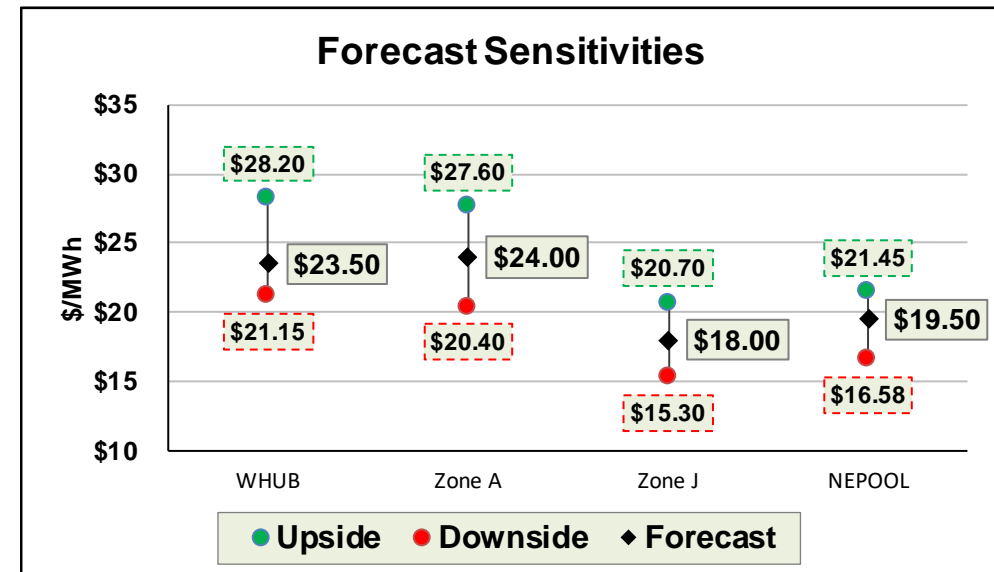


Overall Risk: **Bearish**

Analyst Commentary: Temperatures warm up throughout the week but demand remains below levels that would trigger expensive dispatch, while a healthy supply stack keeps risk to energy prices relatively contained. Congestion risk for WHUB is elevated with key transmission outages in effect for the week.

- **Demand** risk is **bearish** with milder temperatures and continued Covid-weakness combining to kick off the summer on a soft note. While load centers along the I-95 corridor through PJM will see demand pick up by the middle of the week, demand-driven energy price risk remains limited across eastern RTOs.
- **Supply** risk is **bearish** with the bulk of generation maintenance completed in time for the first day of the month. As soft demand keeps dispatch within a comfortable range of the supply stack, even over-performing demand is unlikely to drive a substantial energy price response.
- **Congestion** risk is **bullish** for WHUB with several key transmission outages in play: Ongoing line work on Bagley-Graceton 230kV will maintain congestion on the parallel circuit while a week-long outage on Calvert Cliffs-Waugh Chapel 500kV poses further upside potential for WHUB. Zone A congestion risk is reduced with an outage on Erie East-South Ripley 230kV limiting loop-flow through Buffalo. Farragut-Gowanus 345kV line work places only slight upside risk to Zone J.

Next-Week 5x16 Price (\$/MWh)				
	ESAI Forecast	Forward Curve	Risk	Key Driver
<i>PJM WHUB</i>	\$23.50	\$20.25	↑	BGE congestion risk
<i>NYISO Zone A</i>	\$24.00	\$26.75	↓	Limited demand and congestion risk
<i>NYISO Zone J</i>	\$18.00	\$19.50	↓	Limited Demand risk
<i>NEPOOL</i>	\$19.50	\$18.00	↓	Limited Demand risk



Weather and Demand

Generation Outages

Temperature (High, Low) Forecast

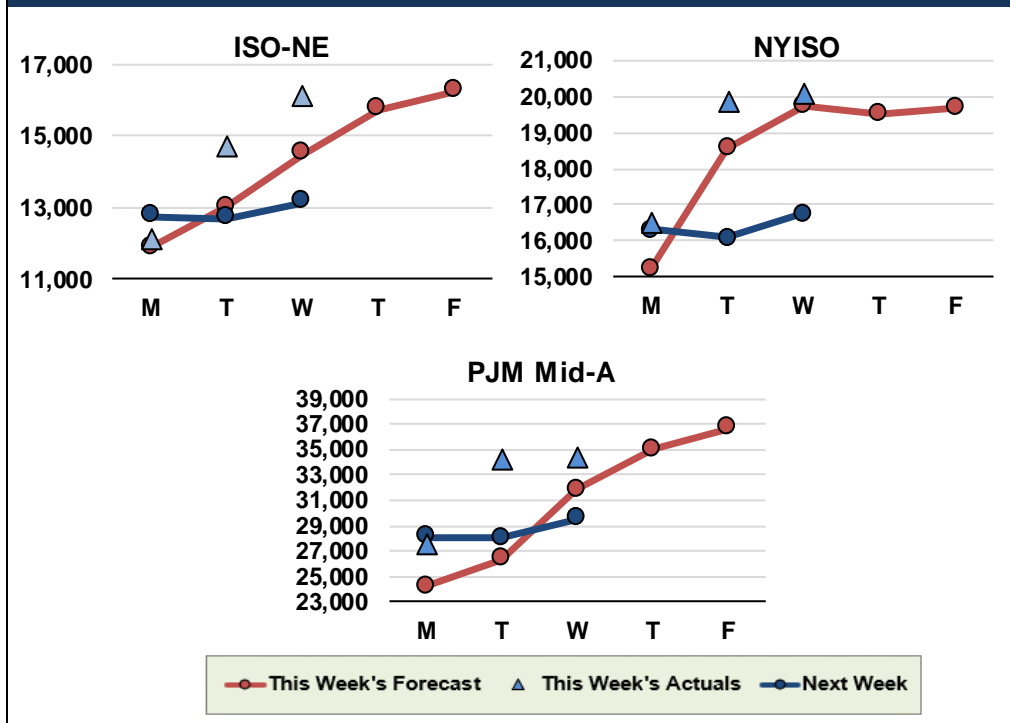
	DC		Philadelphia		Buffalo		NYC		Boston	
5/28	80	68	76	67	73	64	69	63	77	64
5/29	85	73	83	69	71	60	76	65	76	67
5/30	80	67	80	65	62	52	79	64	77	66
5/31	72	60	72	58	60	47	71	58	68	57
6/1	71	54	69	51	63	46	69	53	64	54
6/2	76	52	74	51	62	52	72	53	70	51
6/3	85	65	77	63	75	55	76	61	63	59
6/4	80	70	84	64	74	51	83	61	72	57
6/5	76	68	75	65	71	51	78	63	71	61

Nuclear Outages

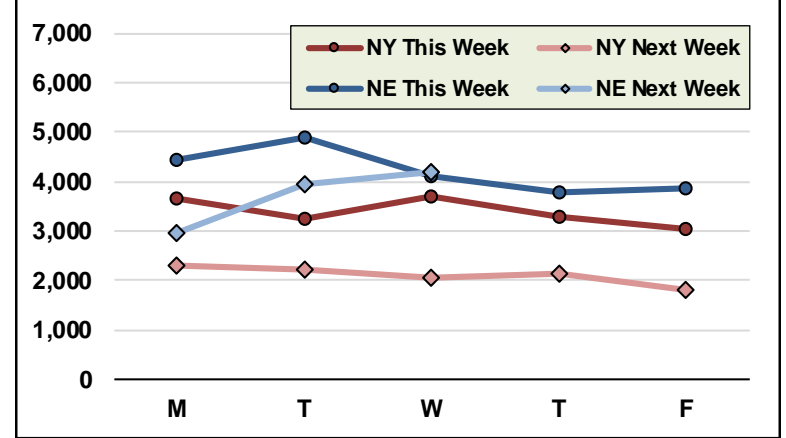
	MW Offline	Week/Week Change
PJM	1,926	-103
NY	153	-458
NE	880	0

* As of May 28

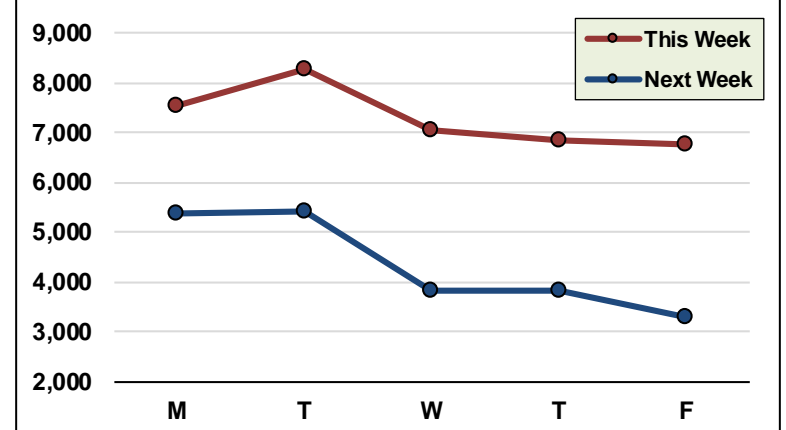
LOAD FORECAST AND ACTUALS



NY/NE Gen Outages



PJM Mid-A Gen Outages

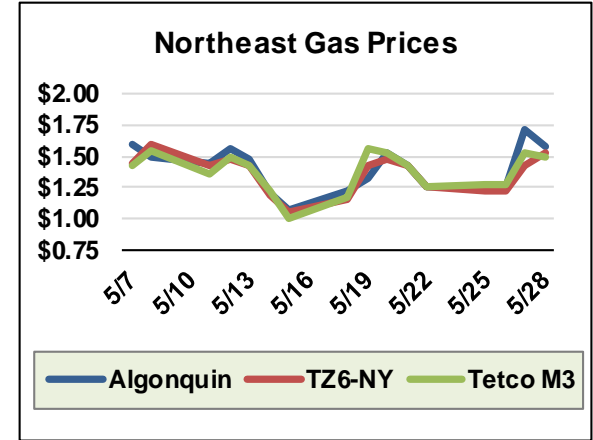


Supply – Fuel Prices

	OTC Power (\$/MWh)	Gas Price (\$/MMBtu)	CCGT Spark Spread @ 7,000 Btu/kWh	ST Spark Spread @ 10,500 Btu/kWh	GT Spark Spread @ 12,500 Btu/kWh
<i>PJM</i>	\$20.25	\$1.50	\$9.75	\$4.50	\$1.50
<i>NE</i>	\$18.00	\$1.58	\$6.94	\$1.41	-\$1.75
<i>Zone J</i>	\$19.50	\$1.52	\$8.86	\$3.54	\$0.50
<i>Zone G</i>	\$18.50	\$1.58	\$7.44	\$1.91	-\$1.25
<i>Zone A</i>	\$26.75	\$1.48	\$16.36	\$11.17	\$8.20

Gas Hub Prices: PJM=Tetco M-3. NE and Zone G =Algonquin. Zone J=TZ6 NY. Zones A=TZ6 Non-NY

Note: Gas prices are for Friday delivery and do not reflect expectations for next week.



Transmission

Transmission Constraints				
	Impact	Constraint	Driver	Duration
<i>PJM West Hub</i>	Bullish	Bagley-Graceton 230kV (parallel)	Bagley-Graceton 230kV outage Calvert Cliffs-Waugh Chapel 500kV outage	4/17 - 6/6 5/31 - 6/7
<i>Zone A</i>	Bearish	limits Niagara-Packard 230kV	Erie East-South Ripley 230kV outage	6/1 - 6/6
<i>Zone J</i>	Bullish	Greenwood Load Pocket	Farragut-Gowanus 345kV outage	5/27 - 6/6

ESAI Forecast Performance (5/26 - 5/29)

Next-Week 4x16 Price Forecast Look-Back			
(\$/MWh)	Forward Curve	ESAI Forecast	Settle Price
<i>PJM WH</i>	\$21.65	\$22.00	26.69
<i>MassHub</i>	\$18.40	\$20.00	20.76
<i>ZONE J</i>	\$17.03	\$19.00	20.15
<i>ZONE A</i>	\$20.88	\$20.00	28.14

Comments:

- BGE Congestion drove up WHUB prices throughout the week due to key transmission outages on Conastone-Peach Bottom 500kV and Bagley-Graceton 230kV
- Zone A congestion was active throughout the week with outages at Niagara 230kV