

# EIA's Proposed NGL Realignment: Overview of Proposed Changes



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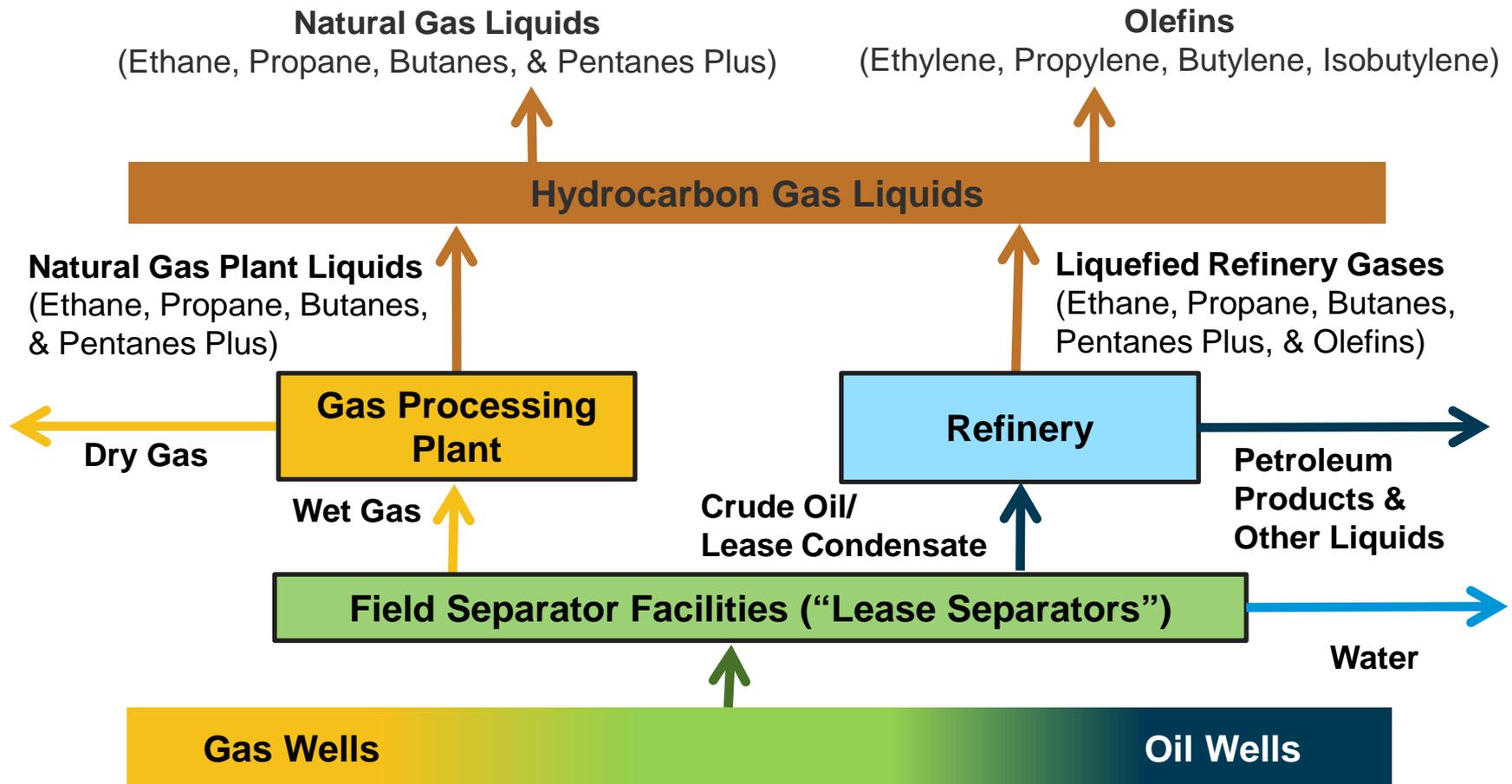
*For*

*Stakeholder Review*

*June 4, 2013*

# EIA's proposed approach to NGL accounting

$$\text{NGPL} + \text{LRG} = \text{HGL} = \text{NGL} + \text{Olefins}$$



*Butanes include normal butane and isobutane.*

# Major changes proposed by EIA to clarify NGL and condensate

**Natural Gas Liquids (NGL)** Use in the singular as market term; exclude olefins

**Olefins** Separate as subset of Liquefied Refinery Gas (LRG); include ethylene, propylene, butylene, and isobutylene; exclude aromatics

**Natural Gas Plant Liquids (NGPL)** Discontinue NGPL as “field production of crude oil;” NGPL ≠ NGL

**Reserves** Change to “Expected Production from Total Natural Gas Proved Reserves,” with NGL and dry gas break-out

**Extraction Loss** Change name to “NGPL production”

**NGPL Composite Price** Rename composite spot price instead of “NGL Composite Price”

**Pentanes Plus** Made synonymous with plant condensate and define as “natural gasoline, mostly pentanes and hexanes”

**Hydrocarbon Gas Liquids (HGL)**  $HGL = NGL + olefins = NGPL + LRG$

**Liquefied Petroleum Gas (LPG)** Remove ethane and olefins from LPG definition

**Lease Condensate** Re-categorize exclusively as crude oil; excluded from NGL