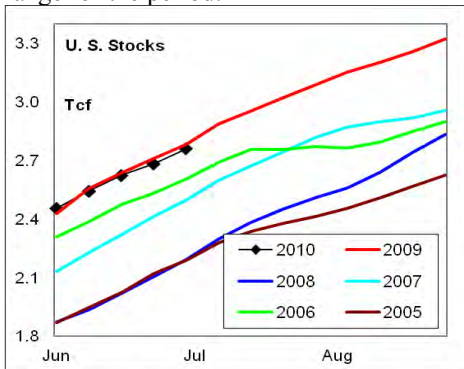
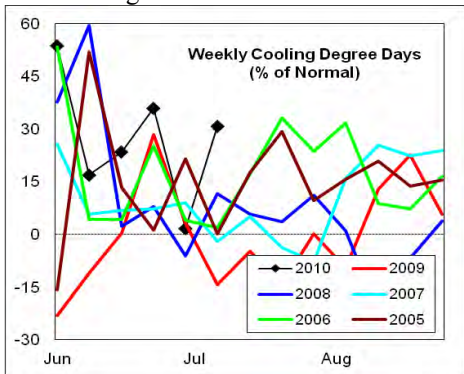




Summary ¹ Stocks increased +78 Bcf last week, a level that matched the 5-year mid range for the period.



Cooling degree days were +2% above normal for the week ending 03Jul10, but forecast to be +31% above normal for the week ending 10Jul10.



In the East Region stocks increased +48 Bcf, which matched the 5-year low for the week. The +11 Bcf build in the West Region was above the historic mid range. The stock build of +19 Bcf in the Producing Region was above the historic range for the week.

Cooling degree days were +1% above normal in the East Region, +8% above normal in the West Region and -2% below normal in the Producing Region for the week ending 03Jul10.

Cooling degree days were +2% above normal for the week ended July 3rd, and forecast to be +31% above normal for the week ending July 10th.

¹ Related Web Sites:

[Data Source is EIA Weekly Statistics](#)

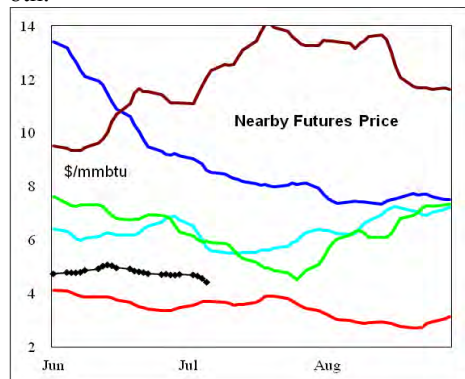
[National Weather Service 6-10 Day](#)

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

The 6-10 day NWS forecast for the week ending July 17th is for much above normal cooling degree days in the western 1/4 of the country and the northeast areas of the country.

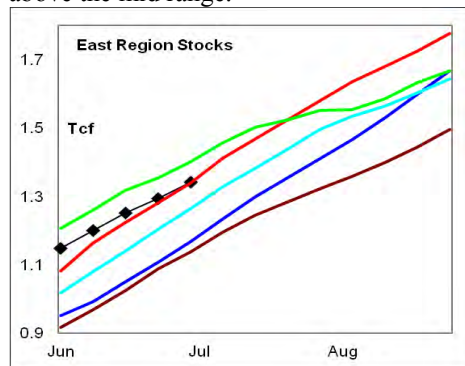
The 8-14 day NWS forecast for the week ending July 21st is for above normal cooling degree days in nearly areas of the country except the southern plains and west coast regions.

Prices: Nearby gas futures prices decreased -\$0.44/mmbtu for the week ending July 8th.



The 1st - 4th month forward price curve trended lower on the week. The forward curve is at a record high for the period, pointing to ample out month supplies.

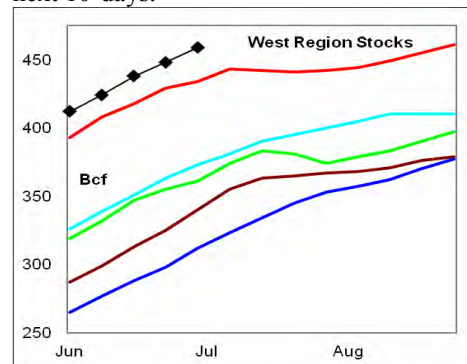
East Region stocks increased +48 Bcf on the week, which matched the 5-year low for the period. The latest 4-wk stock build was at the low end of the historic range. Stock levels were even to last year and above the mid range.



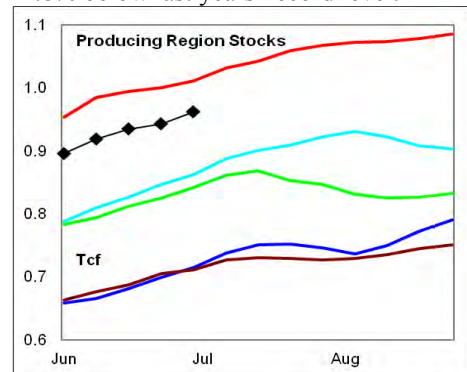
Cooling degrees in the region were +1% above normal for the week ended July 3rd, and forecast to be +47% above normal for the week ending 10Jul10. Above normal cooling degree days are forecast for the next 10-days in the northeast.

West Region stocks increased +11 Bcf on the week, which was above the mid range. The latest 4-wk stock build matched the mid range of the last 5-years. Stock levels are +5.8% above the prior 5-year high.

Cooling degree days were +8% above normal for the week ended July 3rd, and forecast to be +15% above normal for the week ending 10Jul10. Above normal cooling degree days are forecast for the next 10-days.



Producing Region stocks increased +19 Bcf on the week, a record build for this period. The latest 4-wk stock build was well above the mid range. Stock levels are -4.8% below last years' record level.



Cooling degree days were -2% below normal for the week ending July 3rd, and forecast to be +4% above normal for the week ending 10Jul10. Near normal cooling degree days are forecast for the next 10-days.

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

Outlook: Near normal cooling degree days last week, and increased output in the Producing Region led to a stock build slightly above the historic mid range for the week. Record cooling degree days in the current week, have not been able to support prices. The ability of the Producing region to ramp up output and high stock levels continue to pressure prices lower.



NATURAL GAS: Graph Link and Weekly Summary

Report prepared as of: July 8, 2010

For the week ending: 2-Jul-10

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

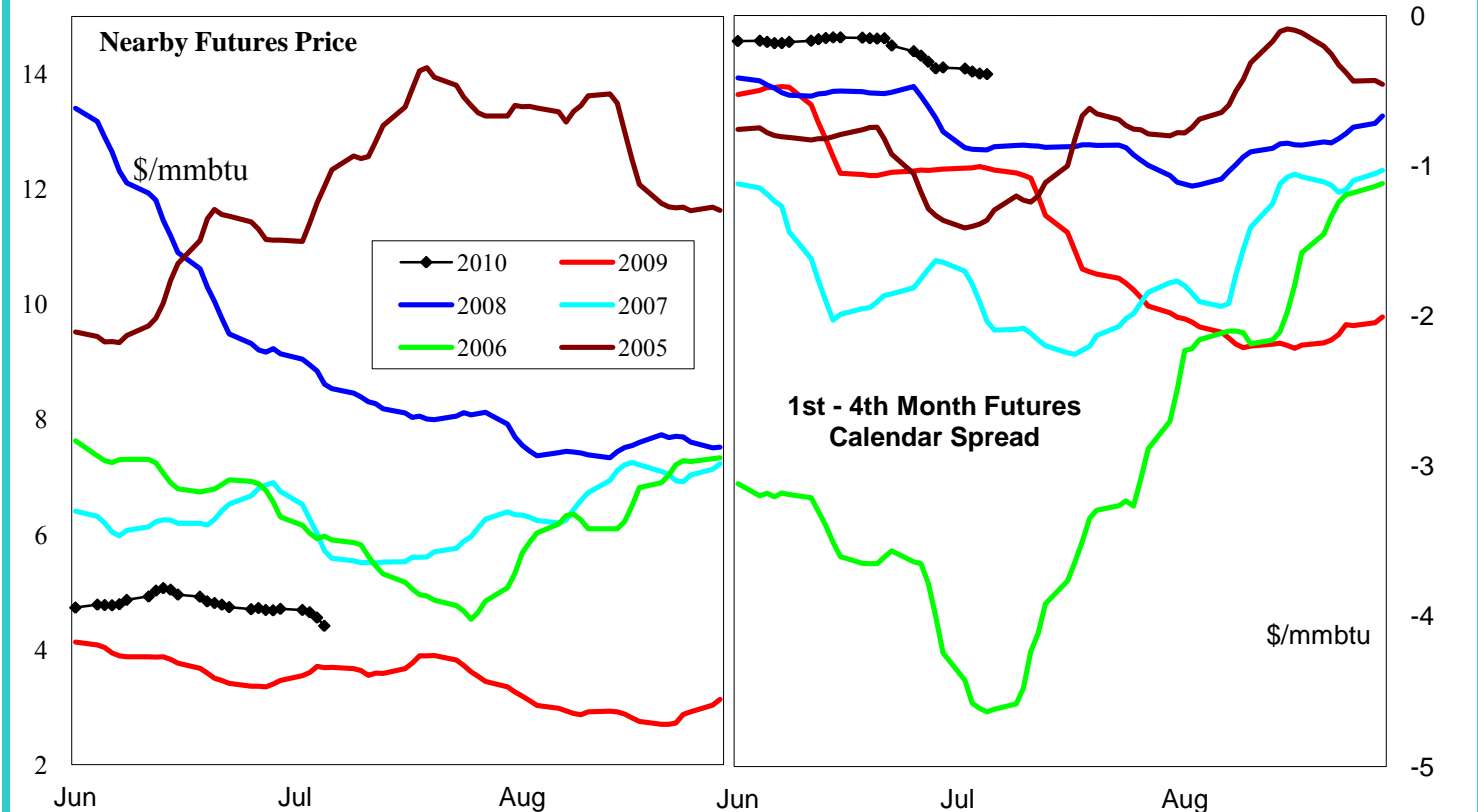
Week ending:	2-Jul-10			26-Jun-10		3-Jul-10		10-Jul-10	
Region	Weekly Stocks			Weekly Cooling Degree Days					
	Bcf	Change vs prior:		Change vs prior week	% of normal	Change vs prior week	% of normal	Change vs prior week	% of normal
		Week Bcf	Year (%)						
U.S. Total	2,762	78	-0.8	16	36%	-14	2%	25	31%
East	1,341	48	0.1	20	58%	-24	1%	36	47%
West	459	11	5.8	12	-22%	18	8%	7	15%
Producing	962	19	-4.8	7	26%	-23	-2%	12	4%

Seasonal Trends in Stocks and Cooling Degree Days

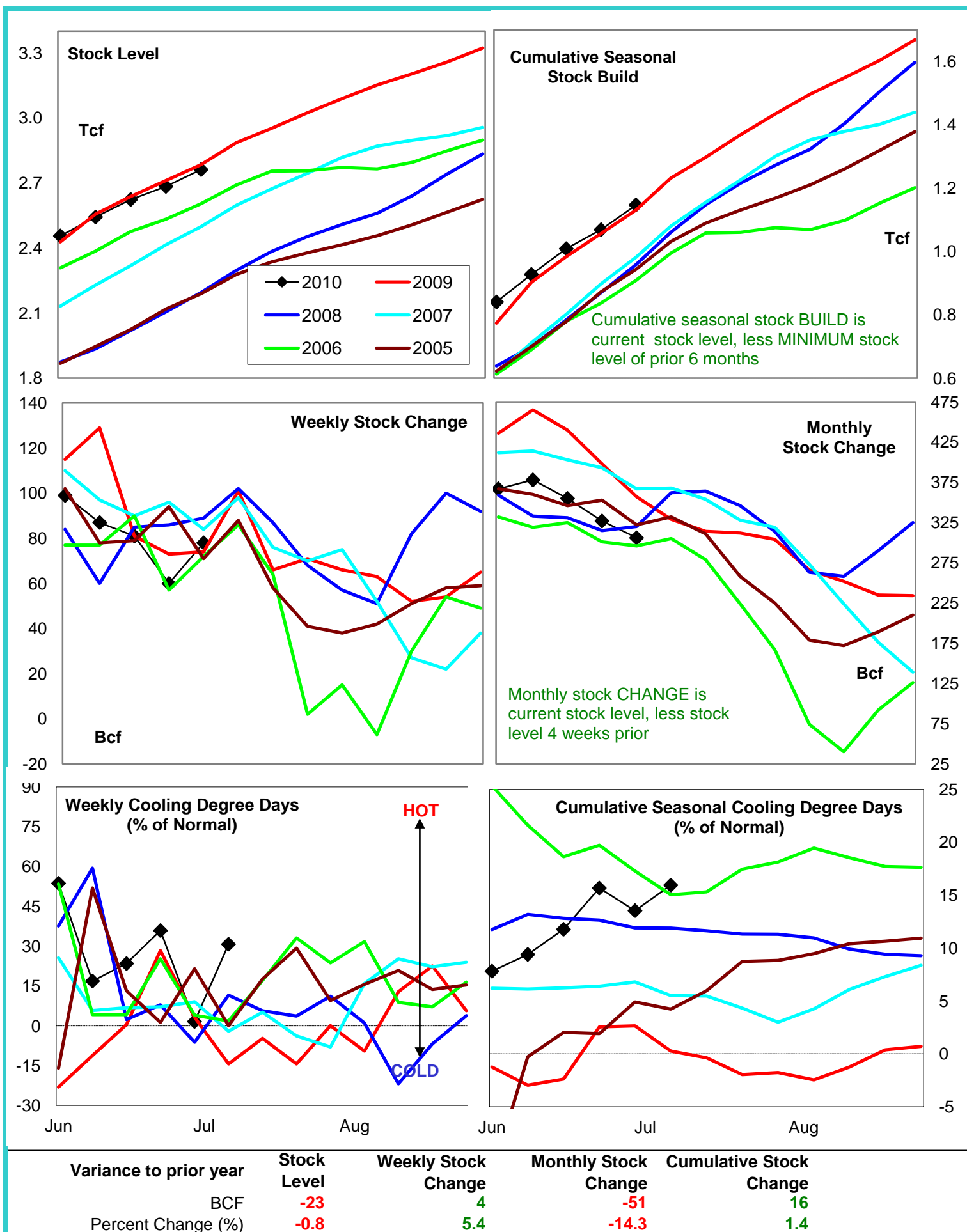
	Cumulative Stock change			Cumulative Cooling Degree Days					
	Bcf	Change vs prior year Bcf	%	CCDD's vs normal	% of normal	CCDD's vs normal	% of normal	CCDD's vs normal	% of normal
U.S. Total	1,147	16	1.4	57	16%	58	14%	80	16%
East	591	-105	-17.8	106	33%	104	28%	108	30%
West	176	20	11.4	-91	-38%	-88	-30%	-80	-24%
Producing	414	96	23.2	106	15%	104	12%	108	11%

Futures Market Price Trends

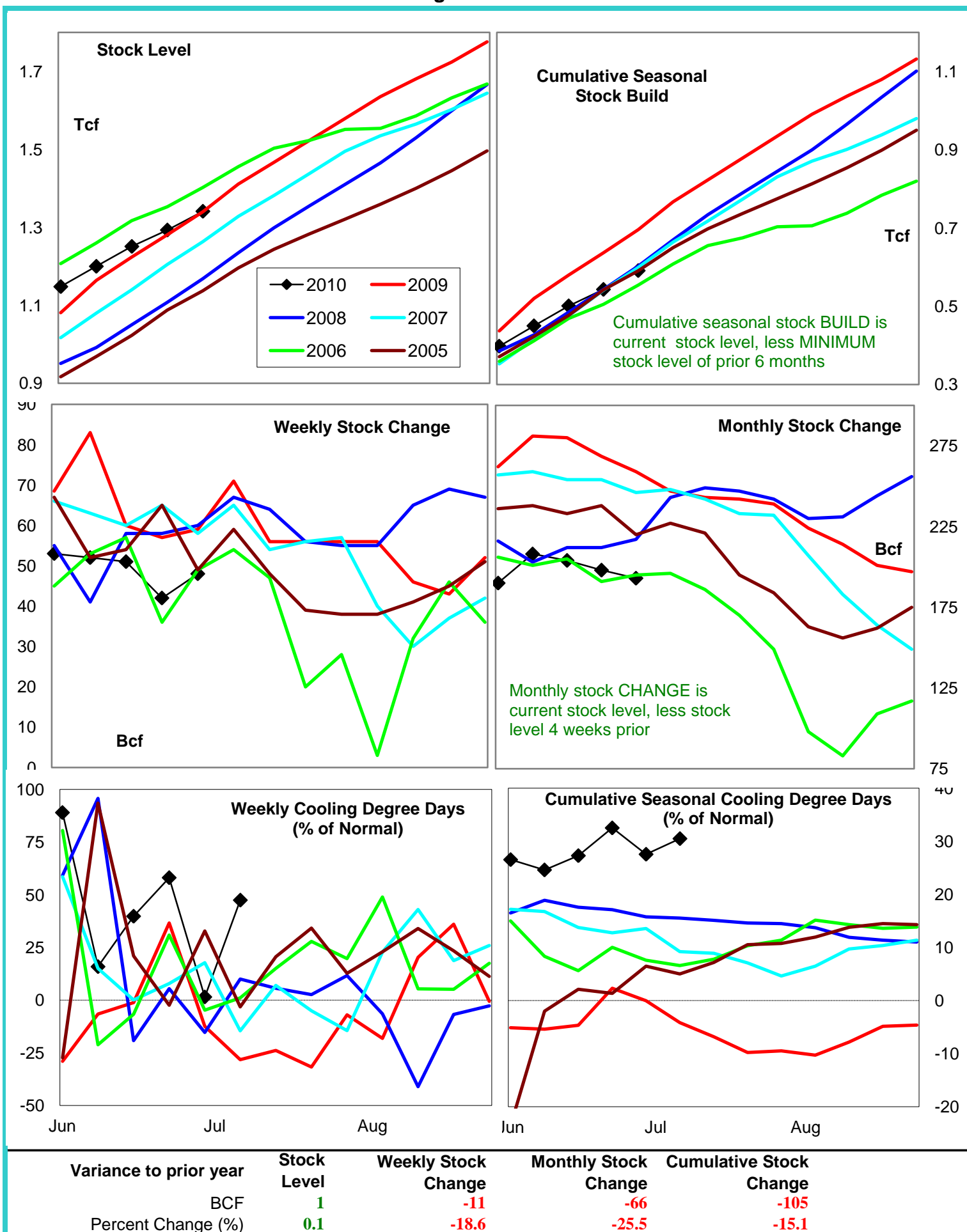
Date:	31-Aug-10	Change vs prior week, month, year		
		25-Aug-10	4-Aug-10	21-Aug-09
1st month Futures	4.41	-0.28	-0.37	0.62
% change	xxxxx	-6.0	-7.7	16.4



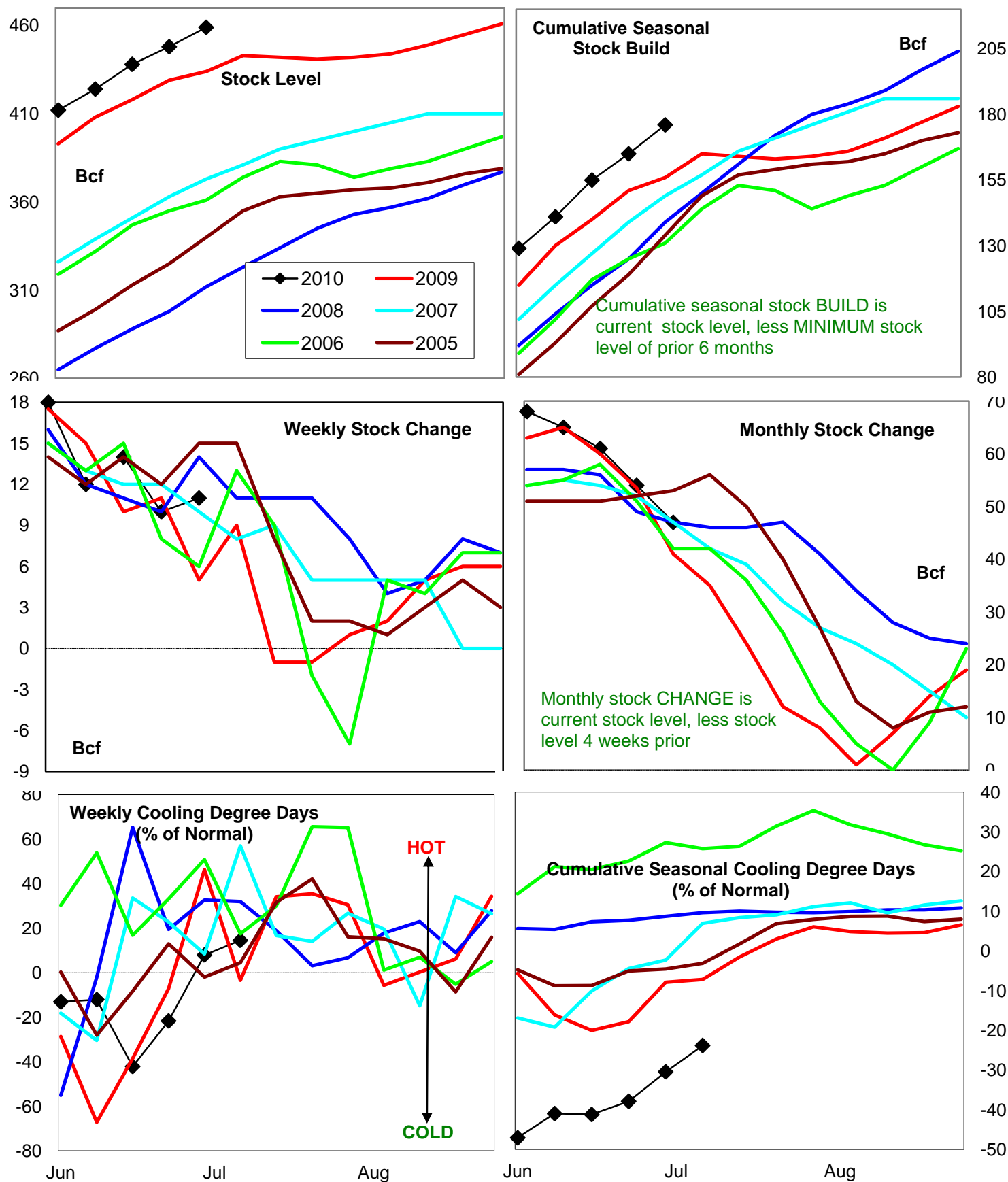
United States Natural Gas Stock and Weather Trends



Natural Gas East Region Stock and Weather Trends



Natural Gas West Region Stock and Weather Trends



Variance to prior year

Stock Level

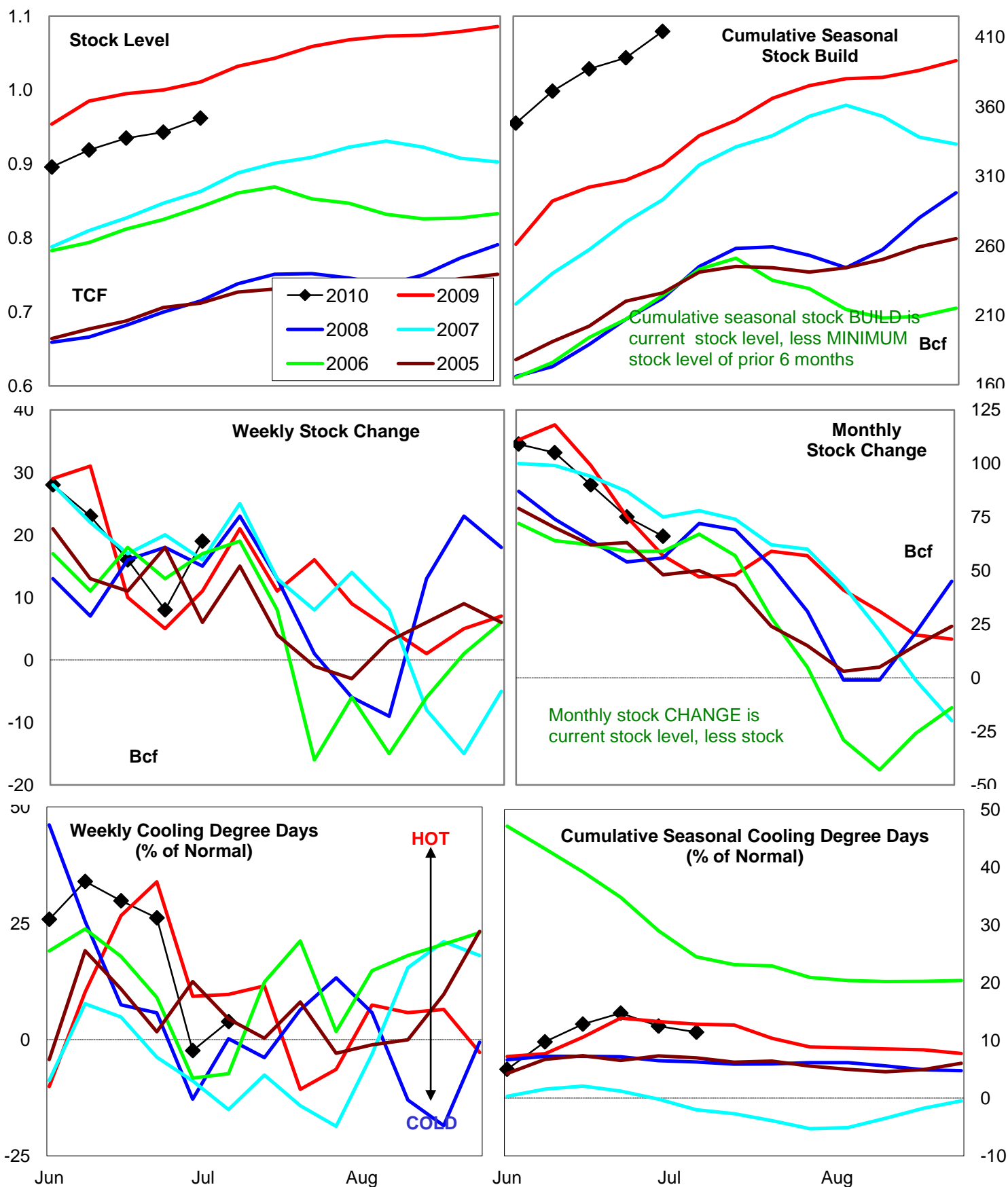
Weekly Stock Change

Monthly Stock Change

Cumulative Stock Change

BCF
Percent Change (%)25
5.86
120.06
14.620
12.8

Natural Gas Producing Region Stock and Weather Trends



Variance to prior year

Stock Level

Weekly Stock Change

Monthly Stock Change

Cumulative Stock Change

BCF

-49

8

9

96

Percent Change (%)

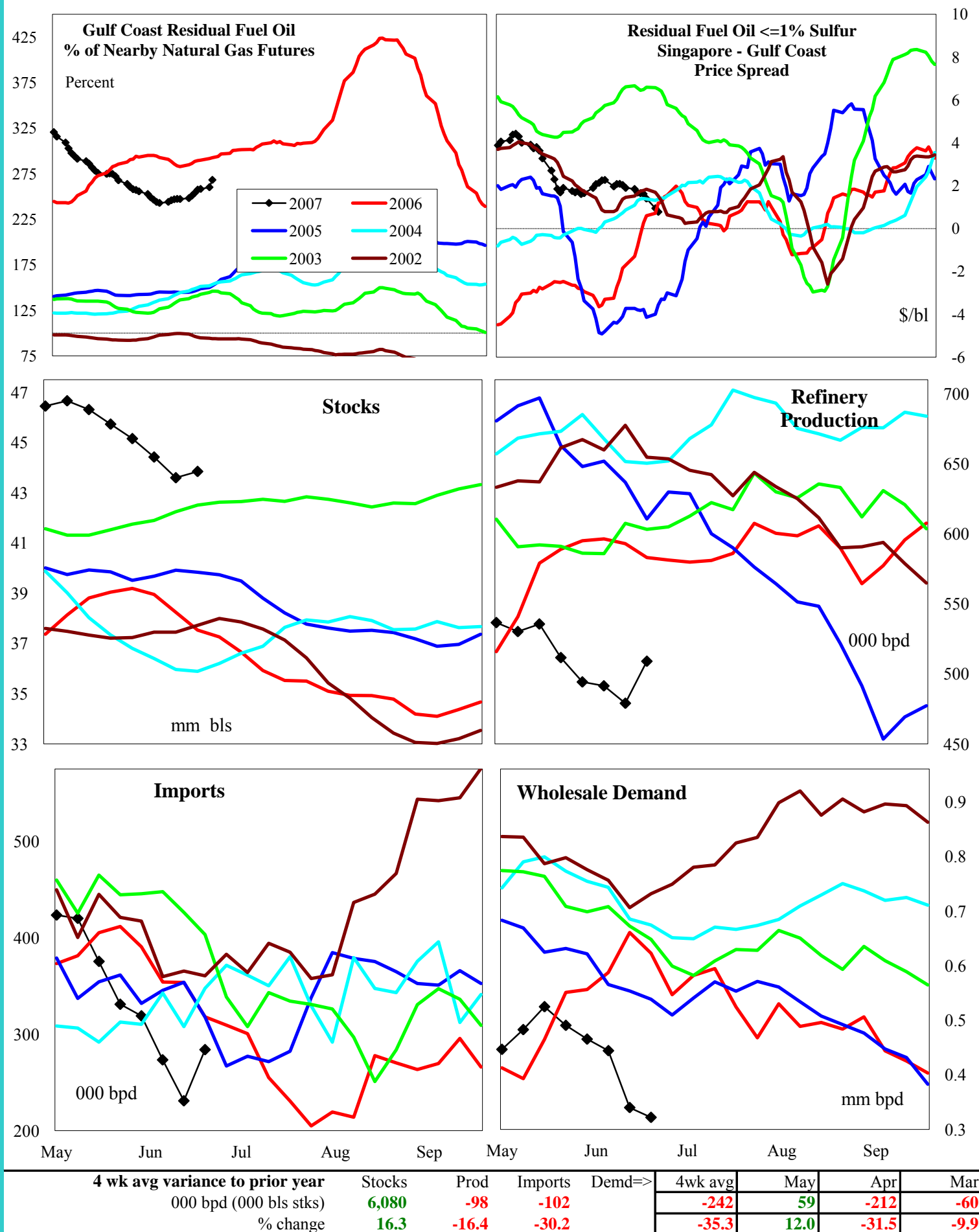
-4.8

72.7

15.8

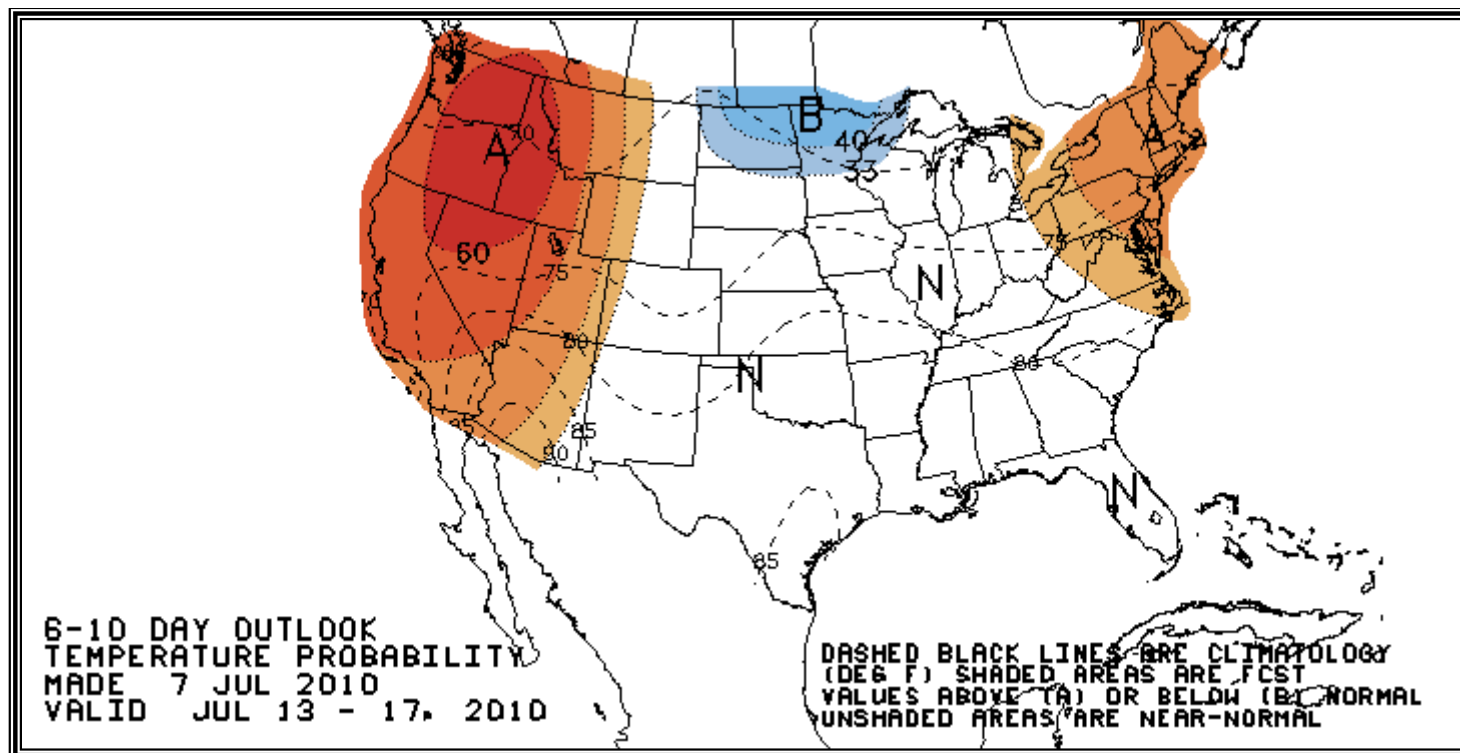
30.2

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



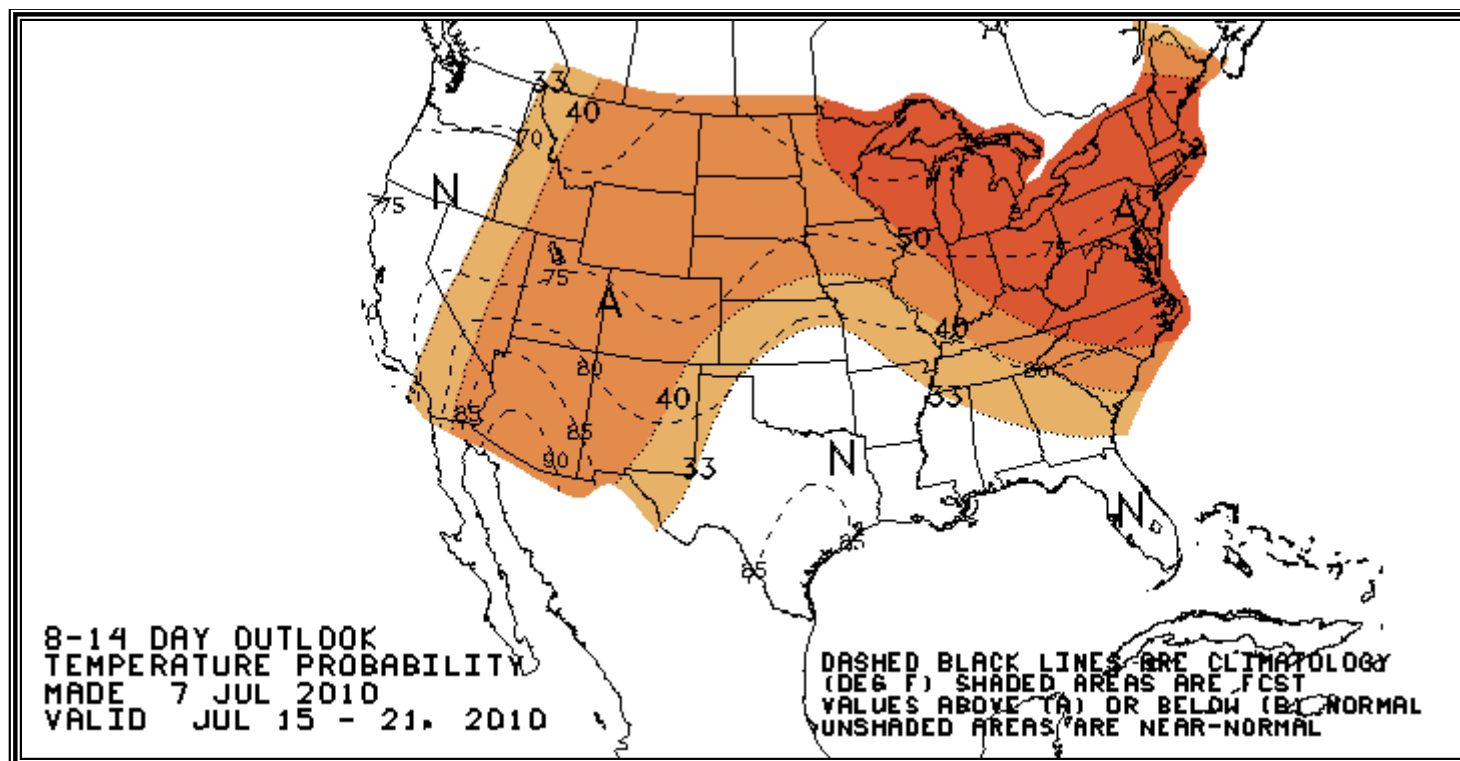
National Weather Service Climate Prediction Center

Degree Days 6 - 10 Day Temperature Forecast



National Weather Service Climate Prediction Center

Degree Days 8 - 14 Day Temperature Forecast



American Gas Association Regions

