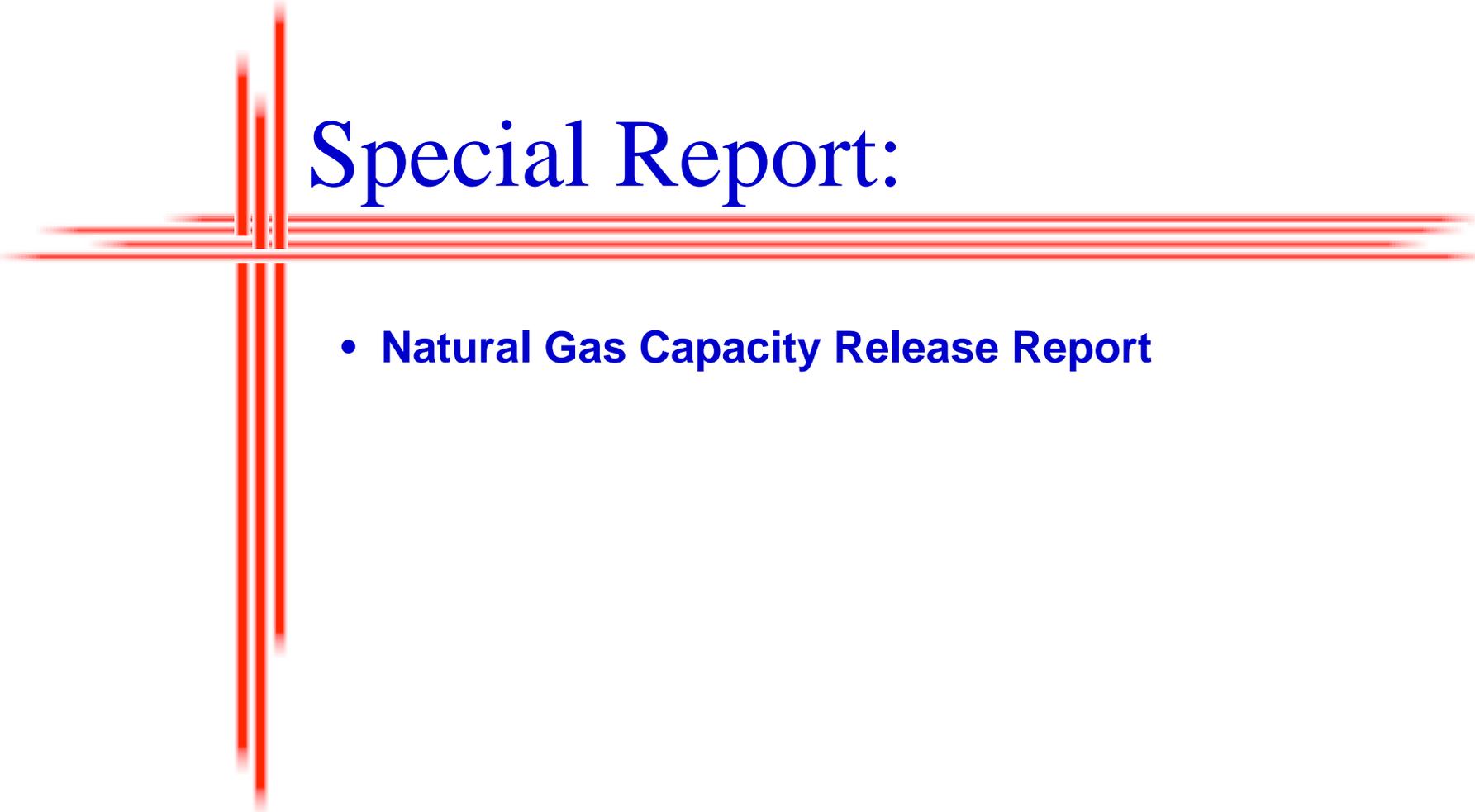


OE ENERGY MARKET SNAPSHOT

Southeast States Version – January 2011 Data

- **Special Report**
- **Weather**
- **Natural Gas and Fuel Markets**
- **Electricity Markets**

Office of Enforcement
Federal Energy Regulatory Commission
February 2011



Special Report:

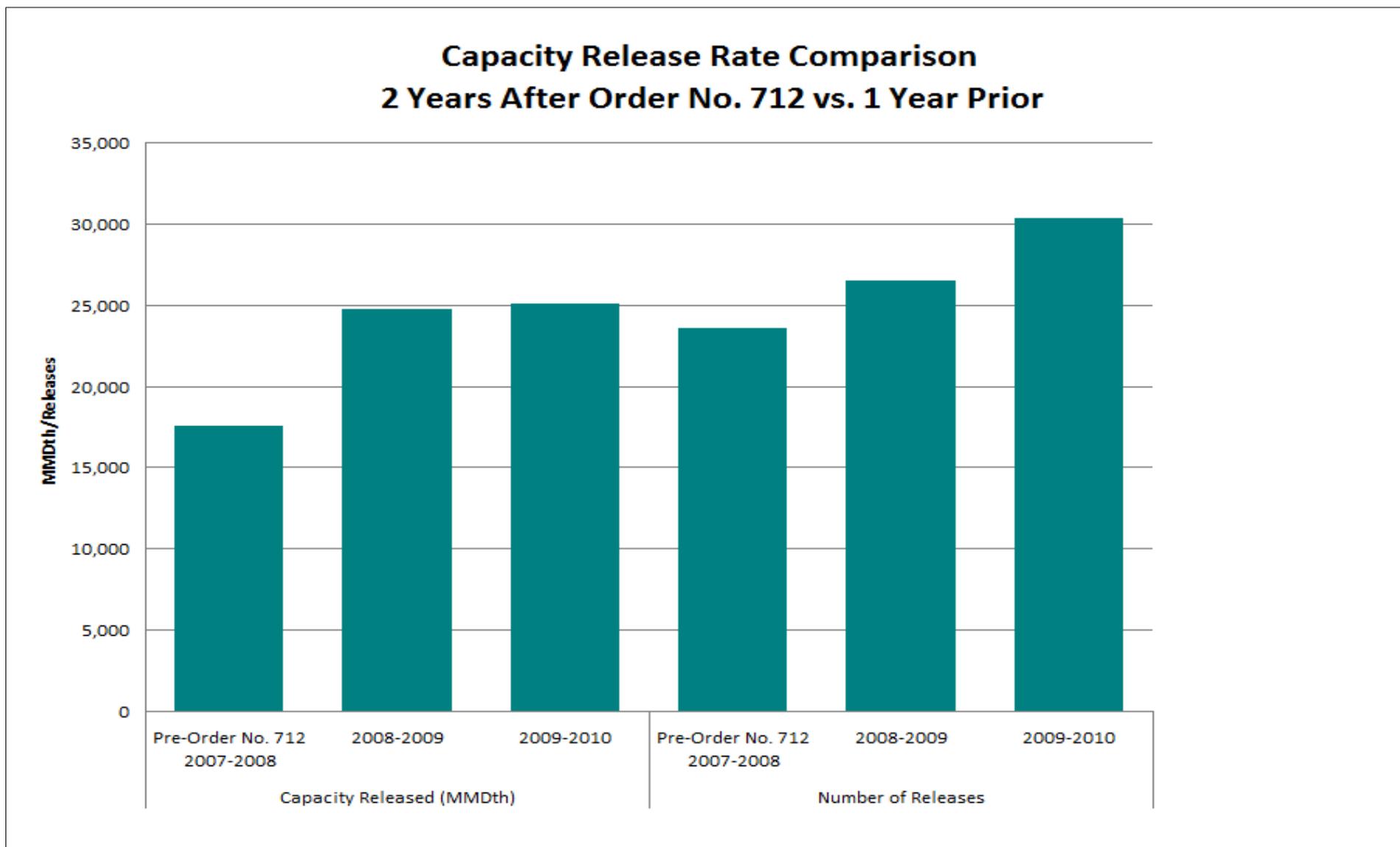
- **Natural Gas Capacity Release Report**

Introduction

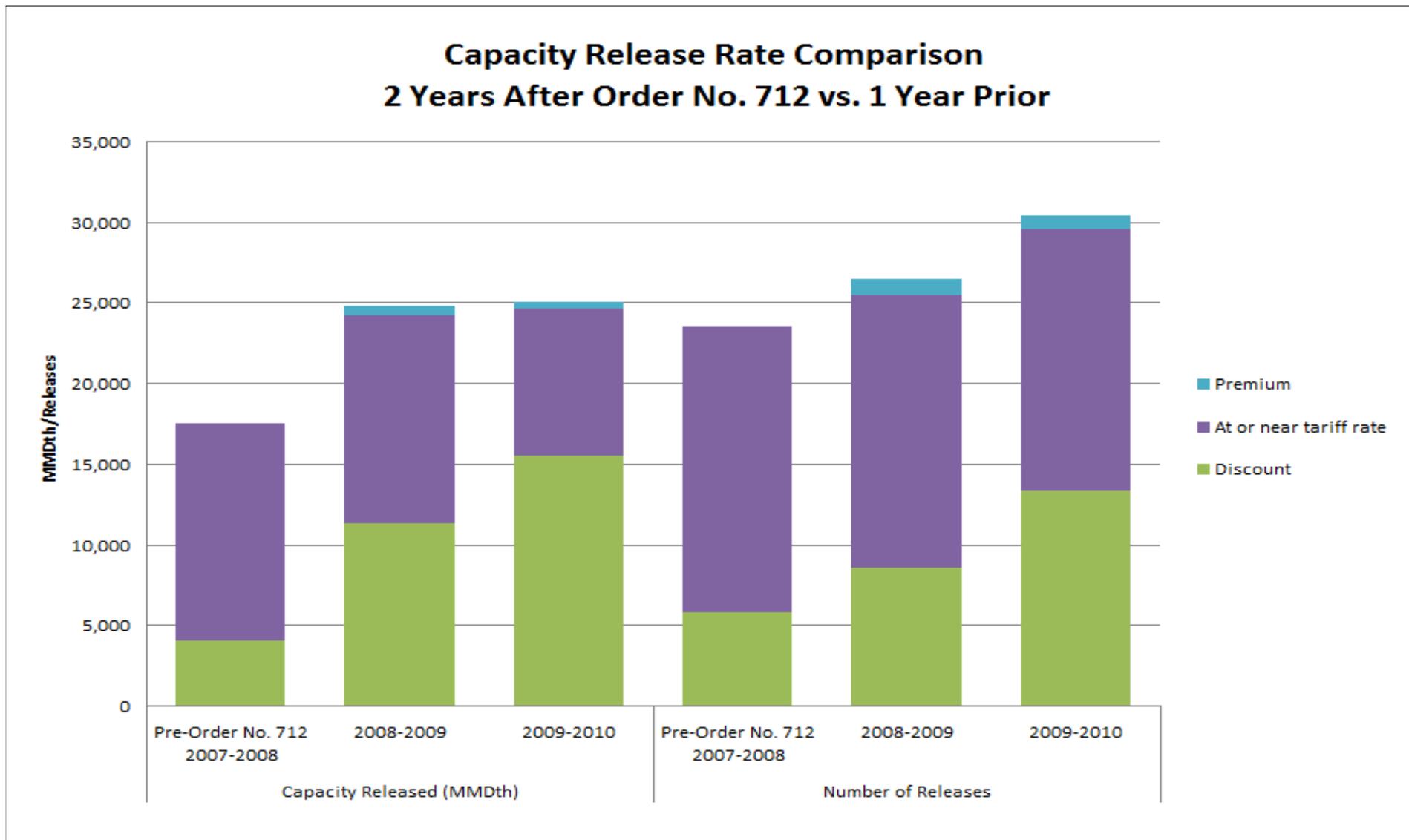
- On June 19, 2008, FERC issued Order No. 712, which removed the price cap on short-term (less than one year) capacity releases on interstate natural gas pipelines.
- In the order, the Commission directed “staff to monitor the capacity release program and, using all available information, issue a report on the general performance of the capacity release program, within six months after two years of experience under the new rules”.
- On 1/31/2011, the Commission issued a Staff Report on Capacity Release. To view the document for this Issuance, click here

http://elibrary.FERC.gov/idmws/file_list.asp?accession_num=20110131-3078

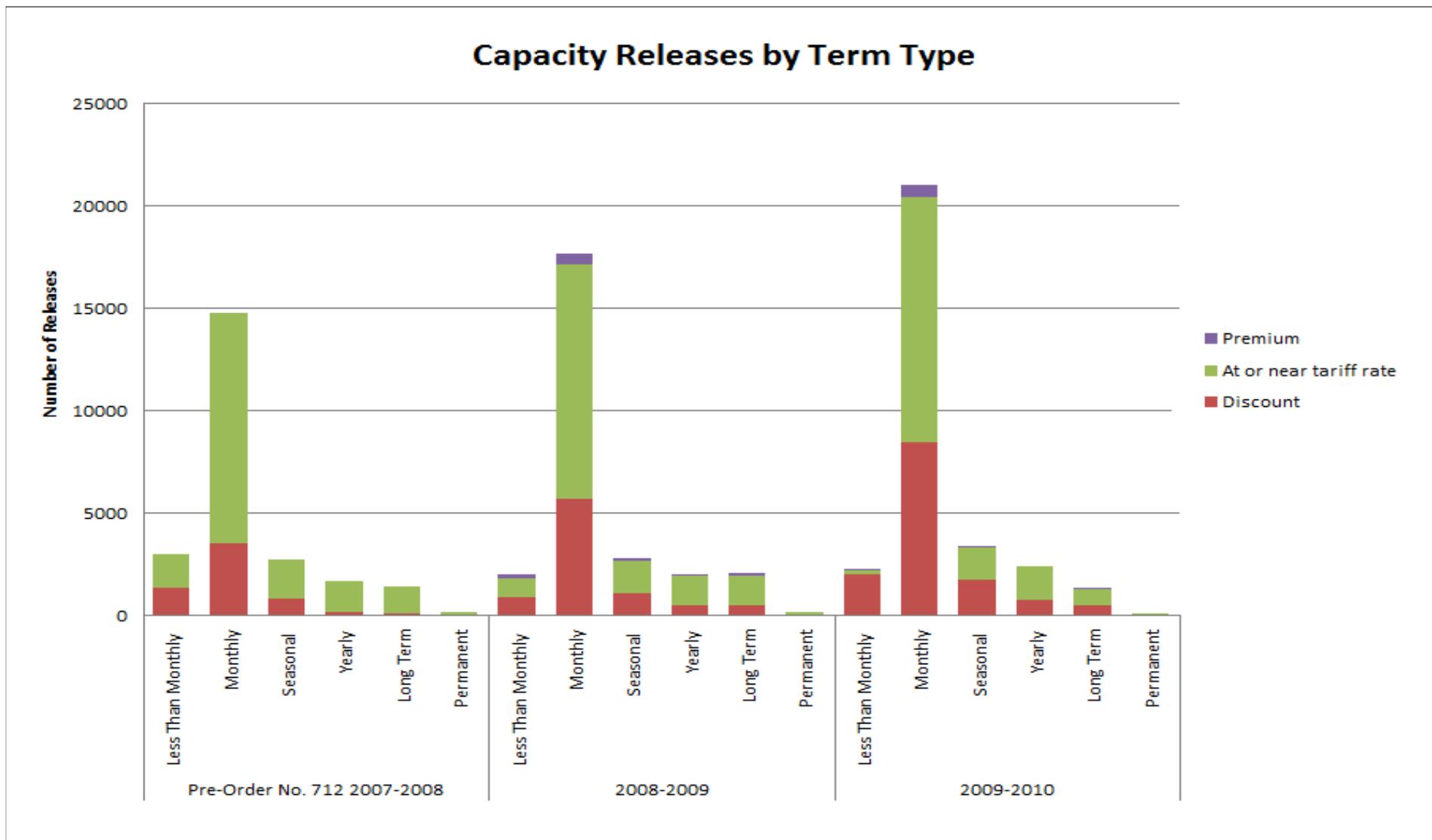
Overview



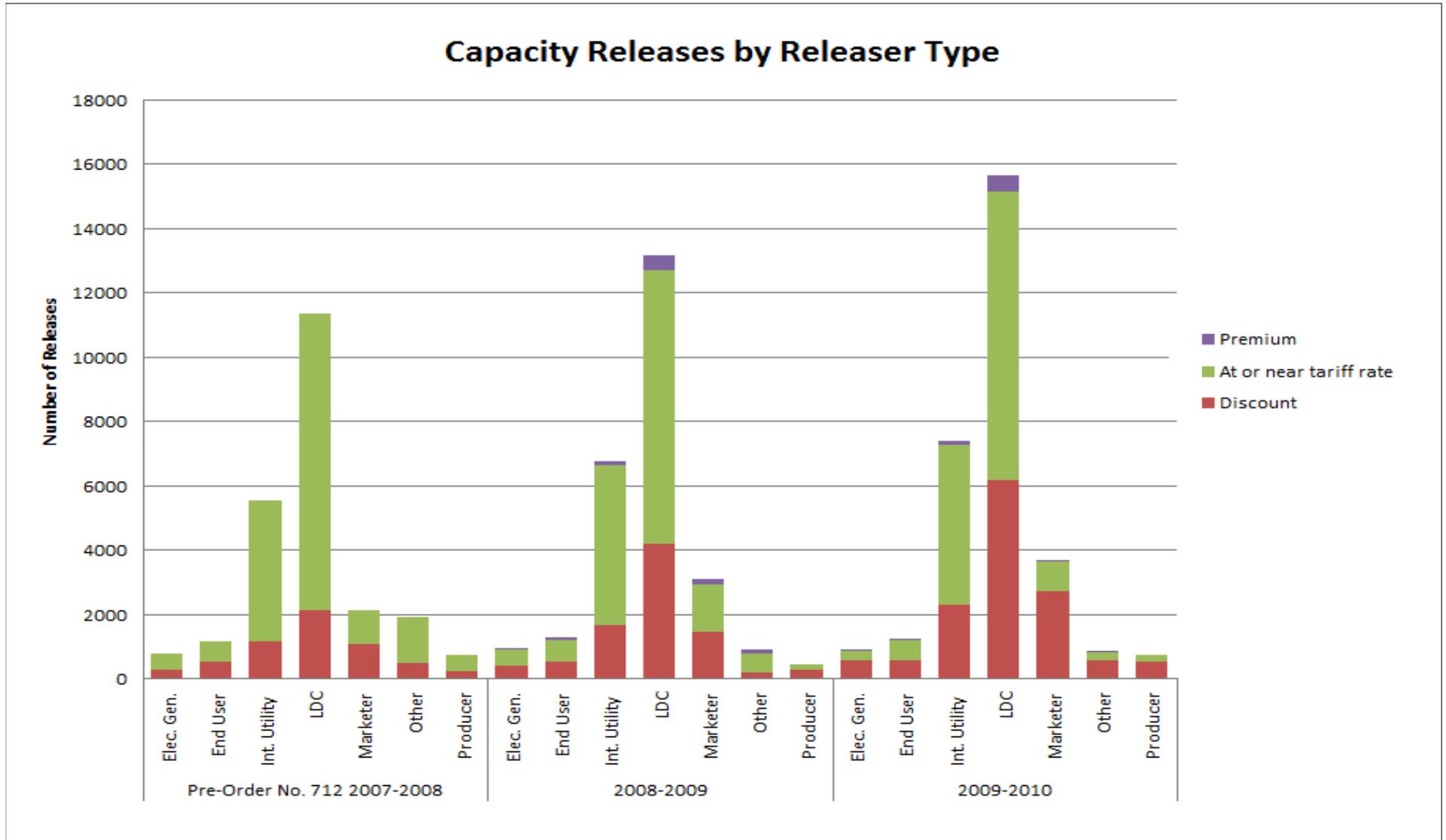
The effects of the Price Cap

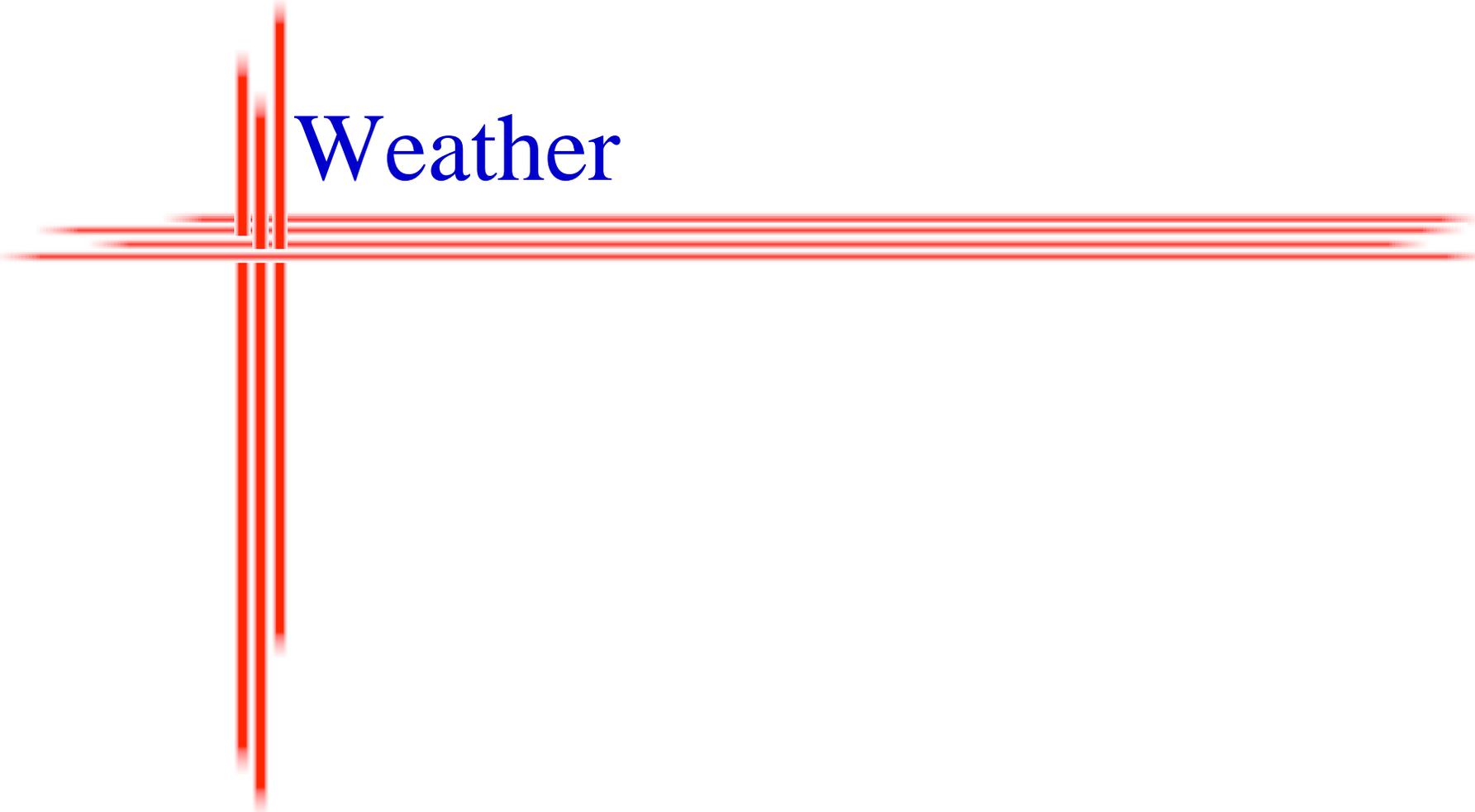


Release Duration



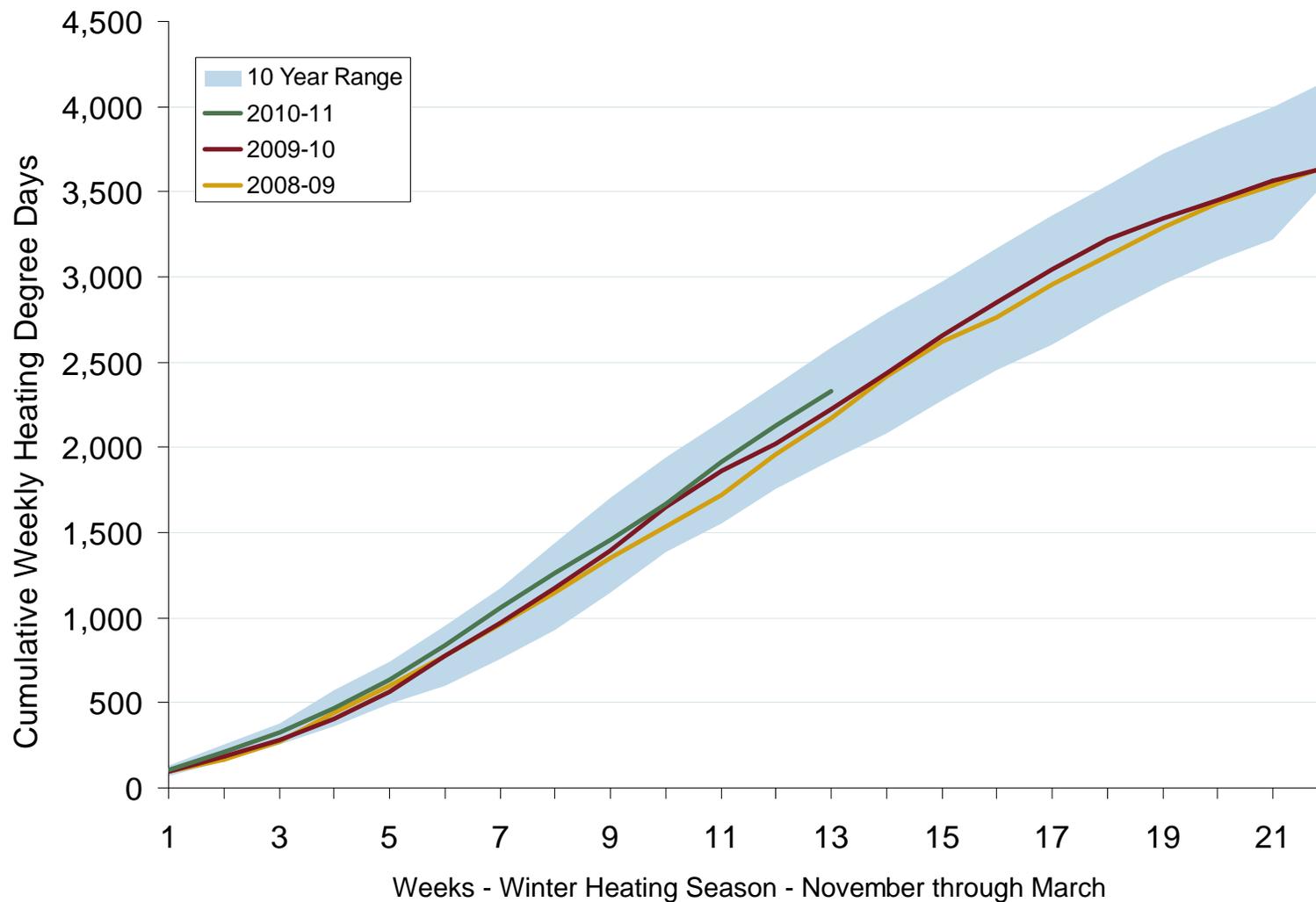
Releasing Shippers



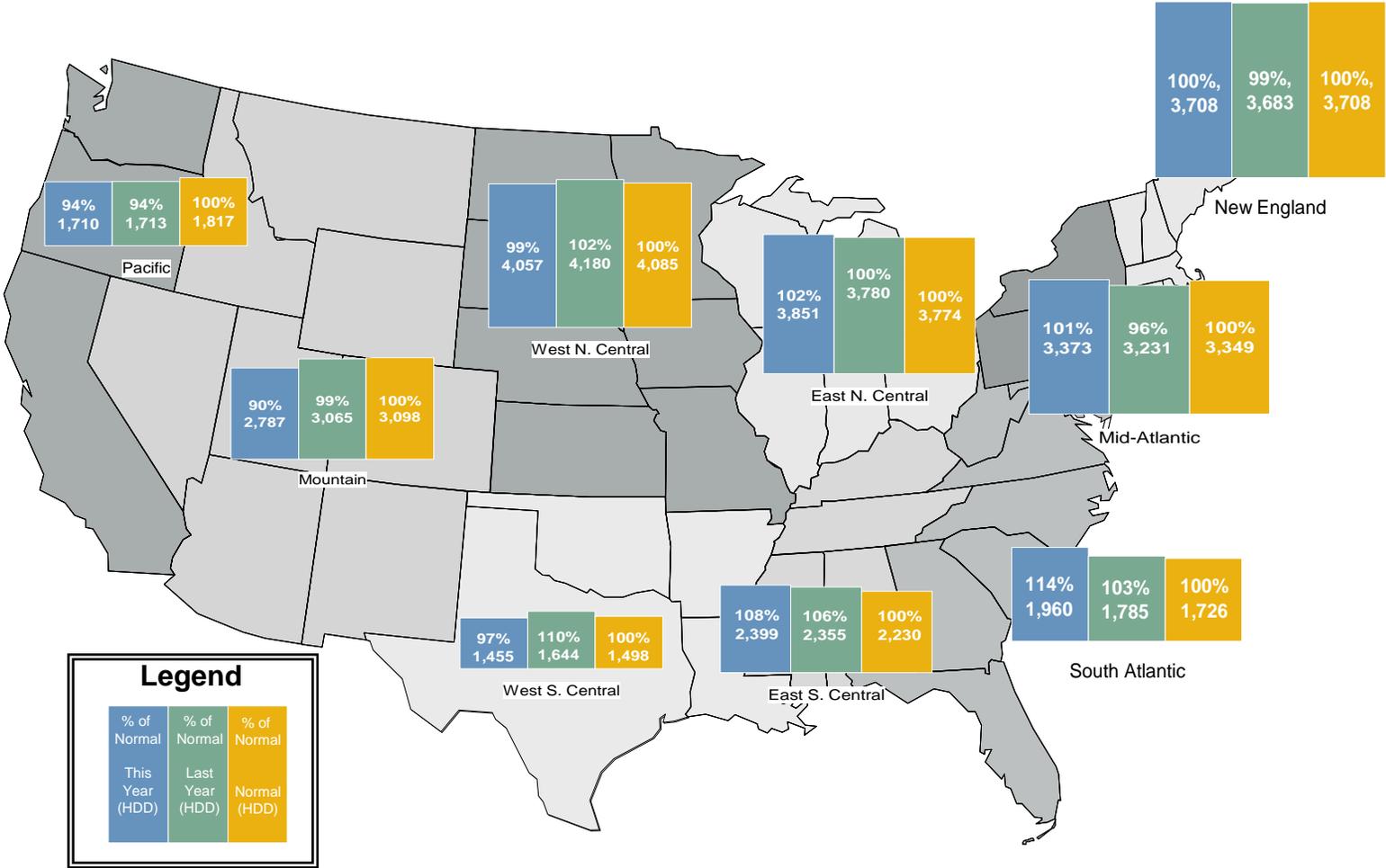


Weather

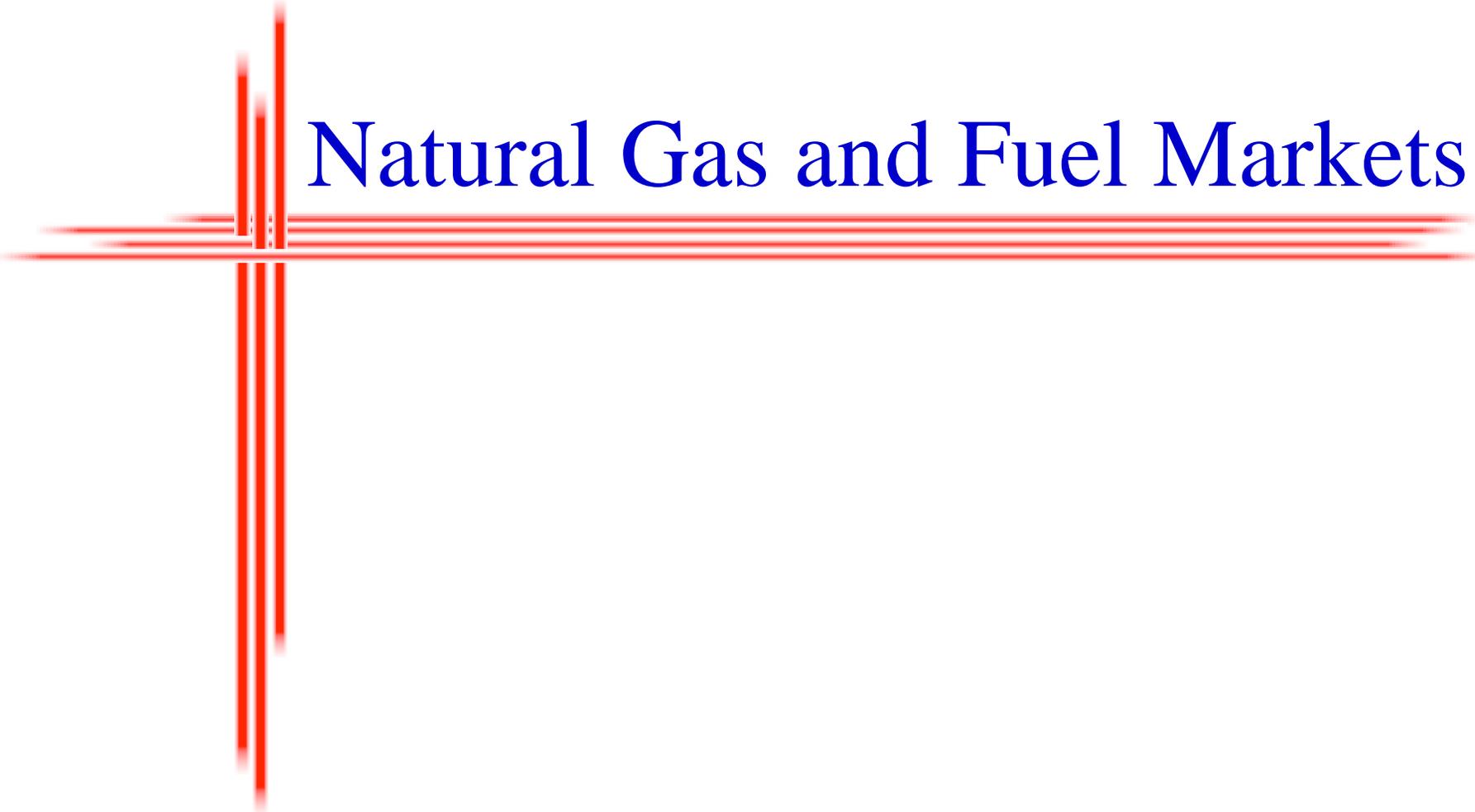
U. S. Winter Cumulative Heating Degree Days



Regional Heating Degree Days July 2010 Through January 2011

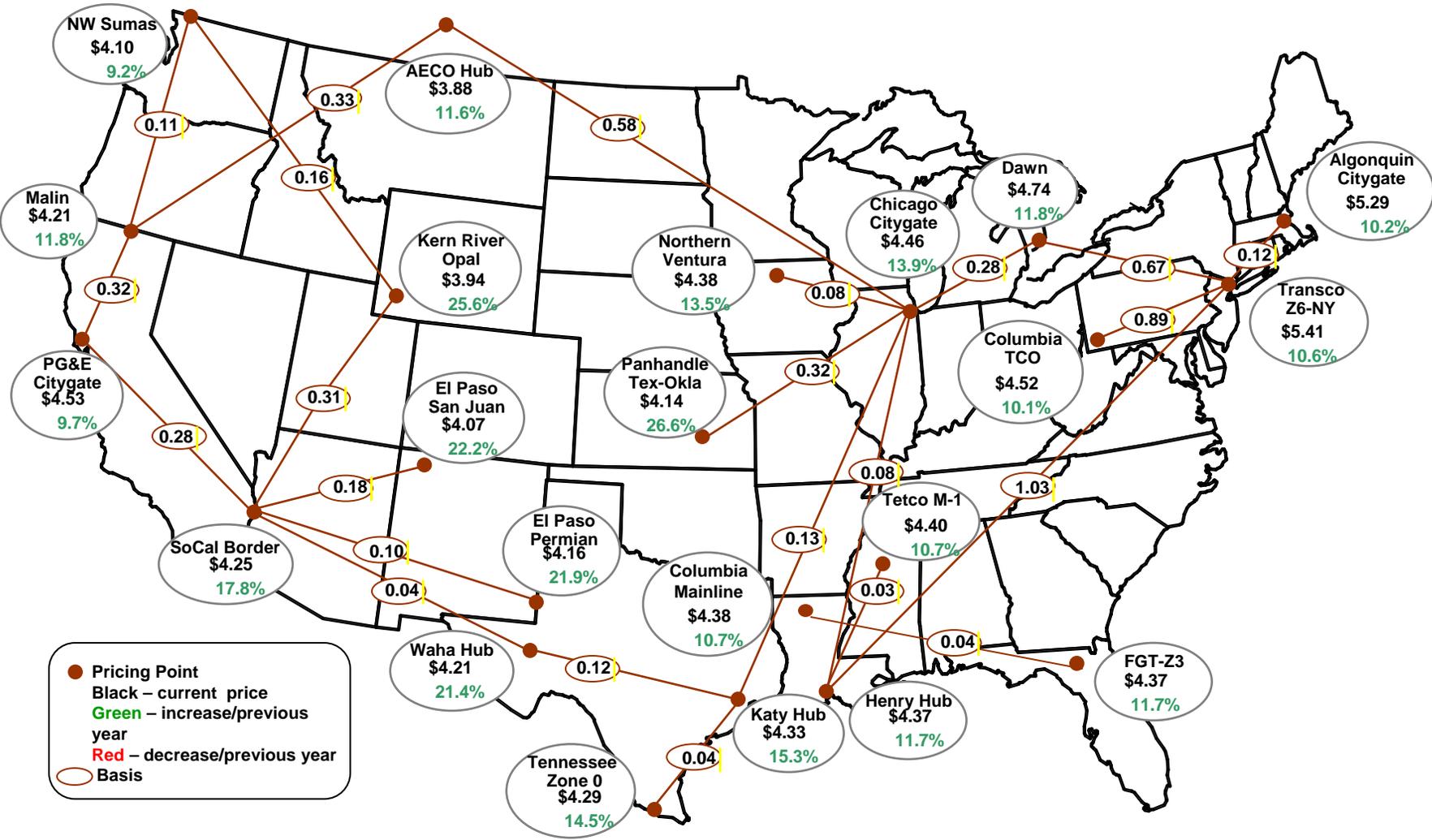


Source: Derived from NOAA data. Normal is based on a 30-year average of heating degree day data.
February 2011 Southeast Snapshot Report



Natural Gas and Fuel Markets

Average Spot Gas Prices, 2010 (\$MMBtu)

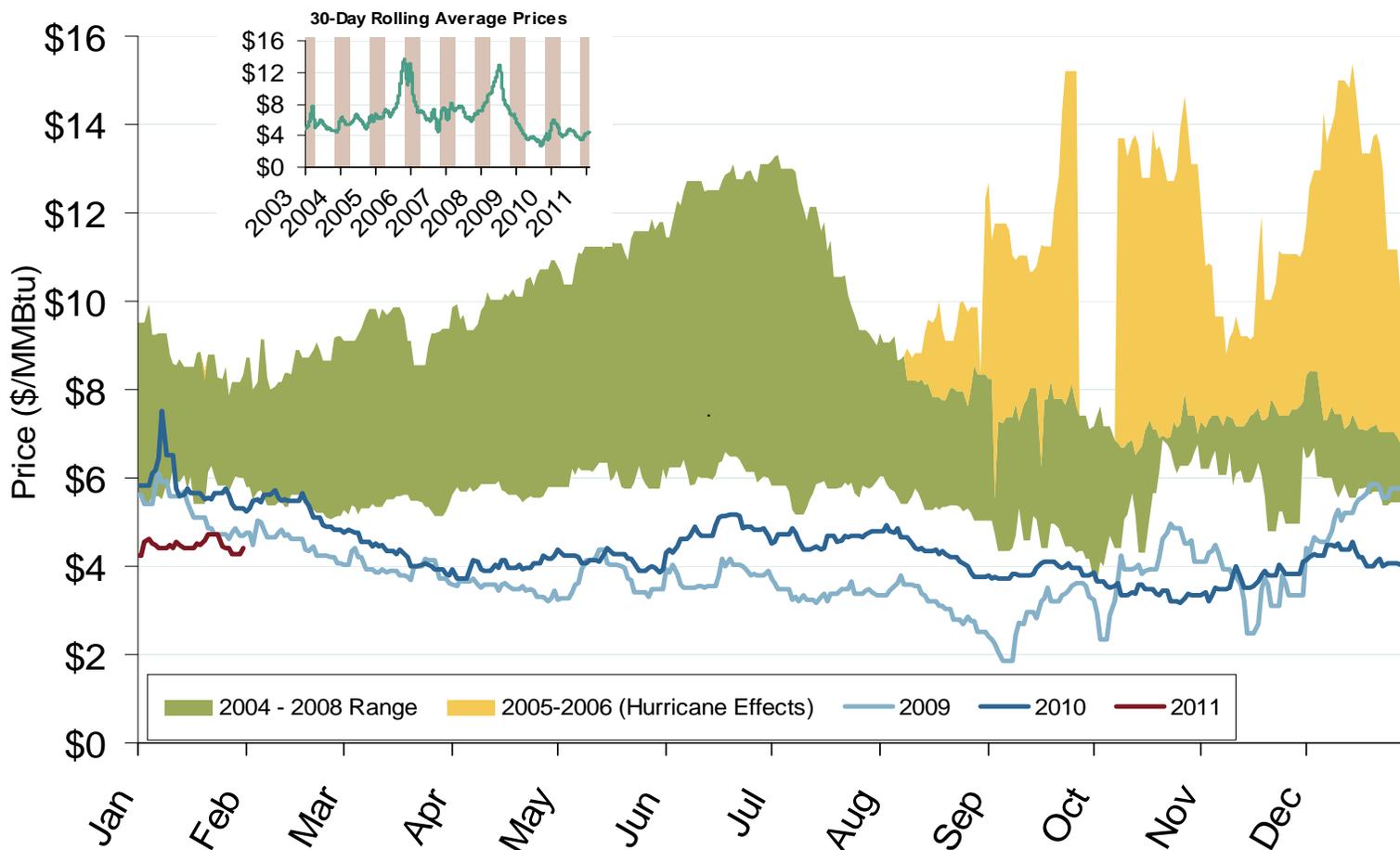


Source: Derived from Platts data. February 2011 Southeast Snapshot Report

Natural Gas Market Overview: 5 Year Range of Henry Hub Spot Prices

Federal Energy Regulatory Commission • Market Oversight • www.ferc.gov/oversight

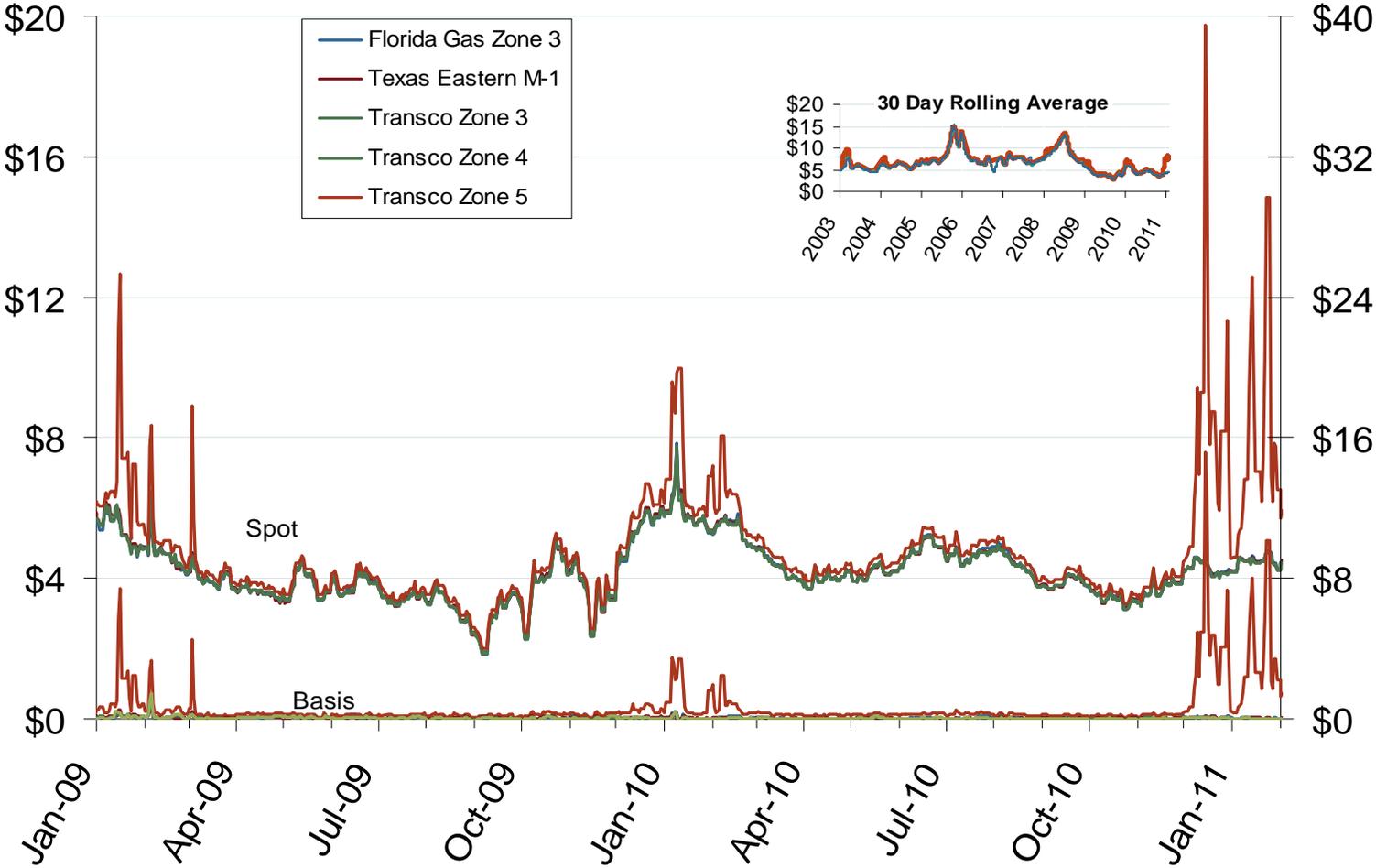
Henry Hub Natural Gas Daily Spot Prices



Source: Derived from *Platts* data.

Updated: February 3, 2011

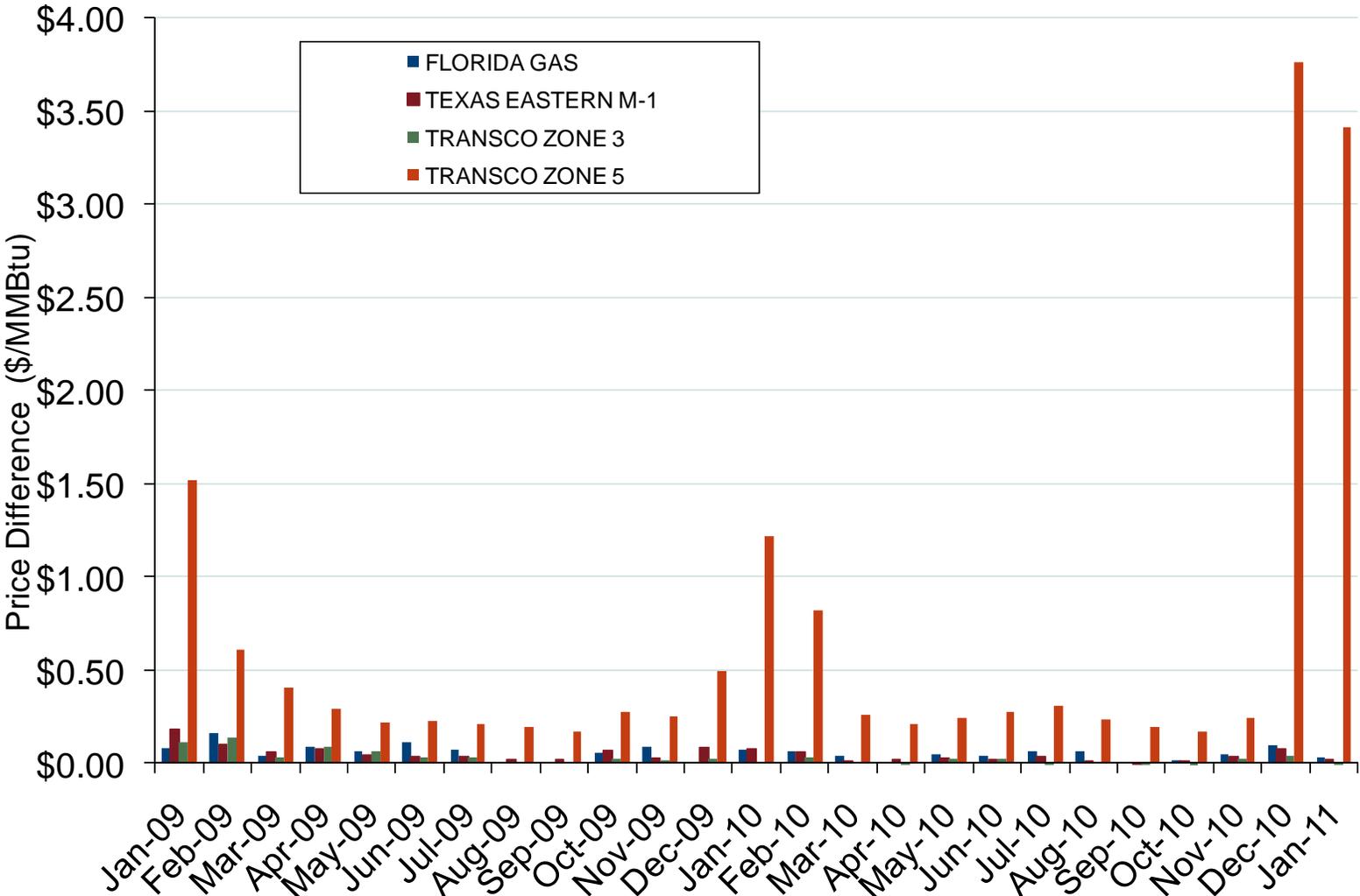
Southeastern Day-Ahead Hub Spot Prices and Basis



Source: Derived from *Platts* data.

Updated: February 03, 2011

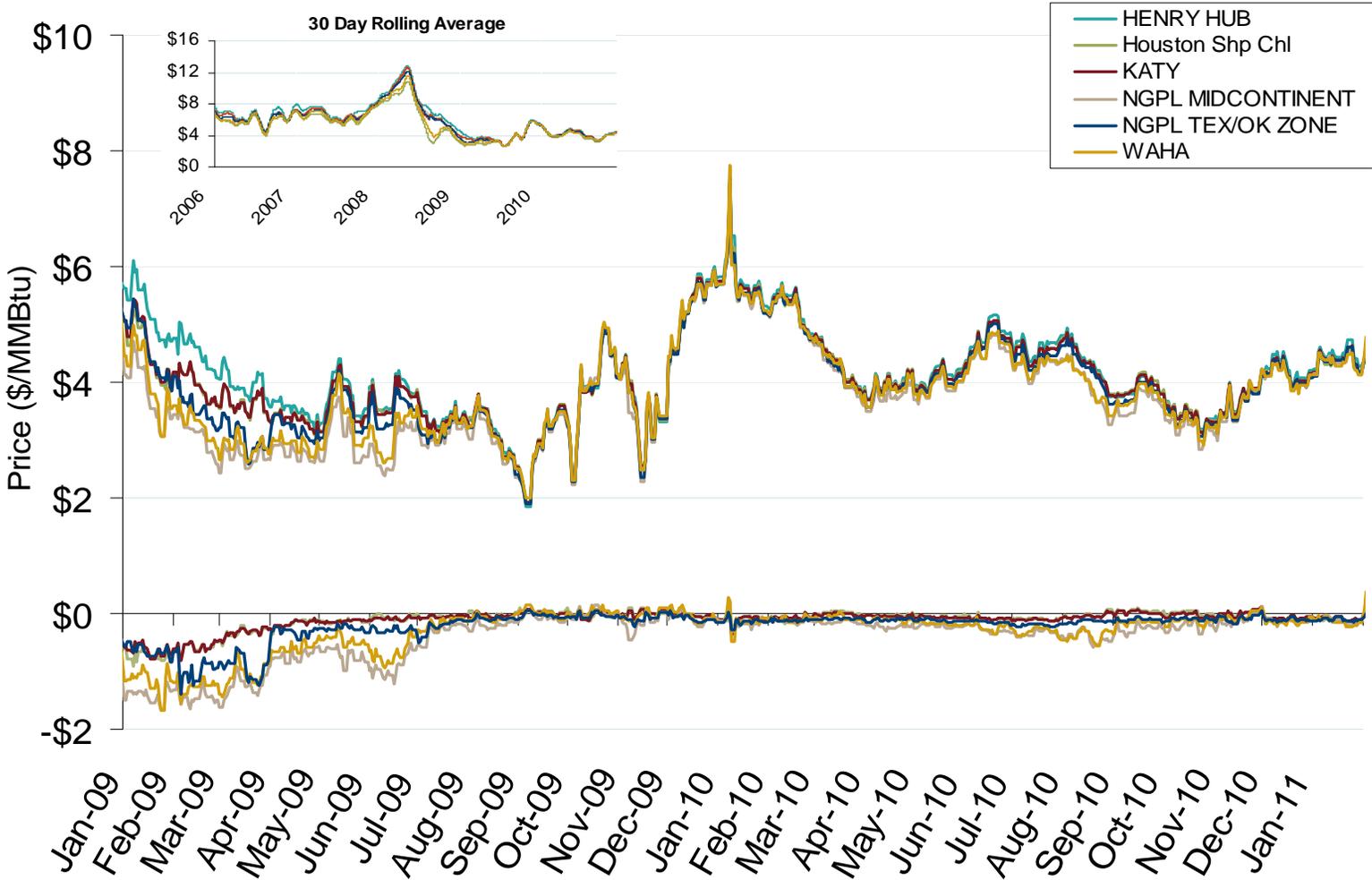
Southeastern Monthly Average Basis Value to Henry Hub



Source: Derived from *Platts* data.
February 2011 Southeast Snapshot Report

Updated February 7, 2011

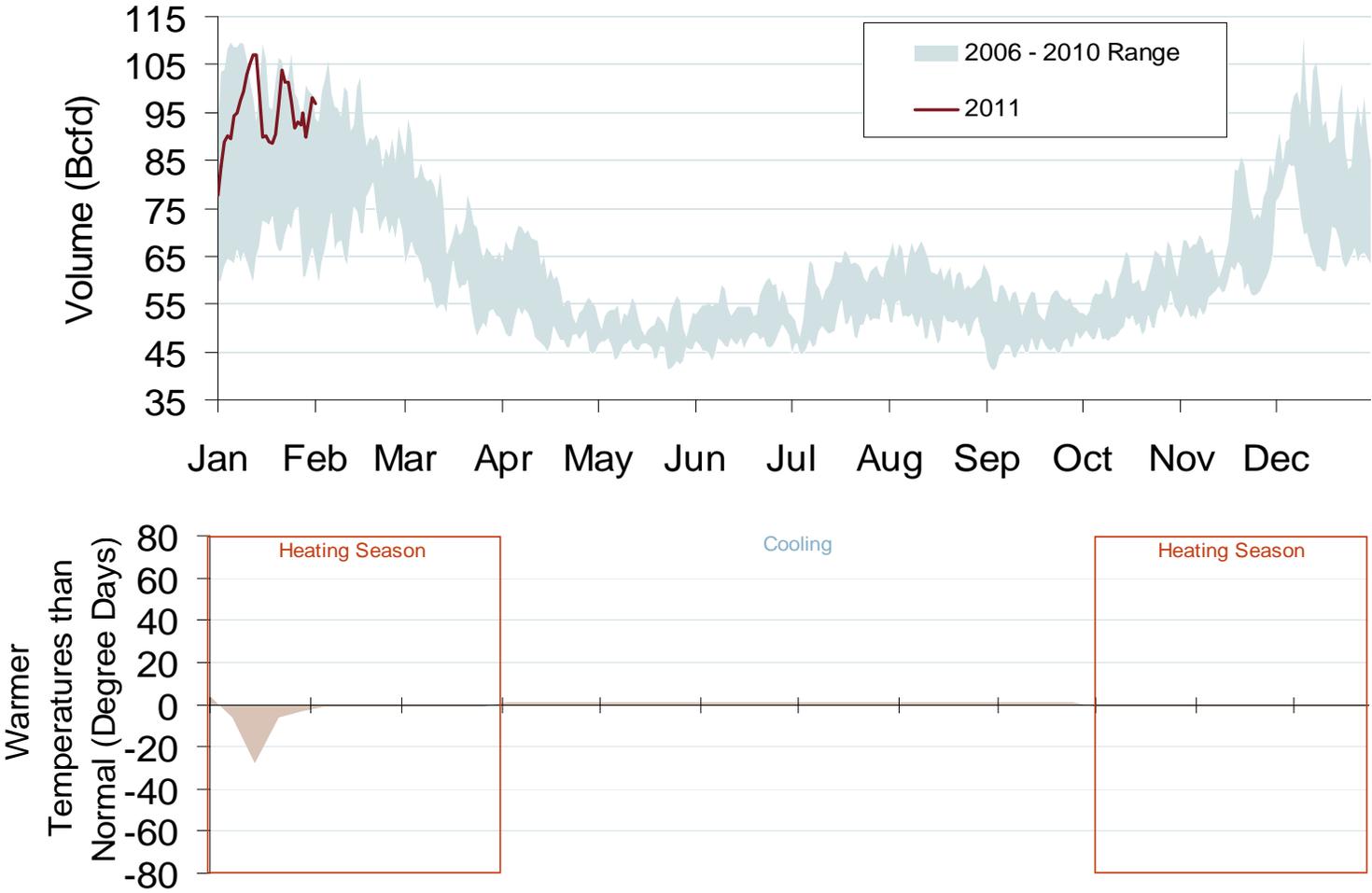
Gulf Day-Ahead Hub Spot Prices and Basis



Source: Derived from *Platts* data.

Updated: February 03, 2011

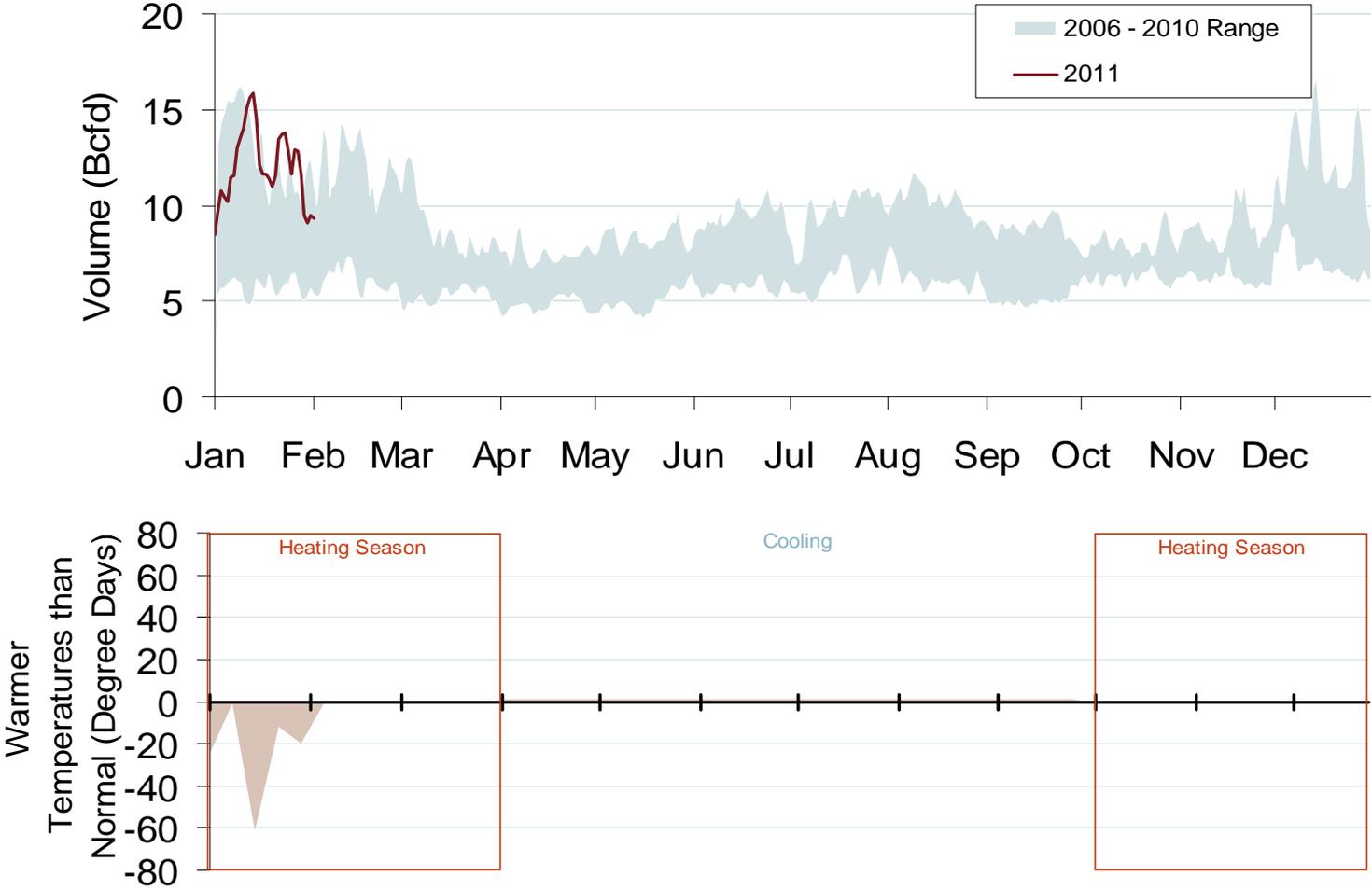
Total U.S. Natural Gas Demand (All Sectors) and Temperatures



Source: Derived from *Bentek Energy* and *Weekly NOAA* data.

Updated: February 03, 2011

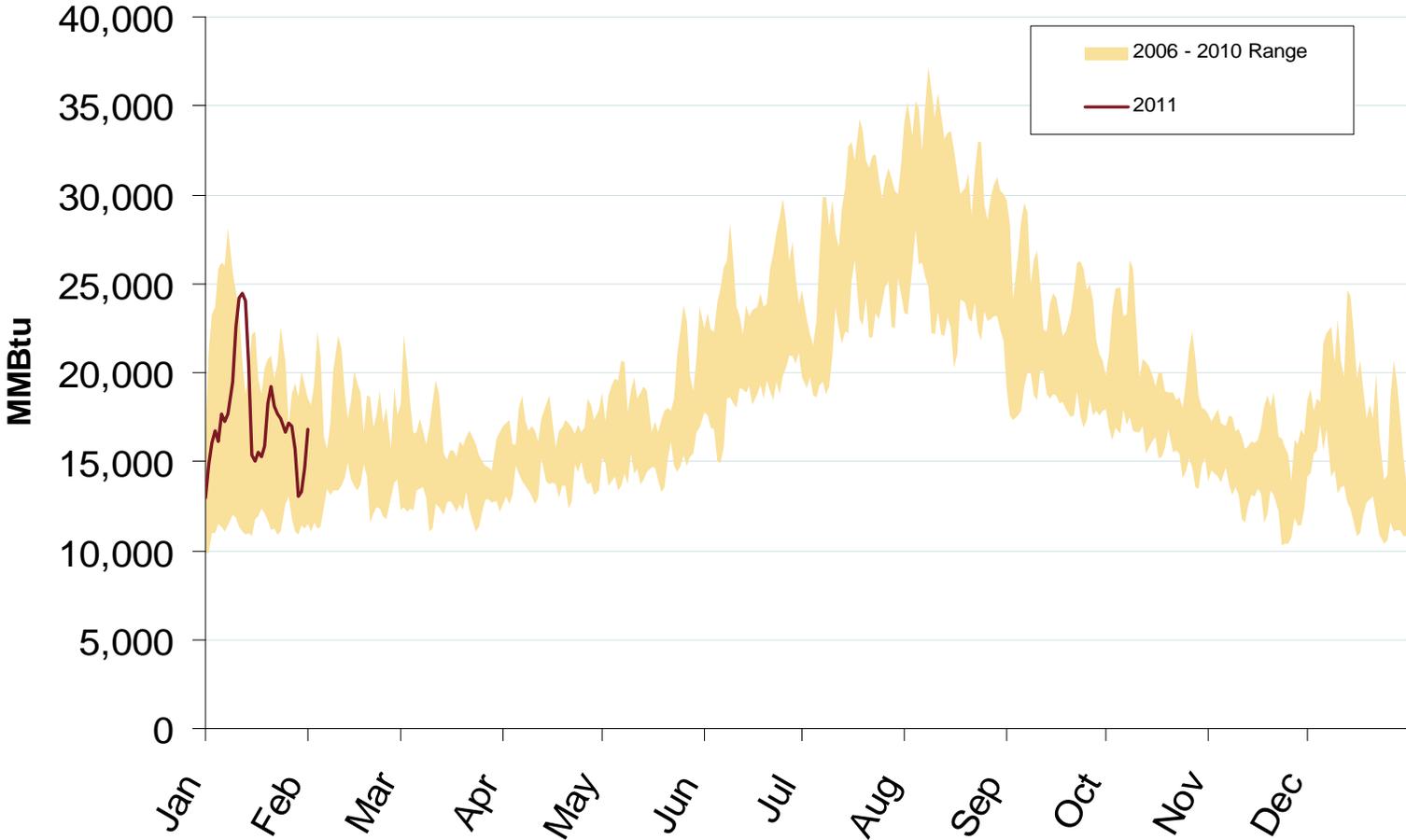
Daily Southeast Natural Gas Demand - All Sectors



Source: Derived from *Bentek Energy* and *Weekly NOAA* data.

Updated: February 03, 2011

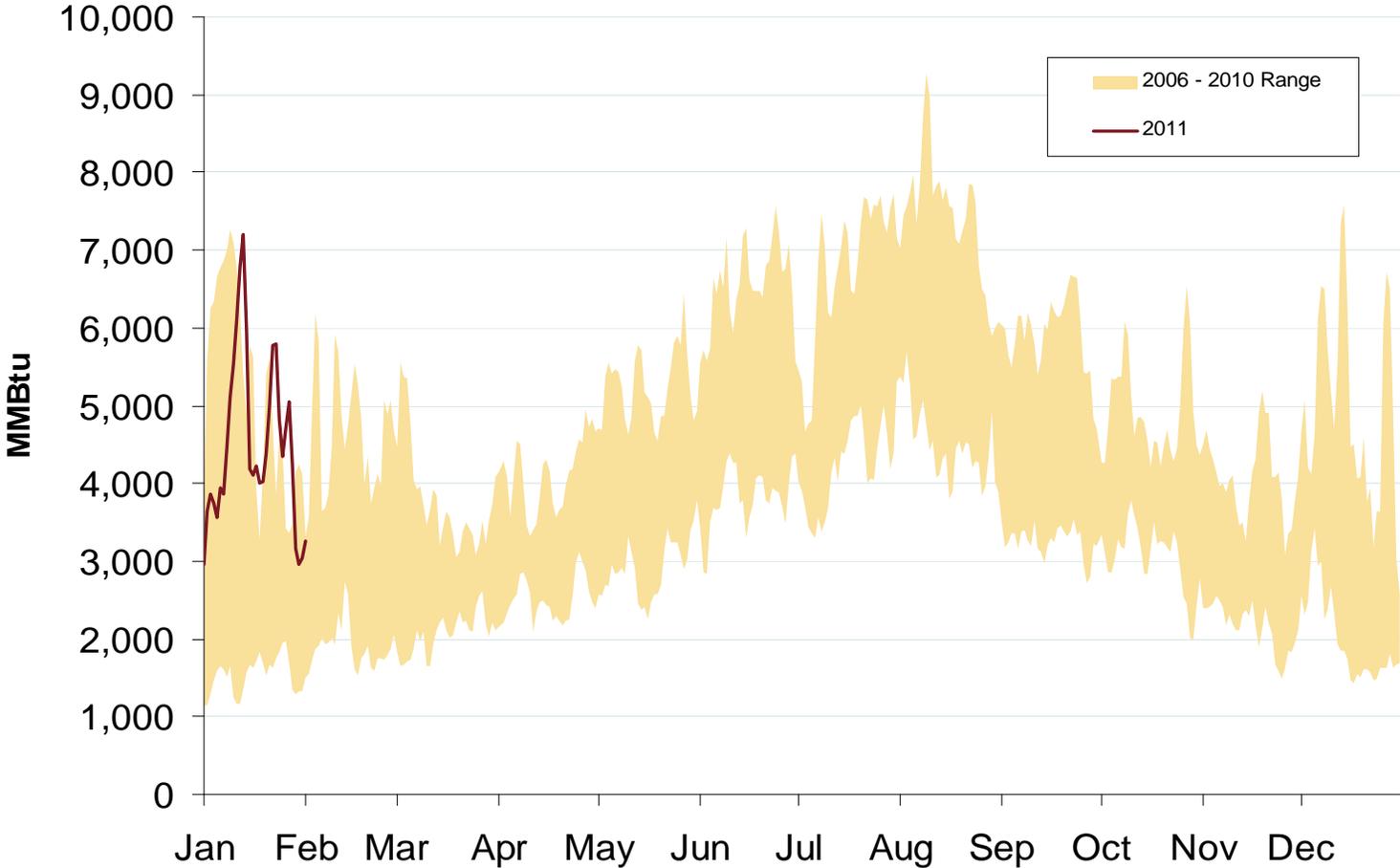
U.S. Natural Gas Consumption for Power Generation



Source: Derived from *Bentek Energy* data.

Updated: February 03, 2011

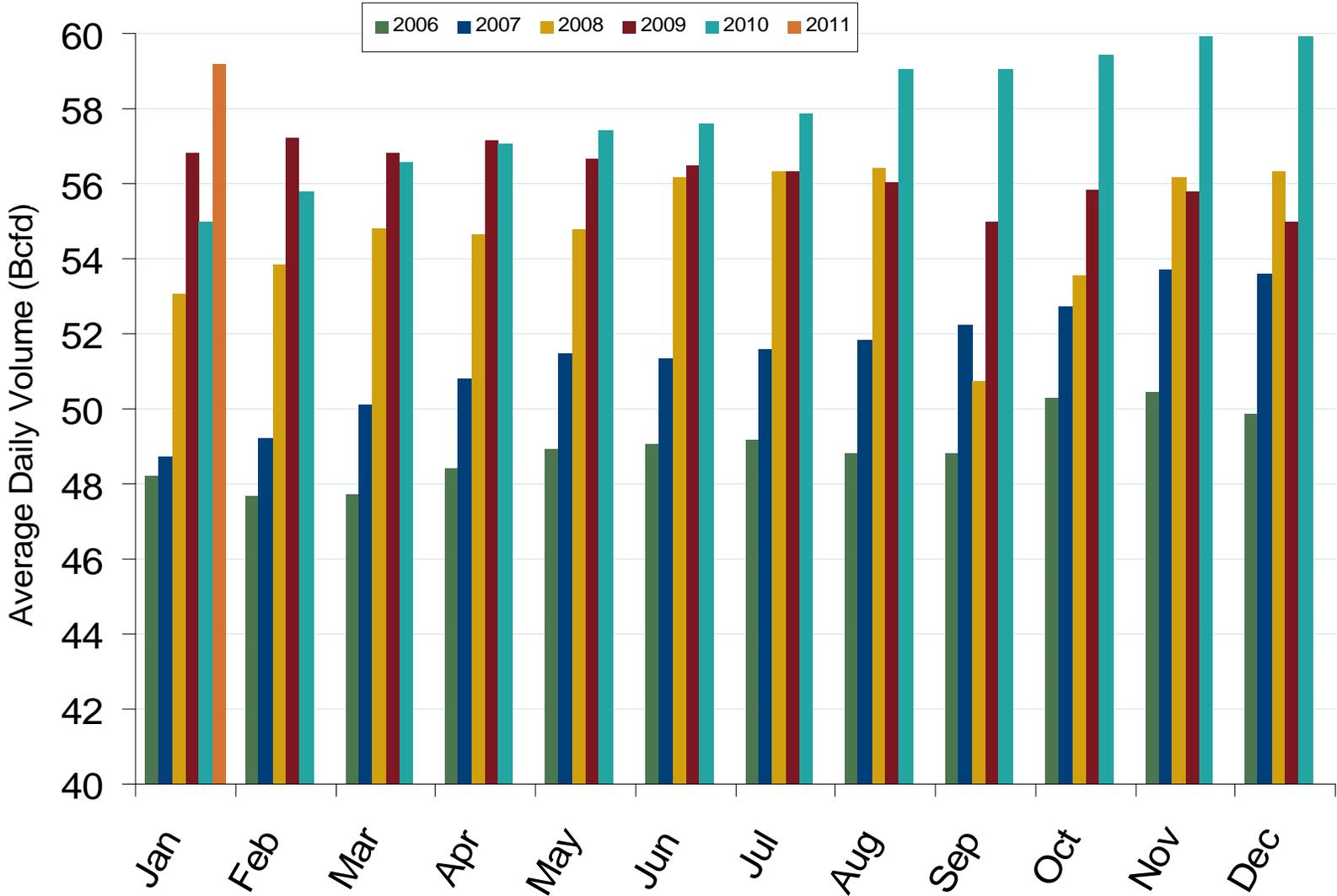
Southeast Natural Gas Consumption for Power Generation



Source: Derived from Bentek Energydata.

Updated: February 03, 2011

U.S. Dry Gas Production



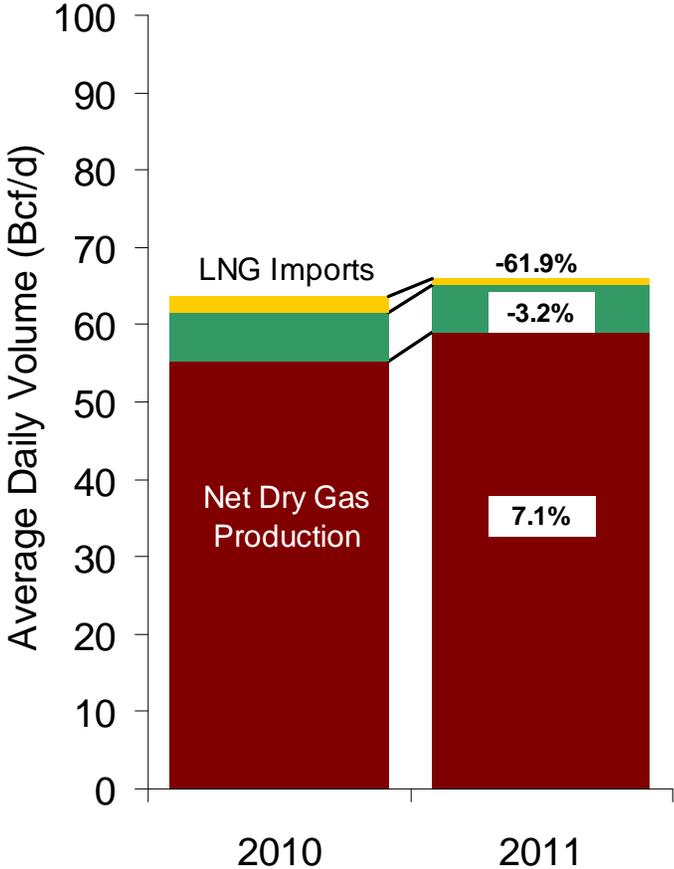
Source: Derived from EIA and Bentek data.
February 2011 Southeast Snapshot Report

Updated February 7, 2011

U.S. Natural Gas Supply and Demand 2010 vs. 2011: January

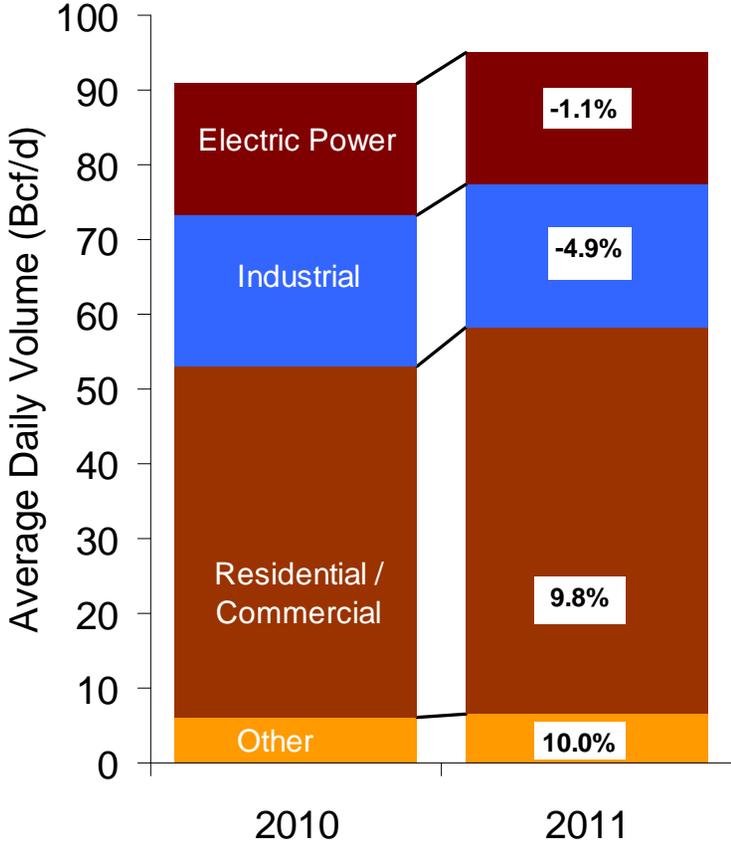
US Natural Gas Supply

Total Change in Supply 1.6%



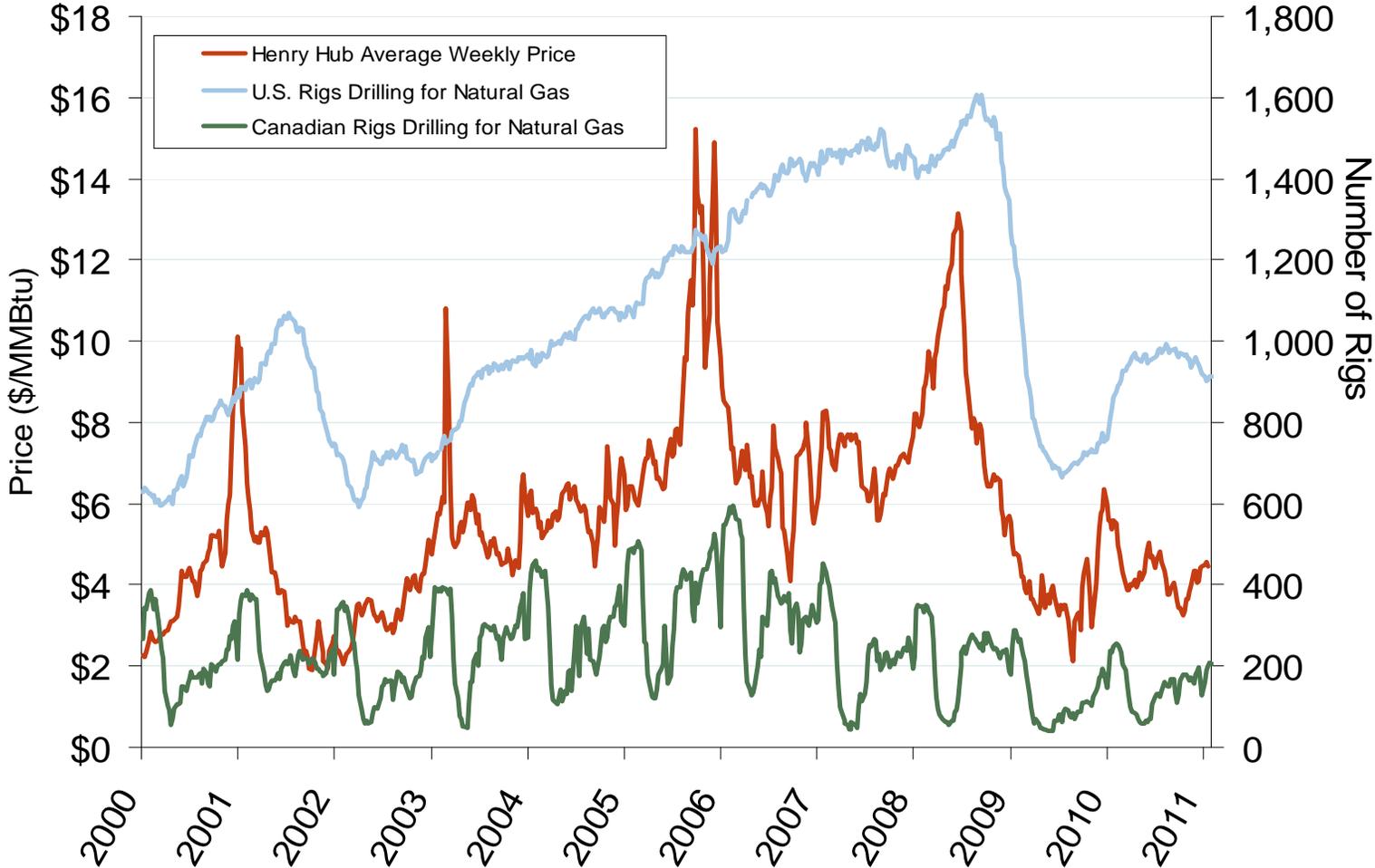
US Natural Gas Demand

Total Change in Demand 4.5%



Source: Derived from Bentek data.
February 2011 Southeast Snapshot Report

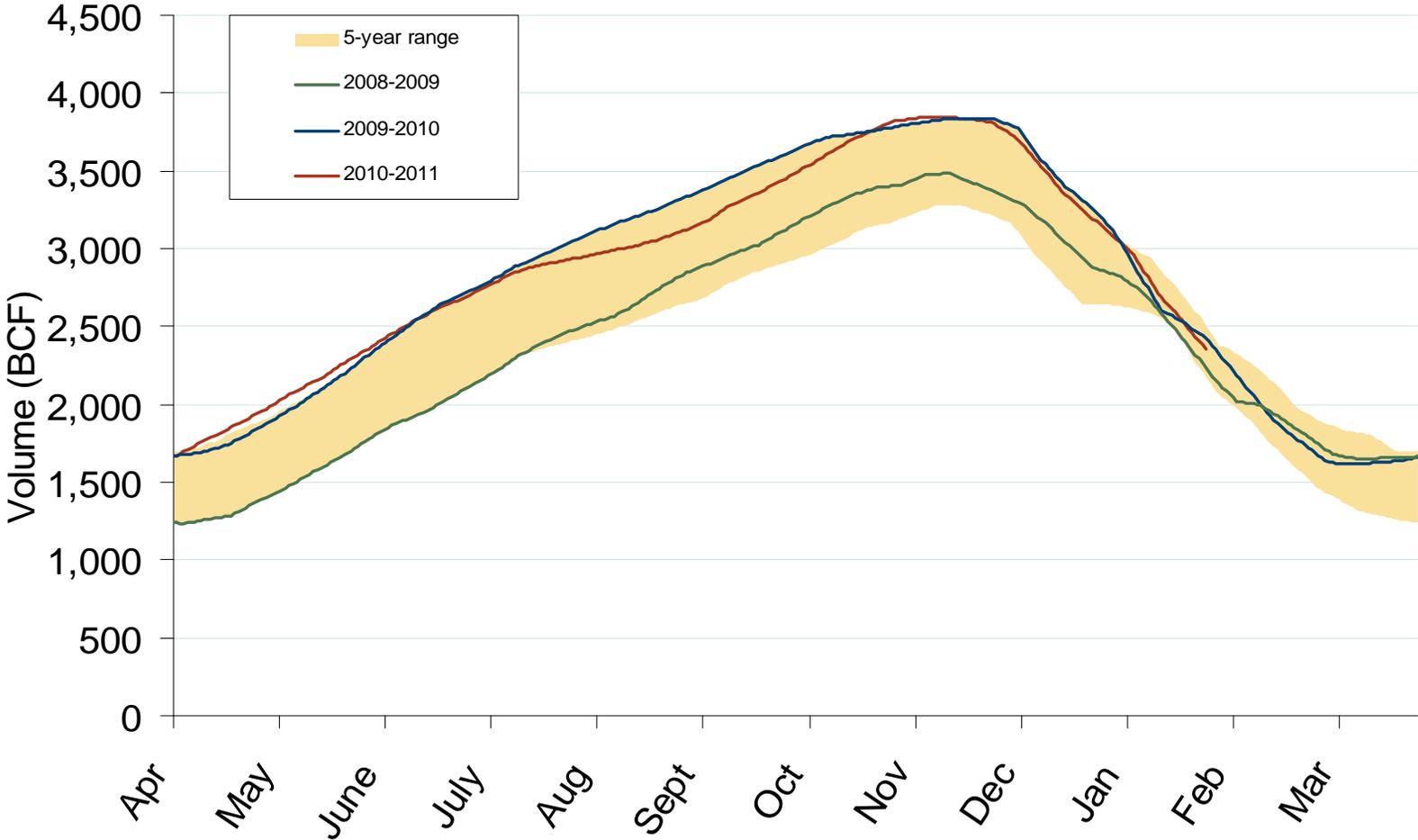
U.S. and Canadian Natural Gas Drilling Rig Count and Daily Spot Prices



Source: Derived from *Platts* and *Baker Hughes* data.

Updated: February 3, 2011

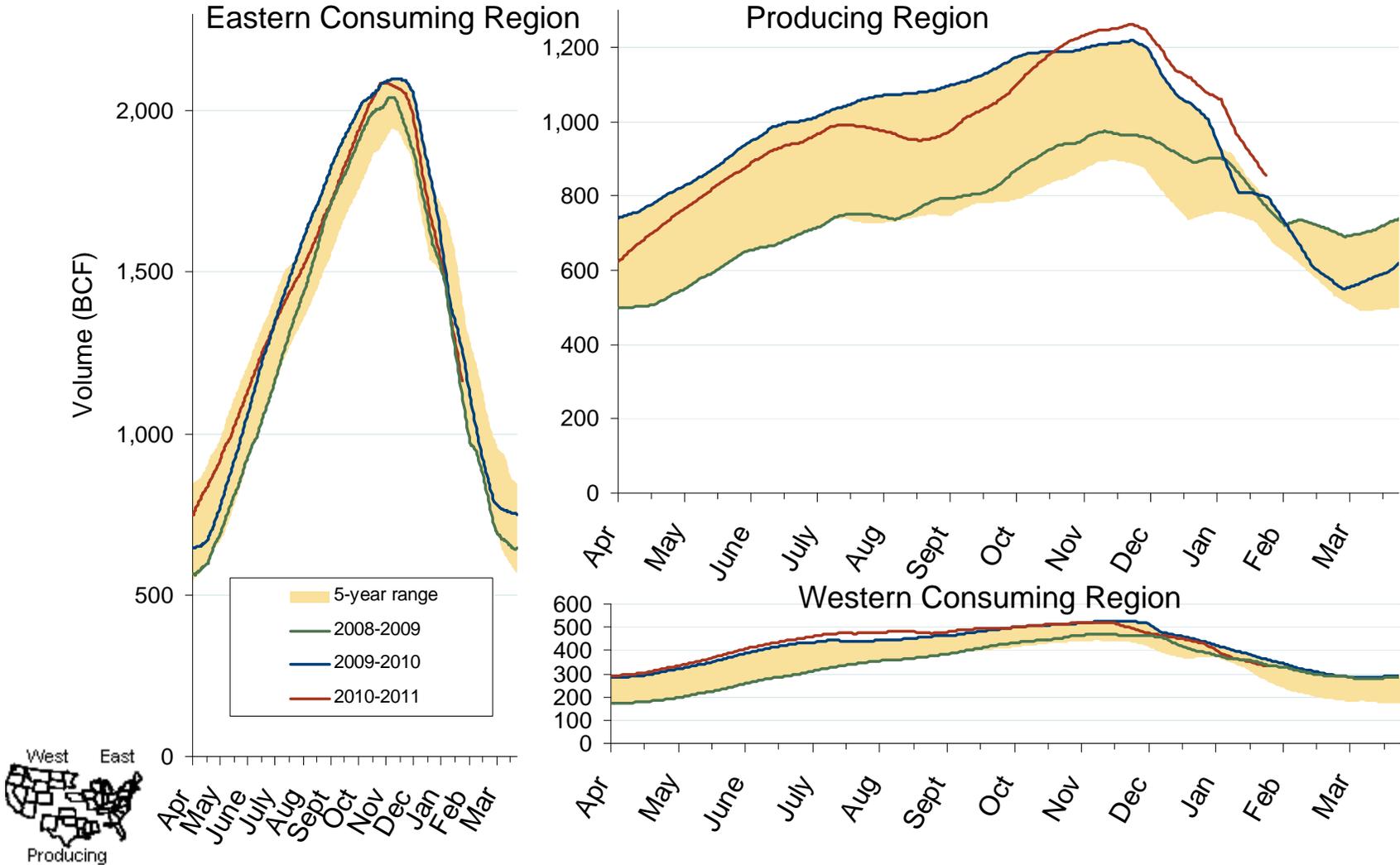
Total U.S. Working Gas in Storage



Source: Derived from EIA data.
February 2011 Southeast Snapshot Report

Updated February 7, 2011

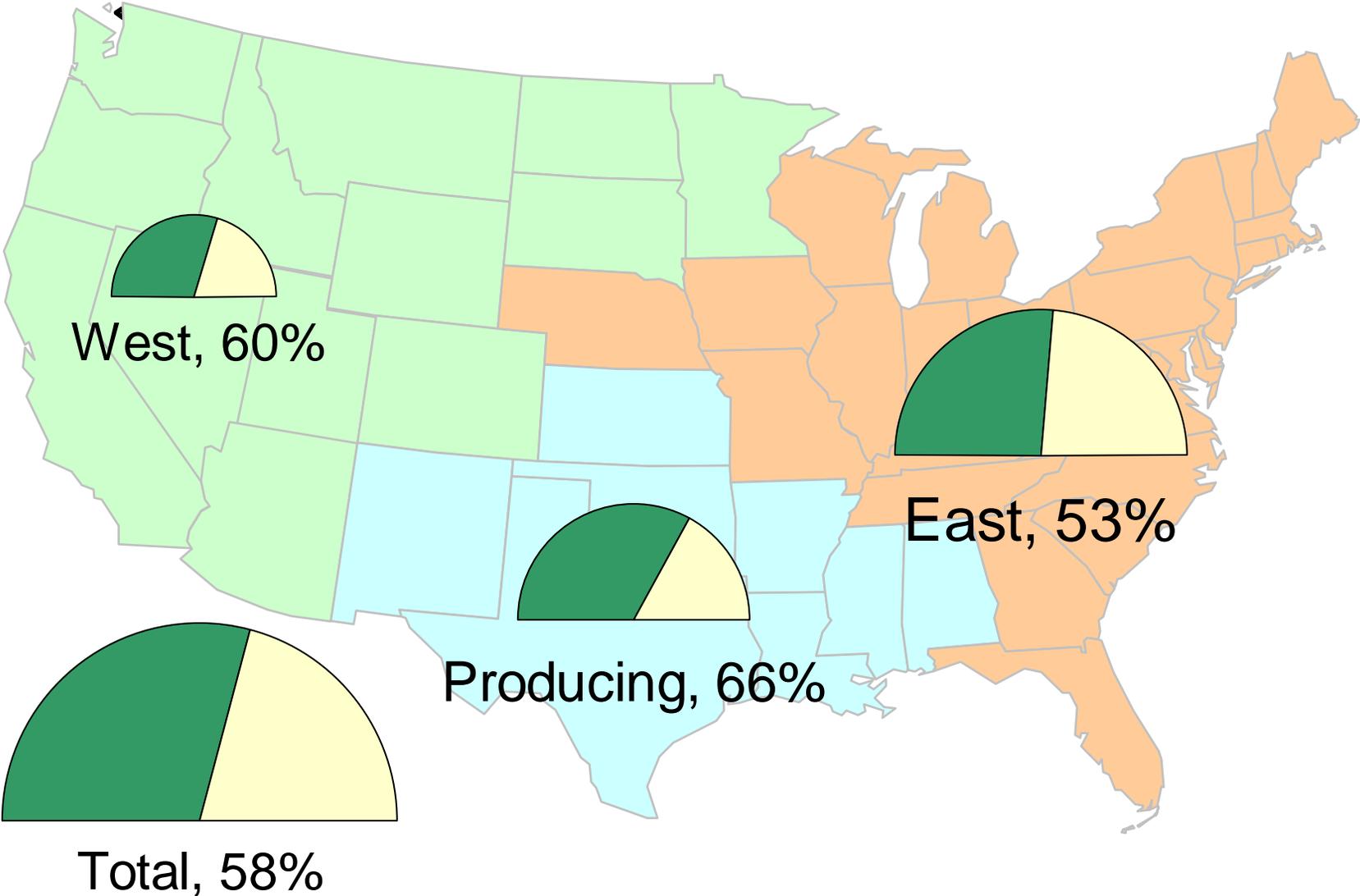
Regional Totals of Working Gas in Storage



Source: Derived from EIA data. February 2011 Southeast Snapshot Report

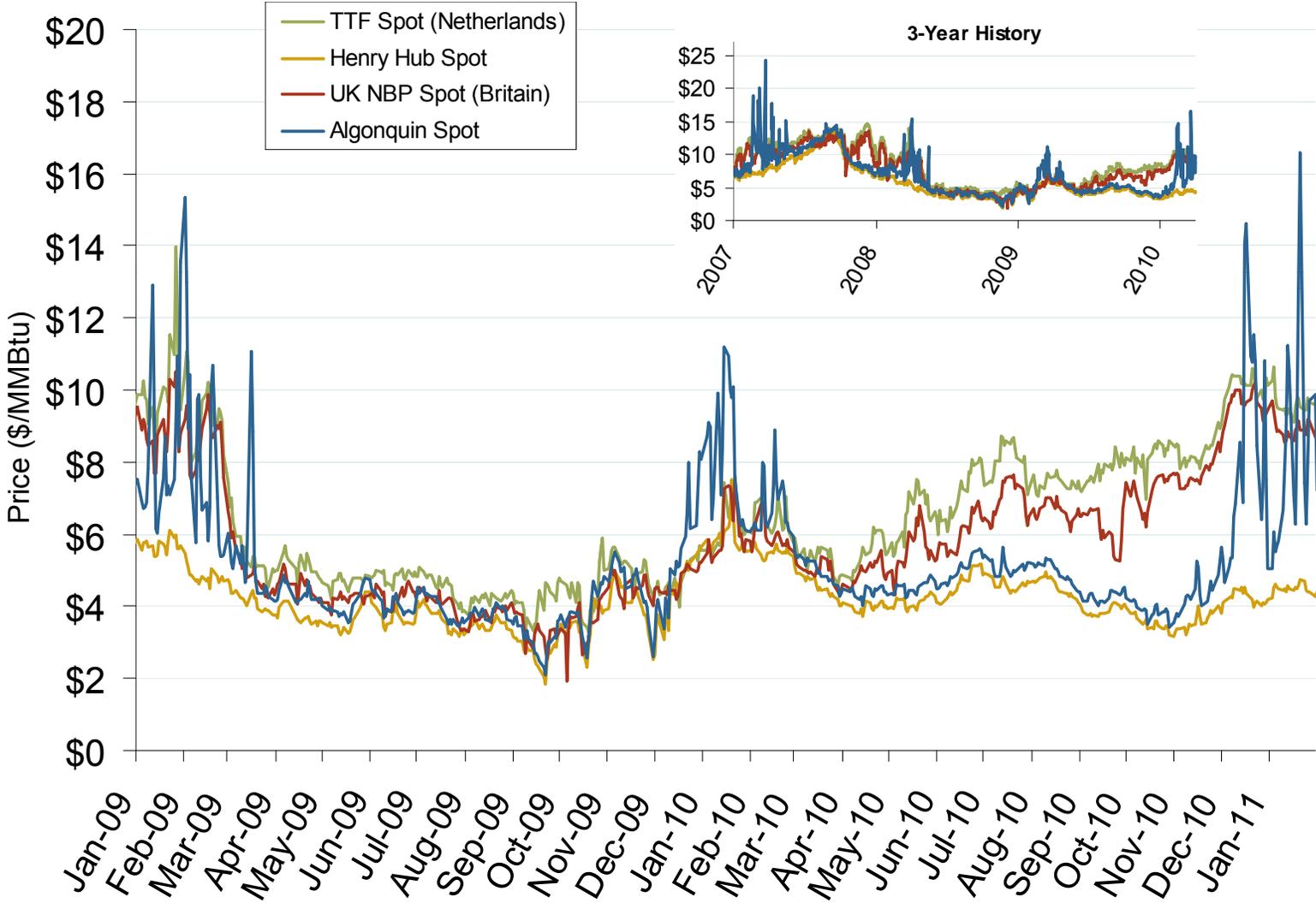
Updated February 7, 2011

Natural Gas Storage Inventories – January 28, 2011



Source: Derived from *EIA Storage and Estimated Working Gas Capacity* data.
February 2011 Southeast Snapshot Report

Atlantic Basin European and US Spot Natural Gas Prices



Source: Derived from Bloomberg and ICE data.

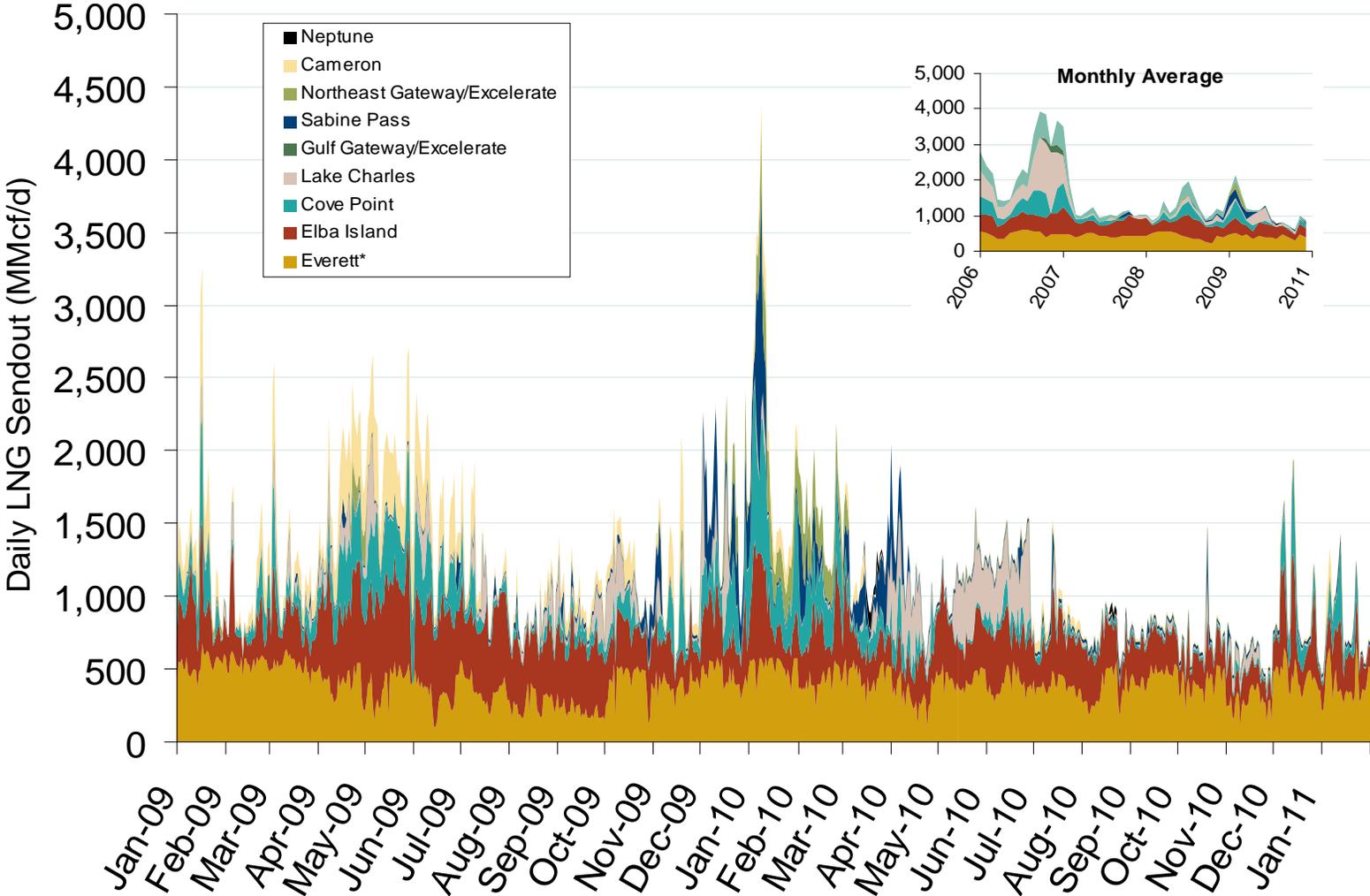
Updated: February 07, 2011

World LNG Estimated March 2011 Landed Prices



Source: *Waterborne Energy, Inc.* Data in \$US/MMBtu.
February 2011 Southeast Snapshot Report

Daily Gas Sendout from Existing U.S. LNG Facilities

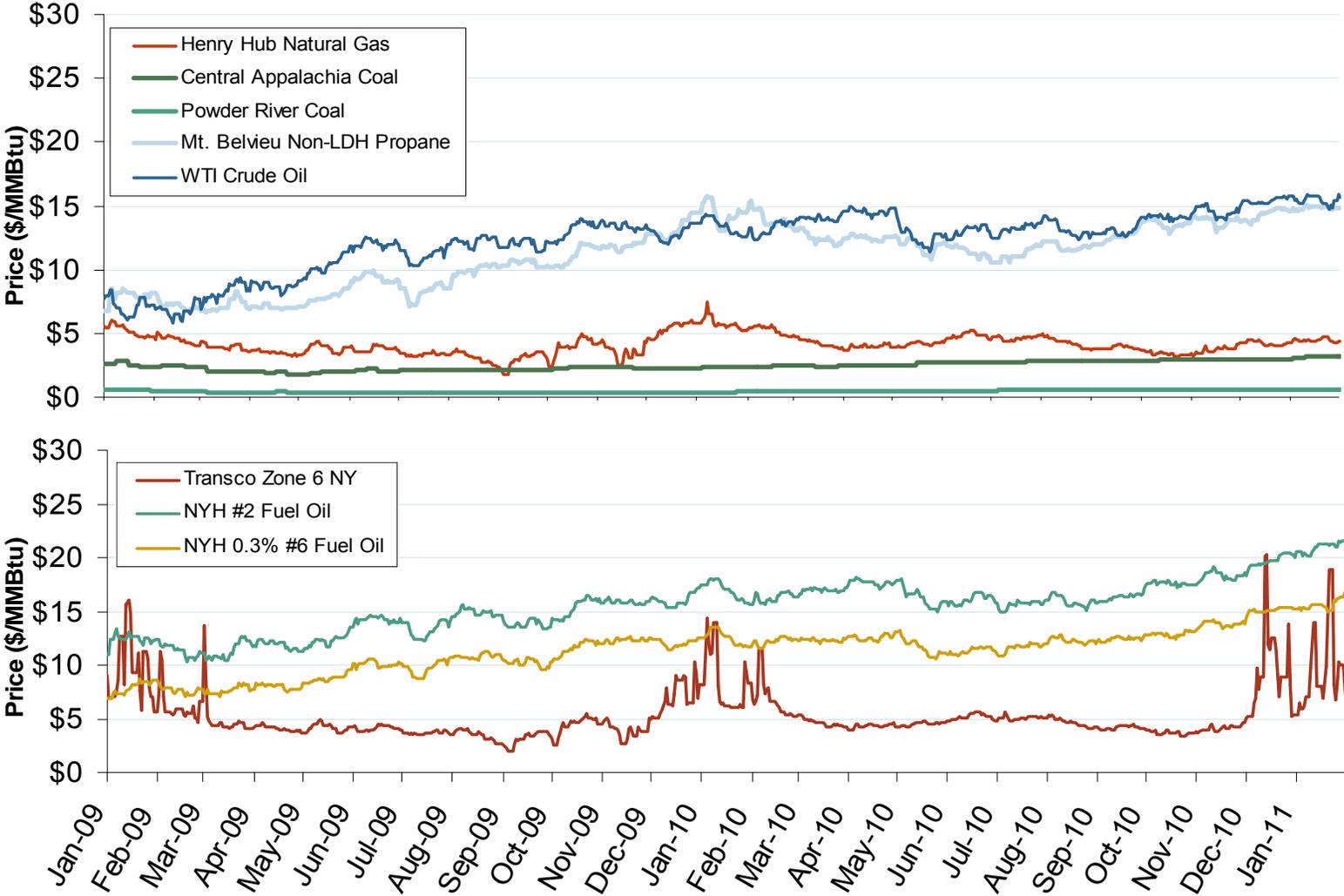


Source: Derived from Bentek data.

* Everett data includes flows onto the AGT and TGP interstate lines, plus estimates of flows to the Mystic 7 power plant, Keyspan Boston Gas, and LNG trucked out of the terminal. Excludes Freeport LNG which flows via intrastate pipelines.

Updated February 7, 2011

Oil, Coal, Natural Gas and Propane Daily Spot Prices

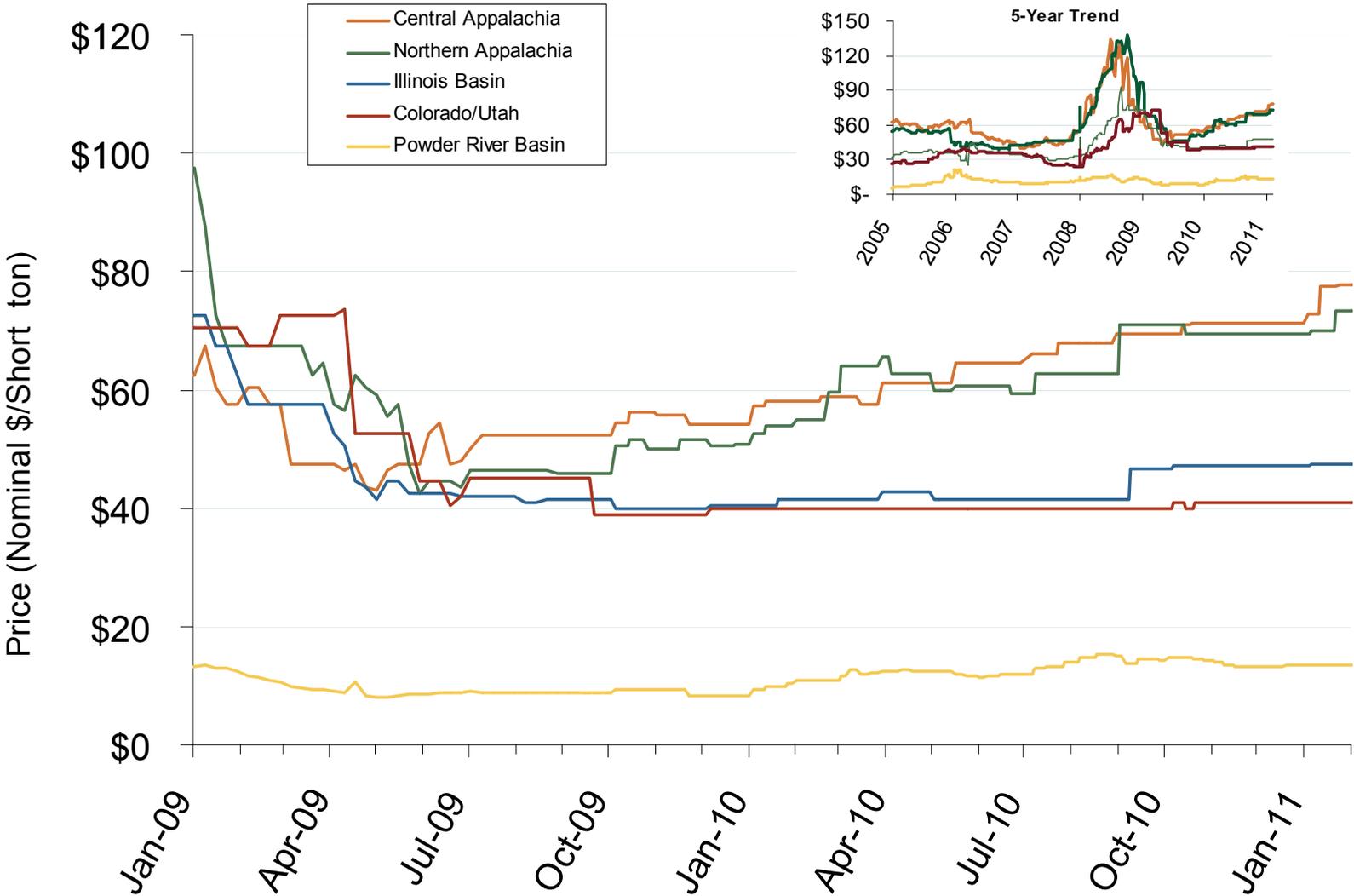


Source: Derived from ICE and Bloomberg data.

Note: Coal prices are quoted in \$/ton. Conversion factors to \$/MMBtu are based on contract specifications of 12,000 btus/pound for Central Appalachian coal and 8800 btus/pound for Powder River Basin coal.

Updated: February 07, 2011

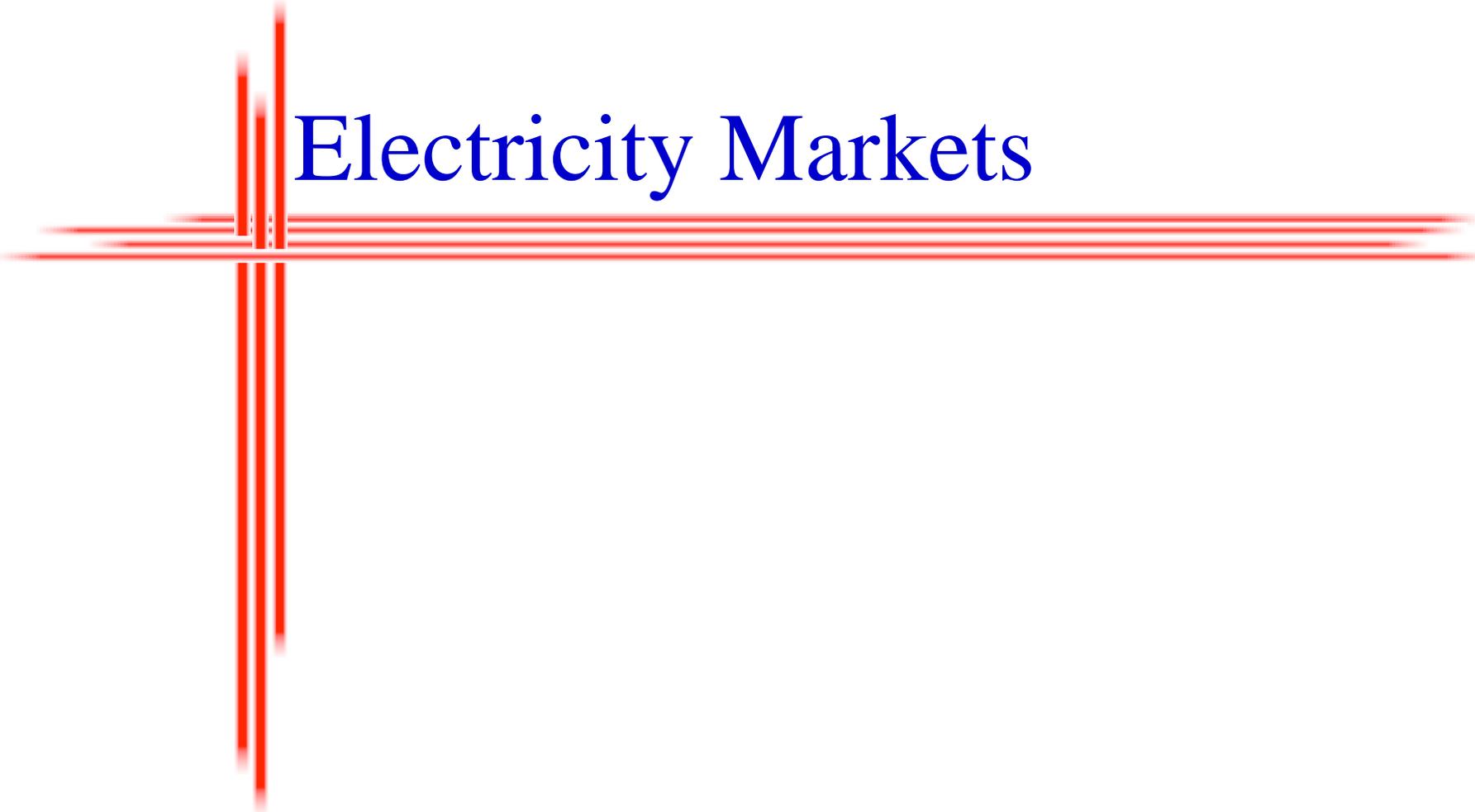
Regional Coal Spot Prices



Note: the Central Appalachian (CAPP) coal is priced at Big Sandy. All others are mine mouth prices. Prices do not include transportation costs to a plant, as those can vary widely by contract specifications. Prices exclude incremental cost of emissions allowances.

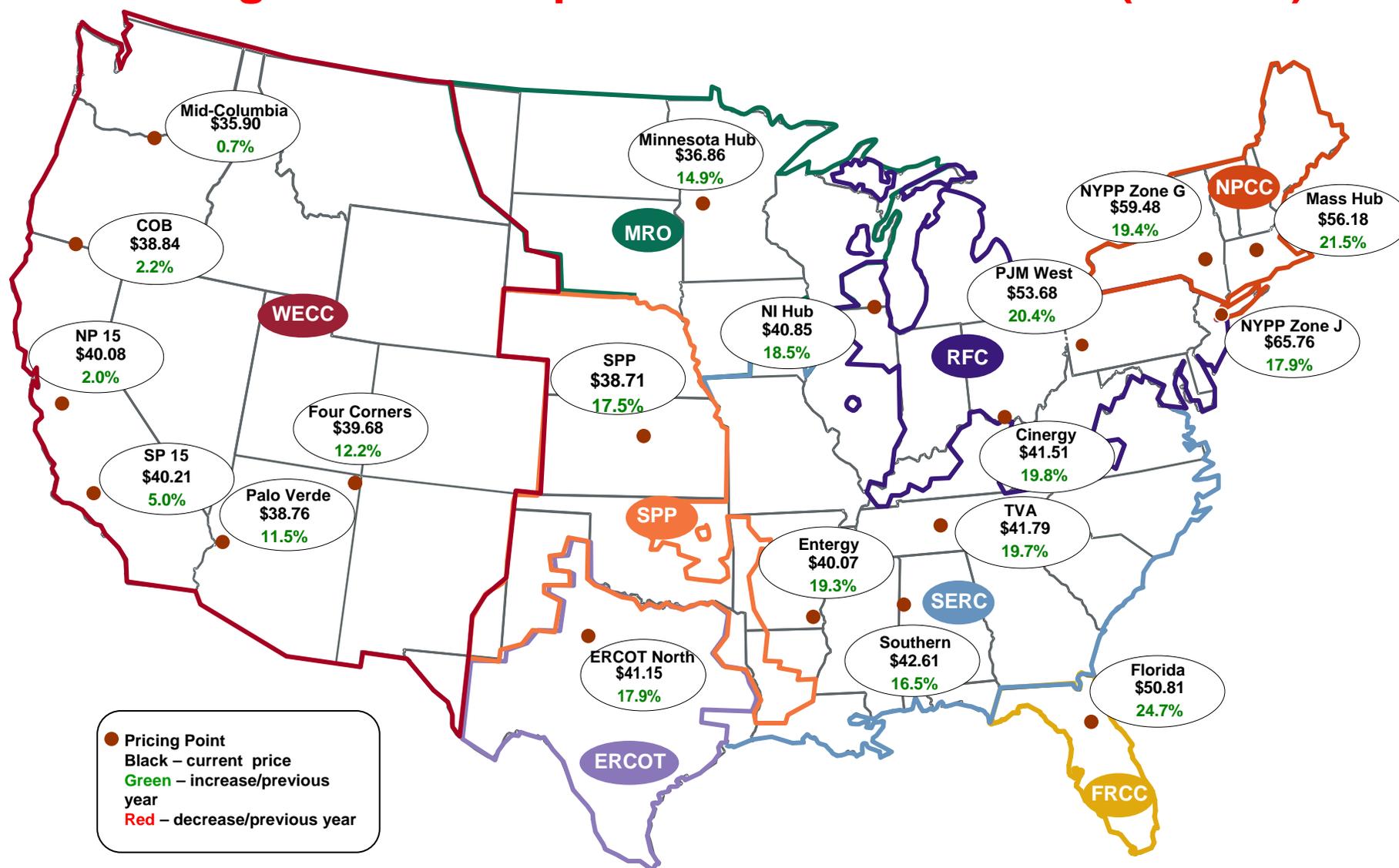
Source: Derived from Bloomberg data.
February 2011 Southeast Snapshot Report

Updated: February 07, 2011

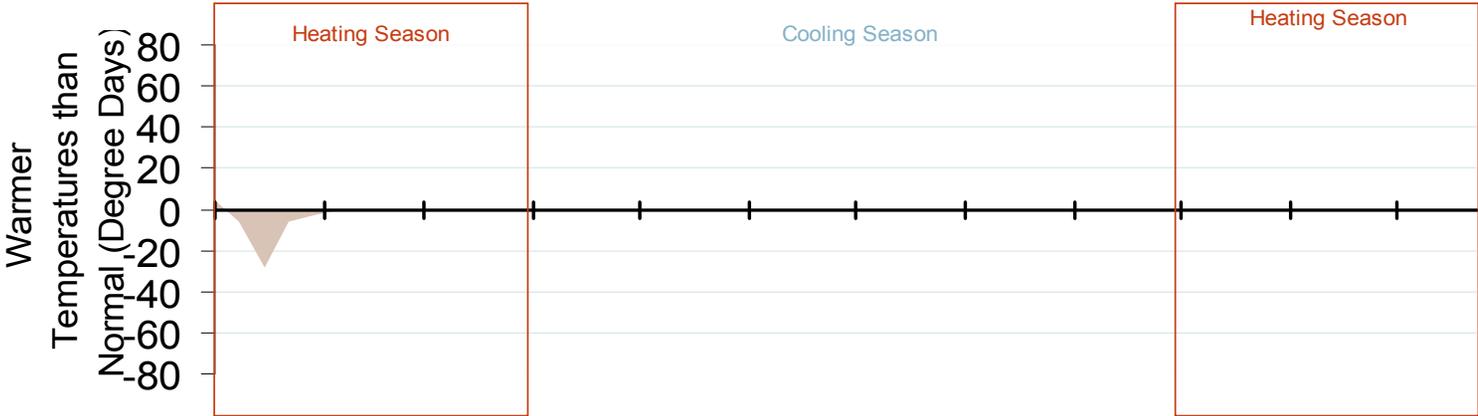
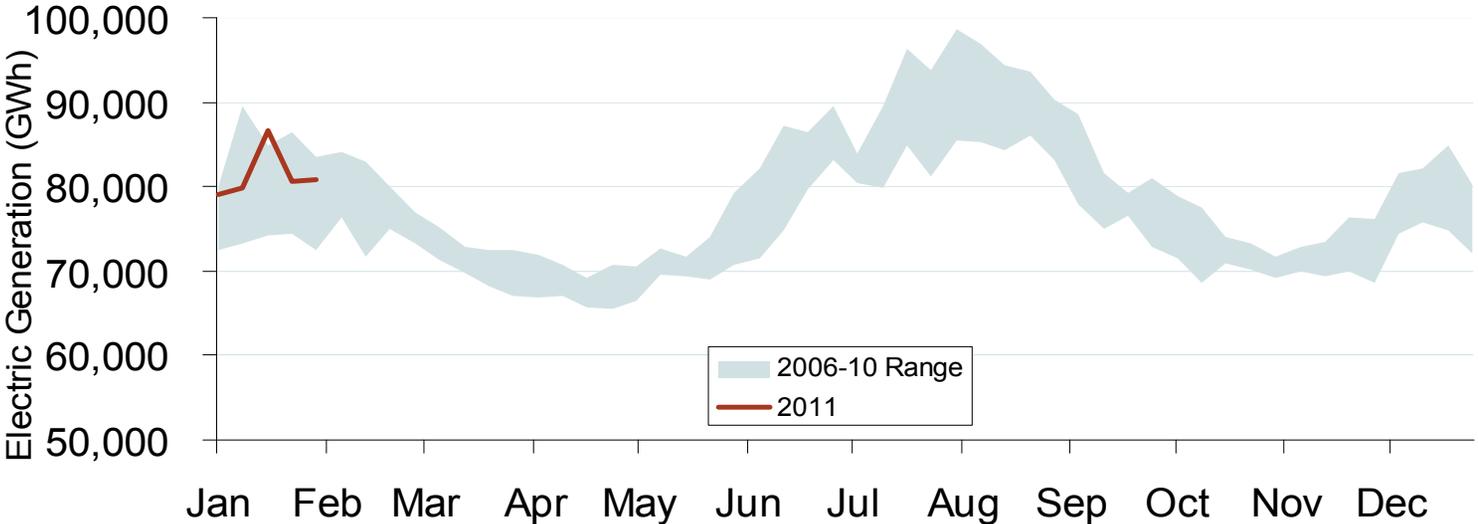


Electricity Markets

Average On-Peak Spot Electric Prices 2010 (\$/MWh)



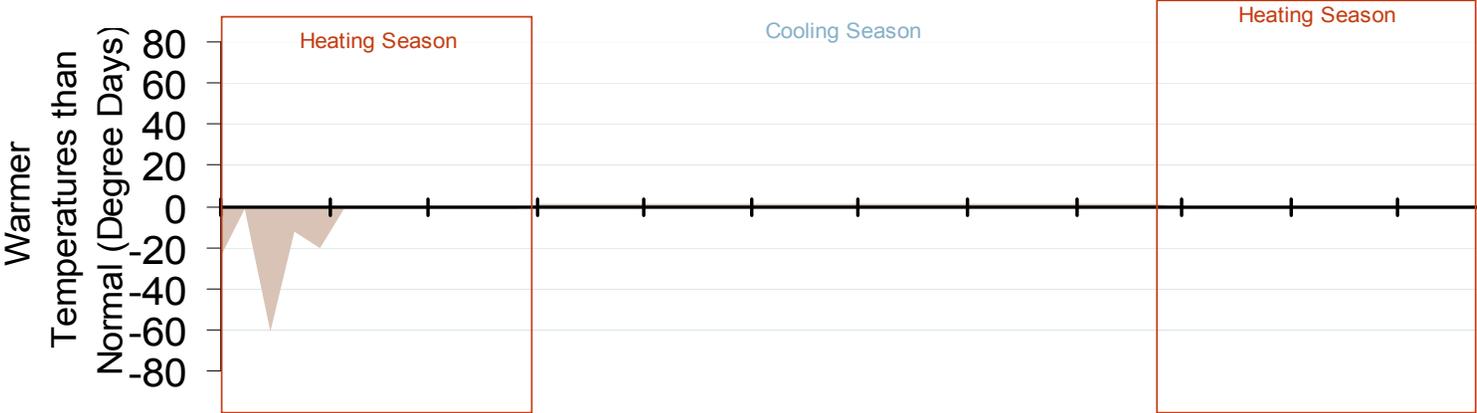
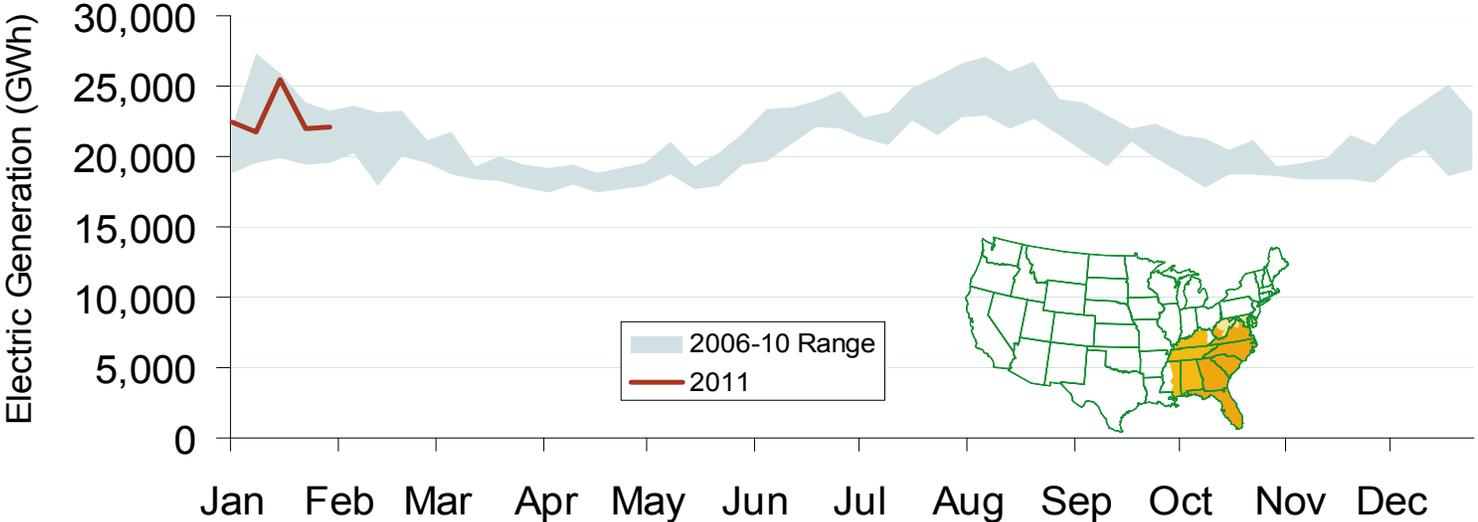
Weekly U.S. Electric Generation Output and Temperatures



Source: Derived from EEI and NOAA data.

Updated: February 04, 2011

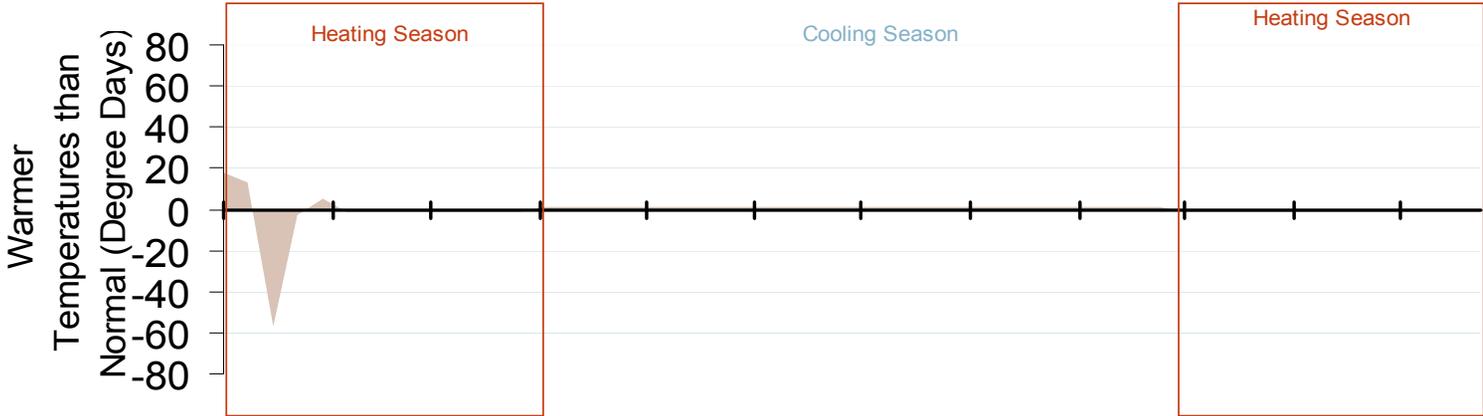
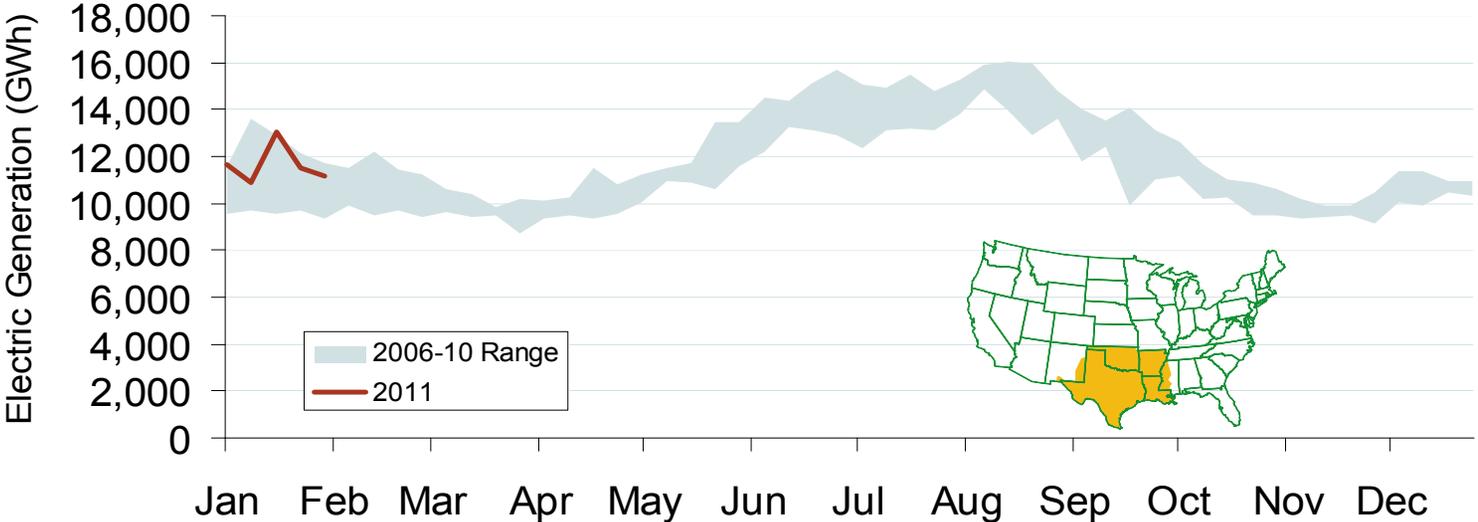
Weekly Electric Generation Output and Temperatures Southeast



Source: Derived from *EEI* and *NOAA* data.

Updated: February 04, 2011

Weekly Electric Generation Output and Temperatures Texas



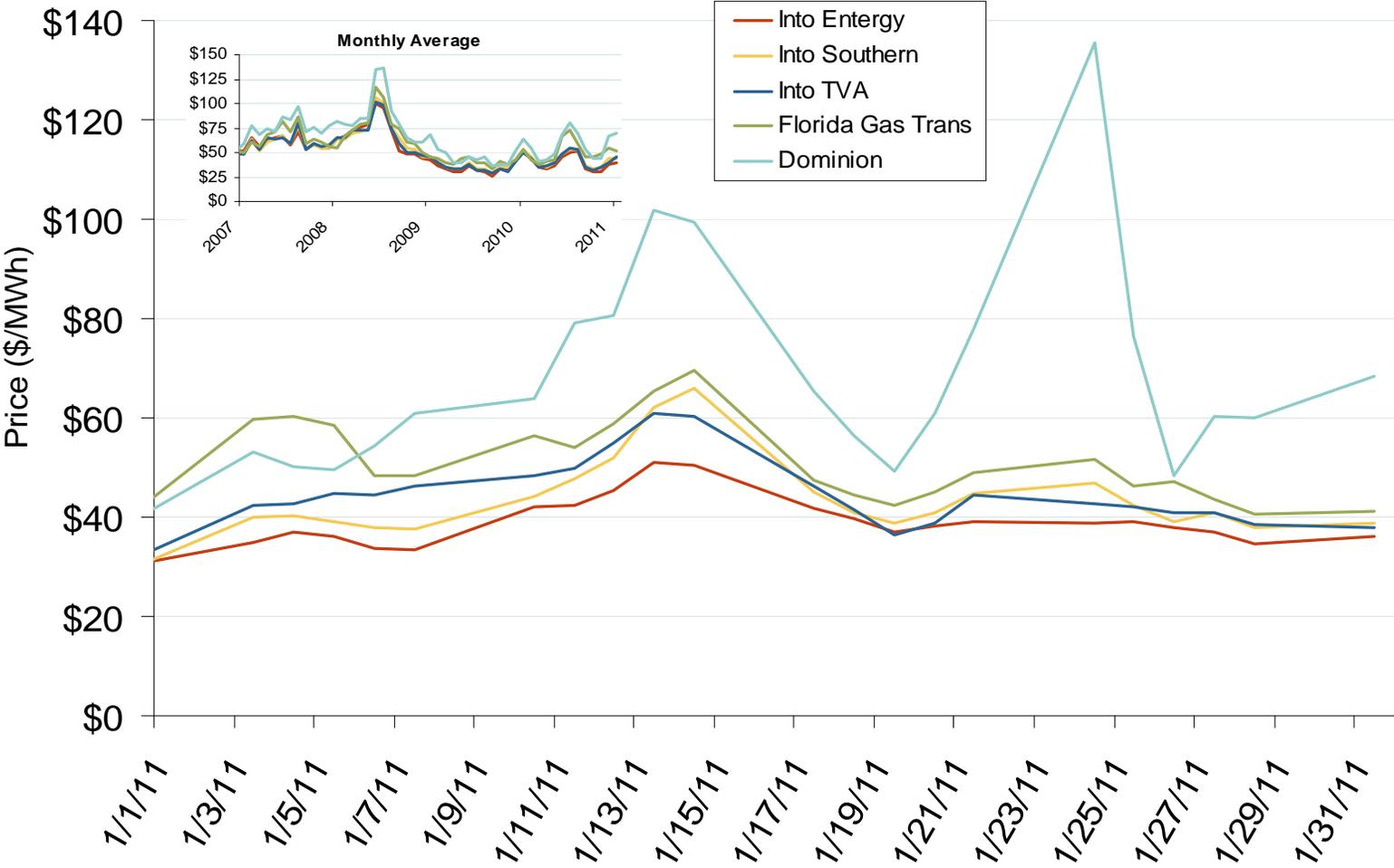
Source: Derived from EEI and NOAA data.

Updated: February 04, 2011

Southeast Electric Market: Last Month's Southeastern Bilateral Prices

Federal Energy Regulatory Commission • Market Oversight • www.ferc.gov/oversight

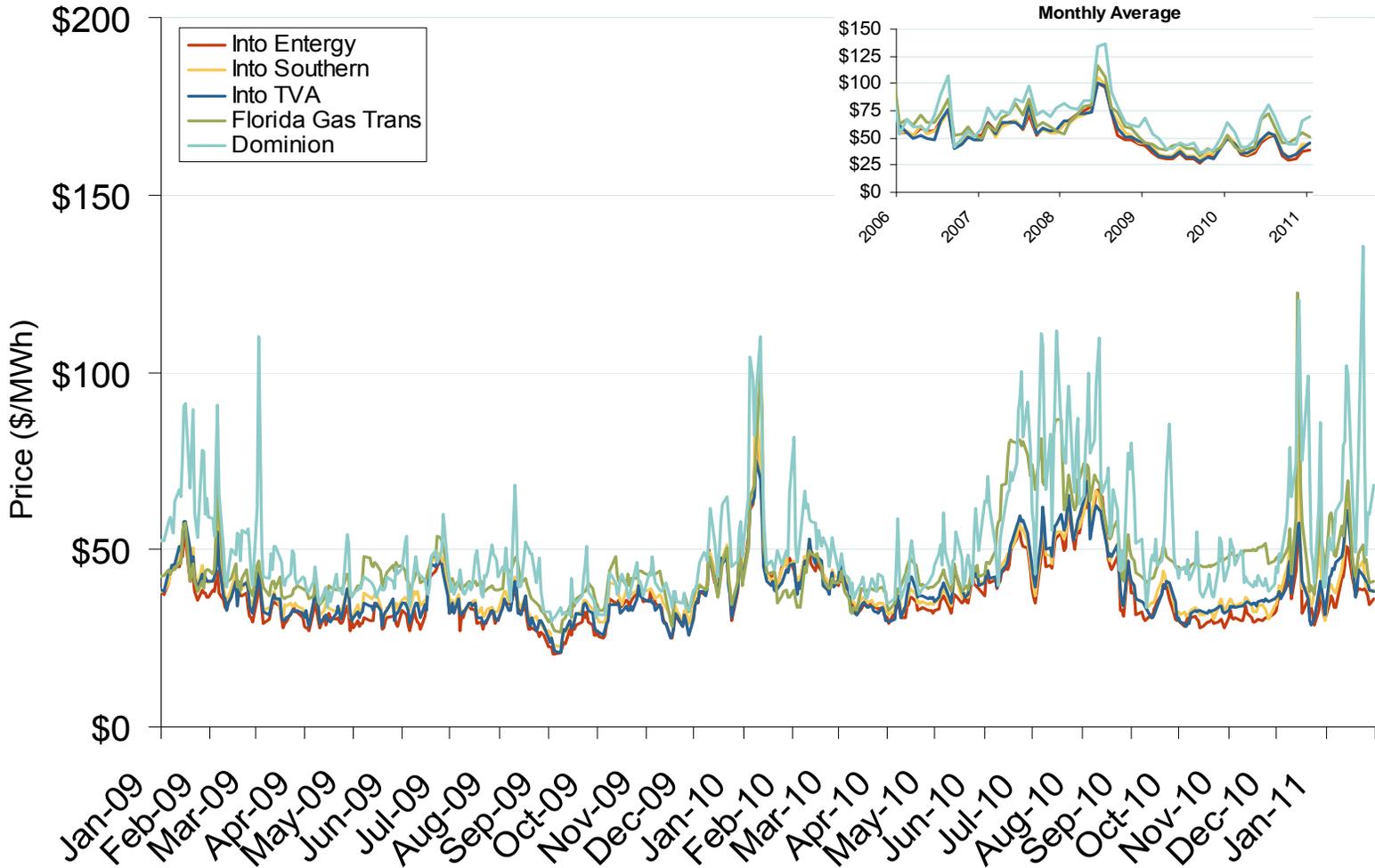
Southeastern Daily Bilateral Day-Ahead On-Peak Prices



Source: Derived from Platts data.

Updated: February 03, 2011

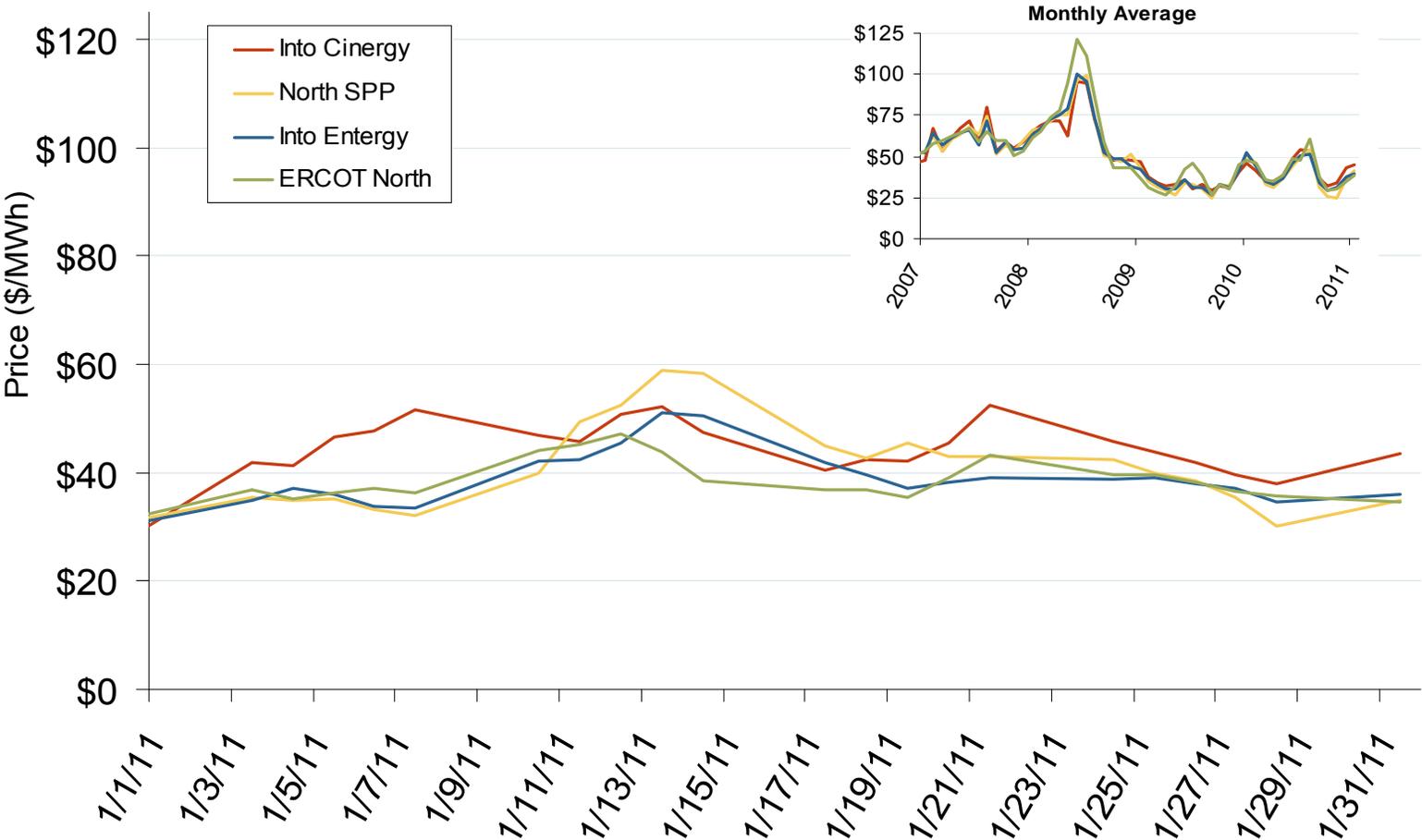
Southeastern Daily Bilateral Day-Ahead On-Peak Prices



Source: Derived from *Platts* data.

Updated: February 03, 2011

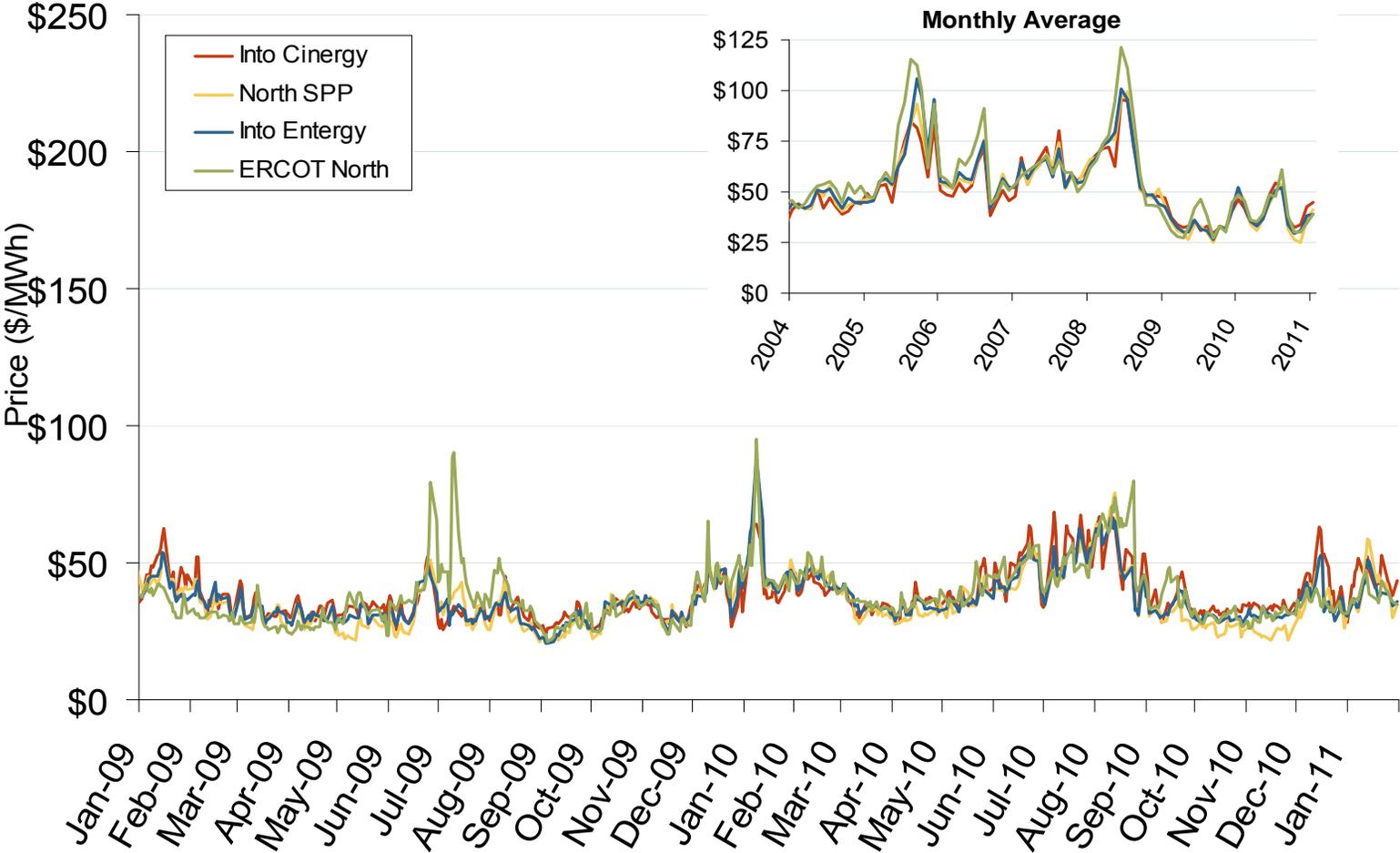
Midwestern Daily Bilateral Day-Ahead On-Peak Prices



Source: Derived from Platts data.

Updated: February 03, 2011

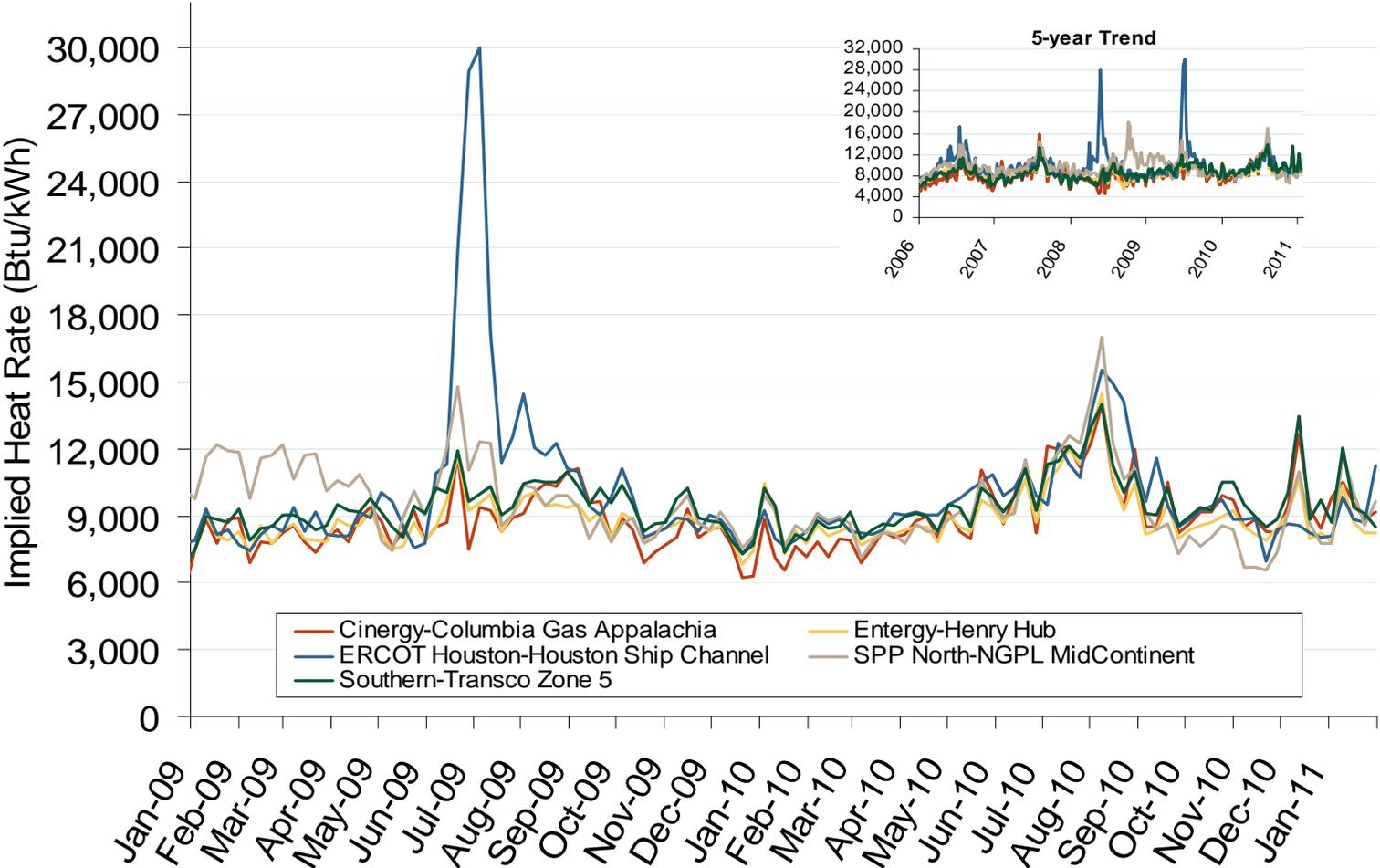
Midwestern Daily Bilateral Day-Ahead On-Peak Prices



Source: Derived from *Platts* data.

Updated: February 03, 2011

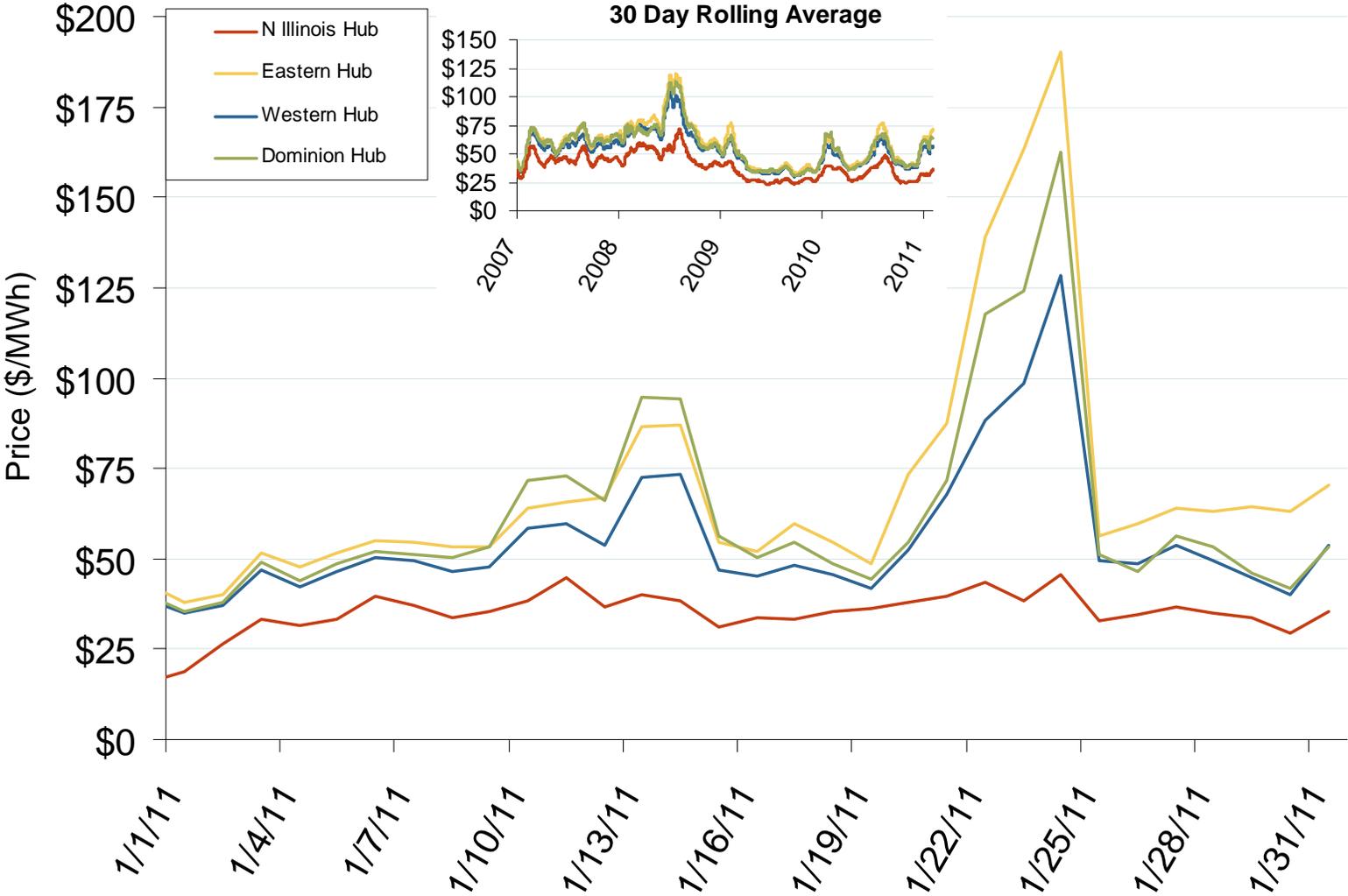
Implied Heat Rates at South Central Trading Points Weekly Averages



Source: Derived from *Platts* on-peak electric and natural gas price data.

Updated: February 04, 2011

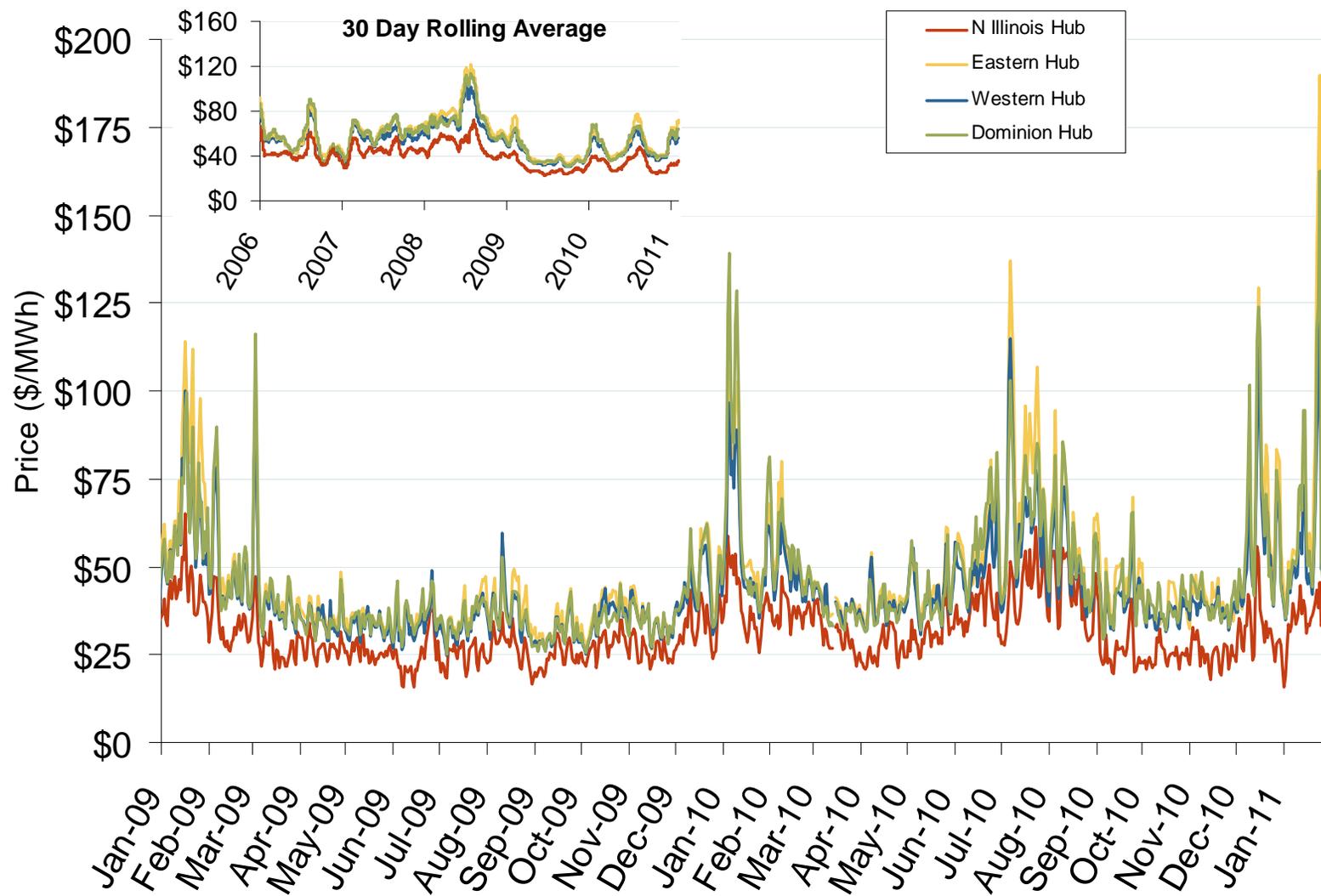
Daily Average of PJM Day-Ahead Prices - All Hours



Source: Derived from Bloomberg PJM data.

Updated: February 7, 2011

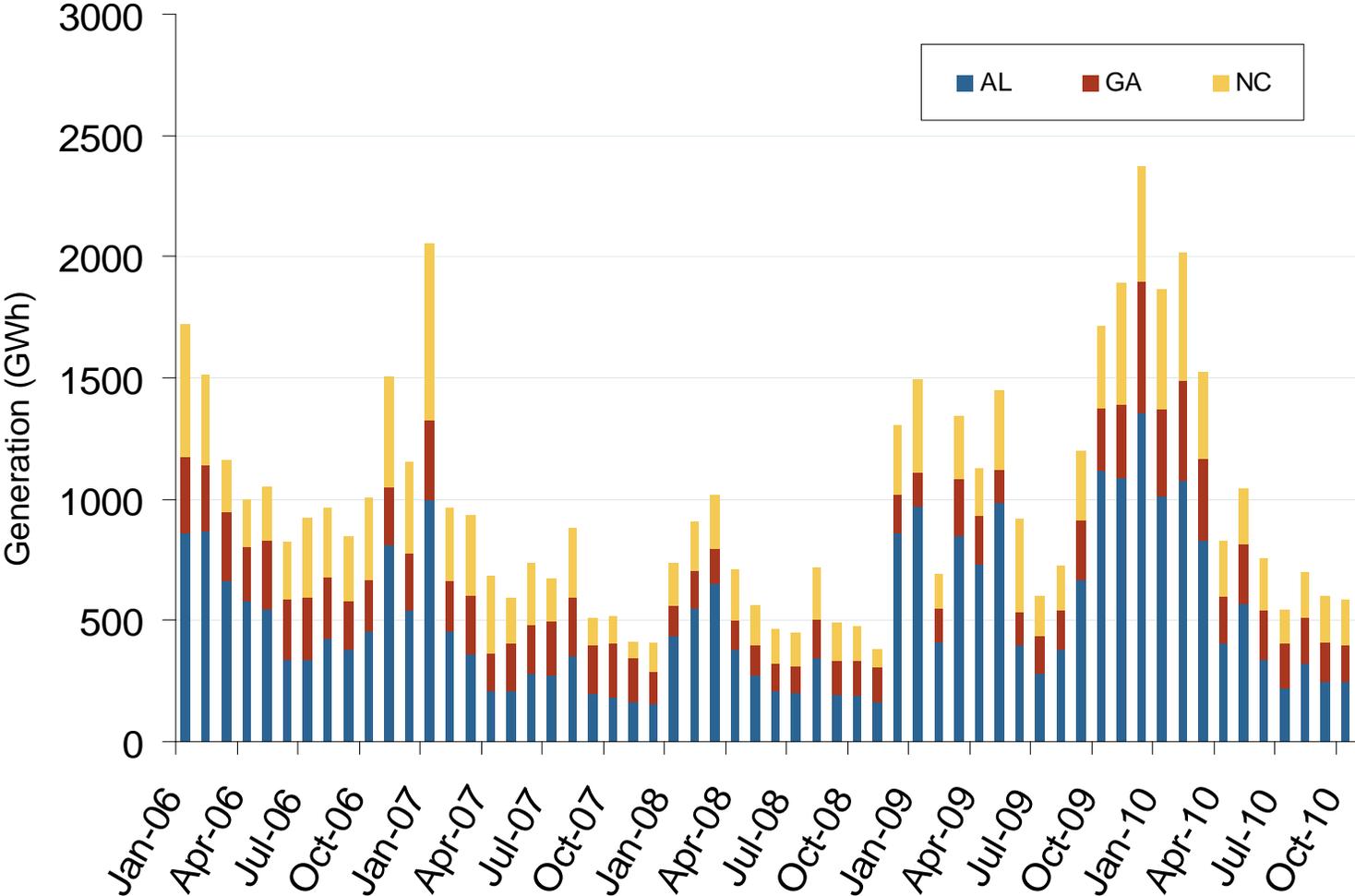
Daily Average of PJM Day-Ahead Prices - All Hours



Source: Derived from *Bloomberg* data.

Updated: February 7, 2011

Monthly Southeastern Hydroelectric Generation



Source: Energy Velocity, Derived from EIA and EPA data.
February 2011 Southeast Snapshot Report

Updated February 7, 2011

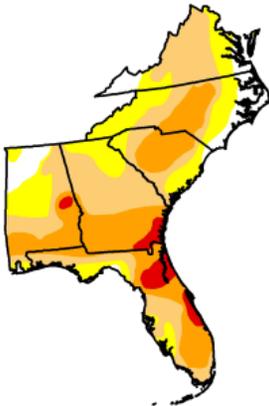
Monthly Southeastern Drought Conditions

U.S. Drought Monitor Southeast

February 1, 2011
Valid 7 a.m. EST

Drought Conditions (Percent Area)

	None	D0-D4	D1-D4	D2-D4	D3-D4	D4
Current	8.76	91.24	67.06	31.58	4.29	0.00
Last Week (01/25/2011 map)	8.50	91.50	66.38	24.17	5.78	0.00
3 Months Ago (11/02/2010 map)	25.10	74.90	39.22	16.44	3.08	0.00
Start of Calendar Year (12/28/2010 map)	23.01	76.99	51.84	23.55	5.63	0.00
Start of Water Year (09/28/2010 map)	18.18	81.82	38.04	10.32	0.90	0.00
One Year Ago (01/26/2010 map)	100.00	0.00	0.00	0.00	0.00	0.00



Intensity:
■ D0 Abnormally Dry ■ D3 Drought - Extreme
■ D1 Drought - Moderate ■ D4 Drought - Exceptional
■ D2 Drought - Severe

February 1, 2011

February 2, 2010

U.S. Drought Monitor Southeast

February 2, 2010
Valid 7 a.m. EST

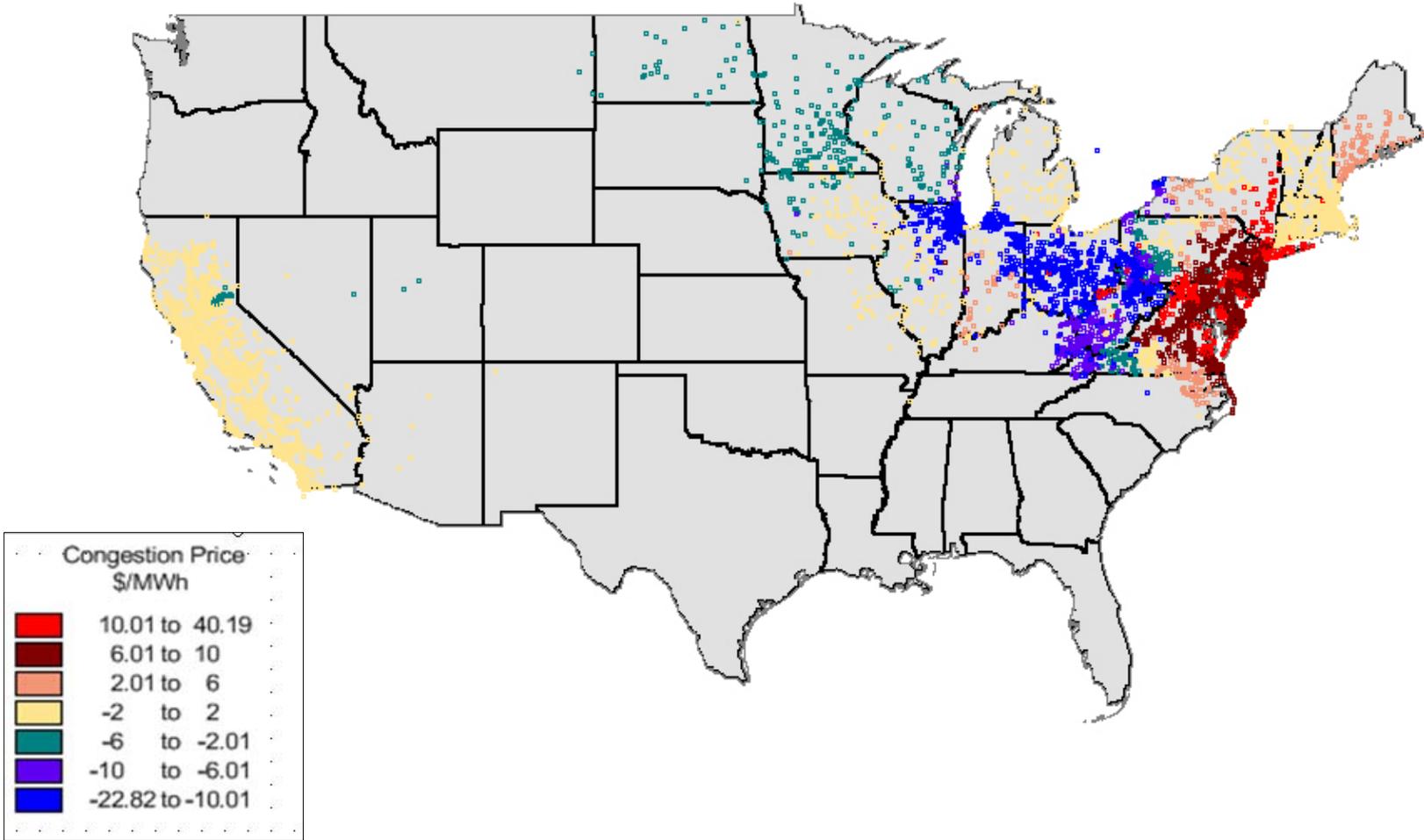
Drought Conditions (Percent Area)

	None	D0-D4	D1-D4	D2-D4	D3-D4	D4
Current	100.0	0.0	0.0	0.0	0.0	0.0
Last Week (01/26/2010 map)	100.0	0.0	0.0	0.0	0.0	0.0
3 Months Ago (11/10/2009 map)	80.0	20.0	6.7	0.5	0.0	0.0
Start of Calendar Year (01/05/2010 map)	99.5	0.5	0.0	0.0	0.0	0.0
Start of Water Year (10/05/2009 map)	82.6	17.4	5.5	1.0	0.0	0.0
One Year Ago (02/03/2009 map)	54.7	45.3	13.7	4.6	1.6	0.0

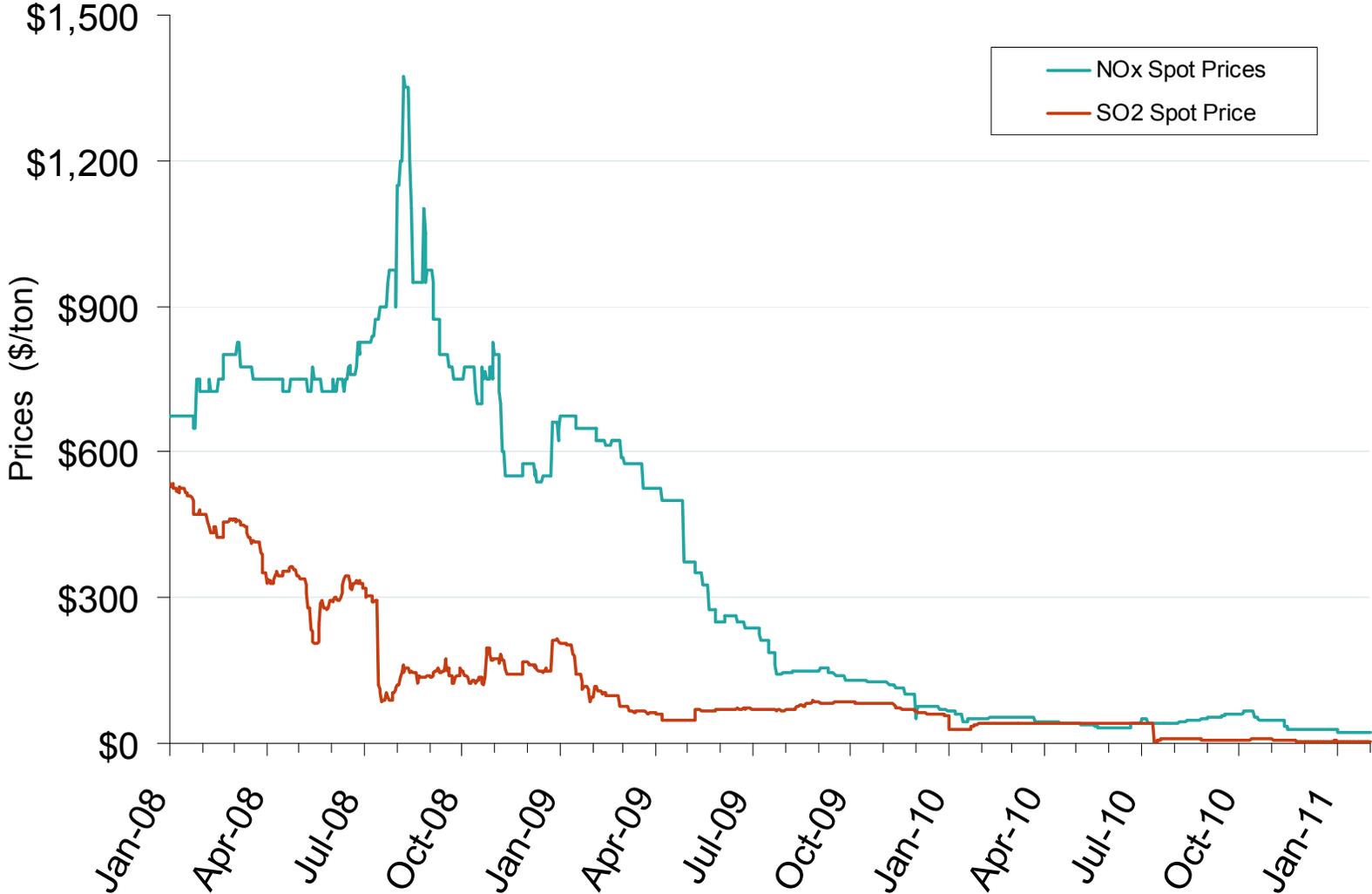


Intensity:
■ D0 Abnormally Dry ■ D3 Drought - Extreme
■ D1 Drought - Moderate ■ D4 Drought - Exceptional
■ D2 Drought - Severe

Day Ahead On-Peak Congestion Average Monthly Prices January 2011



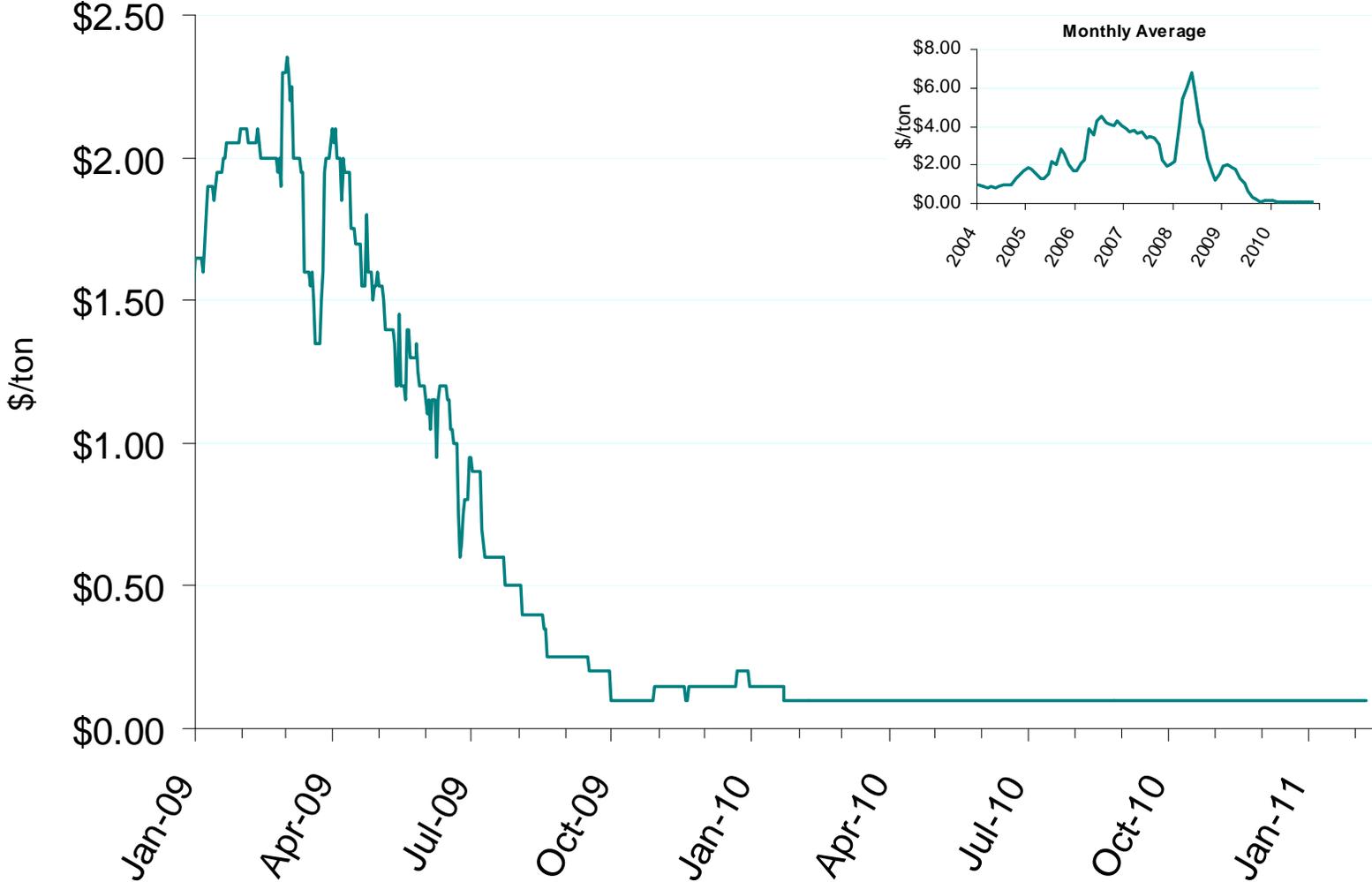
SO2 Allowance Spot Prices and NOx Seasonal Allowance Spot Prices



Source: Derived from Bloomberg data.

Updated: February 09, 2011

Chicago Climate Exchange CO2 Index



Source: Derived from *Bloomberg*.
February 2011 Southeast Snapshot Report

Updated February 7, 2011