



Welcome to the Enkon Insights Newsletter

Every month, we feature three full-length articles, share critical stories in oil and gas commodities, and break down key trends.

Have opinions? Want to talk shop? Need more insights? Drop us a line:

info@enkonenergy.com

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Volatility: Shifting from Crude Demand to Supply

Last month we wrote: “The gradual reduction of COVID in U.S. and world markets is likely to significantly reduce crude price volatility. The next month or two will tell us a lot: if the U.S. can resolve its supply chain constraints, accelerate vaccination uptake, and return to “normal,” crude production and prices could surprise on the upside. We’ll know more, soon.” Well, we’re getting some new indications that crude supply could surprise – but to the downside, putting a floor and supporting prices.

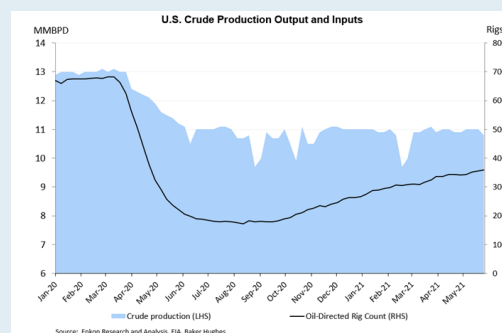
Crude oil supply is under near and perhaps long-term pressure. Although we’ve been warning about ESG and the need to decarbonize for some time, we’ve nevertheless been surprised by the speed and intensity of Western investors’ decarbonization demands. Although world crude oil demand is recovering and appears increasingly stable, supply side uncertainties could persist, leading to volatile prices and a higher price equilibrium.

Crude demand is returning to pre-COVID levels

While it is far too soon to declare victory, humanity is winning the fight against COVID. Over [2.2 billion vaccine doses](#) have already been administered across the world, and the monthly vaccination rate will likely accelerate above the current 1 billion/month pace. The world is hardly out of the woods yet: newer variants from the United Kingdom and India are more transmissible and deadly than the original strain that emanated from China. Still, by the end of the summer nearly every major economy (and energy consumer) will have fully vaccinated at least 25% of their population. Some analysts believe that world oil demand could return to [pre-pandemic levels by mid-2022](#), with much riding on vaccination drives across the Indo-Pacific.

Crude oil supply: has the U.S. already reached peak production?

In November 2019, U.S. crude oil production reached an all-time high of 12.86 Million Barrels Per Day (MMBPD). U.S. crude production suffered from COVID and the Russian/Saudi price war, however, and the latest available full monthly production data, from March, showed output of only 11.18 MMBPD. Interestingly, output have shown little sensitivity to increasing rig counts, as seen below.



The U.S. oil-directed rig count has doubled since September 2020 and yet production has increased by... 3%, or about 0.3 MMBPD. As we wrote previously in our [February Newsletter](#), declining average well productivity is likely attributable to rapid well decline rates and higher gas-to-oil ratios. Additionally, taking a drilled rig to full production takes months; production lags rig completion.

Are investors breaking up with the U.S. shale patch?

Lower marginal returns and gassier oil-producing wells would only further complicate shale’s relationship with investors. After a tumultuous love affair in the 2000s and the birth of shale in the early 2010s, investors and U.S. tight oil may be breaking up. Investors are openly checking out oil and gas rivals (Tesla has a higher market cap than Exxon, Chevron, and ConocoPhillips combined), and now [oil and gas companies account for just 2.3% of the S&P 500](#), down from over 15% in 2008. The relationship has been on the rocks for some time, as capital markets did not trust shale drillers with financing after getting burnt in the 2010s. Now the relationship may be getting even worse as investors are demanding rapid decarbonization targets.

With the activist hedge fund [Engine No. 1 securing a board seat at ExxonMobil](#), Chevron shareholders [pressing for action on Scope 3 emissions](#), and a [Dutch court ordering Shell](#) to curb net 2030 carbon emissions by 45% from 2019 levels, it’s clear that ESG is no longer a theoretical concern for oil companies and other hydrocarbon producers. Investors (and regulators) appear very serious about restraining carbon output.



“With U.S. shale facing increasing scrutiny from investors, regulators, and society, we believe that U.S. production may struggle to absorb market demand, increasing the probability of OPEC+’s ‘dream scenario’ described above. Even so, a few factors will likely check prices.”

Green Hydrogen:

[World’s largest ‘green hydrogen’ offtake deal signed in California by waste-to-H2 start-up—Recharge](#)

[Age of green hydrogen causes co-location rethink—pv mag](#)

[First Energy Earthshot Aims to Slash the Cost of Clean Hydrogen by 80% to \\$1 per Kilogram in One Decade—Department of Energy](#)

Crude Oil News:

[Shell strikes deal to sell Mobile plant, shedding more US refining assets—S&P Global](#)

[Activist Wins Exxon Board Seats After Questioning Oil Giant’s Climate Strategy—WSJ](#)

[2022 Ford F-150 Lightning is an electric pickup that can power your house for days—CNET](#)

[United \[Airlines\] Adding Supersonic Speeds with New Agreement to Buy Aircraft from Boom Supersonic—United](#)

[Oil prices are surging. Why isn’t drilling? - E&E News](#)

[US April crude exports rebound above 3.2mn b/d—Argus Media](#)

Volatility: Shifting from Crude Demand to Supply (continued)

Over time, this will constrain oil sector investment and limit production. Of course, capping short-cycle shale production will have enormous implications for world oil prices.

Supply Side Uncertainty

In February [we wrote](#): “In OPEC+’s dream scenario, surging crude demand and restrained (or constrained) production would exceed the world’s ability or willingness to supply it, resulting in prices not seen since 2014. This scenario’s probability is significant, although we believe it is unlikely. As in 2014, much will depend on the ability of U.S. shale production to absorb market demand.”

With U.S. shale facing increasing scrutiny from investors, regulators, and society, we believe that U.S. production may struggle to absorb market demand, increasing the probability of OPEC+’s ‘dream scenario’ described above. Even so, a few factors will likely check prices.

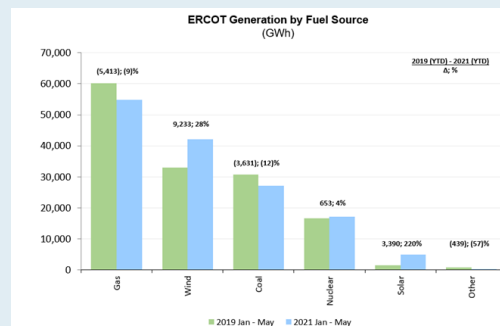
First, OPEC+ unity cannot be taken for granted: many countries will be tempted to plug fiscal deficits by raising production. Second, triple-digit EV prices could turbocharge EV uptake by consumers and spur investors to double-down on EVs and renewables. As we mentioned in January, Apple and Amazon are considering entering the EV space or re-doubling their EV commitments. Triple-digit oil prices would likely accelerate those plans. Finally, oil producers will likely come under enormous geopolitical pressure to limit commodity price inflation. China is the world’s largest oil importer, fears the return of inflation (which contributed to the Tiananmen Square Protests in 1989), and appears highly willing to use coercive economic, financial, and diplomatic power vis-à-vis OPEC+ producers. In short, U.S. shale’s inability to substantially raise production supports prices and increases OPEC+’s leverage, but triple-digit prices remain unlikely because they aren’t in OPEC+’s interests.

As U.S. tight oil’s “reserve capacity” appears increasingly uncertain, we could see more supply-side uncertainty this year and in the future. As long as the world continues to defeat COVID-19, crude oil demand will be increasingly predictable and stable. Oil supply, however, is a big question mark. With volatility shifting from demand to supply, the stability in oil prices earlier this year may prove to be a mirage.

Coal begins to exit ERCOT; renewables rise

Coal is enjoying a temporary bounce back in the national fuel mix, as coal generation accounted for over 62,000 Gigawatt hours (GWh) in March 2021, up from about 51,000 GWh in March 2020. In the ERCOT ISO, however, it’s a different story: coal continues to rapidly lose market share to both wind and solar. As additional wind and solar capacity continue to come online and coal plants face retirement, ERCOT coal generation will continue to fall. We think that coal’s market share in ERCOT will continue to dwindle by next decade, possibly sooner. For a variety of obvious pandemic-related reasons, we’re going to compare ERCOT’s 2021 generation with 2019 totals, not last year.

Total electricity demand in 2021 rose by 3% from 2019, as generation from wind and solar sources grew by an astounding 28% and 220%, respectively, from same-period 2019 levels.



In terms of baseload supply, coal (and gas) generation have fallen rapidly in YTD 2021, while nuclear power held steady. (If you’re interested in a deeper dive on the ERCOT generation mix or specific plants/locations, drop us a line at info@enkonenergy.com).

A few items are worth pointing out. First, total 2021 YTD generation took a beating due to the supply chain outages from [February’s Winter Storm Uri](#). Had the ERCOT grid not failed for multiple days in February 2021 YTD generation might have reached 150,000 GWh. Second, nuclear power capacity factors are extraordinarily steady: it’s not surprising that nuclear power generation was largely flat. Third, natural gas’ declining total generation was affected by some (hopefully) one-time, non-recurring events. The entire natural gas supply chain fared very poorly during Uri, as upstream production and pipelines froze, sending gas generation down. Similarly, gas has suffered from fuel-on-fuel competition with coal in the power mix: robust non-power sector natural gas demand (i.e. in residential, commercial, industrial, and pipeline/LNG exports) has supported Henry Hub prices. Coal, on the other hand, has been working off substantial inventories from last year. Most analysis we’ve seen, including from the [EIA STEO](#), holds that the balance of coal/gas prices will be favorable for coal through 2021 and 2022.

ERCOT Coal: Going Downhill

This is an important point: ERCOT conditions in the first five months of 2021 were about as good as it gets for coal and yet coal generation *still declined both absolutely and relative to other fuel sources*. This bodes very poorly for ERCOT coal generation: coal and other baseload fuels will likely be squeezed by wind, solar, and batteries in the years to come. Wind and solar 2021 YTD generation rose by an astounding 28% and 220%, respectively, from same-period 2019 levels.

ERCOT renewables will expand rapidly this year. Battery storage capacity is expected to reach ~1.8 GW by the end of 2021, tripling battery capacity in just under 8 months. Battery solutions will mitigate renewables’ “intermittency,” enabling electricity consumption outside of generating hours; new technologies may continue to lower solar and wind’s levelized cost of energy (LCOE).

Coal begins to exit ERCOT; renewables rise (continued)

Combined ERCOT solar and wind generation capacity could rise by 6 GW to reach 46 GW by year's end, or more than triple the total nameplate capacity of ERCOT coal. Importantly, however, coal, wind, and solar all have different capacity factors.

ERCOT coal's days are numbered

Analysts nearly universally project coal's departure. [In February, Morgan Stanley predicted coal will exit the U.S. power system by 2033.](#) Time will tell, of course, but recent events suggest that coal's exit has accelerated. Due to investor interest in renewables, ESG board requirements, regulatory scrutiny, and, most importantly, continued solar/wind efficiency gains (although solar/wind prices could rise in the near term), coal's fundamentals appear even worse than in February.

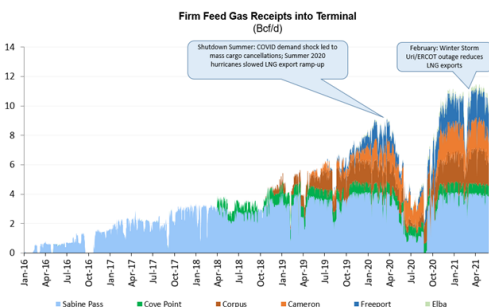
Since Texas enjoys some of the world's best solar, wind, and natural gas resources, we will be very surprised if ERCOT uses any coal for generation by 2030. ERCOT coal might even be phased out as early as 2025, depending on the pace of battery adoption and innovation, as well as the trajectory of natural gas production and prices. Coal's days in the ERCOT grid are numbered. It's only a matter of timing.

Will Driftwood LNG Take FID This Year?

LNG is riding high again. U.S. LNG exports have hit all-time highs, LNG prices have recovered to 2018 levels, and there is even talk (and some action) surrounding future project development. Tellurian's Driftwood LNG terminal signed a 10-year, 3 MTPA sales and purchase agreement (SPA) with two trading houses: Gunvor and Vitol. Tellurian's recent announcements seem to have raised market expectations for greater U.S. LNG expansion and a positive LNG final investment decision (FID) for Driftwood LNG. While we agree that global LNG markets have completely recovered, and U.S. LNG developers may see renewed interest from long-term buyers this year, and one or two projects may announce anchor customers, we remain highly skeptical of FIDs in 2021 or early 2022. Tellurian has made progress but still faces considerable commercial and perhaps project financing obstacles. It likely won't take FID in 2021.

Heady Times, 2021

LNG projects are receiving more attention, in part, because of extremely bright current market conditions: volumes and prices have fully recovered, and then some. After slumping to just 3.1 Bcf/d in July 2020, U.S. LNG exports have more than tripled. FOB netbacks are also extremely strong due to high JKM and TTF prices. Existing LNG terminals are riding high.



Driftwood's 2021 commercial victories

Market optimism for existing LNG terminals may have contributed to Tellurian's recent deals with Gunvor and Vitol. Both contracts are very similar: SPAs with \$12 billion in projected revenue over a 10-year agreement term, with offtake volumes of 3 MTPA. Tellurian also [reports](#) the contract will be "indexed to a combination of two indices; the Japan Korea Marker (JKM) and the Dutch Title Transfer Facility (TTF), netted back for transportation charges. The LNG would be delivered free on board (FOB) from Tellurian's Driftwood LNG, a 27.6 mtpa liquefaction facility proposed near Lake Charles, Louisiana in the United States Gulf Coast."

Gunvor and Vitol are both serious trading firms with billions in capital and armies of analysts. But they've only taken 10-year contracts. This point is important: historically, most U.S. LNG contracts have ranged from 15-20 years; most contracts carry term commitment of 20 years. Since Driftwood is a greenfield LNG project, it will likely have a relatively long "payback period." Tellurian's short-duration contracts therefore leave it (or lenders) assuming additional and substantial recontracting risk. While shorter-term contracts (like the Vitol & Gunvor) do not preclude Tellurian from receiving sufficient project financing, it will likely result in higher equity-debt ratios and possibly higher financing costs.

One final note on contracting: LNG projects often give the best deals to an "anchor shipper," so that the first offtaker to commit to the project receives a substantial discount. It's noteworthy that Tellurian reached roughly the same terms with both trading houses: we're not confident they'll be able to secure longer terms/better deals with future customers. Notably, Petronet LNG and Tellurian's 5 MTPA of LNG for 40 yr. term deal [fell through](#). The two sides were to finalize an investment deal by December 2020 after an earlier extension to the agreement lapsed in March 2020. It appears to us that locking in strategic end-market customers for terms of 20+ years is increasingly challenging.

The two contracts also give credence to the theory that Tellurian seems to have abandoned or altered its marketing strategy from pursuing a model of customers buying-in to the project in exchange for LNG at cost to a more traditional FOB sales model seen at Cheniere.

Progress, but a long way to go

Let's be clear: Driftwood might ultimately take FID: assuming that Vitol's new SPA supersedes the prior MOU, the project has 8.5 MTPA in commitments, (including a 2.5 MTPA agreement with Total); Charif Souki is a highly skilled and personable salesperson (and was instrumental in founding the U.S. LNG industry, incidentally); and Tellurian is a mature company traded on the NASDAQ exchange. We're nevertheless skeptical of the project's ability to take a positive FID in 2021 or even early 2022. Furthermore, LNG supply-demand fundamentals, more competitive supply sources from Qatar, ESG, and fuel-on-fuel competition with coal and renewables will continue to limit the potential for new U.S. LNG projects.

Coal News:

[Most Coal Plants in Biggest U.S. Grid Are Becoming Money-Losers—Bloomberg](#)

[China's coal shortage may lead to more power rationing—Argus](#)

[EIA coal production forecast up 11.3% on year to 600 million st: STEO—S&P Global](#)

[Coal investment is down, but not out: IEA—Argus](#)

[Coal-rich Indiana is going solar. It's not easy—E&E News](#)

LNG News:

[Tellurian and Vitol sign 10-year LNG agreement for 3 mtpa—Tellurian](#)

[Tellurian and Gunvor Sign 10-year LNG Agreement for 3 mtpa—Tellurian](#)

[King of LNG Undercuts Rivals to Keep Dominating World Market—Bloomberg](#)

[LNG Makers Get Hint to Go Greener From U.S. Energy Secretary—Bloomberg](#)

[Enable Midstream Announces FERC Approval of the Gulf Run Pipeline Project—Enable](#)

Commodity Outlook (90 days out)

Crude Oil Market Movers:

As we mentioned above, surprisingly rapid and intensive ESG shift adds more upside risks to prices: with U.S. shale unable or unwilling to ramp up production to match demand, OPEC+ will increasingly take the driver's seat. A near-term price spike is increasingly possible, although prices could be capped by Iran/Venezuela volumes returning to the market.

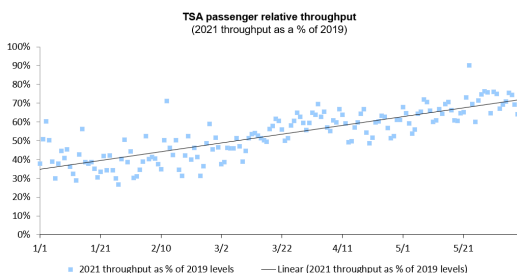
OPEC+ will face difficulties sustaining \$80+/bbl prices. OPEC+ discipline is uncertain, particularly given widespread fiscal deficits in oil-producing countries. Moreover, OPEC+ would come under considerable geopolitical pressure if oil prices rise, while investors and consumers might respond to high oil prices by accelerating EV uptake.

The next OPEC+ Ministerial meeting will occur on July 1st. The oil cartel could face more pressure from members (and some oil importers, such as the PRC) to raise production.

The US and EU are still in the midst of negotiations with Iran over the JCPOA. If the two sides can reach an agreement, oil supply would rise, putting some pressure on prices. Conversely, more political instability in the Gulf could raise prices.

Refined Products Market Movers:

The Transportation Security Administration, or TSA, has been tracking and releasing passenger throughput at airport terminals since the beginning of the COVID crisis. As you can see from the chart below, activity and mobility have consistently risen since the beginning of the year, as vaccinations have reduced health risks and made consumers feel more comfortable traveling.



Passenger throughput is generally highest on weekends, relative to 2019 levels, suggesting that leisure travelers are responsible for most of the rebound in air travel. Relatedly, business travel still shows signs of softness and may never fully recover to pre-pandemic levels. Firms are, in many instances, restricting travel due to the apparent efficacy (and extremely low cost) of videoconferencing. Anecdotally, we've also heard of firms seeking to minimize their carbon footprint by limiting unnecessary travel.

The reduction in air travel is impacting refinery operations. Product supplied of jet fuel is down 30% from 2019 levels, forcing refineries to alter their output mix. If the U.S.—and other countries—permanently reduce jet fuel demand that could weigh on light crude demand.

It's too soon to say how passenger demand will change, however, as we expect more travel so long as COVID cases continue to decline. We'll check back in on air travel at the end of the summer.

Natural Gas Market Movers:

Henry Hub's forward strip shows \$3+/MMBtu prices for the remainder of 2021. As we [noted](#) last month, demand will likely outstrip supply, particularly in the latter half of the year. Moreover, we continue to believe that most risks are to the upside: vaccination drives will likely increase North American natural gas demand, while the dramatic turn to ESG could hamper associated gas production. If U.S. natural gas inventories continue to fall as projected we could see volatile prices in late 2021.

U.S. Gulf Coast summer weather will play an extremely important but unpredictable role. NOAA predicts there will NOT be a repeat of the historic level of hurricanes seen in 2020. Still, weather forecasting is imprecise, and hurricanes' geography matters a great deal. If storms force LNG or petrochemical facilities to suspend operations, natural gas demand could fall, restraining prices.

ERCOT could see record natural gas demand during August, typically the hottest month of the year. ERCOT claims it has enough reserve capacity to meet demand this summer. We hope they're right. Another ERCOT failure could have major implications for the entire oil and gas complex, not just natural gas.

LNG Market Movers:

The good times for LNG continue. Despite the completion of the Russia-to-EU Nord Stream 2 natural gas pipeline, winter TTF prices exceed \$10/MMBtu and European inventories are highly supportive of U.S. exports. Winter JKM prices exceed \$12/MMBtu as of this writing. Barring a hurricane or some other exogenous event, we expect LNG terminals to run at full utilization for the remainder of the year. Will Calcasieu Pass and Sabine Pass Train 6 finish construction in time to meet winter peak demand?

NGL Market Movers:

Ethylene crackers are running at max utilization, although ethane inventories are still high. We expect ethane to trade under 25 cpg for 2Q2021 but is likely to trade at or above 30 cpg by the end of 4Q2021.

Propane price fundamentals remain strong: inventories are well below 2019 and 2020 levels, while netbacks have generally been supportive. As we enter the third quarter we expect to see a price war between domestic and export buyers.

Many international LPG markets are demanding high levels of butanes. This dynamic, along with strong USGC olefins demand, will provide fundamental support for nC4 to trade at ~70% of WTI for the rest of 2Q2021. We believe C5+ will be 90-95% linked to crude movements.

Renewables/EVs/Infrastructure Bill:

Infrastructure negotiations between the White House and Senate Republicans are ongoing, so we'll wait and see when—or if—a final bill passes before providing some analysis. One note: many observers are ignoring state-level infra capacities. With multiple states enjoying record surpluses (California has a [\\$76 billion surplus](#) spread across two years), states will likely supplement any federal infrastructure bill with their own plans.

"A surprisingly rapid and intensive ESG shift adds more upside risks to prices... OPEC+ will increasingly take the driver's seat. A near-term price spike is increasingly possible, although prices could be capped by Iran/Venezuela volumes returning to the market."

Solar and Wind News:

[Texas remains a solar and storage hotspot, but transmission gaps could hamper growth—pv mag](#)

[German power grids brace for Thursday's solar eclipse—Reuters](#)

[Fresh gusts blow into US Gulf with first plans launched for offshore wind build bids—Recharge](#)

[Large-scale solar PV slows as big battery investment takes off—pv mag Australia](#)

[Offshore Wind Farms Show What Biden's Climate Plan Is Up Against—NYT](#)

Natural Gas News:

[Texas lawmakers approve bill mandating power plant weatherization, market reforms—Utility Dive](#)

[US EIA boosts 2021 gas production estimate 1.43 Bcf/d, nudges up price forecast—S&P Platts](#)

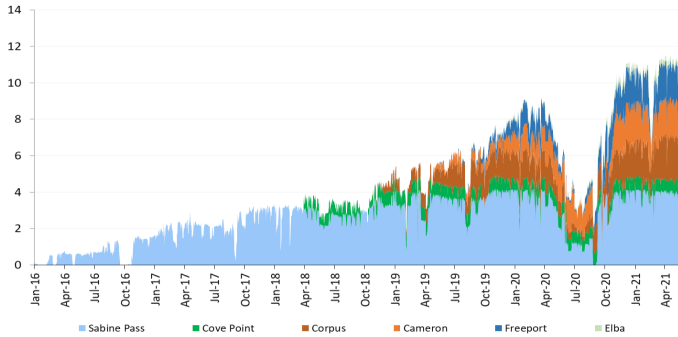
[Energy transition promises enduring overhaul to natural gas value chain—S&P Global Platts](#)

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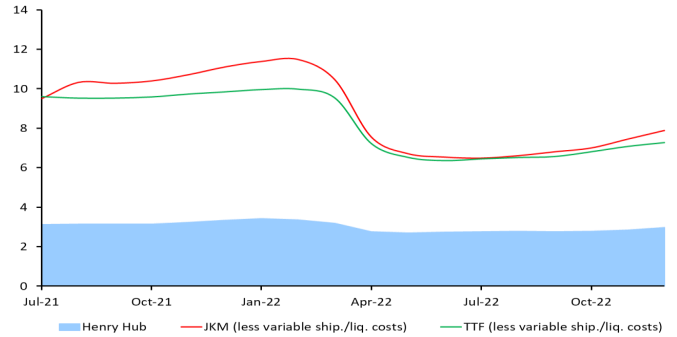
Key Market Dashboards

Firm Feed Gas Receipts into U.S. LNG Terminals
(Billion Cubic Feet per Day)



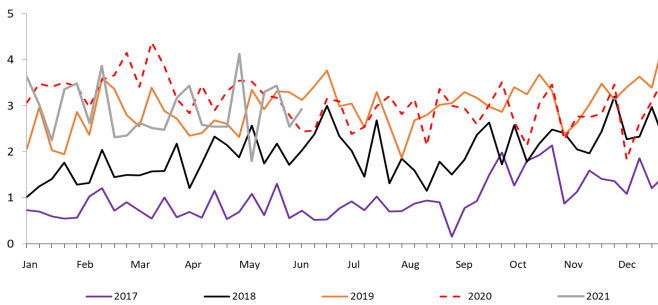
Keep an eye on hurricanes later in the summer, but exports are running full-tilt

LNG Netbacks to U.S. (on Cash Basis)
(\$/MMBtu)



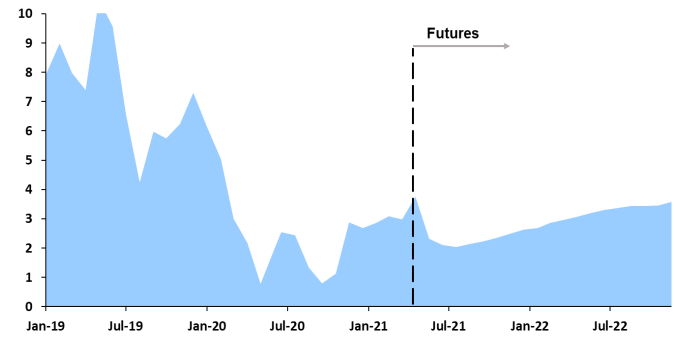
Big question: can Sabine Pass T6 and Calcasieu Pass ship cargoes to meet winter demand?

U.S. Crude Oil Exports
(Million Barrels per Day)



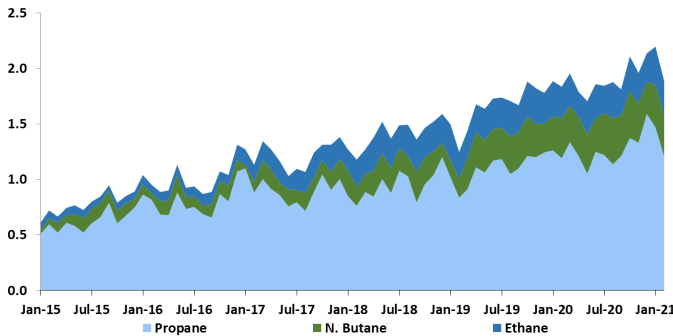
The shape of jet fuel demand will impact U.S. crude exports—we'll discuss later after we get more post-pandemic data

Brent—WTI Spread
(\$/Barrel)



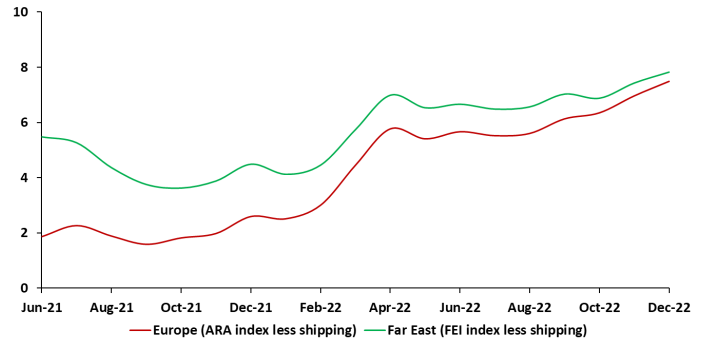
Differentials continue to limit export arbitrage

U.S. NGL Product Exports
(Million Barrels per Day)



Tug-of-war between domestic and export buyers emerging for propane; Ethane export growth subject to ramp-up in cracker capacity

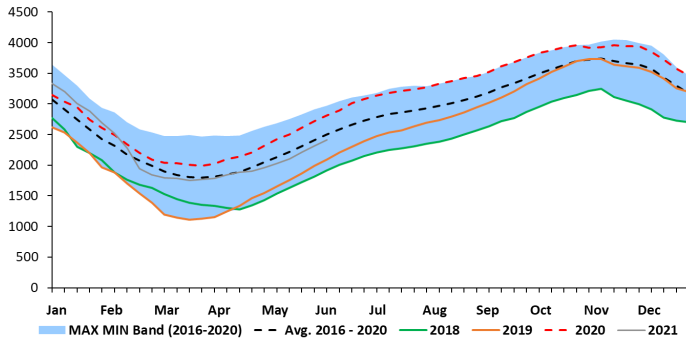
International Propane Netbacks (to Mt. Belvieu)
(Cents Per Gallon)



Demand pull from Asia expected to raise prices and compete with domestic market supporting higher levels of netback

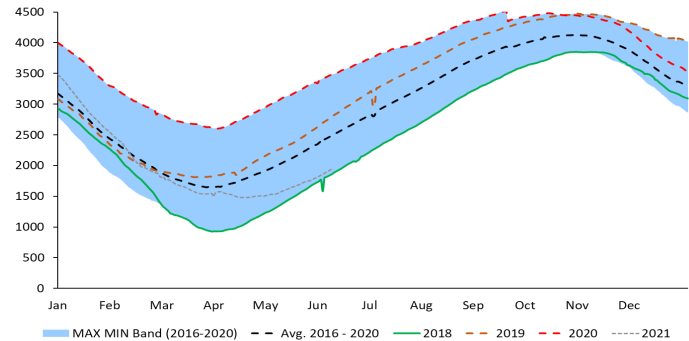
Key Market Dashboards

Natural Gas in Storage, Lower 48
(Billion Cubic Feet)



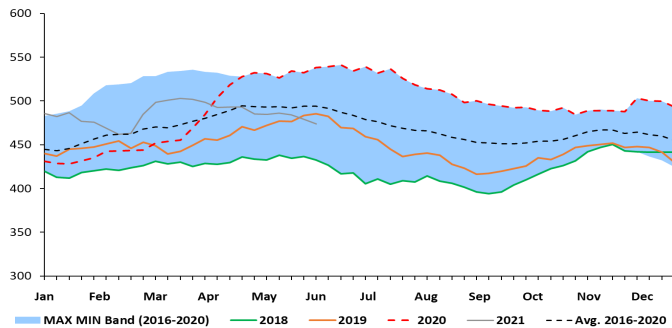
Henry Hub is enjoying some strong fundamentals—weather (and hurricanes) remains a key variable

European Natural Gas in Storage
(Billion Cubic Feet)



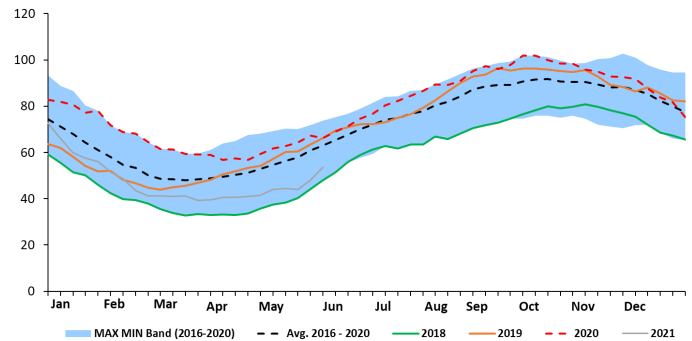
Low European (EU + Ukraine) inventory levels continue to support U.S. LNG exports despite more EU overland gas supply from Nord Stream 2

U.S. Crude Oil Commercial Storage Inventory
(Million Barrels)



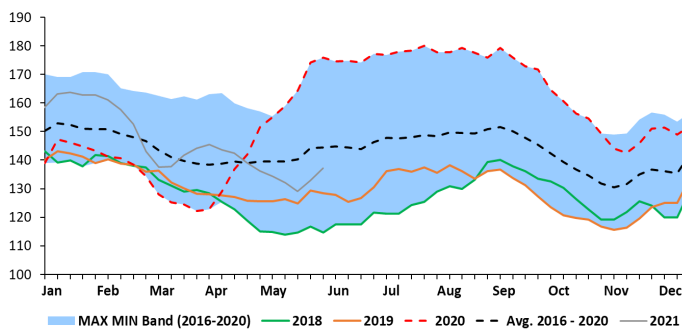
U.S. crude inventories (commercial and SPR) continue to fall, supporting prices

U.S. Propane/Propylene Storage Inventory
(Million Barrels)



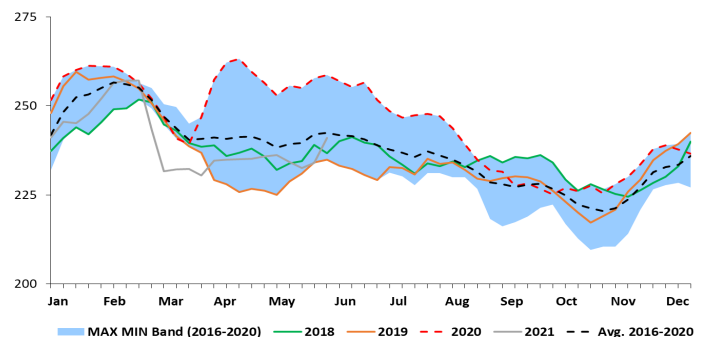
U.S. propane inventories support prices as domestic + international demand remains strong

U.S. Diesel Storage Inventory
(Million Barrels)



Diesel consumption remains around 2019 levels but inventories are above 2019 levels

U.S. Gasoline Storage Inventory
(Million Barrels)



EIA reported a surprising drop in gasoline demand for Memorial Day weekend— consumers could still be reticent to return to routine

Our Subscription Product Offerings

Regional NGL Benchmarking & Outlook

(Research, intelligence and insights into Supply, Logistics, Pricing, Disposition and Outlook)

Each quarter, Enkon provides clients a unique, bottom-to-top analysis of NGL supply, logistics, pricing, netbacks, product disposition and outlook for eight NGL producing basins in the U.S. The granularity of the analysis makes this product unique. The analysis identifies NGLs (by purity product) produced at each of the ~700 U.S. gas processing plants as the building block of the analysis to quantify asset utilizations across the midstream value chain.

Appalachian	Rockies	Haynesville- Bossier
Permian	Bakken	Barnett
Eagle Ford	STACK/SCOOP/MERGE	LA Gulf Coast

	Deliverables	Format	Update Frequency
1	NGL Benchmarking	Report (MS PowerPoint)	Quarterly
2	Report discussion & review	In-Person Meeting/Conf Call	Quarterly
3	Supporting data sets	Secured online portal	Quarterly
4	Market insights	Memo	Monthly

For more information please contact:

12651 Briar Forest Dr.
Suite # 246
Houston, TX 77077

Tel: +1 (703)-801-8068
info@enkonenergy.com
www.enkonenergy.com

Chief Editor

Joseph Webster
jwebster@enkonenergy.com

U.S. Gulf Coast Liquid Cavern Storage Benchmarking

(Research, intelligence and insights into NGL, Olefins, Refined Product Cavern Storage)

Once a year, Enkon provides clients a one-of-a-kind, comprehensive lay-of-the-land and granular benchmarking for ~250 non-crude liquid-hydrocarbon salt cavern storage wells in Texas and Louisiana. The report provides regional analysis of cavern storage capacity versus brine pond capacity in each of the dome locations. The report also identifies product storage in each of the cavern wells along with historical product injection, withdrawal, inventory and cavern utilization.

Texas Cavern Coverage		Louisiana Cavern Coverage	
Barbers Hill (Mont Belvieu)	Hull	Sulphur	Bayou Choctow
Stratton Ridge	Spindletop	West Hackberry	Napoleonville
Markham	Fannett	Arcadia	Sorrento
Clemens	Sour Lake	Pine Prairie	Venice
Pierce Junction	Boiling	Anse La Butte	Section 28
West/Panhandle Texas	East Texas		

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Regional Fractionation and NGL Export Terminal Benchmarking & Outlook

Each quarter, Enkon provides clients a provide a historical benchmarking and comprehensive outlook of Y-grade NGLs in the U.S. Gulf Coast with the objective of quantifying incremental need for fractionation capacity in various locations in US Gulf Coast, namely Mont Belvieu, Sweeny and Louisiana, and adequacy of NGL export capacity in the USGC and Northeast.

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North America LNG Export Project Benchmarking & Outlook

(Research, and insights into U.S. Liquefaction Projects)

Each quarter, Enkon undertakes an exhaustive review of over 24 post and pre-FID North American LNG export terminals; summarizing the North American LNG export terminal landscape, LNG nameplate capacity and feed gas forecasts, key market trends, and a competitive assessment of pre-FID North American terminals. For each project, we report terminal attributes, commercial models, key regulatory milestones, risk assessments, and, for existing terminals, historical feed gas receipts (by pipeline), and estimated weighted average landed cost of feed gas into the terminal.

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