WEFA

Natural Gas Monthly

November 17, 2000

In A Nutshell

By Ron Denhardt, Vice President, WEFA Energy Services

Forecasted colder than normal weather for the remainder of November and high oil prices contributed to Henry Hub prices setting a new record of $6.32 per MMBtu. Weather will be the primary force that will determine how prices play out the rest of this heating season weather. The most recent NOAA outlook calls for below normal temperatures in the Northeast in December and too weak of a signal to indicate significant differences from normal for most of the northern part of the US for December and the December through February 2001 time period. However, short-term forecasts have changed and now predict a warming trend after Thanksgiving. This changed weather forecast contributed to the decline in prices during yesterday. There is disagreement about the duration of the warming trend. We are assuming the trend will be short in duration and December temperatures will be close to normal.

Until this week storage injections had been running higher than the historical weather adjusted levels. However, this week marked a shift in the relationship with our unadjusted results being right on the money. Strong electricty consumption growth contributed to this shift. Last week's EEI data showed electricity consumption up 4.1% over the same time last year. Observations of this relationship over the coming weeks will be a key market single about how the supply demand balance is changing.

This report provides results from 3rd quarter company reports on US production. After adjusting for sampling, production was down .3% from a year ago and up approximately 1.4% (a 5.6% annual rate) from the second quarter. This is a very strong growth rate and has contributed to our decision to increase our production forecast. We are now forecasting production to grow by 4.5% (Bcfd basis) in 2001. Many financial institutions are forecasting of growth rates of 5% to 6%.

WEFA and many financial institutions expect the gas supply-demand balance to be as tight in 2001 as this year. Working gas storage at the end of March is expected to be at about 600 Bcf and we expect to the end October 2001 with working gas storage at about the same level as this year. Forecasts with high production growth rates tend to have higher electricity consumption growth rates than those with lower production growth rates. This accounts for similar working gas storage numbers despite differences in production growth. This accounts for similar working gas storage numbers despite different growth in production. WEFA is currently assuming electricity consumption will grow at 2.4% from 2000 to 2001. This compares to 1.9% for the EIA and rates in excess of 3% by some financial institutions.

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Scenarios and Risk

The table below shows three scenarios for Henry Hub prices. Scenario 1 is our current forecast and assumes a 3% warmer than normal winter. The forecast is a risk-adjusted forecast of prices. That is it is not the most likely price but a price outlook that reflects the upside and downside potential of gas prices. Scenario 2 assumes a repeat of last winter's warm weather. Scenario 3 assumes a cold winter similar to 1995 – 96 and or slow growth in production.

		Henry Hub Prices $/MMBtu		
Scenario		1	2	3
2000	Q4	5.35	5.00	5.60
	AVE	4.00	3.92	4.07
2001	Q1	5.33	3.80	6.06
	Q2	4.20	2.80	4.80
	Q3	4.16	2.70	4.60
	Q4	4.21	2.75	4.35
	AVE	4.47	2.80	4.95
2002		3.61	2.70	4.50
2003		3.32	2.50	4.21

Key Statistics

The following summarizes key consumption, supply, and storage statistics. Note that the projected storage data indicates the supply/demand balance will be very tight again in 2001 and 2002. Key factors that may cause lower prices are a decline in oil prices, slower economic growth, and faster production growth than we are currently projecting. These factors are discussed in sections below.

WEFA and most other analysts are expecting a decline in oil prices to $24 per barrel or less early in 2001. Depending on the time period used and the frequency of the time series the correlation between oil and gas prices ranges from .75 to .85. Some of this correlation is spurious. However, low oil prices relative to gas does cause loss of gas demand from fuel switching (see discussion below), increased gas production through emphasis on gas drilling and through reduced liquids removal. We believe that given oil price projections, gas prices will be under substantial downward pressure after the heating season if Henry Hub prices are above $4.00 to $4.25 per MMBtu.

	Natural Gas Consumption Annual Growth Rates		
	99-00	00-01	01-02
Residential	0.3%	4.2%	0.6%
Commercial	4.4%	2.9%	0.9%
Industrial (1)	-1.2%	-0.6%	0.2%
Generation	7.3%	4.0%	6.7%
Total	2.3%	2.3%	2.2%

(1) Industrial excludes NUGs
(2) Based on Bcfd

	Supply Increase (Bcfd)	
	2000 2001	2001 2002
Conventional Gas	1.50	1.70
Conventional Ass.	-0.20	-0.20
Coal Bed Methane	0.30	0.20
Deepwater	0.90	1.10
Supply	2.50	2.80
LNG	0.28	0.08
W. Canada	0.10	0.30
Total	2.88	3.18
Total %	4.6%	4.6%

AGA Storage at End of Quarter (Bcf)

	1st	2nd	3rd	4th
1996	574	1343	2475	2064
1997	831	1559	2556	2170
1998	1006	2011	2870	2815
1999	1337	2033	2825	2437
2000	1031	1636	2497	2070
2001	669	1379	2387	2150
2002	892	1731	2845	2793

Many financial institutions have significantly increased their forecasts of US production growth with projections for production to increase from 5% to 6%. WEFA Inc. is currently forecasting US production to increase 4.3% (4.5% on a Bcfd basis). Despite the difference between WEFA's projected growth in US production and those of some of the financial houses, expectations of working gas storage at the end of March and October 2001 are very close. Forecasts, for March 31, 2001 working gas storage, assuming a 3% warmer than normal winter[1], are in the range of 500 to 600 Bcf. At the end of October 31, 2001 forecast of working gas storage are 2600 to 2700 Bcf close to this year's level.

Forecasts with high production growth rates tend to have higher electricity consumption growth rates than those with lower production growth rates. This accounts for similar working gas storage numbers despite different growth in production. WEFA is currently assuming electricity consumption will grow at 2.4% from 2000 to 2001. This compares to 1.9% for the EIA and rates in excess of 3% by some financial institutions. After accounting for other changes in generation, a 1% change in electricity consumption is equal to about .5 Bcfd of gas consumption.

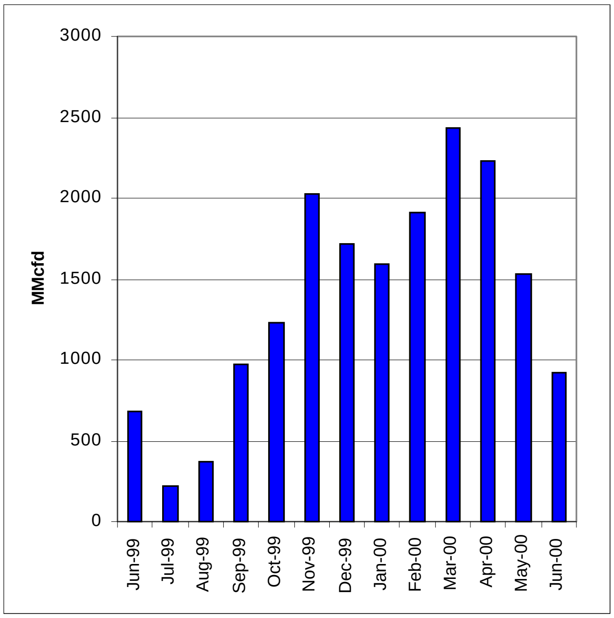
Will fuel switching provide downward pressures on natural gas prices?

Most fuel switching from natural gas to residual fuel oil takes place in steam generating units on the East Coast. Fuel switching can take place directly through dual fired units or indirectly through dispatch (e.g. running an oil steam unit instead of a gas steam unit). The following focuses on fuel switching in dual fired units.

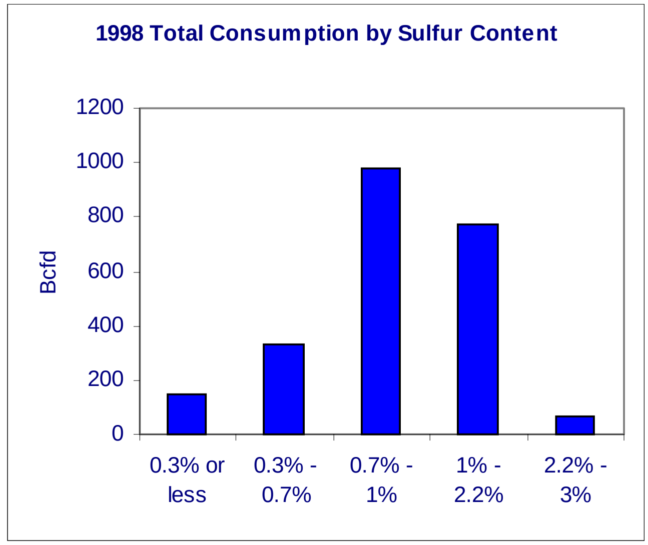
[1] The 10 year average heating season has been 3% warmer than the 30 year average used by the National Atmosphere and Oceanic Administration (NOAA).

The amount of fuel switching capability must always be expressed relative to some time period. For example, the maximum amount of fuel switching that can take place from gas to oil is equal to the amount of natural gas that is being burned in dual fired generation units. The graph below shows the fuel switching capability on the East Coast. It is the lower of the fuel switching capacity less oil being burned or the amount of natural gas being used in the units. The graph below shows the fuel switching potential on the East Coast on a monthly basis.

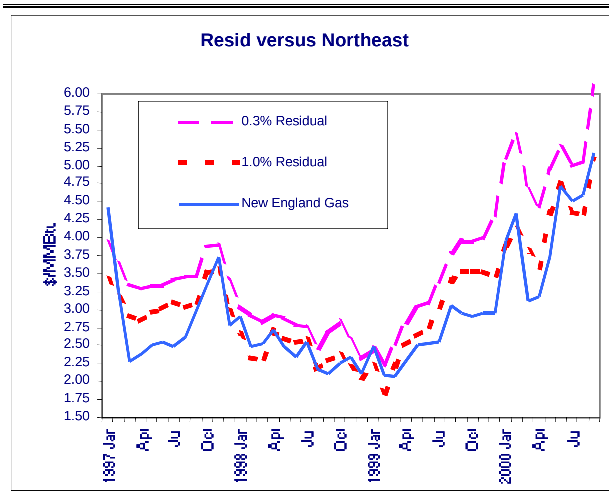
Maximum Residual Fuel Switching Potential



The amount of fuel switching that actually takes place will depend on the delivered price of oil relative to the delivered price of natural gas. The graph below provides an indication of the quality of residual fuel oil that is currently burned on the East Coast. This graph is based on the EIA's Cost and Quality of fuels report. This report shows purchases of fuel oil by electric utilities. 1998 was used for two reasons. First oil prices were very low in 1998. Thus the data provides a good indication of the amount of oil used when oil prices are low relative to gas. Second, this report only covers electric utility plants. As these plants are sold they are no longer reported in the data base. 1998 was the last year before significant sales of power plants took place.



The graph below compares the recent history of natural gas prices to the delivered cost of residual fuel oil to the US northeast. The oil prices are equal to the New York harbor price plus approximately $.45 per MMBtu for taxes and other charges to get the oil to the plant. As the graph shows during the latter half of the year fuel switching took place. However the price of .3% sulfur, currently about $.85 per MMBtu higher than .7% residual fuel oil, was too high for gas to loose market from this sector.



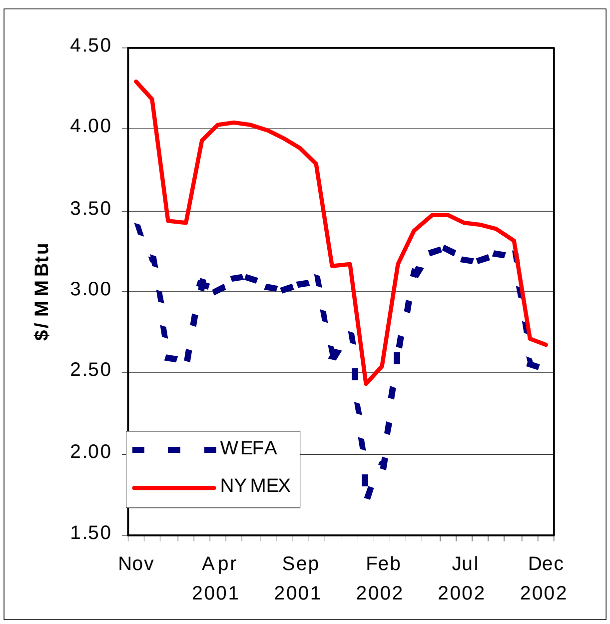
We developed an provide an indicator of the Henry Hub price that would cause fuel switching by:

1. Developing an estimate of the delivered price of 1% residual fuel oil delivered to the Northeast under two alternative outlooks for WTI. One outlook was based on the prices traded on NYMEX. The other outlook was based on WEFA's forecast of WTI prices.

2. Subtracting the forecasted basis between Henry Hub and the Northeast price from the price of 1% residual fuel oil to derive an estimate of the Henry Hub price that would cause fuel switching to take place.

The graph below displays the results. Using the prices traded on NYMEX there should be substantial pressures to switch from natural gas to oil with Henry Hub prices above $3.50 per MMBtu in the winter and $4.00 per MMBtu in the summer.[2] However, in the summer fuel switching capability is quite small. Thus if fuel switching is going to play a significant role in dampening gas prices it will have to occur during the winter and the shoulder months.

Henry Hub Fuel Switching Price



US Production

Based on quarterly reports accounting for more than 50% of US production, production during the third quarter of 2000 is up nearly 3.4% from the third quarter of 1999. Large Company production (production greater or equal to 500 million cubic feet per day) was up 5.3%, while small company production (production less than 500 MMcfd) decreased 3.9%. Last quarter we estimated production was down 3.0% from the same period of 1999. If we adjust for sampling bias, production was down .3% from a year ago and up approximately 1.4% (a 5.6% annual rate) from the second quarter.

EIA data shows production was 1.0% up in July and 3.1% up in August over the same period last year. Texas Railroad Commission reports the third quarter of 2000 production was up 4.7% over the same period last year.

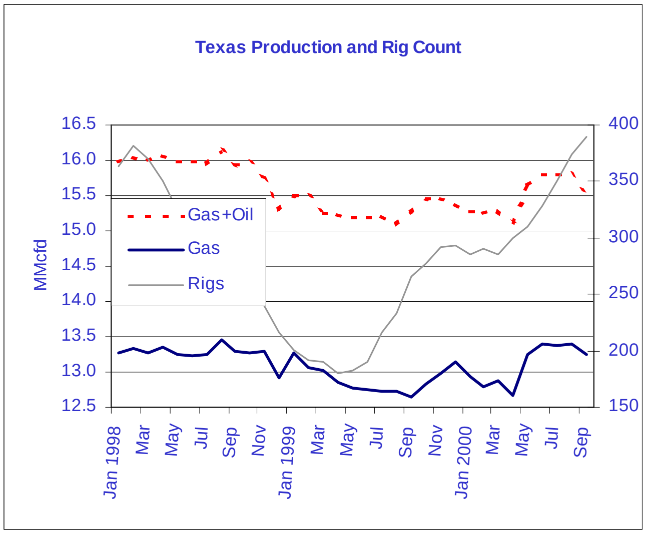
Texas Gas Well Production

(Gas Wells Only)

Adjusted for Reporting Lag (Bcfd)

	1998	1999	2000	1999 % Diff 1998	2000 % Diff 1999
Jan	13.2	13.0	12.9	-1.6%	-0.5%
Feb	13.4	13.1	12.8	-2.4%	-2.1%
Mar	13.3	12.9	12.9	-2.9%	-0.1%
Apr	13.4	12.8	12.7	-4.2%	-1.1%
May	13.3	12.8	13.3	-3.6%	3.7%
Jun	13.2	12.7	13.4	-3.8%	5.2%
Jul	13.2	12.7	13.4	-3.8%	5.0%
Aug	13.4	12.6	13.4	-6.1%	5.8%
Sep	13.3	12.8	13.2	-3.4%	3.1%
Oct	13.2	12.6		-4.4%	
Nov	13.3	12.9		-2.9%	
Dec	12.9	12.9		0.3%	
Average	13.3	12.8		-3.2%	

[2] In Florida the basis would be less however the taxes on residual fuel are also less.



EIA US Dry Gas Production (Bcfd)

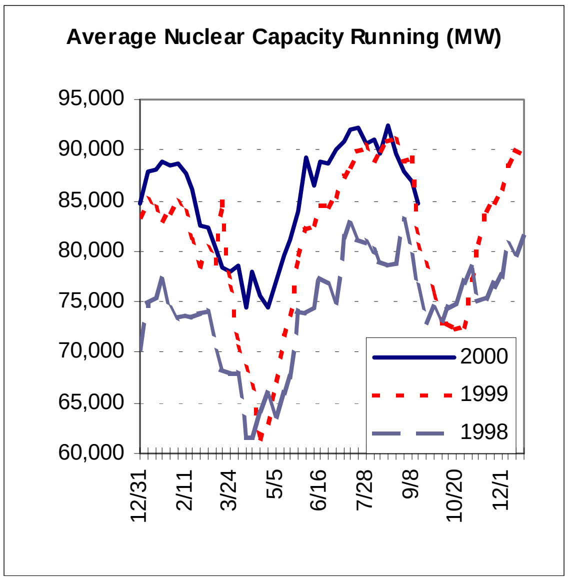
	1998	1999	2000	98-99	99-00
JAN	52.7	51.8	50.6	-1.9%	-2.8%
FEB	52.6	52.1	51.0	0.7%	-2.3%
MAR	52.0	52.0	51.7	-0.5%	-0.4%
APR	51.8	51.1	50.5	-1.9%	-1.0%
MAY	51.6	51.5	50.6	-1.7%	-1.2%
JUN	51.9	51.2	52.0	-1.3%	1.1%
JUL	51.1	50.6	51.1	-1.1%	1.0%
AUG	51.6	50.3	51.6	-2.4%	3.1%
SEP	51.7	51.5		6.3%	
OCT	51.5	51.1		0.9%	
NOV	50.7	51.0		0.6%	
DEC	50.5	51.3		1.6%	
ANNUAL	51.3	51.3			

U.S.Natural Gas Production (MMcfd)

Company	Q3 1999	Q3 2000	% Change
Q3 2000 Production>=500 MMcfd			
BP Amoco	2,359	3,114	32%
Exxon/Mobil Corp.	2,872	2,867	0%
Chevron Corp	1,664	1,615	-3%
Shell Oil Co.	1,720	1,641	-5%
Texaco Inc.	1,416	1,273	-10%
Burlington Resources Inc.	1,484	1,382	-7%
Unocal Corp.	835	924	11%
Phillips Petroleum Co.	948	911	-4%
Conoco Inc.	843	826	-2%
USX-Marathon Group	731	716	-2%
Occidental Petroleum Corp.	673	687	2%
Apache Corp.	694	878	27%
Coastal Corp.	659	877	33%
Anadarko Petroleum Corp.	456	550	21%
Union Pacific Group.Inc.	978	826	-16%
Devon Energy Corp.	711	972	37%
Subtotal	*19,043*	*20,059*	*5.3%*
Q3 2000 Production<500 MMcfd			
Noble Affiliates Inc.	428	401	-6%
Consolidated Natural Gas Co.	498	189	-62%
Amerada Hess Corp.	346	282	-18%
EEX (formerly Enserch)	108	147	36%
Kerr-McGee Corp.	516	464	-10%
Questar Corp.	170	189	11%
Louis Dreyfus Natural Gas Corp.	300	347	16%
Barrett Resources Corp.	264	296	12%
Cabot Oil and Gas Corp.	186	168	-10%
Murphy Oil Corp.	167	141	-16%
Equitable Resources Inc.	176	205	16%
Chesapeake Energy Corp.	298	316	6%
Newfield Exploration Co.	236	304	29%
Pogo Producing Co.	148	159	7%
Ocean Energy, Inc.	428	386	-10%
Pioneer Natural Resources Co.	376	392	4%
PetroCorp	11	25	121%
Range Resources	131	114	-13%
Cross Timbers	289	342	18%
Southwestern Energy Co.	78	86	10%
Subtotal	*5,153*	*4,953*	*-3.9%*
Total	**24,196**	**25,012**	**3.4%**

Electricity Generation

There is substantial debate about the growth rate of electric power next year. We are projecting a 2.5% growth rate. This is about the same as the EIA projections but many are arguing the electricity consumption will grow at 3% over the next year. Another major issue is coal generation. A large number of coal fired power plants are putting on wet FGD to meet environmental regulations. *We believe as this equipment is put on engineers will enhance the capacity of these units by 5% to 10%.* The timing is uncertain. However, this increased coal generation should slow down gas generation growth.



U.S. Storage

According to the American Gas Association storage-survey for the week ending November 10, working gas storage was 2742 Bcf or 274 Bcf below last year's level.

Working Gas Inventory (BCF)

Region	11/10/00	11/03/00	11/12/99	Change from Last Year
Producing[2]	688	687	847	-18.8%
Consuming				
East[3]	1,682	1,678	1,730	-2.8%
West[4]	372	383	439	-15.3%
TOTAL	2,742	2,748	3,016	-9.1%

Notes:

1. Arkansas, Kansas, Louisiana, Mississippi, New Mexico, Oklahoma, & Texas

2. All states east of the Miss. River except Iowa, Missouri , & Nebraska

3. All states west of the Miss. River except those in the producing region and Iowa, Missouri, & Nebraska

Source: American Gas Association

Canadian Storage

According to the Canadian Gas Association storage survey for the week ending November 3, eastern Canadian storage was 4.0% higher than last year's level and western Canadian storage was 9.3% Bcf lower than last year. Total Canadian storage was 476.4 Bcf, or 2.7% below last year's level.

Canadian Gas Association Storage Survey (BCF)

Region	11/03/00	10/27/00	11/05/99	% Change from Last Year
East	245.4	243.8	235.9	4.0%
West	218.2	219.2	240.5	-9.3%
TOTAL	463.6	463.0	476.4	-2.7%

Source: Canadian Gas Association

Canadian Net Storage Injections Bcfd

	1998	1999	2000	99-98	00-99
January	-3.1	-3.6	-3.1	-0.5	0.6
February	-1.1	-2.2	-2.6	-1.1	-0.5
March	-1.3	-1.2	-0.7	0.1	0.5
April	0.6	0.4	0.0	-0.2	-0.4
May	1.8	1.2	1.0	-0.7	-0.2
June	1.4	1.3	1.9	-0.1	0.6
July	1.8	1.9	1.4	0.1	-0.6
August	1.0	1.2	1.3	0.2	0.1
September	1.2	1.3	1.6	0.1	0.3
October	0.6	-0.1	0.4	-0.6	0.5
November	-0.3	0.1		0.4	
December	-0.9	-2.1		-1.2	
Average	**0.1**	**-0.2**		**-0.3**	

Source: Canadian Gas Association

Weather

	Fcst/Actual CNG Energy Index	Above/Below Normal CNG Eng Index	% Diff.
United States			
11/13/00	24.3	4.5	22.6
11/14/00	26.1	5.9	29.5
11/15/00	26.5	6.0	29.5
11/16/00	26.4	5.6	27.0
11/17/00	28.8	7.8	36.9
11/18/00	31.8	10.5	49.2
11/19/00	33.4	11.7	53.9
11/20/00	33.4	11.3	51.0

Source: CNG Retail Services Corp.
http://www.usatoday.com/weather/wenerg1.htm

Visit the following website to view the weather forecasts used as the basis of this outlook:

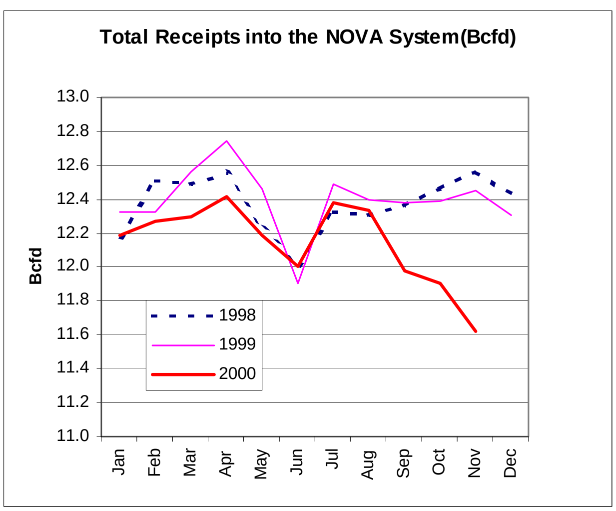
http://www.usatoday.com/weather/wenerg1.htm

http://www.cpc.ncep.noaa.gov/products/predictions/6-10_day/6_10day1.gif

http://www.cpc.ncep.noaa.gov/products/predictions/monthly_climate/current_outlook/450LLmo.gif

http://www.cpc.ncep.noaa.gov/products/predictions/8-14_day/i814temp.gif

http://www.cpc.ncep.noaa.gov/products/predictions/multi_season/13_seasonal_outlooks/1.5_month_outlook/450LL02.gif



Nova Receipts

Nova receipts continue below last year. However, some gas (approximately 500 MMcfd) is now being diverted to fill the Alliance pipeline.

Total Receipts into the NOVA System (Bcfd)

	1998	1999	2000	99-98	00-99
Jan	12.18	12.33	12.19	0.15	-0.14
Feb	12.51	12.33	12.27	-0.18	-0.05
Mar	12.49	12.56	12.30	0.08	-0.26
Apr	12.55	12.75	12.41	0.20	-0.34
May	12.22	12.46	12.19	0.24	-0.28
Jun	12.01	11.90	12.01	-0.11	0.10
Jul	12.32	12.49	12.38	0.17	-0.11
Aug	12.30	12.40	12.33	0.10	-0.07
Sep	12.36	12.38	12.0	0.02	-0.40
Oct	12.46	12.38	11.9	-0.08	-0.48
Nov	12.56	12.45	11.6	-0.11	-0.83
Dec	12.43	12.30		-0.13	
Average	12.33	12.19	12.1	-0.14	-0.26

Note: November is year to date through November 13, 2000.

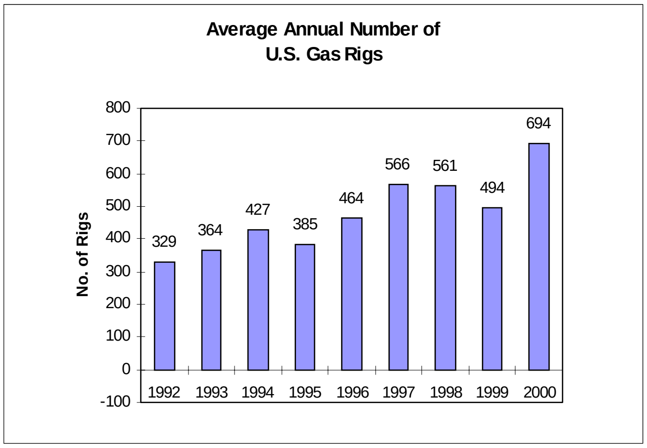
Imports

Natural Gas Imports from Canada (MMcfd)

	National Energy Board			Energy Information Administration		
	1999	2000	00-99	1999	2000	00-99
January	9123	9885	762	9363	10006	642
February	9062	10054	992	9238	10329	1092
March	8749	9693	944	9005	9420	415
April	8683	8989	306	8866	9138	273
May	8711	9027	316	8711	8870	160
June	8573	9430	857	8542	9293	752
July	8756	9503	747	8756	9500	744
August	9341	9496	155	9279	9136	-143
September	9454			9454		
October	9364			9365		
November	9613			9613		
December	9854			9384		
Average	9107	9510	403	9131	9461	330

Rig Count

The U.S. natural gas rig count was 842 in October, which was 40.1% above the September 1999 level. The average rig count for 1999 was 494 – down 12% from the previous year.



U.S. Natural Gas Rig Count

	1994	1995	1996	1997	1998	1999	2000	% Ch. 98-99	% Ch. – 99-00
Jan	425	411	464	478	609	461	631	-24.3%	36.9%
Feb	405	375	411	492	589	425	616	-27.8%	44.9%
Mar	402	331	418	518	601	412	599	-31.4%	45.4%
Apr	399	336	446	526	591	371	609	-37.2%	64.2%
May	385	335	467	541	580	380	644	-34.5%	69.5%
Jun	408	352	469	577	585	434	677	-25.8%	56.0%
Jul	415	399	487	584	549	478	733	-12.9%	53.3%
Aug	433	399	488	581	565	527	779	-6.7%	47.8%
Sep	471	413	503	614	559	565	810	1.1%	43.4%
Oct	469	412	499	602	519	601	842	15.8%	40.1%
Nov	460	430	482	625	496	635		28.0%	
Dec	447	427	489	650	493	636		29.0%	
Ave.	427	385	464	566	561	494	694	-12.0%	50.1%

Source: Baker Hughes

Industrial Production

Industrial production in the gas-intensive industries is expected grow considerably slower in 2001 than in 2000. Further, in industries where gas is a major share of the production cost, gas consumption is likely to decline.

Economic Outlook

GDP is estimated to have been $8,790 billion in 1998. And, it is expected to grow to $9949 billion ($1998) by 2001. This is equivalent to a compound annual growth rate of 4.2% between 1998 and 2001.

Deflator and GDP Forecast (Billions of $1998)

					% Change		
	1998	1999	2000	2001	98-99	99-00	00-01
GDP	8,790	9,162	9,636	9949	4.2%	5.2%	3.2%
Deflator	103.2	104.8	107.0	109.2	1.5%	2.1%	2.1%

Source: WEFA, INC.

Oil Outlook

4Q 2000: The fourth quarter should be one of transition, as rising deliveries raise crude inventories, while demand continues to be weak. Winter demand remains a major uncertainty. Demand for distillates will be the primary market support, and will depend on a) winter weather, b) fuel-switching in the U.S., where natural gas prices are extremely high, and c) downstream inventories, which might be higher than thought and whose drawdown could suppress sales late in the fourth quarter.

1Q 2001: Normal winter weather and a robust economy will result in a modest inventory draw, and support prices. But the possibility exists that the industry will finish the winter with high distillate inventories, and pressure OPEC to cut production in the second quarter, especially if the U.S. economy slows, as now seems likely, or the winter weather is mild.

2001: As the year progresses, new non-OPEC supplies from deepwater Africa and Brazil, plus Mexican increases and the possible completion of the CPC pipeline from the Caspian will put pressure on OPEC. Since many members will also be increasing production, a serious battle over price maintenance is possible.

Petroleum Product Prices at New York Harbor

	Crude Oil						
	WTI	Ref Acq	No.6 Resid 0.3%S	No.6 Resid 0.7%S	No.6 Resid 1.0%S	No.6 Resid 2.2% S	No.6 Resid 3.0%S
	$/bbl	$/bbl	$/bbl	$/bbl	$/bbl	$/bbl	$/bbl
2000							
Jan	27.27	25.49	29.25	22.56	21.74	20.69	19.41
Feb	29.35	27.55	31.33	23.80	23.07	21.88	20.16
Mar	29.89	28.28	26.50	21.73	21.24	20.92	20.53
Apr	25.74	24.97	24.99	20.40	19.79	19.05	18.39
May	28.78	26.46	28.35	25.14	24.49	22.06	20.07
Jun	31.86	29.13	30.18	27.71	26.98	23.89	22.20
Jul	29.72	28.72	28.62	25.33	24.58	23.11	21.27
Aug	31.22	29.44	28.97	25.21	24.48	22.25	20.22
Sep	33.88	31.44	35.62	30.03	29.09	25.34	22.54
Oct	33.11	31.61	36.39	30.90	29.84	26.10	23.53
Nov	28.12	26.62	28.35	25.40	24.66	22.19	20.71
Dec	25.67	24.17	25.61	22.94	22.27	20.05	18.71
2001							
Jan	25.67	24.17	25.70	23.02	22.35	20.12	18.78
Feb	24.79	23.29	24.93	22.33	21.68	19.51	18.21
Mar	23.82	22.32	23.87	21.38	20.76	18.68	17.44
Apr	22.23	20.73	21.81	19.53	18.96	17.07	15.93
May	21.88	20.38	21.35	19.12	18.56	16.71	15.59
Jun	21.74	20.24	21.19	18.97	18.42	16.58	15.47
Jul	21.43	19.93	20.72	18.56	18.02	16.21	15.13
Aug	21.15	19.65	20.54	18.40	17.86	16.07	15.00
Sep	21.37	19.87	20.75	18.58	18.04	16.24	15.15
Oct	21.89	20.39	21.09	18.89	18.34	16.51	15.40
Nov	22.21	20.71	21.56	19.31	18.75	16.87	15.75
Dec	22.79	21.29	22.30	19.98	19.39	17.45	16.29
2002							
Jan	20.79	18.62	19.94	17.86	17.34	15.61	14.57
Feb	21.17	18.97	20.64	18.48	17.94	16.15	15.07
Mar	21.68	19.54	21.28	19.06	18.51	16.66	15.55
Apr	23.15	20.89	22.72	20.35	19.76	17.78	16.60
May	23.11	21.24	22.62	20.26	19.67	17.71	16.53
Jun	23.04	21.14	22.54	20.18	19.60	17.64	16.46
Jul	22.71	20.86	22.04	19.74	19.17	17.25	16.10
Aug	22.51	20.63	21.96	19.67	19.09	17.18	16.04
Sep	22.78	20.78	22.22	19.90	19.32	17.39	16.23
Oct	22.99	21.08	22.20	19.88	19.31	17.37	16.22
Nov	22.39	20.50	21.61	19.36	18.79	16.91	15.79
Dec	21.94	19.91	21.17	18.97	18.41	16.57	15.47
2003							
Jan	20.56	18.35	19.55	17.51	17.00	15.30	14.28
Feb	20.95	18.69	20.24	18.13	17.60	15.84	14.78
Mar	21.45	19.25	20.88	18.70	18.16	16.34	15.25
Apr	22.90	20.58	22.30	19.97	19.39	17.45	16.29
May	22.87	20.93	22.20	19.88	19.30	17.37	16.21
Jun	22.79	20.82	22.11	19.80	19.23	17.30	16.15
Jul	22.47	20.55	21.62	19.36	18.80	16.92	15.79
Aug	22.27	20.33	21.54	19.29	18.73	16.86	15.73
Sep	22.54	20.47	21.80	19.52	18.96	17.06	15.92
Oct	22.74	20.77	21.77	19.49	18.93	17.03	15.90
Nov	22.15	20.20	21.19	18.98	18.42	16.58	15.48
Dec	21.70	19.61	20.76	18.59	18.05	16.25	15.16
1998	14.38	12.58	14.54	12.63	12.32	11.24	10.12
1999	19.24	17.41	17.91	15.89	15.42	14.69	13.84
2000	29.55	27.82	29.51	25.10	24.35	22.29	20.65
2001	22.58	21.08	22.15	19.84	19.26	17.33	16.18
2002	22.35	20.35	21.75	19.48	18.91	17.02	15.88
2003	22.12	20.05	21.33	19.10	18.55	16.69	15.58

Natural Gas Spot Prices

$/MMBTU

	Alberta		B.C.										
	AECO-C	Empress	Sumas	Kingsgate	Kern River Opal, WY	Blanco, NM	Waha, TX	Midcon	Katy, TX	Ventura Iowa	Henry Hub 3 Day Close	Henry Hub Cash Market	Broad Run WV
1999													
January	1.63	1.65	1.77	1.69	1.73	1.76	1.78	1.83	1.82	1.98	1.82	1.87	1.89
February	1.62	1.65	1.65	1.65	1.64	1.65	1.69	1.72	1.74	1.77	1.75	1.78	1.85
March	1.58	1.63	1.56	1.59	1.54	1.50	1.67	1.66	1.73	1.69	1.69	1.78	1.79
April	1.76	1.90	1.74	1.78	1.81	1.75	1.95	1.94	2.04	1.94	1.85	2.07	2.14
May	1.99	2.00	1.97	2.02	2.01	2.02	2.18	2.17	2.24	2.19	2.33	2.27	2.39
June	2.05	2.06	1.99	2.06	2.01	2.04	2.09	2.18	2.27	2.19	2.20	2.30	2.35
July	1.98	1.99	1.98	2.01	1.98	2.04	2.22	2.15	2.23	2.18	2.27	2.23	2.35
August	2.31	2.31	2.26	2.30	2.33	2.41	2.66	2.64	2.73	2.67	2.57	2.74	2.83
September	2.26	2.26	2.22	2.25	2.32	2.42	2.56	2.52	2.55	2.53	3.01	2.63	2.77
October	2.54	2.54	2.51	2.55	2.52	2.55	2.53	2.57	2.65	2.65	2.63	2.63	2.72
November	2.24	2.28	2.26	2.30	2.33	2.30	2.49	2.45	2.36	2.51	3.04	2.54	2.71
December	2.05	2.11	2.20	2.23	2.21	2.26	2.23	2.26	2.30	2.32	2.20	2.35	2.39
2000													
January	2.07	2.14	2.25	2.22	2.23	2.23	2.33	2.29	2.34	2.36	2.34	2.37	2.45
February	2.29	2.40	2.34	2.33	2.38	2.41	2.51	2.51	2.57	2.58	2.60	2.66	2.73
March	2.52	2.54	2.53	2.53	2.53	2.58	2.68	2.64	2.73	2.67	2.68	2.75	2.81
April	2.71	2.72	2.70	2.74	2.69	2.76	2.91	2.96	2.95	2.91	2.83	2.99	3.20
May	2.96	2.96	2.95	3.00	2.97	3.06	3.24	3.25	3.36	3.26	3.11	3.47	3.35
June	3.66	3.66	3.71	3.72	3.78	3.99	4.27	4.14	4.26	4.15	4.37	4.30	4.47
July	3.18	3.18	3.41	3.31	3.50	3.74	4.04	3.95	4.08	4.00	4.54	4.10	4.29
August	3.17	3.17	3.16	3.17	3.21	3.46	4.35	4.20	4.36	4.23	3.79	4.35	4.43
September	4.38	4.38	4.44	4.46	3.99	4.18	4.93	4.91	5.00	4.97	4.64	5.01	5.15
October	4.57	4.57	4.80	4.76	4.63	4.58	4.99	5.06	5.08	5.15	5.30	5.11	5.33
November	4.93	4.94	5.80	5.76	4.93	5.01	5.15	5.09	5.19	5.18	5.05	5.23	5.39
December	5.36	5.44	5.49	5.54	5.33	5.40	5.60	5.55	5.67	5.48	5.70	5.70	5.96
2001													
January	5.16	5.28	5.38	5.31	5.12	5.19	5.39	5.37	5.44	5.28	5.50	5.50	5.79
February	5.06	5.17	5.22	5.10	5.03	5.09	5.29	5.27	5.35	5.19	5.40	5.40	5.54
March	4.75	4.81	4.78	4.76	4.72	4.78	4.98	4.97	5.05	4.89	5.10	5.10	5.24
April	3.87	3.87	3.83	3.95	3.86	3.92	4.12	4.13	4.20	4.05	4.25	4.25	4.38
May	3.79	3.80	3.73	3.81	3.78	3.84	4.04	4.07	4.14	3.98	4.18	4.18	4.29
June	3.78	3.79	3.72	3.80	3.76	3.83	4.03	4.06	4.10	3.97	4.17	4.17	4.27
July	3.78	3.79	3.72	3.80	3.74	3.81	4.01	4.05	4.10	3.97	4.16	4.16	4.27
August	3.78	3.79	3.75	3.81	3.73	3.81	4.01	4.05	4.10	3.97	4.16	4.16	4.27
September	3.79	3.80	3.80	3.87	3.62	3.69	3.99	4.04	4.10	3.98	4.16	4.16	4.26
October	3.79	3.80	3.85	3.83	3.73	3.82	4.00	4.05	4.10	3.98	4.16	4.16	4.26
November	3.80	3.83	3.88	3.85	3.74	3.83	4.01	4.06	4.11	3.99	4.17	4.17	4.38
December	3.92	4.00	4.05	3.98	3.85	3.94	4.12	4.18	4.22	4.11	4.29	4.29	4.49
2002													
January	3.94	4.06	4.11	4.12	3.83	3.92	4.11	4.17	4.21	4.12	4.27	4.27	4.49
February	3.76	3.87	3.92	3.91	3.66	3.75	3.94	3.97	4.04	3.95	4.10	4.10	4.31
March	3.53	3.59	3.64	3.57	3.48	3.58	3.75	3.77	3.86	3.78	3.92	3.92	4.12
April	3.31	3.32	3.37	3.35	3.28	3.38	3.54	3.58	3.65	3.57	3.71	3.71	3.90
May	3.16	3.17	3.22	3.18	3.25	3.34	3.50	3.51	3.58	3.43	3.64	3.64	3.82
June	3.15	3.16	3.21	3.17	3.14	3.24	3.49	3.50	3.57	3.42	3.63	3.63	3.81
July	3.18	3.18	3.23	3.20	3.09	3.18	3.48	3.51	3.58	3.44	3.63	3.63	3.81
August	3.22	3.23	3.28	3.25	3.01	3.11	3.46	3.51	3.57	3.49	3.62	3.62	3.80
September	3.22	3.23	3.28	3.30	3.06	3.15	3.45	3.51	3.56	3.49	3.62	3.62	3.80
October	3.14	3.17	3.22	3.18	3.19	3.28	3.44	3.49	3.55	3.47	3.60	3.60	3.78
November	3.24	3.32	3.37	3.29	3.29	3.38	3.54	3.59	3.65	3.57	3.70	3.70	3.88
December	3.28	3.40	3.45	3.34	3.35	3.44	3.60	3.65	3.71	3.63	3.77	3.77	3.95
1996	1.09	1.16	1.38	1.28	1.51	1.68	2.31	2.31	2.36	2.19	2.55	2.76	3.07
1997	1.36	1.44	1.58	1.58	1.95	2.34	2.42	2.41	2.49	2.41	2.63	2.53	2.65
1998	1.42	1.52	1.69	1.63	1.83	1.89	2.01	2.02	2.06	2.04	2.14	2.08	2.18
1999	2.00	2.03	2.01	2.04	2.04	2.06	2.17	2.17	2.22	2.22	2.28	2.27	2.35
2000	3.55	3.58	3.76	3.75	3.58	3.68	3.97	3.93	4.02	3.97	3.96	4.06	4.18
2001	4.11	4.14	4.14	4.16	4.06	4.13	4.33	4.36	4.42	4.28	4.47	4.47	4.62
2002	3.34	3.39	3.44	3.40	3.30	3.40	3.61	3.65	3.71	3.61	3.77	3.77	3.96
2003	2.75	2.77	2.82	2.83	2.92	3.02	3.16	3.20	3.27	3.17	3.32	3.32	3.48

Source for historical data is *Natural Gas Week.*

Delivered Prices

$/MMBTU

	NY Harbor Distillate	NY Harbor .3% Residual	NY Harbor 1.0% Residual	New England	Transco Z6 (Non-NY)	Midwest	California South	California North	California North South Basis
1999									
January	2.33	1.86	1.62	2.49	2.36	2.06	1.94	1.82	0.12
February	2.44	1.86	1.62	2.08	2.31	1.83	1.83	1.75	0.08
March	2.42	1.84	1.60	2.06	1.96	1.79	1.73	1.66	0.07
April	2.62	1.97	1.71	2.28	2.15	2.07	1.94	1.88	0.06
May	2.69	2.00	1.74	2.51	2.56	2.33	2.23	2.11	0.12
June	2.62	1.98	1.72	2.53	2.42	2.34	2.29	2.16	0.13
July	2.71	2.07	1.80	2.55	2.50	2.30	2.39	2.17	0.22
August	2.82	2.12	1.84	3.05	2.90	2.77	2.70	2.45	0.25
September	3.01	2.21	1.92	2.96	3.14	2.68	2.71	2.47	0.24
October	3.17	2.36	2.06	2.90	2.76	2.75	2.95	2.74	0.21
November	3.16	2.40	2.09	2.96	3.49	2.61	2.73	2.58	0.15
December	3.13	2.42	2.11	2.95	2.72	2.43	2.49	2.39	0.10
2000									
January	6.63	4.65	3.46	3.95	4.01	2.47	2.41	2.35	0.06
February	6.55	4.98	3.67	4.33	3.76	2.68	2.62	2.51	0.11
March	5.61	4.22	3.38	3.12	3.05	2.80	2.79	2.67	0.12
April	5.42	3.97	3.15	3.18	3.13	3.05	3.02	2.90	0.12
May	5.47	4.51	3.90	3.73	3.41	3.45	3.48	3.20	0.28
June	5.64	4.80	4.29	4.71	4.72	4.38	4.68	4.16	0.52
July	5.63	4.55	3.91	4.51	4.93	4.17	4.68	4.05	0.63
August	6.42	4.61	3.89	4.59	4.18	4.41	5.00	4.76	0.24
September	7.12	5.67	4.63	5.18	4.96	5.14	6.11	5.80	0.31
October	7.05	5.79	4.75	5.50	5.76	5.29	5.72	5.32	0.40
November	6.86	4.51	3.92	5.63	5.64	5.34	6.20	6.16	0.04
December	6.61	4.07	3.54	6.35	6.25	5.76	6.40	6.17	0.23
2001									
January	6.47	4.09	3.55	6.60	6.50	5.56	6.09	5.87	0.22
February	6.39	3.97	3.45	6.50	6.40	5.46	5.89	5.67	0.22
March	5.78	3.80	3.30	5.78	5.69	5.15	5.48	5.27	0.21
April	5.43	3.47	3.02	4.70	4.63	4.27	4.32	4.14	0.19
May	5.19	3.40	2.95	4.49	4.42	4.19	4.24	4.06	0.18
June	4.99	3.37	2.93	4.44	4.37	4.18	4.33	4.07	0.26
July	4.83	3.30	2.87	4.43	4.37	4.18	4.51	4.25	0.26
August	4.67	3.27	2.84	4.43	4.37	4.18	4.61	4.35	0.26
September	4.62	3.30	2.87	4.42	4.35	4.19	4.08	3.85	0.23
October	4.58	3.35	2.92	4.44	4.37	4.19	4.21	4.02	0.18
November	4.49	3.43	2.98	5.00	4.92	4.20	4.18	3.99	0.18
December	4.43	3.55	3.08	5.09	5.01	4.32	4.24	4.06	0.18
2002									
January	6.47	3.17	2.76	5.73	5.65	4.34	4.20	4.02	0.18
February	6.39	3.28	2.85	5.47	5.38	4.16	4.02	3.84	0.18
March	5.78	3.38	2.94	4.63	4.56	3.98	3.83	3.65	0.18
April	5.43	3.61	3.14	4.18	4.12	3.76	3.63	3.46	0.16
May	5.19	3.60	3.13	3.96	3.90	3.61	3.78	3.59	0.20
June	4.99	3.59	3.12	3.91	3.85	3.60	3.64	3.39	0.24
July	4.83	3.51	3.05	3.92	3.86	3.63	3.58	3.34	0.24
August	4.67	3.49	3.04	3.90	3.85	3.67	3.51	3.27	0.24
September	4.62	3.53	3.07	3.89	3.83	3.67	3.54	3.32	0.22
October	4.58	3.53	3.07	3.90	3.84	3.65	3.65	3.47	0.18
November	4.49	3.44	2.99	4.57	4.50	3.76	3.70	3.51	0.18
December	4.43	3.37	2.93	4.61	4.54	3.82	3.65	3.47	0.18
1996				3.49		3.34	1.87	1.63	0.25
1997				2.94		2.66	2.49	2.01	0.48
1998	2.83	2.31	1.96	2.42		2.18	2.26	2.02	0.24
1999	3.52	2.85	2.45	2.61	2.61	2.33	2.33	2.18	0.15
2000	6.25	4.69	3.87	4.61	4.53	4.13	4.52	4.28	0.24
2001	5.16	3.52	3.06	5.03	4.95	4.51	4.68	4.47	0.22
2002	4.35	3.46	3.01	4.39	4.32	3.80	3.73	3.53	0.20
2003	4.31	3.39	2.95	3.97	3.91	3.34	3.35	3.10	0.25

Notes: 1. Basis differentials are the difference between prices at two separate points. Basis differentials are indicative of the value of natural gas transportation between specific points..

Basis Differentials

$/MMBTU

	Northern California		Southern California			Midwest			New England			AECO
	AECO	Kern River	AECO	Blanco	Kern River	AECO	MidCon	Henry Hub	AECO	MidWest	Henry Hub	Henry Hub
1999												
January	0.19	0.09	0.31	0.18	0.21	0.43	0.23	0.19	0.86	0.43	0.62	-0.24
February	0.13	0.11	0.21	0.18	0.19	0.21	0.11	0.05	0.46	0.25	0.30	-0.16
March	0.08	0.12	0.15	0.23	0.19	0.21	0.13	0.01	0.48	0.27	0.28	-0.20
April	0.12	0.07	0.18	0.19	0.13	0.31	0.13	0.00	0.52	0.21	0.21	-0.31
May	0.12	0.10	0.24	0.21	0.22	0.34	0.16	0.06	0.52	0.18	0.24	-0.28
June	0.11	0.15	0.24	0.25	0.28	0.29	0.16	0.04	0.48	0.19	0.23	-0.25
July	0.19	0.19	0.41	0.35	0.41	0.32	0.15	0.07	0.57	0.25	0.32	-0.25
August	0.14	0.12	0.39	0.29	0.37	0.46	0.13	0.03	0.74	0.28	0.31	-0.43
September	0.21	0.15	0.45	0.29	0.39	0.42	0.16	0.05	0.70	0.28	0.33	-0.37
October	0.20	0.22	0.41	0.40	0.43	0.21	0.18	0.12	0.36	0.15	0.27	-0.09
November	0.34	0.25	0.49	0.43	0.40	0.37	0.16	0.07	0.72	0.35	0.42	-0.30
December	0.34	0.18	0.44	0.23	0.28	0.38	0.17	0.08	0.90	0.52	0.60	-0.30
2000												
January	0.28	0.12	0.34	0.18	0.18	0.40	0.18	0.10	1.88	1.48	1.58	-0.30
February	0.22	0.13	0.33	0.21	0.24	0.39	0.17	0.02	2.04	1.65	1.67	-0.37
March	0.15	0.14	0.27	0.21	0.26	0.28	0.16	0.05	0.60	0.32	0.37	-0.23
April	0.19	0.21	0.31	0.26	0.33	0.34	0.09	0.06	0.47	0.13	0.19	-0.28
May	0.24	0.23	0.52	0.42	0.51	0.49	0.20	-0.02	0.77	0.28	0.26	-0.51
June	0.50	0.38	1.02	0.69	0.90	0.72	0.24	0.08	1.05	0.33	0.41	-0.64
July	0.87	0.55	1.50	0.94	1.18	0.99	0.22	0.07	1.33	0.34	0.41	-0.92
August	1.59	1.55	1.83	1.54	1.79	1.24	0.21	0.06	1.42	0.18	0.24	-1.18
September	1.42	1.81	1.73	1.93	2.12	0.76	0.23	0.13	0.80	0.04	0.17	-0.63
October	0.75	0.69	1.15	1.14	1.09	0.72	0.23	0.18	0.93	0.21	0.39	-0.54
November	1.23	1.23	1.27	1.19	1.27	0.41	0.25	0.11	0.70	0.30	0.40	-0.30
December	0.80	0.84	1.03	1.00	1.07	0.40	0.21	0.06	0.99	0.59	0.65	-0.34
2001												
January	0.71	0.75	0.72	0.90	0.97	0.40	0.19	0.06	1.44	1.04	1.10	-0.34
February	0.61	0.64	0.46	0.80	0.27	0.40	0.19	0.06	1.44	1.04	1.10	-0.34
March	0.52	0.55	0.45	0.70	0.25	0.40	0.18	0.05	1.03	0.63	0.68	-0.35
April	0.27	0.28	0.55	0.40	0.46	0.40	0.14	0.01	0.84	0.44	0.45	-0.39
May	0.27	0.28	0.74	0.40	0.46	0.40	0.13	0.01	0.70	0.30	0.31	-0.39
June	0.29	0.31	0.84	0.50	0.57	0.40	0.12	0.01	0.66	0.26	0.27	-0.39
July	0.48	0.51	0.29	0.70	0.77	0.40	0.13	0.01	0.66	0.26	0.27	-0.39
August	0.57	0.62	0.41	0.80	0.88	0.40	0.12	0.01	0.66	0.26	0.27	-0.39
September	0.06	0.24	0.37	0.39	0.47	0.40	0.15	0.03	0.63	0.23	0.26	-0.37
October	0.23	0.29	0.32	0.39	0.48	0.40	0.14	0.03	0.65	0.25	0.28	-0.37
November	0.19	0.25	0.26	0.35	0.44	0.40	0.15	0.03	1.19	0.79	0.82	-0.37
December	0.13	0.21	0.26	0.30	0.39	0.40	0.15	0.04	1.16	0.76	0.95	-0.36
2002												
January	0.08	0.19	0.62	0.28	0.37	0.40	0.17	0.07	1.79	1.39	1.46	-0.33
February	0.08	0.18	0.49	0.27	0.36	0.40	0.20	0.06	1.70	1.30	1.37	-0.34
March	0.12	0.17	0.40	0.25	0.34	0.45	0.21	0.06	1.11	0.66	0.71	-0.39
April	0.15	0.18	0.28	0.25	0.34	0.45	0.18	0.05	0.87	0.42	0.47	-0.40
May	0.43	0.34	0.32	0.44	0.54	0.45	0.10	-0.03	0.80	0.35	0.33	-0.48
June	0.25	0.25	0.51	0.40	0.49	0.45	0.10	-0.03	0.76	0.31	0.28	-0.48
July	0.16	0.25	0.46	0.40	0.49	0.45	0.11	-0.01	0.74	0.29	0.28	-0.46
August	0.04	0.25	0.38	0.40	0.49	0.45	0.17	0.05	0.68	0.23	0.28	-0.40
September	0.10	0.26	0.35	0.39	0.48	0.45	0.16	0.05	0.67	0.22	0.27	-0.40
October	0.32	0.28	0.36	0.37	0.46	0.51	0.17	0.05	0.75	0.24	0.29	-0.46
November	0.27	0.23	0.43	0.32	0.41	0.52	0.16	0.05	1.33	0.81	0.87	-0.46
December	0.19	0.12	0.56	0.21	0.30	0.55	0.17	0.06	1.33	0.78	0.95	-0.49
1996	0.53	0.11	0.78	0.20	0.36	2.25	1.03	0.59	2.40	0.15	0.74	-1.67
1997	0.65	0.06	1.13	0.15	0.53	2.02	0.24	0.13	1.58	0.28	0.41	-1.17
1998	0.60	0.19	0.84	0.37	0.44	0.76	0.16	0.10	1.00	0.24	0.34	-0.66
1999	0.18	0.15	0.33	0.27	0.29	0.33	0.16	0.06	0.61	0.28	0.34	-0.27
2000	0.73	0.70	0.97	0.84	0.94	0.58	0.20	0.08	1.05	0.47	0.55	-0.50
2001	0.36	0.41	0.57	0.55	0.53	0.40	0.15	0.03	0.92	0.52	0.55	-0.37
2002	0.18	0.23	0.38	0.33	0.42	0.46	0.16	0.04	1.04	0.58	0.62	-0.42
2003	0.35	0.18	0.60	0.33	0.43	0.59	0.14	0.02	1.22	0.63	0.65	-0.57

Natural Gas Supply and Disposition

(Trillion Cubic Feet)

	2000				2001				2002				Annual			Growth Rates	
	1st	2nd	3rd	4th	1st	2nd	3rd	4th	1st	2nd	3rd	4th	2000	2001	2002	00-01	01-02
Supply																	
Total Dry Gas Production	4.70	4.58	4.59	4.68	4.87	4.79	4.80	4.90	5.10	5.02	5.03	5.13	18.56	19.35	20.28	4.2%	4.8%
Net Imports	0.87	0.80	0.92	0.94	0.95	0.84	0.95	0.96	0.97	0.87	0.97	1.01	3.53	3.70	3.83	4.6%	3.7%
Net Withdrawals	1.36	-0.56	-0.79	0.43	1.40	-0.71	-1.01	0.24	1.26	-0.84	-1.11	0.05	0.44	-0.08	-0.64		
Supplemental Gaseous Fuels	0.03	0.02	0.02	0.03	0.04	0.03	0.03	0.03	0.04	0.03	0.03	0.03	0.11	0.12	0.12	18.2%	0.0%
Total Supply	6.96	4.84	4.75	6.09	7.25	4.95	4.77	6.13	7.37	5.08	4.92	6.23	22.64	23.09	23.59	2.0%	2.2%
Demand (1)																	
Lease and Plant Fuel	0.31	0.30	0.31	0.31	0.31	0.31	0.31	0.31	0.31	0.31	0.31	0.32	1.23	1.24	1.25	0.9%	1.0%
Pipeline Use	0.21	0.15	0.13	0.17	0.21	0.14	0.13	0.17	0.21	0.14	0.13	0.17	0.66	0.66	0.66	-0.3%	1.0%
Residential	2.22	0.77	0.37	1.38	2.39	0.78	0.37	1.39	2.40	0.78	0.37	1.40	4.74	4.93	4.95	3.9%	0.6%
Commercial	1.28	0.64	0.47	0.86	1.34	0.65	0.47	0.87	1.35	0.66	0.48	0.88	3.24	3.33	3.36	2.7%	0.9%
Industrial (Exclude NUGs)	1.63	1.42	1.50	1.63	1.61	1.40	1.48	1.64	1.61	1.40	1.48	1.64	6.18	6.13	6.14	-0.8%	0.2%
Non-Utility	0.73	0.83	0.62	0.58	0.79	0.88	0.66	0.63	0.90	1.01	0.68	0.66	2.75	2.96	3.25	7.7%	9.8%
Electric	0.56	0.83	1.08	0.71	0.57	0.89	1.07	0.67	0.55	0.86	1.18	0.72	3.18	3.19	3.31	0.2%	3.8%
Total Power Generation	1.29	1.66	1.70	1.28	1.36	1.77	1.73	1.29	1.45	1.88	1.86	1.38	5.93	6.15	6.56	3.7%	6.7%
Total Demand	6.93	4.94	4.48	5.64	7.22	5.04	4.49	5.68	7.34	5.17	4.65	5.78	21.98	22.43	22.93	2.0%	2.2%
Note: Industrial (Include NUG)	2.36	2.24	2.12	2.21	2.40	2.28	2.14	2.27	2.51	2.41	2.17	2.30	8.93	9.09	9.39	1.8%	3.3%
Industrial + Power	2.92	3.07	3.20	2.92	2.97	3.17	3.21	2.93	3.06	3.28	3.35	3.02	12.11	12.28	12.70	1.4%	3.4%
Statistical Discepancy	-0.03	0.09	-0.27	-0.45	-0.03	0.09	-0.27	-0.45	-0.03	0.09	-0.27	-0.45	-0.66	-0.66	-0.66	-0.3%	0.0%
AGA Working Gas Storage																	
(Bcf End of Quarter)	1031	1636	2497	2070	669	1379	2387	2150	892	1731	2845	2793					
Storage Versus Previous Year	-306	-397	-328	-367	-362	-257	-110	80	223	353	458	643					

Natural Gas Supply and Disposition

(Billion Cubic Feet Per Day)

	2000				2001				2002				Annual			Growth Rates	
	1st	2nd	3rd	4th	1st	2nd	3rd	4th	1st	2nd	3rd	4th	2000	2001	2002	00-01	01-02
Supply																	
Total Dry Gas Production	51.7	50.3	49.9	50.9	54.1	52.6	52.2	53.2	56.7	55.1	54.7	55.8	50.7	53.0	55.6	4.5%	4.8%
Net Imports	9.6	8.8	10.0	10.2	10.5	9.3	10.3	10.4	10.8	9.6	10.6	11.0	9.7	10.1	10.5	4.9%	3.7%
Net Withdrawals	14.9	-6.1	-8.6	4.6	15.6	-7.8	-11.0	2.6	14.0	-9.2	-12.1	0.6	1.2	-0.2	-1.8		
Supplemental Gaseous Fuels	0.3	0.2	0.3	0.4	0.4	0.3	0.3	0.4	0.4	0.3	0.3	0.4	0.3	0.3	0.3	18.5%	0.0%
Total Supply	76.5	53.2	51.6	66.2	80.5	54.4	51.8	66.6	81.9	55.8	53.5	67.7	61.9	63.3	64.6	2.3%	2.2%
Demand (1)																	
Lease and Plant Fuel	3.4	3.3	3.3	3.4	3.4	3.4	3.4	3.4	3.5	3.4	3.4	3.4	3.4	3.4	3.4	1.2%	1.0%
Pipeline Use	2.3	1.6	1.5	1.8	2.3	1.6	1.4	1.9	2.4	1.6	1.5	1.9	1.8	1.8	1.8	0.0%	1.0%
Residential	24.4	8.5	4.0	15.0	26.6	8.6	4.0	15.1	26.7	8.6	4.0	15.2	13.0	13.5	13.6	4.2%	0.6%
Commercial	14.0	7.0	5.1	9.3	14.9	7.1	5.1	9.5	15.0	7.2	5.2	9.5	8.9	9.1	9.2	2.9%	0.9%
Industrial (Exclude Gen)	17.9	15.6	16.3	17.7	17.9	15.4	16.1	17.8	17.9	15.4	16.1	17.9	16.9	16.8	16.8	-0.6%	0.2%
Non-Utility	8.0	9.1	6.7	6.3	8.8	9.7	7.2	6.8	10.0	11.1	7.4	7.2	7.5	8.1	8.9	8.0%	9.8%
Electric	6.2	9.1	11.8	7.7	6.3	9.8	11.6	7.3	6.1	9.5	12.9	7.8	8.7	8.7	9.1	0.5%	3.8%
Total Power Geneation	14.2	18.2	18.5	14.0	15.1	19.4	18.8	14.1	16.1	20.6	20.3	15.0	16.2	16.9	18.0	4.0%	6.7%
Total Demand	76.2	54.3	48.7	61.3	80.2	55.4	48.8	61.7	81.5	56.8	50.5	62.8	60.1	61.5	62.8	2.3%	2.2%
Days	91	91	92	92	90	91	92	92	90	91	92	92	366	365	365		

Generation (Billion KWH)

	2000				2001				2002				Annual			Growth Rates	
	1st	2nd	3rd	4th	1st	2nd	3rd	4th	1st	2nd	3rd	4th	2000	2001	2002	00-01	01-02
Supply																	
Net Utility Generation																	
Coal	426	401	445	417	424	409	466	436	434	418	473	446	1688	1735	1771	2.7%	2.1%
Petroleum	11	16	22	18	19	19	23	18	19	19	23	18	67	80	80	19.3%	0.0%
Natural Gas	54	79	102	67	53	85	100	64	51	82	111	69	303	302	314	-0.2%	3.8%
Nuclear	185	177	189	179	184	176	192	179	184	176	192	179	730	730	730	0.0%	0.0%
Hydroelectric	67	73	60	60	71	75	62	61	71	75	62	61	260	268	268	3.3%	0.0%
Geothermal and Other	1	1	1	1	1	1	1	1	1	1	1	1	2	2	2	6.4%	0.0%
Subtotal	743	748	818	741	752	764	843	759	759	771	861	774	3050	3118	3165	2.2%	1.5%
Nonutility Generation																	
Coal	55	58	74	60	59	59	69	59	59	59	69	59	248	247	247	-0.7%	0.0%
Petroleum	11	9	11	10	10	10	11	10	10	10	11	10	41	40	40	-1.0%	0.0%
Natural Gas	67	76	89	75	81	81	95	81	92	93	98	85	306	338	368	10.4%	8.9%
Other Gaseous Fuels	2	3	3	2	2	2	2	2	2	2	2	2	10	9	9	-15.7%	0.0%
Nuclear	5	5	9	6	6	6	6	6	6	6	6	6	25	25	25	-0.5%	0.0%
Hydroelectric	4	5	4	4	4	4	4	4	4	4	4	4	18	18	18	0.5%	0.0%
Geothermal and Other	22	22	23	23	22	22	22	23	22	22	22	23	91	89	89	-1.6%	0.0%
Subtotal	167	178	213	181	185	185	211	185	196	197	214	189	739	766	796	3.6%	3.9%
Total Generation (Utility and Non-Utility)																	
Coal	481	460	519	478	483	468	535	495	493	478	542	505	1937	1981	2018	2.3%	1.8%
Petroleum	22	25	33	27	29	29	34	28	29	29	34	28	108	120	120	11.6%	0.0%
Natural Gas	121	155	191	142	134	166	195	145	143	175	209	154	609	640	682	5.1%	6.5%
Other Gaseous Fuels	2	3	3	2	2	2	2	2	2	2	2	2	10	9	9	-15.7%	0.0%
Nuclear	190	182	198	185	190	182	198	185	190	182	198	185	755	755	755	0.0%	0.0%
Hydroelectric	71	78	64	66	75	79	67	66	75	79	67	66	279	286	286	2.6%	0.0%
Geothermal and Other	22	23	24	24	23	23	23	23	23	23	23	23	93	91	91	-1.4%	0.0%
Total Generation	910	926	1031	924	936	949	1054	944	955	968	1075	963	3791	3883	3961	2.4%	2.0%
Net Imports	9	8	9	7	6	8	11	7	6	8	11	7	33	33	33	-2.6%	0.0%
Total Supply	919	934	1040	931	943	957	1065	952	962	976	1086	970	3824	3916	3994	2.4%	2.0%
Lost and Unaccounted For	60	73	54	64	55	81	67	65	55	81	67	65	251	267	267	6.3%	0.0%
Total Generation less Losses	859	861	986	867	888	876	998	886	907	895	1019	905	3573	3649	3727	2.1%	2.1%

The Natural Gas Monthly is produced by WEFA's Energy Service. For more information, please contact Ron Denhardt, Vice President at (781) 685-5442 or Yanqun Shi, Economist at (781) 685-5444.