

Northeastern Summer Electricity Market Alert Friday, July 19, 2013

The National Weather Service declared an excessive-heat warning for much of the Mid-Atlantic and northeastern United States, including major electric markets covering Philadelphia, Boston, Washington, D.C., and New York City. This report highlights the wholesale electricity market activity occurring in response to the higher-than-normal electricity demand caused by the heat wave.

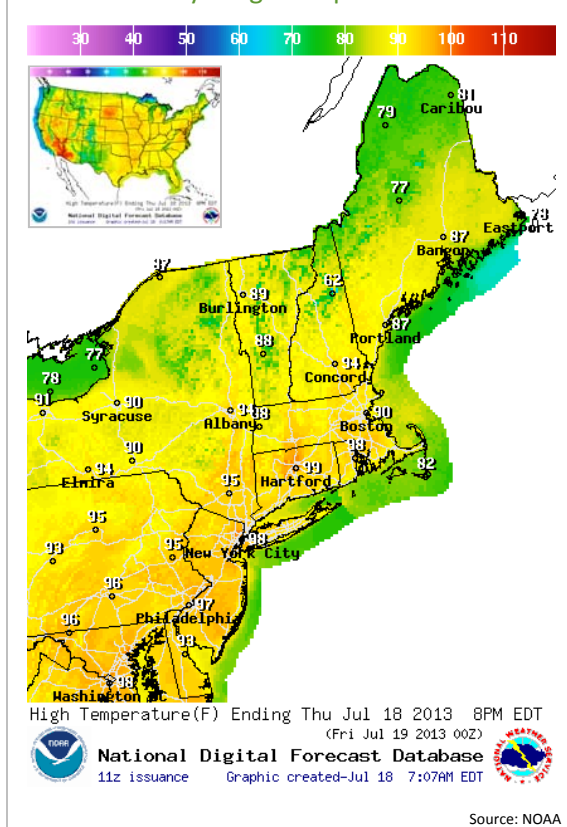


High temperatures	Thu 7/18	*Fri 7/19	*Sat 7/20
Boston	91	101	94
New York City	98	98	93
Philadelphia	98	99	94
Washington, D.C.	95	97	97
Day-ahead on-peak electricity price \$ per MWh	Thu 7/18	Fri 7/19	
Boston (Mass. Hub)	132.91	147.64	
New York City	171.30	174.26	
PJM Western Hub	138.35	136.06	
Electricity demand megawatts	Thu 7/18	*Fri 7/19	All-time peak
New England	26,814	27,850	28,130
New York	33,450	34,600	33,939
PJM	154,909	157,159	163,670
Day-ahead spot natural gas price \$ per MMBtu	Thu 7/18	Fri 7/19	
New England	7.50	5.97	
New York City	5.57	5.08	
Mid-Atlantic	3.87	3.82	

*forecasts

Sources: NOAA, SNL Energy, PJM, ISO-NE, NYISO

Today's high temperatures



Heat wave expected to peak today with a cool off tomorrow

Temperature: The heat wave is forecast to peak today, with the highest temperatures nearing triple digits across the Northeast and Mid-Atlantic.

Electricity prices: Day-ahead prices for certain peak hours reached above \$200/MWh in New England and PJM West, above \$300/MWh in New York City, and hit \$350/MWh in Long Island. Usual prices for these areas are \$30-\$60/MWh. The on-peak daily price at PJM West continued to decline from its Wednesday peak as the heat moved out of the Midwest.

Electricity demand: System demand in New York is expected to surpass its all-time system peak while PJM and New England are forecast to be 96% and 99% of their respective all-time peaks.

Natural gas prices: Prices for natural gas declined slightly across much of the nation in trading yesterday. However, spot gas prices in New England remained elevated at \$5.97/MMBtu, \$2.29/MMBtu higher than the benchmark Henry Hub in Louisiana (\$3.68). Prices settled yesterday in New York City and at Texas Eastern's M3 Hub in southeastern Pennsylvania at \$5.08/MMBtu and \$3.82/MMBtu, respectively.

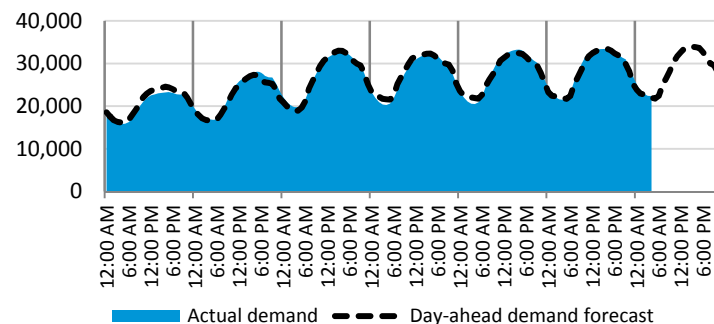
Transmission and generator outages: Susquehanna 1 and Limerick 1 (both in Pennsylvania), Hope Creek (in New Jersey) and Pilgrim (in Massachusetts) nuclear units will be operating at reduced capacity today.

System alerts: New York's grid operator called on emergency demand response for a third day in a row while PJM did so yesterday for its central Ohio sub-region. ISO-New England continued appeals for conservation.

New York's forecast and actual electric load

July 13 - July 19, 2013

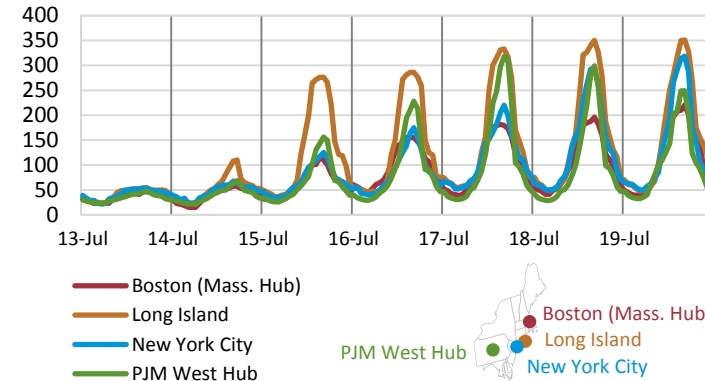
megawatts



Source: U.S. Energy Information Administration from NYISO

Day-ahead, hourly electricity prices

\$/MWh



Source: U.S. Energy Information Administration from PJM, ISO-NE, NYISO