



Representing America's Natural Gas Utilities

Financial and Operational Information Series

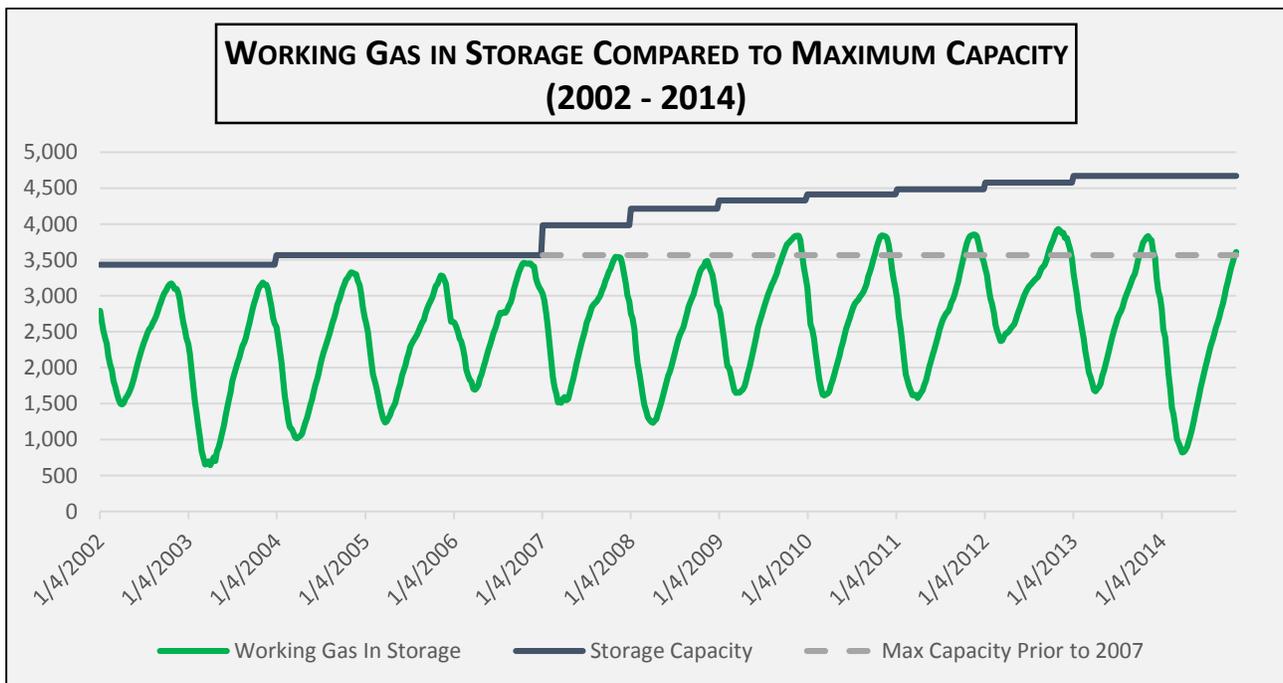
Volume 2014-12, December 2014

Issue:

Underground Storage Use and Construction

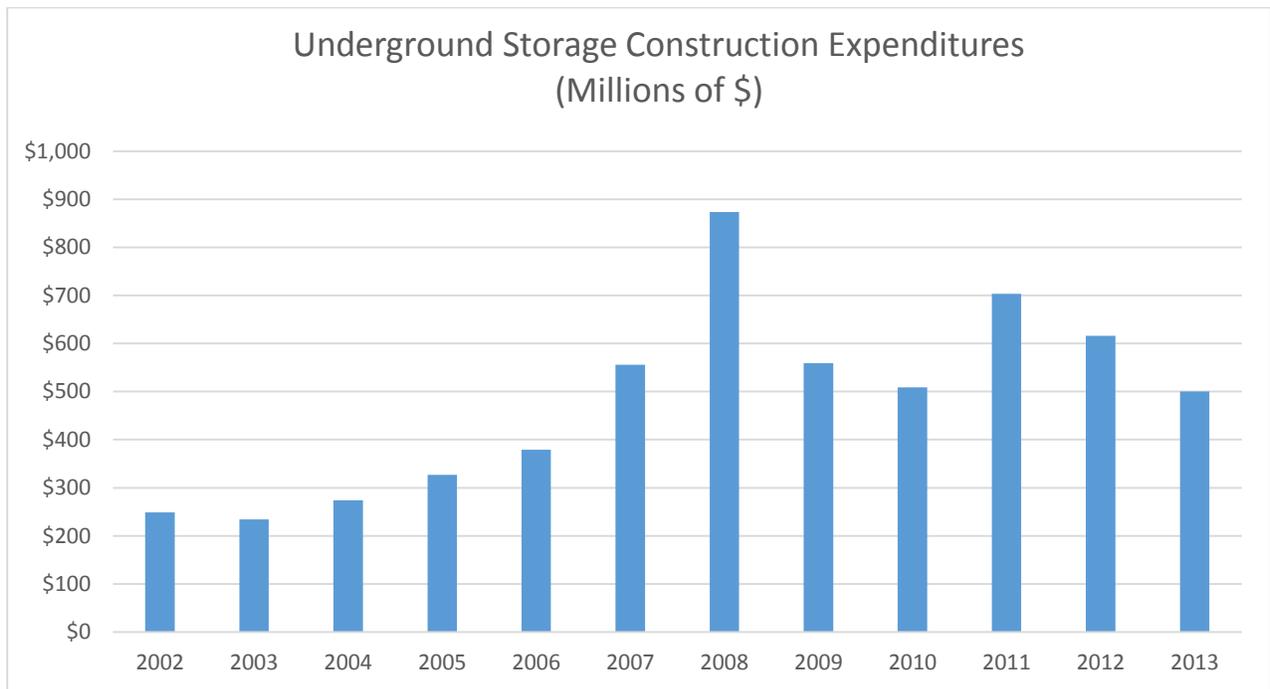
Findings

- Underground storage working gas inventories ended the 2013-2014 Winter Heating Season (WHS) on March 28, 2014 at a volume of 822 Bcf, a minimum level that had not been reached in over a decade (WHS 2002-2003). In both instances, there was concern that the inventory would not be sufficiently adequate by the beginning of the next withdrawal cycle to meet the needs of the 2014-2015 Winter Heating Season.
- However, during this past storage injection season, the working gas inventory increased an average of 87 Bcf/week, resulting in a level of 3,611 Bcf. Statistically, the slope of the 2014 net injection curve compares favorably to the period following the 2002-2003 WHS when the weekly average refill was 82 Bcf/week and final levels peaked at 3,187 Bcf.
- While the recent peak is 5.7% lower than it was at the same time last year and 6.2% lower than the preceding 5-yr. average, it is 13.3% more than maximum levels attained in 2003. In fact, due to capacity additions, this 3,611 Bcf is greater than would have been possible until as recently as 2007. (Grey dotted line below represents 2007 capacity of 3,568 Bcf.)



Sources: *Energy Information Administration's Weekly Natural Gas Storage Report*; and the *American Gas Association's Survey of Underground Storage of Natural Gas in the United States and Canada*

- Reaching these new working gas maximums and the ability to refill more rapidly are the results of both the careful planning of underground storage operators and the financial investments made by the natural gas industry. Over the last dozen years the industry has invested nearly \$6 Billion in underground storage construction. Much of this investment has occurred in the last 6 years – approximately \$3.7 Billion.



Source: AGA, *Gas Facts, A Statistical Record of the Gas Industry*

AGA Contacts: Paul Pierson (202-824-7133) ppierson@aga.org
Bruce McDowell (202-824-7131) bmcdowell@aga.org