OE ENERGY MARKET SNAPSHOT

Midwest States Version – March 2009 Data

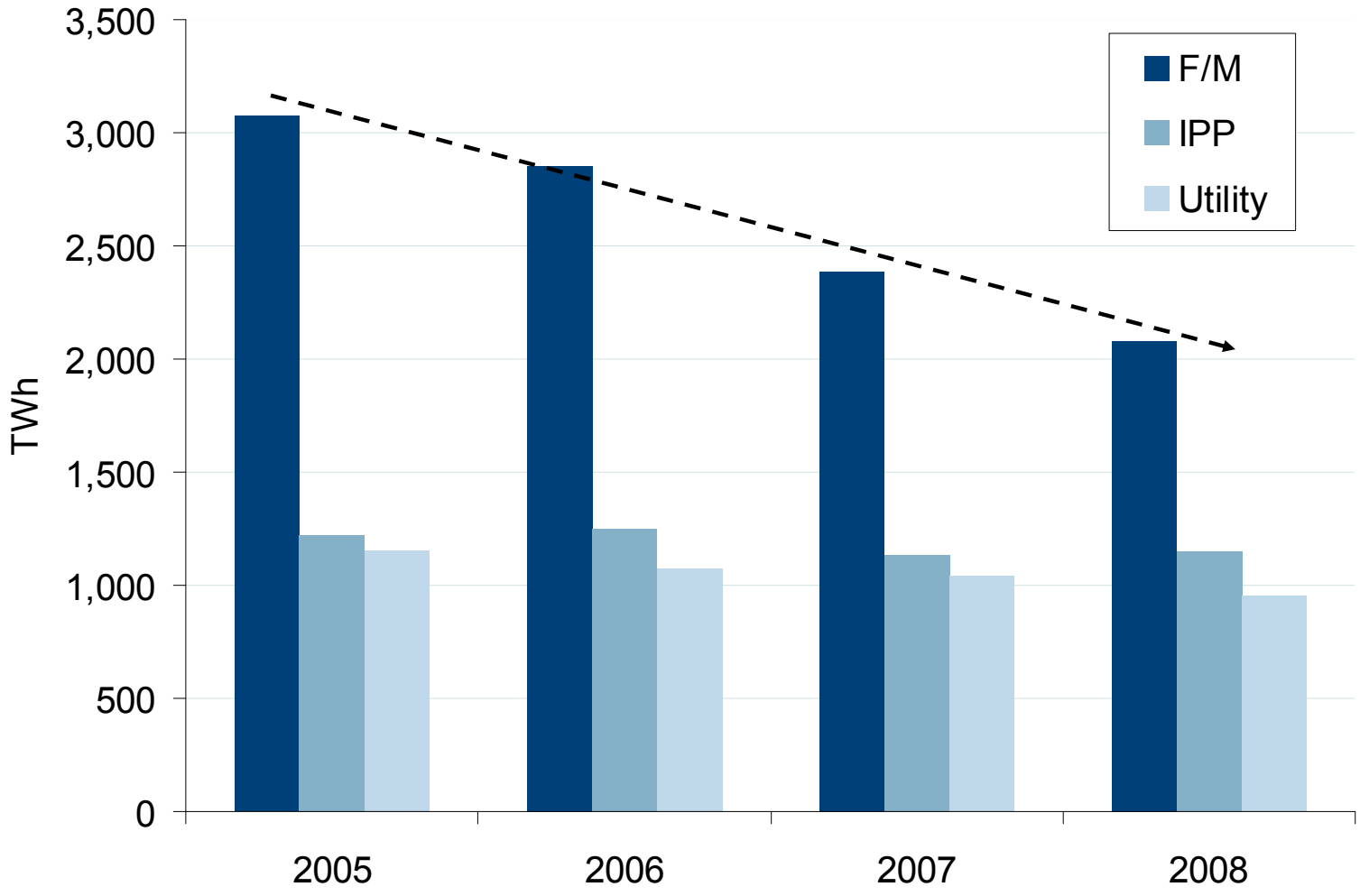
- **Special Report**
- **Natural Gas and Fuel Markets**
- **Electricity Markets**

Office of Enforcement
Federal Energy Regulatory Commission
April 2009

Special Report:

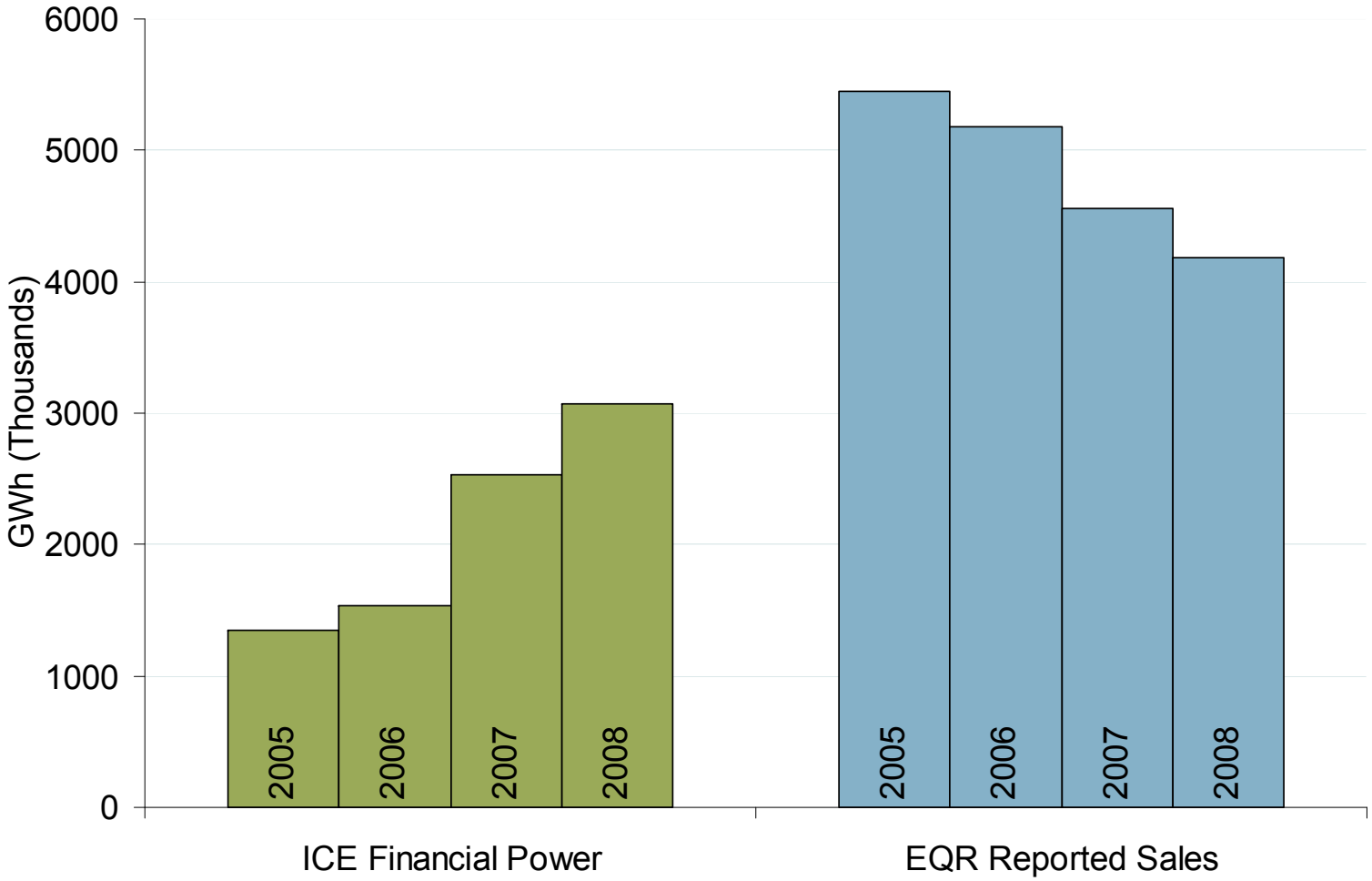
- **ICE and EQR Electric Transaction Volumes**

EQR Volume Declines led by Financial/Marketer Sellers



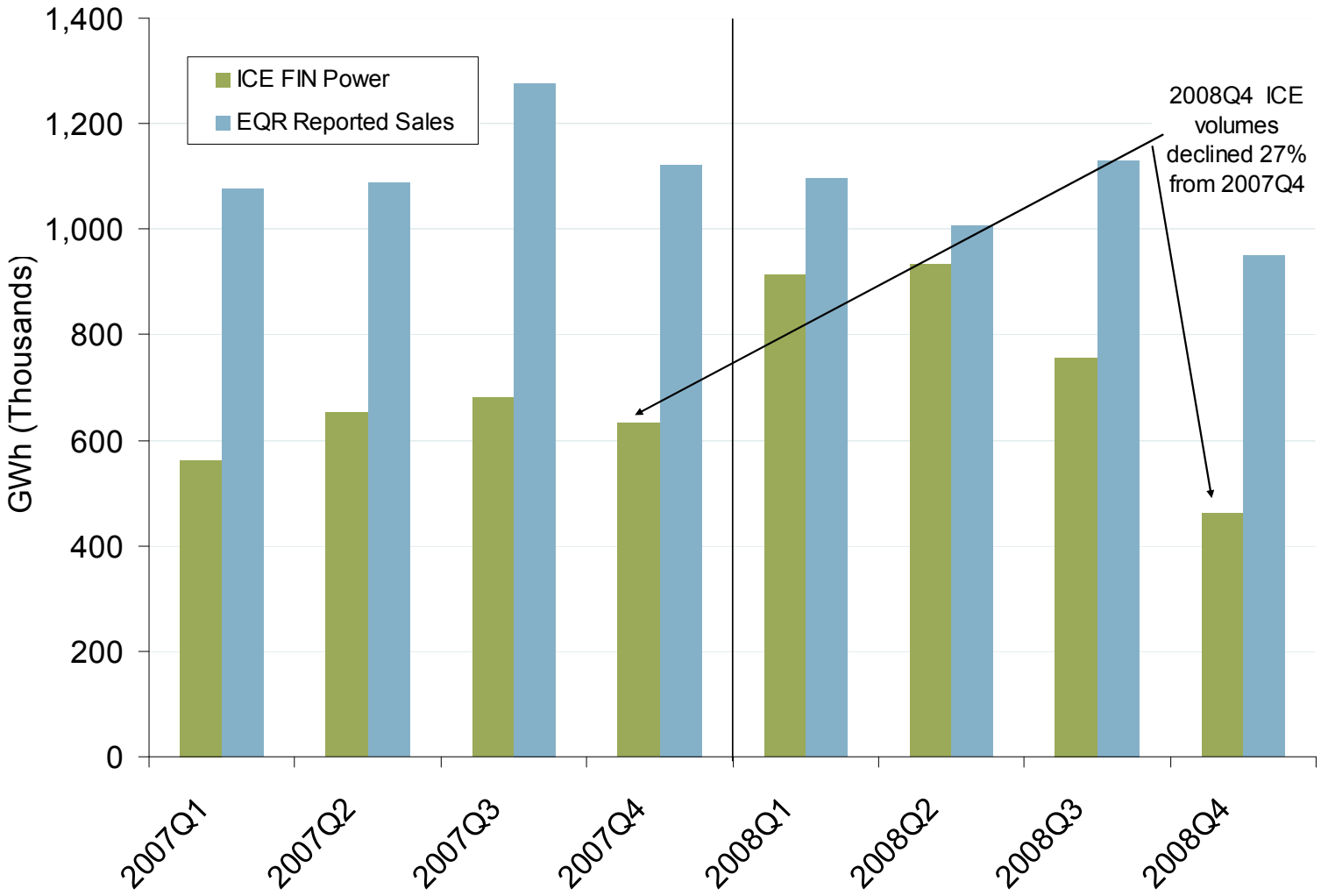
Source: Derived from *EQR* data.

Annual ICE and EQR Volumes: 2005-2008



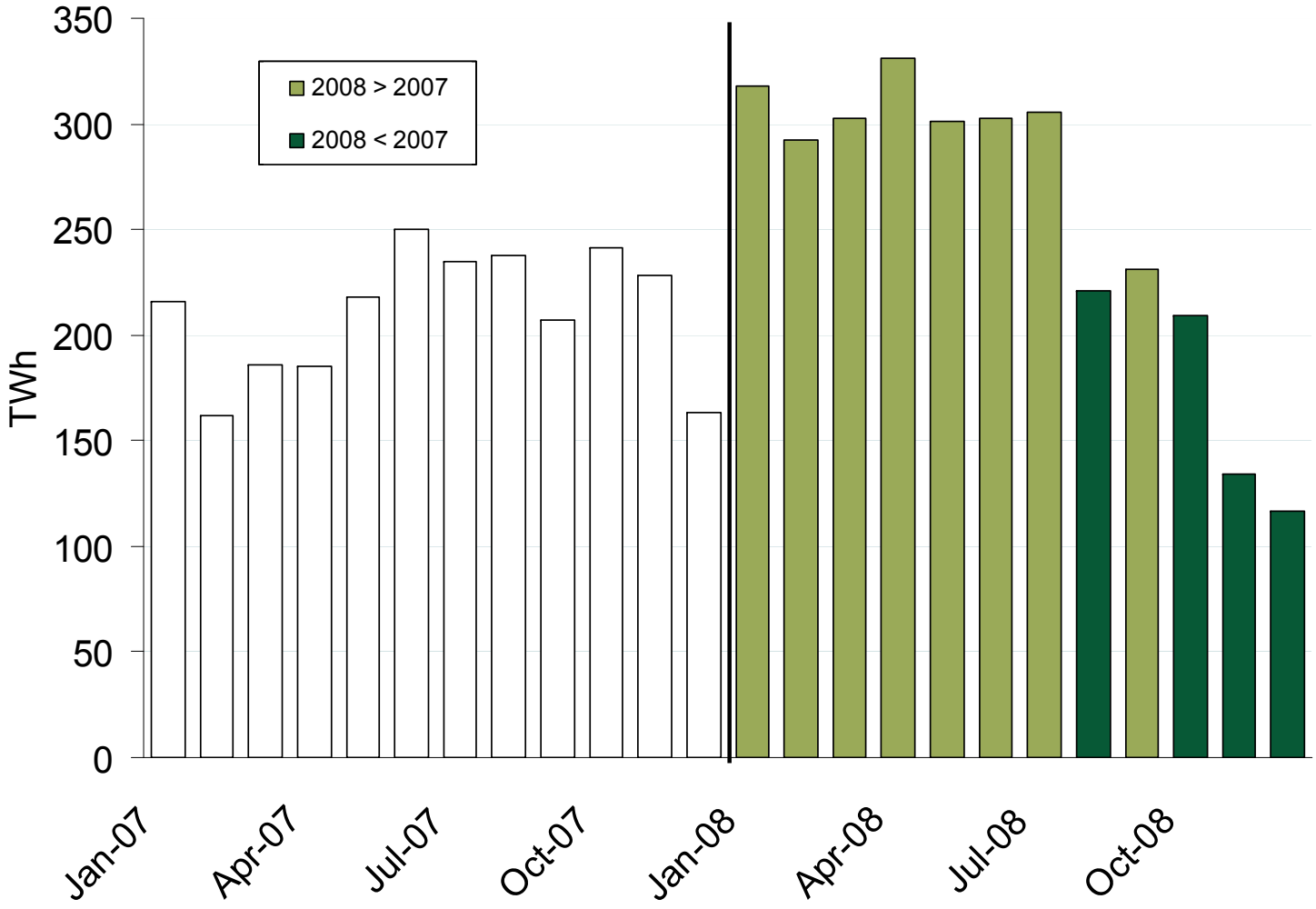
Source: Derived from *EQR and ICE* data.

Quarterly ICE and EQR Volumes: 2007-2008



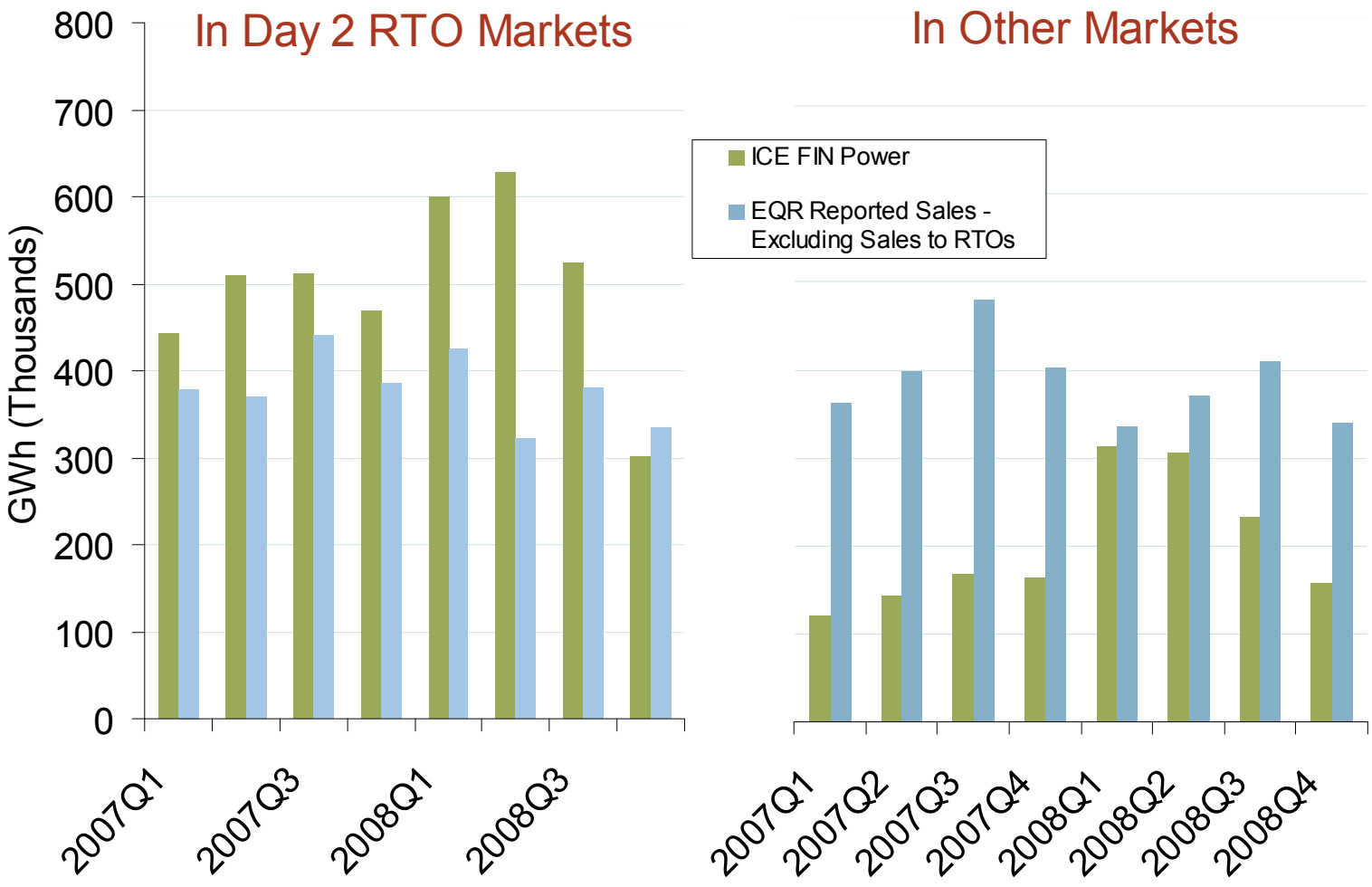
Source: Derived from *EQR and ICE* data.

Monthly ICE Volumes 2007-2008



Source: Derived from *ICE* data.

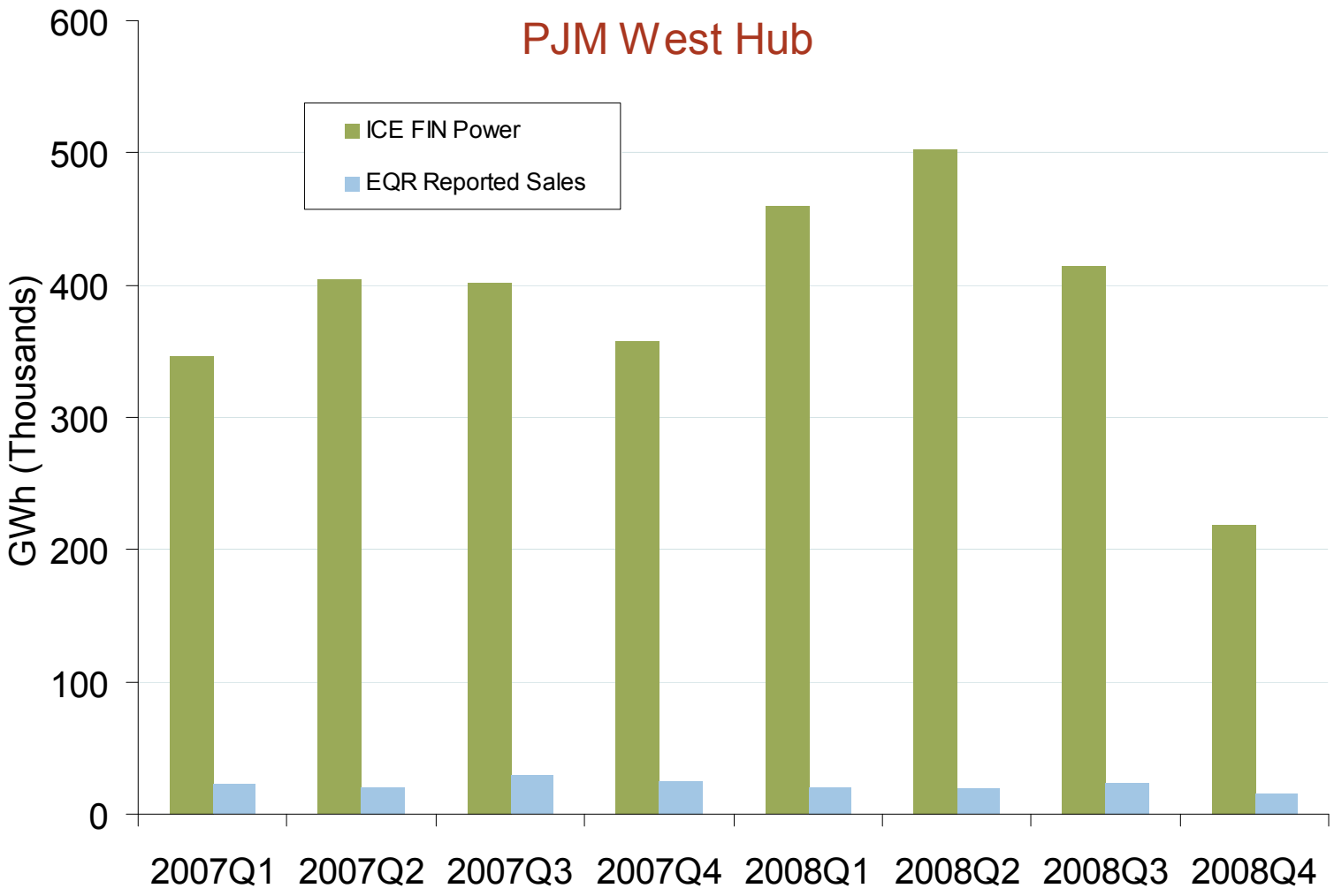
Quarterly ICE and EQR Volumes



ISO-NE, MISO, NYISO, and PJM included in Day 2 RTO Markets. CAISO, SPP and non-RTO areas included in Other Markets.

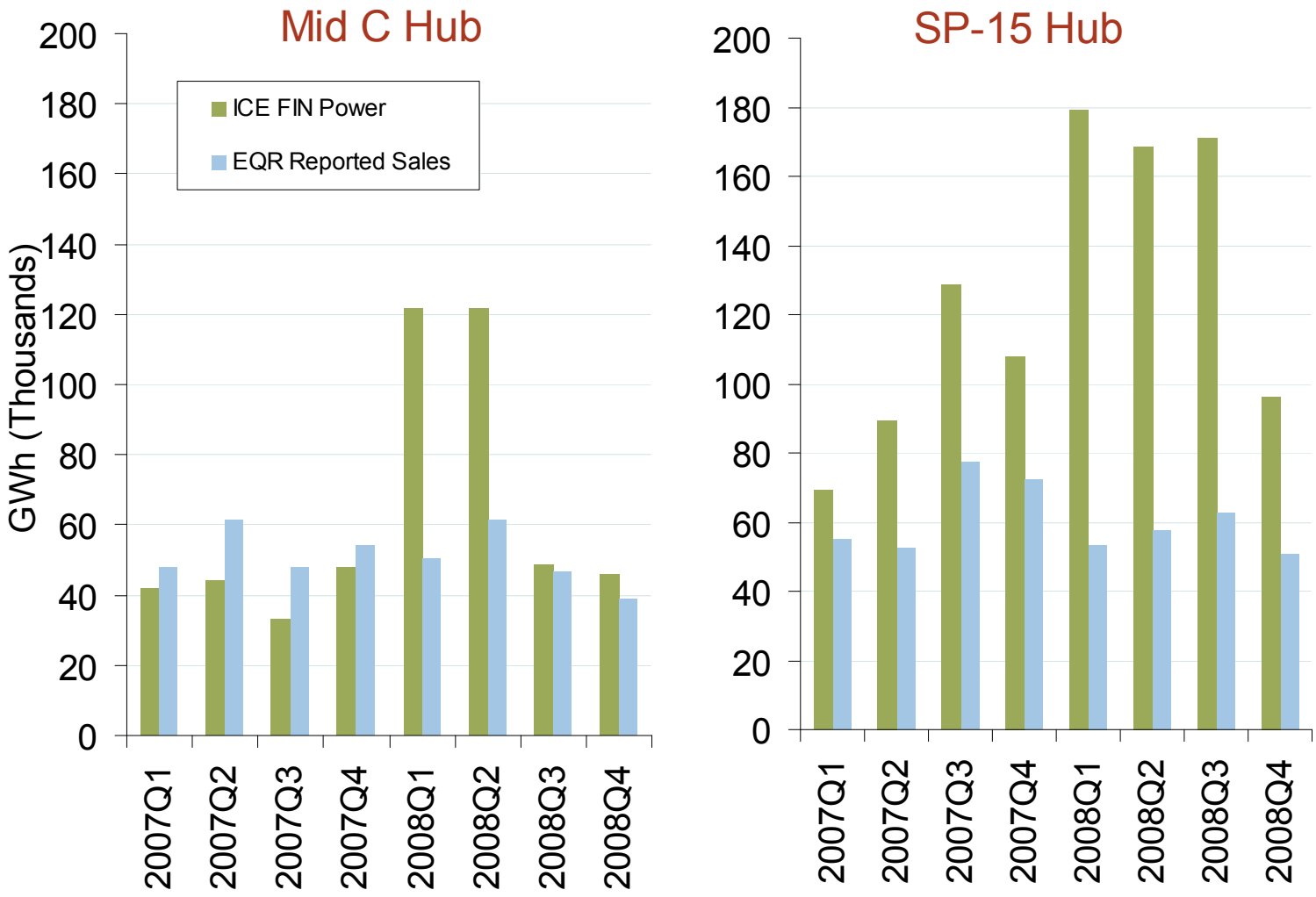
Source: Derived from *EQR and ICE* data.

Regional ICE and EQR Volumes



Source: Derived from *EQR and ICE* data.

Regional ICE and EQR Volumes



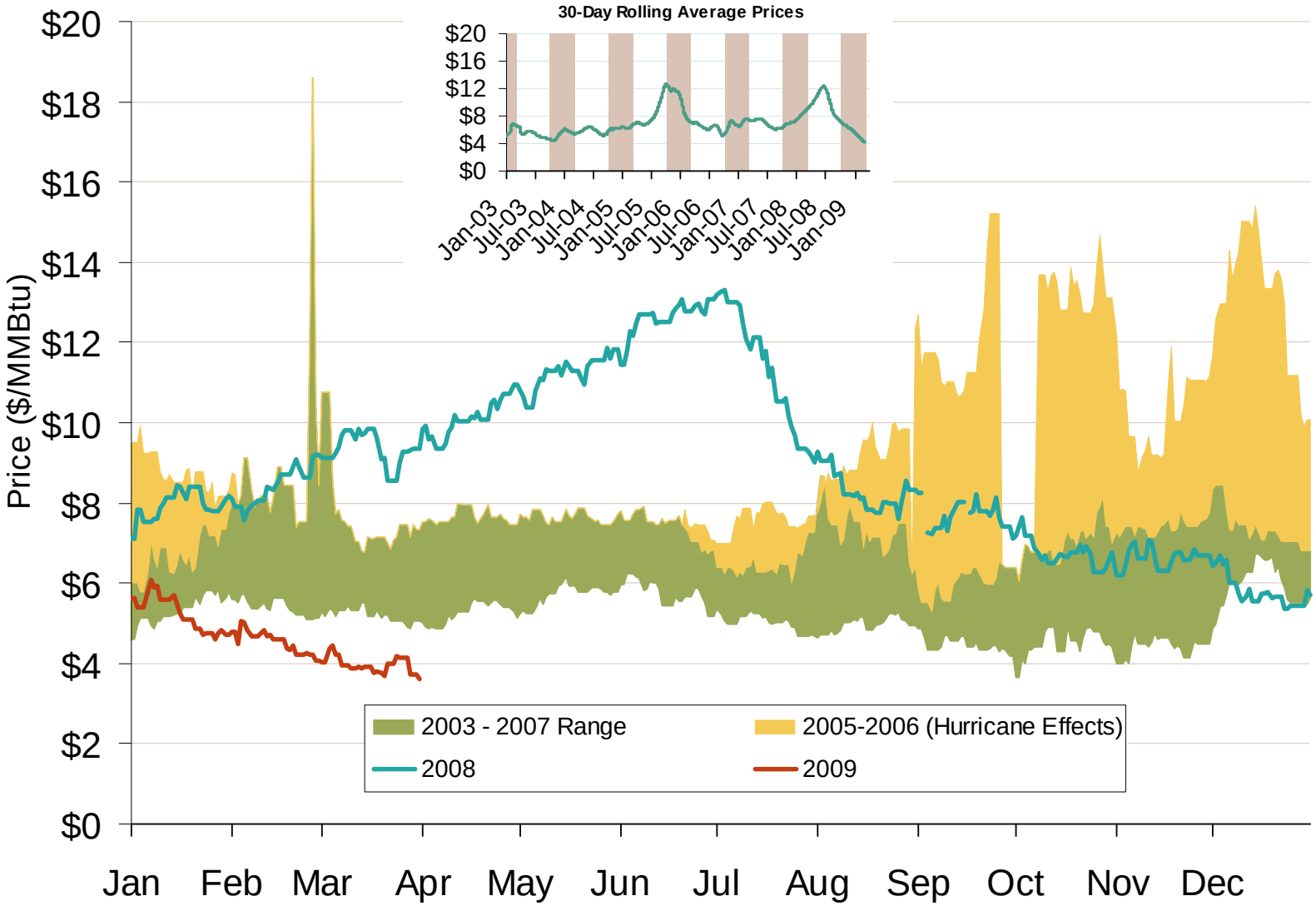
Source: Derived from *EQR and ICE* data.

Natural Gas and Fuel Markets

Natural Gas Market Overview: 5 Year Range of Henry Hub Spot Prices

Federal Energy Regulatory Commission • Market Oversight @ FERC.gov

Henry Hub Natural Gas Daily Spot Prices 2008, 2009 and 2003-2007 Year Range



Source: Derived from *Platts* data.

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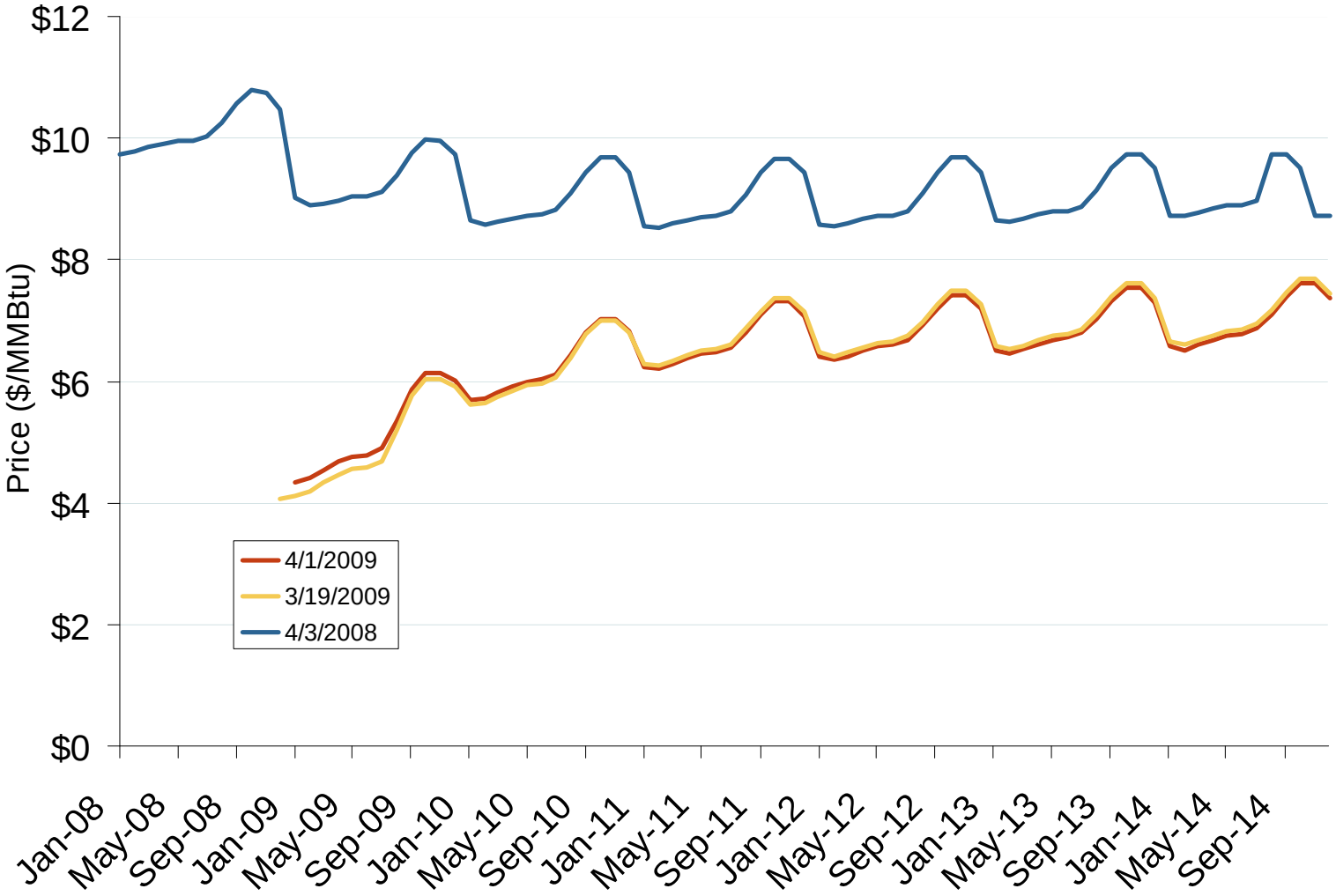
NYMEX Natural Gas Forward Price Curve



Source: Derived from *NYMEX* data.

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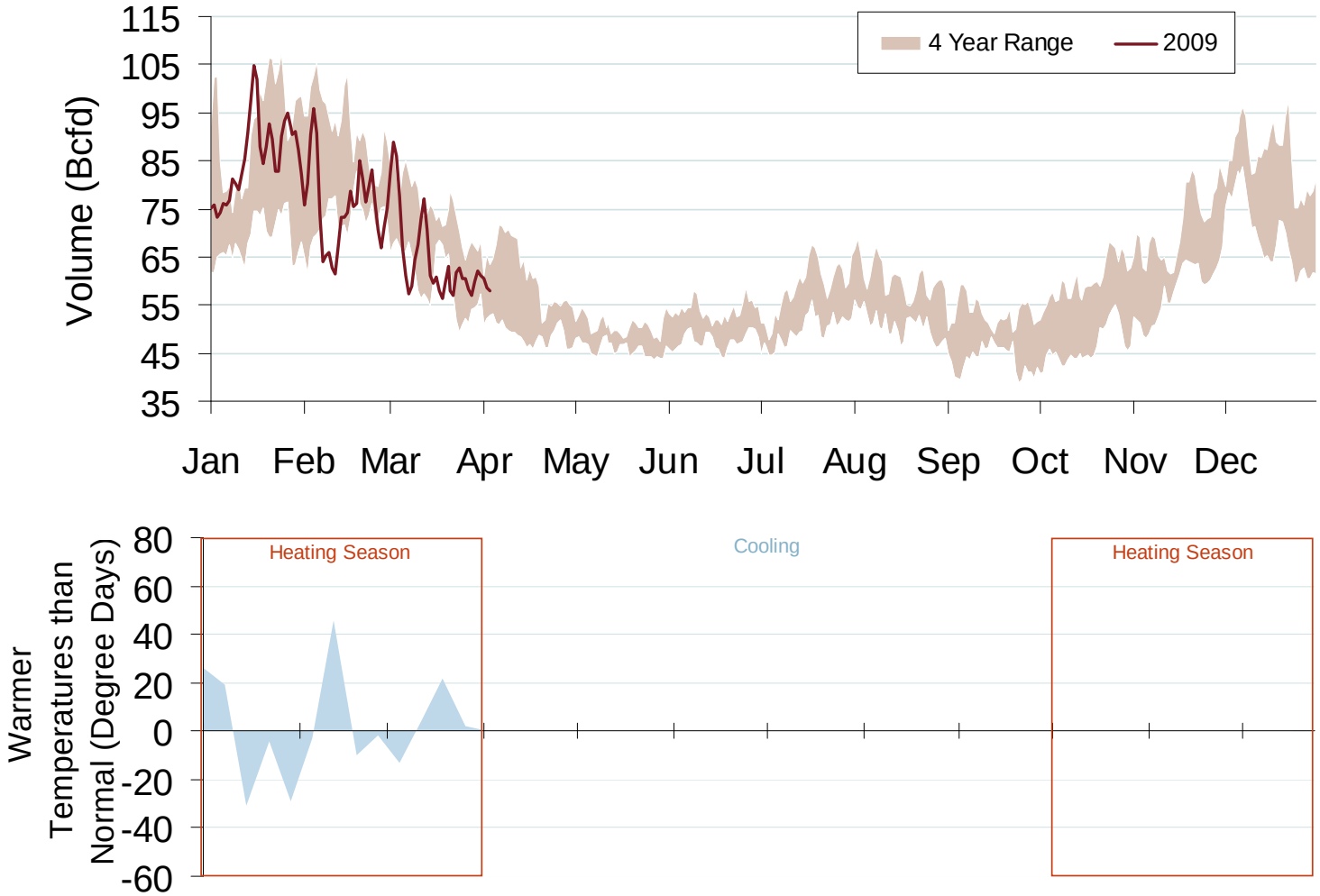
Total U.S. Natural Gas Demand (All Sectors) and Temperatures



Source: Derived from *Bentek Energy* data.

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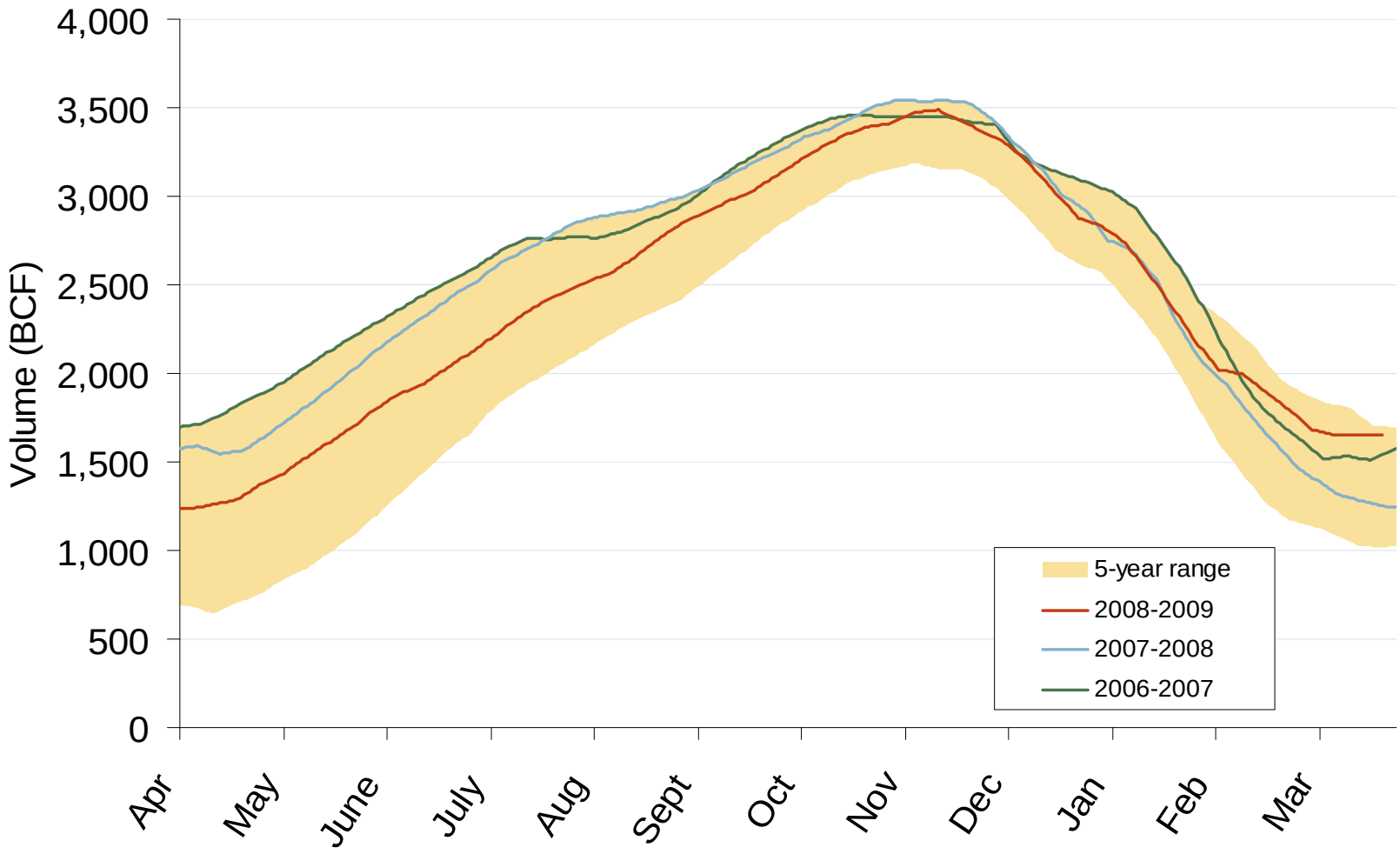
Total U.S. Working Gas in Storage



Source: Derived from *EIA* data.

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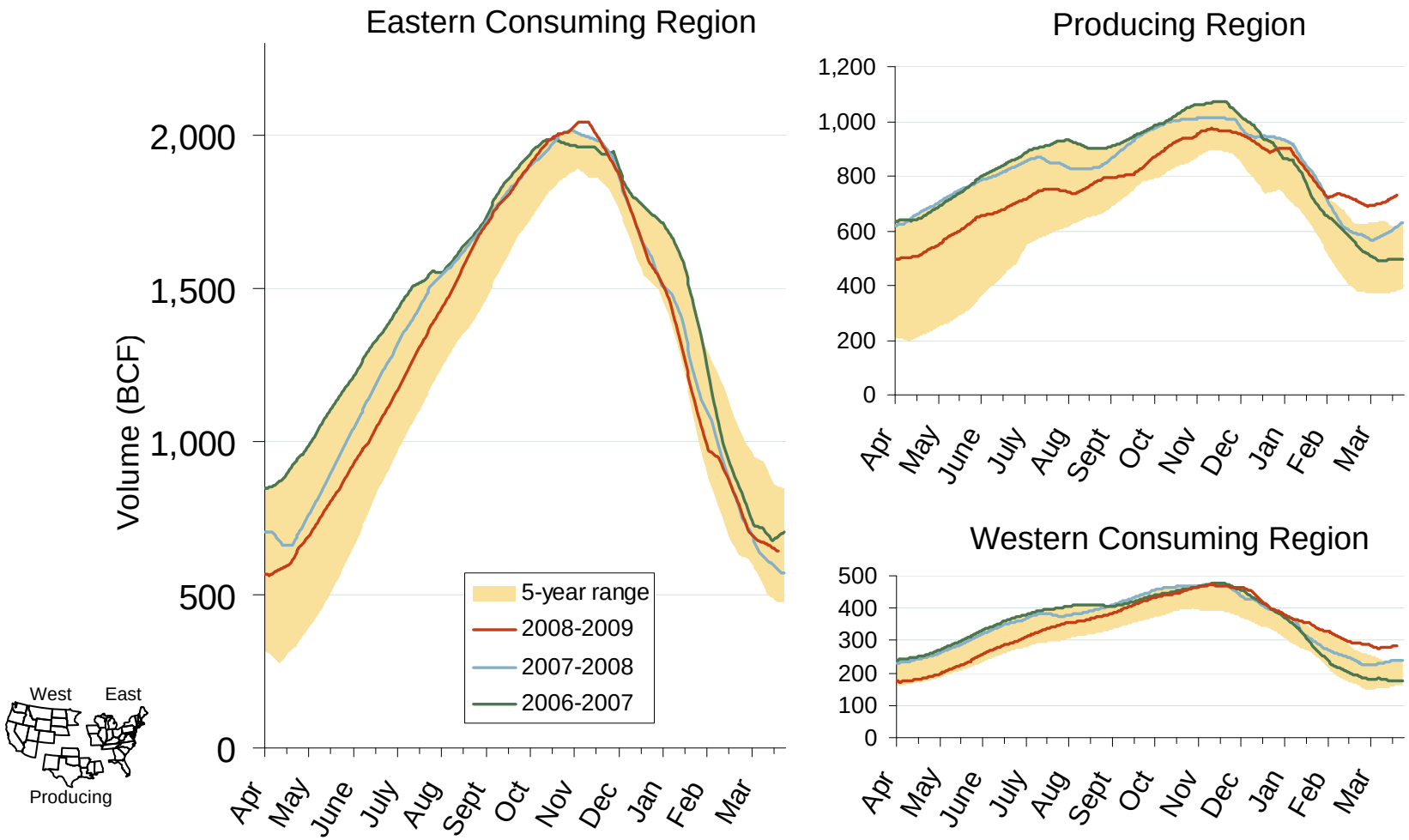
Regional Totals of Working Gas in Storage



Source: Derived from *EIA* data.

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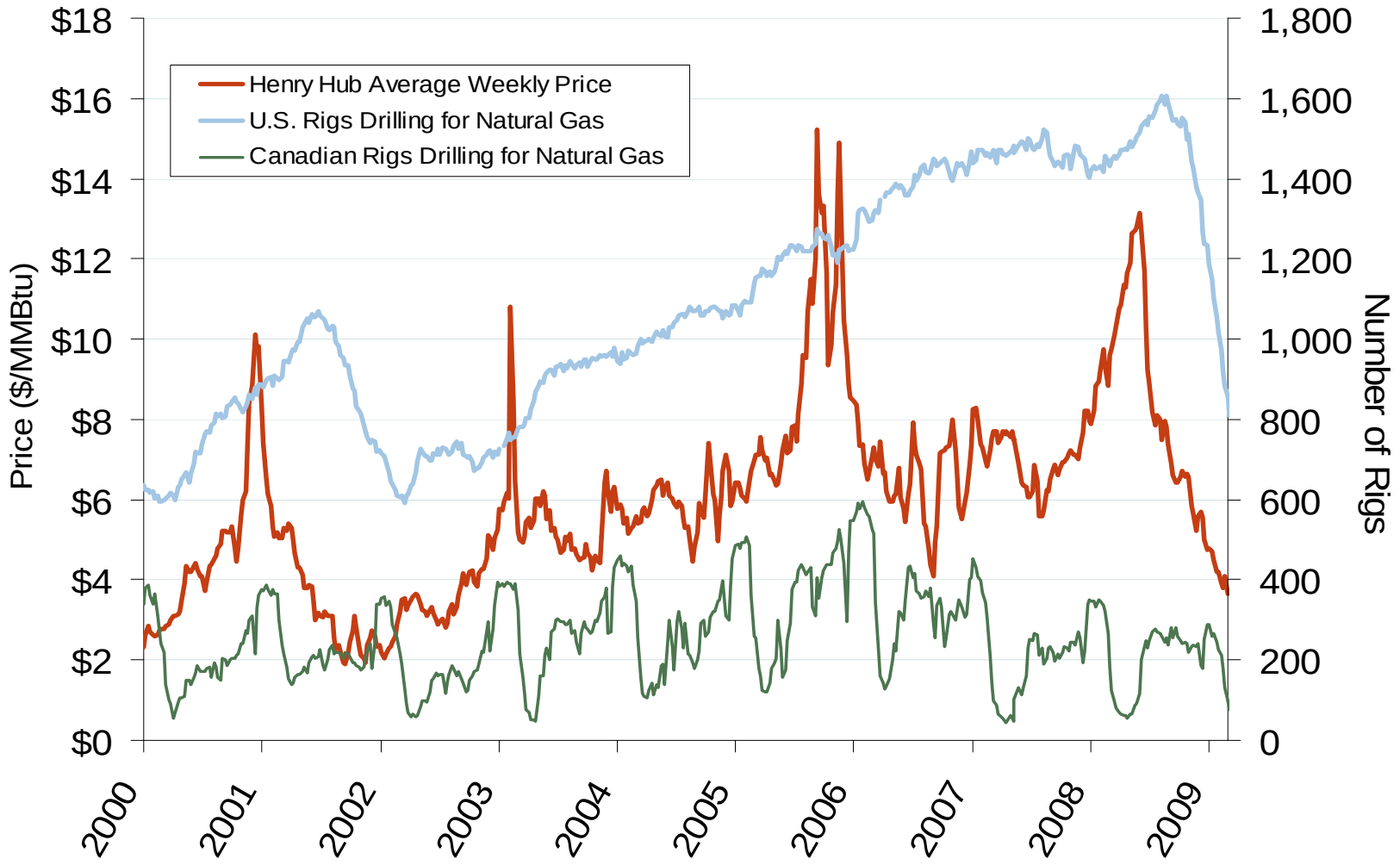
U.S. and Canadian Natural Gas Drilling Rig Count and Daily Spot Prices



Source: Derived from *Platts* and *Baker Hughes* data.

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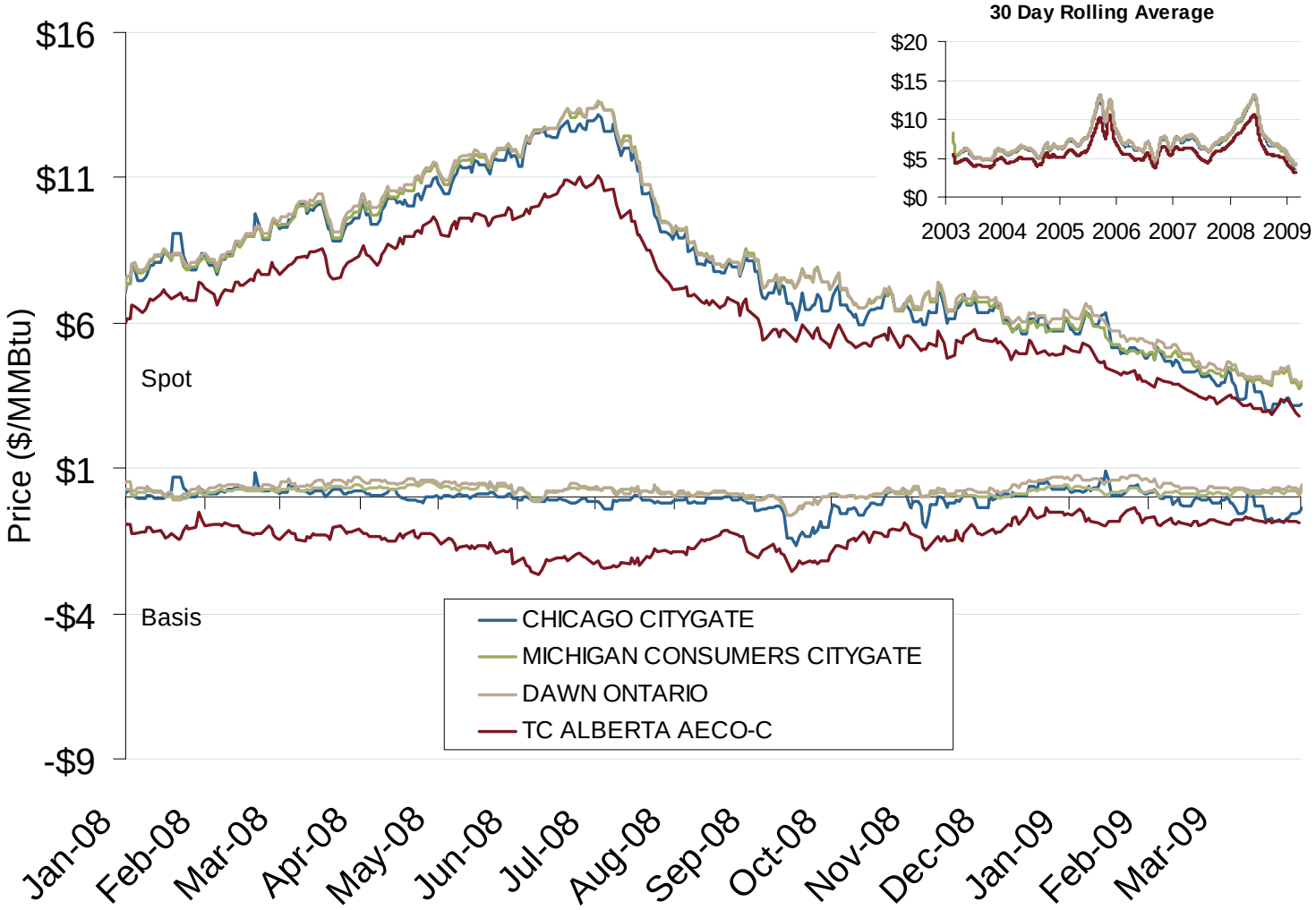
Midwestern Day-Ahead Hub Spot Prices and Basis



Source: Derived from *Platts* data.

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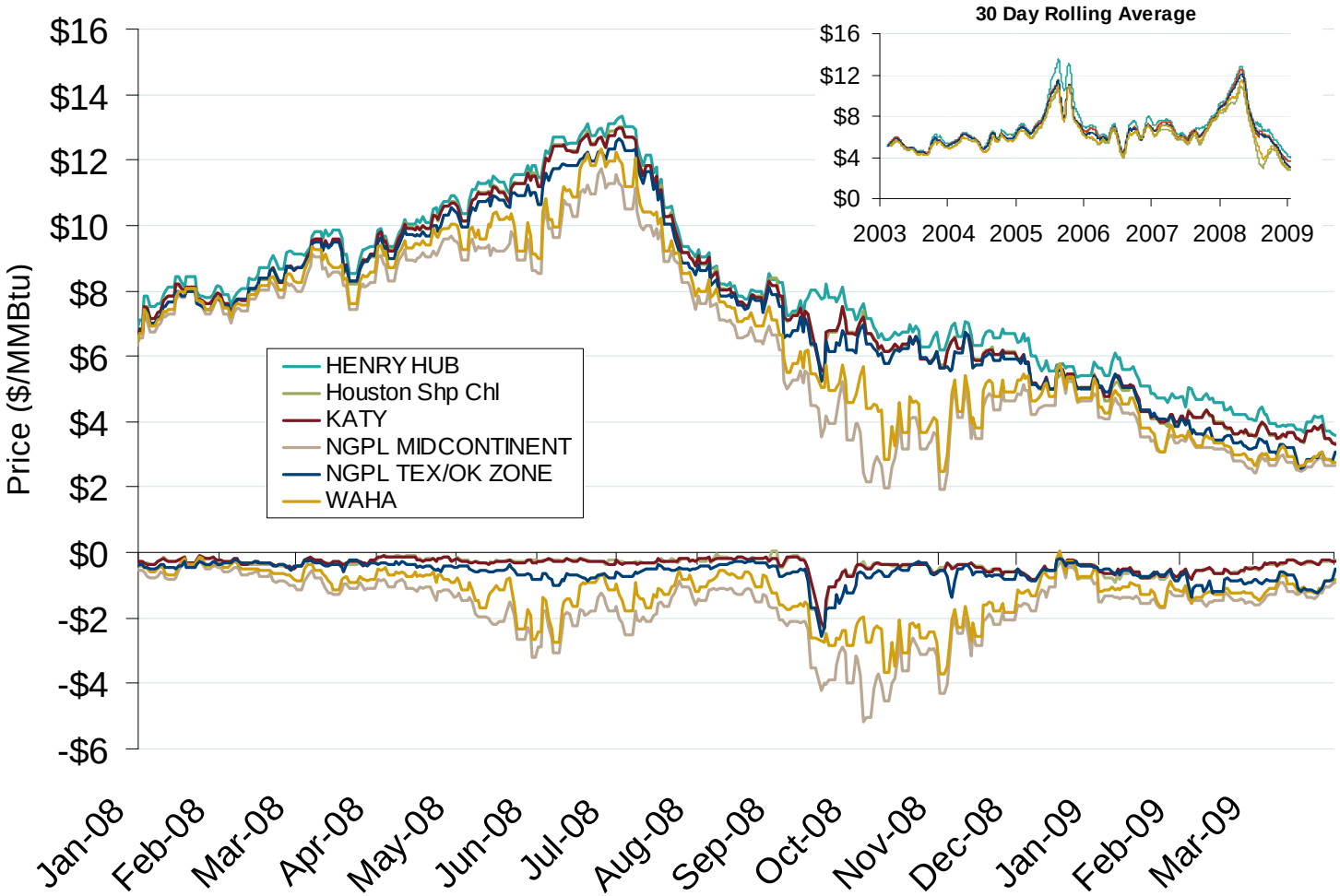
South Central Day-Ahead Hub Spot Prices and Basis



Source: Derived from *Platts* data.

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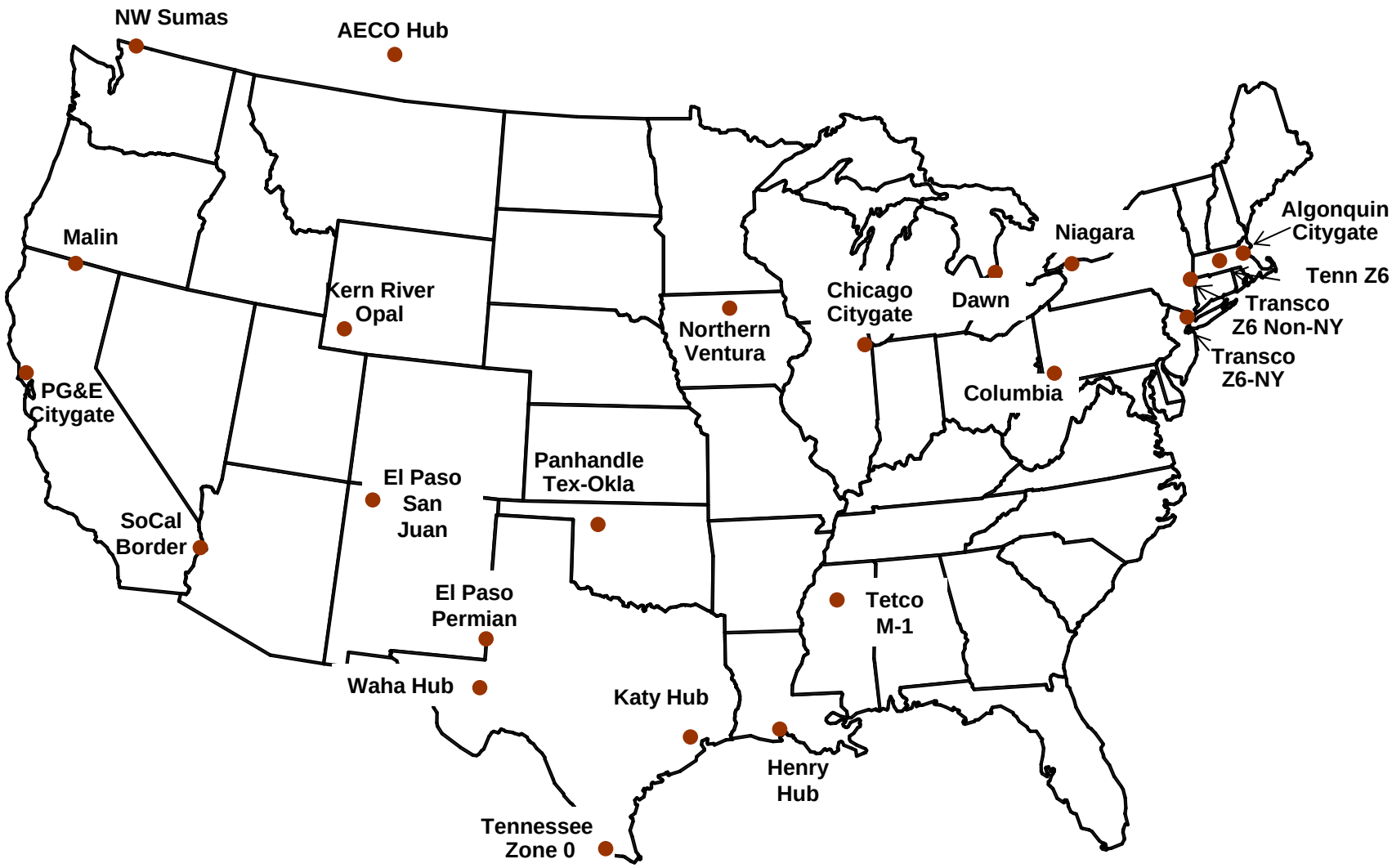
Gas Pricing Points



Note: Price Points reflect general locations.

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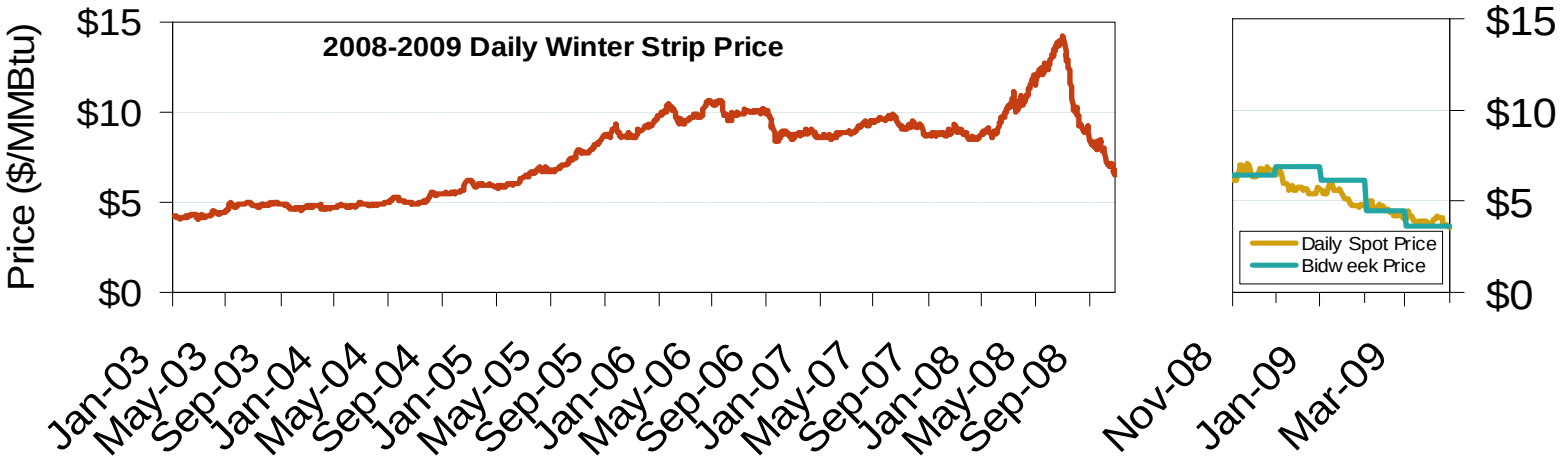
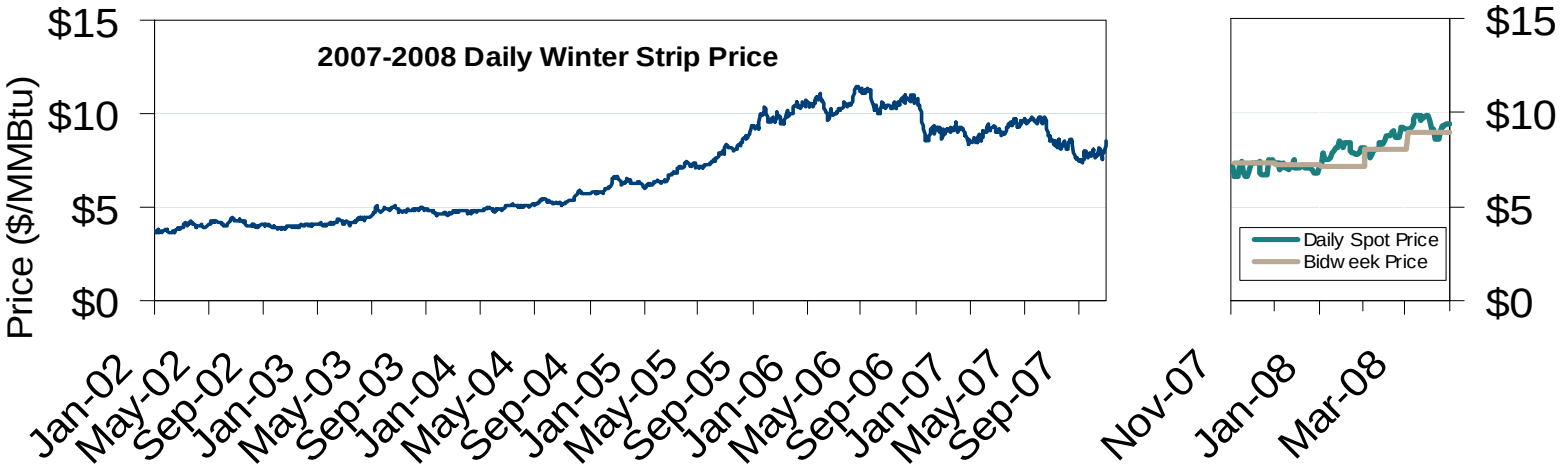
Natural Gas Winter Futures Strip and Daily Henry Hub Spot and Bidweek Prices





Source: Derived from *Platts* and *Nymex* data.

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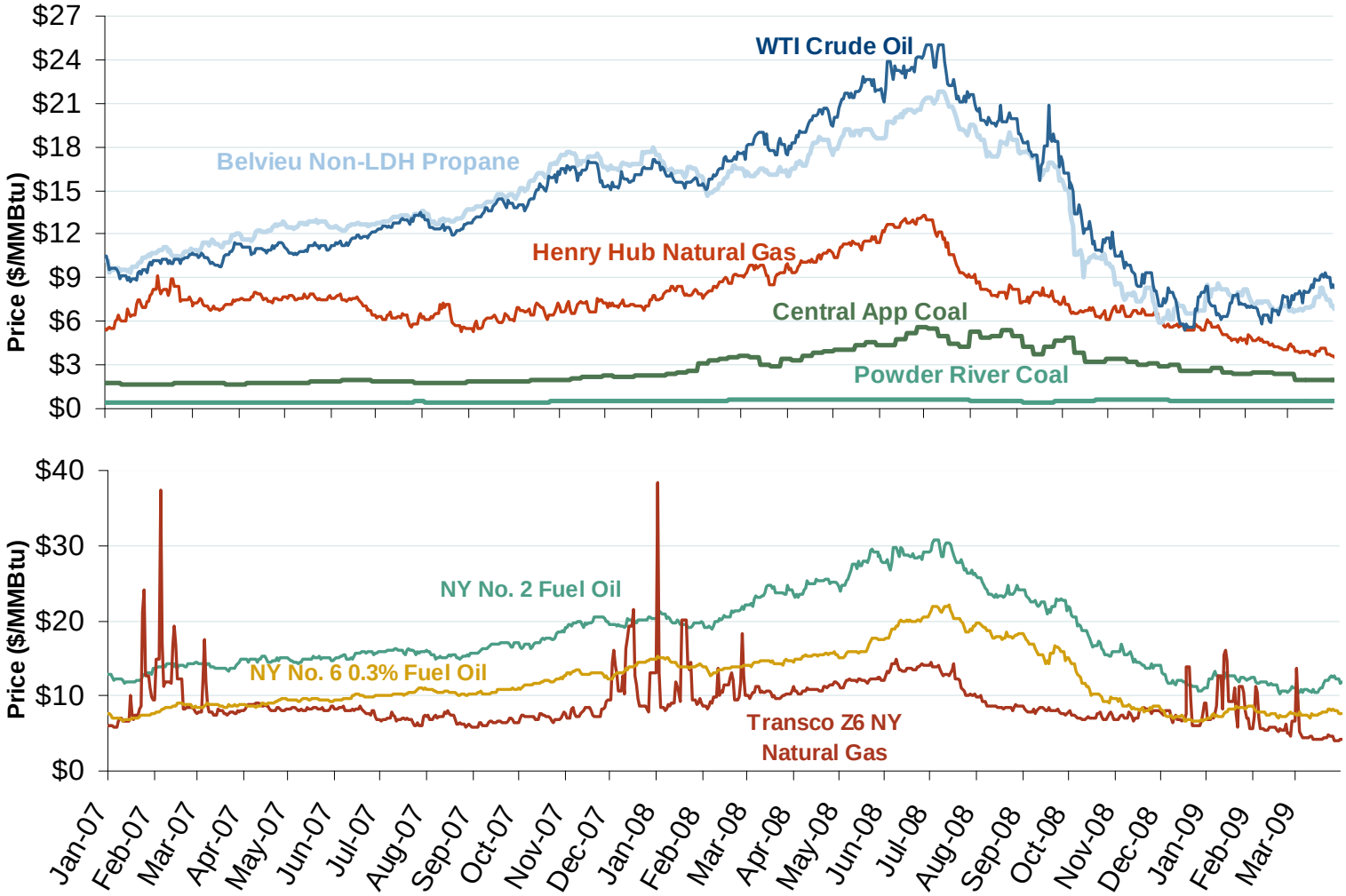
Oil, Coal, Natural Gas and Propane Daily Spot Prices



Source: Derived from *ICE* and *Bloomberg* data.

Note: Coal prices are quoted in $/ton. Conversion factors to $/MMBtu are based on contract specifications of 12,000 btus/pound for Central Appalachian coal and 8800 btus/pound for Powder River Basin coal.

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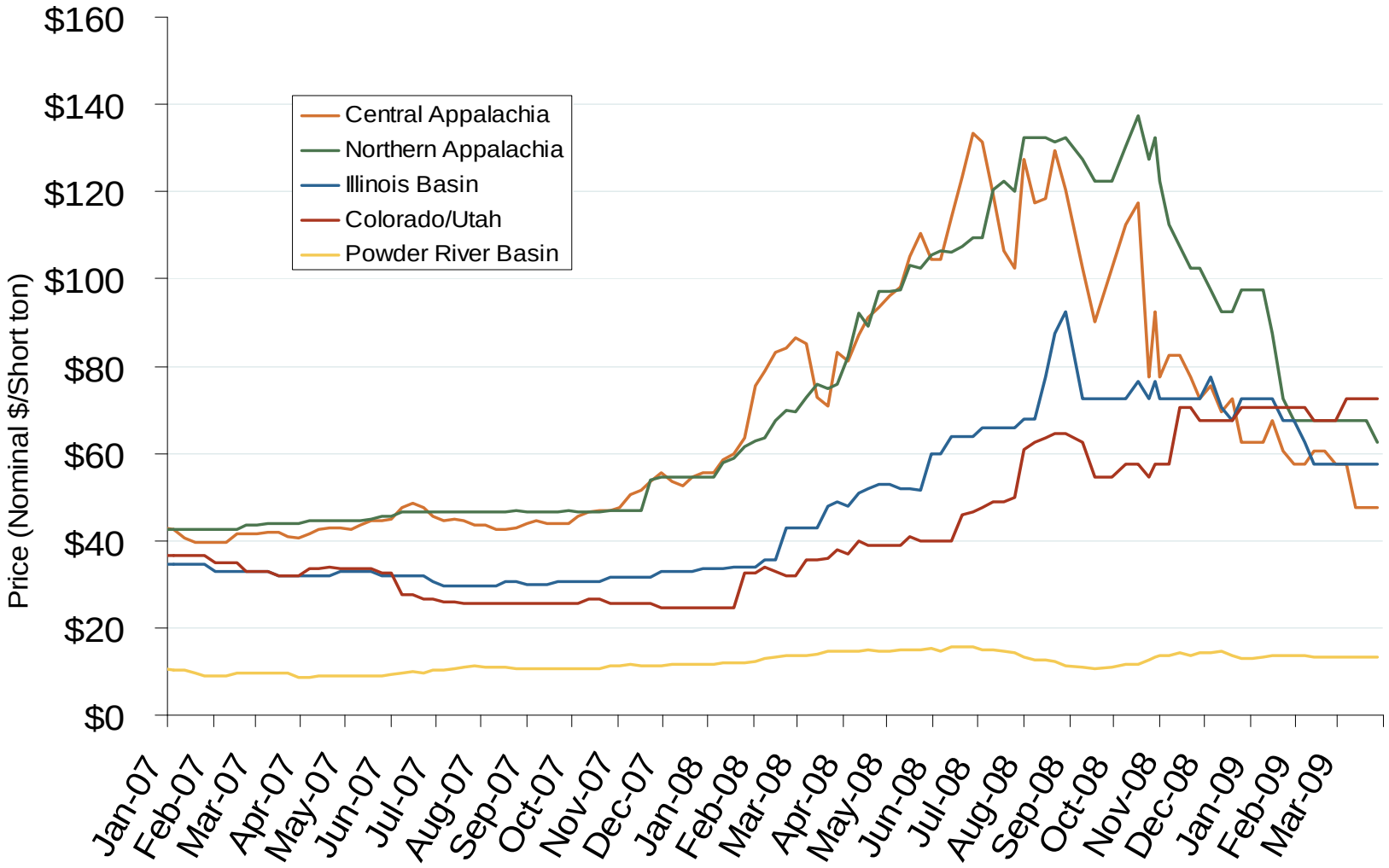
Regional Coal Spot Prices



Note: Does not reflect the delivered price of coal; excludes incremental cost of emissions allowances.

Source: Derived from *Bloomberg* data.

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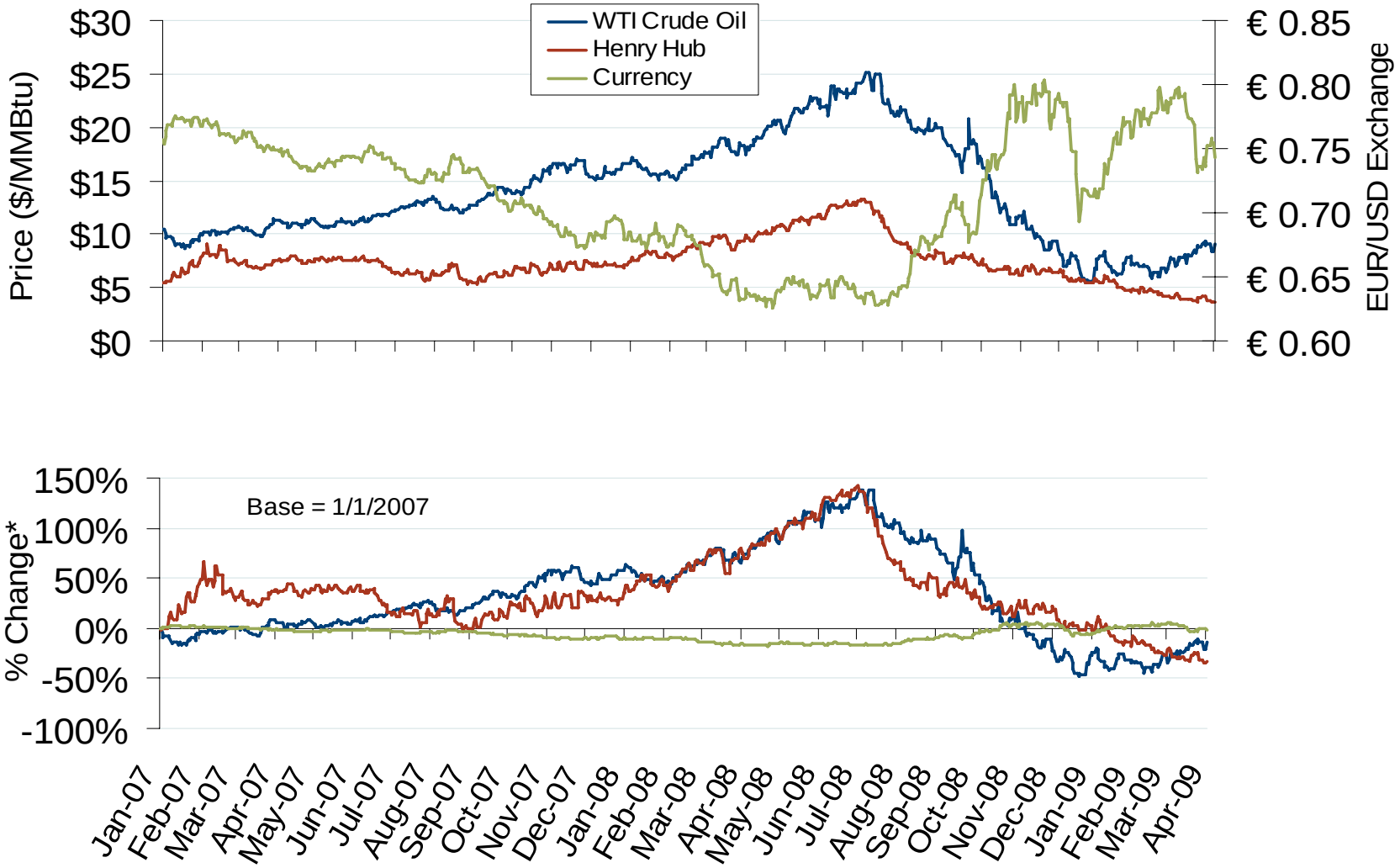
Oil, Natural Gas and Currency Spot Prices



Source: Derived from *Bloomberg* data.

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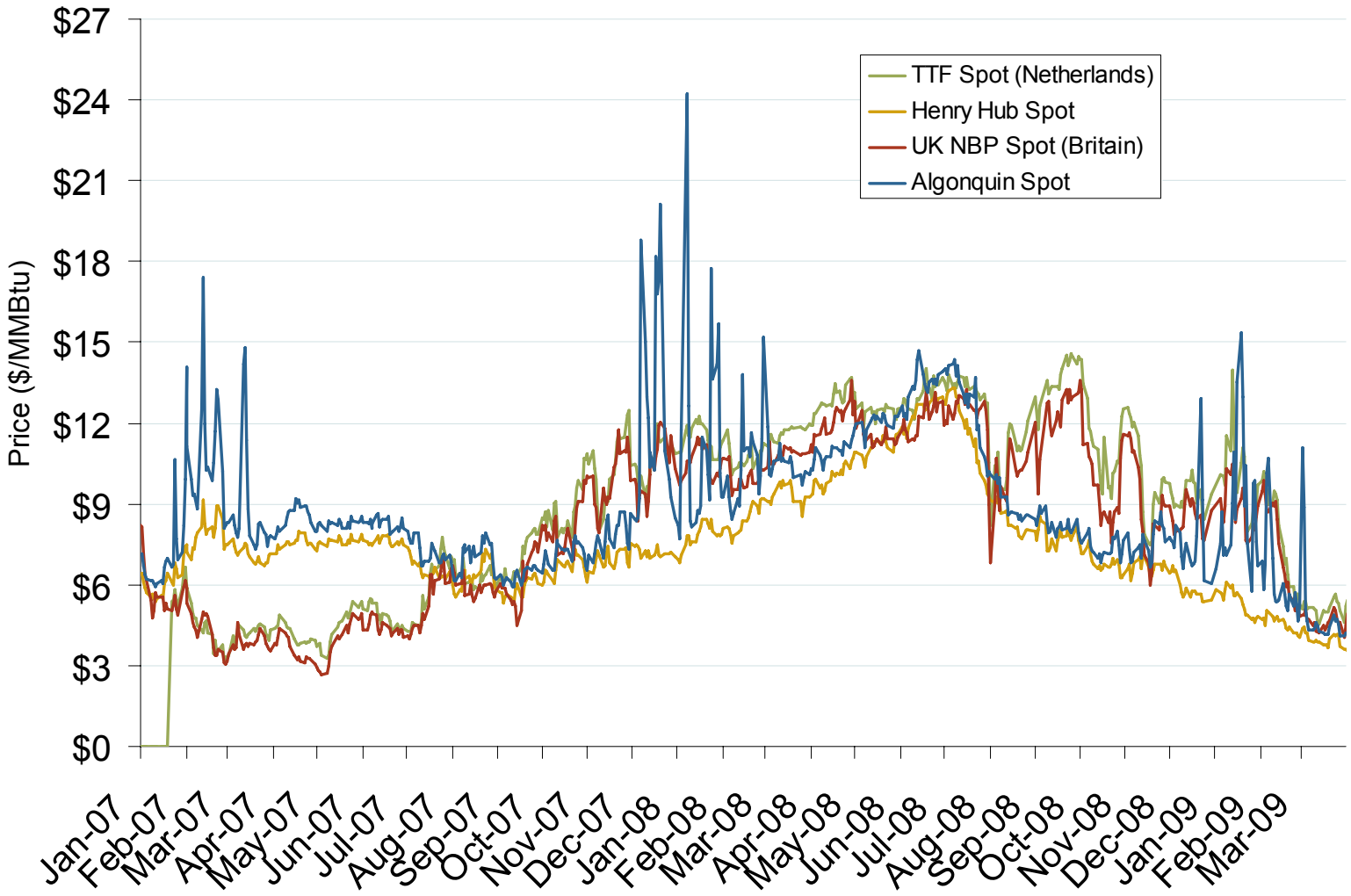
Atlantic Basin European and US Spot Natural Gas Prices



Source: Derived from *Bloomberg* and *ICE* data.

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World LNG Estimated April 2009 Landed Prices

Source: *Waterborne Energy, Inc.* Data in $US/MMBtu.

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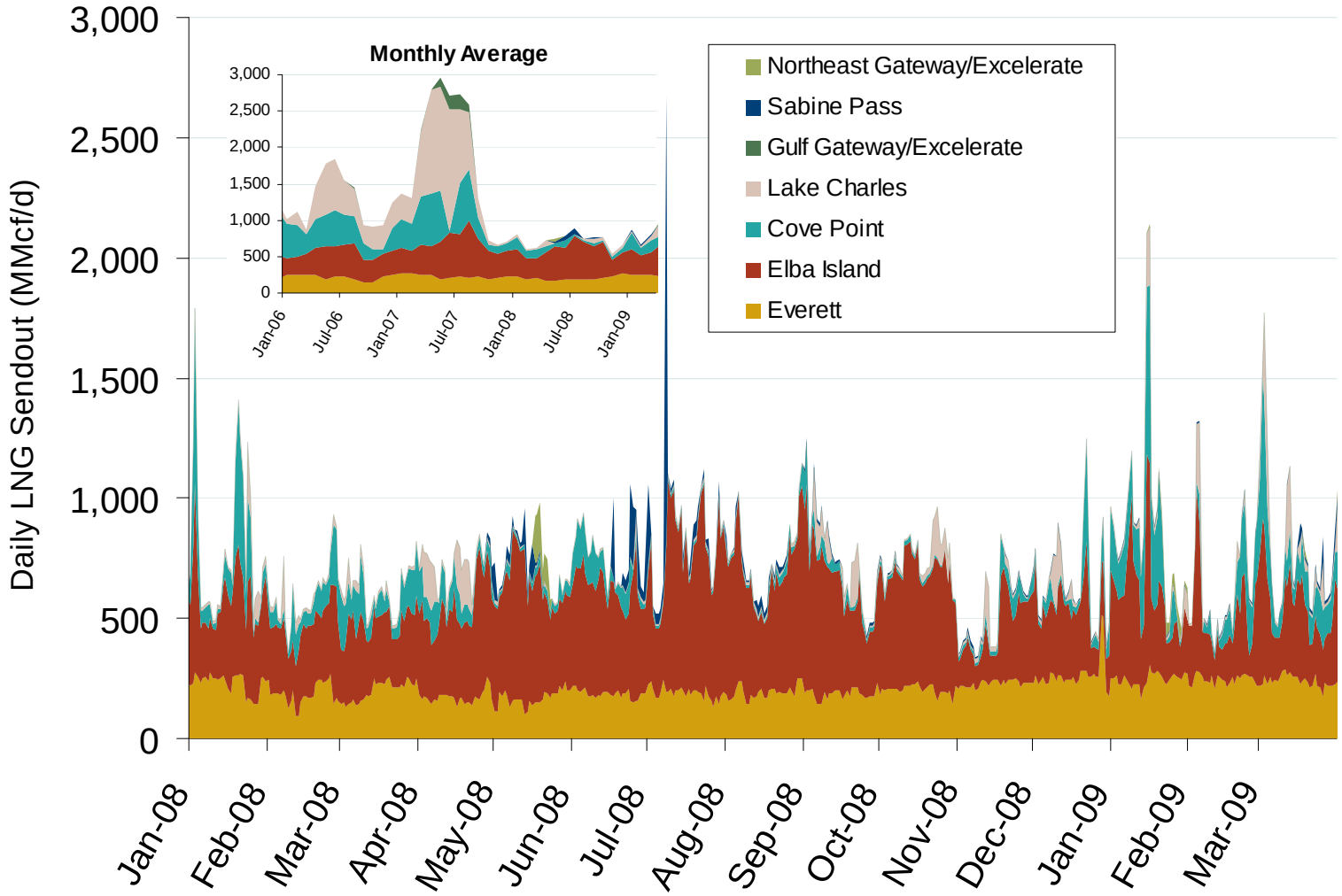
Daily Gas Sendout from Existing U.S. LNG Facilities



Source: Derived from *Bentek* data. Excludes Everett LNG delivered via truck and consumed by the Mystic plant as well as Freeport LNG which flows via intrastate pipelines.

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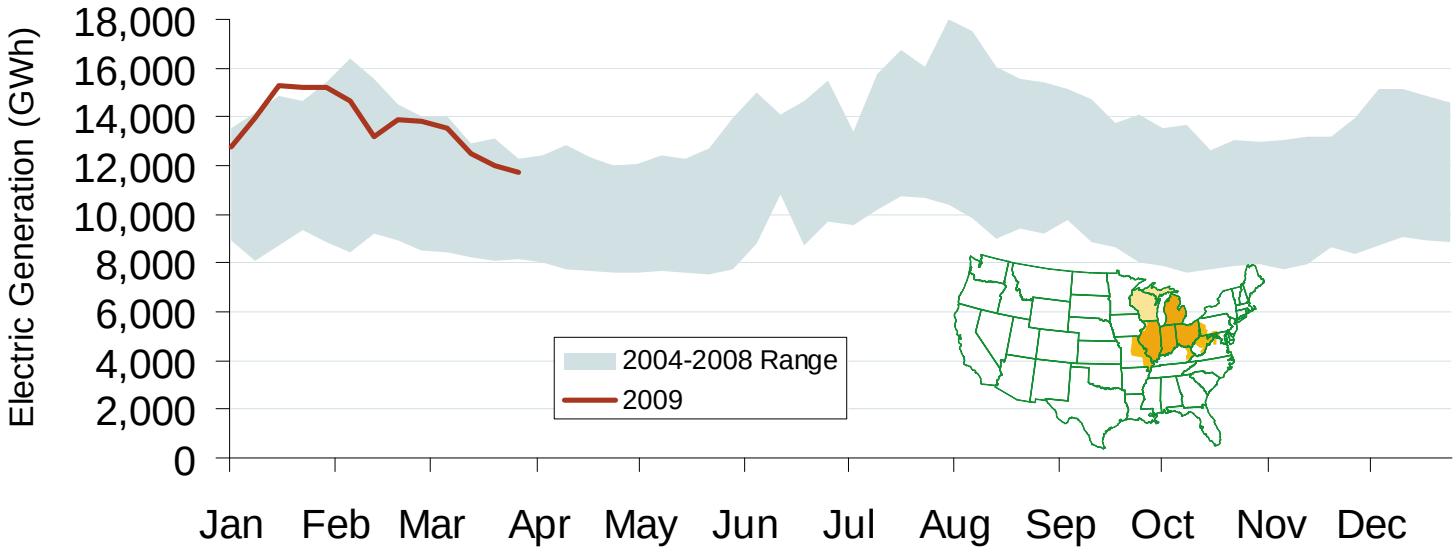
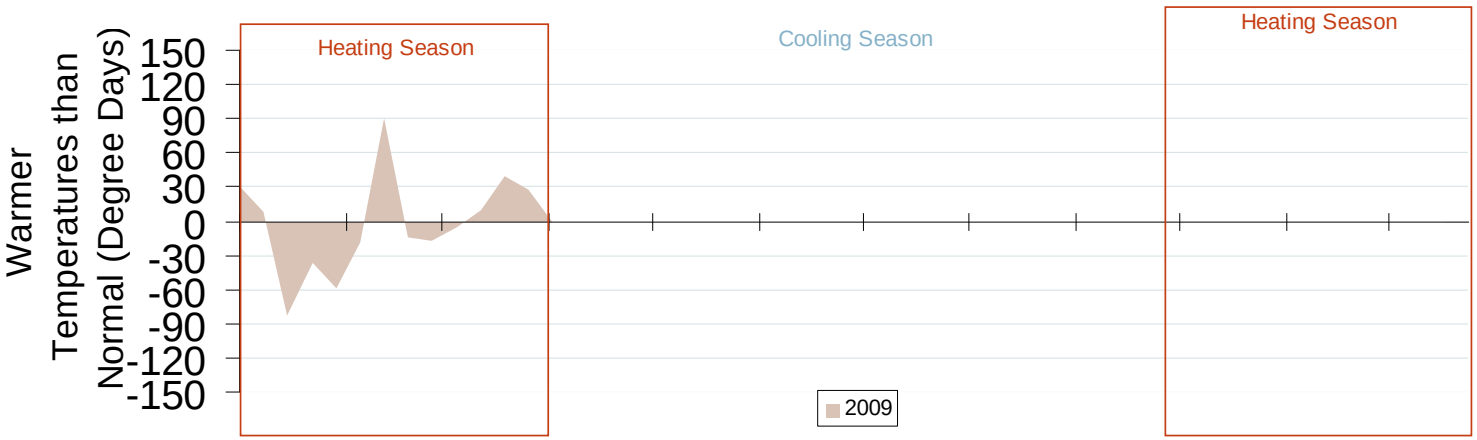
Electricity Markets

Weekly Electric Generation Output and Temperatures Central Industrial Region





Source: Derived from *EEI* and *NOAA* data.

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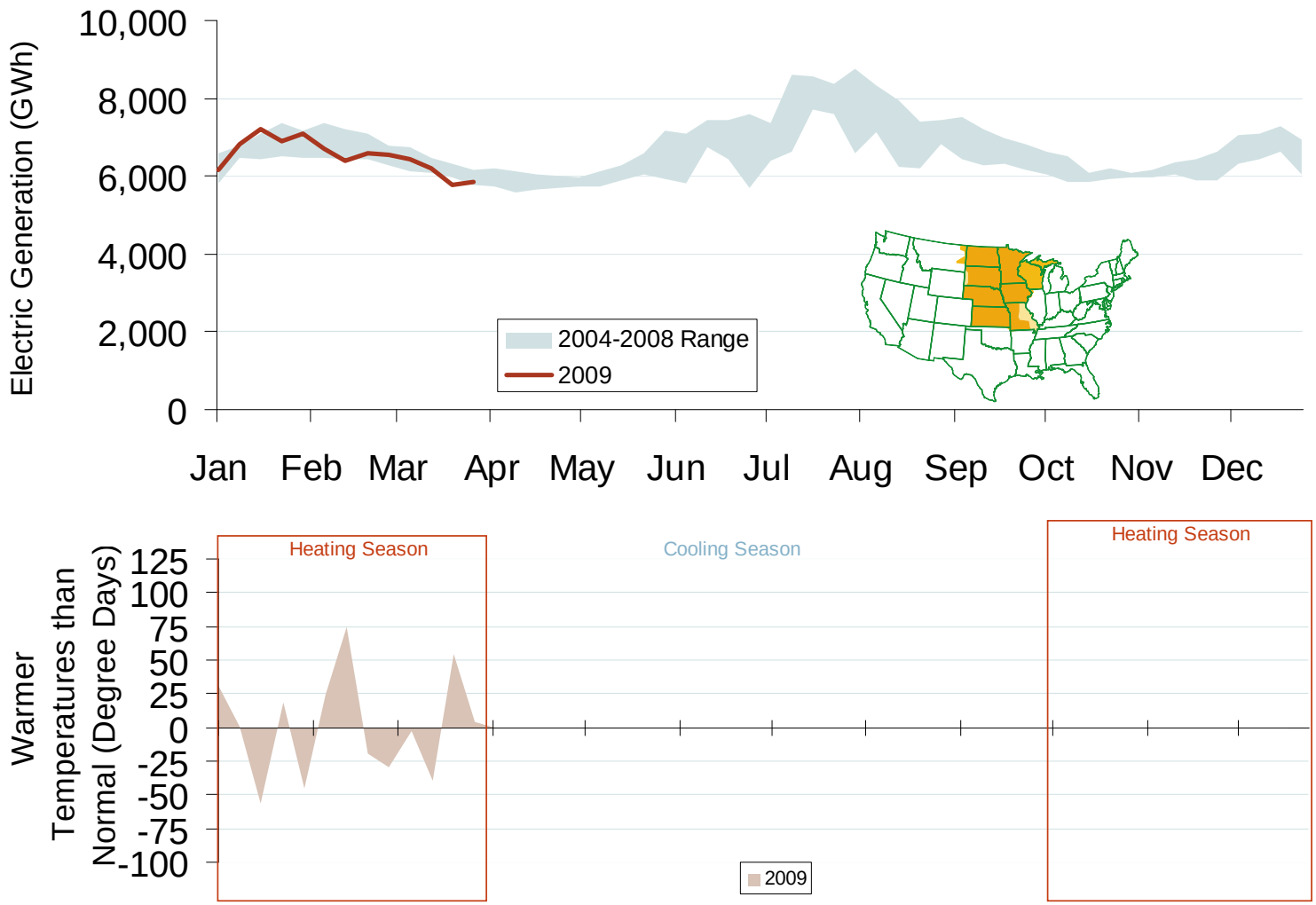
Weekly Electric Generation Output and Temperatures West Central Region



Source: Derived from *EEI* and *NOAA* data.

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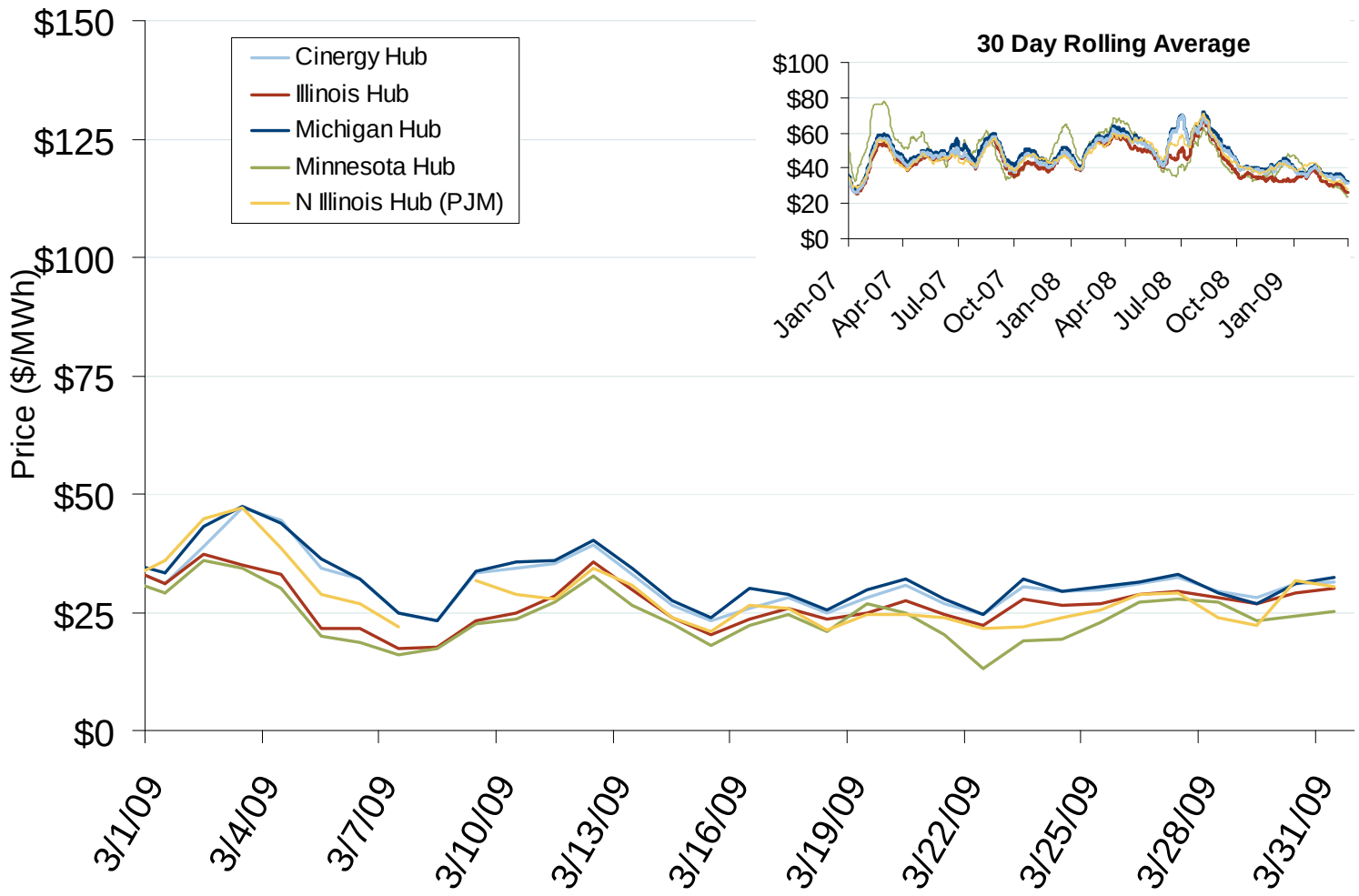
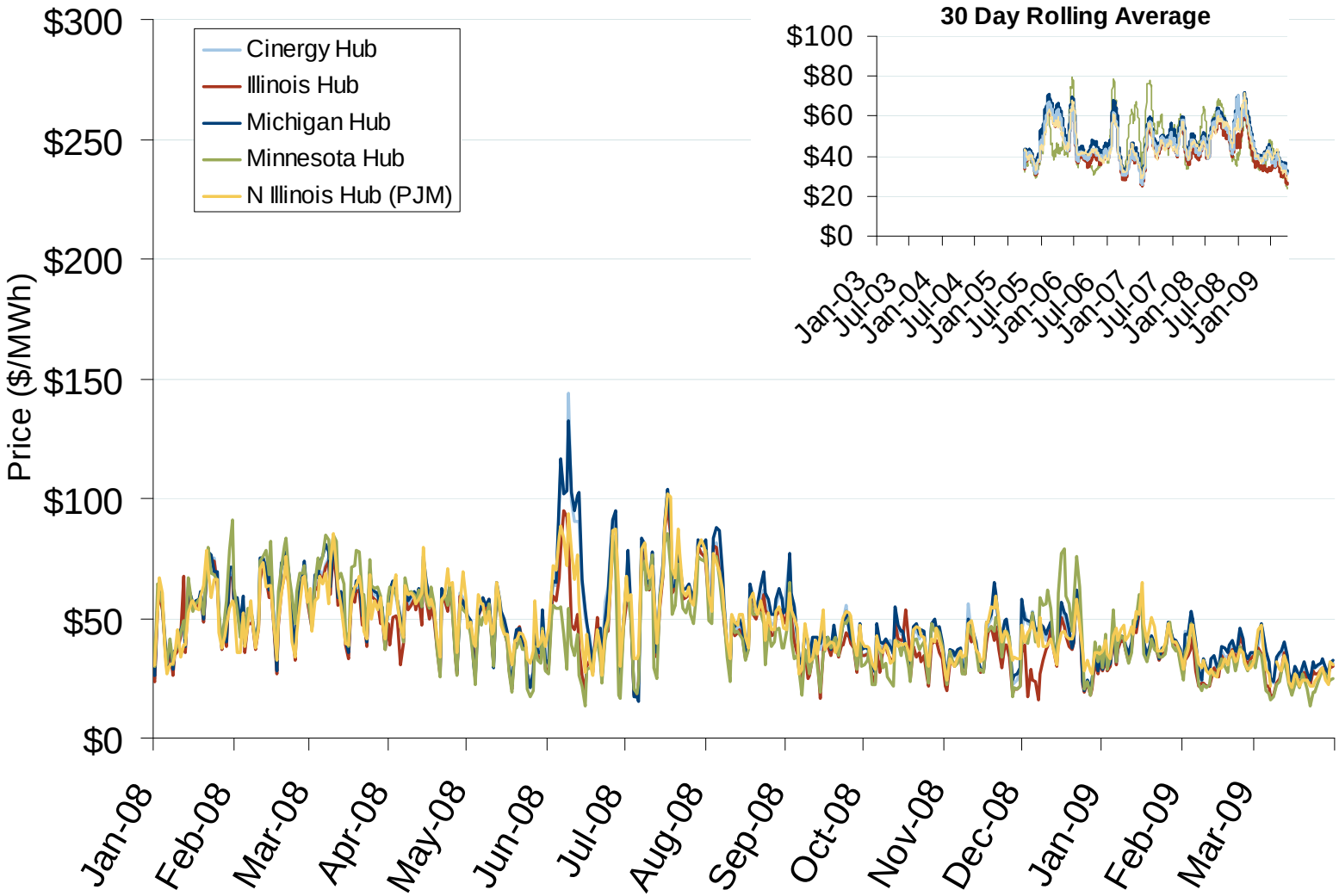
Daily Average of MISO Day-Ahead Prices - All Hours



Source: Derived by *Bloomberg* from *MISO and PJM* data as reported by *Bloomberg*.

Updated April 7, 2009

Daily Average of MISO Day-Ahead Prices - All Hours



Source: Derived by *Bloomberg* from *MISO and PJM* data as reported by *Bloomberg*.

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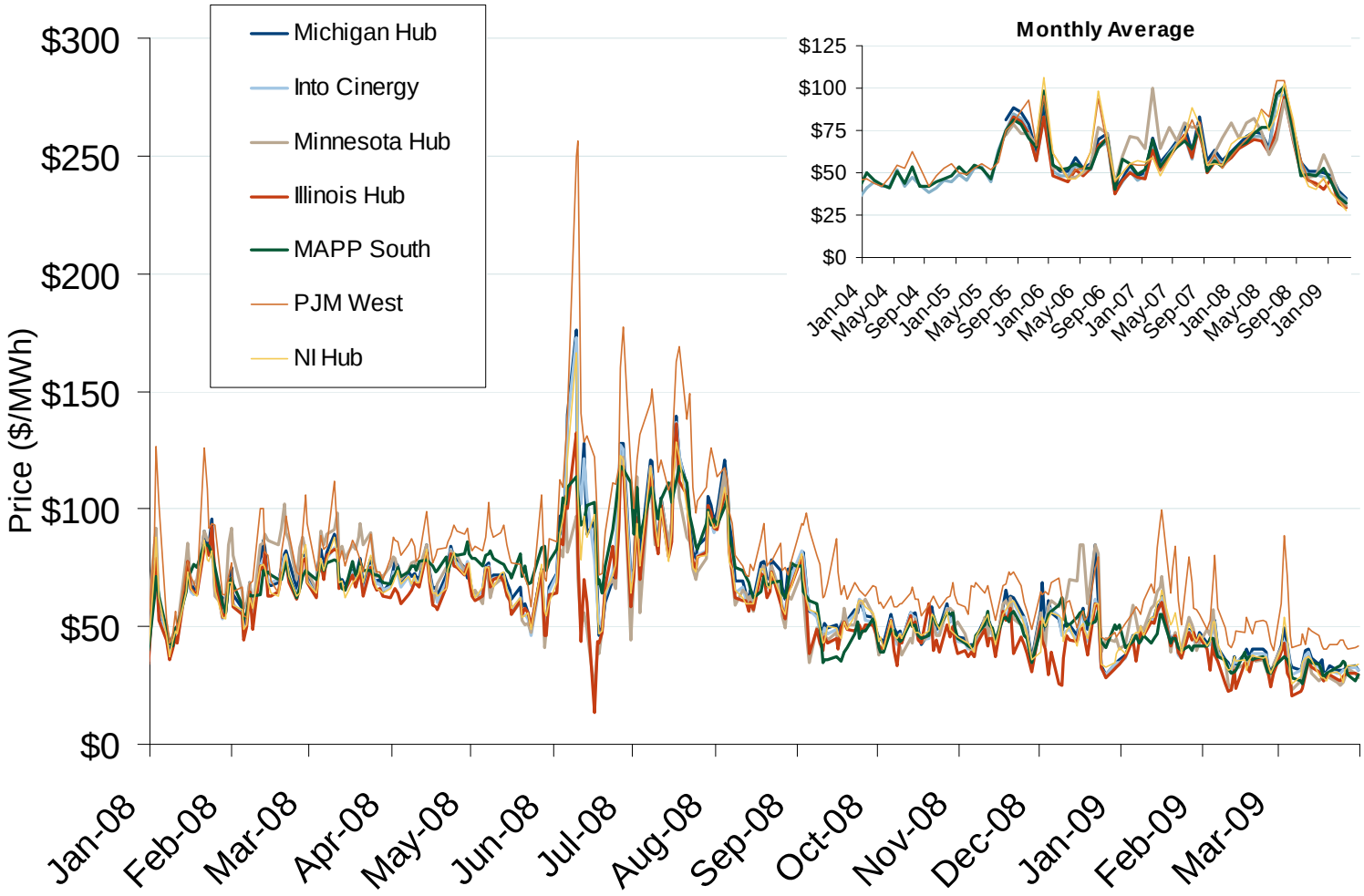
MISO/PJM Bilateral Day-Ahead On-Peak Prices



Source: Derived from *Platts* data.

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Electric Pricing Points

Note: Pricing points reflect general locations. Actual trading regions may not be point specific.

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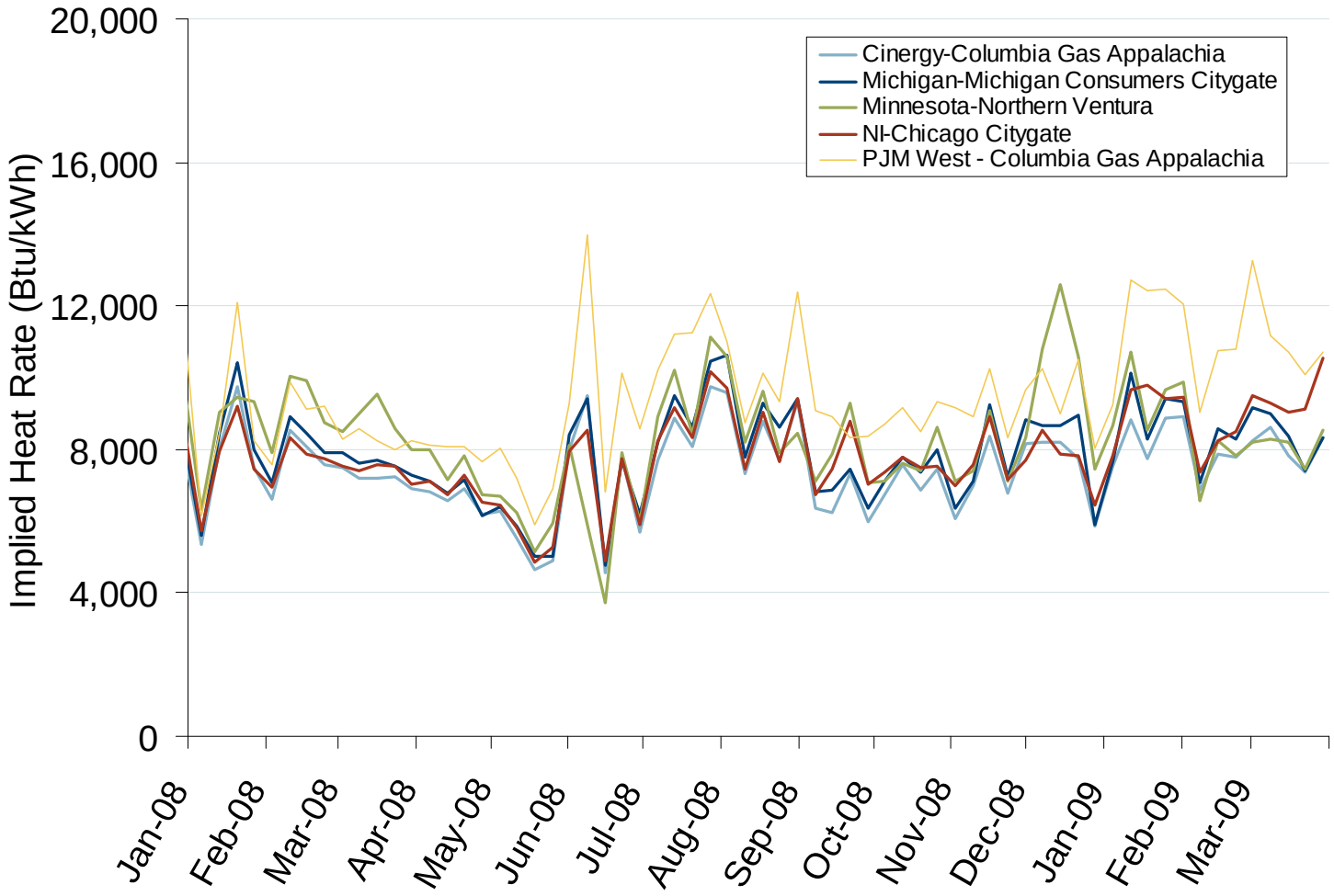
Implied Heat Rates at MISO and PJM Hubs
Weekly Averages



Source: Derived from *Platts* data

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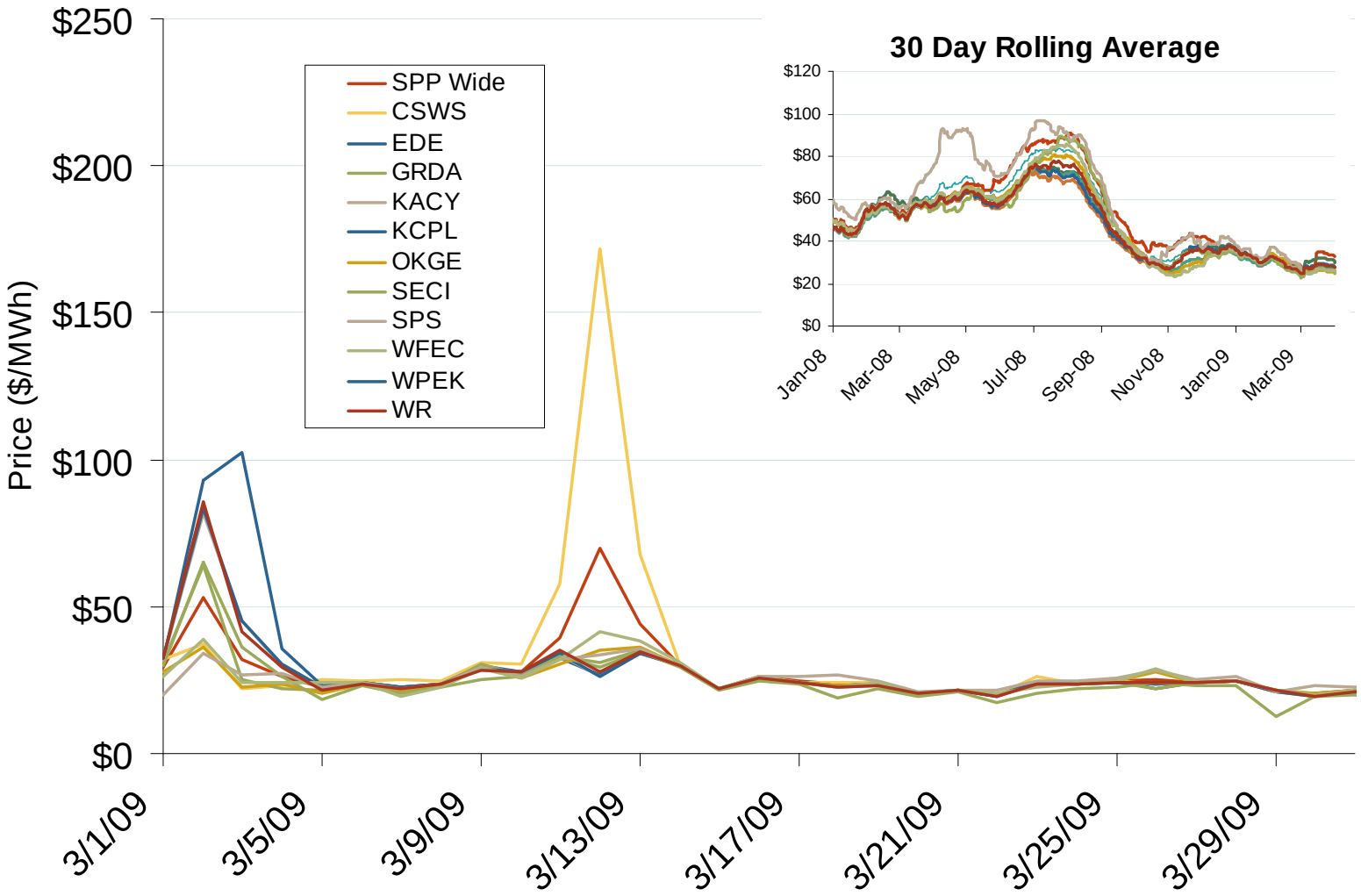
Daily Average of SPP Real Time Prices - All Hours



Source: Derived from *SPP* data.

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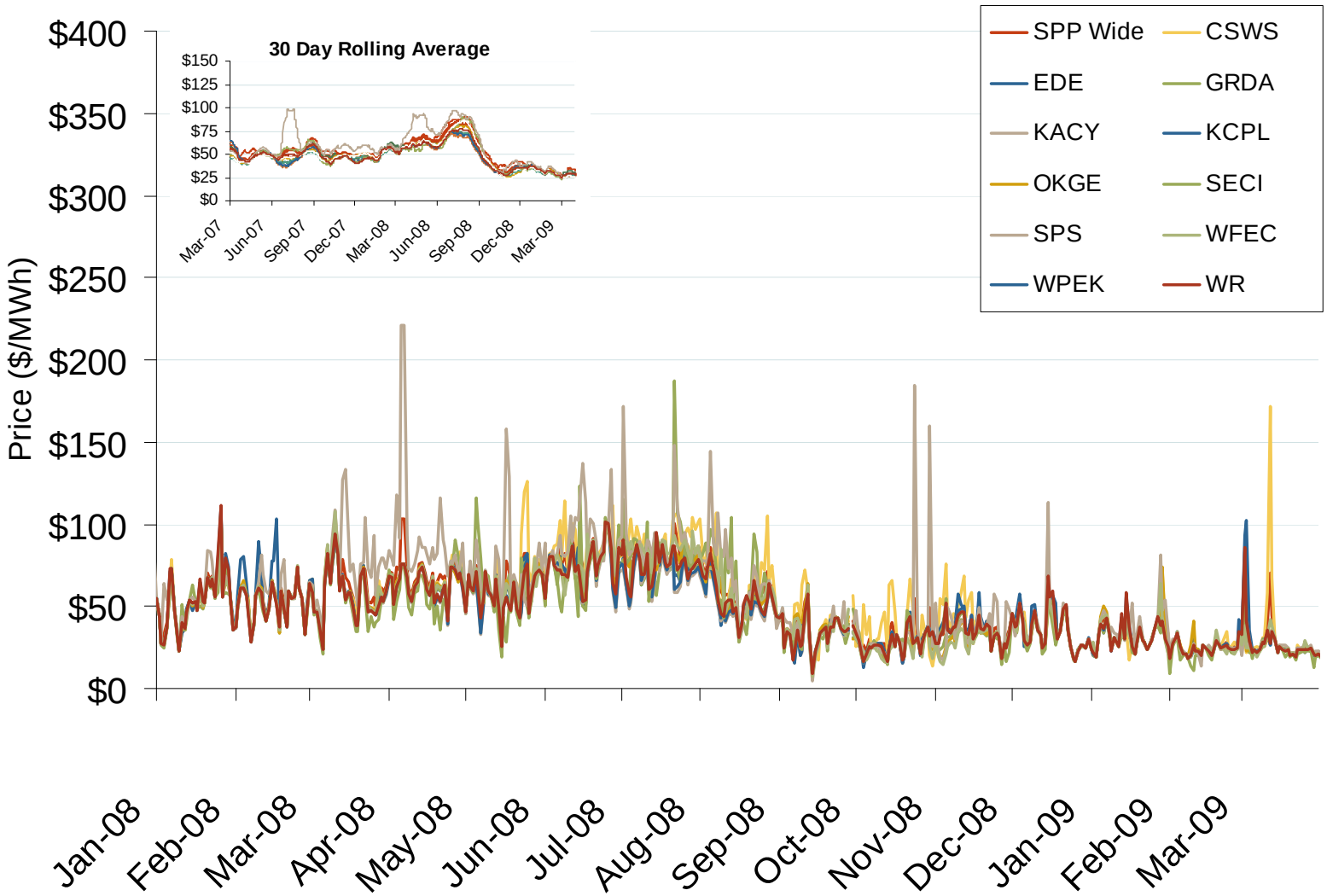
Daily Average of SPP Real Time Prices - All Hours



Source: Derived from *SPP* data.

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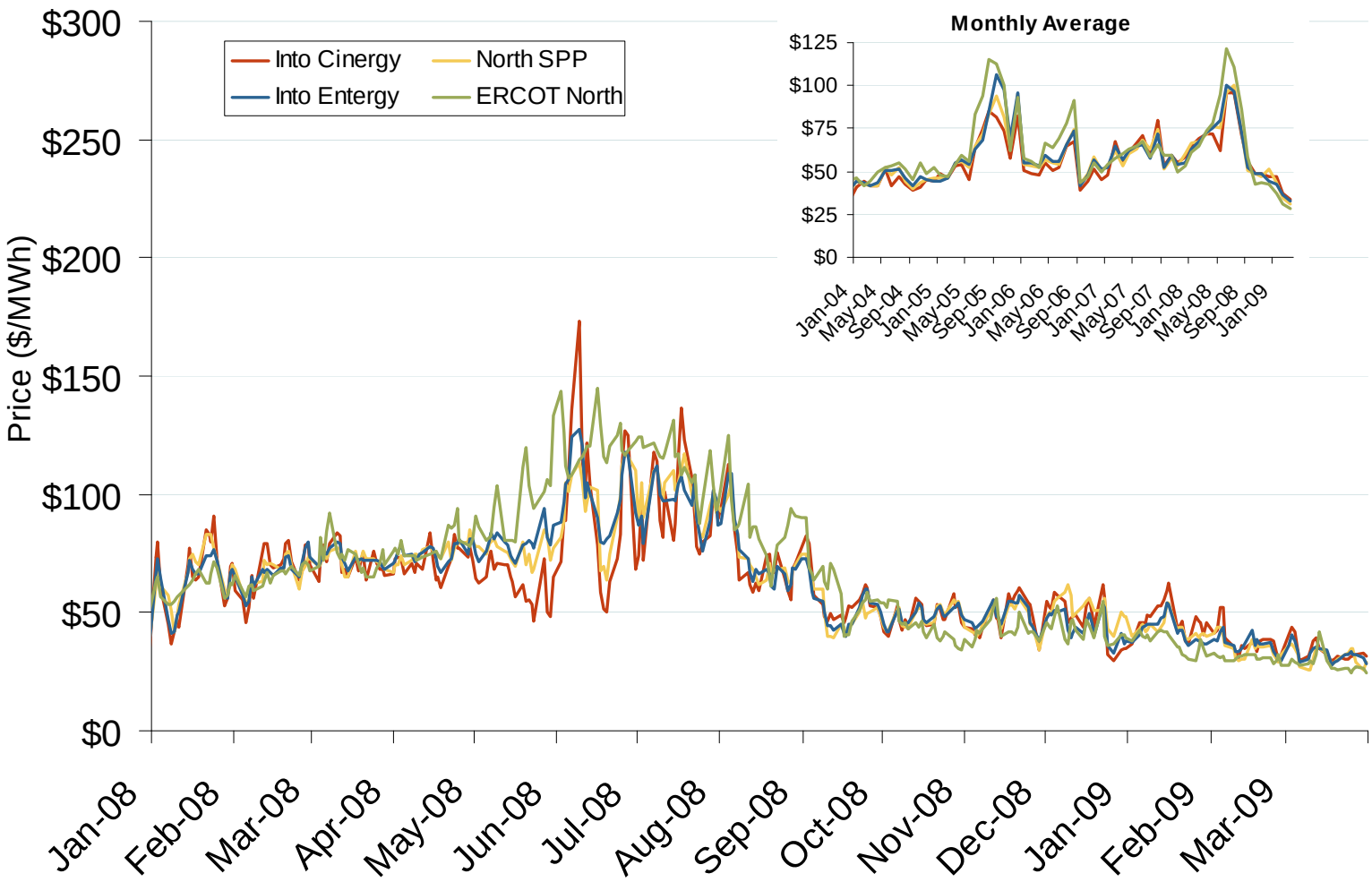
Central Daily Bilateral Day-Ahead On-Peak Prices



Source: Derived from *Platts* data.

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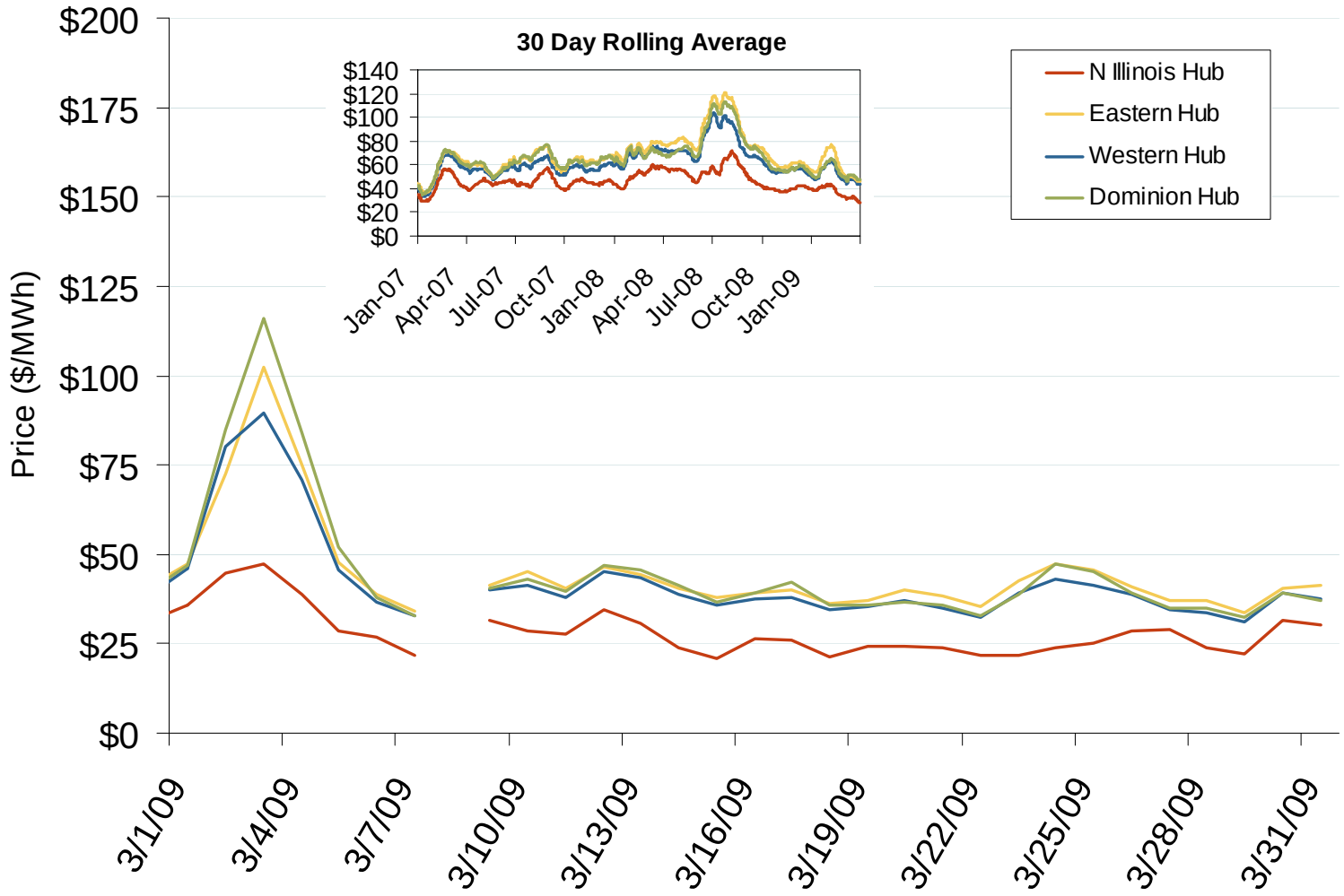
Daily Average of PJM Day-Ahead Prices - All Hours



Source: Derived by *Bloomberg* from *PJM* data as reported by *Bloomberg*.

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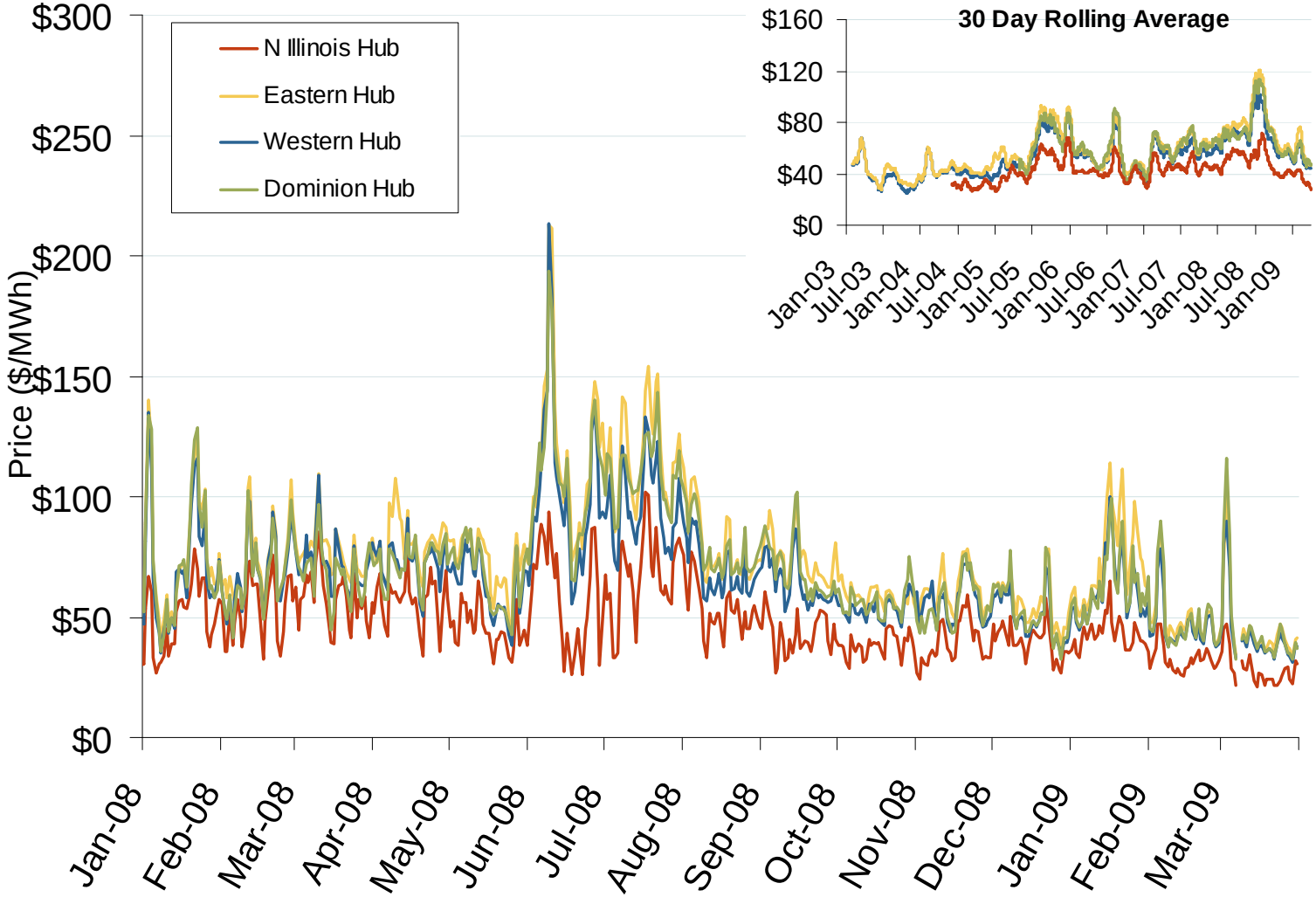
Daily Average of PJM Day-Ahead Prices - All Hours



Source: Derived by *Bloomberg* from *PJM* data as reported by *Bloomberg*.

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18 States have Energy Efficiency Resource Standards

NE: Energy Plan stresses multi-sector EE improvements

KS: Advocates voluntary utility programs, not mandate

OK: PSC approved quick-start DR programs, including EE

MN: 1.5% annual savings based on prior-3 years average, to 2015

IA: utilities to submit EE goals to achieve 1.5% annual savings; awaiting approval

MI: 1% annual savings from prior year's sales to 2012

WI: EE in RPS

IL: reduce energy 2% by 2015 (EE) and 0.1% from prior year (DR)

OH: reduce peak 8% by 2018; 22% energy savings by '25, starting 2009

KY: proposed RPS-EE to offset 18% of projected 2025 demand

ME: 10% EE by 2017 – new since 2005; DR & EE as SOS priority resources

VT: 2009 – 2011 goals of 2% annual savings; administered by Efficiency VT

MA: 25% of electric load from DSR, EE by 2020: capacity and energy

NY: 15% electric use reduction by 2015 from levels projected in 2008

CT: 1.5% annual savings 2009-19, from 2007, using all cost-effective EE

RI: reduce 10% of 2006 sales by 2022

NJ: BPU proceeding on EERS to reduce consumption, peak demand

DE: creating a Sustainable Energy Utility; EE, RE, DG, DR as SOS priorities

PA: reduce energy consumption 3% and peak 4.5% by 2013 as percent of 2009-10 sales

MD: reduce per cap electricity use & peak 15% by 2015 from 2007

VA: reduce 10% of 2006 sales by 2022

NC: EE to meet up to 25% of RPS to 2011; later to 40%

TVA: reduce peak demand 1,400 MW by 2012 with EE, DR *

FL: PSC to adopt new goals to reduce electric consumption, peak demand

WA: must pursue all cost-effective conservation

OR: IOU 2008 goals 34 MW; administered by Energy Trust OR

CA: 1% annual energy savings 2004 – 2013 ~23,183 GWh, 4,885 peak MW by 2013

ID: Energy Plan sets conservation, DR, EE as priority resources

MT: Governor's initiative – 20% state agencies energy savings by 2010

NV: EE up to 25% of RPS by 2015

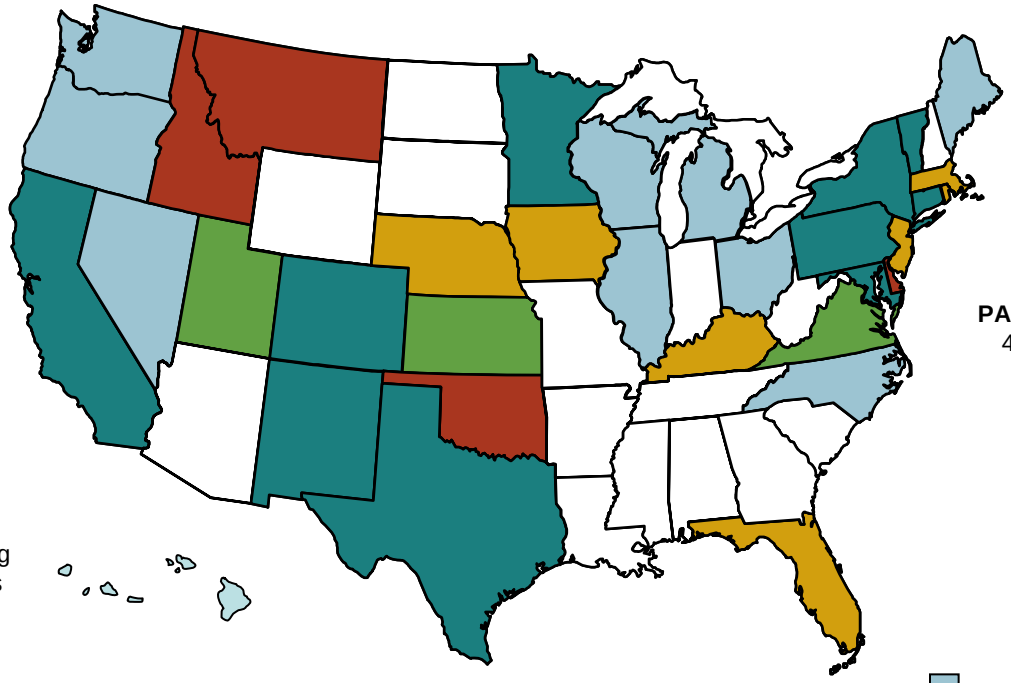
UT: EE incentives in RPS goal

CO: 11.5% energy savings 2009 – 2020 ~ 3,669 GWh

NM: use EE and DR to save 10% of 2005 retail electric sales by 2020

TX: 20% of load growth by 2010, using average growth rate of prior 5 years

HI: 20% savings of net electric sales by 2020; up to 50% of RPS



- EE as part of an RPS law, rule, or goal
- EERS by regulation or law (stand-alone)
- Voluntary standards (in or out of RPS)
- EERS pending regulations, proposed, or studied
- Other energy efficiency entity, rule, or goal

Updates at: http://www.ferc.gov/market-oversight/mkt-electric/overview/elec-ovr-eeps.pdf

* TVA's "EE and DR Plan" is from the Public Power Authority, and is not a state policy.
Abbreviations: DG – distributed generation; DR - demand response; DSR – demand-side resources; EE - energy efficiency; E&G: electric and gas utilities; IRP – integrated resource plan; RPS: Renewable Portfolio Standard; SOS: Standard Offer Service
Sources: ACEEE, EPA, Regulatory Assistance Project, Union of Concerned Scientists, State regulatory and legislative sites; State Efficiency Agency reports; trade press

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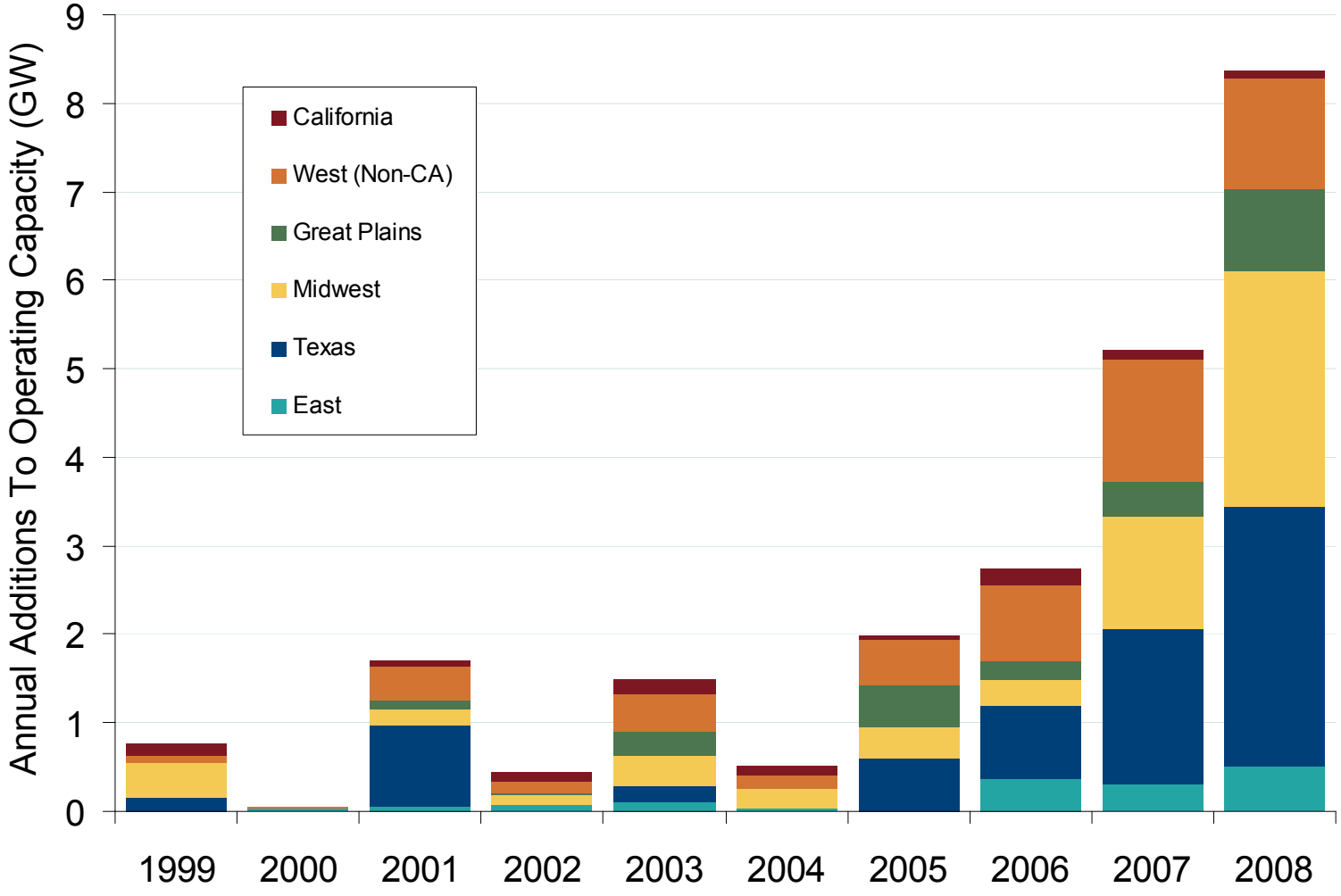
Regional Wind Capacity Growth



West w/o CA: CO, HI, ID, MT, NM, OR, UT, WA, WY
Great Plains: KS, NE, ND, OK, SD
Midwest: IL, IN, IA, MI, MN, MO, OH, WI
East: ME, MA, NH, NJ, NY, PA, RI, TN, VT

Source: Energy Velocity Generating Unit Capacity Dataset
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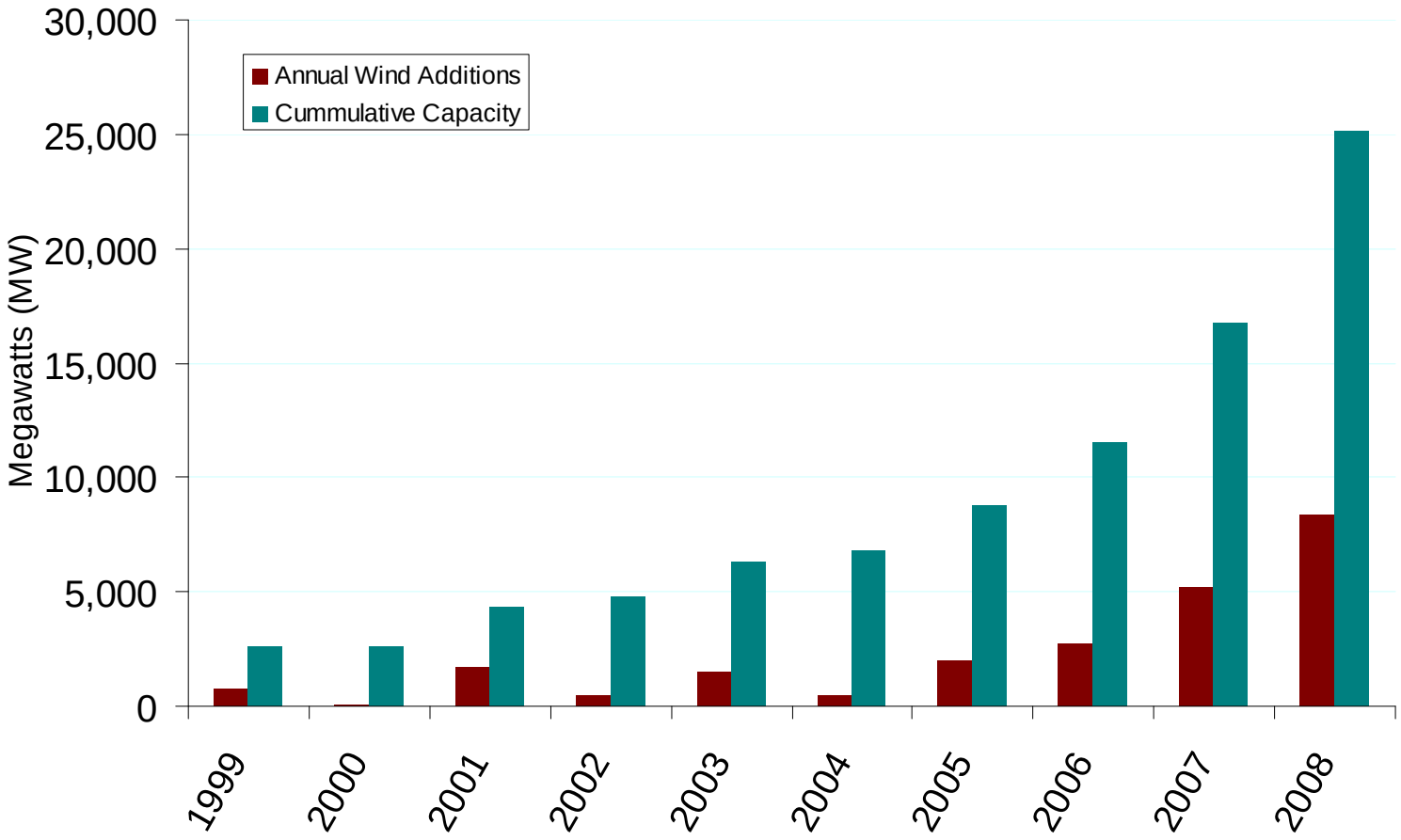
U.S. Wind Capacity Growth, 1999 – 2008



Source: Energy Velocity Generating Unit Capacity Dataset

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Financial Markets: Comparative Bond Yields

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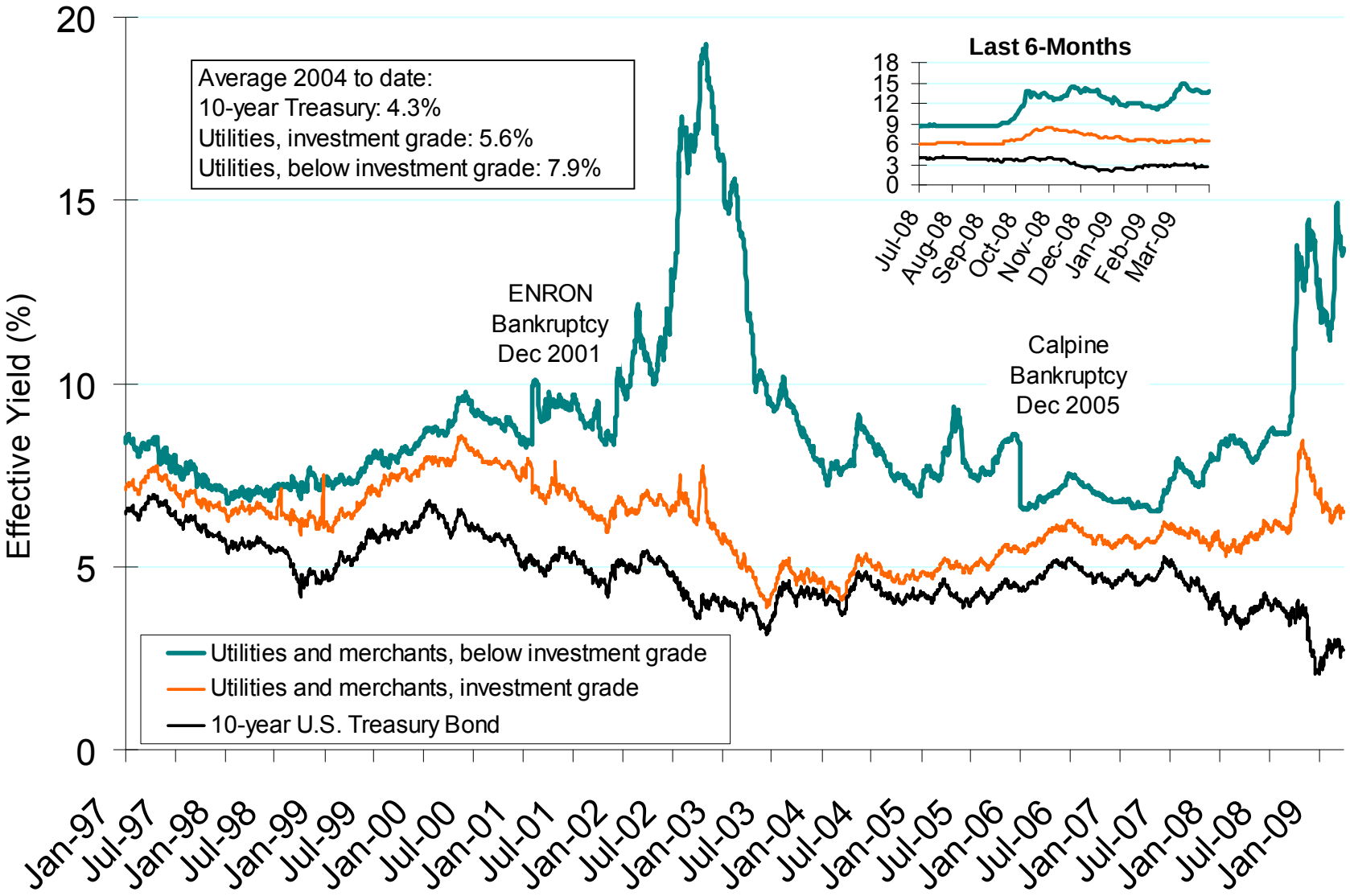
Yields of Utilities, Merchants and Ten Year Treasury Bonds



Source: Derived from Merrill Lynch Index U.S Corporates, Gas and Electric Utilities and Bloomberg data.

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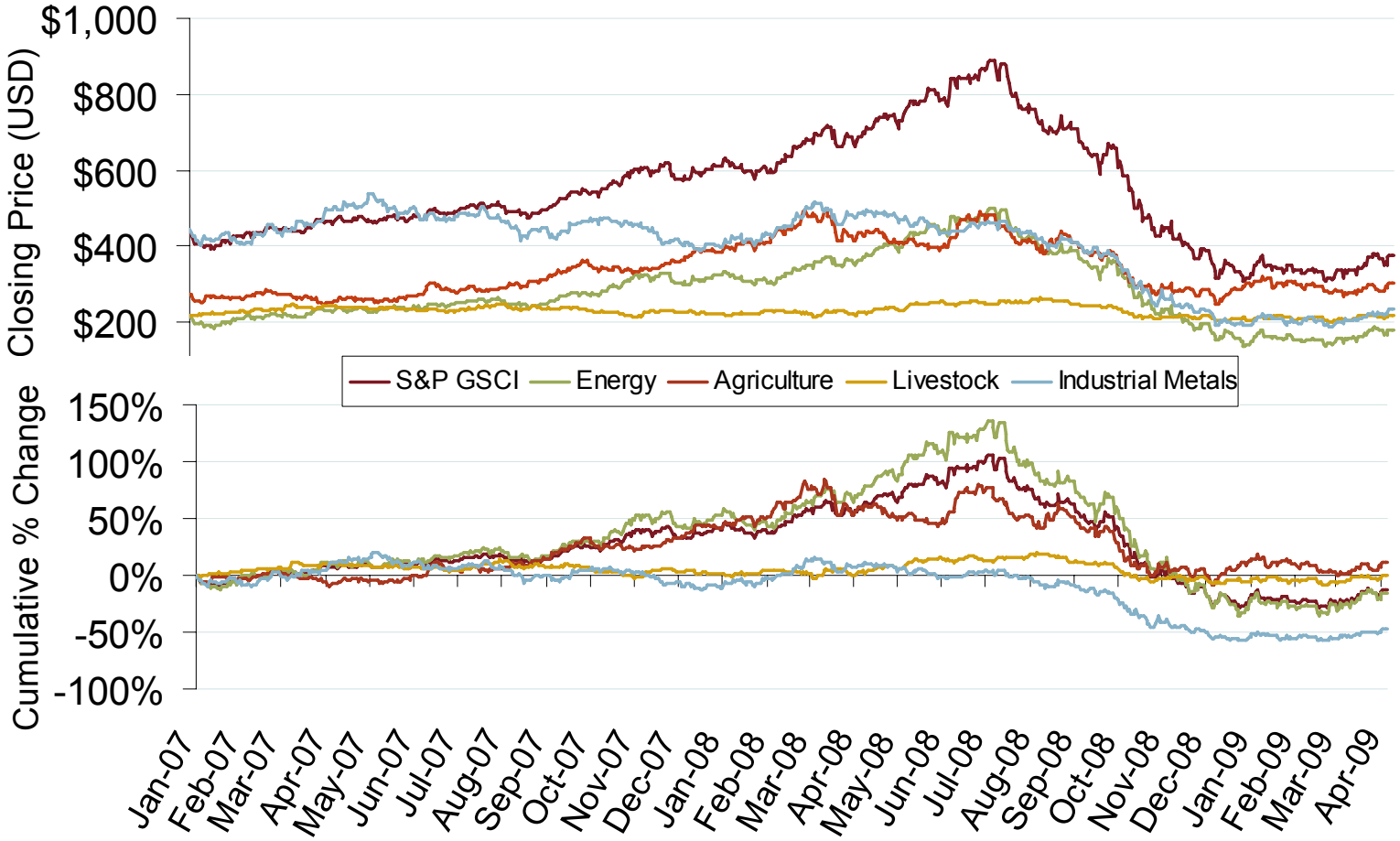
S&P Goldman Sachs Commodity Index Official Closing Price



Source: Bloomberg Data

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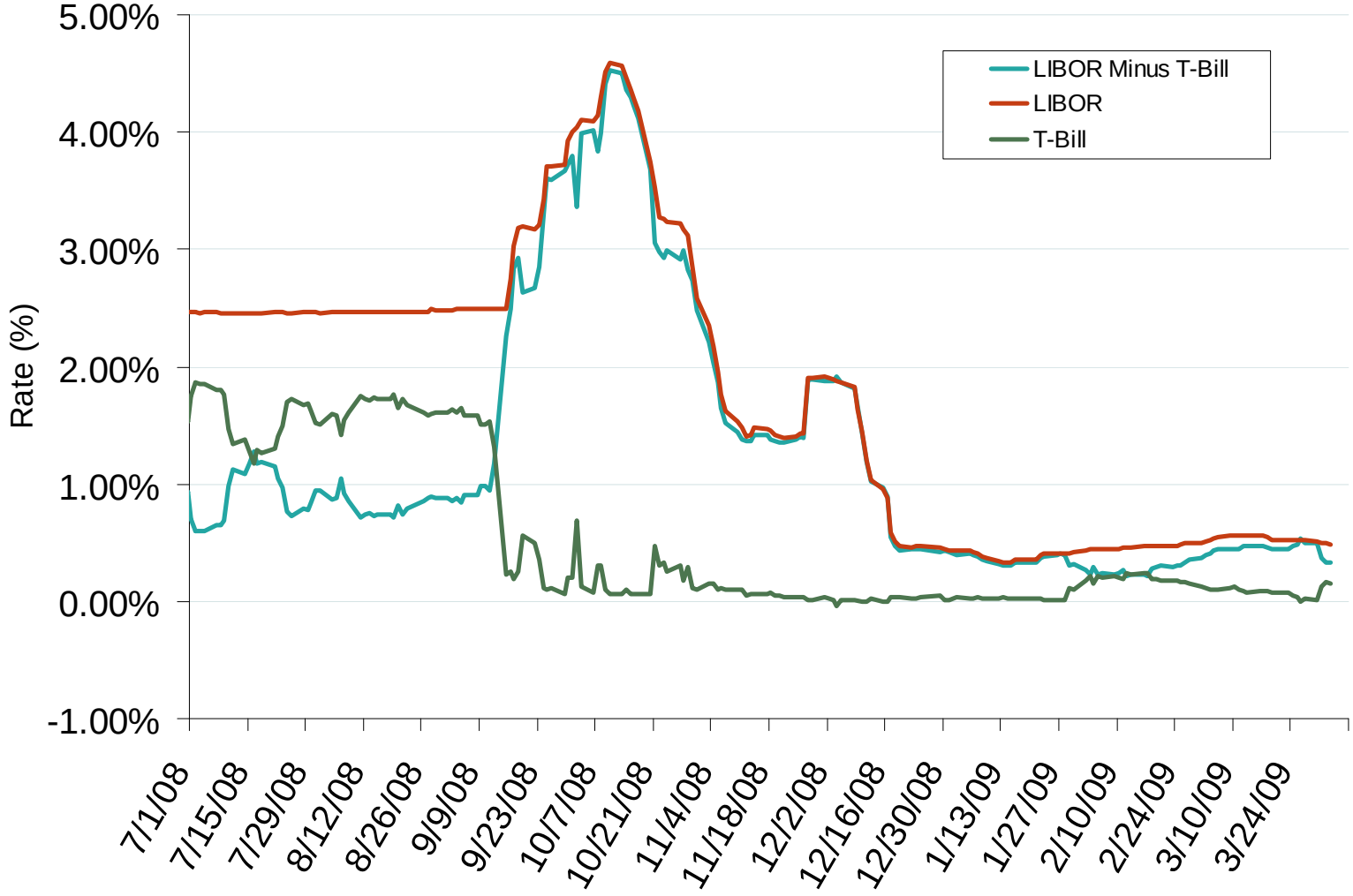
One Month LIBOR and One Month US Treasury Bill Rates



Source: Derived from Bloomberg data.

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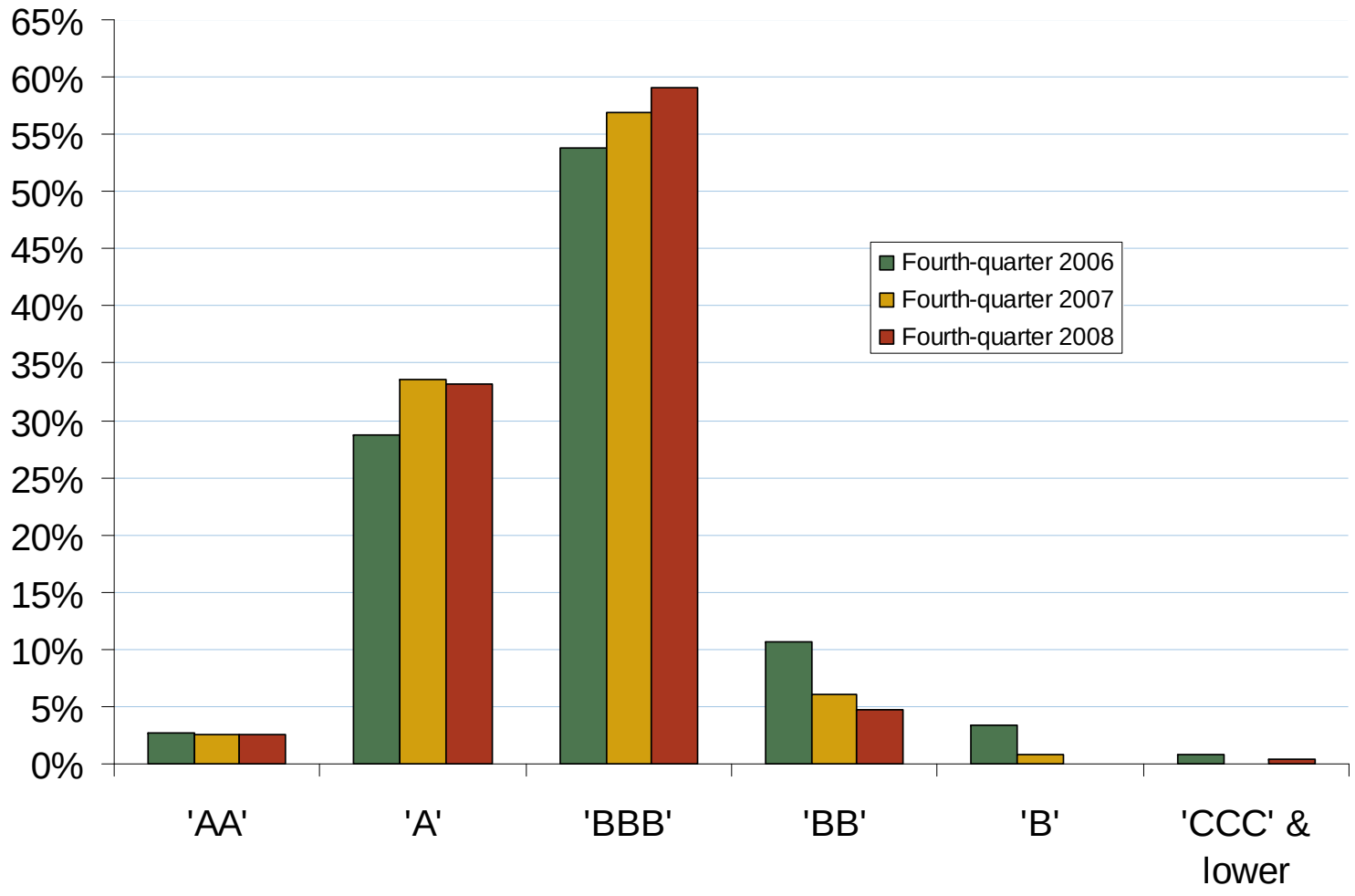
33550

U.S. Electric and Gas Utility Ratings Distribution



Source: Derived from Standard and Poors data.

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