

Northeastern Winter Natural Gas and Electricity Alert Tuesday January 22, 2013

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



Average temperature	Tues 1/22	Wed 1/23
Boston	21°F	12°F
New York City	24°F	22°F
Natural gas demand Bcf per day	Tues 1/22	Wed 1/23
New England	3.55	3.69
New York City	4.78	4.97
Day-ahead spot natural gas price per MMBtu	*4-day wknd	
New England	\$12.34	
New York City	\$16.03	
Day-ahead on-peak electricity price per MWh	Tues 1/22	
New England	\$143.37	
New York City	\$146.80	

*Price for weekend & holiday (Sat, Sun, Mon, Tues)

Sources: NOAA, Bentek Energy, SNL Energy

Northeastern cold snap through Thursday

Temperature: Both New York and Boston are expecting quite low temperatures through Thursday – lows may reach 6°F in Boston. Higher temperatures are forecast on Friday.

Natural gas demand: Bentek forecasts that demand will be highest on Thursday. Today, New England forecast demand is about 3% higher than last Friday. In NYC, it is about 10% higher.

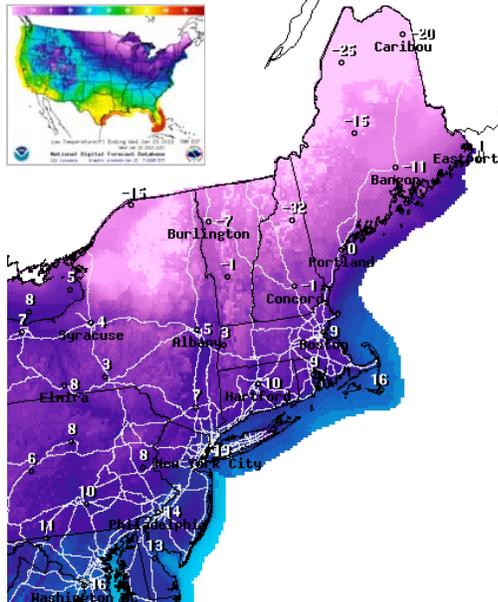
Natural gas constraints & LNG: All pipelines from the west and south into New England are at constraint levels today (all over 95% of capacity). Flows on the marginal pipeline into New York City (Texas Eastern - TETCo) are constrained at some key points. Flows of LNG stored at Canaport into New England are over 700 MMcf/d yesterday and today, compared with about 100 MMcf/d during milder periods.

Natural gas prices: Today's prices reflect the 4-day package sold last Friday and are elevated in both New York City and New England. Prices for tomorrow will be available this afternoon.

Electricity prices: Northeastern electricity prices today are relatively high compared to posted natural gas prices, probably because they reflect only today's conditions, not the 4-day weekend gas package. Marginal pricing is probably still based on the cost of running combined cycle gas plants.

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.

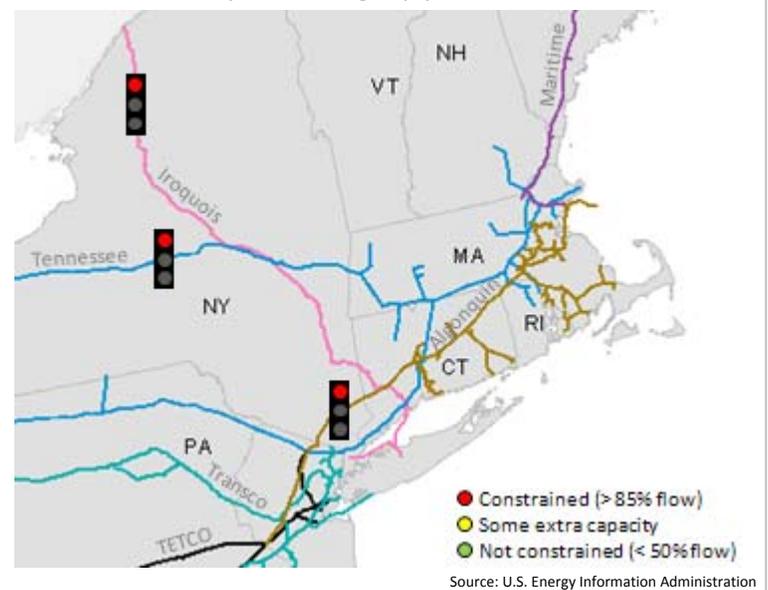
Tonight's overnight low temp forecast (through 7 am tomorrow morning)



Low Temperature (F) Ending Wed Jan 23 2013 7AM EST (Wed Jan 23 2013 12Z)

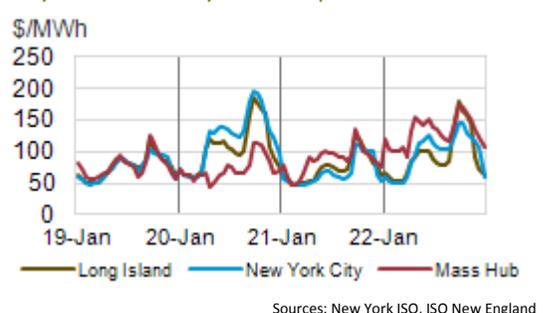
National Digital Forecast Database
12z issuance Graphic created-Jan 22 7:18AM EST Source: NOAA

Yesterday's natural gas pipeline flow status



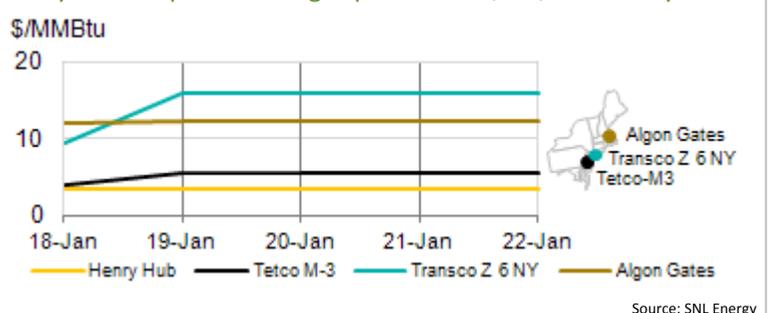
Source: U.S. Energy Information Administration

Day-ahead hourly electric prices in NY & NE



Sources: New York ISO, ISO New England

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



Source: SNL Energy