

## Winter Forecast – Natural Gas Price & Supply Update

At the Minnesota Blue Flame Commercial/Industrial Fall Conservation Conference on September 20th, the breakfast keynote topic was the Natural Gas Price & Supply forecast for this winter. Special guest speaker, Russell Laursen, Manager of Gas Supply with Minnesota Energy Resources, came to speak to attendees.

### Natural Gas Conditions

- Supply is strong
- Demand is increasing
- Prices are relatively low and stable

### Costs have decreased

- Shale drilling costs in 2007 = \$5/MMBtu
- In 2016 = \$1-2/MMBtu

### Demand is increasing – Gas Generation

- EPA regulations have and will continue to put pressure on coal facilities
- Low gas prices and their impact on power economics
- Renewables need fossil-fueled generation back stop

### Forecast

- Prices seem destined to stay below \$5-6/MMBtu over the next 5 years
- While commodity costs will remain relatively low, transport costs will begin to increase
- The importance of natural gas as a fuel source will continue to grow.

For the full presentation, go to our website to view it at [http://blueflame.org/wp-content/uploads/2016/09/MERC\\_Laursen\\_2016-Blue-Flame-Presentation.pdf](http://blueflame.org/wp-content/uploads/2016/09/MERC_Laursen_2016-Blue-Flame-Presentation.pdf)

The National Weather Service estimates 3,042 heating degree days for the upcoming season when temperatures are expected to be 12 percent colder than last year. American Gas, Dec. 2016/Jan. 2017

## 2017 Membership Dues Mailed!

Invoices for the 2017 membership dues have been mailed out. If you did not receive your invoice or it was sent to you in error, please let Diane know at 763-424-1841 or [dswintek@blueflame.org](mailto:dswintek@blueflame.org)

### Membership benefits include:

New website “Product Sort” feature on the website helps connect customers looking for natural gas products to members that have that product! Networking opportunities, member rates to association events, advertising opportunities, opportunities to promote at the Minnesota State Fair in the Blue Flame Lodge or at seminars, etc.

Please renew! Our members are our strength! Your dues enable the Minnesota Blue Flame to continue to support the natural gas industry in Minnesota. Thank you!

# Natural Gas News

## QUOTE OF THE QUARTER

Everything I need to know, I learned from Noah's Ark

One: Don't miss the boat.

Two: Remember that we are all in the same boat.

Three: Plan ahead. It wasn't raining when Noah built the Ark.

Four: Stay fit. When you're 60 years old, someone may ask you to do something really big.

Five: Don't listen to critics; just get on with the job that needs to be done.

Six: Build your future on high ground.

Seven: For safety's sake, travel in pairs.

Eight: Speed isn't always an advantage. The snails were on board with the cheetahs.

Nine: When you're stressed, float awhile.

Ten: Remember, the Ark was built by amateurs; the Titanic by professionals.

Eleven: No matter the storm, there's always a rainbow waiting.

Author: Unknown

## Let it Snow: Natural gas warms city streets and sidewalks – Michigan

American Gas, November 2016

Even in the dead of winter, on the snowiest days, pedestrians of Holland, Michigan, can walk their dogs, run along the streets in sneakers and shop without slipping.

The city installed an unusual snow melt system under its streets and sidewalks that keeps them snow- and ice-free in the winter, and the new natural gas plant scheduled to open in February will expand that capability five-fold.

The \$240 million, 145-megawatt combined-cycle natural gas plant will replace an aging coal plant on a 26-acre site located just east of downtown.

The current system melts 648,000 square feet of snow, but the new plant will be able to melt nearly five times that amount, up to 2.5 million square feet. The system circulates 95-degree water under the pavement through one-inch plastic pipes and can melt one inch of snow an hour when outside temperature is about 20 degrees.

The snow melt system has been a major factor in attracting businesses and customers to downtown since it was first installed in the 1980s, Chris Van Dokkumburg, planning analyst for the Holland Board of Public Works said.

"We get a lot of snow," she said. A couple of years ago, Holland saw 150 inches, or more than 12 feet.

"We don't have to run snowplows down the streets," she said. "Running clubs use downtown. People walk dogs. Merchants don't worry about people tracking dirt into their stores. It's a great, great benefit to the community."

For the complete article, visit [www.aga.org](http://www.aga.org)

## Mark your 2017 Calendars:

- **Tuesday, June 6**  
Blue Flame Fishing Event, Mille Lacs Lake
- **Thursday, June 15**  
Blue Flame Golf Event, Cannon Falls Golf Club
- **Thursday, Aug. 24**  
**Labor Day, Monday, Sept. 4,**  
Minnesota State Fair
- **Tuesday, September 19**  
Commercial/Industrial Fall Energy Conservation Conference, Hillcrest Golf Club

## Upcoming 2017 Shows:

- Energy Design Conference & Expo - February 20-22, 2017 at the DECC (Duluth Entertainment Convention Center). For more information go to [www.duluthenergydesign.com](http://www.duluthenergydesign.com) Early bird registration ends February 3, 2017.
- Home & Garden Show – February 24–26 & March 3-5, 2017 at the Minneapolis Convention Center. For more information go to [www.homeandgardenshow.com](http://www.homeandgardenshow.com)



# Sea Change

American Gas, November 2016

From cruise ships to containerships, as the world continues to move toward an international emission standard, liquefied natural gas is asserting its role as a marine transportation fuel.

On a clear night last spring, the skies over the Port of Hamburg in Germany were lit by a brilliant fireworks display for the christening of AIDA Cruises' new dual-fuel cruise ship, the AIDAprima. The ship treated spectators on the shore to a spectacular rolling light show spanning the decks from fore to aft. Celebration aside, the exhibition also showcased the opportunity for liquefied natural gas in yet another segment of the marine industry.

"We're the first cruise line in the world to supply a ship with low-emission LNG for operation in port. I am convinced that our path is also a clear signal to the ports and LNG producers to invest in the necessary infrastructure," said Felix Eichhorn, president of AIDA Cruises.

Eichhorn's comments echo the sea change that's being felt throughout the industry. Just six years ago, the marine industry was the last large emission source that remained unregulated. Since then, the International Maritime Organization mandates have led ship owners to develop new solutions. While LNG remains a relatively new fuel source for ocean-going vessels, marked growth in the number of LNG-fueled ships signals the beginning of a new era, even as it calls out a challenge for the marine transportation industry and LNG suppliers.

For the complete article, visit [www.aga.org](http://www.aga.org)

# Member News



## Member Mike Morgan Honors Veterans – “Military Honor Plates”

Board member Mike Morgan honors military veterans with unique collections of license plates! These displays have been displayed at many events including at the Minnesota State Fair on Military Appreciation Day for years.

Here is the history of how he got started: Military Honor Plates was the creation of two lifelong friends Michael Morgan, Sr., and Timothy K. Loney. Mike has been collecting license plates since his early teens. Since 9-11, he has concentrated on Honoring Military Service members and focused on collecting their license plates.

One day he showed his collection to Tim, who is a retired Army Reserve Lieutenant Colonel and very involved in many civic veteran organizations. The two got to talking and Tim told Mike about the Military Order of the Purple Heart hosting their National Convention in St. Paul, Minnesota in August 2011. Tim said it would be a great tribute to put up a display of Purple Heart plates from every state and Mike agreed. At the time, Mike had all but five states, which soon became two – Rhode Island and South Carolina.

The display was built over the winter of 2010/11 in Mike’s garage. As they began to build the display, they asked some local companies for donations of time and materials. Tim contacted the national headquarters of the Military Order of the Purple Heart for permission to use their logos on the display and it was readily granted.

Their goal was to learn the story of each veteran’s plate that was on the wall and to publish those stories on their site to honor them and to honor all veterans who have served through their representation. They intend to create a book about the display, its travels, and the stories of the lives of the men and women who served our country and were awarded the Purple Heart.

Today, they have five 50 State displays that are essentially complete: Purple Heart, Disabled American Veteran (DAV), POW, Vietnam Vet, and Pearl Harbor Survivor. A sixth display using Military Veteran Motorcycle license plates is the current project they are working on.

They bring these displays, free of charge, to any local event that honors Military Veterans.

If you know of veterans wishing to donate a plate to one of the displays, it must meet the following criteria: They need to know the story of the Veteran, it must be from a state that they do not know the story about the currently displayed state/subject. If available, they would like a photo of the Veteran.

For more information, contact Mike at [mikem@jjmorgan.com](mailto:mikem@jjmorgan.com)

To learn more about “Military Honor Plates”, visit <http://www.militaryhonorplates.us/>



WISHING YOU



*a happy*

**HOLIDAY**

*season*

AND



★ A HAPPY NEW YEAR ★



## INTERESTED IN JOINING THE ASSOCIATION?

Contact Diane at [dswintek@blueflame.org](mailto:dswintek@blueflame.org) or visit our website at [www.blueflame.org](http://www.blueflame.org)  
Associate memberships are \$200 per year.

Join the team now!

Benefits to joining:

Website exposure on Blue Flame website (Natural Gas Product Finder), Networking Opportunities, Industry Contacts, Advertising Opportunities, Member rates (reduced rates) for Association events, seminars, etc., Increased Company Visibility (via our website & our Member Directory, etc.), and many more.

Have something  
to submit?

E-mail change?

If you would like to submit information to be considered for the next member newsletter or have an e-mail change, contact Diane at [dswintek@blueflame.org](mailto:dswintek@blueflame.org)



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