

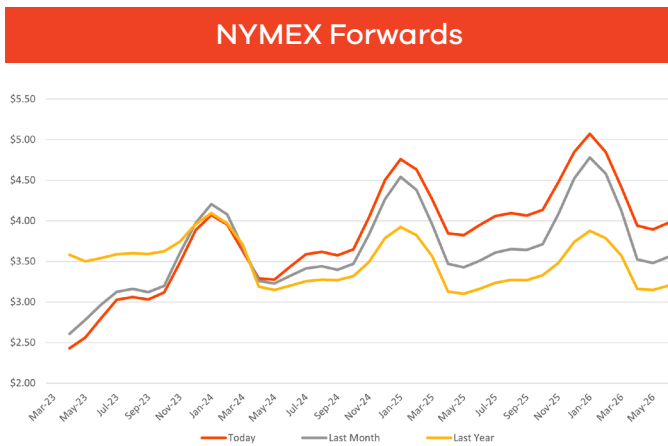
Pricing Outlook

February unveiled further declines in the NYMEX natural gas futures market as bearish fundamentals continue to weigh heavily on prices.

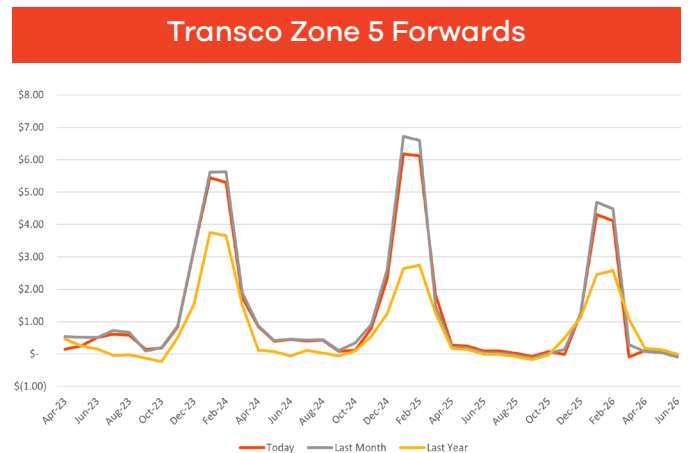
Warm temperatures in January and February have helped flip the script on the bullish market outlooks from late 2022. In fact, with winter all but over, natural gas prices are trading at their lowest levels since Spring 2021. **Prompt month prices have declined 75% from late August until now, briefly dipping below \$2/MMBtu on February 22.** Meanwhile, gas weighted heating degree days in January and February were the fifth lowest on record in the U.S., a reflection of unseasonal winter warmth through the nation's key consuming regions.

With little resulting need or incentive to draw down storage inventory, nationwide stocks are at fresh five-year highs for this time of year. The in-ground inventory measures 2,114 Bcf compared to 1,663 Bcf a year ago and 1,772 Bcf for the five-year average.

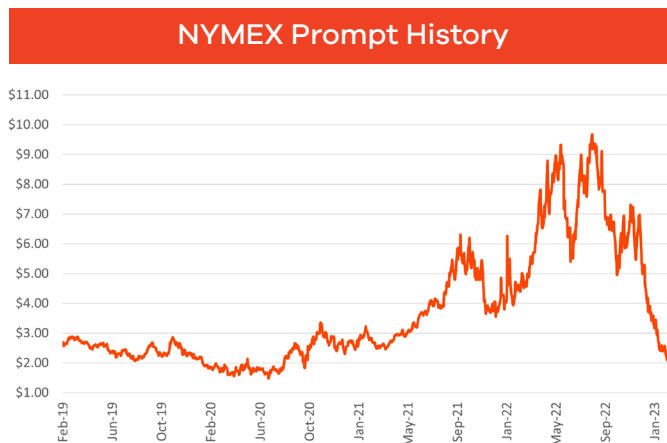
The market is currently expected to remain weak through the spring. However, the 2023-24 heating season shows some price recovery, with the November-March strip trading above \$3.80/MMBtu. Because near-term prices are so low, storage spreads are trending much stronger than usual. Attention will soon pivot to the upcoming cooling season as gas-fired power generation ratchets up and influences the gas market supply and demand.



Front month NYMEX prices are well below last year's levels. However, summer/winter market spreads are widening.



Transco Zone 5 South forwards have come off their mid-winter peaks.



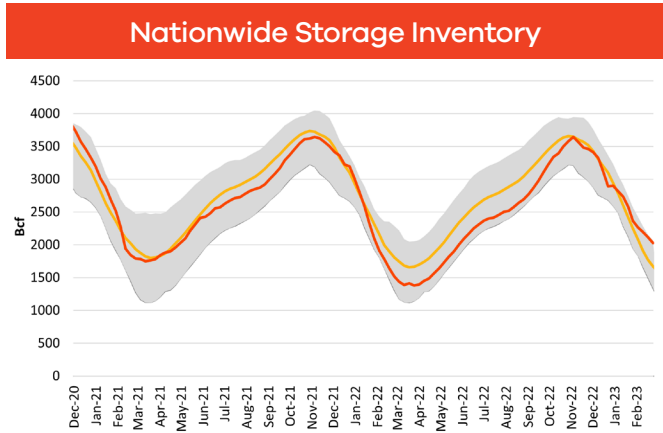
NYMEX prices briefly broke \$2/MMBtu during intraday trading on February 22

News From Gas South

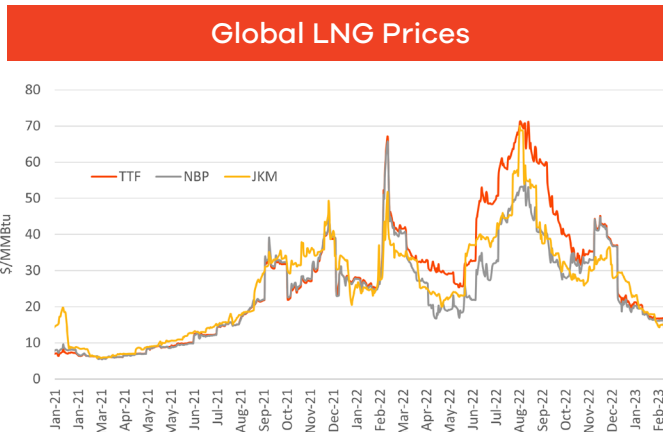
As part of our mission to Be A Fuel For Good, Gas South gives back 5% of profits to support children in need in the communities we serve. In 2022, we donated a record-breaking \$3.27 million. We're incredibly proud of the meaningful impact this gift makes possible—

- Support for mental health services at Ser Familia for Latino children
- Educational experiences at the Andrew & Walter Young Family YMCA
- A new kitchen at the Atlanta Ronald McDonald House for children and families receiving medical care
- A new, fully stocked school pantry so children have hot, nourishing meals for an entire school year
- Access to leadership training for high-school-aged girls so they can learn to live confidently

And that's not all. [Dive into our 2022 Annual Impact Report](#) to see all our non-profit partners and how we've built a culture of giving.

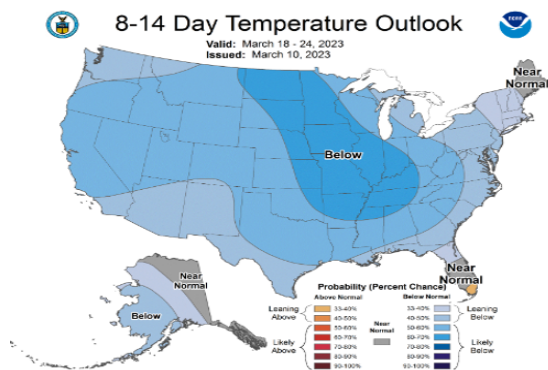


In the wake of a warm heating season, nationwide storage inventory is now well above the five-year average.



Global LNG prices continue to drift lower.

Short-Range Temperature Outlook



Temperatures are forecasted to be below average for the first half of March. However, the lower temperatures may be too little too late in terms of spurring any meaningful near-term gas market recovery.