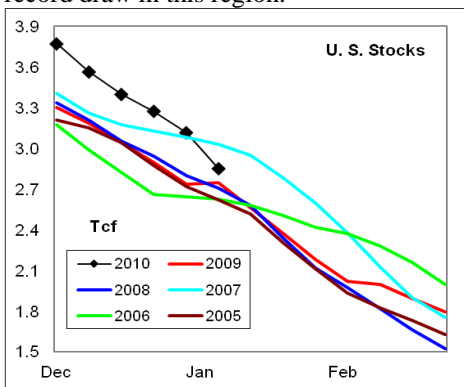


Summary¹ Stocks decreased -266 Bcf last week, a new record weekly draw for the entire winter season. Heating degree days were +25% above normal, a record high for the month of January. Heating degree days were +56% above normal in the Producing region, a record high for the entire season, which underlie a all time record draw in this region.



In the East Region stocks declined -146 Bcf, which was a record for the month for January. The -20 Bcf draw in the West Region was slightly greater than the five year mid range. The stock draw of -100 Bcf in the Producing Region was a new all time record for the entire winter season during the last five years.

Heating degree days were +22% above normal in the East Region, normal in the West Region and +56% above normal in the Producing Region for the week ending January 9th.

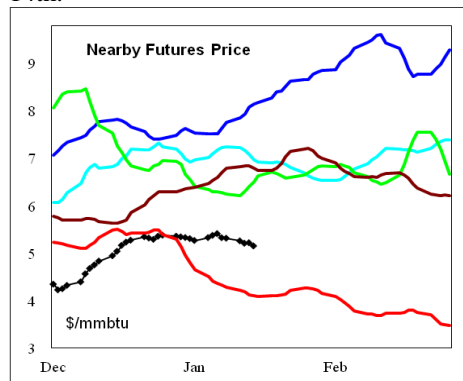
Heating degree days were +25% above normal for the week ending January 9th and forecast to be -35 below normal for the week ending January 16th.

The 6-10 day NWS forecast for the week ending January 23rd is for exceptionally warm temperatures across the eastern 2/3rds of the country and colder than normal on the west coast.

The 8-14 day NWS forecast for the week ending January 27th is much warmer than normal temperatures in the eastern 1/2 of the country and colder than normal in

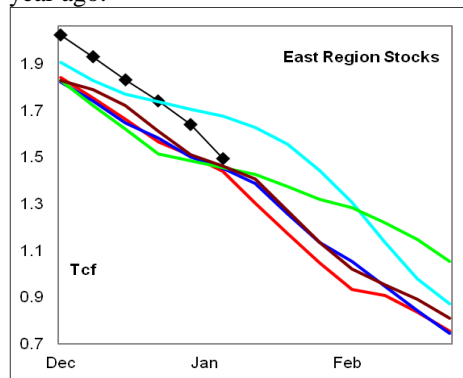
the western 1/2 of the country. Temperatures will be particularly warm in the Great Lakes and New England regions.

Prices: Nearby gas futures prices declined -\$0.25/mmbtu for the week ending January 14th.



The 1st - 4th month forward price curve trended slightly lower in favor of the deferred months last week, ending well above the five year range.

East Region stocks decreased -146 Bcf on the week, which was a record draw for the month of January. The latest 4-wk stock draw was a record draw for this time of year. Stock levels are now +4% above a year ago.

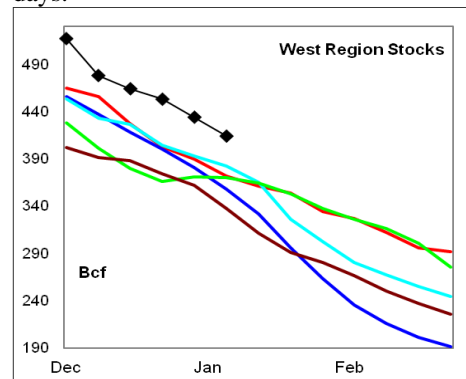


Heating degrees in the region were +22% above normal for the week ending January 9th and are forecast to be -25 below normal for the week ending January 16th. Exceptionally warm temperatures are forecast for the next 10-days.

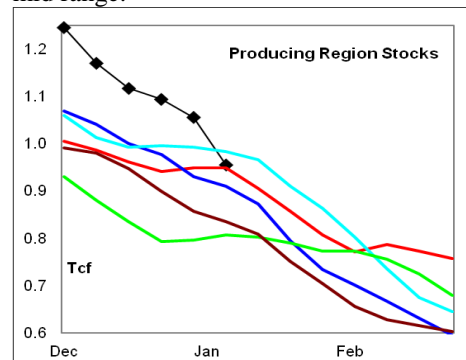
West Region stocks decreased -20 Bcf on the week, which was slightly greater than the 5-year mid range. The latest 4-wk stock draw was near the historic mid range for the period. Stock levels are now +11% above a year ago and a record high for the period.

Heating degree days were normal for the week ending January 9th and are forecast to be -18% below normal for the week ending January 16th. Below normal

temperatures are forecast for the next 10 days.



Producing Region stocks decreased -100 Bcf on the week, was an all time record weekly draw for the entire winter quarter during the last five years. The latest 4-wk draw was the 4th consecutive weekly record rate of draw. Stock levels are now +1% above last year and slightly above the mid range.



Heating degree days were +56% above normal for the week ending January 9th and forecast to be +25 above normal for the week ending January 16th. Warmer than normal temperatures are forecast for the next 10 days.

Residual Fuel Oil Switching: The price spread between residual fuel oil and natural gas trended higher last, and remains well above the historic range in favor of switching to gas. Residual fuel oil demand (including exports) was -34% below year ago levels for the latest 4-wk period.

Outlook: Much above normal temperatures during the next 2-wks should depress gas prices. However, the record stock draw last week has pulled stock levels to within the historic range, the lowest relative level of the past year. Markets should began to anticipate economic growth in the 2nd quarter, providing some underlying support to prices.

¹ **Related Web Sites:**

Data Source is EIA Weekly Statistics

National Weather Service 6-10 Day

National Weather Service 10-14 Day



NATURAL GAS: Graph Link and Weekly Summary

Report prepared as of: January 14, 2010

For the week ending: 8-Jan-10

Weekly Trends in Stocks and Heating Degree Days for the week ending:

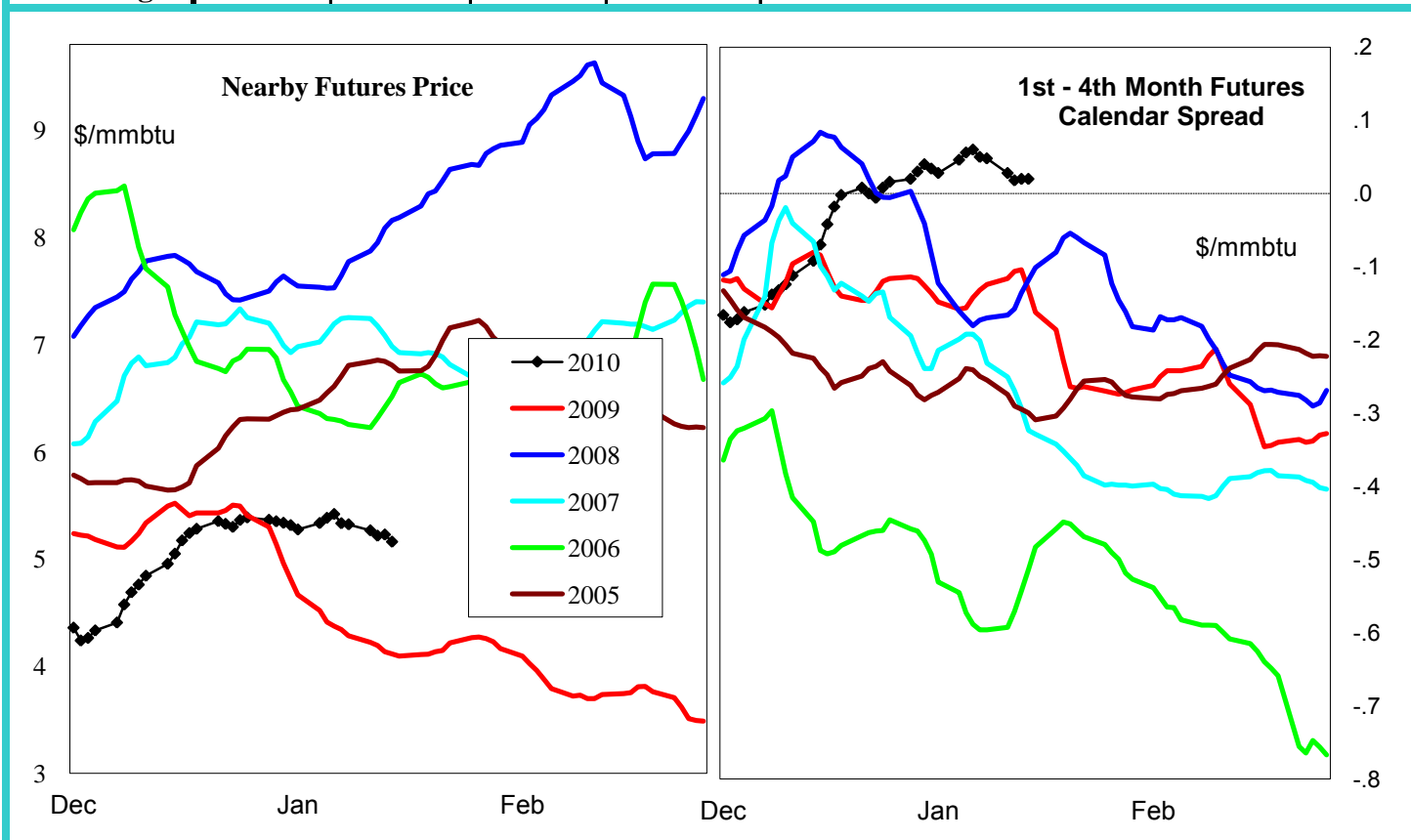
Week ending:	8-Jan-10			2-Jan-10		9-Jan-10		16-Jan-10	
Region	Weekly Stocks			Weekly Heating Degree Days					
	Bcf	Change vs prior:		Change vs prior week	% of normal	Change vs prior week	% of normal	Change vs prior week	% of normal
		Week Bcf	Year (%)						
U.S. Total	2,852	-266	3.7	38	10%	41	25%	-64	-3%
East	1,532	-146	3.7	38	8%	44	22%	-62	-2%
West	414	-20	11.3	24	5%	-9	0%	-41	-18%
Producing	906	-100	0.8	43	22%	60	56%	-88	2%

Seasonal Trends in Stocks and Heating Degree Days

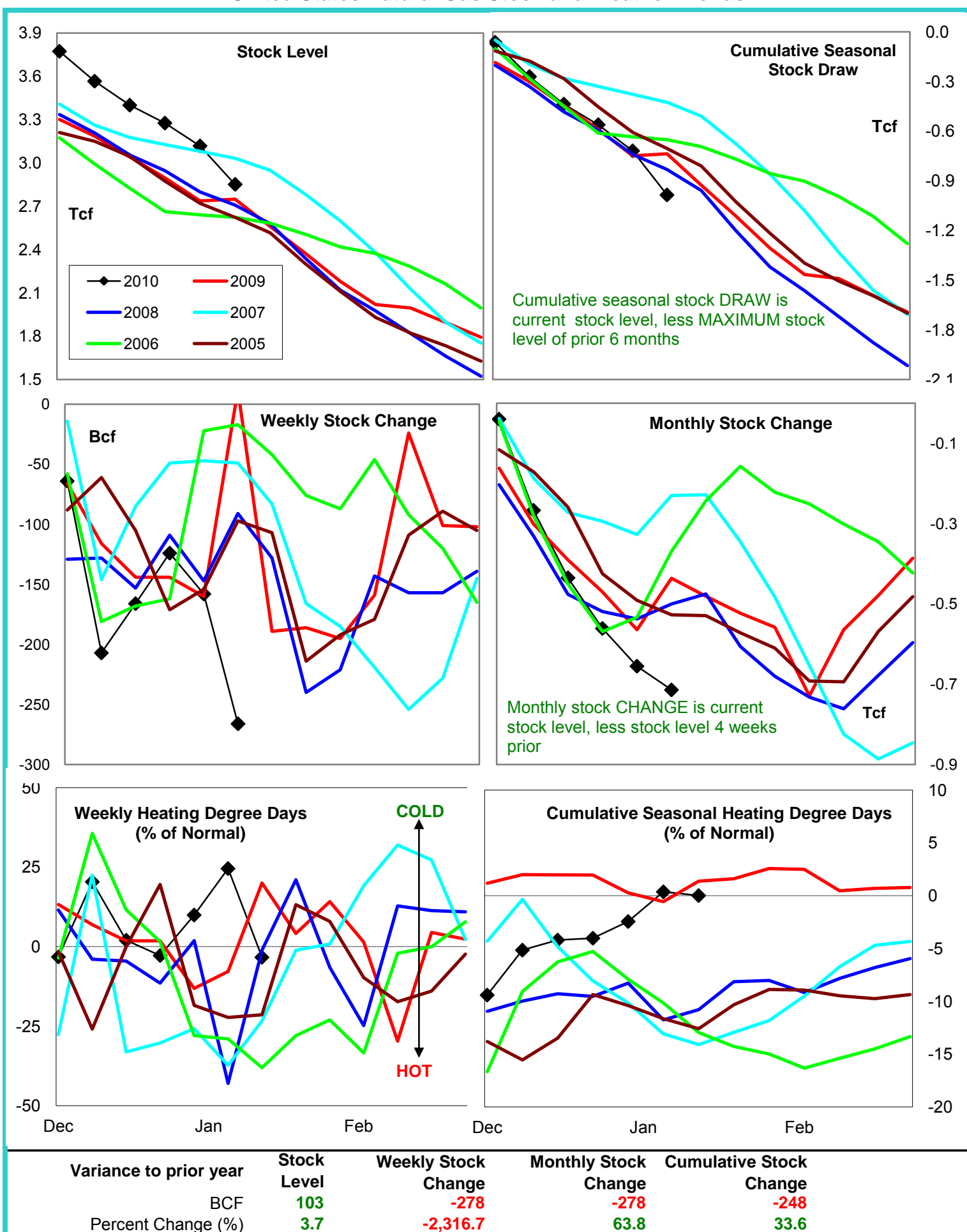
	Cumulative Stock Draw			Cumulative Heating Degree Days					
	Bcf	Change vs prior year Bcf	%	CHDD's vs normal	% of normal	CHDD's vs normal	% of normal	CHDD's vs normal	% of normal
U.S. Total	-985	-248	25.2	254	-2.4	295	0.4	231	0.0
East	-569	-6	1.1	275	-3.7	319	-1.0	258	-1.1
West	-112	-12	10.7	226	-3.2	217	-2.9	177	-4.1
Producing	-313	-240	76.7	197	6.1	256	12.0	169	10.9

Futures Market Price Trends

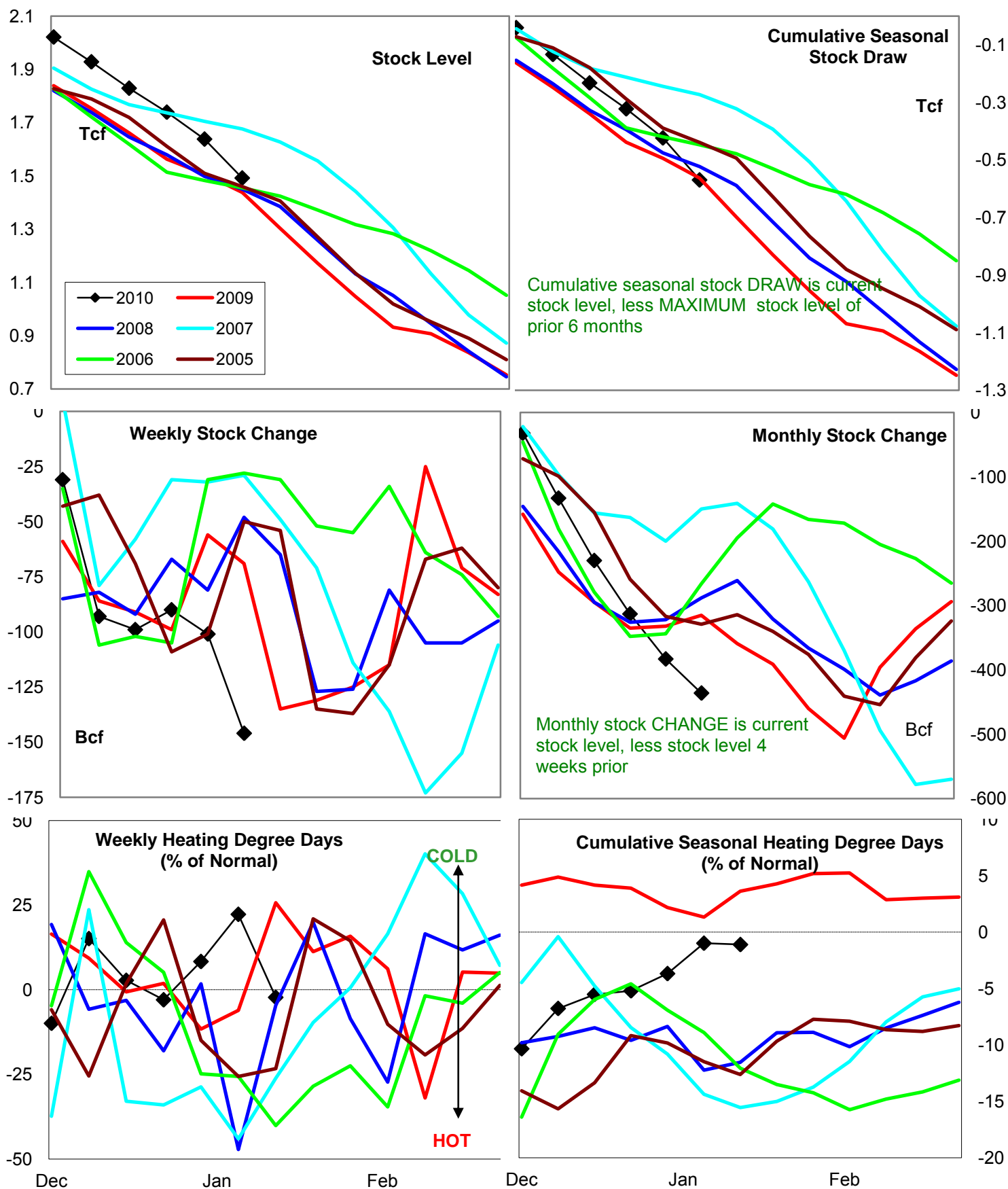
Date:	12-Jan-10	Change vs prior week, month, year		
		6-Jan-10	14-Dec-09	9-Jan-09
1st month Futures	5.56	-0.19	-0.22	1.08
% change	xxxxx	-3.3	-3.8	24.1



United States Natural Gas Stock and Weather Trends



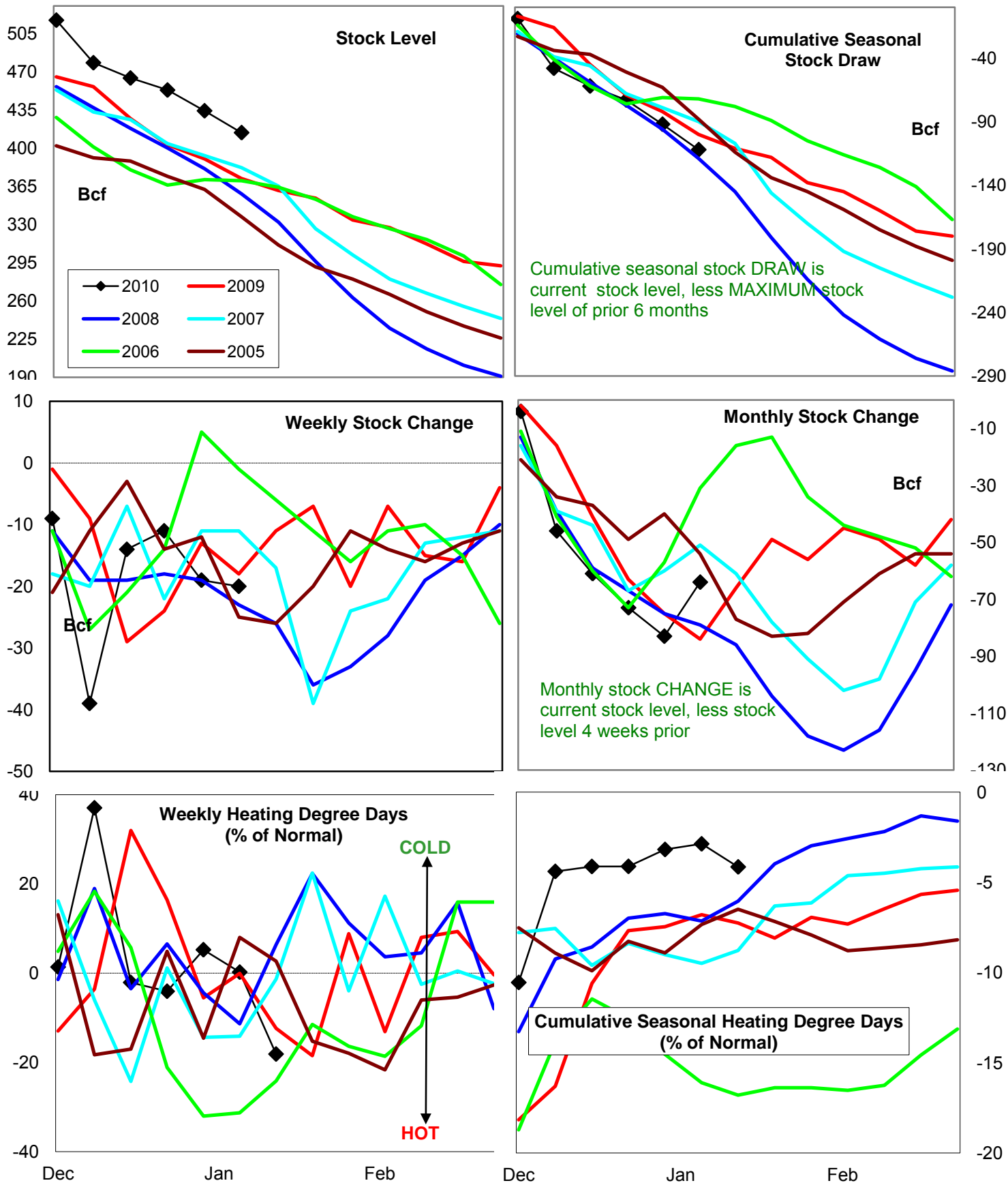
Natural Gas East Region Stock and Weather Trends



Variance to prior year

Stock
LevelWeekly Stock
ChangeMonthly Stock
ChangeCumulative Stock
ChangeBCF
Percent Change (%)54
3.7-77
111.6-121
38.4-6
1.1

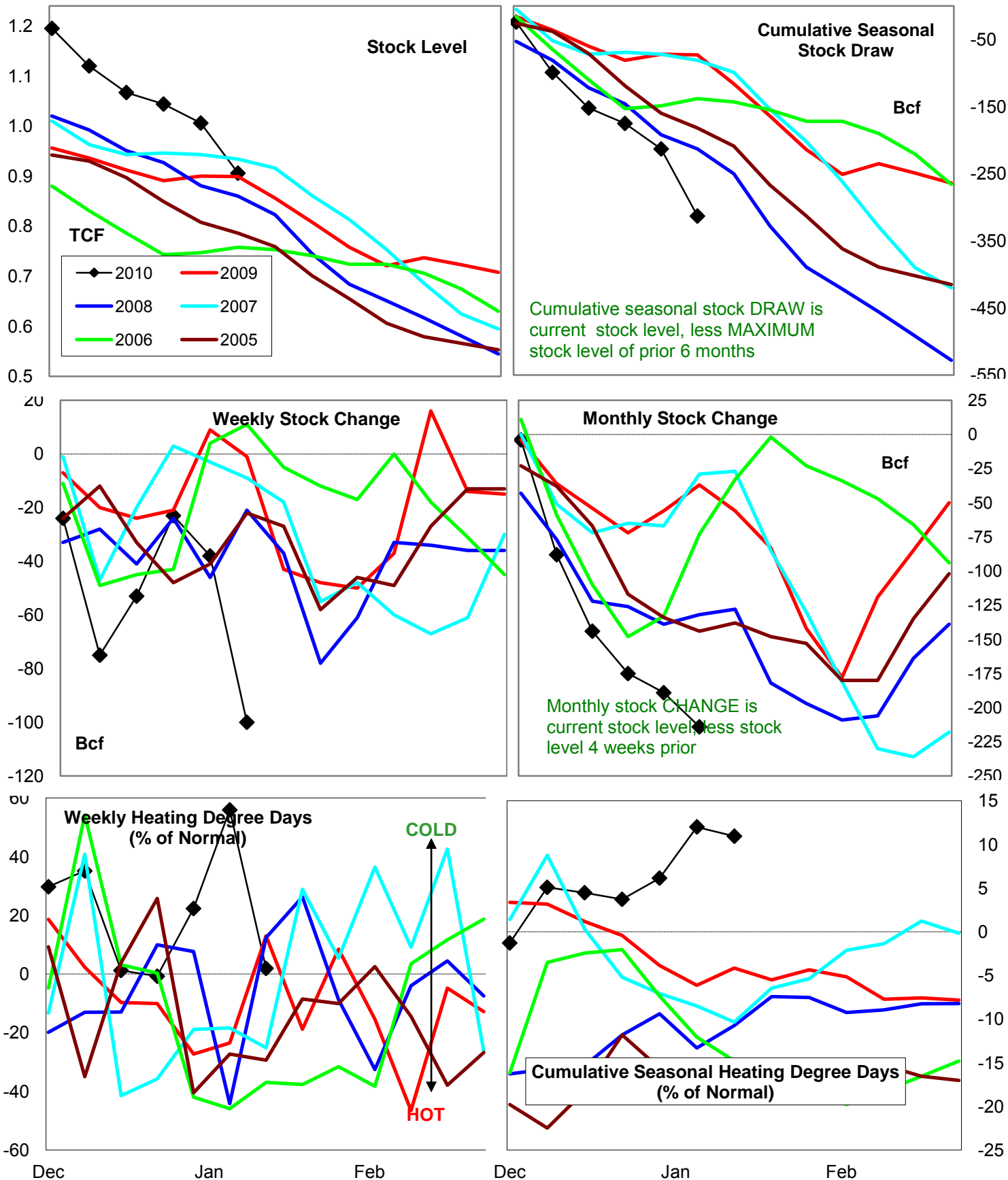
Natural Gas West Region Stock and Weather Trends



Variance to prior year

Stock
LevelWeekly Stock
ChangeMonthly Stock
ChangeCumulative Stock
ChangeBCF
Percent Change (%)42
11.3-2
11.120
-23.8-12
12.0

Natural Gas Producing Region Stock and Weather Trends



Variance to prior year

Stock Level

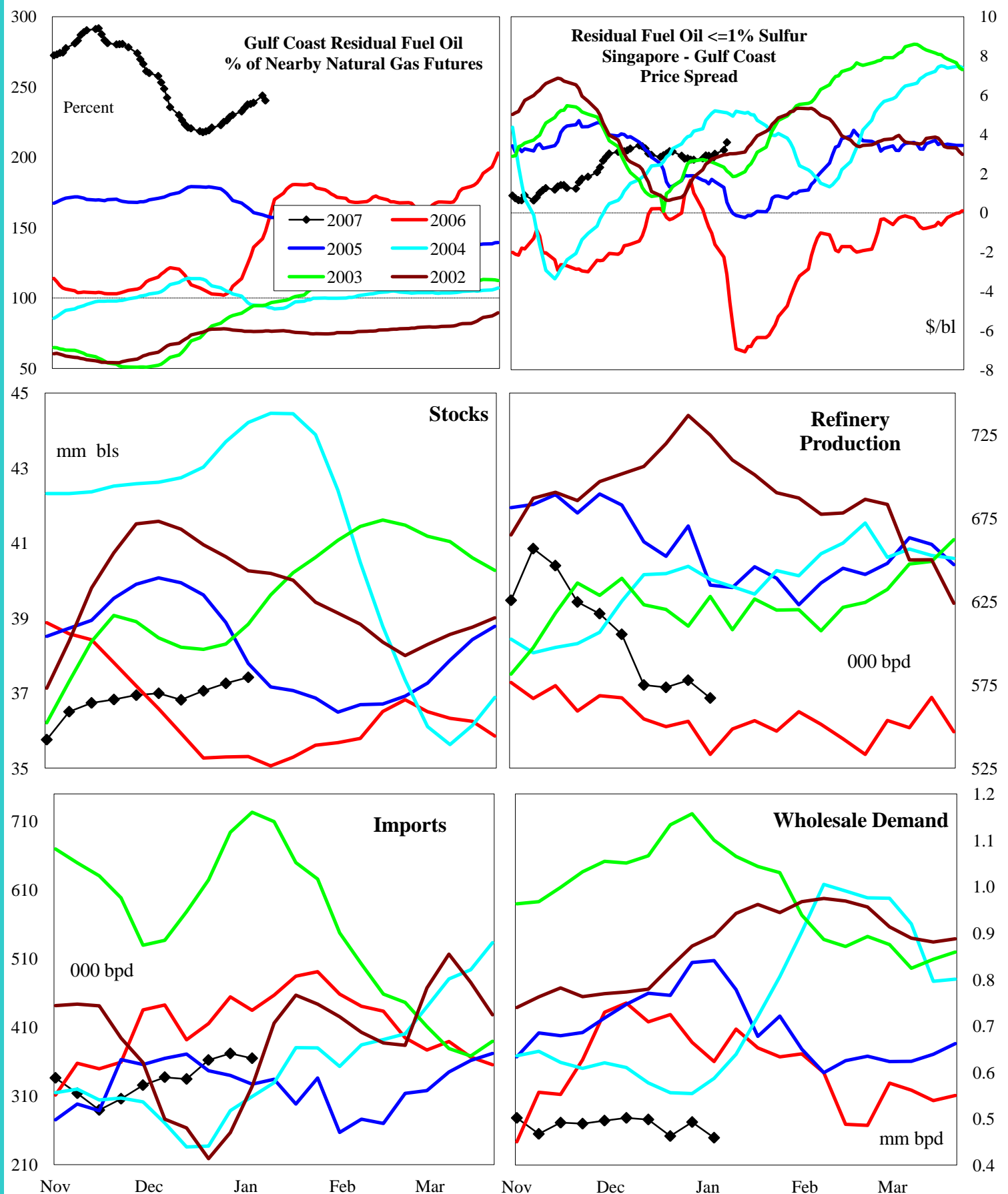
Weekly Stock Change

Monthly Stock Change

Cumulative Stock Change

BCF
Percent Change (%)7
0.8-99
9,900.0-177
478.4-240
328.8

U.S. Residual Fuel Oil Price Spreads and Supply Balance


4 wk avg variance to prior year

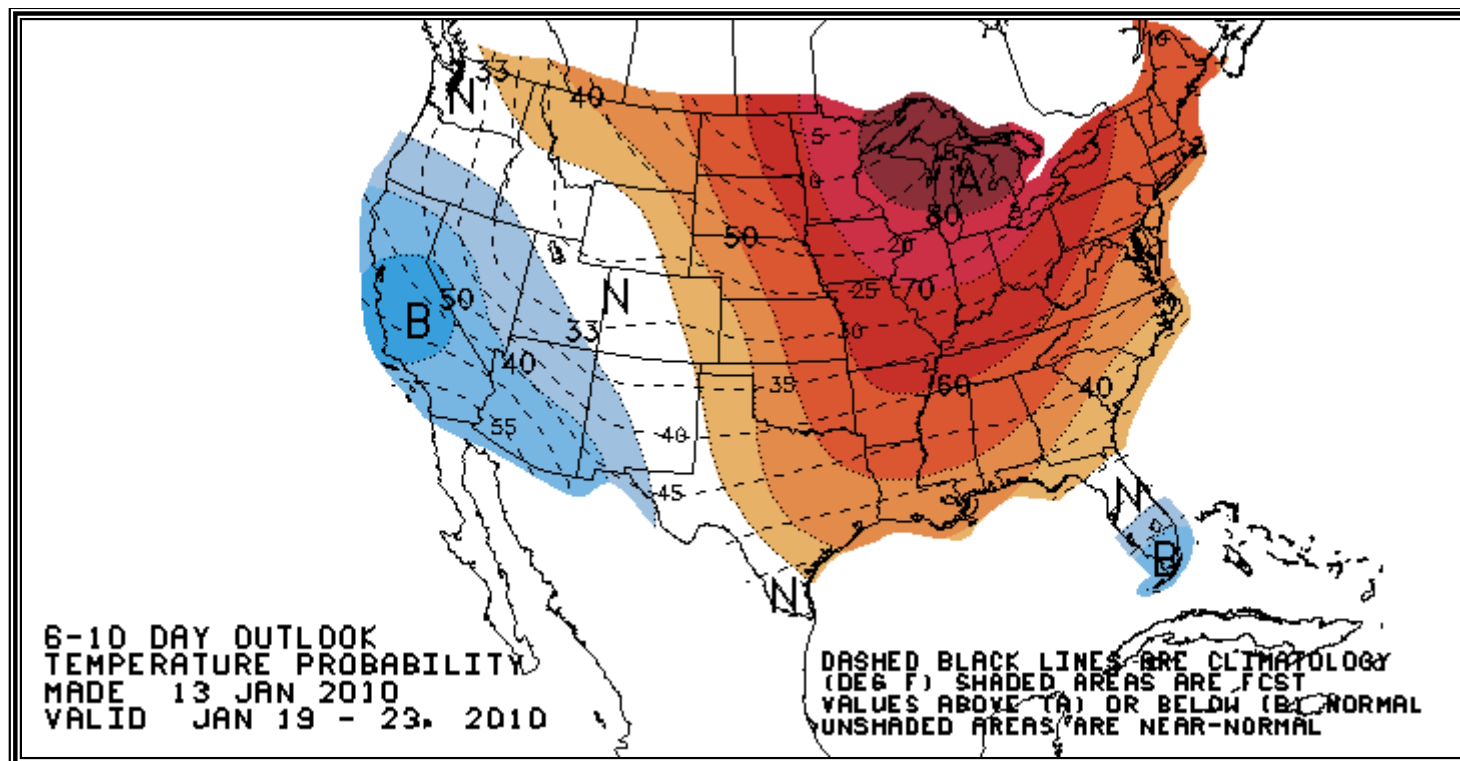
000 bpd (000 bls stks)

% change

Stocks
2,680
7.7
Prod
20
3.6
Imports
-80
-17.8
Demd=>
4wk avg
-239
-33.6
Dec
-273
-36.3
Nov
-41
-7.9
Oct
-4
-0.7

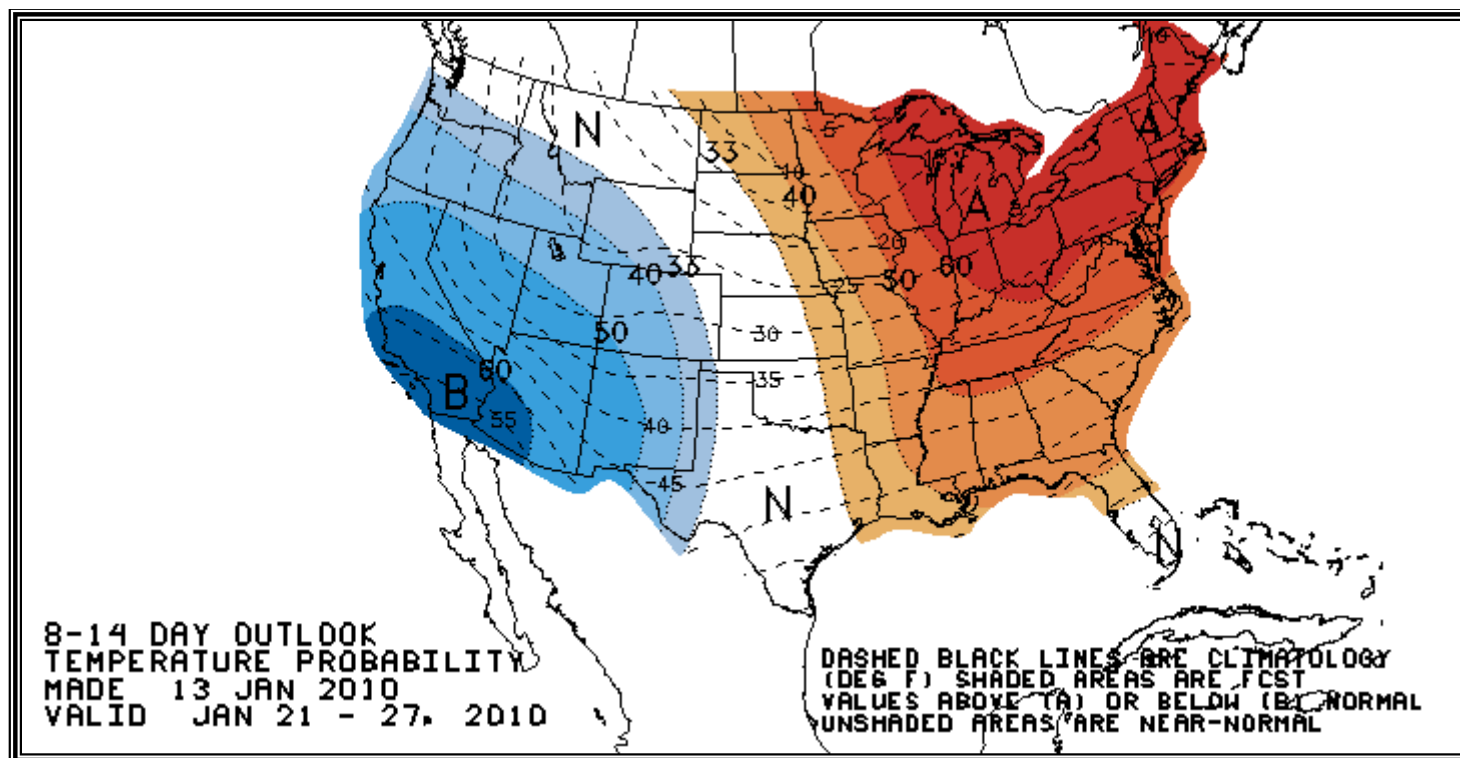
National Weather Service Climate Prediction Center Cooling

Degree Days 6 - 10 Day Forecast



National Weather Service Climate Prediction Center Cooling

Degree Days 8 - 14 Day Forecast



American Gas Association Regions

