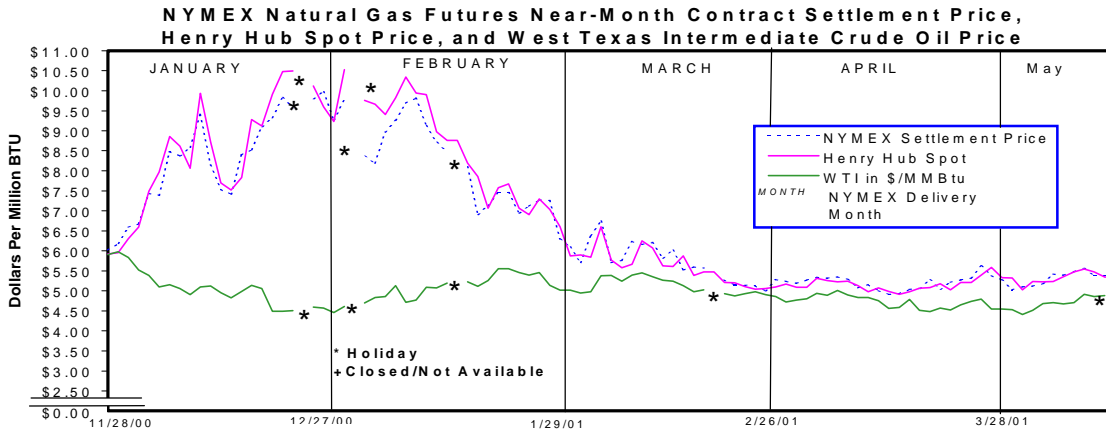
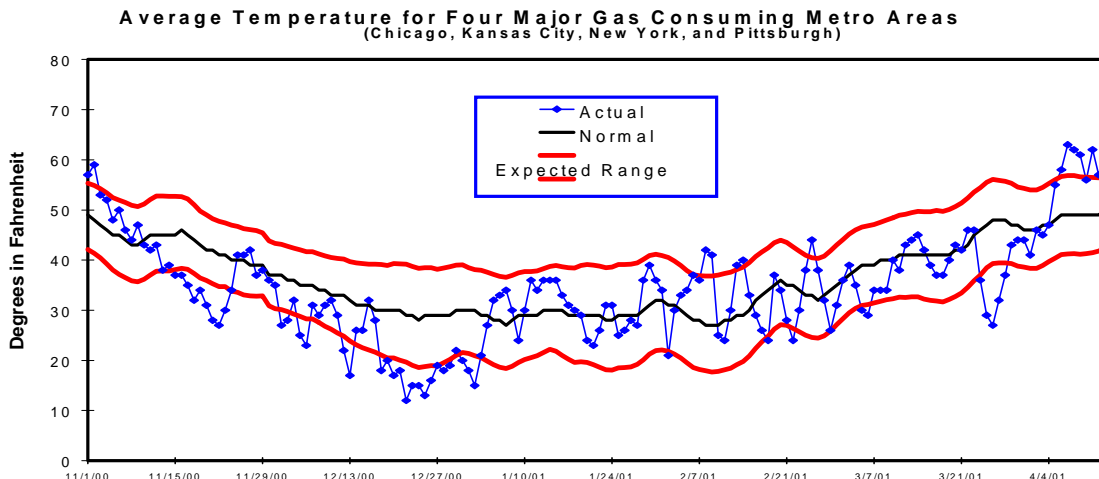


HENRY HUB PRICE (\$ per MMBtu)		
	SPOT	FUTURES
	April	May
	Del	Del
04/09	5.41-5.53	5.477
04/10	5.50-5.59	5.559
04/11	5.43-5.51	5.385
04/12	5.30-5.39	5.381
04/13	5.30-5.39	Holiday



Note: The Henry Hub spot price is from the GAS DAILY and is the midpoint of their high and low price for a day. The West Texas Intermediate crude oil price, in dollars per barrel, is the "sell price" from the GAS DAILY, and is converted to \$/MMBtu using a conversion factor of 5.80 MMBtu per barrel. The dates marked by vertical lines are the NYMEX near-month contract settlement dates.

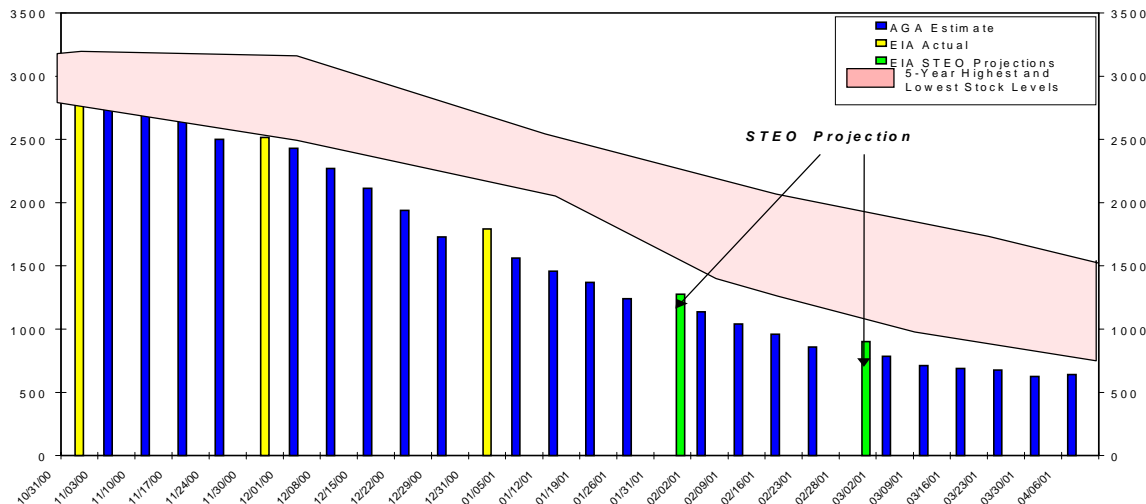
Average Temperature for Four Major Gas Consuming Areas			
	Actual	Normal	Diff
04/07	63	49	14
04/08	62	49	13
04/09	61	49	12
04/10	56	49	7
04/11	62	49	13
04/12	57	49	8
04/13	56	50	6



The bounds are computed by adding and subtracting from the average temperatures for the last 10 years an amount equal to twice an estimate of the standard deviation for temperatures on a day.

Working Gas Volume as of 04/06/01		
	BCF	% Full
East	252	14
West	171	34
Prod Area	218	23
U. S.	641	19

Source: AGA



Spot prices fluctuated as the influence of weather-related fundamentals early in the week gave way to the influence of reported net storage injections on Wednesday and the anticipation of (typically) reduced holiday-weekend demand during trading on Thursday. (Markets—including the New York Mercantile Exchange—were closed in observance of Good Friday.) On balance, between Friday, April 6, and Thursday, April 12, trading centers with price declines slightly outnumbered those with no change or increases; Henry Hub spot gas was down a penny at \$5.35 per MMBtu. The price of the NYMEX futures contract for May delivery followed a similar pattern, ending the week at \$5.381 per MMBtu, virtually unchanged from the end of the previous week (\$5.388). The spot price for West Texas Intermediate crude oil moved up \$1.20 per barrel on Tuesday (its first over-\$1 daily change in two weeks), which wound up being its net gain for the week, at \$28.30, or \$4.88 per MMBtu.

Storage: The refill season began with reported net working gas injections of 14 Bcf and base gas injections of 2 Bcf, according to American Gas Association (AGA) estimates. (The 2 Bcf of base gas injected in the Producing Region reduced the net extractions from base gas in the region to 9 Bcf over the last 6 weeks.) The net working gas withdrawal in the East Region of 1 Bcf, compared to an average (1995-99) build of 6 Bcf for the week, partially offset net builds in the other two regions. Net injections occurred in the West even though cooler weather prevailed throughout the period. After working gas in storage in the West dipped as low as 53 percent below the 5-year average as of March 9, stocks in that region have recovered to less than 38 percent below average. After starting the heating season just 5 percent below the 5-year average, the East Region now is almost 40 percent below. U.S. stocks as of Friday, April 6, are estimated to have been 741 Bcf.

Spot Prices: Unseasonably warm temperatures prevailed in most of the nation. According to a sample of cities tracked by the National Weather Service, daily average temperatures in the Midwest, Southeast, and Southwest were at least 10 degrees above normal most days, while temperatures in the Northeast ranged from 3 to 10 degrees above normal. Highs in the 80s and smatterings of 90s in the Southeast and Southwest brought on early air-conditioning load, pushing prices up in Texas and Gulf Coast markets as well as in the Midcontinent. The increases rippled through to Northeast and Midwest citygates. Meanwhile, the opposite weather extreme was having a similar but even more pronounced effect on Rockies prices, where colder, winter-like temperatures sent prices in the region strongly upward through Wednesday. In California, prices declined most days on SOCAL and at the PG&E citygate, despite Statewide temperatures averaging several degrees below normal each day. Prices in most markets began to weaken after Tuesday in anticipation of slackening holiday-weekend demand and moderating temperatures in the Southwest. From Friday to Thursday, net changes generally ranged from 12-cent drops to 8-cent gains. SOCAL and the Rockies were exceptions; SOCAL prices fell by \$1.03 per MMBtu to \$13.47, while in the Rockies, prices increased from 25 to 50 cents for the week to the range of roughly \$4.80 to \$5.10 per MMBtu. The Midcontinent mostly held onto small increases; the reverse was true of Texas and Gulf Coast price points. At the Chicago citygate, prices were up 2 cents to \$5.47; gas for New York citygates was down 4 cents to \$5.72.

Futures: After gains of 8-plus cents on both Monday and Tuesday, the May futures contract dropped 17 cents on Wednesday, as the AGA storage report showed a solid start to the refill season and the market began looking forward to the 3-day weekend. Thursday's futures trading was characterized by relatively light volumes and narrow price ranges, so that the May contract's early-week gains were enough to allow it to end a second consecutive week above \$5.35 per MMBtu. It settled at \$5.381, less than a cent below its Friday, April 6 ending price. Other contracts mostly held their ground on Thursday, with the contracts for the 2001-2002 heating season months gaining fractions of a cent to about 2 cents. Gas for delivery in the heart of the upcoming heating season (December through February) ranged from \$5.64 to \$5.83 per MMBtu.

Summary: Little net change in prices occurred during the holiday-shortened week. The refill season began with a net injection of 14 Bcf, an estimate apparently regarded as neutral by the market, because it was quite close to the 18 Bcf average for this week over the past 5 years.