

Weekly Headlines

- EIA Storage
- Summer Weather
- LNG

POWER PRICING (\$/MWh)

Day-Ahead LMPs		Mon 7/10	Tue 7/11	Wed 7/12	Thu 7/13	Fri 7/14
PJM	On-Peak WESTERN HUB	\$41.11	\$44.68	\$49.68	\$50.67	\$46.29
	Off-Peak WESTERN HUB	\$18.45	\$17.73	\$18.89	\$23.17	\$21.85
	On-Peak N ILLINOIS HUB	\$38.32	\$40.55	\$36.71	\$40.72	\$44.23
	Off-Peak N ILLINOIS HUB	\$17.03	\$17.23	\$19.32	\$22.73	\$21.02
	On-Peak PPL	\$28.11	\$35.12	\$44.00	\$46.85	\$34.96
	Off-Peak PPL	\$16.11	\$14.64	\$17.26	\$21.76	\$20.31
	On-Peak PENELEC	\$35.28	\$42.50	\$49.84	\$45.88	\$40.39
	Off-Peak PENELEC	\$18.85	\$17.66	\$20.00	\$24.23	\$21.98
	On-Peak COMED	\$38.44	\$40.72	\$36.93	\$40.85	\$44.37
	Off-Peak COMED	\$17.09	\$17.29	\$19.40	\$22.83	\$21.12
MISO	On-Peak INDIANA HUB	\$41.34	\$44.39	\$40.23	\$43.59	\$43.61
	Off-Peak INDIANA HUB	\$18.49	\$20.86	\$23.17	\$24.52	\$24.96
	On-Peak MICHIGAN HUB	\$42.09	\$46.59	\$40.82	\$44.04	\$44.19
	Off-Peak MICHIGAN HUB	\$18.69	\$21.24	\$23.56	\$24.82	\$25.82
	On-Peak MINN HUB	\$41.08	\$38.28	\$41.37	\$39.29	\$39.24
	Off-Peak MINN HUB	\$16.40	\$18.89	\$20.62	\$22.80	\$19.37
ERCOT	On-Peak LOUISIANA HUB	\$32.56	\$41.87	\$46.94	\$42.08	\$40.00
	Off-Peak LOUISIANA HUB	\$18.66	\$20.49	\$25.27	\$25.97	\$25.23
	On-Peak NORTH	\$47.27	\$32.80	\$36.07	\$123.33	\$76.94
	Off-Peak NORTH	\$23.16	\$21.56	\$14.16	\$20.01	\$22.64
On-Peak SOUTH	\$48.85	\$39.38	\$51.99	\$139.09	\$101.57	
Off-Peak SOUTH	\$24.12	\$24.16	\$22.45	\$23.05	\$23.53	

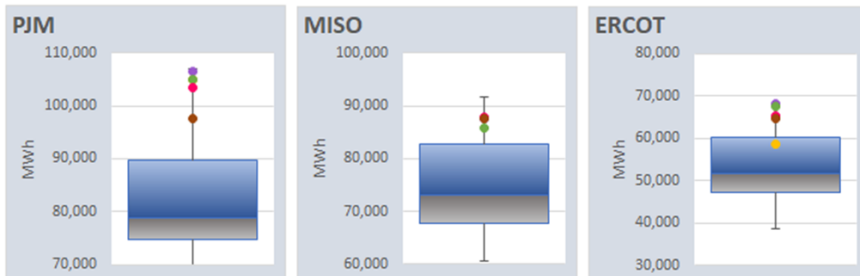
* Red signifies week over week price change down / Green signifies week over week price change up

Futures	Western Hub		Indiana Hub		North Hub	
	On-Peak	Off-Peak	On-Peak	Off-Peak	On-Peak	Off-Peak
	\$49.23	\$37.14	\$52.24	\$39.12	\$55.24	\$34.27

* Forward 12 month strip

DAILY RTO LOAD PROFILE (MWh)

● -7/10 ● -7/11 ● -7/12 ● -7/13 ● -7/14



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

COMMENTARY

The front month of natural gas sold off 3% yesterday after the EIA storage number was slightly below estimates. Storage levels are still well above last year and continue to work up the upper 5-year band. While the report was near the low end of estimates, cooler forecast, LNG maintenance, and slight revisions up from previous reports are keeping prices apathetic.

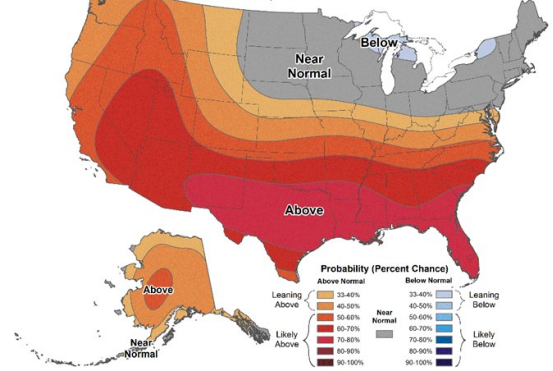
While forecasts do call for cooler weather, there are alerts out from CAISO, ERCOT, and PJM for warmer weather this weekend. SPP also put out a resource advisory in anticipation of warmer weather yesterday. A resource advisory in SPP usually is associated with storms or unpredictable wind.

For those that follow this blog weekly, you know we subscribe to the notion that the rise of LNG shipping might make natural gas a more fungible commodity, much like oil. As the US expands export capacity, our domestic prices may have to compete with the world price. This week there were a couple of news items on the LNG front that reinforce our thoughts. The most headline grabbing was arguably the best investor of all time, Warren Buffett, is buying into LNG. Berkshire Hathaway Energy agreed to purchase a 50% stake in the Cove Point liquefied natural gas facility for \$3.3 billion in cash. Buffett has said in the past, given Berkshire's cash position that it was only interested in doing big deals. \$3.3 billion would not be considered a big deal by Berkshire standard, so something must have gotten his attention.

The month of June saw China import 28% more LNG than it did a year ago. Price obviously had something to do with that as last June natural gas was in the midst of the European fill up. China also inked a 20-year delivery deal with Cheniere Energy for delivery of 1.8M metric tons/year of LNG adding to a deal signed last year for 900k metric tons/year over 13 years. While those numbers sound big, they would represent roughly 5% of US export capacity. In this case it may not be the size, but the fact that China is shopping.

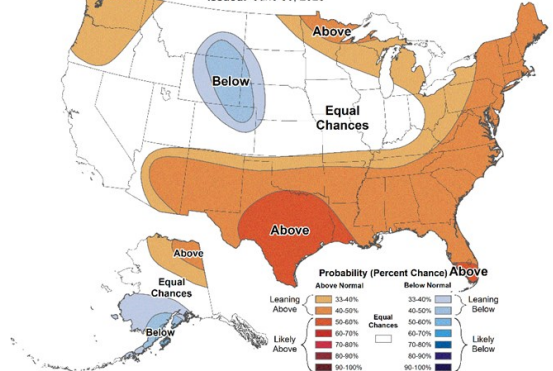
6-10 Day Temperature Outlook

Valid: July 19 - 23, 2023
Issued: July 13, 2023



Monthly Temperature Outlook

Valid: July 2023
Issued: June 30, 2023



COMMODITIES PRICING (\$/MMBtu)

Henry HUB Nat Gas	7/14/2023	\$2.51
WTI Crude Oil	7/14/2023	\$76.53

