**Weekly Storage Report: Week Ending August 28, 2015**

Implied 86 bcf injection in line with estimates

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**Spectra’s Unióntown-to-Gas City Project Commenced Operations Early Sept. 1**

The EIA reported an 86 implied bcf storage injection for the week ending August 28 after reclassifications, in line the market estimate of an 85-92 bcf injection. Front-month Henry Hub was up $0.01 after the number was released at $2.66 and calendar 2016 Henry-Hub was up $0.01 to $3.11. Working gas in storage now sits at 3,193 bcf and is now 494 bcf higher than last year at this time and 80 bcf above the 5-year average. The East region now sits at 1,581 bcf of storage and 38 bcf below the five-year average. Use Markets symbol EIA.TOTAL.US for historic storage numbers.

The TETCO project, U2GC, will move gas from the Unióntown Compressor Station to the Panhandle Eastern pipeline in Gas City, Indiana. This project is likely to displace current midcontinent supply as it adds 425 mmcf/day of increased supply onto the Texas Eastern system. The flows out of Unióntown should be slightly bullish Tetco-M2 gas prices but the project was financed by producers with increased production so effect on basis could be muted. Binding shippers are EQT, Consol Energy, Rice Energy, Range Resources and East Resources. Firm service along this route was relatively cheap at around 6.35/dekatherm-month. The project was originally scheduled to come online November 1, 2015.
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