

Volume 394

July 1, 2014

Weather impact on Energy

East areas: Temperatures in the east start the week above average before cooling down for the holiday weekend. West Hub Day Ahead price is trading higher at \$.0755/KWh for tomorrow and \$.0670/KWh for Wednesday through Friday. August power prices have trended downward to \$.0645/KWh as gas has fallen since last week's bearish gas storage report of 110BCF injection actual vs. 105BCF injection expected.

West areas: In West Power cash changed very little when compared week on week. Looking for forward, a quick burst of heat moves into Northern California and the Pacific Northwest but forecasters are not expecting the heat to linger beyond the first half of this week. Hydro generation continues to drop, with peak flows all but behind us now.

Last week, the Supreme Court upheld the vast majority of the EPA's new proposed plan to regulate greenhouse gas emissions. There was relatively little market movement after the announcement.

This Week:

Heat and humidity spread east from the Midwest to the Middle Atlantic and Northeast in the early half of the week where high temperatures will be in the mid 80s to low 90s. In the wake of what tropical cyclone 91L will become, there will be a cooling to highs in the mid 70s to low 80s for Thursday through Saturday for the central and eastern portions of the U.S. only to warm back into the 80s and low 90s for Sunday.

The Northern and Central Plains will be in the 70s to low 80s through midweek, but warm, humid conditions return for Independence Day weekend as highs will be in the 80s to low 90s.

Tropical Update: As of Monday morning, Invest 91L was located 200 mi ESE of St. Augustine, FL. The system is expected to meander off the Florida coast through Wednesday and finally accelerate northeastward through the holiday weekend. There remains much uncertainty to its exact position for the holiday weekend and how that will affect weather along the Eastern Seaboard. Continue to monitor our daily Tropical Cyclone Development Product for future developments with Invest 91L. First tropical cyclone for the Atlantic Basin will be named Arthur.

There will be a few systems to track in the East Pacific, including Tropical Storm Douglas and Invest 97E. Douglas is not a threat to land while Invest 97E could bring squally weather to the Mexican Riviera today and tomorrow. Significant wind gusts are not expected. After Wednesday, Invest 97E will follow TS Douglas out to sea.

Electricity Pricing – July 1, 2014 Com Ed Historical Average LMP Electric Price

Time Period	Average per Kwh
Jun,2013	\$.03215
Jul,2013	\$.04067
Aug,2013	\$.03112
Sep,2013	\$.03274
Oct,2013	\$.03183
Nov,2013	\$.03087
Dec,2013	\$.03432
Jan,2014	\$.07837
Feb,2014	\$.06204
Mar,2014	\$.05165
Apr,2014	\$.03870
May,2014	\$.04098
Jun 1 – Jun 30	\$.03691

Extended Temperature Forecast:

Chicago Area

	Tue	Wed	Thu	Fri	Sat
High	83	74	76	79	82
Low	61	57	56	61	64

