

Northeastern Summer Electricity Market Alert Wednesday, July 17, 2013

The National Weather Service declared an excessive-heat warning for much of the Mid-Atlantic and northeastern United States, including major electric markets covering Philadelphia, Boston, Washington, D.C., and New York City. This report highlights the wholesale electricity market activity occurring in response to the higher-than-normal electricity demand caused by the heat wave.

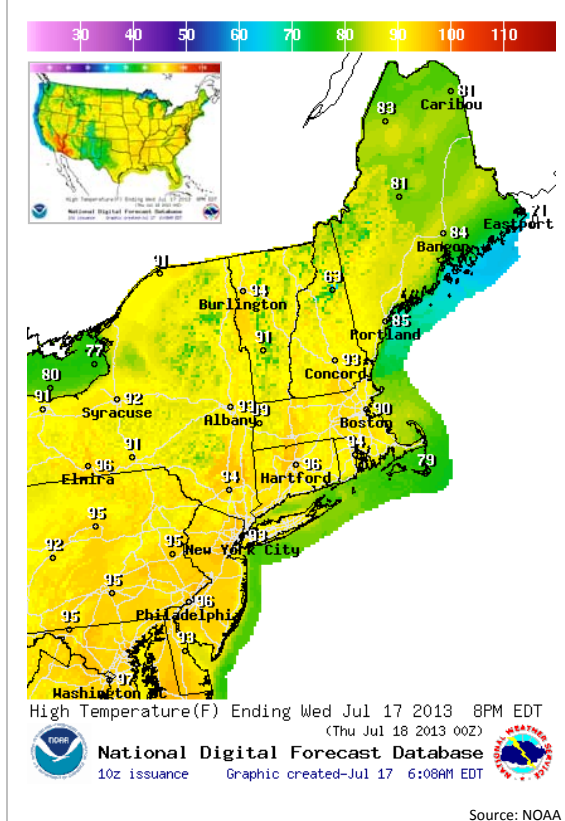


High temperatures	Tue 7/16	*Wed 7/17	*Thu 7/18
Boston	92	90	93
New York City	94	93	94
Philadelphia	95	96	98
Washington, D.C.	96	97	97
Day-ahead on-peak electricity price \$ per MWh	Tue 7/16	Wed 7/17	
Boston (Mass. Hub)	115.17	129.51	
New York City	104.97	138.75	
PJM Western Hub	117.76	157.18	
Electricity demand megawatts	Tue 7/16	*Wed 7/17	All-time peak
New England	26,210	27,700	28,130
New York	32,333	33,000	33,939
PJM	154,695	155,550	163,670
Day-ahead spot natural gas price \$ per MMBtu	Tue 7/16	Wed 7/17	
New England	7.65	8.01	
New York City	5.17	5.58	
Mid-Atlantic	3.90	3.90	

*forecasts

Sources: NOAA, SNL Energy, PJM, ISO-NE, NYISO

Today's high temperatures



Wholesale power prices rise for third day in a row

Temperature: The heat wave is expected to continue through the week, with the highest temperatures forecast for Thursday and Friday.

Electricity prices: Day-ahead electricity prices in Mid-Atlantic, Northeast, and New England markets increased for a third day in a row as demand for electricity continued to increase, reaching prices above \$100/MWh (and above \$250/MWh for Long Island). Usual prices for these areas range between \$30-\$60/MWh.

Electricity demand: System demand in New England and New York is forecast to be just shy of their all-time peaks (98% and 97%, respectively), while demand in PJM is expected to be 95% of its all-time peak.

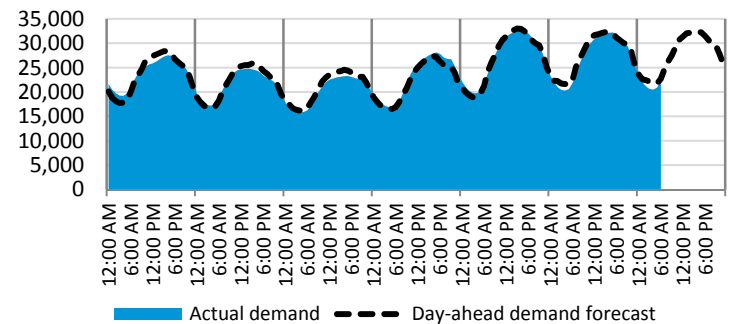
Natural gas prices: Prices for natural gas in New England increased in trading yesterday to \$8.01/MMBtu, over \$4.00/MMBtu higher than the benchmark Henry Hub in Louisiana. Prices settled yesterday in New York City and at Texas Eastern's M3 Hub in southeastern Pennsylvania were \$5.58/MMBtu and \$3.90/MMBtu, respectively.

Transmission and generator outages: All nuclear units that supply power to these markets were operating at full availability today. DOE's Energy Assurance Daily issued yesterday showed no major transmission problems.

System alerts: New York's grid operator issued an appeal for demand response while ISO-New England posted an emergency notice due to a capacity deficiency yesterday. PJM issued a hot-weather alert through the end of the week.

New York's forecast and actual electric load

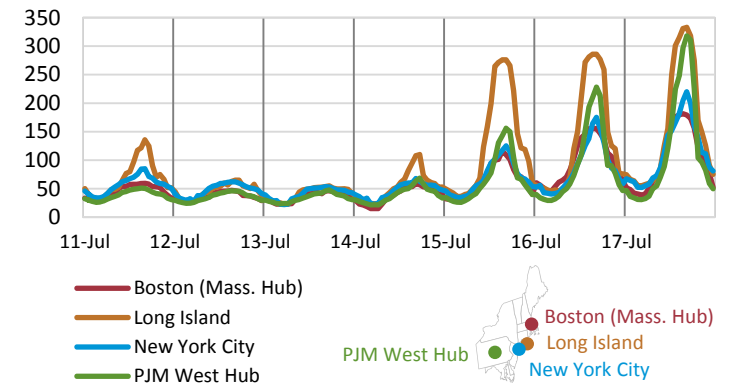
July 11 - July 17, 2013
megawatts



Source: U.S. Energy Information Administration from NYISO

Day-ahead, hourly on-peak electricity prices

\$/MWh



Source: U.S. Energy Information Administration from PJM, ISO-NE, NYISO