



***DON'T MISS THIS BIG BUYING OPPORTUNITY: Natural Gas Prices Reach Lowest Level in Over a Year***

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*By Brendan Boyle, Director, Market Intelligence, [Transparent Energy](#), November 2025*

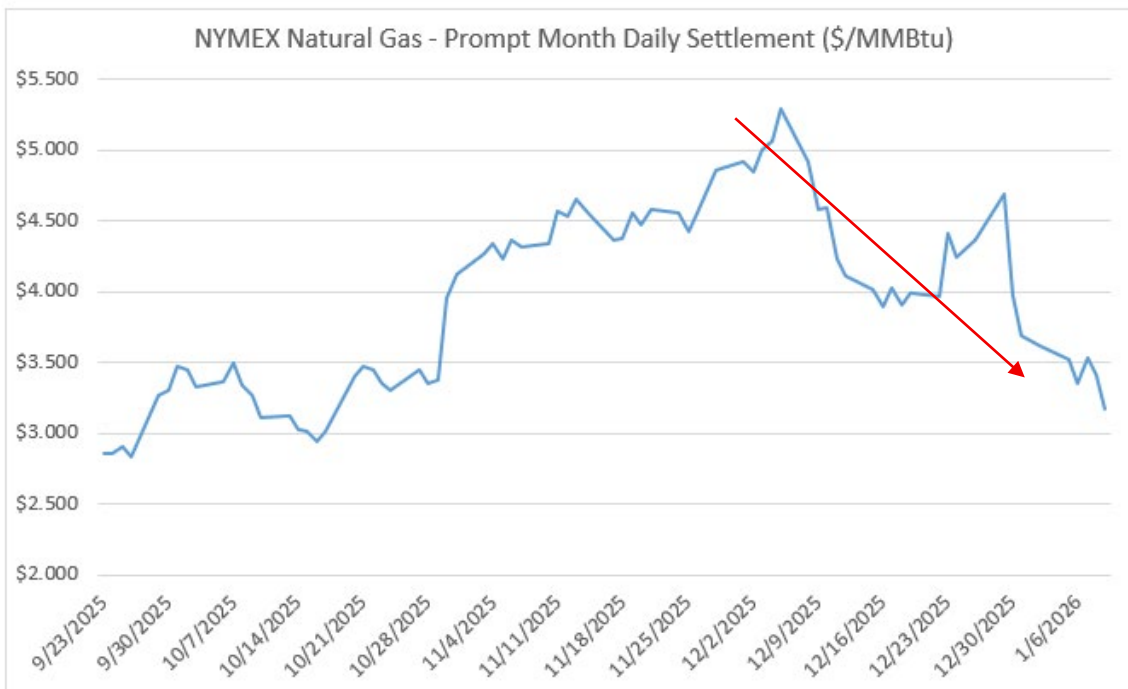
Over the past year, the experts at Transparent Energy have been advising clients to lock in medium-to-long-term fixed rate supply agreements. We've done so because we have extensively studied market volatility and have experienced periods when prices were substantially higher than they are today. In 2022, natural gas prices, a proxy for electricity prices, traded 48.4% higher than in 2025. The difference can substantially impact a business's bottom line.

**We also know that low rates will not last forever.** Countless factors are driving energy prices, and while it's impossible to predict when prices will rise, we know that *they won't be getting substantially lower* anytime soon.

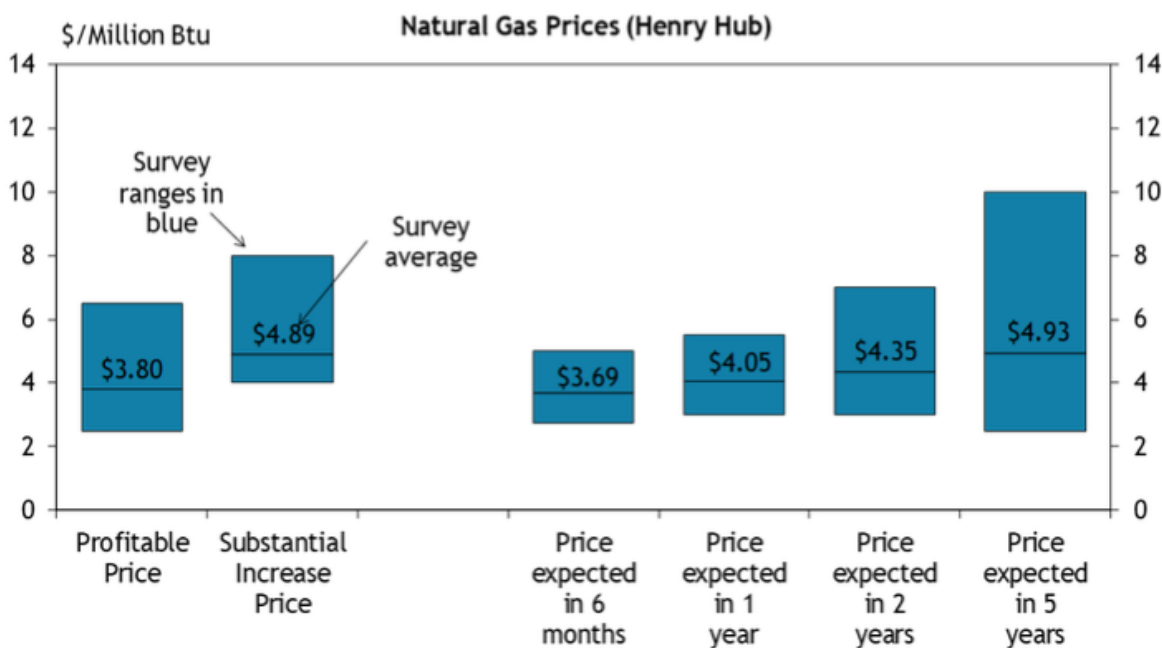
On January 9<sup>th</sup>, 2026, the 12-month forward natural gas strip **closed at the lowest price in over a year**. Most of the downward price action was driven by strong gas production and relatively mild weather. But we have seen substantial volatility, particularly towards the front end of the curve.

In early December 2025, prompt month natural gas prices reached \$5.289 per MMBtu. One month later, that figure fell to \$3.169, a more than 40% decline! **But prices can only go so low.** As we saw in the spring of 2024, natural gas production companies are unwilling to maximize output when prices fall below a certain level.





The Kansas City Federal Reserve regularly posts a survey among energy companies tracking production and profitability. There was a substantial decrease in oil and gas production during Q4 of 2025 because of the low-price environment. The most recent survey suggests that profitability starts around \$3.80 per MMBtu on average, and it would take a price of \$4.89 to substantially increase production. The forecasted range of prices is steadily increasing:



Source: [kansascityfed.org](http://kansascityfed.org)

**So, what happens when production is flat amid growing demand?**

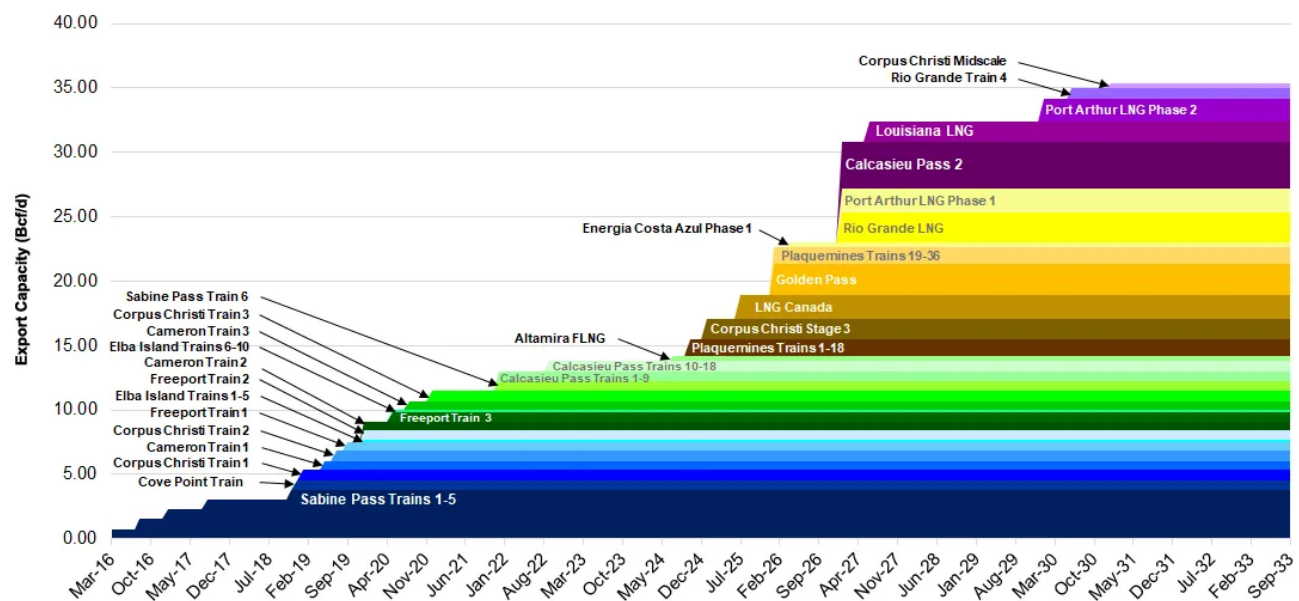


In the simplest terms, **prices move higher**. U.S. energy policy is focused on two primary goals: 1) Increasing LNG exports and 2) Establishing AI superiority. Both targets mean a tightening in the supply/demand balance.

NGI forecasts U.S. LNG exports **doubling** by the end of the decade:

### North America Operational and Sanctioned LNG Facility Peak Export Capacity

NGI



This means substantially less gas being deposited into U.S. storage facilities.

In terms of electricity, the Federal Government recently released executive orders to ensure “United States leadership in Artificial Intelligence (AI) will promote United States national and economic security and dominance across many domains.” **Achieving this goal is going to be incredibly energy intensive.**

As we’ve seen in the recent capacity auctions (particularly PJM and MISO), the U.S. electric grid is already severely constrained, and the data center market is poised to increase dramatically, putting even more pressure on the grid. [McKinsey & Co forecasts](#) that the U.S. data center market will grow from 17 GW to 35 GW by the end of 2030 (equivalent to adding the entire state of New York to the power grid).

While much of the near-term price volatility has been weather-driven, ***the long-term fundamentals clearly point in a bullish direction.*** With the recent dip in energy prices, and regulatory and market-driven changes afoot, ***now is a wonderful time to be buying long-term inexpensive electricity and natural gas.***

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*If you are interested in capitalizing on this time-sensitive buying opportunity and/or are looking for help understanding the energy markets and executing an energy-procurement strategy that limits your cost and risk, contact Transparent Energy at [LetsTalk@transparentedge.com](mailto:LetsTalk@transparentedge.com)*

