

# Northeastern Winter Natural Gas and Electricity Alert Thursday January 24, 2013

Current status of natural gas and electricity markets in New York and New England



Average temperature	Wed 1/23	Thurs 1/24	Fri 1/25
Boston	13°F	13°F	14°F
New York City	16°F	17°F	19°F
Natural gas demand Bcf per day	Wed 1/23	Thurs 1/24	Fri 1/25
New England	3.78	3.54	3.66
New York City	5.05	5.01	5.30
Day-ahead spot natural gas price per MMBtu	Wed 1/23	Thurs 1/24	
New England	\$21.25	\$29.94	
New York City	\$20.75	\$33.96	
Day-ahead on-peak electricity price per MWh	Wed 1/23	Thurs 1/24	
New England	\$200.74	\$226.84	
New York City	\$173.10	\$224.96	

Sources: NOAA, Bentek Energy, SNL Energy

## Northeastern cold snap continues

**Temperature:** Both NYC and Boston expect low temperatures through the day on Friday. Tonight's lows expected to be 12°F in NYC and 7°F in Boston. Friday night is forecast to be slightly milder than previous nights this week.

**Natural gas demand:** Bentek forecasts that demand will remain at high levels through Friday. In New England, Monday's load may be slightly higher than Friday's.

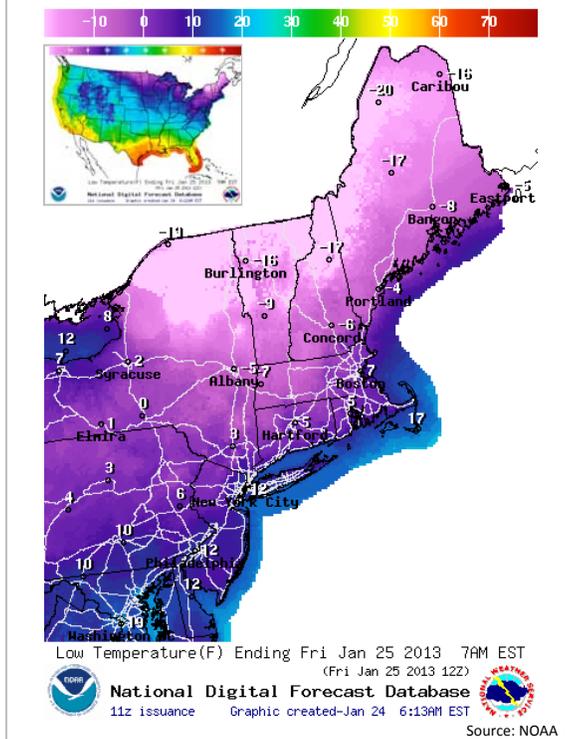
**Natural gas constraints & LNG:** Most pipelines from the west and south into New England remain constrained today (Iroquois is at 82%). Flows on the marginal pipeline into NYC (Texas Eastern - TETCo) are constrained at key points. Flows of LNG stored at Canaport into New England are scheduled to be 848 MMcf/d today (about 100 MMcf/d in milder periods).

**Natural gas prices:** Prices for delivery today are near \$30 in New England and over that in NYC. The New England price is the highest since the January 2004 cold snap; the NYC price is the third highest since that time. However, New England's price is lower than NYC's, perhaps reflecting the inflow of stored LNG from Canaport.

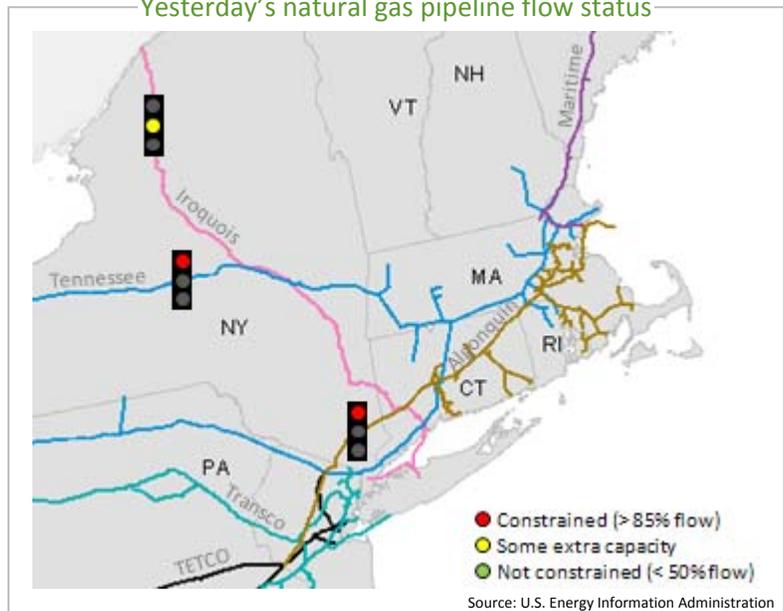
**Electricity prices:** Day-ahead electricity prices today are higher than yesterday, though not as much higher as one might expect given the further increase in the price of natural gas. Gas prices are now high enough that it may be economically attractive to use oil for power generation in some cases. Real-time prices in NYISO were above \$1,000/MWh for more than an hour in the evening yesterday.

**Pipeline notices:** Algonquin and TETCo are requiring hourly scheduling from generators. Algonquin and Iroquois will issue operational flow orders (OFOs), restricting unscheduled service as necessary.

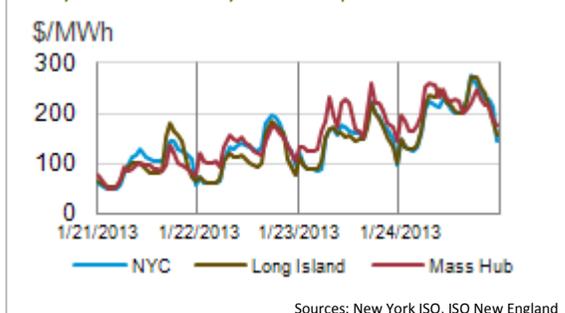
## Tonight's overnight low temp forecast (through 7 am tomorrow morning)



## Yesterday's natural gas pipeline flow status



## Day-ahead hourly electric prices in NY & NE



## Day-ahead spot natural gas prices in NY, NE, and Henry Hub

