



*Independent Statistics & Analysis*

U.S. Energy Information  
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## **Hurricane Ida to bring higher natural gas prices**

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A significant amount of U.S. natural gas production capacity remains offline in the Gulf of Mexico, which has helped push natural gas to relatively high prices in recent days.

In our September *Short-Term Energy Outlook*, the U.S. Energy Information Administration forecasts natural gas spot prices at the Henry Hub will average \$4.00 per million British thermal units in the fourth quarter of 2021, which is 58% higher than the price in the fourth quarter of 2020.

Natural gas producers in the Gulf of Mexico took more than 90% of production capacity offline as Hurricane Ida approached the Gulf Coast. While overall U.S. production remains fairly flat, we expect that the decreases in production in the Gulf region, combined with strong demand for natural gas, will keep natural gas prices relatively high the rest of this year.

We expect prices to come down in the United States during 2022 as production increases but to still remain about 70% higher than in 2020.

ShaMyra Sylvester, for EIA, Washington