



Independent Statistics & Analysis

U.S. Energy Information
Administration

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Extreme winter weather drives U.S. benchmark natural gas prices to their highest monthly average since 2014

According to the U.S. Energy Information Administration, U.S. benchmark Henry Hub natural gas spot prices averaged \$5.35 per million British thermal units in February, which is up from the January average of \$2.71 and the highest monthly average since February 2014. Higher prices in February reflect increased demand for natural gas because of extreme winter weather throughout most of the country.

In the March *Short-Term Energy Outlook*, EIA forecasts that Henry Hub prices will decline to an average \$2.88 per million British thermal units in the second quarter of 2021. Prices will average an estimated \$3.14 per million British thermal units for all of 2021, a \$1.11 increase from the 2020 average.

EIA's assumption of continued growth in LNG exports and non-power sector consumption, alongside relatively flat production, contribute to a forecast of Henry Hub prices rising to an average of \$3.16 per million British thermal units in 2022.

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