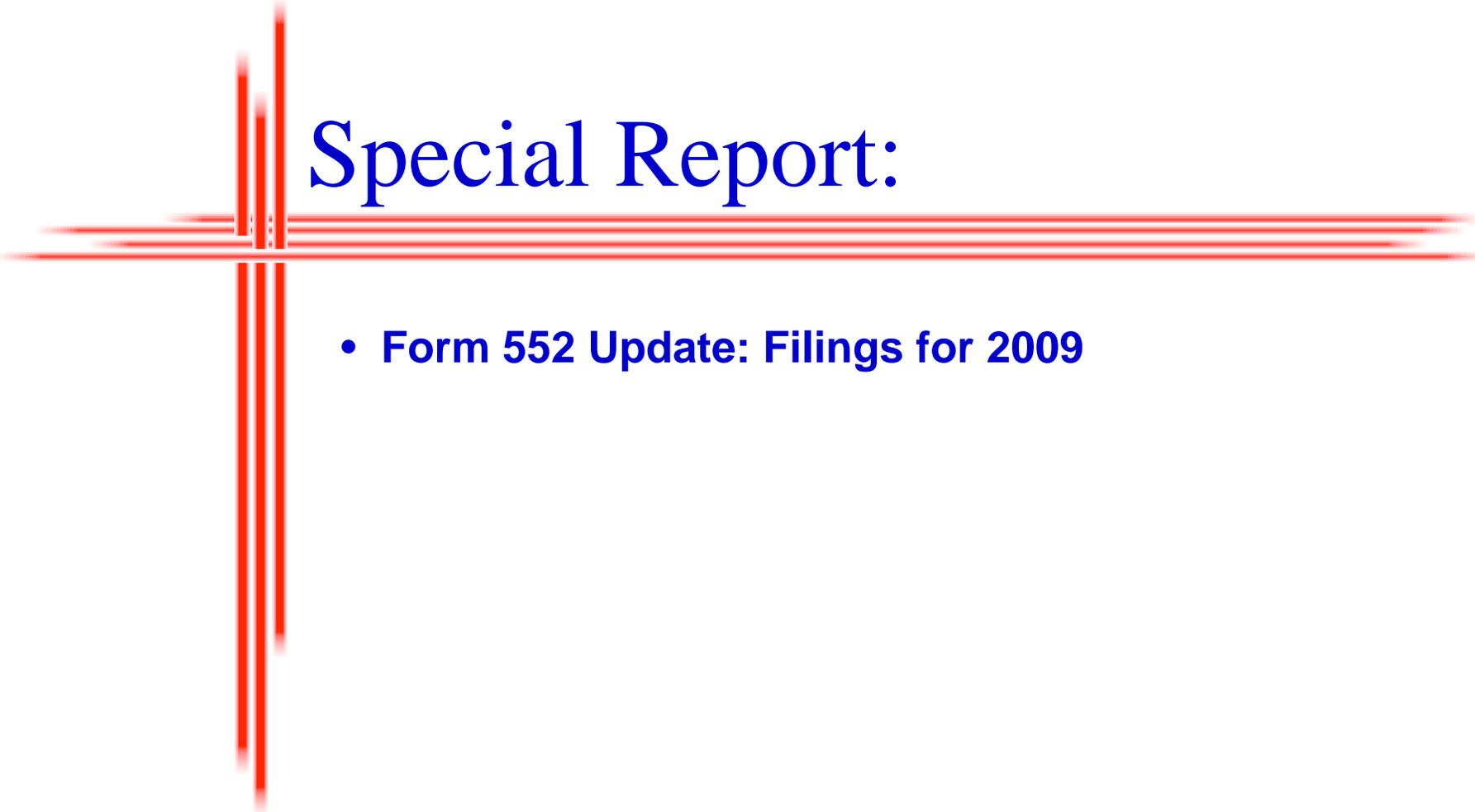


OE ENERGY MARKET SNAPSHOT

National Version – September 2010 Data

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

Office of Enforcement
Federal Energy Regulatory Commission
October 2010



Special Report:

- **Form 552 Update: Filings for 2009**

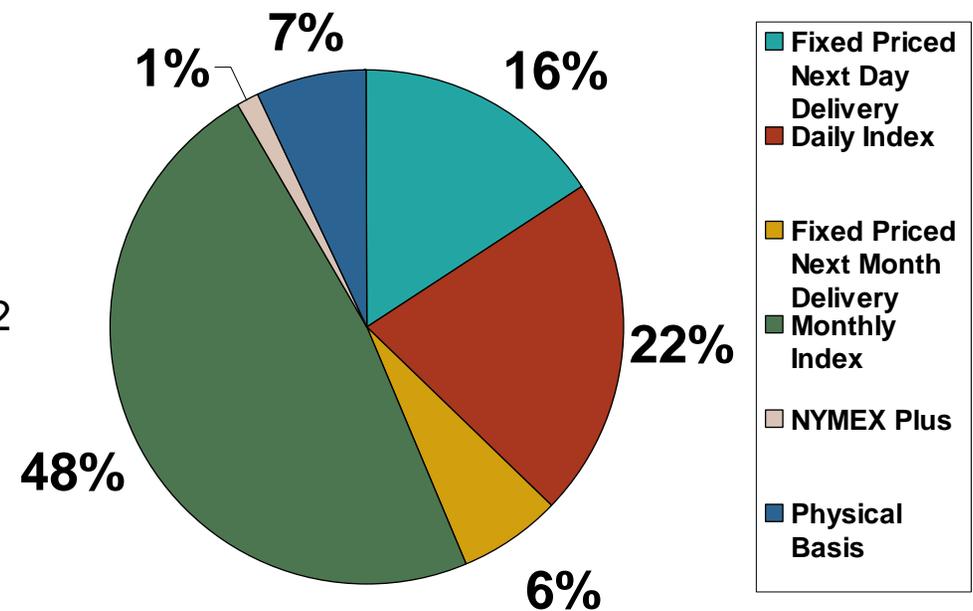
FERC Form No. 552 – Year 2

In effort to further transparency, the Commission used its annual Form No. 552 to collect transactional information for a 2nd year from market participants that sold and purchased physical natural gas in 2009.

As of October 4th, 689 respondents reported sales and purchases. Total sales reached over 56 Tcf (2.5 times 2009 U.S. production) Other significant results included:

- The top 20 sellers represented 45% of the total sales. The top 5 were:
 1. BP (4.9 Tcf)
 2. Conoco Phillips (3.1 Tcf)
 3. Shell (2.8 Tcf)
 4. Macquarie Energy (1.8 Tcf)
 5. Chevron (1.7 Tcf)
- Monthly indices accounted for over 1/2 of the reported volumes.
- Only 22% of the transactions were for fixed priced delivery.
- Reported sales and purchases were similar.

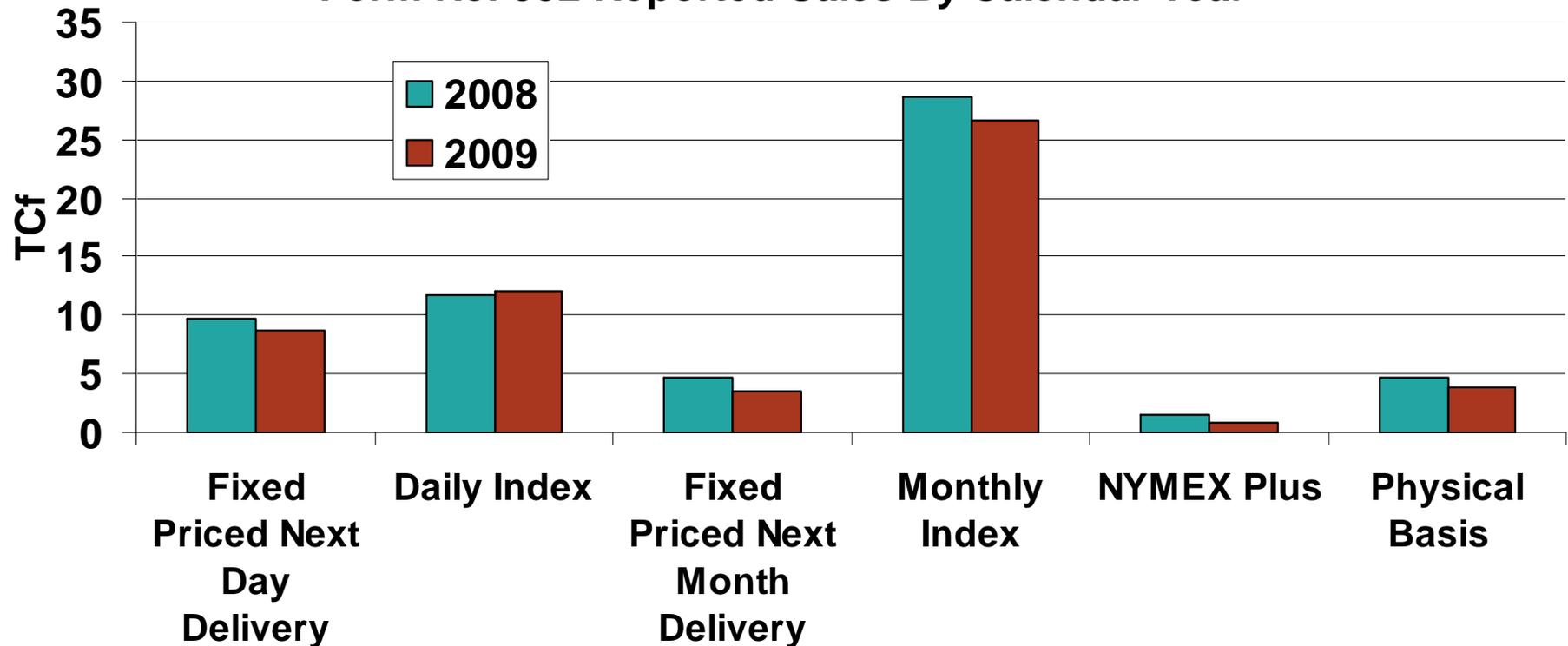
Breakdown of Form No. 552 Reportable Sales for Calendar Year 2009

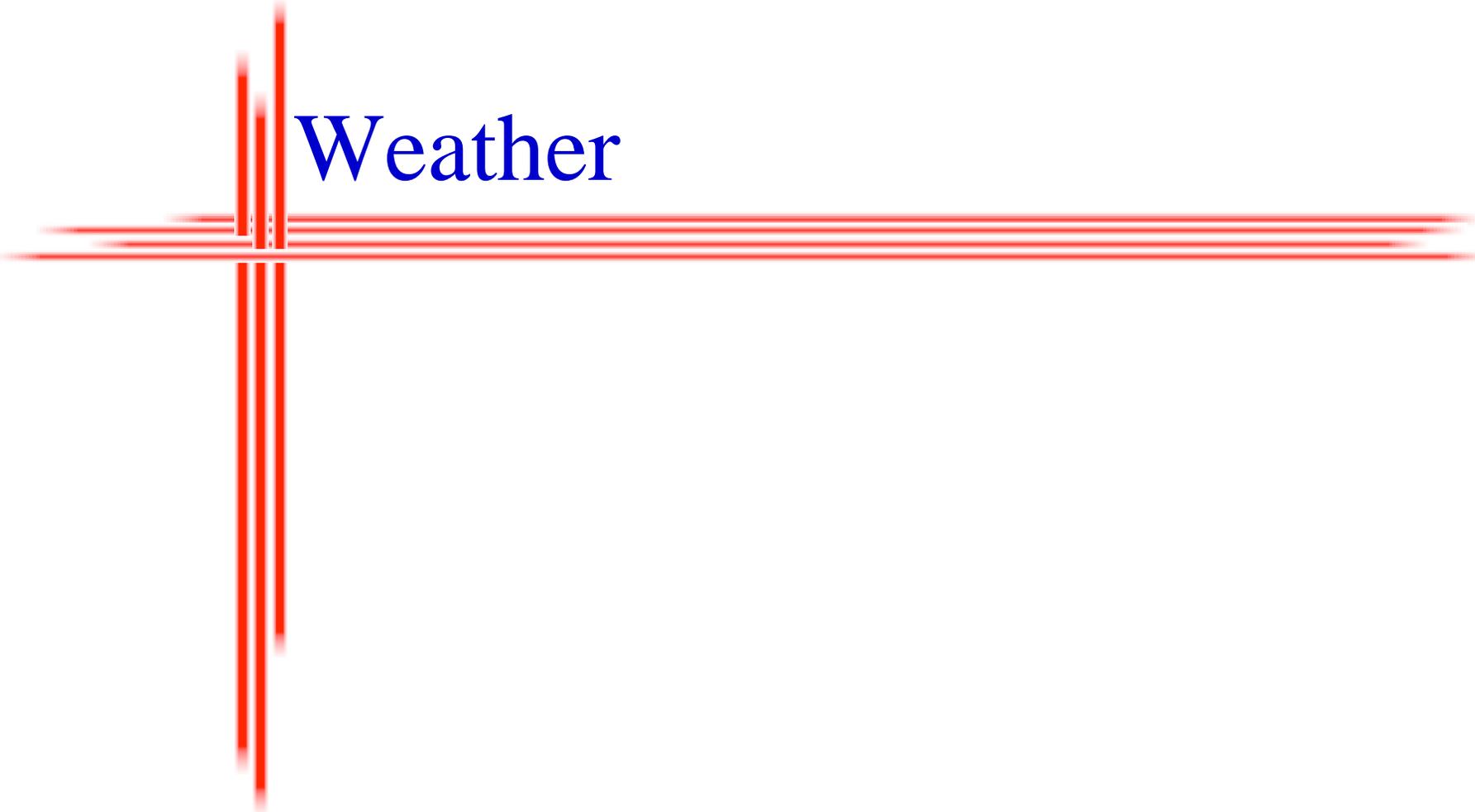


Purchases and Sales Decline

- The largest change in the results from 2008 to 2009 is the nearly 6 Tcf (9%) decline in purchases and sales.
- The majority of the 9% decline in volumes from 2008 to 2009 is due to the 3 Tcf drop in volume of the next month transactions. All other categories fell as well with the exception of next day index use which increased by 3%.

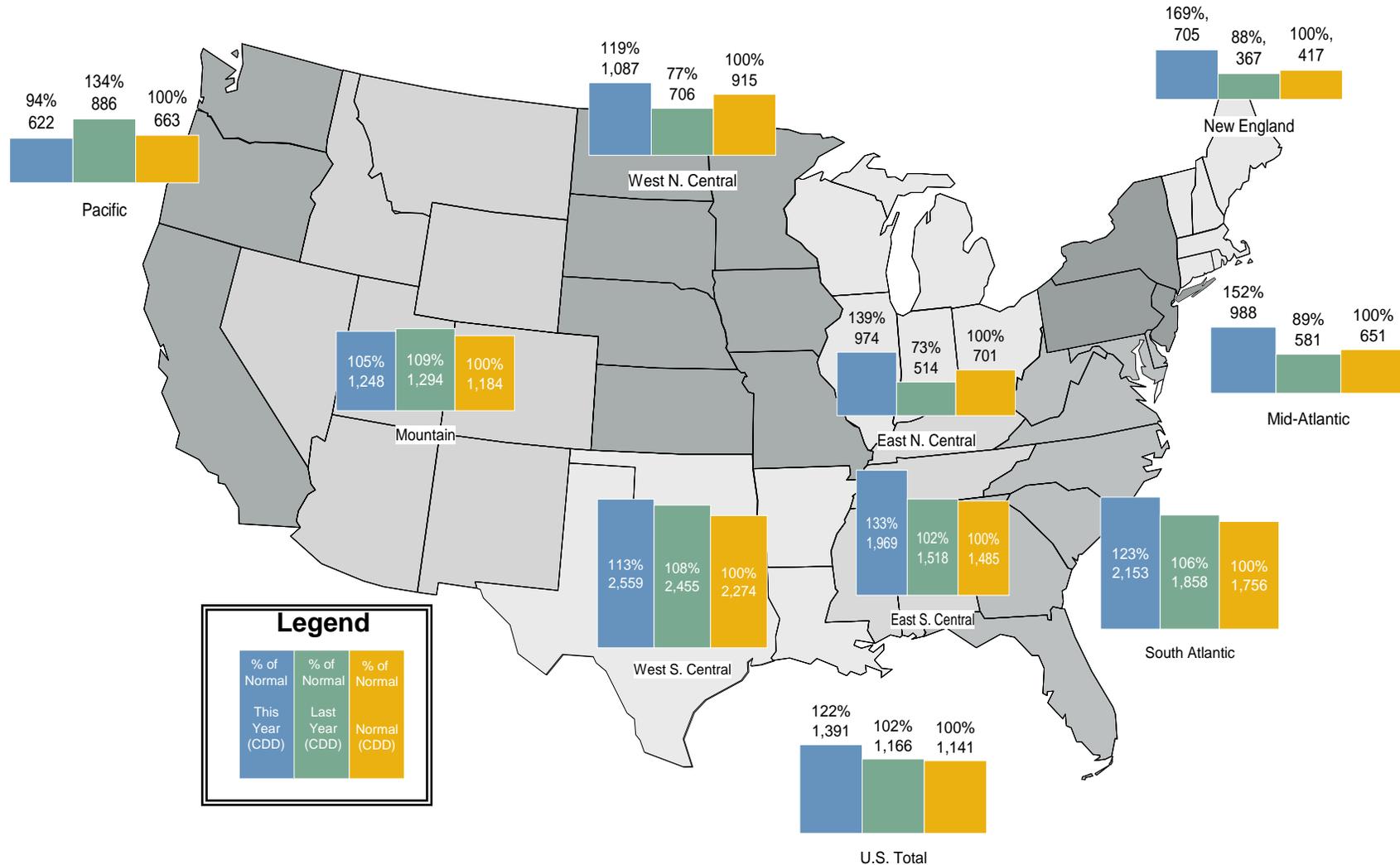
Form No. 552 Reported Sales By Calendar Year





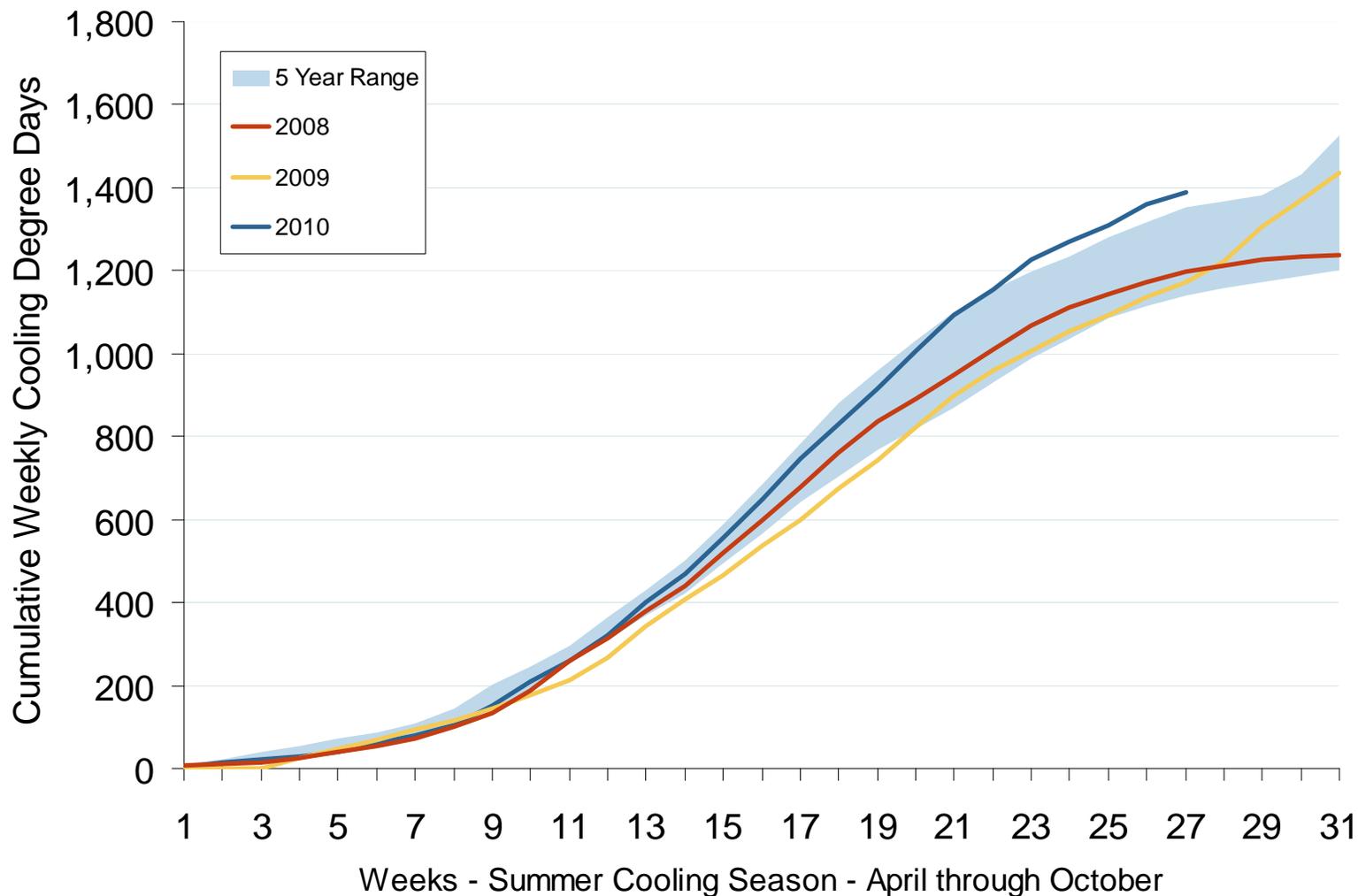
Weather

Regional Cooling Degree Days: January – September 2010



Source: Derived from NOAA data. Normal is based on a 30-year average of cooling degree days.
 October 2010 National Snapshot Report

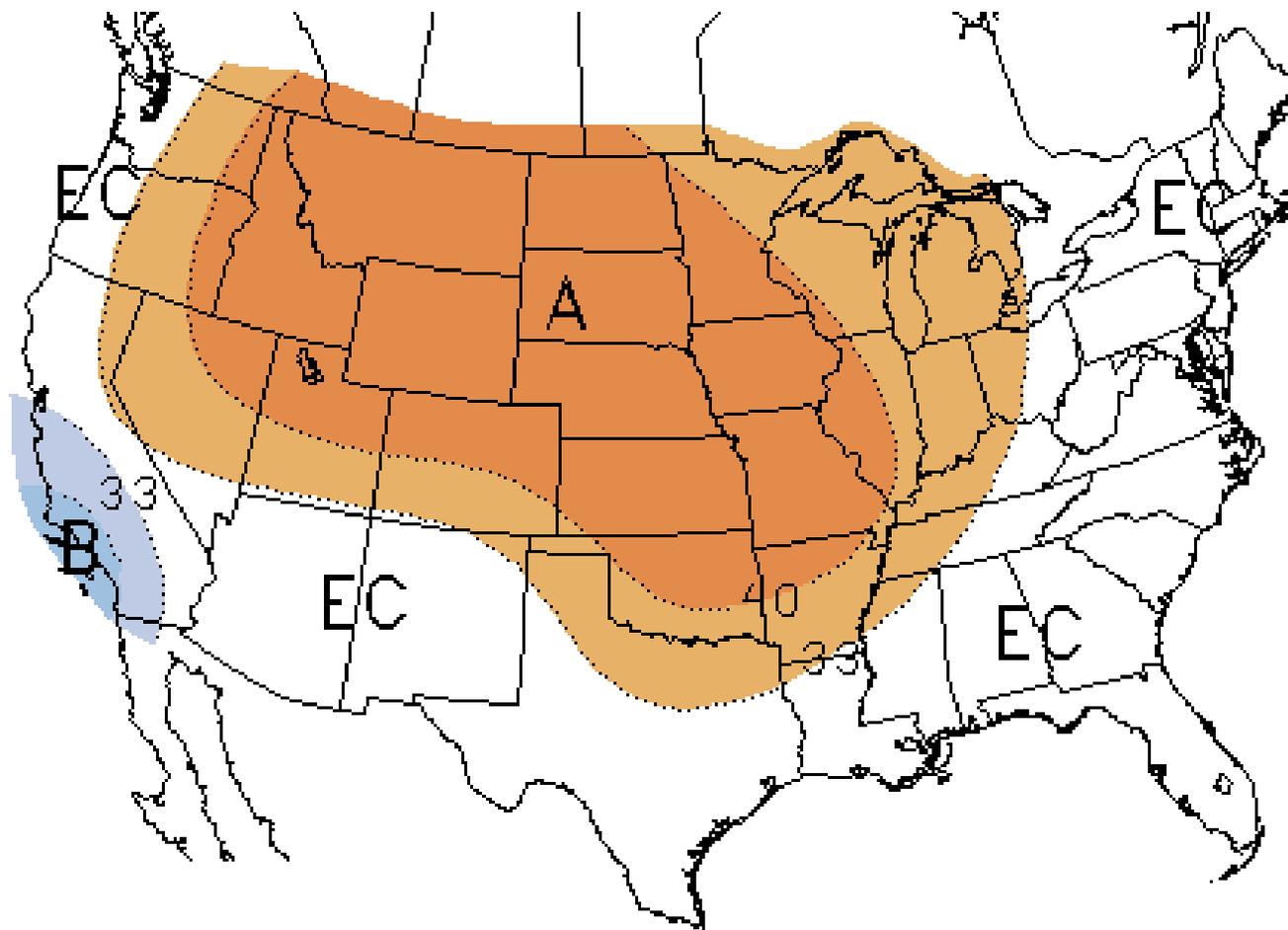
U. S. Summer Cumulative Cooling Degree Days - 2010



Source: Derived from NOAA data.

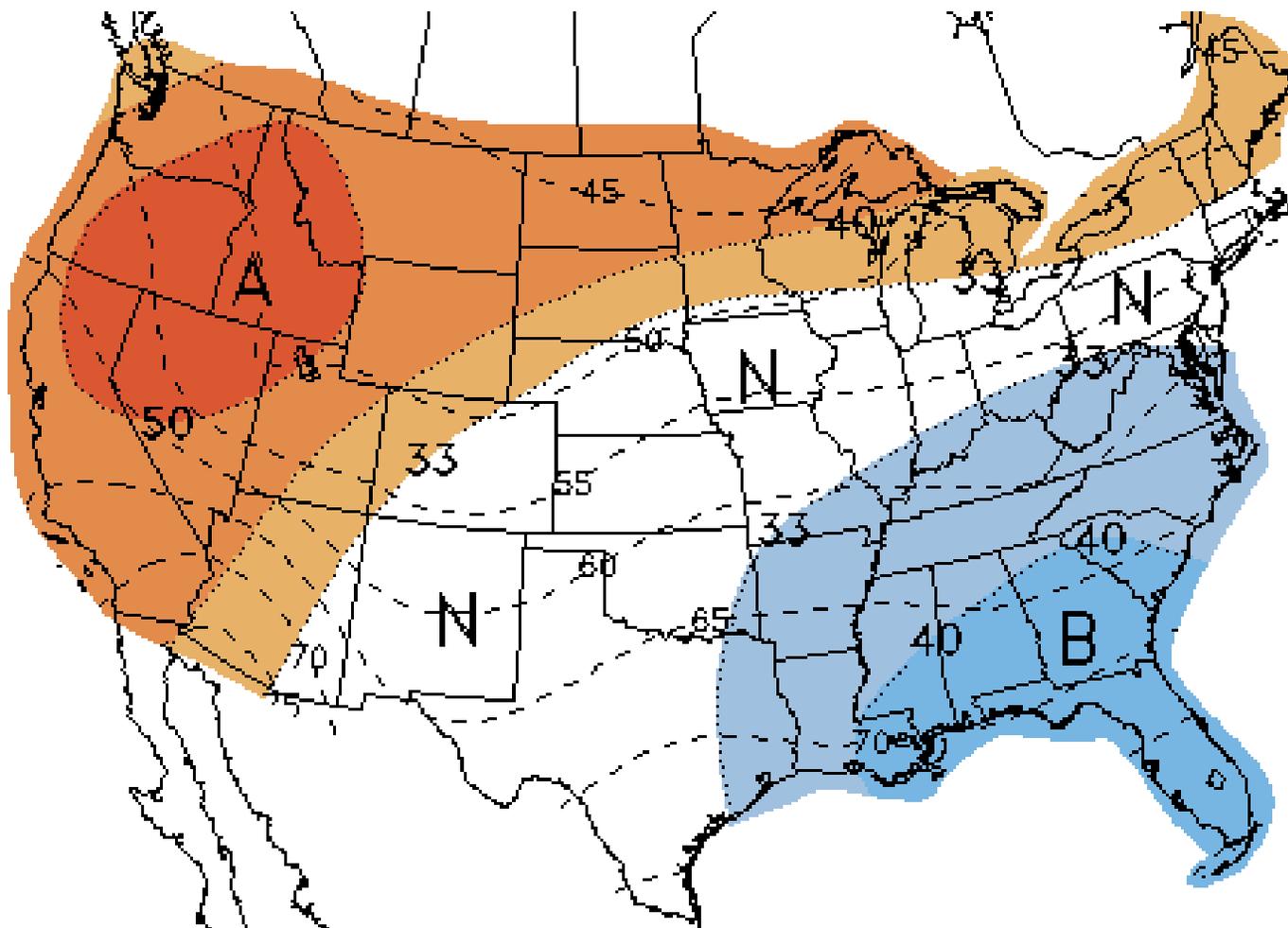
Updated October 7, 2010

NOAA's Monthly Temperature Forecast Made September 30, Valid for October 2010



Note: "A" areas are above normal, "B" areas are below normal and "EC" means equal chance. Normal is based on the last 30 years of data.

NOAA's 8 to 14 Day Temperature Forecast Made October 4, Valid for October 12-18, 2010



Note: "A" areas are above normal and "B" areas are below normal. Normal is based on the last 30 years of data.

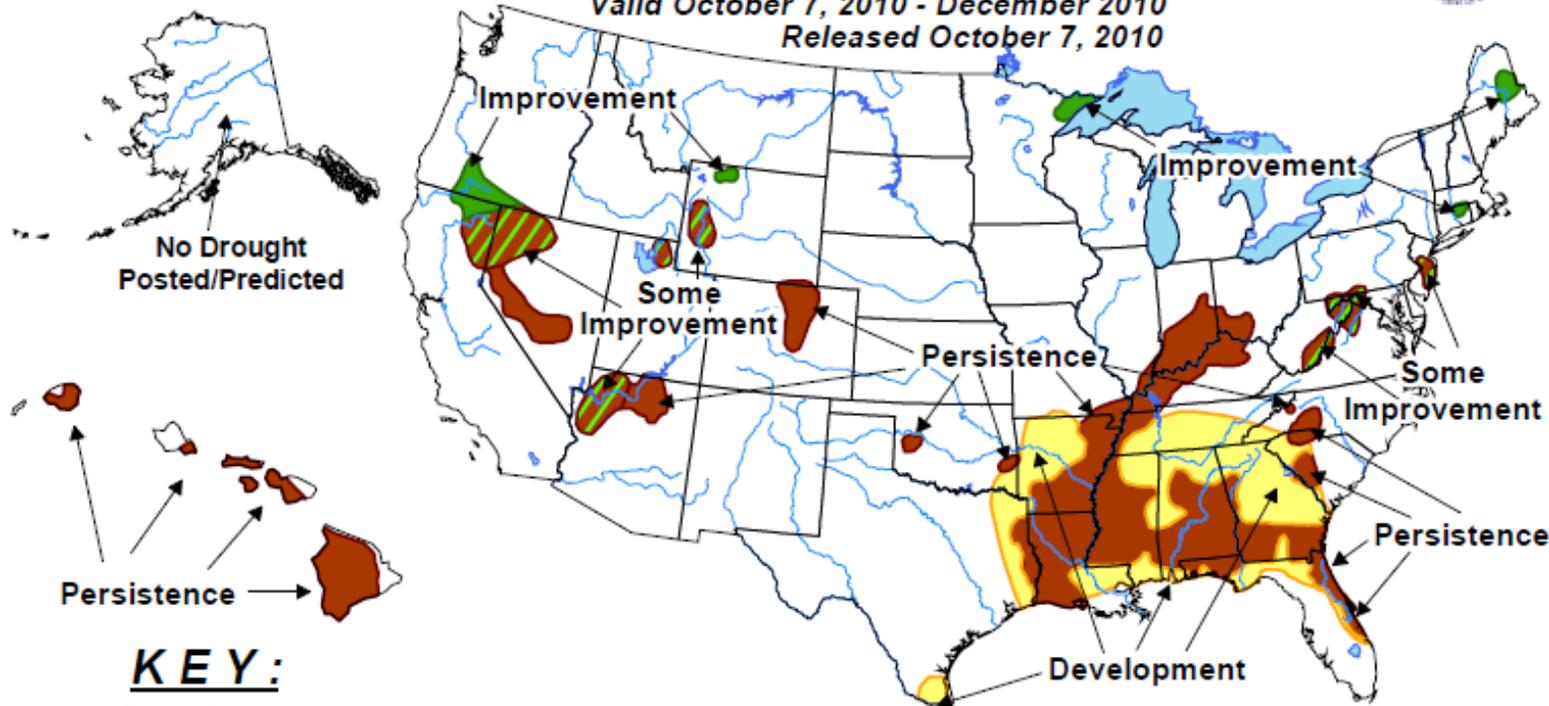
Source: NOAA



U.S. Seasonal Drought Outlook

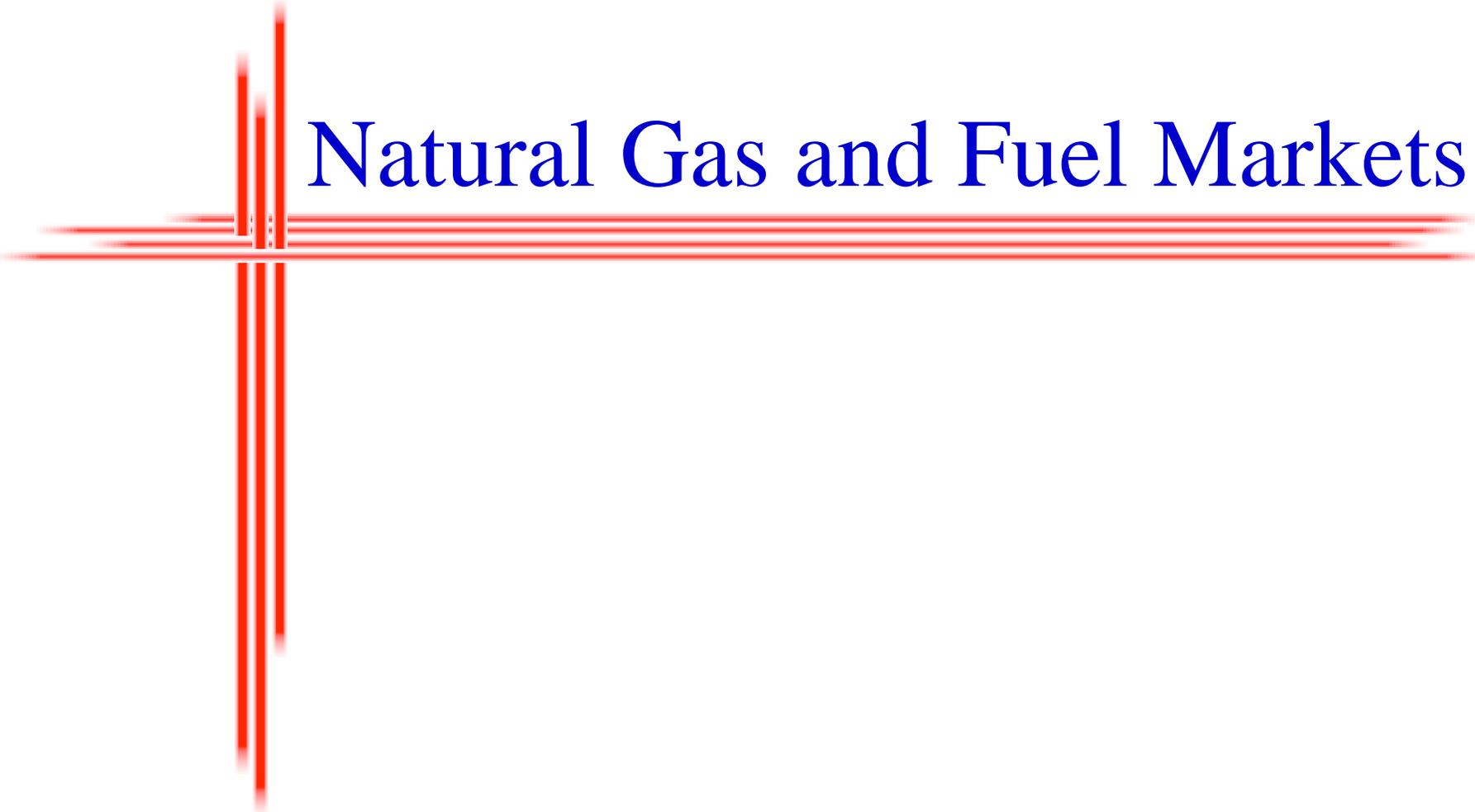
Drought Tendency During the Valid Period

Valid October 7, 2010 - December 2010
Released October 7, 2010



- KEY:**
- Drought to persist or intensify
 - Drought ongoing, some improvement
 - Drought likely to improve, impacts ease
 - Drought development likely

Depicts large-scale trends based on subjectively derived probabilities guided by short- and long-range statistical and dynamical forecasts. Short-term events – such as individual storms – cannot be accurately forecast more than a few days in advance. Use caution for applications – such as crops – that can be affected by such events. "Ongoing" drought areas are approximated from the Drought Monitor (D1 to D4 intensity). For weekly drought updates, see the latest U.S. Drought Monitor. NOTE: the green improvement areas imply at least a 1-category improvement in the Drought Monitor intensity levels, but do not necessarily imply drought elimination.

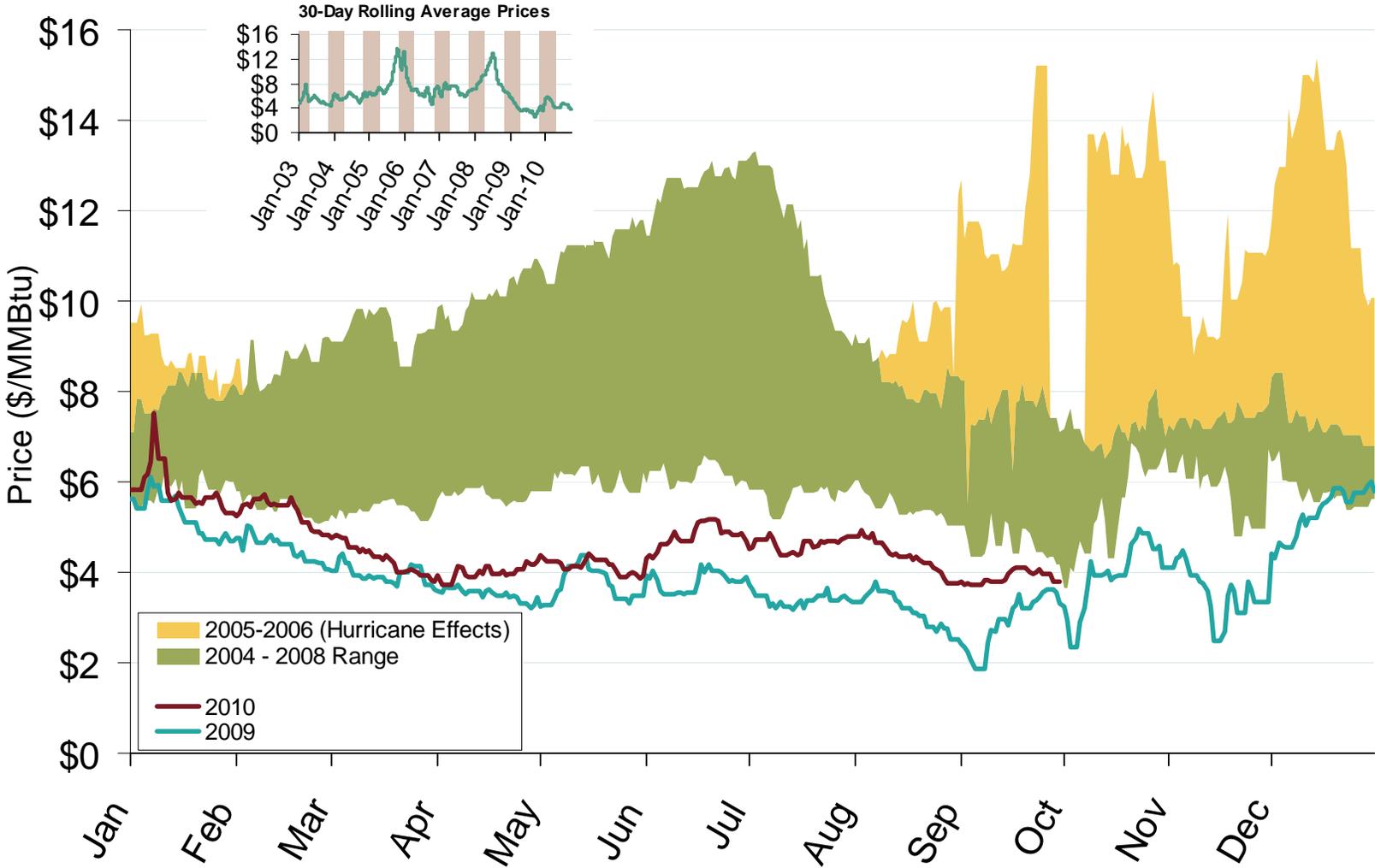


Natural Gas and Fuel Markets

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

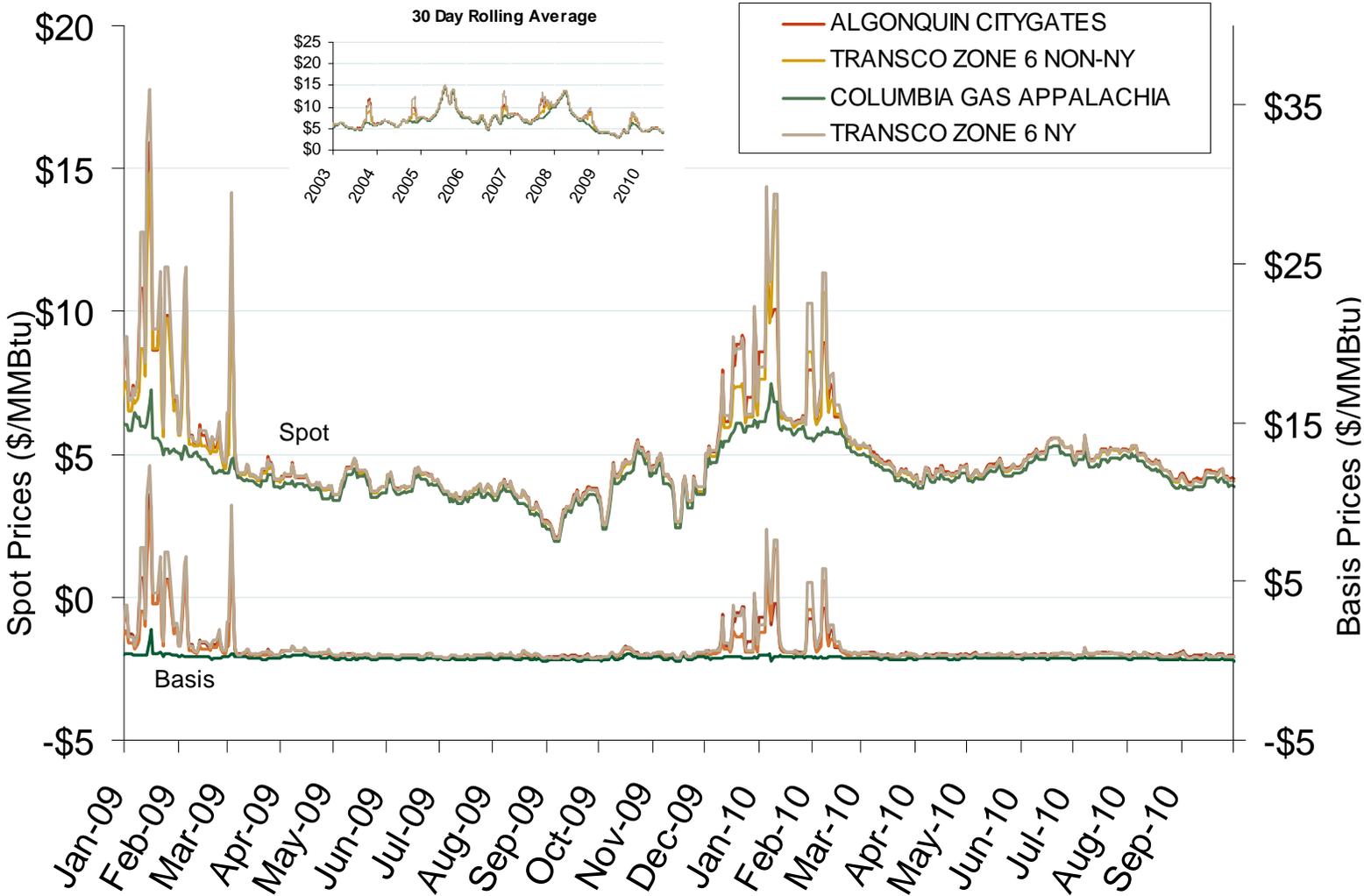
Federal Energy Regulatory Commission • Market Oversight • www.ferc.gov/oversight

Henry Hub Natural Gas Daily Spot Prices



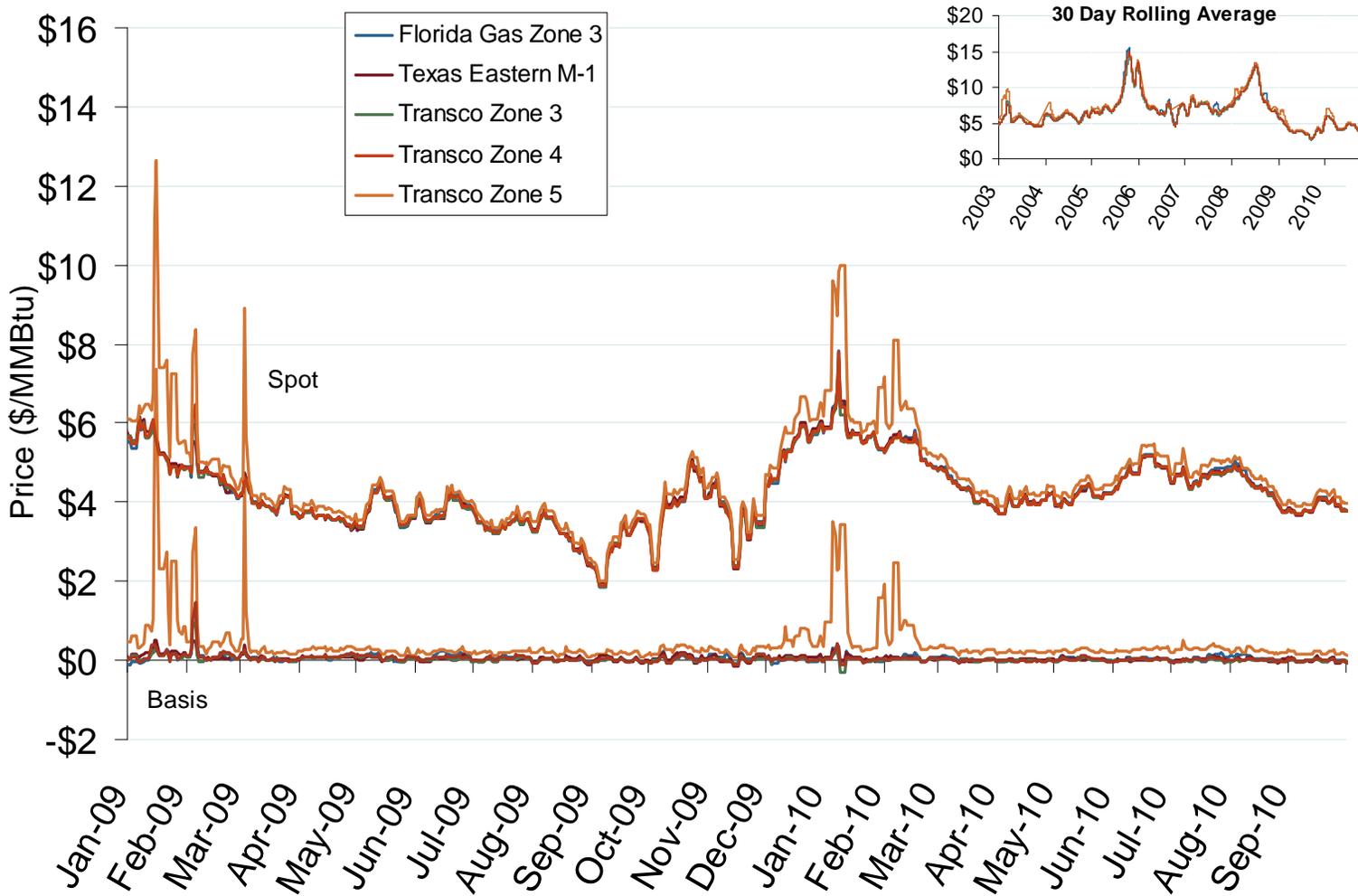
Source: Derived from *Platts* data.
October 2010 National Snapshot Report

Northeastern Spot Prices and Basis



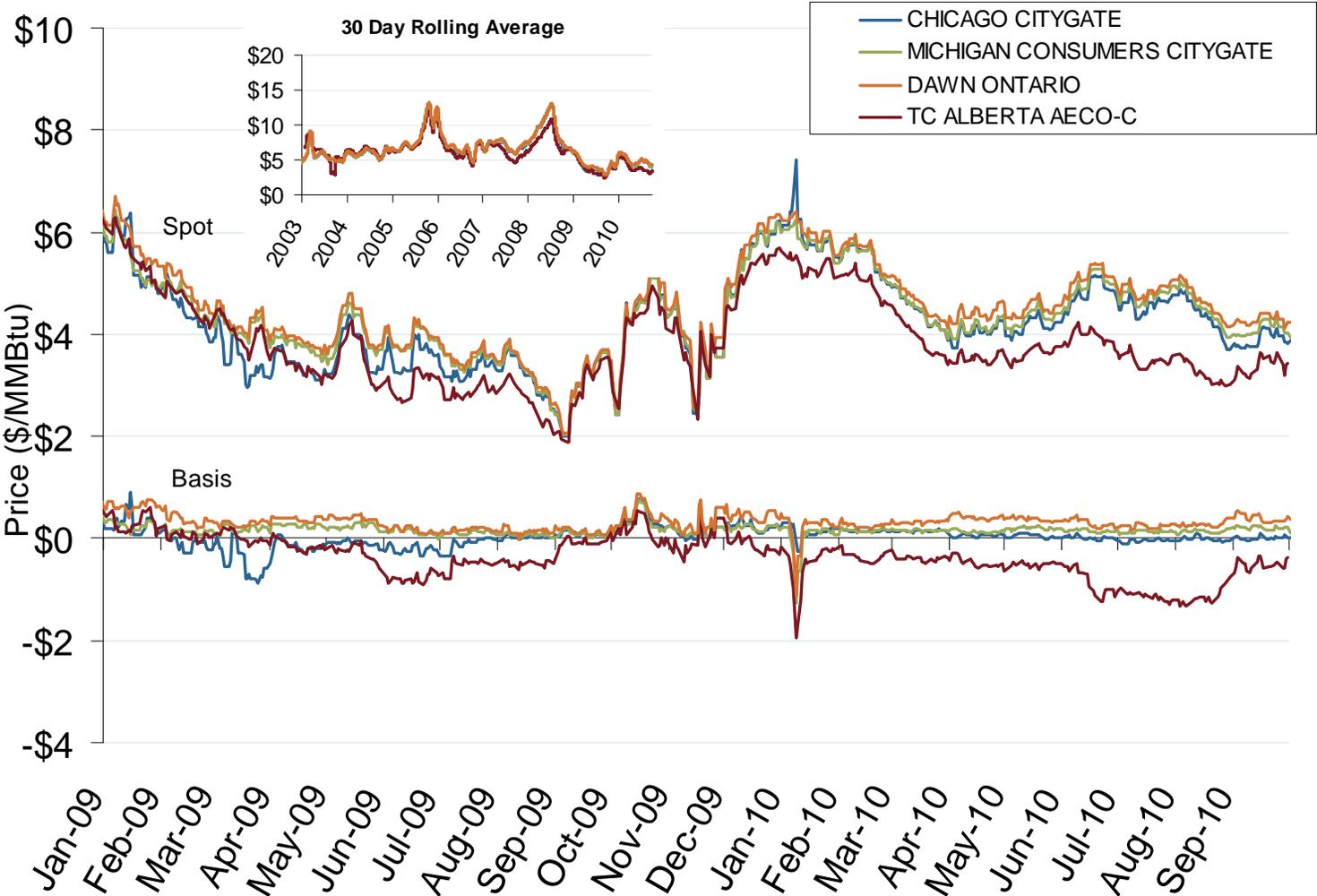
Source: Derived from *Platts* data.

Southeastern Day-Ahead Hub Spot Prices and Basis



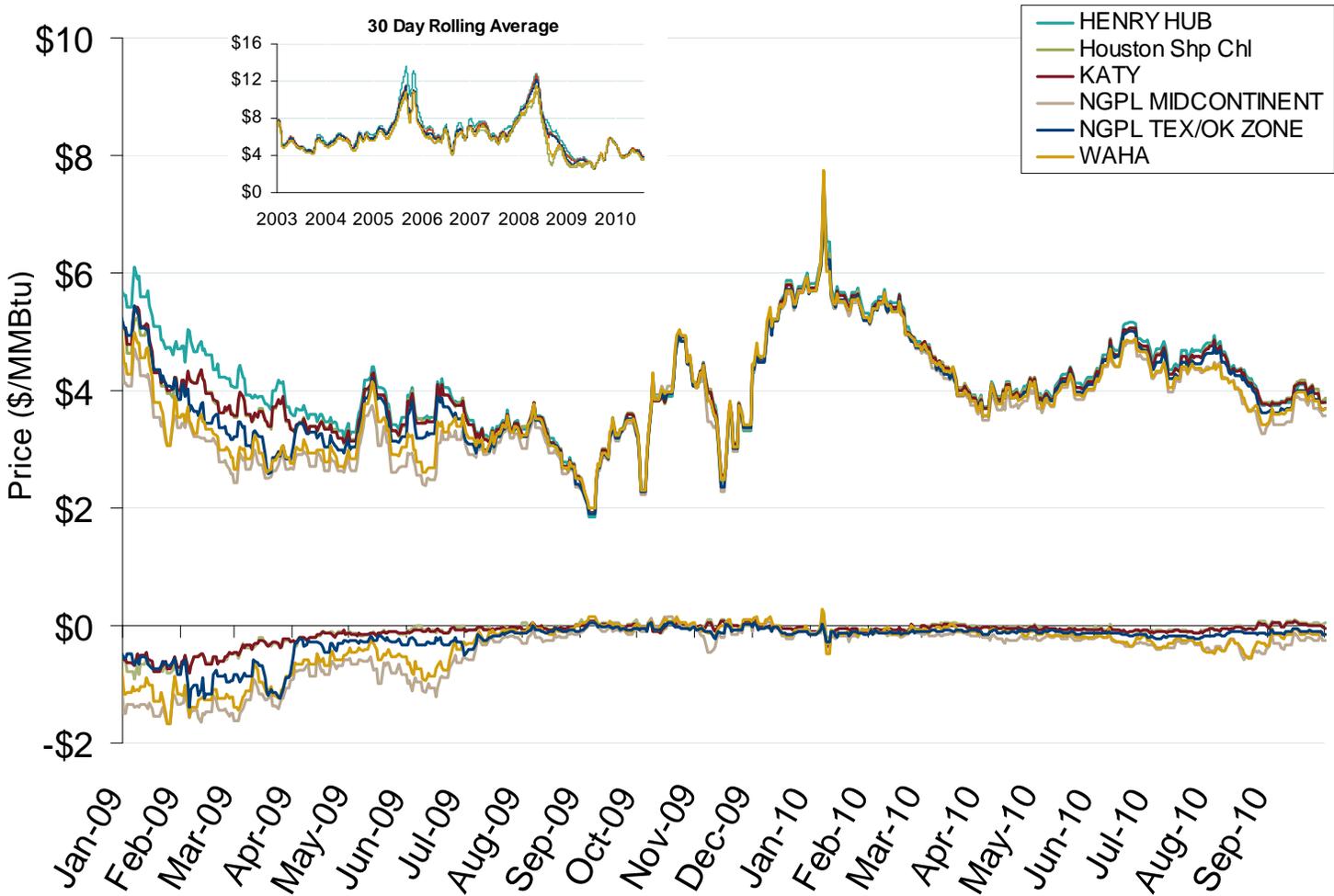
Source: Derived from *Platts* data.
October 2010 National Snapshot Report

Midwestern Day-Ahead Hub Spot Prices and Basis



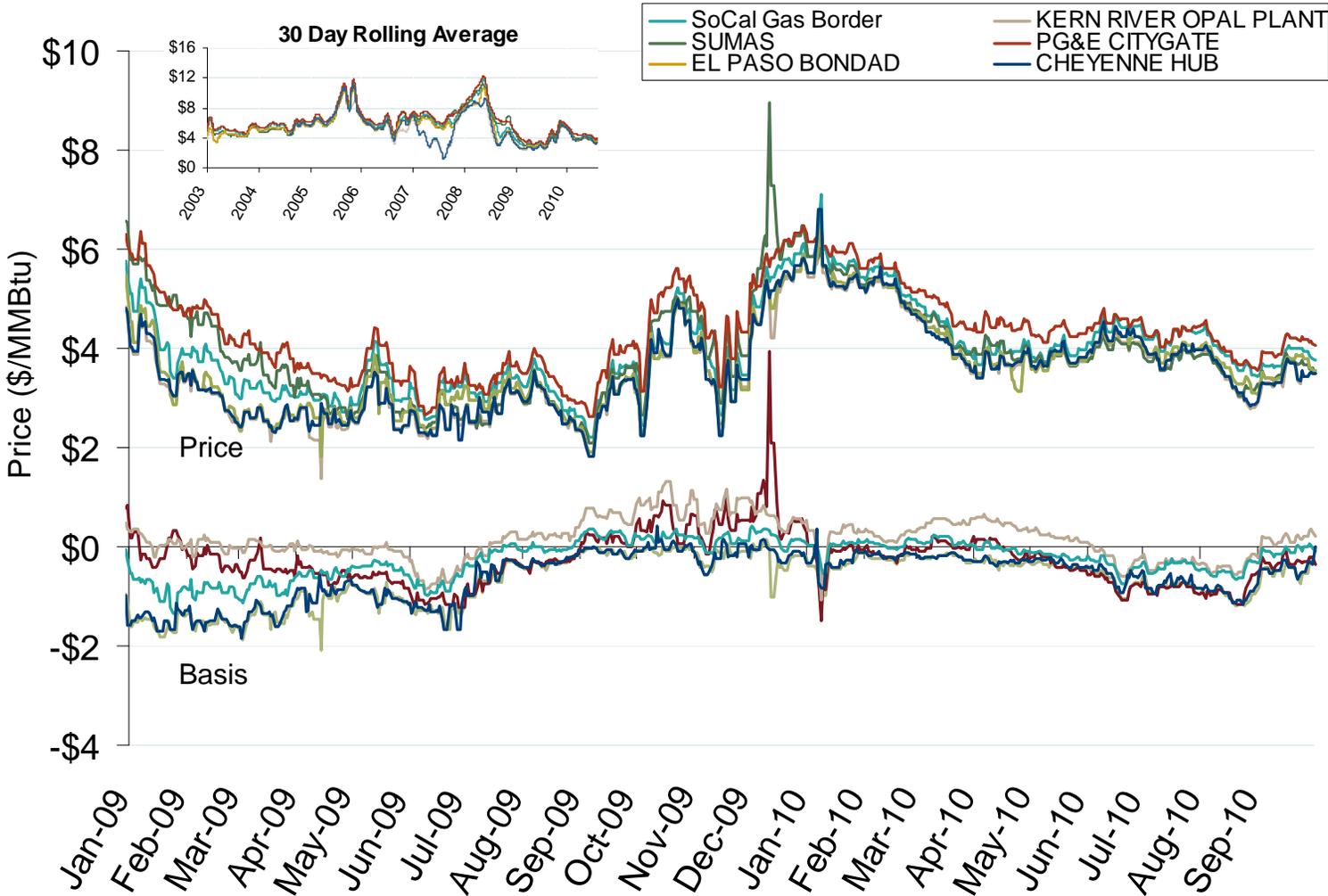
Source: Derived from *Platts* data.
October 2010 National Snapshot Report

Gulf Day-Ahead Hub Spot Prices and Basis



Source: Derived from *Platts* data.
October 2010 National Snapshot Report

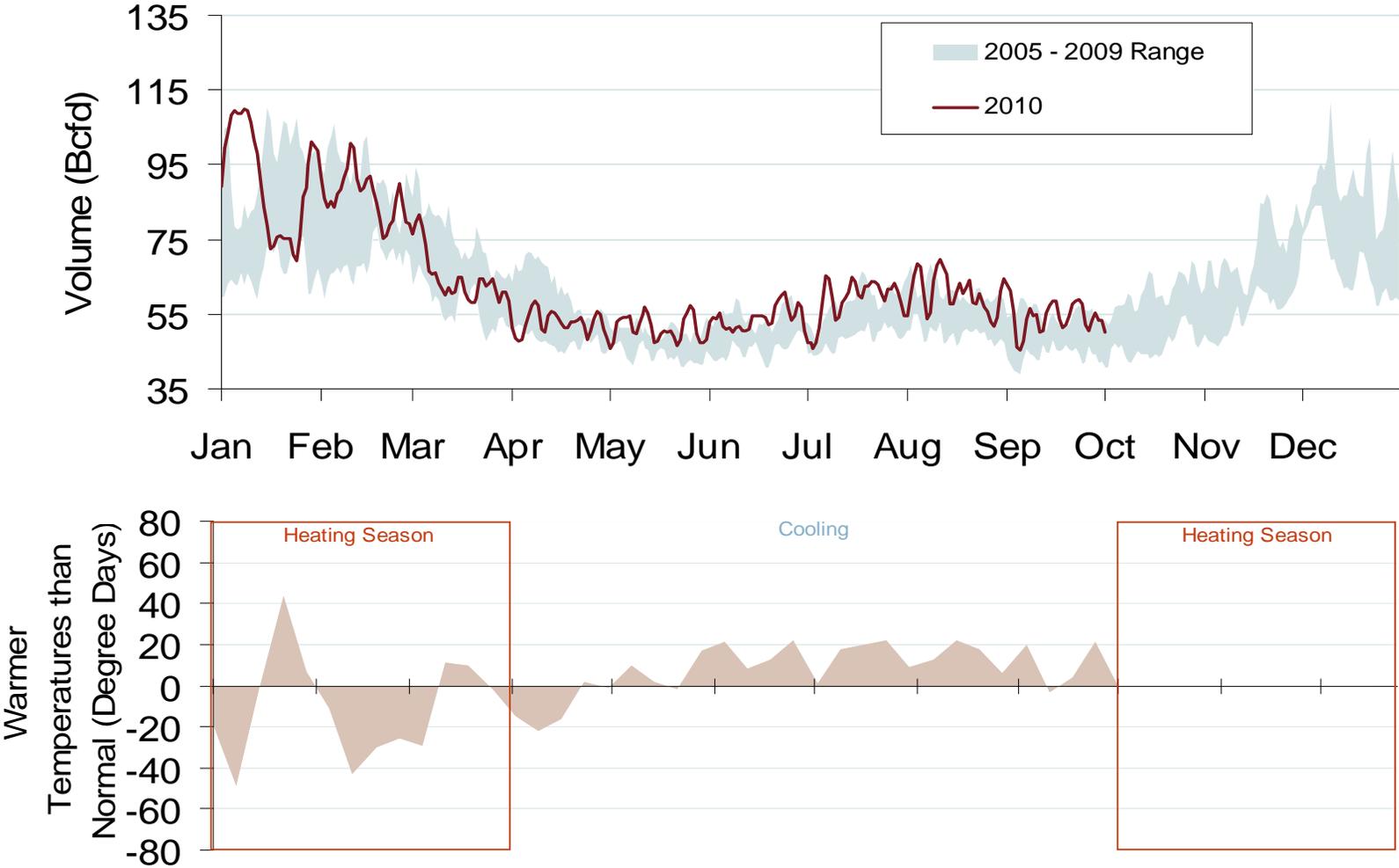
Western Day-Ahead Hub Spot Prices and Basis



Source: Derived from *Platts* data.
October 2010 National Snapshot Report

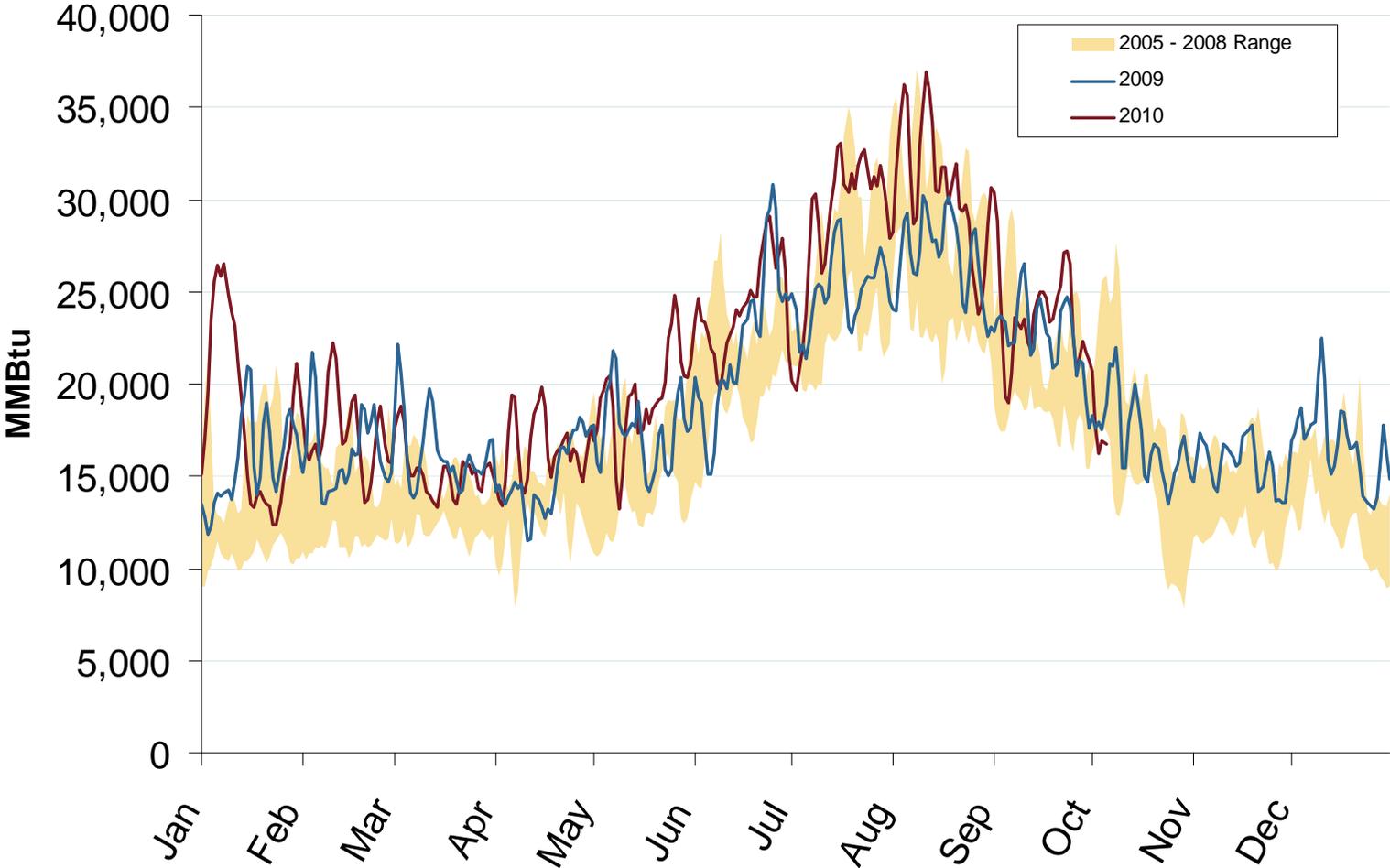
Updated October 7, 2010

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



Source: Derived from Bentek Energy and Weekly NOAA data.
October 2010 National Snapshot Report

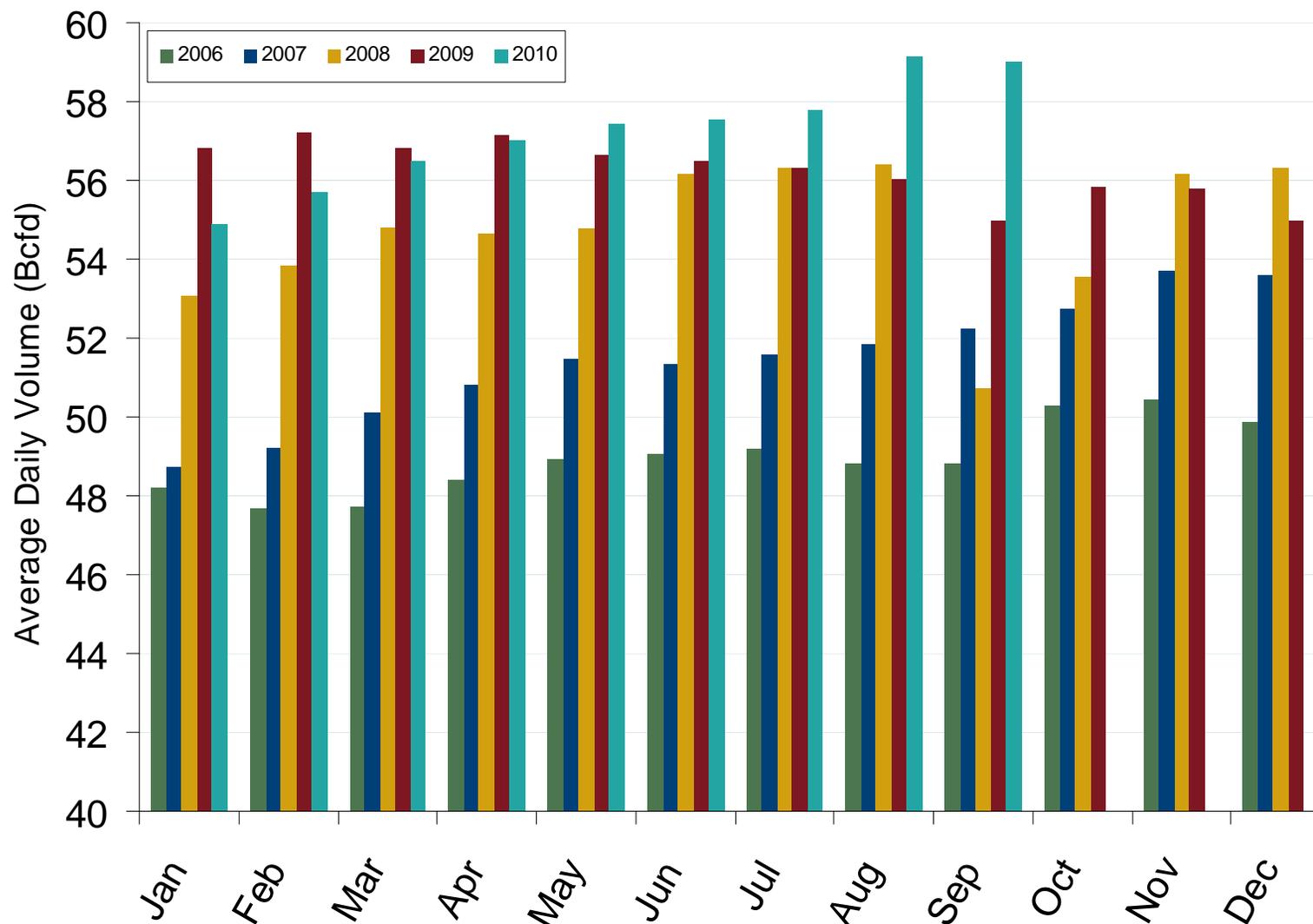
U.S. Natural Gas Consumption for Power Generation



Source: Derived from Bentek Data
October 2010 National Snapshot Report

Updated October 7, 2010

Monthly U.S. Dry Gas Production – Lower 48 States



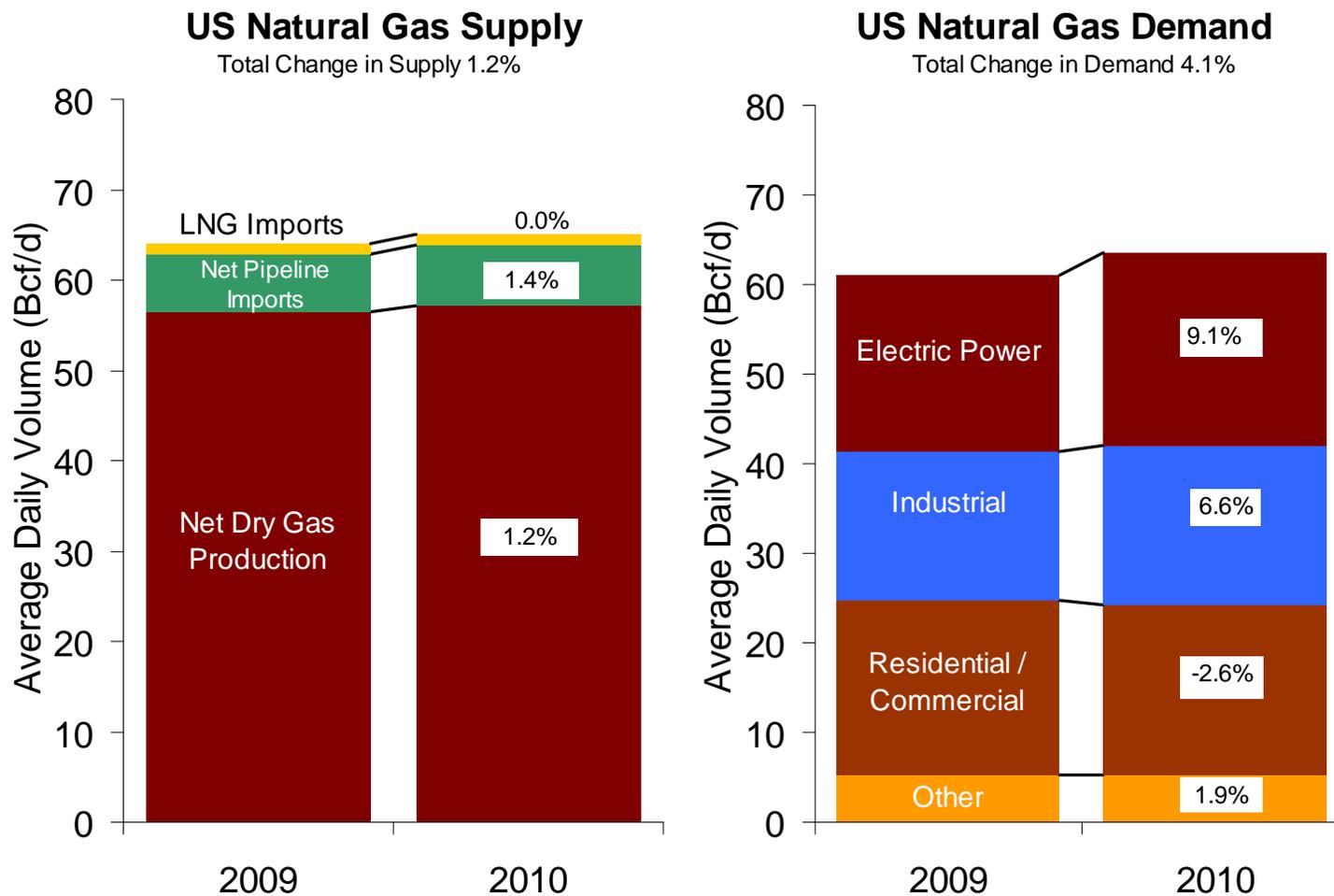
Source: Derived from *Bentek* data.

Note: Prior to July 2010, chart was derived from a combination of EIA and Bentek data
October 2010 National Snapshot Report

Updated October 7, 2010

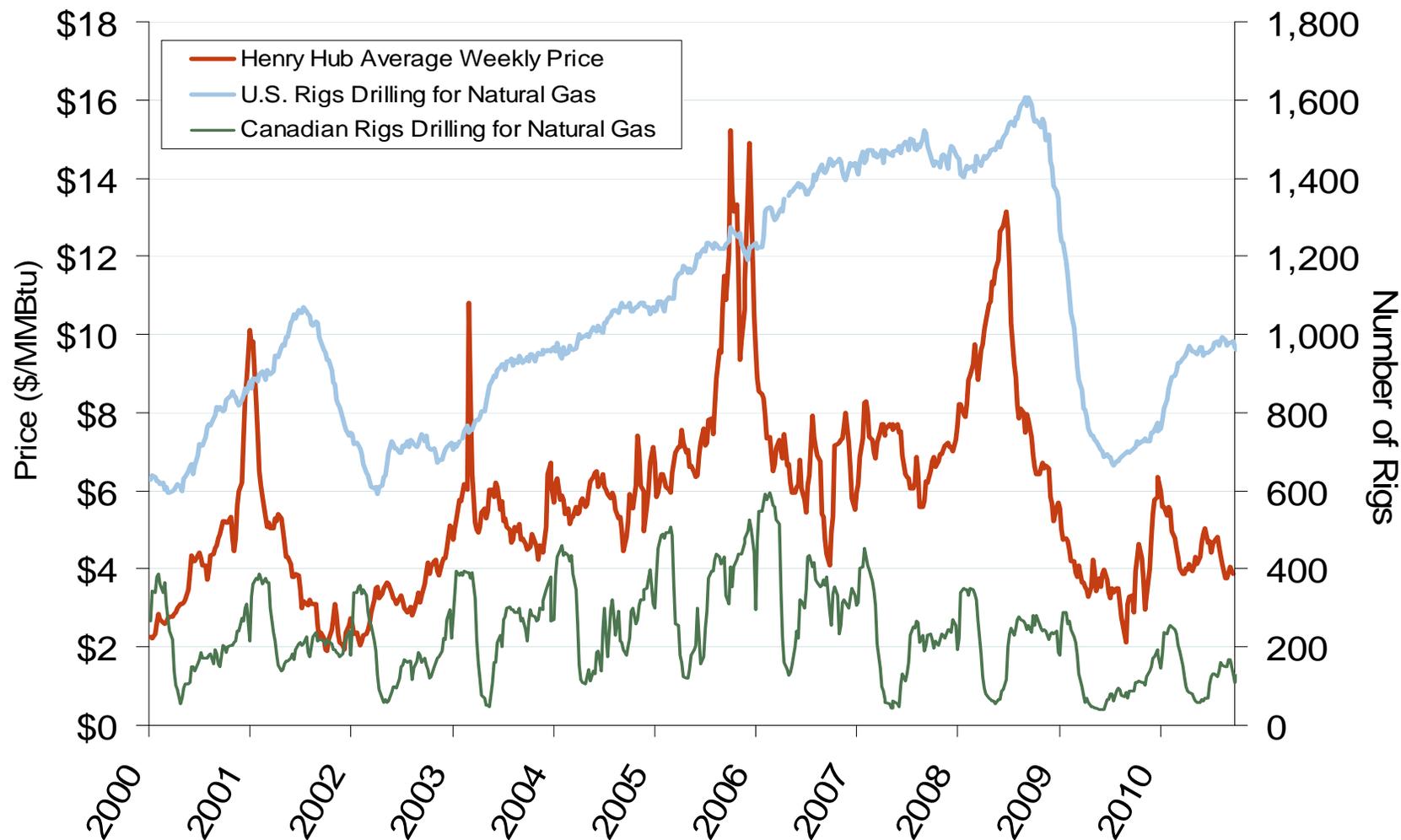
20021

U.S. Natural Gas Supply and Demand 2009 vs. 2010: January - September



Source: Derived from Bentek data.
October 2010 National Snapshot Report

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

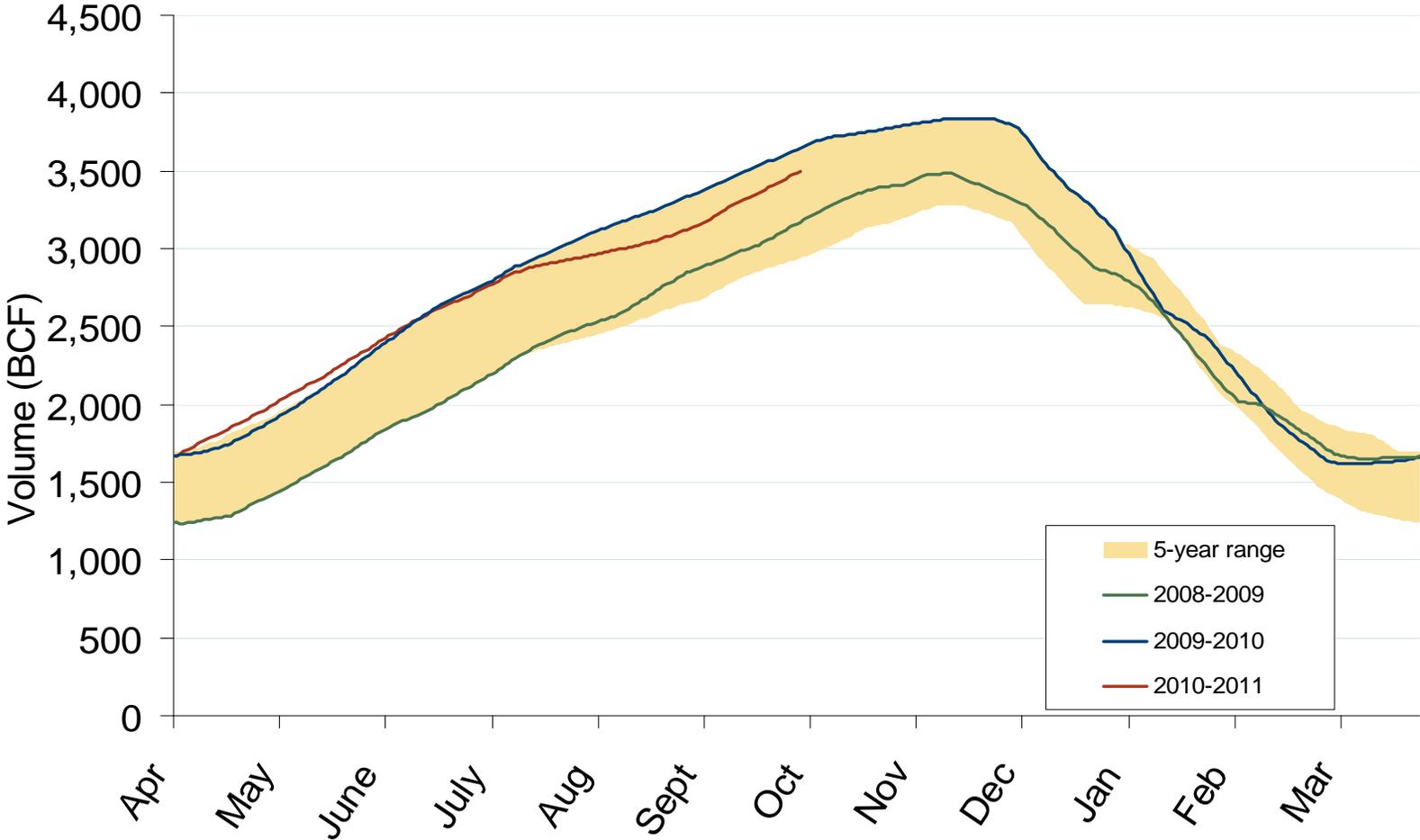


Source: Derived from *Platts* and *Baker Hughes* data.
October 2010 National Snapshot Report

Updated October 7, 2010

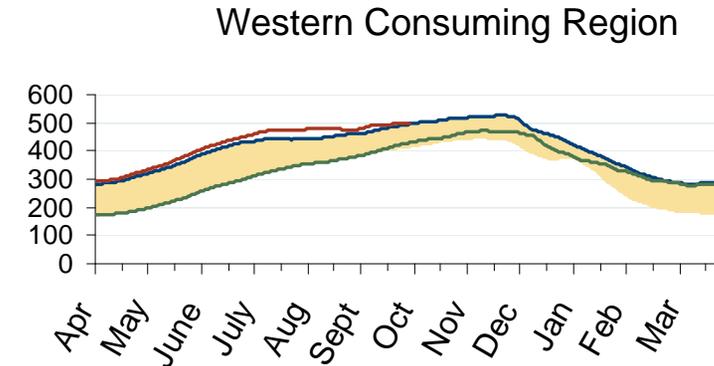
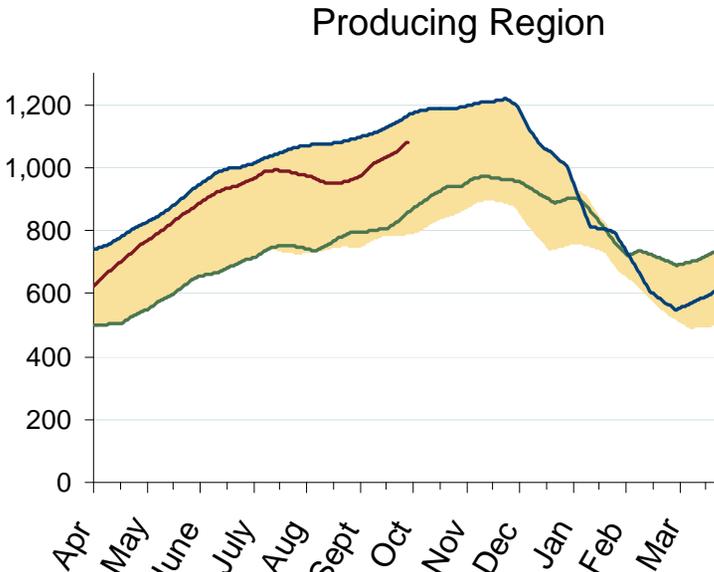
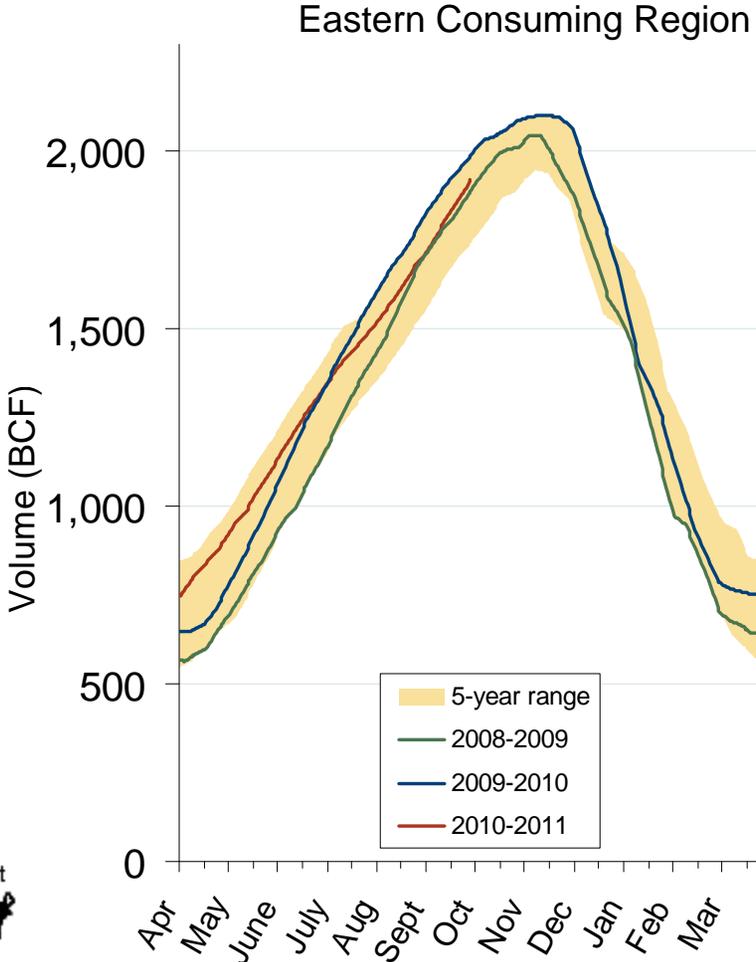
2007

Total U.S. Working Gas in Storage



Source: Derived from EIA data.
October 2010 National Snapshot Report

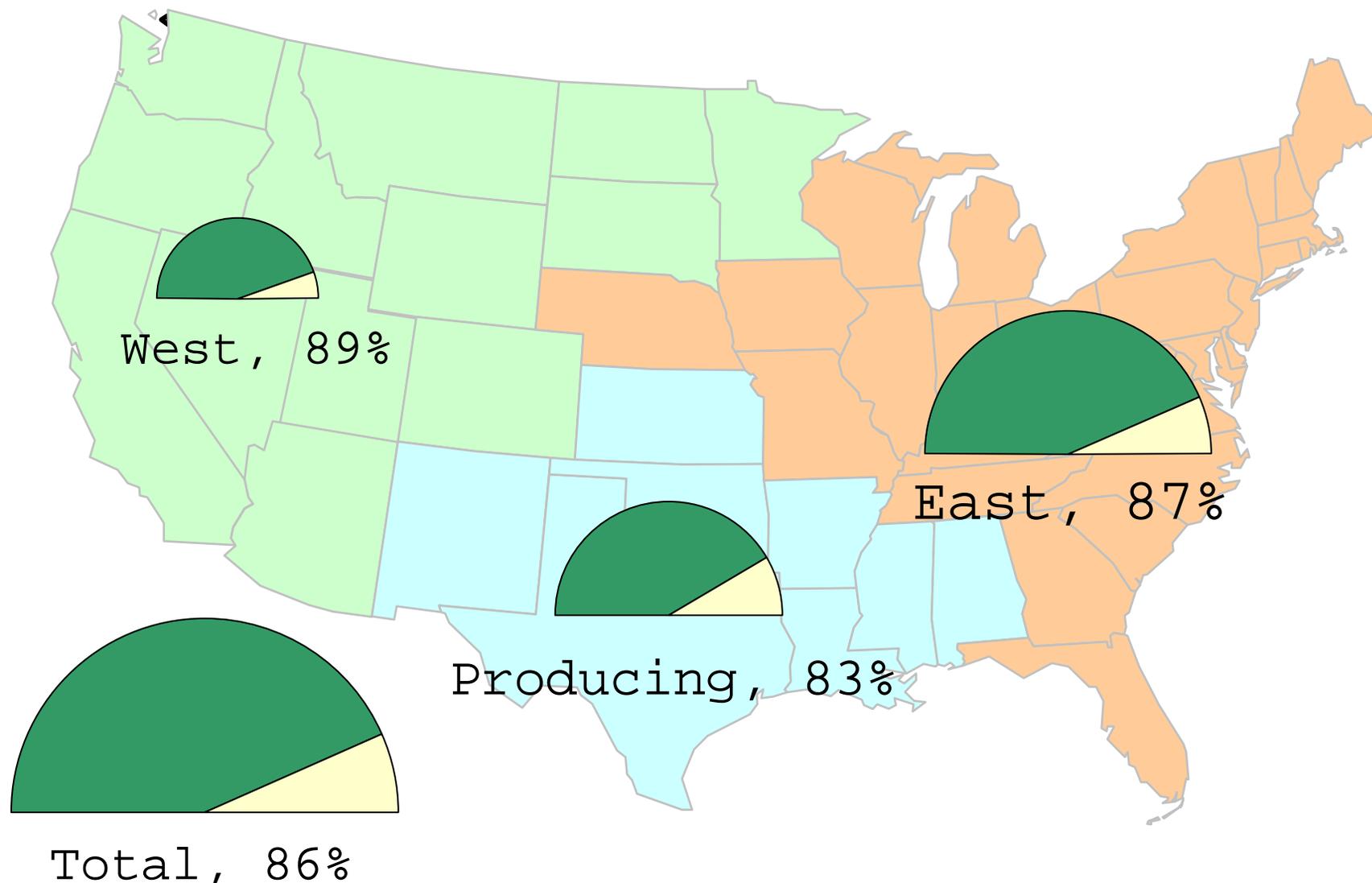
Regional Totals of Working Gas in Storage



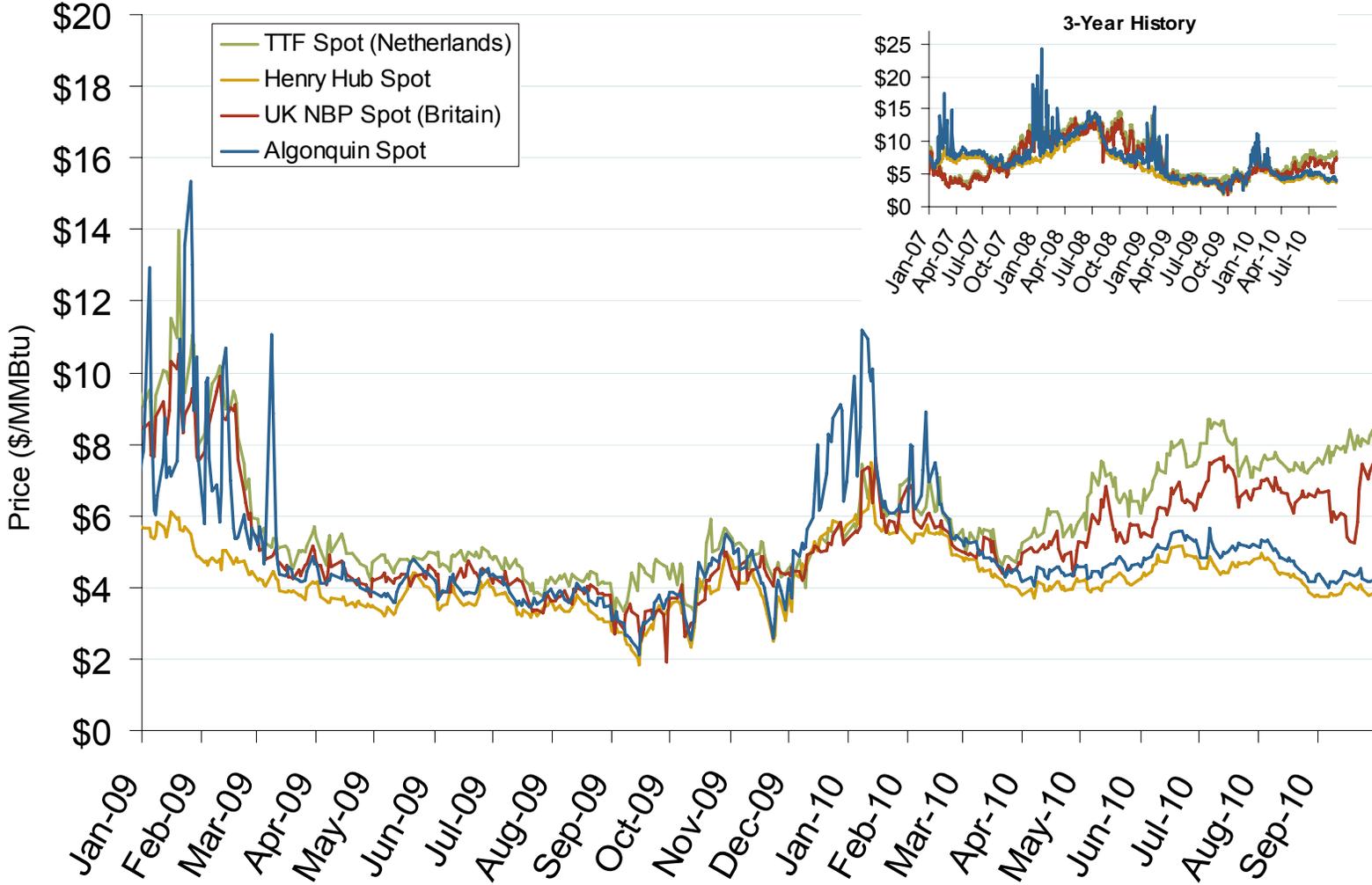
Source: Derived from EIA data.
October 2010 National Snapshot Report

Updated October 7, 2010

Natural Gas Storage Inventories – % full as of October 1, 2010



Atlantic Basin European and US Spot Natural Gas Prices

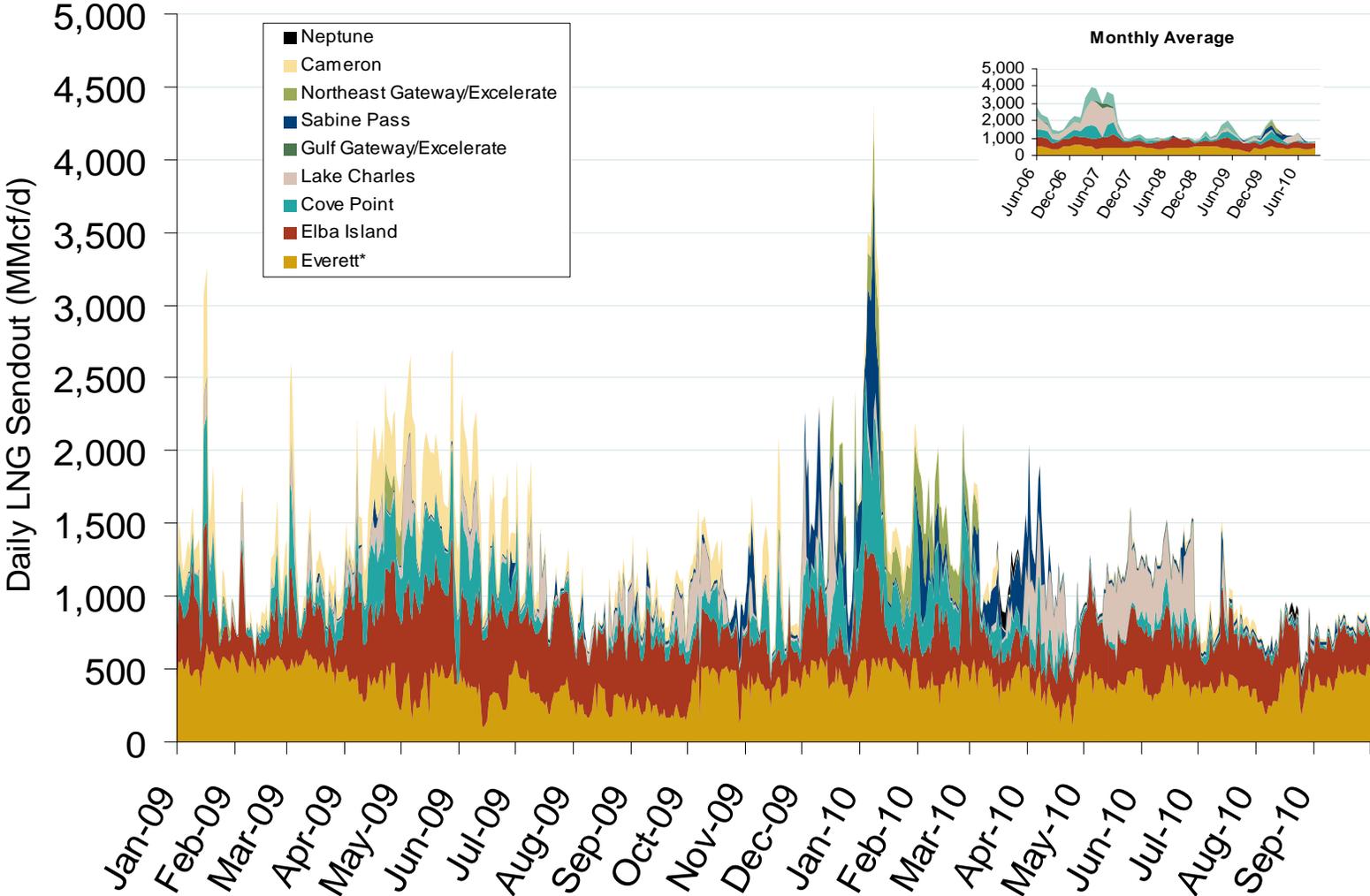


Source: Derived from *Bloomberg* and *ICE* data.
October 2010 National Snapshot Report

World LNG Estimated October 2010 Landed Prices



Daily Gas Sendout from Existing U.S. LNG Facilities

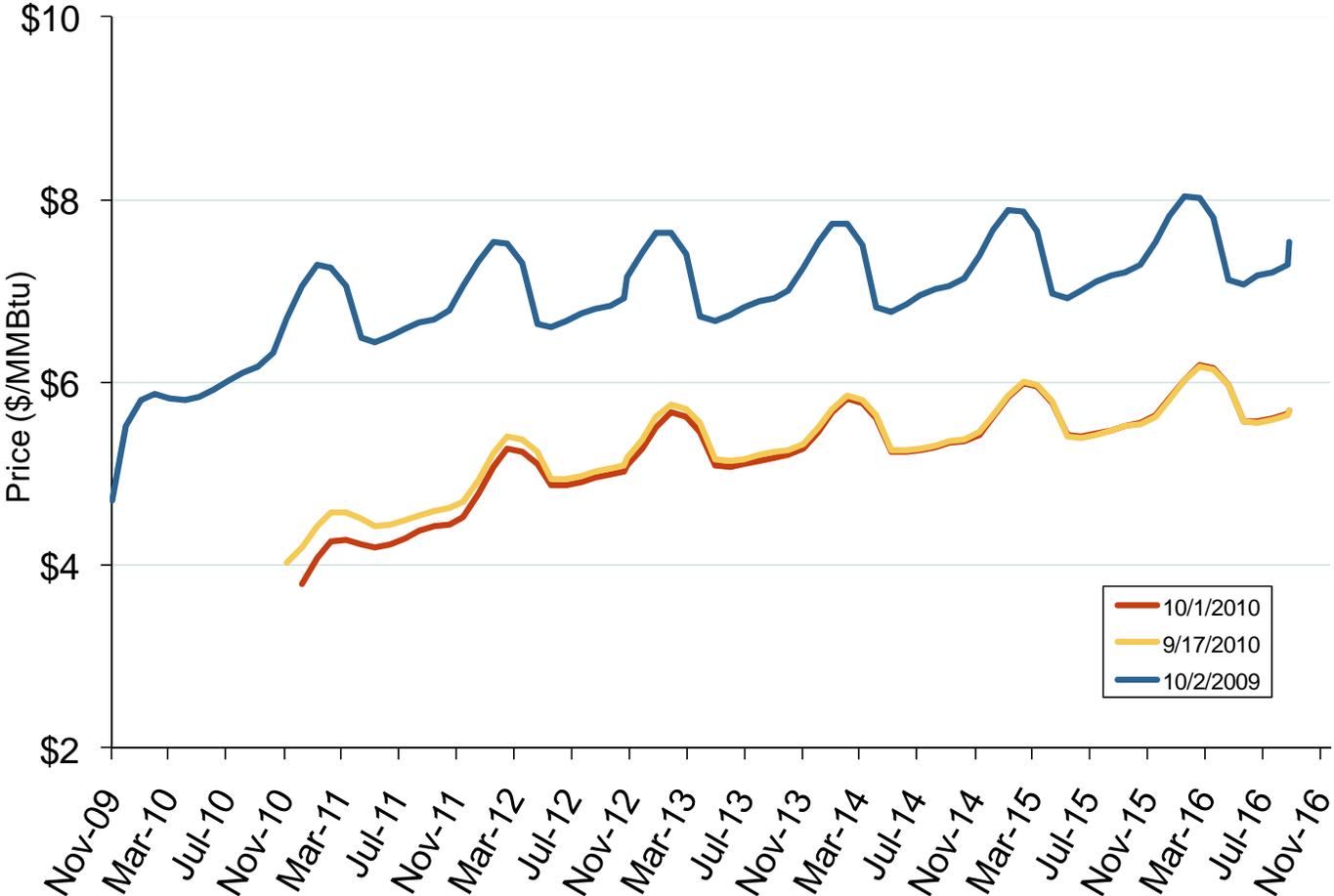


Source: Derived from *Bentek* data.

* 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.

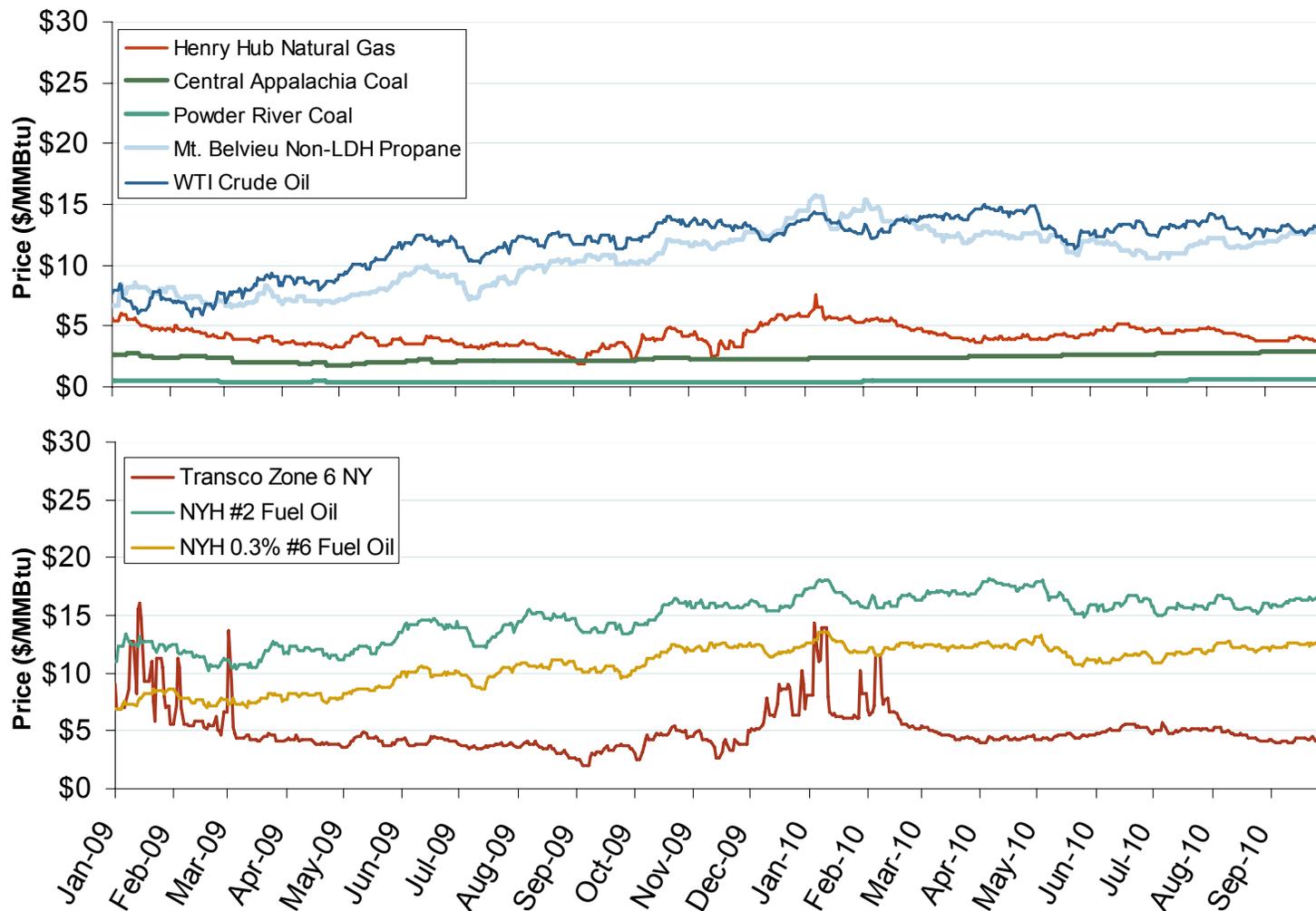
Updated October 7, 2010

NYMEX Natural Gas Forward Price Curve



The NYMEX futures contract trades in 10,000 million Btu units. The blue series shows the forward price curve for these contracts 1-year ago. The red and yellow curves show prices for contracts traded on the current and previous months.

Oil, Coal, Natural Gas and Propane Daily Spot Prices

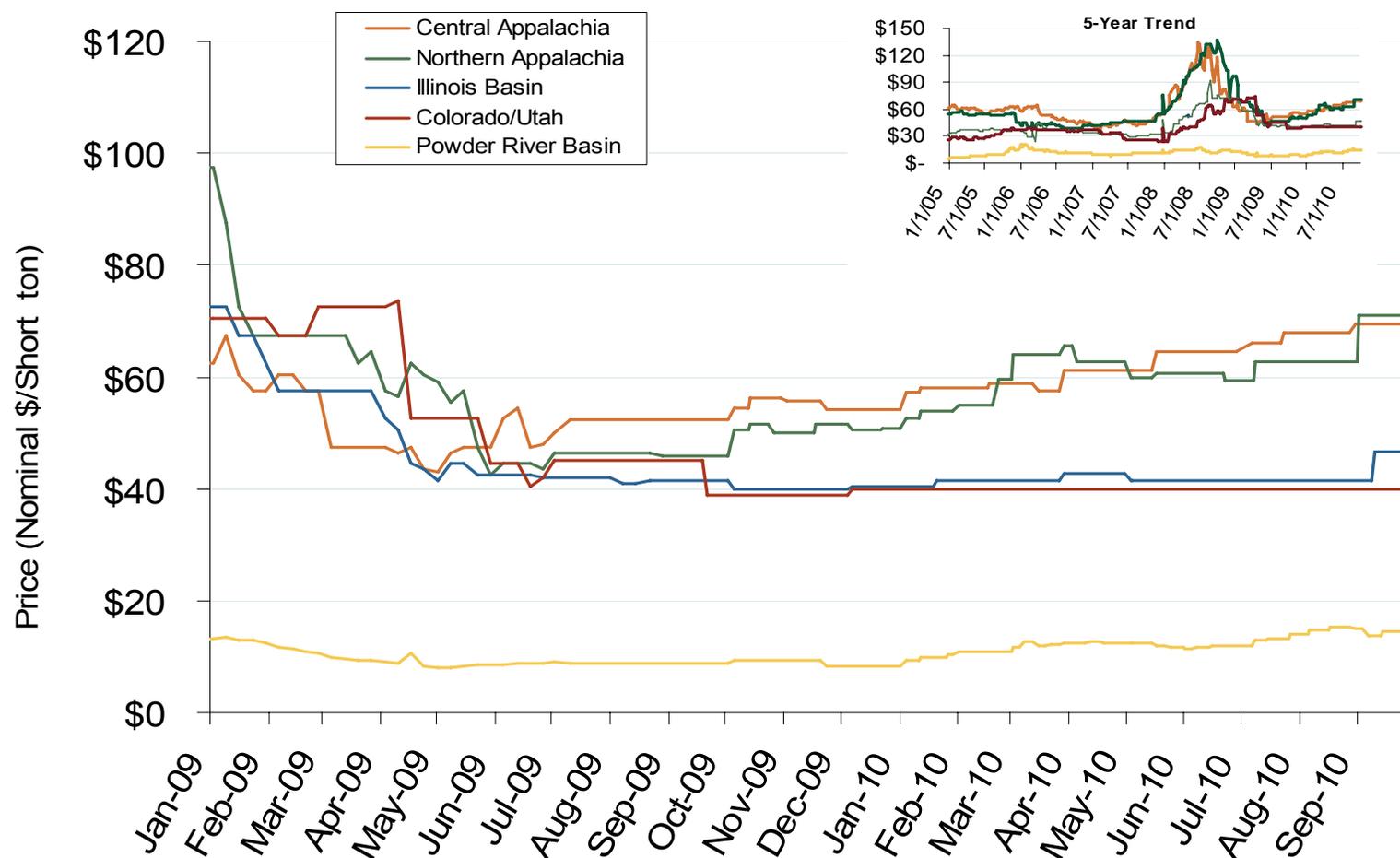


Source: Derived from *ICE* and *Bloomberg* data.

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 October 7, 2010

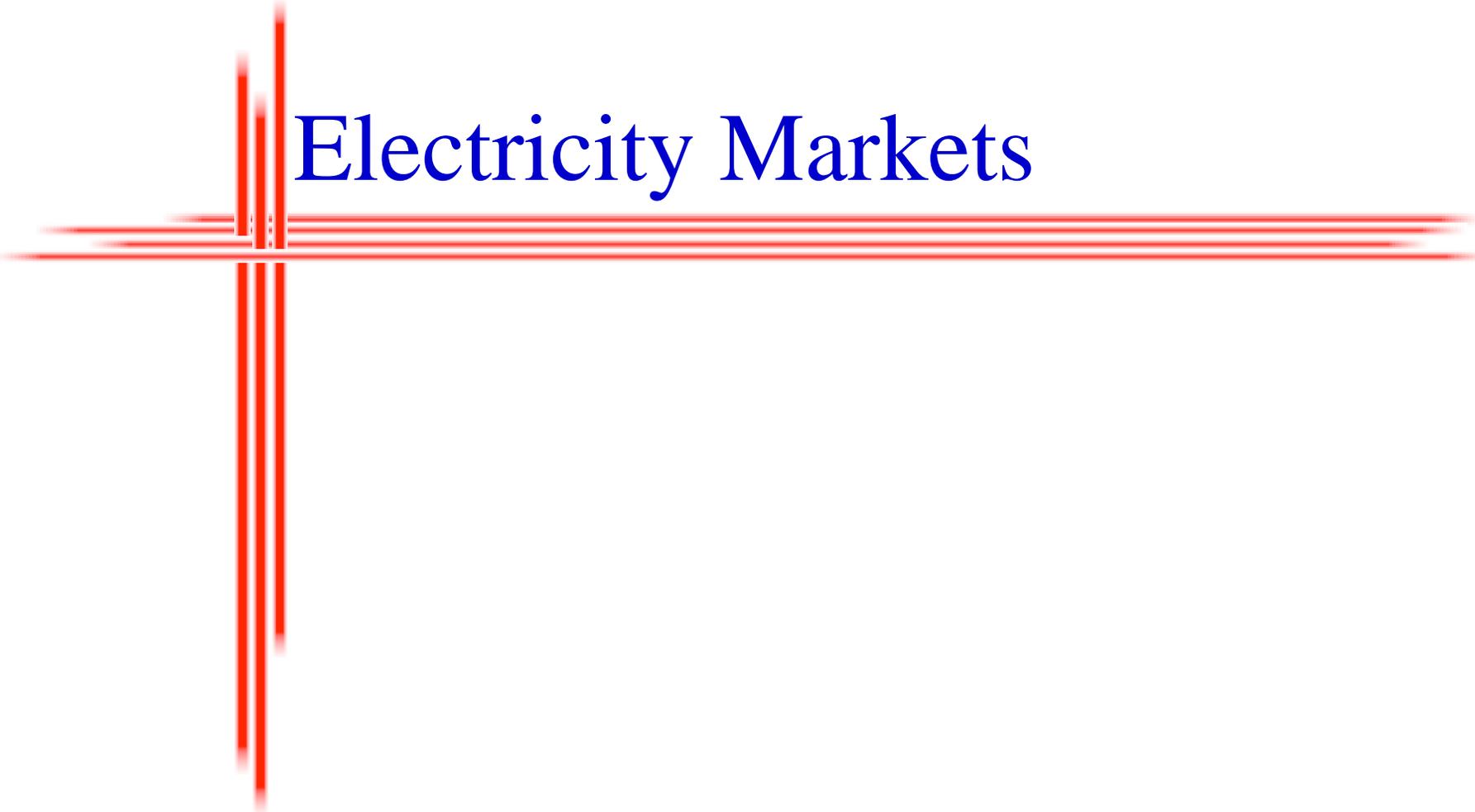
Regional Coal Spot Prices



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.

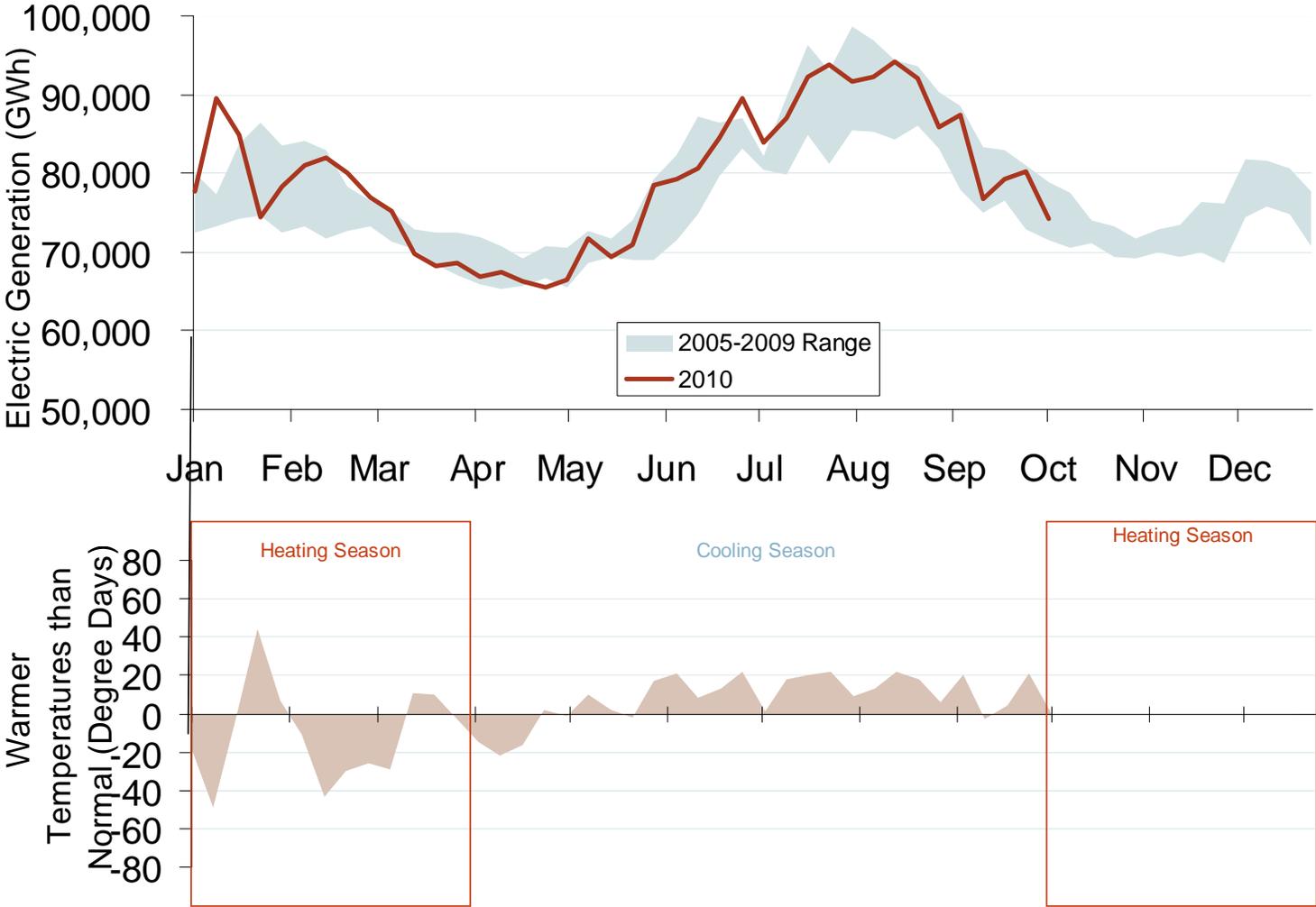
Source: Derived from *Bloomberg* data.
October 2010 National Snapshot Report

Updated October 7, 2010



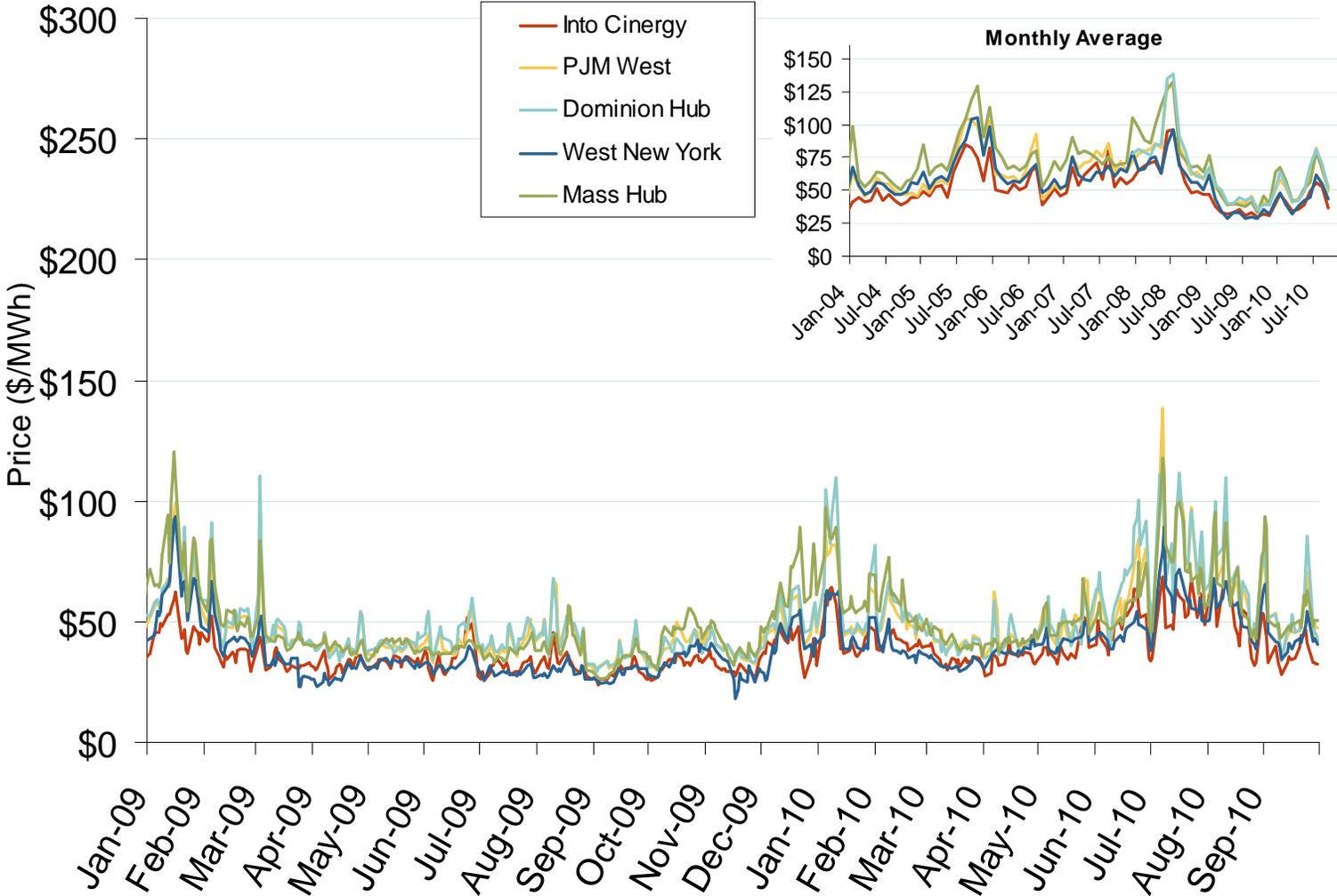
Electricity Markets

Weekly U.S. Electric Generation Output and Temperatures



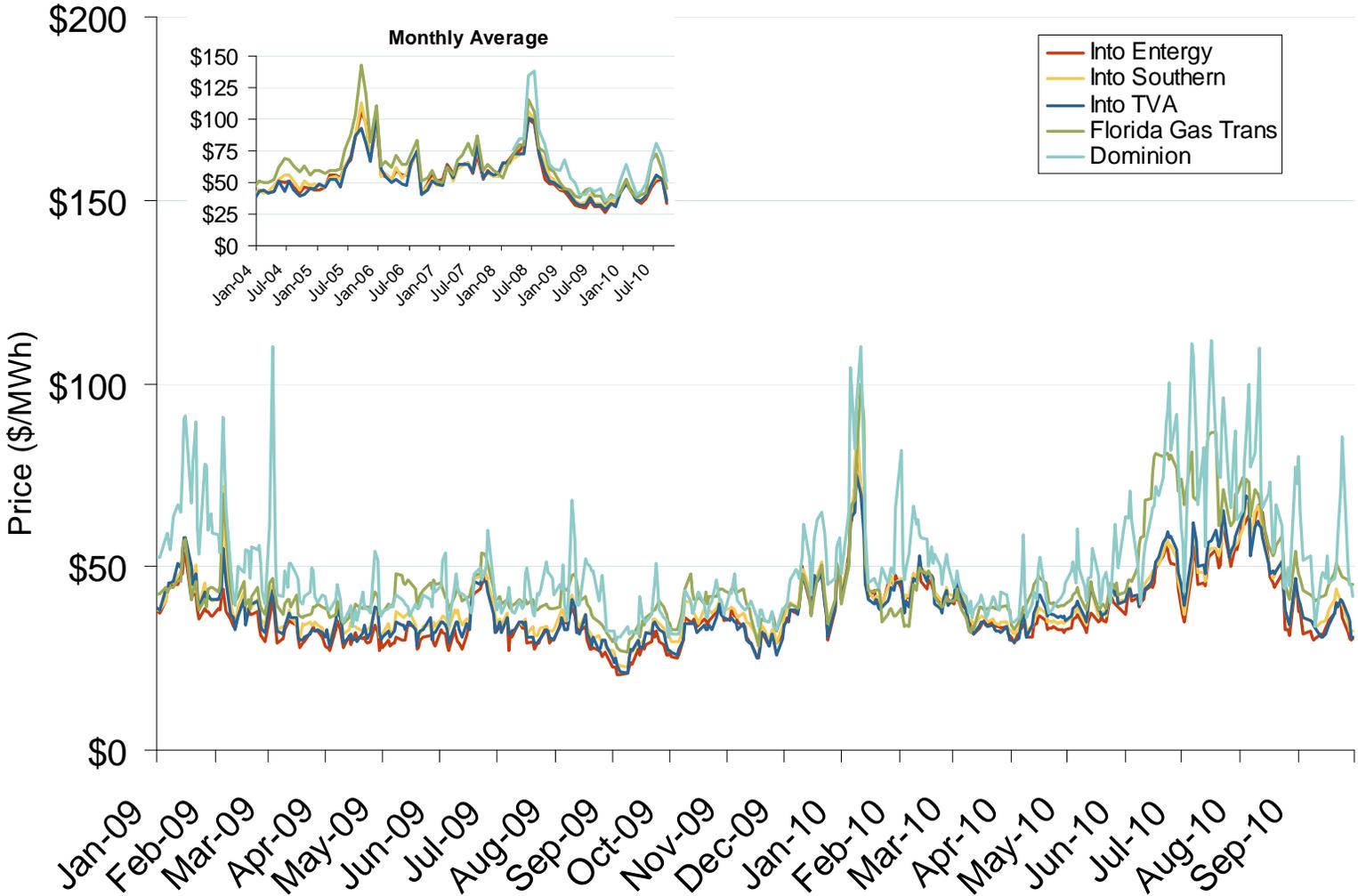
Source: Derived from *EI* and NOAA data.
October 2010 National Snapshot Report

Eastern Daily Bilateral Day-Ahead On-Peak Prices



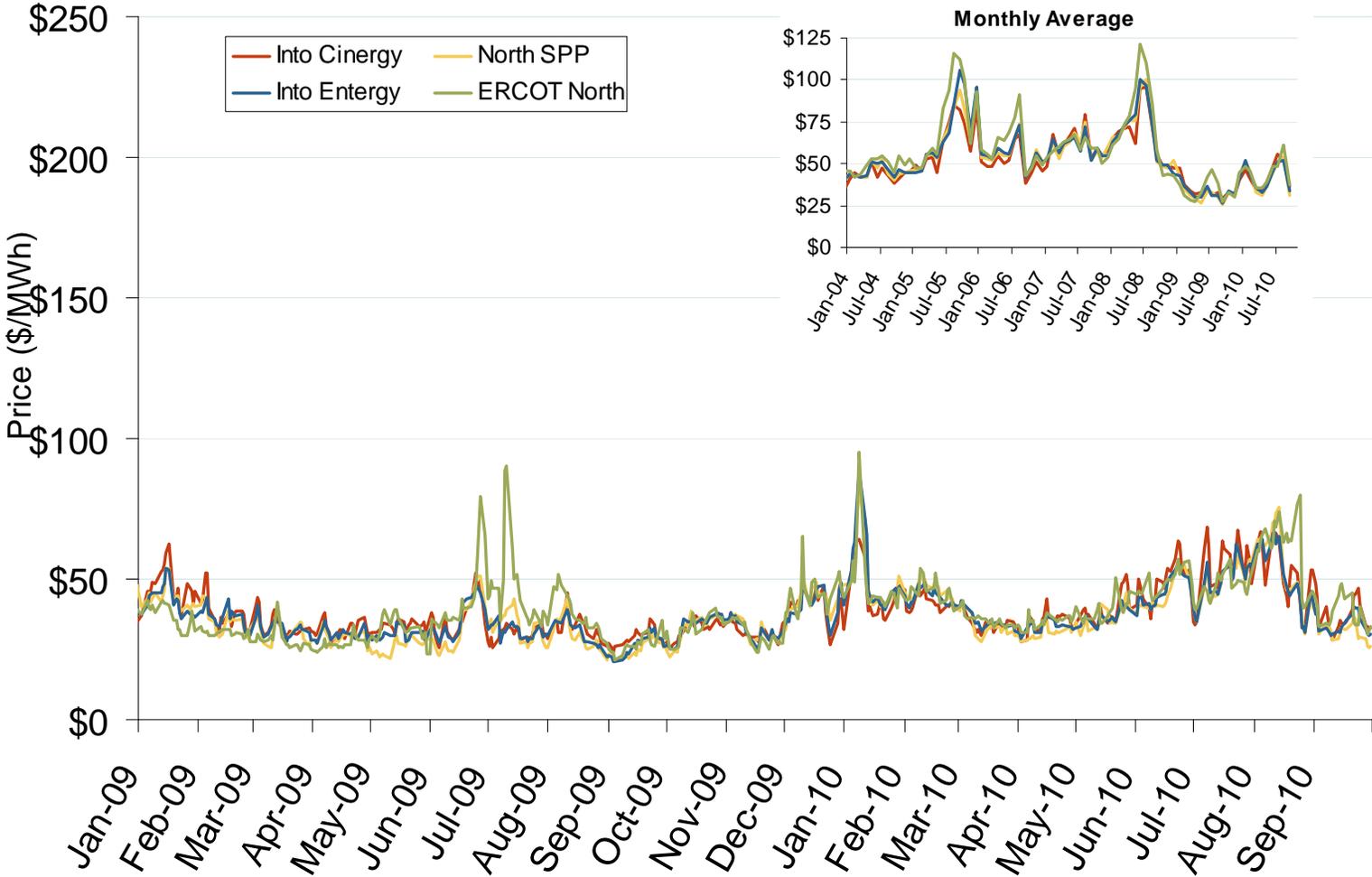
Source: Derived from *Platts* data.
October 2010 National Snapshot Report

Southeastern Daily Bilateral Day-Ahead On-Peak Prices



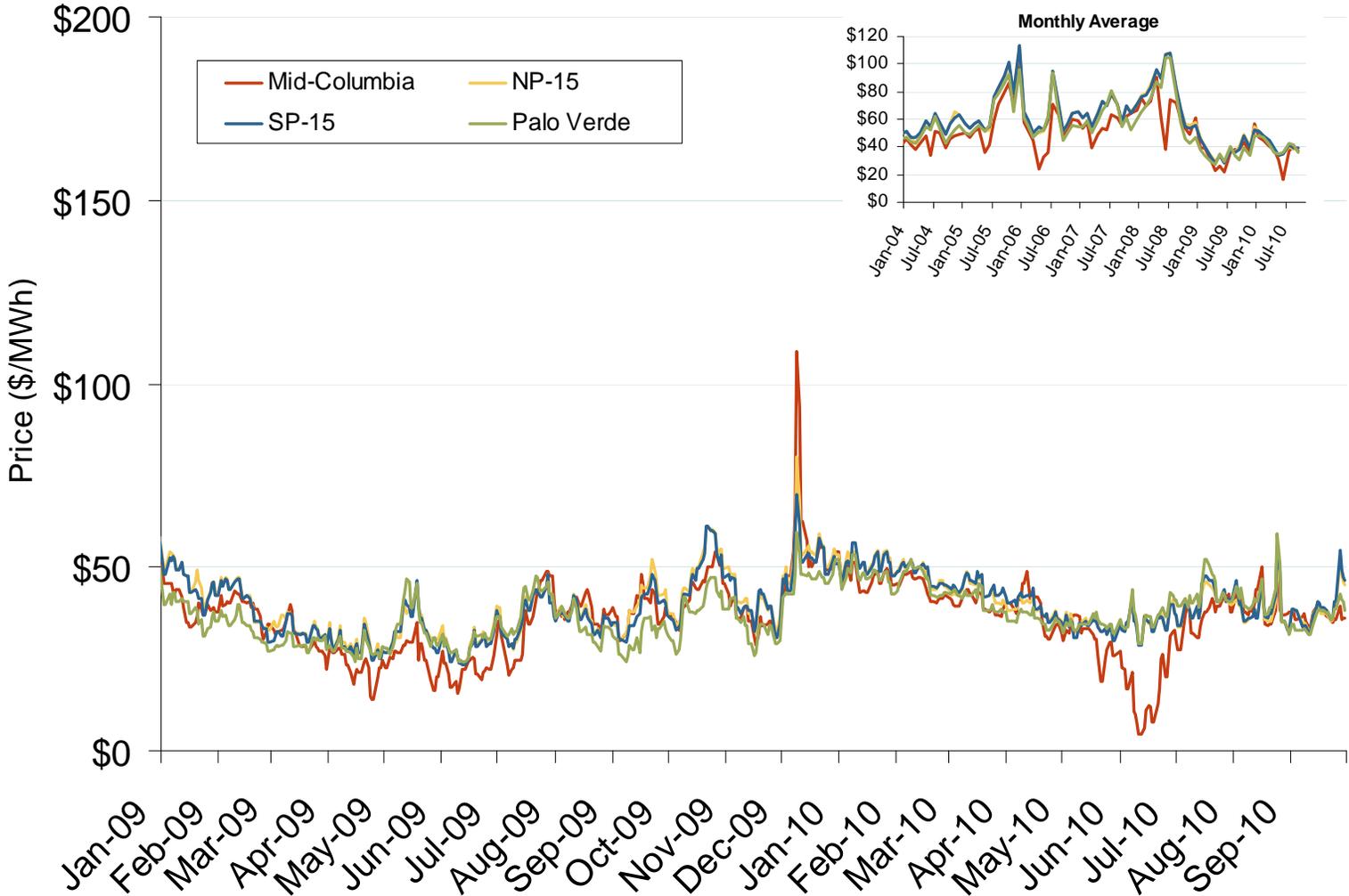
Source: Derived from *Platts* data.
October 2010 National Snapshot Report

Central Daily Bilateral Day-Ahead On-Peak Prices



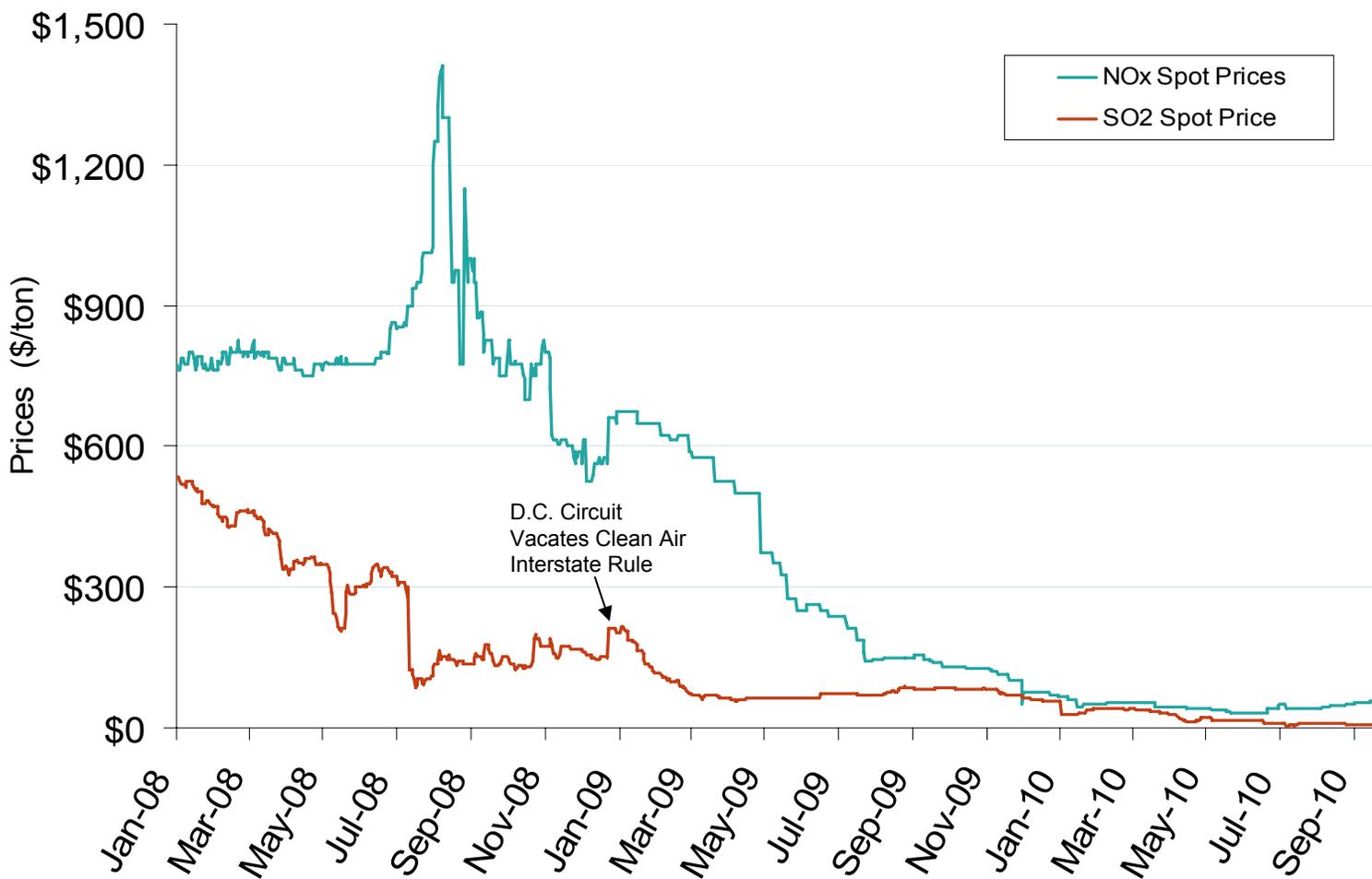
Source: Derived from *Platts* data.

Western Daily Bilateral Day-Ahead On-Peak Prices

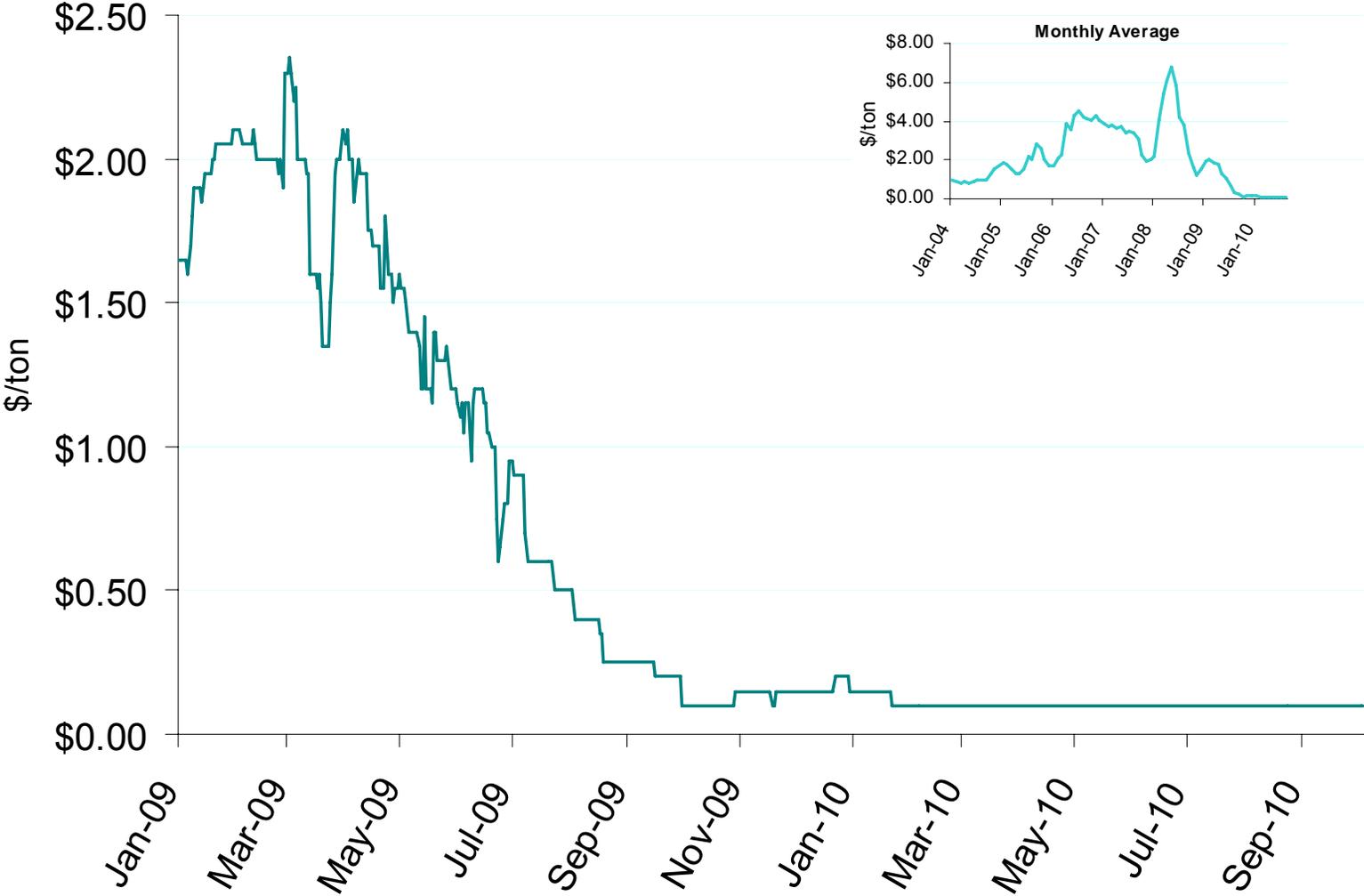


Source: Derived from *Platts* data.

SO₂ Allowance Spot Prices and NOx Seasonal Allowance Spot Prices



Chicago Climate Exchange CO2 Index



Source: Derived from *Bloomberg*.
October 2010 National Snapshot Report

Updated October 7, 2010