

ENERGY MATTERS

What's Up With Natural Gas Prices?

(NAPSA)—Many homeowners have been wondering why natural gas prices will be so much higher this year—and if there's anything they can do about it.

Here are some common questions answered by the experts at the American Gas Association:

Q: Why are natural gas prices higher than they were last year?

A: Natural gas customers may face higher energy bills, especially if winter weather is colder than it was last year. This is due, in part, to the disruptions by recent catastrophic hurricanes on natural gas production facilities in the Gulf of Mexico.

Q: What will consumers do this year?

A: Gas utility companies offer bill-paying programs to help.

Q: How does the price of natural gas affect the economy?

A: Manufacturers and other industrial customers use almost as much natural gas each year as do homes, schools and businesses with gas service combined. So ample natural gas at affordable prices is vital to jobs and a healthy economy.

Q: Is there a gas shortage?

A: Rather than a shortage, which implies running out, this is a period of tight supplies. There are abundant supplies of natural gas but they will cost more this year.

Q: How do you bring natural gas prices down?

A: There are two ways: increase supply and reduce demand. During the 1990s when gas supplies were



Natural gas utility companies are working on ways to increase supply and lower prices.

in balance with demand, consumers enjoyed more affordable prices.

Q: How can supplies be increased?

A: Increased supplies could take six to 18 months. Some of the gas we use is imported from other countries in a condensed liquid state and imports could be increased. Government officials can act to give producers greater access to natural gas resources and promote new docks where ships carrying imports of liquefied natural gas (LNG) can land.

Q: What about energy efficiency?

A: Using natural gas and other forms of energy is something we can all do. For example, consumers can help reduce their winter heating bills by sealing air leaks around doors and windows, dialing back the thermostat and adding insulation.

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