

# Preface

*Natural Gas 1996: Issues and Trends* provides a summary of the latest data and information relating to the U.S. natural gas industry, including prices, production, transmission, consumption, and financial aspects of the industry. The report consists of six chapters and seven appendices.

Chapter 1 presents a summary of various data trends and key issues in today's natural gas industry and examines some of the emerging trends. Chapters 2 through 6 focus on specific areas or segments of the industry, discussing in some detail the many choices and challenges of the current marketplace. Chapter 2 discusses the natural gas transportation market and pipeline capacity release and turnback issues. Chapter 3 examines the development of natural gas market centers during the past 5 years and how these entities have changed the way business is transacted in the natural gas marketplace. Chapter 4 looks at how natural gas producers have responded to the restructuring of the interstate pipeline industry and how they have improved operations to become more efficient in a more competitive market. Chapters 5 and 6 focus upon the distribution end of the natural gas industry, examining first how prices to final consumers have changed since restructuring, and second, how State regulatory agencies are dealing with competitive and operational changes in the intrastate and interstate markets.

Unless otherwise stated, historical data on natural gas production, consumption, and price through 1995 are from the Energy Information Administration (EIA) publication, *Natural Gas Annual 1995*, DOE/EIA-0131(95) (Washington, DC, November 1996). Similar annual data for 1996 and monthly data for 1995 and 1996 are from EIA, *Natural Gas Monthly (NGM)*, DOE/EIA-0130 (96/11) (Washington, DC, November 1996).

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