

Natural gas inventories at record level for start of winter

U.S. natural gas inventories are on track to reach near-record levels at the start of the winter heating season.

In its new forecast, the U.S. Energy Information Administration said the amount of natural gas in storage is expected to be almost 4 trillion cubic feet at the end of October, before seasonal declines begin sometime in November.

For the upcoming winter, natural gas consumption for residential heating is expected to be 10% higher than last winter, mainly because temperatures are forecast to be colder than last year. If the weather is much colder than forecast, the high gas inventories should help moderate any swings in natural gas prices.

Jonathan Cogan, for EIA, Washington