

### MARKET SUMMARY

#### BIGGEST FACTORS: MULTIPLE

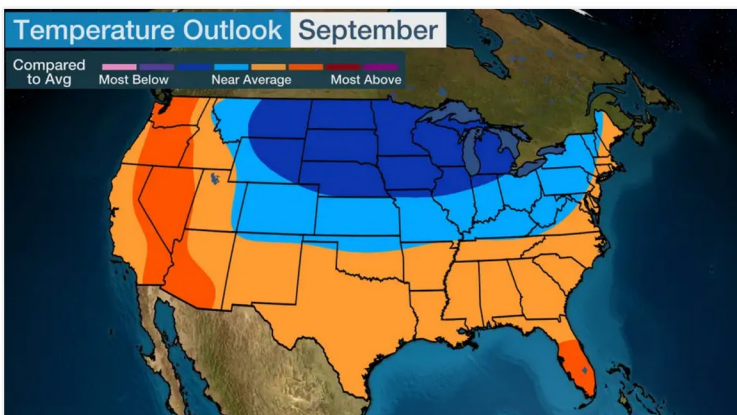
A confluence of extreme weather, low storage supplies, high U.S. demand, increased LNG exports, and flat production have led to sustained price rallies that are defying expectations.

#### PROCUREMENT TAKEAWAY

U.S. natural gas futures have advanced 94% this year, on track for the best annual performance since 2000. Rely on an objective consultant like Ecom-Energy to navigate the volatility.

### WEATHER (BULLISH)

**TAKEAWAY** - Coming off a strong run to close out the summer cooling season, the EIA predicts natural gas spot prices will average +\$4/MMBtu during Q4 2021 - a record high average.



Source: The Weather Company

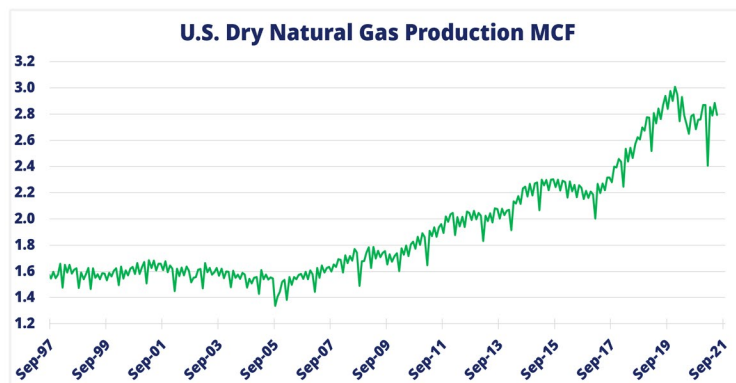
September will bring cooler temperatures to the northern part of the country, a notable change from recent conditions. Portions of the West from western Washington southward into western and southern Arizona, as well as much of the Florida Peninsula, can expect above average temperatures in September.

### STORAGE (CONTINUED)

Net injections into storage totaled 20 Bcf for the week ending August 27, compared with the five-year average of 53 Bcf and last year's 36 Bcf. Working natural gas stocks totaled 2,871 Bcf, which is 222 Bcf lower than the five-year average and 579 Bcf lower than last year at this time.

### PRODUCTION (BEARISH / NEUTRAL)

**TAKEAWAY** - Record dry natural gas production in the first half of 2021 was made possible by growth in pipeline takeaway capacity that allows gas produced in the Appalachian Basin to reach other demand markets.

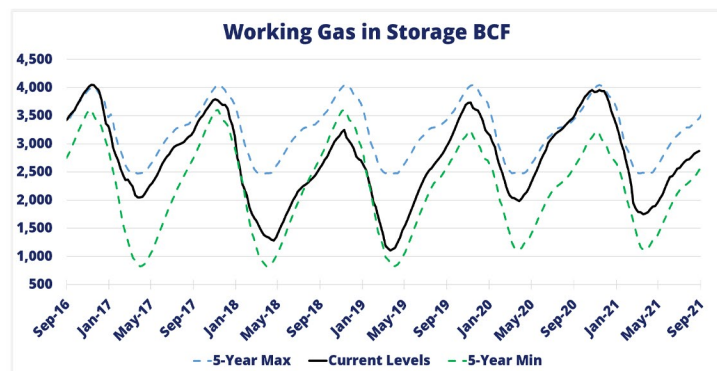


Source: EIA

Hurricane Ida left almost 95% of total U.S. oil and natural gas production in the Gulf Coast region offline. According to the EIA, Ida affected natural gas production at a time that the U.S. was already experiencing higher natural gas prices due to growth in exports, strong domestic natural gas consumption, and relatively flat natural gas production.

### STORAGE (BULLISH)

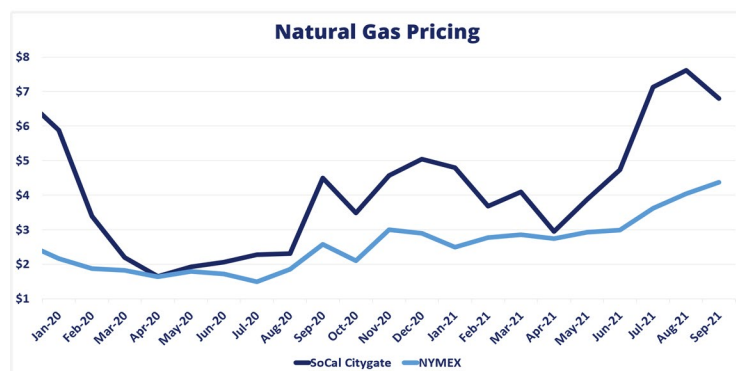
**TAKEAWAY** - Natural gas futures soared to a seven-year high amid escalating concerns about tight supplies heading into the winter heating season.



Source: EIA

The average rate of injections into storage is 15% lower than the five-year average so far in the refill season (April through October).

### PRICING



Source: EIA

