

2012 Natural Gas Pipeline Capacity Top 20 Trading Company Rankings

Boston MA. November 26, 2012. Capacity Center released its annual Top 20 natural gas pipeline capacity trading company rankings report today. For the third year in a row, the total volume of pipeline capacity traded by the Top 20 increased. 2012 capacity traded by the Top 20 was a remarkable 123% over 2011 volumes topping 14.8 Bcf/day.

The total number of entities participating in buying released capacity increased to over 500, a nearly 300% increase from 2011. Over 24.5 Bcf/day, on a daily equivalent basis, was traded by 523 entities through September 2012. This represents a nearly 35% increase from the 18.2 Bcf/d traded over the same period in 2011. While total traded capacity in 2012 approached 28 Bcf/d, Capacity Center excluded the nearly 5 Bcf/d traded between unregulated affiliates from the rankings.

For a fourth consecutive year, Tenaska repeated as the number 1 capacity trading company by increasing its daily equivalent traded to just shy of 3.5 Bcf/d in 2012, up from 2.5 Bcf/d in 2011. The Top 5 are rounded out by Sequent rising one spot to #2, BP falling one spot to #3, Amerada Hess rising from #5 to #4, and Atmos Energy Regulated, previously unranked, moving into the #5 spot. Number 1 Tenaska traded 25% more volume than second place Sequent. Taken together, the two firms accounted for just over 25% of all Daily Equivalent traded capacity and roughly 6% of the over 31,000 trades occurring in the first nine months of the year.

“In 2012 we saw two key capacity trading trends. First, we saw the continuing growth in capacity trading volume levels on a year-over-year basis. The second trend indicates a reduction in the concentration of capacity trading activity by the Top 20 trading firms. In 2012, 60% of all non-affiliate deals were traded by the Top 20, a decrease from the 66% traded by the Top 20 last year,” said Greg Lander, Capacity Center President. “However, the Top 5 have succeeded in further concentrating their share of the capacity trading market with 63% of the deal flow among the Top 20 traders, up from 56% in 2011.”

“Interestingly the grouping of trading firms numbered 11 through 20 was tight, with just over 110 MDth of annualized daily equivalent separating number 11 from number 20,” continued Lander.

Several new players cracked this year’s Top 20 including number 5, Atmos Energy (Regulated) which appears to be acquiring capacity in the corporate parent and then releasing it down to certain of its state by state LDC’s. Other additions to this year’s Top 20 include: NextEra (#9 in 2012 up from #36 in 2011), CenterPoint Energy Non-Regulated (#11 in 2012 up from #68 in 2011), Iberdrola-Non Regulated (#13 in 2012 up from #39 in 2011), Texla (#16 in 2012 up from #28 in 2011) and Gavilon (#17 in 2012 up from #21 in 2011). Firms dropping out of the Top 20 include: EDF, Atmos Energy Non-Reg, Repsol, National Energy & Trade and Soc Gen.

Capacity Center 2012 Top 20 Capacity Traders

2012 Rank	Acquiring Shipper	Daily Equiv	2012 Deal Count	Rank Change from 2011	Daily Equiv Change 2011 to 2012	Deal Count Change 2011 to 2012
1	Tenaska	3,495,252	755	-	36%	60%
2	Sequent Energy Mngmnt	2,803,447	1,019	+1	131%	119%
3	BP	1,288,434	991	-1	(10%)	(4%)
4	Amerada Hess	1,113,892	1,399	+1	53%	34%
5	Atmos Energy Reg	601,698	74	N/R	N/R	N/R
6	Direct Energy	587,231	1,741	+1	6%	60%
7	Macquarie Energy	532,047	474	-3	(34%)	(22%)
8	Dominion Non Reg	453,888	398	-	(7%)	(19%)
9	NextEra Energy	412,012	123	+27	242%	(18%)
10	GenOn	384,180	22	-	(2%)	(88%)
11	Centerpoint Non Reg	369,426	293	+57	640%	1232%
12	DTE Non Reg	362,229	230	+3	41%	18%
13	Iberdrola Non Reg	353,177	42	+26	199%	(63%)
14	Interstate Gas Supply	334,463	404	-	(0%)	(6%)
15	Scana Energy Non Reg	328,031	256	-3	(5%)	37%
16	Texla	322,674	237	+12	110%	8%
17	Gavilon LLC	286,525	216	+4	38%	39%
18	BG Energy	279,188	89	-9	(52%)	(58%)
19	ConocoPhillips	278,046	104	-6	(19%)	(55%)
20	Shell	268,490	160	-14	(63%)	(24%)

The Top 20 Capacity Trader rankings utilized Capacity Center's database of all the capacity release deals done on every interstate pipeline during the period January 1, 2012 through September 30, 2012. Ranking data excluded volumes done due to acquisitions and between related non-regulated affiliates.

For more information about the rankings or about Capacity Center, contact Paul Maffa, pmaffa@capacitycenter.com or (978) 717-6144

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