

Northeastern Summer Electricity Market Alert Thursday, July 18, 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.

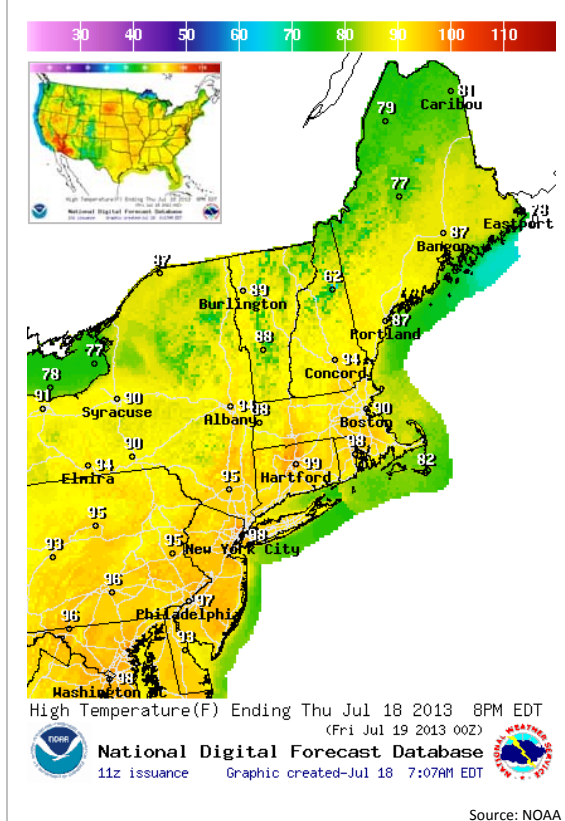


High temperatures	Wed 7/17	*Thu 7/18	*Fri 7/19
Boston	92	91	96
New York City	94	98	96
Philadelphia	95	97	98
Washington, D.C.	96	98	97
Day-ahead on-peak electricity price \$ per MWh	Wed 7/17	Thu 7/18	
Boston (Mass. Hub)	129.51	132.91	
New York City	138.75	171.30	
PJM Western Hub	157.18	138.35	
Electricity demand megawatts	Wed 7/17	*Thu 7/18	All-time peak
New England	26,319	25,399	28,130
New York	32,959	33,450	33,939
PJM	154,909	157,791	163,670
Day-ahead spot natural gas price \$ per MMBtu	Wed 7/17	Thu 7/18	
New England	8.01	7.50	
New York City	5.58	5.57	
Mid-Atlantic	3.90	3.87	

*forecasts

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

Today's high temperatures



Heat wave strains wholesale power markets

Temperature: The heat wave continues, with the highest temperatures forecast for today and tomorrow, all well into the 90s.

Electricity prices: Day-ahead prices for certain peak hours reached above \$150/MWh in New England, above \$250/MWh in New York City and PJM West, and above \$300/MWh in Long Island. Usual prices for these areas are \$30-\$60/MWh. The on-peak daily price at PJM West declined slightly from yesterday as the heat moved out of the Midwest.

Electricity demand: System demand in New York is expected to top out today at 99% of its all-time peak while PJM is forecast to be 96% of its peak. New England is expecting less demand than yesterday.

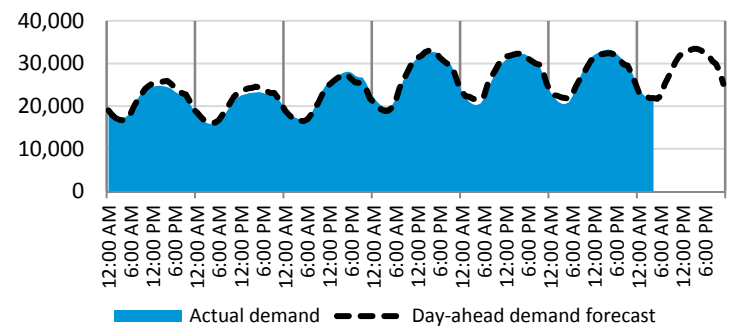
Natural gas prices: Prices for natural gas declined slightly across much of the nation in trading yesterday. However, spot gas prices in New England remained elevated at \$7.50/MMBtu, nearly \$4.00/MMBtu higher than the benchmark Henry Hub in Louisiana (\$3.67). Prices settled yesterday in New York City and at Texas Eastern's M3 Hub in southeastern Pennsylvania at \$5.57/MMBtu and \$3.87/MMBtu, respectively.

Transmission and generator outages: Hope Creek and Susquehanna 1 (both in Pennsylvania) and Vermont Yankee nuclear units will be operating at reduced capacity today.

System alerts: New York's grid operator called on emergency demand response for a second day in a row. ISO-New England and PJM continued appeals for conservation through the end of the week.

New York's forecast and actual electric load

July 12 - July 18, 2013
megawatts



Day-ahead, hourly electricity prices

\$/MWh

