

The SAVINGS Spark



Cost Control Associates helps your organization reduce and better manage your energy, waste removal and telecom expenses. This monthly newsletter shares industry-related news, tips and updates.

December 2021



SIB Adds Shipware to the Family Fold

The Cost Control Associates team looks forward to an exciting new year! Our parent company, SIB Holdings, just announced that [Shipware](#), a respected leader in corporate supply chain expense management and shipping logistics services, has joined the company fold. [Learn more about Shipware and our expanded service offerings.](#)

More way to save time and money.

Energy Procurement Report: December 2021

Natural Gas

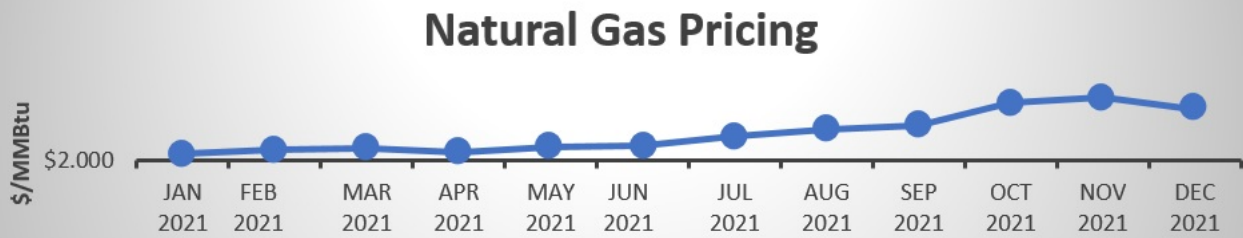
As production rises and LNG exports slow in 2022, natural gas prices are expected to continue their slide. [EIA](#) forecasts spot prices to average \$3.98 per MMBtu in 2022, down significantly from the 2021 high of \$5.51 in October.

- **Weather:** December continues to trend warmer, and we are on pace for December 2021 to be among the top three warmest Decembers since 1950. As a result of higher temperatures, the demand for heating is much lower than expected at this time of the year. The lack of heating demand is causing natural gas prices to drop precipitously.
- **Storage:** As of December 15, gas inventories total 3,505 Bcf, which is 3% of the five-year average. EIA forecasts inventories to end withdrawal season (March) at 1.7 TCF which would be 2% below the five-year average.
- **Trending:** Tighter supply inventory continues to push up prices. If temperatures remain warm, however, we could see the deficit corrected as less gas than expected is withdrawn from stockpiles.

LNG

The U.S. continues to export LNG at a feverish pace. LNG exports are up 50% from 2020 levels, currently at 9.8 Bcf per day. EIA predicts LNG exports to increase by another 17% in 2022, as U.S. LNG helps to fill global natural gas demand, particularly in Europe and Asia.

The following graph shows pricing over the past year:



Rising Energy Prices: Explained



If You Missed Last Month's Blog....

Businesses need reasonably priced energy to run their operations, heat facilities and get their products and services to market.

Yet this winter's demand for energy is beating out supply and sending prices skyward. [Why is it happening and what can your business do about it?](#)



Get the Energy Edge

Cost Control Associates has the energy industry expertise you need to be on the leading edge of your competition. Our independence from suppliers and installers helps your business pay less and understand more about its utility expenses including energy, water/sewer, waste removal, telecom and [so much more](#). We've been doing it for more than 30 years, and our experience shows. Client satisfaction is our top priority!

For more information on any of our services, please get in touch with [Brandon Sisson](#) at 770-307-7413 or complete the [contact form](#) on our website.

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