

Section 4.2



Natural Gas The table shows the natural gas price index of natural gas delivered to residential consumers in the United States. Consumers are charged per thousand cubic feet. In Exercises 7–14, use the table. (Note: The base year is 1983.)

National Gas Price Index					
Year	CPI	Year	CPI	Year	CPI
1966	—	1981	70.8	1996	104.6
1967	17.2	1982	85.3	1997	114.5
1968	17.2	1983	100.0	1998	112.5
1969	17.3	1984	101.0	1999	110.4
1970	18.0	1985	101.0	2000	128.1
1971	19.0	1986	96.2	2001	158.9
1972	20.0	1987	91.4	2002	130.2
1973	21.3	1988	90.3	2003	158.9
1974	23.6	1989	93.1	2004	177.4
1975	28.2	1990	95.7	2005	209.6
1976	32.7	1991	96.0	2006	226.6
1977	38.8	1992	97.2	2007	215.8
1978	42.2	1993	101.7	2008	229.2
1979	49.2	1994	105.8	2009	200.3
1980	60.7	1995	100.0	2010	—

- Was inflation of natural gas the highest in the 1970s, 1980s, or 1990s? Explain your reasoning.
- During which years did the price of natural gas decrease?
- Graph the natural gas price index from 1967 through 2009. Use the graph to describe the rate of inflation for natural gas.
- Compare the rate of inflation for natural gas to the rate of inflation represented by the consumer price index.
- In 2009, the average price of natural gas per thousand cubic feet was \$12.14. What was the price in 1970?
- In 2006, the average price of natural gas per thousand cubic feet was \$13.73. What was the price in 1983?
- Would you rather pay a natural gas bill of \$115.50 in 2004 or \$92.35 in 1990? Explain your reasoning.
- Do you think using a price index to compare prices between years is better than using a dollar amount? Explain your reasoning.

