

## Weekly Headlines

- More Senate Testimony
- EIA Storage
- New Oil Index

### POWER PRICING (\$/MWh)

Day-Ahead LMPs		Mon 5/29	Tue 5/30	Wed 5/31	Thu 6/1	Fri 6/2
PJM	On-Peak WESTERN HUB		\$38.77	\$40.69	\$48.81	\$50.47
	Off-Peak WESTERN HUB	\$23.34	\$14.65	\$16.42	\$19.50	\$19.92
	On-Peak N ILLINOIS HUB		\$37.43	\$37.78	\$45.58	\$42.53
	Off-Peak N ILLINOIS HUB	\$19.81	\$11.51	\$14.17	\$18.18	\$18.63
	On-Peak PPL		\$20.08	\$24.64	\$31.67	\$37.46
	Off-Peak PPL	\$17.97	\$12.59	\$13.48	\$16.23	\$16.95
	On-Peak PENELEC		\$32.30	\$33.90	\$40.55	\$44.36
	Off-Peak PENELEC	\$20.77	\$13.92	\$15.18	\$18.39	\$18.87
	On-Peak COMED		\$37.60	\$37.98	\$45.75	\$42.75
	Off-Peak COMED	\$19.82	\$11.48	\$14.19	\$18.22	\$18.68
MISO	On-Peak INDIANA HUB		\$49.77	\$64.29	\$68.92	\$55.24
	Off-Peak INDIANA HUB	\$26.08	\$16.59	\$21.93	\$25.18	\$23.79
	On-Peak MICHIGAN HUB		\$41.90	\$45.51	\$48.52	\$55.25
	Off-Peak MICHIGAN HUB	\$23.76	\$16.88	\$19.79	\$20.05	\$22.39
	On-Peak MINN HUB		\$44.72	\$49.70	\$51.26	\$47.01
	Off-Peak MINN HUB	\$19.72	\$17.48	\$21.24	\$19.69	\$17.72
ERCOT	On-Peak LOUISIANA HUB		\$32.28	\$33.49	\$30.84	\$32.87
	Off-Peak LOUISIANA HUB	\$22.92	\$15.44	\$15.74	\$16.55	\$17.64
	On-Peak NORTH		\$24.38	\$18.78	\$19.33	\$23.13
	Off-Peak NORTH	\$20.55	\$13.72	\$12.46	\$15.26	\$17.89
On-Peak SOUTH		\$25.56	\$24.15	\$26.65	\$26.97	
Off-Peak SOUTH	\$20.73	\$13.82	\$13.35	\$15.55	\$17.99	

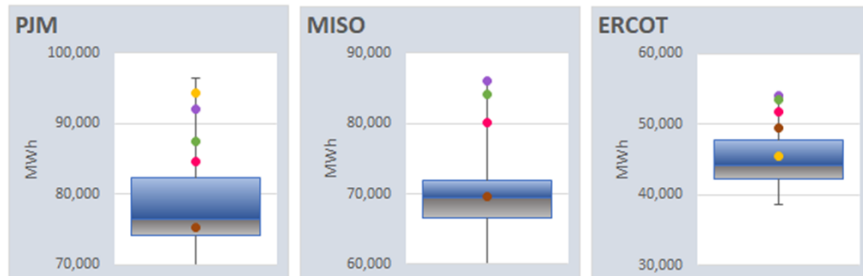
\* Red signifies week over week price change down / Green signifies week over week price change up

Futures	Western Hub		Indiana Hub		North Hub	
	On-Peak	Off-Peak	On-Peak	Off-Peak	On-Peak	Off-Peak
	\$51.09	\$39.85	\$52.99	\$41.10	\$50.03	\$32.55

\* Forward 12 month strip

### DAILY RTO LOAD PROFILE (MWh)

● -5/29 ● -5/30 ● -5/31 ● -6/1 ● -6/2



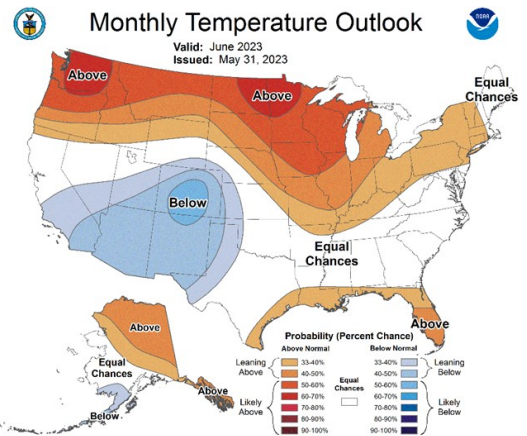
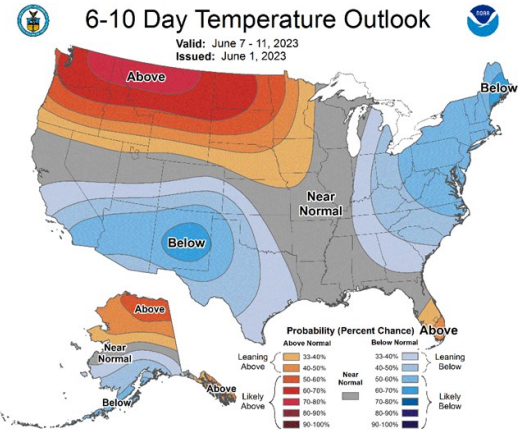
\* Current week daily load plotted with past 3 months daily load

### COMMENTARY

Yesterday the US Senate Committee on Energy and Natural Resources continued hearings on the reliability and resiliency of the electric grid. Those invited to testify were NERC and PJM CEOs James Robb and Manu Asthana, research scholar Dr. Melissa Lott, and CEO of Associated Electric Coop David Tudor. Unlike a lot of hearings in the US House and Senate, this committee's hearings are usually informative and include real debate void of feigned outrage. Last month this committee hosted the FERC commissioners, and the conversation was somewhat alarming, but not unexpected. The group that spoke yesterday said very little to alleviate those concerns. One of the main topics discussed was the EPA's unrealistic mandates of cutting fossil fuels in the near term with no plans in place to fill the transition gap. Mr. Tudor spoke very bluntly, commenting that the EPA is calling for the retirement of coal plants before even the first small modular reactors (SMRs) is scheduled to be online. That doesn't include the period of time to take the first one, test, modify, and scale it.

EIA storage data showed a build of 110 Bcf which was above expectations. The build was well above last year's 82 Bcf and is roughly 10% higher than the five-year average. As of this report, storage levels continue to be about 30% higher than the five-year average, and nothing in the production or weather forecasts indicate that could be threatened, represented by \$2.20 July Henry Hub prices.

The drive of our thesis has always been the oil market. Super tankers sailing the seas have allowed for the world markets to be priced by just a handful of benchmarks. The most popular are Brent and WTI which represent a blend of light sweet crude from the North Sea and West Texas. Here in the US, we usually hear oil quoted in WTI, but Brent is the world index that sees the most trading. Over the years, the output of the North Sea has waned so other European production was added to the calculation of the index. Even more recently, a concern has been that just European oil might not be a fair representation of world oil price for the most popular trading index. What to do? Starting this week, the calculation of Brent Crude will now include some Texas oil prices. The Wall St Journal lays out the details of the change in a recent [article](#).



### COMMODITIES PRICING (\$/MMBtu)

Henry HUB Nat Gas	6/2/2023	\$2.21
WTI Crude Oil	6/2/2023	\$71.68

