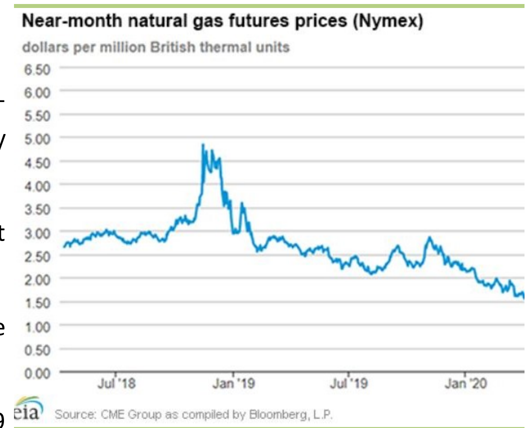
# ADVANTAGE | ENERGY PARTNERS

**Tuesday, April 14, 2020**

## GENERAL UPDATE



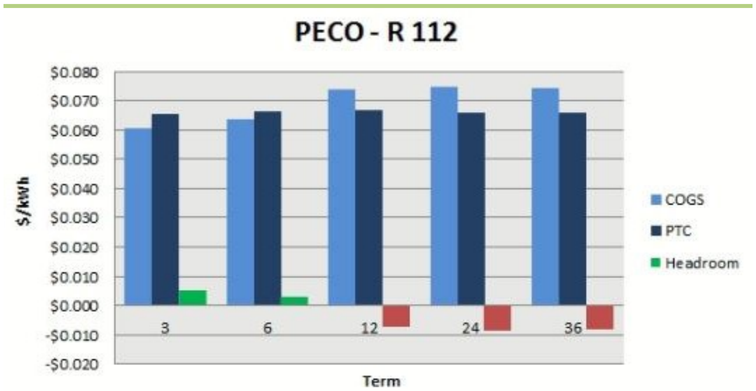

- The May 2020 NYMEX Henry Hub traded up to $1.783/MMBtu, a $0.20 (+12.4%) increase from the previous Wednesday. The price of the 12-month strip averaging May 2020 through April 2021 futures contract climbed $0.13 (+5.9%) to $2.346/MMBtu.
- Boston's Algonquin Citygate price went up $0.15 (+10.1%) to $1.64/MMBtu last Wednesday. Transco Zone 6 NYC price increased $0.09 (+6.5%) to $1.47/MMBtu.
- Pennsylvania's Dominion South rose $0.17 (+13.4%) to $1.44/MMBtu. Tennessee Zone 4 Marcellus spot price increased $0.10 (+7.9%) to $1.36/MMBtu.
- California prices trended up since last week. SoCal Citygate price increased $0.49 (+32.5%) to $2.00/MMBtu last Wednesday. The price at Northern California PG&E Citygate went up $0.19 (+8.4%) to $2.46/MMBtu week over week.

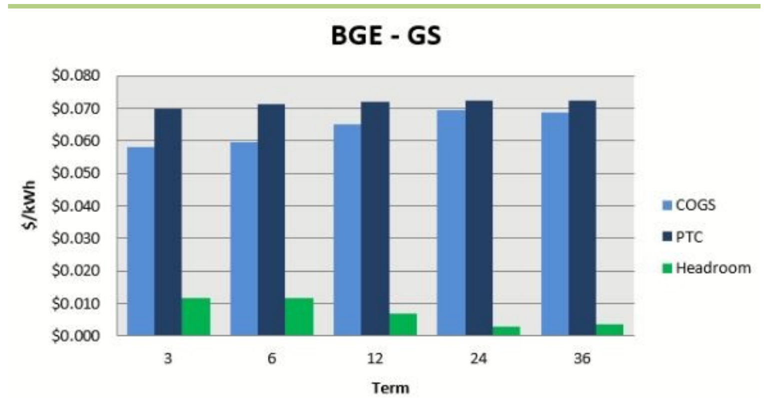
## POWER

- Power markets moved slightly higher from the short trading week in front of the holiday weekend. Forward pricing moved up as clearing prices in all the ISO markets clear very low due to lower realized demand and ISO over forecasting in the day ahead markets.
- New England MassHub 12 Month peak strip moved up (1.27%) to $35.97 and 24 Month peak strip up $0.30 to end at $37.12. NYISO NYC Zone (J) 12 Month peak strip increased (2.4%) to $35.01 with summer 2020 peak below $30 at $29.89. In the PJM markets not much movement and West Hub 12 Month peak strip up $0.70 to end at $31.02 and 24 Month peak strip up $0.63 to settle at 31.67 on light trading last week.
- Down south in the ERCOT market we still continue to see very low hourly clearing pricing and slight movements down for the forward peak pricing strips. Houston zone 12 Month peak strip down $0.63 at $44.11 and the 24 Month peak strip was down slightly $0.11 to finish at $45.21.

## UTILITY HIGHLIGHT

PECO › R 112 BGE › GS




- The upcoming Price to Compare for Philadelphia Electric Company (PECO), Residential rate class (R 112) is $0.06561/kWh, in effect from May 1, 2020 to May 31, 2020.
- Headroom in the PECO – R 112 territory is now available in the shorter periods for contracts with 3 and 6 month terms. Headroom of $0.00501/kWh and $0.00287/kWh is likely for these periods, respectively.

- The current Price to Compare data for Baltimore Gas and Electric Company (BGE), General Service Small (GS) is $0.06983/kWh, in effect for the period May 1, 2020 to May 31, 2020.
- Headroom is available in the BGE - GS market for shorter terms, 3 and 6 month terms, with $0.01173/kWh and $0.01178/kWh of headroom respectively.

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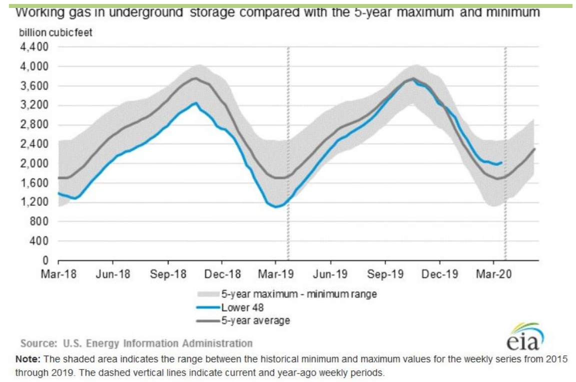
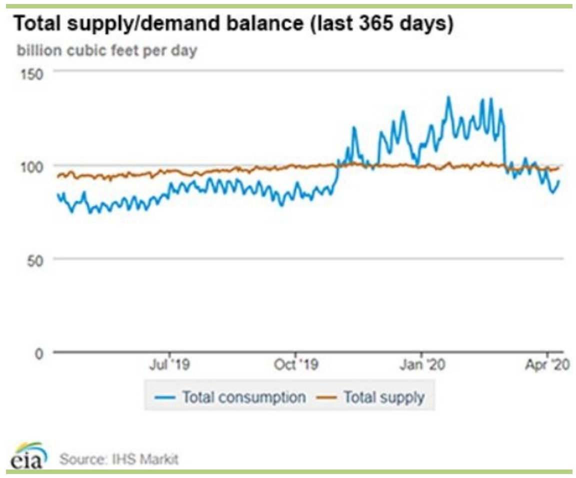
# NATURAL GAS

- For the week ending April 3, 2020, the EIA reported net injection into storage of 38 Bcf, which is more than last year's net injection of 25 Bcf for this week and higher than the 5-year (2015–19) average net injection of 6 Bcf.
- Working natural gas in storage totaled 2,024 Bcf, which is 876 Bcf (76.3%) higher than last year's working gas totals of 1,148 Bcf at the same time and 324 Bcf (19.1%) higher than the 5-year (2015-2019) average of 1,700 Bcf. Total working gas is within the five-year historical range.



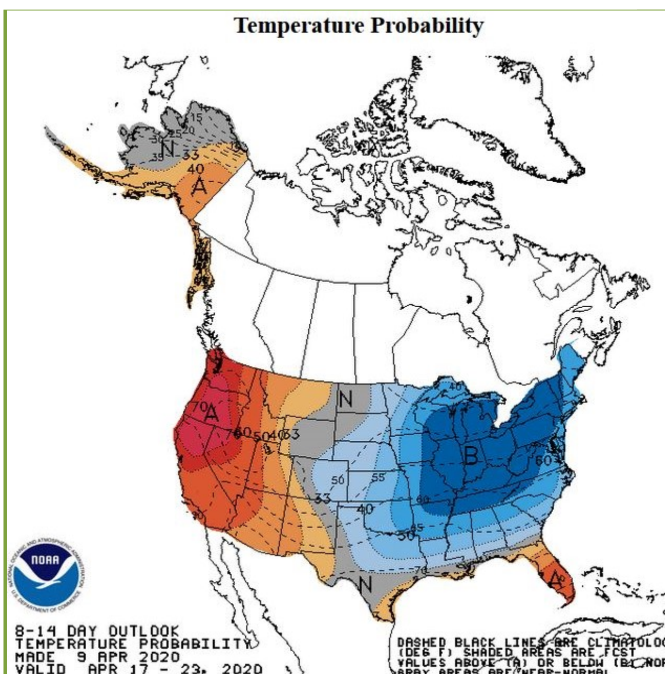

# SUPPLY & DEMAND

- Average total supply of natural gas remained the same week/week. Dry natural gas production remained unchanged while net imports with Canada decreased 2% compared with the previous week.
- Total US consumption of natural gas fell by 6% since last week. Natural gas consumption for power generation was flat, industrial sector consumption decreased 5%, residential-commercial consumption declined by 15%, and exports to Mexico decreased 10% compared to last week.
- US LNG exports decreased week over week, with 12 vessels departing US ports for a combined 42 Bcf.




# MARKET INTELLIGENCE

- On April 6th ISO New England reported on the demand and prices for February 2020. There were some notable and record occurrences. The real-time electricity price in February of $20.32 MWh (45% less than February 2019), was the lowest of any February since the launch of the current market structure in March 2003. The record low price was driven by lower than normal natural gas prices and lower consumer demand due to a warm month. The average February 2020 Massachusetts index natural gas price was down 45% year over year to $2.27 MMBtu. The index is a volume weighted average of Algonquin, Tennessee and Dracut gas points. The average February 2020 temperature of 34 degrees Fahrenheit was warmer by 4 degrees compared to last year.




## WEATHER

- Above average temperatures are forecast for the western continental U.S. in the 8-14 day window starting April 17th. The highest probability for cool anomalies are among the Midwest, Northeast and Mid-Atlantic states. The West is expected to see above average temperatures, with the highest chances for warmth for the Northwest.
- In the 8-14 day window, States in the Midwest and West are expected to see drier than normal weather. The Northeast and South are expected to experience above average precipitation.