

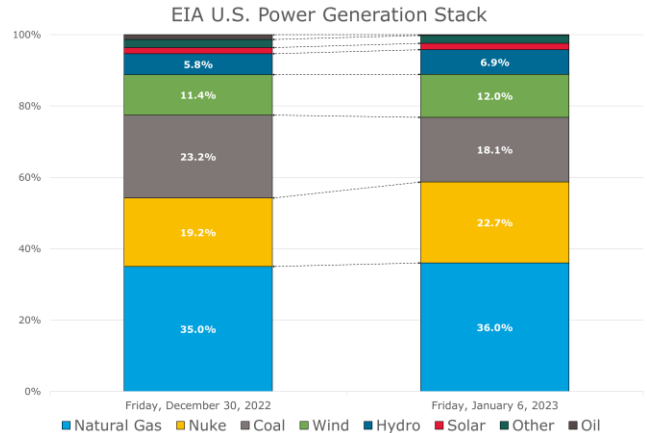
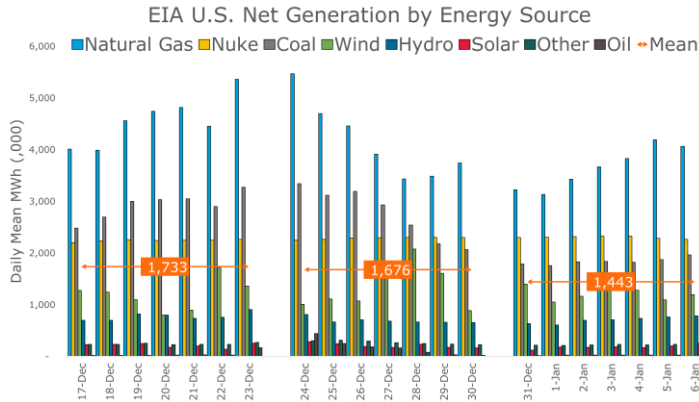
THE SCHORK REPORT



FUNDAMENTAL + TECHNICAL ANALYSIS OF THE ENERGY MARKETS

Friday, January 06, 2023

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Nota Bene: Biden tosses U.S. oil a bone? The White House deferred a plan to impose new pollution standards on drillers in the Permian. “The Environmental Protection Agency had been considering formally labeling parts of the region as violating federal air quality standards for ozone — a designation that would have spurred new pollution curbs and potentially deterred drilling in the world’s biggest oil field. But the administration omitted the policy from an agenda of planned regulations released late Wednesday and instead deemed the measure “inactive,” indicating it’s not expected to be finalized in the next six to 12 months.”

[Source: Yahoo, Bloomberg](#)

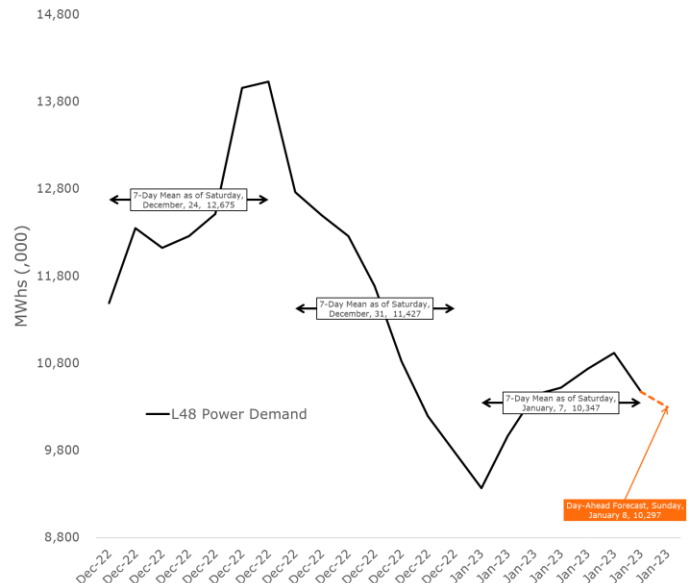
Omnium Gatherum

ENERGY PRICES WERE MIXED YESTERDAY... NYMEX natty tanked again despite a second straight >200 Bcf inventory delivery and oil steadied after plunging during the first two days of the new year.

EIA Natural Gas Recap

As of December 30th, the EIA reported the seventh delivery of the season from L48 natural gas underground storage. One week after reporting a massive 213 Bcf withdrawal (the 38th largest—since 1994—ever posted), another 221 Bcf (33rd largest ever) was drawn down for the week ended December 30th. This season’s hitherto delivery is up to a substantial 753 Bcf. A number which is 130 Bcf (20.9%) above the seasonally adjusted range, i.e. above normal, and 348 Bcf (116.4%) above last year’s pace. The deficit to the seasonally adjusted trendline ballooned to a 7-month high of 313 Bcf (9.8%).

EIA U.S. L48 Electric Power Demand



Over the past seven days (as of Saturday, January 07th) week-over-week demand was 9.5% lower. Day-ahead demand for yesterday was 9.9% higher week-over-week at 10,297,387 MWhs.

Of course, given the unseasonable warmth through the January 06th EIA week, this Thursday’s report will be a whopper. The consensus (early) forecast ranges from a delivery in the low 30s Bcf to an INJECTION in the high single-digits. If it is the latter, then this will be the first time an injection was reported for the month of January. The current record low for the month is a 4 Bcf delivery from 1997 (AGA Data). The current record low since 2010 (when the EIA assumed official responsibility for the weekly reports) is a 44 Bcf delivery.



