

**Volume 279 April 12, 2011**

### As electric vehicle market grows, prices drop

As electric vehicles hit major U.S. cities, expanded battery research is starting to bring down costs. The Chevy Volt battery currently costs about \$8,000. That's down from \$12,000 or more a few years ago. Much of this is from a \$2.4 billion co-investment in battery plants from the federal government. More than half a dozen battery plants are running or near completion. In 2005, no plants making lithium-ion batteries existed in the United States. "The question is, 'Can these guys make a battery that is five times cheaper?' I think yes. I think we can do it," said Eric Isaacs, director of Argonne National Laboratory.

Argonne, located outside Chicago, is the Department of Energy's leading lab for advanced battery research and development. Its 15 years of research with lithium-ion batteries culminated in the one that is now being used in the Volt. By the end of this year, DOE estimates a manufacturing capacity for 50,000 electric vehicles. It estimates 500,000 by the end of 2014.

In a recent speech, Isaacs said China has no advantage in battery manufacturing. "So with government funding to defray some of the upfront costs of building factories here," he said, "we can realistically be competitive in a large and growing world market, once we have the technology to challenge the internal combustion engine." Isaacs and other experts do not predict a quick end to gasoline-powered vehicles, but many do not see a prolonged return of low oil and gas prices anytime soon, either. Increased oil demand will lead to the growth for more fuel-efficient cars, they argue. "We think that increasing electric is inevitable. The speed is variable," said Genevieve Cullen, vice president of the Electric Drive Transportation Association, an advocacy group for electric cars.

### Extended Temp Forecast: Chicago Area

Tue	Wed	Thu	Fri	Sat
41 - 53	47 - 63	42 - 49	39 - 45	36 - 41

### Electricity Pricing Areas – On Peak May 2011

	April 12, 2011	Per kWh
<b>Cinergy</b>	<b>Hub Peak Swap Monthly</b>	<b>\$.03661</b>
<b>PJM Hub</b>	<b>Electricity Monthly</b>	<b>\$.04607</b>
<b>PJM</b>	<b>No. Illinois Peak LMP</b>	<b>\$.03616</b>
<b>PJM</b>	<b>Western Peak LMP</b>	<b>\$.04608</b>

### ComEd Average Day Ahead LMP Electric Price

Time Period	Average per Kwh
<b>May 1- May 31</b>	<b>\$.03389</b>
<b>Jun 1- Jun 30</b>	<b>\$.04184</b>
<b>Jul 1 - Jul 31</b>	<b>\$.04741</b>
<b>Aug 1 -Aug 31</b>	<b>\$.04628</b>
<b>Sep 1 - Sep 30</b>	<b>\$.02934</b>
<b>Oct 1 - Oct 31</b>	<b>\$.02702</b>
<b>Nov 1 - Nov 30</b>	<b>\$.02778</b>
<b>Dec 1 - Dec 31</b>	<b>\$.03545</b>
<b>Jan 1 -Jan 31, 2011</b>	<b>\$.03871</b>
<b>Feb 1 - Feb 28</b>	<b>\$.03581</b>
<b>March 1- Mar 31</b>	<b>\$.03668</b>
<b>April 1 - April 11</b>	<b>\$.02535</b>

**Weather - Tue:** Sunny. High 53F. Winds NNE at 10 to 20 mph. **Wed:** Clouds and sunshine. High 63F. Winds SSW at 5 to 10 mph. **Thu:** Showers. Highs in the upper 40s and lows in the low 40s. **Fri:** Windy with rain and possibly some thunder. Highs in the mid 40s and lows in the upper 30s. **Sat:** Rain mixed with snow. Highs in the low 40s and lows in the mid 30s.

