



Natural Gas Winter Operations Update

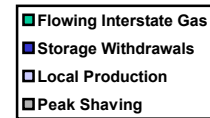
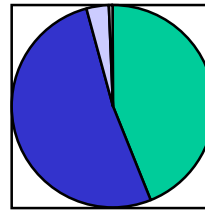
January 16, 2007

(All Natural Gas Volumes in Billions of Cubic Feet)

Projected Sales Demand* (1/15/07 through 3/31/07): **121.6**

Projected Supplies:

Flowing Interstate Gas	53.3	43.8%
Storage Withdrawals	63.4	52.2%
Local Production	4.3	3.5%
Peaking Supplies	0.6	0.5%



Total Projected Supplies: **121.6**

* 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 1-15-2007 -	1,686
Member Company Average Cumulative Actual 11-1-2005 to 1-15-2006 -	2,048
Member Co. Average Cumulative 30 year Normal – November 1 to January 15 -	2,178

**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:

Energy Theft – Should We Be Concerned?

So often we hear about identity theft, stolen credit cards, hold-ups, and personal robberies. Yet one of the most prevalent thefts, both nationally and internationally, is that of electric and natural gas service. Theft of service is a major source of revenue loss. More important, however, is the fact that theft of service is a safety issue. While natural gas is a safe energy source, meter tampering, bypassing, and other means used to steal service places those committing the theft, their families, emergency service personnel, utility workers and innocent bystanders in grave danger. As a result, this problem goes well beyond mere stealing and revenue loss. Theft of utility service can cost lives.

An Energy Association of PA task force is working to improve public awareness about the threats posed by energy theft, namely: • Personal and public safety hazards • Adverse impacts on energy rates and the cost burdens placed on good-paying customers. Promoting legislation that supports legal measures to combat energy theft is another task force objective.

You are welcome to circulate this issue. If you are not on our mailing list, we would be glad to add you. For more information on this issue or to be placed on our mailing list, contact the Energy Association of Pennsylvania at 717-901-0600 or visit us at www.energyypa.org.