Introduction to Natural Gas

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Where is it produced? Just conventional

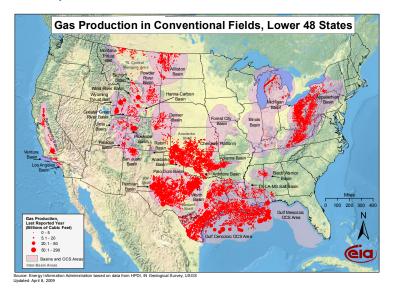


Figure 1:

More in the shale areas.

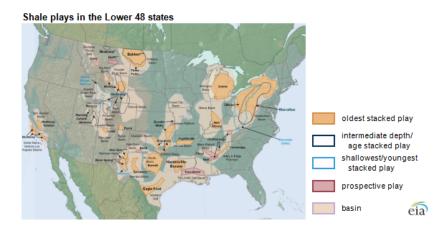
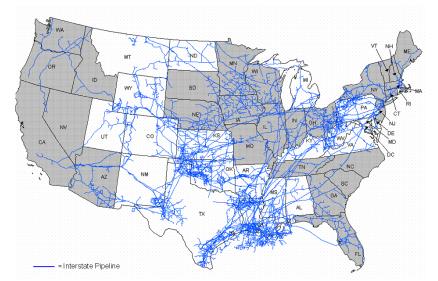


Figure 2:

How do you move it within the US? Pipelines (Interstate only).

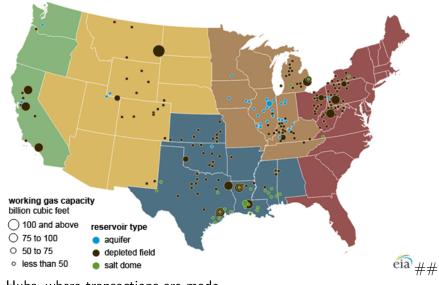


What about those pipelines?

- ► There are more intrastate pipelines than shown, plenty in TX and CA but also other states
- ► Read more here https://www.eia.gov/pub/oil_gas/natural_gas/ analysis_publications/ngpipeline/transcorr.html
 - ▶ Picture pipes ranging from a foot to three+ feet for trunk lines.
 - ► Compressor stations every 50-100 miles, ~1,500 total
 - 200 psi to 1,500 depending
- They are privatly owned https://www.eia.gov/pub/oil_ gas/natural_gas/analysis_publications/ngpipeline/ MajorInterstatesTable.html
 - Open access, posted prices, is a thing.
 - ► For intrastate, withing, state PUC regulate
 - ► For interstate, FERC regulates (You can find current Tarrifs at http://etariff.ferc.gov/TariffList.aspx)

Storage is important

U.S. underground natural gas storage facilities by type (July 2015)



Hubs, where transactions are made

