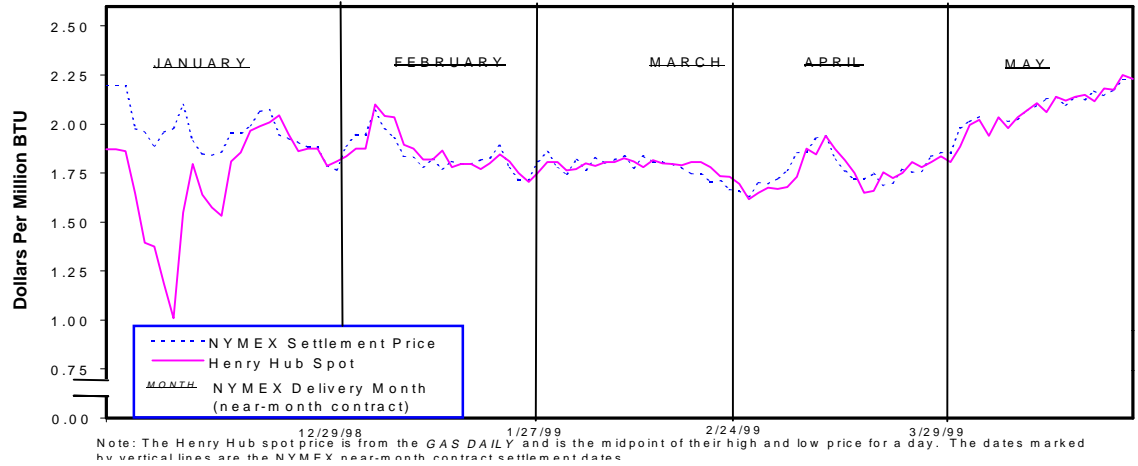


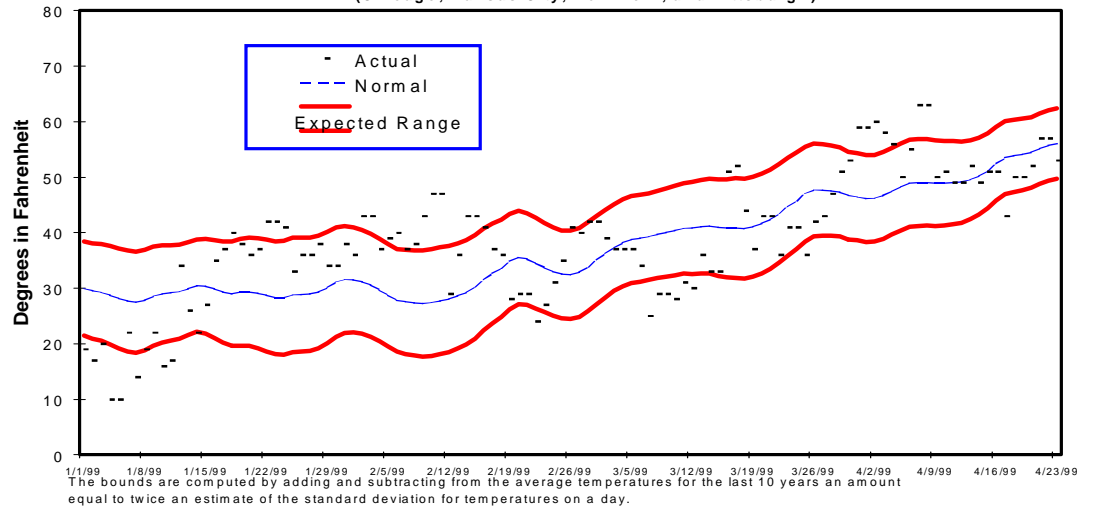
NYMEX Future Prices vs Henry Hub Spot Prices

HENRY HUB PRICE (\$ per MMBtu)		
	SPOT	FUTURES
April		May
Del		Del
4/19	2.10-2.13	2.169
4/20	2.17-2.19	2.144
4/21	2.16-2.19	2.174
4/22	2.24-2.26	2.225
4/23	2.22-2.25	2.226



**Average Temperature for Four Major Gas Consuming Metro Areas
(Chicago, Kansas City, New York, and Pittsburgh)**

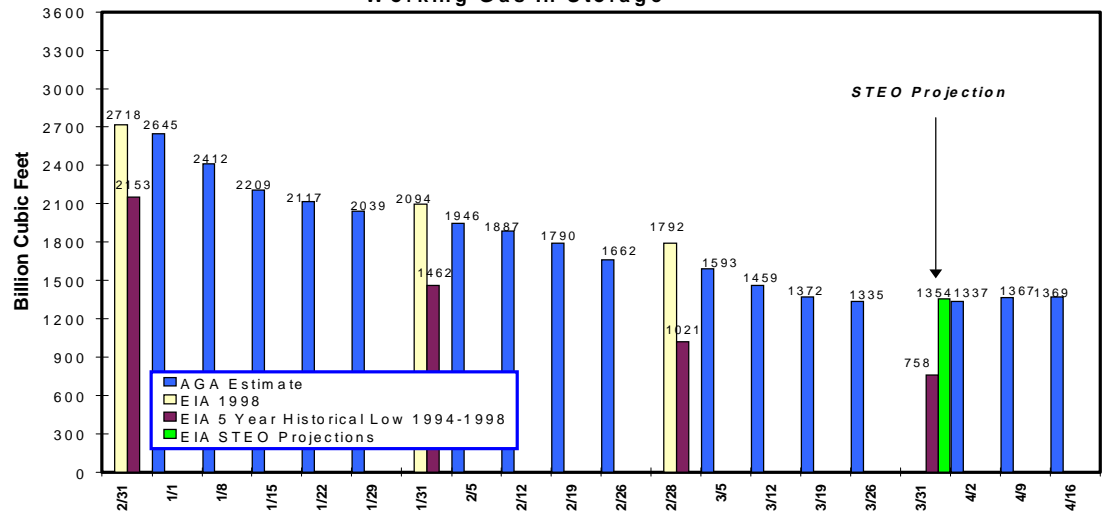
Average Temperature for Four Major Gas Consuming Areas			
	Actual	Normal	Diff
4/17	43	54	-11
4/18	50	54	-4
4/19	50	54	-4
4/20	52	54	-2
4/21	57	55	2
4/22	57	56	1
4/23	53	56	-3



Working Gas Volume as of 4/16/99		
	BCF	% Full
EAST	597	33
WEST	230	47
Prod Area	542	57
U. S.	1,369	42

Source: AGA

Working Gas In Storage



The NYMEX futures contract for May delivery at the Henry Hub opened Monday, April 26, at \$2.215 per MMBtu, \$0.011 less than Friday's settlement price. Seasonal daytime temperatures in the 50s and 60s generally prevailed in the Midwest and the East, but many areas continued to have nighttime temperatures in the 30s. Temperatures in the four cities monitored for this report (Chicago, Kansas City, New York, and Pittsburgh) were below normal most days last week. The spot market price at the Henry Hub increased most days and ended the week at \$2.24 per MMBtu-up about 10 cents from the previous Friday. The near-month (May) futures contract also trended up and began bid-week almost 10 cents per MMBtu higher than the previous Monday. Estimated net additions to storage slowed to only 2 Bcf for the second week in April. The price of West Texas Intermediate crude oil continued to move up, and ended last week at \$18.25 per barrel-about \$6.00 higher than prices seen in February.

Storage: According to the American Gas Association (AGA), net additions to storage were estimated to have been 2 Bcf for the week ended Friday, April 16. The continued cool weather in the West and some unseasonably low nighttime temperatures in the Midwest and the East during the second week of April have supported heating demand, diverting some gas scheduled for storage refill. The Consuming West reported springtime storage withdrawals of 6 Bcf while at the same time net injections in the Consuming East and the Producing regions slowed to 5 and 3 Bcf, respectively. Thus far total injections in April have been about 35 Bcf. Last year's total for April as measured by EIA was a very hefty 199 Bcf, pulling the average net injections in April over the past four years (1995-98) up to about 100 Bcf. Excluding last year, the 3-year average is close to 75 Bcf.

Spot Prices: Prices at the Henry Hub began the week down about 3 cents per MMBtu from the previous Friday at \$2.12. The price then moved up about 12 cents per MMBtu over the remaining 4 days as it again appeared to be "following the screen" for the NYMEX near-month contract and, to a lesser extent, some increase in demand in response to the early-spring cool weather. Most major market locations appeared to have been caught up in this upward trend. For example, Katy in East Texas moved up 13 cents per MMBtu as it traded at \$2.215 on Friday, April 23; others were Waha in West Texas up 12 cents at \$2.15, Chicago up 14 cents at \$2.25, and gas in the Rockies moved up about 10 cents but remained below \$2.00 at \$1.97 per MMBtu on Friday.

Futures Prices: The upward trend in the May contract that began in late March continued last week as the reduction in estimated net additions to storage reported on Wednesday was followed by settlement price increases of almost 10 cents by Friday. Also contributing to this increase in the May contract, which closes on Wednesday, April 28, are more reports that several older nuclear plants located in the Northeast may not be operating for extended periods this summer. Some in the power generating sector believe that in order to replace most of this potential loss in nuclear capacity, additional gas-fired generators would need to be brought on line. Some of this additional gas-fired generating capacity may be needed for 2 to 3 months to help supply base load, while some would only be used during peak demand periods.

Summary: Cool weather in the West continued while lower-than-normal temperatures in the Midwest and East reduced net additions to storage. The near-month (May) futures contract again trended up and, along with the cool weather, appears to be contributing to increases in the spot market price. The May contract will close the middle of this week and more reports on potential shut-downs at Northeast nuclear facilities may be contributing to the steady increase in the price of the NYMEX May contract (see price graph).