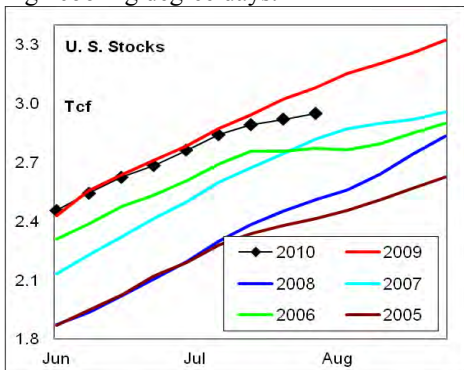
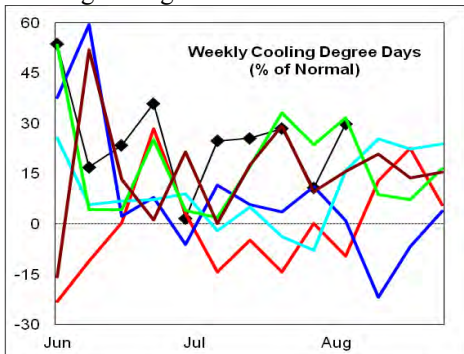




Summary¹ Stocks increased +29 Bcf last week, a level that was below four of the last five years; the result of continued very high cooling degree days.



Cooling degree days were +11% above normal for the week ending 31Jul10, and forecast to be +30% above normal for the week ending 07Aug10.



In the East Region stocks increased +34 Bcf, which was below four of the last five years for the week. The +3 Bcf build in the West Region was above the 5-year mid range for the period. The stock draw of -8 Bcf in the Producing Region matched the largest draw of the last 5-years for the period.

Cooling degree days were +19% above normal in the East Region, -5% below normal in the West Region and +4% above normal in the Producing Region for the week ending 31Jul10.

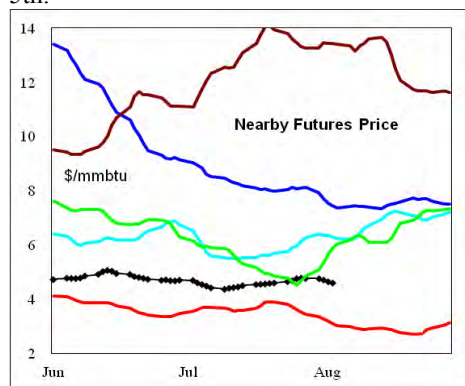
Cooling degree days were +11% above normal for the week ended July 31st, and forecast to be +30% above normal for the

week ending 05Aug10.

The 6-10 day NWS forecast for the week ending August 14th is for much above normal cooling degree days in the eastern 2/3rds of the country and near normal in the western 1/3rd.

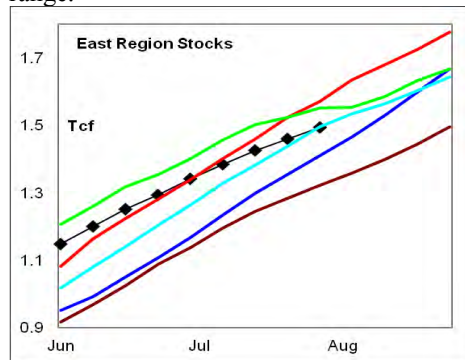
The 8-14 day NWS forecast for the week ending August 18th is for above normal cooling degree days in the western 2/3rds of the country and near normal cooling degree days in the eastern 1/3rd of the country.

Prices: Nearby gas futures prices decreased -\$0.23/mmbtu for the week ending August 5th.



The 1st - 4th month forward price curve extended the recent downtrend in favor of the deferred contract months. The spread remains below the 5-year range in favor of the prompt month; reflecting expectations of ample winter quarter supply.

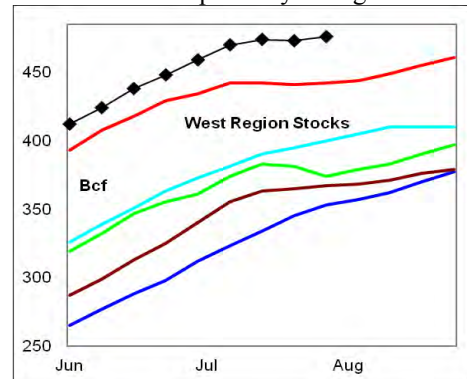
East Region stocks increased +34 Bcf on the week, which was below four of the last five years. The latest 4-wk stock build matched the lowest build of the last 5-years. Stock levels match the historic mid range.



Cooling degrees in the region were +19% above normal for the week ended July 31st, and forecast to be +37% above normal for the week ending 07Aug10. Above normal cooling degree days are forecast for the next 10-days.

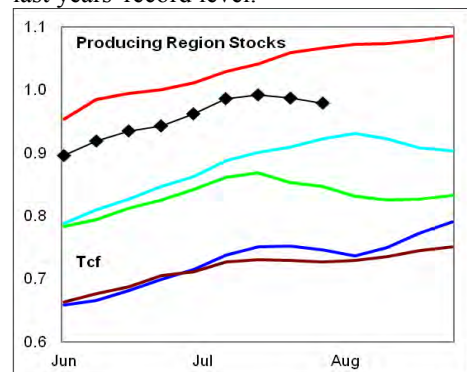
West Region stocks increased +3 Bcf on

the week, which was above the historic mid range. The latest 4-wk stock build was below the mid range. Stock levels are +7.7% above the prior 5-year high.



Cooling degree days were -5% below normal for the week ended July 31st, and estimated to be +10% above normal for the week ending 07Aug10. Above normal cooling degree days are forecast for the next 10-days.

Producing Region stocks decreased -8 Bcf on the week, which matched the largest draw of the period for the past 5-years. The latest 4-wk stock build was below the mid range. Stock levels were -8.2% below last years' record level.



Cooling degree days were +4% above normal for the week ending July 31st, and forecast to be +28% above normal for the week ending 07Aug10. 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: Cooling degree days continue at a record rate compared to normal. This has limited stock builds, particularly during the last two weeks. Extremely high demand for electric power should provide continued support to prices during the quarter.

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: August 5, 2010

For the week ending: 30-Jul-10

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

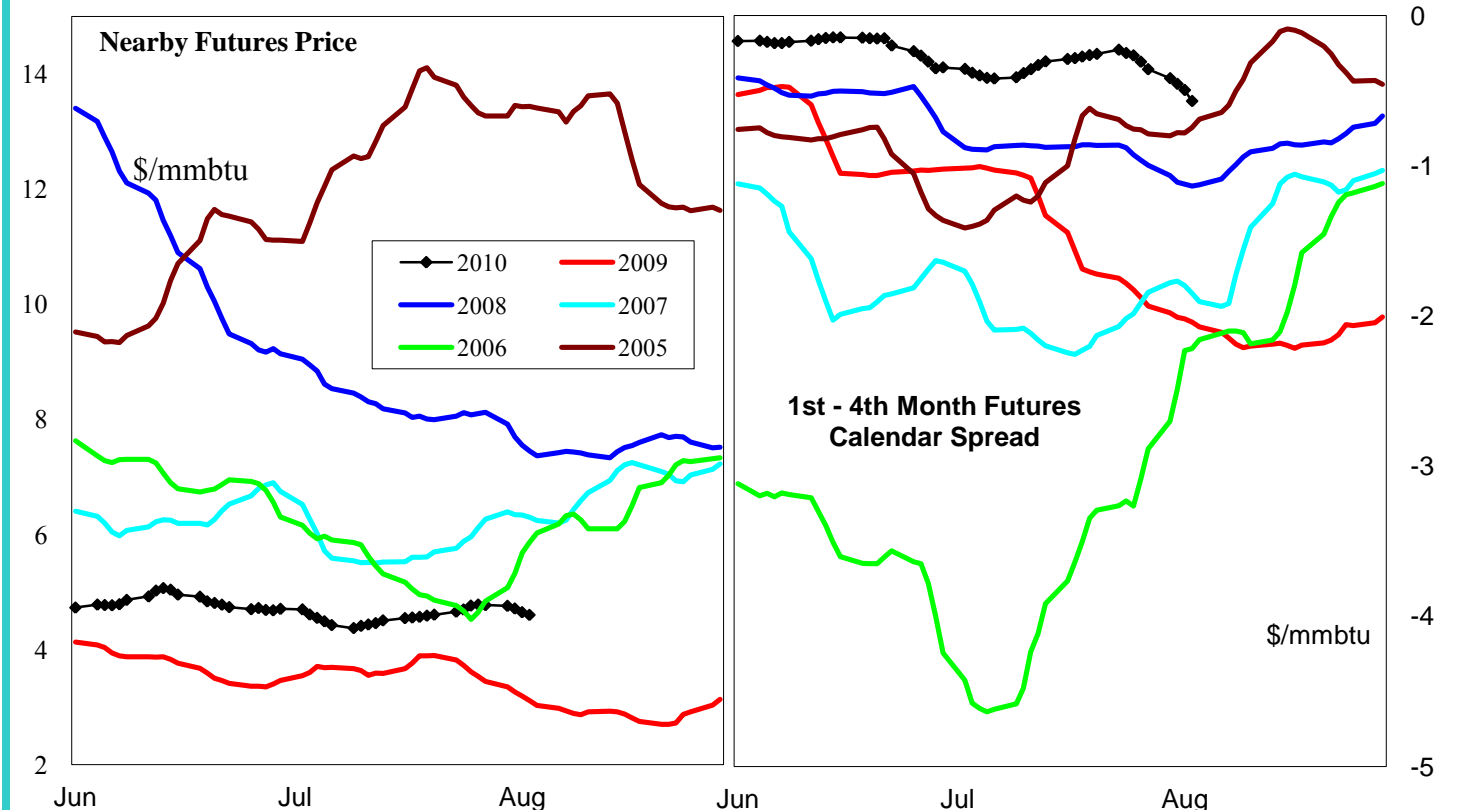
Week ending:	30-Jul-10			24-Jul-10		31-Jul-10		7-Aug-10	
Region	Weekly Stocks			Weekly Cooling Degree Days					
	Bcf	Change vs prior:		Change vs prior week	% of normal	Change vs prior week	% of normal	Change vs prior week	% of normal
		Week Bcf	Year (%)						
U.S. Total	2,948	29	-4.3	2	28%	-12	11%	12	30%
East	1,493	34	-5.0	10	41%	-16	19%	10	37%
West	476	3	7.7	-16	12%	-3	-5%	7	10%
Producing	979	-8	-8.2	1	11%	-7	4%	28	28%

Seasonal Trends in Stocks and Cooling Degree Days

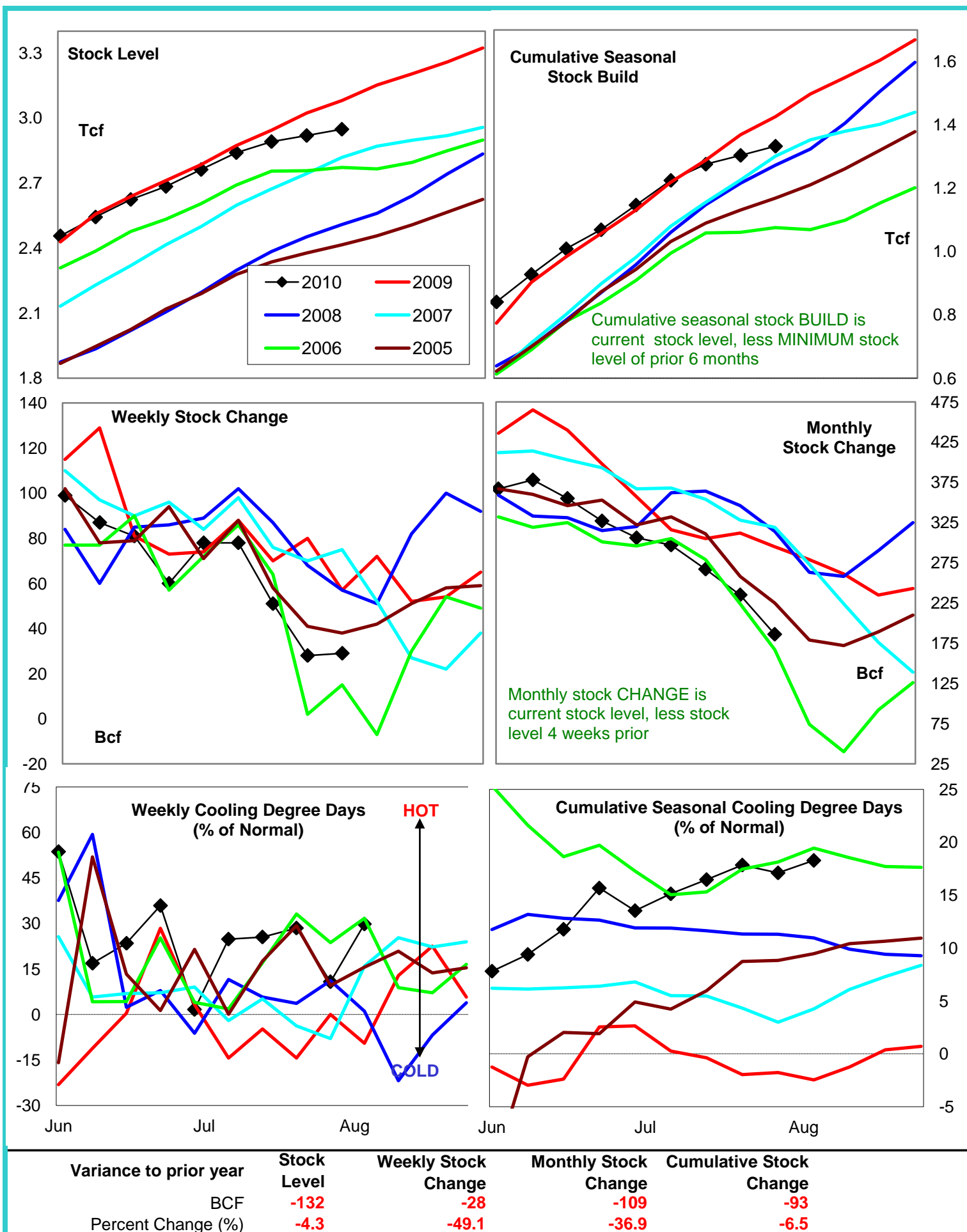
	Cumulative Stock change			Cumulative Cooling Degree Days					
	Bcf	Change vs prior year Bcf	%	CCDD's vs normal	% of normal	CCDD's vs normal	% of normal	CCDD's vs normal	% of normal
U.S. Total	1,333	-93	-7.0	116	18%	124	17%	146	18%
East	743	-184	-24.8	124	32%	129	30%	163	31%
West	193	29	15.0	-66	-15%	-69	-14%	-63	-11%
Producing	431	57	13.2	124	10%	129	10%	163	11%

Futures Market Price Trends

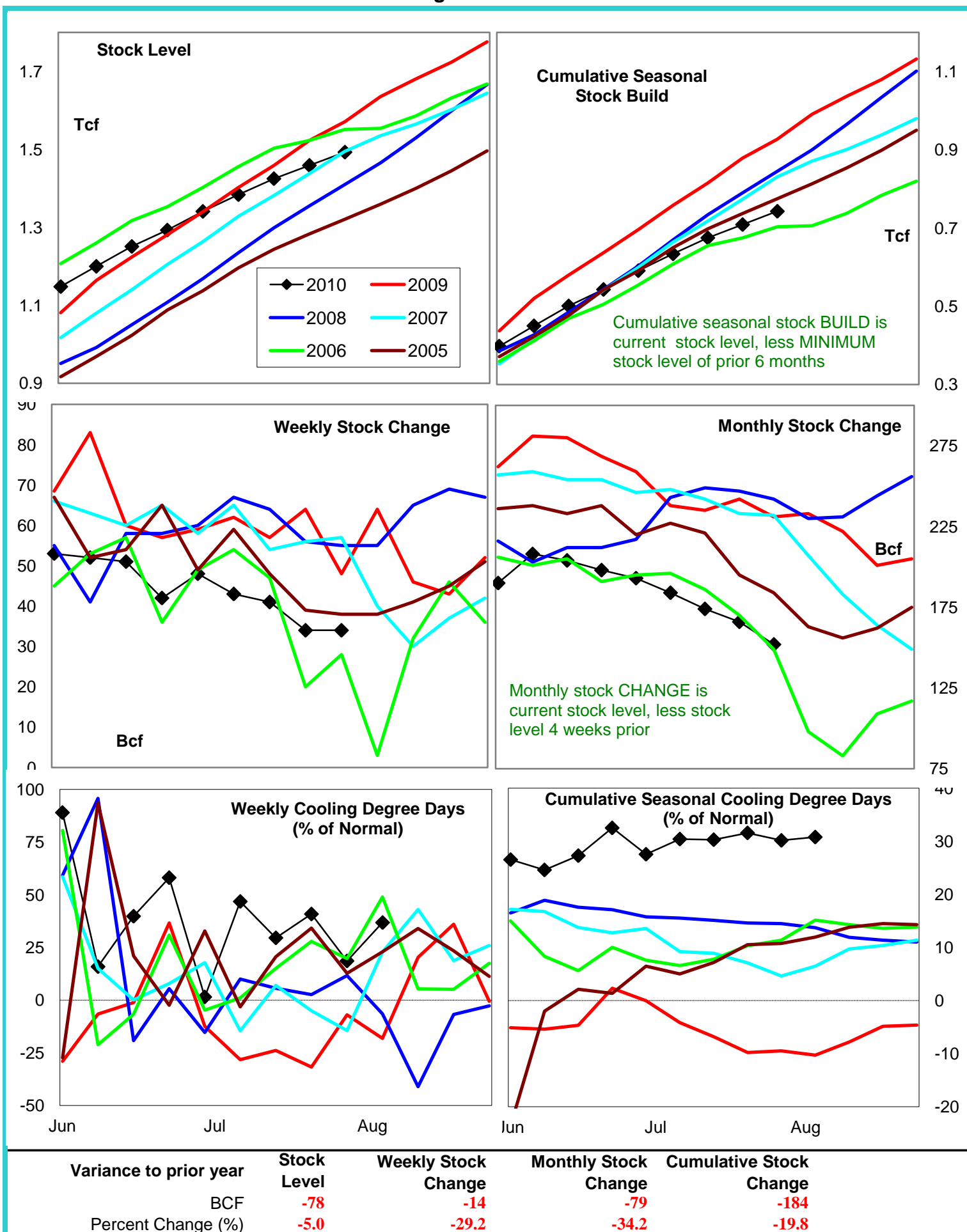
Date:	18-Aug-10	Change vs prior week, month, year		
		12-Aug-10	22-Jul-10	7-Aug-09
1st month Futures	4.60	-0.32	0.20	1.48
% change	xxxxx	-6.5	4.5	47.4



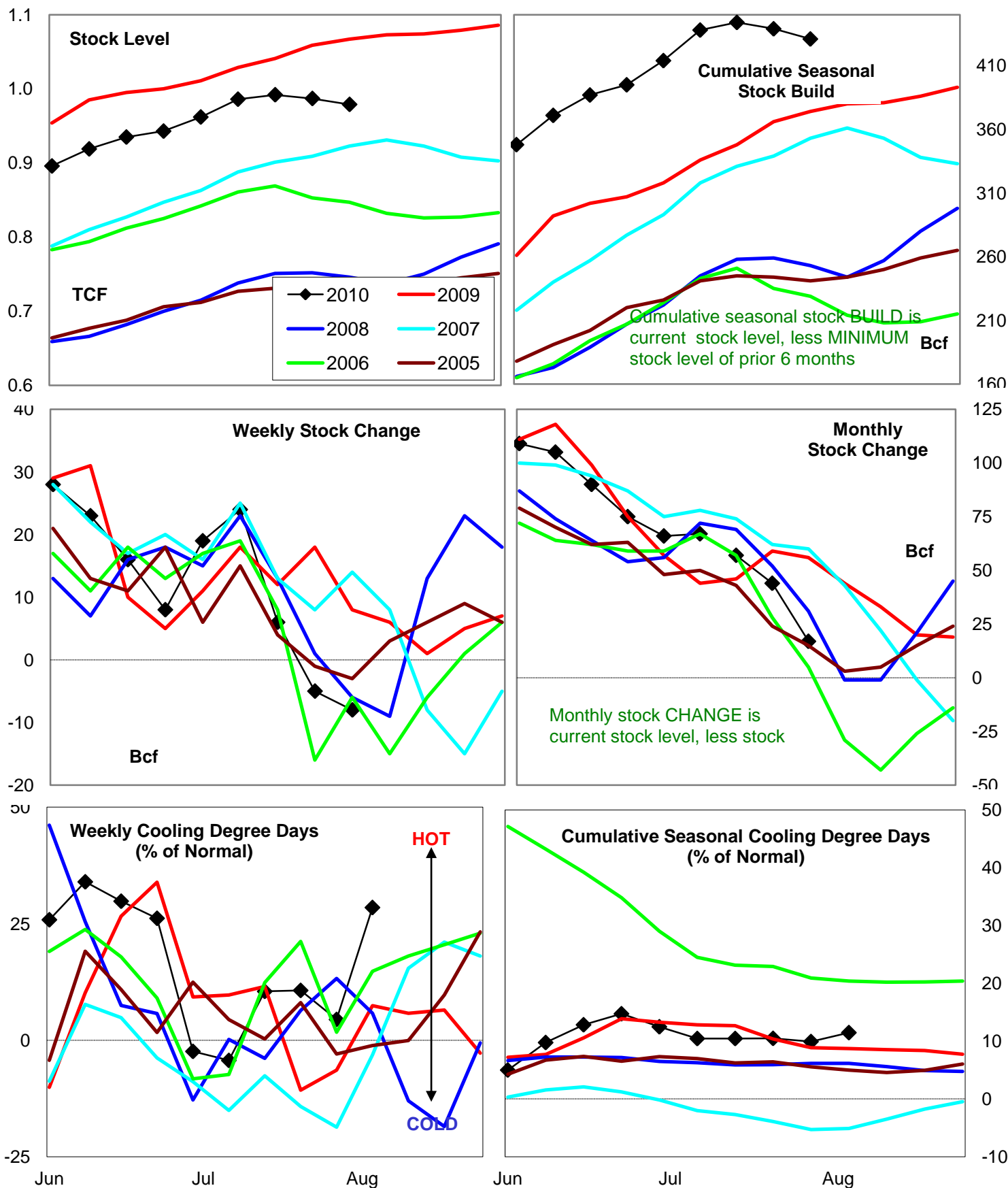
United States Natural Gas Stock and Weather Trends



Natural Gas East Region Stock and Weather Trends



Natural Gas Producing Region Stock and Weather Trends



Variance to prior year

Stock
LevelWeekly Stock
ChangeMonthly Stock
ChangeCumulative Stock
ChangeBCF
Percent Change (%)

-88

-8.2

-16

-200.0

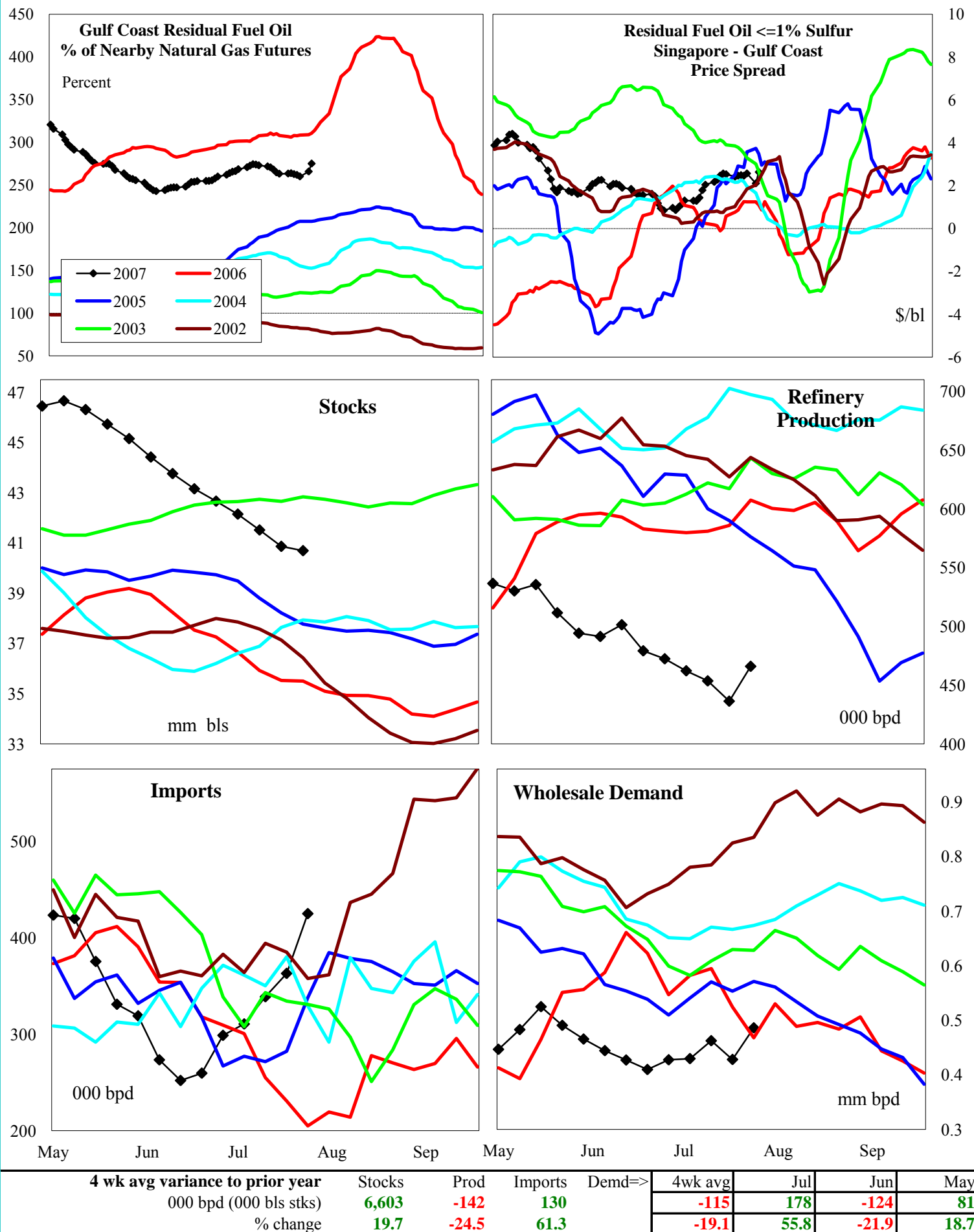
-39

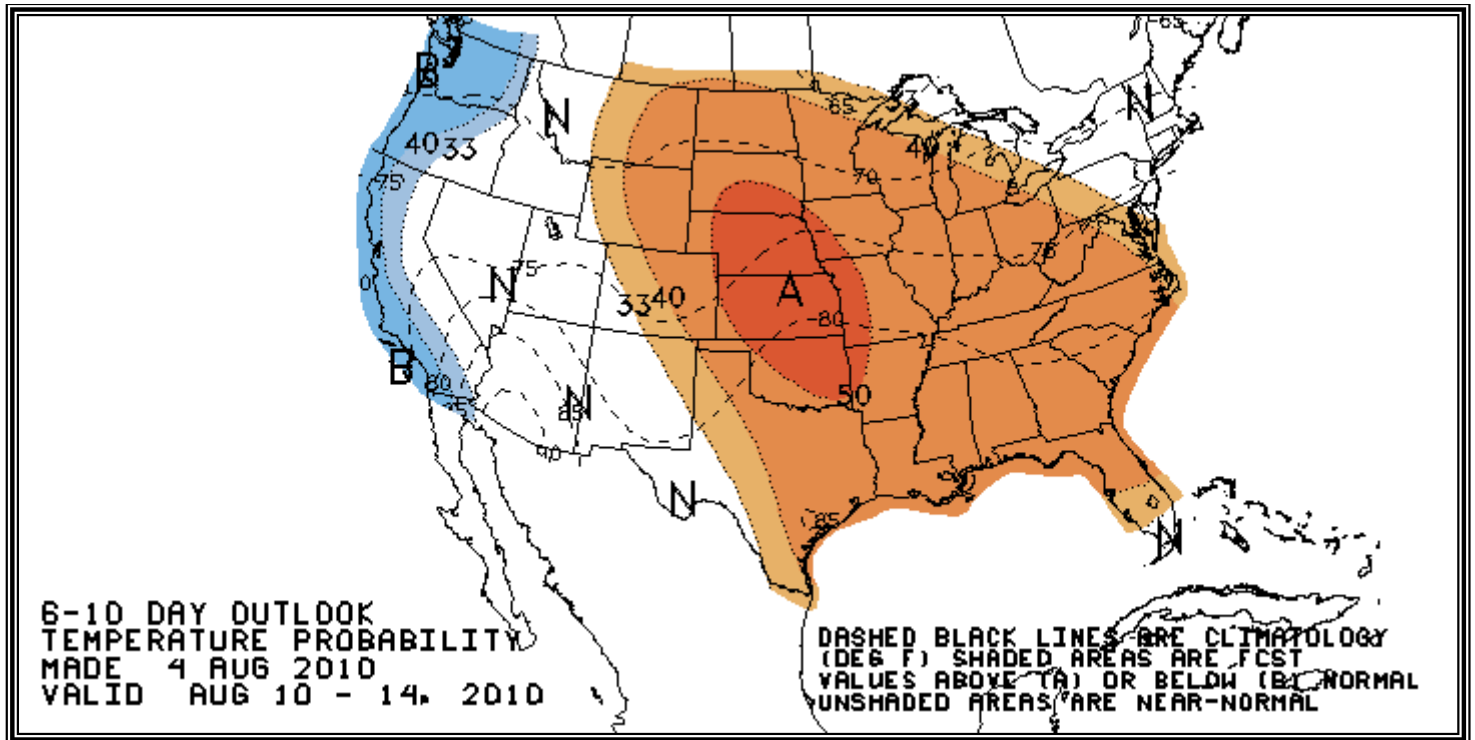
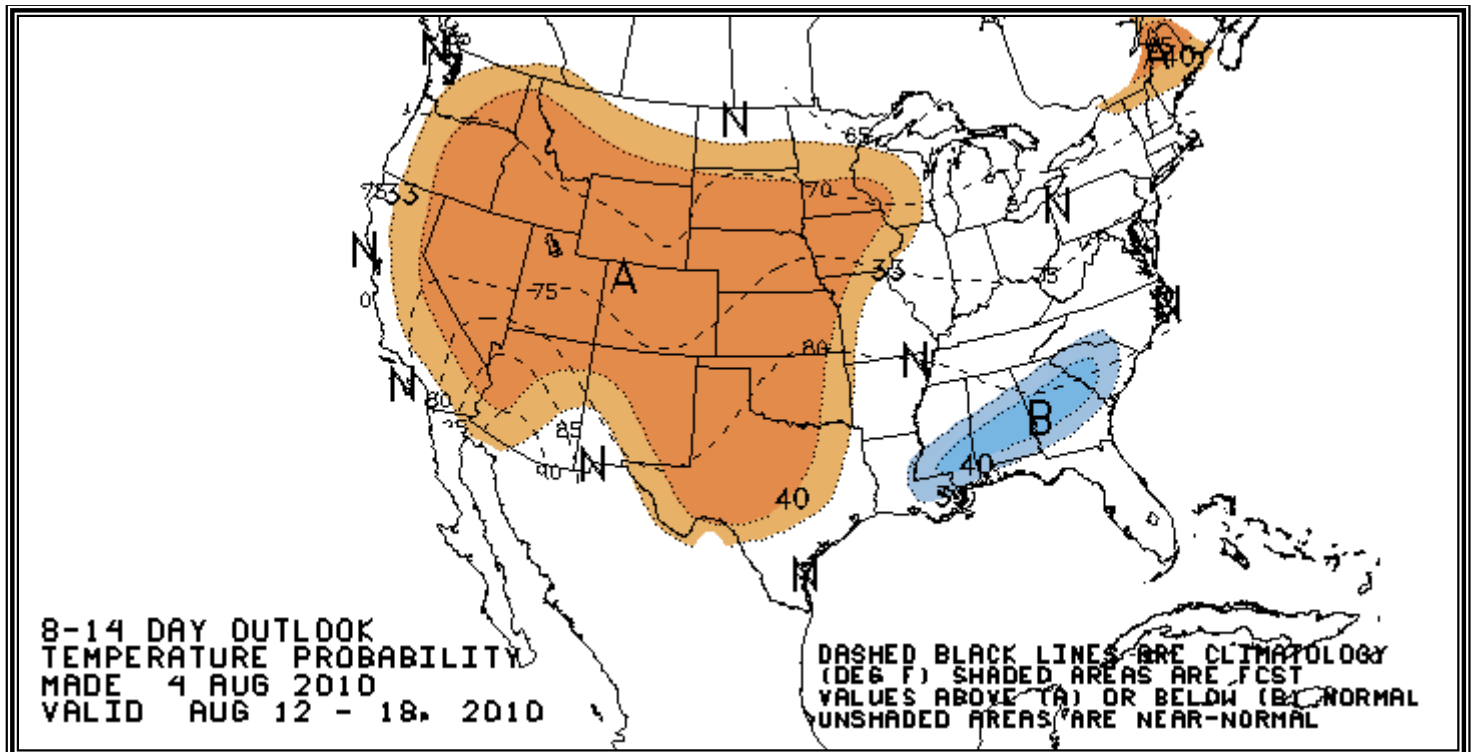
-69.6

57

15.2

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

