

Henry Hub Natural Gas Spot Prices 2006

After the weekend, prices fell as temperatures grew warmer and as suppliers relied on withdrawals from storage. With less than a month remaining in the 2005-2006 heating season, mandatory withdrawal provisions in many storage contracts are pressuring draws on natural gas storage. Mandatory withdrawal provisions provide incentives for owners of natural gas in storage to draw down their working gas inventories to avoid financial penalties for failing to reduce gas in storage to stipulated volumes. On March 1, the natural gas [spot](#) price at the Henry Hub had fallen 92 cents from last week, or 12 percent, to \$6.62 per million [British thermal units](#) (mmBtu). The trend of declining prices continues from mid-December 2005 when the Henry Hub spot price was \$15.40 per mmBtu. This Wednesday's price of \$6.62 was two cents below last year's level of \$6.64 per mmBtu and marks the lowest level since June 1, 2005.

[Shut-in](#) natural gas production in the Gulf of Mexico was 1.504 billion cubic feet per day as of Wednesday, February 22, down from its level on February 8 of 1.554 billion cubic feet per day.

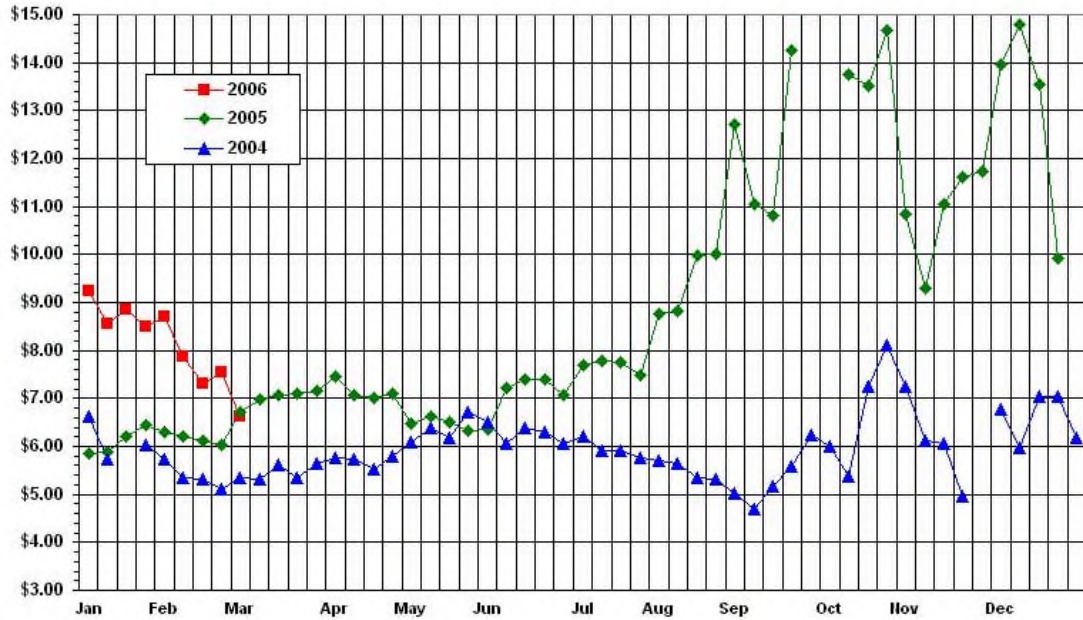
The amount of natural gas in storage in the East Region decreased 8.2 percent to 1,078 billion cubic feet for the week ending February 24, which was 365 billion cubic feet above the 5-year average. Nebraska is a part of the [East Region](#) (see [map](#)) which is a major natural gas consumer, particularly 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, 2005, and 2006

Price per mmBtu



Natural Gas Spot Prices at the Henry Hub 2006
[Price per Million British Thermal Units (mmBtu)]

Day	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1		\$8.71	\$6.62		NA	NA		NA	NA		NA	NA
2	Holiday	\$8.00	NA		NA	NA		NA		NA	NA	
3	\$9.91	\$8.01	NA	NA	NA		NA	NA		NA	NA	
4	\$9.25			NA	NA		NA	NA	NA	NA		NA
5	\$9.23			NA	NA	NA	NA		NA	NA		NA
6	\$9.28	\$8.26	NA	NA		NA	NA		NA	NA	NA	NA
7		\$7.73	NA	NA		NA	NA	NA	NA		NA	NA
8		\$7.88	NA		NA	NA		NA	NA		NA	NA
9	\$8.80	\$7.56	NA		NA	NA		NA		NA	NA	
10	\$8.60	\$7.56	NA	NA	NA		NA	NA		NA	NA	
11	\$8.55			NA	NA		NA	NA	NA	NA		NA
12	\$8.70			NA	NA	NA	NA		NA	NA		NA
13	\$8.53	\$7.36	NA	NA		NA	NA		NA	NA	NA	NA
14		\$7.03	NA	NA		NA	NA	NA	NA		NA	NA
15		\$7.31	NA		NA	NA		NA	NA		NA	NA
16	Holiday	\$7.16	NA		NA	NA		NA		NA	NA	
17	\$8.81	\$7.38	NA	NA	NA		NA	NA		NA	NA	
18	\$8.85			NA	NA		NA	NA	NA	NA		NA
19	\$8.21			NA	NA	NA	NA		NA	NA		NA
20	\$8.78	Holiday	NA	NA		NA	NA		NA	NA	NA	NA
21		\$7.40	NA	NA		NA	NA	NA	NA		NA	NA
22		\$7.54	NA		NA	NA		NA	NA		NA	NA
23	\$8.29	\$7.23	NA		NA	NA		NA		NA	NA	
24	\$8.25	\$7.40	NA	NA	NA		NA	NA		NA	NA	
25	\$8.50			NA	NA		NA	NA	NA	NA		NA
26	\$7.85			NA	NA	NA	NA		NA	NA		NA
27	\$8.18	\$6.97	NA	NA		NA	NA		NA	NA	NA	NA
28		\$6.68	NA	NA		NA	NA	NA	NA		NA	NA
29			NA		NA	NA		NA	NA		NA	NA
30	\$8.35		NA		NA	NA		NA		NA	NA	

Day	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
31	\$8.73		NA		NA		NA	NA		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 March 3, 2006.
Typically, there is one week between updates.*

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