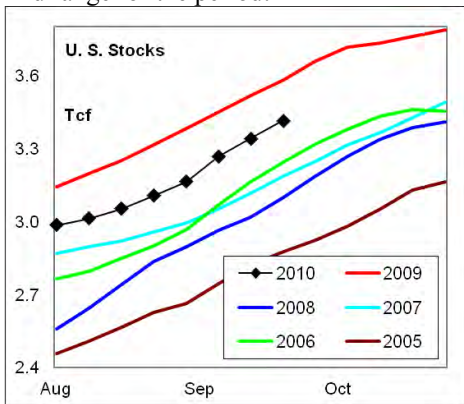
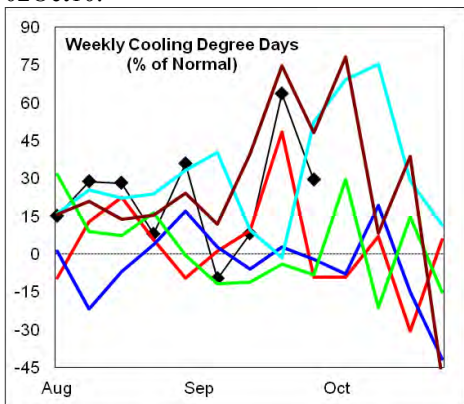




Summary¹ Stocks increased +74 Bcf last week, a level that was above the 5-year mid range for the period.



Cooling degree days were +64% above normal for the week ending 25Sep10. Cooling degree days are forecast to be +29% above normal for the week ending 02Oct10.



In the East Region stocks increased +48 Bcf, which matched the 5-year high for the period. The +5 Bcf build in the West Region was the 2nd consecutive weekly record low build. The stock build of +21 Bcf in the Producing Region was above the mid range for the week.

Cooling degree days were +106% above normal in the East Region, -8% below normal in the West Region and +51% above normal in the Producing Region for the week ending 25Sep10.

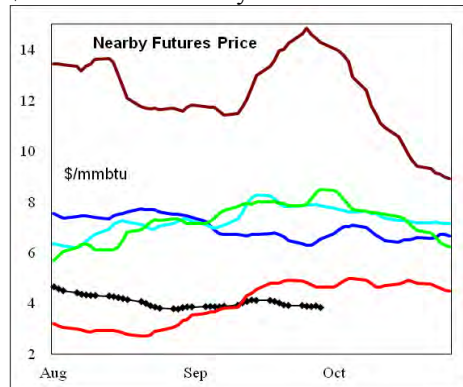
Cooling degree days were +64% above

normal for the week ended 25Sep10, and forecast to be +29% above normal for the week ending 02Oct10.

The 6-10 day NWS forecast for the week ending October 10th is for much above normal cooling degree days across the northern regions of the country from the Great Lakes to the Pacific Ocean, with below normal cooling degree days along the southeast coastal regions.

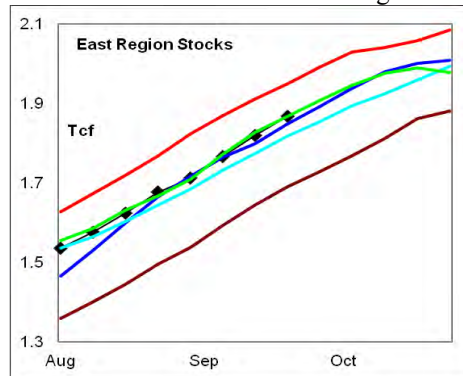
The 8-14 day NWS forecast for the week ending October 14th is for a moderation of the same pattern exhibited in the 6-10 days outlook.

Prices: Nearby gas futures prices decreased -\$0.05/mmbtu for the week ending October 1st. Prompt month futures prices are now -\$1/mmbtu under last years' record low.



The 1st - 4th month forward price curve traded sideways last week. The spread ended the week below the mid range.

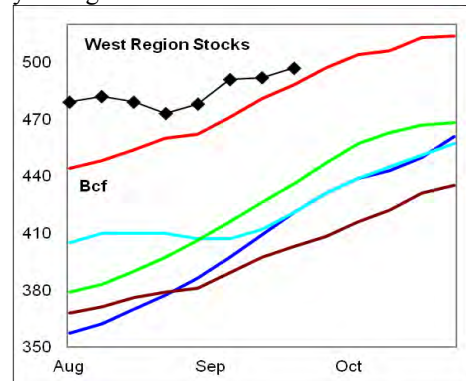
East Region stocks increased +48 Bcf on the week, which was at the upper end of the range for the period. The latest 4-wk stock build was above the mid range. Stock levels are above the mid range.



Cooling degrees in the region were +106% above normal for the week ended 25Sep10, and forecast to be +15% above normal for the week ending 02Oct10. Below normal cooling degree days are forecast for the next 10-days.

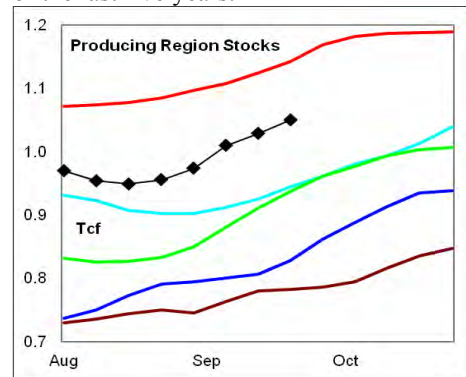
West Region stocks increased +5 Bcf on

the week, which was a record low build for the period. The latest 4-wk stock build was at the low end of the historic range. Stock levels are +1.8% above the prior 5-year high.



Cooling degree days were -8% below normal for the week ended 25Sep10, and forecast to be +133% above normal for the week ending 02Oct10. Significantly above normal cooling degree days are forecast for the next 10-days.

Producing Region stocks increased +21 Bcf on the week, which was above the mid range for the week. The latest 4-wk stock build was near the 5-year high on the week. Stock levels remain well above four of the last five years.



Cooling degree days were +51% above normal for the week ending 25Sep10, and forecast to be -160% below normal for the week ending 02Oct10. Below 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: The forecast of continued mild temperatures, above average rate of stock building and high stock levels should keep downward pressure on prices.

When there is a forecast of above normal heating degree days, then expect a price bounce from current record lows.

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: October 1, 2010

For the week ending: 24-Sep-10

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

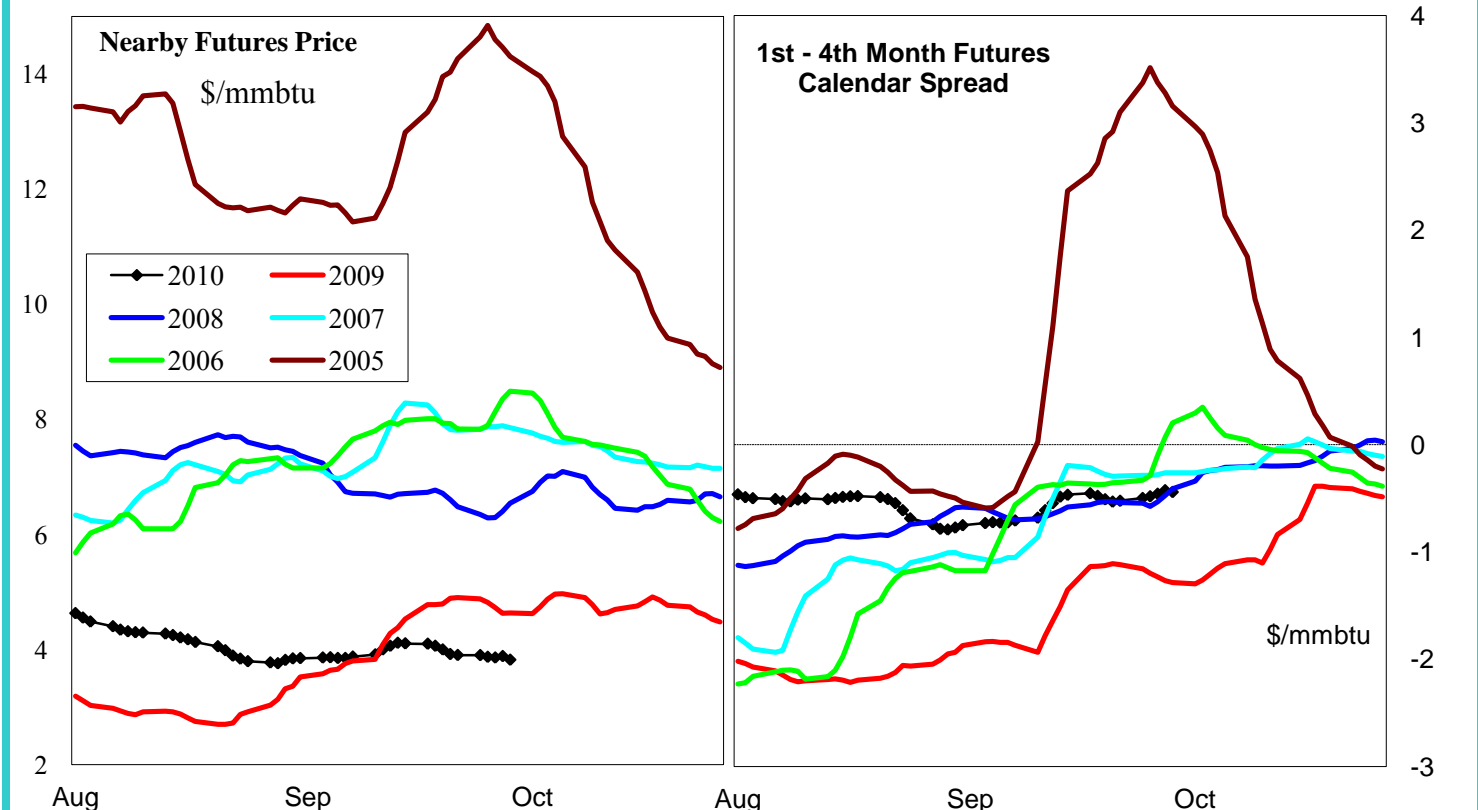
Week ending:	24-Sep-10			18-Sep-10		25-Sep-10		2-Oct-10	
Region	Weekly Stocks			Weekly Cooling Degree Days					
	Bcf	Change vs prior:		Change vs prior week	% of normal	Change vs prior week	% of normal	Change vs prior week	% of normal
		Week Bcf	Year (%)						
U.S. Total	3,414	74	-4.6	0	8%	9	64%	-20	29%
East	1,867	48	-4.3	-4	-1%	19	106%	-28	15%
West	497	5	1.8	8	-8%	-5	-8%	21	133%
Producing	1,050	21	-8.1	2	34%	-8	51%	-52	-16%

Seasonal Trends in Stocks and Cooling Degree Days

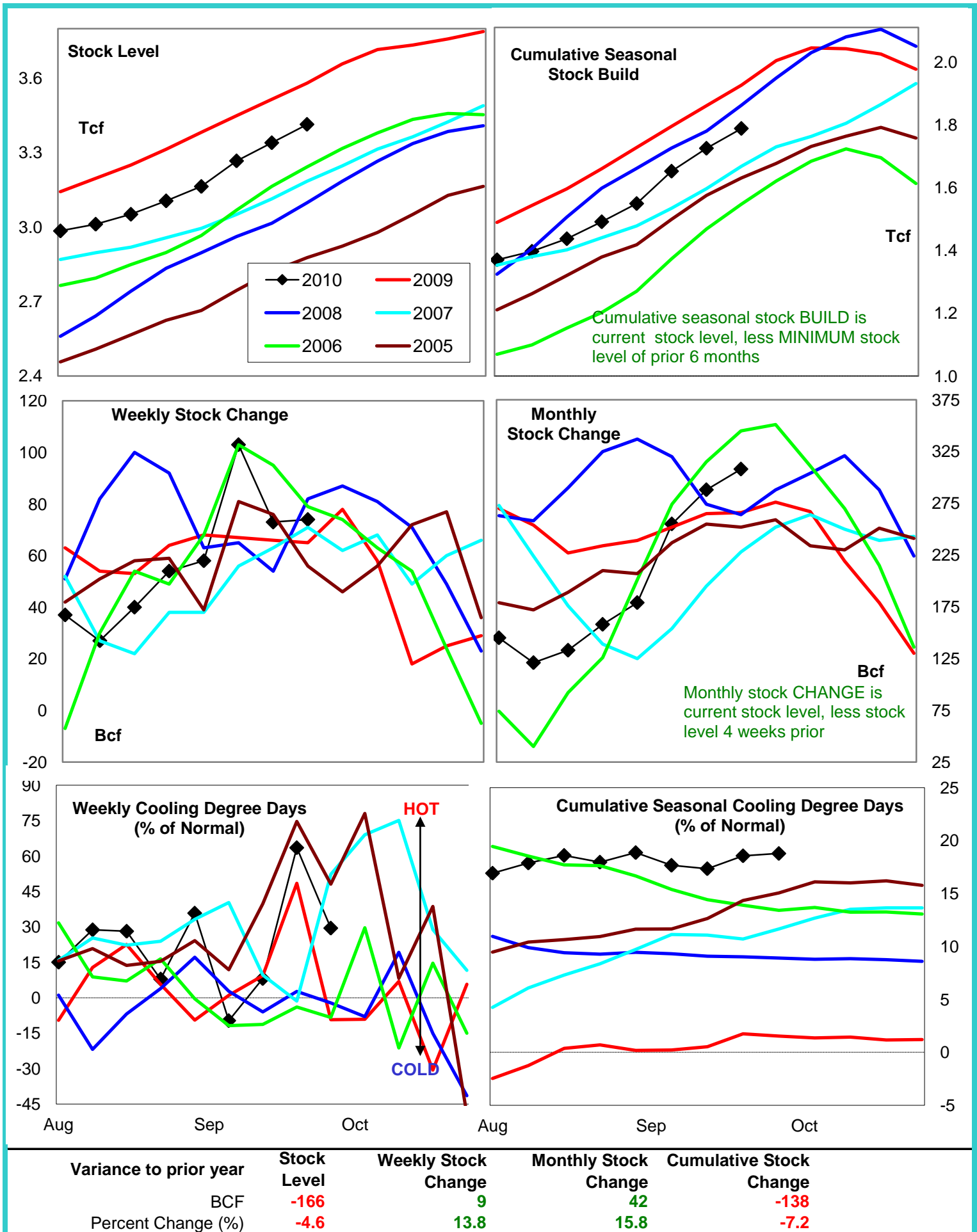
	Cumulative Stock change			Cumulative Cooling Degree Days					
	Bcf	Change vs prior year Bcf	%	CCDD's vs normal	% of normal	CCDD's vs normal	% of normal	CCDD's vs normal	% of normal
U.S. Total	1,788	-138	-7.7	197	17%	216	19%	223	19%
East	1,117	-189	-16.9	266	28%	298	30%	290	30%
West	212	4	1.9	-74	-9%	-76	-9%	-50	-6%
Producing	469	34	7.2	266	13%	298	14%	290	14%

Futures Market Price Trends

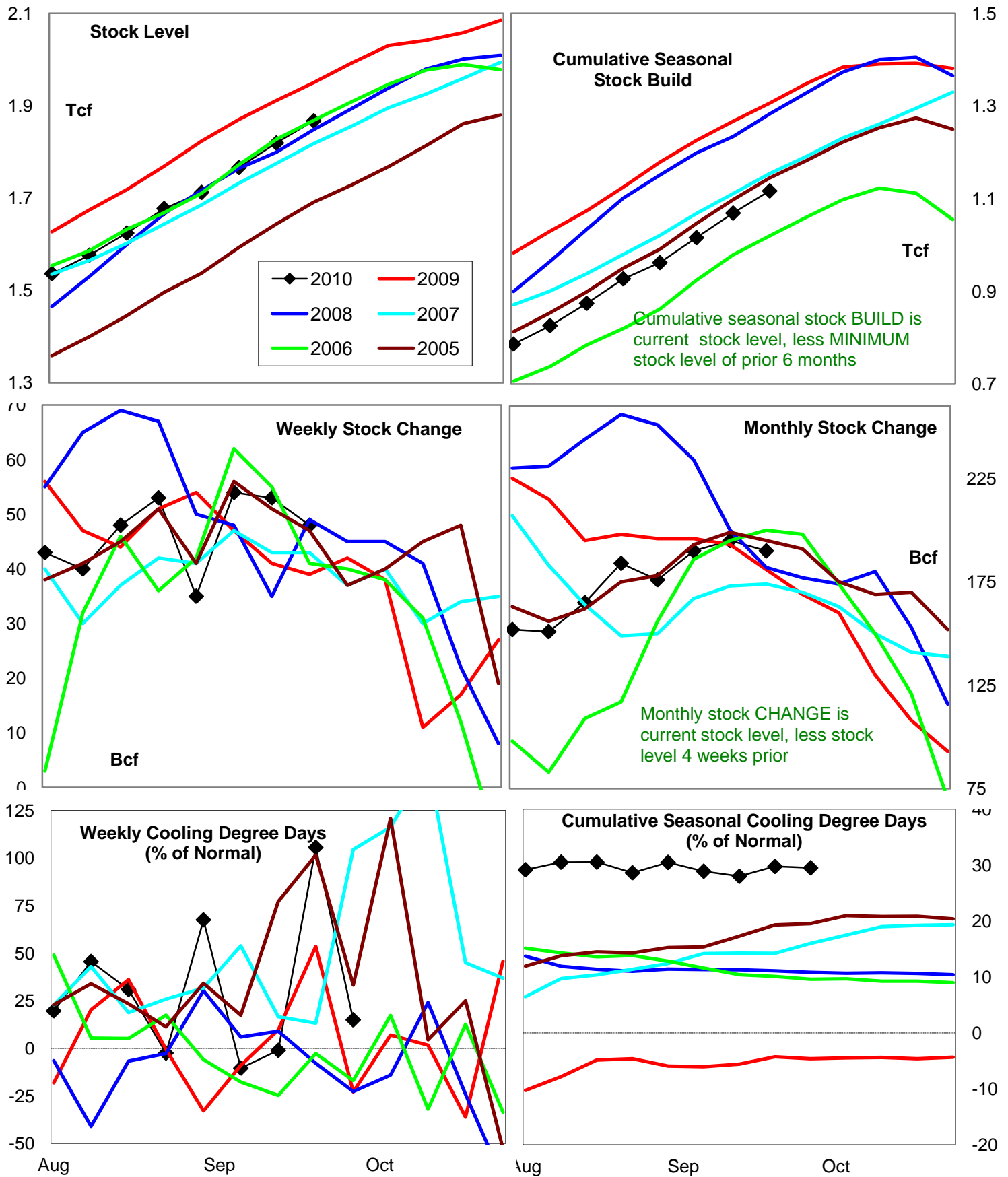
Date:	29-Oct-10	Change vs prior week, month, year		
		25-Oct-10	4-Oct-10	20-Oct-09
1st month Futures	3.82	0.02	-0.12	-0.66
% change	xxxxx	0.5	-3.0	-14.7



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

-83

9

9

-189

Percent Change (%)

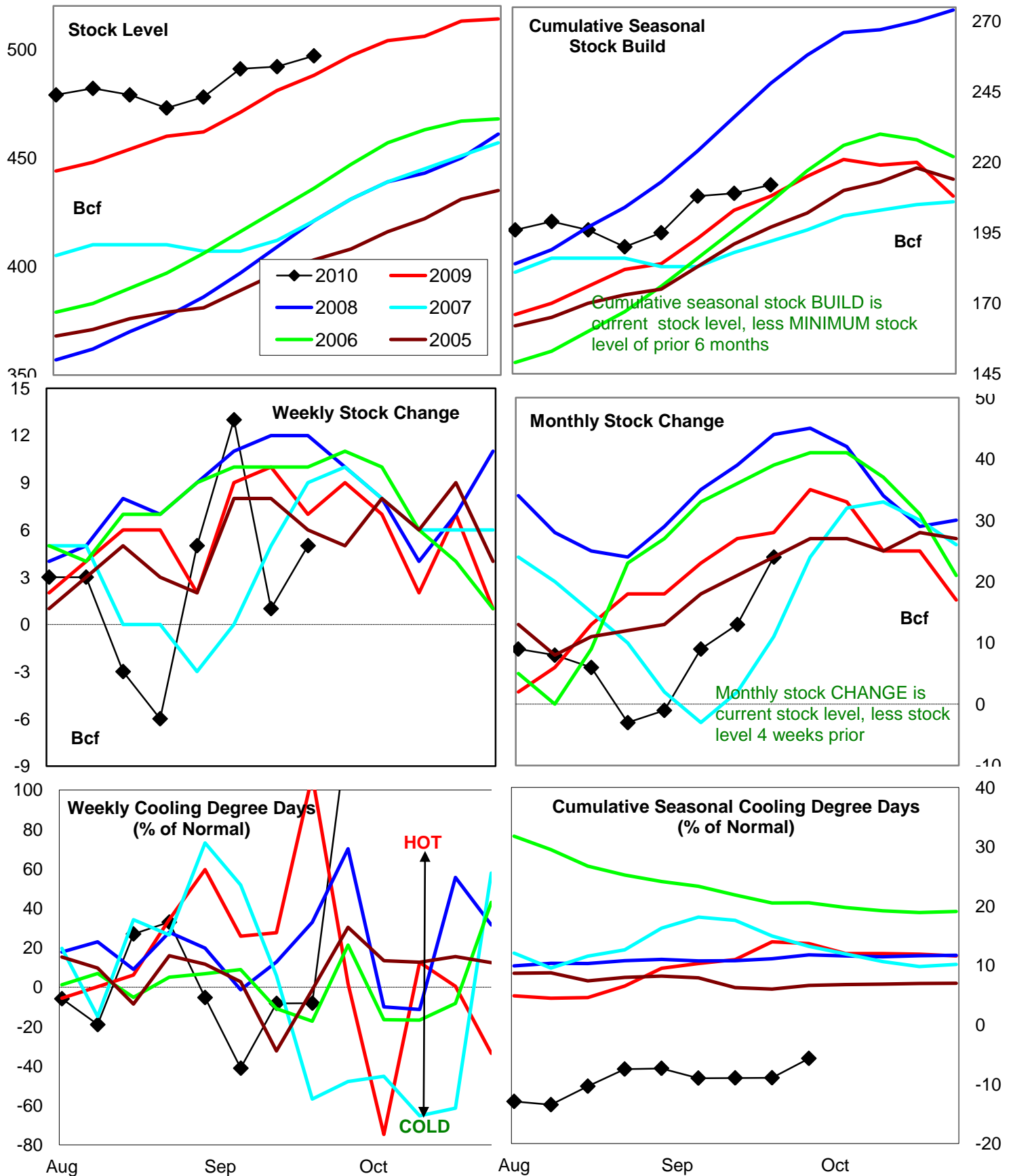
-4.3

23.1

5.0

-14.5

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 (%)

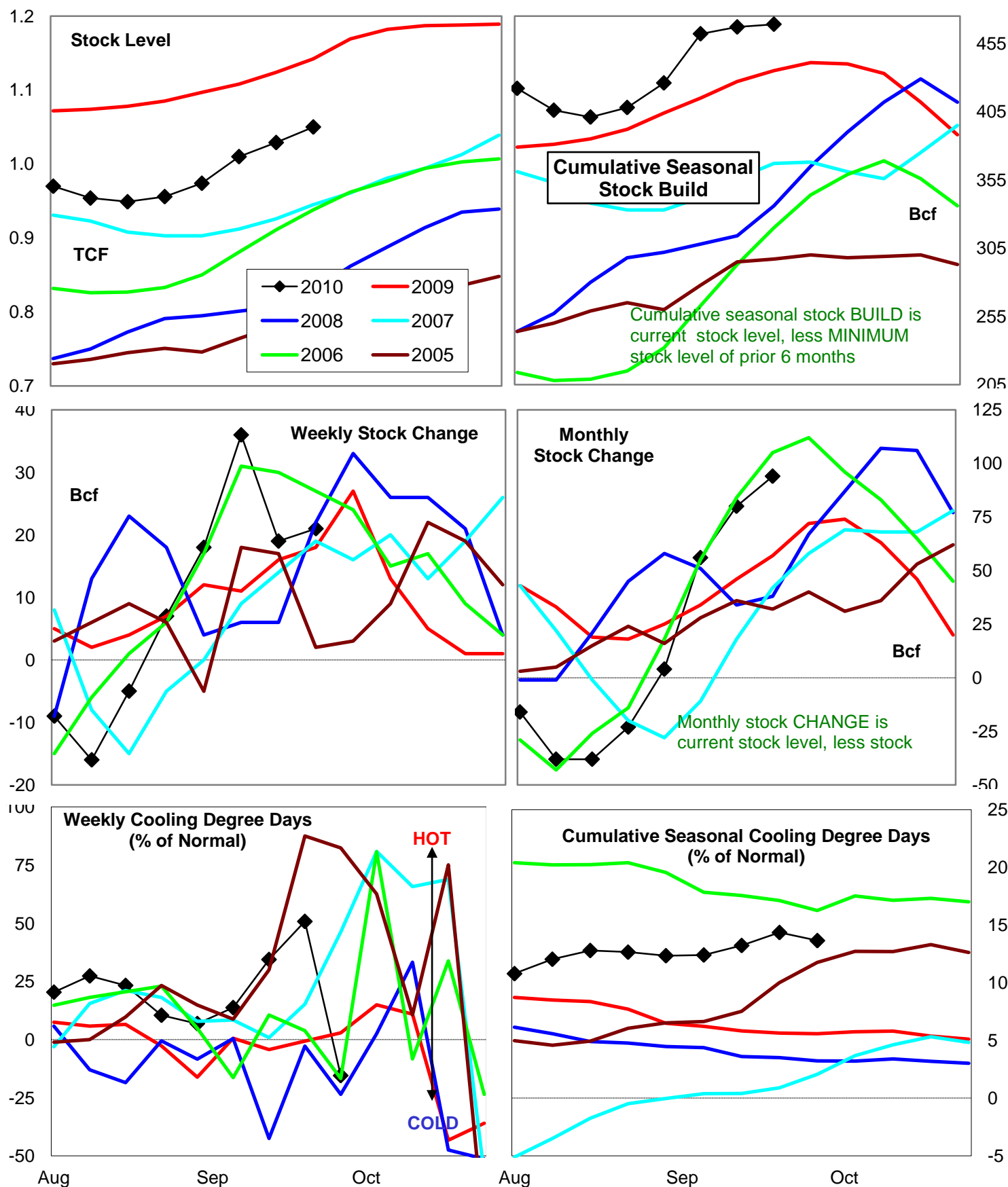
9
1.8

-2
-28.6

-4
-14.3

4
1.9

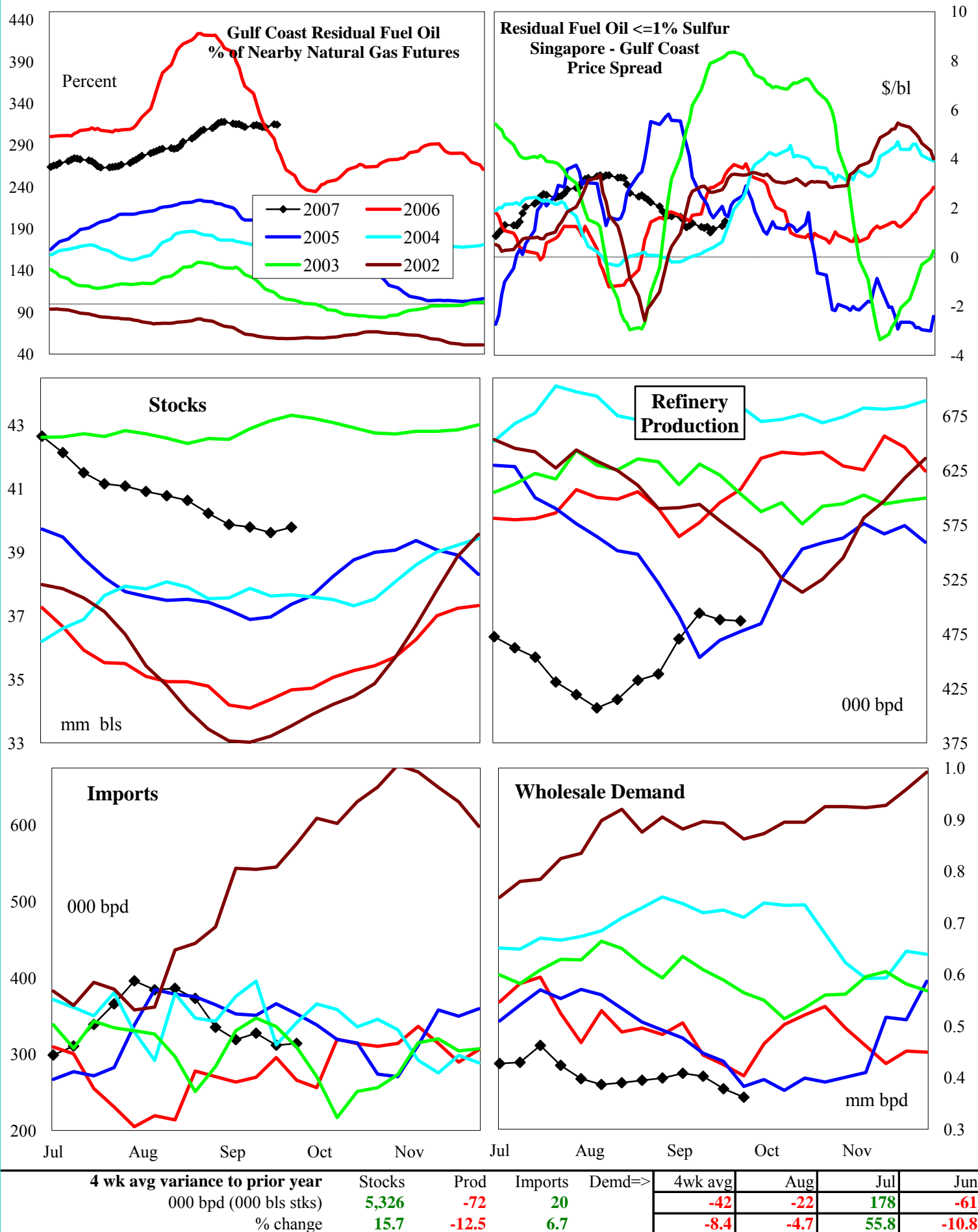
Natural Gas Producing Region Stock and Weather Trends



Variance to prior year

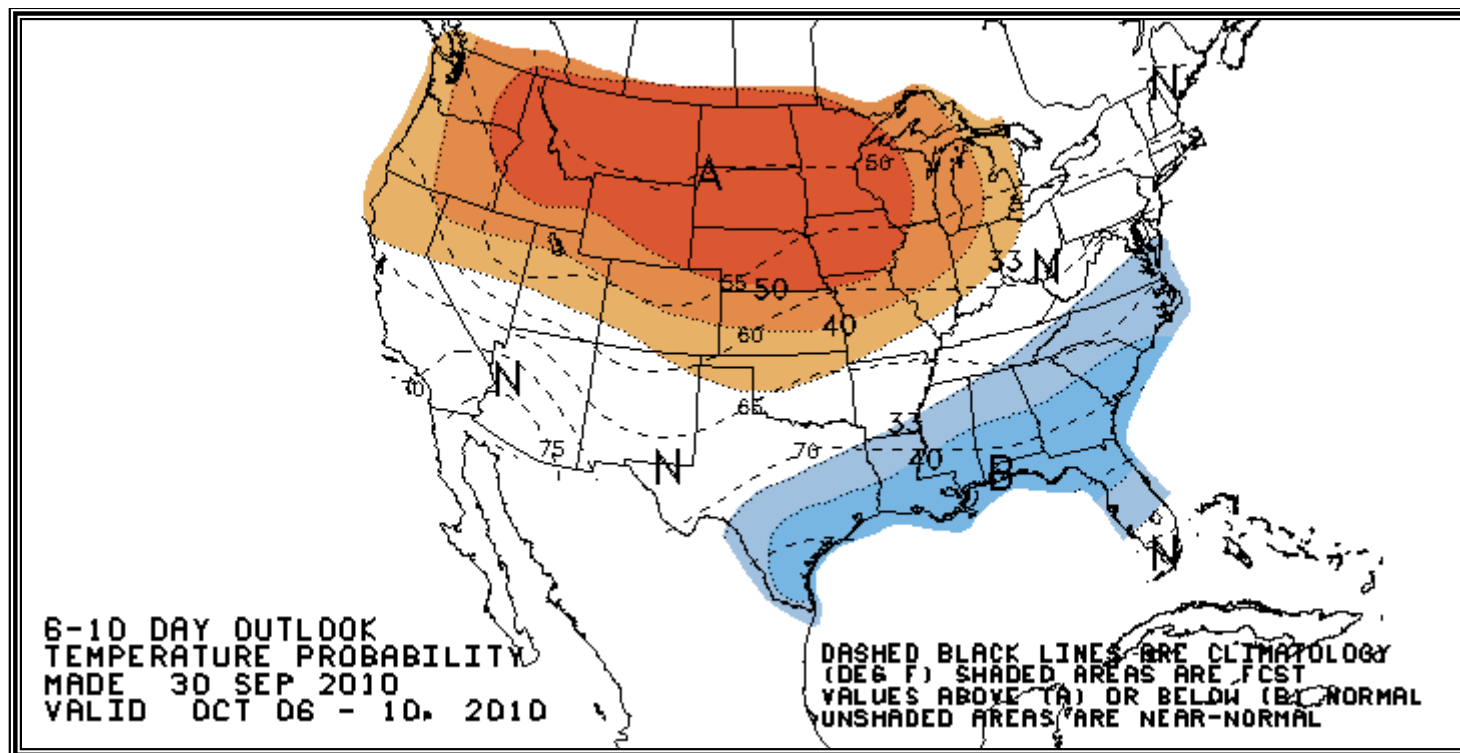
Stock
LevelWeekly Stock
ChangeMonthly Stock
ChangeCumulative Stock
ChangeBCF
Percent Change (%)-92
-8.13
16.737
64.934
7.8

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



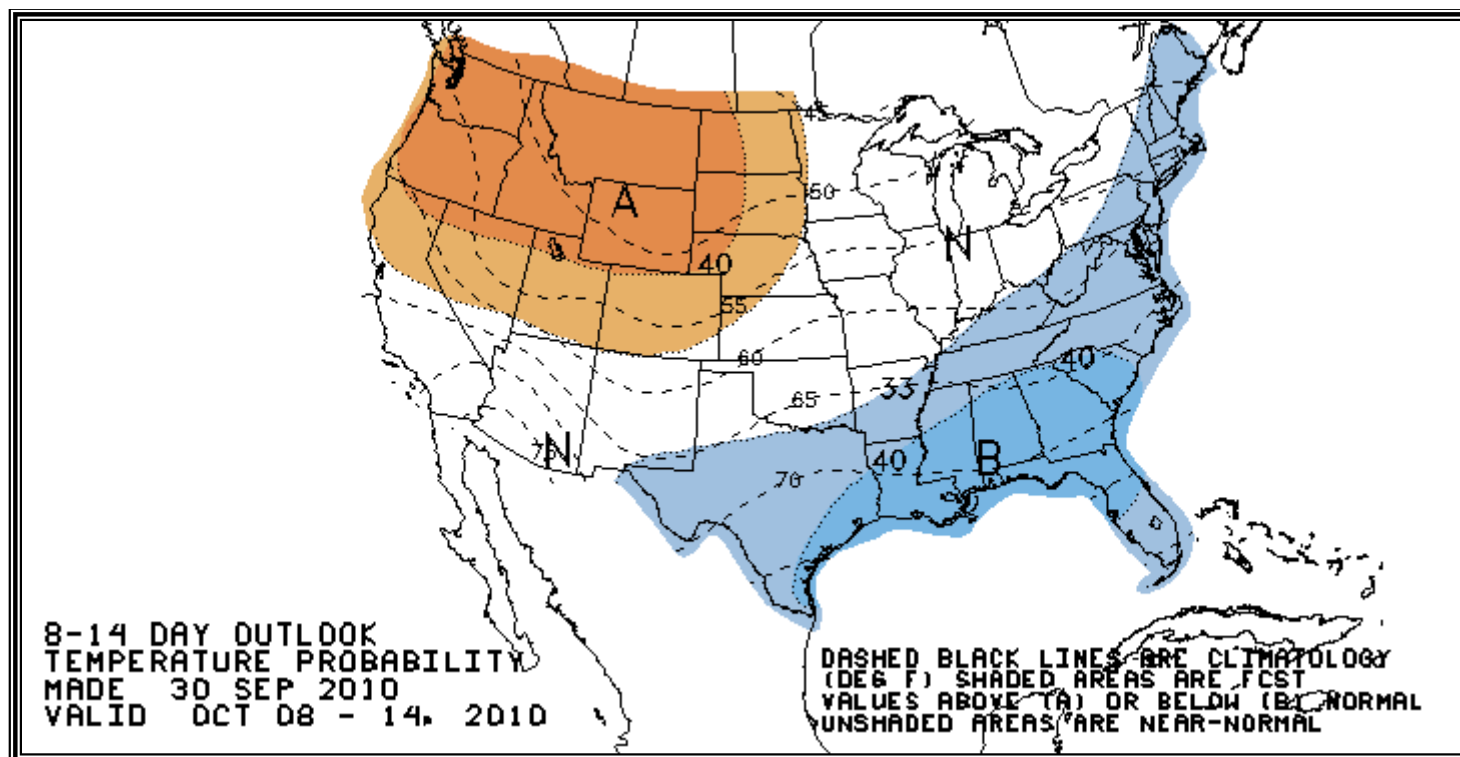
National Weather Service Climate Prediction Center

Degree Days 6 - 10 Day Temperature Forecast



National Weather Service Climate Prediction Center

Degree Days 8 - 14 Day Temperature Forecast



American Gas Association Regions

