



January 19, 2018

# Market Trends



## Welcome

Welcome to Market Trends, our refreshed bi-weekly newsletter, designed to better serve our readers' needs. Please share your thoughts on the newsletter by sending an email to [info@patriotenergygroup.com](mailto:info@patriotenergygroup.com).

## Summary

As a client side broker/advisor, Patriot Energy Group helps clients understand the variables that drive the energy market, navigate the many options available to them based on risk tolerance, consumption profile, financial goals, contract length and supplier terms. We use historical information, fundamental market data, current trends and industry developments to educate and advise clients so they can choose the best supply option to fit their financial strategies. These are some of the reason why having a consultant is vital to making an informed decision.

[More Information](#)

## Electric Power and Natural Gas Energy Component Price Estimates

ISO-NE Internal Hub Around the Clock Calendar Year 2019 Retail kWh	
1/10/2018	1/17/2018
\$0.0417	\$0.0422
Previous 52 Weeks	
<b>Average</b>	\$0.0411
<b>High</b>	\$0.0428
<b>Low</b>	\$0.0399

PJM Western Hub Around the Clock Calendar Year 2019 Retail kWh	
1/10/2018	1/17/2018
\$0.0328	\$0.0328
Previous 52 Weeks	
<b>Average</b>	\$0.0324
<b>High</b>	\$0.0340
<b>Low</b>	\$0.0306

### Henry Hub Calendar Year 2018 thm

Algonquin Calendar Year 2018 thm	
This Week	\$0.4473
Last Week	\$0.4399

This Week	\$0.3051
Last Week	\$0.2926

Algonquin Calendar Year 2019 thm	
This Week	\$0.4776
Last Week	\$0.4671

Henry Hub Calendar Year 2019 thm	
This Week	\$0.2936
Last Week	\$0.2916

\*Approximate Market Based Values

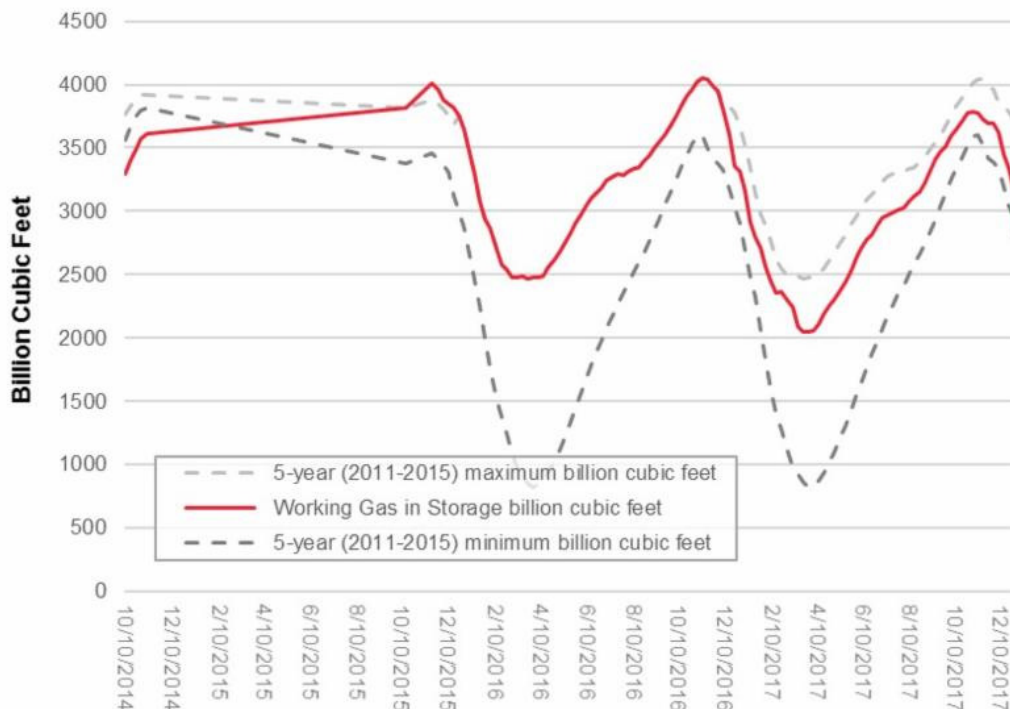
As shown in the market information above, the commodity portion of your gas and electric bills is calculated for contract pricing based off the current market value, which ranges higher and lower throughout a year. Therefore, it is important to pick an optimal supply strategy for your business needs.

However, it is even more important to understand the components that make up the other portion of your electric and gas bills, and how they could potentially change in the future, even after the supplier contract has been signed. When these increases happen, they can end up being much greater than the commodity movement range that is reflected as the high and low prices over the past 52 weeks above.

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## Natural Gas Update

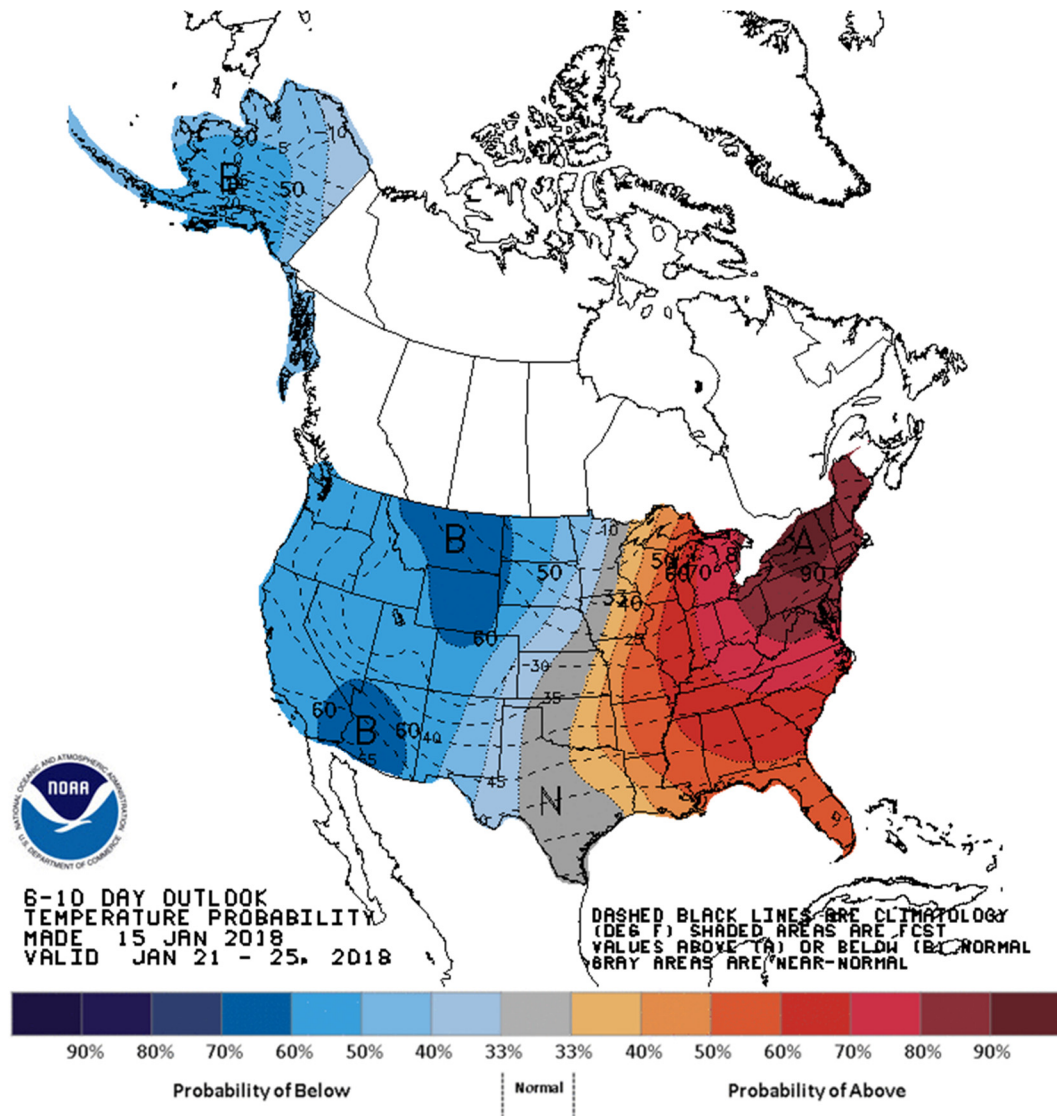
Given that natural gas is a primary fuel source of electricity production in ISO-NE and PJM, the supply available or lack thereof is a significant factor as to whether power prices fall or rise.



Net withdrawals from natural gas storage totaled 359 billion cubic feet (Bcf) for the week ending January 12, 2018, topping the previous record of 288 Bcf set four years ago by 25%. Weekly net withdrawals have totaled at least 249 Bcf only 10 times since 1993, most recently in January 2015, and have never exceeded 300 Bcf.

# Weather

## 6 to 10 Day Temperature Outlook



Source: NOAA/ National Weather Service

## Trending Now

U.S. natural gas (estimated) demand on January 1, 2018 reached 150.7 billion cubic feet, surpassing the previous single-day record set in 2014

Natural gas spot prices increased slightly at most locations this report week

Nymex, the February 2018 contract price rose 33¢ from \$2.906/MMBtu last Wednesday to \$3.232/MMBtu

ISO-NE has planned 600 MW retirement of nuclear in 2019

In February U.S. shale oil production is projected to increase by 111,000 barrels per day

## Additional Information

**New England ISO: Maintaining reliability will become challenging as gas dependence rises**

From Utility Dive

A new report from the ISO New England concludes the region's dependence on natural gas could create serious problems in the event of a fuel shortage; as more gas-fired power plants come online the situation is likely to become more apparent.

[Full Article >](#)

## **PJM to push capacity repricing at FERC, eschewing expanded Minimum Offer Price Rule (MOPR)**

From Utility Dive

PJM staff will ask their board next month to approve a two-stage capacity market plan and send it to federal regulators, excluding consideration of an alternative proposal pushed by its independent market monitor.

[Full Article >](#)

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