

Weekly Headlines

- Nat Gas Inventory
- EIA STEO
- ISO Interconnection Que

POWER PRICING (\$/MWh)

Day-Ahead LMPs		Mon 4/8	Tue 4/9	Wed 4/10	Thu 4/11	Fri 4/12
PJM	On-Peak WESTERN HUB	\$28.11	\$35.07	\$35.03	\$37.70	\$29.89
	Off-Peak WESTERN HUB	\$26.49	\$23.72	\$24.13	\$27.09	\$24.73
	On-Peak N ILLINOIS HUB	\$21.86	\$31.75	\$24.85	\$15.13	\$20.69
	Off-Peak N ILLINOIS HUB	\$12.82	\$14.65	\$16.75	\$8.42	\$12.31
	On-Peak PPL	\$26.40	\$29.22	\$27.46	\$31.64	\$26.11
	Off-Peak PPL	\$25.15	\$21.63	\$20.77	\$22.31	\$20.99
	On-Peak PENELEC	\$27.87	\$33.03	\$33.62	\$35.65	\$28.81
	Off-Peak PENELEC	\$26.93	\$23.43	\$23.86	\$25.77	\$23.51
	On-Peak COMED	\$21.90	\$31.82	\$24.94	\$15.25	\$20.69
	Off-Peak COMED	\$12.84	\$14.68	\$16.80	\$8.51	\$12.30
MISO	On-Peak INDIANA HUB	\$30.62	\$28.71	\$28.97	\$24.12	\$25.63
	Off-Peak INDIANA HUB	\$21.09	\$21.20	\$22.18	\$20.37	\$19.98
	On-Peak MICHIGAN HUB	\$30.23	\$28.05	\$30.49	\$21.86	\$23.26
	Off-Peak MICHIGAN HUB	\$19.30	\$21.57	\$22.47	\$18.85	\$17.44
	On-Peak MINN HUB	\$27.24	\$26.58	\$22.70	\$14.82	\$22.24
	Off-Peak MINN HUB	\$20.21	\$19.46	\$17.43	\$8.54	\$15.08
ERCOT	On-Peak NORTH	\$23.34	-\$12.40	\$9.24	\$32.75	\$1.35
	Off-Peak NORTH	-\$9.33	-\$7.64	\$11.13	\$4.45	-\$0.84
	On-Peak SOUTH	\$33.44	\$28.66	\$22.68	\$39.02	\$17.56
	Off-Peak SOUTH	\$12.67	\$14.03	\$20.03	\$16.98	\$10.48

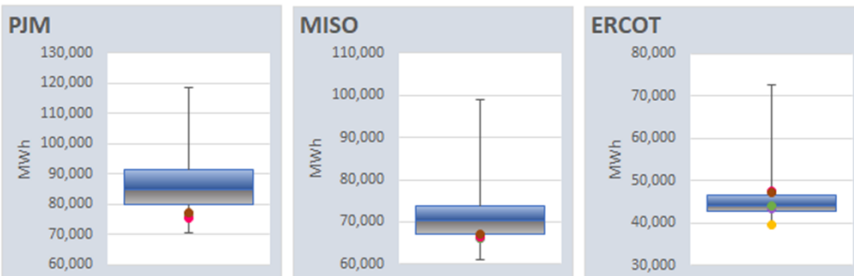
* Red signifies week over week price change down / Green signifies week over week price change up

Futures	Western Hub		Indiana Hub		North Hub	
	On-Peak	Off-Peak	On-Peak	Off-Peak	On-Peak	Off-Peak
	\$51.33	\$38.22	\$49.93	\$37.31	\$47.90	\$31.32

* Forward 12 month strip

DAILY RTO LOAD PROFILE (MWh)

● -4/8 ● -4/9 ● -4/10 ● -4/11 ● -4/12



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

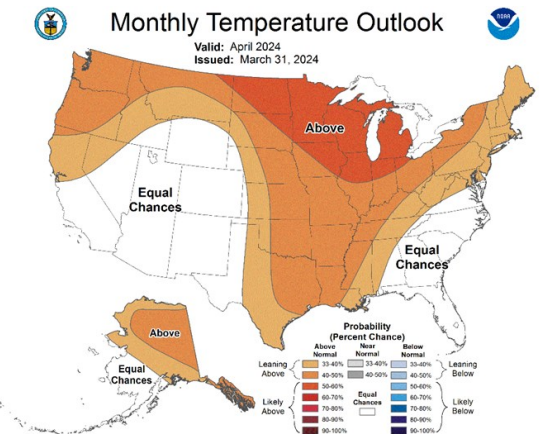
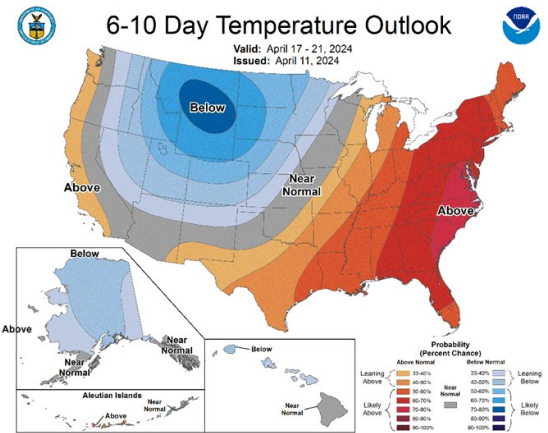
COMMENTARY

EIA storage numbers seem to matter less and less each week as the market realizes there is more than an abundant amount in storage heading into the build, or injection season. That said, this week the storage numbers showed an injection of 24 Bcf which now puts storage at 39% above the 5-year average (visual below). As the chart below shows, the natural gas market was starting to get a little steam under it as talk of production cuts and LNG capacity increases taking hold. Thursday's number has pulled the rug out from under the May contract as pricing has gone from a breakout to the upside of a moving average band, to testing the downside. While the market had showed some life over the last week and a half, spot gas trading negative in TX and the Southwest didn't leave much room for any kind of bearish news to be absorbed and that's exactly what the Thursday announcement was.

This week EIA also released the April version of the Short-Term Energy Outlook. EIA expects less production over the summer which will lead to less injection. Even if that's the case, they don't see the pullback in production to be enough to offset the record storage heading into the fall and are cutting pricing forecasts for 2Q24 to below \$2 and to an average of \$2.20/MMBtu for the full year.

Ironically, the Wall Street Journal weighed in on this and provided some Wall Street numbers for context. UBS has cut their full year number from \$3 to \$2.54 for 2024. In all markets, expectations matter. While fundamentals are going to drive natural gas, having estimates and expectations reigned in, should be constructive to the gas market once things turn.

As noted in a Utility Dive story today, grid energy connection queues added 27% of generation projects in 2023, led by storage and solar. Citing the [Department of Energy's Lawrence Berkeley National Lab](#), at the end of last year, 2.6 TW of projects is looking to connect to the grids around the country. An astonishing part of the number is solar, battery, and wind make up 95% of that capacity. Another interesting part of the story is that only 14% of the capacity in interconnection queues from 2000 to 2018 has been built.



COMMODITIES PRICING (\$/MMBtu)

Henry HUB Nat Gas	4/12/2024	\$1.77
WTI Crude Oil	4/12/2024	\$86.38

