U.S. natural gas production expected to rise in 2017 after declining in 2016

U.S. annual natural gas production is expected to decline in 2016 for the first time in more than a decade, but increase next year as drilling activity picks up.

In its new monthly forecast, the U.S. Energy Information Administration said domestic natural gas output in 2016 is expected to be down 1.4 billion cubic feet per day from last year’s level. That would be the first annual decline in production since 2005.

However, output is forecast to rise by almost 3 billion cubic feet per day in 2017 from this year’s production level and top 80 billion cubic feet per day on an annual basis for the first time ever.

EIA said it expects that increased drilling activity and new pipelines connecting production to demand centers will reverse the decline in production in 2017.

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