



The NGL Roundup

Report Published: September 1, 2023

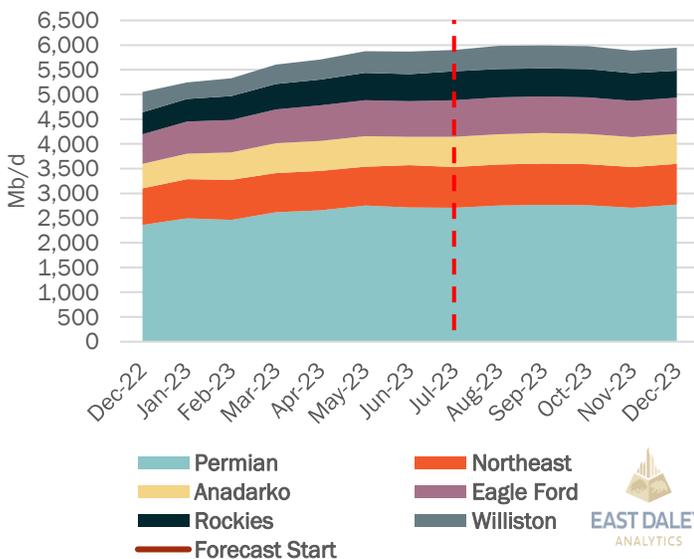
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NGL PRODUCTION +2% M-O-M, DRIVEN BY NORTHEAST & OFFSHORE:

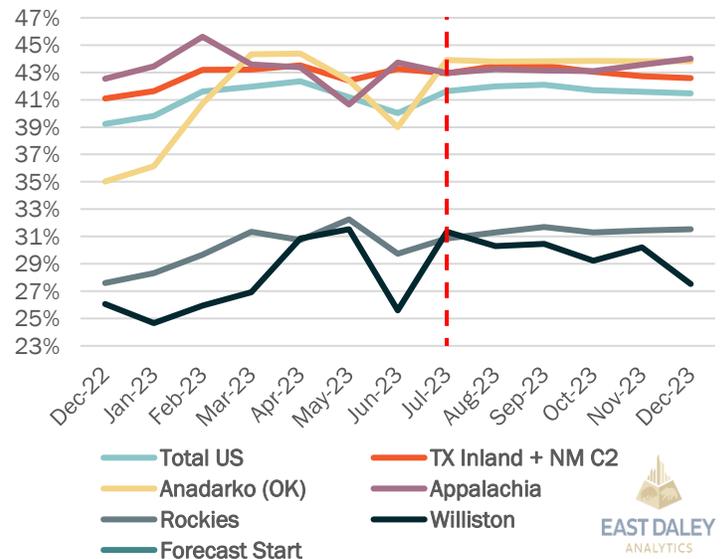
- EIA NGL production came in at 6,527 Mb/d, 1% higher than our forecast, and increased 2% M-o-M (+152 Mb/d) and +9% (+519 Mb/d) Y-o-Y. Production came in below expectations at most major on-shore basins, but the M-o-M jump was driven by the Appalachia, Ohio (Utica), and the Louisiana Gulf Coast (off-shore) sub-PADDs.
- Ethane recovery took a dip across most major basins, despite continued strength in domestic consumption and exports. Recovery especially dropped in the Anadarko (-16%) and Williston (-23%) but increased 17% in the Northeast (+46 Mb/d) as the Shell Monaca cracker resumed operations faster than expected after various disruptions earlier this year.
- The lower Permian frac spread in June likely caused the dip in ethane production. The spread decreased from \$0.12/gal in May to \$0.09/gal in June. We expected high demand to still result in higher ethane production, but it seems the jump in offshore production (+108%, 64 Mb/d) was enough to meet the higher demand. Permian frac spreads jumped in July to \$0.21/gal and remain elevated in August at \$0.13/gal, indicating the June decline in ethane production is a small blip.
- Propane/Propylene stocks are still recording new five-year highs, but declining closer toward the 5-year average when viewing it in terms of Days of Supply and accounting for the higher export demand.
- Interested in tracking basin and sub-basin NGL production, ethane rejection, and fractionator utilization? EDA's NGL Network Model and Purity Product Forecast will help you dig deeper than EIA data and connect the dots between NGL supply and demand.

NGL Plant Production (Mb/d)	TX Inland + New Mexico	Rockies	ND, SD, MN, and WI	OK, KS, and MO	Appalachia No. 1	Total US	Total EIA vs EDA (%)
Ethane	East Daley Estimate	1,601	178	142	251	2,681	-3%
	EIA Reported	1,518	162	111	209	2,613	
Propane	East Daley Estimate	1,052	204	165	173	2,009	2%
	EIA Reported	1,044	193	164	174	2,054	
N Butane	East Daley Estimate	399	79	69	58	621	2%
	EIA Reported	383	75	71	63	636	
Isobutane	East Daley Estimate	162	37	22	30	448	2%
	EIA Reported	166	34	22	27	456	
Natural Gasoline	East Daley Estimate	375	78	62	62	716	7%
	EIA Reported	398	81	66	63	768	
Total NGLs	East Daley Estimate	3,589	577	461	572	6,475	1%
	EIA Reported	3,509	545	434	536	6,527	

NGL Production – Major Basins



Ethane % of NGL Barrel



Source: East Daley Analytics' Purity Product Forecast, EIA

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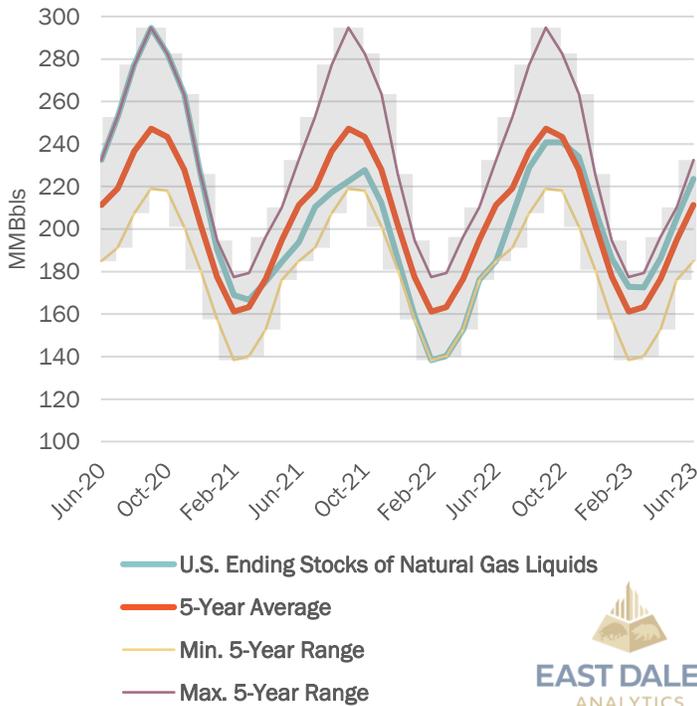
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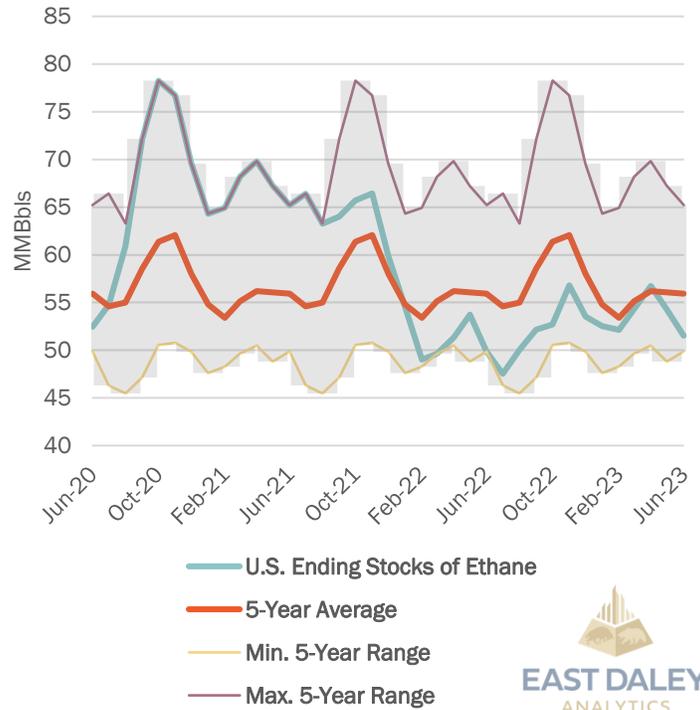
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INVENTORIES

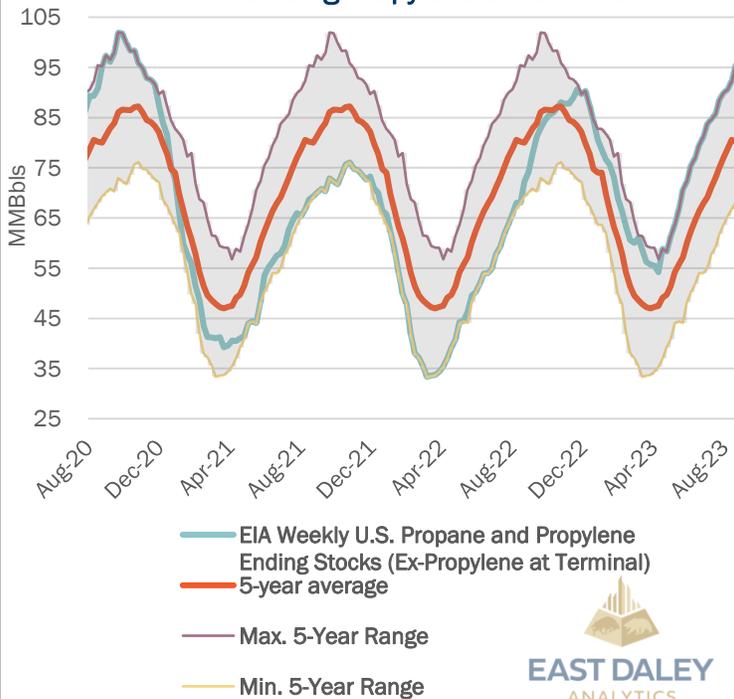
U.S. Total NGLs Ending Stocks



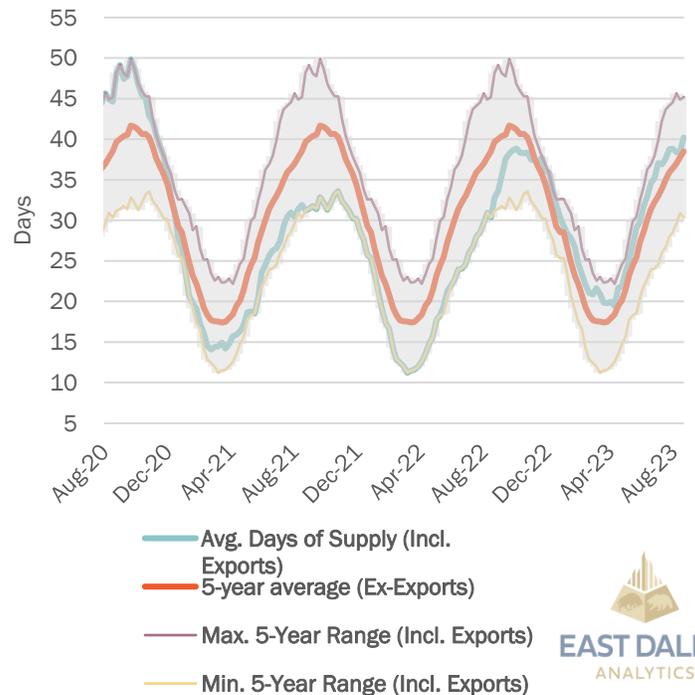
U.S. Ethane Ending Stocks



U.S. Propane and Propylene Ending Stocks Excluding Propylene at Terminal



Days of Propane/Propylene Supplied (incl. Exports, L4W Avg. Demand)



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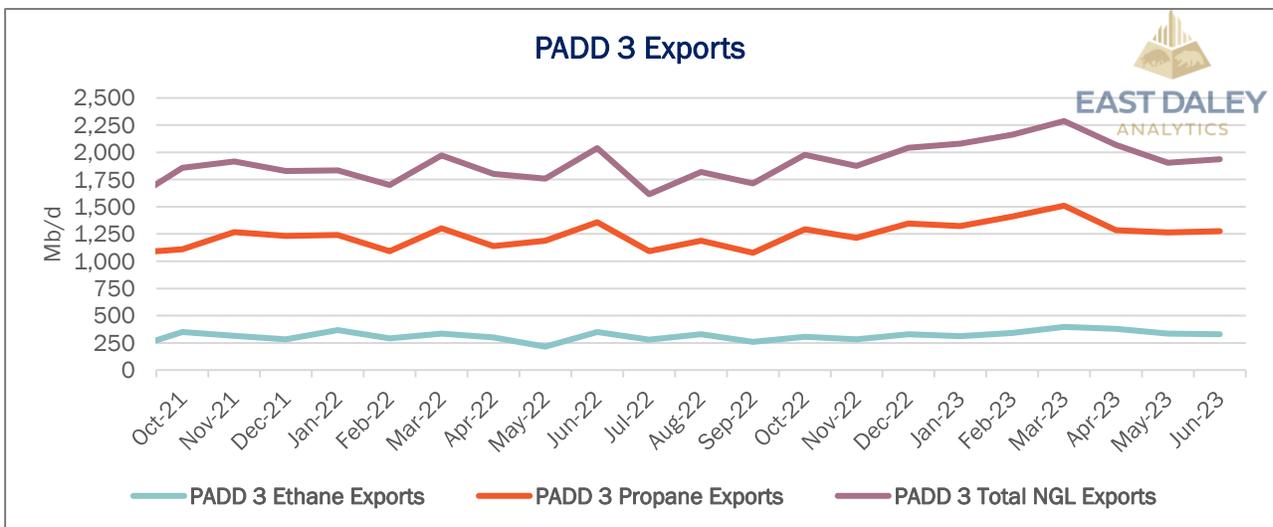
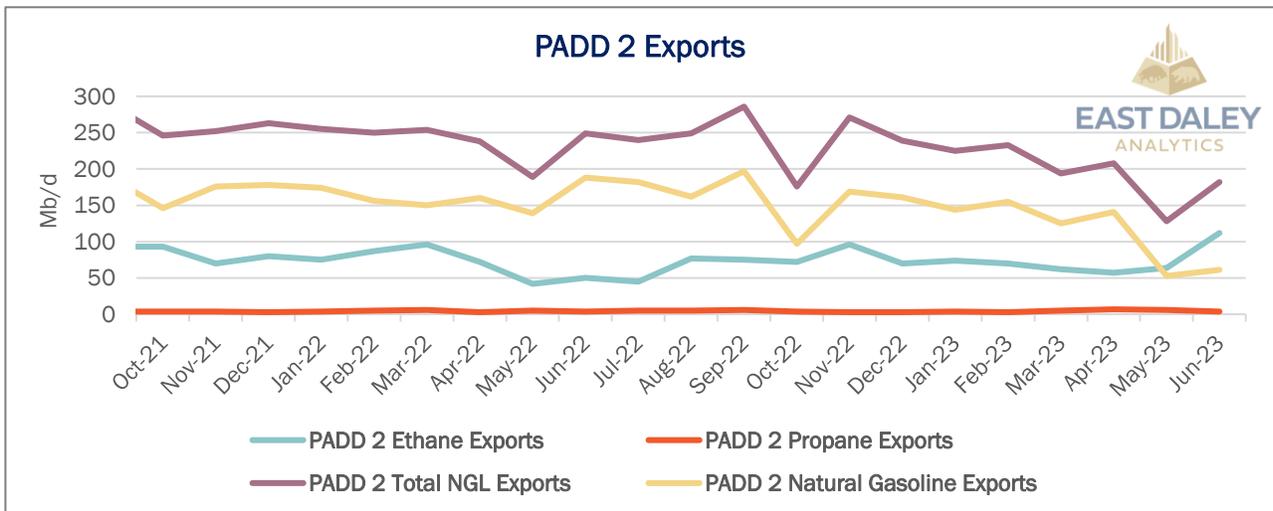
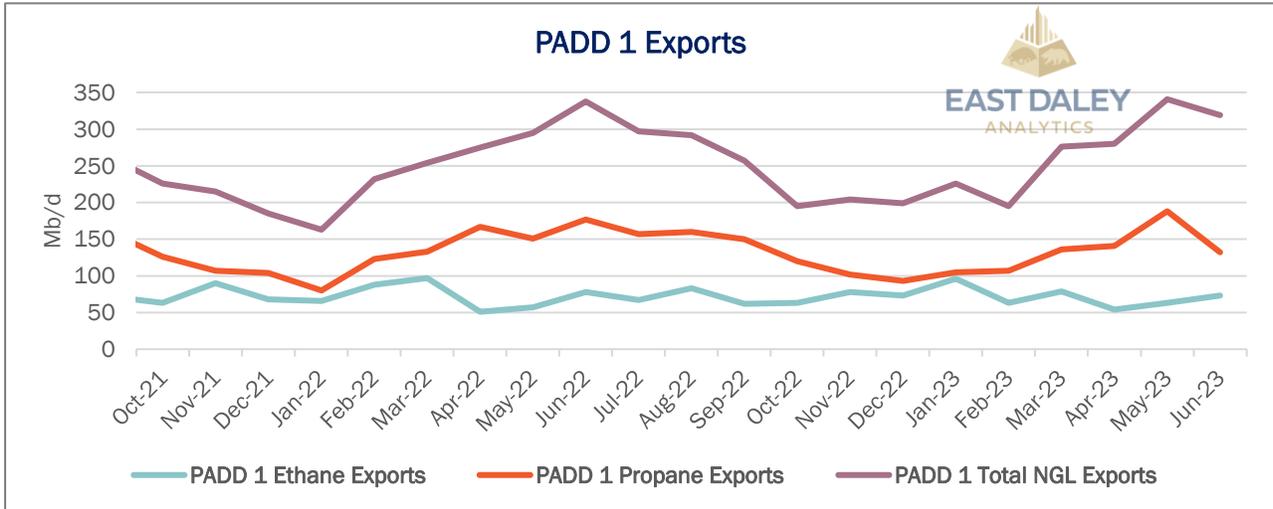


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NGL EXPORTS



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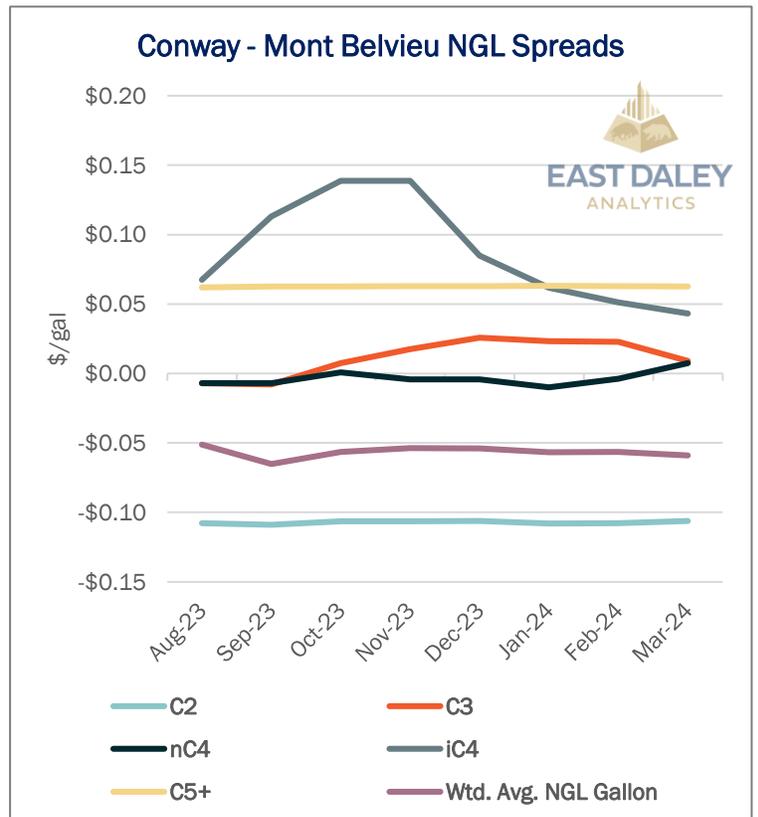
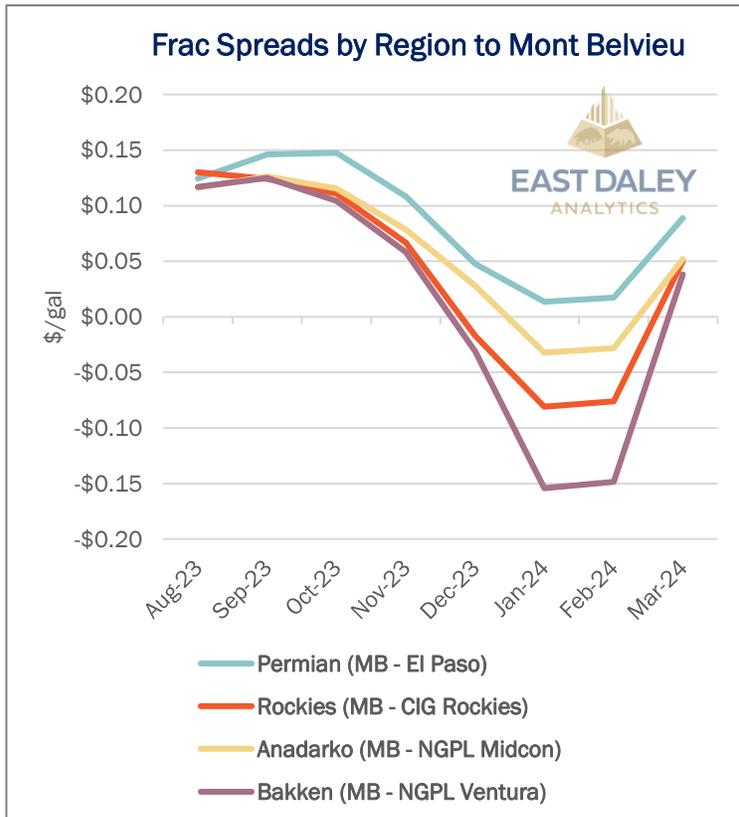
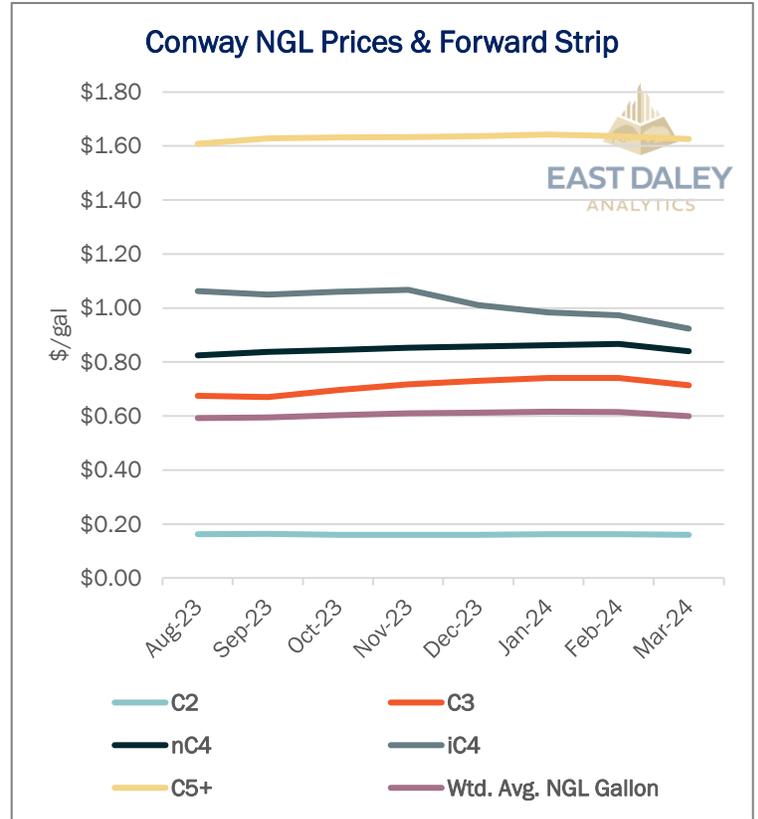
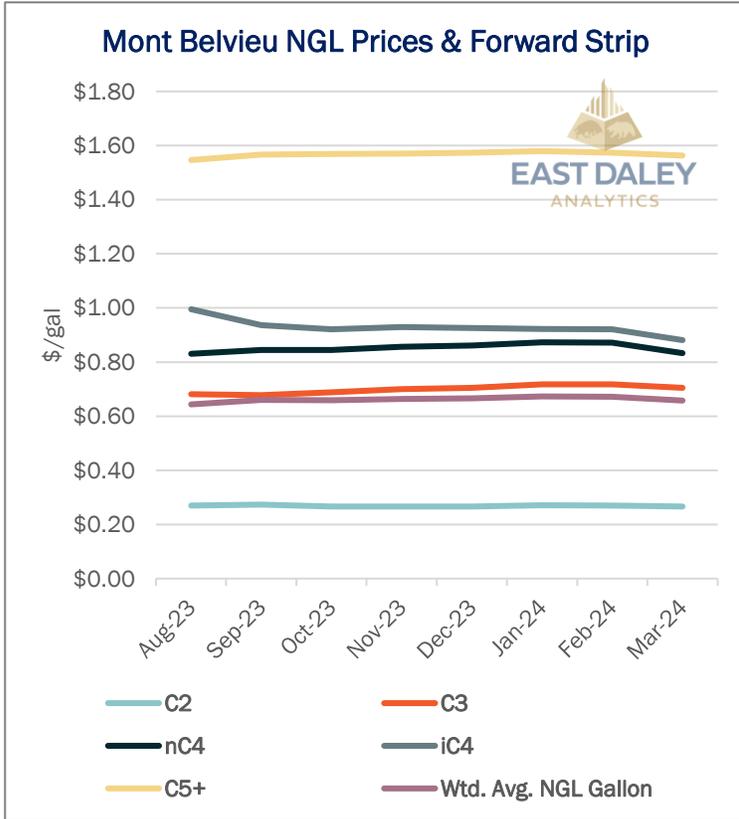


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FORWARD CURVES & SPREADS



Source: East Daley Analytics, EIA

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