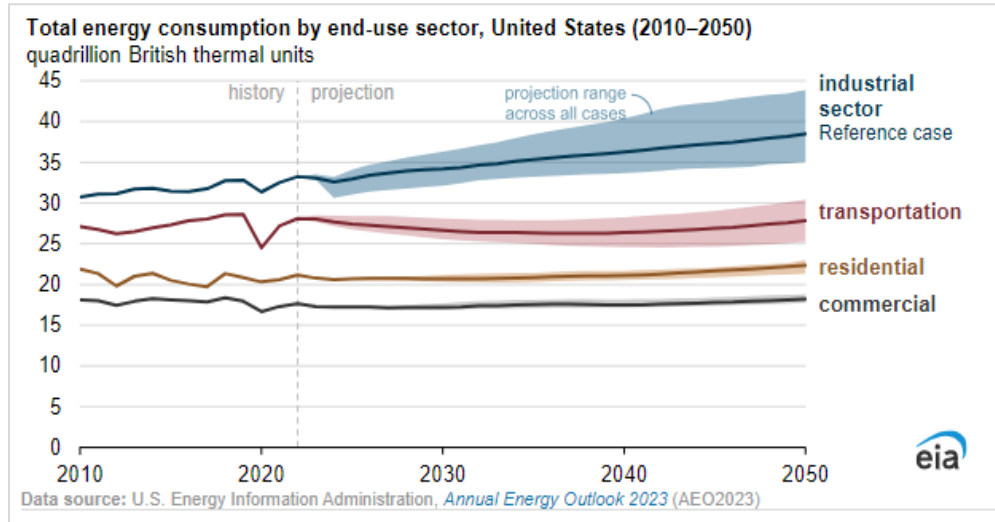
Market Updates

U.S. energy consumption increases between 0% and 15% by 2050

<https://www.eia.gov/todayinenergy/detail.php?id=56040>

Between 2022-2050, these energy sectors could see changes in consumption of the following amounts: Industrial sector, increase between 5% and 32%; Transportation sector, decrease of 10% to an increase of 8%; Residential sector, increase between 14% and 22%.

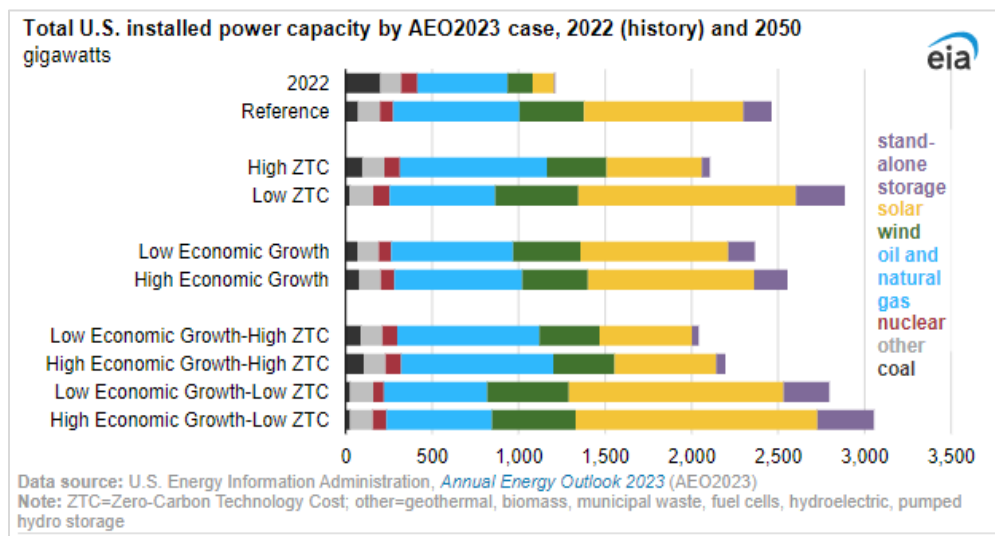
In addition, electric vehicles made up about 6%–7% of the 2022 U.S. vehicle market. As the adoption of EVs increases as projected, electricity purchased for transportation could increase about 900% to 2,000% between 2022 and 2050.



U.S. electric capacity mix shifts from fossil fuels to renewables in AEO2023

<https://www.eia.gov/todayinenergy/detail.php?id=56160>

After exploring scenarios that could affect the power grid, it is predicted that capacity will need to double in the next 30 years to meet the increasing demand for electric power. It is likely this new capacity would come from renewable energy because a decline in costs for solar panels, wind turbines, and batteries, plus additional government subsidies, would make renewables more cost effective than the alternatives.



Texas Senate passes \$10B plan to develop 10,000 MW of gas-fired ‘insurance’ capacity

<https://www.utilitydive.com/news/texas-senate-passes-10b-plan-to-develop-10000-mw-of-gas-fired-insurance/647175/>

The Texas Senate approved an energy reform of a \$10-18 billion “energy insurance program”. The reform aims to stabilize grid reliability through the development of new gas-fired power plants capable of providing 10,000 MW. However, uncertainty over the plan’s cost could threaten the measure’s chances in the Texas House of Representatives.

Earth just had its second-warmest March on record

<https://www.noaa.gov/news/earth-just-had-its-second-warmest-march-on-record>

The average global land and ocean-surface temperature for March was 2.23 degrees F above the 20th-century average of 54.9 degrees, ranking as the second-warmest March in the 174-year global climate record, behind March 2016. The 2023 year-to-date global surface temperature was the fourth warmest on record at 1.87 degrees F above the 20th-century average. Only the YTD for 2016 (warmest), 2020 (second) and 2017 (third) were warmer. Experts say it is quite possible that 2023 will rank among the 10 warmest years on record, with a high chance of ranking in the top-five warmest.

