Nordic Energy
Control Your Energy Future.™
ENERGY MATTERS NATURAL GAS NEWSLETTER

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Market- Colder temperatures pushed up space heating demand, electric generation burns and industrial gas usage last week but lower than average February temperatures are keeping prices in check for now. Natural gas is trading higher this morning after the storage report was a withdrawal at expected levels. Crude oil, heating oil and propane are all high but stable. Storage levels are now lower than last year but higher than the five year average. Upward pressure on natural gas prices results from exported liquefied natural gas (LNG). Rig counts for both traditional and horizontal have dropped significantly over the last 2 years indicating increased production from fewer wells and continued ample supply of natural gas. The US gas traditional rotary rig count increased 0 rigs and horizontal drilling increased 17 rigs. Natural gas is very attractive to fix at this time for the winter and long term.

The Crude oil price for March is lower this week at $52.98 per barrel. Heating oil is higher at $1.64 per gal. Unleaded gasoline futures are higher this week at $1.55 and gasoline at the pump is around $2.09…in Indiana. The natural gas storage report this week was a withdrawal of **152BCF**; storage is **325BCF lower** than last year and **45BCF higher** than the 5 year average.

Above Graph–Mar 2017 NYMEX gas futures

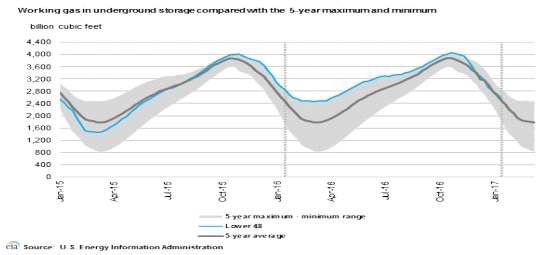
Extended Temperature Forecast: Chicago Area

	THU	FRI	SAT	SUN	MON
High	24	48	52	41	42
Low	17	40	36	31	28

Storage Statistics: (BCF) Billion Cubic Ft

This Week	Last Year	5 Year Ave.
2,559	2,884	2,514

The total is a decrease of 152 BCF from last week.



Above Graph - Storage levels as of 2-9-17

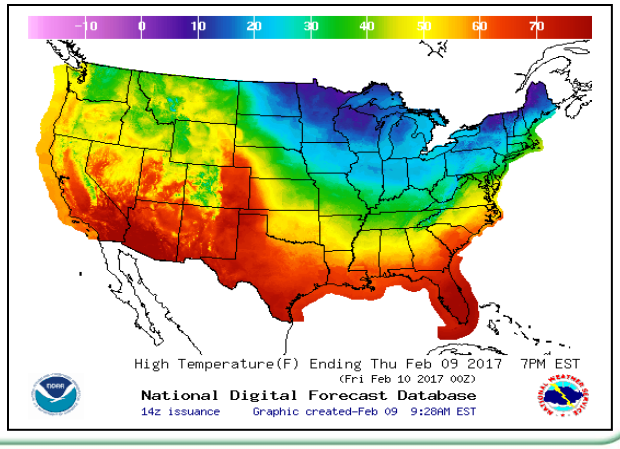
Comparative Fuels: Futures Prices for Mar

	Price	Compared to Nat Gas
Natural Gas (therm)	**$.3169**	**$.3169**
Propane (gal)	**$.814**	**$.8872**
Crude Oil (barrel)	**$52.98**	
Heating Oil (gal)	**$1.64**	**$1.179**
Coal (CLRP) (ton)	**$40.00**	**$.2978**
Unleaded Gas (gal)	**$1.55**	

North American Traditional Nat. Gas Rig Count:

This week	145
Last week	145
Year Ago this week	104

US Horizontal Rig Count:

This week	596
Last week	579
Year Ago this week	458

NGI Chicago for February 2017 $.3410