Henry Hub Natural Gas Spot Prices 2005

For the week (Wednesday to Wednesday), the <u>spot</u> price at the Henry Hub rose \$1.73, or more than 18 percent, to \$11.04 per million <u>British thermal units</u> (mmBtu). Colder temperatures, the remaining natural gas production shut-ins in the Gulf of Mexico, doubts regarding natural gas supply, and the continuing question about the weather during the upcoming winter are factors that contributed to the net increase. This Wednesday's price of \$11.04 was \$4.47, or 68 percent, above last year's level of \$6.57.

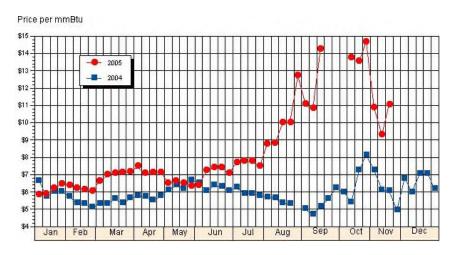
Consumers should continue to expect high heating costs since most of the natural gas for this winter has already been bought and sent to storage at record high prices during the onset and aftermath of Hurricanes Katrina and Rita. The Energy Information Administration expect residential customers to spend about \$306, or 41 percent, more on heating bills this winter compared to last year.

<u>Shut-in</u> natural gas production dropped to 3.7 billion cubic feet as of Wednesday, November 16, from its level on the previous Wednesday of 4 billion cubic feet.

The amount of natural gas in storage in the East Region increased 1.5% for the week ending November 11 to 1,946 billion cubic feet which was 86 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 <u>archive</u> is available. Divide the price by ten (10) to obtain the price per hundred cubic feet (<u>ccf</u>) or the approximate price per <u>therm</u>.

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		\$10.79	NA
2		\$6.38	\$6.61		\$6.50	\$6.65		\$8.37	\$11.75		\$10.84	NA
3	\$5.53	\$6.30	\$6.72		\$6.61	\$6.65		\$8.75		NA	\$10.80	
4	\$5.70	\$6.12	\$6.52	\$7.80	\$6.49		Holiday	\$8.54		NA	\$9.64	
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	\$8.79	NA
8		\$5.95	\$6.84	\$7.27		\$7.22	\$7.87	\$8.93	\$10.93		\$9.18	NA
9		\$6.20	\$6.99		\$6.56	\$7.05		\$8.71	\$11.03		\$9.31	NA
10	\$6.23	\$6.21	\$6.90		\$6.67	\$7.09		\$8.81		\$13.28	\$9.67	
11	\$5.96	\$6.03	\$6.73	\$7.17	\$6.63		\$7.35	\$9.29		\$13.66	\$9.19	
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	\$13.50		NA
14	\$6.46	\$5.95	\$6.86	\$7.02		\$7.32	\$8.00		\$10.80	\$12.80	\$9.15	NA
15		\$6.01	\$7.15	\$6.95		\$7.39	\$8.03	\$9.52	\$11.26		\$9.21	NA
16		\$6.11	\$7.08		\$6.45	\$7.41		\$9.69	\$11.25		\$11.04	NA
17	Holiday	\$6.05	\$7.24		\$6.41	\$7.60		\$9.98		\$13.88	NA	
18	\$6.68	\$5.88	\$7.12	\$6.95	\$6.50		\$7.77	\$9.39		\$13.40	NA	
19	\$6.21			\$7.01	\$6.39		\$7.70	\$9.10	\$12.10	\$13.52		NA
20	\$6.26			\$7.10	\$6.37	\$7.83	\$7.75		\$12.83	\$13.23		NA
21	\$6.43	Holiday	\$7.17	\$6.93		\$7.47	\$7.64		\$14.25	\$12.74	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		\$12.95	NA	
25	\$6.46	\$6.27	Closed	\$7.27	\$6.33		\$7.38	\$9.77		\$13.90	NA	
26	\$6.44			\$7.08	\$6.30		\$7.46	\$9.86	NA	\$14.67		NA
27	\$6.50			\$7.11	\$6.22	\$7.29	\$7.50		NA	\$13.89		NA
28	\$6.24	\$6.64	\$6.94	\$6.66		\$7.05	\$7.69		NA	\$13.11	NA	NA
29			\$6.94	\$6.65		\$7.07	\$7.77	NA	NA		NA	NA
30			\$7.17			\$7.01		\$12.35	NA		NA	NA
31	\$6.15		\$7.47		\$6.31			\$12.70		\$12.20		

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

Note: NA = Not available.

This table was updated on November 17, 2005. Typically, there is one week between updates.

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