

Weekly Headlines

- Hello Winter
- Gas & Wind
- EVs

POWER PRICING (\$/MWh)

Day-Ahead LMPs		Mon 1/8	Tue 1/9	Wed 1/10	Thu 1/11	Fri 1/12
PJM	On-Peak WESTERN HUB	\$32.57	\$31.45	\$35.12	\$34.85	\$34.54
	Off-Peak WESTERN HUB	\$27.06	\$25.20	\$23.88	\$31.48	\$34.45
	On-Peak N ILLINOIS HUB	\$24.79	\$25.45	\$31.87	\$30.11	\$22.65
	Off-Peak N ILLINOIS HUB	\$22.77	\$17.45	\$19.93	\$22.26	\$15.58
	On-Peak PPL	\$27.44	\$28.32	\$31.13	\$31.74	\$26.88
	Off-Peak PPL	\$23.72	\$22.42	\$21.65	\$28.99	\$26.69
	On-Peak PENELEC	\$37.52	\$36.50	\$35.62	\$38.48	\$40.17
	Off-Peak PENELEC	\$28.88	\$27.66	\$25.16	\$32.39	\$38.73
	On-Peak COMED	\$24.87	\$25.54	\$31.96	\$30.17	\$22.79
	Off-Peak COMED	\$22.83	\$17.50	\$19.99	\$22.31	\$15.61
MISO	On-Peak INDIANA HUB	\$33.69	\$28.23	\$37.12	\$43.25	\$28.52
	Off-Peak INDIANA HUB	\$27.77	\$21.74	\$26.67	\$29.11	\$26.37
	On-Peak MICHIGAN HUB	\$32.97	\$27.57	\$35.35	\$44.16	\$28.95
	Off-Peak MICHIGAN HUB	\$27.56	\$21.24	\$25.42	\$29.52	\$27.76
	On-Peak MINN HUB	\$24.38	\$28.66	\$42.83	\$44.60	\$32.68
	Off-Peak MINN HUB	\$19.89	\$18.42	\$26.49	\$24.85	\$28.00
	On-Peak LOUISIANA HUB	\$25.98	\$26.26	\$30.14	\$30.88	\$27.93
	Off-Peak LOUISIANA HUB	\$22.06	\$20.74	\$26.76	\$24.94	\$22.31
ERCOT	On-Peak NORTH	\$6.43	\$20.03	\$17.50	\$2.25	\$21.58
	Off-Peak NORTH	\$2.05	\$5.38	\$11.17	\$16.22	\$5.73
	On-Peak SOUTH	\$16.75	\$26.37	\$23.13	\$16.09	\$21.81
	Off-Peak SOUTH	\$5.02	\$14.98	\$19.04	\$18.13	\$9.29

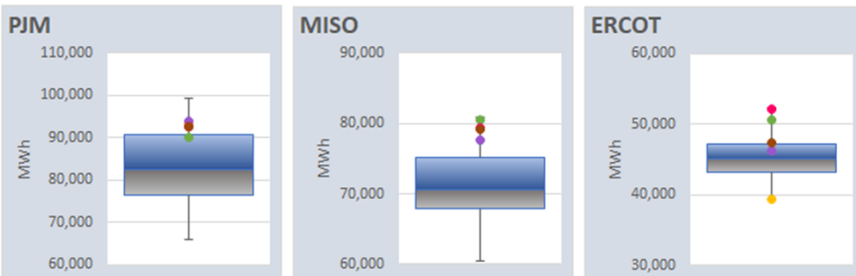
* Red signifies week over week price change down / Green signifies week over week price change up

Futures	Western Hub		Indiana Hub		North Hub	
	On-Peak	Off-Peak	On-Peak	Off-Peak	On-Peak	Off-Peak
	\$51.79	\$39.38	\$51.51	\$39.44	\$55.07	\$33.76

* Forward 12 month strip

DAILY RTO LOAD PROFILE (MWh)

● -1/8 ● -1/9 ● -1/10 ● -1/11 ● -1/12



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

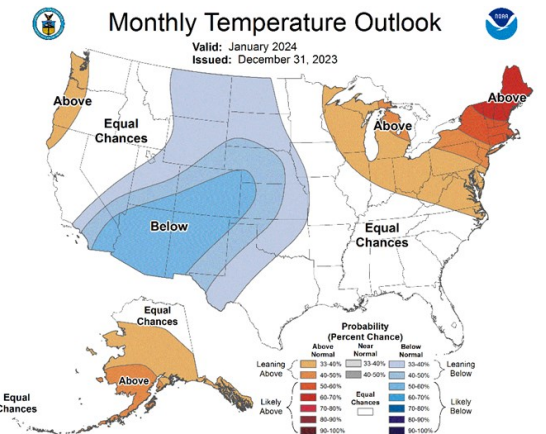
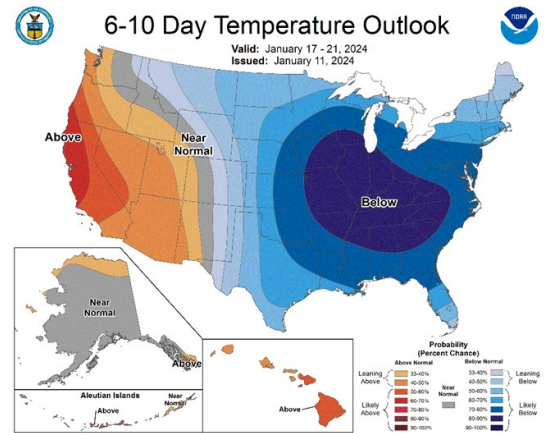
COMMENTARY

Winter has arrived and with an impressive entrance. This weekend might be the Super Bowl of weather (insert any other favorite metaphor) for the folks at the National Weather Service. Looking at the map below, most of the country is already covered in advisories, watches, or warnings with most in the central US being cold related conjuring up pictures of Elliot and Uri.

Natural gas futures have reacted to the upcoming winter weather as the February front month has moved from \$2.75 to \$3.25 this week. Thursday's EIA data showed a withdrawal of 140 Bcf compared to an estimated 120 Bcf. This shouldn't be all that market moving considering current levels of storage. What has the market a little spooked is the potential for supply issues. This week production pulled back to three-month lows, which again given storage levels shouldn't be a big deal, but the market also remembers Uri and Elliot. In both cases, because of freeze up and other complications, output dropped around 20 Bcf/d which is about a 20% cut in production.

Interestingly, if natural gas supplies should remain relatively uninterrupted, Day Ahead pricing might seem like a nice fall day. Looking at pricing below, today's DA prices are reflecting the start of some of the cold moving in. Using prices as a guide, it'd be hard to conclude that it's getting cold-what gives? Referring back to our NWS map, if you drill down to the bulk of those advisories, they all have wind in them. Wind advisory, wind chill warning, blizzard warning...wind might save the day, should natural gas hold up it's part of the generation stack. In any event, it looks like a good weekend to grab a favorite beverage and watch some football.

Rental car company Hertz Global Holdings announced that they are selling 20,000 EVs (about one-third of total EVs) from their US fleet opting for gas powered vehicles. This is a one hundred and eighty degree turn from their goal of having 25% of the fleet electric by the end of 2024. Depending on what outlet you read the story, Hertz is getting rid of the cars because drivers can't handle them, thus increasing damage costs, or customers don't want them along with high maintenance costs.



COMMODITIES PRICING (\$/MMBtu)

Henry HUB Nat Gas	1/12/2024	\$3.25
WTI Crude Oil	1/12/2024	\$73.28

