



UTILITY REVENUE SERVICES

Weekly Energy Report

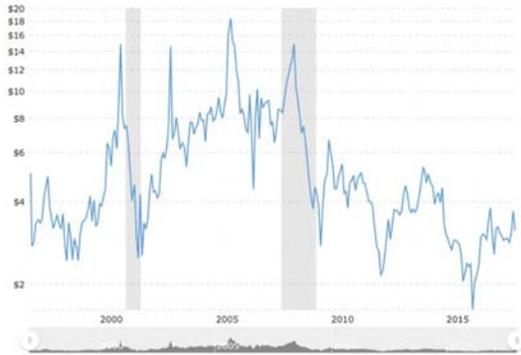


Natural Gas in Underground Storage

The weekly EIA Natural Gas Storage Report advised that there was a withdrawal of 99Bcf (billion cubic feet) from Underground Storage for the week ending January 26th, 2018.

This is 9Bcf below the median forecast of a 108Bcf withdrawal, the average prediction of sector analysts and traders in the Dow Jones Newswires weekly survey. The withdrawal one year ago was 92Bcf and the 5-year average withdrawal is 160Bcf. Storage is 526Bcf below last year for the same week and 425Bcf below the 5-year average. Working gas in storage stands at 2,197Bcf. The February Natural Gas contract closed at \$3.63.

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Natural Gas Pricing

As of 9:19AM CST, March 2018, (the *new* prompt month) Natural Gas was trading at \$2.89, - **\$0.59** from one week ago and the 1-Year Spread average was \$2.93, -\$0.09 from one week ago.

Crude Oil Pricing

As of 9:27AM CST, March, 2018, (the *new* prompt month) Light, Sweet Crude on the NYMEX was at **\$65.40**, +\$1.59 from one week ago.

Crude Oil & Natural Gas

INDEX	UNITS	PRICE	CHANGE	%CHANGE	CONTRACT	TIME (EST)	2 DAY
CL:COM WTI Crude Oil (Nymex)	USD/bbl	65.35	+0.62	+0.96%	Mar 2018	9:29 AM	
CO:COM Brent Crude (ICE)	USD/bbl	69.48	+0.59	+0.86%	Apr 2018	9:30 AM	
CF:COM Crude Oil (Tokyo)	JPY/b	44,560.00	+200.00	+0.47%	Jun 2018	9:27 AM	
NG:COM Natural Gas (Nymex)	USD/MMBtu	2.91	-0.09	-3.00%	Mar 2018	9:29 AM	

Petroleum Stocks (Million Barrels)	Current Week	
	1/26/18	1/19/18
Crude Oil	1,083.0	1,076.0
Commercial (Excluding SPR) ¹	418.4	411.6
Strategic Petroleum Reserve (SPR) ²	664.7	664.5
Total Motor Gasoline ³	242.1	244.0
Reformulated	0.1	0.0
Conventional	23.4	24.0
Blending Components	218.6	220.0
Fuel Ethanol	23.0	23.8
Kerosene-Type Jet Fuel	41.6	40.9
Distillate Fuel Oil ³	137.9	139.8
> 15 ppm sulfur and Under ³	121.3	123.2
> 15 ppm to 500 ppm sulfur	6.0	6.1
> 500 ppm sulfur	10.6	10.6
Residual Fuel Oil	33.7	32.4
Propane/Propylene	53.1	54.0
Other Oils ⁴	255.4	256.5
Unfinished Oils	87.7	84.9
Total Stocks (Including SPR) ^{2,3}	1,869.8	1,867.5
Total Stocks (Excluding SPR) ³	1,205.1	1,203.0

Crude Oil Inventory

US crude inventories increased by 6.8 million barrels to 418.4 million barrels for the week ended Jan. 26th, according to data released yesterday morning by the US Department of Energy, (the first increase in 11 weeks). Traders in the Reuters poll projected an increase of 2 million barrels.

U.S. Rotary Rigs

U.S. Rotary Rigs drilling for natural gas were -1 at 188 for the week of January 26th. The number of rigs currently drilling for Natural Gas was 43 higher than last year's level of 145. US Rigs drilling for oil were +12 at 759. There are 193 more rigs targeting oil than last year. Canadian rigs were +13 at 338 for the week. Rigs targeting oil remain at 80% of all drilling activity.

North American Rig Count	01/26/2018		01/19/2018		01/27/2017		Change		Percent Change	
	Weekly	Annual	Weekly	Annual	Weekly	Annual	Weekly	Annual	Weekly	Annual
Total U.S.	947	936	712	11	235	1.2%	33.0%			
Offshore	17	19	21	(2)	(4)	-10.5%	-19.0%			
Land	930	917	691	13	239	1.4%	34.6%			
Inland Waters	1	1	2	0	(1)	0.0%	-50.0%			
Oil	759	747	566	12	193	1.6%	34.1%			
Percent	80.1%	79.8%	79.5%	0.3%	0.7%					
Gas	188	189	145	(1)	43	-0.5%	29.7%			
Percent	19.9%	20.2%	20.4%	-0.3%	-0.5%					
Directional	73	77	61	-4	12	-5.2%	19.7%			
Horizontal	808	802	579	6	229	0.7%	39.6%			
Vertical	66	57	72	9	-6	15.8%	-8.3%			
Gulf of Mexico	17	19	20	-2	-3	-10.5%	-15.0%			
Gulf Oil	15	16	20	-1	-5	-6.3%	-25.0%			
Percent	88.2%	84.2%	100.0%	4.0%	-11.8%					
Gulf Gas	2	3	0	-1	2	-33.3%	n.a.			
Percent	11.8%	15.8%	0.0%	-4.0%	11.8%					
Canada	338	325	345	13	(7)	4.0%	-2.0%			
Oil	220	208	200	12	20	5.8%	10.0%			
Percent	65.1%	64.0%	58.0%	1.1%	7.1%					
Gas	118	117	145	1	(27)	0.9%	-18.6%			
Percent	34.9%	36.0%	42.0%	-1.1%	-7.1%					
North America	1,285	1,261	1,057	24	228	1.9%	21.6%			
Prices										
Oil \$/bbl.	\$65.06	\$63.78	\$53.12	\$1.29	\$11.94	2.0%	22.5%			
Oil \$/mmbtu	\$11.22	\$11.00	\$9.16	\$0.22	\$2.06	2.0%	22.5%			
Gas \$/mmbtu	\$3.43	\$3.88	\$3.27 (\$0.45)	\$0.16	-11.6%	4.8%				



Geopolitical

Myth: renewable energy gets subsidies whereas fossil fuels and nuclear energy don't.

Short answer: Fossil fuels and nuclear energy have gotten subsidies for decades. Actually, fossil fuels have received government subsidies for 100 or so years. These days, fossil fuel subsidies reportedly total

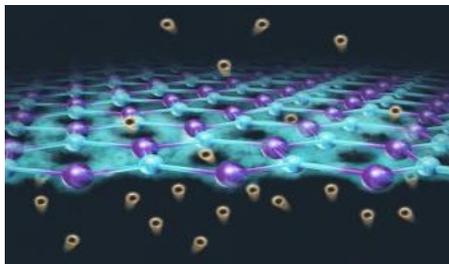


Weather

The AccuWeather 1-5 day Outlook forecasts above-normal temperatures for the Western 1/3 of the US. The North-Central region and part of the East Coast will be at below-normal temps. The 6-10 Day Outlook projects a similar forecast but with more of the Southeast at above-normal temps. The 11-15 Day Outlook forecasts the Northeast and

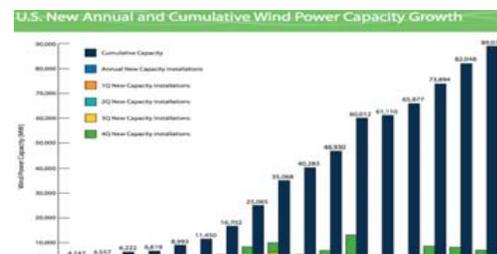
approximately \$5 trillion globally each year. Despite tremendous health costs, climate costs, and countless premature deaths caused by pollution, these super rich and overly mature industries receive subsidies that serve no genuinely useful purpose for society...

Central States at below-normal temps with the Southwest and Southeast at above-normal temps. The 30 and 90-day Outlook shows mostly normal temps for the majority of the US with the Southern states above-normal temps and the far North of the US below-normal.



Sustainability and Renewables

Graphene-powered motors may lead to new source of green energy: The research of Paul Thibado, professor of physics at the University of Arkansas, has shown that the motion of two-dimensional materials may be used as a source of clean, limitless energy. NTS Innovations (also known as Nanotube Solutions LLC), a nanotechnology company headquartered in East Peoria, Illinois, has licensed this patent-pending technology from the



This Week's Key Takeaway

About 17% of the electricity consumed in the US in 2017 was generated by *wind power*. The U.S. wind power industry delivered 7,017 mW of new wind-power capacity representing \$11 billion in new private investment, according to the U.S. Wind Industry 4th Quarter 2017 Market Report released by the American Wind Energy Association (AWEA). Twenty-nine new wind farms totaling 4,125 MW came online across 16 states in the 4th quarter. The wind industry's

university and plans to use it to fabricate devices and systems that produce energy without consuming fuel or creating pollution...

growth is poised to continue in 2018, delivering jobs and private investment to rural areas and factory towns.

Next Day On-Peak Power (traded for 1/31/2018)		
ISO-NE Mass Hub \$92.86	MISO Indiana Hub \$35.98	NYISO Zone G \$62.00
PJM West Hub \$44.75	ERCOT North \$26.00 1/30/18	CAISO SP15 \$33.96



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