

# NORTHEAST POWER MARKETS

# ENERGY WATCH

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## EXECUTIVE SUMMARY

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In this issue of *EnergyWatch™*, ESAI provides an update on the Seasonal NOx regulations under the Cross-State Air Pollution Rule and the expected impact on allowance prices, Northeast power plant emissions, and wholesale power prices. For each region, this issue provides an overview of projected net energy revenue expectations for key generation technologies.

Compared to the previous quarterly, ESAI projects higher delivered gas prices which results in higher power price forecasts across the Northeast. The New York forecast reflect ESAI's latest assumptions of the renewable generation build-out, including updated details on off-shore wind. In the weeks following PJM's announcement of the Base Residual Auction (BRA) for the 2022/23 delivery year, the retirement of several baseload generators in PJM has been announced. The PJM forecast reflects ESAI's latest view of ISO's evolving resource mix. Our New England outlook incorporates ISO-NE's 2021 Capacity, Energy, Loads, and Transmission report.

ESAI's natural gas outlook provides an update on gas production in Marcellus and Utica, with a focus on improving drilling efficiencies and the ability to maintain production with a lower number of active drilling rigs.



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