

Henry Hub Natural Gas Spot Prices 2005

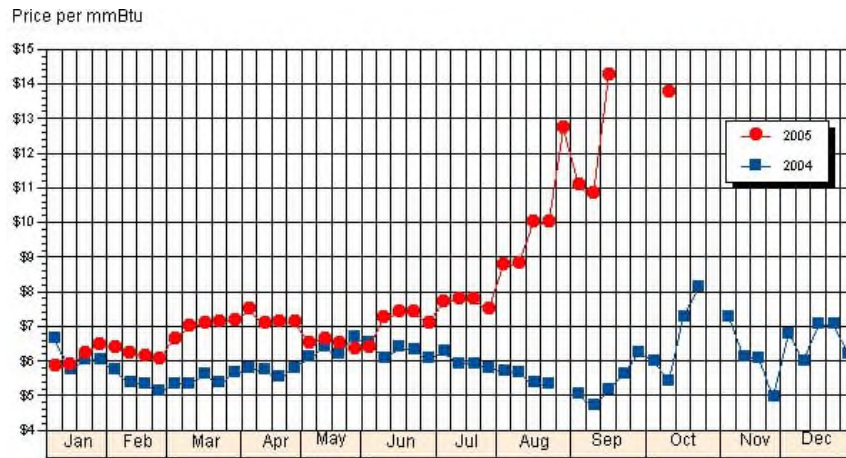
Natural gas spot prices decreased at all market locations this week although prices remain near record levels. Moderate temperatures, the holiday weekend, and the ongoing restoration of natural gas production in the Gulf of Mexico were factors contributing to the price declines, despite the upward pressure of rising crude oil prices and the remaining shut-in production in the Gulf of Mexico. [Shut-in](#) natural gas production in the Gulf was at 59 percent of the daily gas production on Wednesday, October 12.

Sabine Pipeline, the operator at Henry Hub, has lifted the [force majeure](#) on the Henry Hub facility. The force majeure had prevented or reduced gas flow operations. Trading resumed on Friday, October 7, for the first time since Friday, September 23, when prices averaged \$15.27. On Wednesday, October 12, the [spot](#) price at the Henry Hub increased 8 cents to \$13.76 per million [British thermal units](#) (mmBtu) from \$13.68 on Friday, October 7. Although prices declined this week, doubts about supply and the severity of the upcoming winter weather appear to support the elevated price level, as prices at most market locations remain about \$7 to \$10 above last year's level. The Henry Hub price was \$8.39, or 156 percent, above last year's level of \$5.37. The October issue of the Short-Term Energy Outlook expects Henry Hub prices to remain above \$12 until peak winter demand is over.

The amount of natural gas in storage in the East Region increased 2.4% for the week ending October 7 to 1,774 billion cubic feet which was 8 billion cubic feet above the 5-year average. Nebraska is a part of the [East Region](#) (see [map](#)) which is a major natural gas consumer, particularly in the [residential](#) and [commercial](#) sectors. The [industrial](#) sector, which includes agriculture, is also a major consumer in this state. Most of the gas is supplied from the [Producing Region](#) with a fair amount imported from Canada. The Henry Hub in southern Louisiana is a major market center with interconnections for many of the pipelines that transport U.S.-produced gas to the East Region. Furthermore, the Henry Hub is the preferred reference point for prices for most of the domestic gas destined for the East. Therefore, market conditions and developments in the East Region and price movements and trends at the Henry Hub are usually highly correlated.

Notes: An [archive](#) is available. Divide the price by ten (10) to obtain the price per hundred cubic feet ([ccf](#)) or the approximate price per [therm](#).

Natural Gas Spot Prices at the Henry Hub 2004 and 2005



Natural Gas Spot Prices at the Henry Hub 2005
[Price per Million British Thermal Units (mmBtu)]

Day	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1		\$6.29	\$6.64	\$7.58		\$6.36	\$7.01	\$8.02	\$11.36		NA	NA
2		\$6.38	\$6.61		\$6.50	\$6.65		\$8.37	\$11.75		NA	NA
3	\$5.53	\$6.30	\$6.72		\$6.61	\$6.65		\$8.75		NA	NA	
4	\$5.70	\$6.12	\$6.52	\$7.80	\$6.49		Holiday	\$8.54		NA	NA	
5	\$5.84			\$7.44	\$6.66		\$7.38	\$8.61	Holiday	NA		NA
6	\$5.79			\$7.46	\$6.67	\$7.05	\$7.68		\$11.58	NA		NA
7	\$5.85	\$6.03	\$6.67	\$7.51		\$7.13	\$7.62		\$11.05	\$13.68	NA	NA
8		\$5.95	\$6.84	\$7.27		\$7.22	\$7.87	\$8.93	\$10.93		NA	NA
9		\$6.20	\$6.99		\$6.56	\$7.05		\$8.71	\$11.03		NA	NA
10	\$6.23	\$6.21	\$6.90		\$6.67	\$7.09		\$8.81		\$13.28	NA	
11	\$5.96	\$6.03	\$6.73	\$7.17	\$6.63		\$7.35	\$9.29		\$13.66	NA	
12	\$5.89			\$7.34	\$6.63		\$7.78	\$9.58	\$10.66	\$13.76		NA
13	\$6.05			\$7.07	\$6.47	\$7.08	\$7.78		\$10.69	NA		NA
14	\$6.46	\$5.95	\$6.86	\$7.02		\$7.32	\$8.00		\$10.80	NA	NA	NA
15		\$6.01	\$7.15	\$6.95		\$7.39	\$8.03	\$9.52	\$11.26		NA	NA
16		\$6.11	\$7.08		\$6.45	\$7.41		\$9.69	\$11.25		NA	NA
17	Holiday	\$6.05	\$7.24		\$6.41	\$7.60		\$9.98		NA	NA	
18	\$6.68	\$5.88	\$7.12	\$6.95	\$6.50		\$7.77	\$9.39		NA	NA	
19	\$6.21			\$7.01	\$6.39		\$7.70	\$9.10	\$12.10	NA		NA
20	\$6.26			\$7.10	\$6.37	\$7.83	\$7.75		\$12.83	NA		NA
21	\$6.43	Holiday	\$7.17	\$6.93		\$7.47	\$7.64		\$14.25	NA	NA	NA
22		\$5.92	\$7.25	\$7.06		\$7.40	\$7.40	\$9.44	\$15.27		NA	NA
23		\$6.02	\$7.11		\$6.34	\$7.50		\$9.95	\$15.27		NA	NA
24	\$6.41	\$6.32	\$7.08		\$6.45	\$7.47		\$10.00		NA	NA	
25	\$6.46	\$6.27	Closed	\$7.27	\$6.33		\$7.38	\$9.77		NA	NA	
26	\$6.44			\$7.08	\$6.30		\$7.46	\$9.86	NA	NA		NA
27	\$6.50			\$7.11	\$6.22	\$7.29	\$7.50		NA	NA		NA
28	\$6.24	\$6.64	\$6.94	\$6.66		\$7.05	\$7.69		NA	NA	NA	NA
29			\$6.94	\$6.65		\$7.07	\$7.77	NA	NA		NA	NA
30			\$7.17		Holiday	\$7.01		\$12.35	NA		NA	NA
31	\$6.15		\$7.47		\$6.31			\$12.70		NA		

Sources: *Natural Gas Weekly Update*. Energy Information Administration, Washington, DC. Nebraska Energy Office, Lincoln, NE.

Note: NA = Not available.

*This table was updated on October 18, 2005.
Typically, there is one week between updates.*

