

NATURAL GAS REPORT FOR APRIL 2023

FUTURES PRICES¹

The natural gas futures market prices increased for most of the month of April, albeit not substantially. The market prices steadily increased throughout the month before falling toward the end of the month. Weather, demand and supply continued to affect the market prices. The NYMEX May contract settled at \$2.097 per MMBtu on April 3, a decline of almost 12 cents from the previous trading day. The fall in the market price may have been due in part to a relatively large storage inventory as a low demand shoulder season began in April. The market prices increased but came back down as the contract settled down more than 14 cents at \$2.011 per MMBtu on April 6. A warm weather outlook and a steady supply of natural gas, among other factors, may have contributed to the decline in the market prices. The market prices trended upward for most of the rest of the month with persisting fluctuations. For example, the May contract increased almost 16 cents to settle at \$2.172 per MMBtu on April 10 as demand from the European market and LNG exports increased, among other factors. But the market prices resumed descending. The May contract fell more than 9 cents to \$2.093 per MMBtu on April 12, followed by another drop of almost 9 cents to settle at \$2.007 per MMBtu, the lowest settlement for the contract in the month, on April 13. Then, the May contract increased 10.7 cents to settle at \$2.114 per MMBtu on April 14, followed by an increase of more than 25 cents in the next two trading days as the contract settled at \$2.366 per MMBtu, the highest settlement for the contract in the month, on April 18. A spike in heating demand from lingering chilly temperatures in major gas consuming regions may have contributed to the rise in the market prices. However, the May contract fell more than 14 cents to settle at \$2.222 per MMBtu on April 19. Despite the fluctuations amid economic uncertainties and late April cold temperatures, among other factors, the market prices declined as the May contract settled down 19 cents to \$2.117 per MMBtu on April 26 due in part to a stable balance in demand and supply and more seasonal temperature forecasts. The May and April contracts were closed at NYMEX at a price of \$2.117 and \$1.991 per MMBtu, respectively. The May price was 71% lower while the April price was 63% lower, respectively, than those of last year. The May contract expired at \$2.117 per MMBtu on April 26, compared to \$2.097 per MMBtu at the beginning of the month. On May 18, the NYMEX June futures were at \$2.592 per MMBtu compared to \$8.368 per MMBtu last year.

U.S. STORAGE LEVELS²

Overall, the temperature in the month was slightly above the historical average. It ranked in the middle third of Aprils of the 128 year-period of record, according to the National Oceanic and Atmospheric Administration (NOAA). As steady storage injections occurred throughout the month, they were above both the five-year (2018-2022) historical averages and last year's volume. Despite a slow start for the

¹ Data Source: WSJ, CME

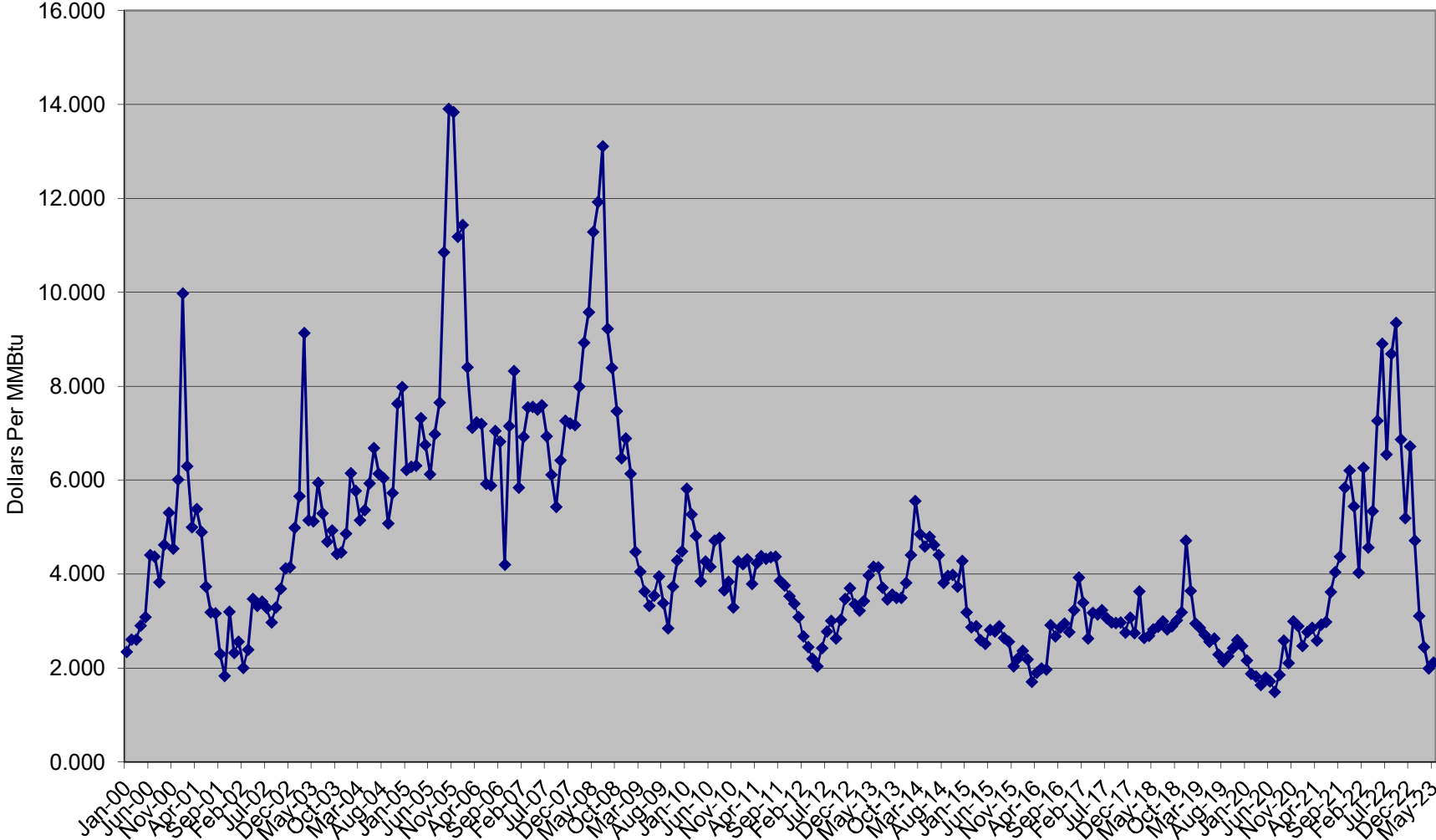
² Energy Information Administration's Natural Gas Weekly Update

first week of the month and a relatively low injection for the last week of the month, large injections occurred during the middle of the month compared to both the historical average and last year's. For example, a storage injection of 25 Bcf, slightly less than the historical average, occurred for the first week of the injection season and the storage level rose by 54 Bcf for the week ending April 28, compared to the historical average of 78 Bcf and last year's 72 Bcf, respectively, for the same period. Nevertheless, the storage level increased by 75 Bcf for the week ending April 14, compared to the historical average of 41 Bcf and last year's 47 Bcf injections, respectively. The higher than the historical average injection continued for the week ending April 21 when there was an addition of 79 Bcf, compared to 43 Bcf for the historical average and 42 Bcf for last year's injections, respectively, for the same period. The storage surplus to both the historical average and last year's grew for the week ending April 21, as the surplus of 525 Bcf to last year's level was the highest thus far this year while the surplus of 365 Bcf to the historical average was the highest since early March this year. While a stretch of mild weather typical in the shoulder month and steady supply of natural gas, among other factors, may have contributed to the above average storage injections in the middle of the month, relatively low storage injections, late in the month in particular, may have been attributable to rising heating demand due to colder than normal temperatures in major gas consuming regions during the period. The total storage inventories in the U.S. as of April 28 are 2,063 Bcf, 341 Bcf higher than the five-year average and 507 Bcf more than last year's level.

SUMMARY

The wholesale price of the natural gas commodity was fully deregulated by the federal government in 1993. Local natural gas distribution companies (LDCs) do not produce the gas they sell but purchase it on an open market at market prices. The Missouri Public Service Commission (PSC) does not regulate the price of the natural gas commodity, but does monitor LDC purchasing decisions. The PSC continues to review the gas purchasing practices of the distribution companies in terms of reasonableness and prudence.

Monthly Natural Gas Prices



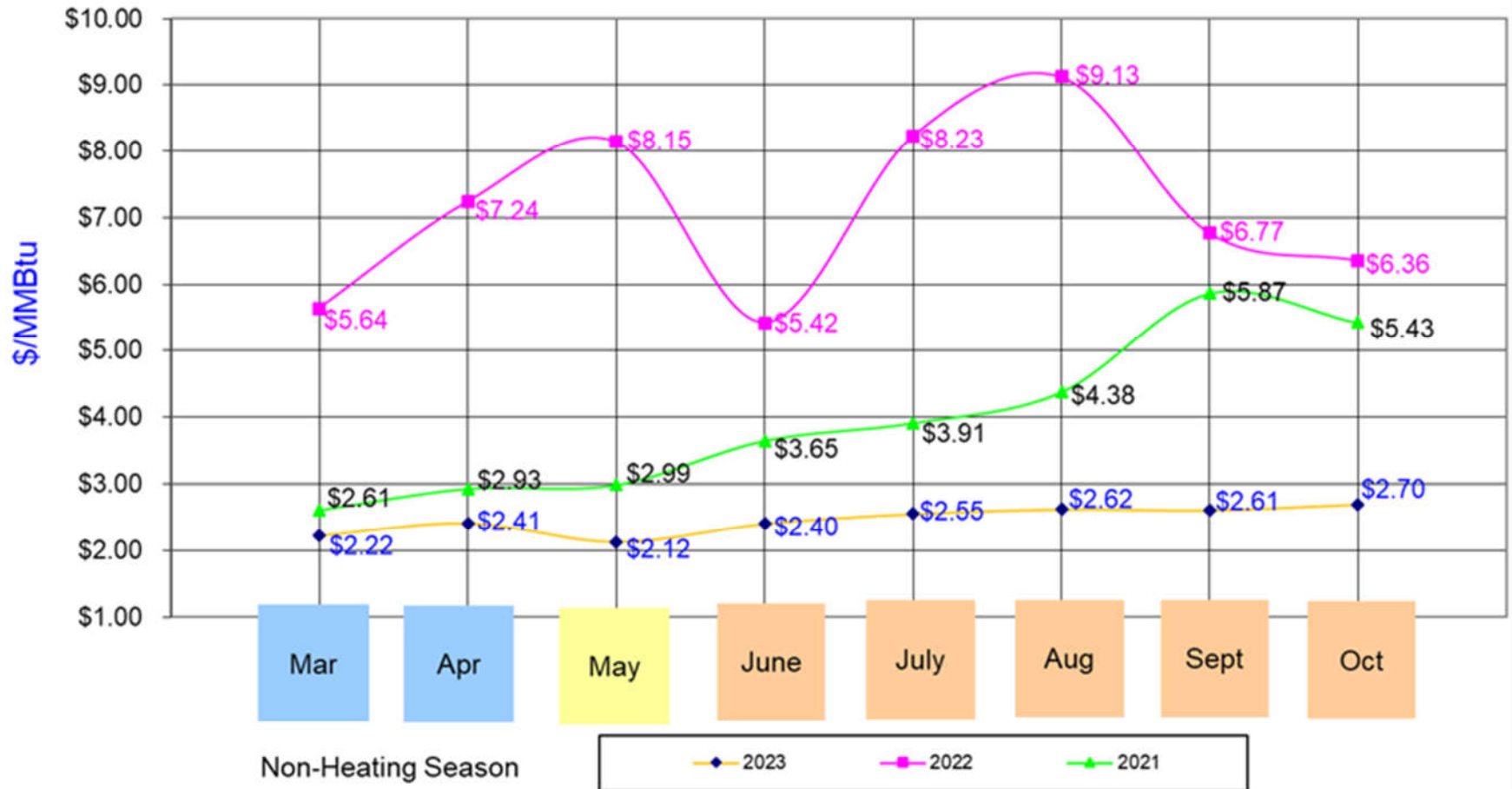
Note 1: 1 Million British Thermal Unit(MMBtu) is approximately equal to 1,000 cubic feet
Note 2: Monthly Natural Gas Prices Based on the New York Mercantile Exchange(NYMEX) Expiration Prices, Source:WSJ

NYMEX Natural Gas Commodity Price

Historical Month Price on the Last Trading Day of the Month

Current Month Price on Last Day Traded, 4/26/2023

Future Month Price on 5/22/2023



Missouri PSC, Procurement Analysis.

Data Source: NYMEX Henry Hub Natural Gas Settlement Price via TradingCharts.com