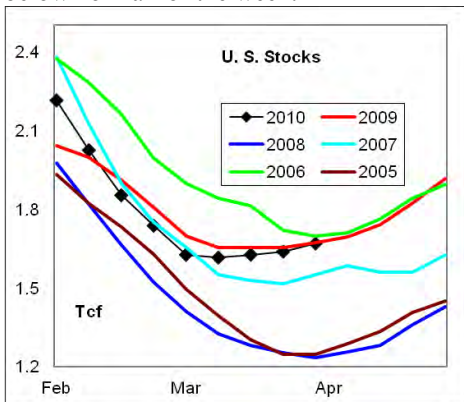




Summary¹ Stocks increased +31 Bcf last week, matching the 5-year high for the week. The strong build was due in part to the heating degree days which were -33% below normal for the week.



In the East Region stocks declined -3 Bcf, which was near the historic mid range for the period. The +3 Bcf build in the West Region matched the historic high for the period. The stock build of +31 Bcf in the Producing Region was a record build for the period.

Heating degree days were -38% below normal in the East Region, -10% below normal in the West Region and -27% below normal in the Producing Region for the week ending April 3rd.

Heating degree days were -33% below normal for the week ending April 3rd and forecast to be -48% below normal for the week ending April 10th.

The 6-10 day NWS forecast for the week ending April 17th is for exceptionally warm temperatures in the eastern 3/5ths of the country and cooler than normal in the western 1/3rd.

The 8-14 day NWS forecast for the week ending April 21st, is for much warmer than normal temperatures in the eastern 1/2 of the country and cooler in the western 1/3rd.

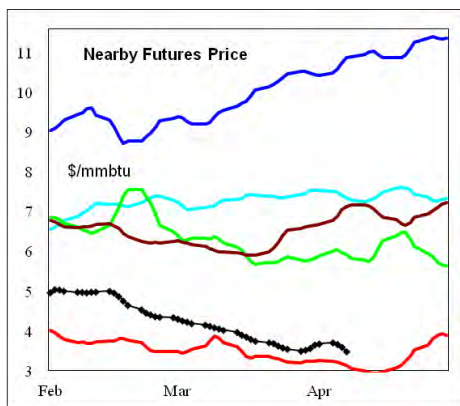
Prices: Nearby gas futures prices increased +\$0.20/mmbtu for the week ending April 8th.

¹ Related Web Sites:

[Data Source is EIA Weekly Statistics](#)

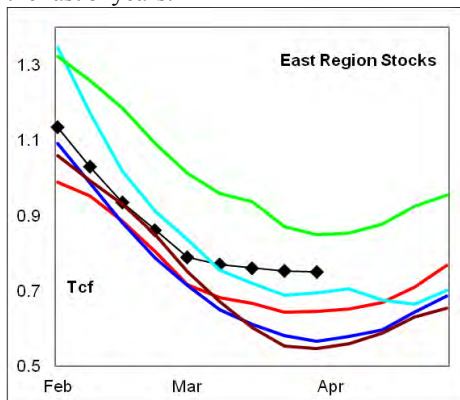
[National Weather Service 6-10 Day](#)

[National Weather Service 10-14 Day](#)



The 1st - 4th month forward price curve trended lower on the week in favor of the deferred months. The forward curve is now near the historic mid range for the period.

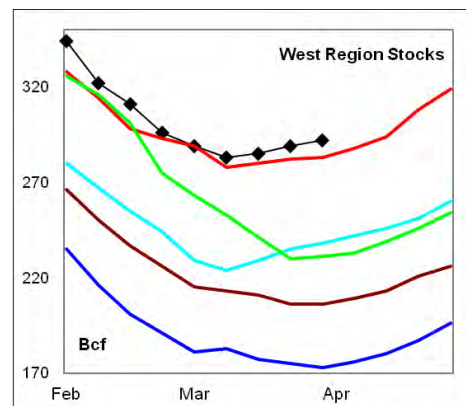
East Region stocks decreased -3 Bcf on the week, a level that matched the historic mid range. The latest 4-wk stock draw was a record low draw for the period during the last 5-yrs. Stock levels are above four of the last 5-years.



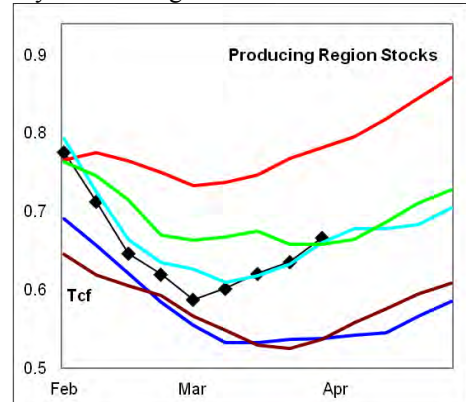
Heating degrees in the region were -38% below normal for the week ending April 3rd and forecast to be -55% below normal for the week ending April 10th. Unseasonably warm temperatures are forecast for the next 10-days.

West Region stocks increased +3 Bcf on the week, which matched the 5-year high build for the period. The latest 4-wk stock build matched the 5-year high for the period. Stock levels are at a new 5-year high for the period.

Heating degree days were -10% below normal for the week ending April 3rd, and forecast to be -13% below normal for the week ending April 10th. Cooler than normal temperatures are forecast for the next 10-days.



Producing Region stocks increased +31 Bcf on the week, a record build for the week. The latest 4-wk build was a 5-year high for the period. Stock levels match the 5-year mid range.



Heating degree days were -27% below normal for the week ending April 3rd, and forecast to be -37% below normal for the week ending April 10th. 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 remains at a record high, in favor of natural gas. Residual fuel oil demand (including exports) matched year ago record low levels for the latest 4-wk period.

Outlook: The latest 4-wk stock build was a record high for the week, driven by heating degree days that were well below normal for the last month. Carry out stocks are near 5-year highs for this time of year. Record fuel substitution in electric power generation, commercial boilers, heating and industrial stationary power has been more than offset by increased gas production. Expect continue price weakness in the spring quarter.



NATURAL GAS: Graph Link and Weekly Summary

Report prepared as of: April 8, 2010

For the week ending: 2-Apr-10

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

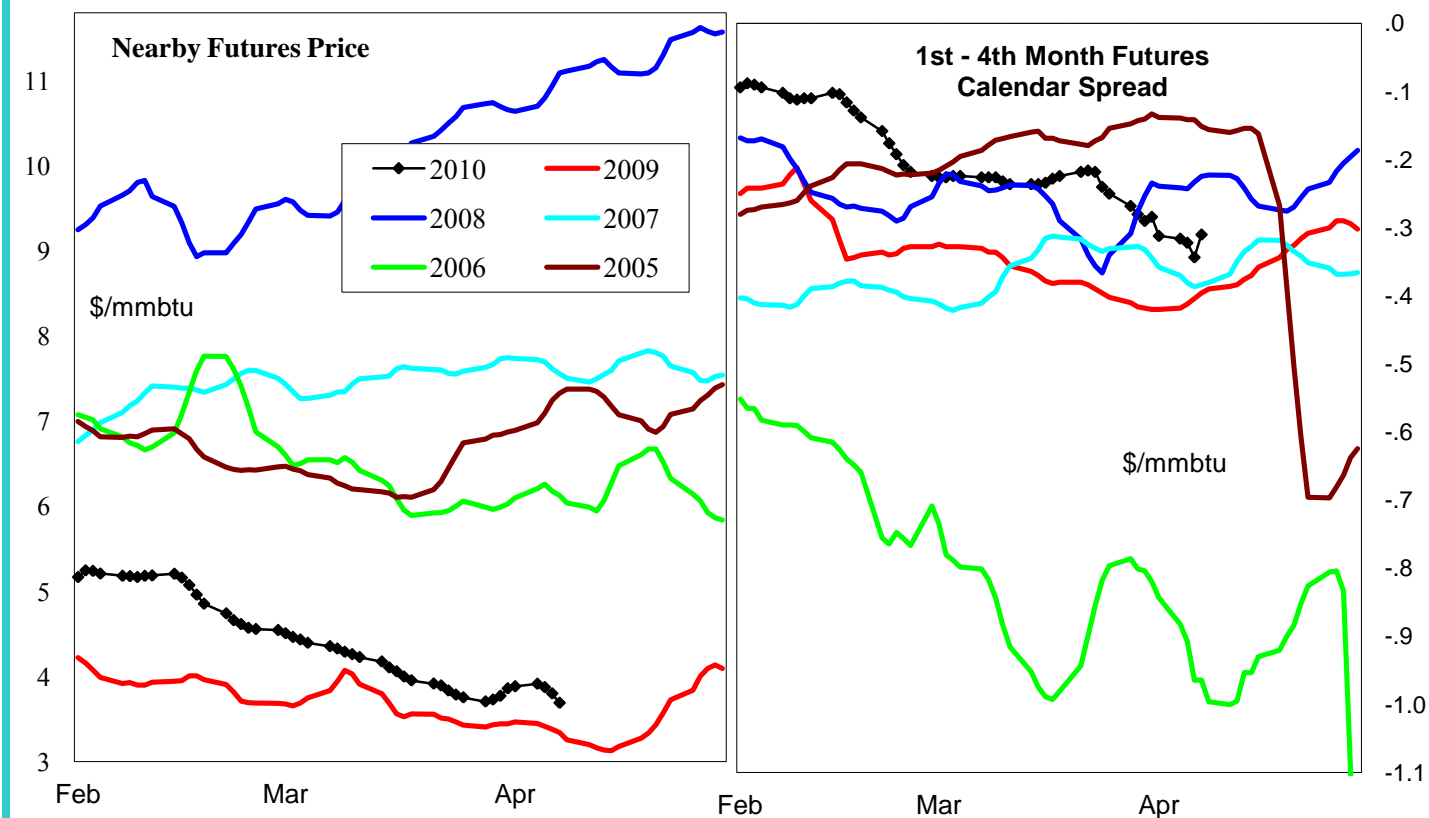
| Week ending: | 2-Apr-10 | | | 27-Mar-10 | | 3-Apr-10 | | 10-Apr-10 | |
|--------------|---------------|------------------|----------|----------------------------|-------------|----------------------|-------------|----------------------|-------------|
| Region | Weekly Stocks | | | Weekly Heating Degree 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 | 1,669 | 31 | -0.1 | 14 | -4% | -49 | -33% | -26 | -48% |
| East | 750 | -3 | 16.1 | 18 | -9% | -54 | -38% | -32 | -55% |
| West | 292 | 3 | 3.2 | 12 | -6% | -14 | -10% | -14 | -13% |
| Producing | 627 | 31 | -15.5 | -2 | 38% | -51 | -27% | -12 | -37% |

Seasonal Trends in Stocks and Heating Degree Days

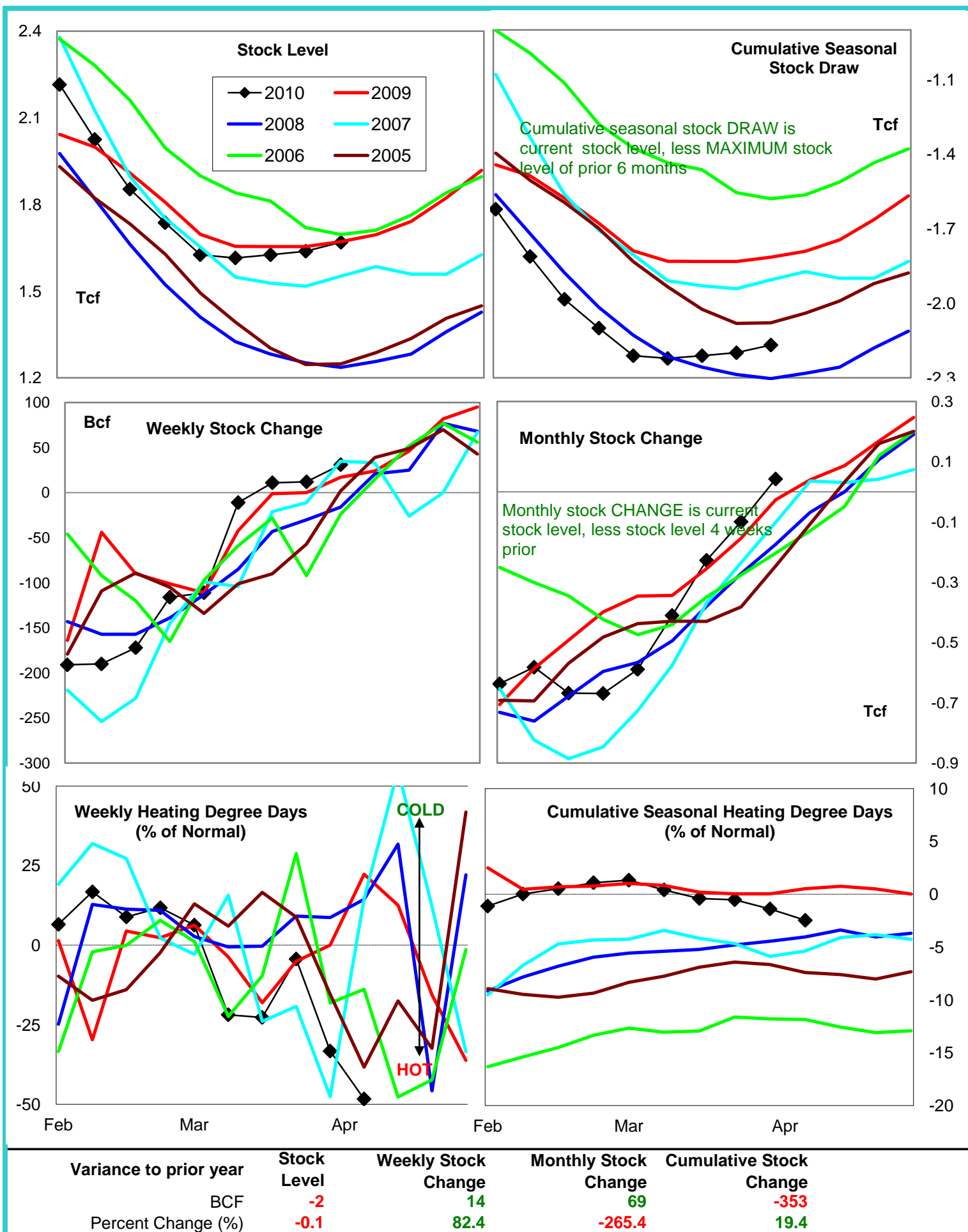
| | Cumulative Stock Draw | | | Cumulative Heating Degree Days | | | | | |
|-------------------|-----------------------|-----------------------------|-------------|--------------------------------|----------------|---------------------|----------------|---------------------|----------------|
| | Bcf | 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 | -2,168 | -353 | 16.3 | 130 | -0.5 | 82 | -1.4 | 56 | -2.5 |
| East | -1,351 | 44 | -3.3 | 141 | -2.2 | 87 | -3.2 | 55 | -4.4 |
| West | -234 | -45 | 19.2 | 128 | -3.4 | 114 | -3.6 | 100 | -3.8 |
| Producing | -592 | -362 | 61.1 | 93 | 12.7 | 42 | 11.9 | 30 | 11.0 |

Futures Market Price Trends

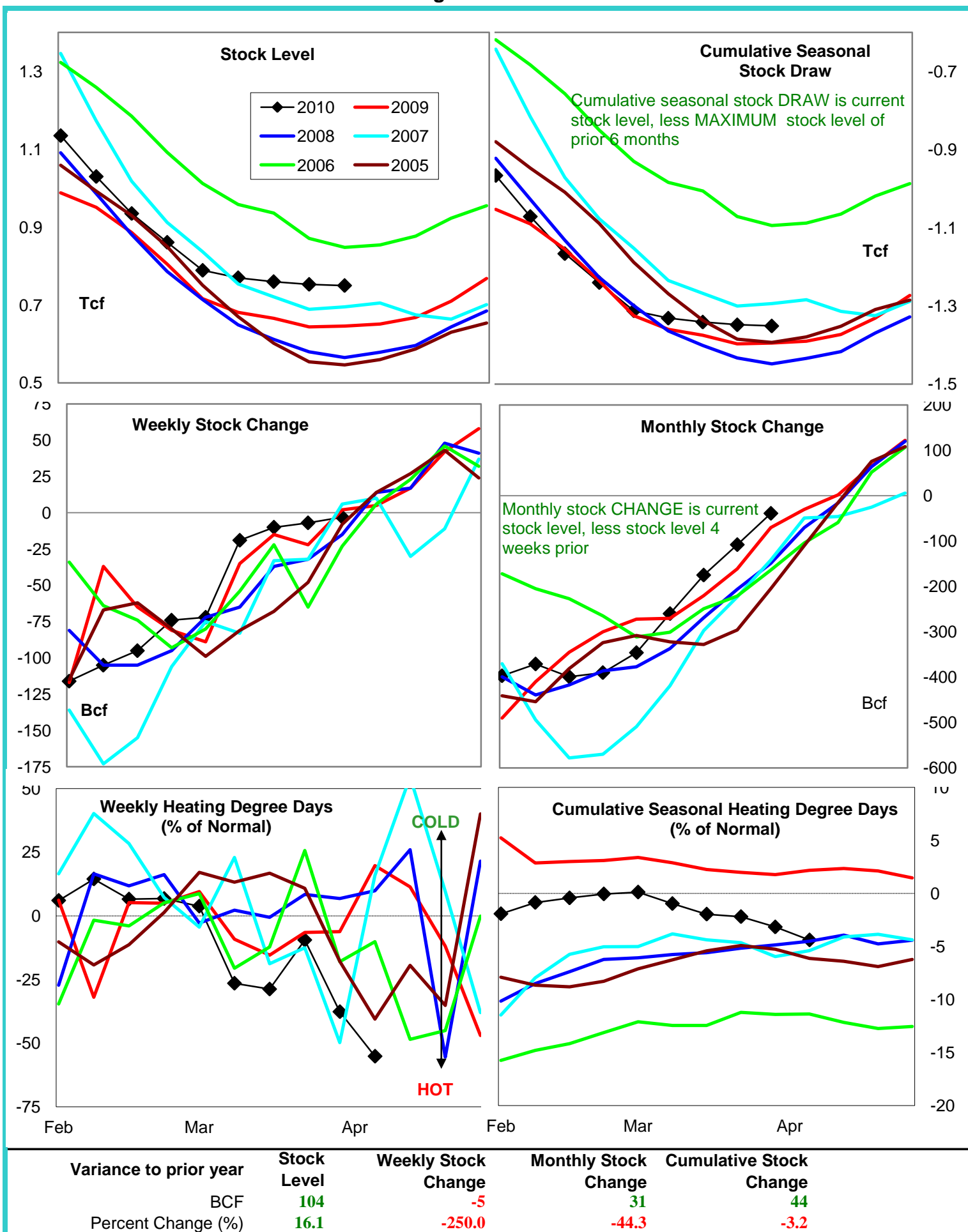
| Date: | 30-Apr-10 | Change vs prior week, month, year | | |
|------------------------------|--------------|-----------------------------------|--------------|-------------|
| | | 27-Apr-10 | 6-Apr-10 | 30-Apr-09 |
| 1st month Futures | 3.89 | -0.20 | -0.51 | 0.36 |
| % change | xxxxx | -4.9 | -11.6 | 10.2 |



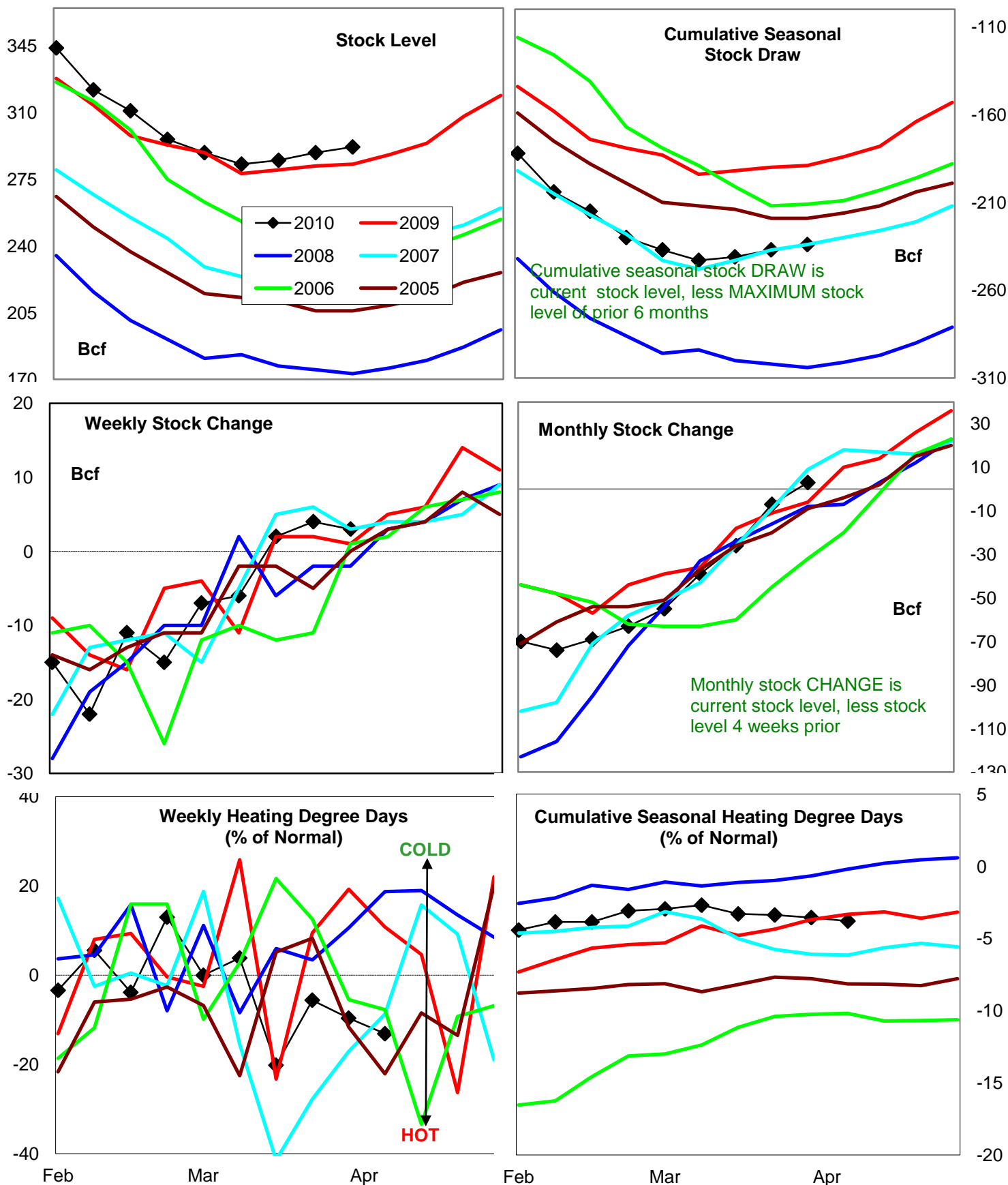
United States Natural Gas Stock and Weather Trends



Natural Gas East Region Stock and Weather Trends



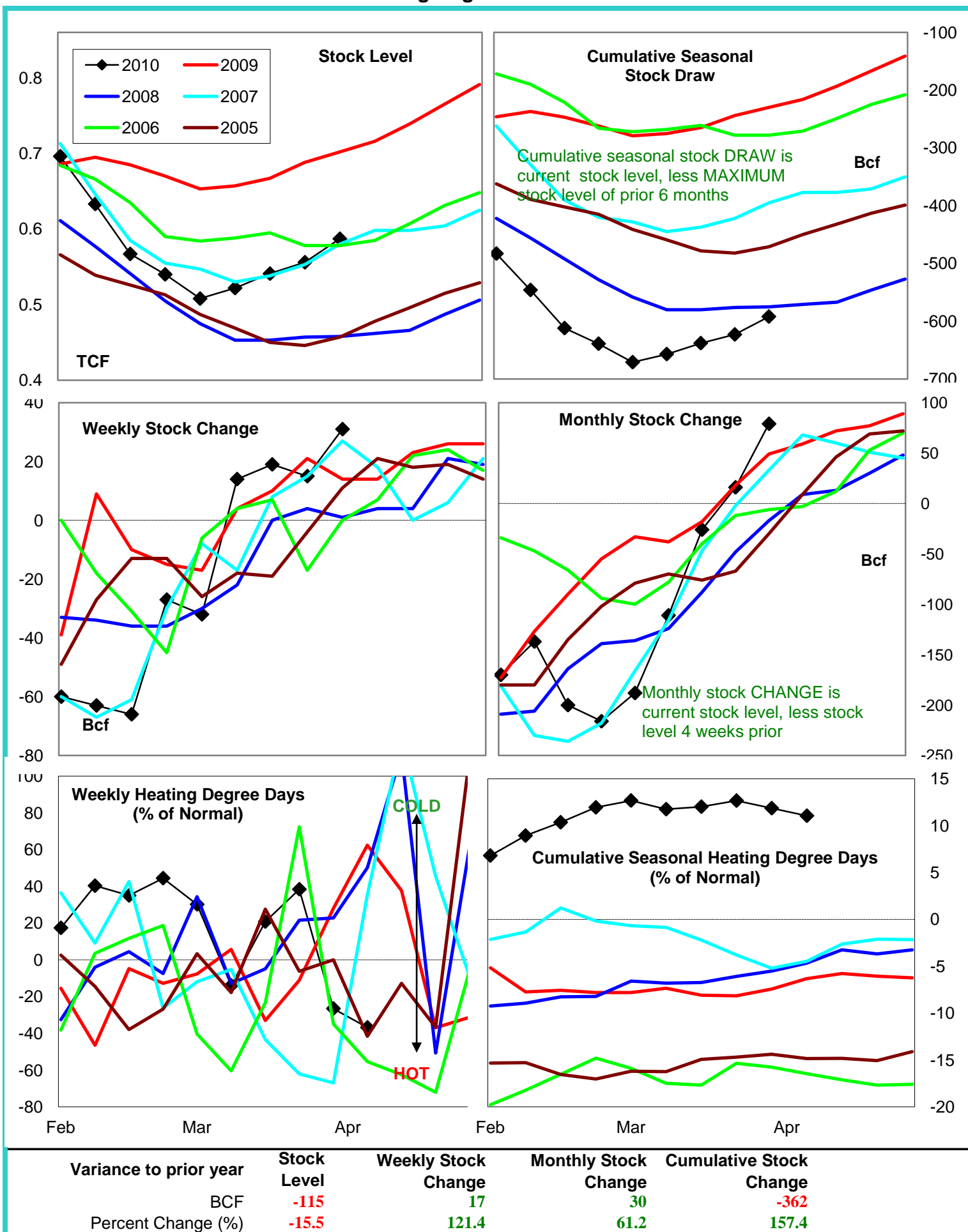
Natural Gas West Region Stock and Weather Trends



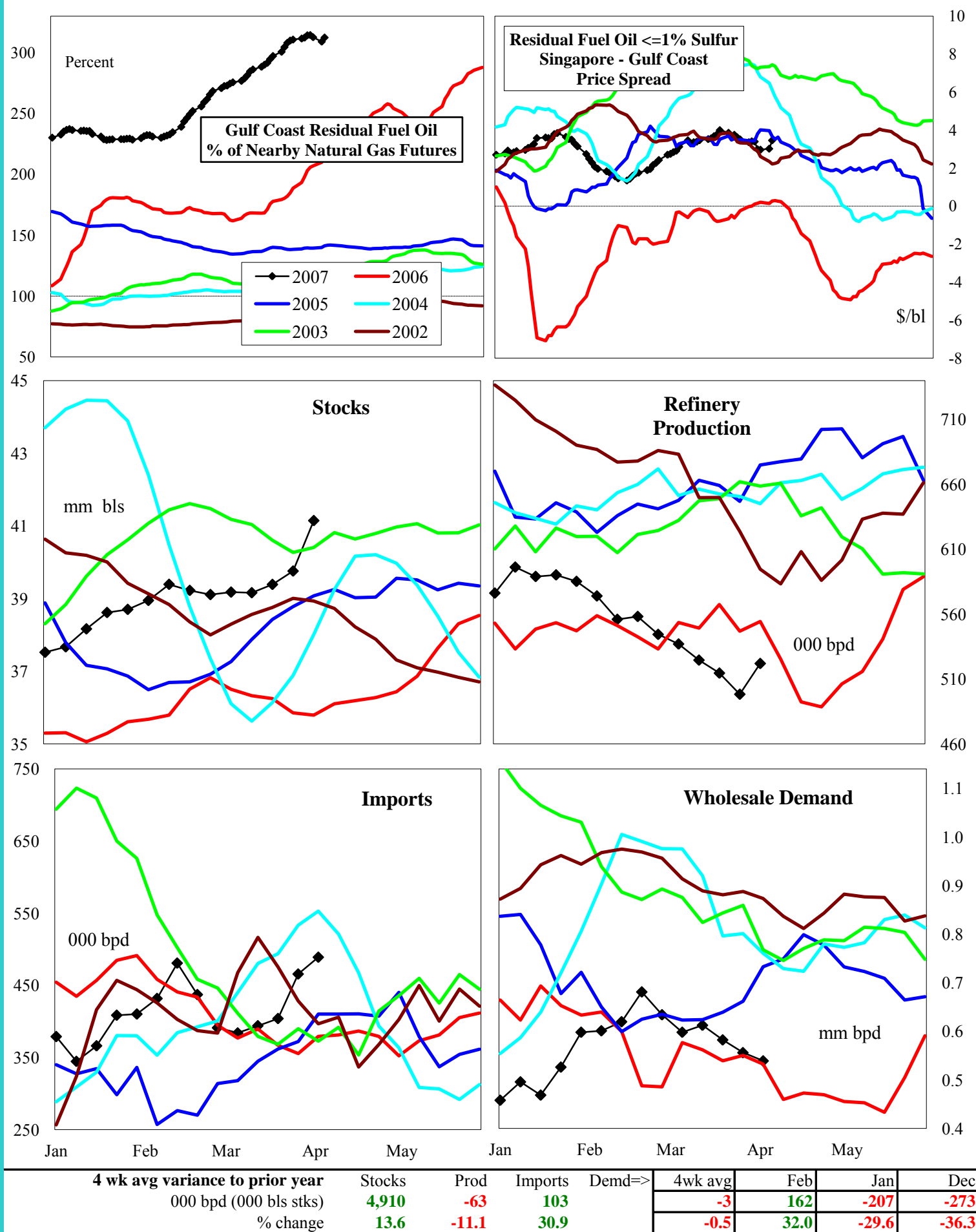
Variance to prior year

Stock
LevelWeekly Stock
ChangeMonthly Stock
ChangeCumulative Stock
ChangeBCF
Percent Change (%)9
3.22
200.09
-150.0-45
23.8

Natural Gas Producing Region Stock and Weather Trends

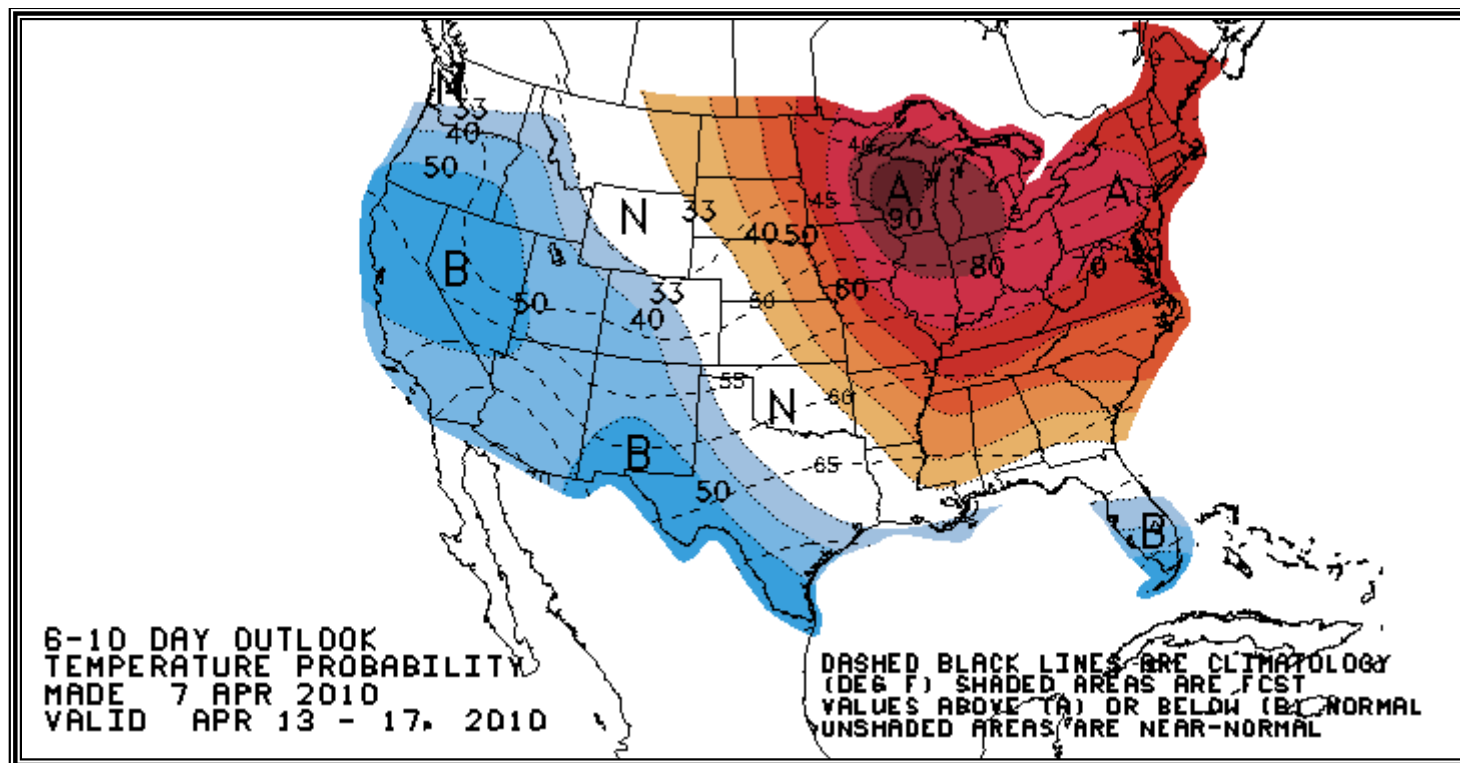


U.S. Residual Fuel Oil Price Spreads and Supply Balance



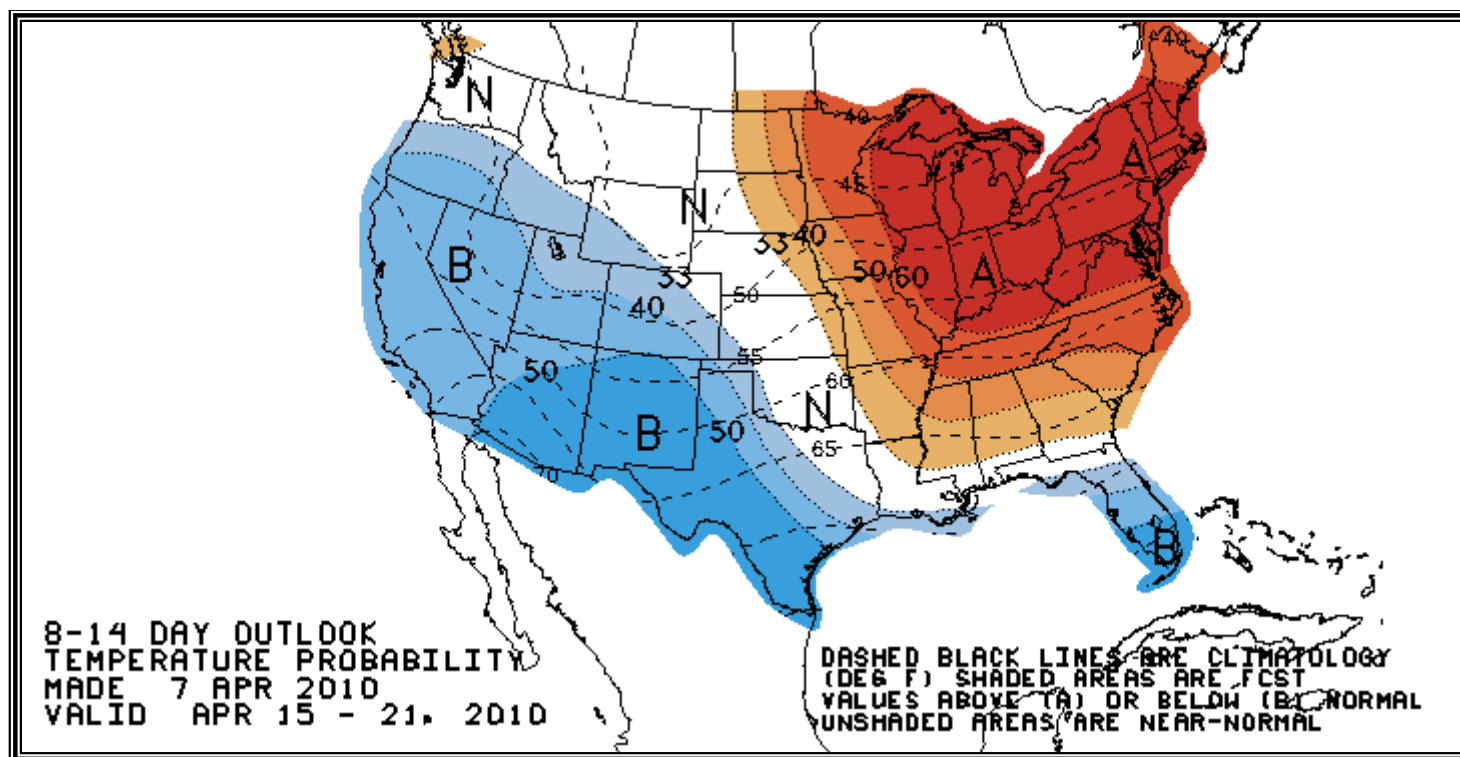
National Weather Service Climate Prediction Center Cooling

Degree Days 6 - 10 Day Forecast



National Weather Service Climate Prediction Center Cooling

Degree Days 8 - 14 Day Forecast



American Gas Association Regions

