

Northeastern Winter Natural Gas and Electricity Issues Thursday January 9, 2014

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



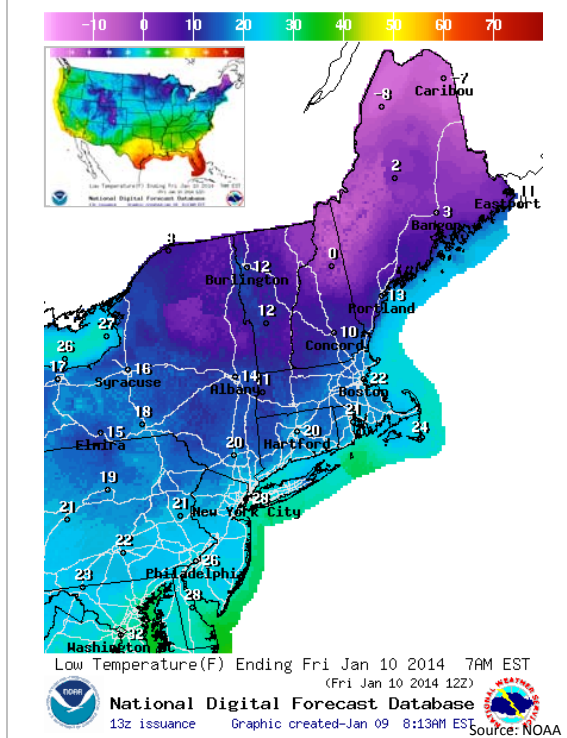
Average temperature	Wed 1/8	Thur 1/9	Fri 1/10
Boston	15°F	21°F	22°F
New York City	16°F	27°F	35°F
Natural gas demand Bcf per day	Wed 1/8	Thur 1/9	Fri 1/10
New England	3.8	3.3	3.3
New York City	5.4	5.0	4.6
Spot natural gas price* per MMBtu	Wed 1/8	Thur 1/9	Fri 1/10
New England	\$25.91	\$18.25	--
New York City	\$26.58	\$9.07	--
On-peak electricity price* per MWh	Wed 1/8	Thur 1/9	Fri 1/10
New England	\$225.08	\$199.91	--
New York City	\$233.59	\$183.71	--

**Day-ahead market values set during trading from prior day*

Forecasts denoted in italics

Sources: NOAA, Bentek Energy, SNL Energy

Tonight's overnight low temp forecast (Through tomorrow morning)



As temperatures return to normal, prices begin to ease

Temperature: Temperatures returned to near-normal levels on Thursday and are expected to continue to rise through the weekend across the Northeast.

Natural gas demand: Bentek forecasts that demand will decrease today from yesterday in both New England (-11%) and New York (-7%) due to rising temperatures.

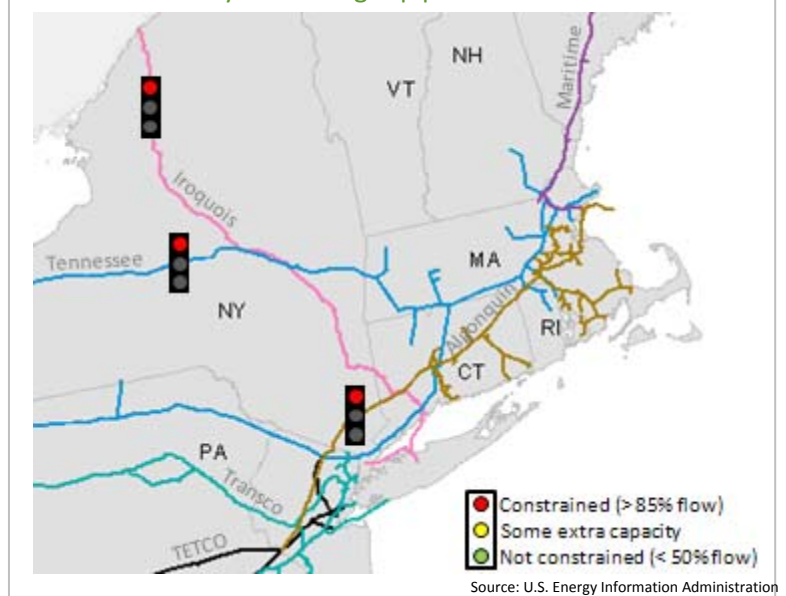
Natural gas constraints and LNG: Pipelines heading into New York and New England from the West and South remained constrained today, though LNG and imports from eastern Canada are expected to decline 49% from yesterday due to the reduction in total demand.

Natural gas prices: Prices set yesterday for delivery today are below \$20/MMBtu in Boston and below \$10/MMBtu in New York City (NYC), down between 30% and 65% from yesterday. Spot natural gas prices in Tetco M3 in Pennsylvania returned to within a dollar per MMBtu of the benchmark Henry Hub price.

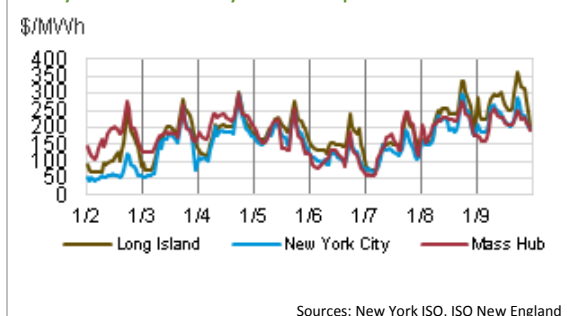
Electricity prices: On-peak electricity prices formed yesterday for today dropped below \$200/MWh in NYC and New England. The relatively elevated power prices in New York came as Entergy's Indian Point nuclear Unit 3 came back on line today, but only operated at 45% of its capacity according to the Nuclear Regulatory Agency's Power Reactor Status Report.

Pipeline notices: Due to the continued constraints on the pipeline system into the NYC and Boston markets, critical notices were declared for today on Algonquin and Tetco. These pipelines continued to require more-stringent hourly scheduling from generators.

Today'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

