

Energy Market Update - 12/08/08



Change and uncertainty continues apace in the U.S. and overall world economies. Credit issues and concerns are front and center on main street, Wall Street, and in the energy industry. Now more than ever, energy consumers need ways to mitigate risk and reduce operating expenses. They also need access to reliable suppliers and the opportunity to take care of their energy supply needs in ways that are verifiable and fit customers' time-lines. APPI provides solutions that will effectively lower your energy costs, decrease/eliminate operating risks, and create budget certainty with no up-front costs. APPI has a twelve-year proven track record of due diligence of energy suppliers and utility vendors, review and recommendation of supply contract terms and conditions, and a competitive bidding process that combined, give you the competitive edge you need to function most effectively in the dynamic and volatile energy and utility markets.

The electricity and natural gas markets ticked-up some last week. There is much evidence to indicate that we may have "bottomed-out" in pricing so that gradual increases will continue for the coming few months, if not longer. Locking-in now is advised.

Natural Gas Futures Prices (\$/dth) NYMEX Settle on December 4, 2008					
	2007	2008	2009	2010	2011
Jan	\$ 5.838	\$ 7.172	\$ 6.017	\$ 7.782	\$ 8.297
Feb	\$ 6.917	\$ 7.996	\$ 6.050	\$ 7.792	\$ 8.282
Mar	\$ 7.547	\$ 8.930	\$ 6.045	\$ 7.617	\$ 8.042
Apr	\$ 7.558	\$ 9.578	\$ 6.092	\$ 7.112	\$ 7.352
May	\$ 7.508	\$ 11.280	\$ 6.169	\$ 7.082	\$ 7.267
Jun	\$ 7.591	\$ 11.916	\$ 6.284	\$ 7.177	\$ 7.337
Jul	\$ 6.929	\$ 13.105	\$ 6.409	\$ 7.287	\$ 7.427
Aug	\$ 6.110	\$ 9.217	\$ 6.514	\$ 7.367	\$ 7.497
Sep	\$ 5.430	\$ 8.394	\$ 6.569	\$ 7.397	\$ 7.522
Oct	\$ 6.423	\$ 7.472	\$ 6.682	\$ 7.477	\$ 7.597
Nov	\$ 7.269	\$ 6.469	\$ 7.092	\$ 7.752	\$ 7.827
Dec	\$ 7.203	\$ 6.888	\$ 7.527	\$ 8.072	\$ 8.092
Avg.	\$ 6.860	\$ 9.035	\$ 6.454	\$ 7.493	\$ 7.712

Note: Prices in red italics are historical - NYMEX contract expired.

Natural Gas NYMEX Strip Prices (\$/dth)	
3-month strip	\$6.037
6-month strip	\$6.110
12-month strip	\$6.454
18-month strip	\$6.778
24-month strip	\$6.974
Apr09 - Oct09	\$6.388
Nov09 - Mar10	\$7.562

