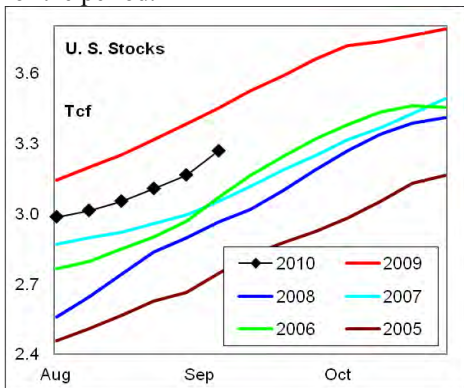
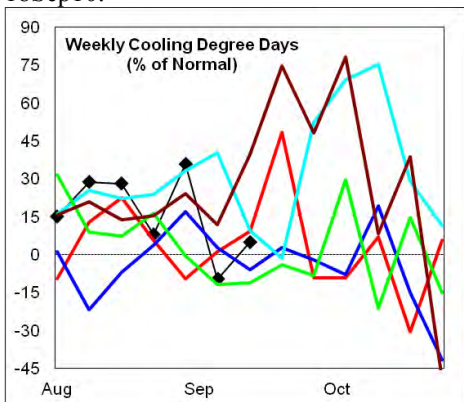




**Summary** <sup>1</sup> Stocks increased +103 Bcf last week, a level that matched the 5-year high for the period.



Cooling degree days were -10% below normal for the week ending 11Sep10, the first below normal week since early summer. Cooling degree days are forecast to be +5% above normal for the week ending 18Sep10.



In the East Region stocks increased +54 Bcf, which was at the upper end of the historic range for the week. The +13 Bcf build in the West Region was a record build for the season. The stock build of +36 Bcf in the Producing Region was also a record build for the season.

Cooling degree days were -10% below normal in the East Region, -41% below normal in the West Region and +14% above normal in the Producing Region for the week ending 11Sep10.

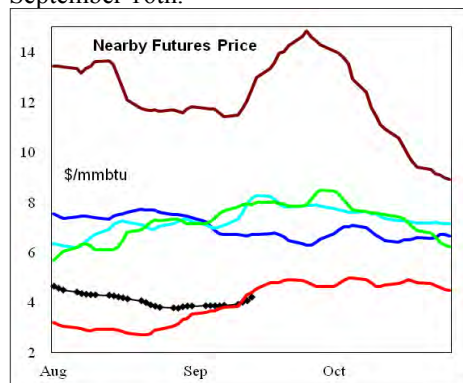
**Cooling degree days** were -10% below

normal for the week ended 11Sep10, and forecast to be +5% above normal for the week ending 18Sep10.

The 6-10 day NWS forecast for the week ending September 25th is for above normal cooling degree days in the southern 1/2 of the country, with below normal cooling degree days in the northern tier states and west coast.

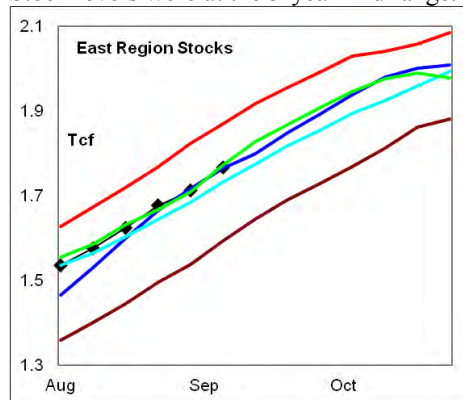
The 8-14 day NWS forecast for the week ending September 29th is for above normal cooling degree days in the Rockies and southeast with other regions near normal.

**Prices:** Nearby gas futures prices increased +\$0.35/mmbtu for the week ending September 16th.



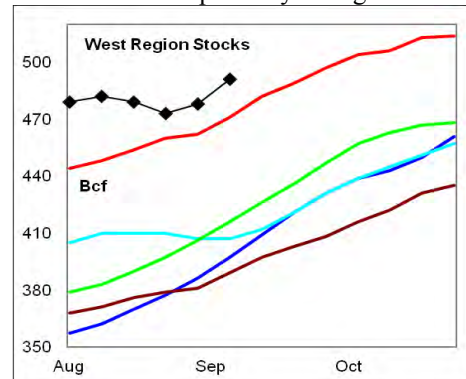
The 1<sup>st</sup> - 4<sup>th</sup> month forward price curve increased in favor of the nearby contract months. The spread ended the week at the mid range.

**East Region** stocks increased +54 Bcf on the week, which was at the upper end of the historic range for the period. The latest 4-wk stock build was at the mid range. Stock levels were at the 5-year mid range.



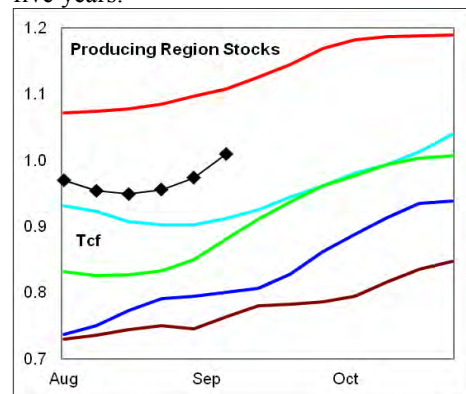
Cooling degrees in the region were -10% below normal for the week ended 11Sep10, and forecast to be +9% below normal for the week ending 18Sep10. Above normal cooling degree days are forecast for the next 10-days.

**West Region** stocks increased +13 Bcf on the week, which was a season record. The latest 4-wk stock build was at the low end of the historic range. Stock levels are +4.2% above the prior 5-year high.



Cooling degree days were -41% below normal for the week ended 11Sep10, and forecast to be -10% below normal for the week ending 18Sep10. Slightly above normal cooling degree days are forecast for the next 10-days.

**Producing Region** stocks increased +36 Bcf on the week, which was a season record. The latest 4-wk stock build matched the 5-year high on the week. Stock levels remain above four of the last five years.



Cooling degree days were +14% above normal for the week ending 11Sep10, and forecast to be +37% above normal for the week ending 18Sep10. Above normal cooling degree days are forecast for the next 10-days.

**Residual Fuel Oil Switching:** The price spread between fuel oil and natural gas remains highly favorable for gas.

**Outlook:** An end to peak summer power demand, continued slow economic growth and high production should drive above normal stock building for the next 45-days. These fundamentals and high stock levels risk further price weakness.

<sup>1</sup> **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: September 16, 2010

For the week ending: 10-Sep-10

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

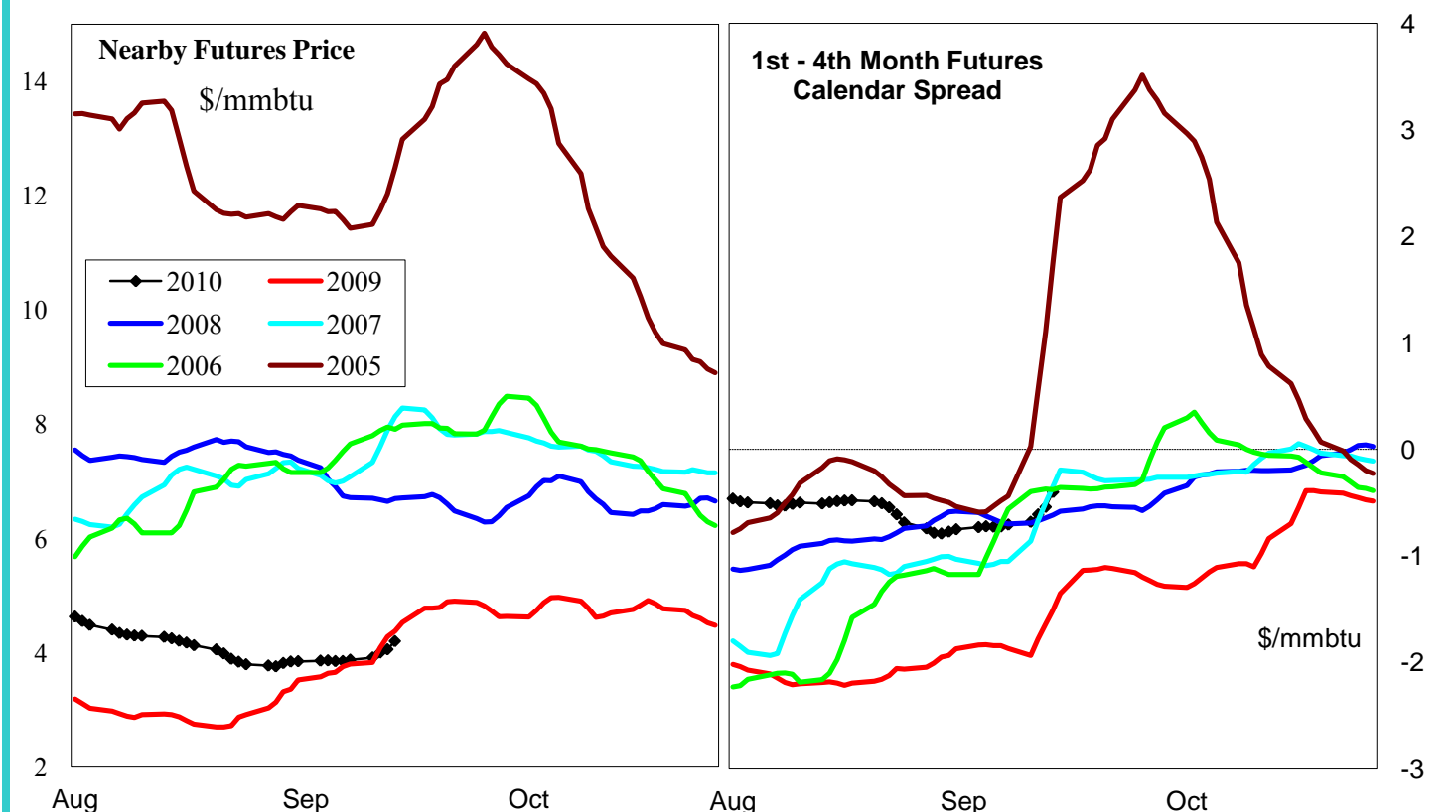
Week ending:	10-Sep-10			4-Sep-10		11-Sep-10		18-Sep-10	
Region	Weekly Stocks			Weekly Cooling Degree Days					
	Bcf	Change vs prior:		Change vs prior week	% of normal	Change vs prior week	% of normal	Change vs prior week	% of normal
		Week Bcf	Year (%)						
U.S. Total	3,267	103	-5.3	8	36%	-31	-10%	-2	5%
East	1,766	54	-5.6	25	67%	-42	-10%	-6	-9%
West	491	13	4.2	-22	-5%	-18	-41%	5	-10%
Producing	1,010	36	-8.8	-12	7%	-5	14%	4	37%

### Seasonal Trends in Stocks and Cooling Degree Days

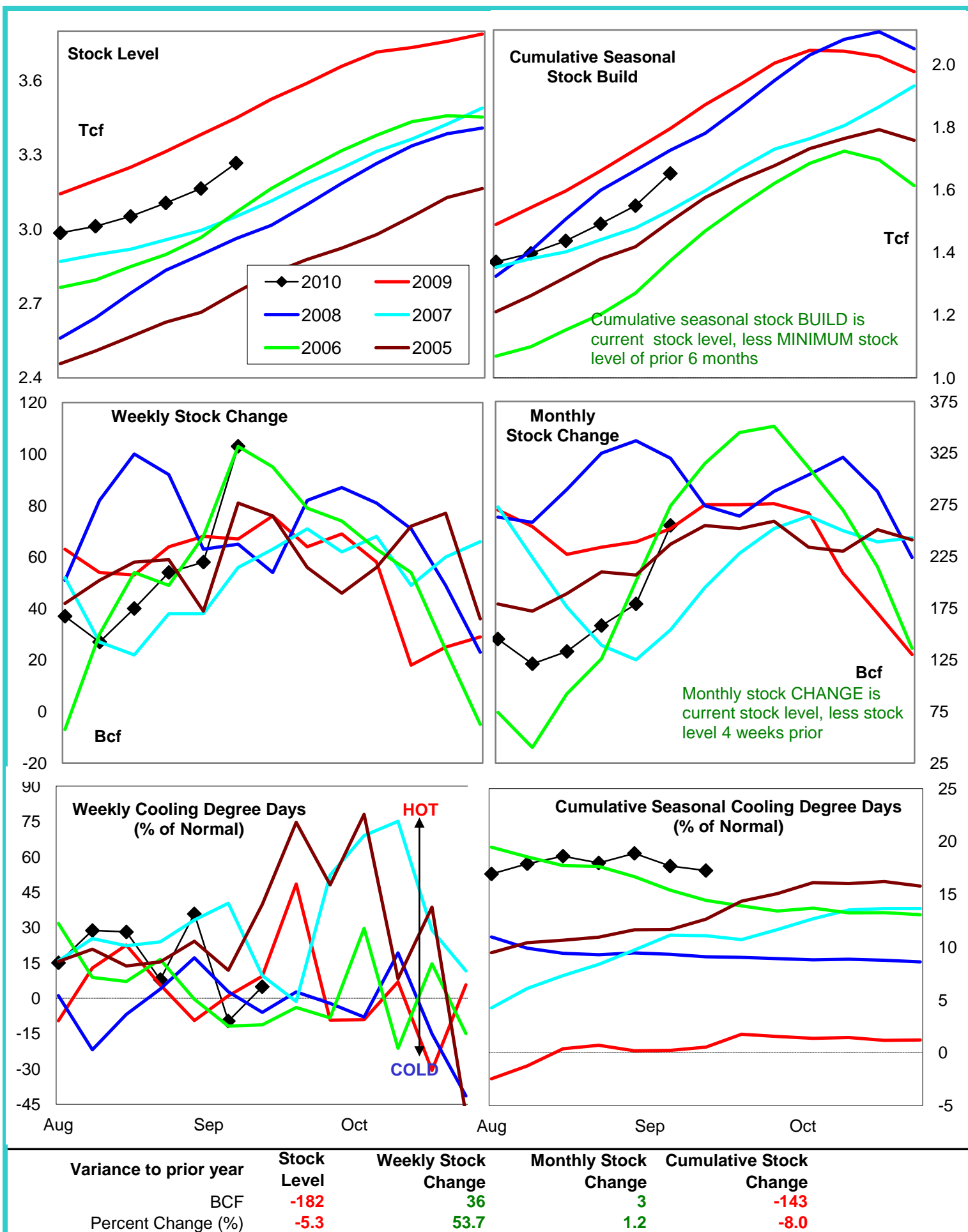
	Cumulative Stock change			Cumulative Cooling Degree Days					
	Bcf	Change vs prior year Bcf	%	CCDD's vs normal	% of normal	CCDD's vs normal	% of normal	CCDD's vs normal	% of normal
<b>U.S. Total</b>	<b>1,652</b>	<b>-143</b>	<b>-8.7</b>	<b>198</b>	<b>19%</b>	<b>194</b>	<b>18%</b>	<b>195</b>	<b>17%</b>
<b>East</b>	<b>1,016</b>	<b>-210</b>	<b>-20.7</b>	<b>228</b>	<b>30%</b>	<b>240</b>	<b>29%</b>	<b>268</b>	<b>28%</b>
<b>West</b>	<b>208</b>	<b>15</b>	<b>7.2</b>	<b>-56</b>	<b>-7%</b>	<b>-71</b>	<b>-9%</b>	<b>-75</b>	<b>-9%</b>
<b>Producing</b>	<b>462</b>	<b>47</b>	<b>10.2</b>	<b>228</b>	<b>12%</b>	<b>240</b>	<b>12%</b>	<b>268</b>	<b>13%</b>

### Futures Market Price Trends

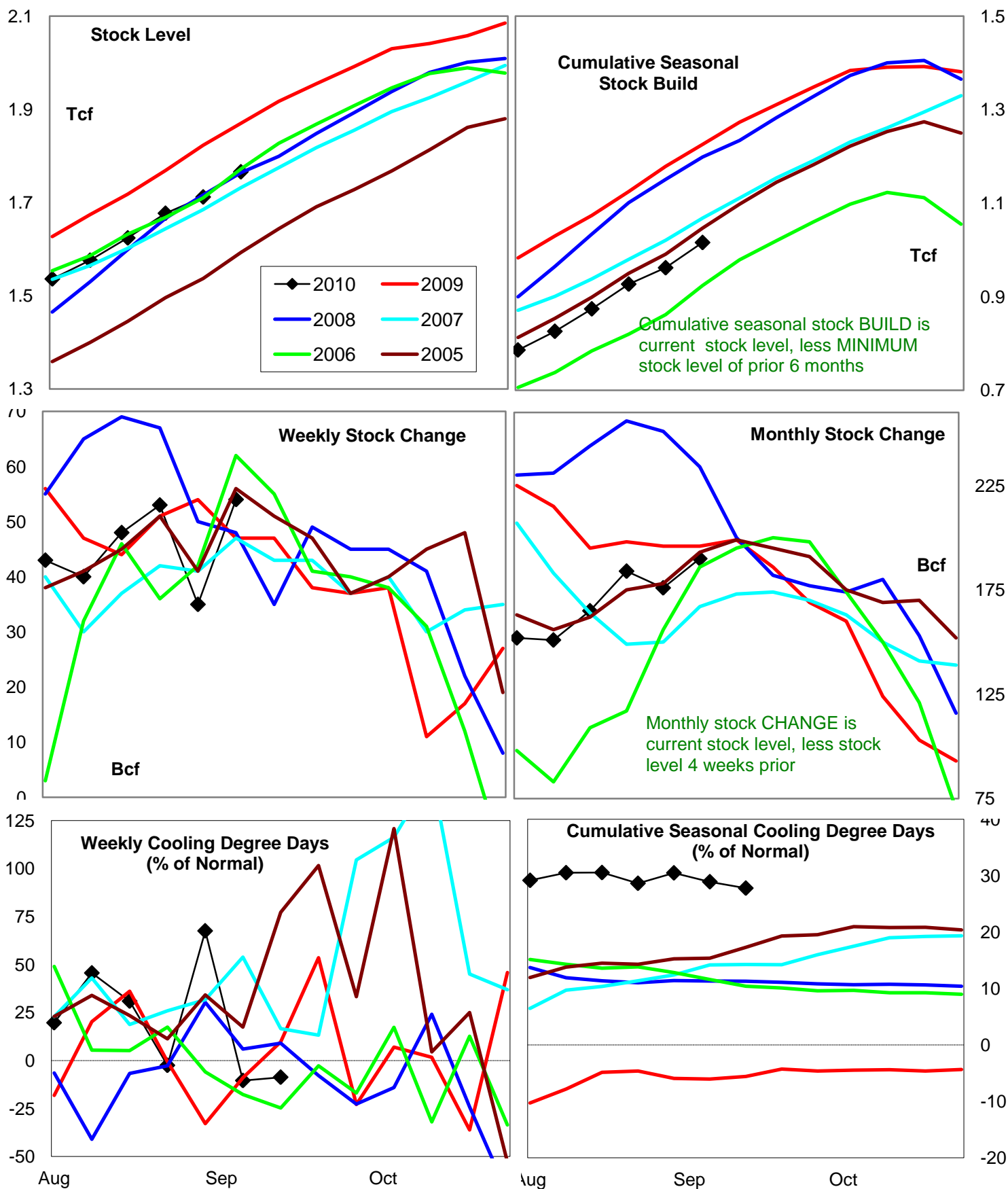
Date:	29-Oct-10	Change vs prior week, month, year		
		25-Oct-10	4-Oct-10	20-Oct-09
<b>1st month Futures</b>	<b>4.20</b>	<b>0.32</b>	<b>0.08</b>	<b>-0.64</b>
<b>% change</b>	xxxxx	<b>8.2</b>	<b>1.9</b>	<b>-13.2</b>



# 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  
Change

BCF

-104

7

-6

-210

Percent Change (%)

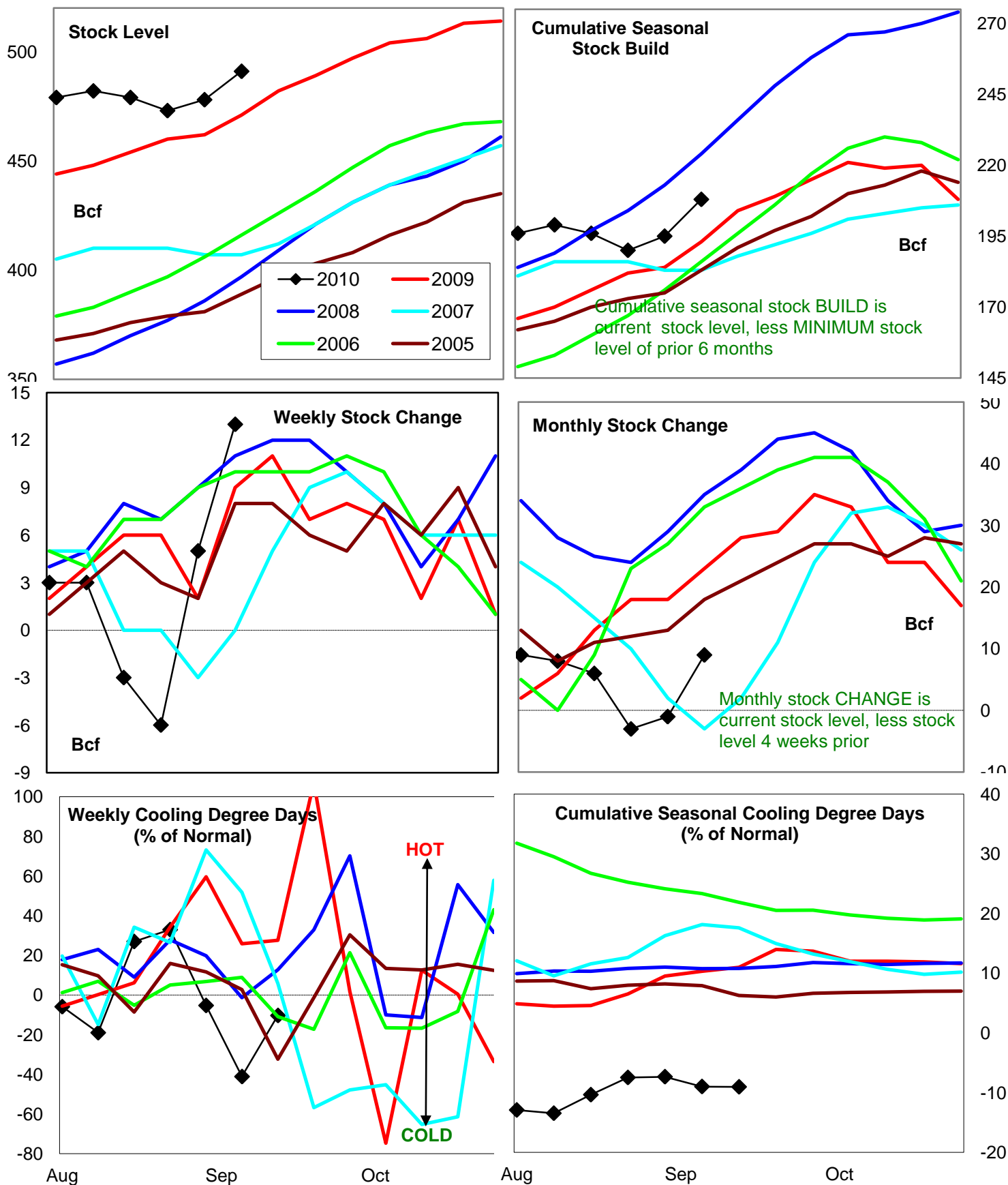
-5.6

14.9

-3.1

-17.1

# Natural Gas West Region Stock and Weather Trends



Variance to prior year

Stock  
Level

Weekly Stock  
Change

Monthly Stock  
Change

Cumulative Stock  
Change

BCF  
Percent Change (%)

20

4.2

4

44.4

-14

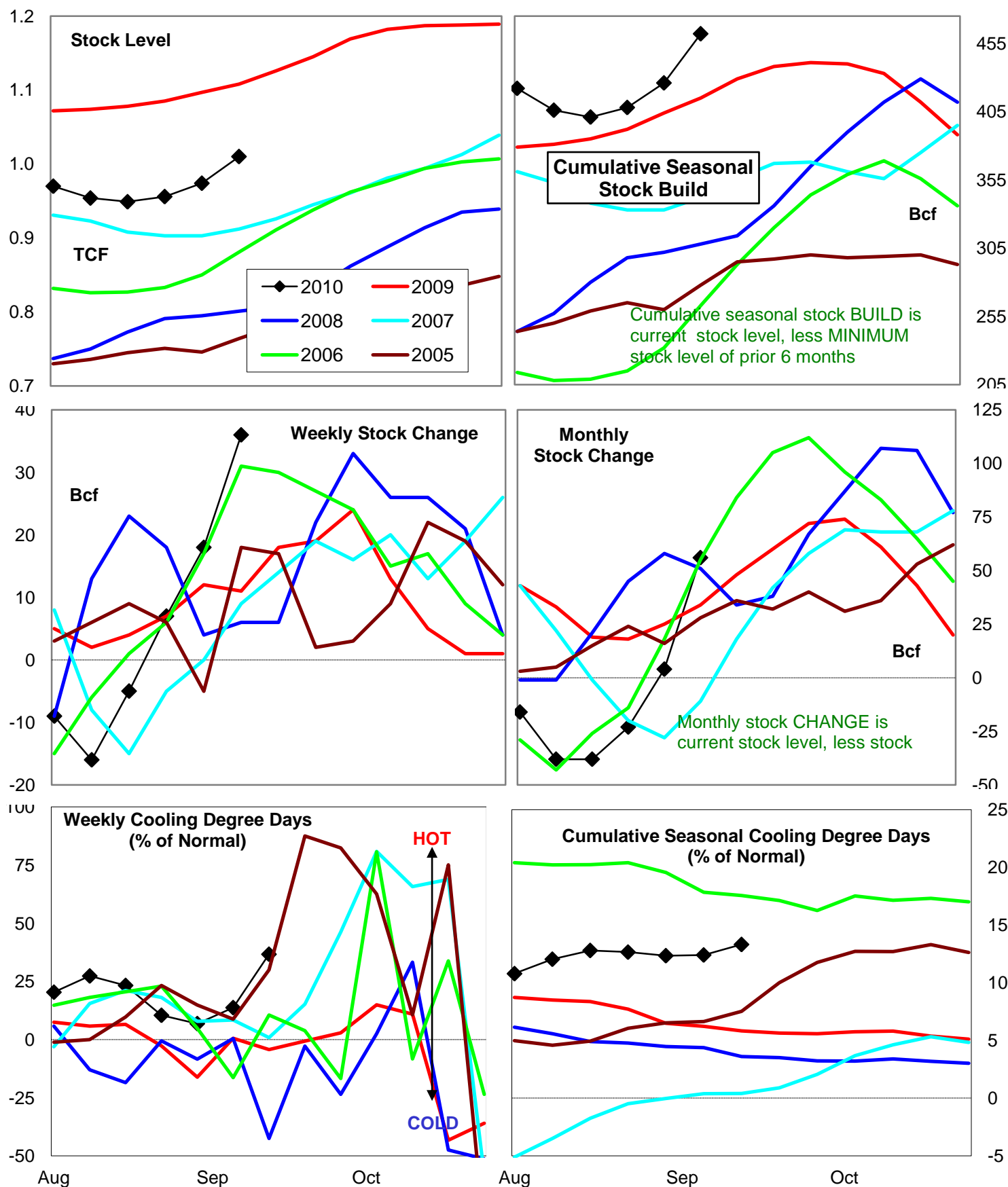
-60.9

15

7.8



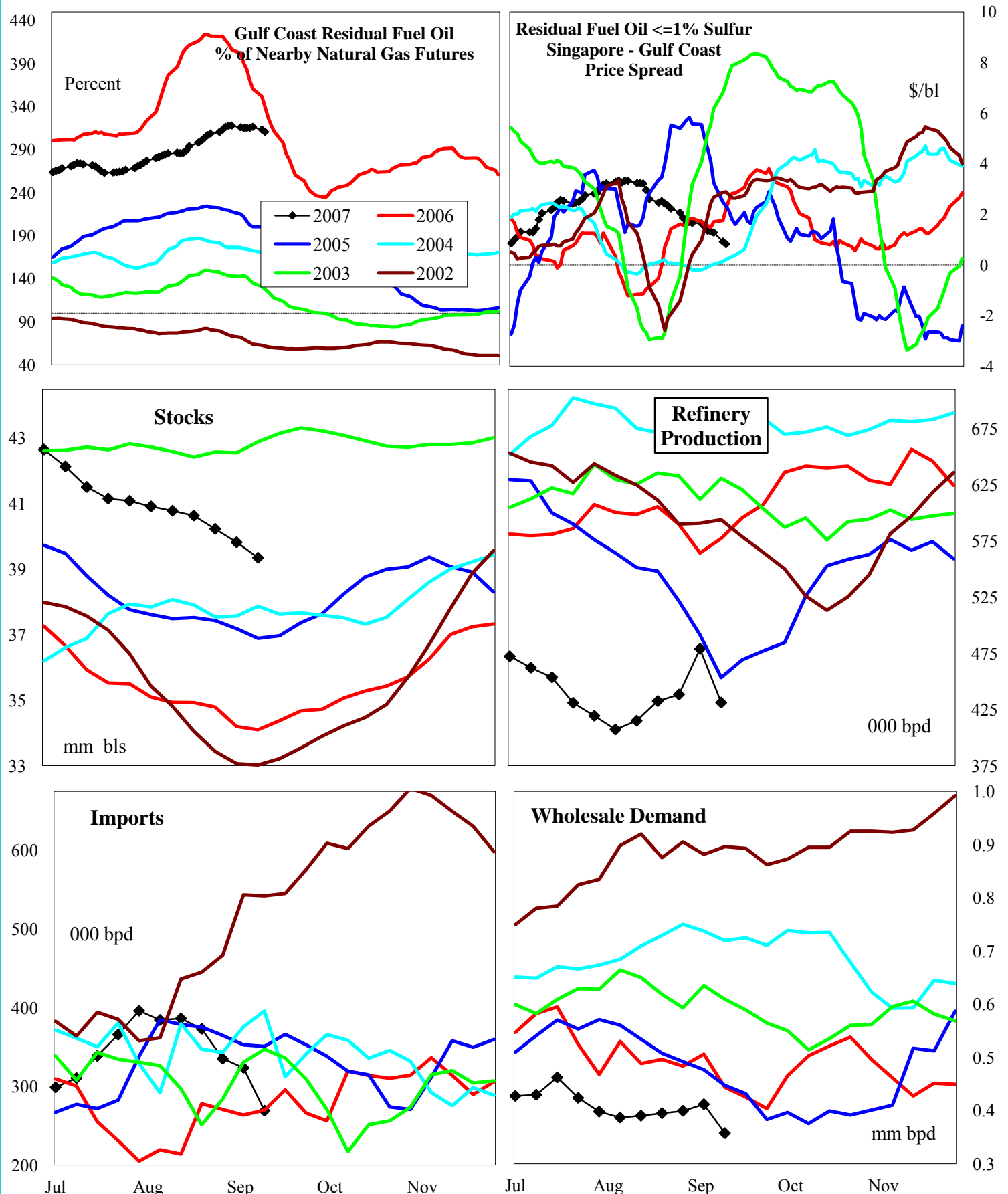
# Natural Gas Producing Region Stock and Weather Trends



Variance to prior year

Stock  
LevelWeekly Stock  
ChangeMonthly Stock  
ChangeCumulative Stock  
ChangeBCF  
Percent Change (%)-98  
-8.825  
227.322  
64.747  
11.3

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

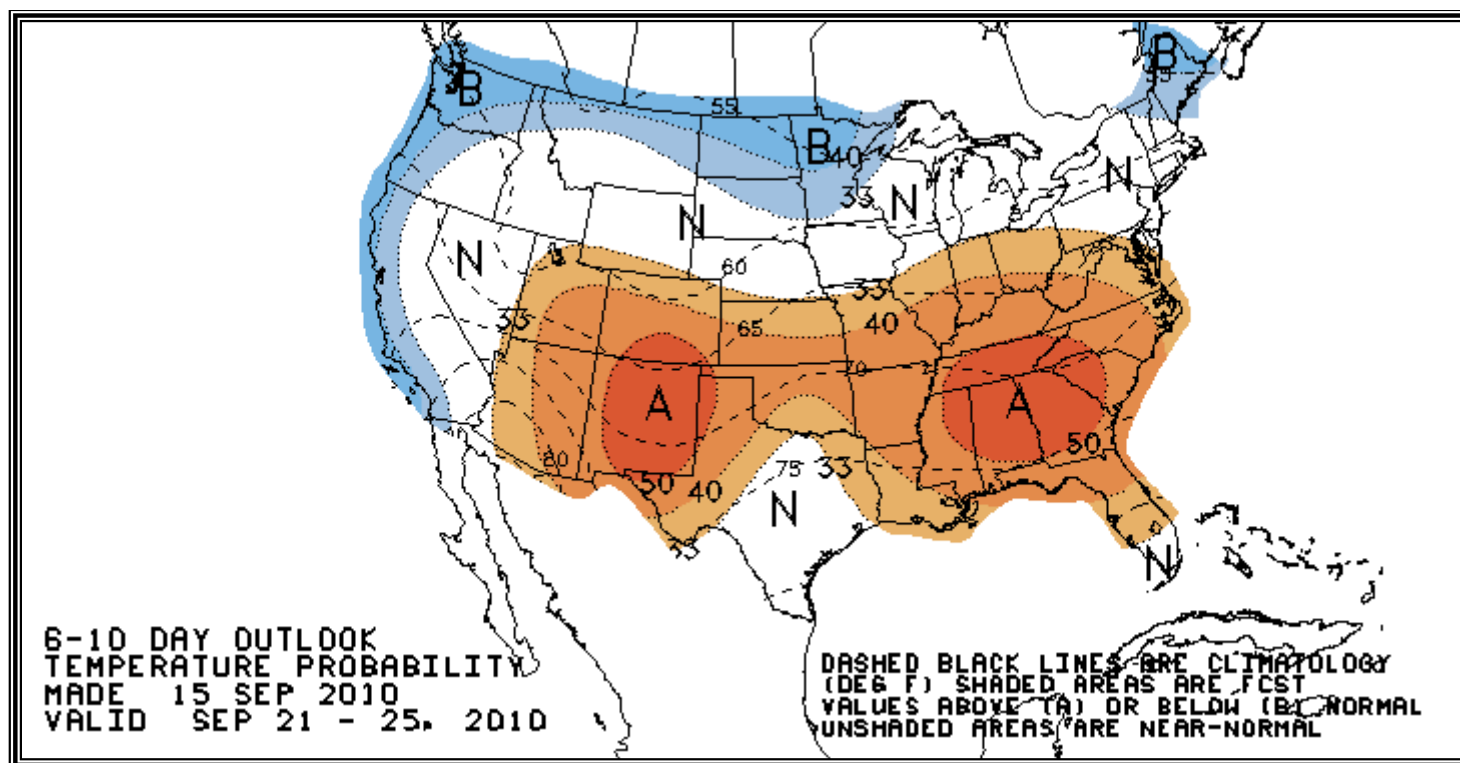


**4 wk avg variance to prior year**  
000 bpd (000 bls stks)  
% change

Stocks	Prod	Imports	Demd=>	4wk avg	Aug	Jul	Jun
4,952	-119	25		-111	-22	178	-61
14.6	-20.8	8.7		-19.9	-4.7	55.8	-10.8

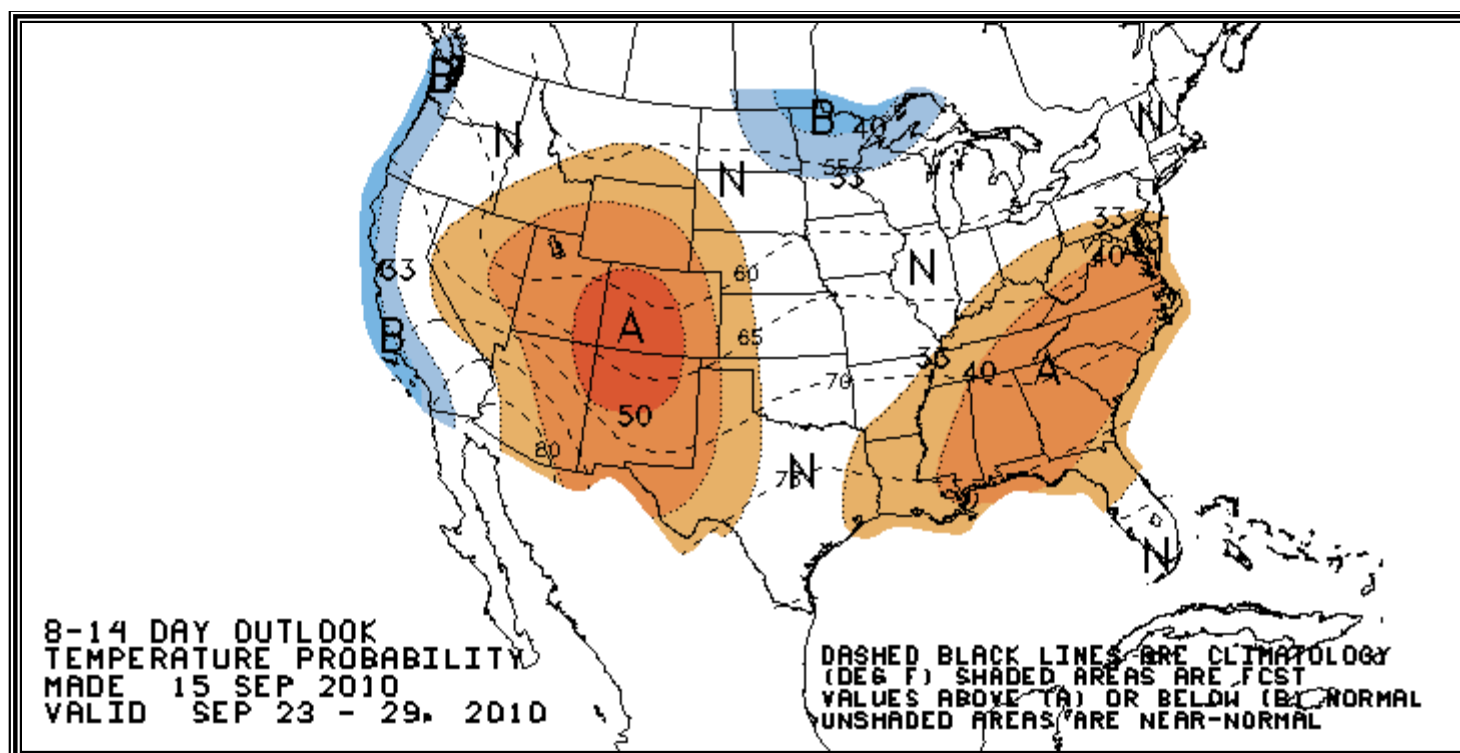
## National Weather Service Climate Prediction Center

## Degree Days 6 - 10 Day Temperature Forecast



## National Weather Service Climate Prediction Center

## Degree Days 8 - 14 Day Temperature Forecast





# American Gas Association Regions

