



MARKET SUMMARY REPORT

January 2025

UNDERSTANDING THIS MARKET SNAPSHOT

Use the information in this email to identify trends and movements affecting electricity in the ERCOT market to make informed energy decisions. Here are a few quick tips:

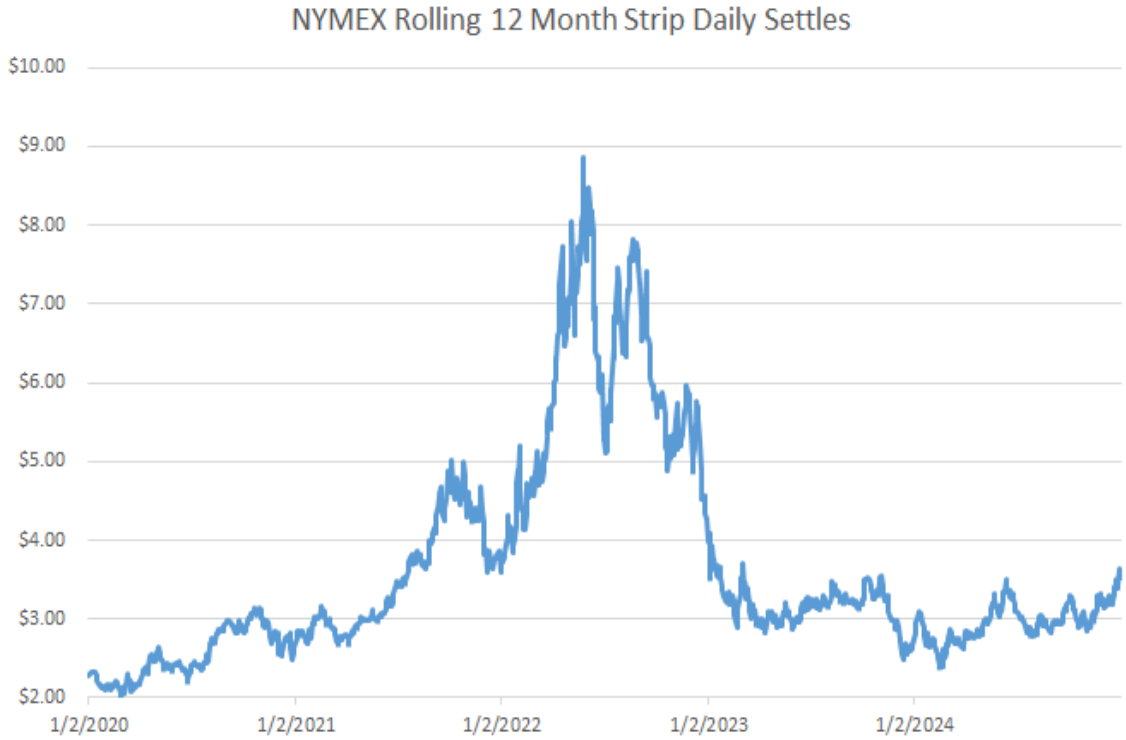
- **Power prices** are determined from forward Heat Rate and natural gas strips for a specific timeframe. $Power\ Price = Heat\ Rate \times Natural\ Gas\ Price$. Power prices can change based on electricity supply and demand, which is driven by factors such as weather, the economy, available generation and grid conditions.
- **Natural Gas** prices are a key driver of power prices because natural gas fuels the power plants that are brought online primarily to satisfy peak demand.

Heat Rates are the common measure of power plant efficiency and are derived from power and natural gas prices: $Heat\ Rate = Power\ Price \div Natural\ Gas\ Price$. Heat rates are typically higher when gas prices are lower. Heat rates are impacted by weather, regulatory changes, consumer demand and power plant retirements.

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NYMEX NATURAL GAS 12 MONTH PRICES

- NYMEX 12-month strip daily settles closed at \$3.53/MMBtu on 12/31/2024
- 2024 average for 12-month strip around \$3.07/MMBtu 12/31/2024

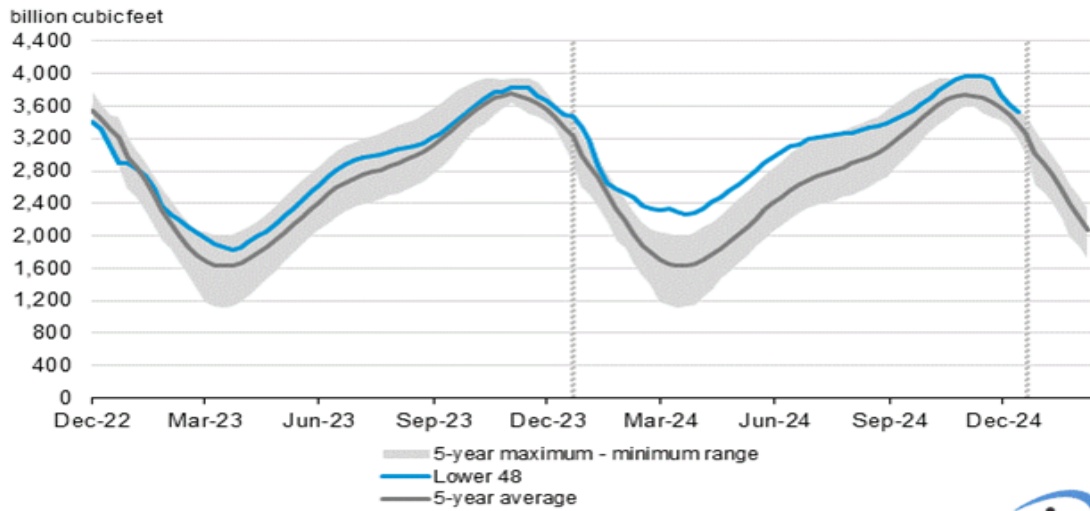


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EIA NATURAL GAS STORAGE

Working gas in underground storage compared with the 5-year maximum and minimum



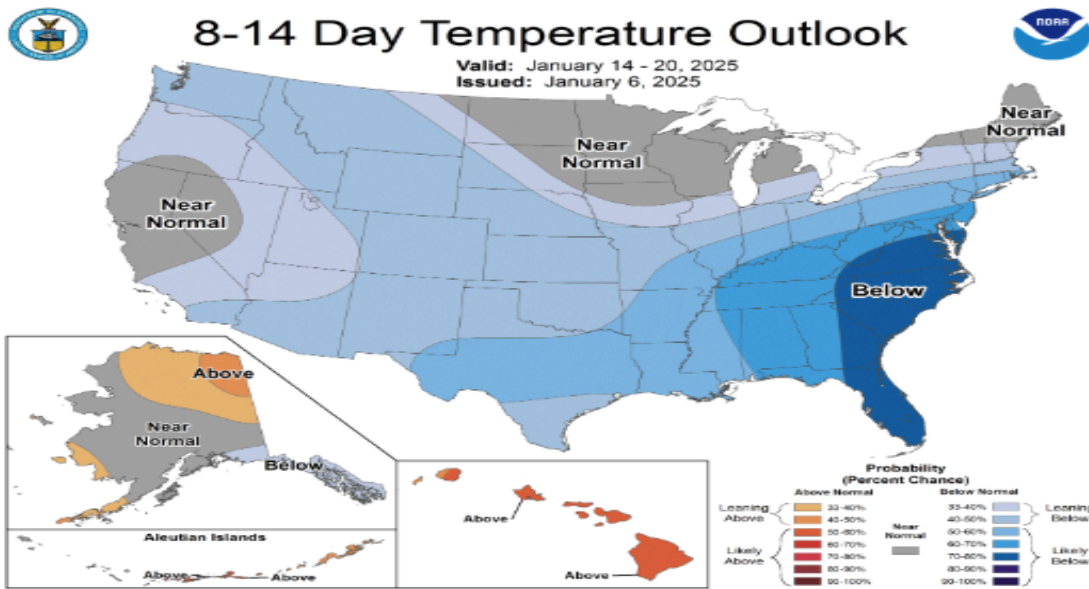
Data source: U.S. Energy Information Administration



Natural Gas Storage Highlights (As of December 31, 2024)

- Current Storage Level: 3,529 Bcf (per EIA estimates).
- Weekly Change: Net decrease of 93 Bcf compared to the prior week.
- Year-over-Year Comparison: 14 Bcf higher than the same time last year.
- Five-Year Average Comparison: 166 Bcf above the five-year average of 3,363 Bcf.
- Historical Context: Current levels are within the five-year historical range.

Temperature Probability



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REAL-TIME PRICING

RTSPP Energy Prices:

- December prices increased by an average of \$0.13

Weather Forecast:

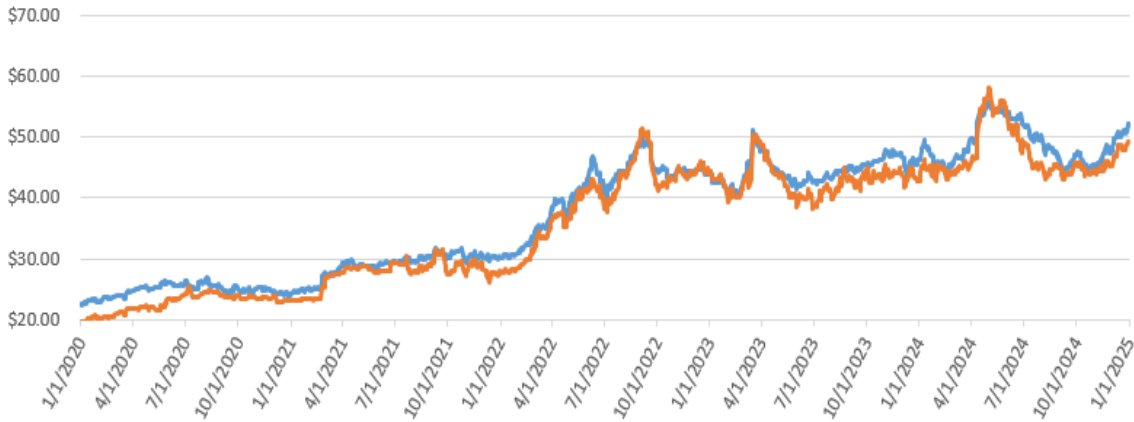
- Strong cold front brings much below-normal temperatures.
- Mixed precipitation possible mid to late week, starting in west Texas and spreading to central and north-central areas.
- Light rain likely across southern Texas, with chances for a wintry mix near I-10 and farther north.
- Coastal areas may see moderate rain as a low-pressure system develops in the Gulf.
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Date	Real-Time Settlement Point Price (Load Zone)				ERCOT Intrazonal Congestion			
	Monthly Averages				Monthly Averages			
	North	Houston	South	West	North	Houston	South	West
12/1/2024	\$ 35.350	\$ 34.039	\$ 29.850	\$ 43.724	\$ (0.100)	\$ 0.499	\$ (1.313)	\$ 5.295
11/1/2024	\$ 31.379	\$ 30.584	\$ 28.270	\$ 40.559	\$ 0.122	\$ 1.062	\$ (1.460)	\$ 9.935
10/1/2024	\$ 23.875	\$ 24.596	\$ 26.909	\$ 31.105	\$ 0.838	\$ 0.367	\$ 1.150	\$ 9.940
9/1/2024	\$ 24.884	\$ 23.520	\$ 23.937	\$ 36.708	\$ 1.129	\$ 0.154	\$ 0.916	\$ 9.849
8/1/2024	\$ 35.783	\$ 35.800	\$ 38.764	\$ 46.454	\$ 0.972	\$ 0.062	\$ 1.585	\$ 8.654
7/1/2024	\$ 22.798	\$ 21.806	\$ 26.137	\$ 29.246	\$ 0.436	\$ (0.031)	\$ 2.929	\$ 6.269
6/1/2024	\$ 27.642	\$ 30.232	\$ 39.240	\$ 28.972	\$ 0.305	\$ 0.003	\$ 9.573	\$ 3.895
5/1/2024	\$ 36.481	\$ 41.015	\$ 57.643	\$ 42.011	\$ 1.205	\$ 0.105	\$ 16.750	\$ 7.071
4/1/2024	\$ 25.513	\$ 28.042	\$ 29.706	\$ 29.522	\$ 0.300	\$ 0.093	\$ 2.613	\$ 5.314
3/1/2024	\$ 16.804	\$ 21.388	\$ 23.357	\$ 42.349	\$ 0.011	\$ 1.285	\$ 2.433	\$ 15.797
2/1/2024	\$ 13.992	\$ 14.568	\$ 13.249	\$ 20.404	\$ (0.040)	\$ 0.031	\$ (0.267)	\$ 4.708
1/1/2024	\$ 35.214	\$ 32.264	\$ 36.171	\$ 40.270	\$ 1.382	\$ 0.289	\$ 4.202	\$ 5.967
12/1/2023	\$ 19.687	\$ 20.498	\$ 20.511	\$ 39.491	\$ 0.036	\$ 0.334	\$ (0.247)	\$ 13.887

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ENERGY-ONLY POWER PRICES

Forward Calendar Pricing 12/31/2024 v. 5/1/2024				
	Cal 2026	Cal 2029	Summer 2026	Summer 2029
Delta (%)	-7%	-15%	-10%	-22%



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