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NGSA Winter Natural Gas Outlook Projects Record Demand and Cold Weather Combining to Put Slight Upward Market Pressure on Natural Gas This Winter

Washington, D.C. –Colder weather and increased demand will place slight upward pressure on natural gas prices compared to last winter, the Natural Gas Supply Association (NGSA) said today in its 24th annual *Winter Outlook* forecast of the wholesale winter natural gas market. NGSA also projected higher-than-average storage, record production and supply, and modest GDP growth this winter.

The NGSA *2024-2025 Winter Outlook* compared the upcoming winter to the winter of 2023-2024 which, according to NOAA, was the warmest December-January on record in the United States and the warmest in 175 years globally. During the 2023-24 winter heating season, defined as November through March, natural gas averaged \$2.51per MMBtu at the Henry Hub.

“The NGSA Outlook shows we’re heading into a cooler winter well-prepared with record production and storage,” said Freeman Shaheen, Chairman of NGSA and President for Global Gas at Chevron. **“We also continue to see the importance of natural gas as a partner to renewables in the five-year snapshot of new power plant capacity with 36 Gigawatts (GW) of new natural gas generation and an amazing 162 GW of new wind, solar and battery resources. To continue progress of decreased energy-related CO2 emissions, we need public policy support to meet growing infrastructure needs, encourage government and private sector investment, and streamline permitting processes.”**

In brief, NGSA’s analysis of individual supply and demand factors showed:

Supply – Production is expected to increase by 1 percent, still a record. *Flat pressure.*

Economy –Expected GDP growth of 4 percent. *Flat pressure.*

Weather –Anticipated 7 percent colder than last winter. *Upward pressure.*

Overall Demand – Customer demand projected to average 125.6 Bcf/day, a more than 5 percent increase winter-over-winter, primarily in the **residential/ commercial and electric sectors**. *Upward pressure.*

Storage – Expectation to enter winter 6 percent above the 5-year average with 3.9 Tcf of gas in storage, considerably more than last winter’s 3.7 Tcf levels. *Flat pressure.*

NGSA said that utilities, merchant generators and industrial customers can use tools to build a diverse natural gas supply portfolio that mitigates exposure to daily spot market price changes and enables access to multiple suppliers and local storage to meet unexpected real-time needs. Spot market prices represent just one facet of the overall volumes of natural gas on the market, and if arrangements are made in advance, suppliers can also tailor more sophisticated natural gas packages to meet a customer’s flexibility requirements. All of these actions can give customers more purchase options, especially during tight market conditions.

NGSA relied on [analysis and data from Energy Ventures Analysis](#), Moody’s Analytics and publicly available sources including the Energy Information Administration for its projections. **The NGSA analysis does not project actual price figures for wholesale or retail markets.** Please visit www.ngsa.org to view the NGSA [Winter Outlook presentation in pdf](#), the [Energy Ventures Analysis Executive Summary](#), a list of [average natural gas prices at Henry Hub since 2010](#) and the NGSA’s [Winter Preparedness Fact Sheet](#).

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The Natural Gas Supply Association (NGSA) represents integrated and independent companies that supply natural gas. Founded in 1965, NGSA is the only national trade association that solely focuses on producer-marketer issues related to the downstream natural gas industry. NGSA advocates for well-functioning markets that foster a growing, competitive market for natural gas. NGSA is dedicated to achieving a cleaner future through strong partnerships with renewables and supporting innovative technologies and market solutions that reduce emissions. For more information, please visit www.ngsa.org.

Markets Matter: Representing America’s Major Producers and Suppliers of Natural Gas Since 1965