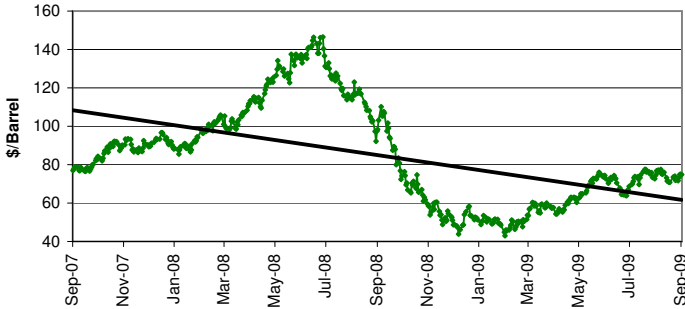


Oil Market

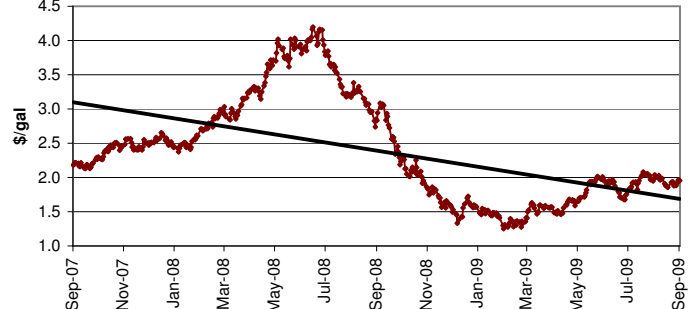
NYMEX Crude Futures - 12 Month Forward Strip



NYMEX PRICING	last close	previous week	24-month high	24-month low
12 month strip, \$/bbl	\$74.75	\$71.88	\$146.44	\$43.06
date	9/18/09	9/11/09	7/14/08	2/18/09
change from last close		4%	-49%	74%

STORAGE (in million bbls)	crude oil
domestic stocks as of 9/11/2009	332.8
gain / loss from previous week	-4.7
comparison to historic range	above

NYMEX #2 Heating Oil Futures - 12 Month Forward Strip

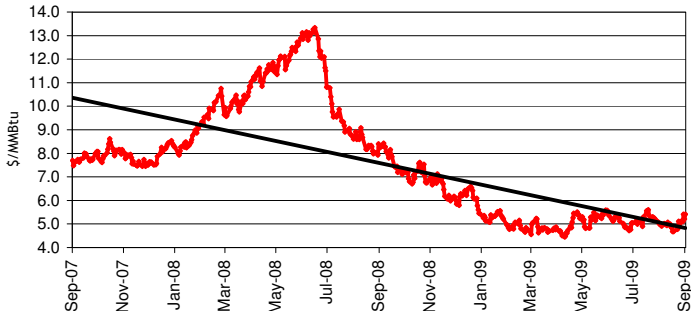


NYMEX PRICING	last close	previous week	24-month high	24-month low
12 month strip, \$/gal	\$1.95	\$1.88	\$4.19	\$1.25
date	9/18/09	9/11/09	7/3/08	2/18/09
change from last close		4%	-53%	56%

STORAGE (in million bbls)	distillate	propane	gasoline
domestic stocks as of 9/11/2009	167.8	70.7	207.7
gain / loss from previous week	2.2	0.0	0.5
comparison to historic range	above	above	within

Natural Gas Market

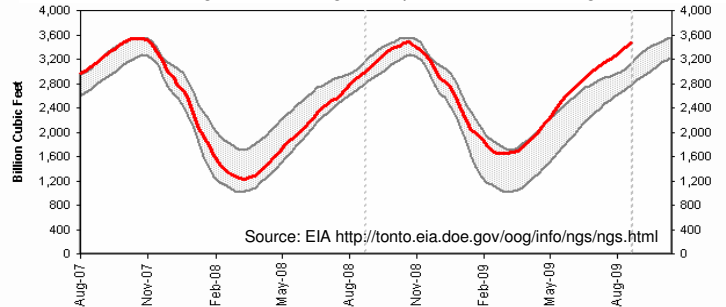
NYMEX Henry Hub Futures: 12 Month Forward Strip



NYMEX PRICING	last close	previous week	24-month high	24-month low
12 mo. strip, \$/MMBtu	\$5.42	\$4.93	\$13.33	\$4.45
date	9/18/09	9/11/09	7/3/08	4/27/09
change from last close		10%	-59%	22%

Forward Strips	18 month	24 month	35 month	48 month
\$/MMBtu	\$5.87	\$6.02	\$6.32	\$6.50

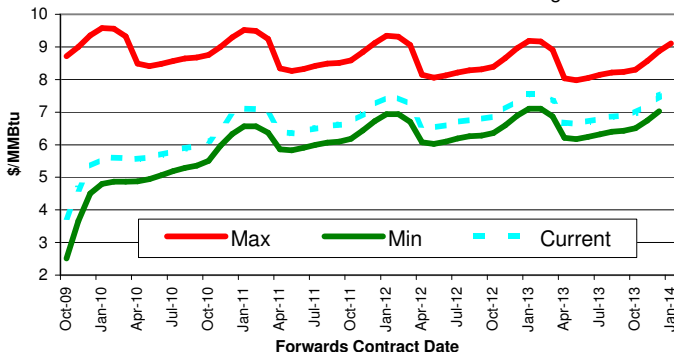
Working Gas in Storage Compared to 5-Year Range



This chart shows the amount of natural gas in storage at each point in time (red line) compared to the highest and lowest amounts over the past 5 years.

The EIA (Energy Information Administration) reported that natural gas in storage was 3,458 Bcf as of Friday, September 11th, 2009. This implies a net weekly injection of 66 Bcf, compared to a 5-year average injection of 82 Bcf and last year's injection of 65 Bcf for the same report week. Gas in storage was about 17% above last year's level and 16% above the 5-year average.

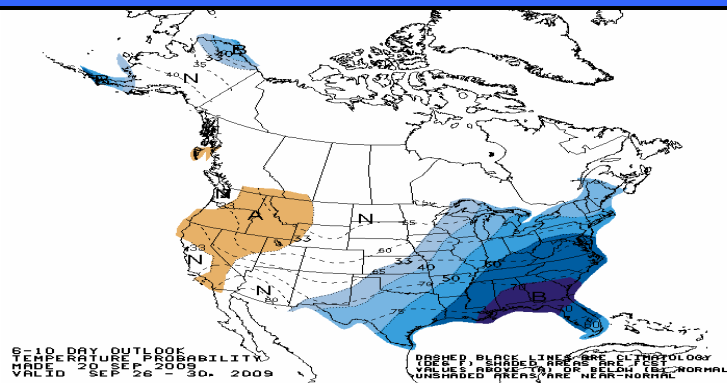
NYMEX Natural Gas Forwards vs. 1 Year Range



Forwards	Score
12 Month	82
24 Month	81
36 Month	80

The Score provides a measure of how current prices compare to the historic range. A score close to 0 indicates that current prices are close to their historic highs; a score close to 100 indicates that current prices are close to their historic lows.

Weather Forecast



For the period September 26 - 30, 2009

This chart depicts forecasted temperatures for next week compared to the long term average. The blue/purple areas are forecast to be colder than normal, white areas are normal, and yellow/orange/red areas are warmer than normal. Abnormally hot weather in the summer and cold weather in the winter can increase the price for natural gas, oil, and electricity.

Currently, there are no hurricanes in the Atlantic threatening the Gulf of Mexico. The Atlantic hurricane season ends November 30.

Source: Chart from the National Weather Service Climate Prediction Center

Market Assessment

Crude oil continued to rally from last week, inching up at the beginning of the week but leveling off towards the end of the week. Several bullish factors were in play, most notably signs that the economy was in recovery. Retail sales increased 3% in August and the number of first-time applicants for unemployment unexpectedly decreased last week. The withdrawal from U.S. inventories in the past week was higher than expected, and OPEC increased its global energy demand projections for 2010. In addition, the U.S. dollar weakened against the euro early in the week, increasing the appeal of commodities as a hedge. However, on Friday the U.S. dollar gained against the euro and investors quickly sold some contracts to lock in the gains from the week.

The September crude oil contract expired on August 20th at \$72.54 per barrel; October is the current prompt month. Crude oil for the next 12 months starting October 2009 rose an average of 4% last week on the NYMEX, with all contracts rising around the same percent. The October 2009 contract ended the week at \$72.04 per barrel, the lowest priced crude oil futures contract with delivery in next 12 months. The most expensive contract in the next 12 months was September 2010 at \$77.09 per barrel. NYMEX heating oil futures contracts for delivery in the next 12 months also rose 4% on average last week, with the nearest contracts gaining the most. The September 2009 contract expired on August 31st at \$1.78 per gallon. October 2009, the current prompt month, closed the week at \$1.83 per gallon and was the cheapest contract for delivery in the next twelve months. The winter heating months (November '09 – March '10) averaged \$1.91 per gallon on Friday.

Natural gas also continued to rally from last week on favorable economic news. Prices rose every day but Thursday, and the prompt month contract jumped 28% over the week. The EIA's report on Thursday showed a lower than expected injection into inventory, and although inventory gains are still on track to beat the storage record, last week's low injection eased the fear that storage capacity will be exceeded before the heating season begins. The storage issue, driven by a slump in demand for the fuel, has been exacerbated by the high spread between the cheap prompt month contract and more expensive contracts for next winter which provides an incentive to put fuel into storage.

Natural gas contracts for the next 12 months rose 11% on average between Friday, September 18th, and the previous Friday. The September 2009 natural gas contract expired on August 27th at \$2.84 per MMBtu on the NYMEX. October 2009, the current prompt month, rose 28% and closed last week at \$3.78 per MMBtu, the lowest priced contract with delivery in next 12 months. The heating season contracts closed at an average price of \$5.35 per MMBtu, and the September 2010 contract ended the week at \$5.97 per MMBtu, the highest priced natural gas contract in the next 12 months.

The National Weather Service forecasts cooler than normal temperatures east of the Great Plains, while most of the West is expected to be warmer than normal (see map above). Energy prices, especially for natural gas and electricity, grew less attractive compared to historical levels last week. The current rally seems overdone given that any economic recovery is likely to be very slow. Still, most clients should consider hedging remaining electricity and natural gas costs through at least the end of the 2010 calendar year. Clients with contracts expiring in 2011 and beyond could also benefit from extending their hedged position. Hedging decisions are very dependent on unique budgetary circumstances and goals and clients should consult with their representatives at CES or CETX for customized assistance.



2121 Sage Rd. Suite 310
Houston, TX 77056
Tel: (800) 475-5315
Fax: (800) 884-3996
www.cetxenergy.com

The information set forth herein is a compilation of public and internal information and is presented solely for the convenience of CES customers. CES does not make any representation or warranties, express or implied, with respect to the accuracy or completeness of the information contained herein. CES shall not have any liability to any person or entity resulting from the use of this information in any way.

148 Middle St. Suite 506
Portland, ME 04101
Tel: (866) 408-4591
Fax: (866) 743-4968
www.competitive-energy.com

