

# Golden Age of U.S. Natural Gas Storage: Version 2.0

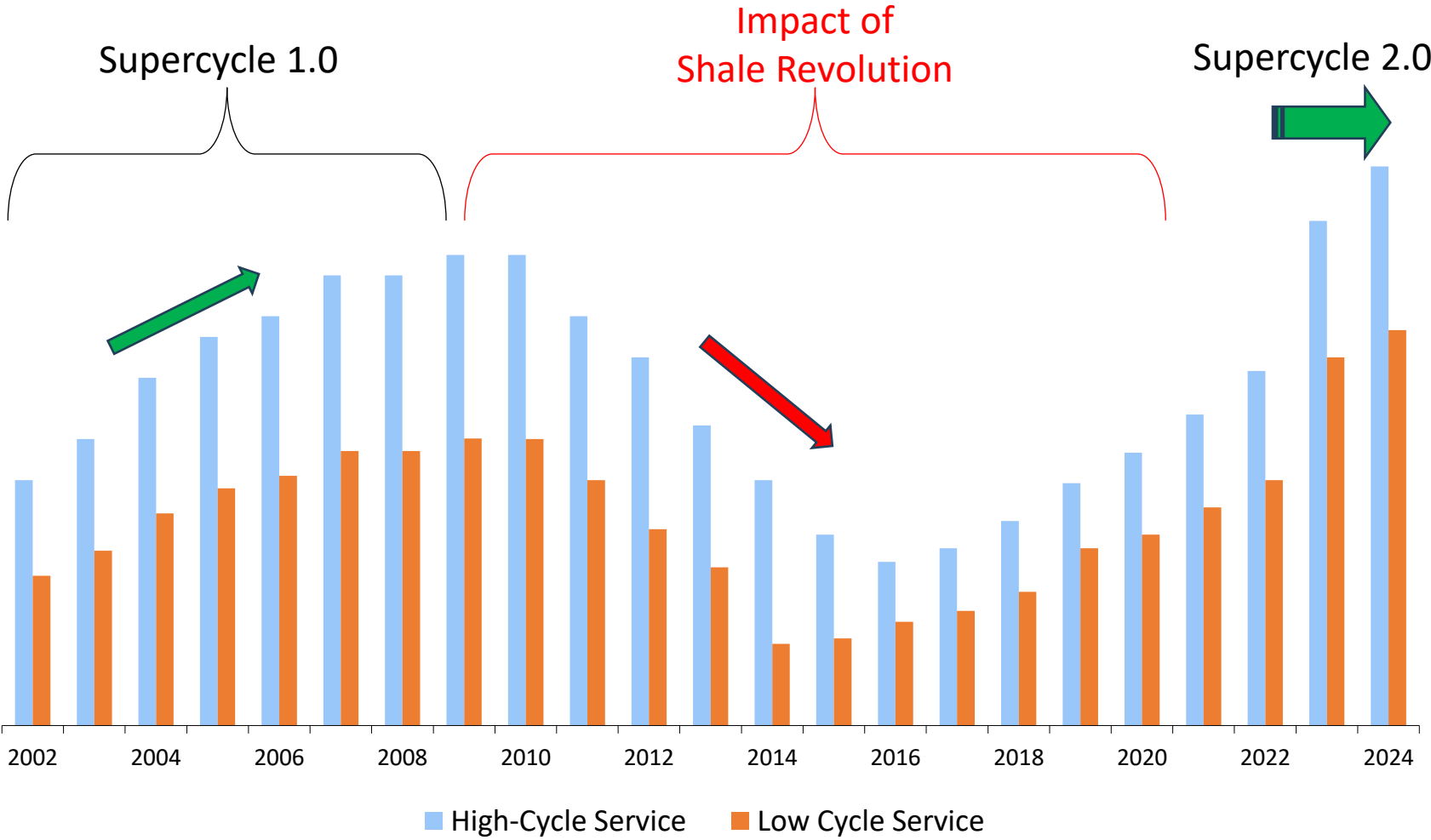
*Comprehensive analysis, commercial insights, and investment outlook of U.S. natural gas storage market*



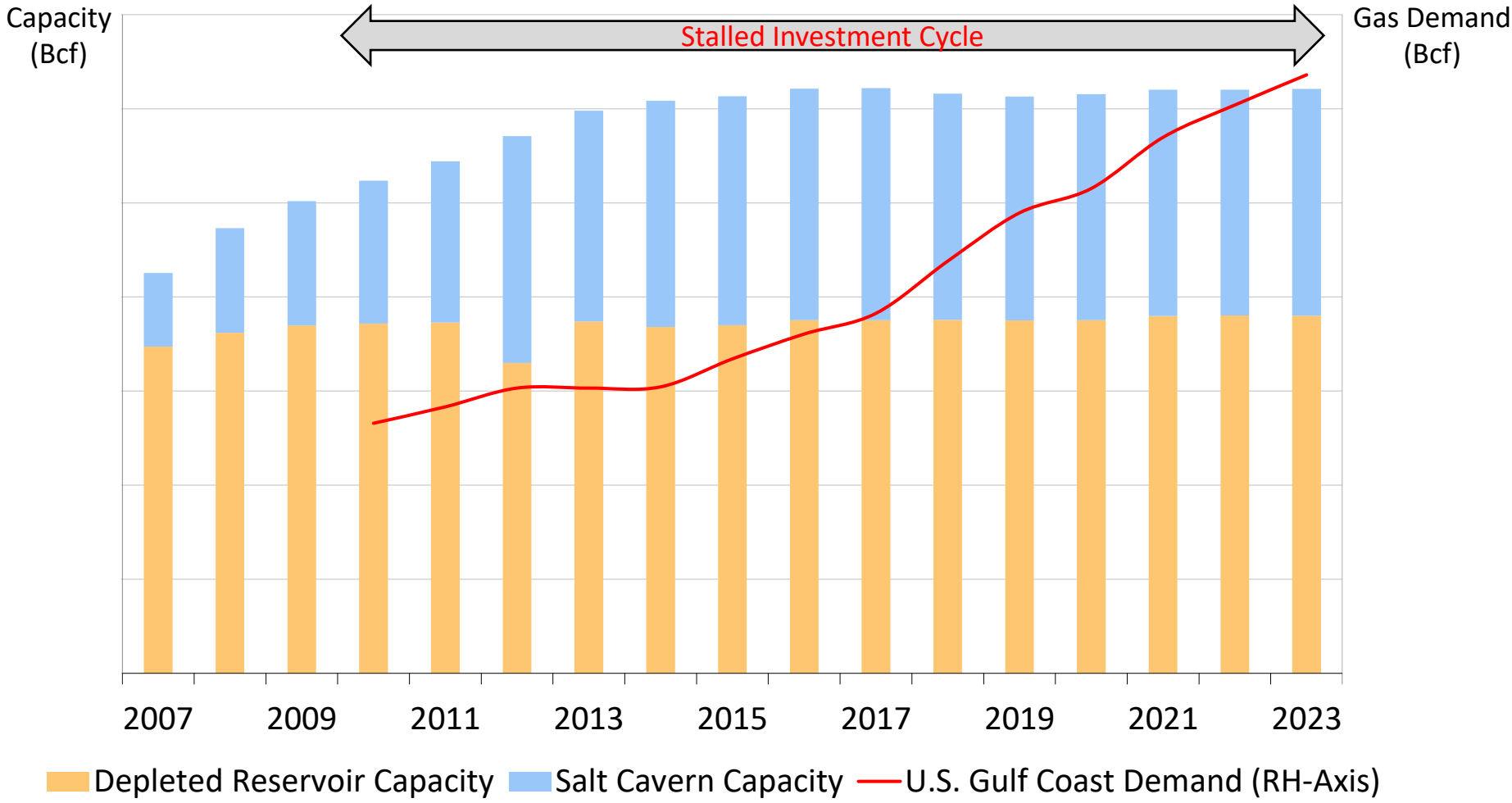
**Multi-Client Study Prospectus**

# After a decade of lackluster performance, U.S. natural gas storage assets are thriving again as is evident from rising FSS rates

## U.S. Firm Storage Service “FSS” Lease Rates

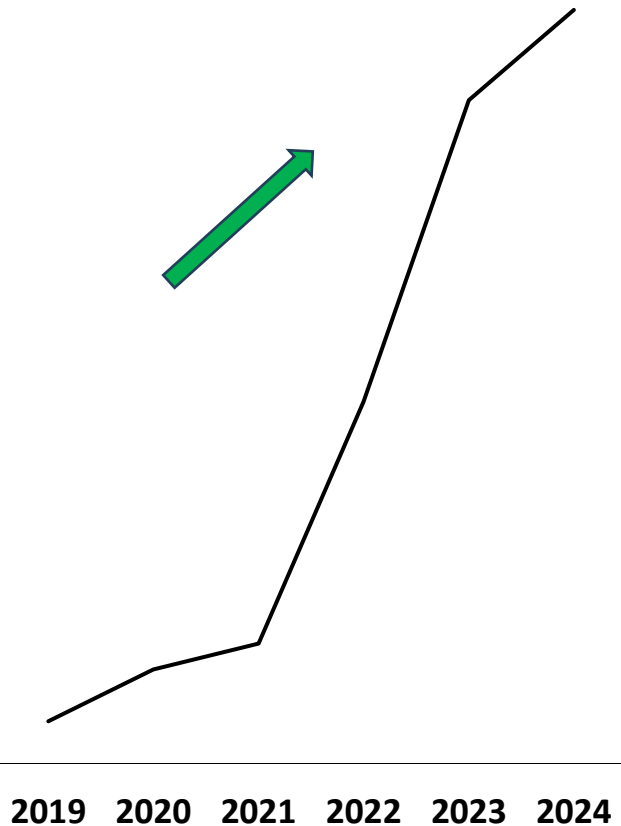


# Under-investment over past decade despite growth in gas demand provides strong tailwinds for the current storage resurgence 2.0

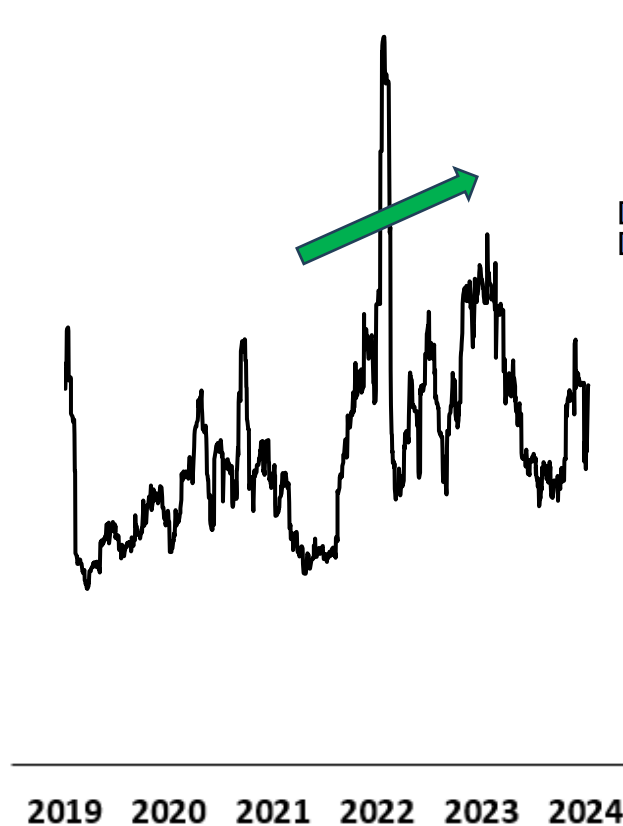


# Tighter gas fundamentals and scarcity of gas storage has increased seasonal spreads and supported higher levels of price volatility

U.S. Gas Price Seasonal Spreads  
(\$/MMBtu-M)



U.S. Gas Price Volatility  
(%)

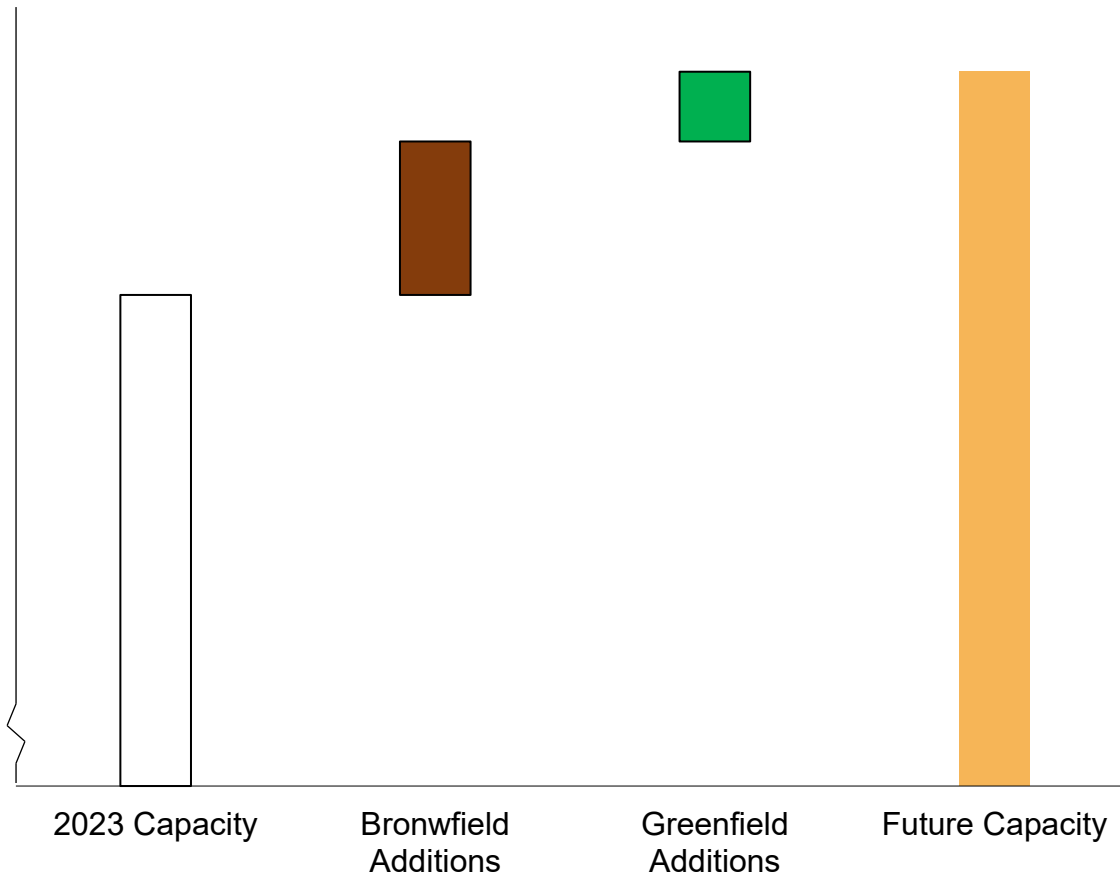


Impact on  
FSS Rates



# Brownfield expansions are underway and after a decade long hiatus, greenfield capacity additions are now being actively pursued

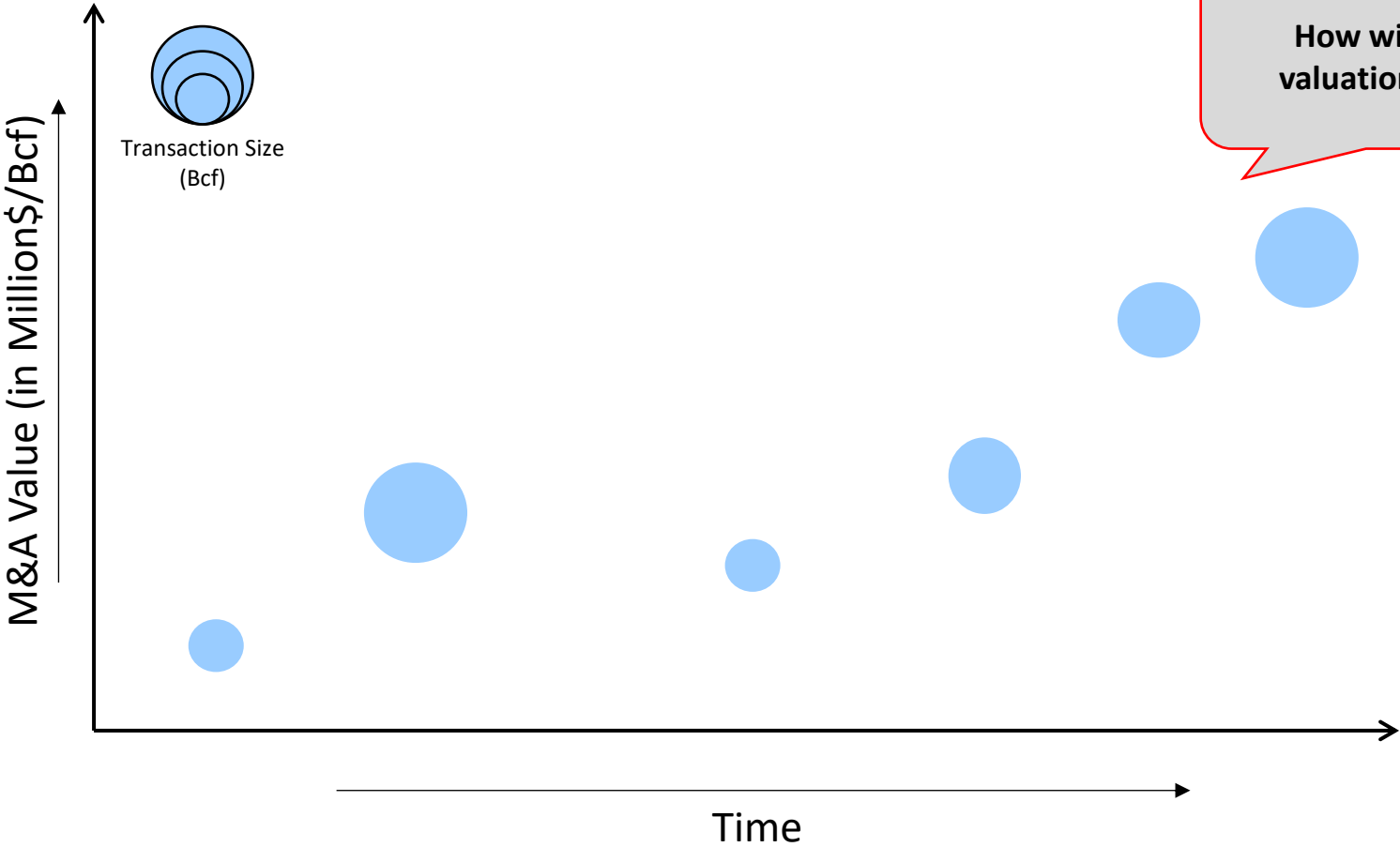
## Gas Storage Capacity Expansions (Bcf)



- How much capacity is needed?
- What is the overall investment risk?

# Metrics on recent gas storage M&A transactions confirms growing interest amongst strategic and financial investors

## Gas Storage M&A Activity



# The study addresses several questions on gas storage market outlook, trends and risks to provide valuable commercial insights

A

## Overarching Questions (*Gas Storage Investment Risk Assessment*)

- How is current reemergence (Supercycle 2.0) different than Supercycle 1.0? What went wrong?
- How much highly flexible gas storage capacity is needed by 2035?
- What is the timeline for new gas storage capacity on a risk-adjusted basis?
- What is the overall investment risk and how long will this Supercycle last?

B

### Commercial Trends

- How have the FSS rates trended for assets? Are FSS rates at greenfield economic threshold?
- What are the indications from the current M&A valuations for gas storage?
- What are key changes in commercial Ts & Cs (Commitment size, level of service, term etc.)
- Types of revenue streams (FSS, PAL, LFHB, Wheeling & Hub Services)

C

### Key Market Drivers

- What are the key drivers that are fueling current resurgence in gas storage?
- What are key differences in drivers regionally?

D

### Regional Competitive Assessment

- From a market perspective, which locations/storage types are better situated than others?
- Which assets are considered tier 1 based on location and ability to meet customer needs?

E

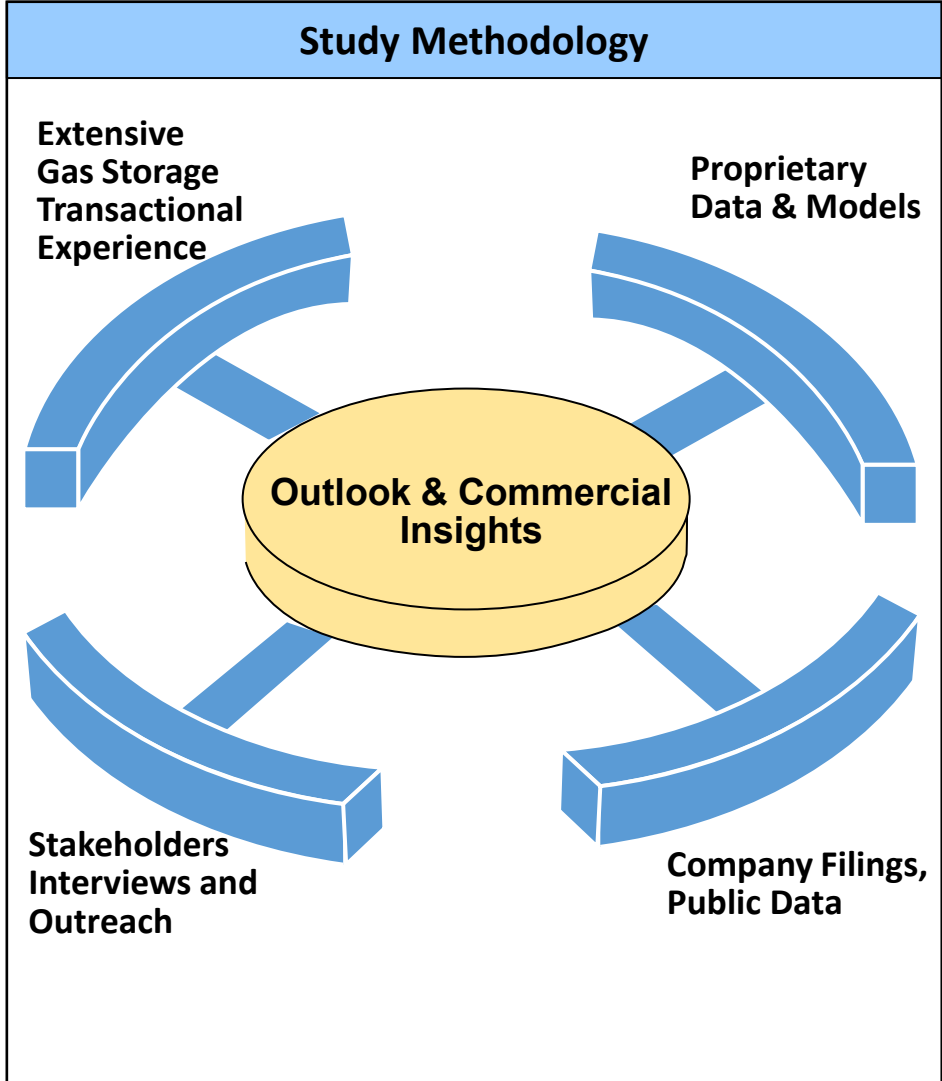
### FSS Rate & Hub Services Outlook

- What is the outlook for FSS pricing to 2035? What is the impact of market uncertainties?
- How will FSS rates differ regionally for different levels of service? (Gulf Coast, CA, Rockies)?
- What is the outlook for Hub Services value – Park/Loan, Load Following Hourly Balancing?

# ...via a comprehensive and structured scope of work as reflected in the Table of Contents

- |    |  |   |
|----|--|---|
| 1  | <b>Executive Summary</b>                         | <ul style="list-style-type: none"><li>▪ Key findings, commercial insights, strategic and investment implications</li></ul>  |
| 2  | <b>Supercycle 1.0 vs. 2.0</b>                    | <ul style="list-style-type: none"><li>▪ Background for gas storage Supercycle 1.0 and factors contributing to the decline</li><li>▪ Key differences in market drivers for Supercycle 1.0 vs Supercycle 2.0</li></ul>  |
| 3  | <b>Role &amp; Commercial Models</b>              | <ul style="list-style-type: none"><li>▪ Evolving role of gas storage in Supercycle 2.0</li><li>▪ Changes in commercial models, services and revenue streams</li></ul>   |
| 4  | <b>Key Market Drivers</b>                        | <ul style="list-style-type: none"><li>▪ Comprehensive analysis of demand, supply and regulatory drivers in key storage regions in the U.S.</li><li>▪ Regional natural gas supply demand balances and impact on price volatility and seasonal spreads</li></ul>  |
| 5  | <b>Regional Storage Evaluation</b>               | <ul style="list-style-type: none"><li>▪ Assessment of the relative impact of market drivers on asset locations</li><li>▪ Identification of assets that are better situated than others to meet evolving market needs</li></ul>                                  |
| 6  | <b>Commercial Insights</b>                       | <ul style="list-style-type: none"><li>▪ Current FSS rates by region, sub-region and by individual storage assets</li><li>▪ Key commercial trends – Average term (by customer class), Avg. Turns, and commitment levels</li></ul>                                |
| 7  | <b>Storage Landscape &amp; Asset Rankings</b>    | <ul style="list-style-type: none"><li>▪ Lay of the land (Focus on U.S. Gulf Coast, Rockies and CA)</li><li>▪ Identify tier 1 assets in sub geographies (within U.S. Gulf Coast)</li></ul>   |
| 8  | <b>Investment Risk Assessment &amp; Enablers</b> | <ul style="list-style-type: none"><li>▪ Gas storage capacity requirements vs. new capacity under development</li><li>▪ Assessment of capacity overbuild and overall investment risk</li><li>▪ Recent commercial trends that mitigate investment risks</li></ul> |
| 9  | <b>FSS Rate Outlook to 2035</b>                  | <ul style="list-style-type: none"><li>▪ FSS rate outlook for low-cycle and high-cycle service in select geographies</li><li>▪ Hub services potential in select geographies</li></ul>  |
| 10 | <b>Scenario Analysis</b>                         | <ul style="list-style-type: none"><li>▪ FSS rate outlook and investment risk assessment under 2 additional states of the world (scenarios)</li></ul>  |

# The Study will use methodology that combines our extensive gas storage transactional experience, proprietary data, and modeling



- ### Our Gas Storage Experience
- Successfully launched inaugural **Gas Storage Multi-Client Study** in 2024
  - **Independent Market Advisor** to lenders, investors, buy/sell side representation, shippers and asset developers for numerous natural gas storage assets since 2000 (U.S.A, Europe, and U.K)
  - **Assisted in Deal Structuring & Negotiation** on natural gas storage assets in the U.S.
  - **Gas Storage Transactional Advisory Experience** includes
    - 500+ Bcf in gas storage financing
    - 450+ Bcf in sell-side market consultant
    - 400+ Bcf in buy-side market consultant
  - Developed **Analysis and Outlook** for natural gas storage markets and economics

# Subscribers can purchase this independent study at a cost-effective fee to gain actionable market and commercial insights

## Deliverables

- ▶ Final report (~100 PowerPoint slides)
- ▶ Executive summary deck (~15 pages)
- ▶ In-person meeting in Houston, TX to review study findings
- ▶ WebEx meeting for subscribers located outside Houston
- ▶ Data in spreadsheet format

## Regional Coverage

- ▶ U.S. Gulf Coast
- ▶ Rockies

## Timing

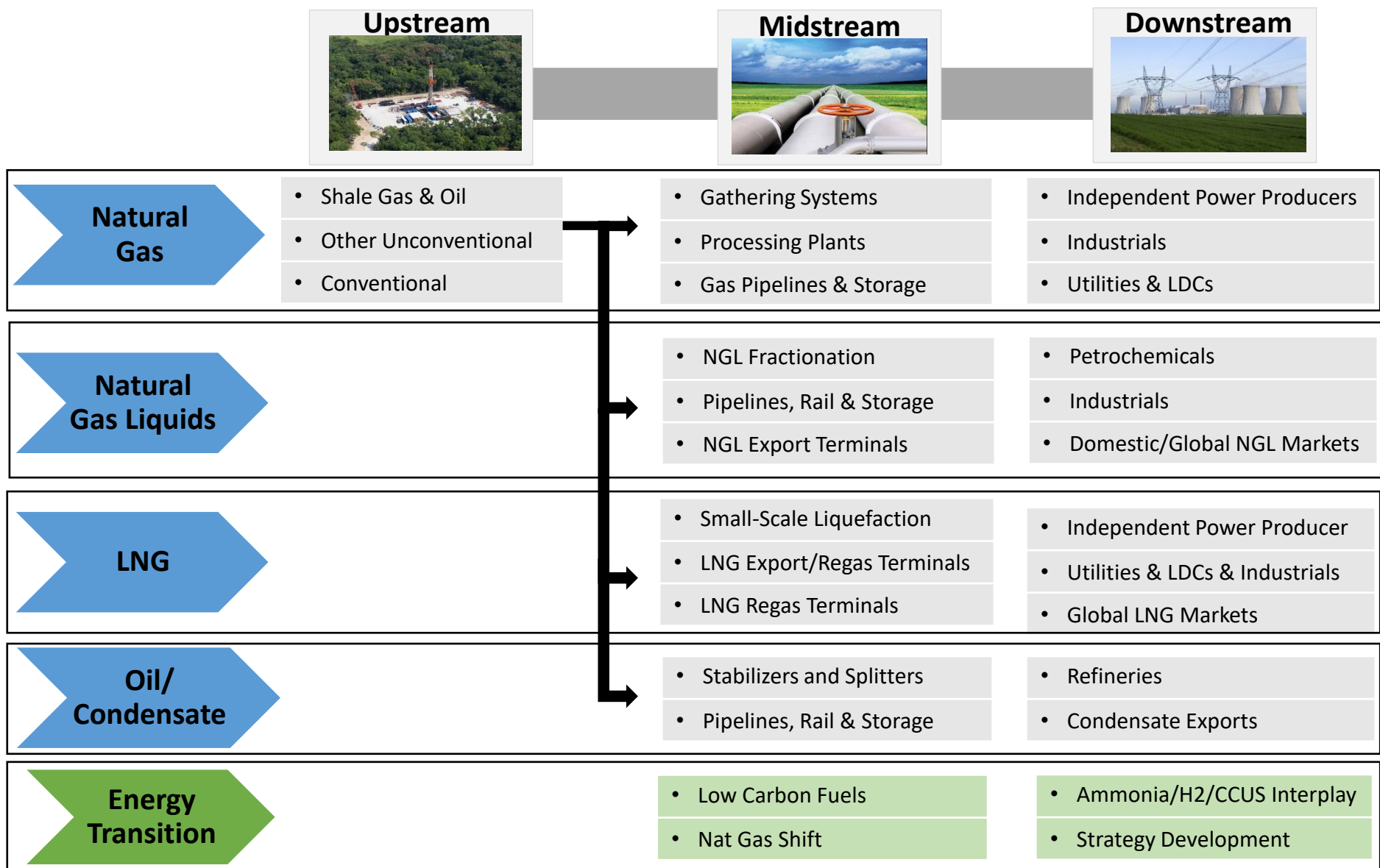
- ▶ Report Delivery Date: Available upon contract execution
- ▶ Client workshops/meetings: June/July/August 2026

## Payment Terms

- ▶ Fee will be invoiced on sign-up; payment within 30 days of invoice

To purchase the study please contact: [Amol Wayangankar](mailto:Amol.Wayangankar@enkonenergy.com), +1 703-801-8068, or [info@enkonenergy.com](mailto:info@enkonenergy.com)

# Enkon specializes in oil & gas with market, commercial, regulatory and transactional expertise across the energy value chain



# Enkon offers a wide spectrum of advisory services to meet clients strategic, commercial, transactional and operational needs

## Asset/Company Due Diligence

- Revenue and Cost Assessment
- Valuations
- Risk Assessment
- Contract Review
- A&D and Financing Support

## Market Assessment/Strategy

- Market & Price Forecasts
- Competitive Benchmarking
- Gas Monetization Studies
- Market Sizing
- Market Entry Strategy

## Project/Deal Development

- Concept Framing
- Opportunity Identification & Screening
- Feasibility Studies
- Economic Analysis
- Market, Site and Technology Evaluation

## Fuel/Service Procurement

- Fuel/Feedstock Sourcing Studies
- Strategic and Tactical Fuel Planning
- RFP Development & Bid Evaluations
- Fuel Plan Implementation
- Fuel Plan Review

## Commercial Negotiations

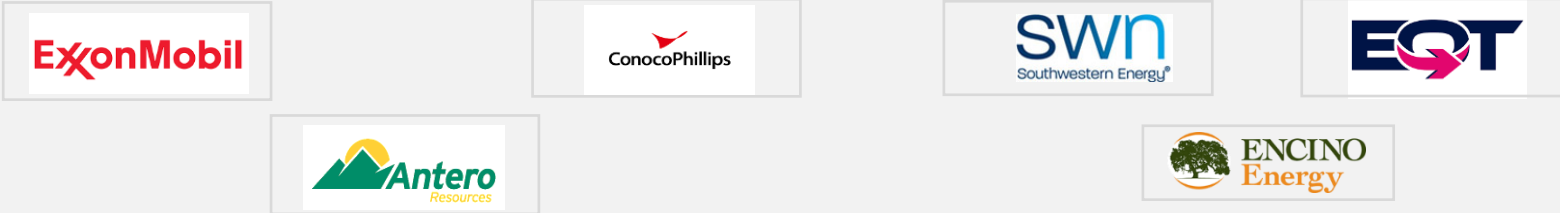
- Deal Origination/Commercial Structuring
- Gas (*Gathering Agreements, Pipeline Agreements, Storage Agreements, SPAs*)
- Processing (*Gas Processing Agreements, NGL Exchange Agreements, Fractionation*)
- NGL (*Transport Service Agreements, Terminal Agreements, SPAs-Exports/US*)
- LNG (*Liquefaction Tolling Agreements, Terminal Use Agreements, SPA*)

## Subscription Products

- NGL Benchmarking Reports (Regional)
- USGC Liquid Cavern Storage Benchmarking
- USGC NGL Fractionation Benchmarking
- U.S. NGL Export Terminal Benchmarking
- U.S. LNG Export Terminal Benchmarking

# Energy companies, investors, asset developers, and industrials have engaged us to advance energy decisions and transactions

## Upstream



## Midstream



## Downstream



## Financial Cos/ Private Equity



## Energy Cos/ Developers



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