

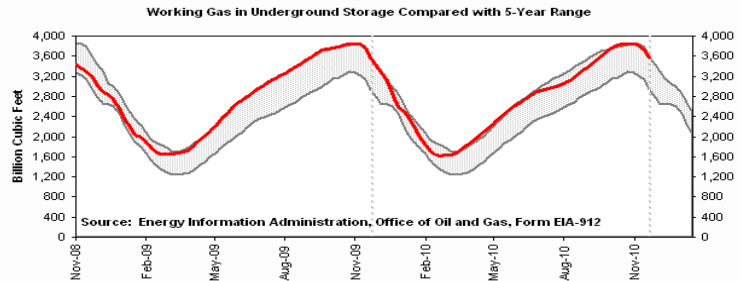


Market Update & Outlook

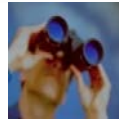
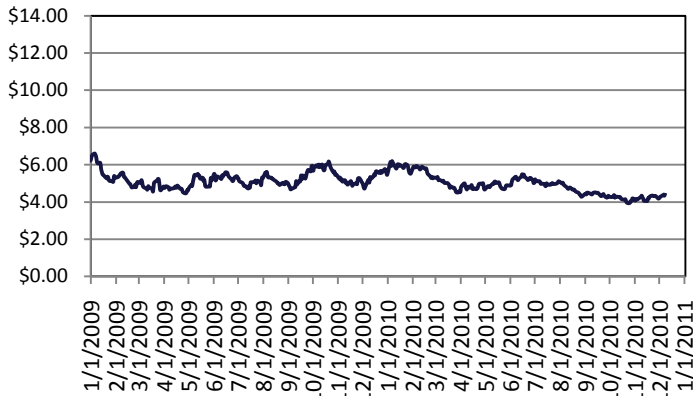


Weather: Moisture moves into the cold air mass in Virginia and West Virginia causing a messy mix of snow, sleet, freezing rain and some rain today. A swath of moderate snow is expected across southern West Virginia and a small part of central and southern Virginia. Snow accumulations of 3 to 5 inches are possible. South of the snow areas a mix of snow, sleet and freezing rain is expected in extreme southern West Virginia and extreme southern Virginia. Light snow and sleet accumulations are possible before the precipitation changes to freezing rain. Ice accumulations should remain under a quarter of an inch so power outages and falling trees are not anticipated. However, there will be enough precipitation to cause some ice issues on roadways. Light snow showers continue east of the Great Lakes and over northern New England during the day. The heaviest accumulations should be in the Tug Hill Plateau north of Syracuse with 3 to 5 inches possible. High temperatures across the region should be mostly in the 20s to lower 30s.

Storage to compare with 5 year range: Working gas in storage was 3,561 Bcf as of Friday, December 10, 2010, according to EIA estimates. This represents a net decline of 164 Bcf from the previous week. Stocks were 35 Bcf less than last year at this time and 321 Bcf above the 5-year average of 3,240 Bcf. In the East Region, stocks were 60 Bcf above the 5-year average following net withdrawals of 111 Bcf.



Nymex Natural Gas 12 Month Forward Average



Market Watch: At the NYMEX, the price of the near-month contract for January delivery decreased **\$0.38, or 8.3 percent, during the report week to \$4.22 per MMBtu.** The decrease occurred likely in response to expectations of a reprieve from the extreme cold in consuming regions of the country, thus decreasing space-heating demand. While the early cold will likely result in large withdrawals from storage, the current strength in supplies may prevent any change in the pricing environment fundamental. The January 2011 contract is trading much lower than the settlement prices of contracts for comparable months over the last 2 years. The January 2010 and January 2009 contracts expired at \$5.81 per MMBtu and \$6.14 per MMBtu, respectively.

Natural Gas Nymex Trading 12/16/10

Month	High	Low	Last	Change
Jan '11	\$4.055	\$4.055	\$4.048	(\$0.174)
Feb '11	\$4.084	\$4.084	\$4.084	(\$0.167)
Mar '11	\$4.077	\$4.077	\$4.077	(\$0.158)
Apr '11	\$4.071	\$4.071	\$4.071	(\$0.145)
May '11	\$4.108	\$4.108	\$4.108	(\$0.140)
Jun '11	\$4.160	\$4.160	\$4.160	(\$0.134)
Jul '11	\$4.225	\$4.225	\$4.225	(\$0.127)
Aug '11	\$4.269	\$4.269	\$4.269	(\$0.125)

Crude Oil Nymex Trading 12/16/10

Month	High	Low	Last	Change
Jan '11	\$88.100	\$88.100	\$87.700	(\$0.920)
Feb '11	\$88.940	\$88.940	\$88.400	(\$0.840)
Mar '11	\$89.180	\$89.180	\$89.180	(\$0.710)
Apr '11	\$89.790	\$89.790	\$89.790	(\$0.590)
May '11	\$90.240	\$90.240	\$90.240	(\$0.470)
Jun '11	\$90.560	\$90.560	\$90.560	(\$0.390)
Jul '11	\$90.810	\$90.810	\$90.810	(\$0.300)
Aug '11	\$90.960	\$90.960	\$90.960	(\$0.260)

December Indices

December Nymex - \$4.240
Columbia Gas Transmission- \$4.410
Dominion Transmission- \$4.480

*Indices are the first of the month Index as published by Inside F.E.R.C.'s Gas Market Report.

Natural Gas Nymex Strip Prices

Strip	High	Low	Last	Change
6 mo	\$4.093	\$4.093	\$4.091	(\$0.153)
12 mo	\$4.259	\$4.259	\$4.259	(\$0.137)
Winter 10 -11	\$4.072	\$4.072	\$4.070	(\$0.166)
Summer 11	\$4.211	\$4.211	\$4.211	(\$0.132)