

## A Comparison of Natural Gas Spot Price Linear Regression Forecasting Models

Table 2 List and Description of Alternative Variables to Forecast the Behavior of The Natural Gas Spot Wellhead Price (NGSPUUS)

| Variable Acronym | Variable Description  |
|------------------|---|
| <b>SP</b>        | Average Weekly Natural Gas Spot Price, (\$ per MMBtu).  |
| <b>SPLAG4</b>    | Average Weekly Natural Gas Spot Price lagged by 4 weeks, (\$ per MMBtu).  |
| <b>TEMPDEV</b>   | Average weekly deviation of the average daily temperature from the normal average temperature of four major east coast cities, (deg F).   |
| <b>TDEVAL4</b>   | Average of four, five, six & seven weeks past Weekly Temperature Deviations, (TEMPDEV), (deg F).  |
| <b>WTTEDL4</b>   | Weighted average of weekly temperature deviation over the last four, five, six & seven weeks past, (deg F).   |
| <b>STORDEV</b>   | Deviation of Natural Gas Storage from Average for that time of year, lagged by 4 weeks, (BCF).  |
| <b>F1LAG4</b>    | average weekly natural gas 1 month NYMEX Futures Price, lagged by 4 weeks, (\$ per MMBtu).  |
| <b>F2LAG4</b>    | week ending natural gas 2 month NYMEX Futures Price, lagged by 4 weeks, (\$ per MMBtu).   |
| <b>F3LAG4</b>    | week ending natural gas 3 month NYMEX Futures Price, lagged by 4 weeks, (\$ per MMBtu).   |
| <b>SPOILL4</b>   | Average weekly spot price for #2 Distillate Oil in NY Harbor, lagged by 4 weeks, (\$ per MMBtu).  |
| <b>GASCOIL4</b>  | Weekly average of market value stock price index of eleven eastern gas distribution companies, lagged by 4 weeks.   |
| <b>M2ADJL6</b>   | Average weekly value of M-2 money supply, seasonally adjusted, lagged by six weeks.   |
| <b>M2NTAJL6</b>  | Average weekly value of M-2 money supply, not seasonally adjusted, lagged by six weeks.   |
| <b>UNEMAJL6</b>  | Weekly new claims for unemployment insurance, seasonally adjusted, lagged by six weeks.   |
| <b>UNEMATL6</b>  | Weekly new claims for unemployment insurance, not seasonally adjusted, lagged by six weeks.   |
| <b>TDVSUSWA</b>  | Zero, unless the average weekly deviation from normal temperature, (TEMPDEV) is negative for four or more consecutive weeks, four to seven weeks prior to the present gas spot price. |