

OE ENERGY MARKET SNAPSHOT

Midwest States Version – July 2009 Data

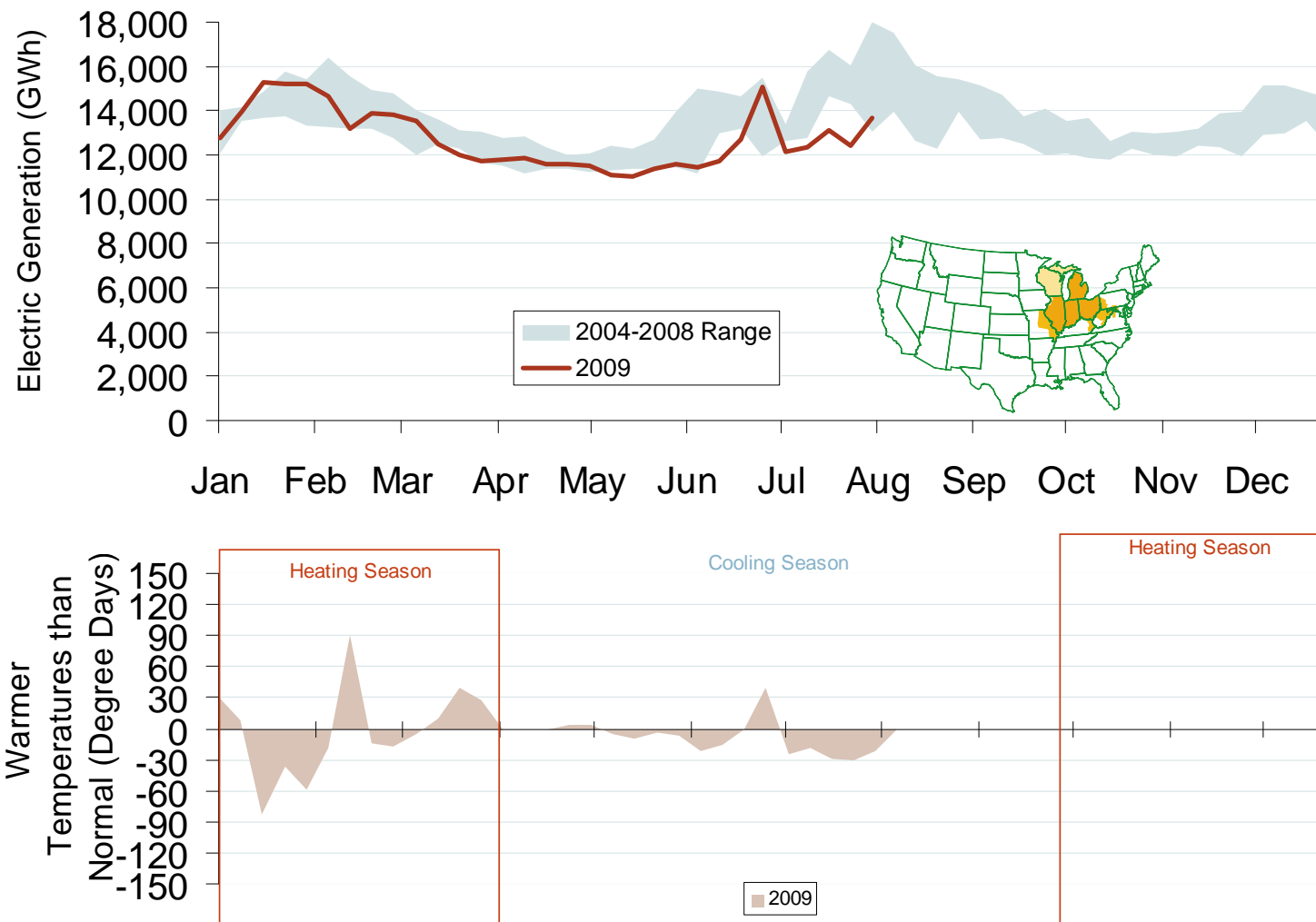
- **Electricity Markets**
- **Natural Gas and Fuel Markets**

Office of Enforcement
Federal Energy Regulatory Commission
August 2009

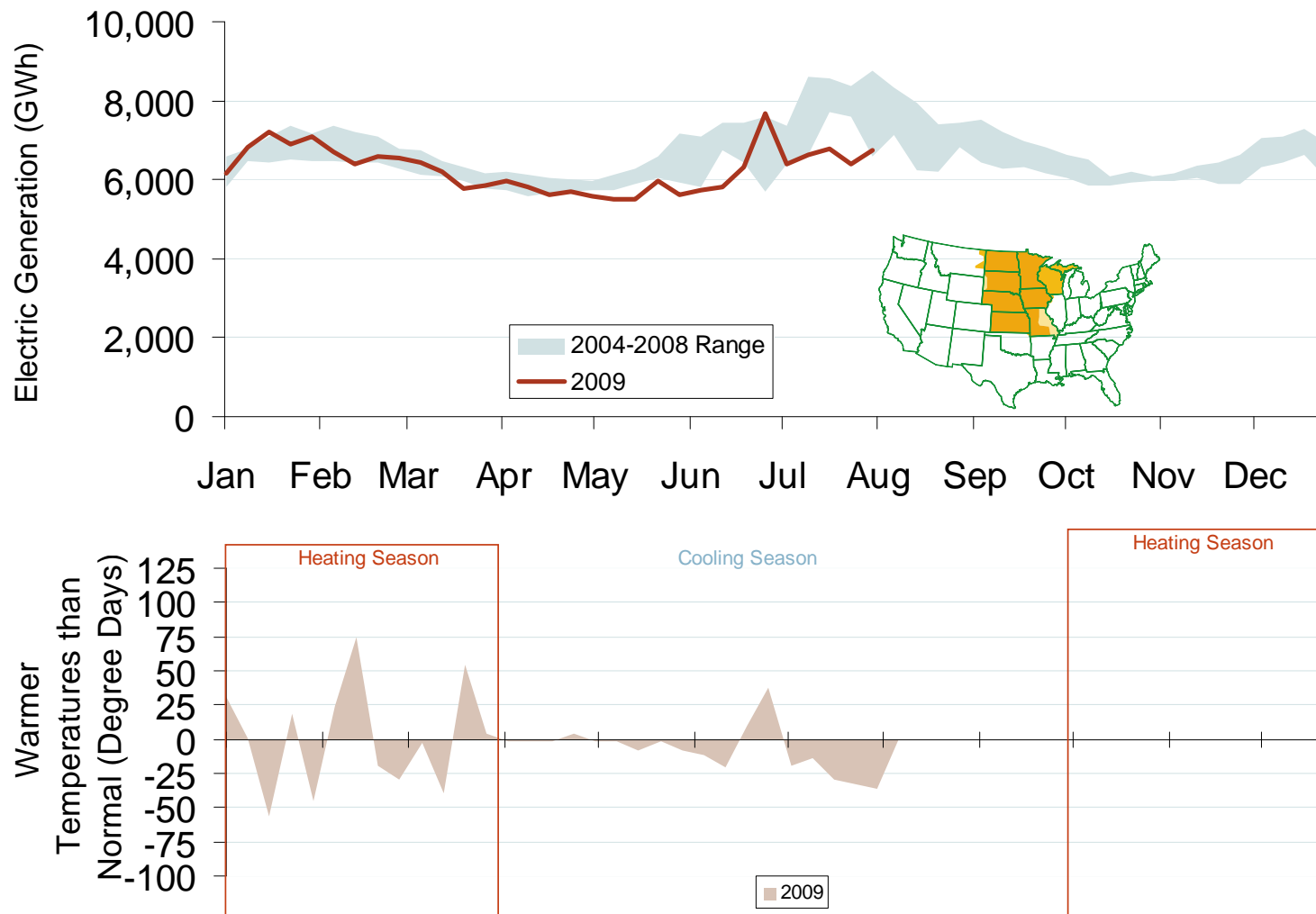
Electricity Markets

- **Industrial demand way down (page 6)**
- **Retail rates rise as wholesale prices decline (pages 16-17)**

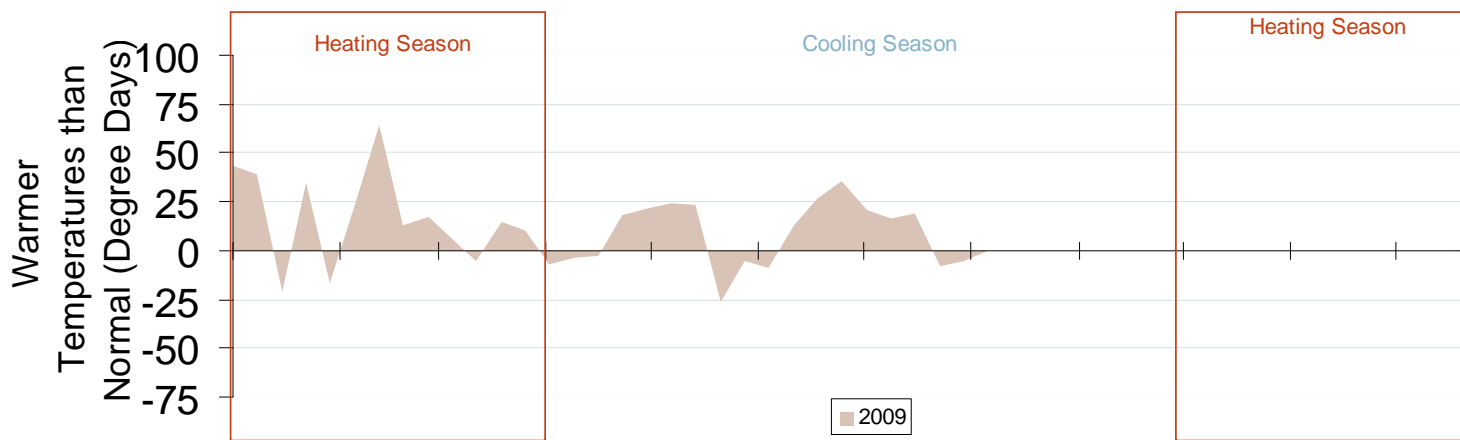
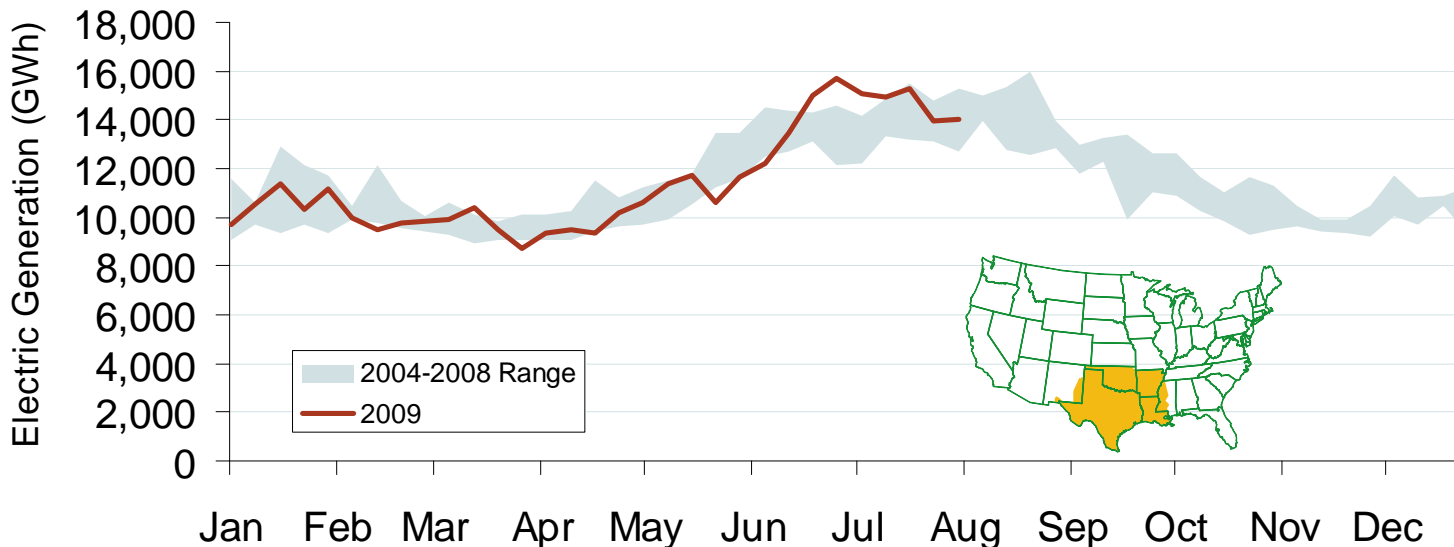
Weekly Electric Generation Output and Temperatures Central Industrial Region



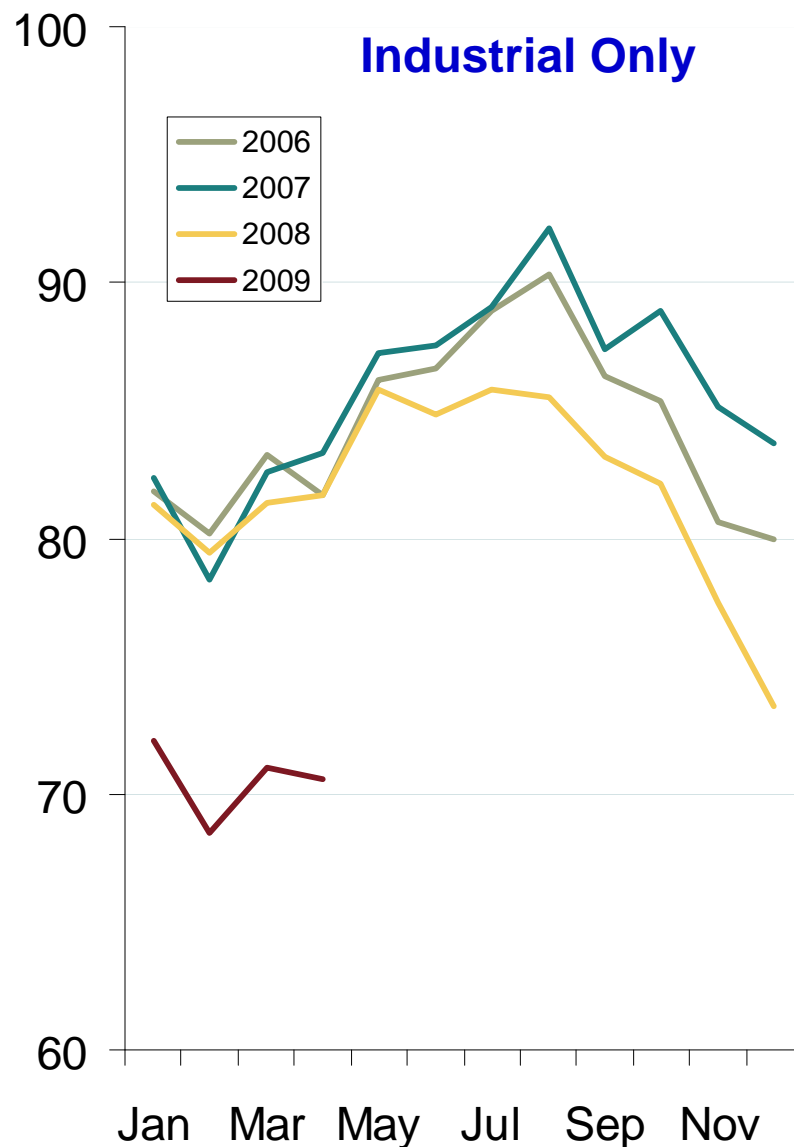
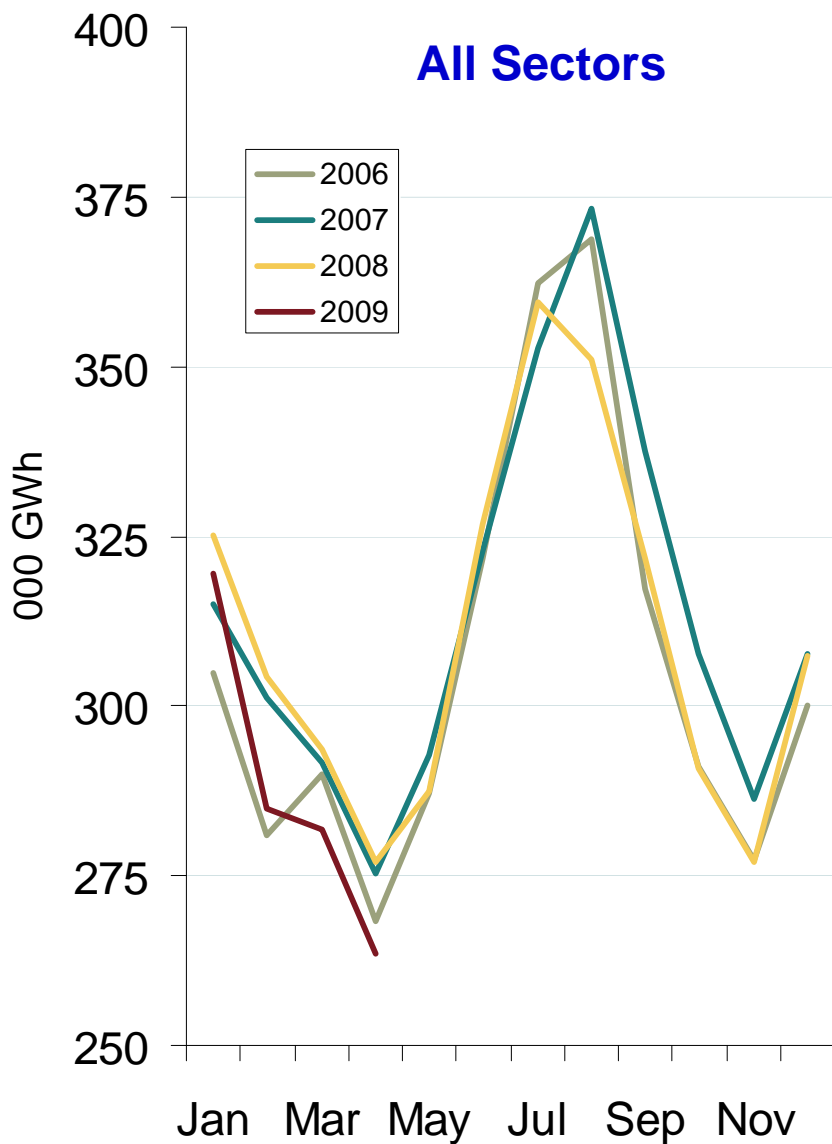
Weekly Electric Generation Output and Temperatures West Central Region



Weekly Electric Generation Output and Temperatures South Central Region

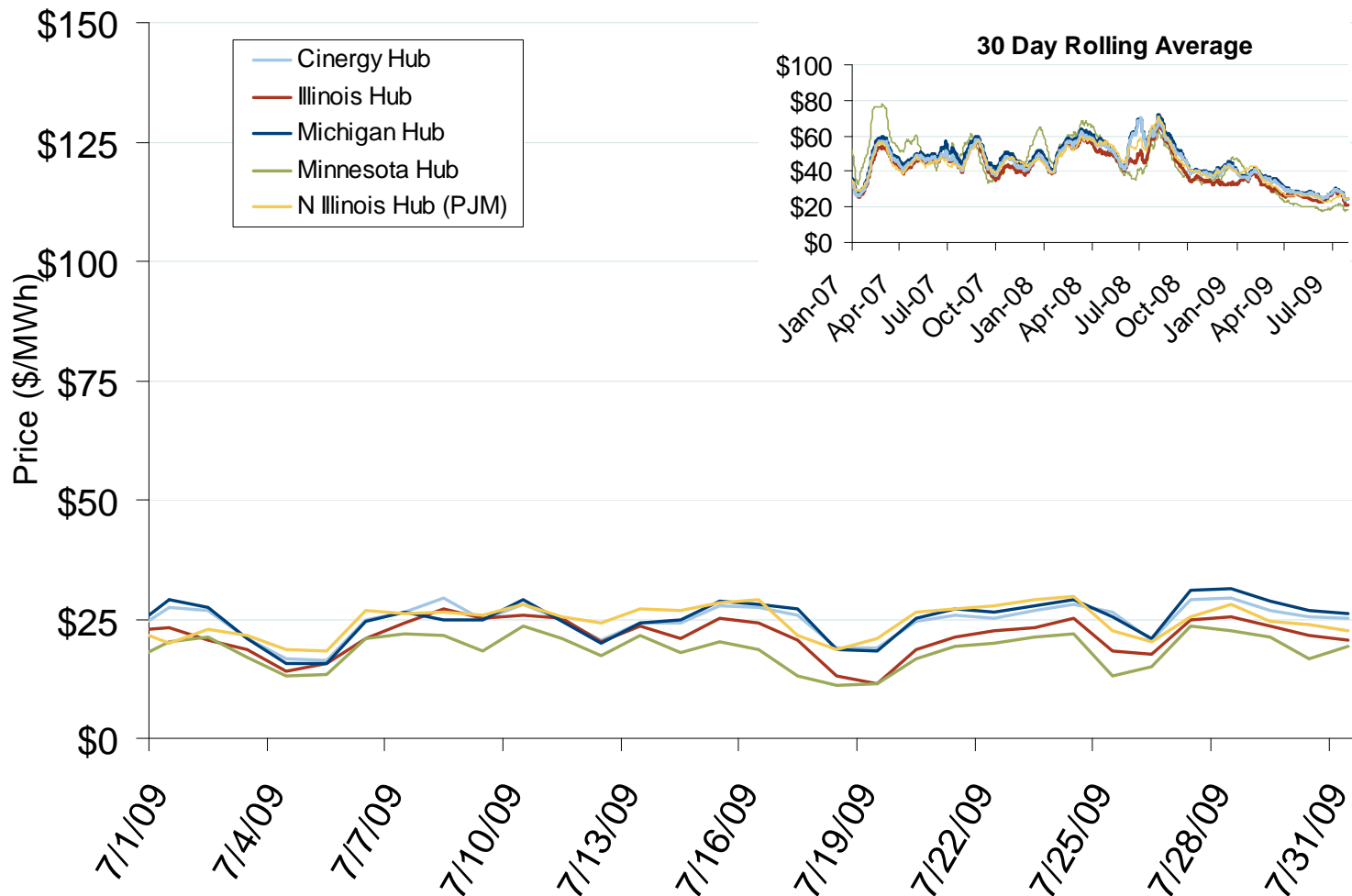


Monthly Retail Electricity Demand



Source: Derived from EIA data.
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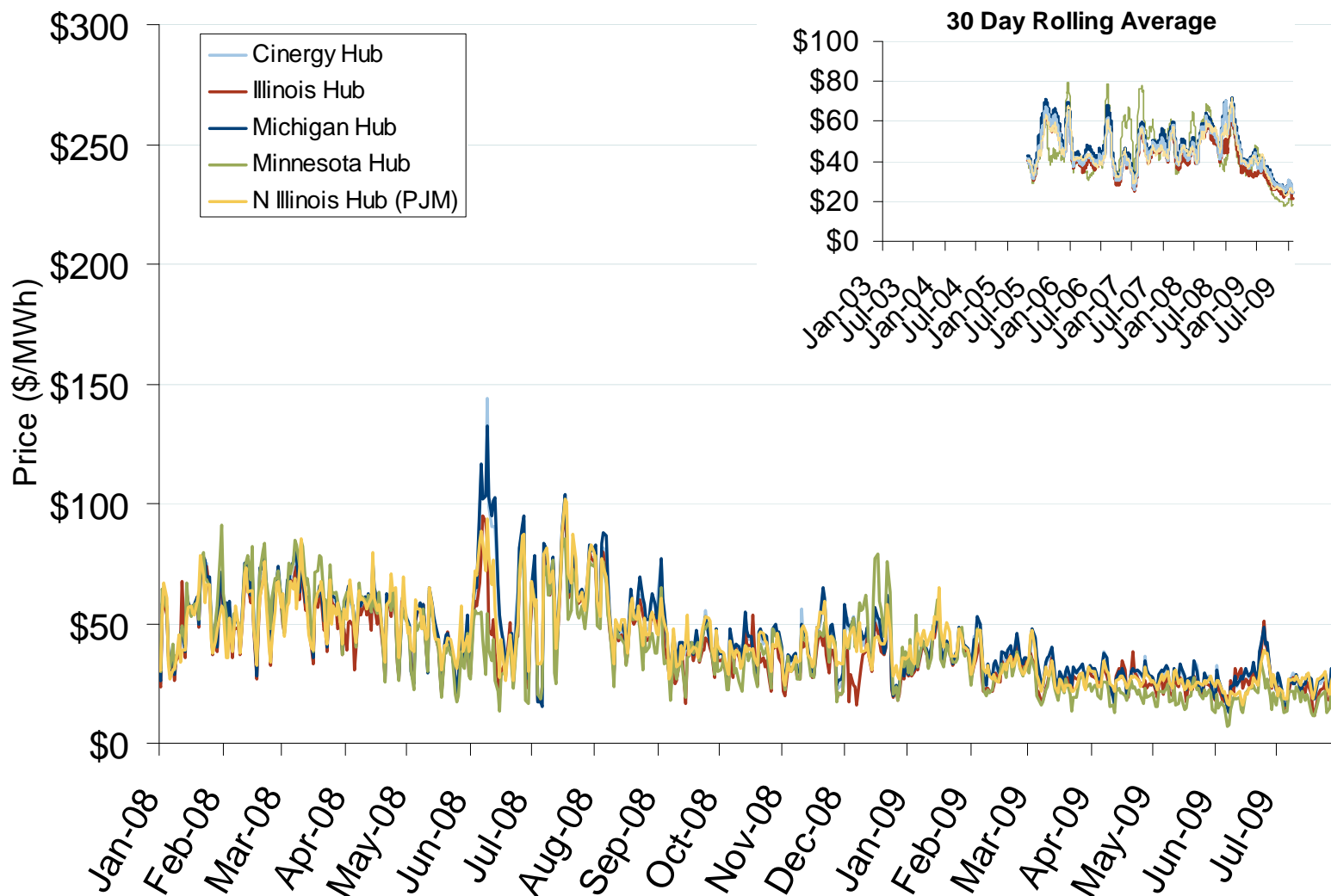
Daily Average of MISO Day-Ahead Prices - All Hours



Source: Derived by Bloomberg from MISO and PJM data as reported by Bloomberg.
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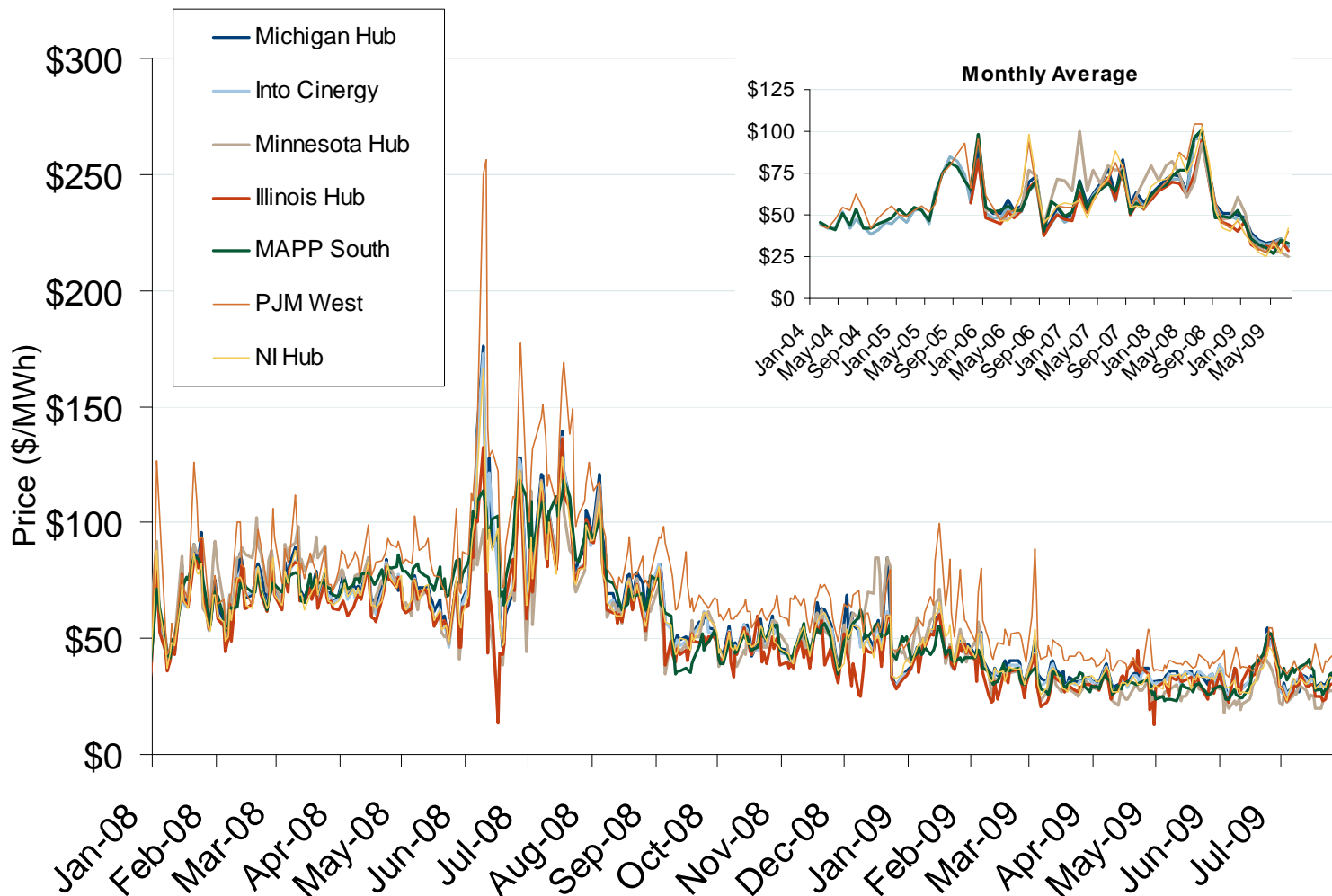
Daily Average of MISO Day-Ahead Prices - All Hours



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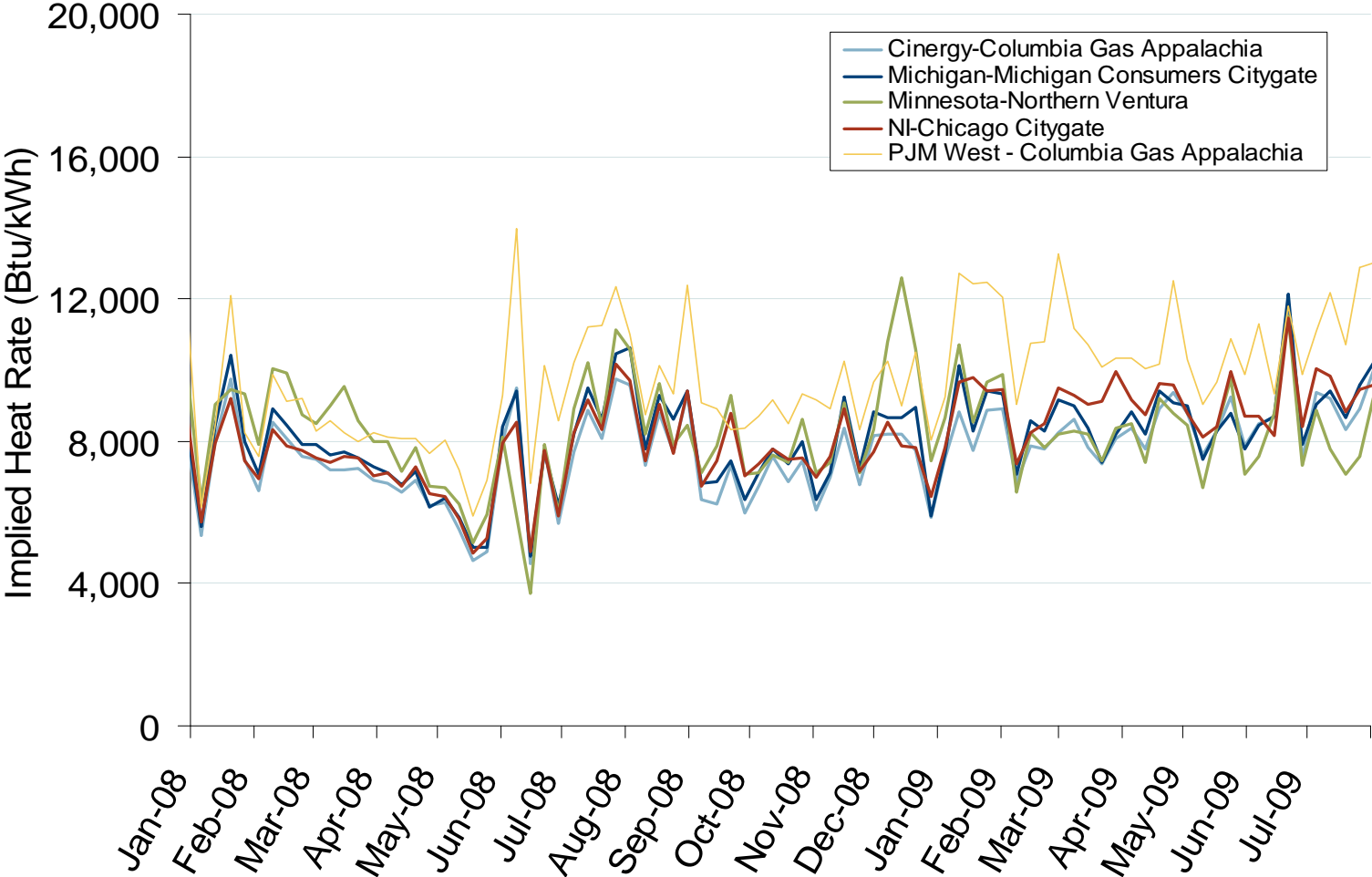
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MISO/PJM Bilateral Day-Ahead On-Peak Prices



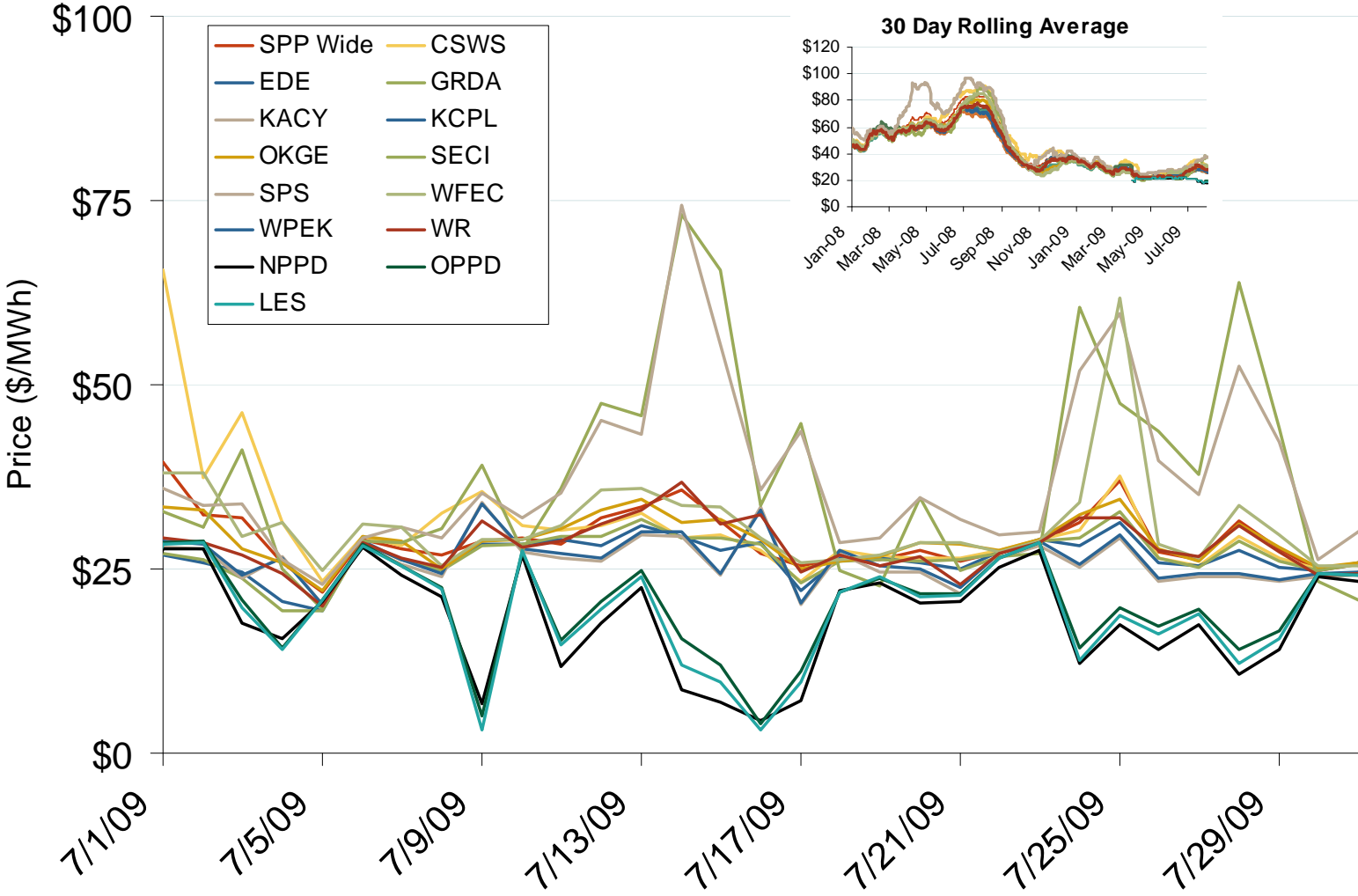
Source: Derived from *Platts* data.
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Implied Heat Rates at MISO and PJM Hubs Weekly Averages



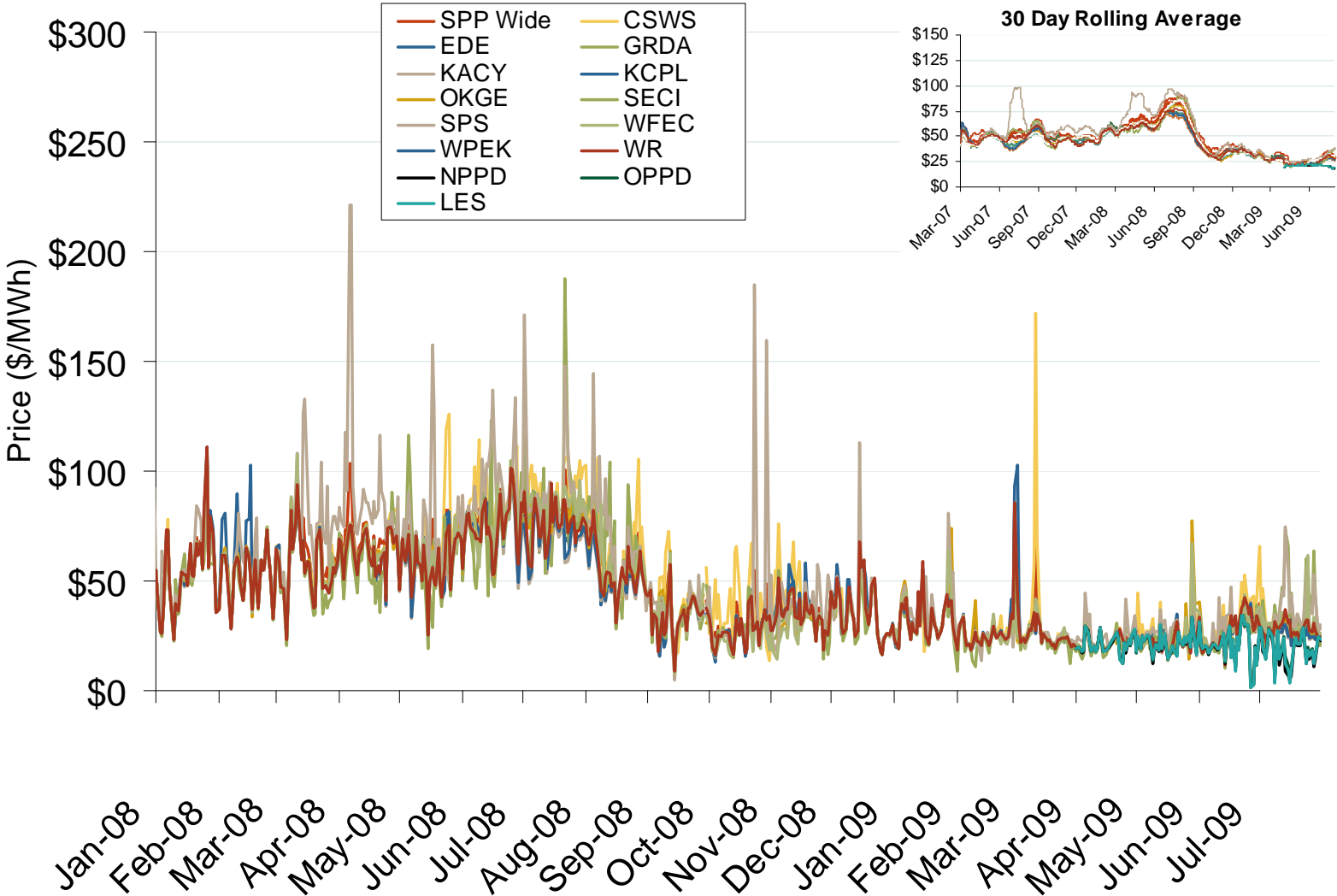
Source: Derived from *Platts* data
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Daily Average of SPP Real Time Prices - All Hours



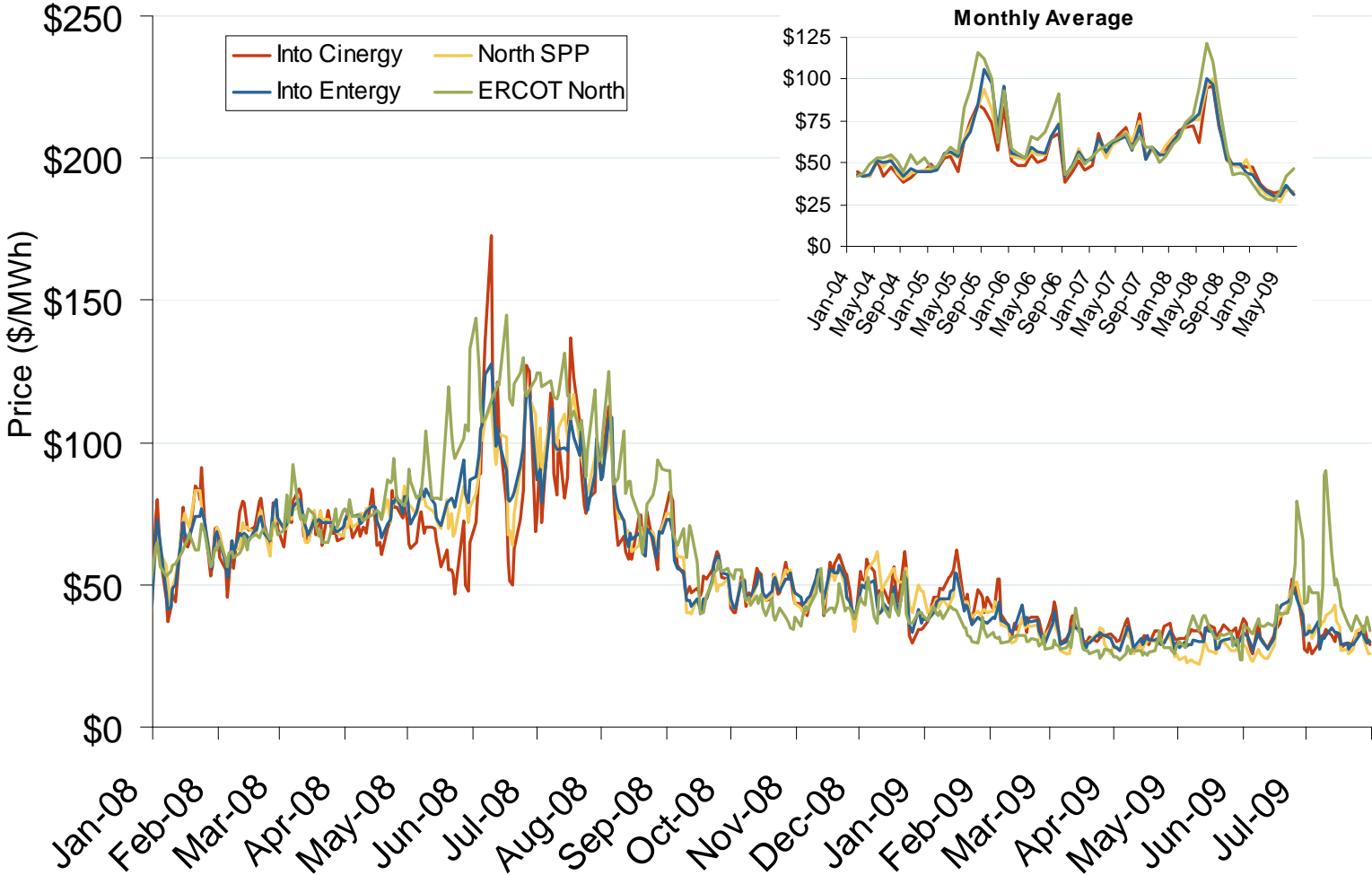
Source: Derived from SPP data.
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Daily Average of SPP Real Time Prices - All Hours



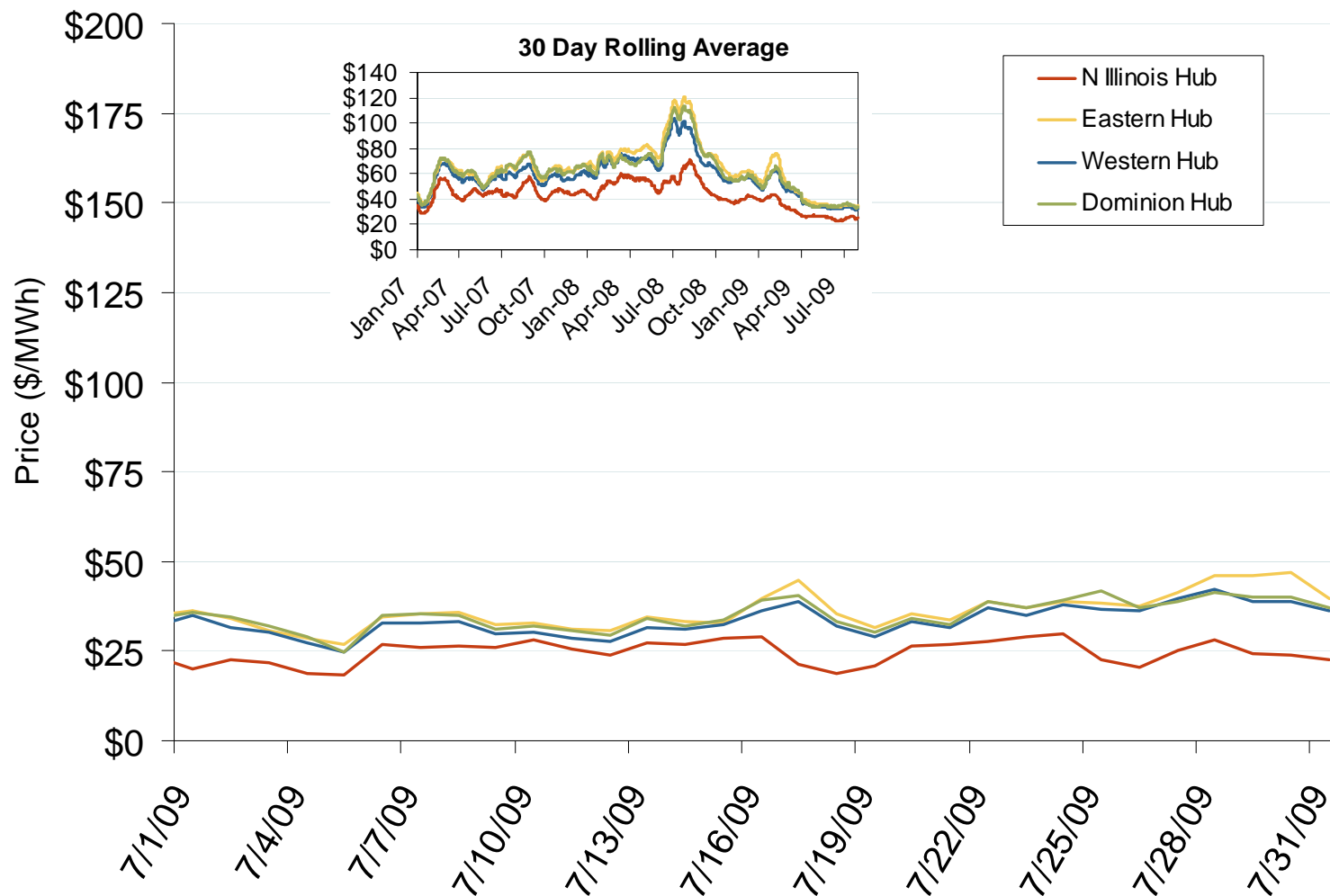
Source: Derived from SPP data.

Central Daily Bilateral Day-Ahead On-Peak Prices

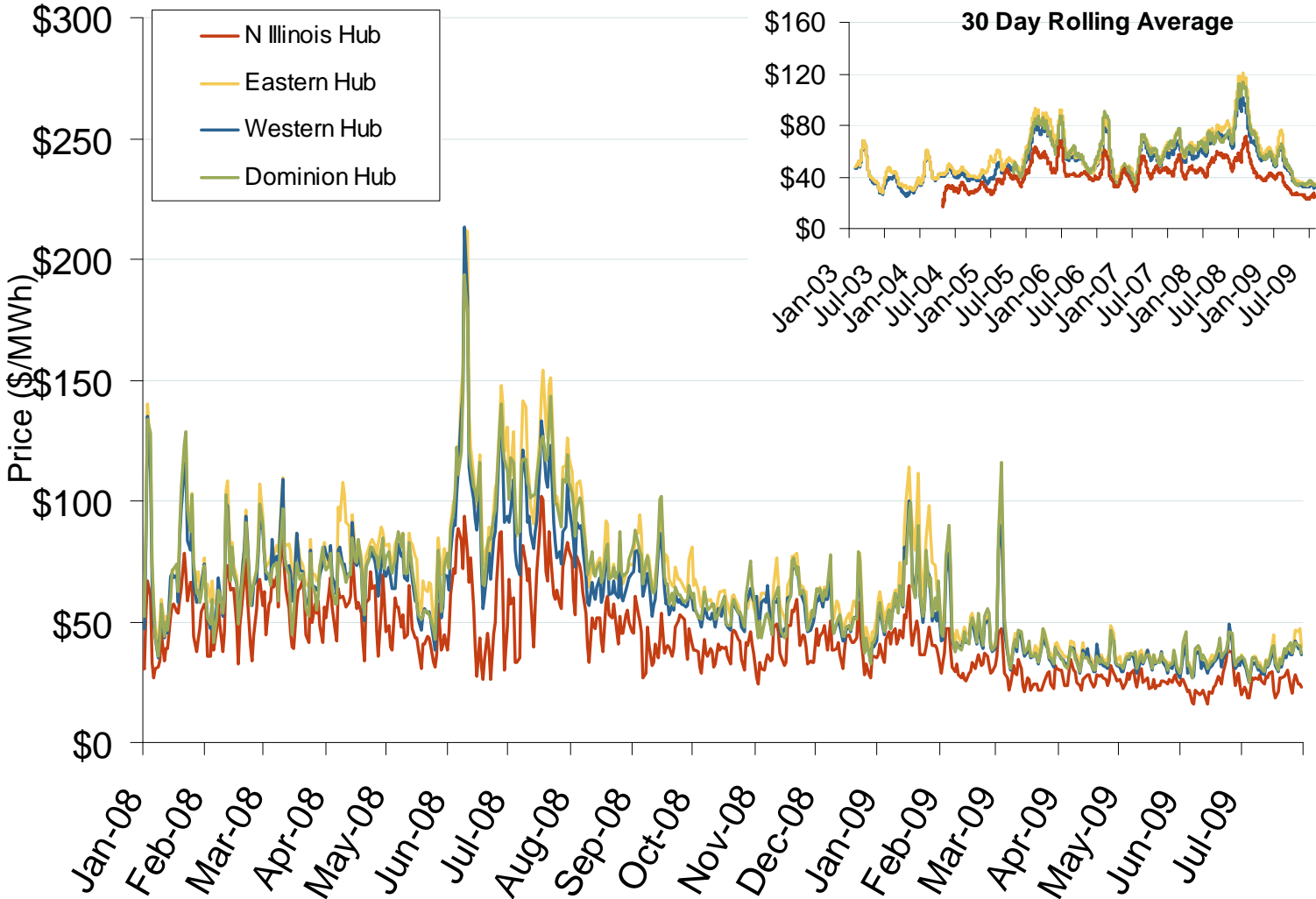


Source: Derived from Platts data.

Daily Average of PJM Day-Ahead Prices - All Hours



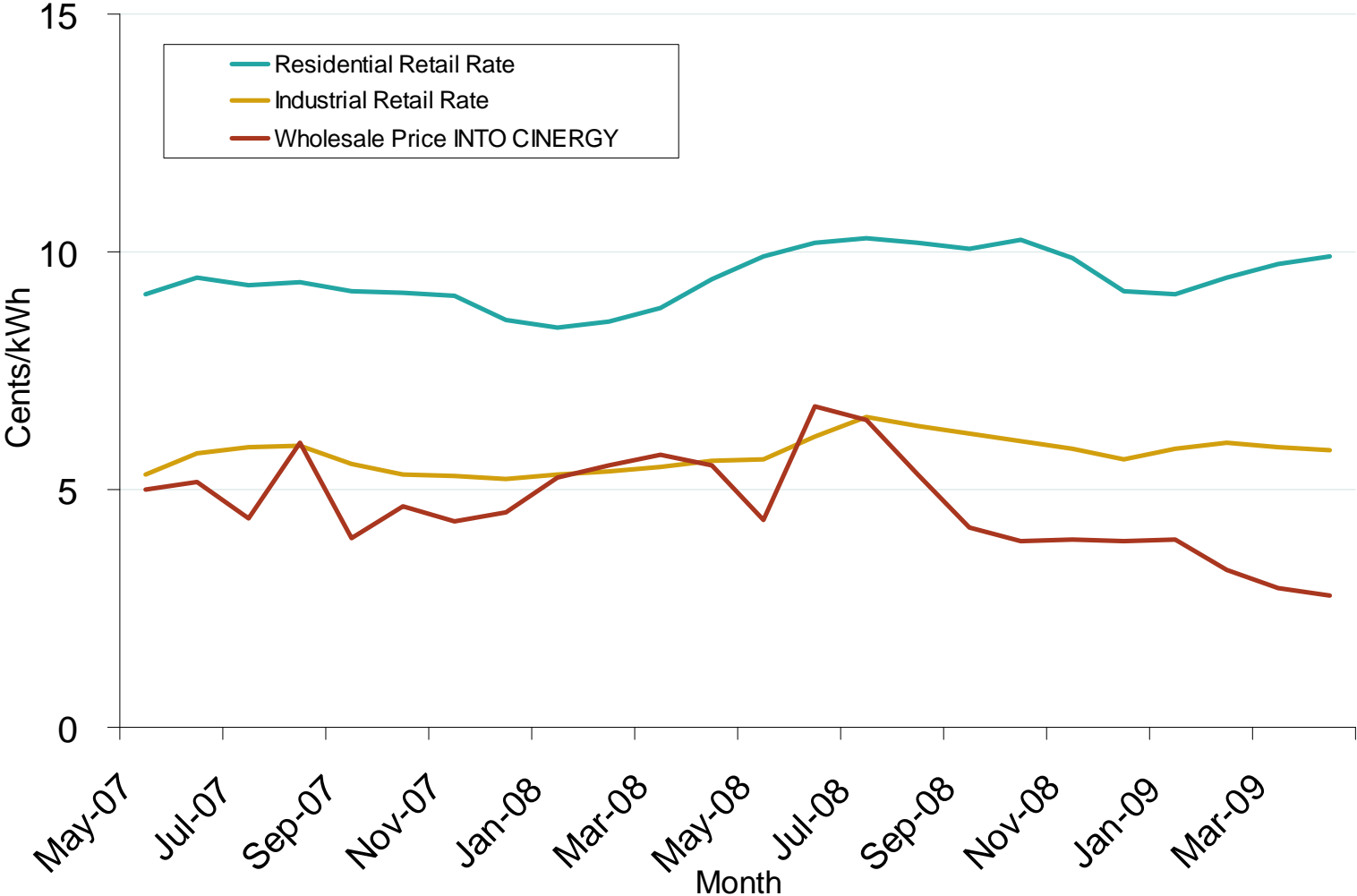
Daily Average of PJM Day-Ahead Prices - All Hours



Source: Derived by Bloomberg from PJM data as reported by Bloomberg.
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Midwest Average Retail Rates and Wholesale Prices



Notes: Retail rates represent average monthly rates for AR, IA, IL, IN, KS, KY, MI, MN, MO, MT, ND, NE, OK, SD, and WI, weighted by sales in each state, as reported in Form EIA-826 database. Wholesale prices represent monthly day ahead indices for power at INTO CINERGY, weighted by peak and off-peak hours, as reported by *Platts*.

Mid-Atlantic Average Retail Rates and Wholesale Prices

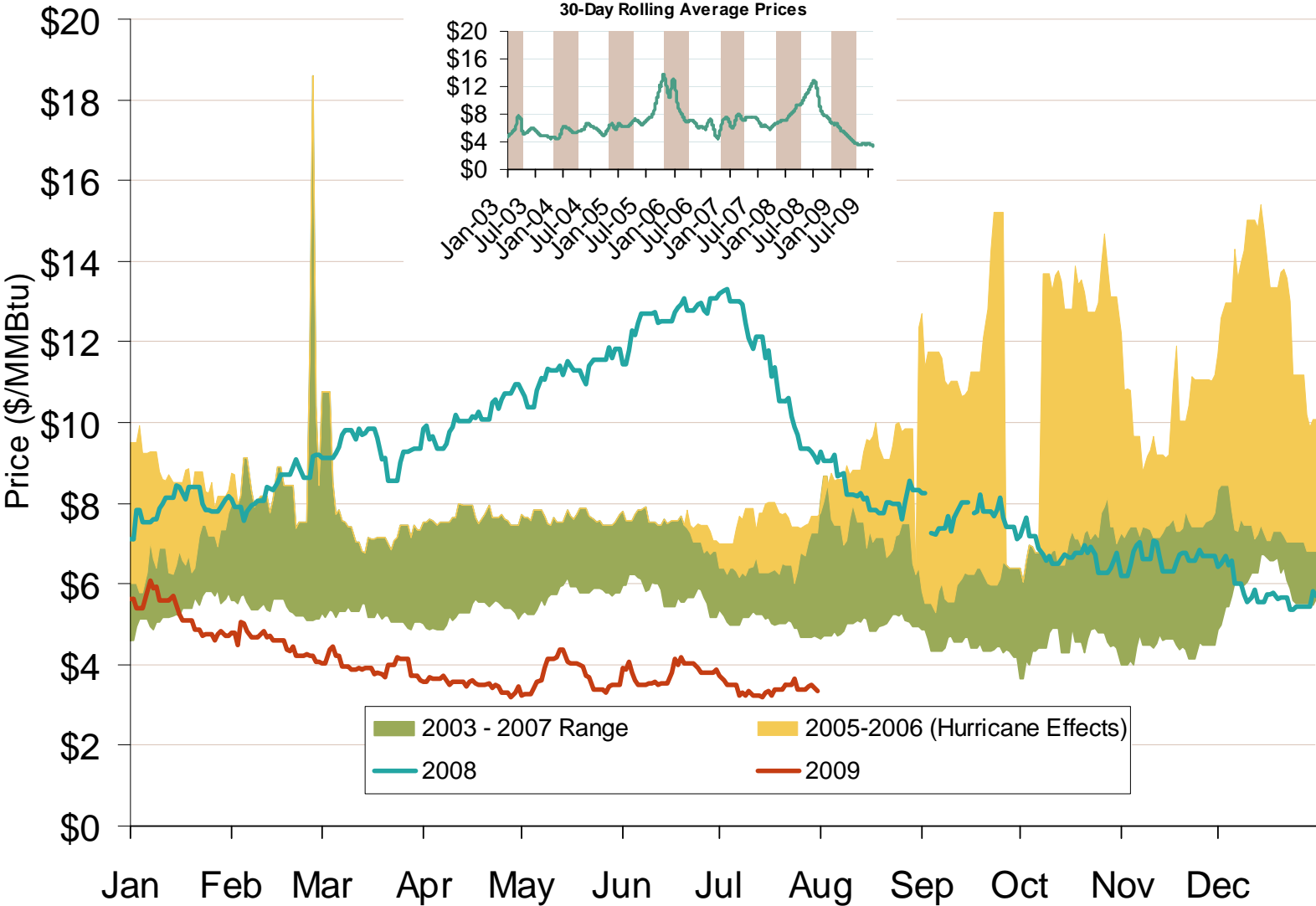


Notes: Retail rates represent average monthly rates for DC, DE, MD, NJ, OH, PA, VA, and WV, weighted by sales in each state, as reported in Form EIA-826 database. Wholesale prices represent monthly day ahead indices for power at PJM WEST, weighted by peak and off-peak hours, as reported by *Platts*.

Natural Gas and Fuel Markets

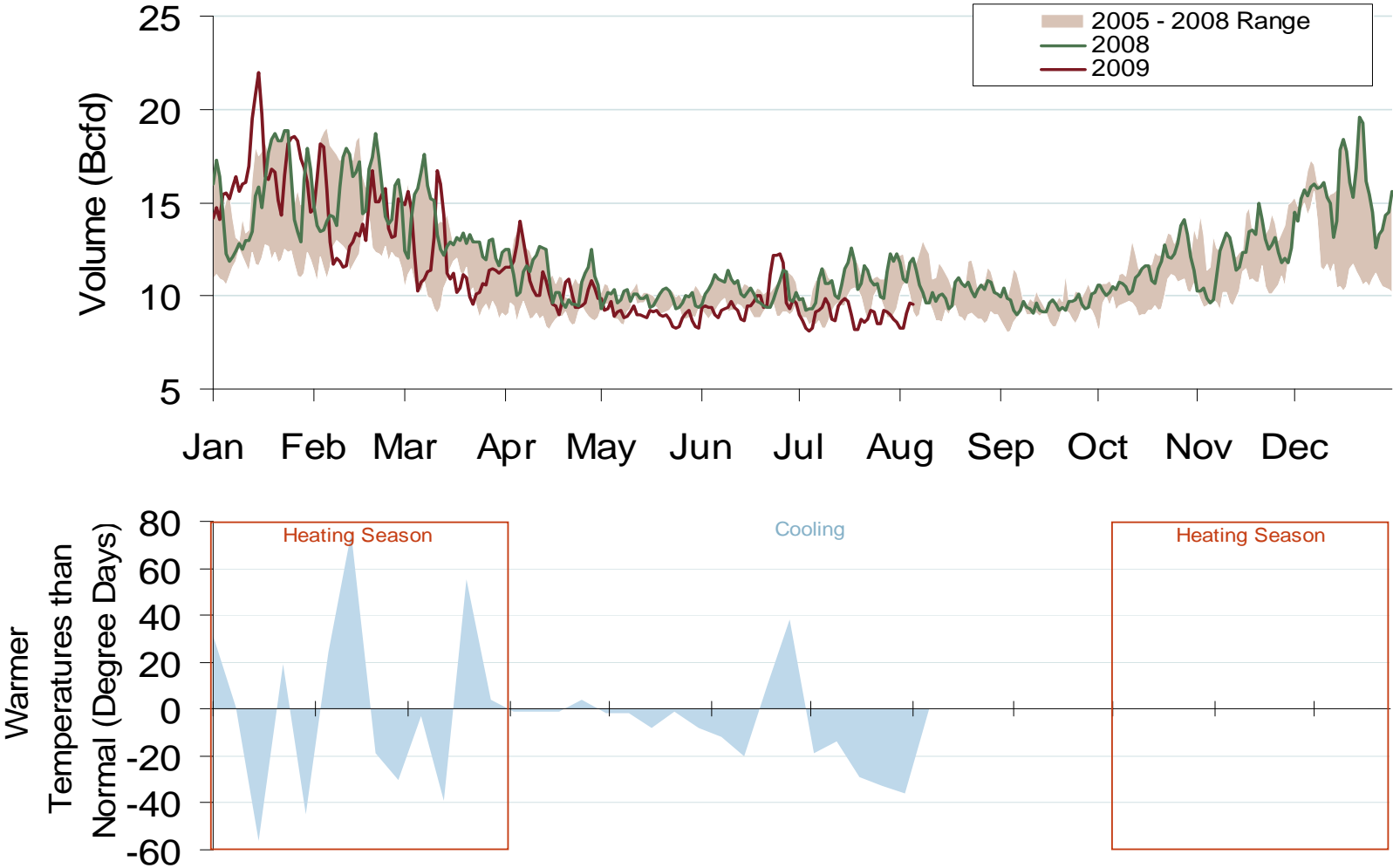
- **Gas production declines (page 24)**
- **Canadian storage fills and prices down (page 27)**
- **Panhandle basis declines as REX East volume increases (page 29)**
- **Trends in gas trading volumes in 2009 (pages 32-33)**
- **Natural gas price formation follow-up (page 34)**

Henry Hub Natural Gas Daily Spot Prices 2008, 2009 and 2003-2007 Year Range



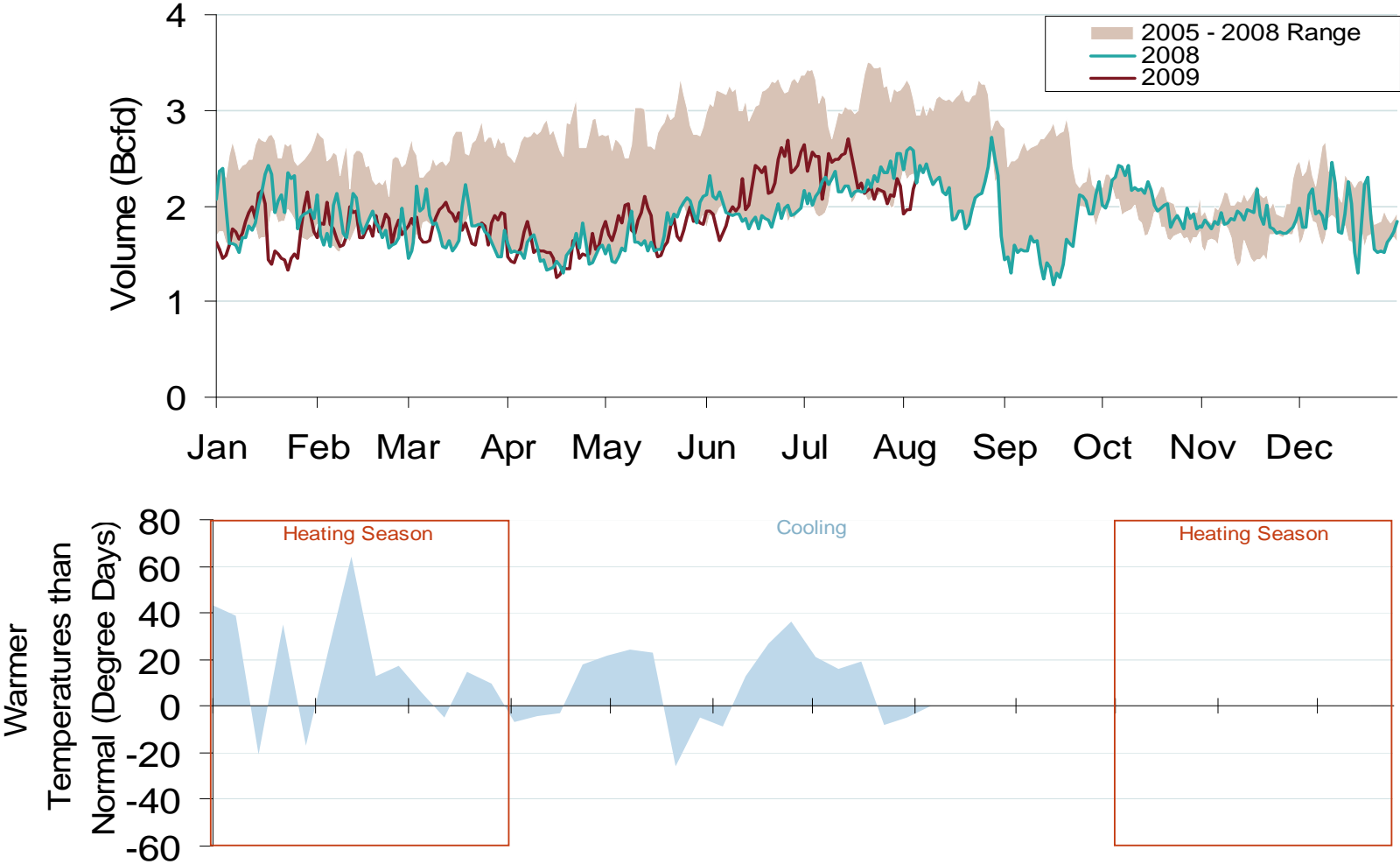
Source: Derived from *Platts* data.

Daily Midwest Natural Gas Demand All Sectors



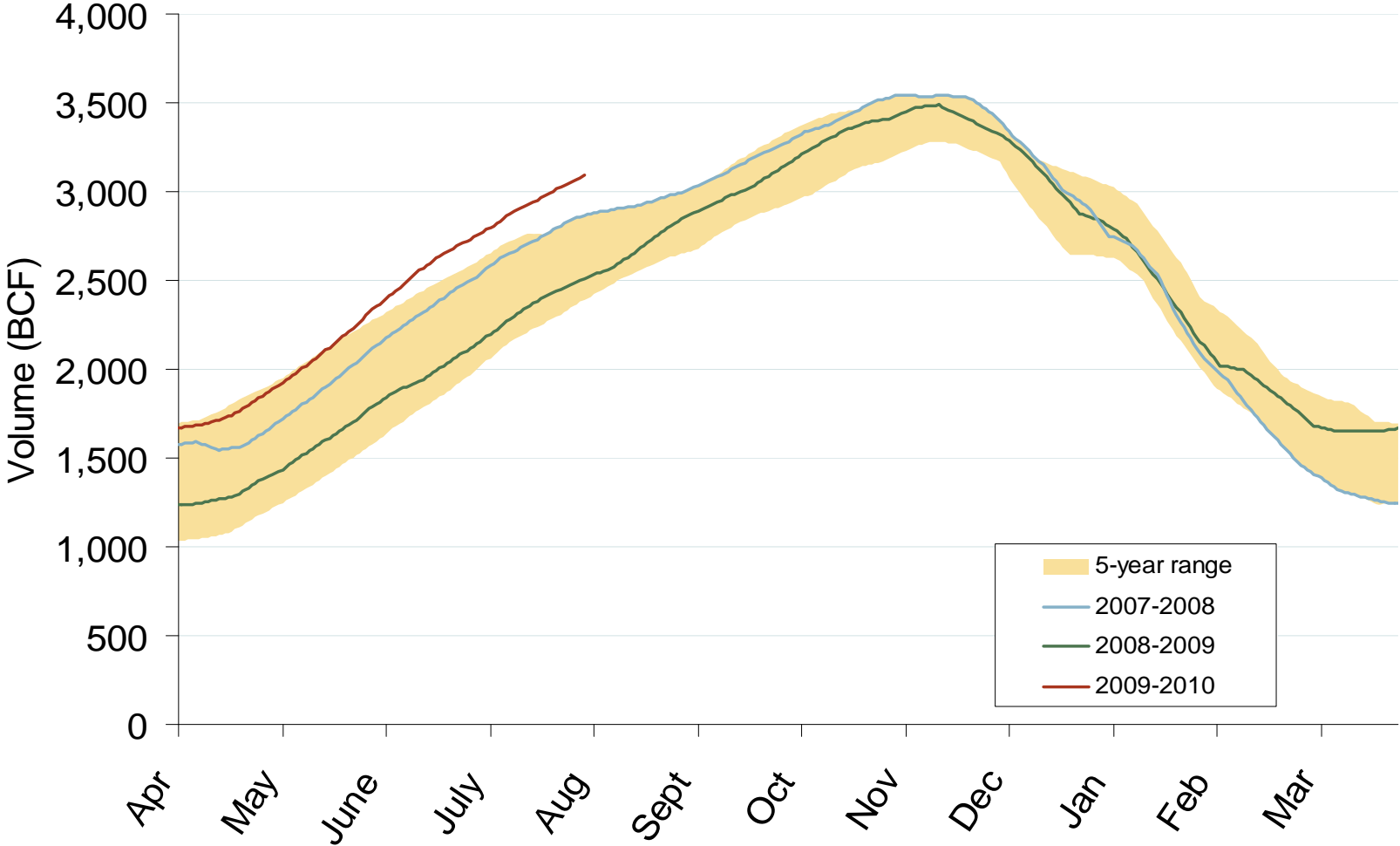
Source: Derived from *Bentek* data.
August 2009 Midwest Snapshot Report

Daily South Central Natural Gas Demand All Sectors



Source: Derived from *Bentek* data.
August 2009 Midwest Snapshot Report

Total U.S. Working Gas in Storage

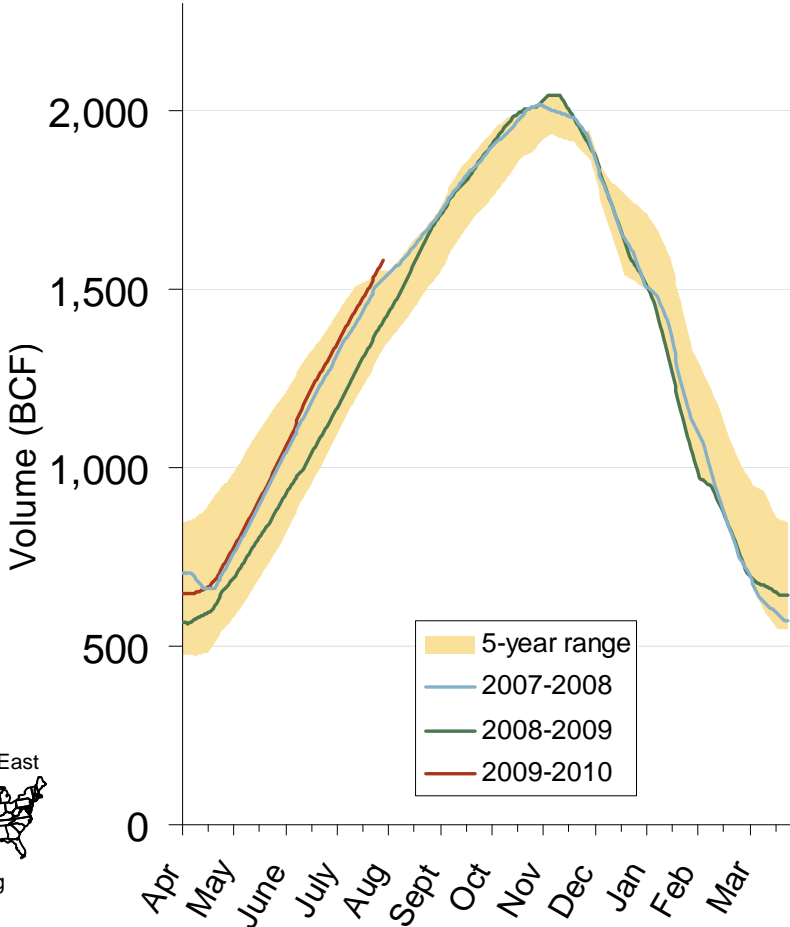


Source: Derived from EIA data.
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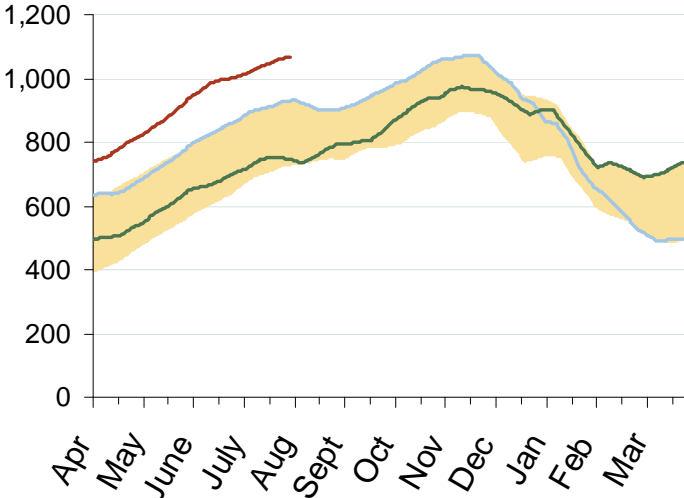
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Regional Totals of Working Gas in Storage

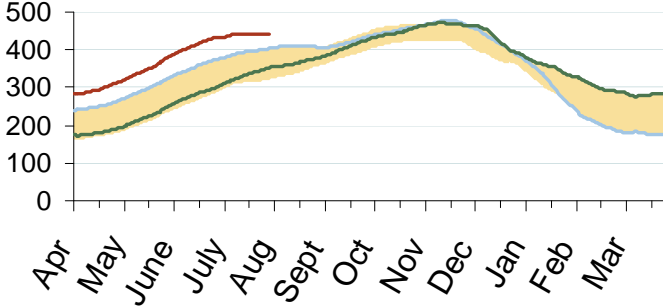
Eastern Consuming Region



Producing Region

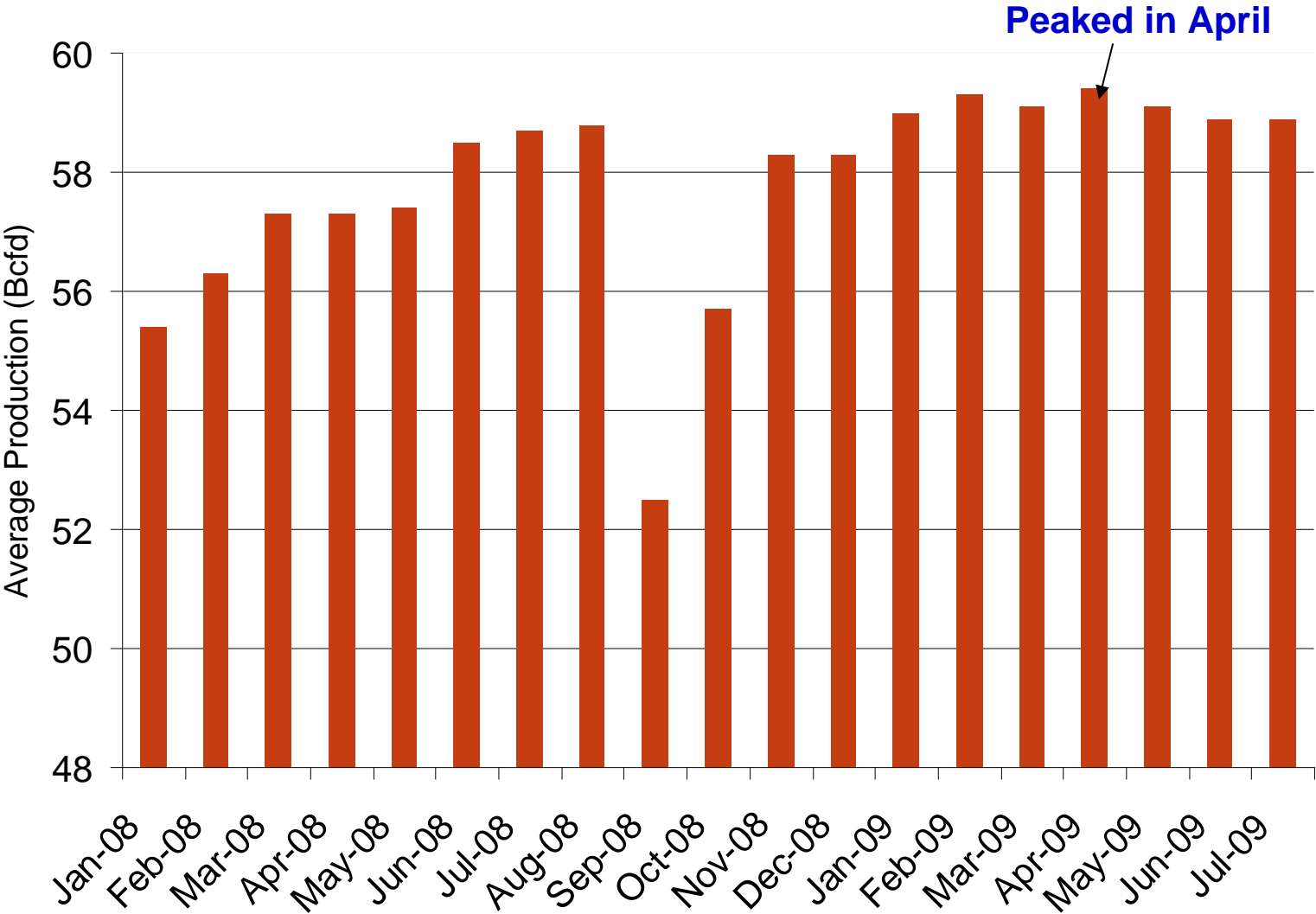


Western Consuming Region



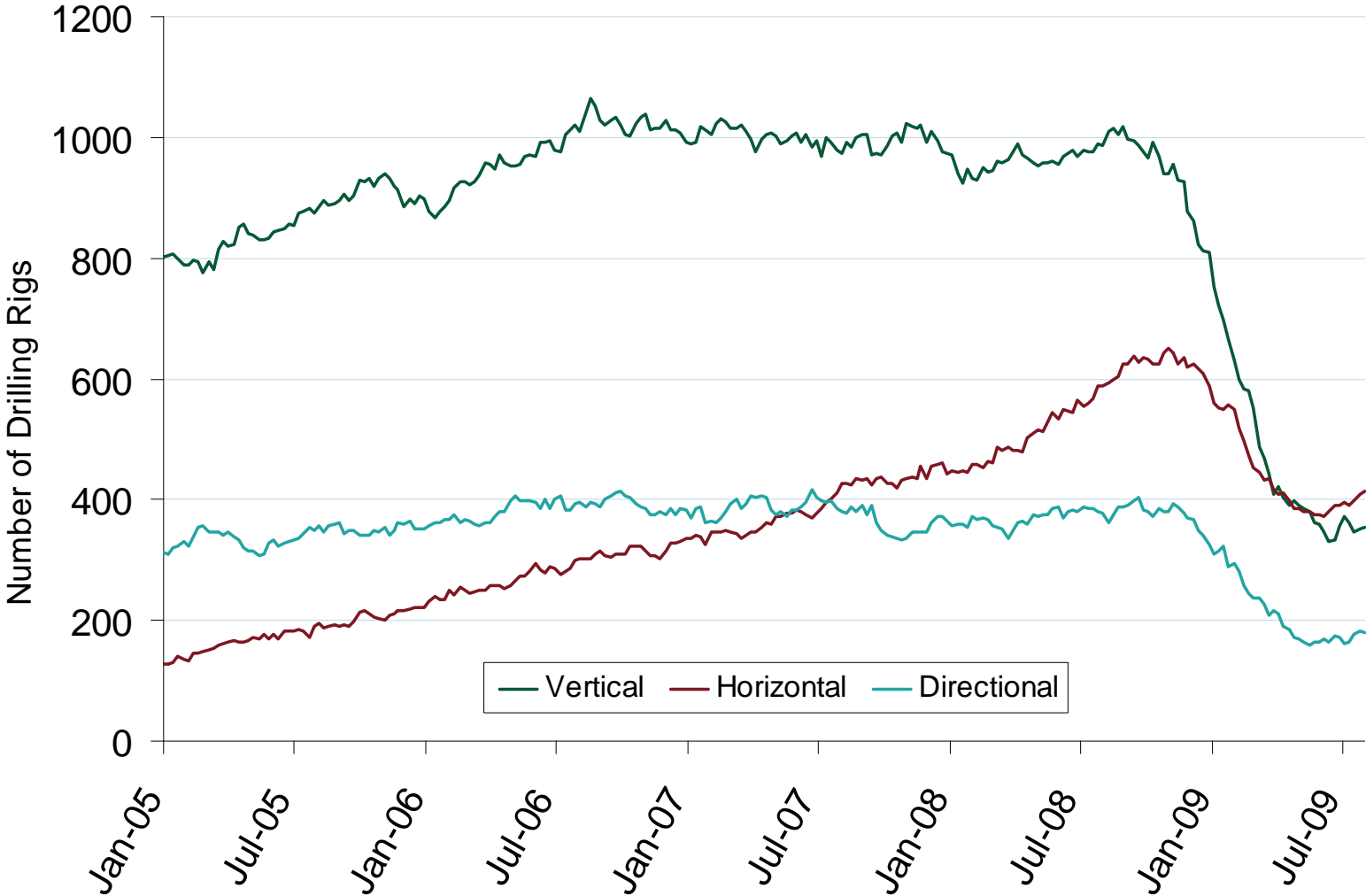
Source: Derived from EIA data.

U.S. Gas Production



Source: Derived from *Bentek* data.
August 2009 Midwest Snapshot Report

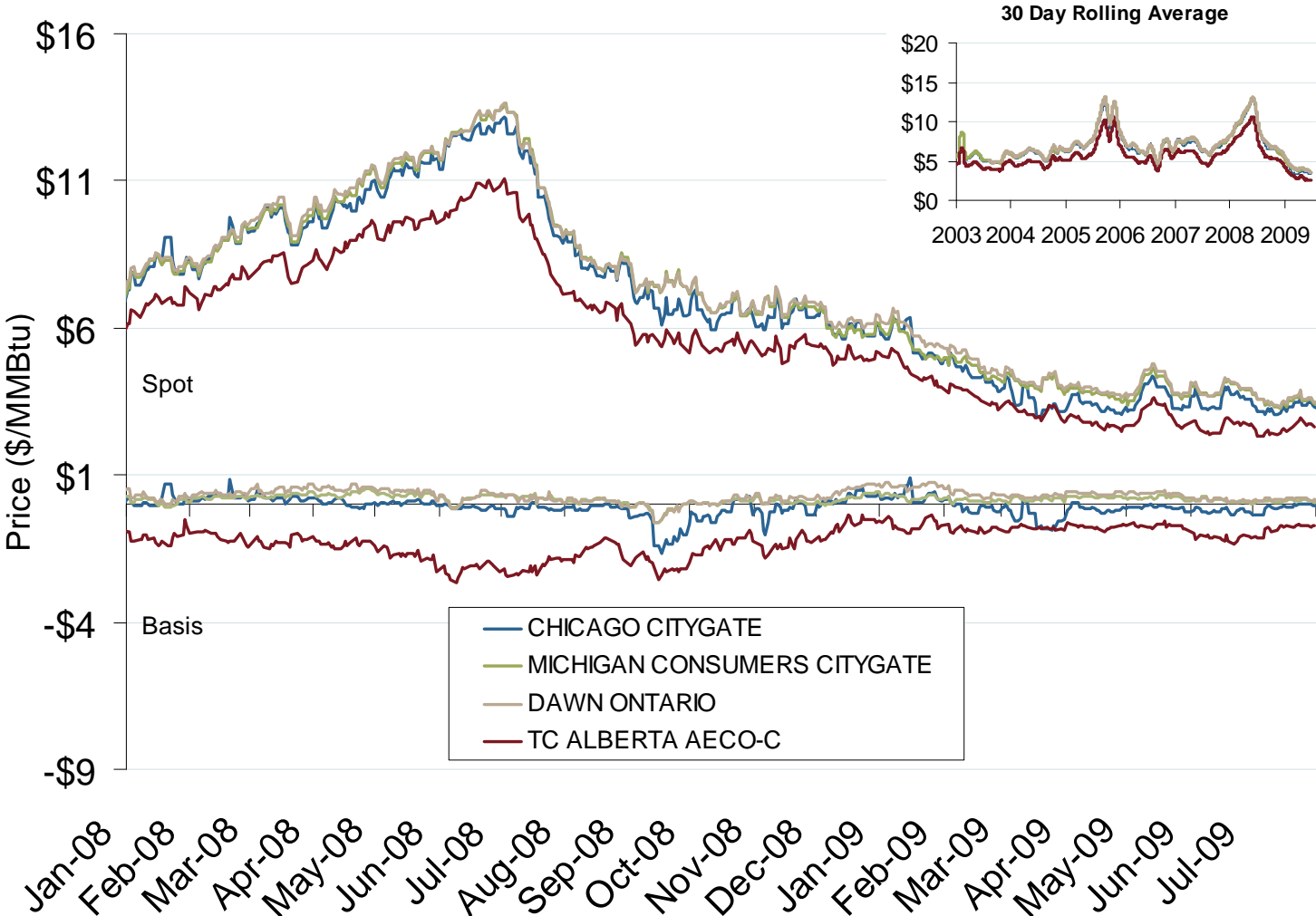
U.S. Oil and Natural Gas Drilling Rig Count by Type



Source: Derived from *Platts* and *Baker Hughes* data.
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Midwestern Day-Ahead Hub Spot Prices and Basis

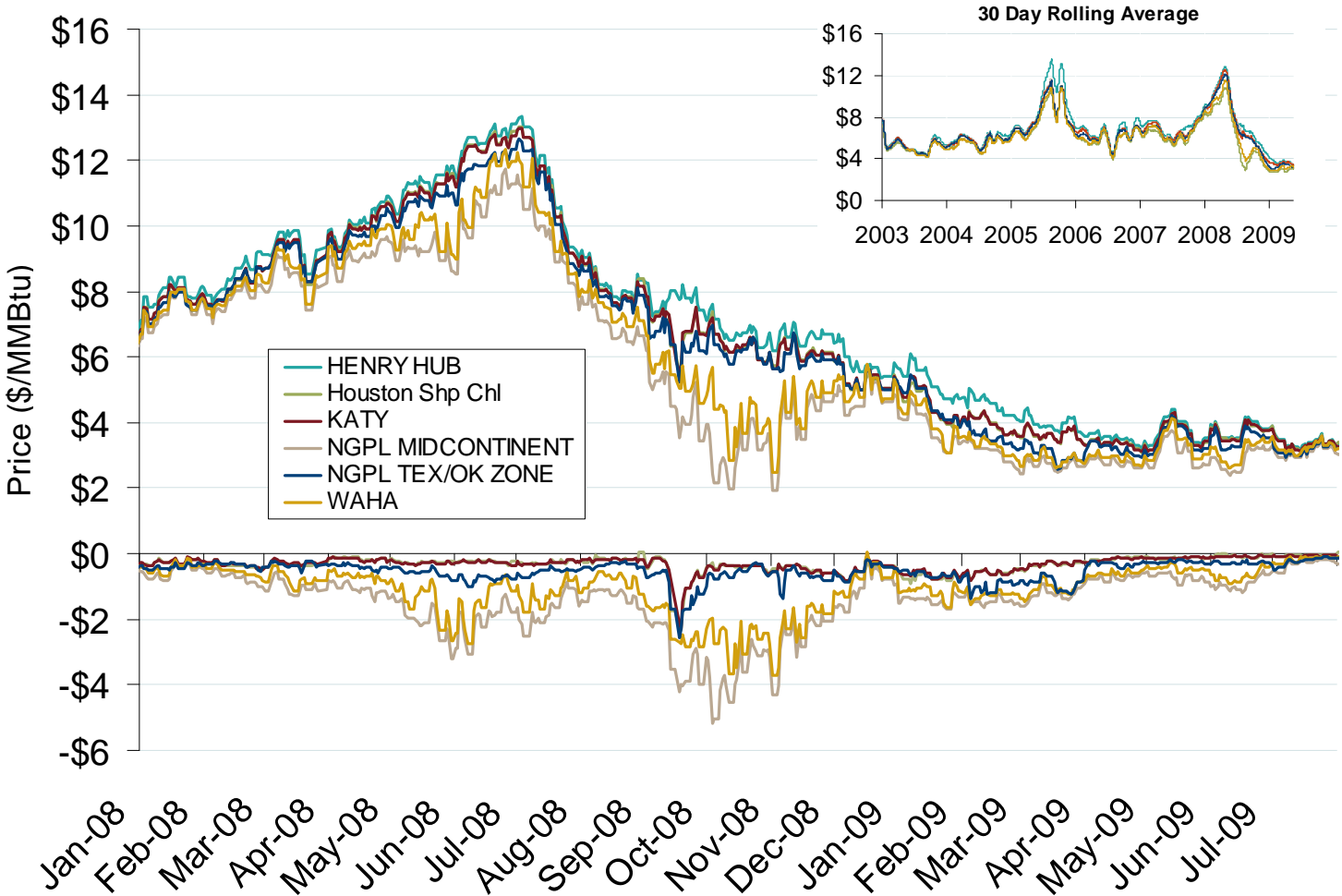


Source: Derived from Platts data.

Canadian Storage Fills and Prices Fall

- Western Canadian storage at a record 88% of capacity for this time of year
- Demand down 3% YTD
- Exports to U.S. down 10% YTD
- Utilization on the TransCanada Pipeline mainline is off 3% from last year
- Drop in flows on Northern Border, Alliance, Viking, and Great Lakes
- AECO spot prices down from \$3.85/MMBtu in mid-May to \$2.83/MMBtu average last week
- CERA forecasts AECO spot prices to average \$1.93/MMBtu in September – down 50% from mid-May

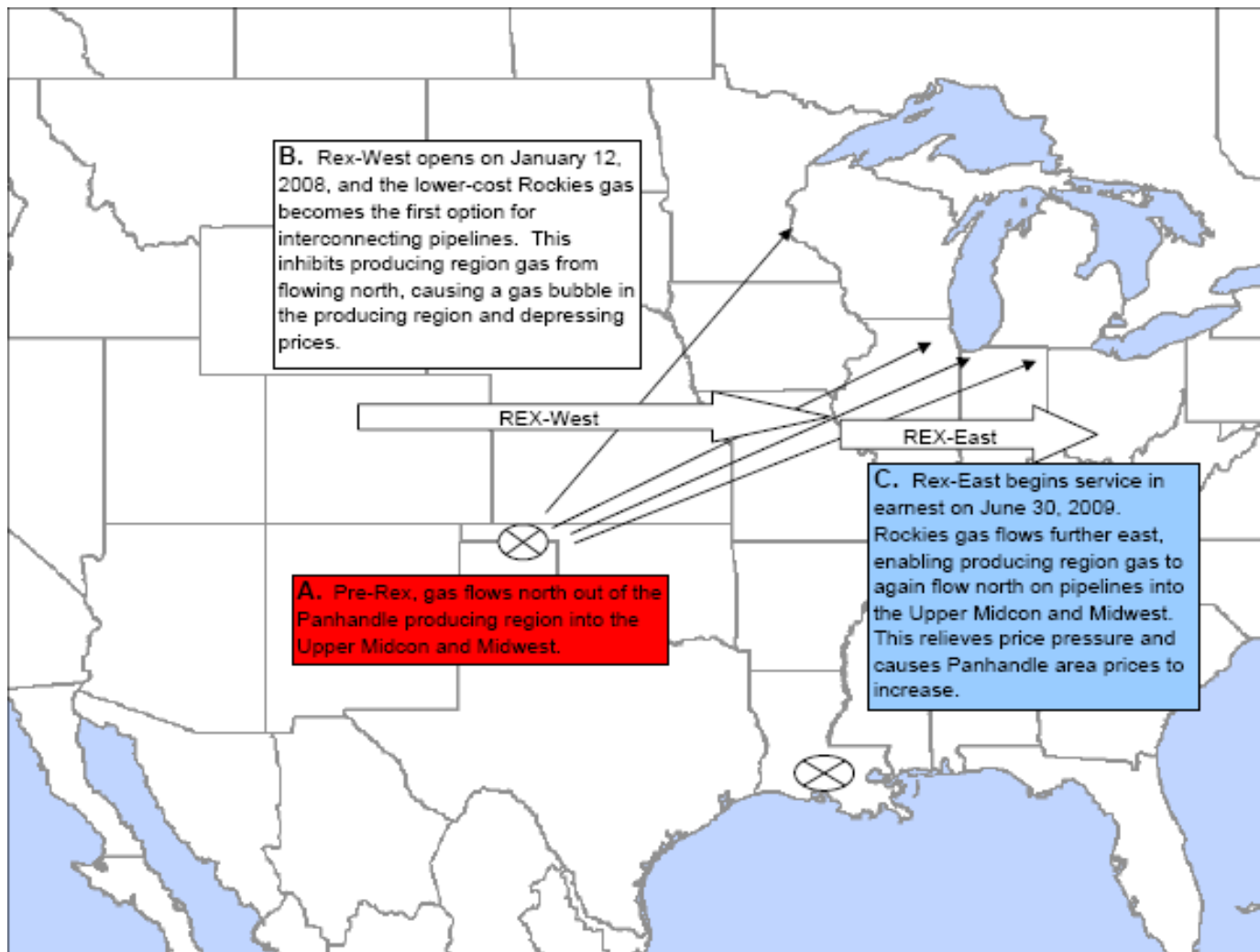
South Central Day-Ahead Hub Spot Prices and Basis



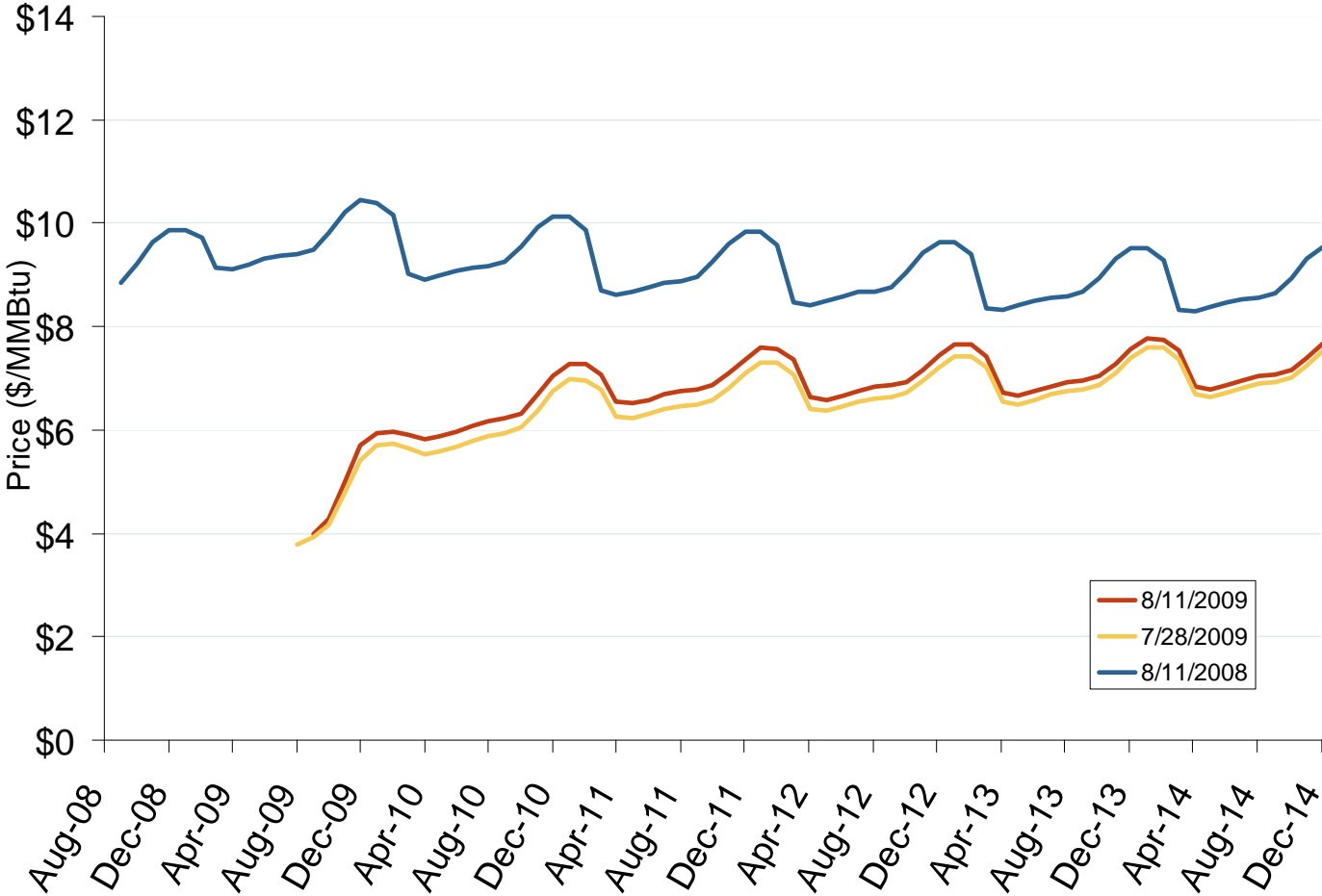
Source: Derived from *Platts* data.
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REX East Expansion

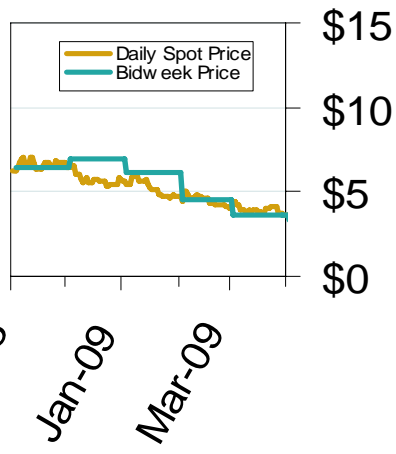
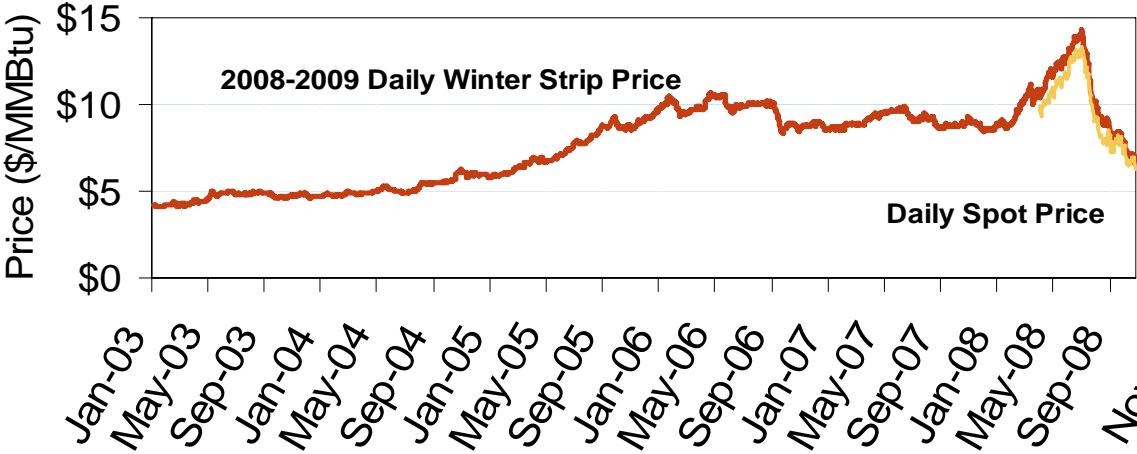
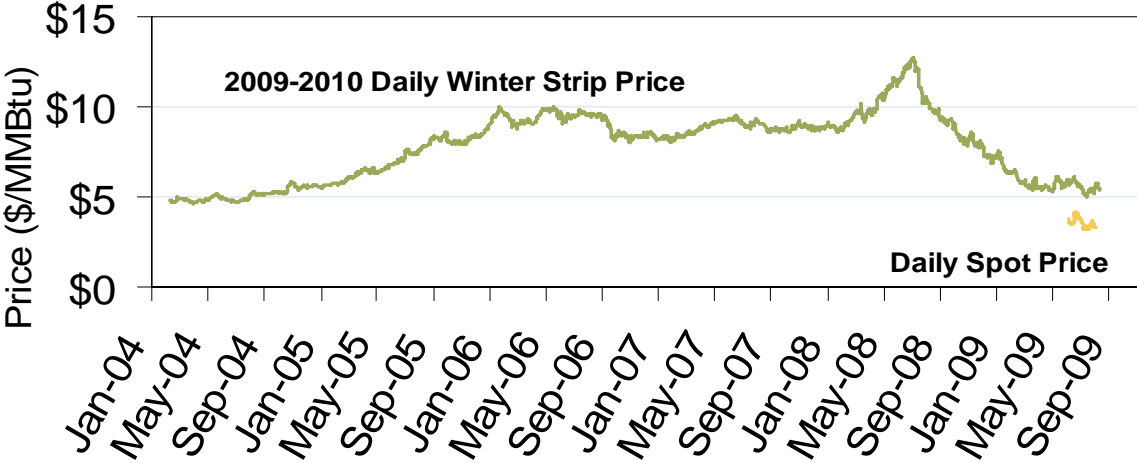


NYMEX Natural Gas Forward Price Curve



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.

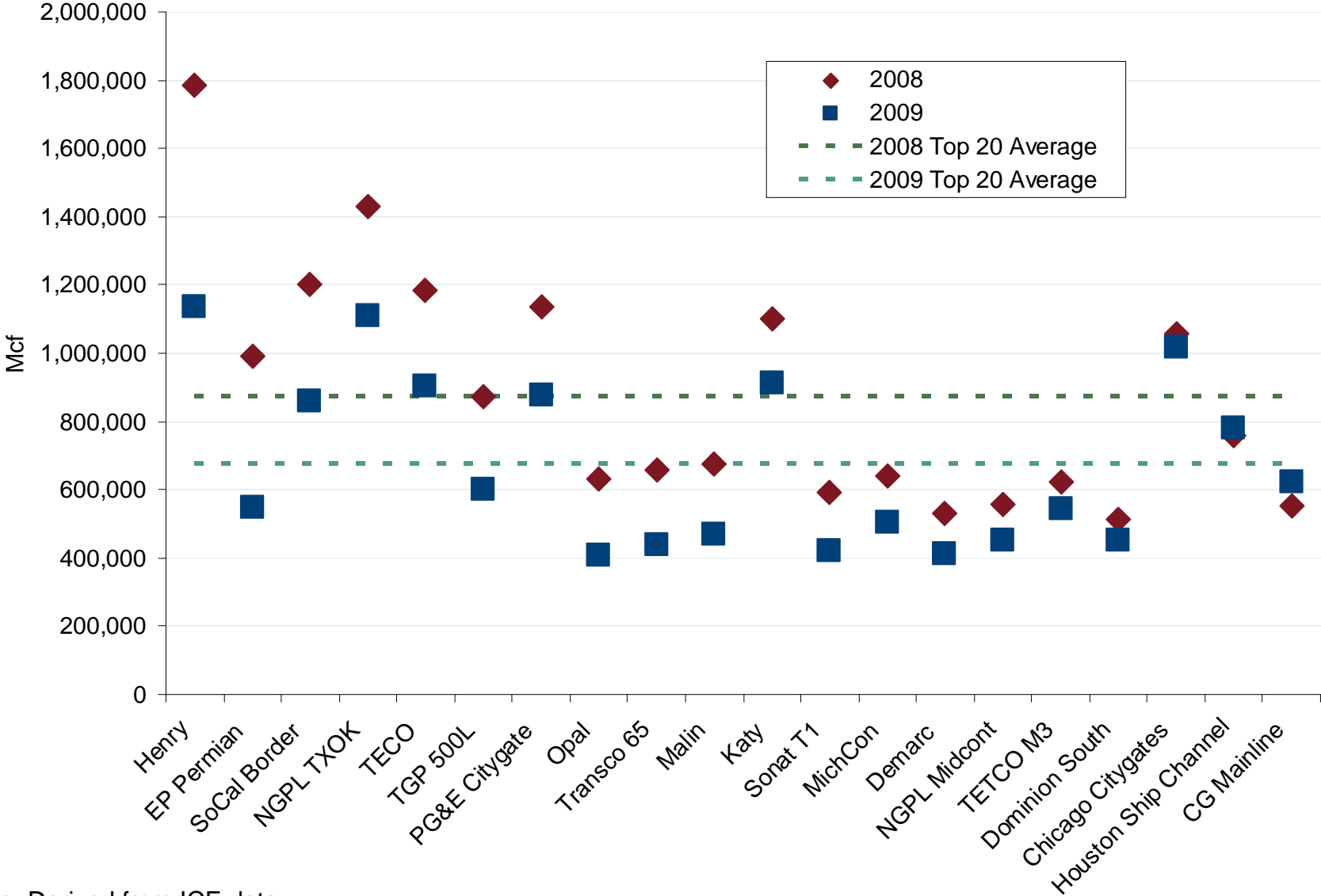
Natural Gas Winter Futures Strip and Daily Henry Hub Spot and Bidweek Prices



Source: Derived from Platts and Nymex data.
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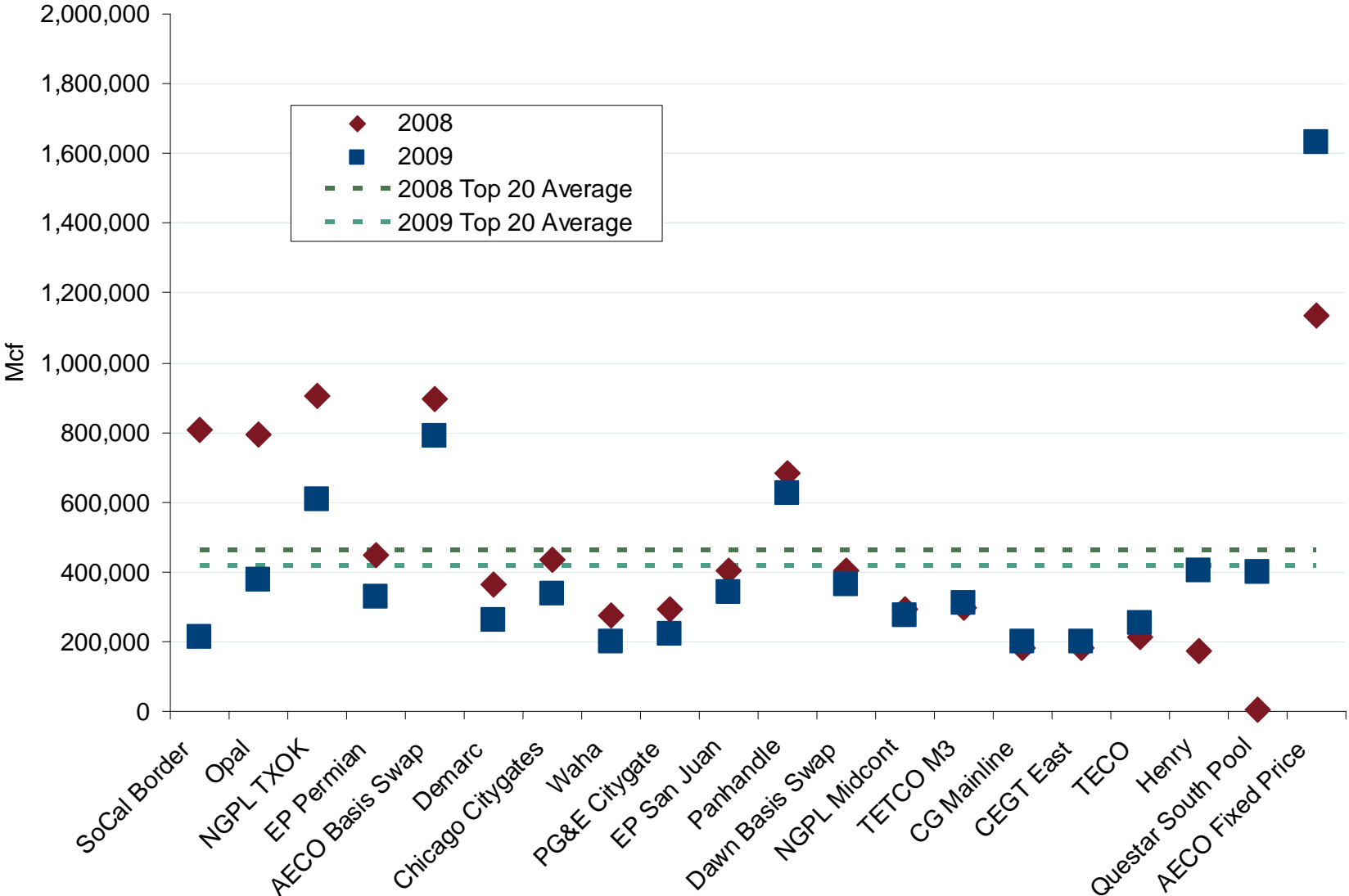
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Average Daily Day Ahead Volumes on ICE



Source: Derived from ICE data. August 2009 Midwest Snapshot Report

Average Monthly Bidweek Volumes on ICE

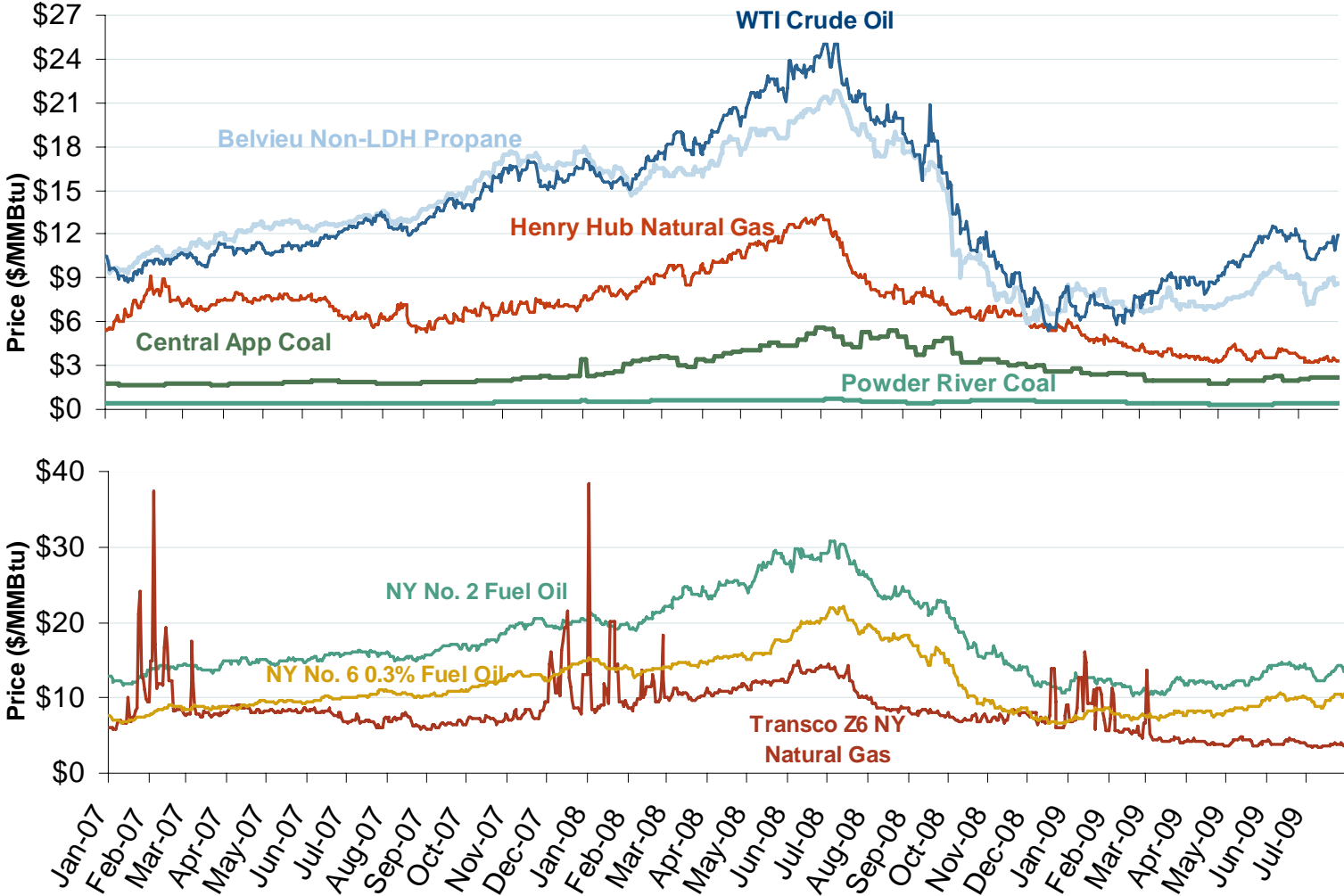


Source: Derived from ICE data. August 2009 Midwest Snapshot Report

Position Limits Established on Contracts & Swaps

- NYMEX position limit of 1,000 NG (4,000 NN) contracts in prompt-month settlement
- Limit applies to Oct-09 contract onward
- ICE to follow suit within 90 days of NYMEX
- Effect will be to move to mid-month & drive trading into the bilateral market
- Proposed legislation to place bilateral deals under similar position limits
- Ultimate effect may drive trading overseas

Oil, Coal, Natural Gas and Propane Daily Spot Prices

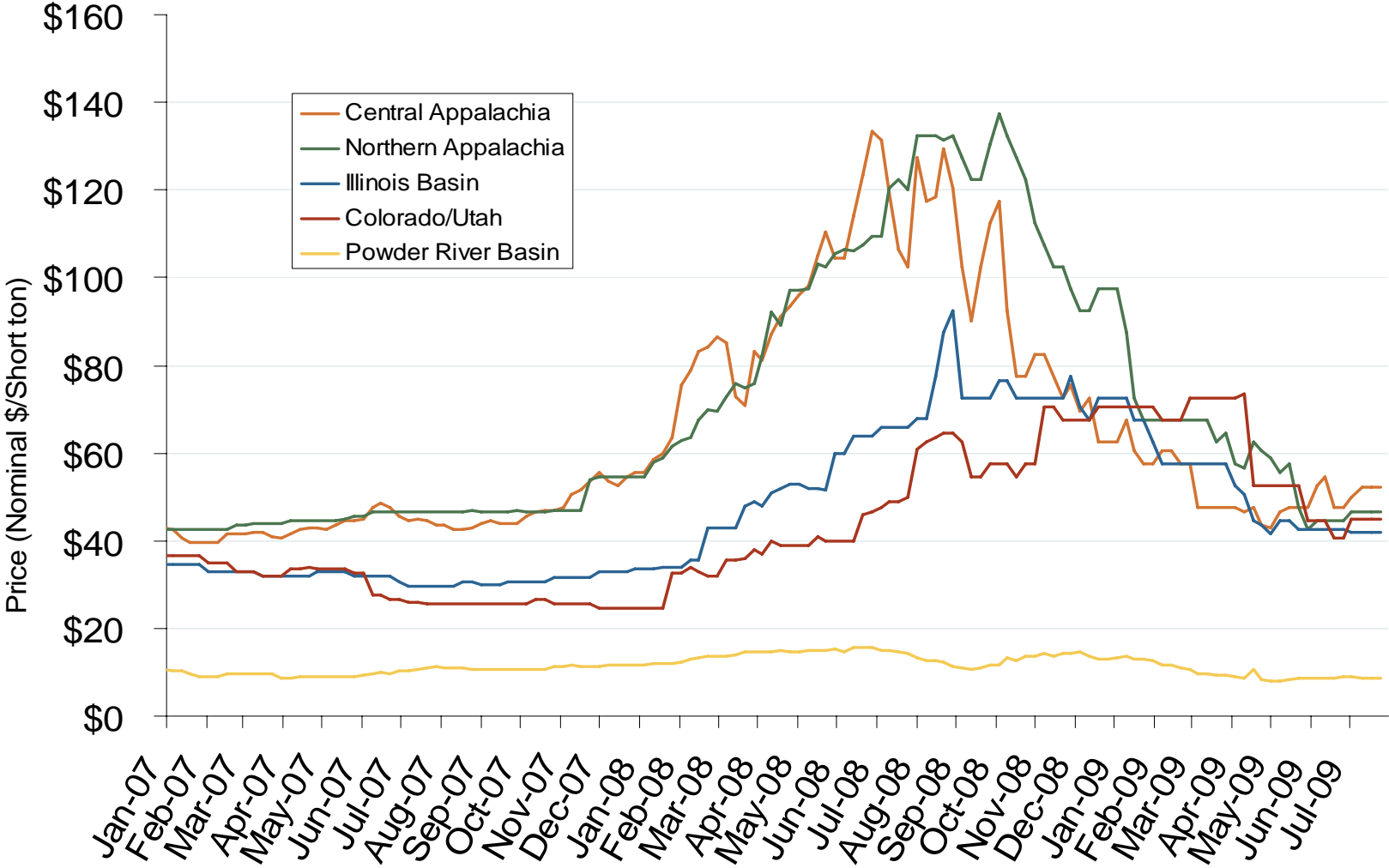


Source: Derived from ICE and Bloomberg data.

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.

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Regional Coal Spot Prices

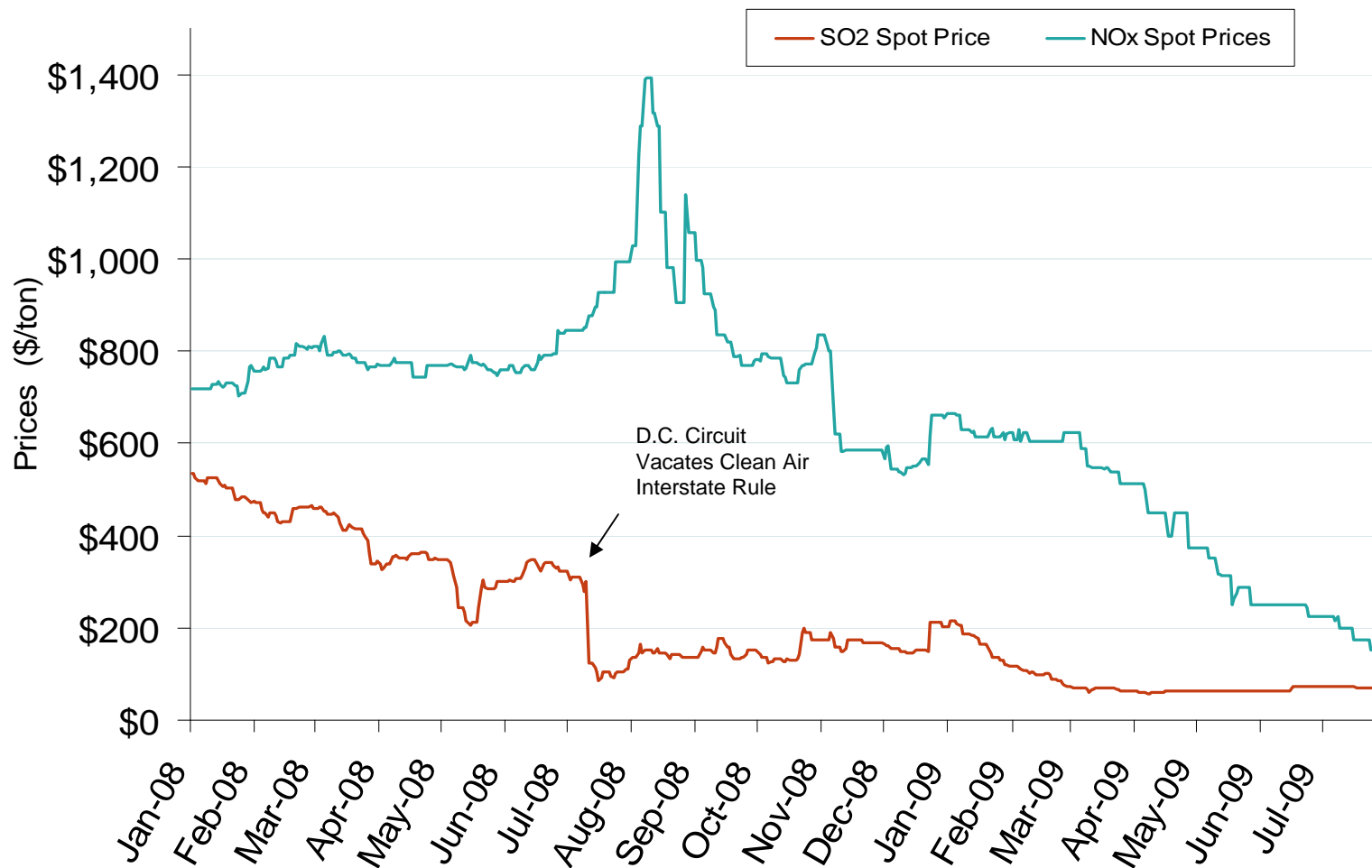


Note: Does not reflect the delivered price of coal; excludes incremental cost of emissions allowances.

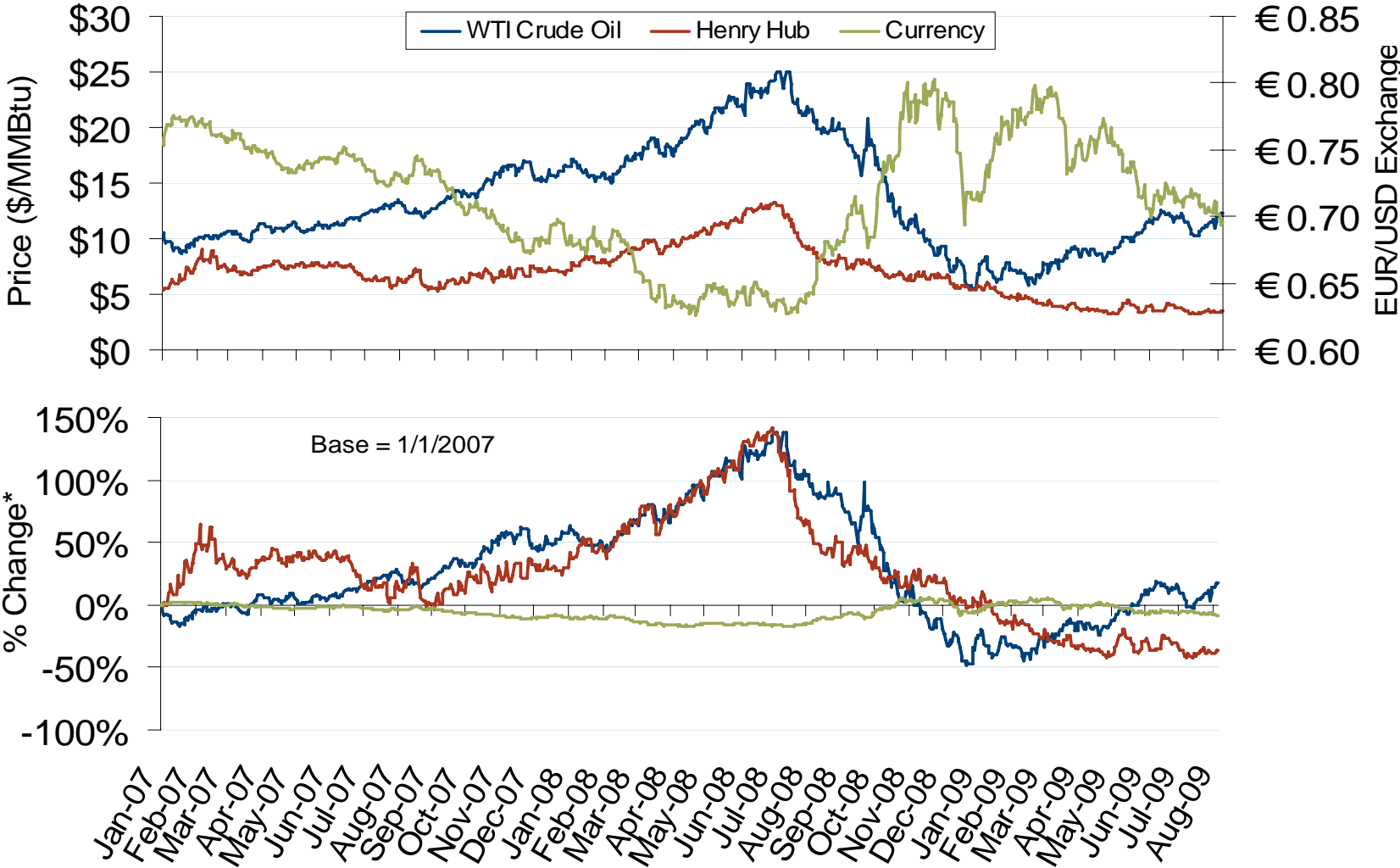
Source: Derived from *Bloomberg* data.
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SO₂ Allowance Spot Prices and NOx Seasonal Allowance Spot Prices

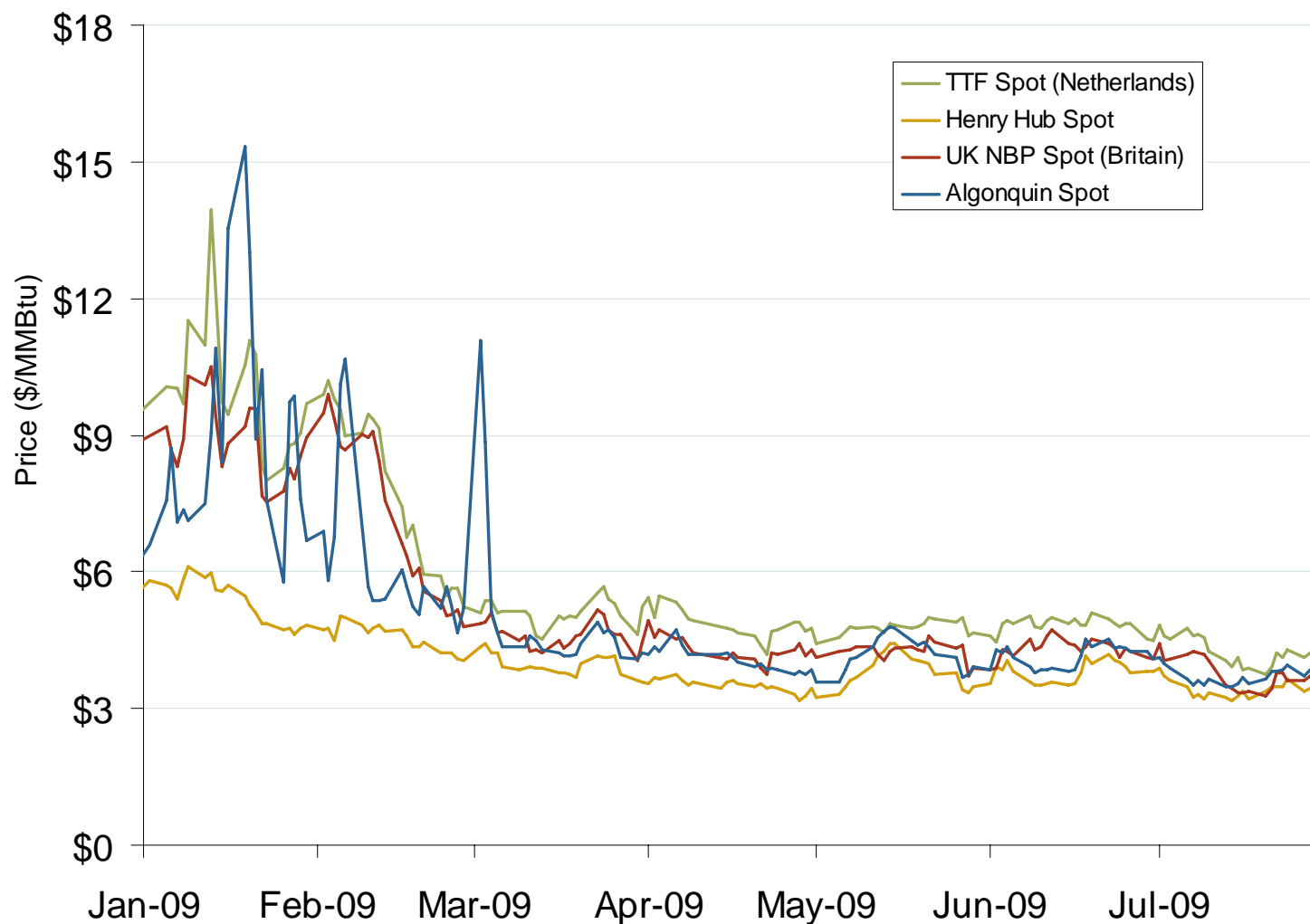


Oil, Natural Gas and Currency Spot Prices



Source: Derived from *Bloomberg* data.

Atlantic Basin European and US Spot Natural Gas Prices



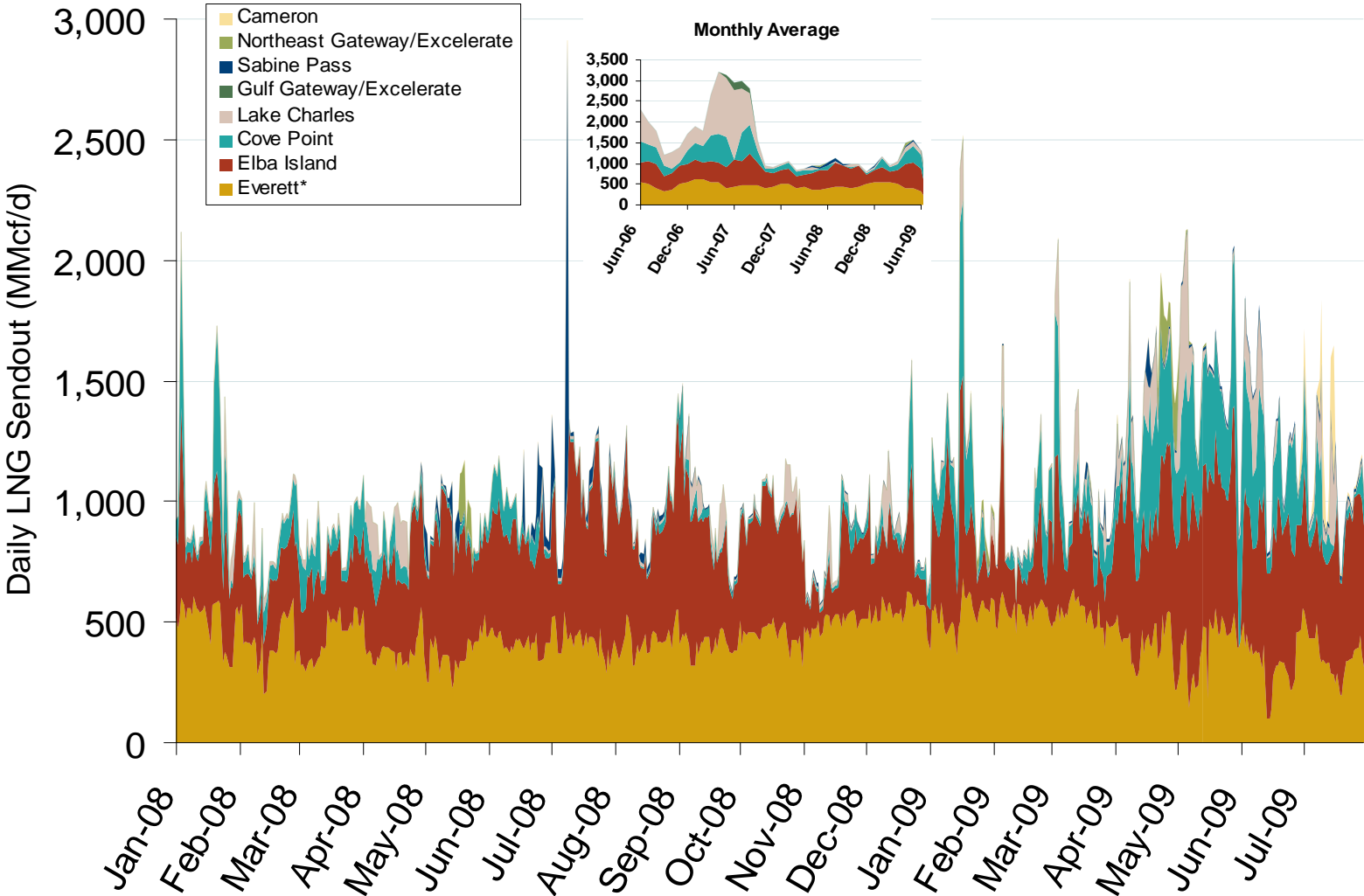
World LNG Estimated August 2009 Landed Prices



Source: Waterborne Energy, Inc. Data in \$US/MMBtu.
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Daily Gas Sendout from Existing U.S. LNG Facilities

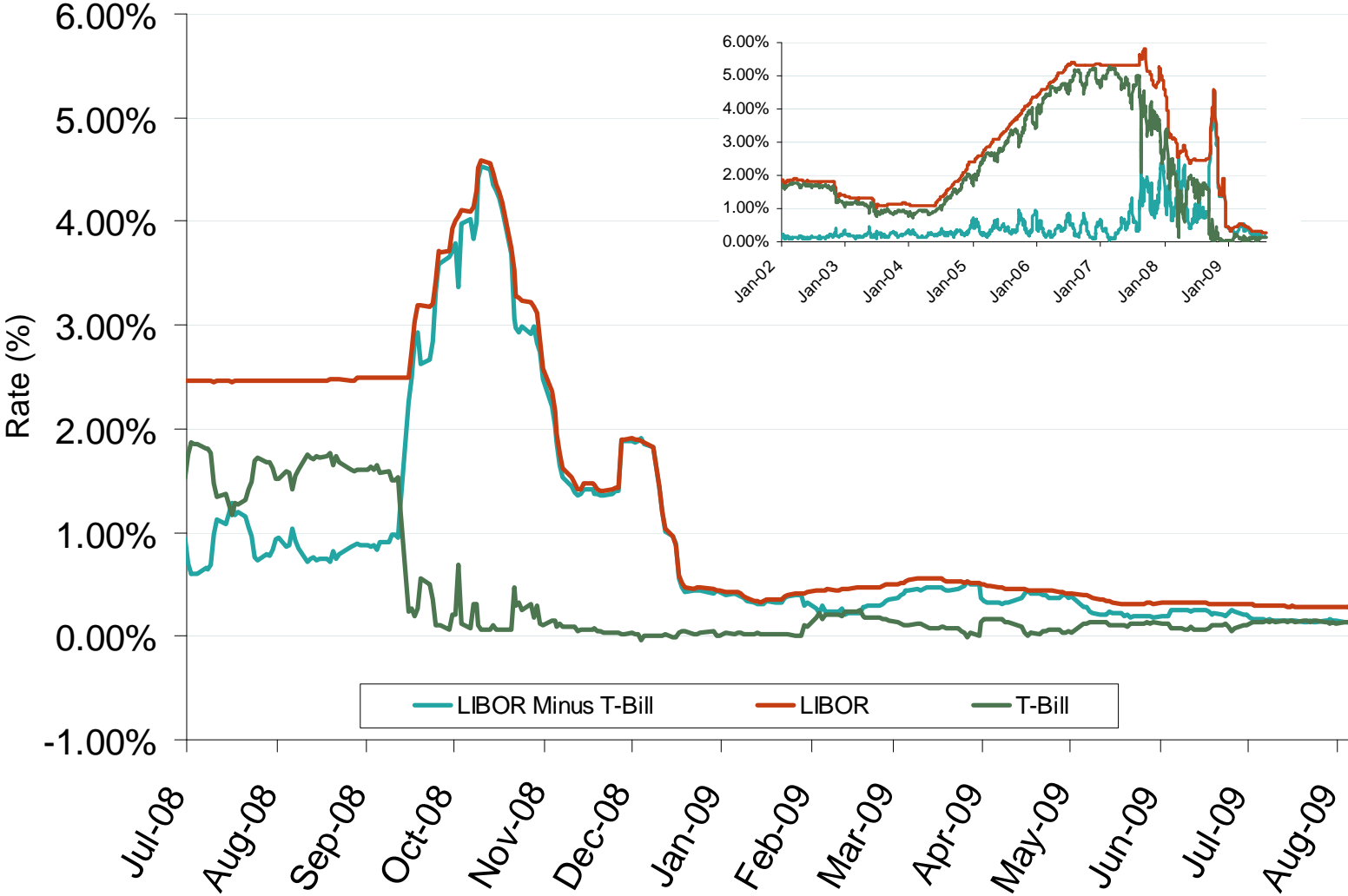


Source: Derived from Bentek data.

* 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.

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One Month LIBOR and One Month US Treasury Bill Rates



Source: Derived from Bloomberg data.
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