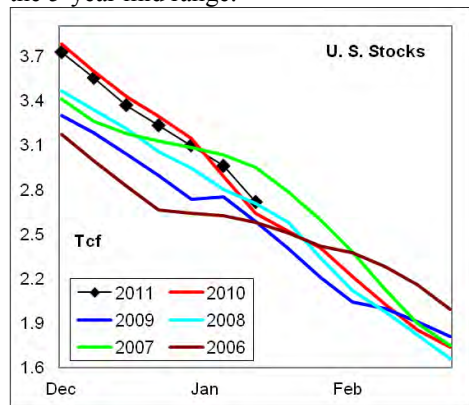
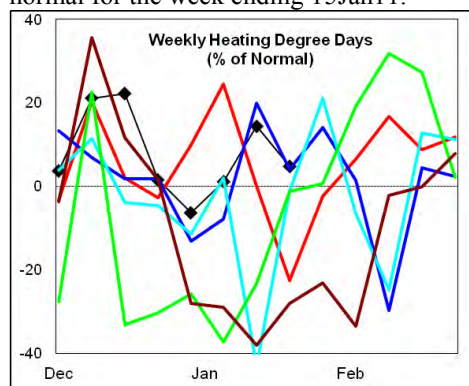




Summary¹ Including the current week forecast, heating degree days will exceed normal for seven of the last 8-wks. This cold weather pattern has led to a near record cumulative stock draw, including a season high draw last week of -243 Bcf. Stock levels ended the week slightly above the 5-year mid range.



Heating degree days were +14% above normal for the week ending 15Jan11.



In the East Region stocks decreased -126 Bcf for the period, a draw that matched the 5-year high for the week. Stocks decreased -26 Bcf in the West Region, the 2nd consecutive weekly record draw. The stock draw of -91 Bcf in the Producing Region matched the 5-year record for the season.

Heating degree days were +12% above normal in the East Region, +1% above normal in the West Region and +36% above normal in the Producing

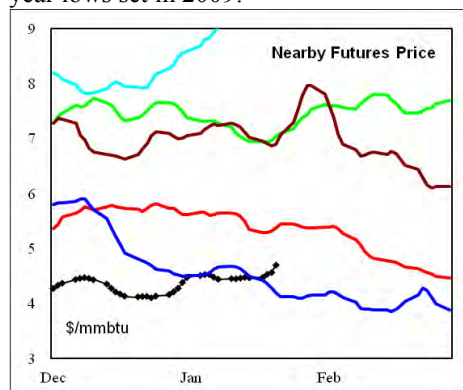
Region for the week ending 15Jan11.

Heating degree days were +14% above normal for the week ended 15Jan11, and forecast to be +5% above normal for the week ending 22Jan11.

The 6-10 day NWS forecast for the week ending January 30th is for colder than normal temperatures in the eastern 2/3rds of the country and warmer than normal in the northwest.

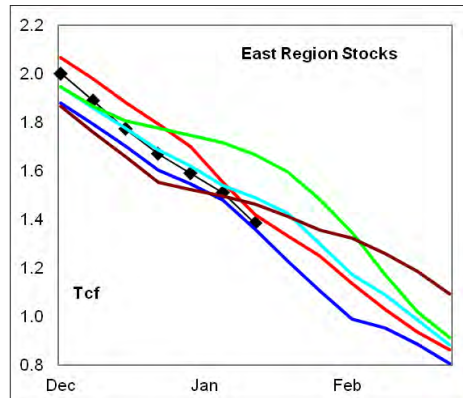
The 8-14 day NWS forecast for the week ending February 3rd is for colder than normal temperatures in the eastern 2/3rds of the country with the west slightly above normal.

Prices: Nearby gas futures prices increased +\$0.29/mmbtu for the week ending 20Jan11. Prices reached the highest level of this winter season, and moved above 5-year lows set in 2009.



The 1st - 4th month forward price curve trended higher late last week ending 20Jan11. The spread ended the week nearly flat.

East Region stocks decreased -126 Bcf last week, a draw that matched the 5-year record. The latest 4-wk stock draw was greater than four of the last 5-years. Stock levels fell to near historic lows.

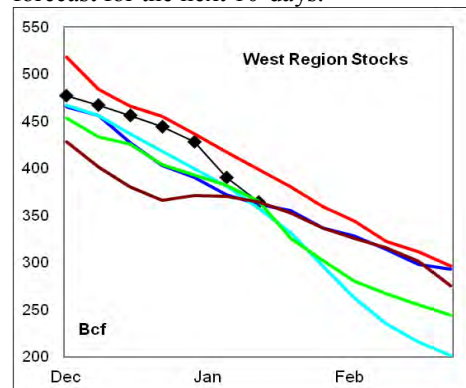


Heating degree days in the region were +12% above normal last week and are forecast to be +8% above normal for the

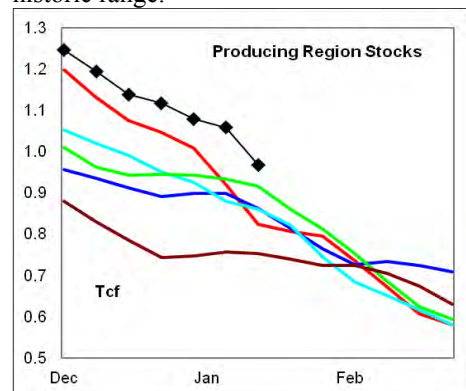
week ending 22Jan11. Above normal heating degree days are forecast for the next 10-days.

West Region stocks decreased -26 Bcf on the week, the 2nd consecutive weekly record draw. Stock levels were at the 5-year mid range. The latest 4-wk stock draw was a record high.

Heating degree days were +1% above normal last week, and forecast to be -9% below normal for the current week. Warmer than normal temperatures are forecast for the next 10-days.



Producing Region stocks decreased -91 Bcf on the week, a draw which matched the record for this period. The latest 4-wk stock draw was greater than four of the last 5-years. Stock levels remain above the historic range.



Heating degree days were +36% above normal last week, and are forecast to be -3% below normal for the week ending 22Jan11. Colder than normal temperatures 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: Colder than normal temperatures are forecast into early February on a widespread snow pack. Stock draws are near record highs. Expect near term price strength on very high heating demand.

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: January 21, 2011

For the week ending: 14-Jan-11

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

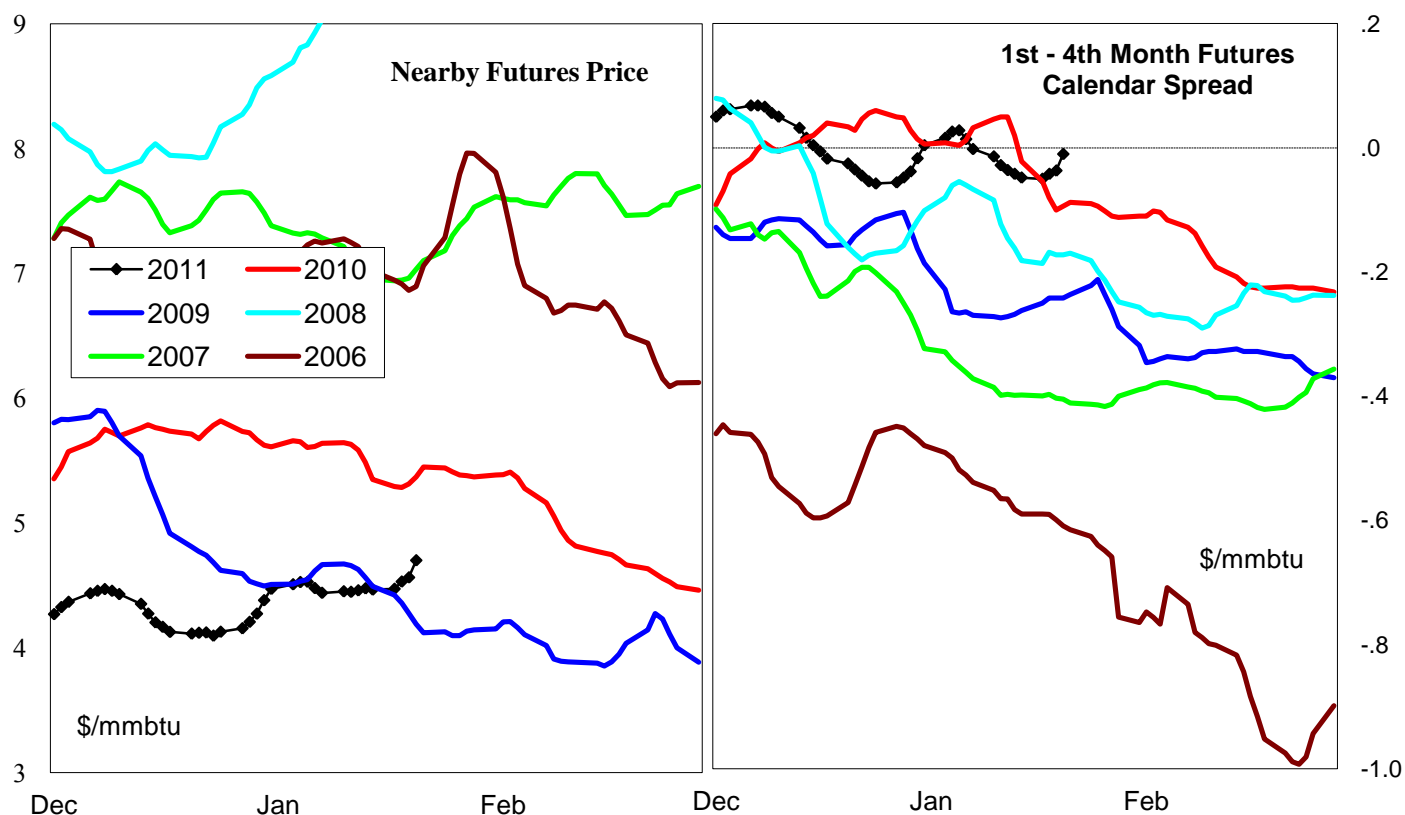
Week ending:	14-Jan-11			8-Jan-11		15-Jan-11		22-Jan-11	
Region	Weekly Stocks			Weekly Heating Degree Days					
	Bcf	Change vs prior:		Change vs prior week	% of normal	Change vs prior week	% of normal	Change vs prior week	% of normal
		Week Bcf	Year (%)						
U.S. Total	2,716	-243	2.8	24	1%	35	14%	-25	5%
East	1,384	-126	-2.5	29	1%	34	12%	-12	8%
West	364	-26	-8.8	14	10%	-21	1%	-24	-9%
Producing	968	-91	17.5	9	-5%	70	36%	-68	-3%

Seasonal Trends in Stocks and Heating Degree Days

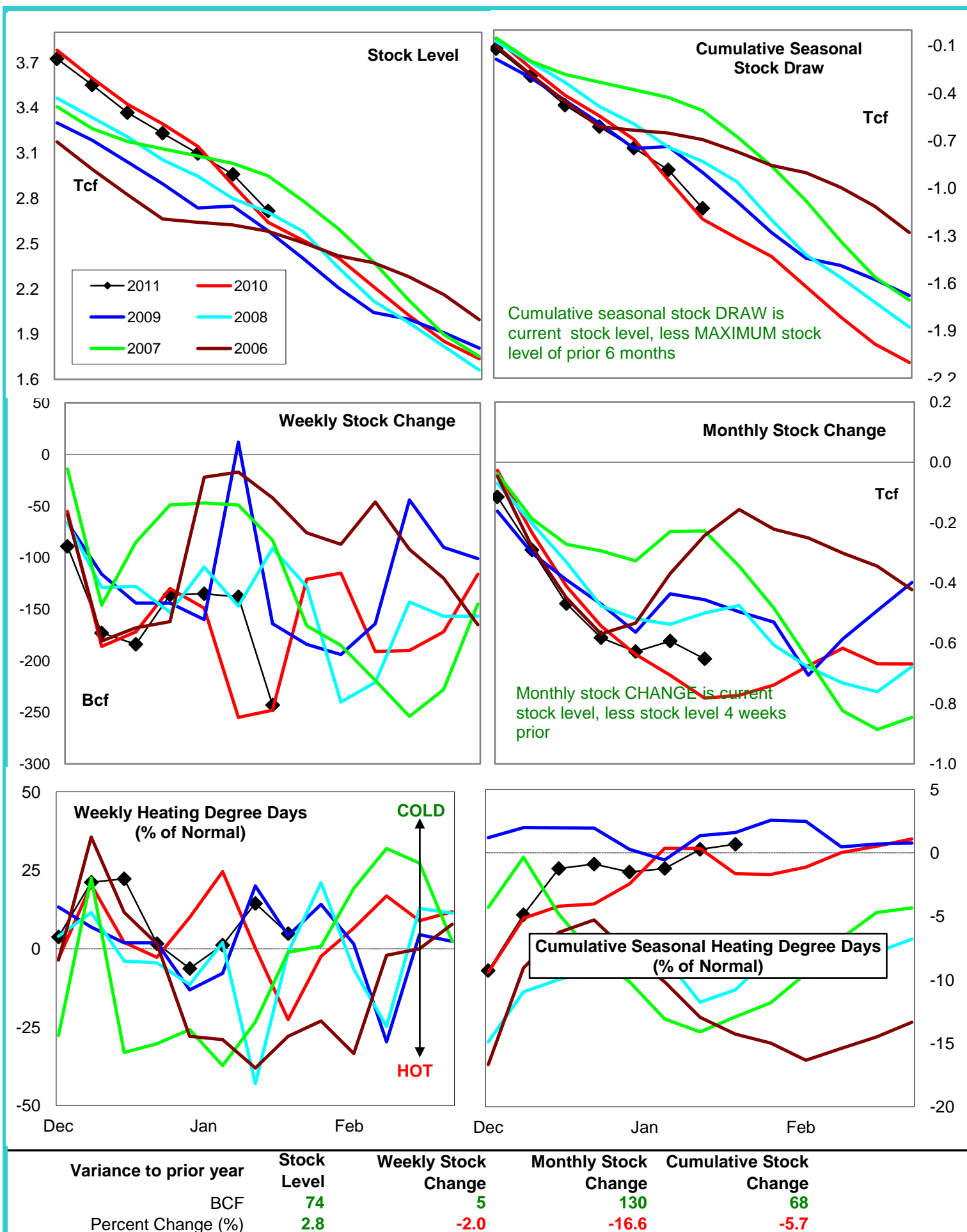
	Cumulative Stock Draw			Cumulative Heating Degree Days					
	Bcf	Change vs prior year Bcf	%	CHDD's vs normal	% of normal	CHDD's vs normal	% of normal	CHDD's vs normal	% of normal
U.S. Total	-1,127	68	-6.0	239	-1.2	274	0.3	249	0.7
East	-703	-23	3.3	263	0.3	297	1.5	285	2.1
West	-156	-29	18.6	239	-5.9	218	-5.3	194	-5.5
Producing	-295	99	-33.6	155	-6.3	225	-1.7	157	-1.9

Futures Market Price Trends

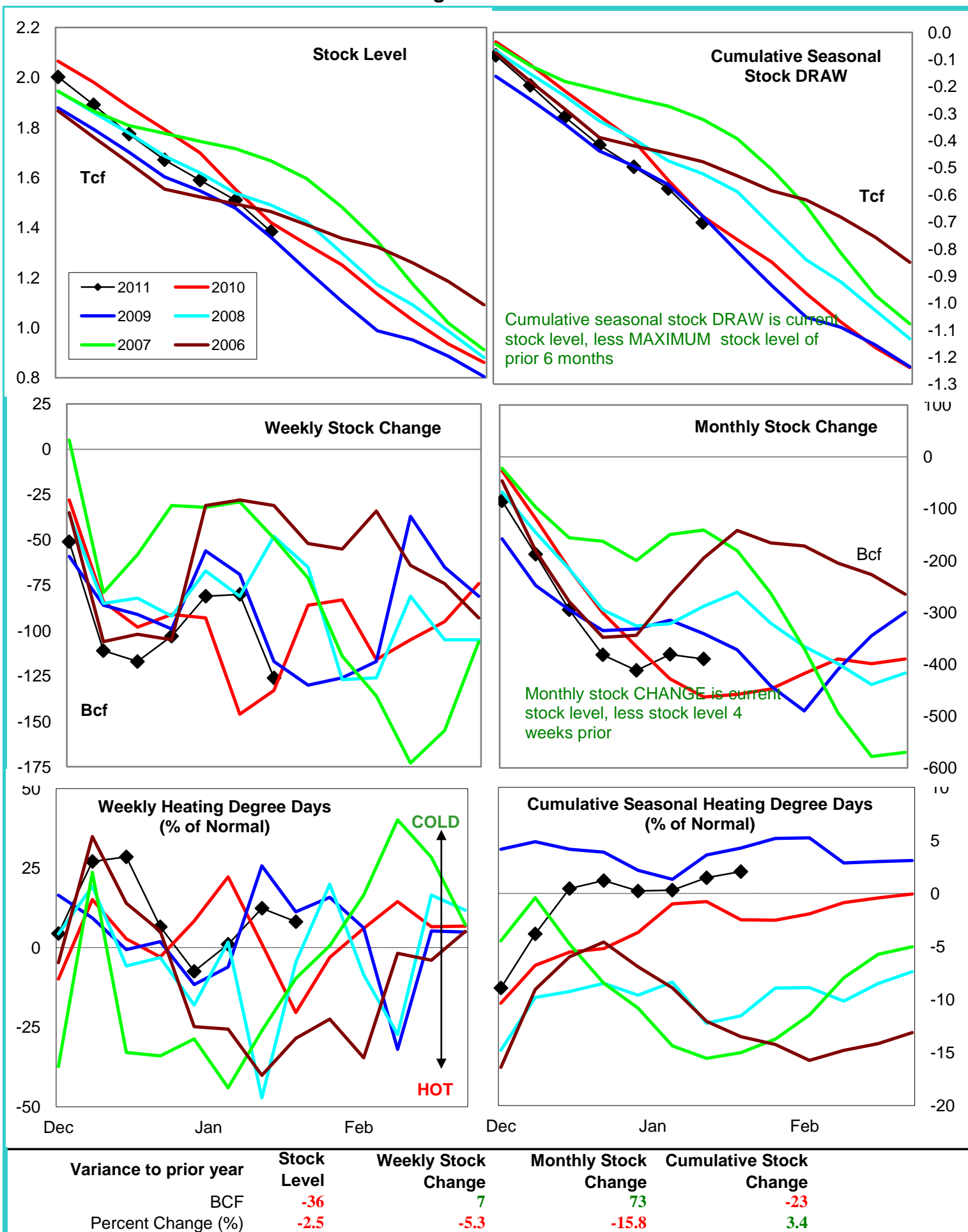
Date:	19-Jan-11	Change vs prior week, month, year		
		12-Jan-11	21-Dec-10	19-Jan-10
1st month Futures	4.70	0.22	0.62	-0.72
% change	xxxxx	4.9	15.1	-13.3



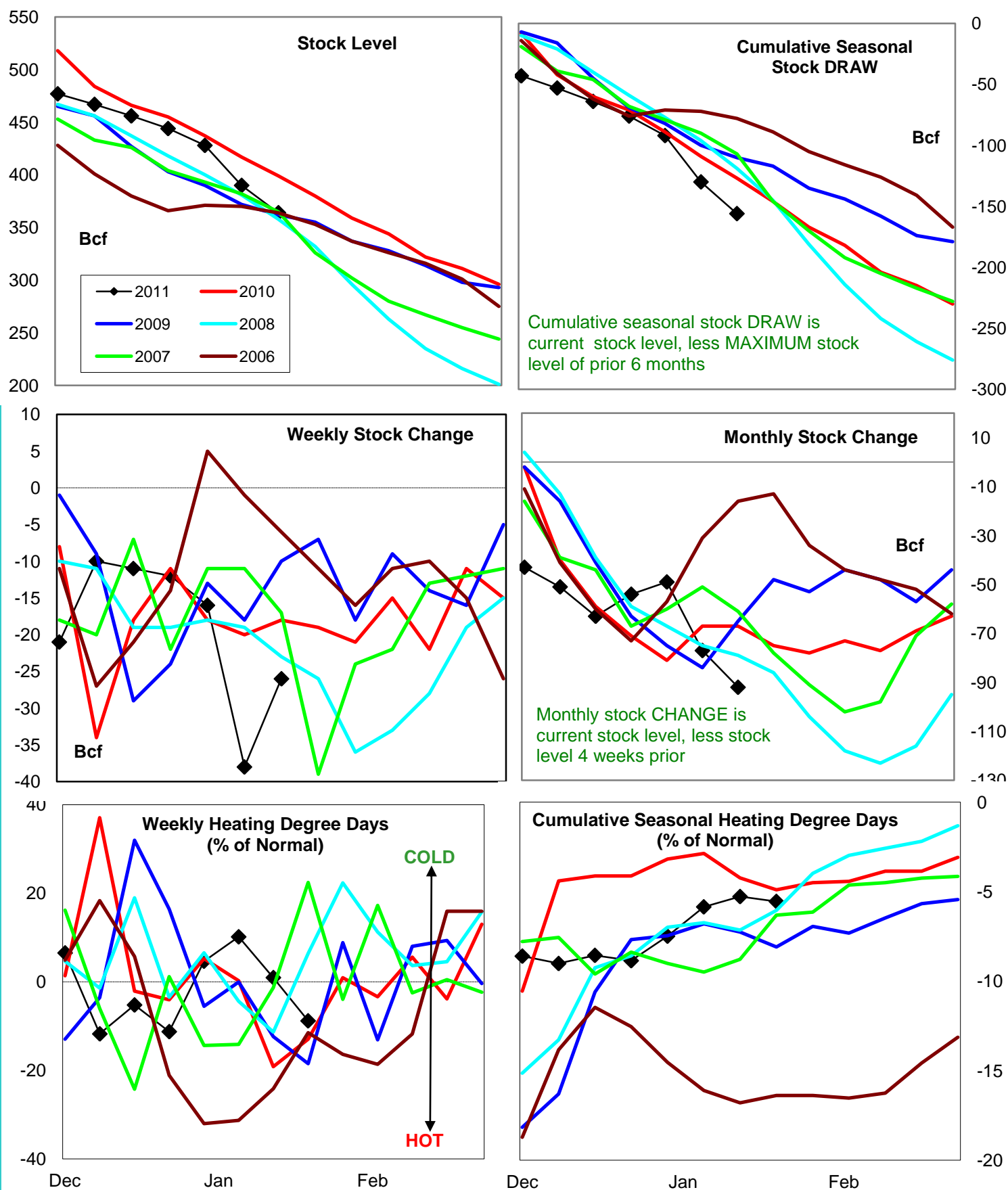
United States Natural Gas Stock and Weather Trends



Natural Gas East Region Stock and Weather Trends



Natural Gas West Region Stock and Weather Trends



Variance to prior year

Stock
LevelWeekly Stock
ChangeMonthly Stock
ChangeCumulative Stock
Change

BCF

-35

-8

-25

-29

Percent Change (%)

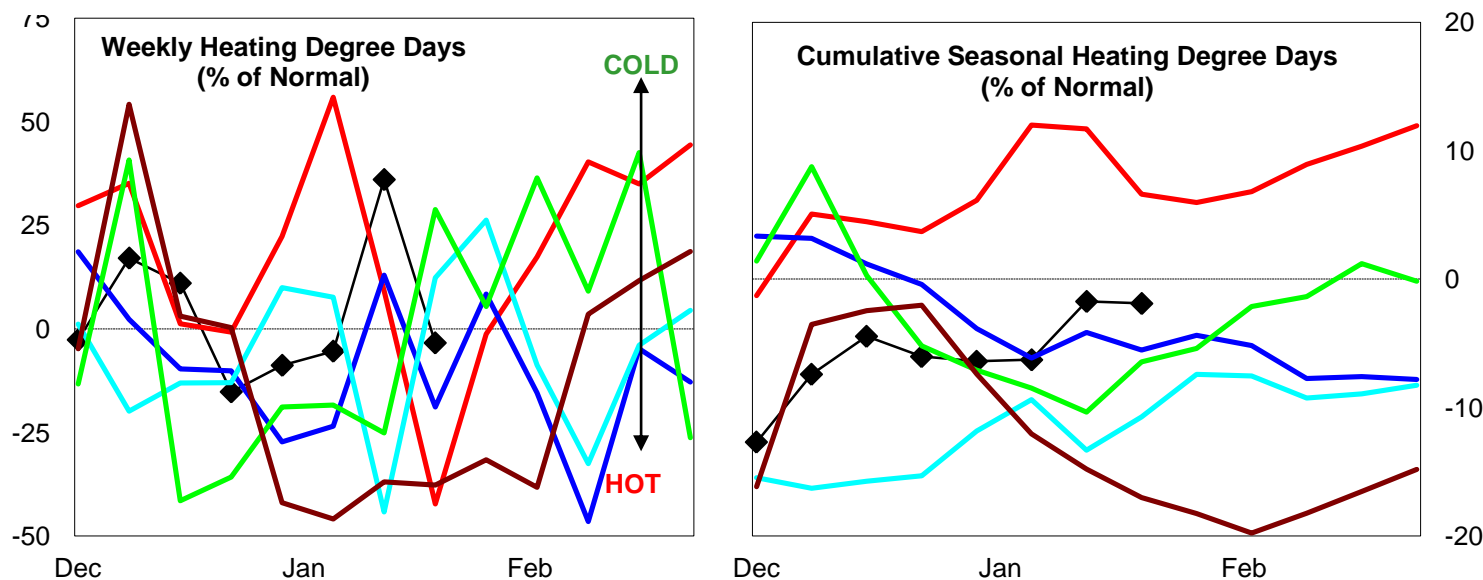
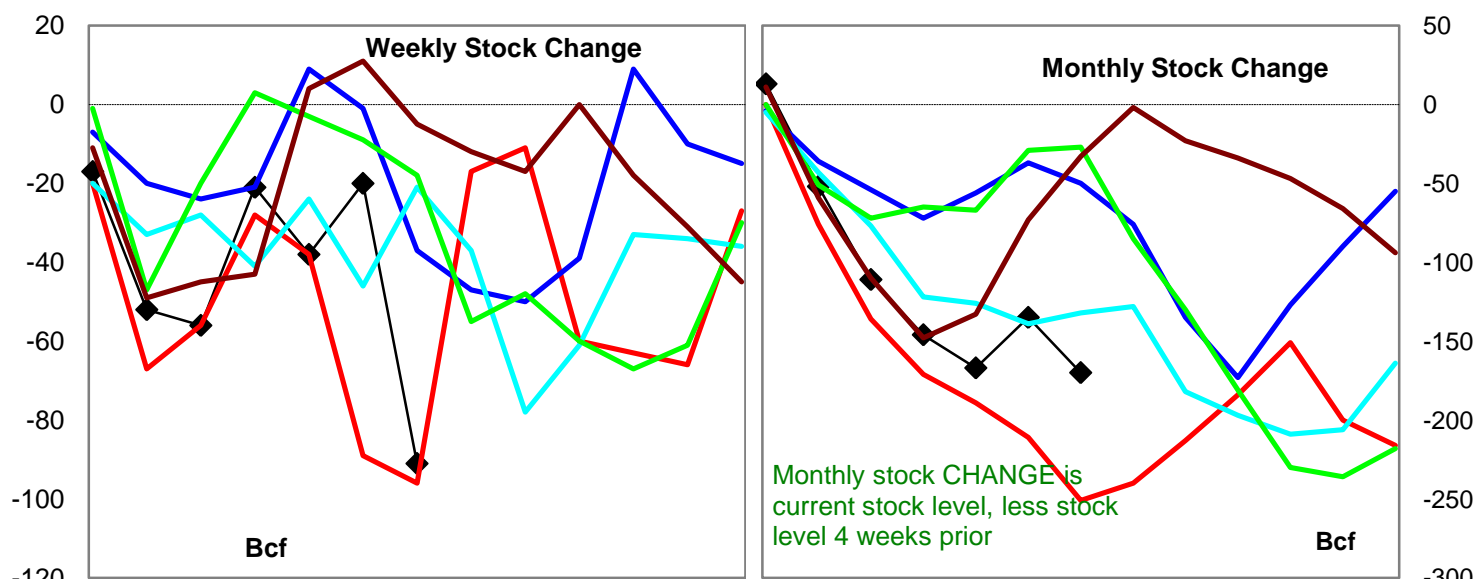
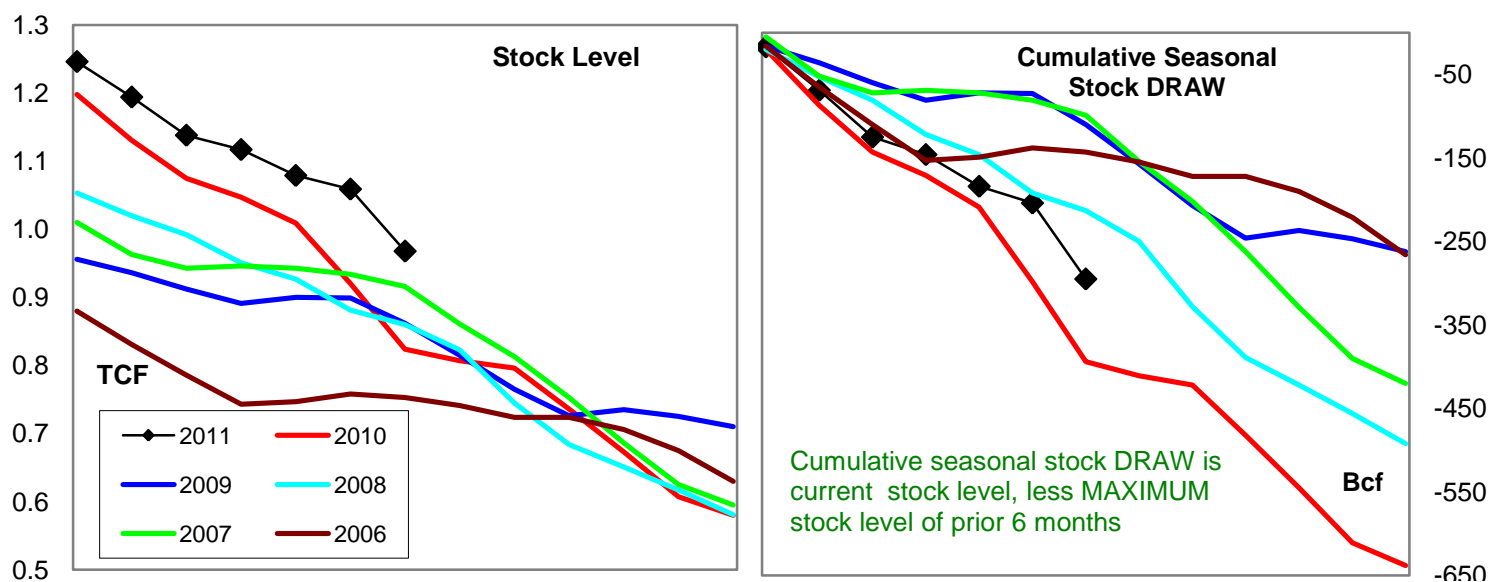
-8.8

44.4

37.3

22.8

Natural Gas Producing Region Stock and Weather Trends



Variance to prior year

Stock Level

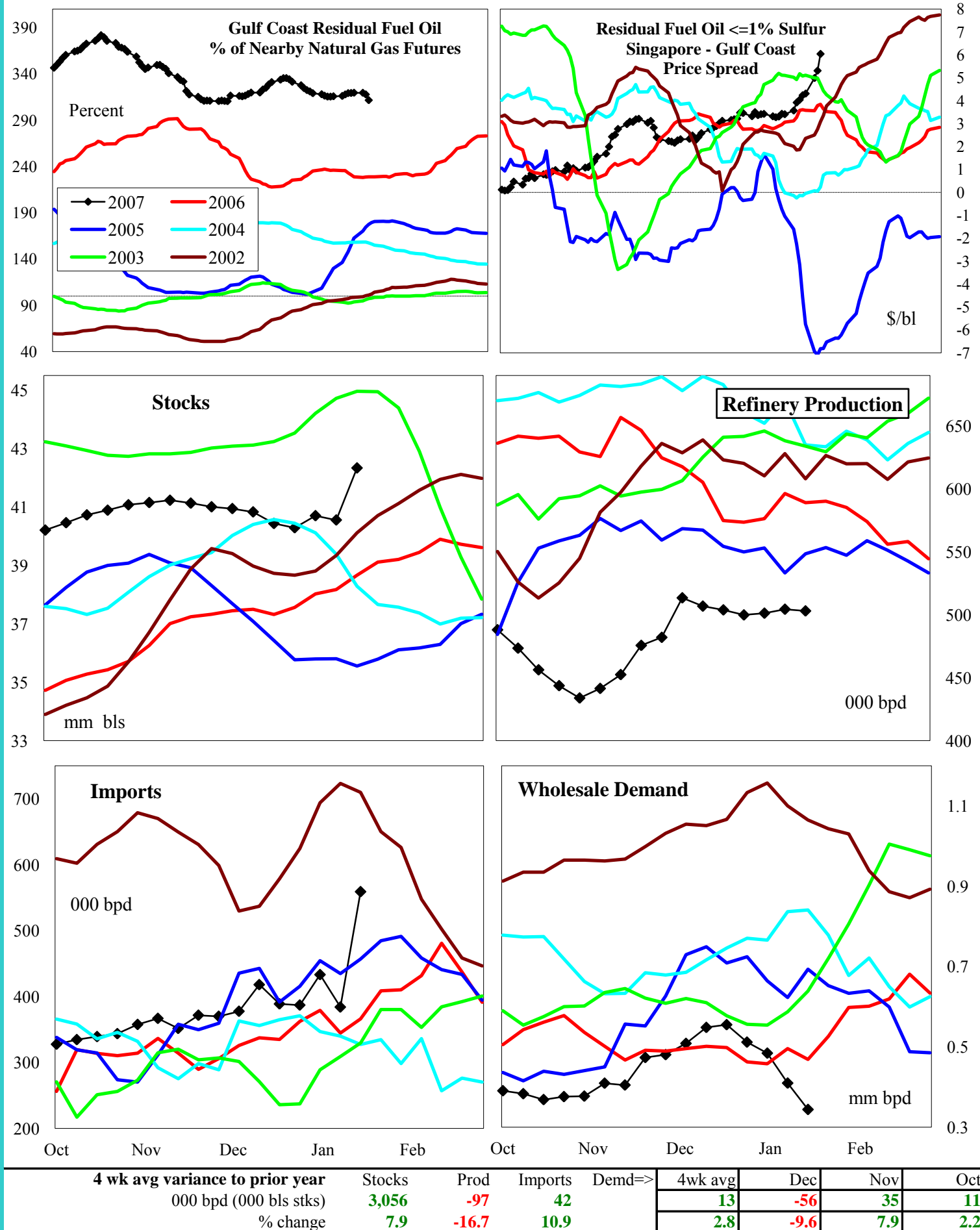
Weekly Stock Change

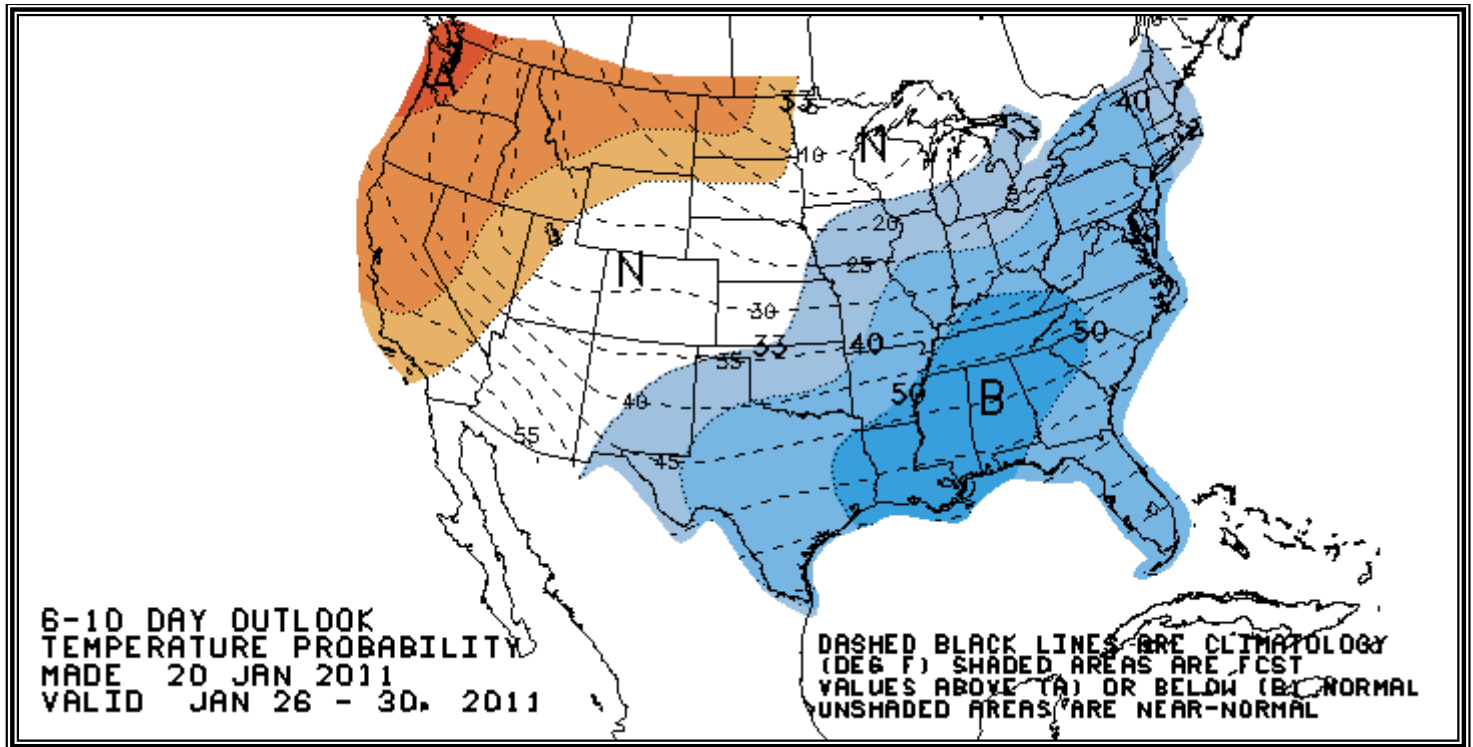
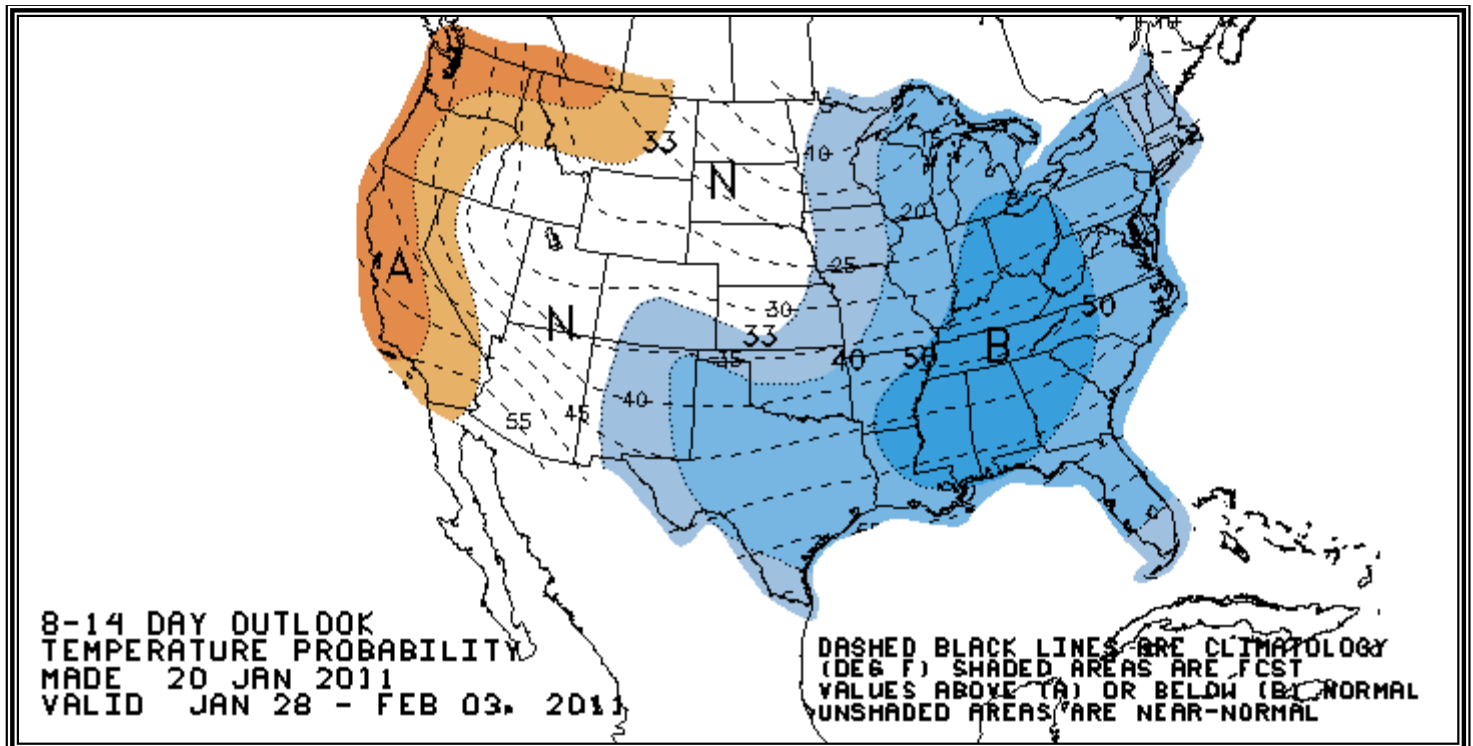
Monthly Stock Change

Cumulative Stock Change

BCF
Percent Change (%)144
17.55
-5.281
-32.399
-25.1

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

