

Weekly Headlines

- Heat Mostly Gone
- FERC
- Investment

POWER PRICING (\$/MWh)

Day-Ahead LMPs		Mon 7/31	Tue 8/1	Wed 8/2	Thu 8/3	Fri 8/4
PJM	On-Peak WESTERN HUB	\$34.14	\$37.73	\$32.21	\$36.36	\$34.94
	Off-Peak WESTERN HUB	\$17.62	\$19.16	\$17.09	\$18.36	\$18.65
	On-Peak N ILLINOIS HUB	\$33.09	\$38.02	\$32.80	\$39.13	\$38.05
	Off-Peak N ILLINOIS HUB	\$17.66	\$18.95	\$17.02	\$18.69	\$19.01
	On-Peak PPL	\$22.43	\$22.83	\$20.69	\$24.69	\$21.98
	Off-Peak PPL	\$12.53	\$13.33	\$9.71	\$12.40	\$11.29
	On-Peak PENELEC	\$29.89	\$31.44	\$28.60	\$32.96	\$31.25
	Off-Peak PENELEC	\$17.01	\$18.35	\$16.70	\$17.86	\$17.41
	On-Peak COMED	\$32.86	\$37.94	\$32.84	\$39.08	\$38.17
	Off-Peak COMED	\$17.72	\$19.01	\$17.07	\$18.75	\$19.07
MISO	On-Peak INDIANA HUB	\$37.48	\$37.15	\$38.89	\$42.41	\$40.96
	Off-Peak INDIANA HUB	\$20.51	\$20.79	\$21.64	\$22.57	\$23.60
	On-Peak MICHIGAN HUB	\$37.52	\$37.29	\$38.63	\$42.17	\$41.06
	Off-Peak MICHIGAN HUB	\$20.59	\$20.73	\$21.84	\$22.61	\$23.62
	On-Peak MINN HUB	\$39.06	\$41.58	\$49.75	\$57.79	\$49.46
	Off-Peak MINN HUB	\$18.49	\$19.38	\$20.92	\$25.71	\$24.80
	On-Peak LOUISIANA HUB	\$37.80	\$38.54	\$38.59	\$41.10	\$44.70
	Off-Peak LOUISIANA HUB	\$20.07	\$20.87	\$21.72	\$22.77	\$23.02
ERCOT	On-Peak NORTH	\$224.37	\$72.75	\$71.56	\$117.01	\$200.69
	Off-Peak NORTH	\$20.18	\$16.58	\$16.42	\$14.91	\$15.80
	On-Peak SOUTH	\$225.19	\$78.52	\$76.54	\$120.50	\$199.45
	Off-Peak SOUTH	\$23.04	\$23.25	\$23.43	\$23.79	\$23.07

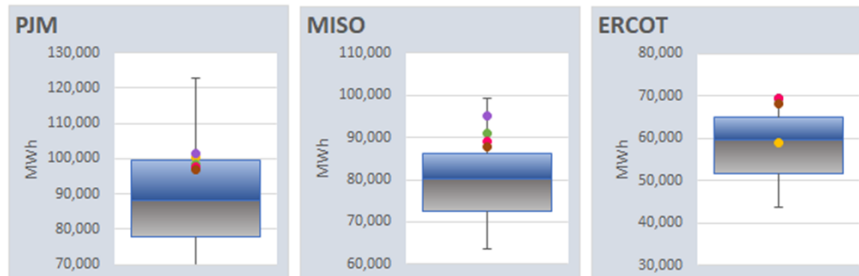
* Red signifies week over week price change down / Green signifies week over week price change up

Futures	Western Hub		Indiana Hub		North Hub	
	On-Peak	Off-Peak	On-Peak	Off-Peak	On-Peak	Off-Peak
	\$49.54	\$36.51	\$52.63	\$38.54	\$56.13	\$35.44

* Forward 12 month strip

DAILY RTO LOAD PROFILE (MWh)

● -7/31 ● -8/1 ● -8/2 ● -8/3 ● -8/4



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

COMMENTARY

As noted last week, ISOs from CAISO to PJM were issuing hot weather alerts, max gen alerts, conservative action messages and more as the heat moved across the US. This week it moves back to the somewhat traditional summer of hot in Texas and beach weather everywhere else. There is no need to pull up your favorite weather app to confirm this, just take a look at the Day Ahead pricing.

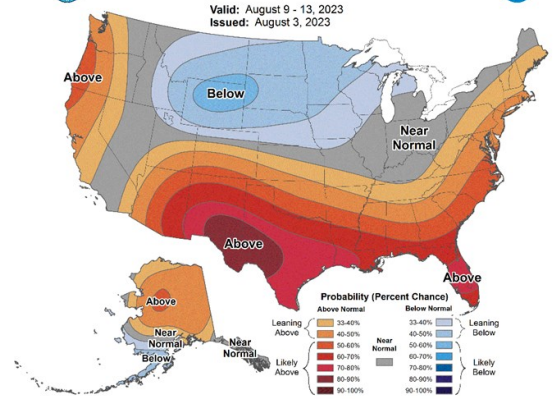
Late last week FERC issued order number 2023 detailing some of their rulings on new generation project interconnection queues. FERC Chair Phillips went so far as to call it a "great day for all Americans.". While some might say that's a little much, there is no doubt this ruling has been long awaited and hopefully provides some clarity.

The best description might be this ruling moves the interconnection queue process from a current first come first served, to a first ready first served. As a reminder, ISOs have been dealing with issues of having to do interconnection studies on potential projects. More and more that backlog included nothing more than "maybe" or "never will be" projects forcing finance and shovel ready projects to wait their turn. This ruling is designed to alleviate some of that delay and push those ready to go to the front of the line.

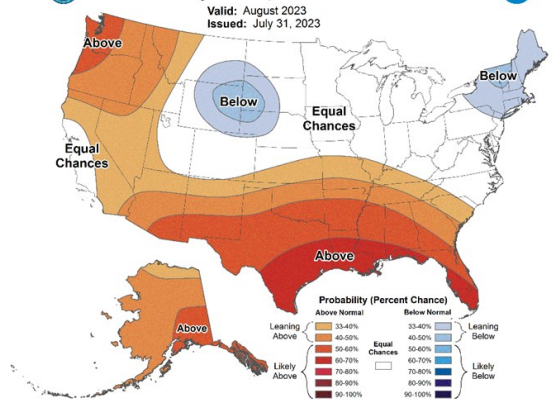
So far, we haven't heard much from the individual ISOs on the new ruling or the possible implementation. Frankly, some ISOs have already somewhat adopted rules that look similar to the FERC ruling. NYISO, according to RTO Insider, did say they are "digesting" the ruling. We look forward to hearing more in the coming days, but it's possible more a good step and not so much great.

Last week we highlighted the latest move by the Fed and FOMC and how the cost of capital might impact the exploration of oil and gas. This week, research firm Kailash Concepts offered up another interesting, and different look at E&P. today tech stocks have a market cap of around \$12T compared to \$2T for energy. The paper concludes most, if not all, is based on sentiment and not fundamentals.

6-10 Day Temperature Outlook



Monthly Temperature Outlook



COMMODITIES PRICING (\$/MMBtu)

Henry HUB Nat Gas	8/4/2023	\$2.54
WTI Crude Oil	8/4/2023	\$81.97

