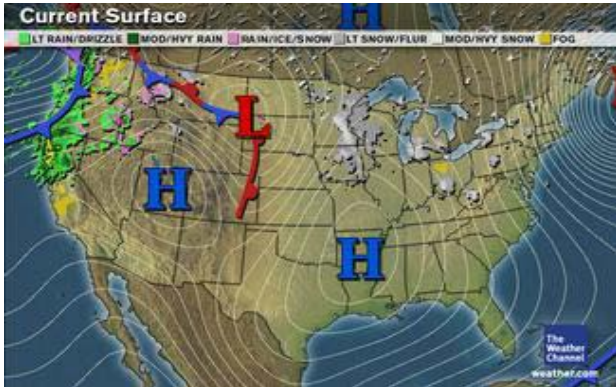




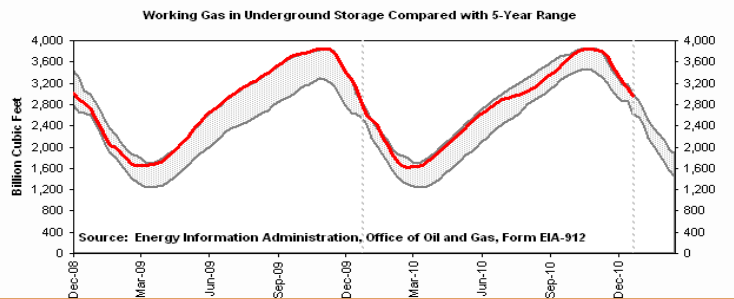
Market Update & Outlook



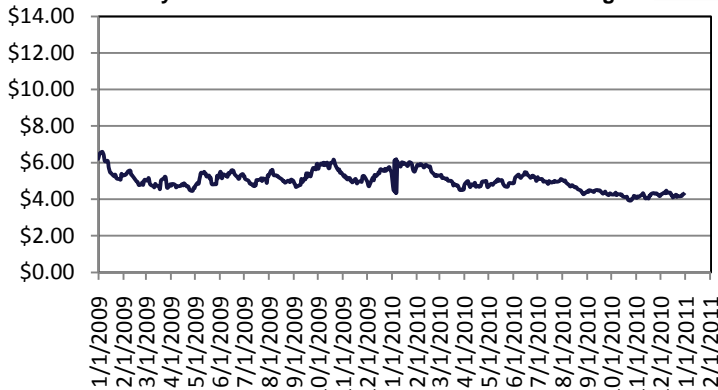
Weather: Northeast digs out while new storm blasts Northwest

The Northeast storm has ended. The Northwest storminess continues. The big winter storm has moved to the Canadian Maritimes but there may still be some residual snow showers over parts of northern New England. Blustery conditions are expected to continue throughout New England and adjacent areas of eastern New York. Sustained winds of 10 to 15 mph are expected to blow some of the snow from the big storm around. In southeastern Massachusetts, Cape Cod and the islands winds could be as high as 25 mph with a few gusts over 40 mph. Lake-effect snow showers and occasional squalls continue across Upstate New York, western Pennsylvania, far western Maryland and portions of West Virginia. Average snowfall should be 1 to 4 inches with a few higher amounts possible closer to the lakes. High temperatures should be in the upper teens and 20s over most of the region with the lower to middle 30s expected in Virginia.

Storage to compare with 5 year range: Working gas in storage was 2,959 Bcf as of Friday, January 7, 2011, according to EIA estimates. This represents a net decline of 138 Bcf from the previous week. Stocks were 69 Bcf higher than last year at this time and 161 Bcf above the 5-year average of 2,798 Bcf. In the East Region, stocks were 35 Bcf below the 5-year average following net withdrawals of 80 Bcf.



Nymex Natural Gas 12 Month Forward Average



Market Watch: At the NYMEX, the price of the near-month contract (for February 2011 delivery) increased \$0.06 during the report week to \$4.53 per MMBtu. With the weather outlook for much of the country indicating continuing cold temperatures, the price of the February contract is now 32 cents per MMBtu, or 7.5 percent higher, than the final price of \$4.22 for the January 2011 contract. However, the current February 2011 price is about 74 cents per MMBtu lower than the final expiration price of \$5.27 for the February 2010 contract. At the end of trading yesterday, the 12-month strip, which is the average for natural gas futures contracts over the next year, was priced at \$4.75 per MMBtu, an increase of about \$0.11 per MMBtu, or less than 3 percent, since last Wednesday.

Natural Gas Nymex Trading 1/13/11

Month	High	Low	Last	Change
Feb'11	\$4.407	\$4.407	\$4.407	(\$0.124)
Mar'11	\$4.485	\$4.485	\$4.419	(\$0.107)
Apr'11	\$4.480	\$4.480	\$4.420	(\$0.102)
May'11	\$4.463	\$4.463	\$4.463	(\$0.099)
Jun'11	\$4.514	\$4.514	\$4.514	(\$0.095)
Jul'11	\$4.584	\$4.584	\$4.584	(\$0.092)
Aug'11	\$4.614	\$4.614	\$4.614	(\$0.094)
Sep'11	\$4.621	\$4.621	\$4.621	(\$0.096)

Crude Oil Nymex Trading 1/13/11

Month	High	Low	Last	Change
Feb'11	\$91.570	\$91.570	\$91.400	(\$0.460)
Mar'11	\$93.050	\$92.300	\$92.300	(\$0.570)
Apr'11	\$93.210	\$93.210	\$93.210	(\$0.530)
May'11	\$94.000	\$94.000	\$94.000	(\$0.480)
Jun'11	\$94.600	\$94.600	\$94.600	(\$0.450)
Jul'11	\$95.060	\$95.060	\$95.060	(\$0.420)
Aug'11	\$95.380	\$95.380	\$95.380	(\$0.390)
Sep'11	\$95.620	\$95.620	\$95.620	(\$0.370)

January Indices

January Nymex - \$4.216
Columbia Gas Transmission- \$4.380
Dominion Transmission- \$4.570
*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	\$4.489	\$4.489	\$4.468	(\$0.103)
12 mo	\$4.664	\$4.664	\$4.653	(\$0.098)
Winter 10 -11	\$4.446	\$4.446	\$4.413	(\$0.116)
Summer 11	\$4.565	\$4.565	\$4.556	(\$0.096)