

## Weekly Headlines

- Nat Gas Rally
- FERC/NERC
- Energy Wall Street

### POWER PRICING (\$/MWh)

Day-Ahead LMPs		Mon 10/23	Tue 10/24	Wed 10/25	Thu 10/26	Fri 10/27
PJM	On-Peak WESTERN HUB	\$47.43	\$35.62	\$33.91	\$35.72	\$46.91
	Off-Peak WESTERN HUB	\$31.05	\$27.55	\$25.95	\$21.56	\$23.86
	On-Peak N ILLINOIS HUB	\$38.77	\$29.05	\$29.69	\$36.09	\$44.89
	Off-Peak N ILLINOIS HUB	\$21.14	\$16.46	\$17.06	\$16.63	\$16.55
	On-Peak PPL	\$44.11	\$34.14	\$33.05	\$34.33	\$45.24
	Off-Peak PPL	\$27.08	\$26.74	\$24.83	\$19.65	\$19.58
	On-Peak PENELEC	\$46.17	\$36.26	\$34.94	\$35.42	\$44.23
	Off-Peak PENELEC	\$29.27	\$27.01	\$25.95	\$20.87	\$21.79
	On-Peak COMED	\$38.99	\$29.24	\$29.91	\$36.18	\$44.90
	Off-Peak COMED	\$21.18	\$16.24	\$17.05	\$16.65	\$16.56
MISO	On-Peak INDIANA HUB	\$39.55	\$37.40	\$34.28	\$33.94	\$32.93
	Off-Peak INDIANA HUB	\$31.27	\$22.53	\$24.43	\$24.37	\$22.50
	On-Peak MICHIGAN HUB	\$36.82	\$30.24	\$30.78	\$31.07	\$31.59
	Off-Peak MICHIGAN HUB	\$31.90	\$23.13	\$22.71	\$24.11	\$21.20
	On-Peak MINN HUB	\$40.91	\$41.64	\$48.30	\$34.69	\$30.79
	Off-Peak MINN HUB	\$13.37	\$20.88	\$25.15	\$22.39	\$20.19
ERCOT	On-Peak NORTH	\$14.32	\$31.77	\$32.97	\$1.51	\$58.16
	Off-Peak NORTH	\$1.86	\$15.00	\$14.49	\$6.16	\$2.14
	On-Peak SOUTH	\$30.16	\$46.57	\$61.17	\$40.90	\$76.73
	Off-Peak SOUTH	\$20.45	\$21.52	\$21.41	\$25.59	\$23.66

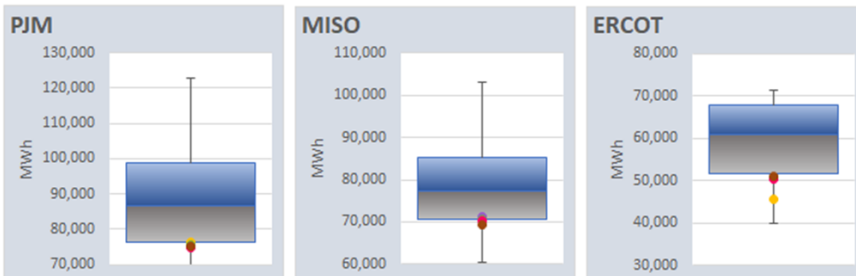
\* Red signifies week over week price change down / Green signifies week over week price change up

Futures	Western Hub		Indiana Hub		North Hub	
	On-Peak	Off-Peak	On-Peak	Off-Peak	On-Peak	Off-Peak
	\$53.49	\$39.75	\$54.51	\$40.59	\$62.88	\$37.49

\* Forward 12 month strip

### DAILY RTO LOAD PROFILE (MWh)

● -10/23 ● -10/24 ● -10/25 ● -10/26 ● -10/27



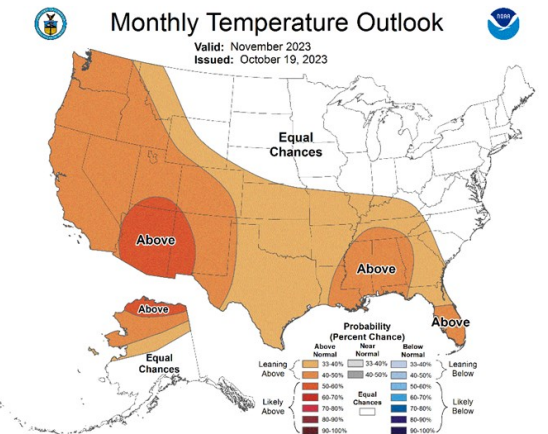
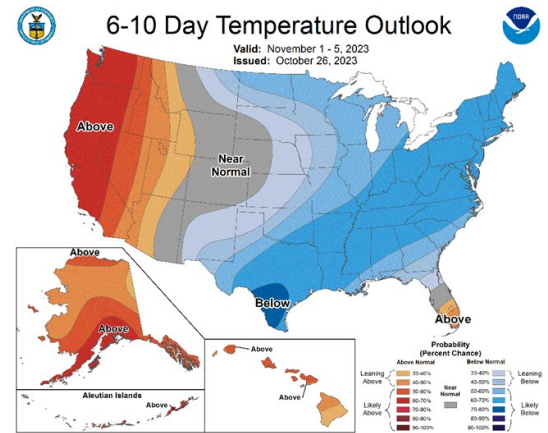
\* Current week daily load plotted with past 3 months daily load

### COMMENTARY

Thursday the EIA reported storage numbers that showed an injection of just 74 Bcf compared to estimates of 81 Bcf for the week ending October 20th. This shortfall, along with the first blast of winter, are the main drivers pushing the markets higher. Winter storms, and associated cold temps, raced across the northern mountains into the northern plains this week. As shown on the map below, those temps are expected to push into the southeast displacing some unseasonably balmy weather. The rally in natural gas didn't show up in the day ahead market just yet, but if natural gas can hold gains and weather driven demand rises, expect higher prices next week. It's worth pointing out, ERCOT North On Peak, almost averaged a negative LMP on Thursday. This is a far cry from last week where we highlighted a few hours that pushed the average to around \$100/MW.

FERC released their October 2023 Highlights. One of the highlighted releases was a [directive](#) to NERC to develop reliability standards for renewable assets. Basically, FERC is giving NERC a mandate that includes timelines over the next three years to write the standards. All of the commissioners have been in agreement that the way the transition is playing out has been somewhat concerning, and none more than Commissioner James Danly. A quote by Commissioner Danly that appeared in a Utility Dive article on the subject leaves little ambiguity. "The reliability risks at issue arise from the rapid, widespread (one might say reckless) addition of IBRs," Danly said, noting the issue has been discussed since 2016 and any new standards won't take effect until the end of the decade.

Wind power has had a rough go of it this year. Yesterday saw another shoe drop as Siemens Energy shares were down almost 40% in trading after announcing their quarterly earnings. The price is now the lowest since it was spun off from parent company, Siemens, in 2020. The culprit was its wind business, Siemens Gamesa, where quality control issues and rising cost of capital delayed projects have become an issue. The company lowered outlook and advised shareholders it was talking to the German government about guarantees backing long term projects. This has led some pundits to call it a bailout which might make securing those guarantees harder.



### COMMODITIES PRICING (\$/MMBtu)

Henry HUB Nat Gas	10/27/2023	\$3.59
WTI Crude Oil	10/27/2023	\$84.83

