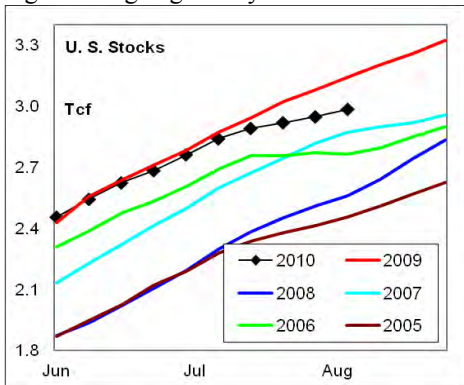
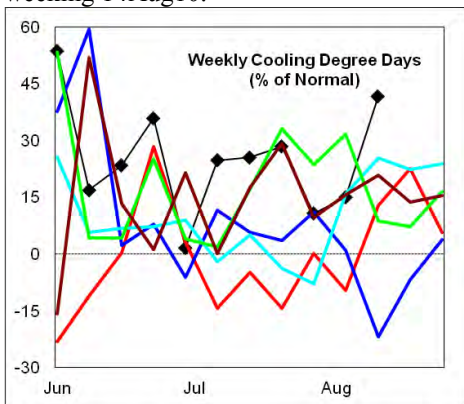




Summary¹ Stocks increased +37 Bcf last week, a level that was below four of the last five years; the result of continued very high cooling degree days.



Cooling degree days were +15% above normal for the week ending 07Aug10, and forecast to be +42% above normal for the week ending 14Aug10.



In the East Region stocks increased +43 Bcf, which was above the historic mid range 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 -9 Bcf in the Producing Region was a larger than average draw for the period.

Cooling degree days were +20% above normal in the East Region, -6% below normal in the West Region and +20% above normal in the Producing Region for the week ending 07Aug10.

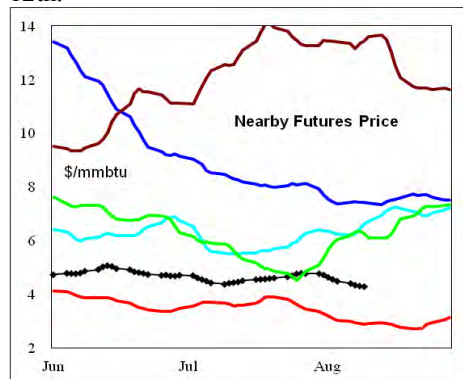
Cooling degree days were +15% above normal for the week ended 07Aug10, and

forecast to be +42% above normal for the week ending 14Aug10.

The 6-10 day NWS forecast for the week ending August 21st is for much above normal cooling degree days in the eastern 1/3rd and western 1/3rd of the country, with below normal cooling degree days in the central 1/3rd of the country.

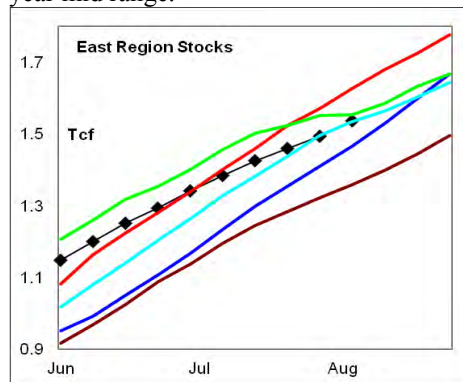
The 8-14 day NWS forecast for the week ending August 25th is for an extension of the 6-10 day forecast.

Prices: Nearby gas futures prices decreased -\$0.32/mmbtu for the week ending August 12th.



The 1st – 4th month forward price curve extended the recent downtrend in favor of the deferred contract months. The spread matched the historic low in favor of the prompt month; reflecting expectations of ample winter quarter supply.

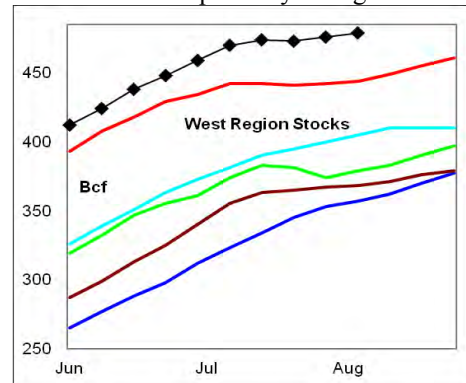
East Region stocks increased +43 Bcf on the week, which was above the historic mid range for the period. The latest 4-wk stock build was at the low end of the historic range. Stock levels match the 5-year mid range.



Cooling degrees in the region were +20% above normal for the week ended 07Aug10, and forecast to be +56% above normal for the week ending 14Aug10. Much above normal cooling degree days are forecast for the next 10-days.

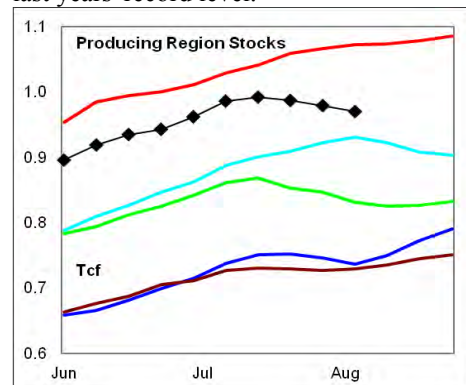
West Region stocks increased +3 Bcf on

the week, which was above the historic mid range. The latest 4-wk stock build was below the mid range. Stock levels are +7.9% above the prior 5-year high.



Cooling degree days were -6% below normal for the week ended 07Aug10, and forecast to be +9% above normal for the week ending 14Aug10. Much above normal cooling degree days are forecast for the next 10-days.

Producing Region stocks decreased -9 Bcf on the week, which was a larger than average draw for the period. The latest 4-wk stock build was near a record low for the period. Stock levels were -9.5% below last years' record level.



Cooling degree days were +20% above normal for the week ending 07Aug10, and forecast to be +33% above normal for the week ending 14Aug10. 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 are forecast to reach a new peak above normal this week, and remain extremely high in the East and West regions for the remainder of the month. Slowing economic growth and high gas production are offsetting weather driven demand, pressuring prices lower.

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 12, 2010

For the week ending: 6-Aug-10

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

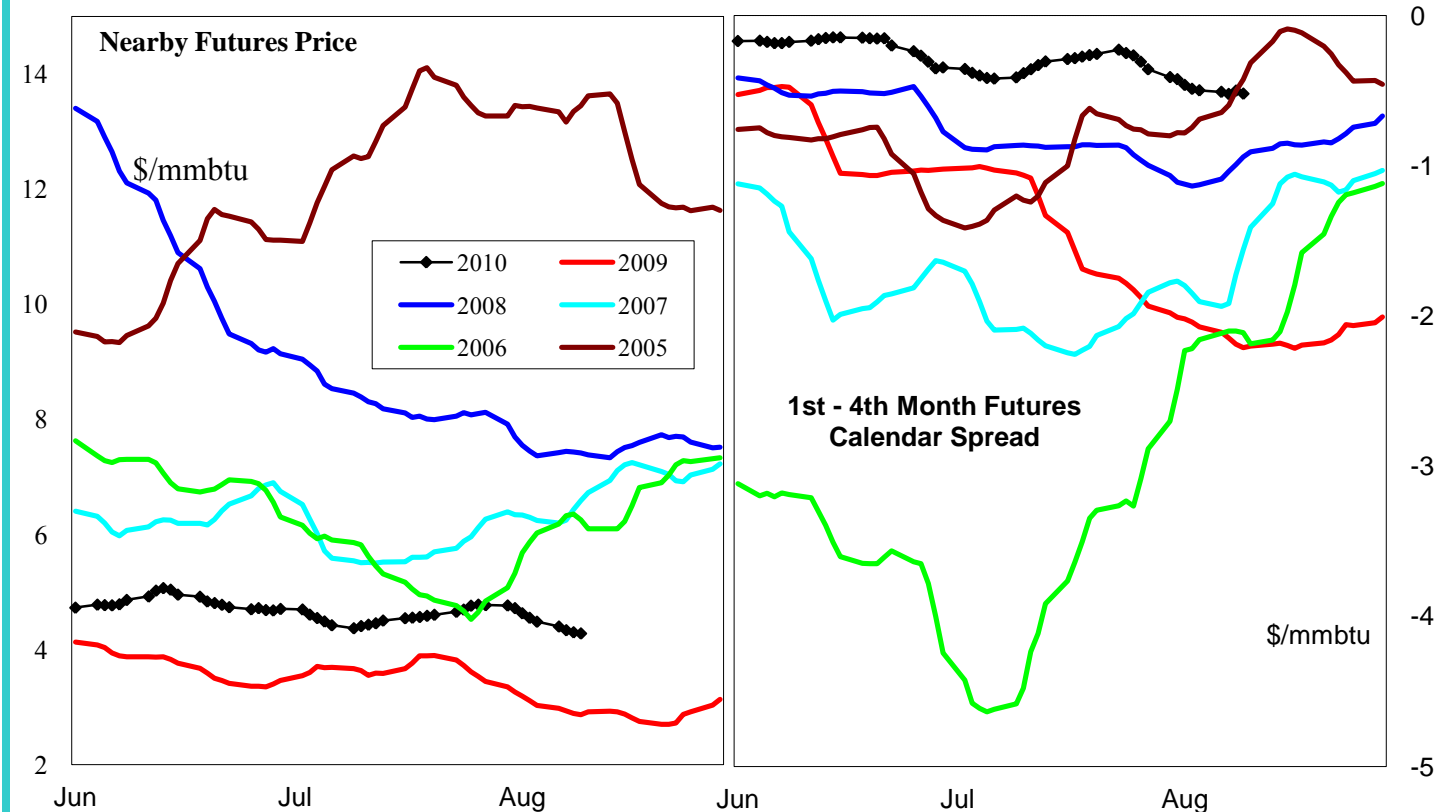
Week ending:	6-Aug-10			31-Jul-10		7-Aug-10		14-Aug-10	
Region	Weekly Stocks			Weekly Cooling Degree Days					
	Bcf	Change vs prior:		Change vs prior week	% of normal	Change vs prior week	% of normal	Change vs prior week	% of normal
		Week Bcf	Year (%)						
U.S. Total	2,985	37	-5.0	-12	11%	2	15%	14	42%
East	1,536	43	-5.6	-16	19%	-1	20%	19	56%
West	479	3	7.9	-3	-5%	0	-6%	4	9%
Producing	970	-9	-9.5	-7	4%	18	20%	11	33%

Seasonal Trends in Stocks and Cooling Degree Days

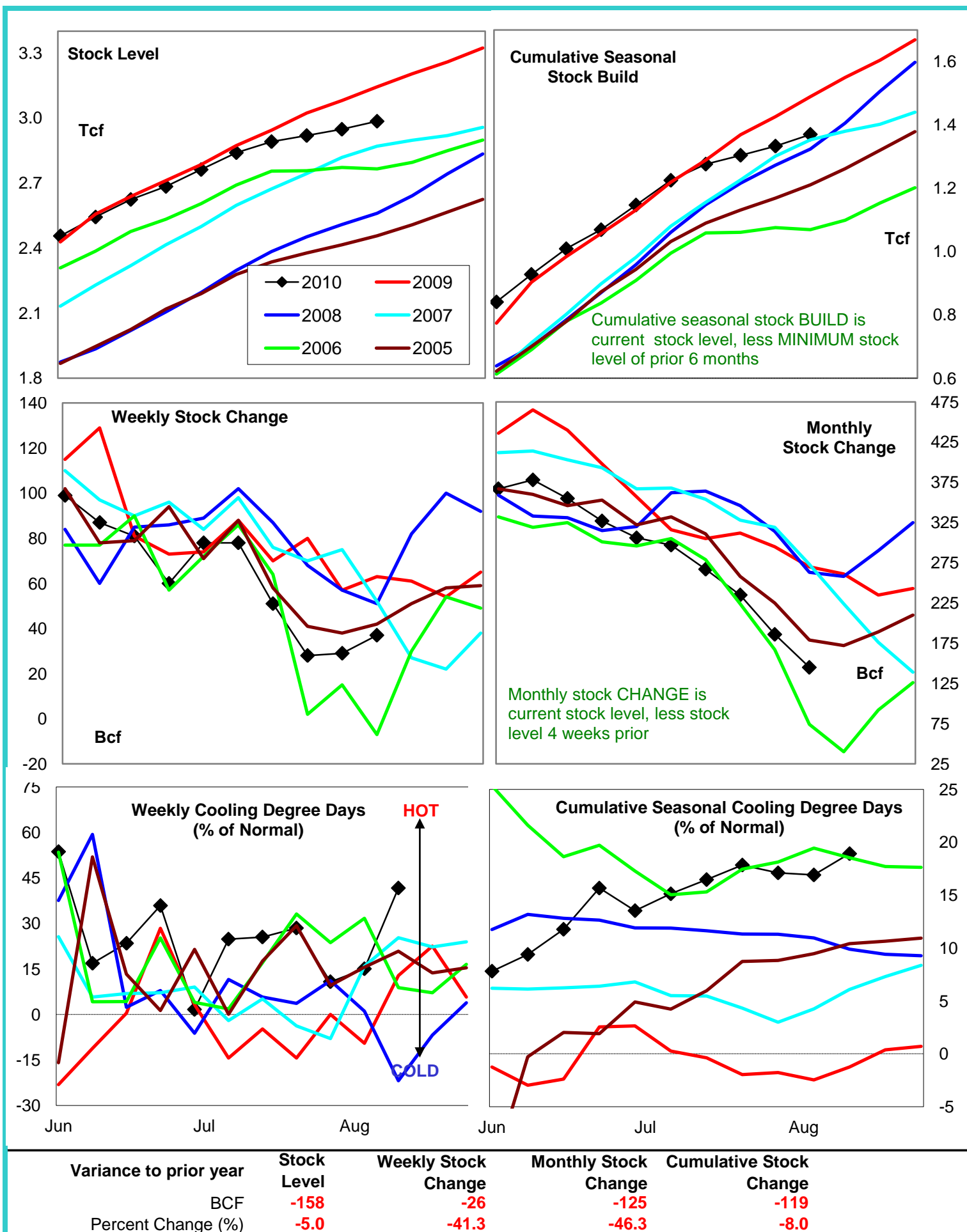
	Cumulative Stock change			Cumulative Cooling Degree Days					
	Bcf	Change vs prior year Bcf	%	CCDD's vs normal	% of normal	CCDD's vs normal	% of normal	CCDD's vs normal	% of normal
U.S. Total	1,370	-119	-8.7	124	17%	135	17%	165	19%
East	786	-197	-25.1	129	30%	153	29%	191	31%
West	196	30	15.3	-69	-14%	-72	-13%	-68	-11%
Producing	422	43	10.2	129	10%	153	11%	191	12%

Futures Market Price Trends

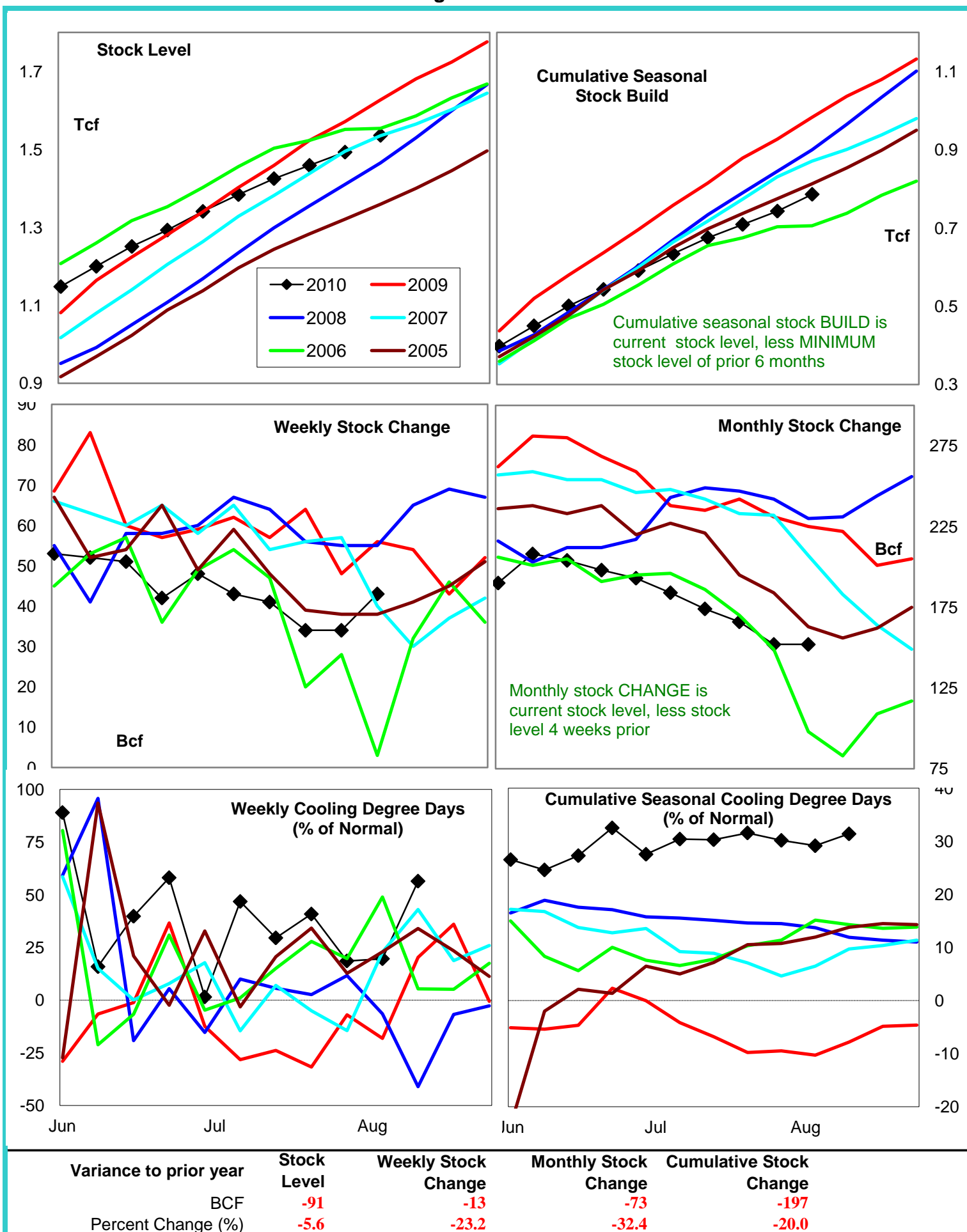
Date:	18-Aug-10	Change vs prior week, month, year		
		12-Aug-10	22-Jul-10	7-Aug-09
1st month Futures	4.28	-0.19	-0.24	1.37
% change	xxxxx	-4.3	-5.3	47.1



United States Natural Gas Stock and Weather Trends



Natural Gas East Region Stock and Weather Trends



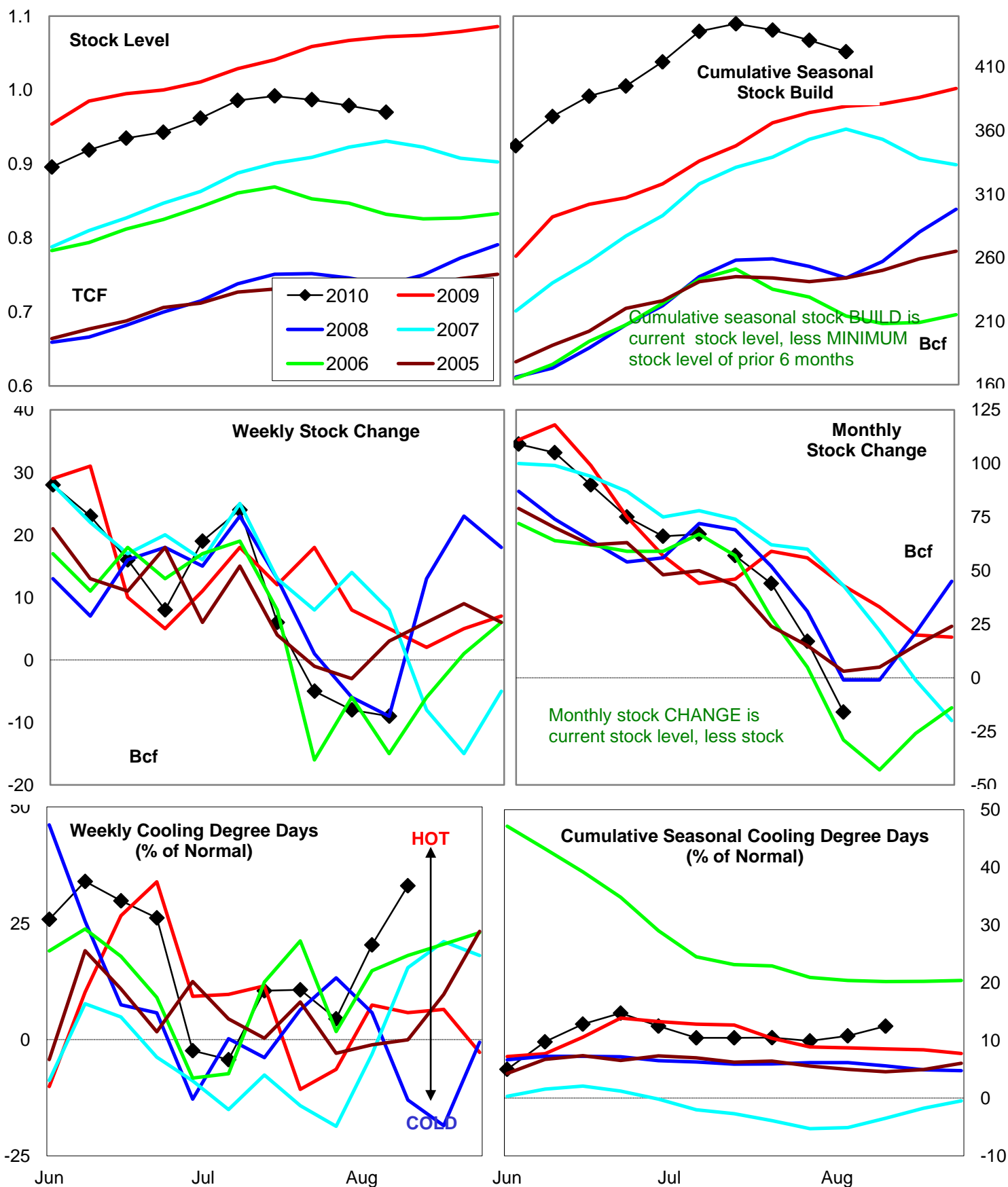
The figure consists of six charts arranged in a 3x2 grid, showing various metrics for 2005-2010. The charts are titled: Stock Level, Cumulative Seasonal Stock Build, Weekly Stock Change, Monthly Stock Change, Weekly Cooling Degree Days (% of Normal), and Cumulative Seasonal Cooling Degree Days (% of Normal). The charts use different colors for each year: 2010 (black diamonds), 2009 (red), 2008 (blue), 2007 (cyan), 2006 (green), and 2005 (brown). The charts show a general trend of increasing stock levels and cooling degree days over the period, with a significant peak in 2010. The 'Stock Level' chart shows a steady increase from 2005 to 2010. The 'Cumulative Seasonal Stock Build' chart shows a similar trend, with 2010 having the highest build. The 'Weekly Stock Change' and 'Monthly Stock Change' charts show fluctuations, with 2010 showing a significant increase in weekly change. The 'Weekly Cooling Degree Days' and 'Cumulative Seasonal Cooling Degree Days' charts show a general increase in cooling degree days, with 2010 having the highest cumulative degree days. The charts also include a legend for the years and a scale for the y-axis.

Metric	2010	2009	2008	2007	2006	2005
Stock Level	460	450	440	430	420	410
Cumulative Seasonal Stock Build	205	190	180	170	160	150
Weekly Stock Change	18	15	12	10	8	6
Monthly Stock Change	70	60	50	40	30	20
Weekly Cooling Degree Days (% of Normal)	60	50	40	30	20	10
Cumulative Seasonal Cooling Degree Days (% of Normal)	40	30	20	10	0	-10

Summary of Key Metrics:

Metric	Value
Variance to prior year	BCF
Stock Level	35
Weekly Stock Change	1
Monthly Stock Change	7
Cumulative Stock Change	30
Percent Change (%)	7.9
	50.0
	350.0
	18.1

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 (%)

-102

-14

-59

43

Percent Change (%)

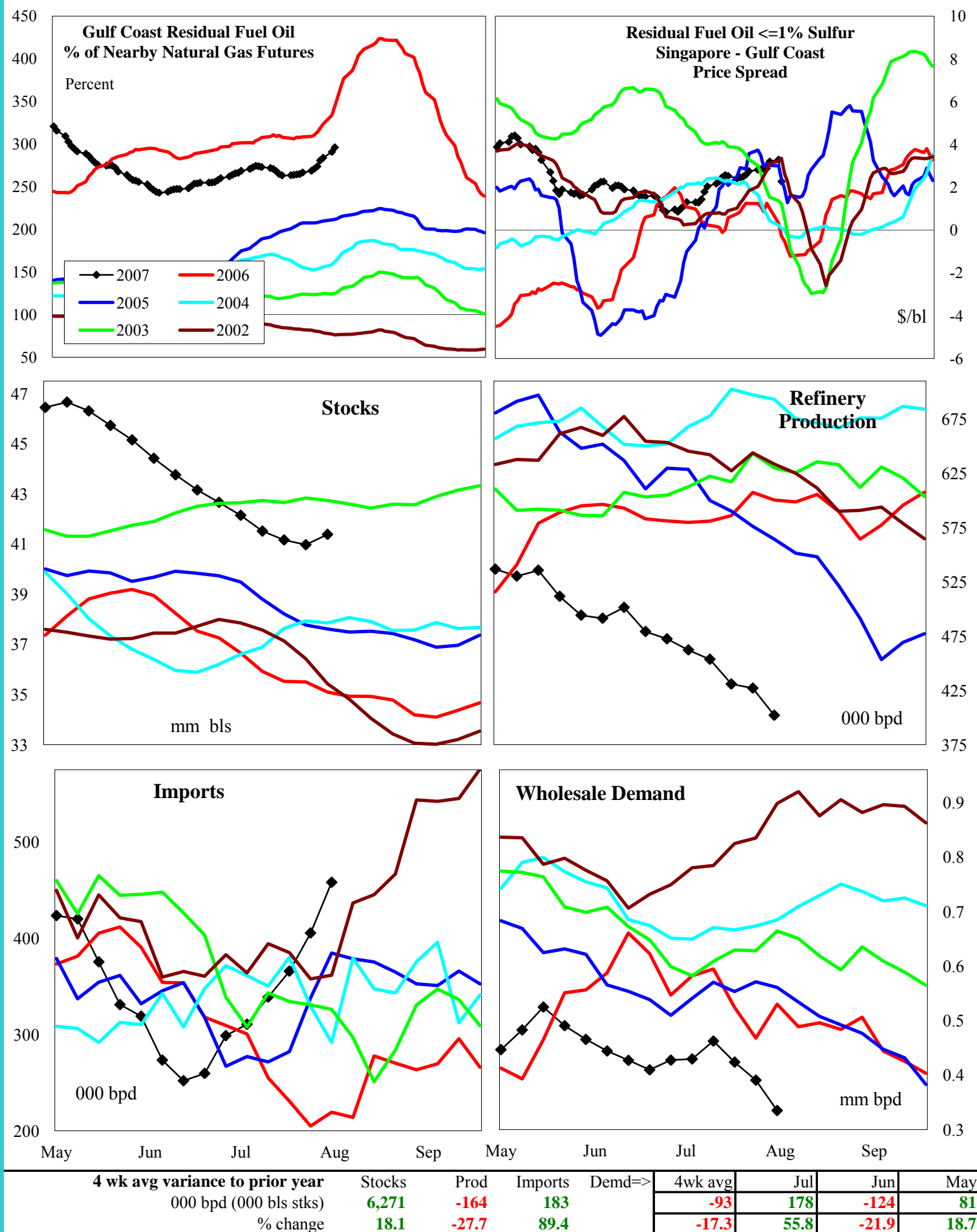
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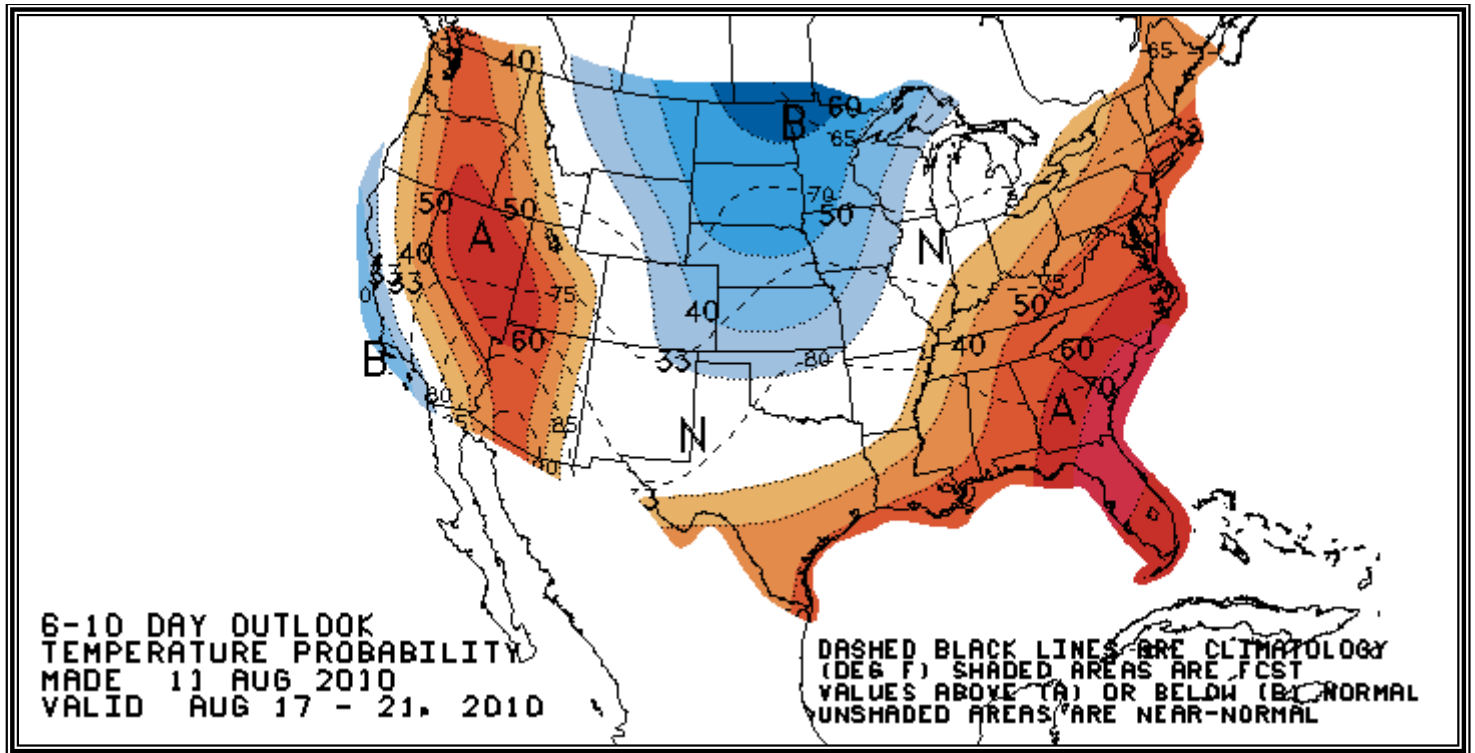
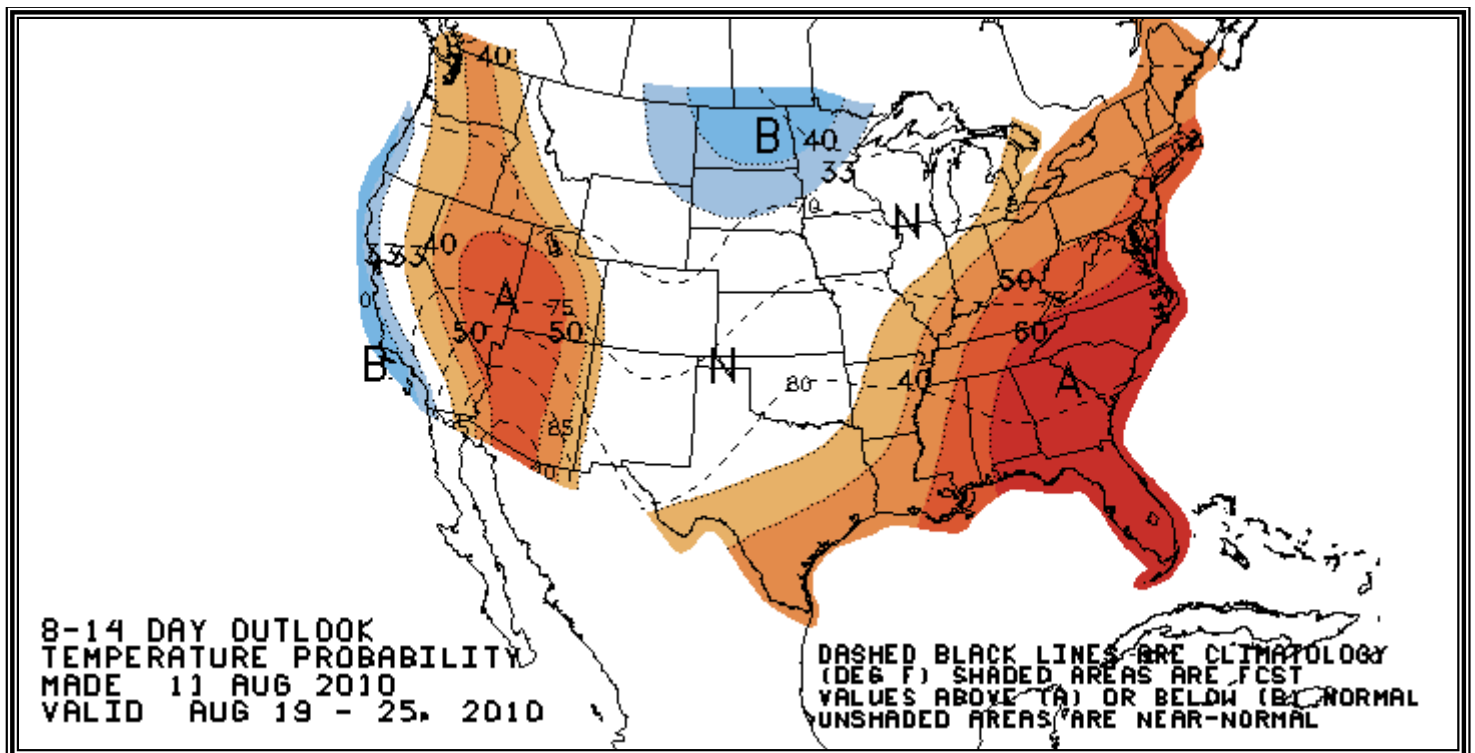
-280.0

-137.2

11.3

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

