



# Natural Gas Winter Operations Update

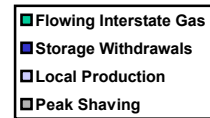
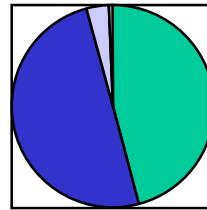
January 2, 2007

(All Natural Gas Volumes in Billions of Cubic Feet)

**Projected Sales Demand\*** (1/1/07 through 3/31/07): **150.9**

**Projected Supplies:**

Flowing Interstate Gas	69.3	45.9%
Storage Withdrawals	75.5	50.0%
Local Production	5.1	3.4%
Peaking Supplies	1.0	0.7%



**Total Projected Supplies:** **150.9**

\* Reported figures reflect consumers who are supplied directly by members of the Energy Association of Pennsylvania, and do not include customers served by third-party natural gas suppliers.

**Heating Degree Days\*\*:**

Member Company Average Cumulative Actual 11-1-2006 to 1-1-2007 -	<b>1,338</b>
Member Company Average Cumulative Actual 11-1-2005 to 1-1-2006 -	<b>1,641</b>
Member Co. Average Cumulative 30 year Normal – November 1 to January 1 -	<b>1,639</b>

\*\*A measure of how cold a location is over a period of time relative to a base temperature, most commonly specified as 65 degrees Fahrenheit – used in energy analysis as an indicator of heating energy requirements or use. The fact that the current total is lower than last year's time period and the 30 year average is an indication that temperatures are warmer than normal to date. (Note that the 30-year average is used for illustrative purposes and is not necessarily considered "normal weather" for all NGDCs.)

**From Our Desk:**

## Winter Update

*Each fall, Pennsylvania's natural gas distribution companies painstakingly survey the residences which have had their service terminated. The survey enumerates the residences that may be entering the winter without heat. More importantly however, the survey gives utilities a chance to work with residents on payment arrangements that can get their service restored.*

*The Public Utility Commission announced the results of the Cold Weather Survey. There were more people receiving energy utility service this winter than last winter for both gas and electric utility members of the Energy Association. There were fewer households off in both the electric and gas industries than there had been the year before. Those without service served by electric utilities had dropped by 38% from the levels reported in 2004. Association member gas utilities had an overall reduction of over 330 Households which included an increase for Philadelphia Gas Works (PGW) of 851 households reflecting the harsh reality associated with the abandonment of state funding for LIHEAP which amounted to \$19.3 million last year. The PGW service territory usually receives significantly more in terms of LIHEAP dollars but the absence of those dollars led to a greater level of customers being off in Philadelphia. Over 52% of the households without service were within the service area of PGW.*