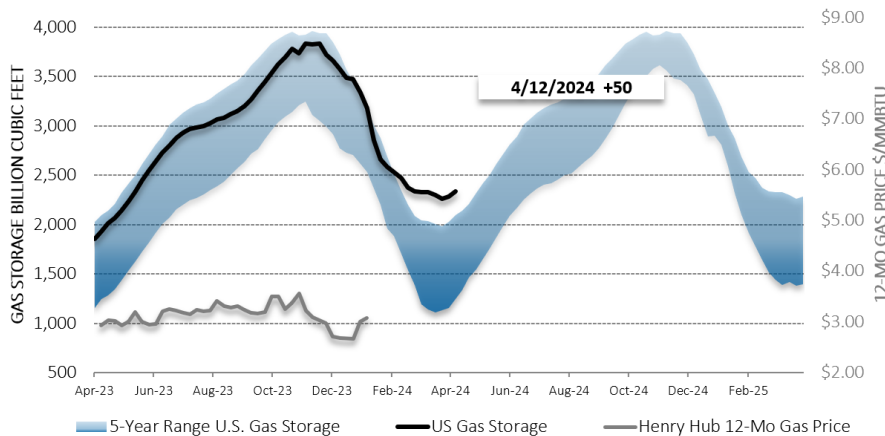


# WEEKLY MARKET UPDATE



Week Ending April 12, 2024

Natural Gas Storage vs Natural Gas Price



## POWER MARKETS

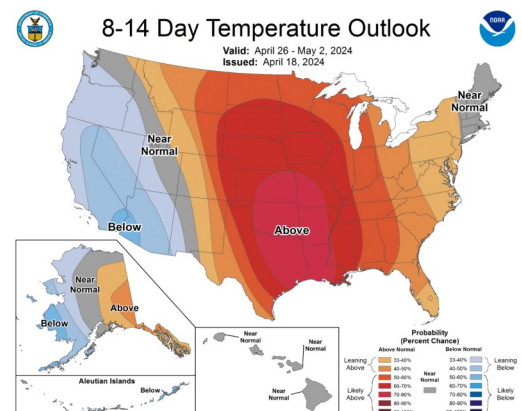
**West** As renewables have kept producing and moderate weather has subdued demand, Day Ahead prices have been mostly flat this week and now average \$31.27/MWh at Mid-C, \$30.91/MWh at NP15, and \$11.11/MWh at SP15 for the month to date. Moreover, hydro generation is bound to make the renewables figures even more impressive as the glut of snowpack from the generous winter begins to melt. The forward market has climbed this week, most specifically in the Cal-Year 2026 and 2027 terms.

**ERCOT** Although 7x24 real-time prices have averaged around only \$25/MWh this week, the price risk has been very real in the sunset hours. Whereas the average has been under \$10/MWh between HE9 and HE18, it has skyrocketed above \$160/MWh between HE20 and HE21. The high average at dusk is the result of strong load, zero solar output, and a paltry 5 GW of wind output on Tuesday evening that together sent prices to \$950/MWh and \$700/MWh for HE20 and HE21, respectively. In the term market, outer-year strips continue to rise and are now back above the front of the curve. Indeed, while CY25 has remained relatively unchanged since the beginning of the month, 7x24 strips for CY26 and CY27 have increased by \$4-\$6/MWh and now trade at a \$3-\$4/MWh premium over CY25.

**East** Warm weather, featuring a peak of 80 degrees in New York City, has suppressed prices across all regions this week. Day Ahead prices are averaging \$30.57/MWh in PJM, \$27.00/MWh in NYISO, and \$26.02/MWh in ISO-NE's WCMass, and the Real Time averages are slightly lower at \$29.04/MWh, \$25.15/MWh, and \$24.74/MWh, respectively. Because temperatures are forecasted to be lower than usual next week and should lift demand while the gloomy conditions should suppress solar output, one might expect prices to rise.

## NATURAL GAS

- The EIA reported Thursday morning that, for the week ending April 12, U.S. inventories swelled by 50 Bcf, not much less than the anticipated inflation of 54 Bcf. Total stockpiles now stand at 2,333 Bcf, up by 22.2% from a year ago and 36.4% above the five-year average for the same week.
- The NYMEX Henry Hub prompt month of May was trading around \$1.75/MMBtu, about \$0.05/MMBtu below the snapshot reported at this time last week. Market fundamentals continue to favor the consumer in the front of the curve. Out west, an increase in power burns has raised spot prices again. Consequently, the averages at both PG&E Citygate and SoCal Citygate are back above \$2.00/MMBtu for the month of April.



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