

# Price Forecasts

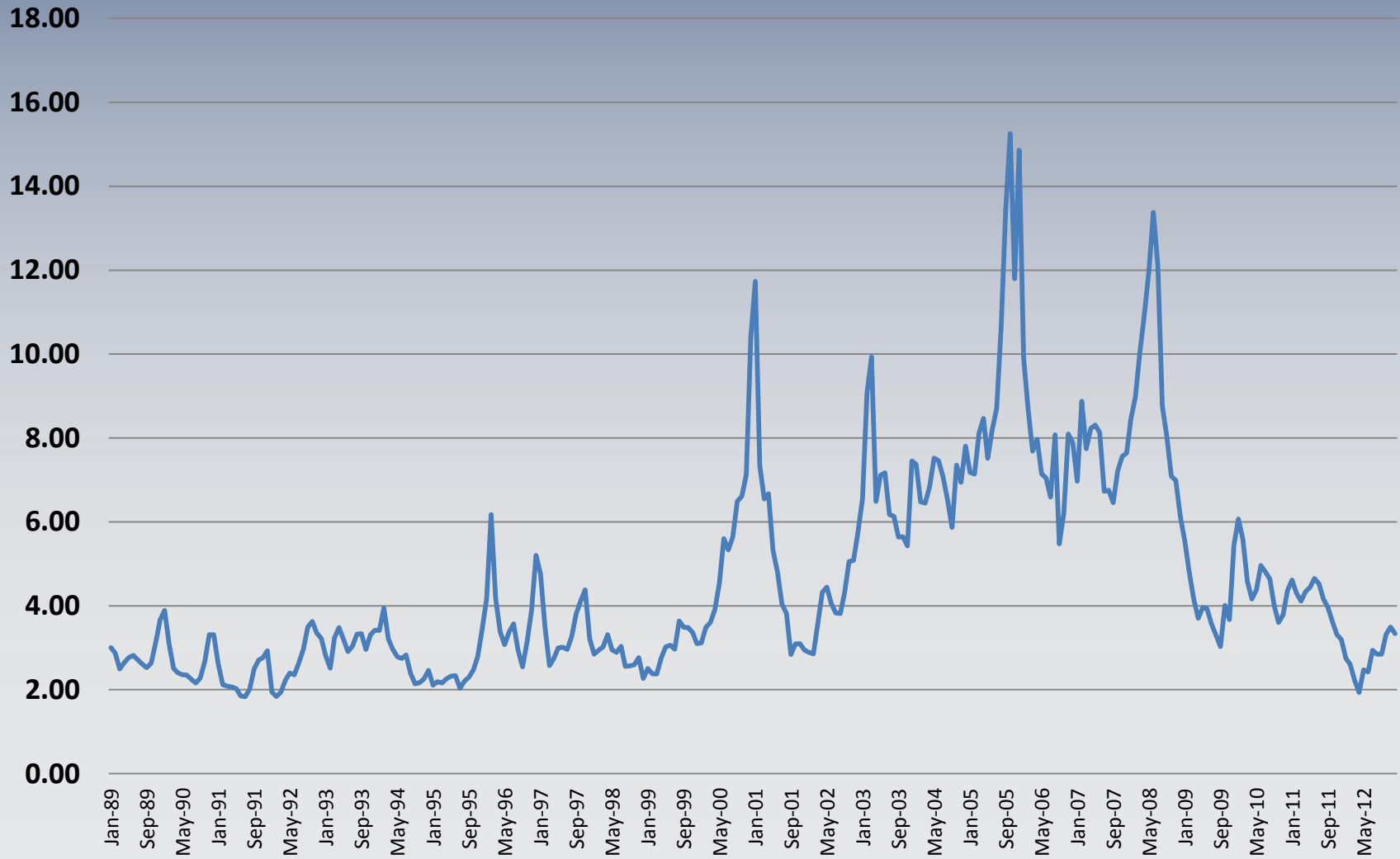
Natural Gas – July 2013

Massoud Jourabchi

Electric Price Forecast – March 2014

Steven Simmons

# Henry Hub Monthly Prices Constant 2012 dollars

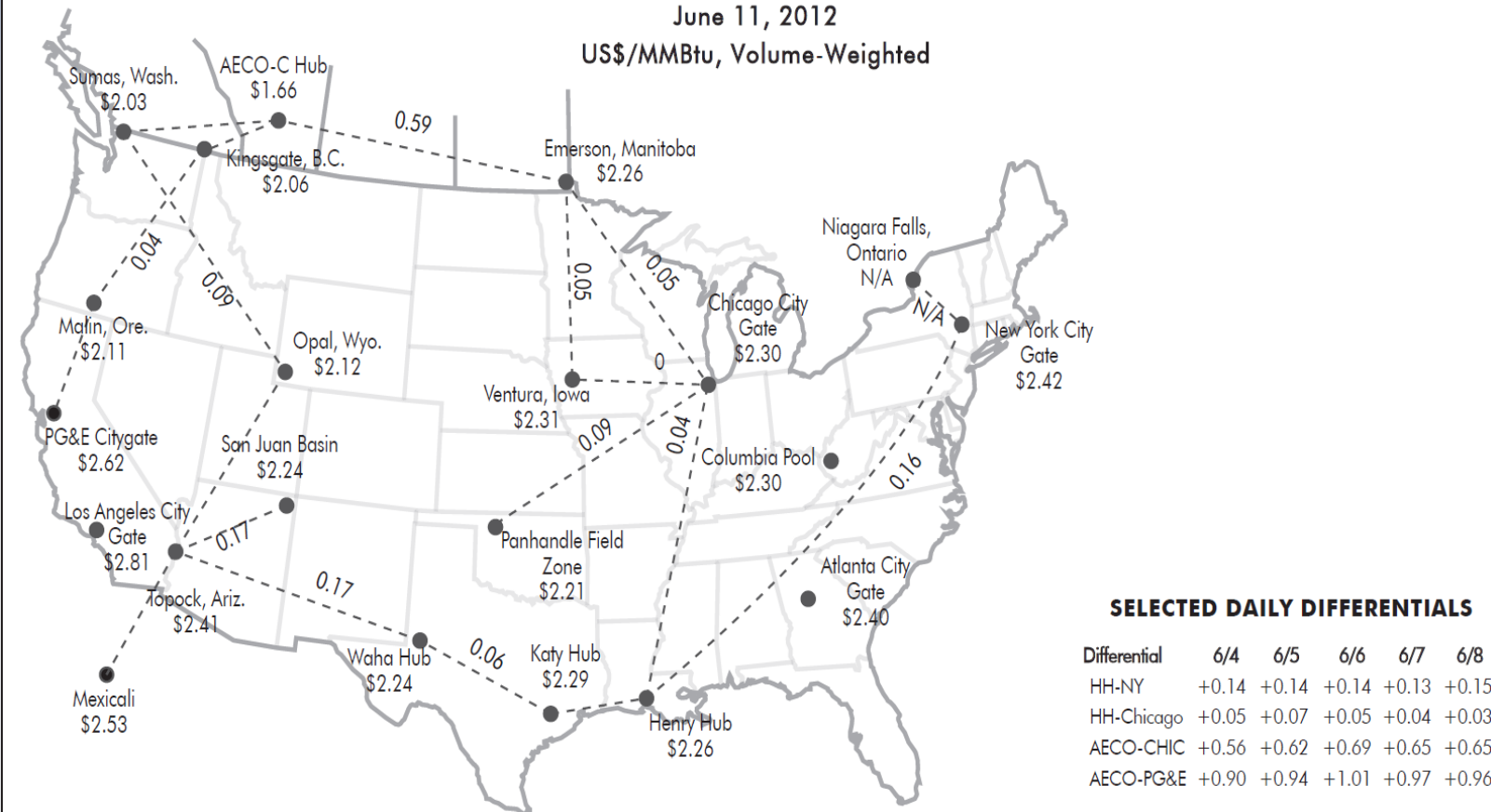


# What a difference a year can make. June 11, 2012 : prices in low \$2 range

## PRICES AND DIFFERENTIALS FOR MAJOR HUBS AND SELECTED CITY GATES

June 11, 2012

US\$/MMBtu, Volume-Weighted

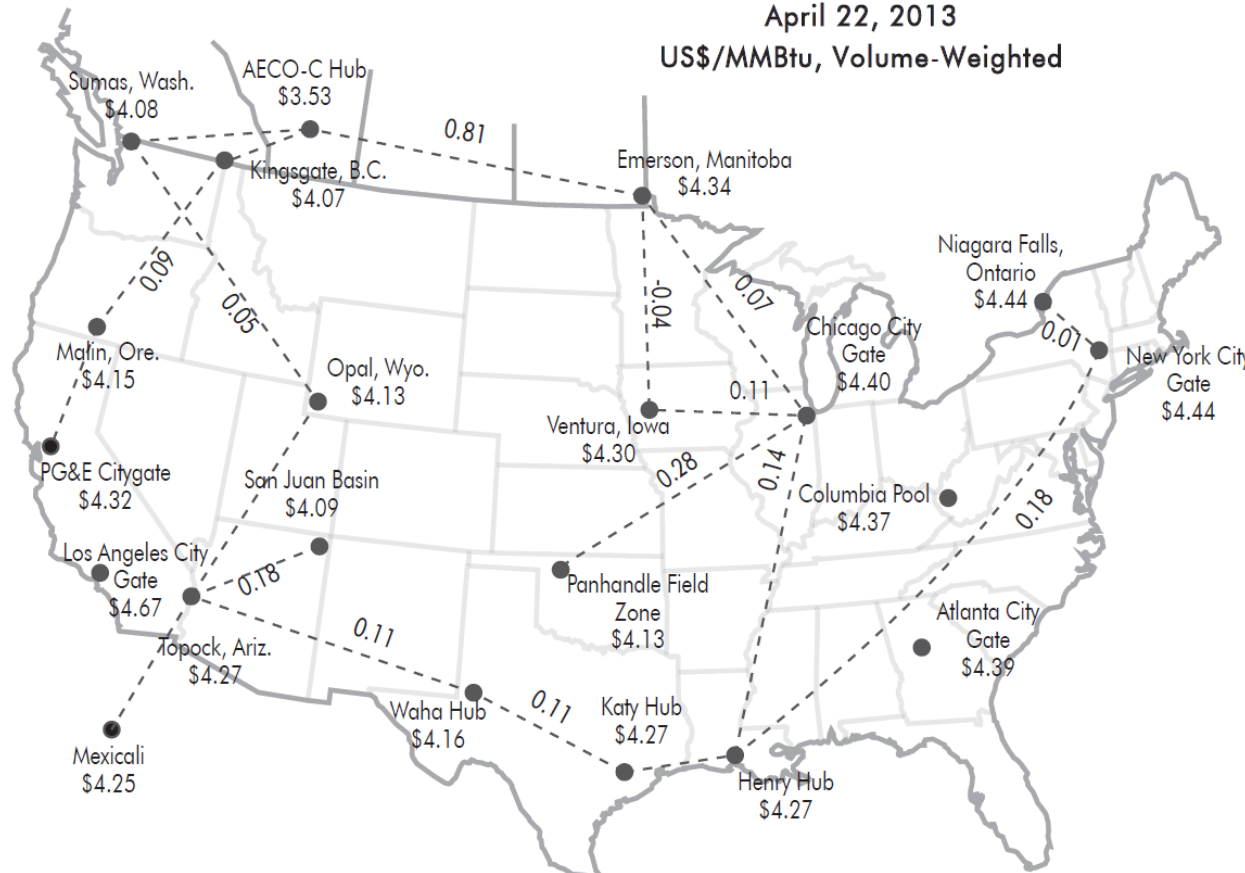


# By April 2013 prices were over \$4.

## PRICES AND DIFFERENTIALS FOR MAJOR HUBS AND SELECTED CITY GATES

April 22, 2013

US\$/MMBtu, Volume-Weighted



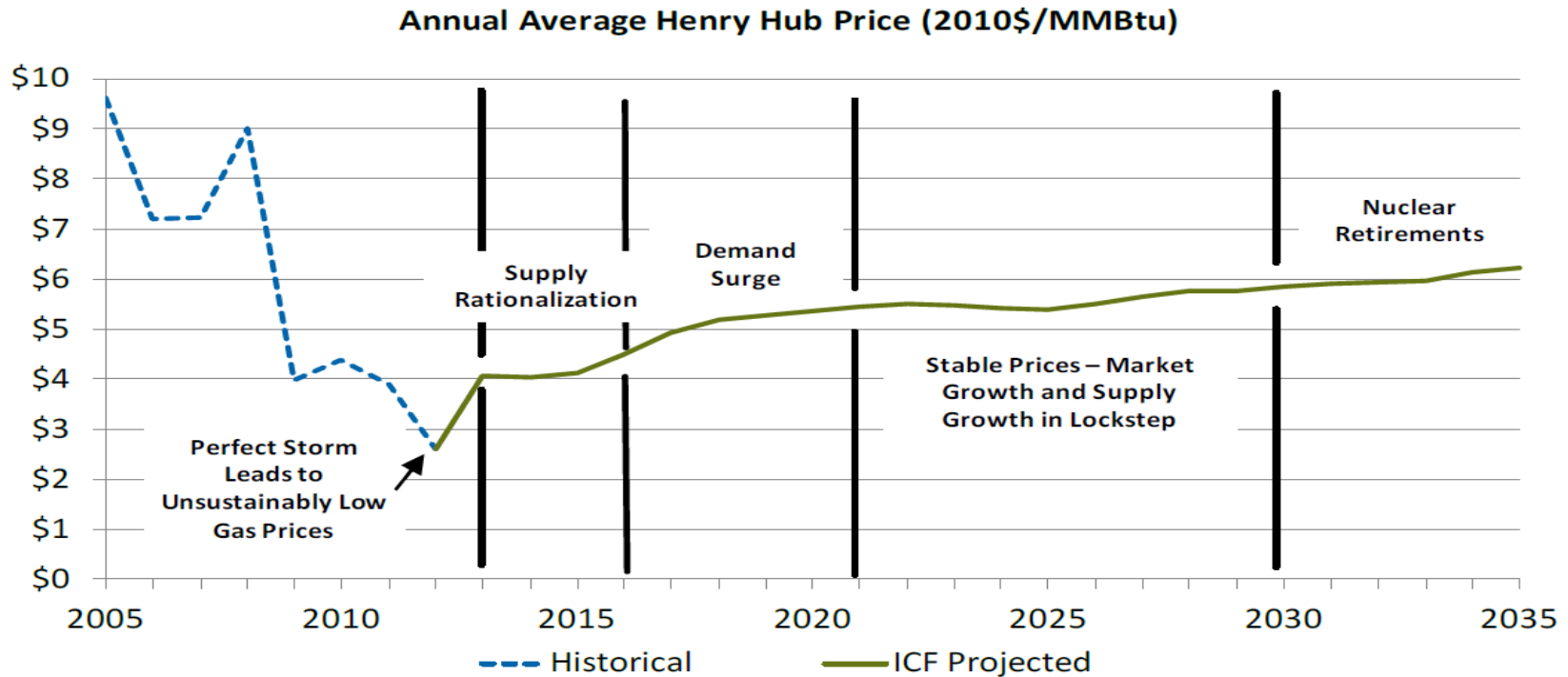
### SELECTED DAILY DIFFERENTIALS

Differential	4/15	4/16	4/17	4/18	4/19
HH-NY	+0.18	+0.21	+0.15	+0.11	+0.19
HH-Chicago	+0.06	+0.12	+0.04	+0.14	+0.11
AECO-CHIC	+0.76	+0.85	+0.83	+0.91	+0.92
AECO-PG&E	+0.71	+0.78	+0.81	+0.80	+0.82

# Long-term Perspective

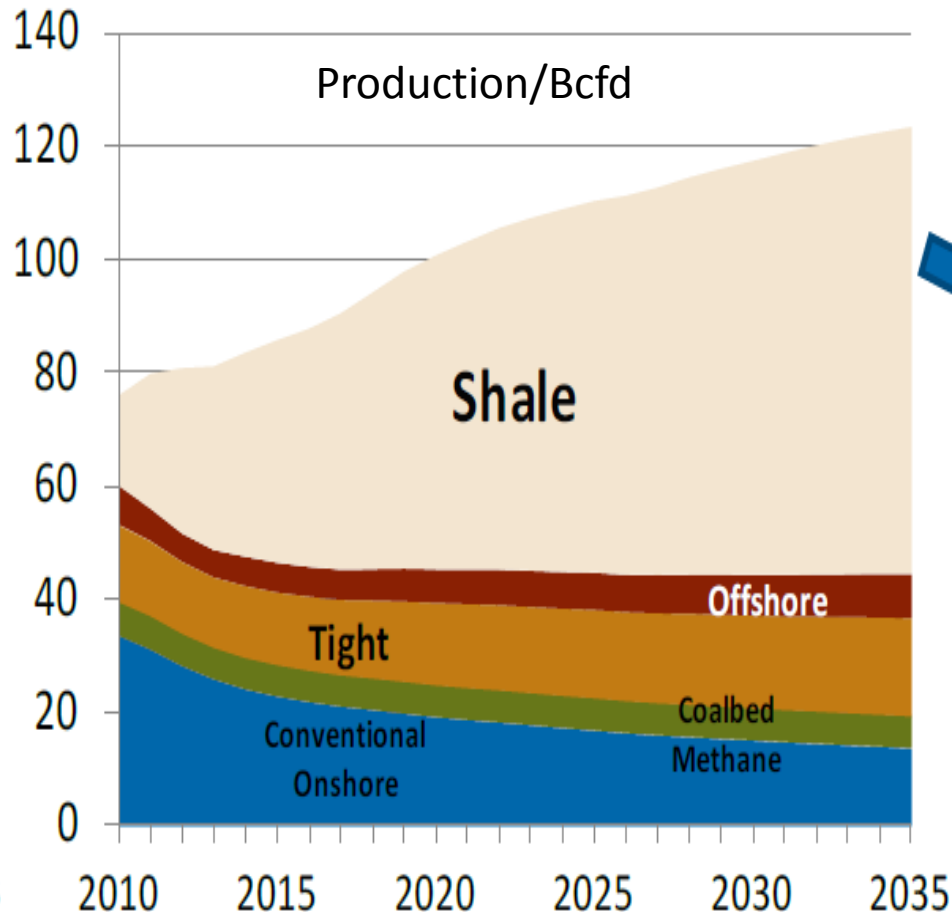
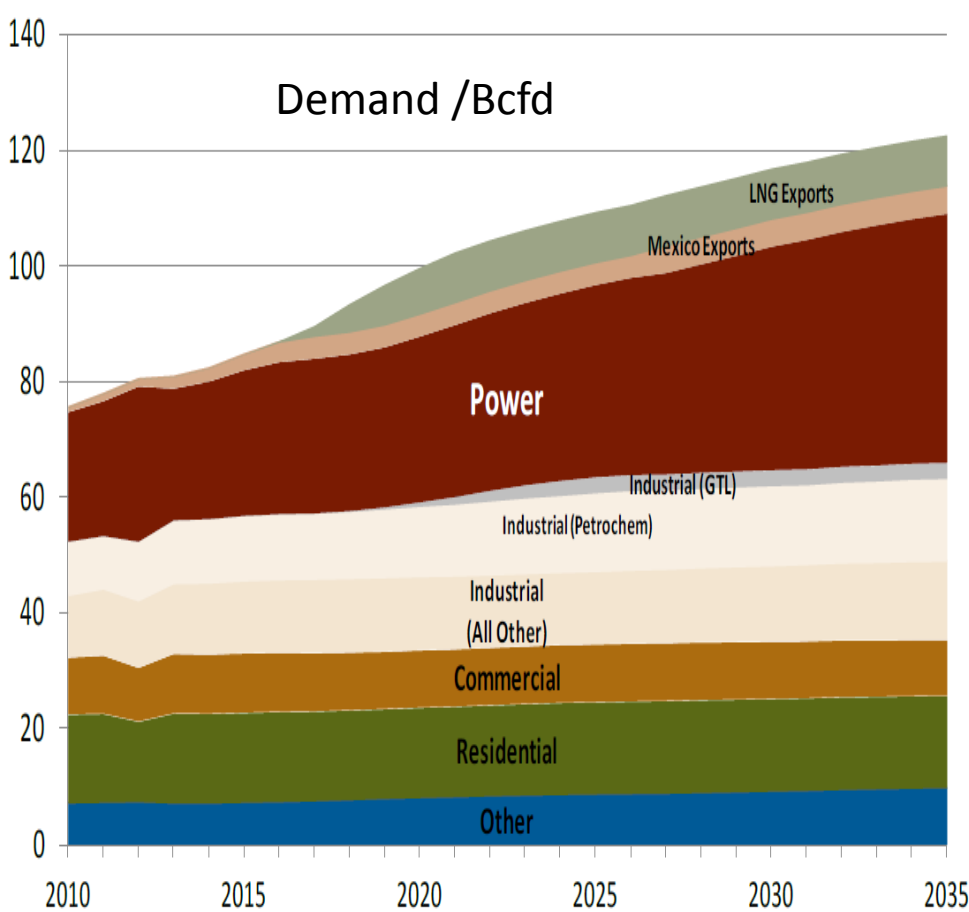
## ICF GAS MARKET OUTLOOK

### Projected Henry Hub Gas Prices



Note: 3-year rolling average prices provided from ICF's Gas Market Model.

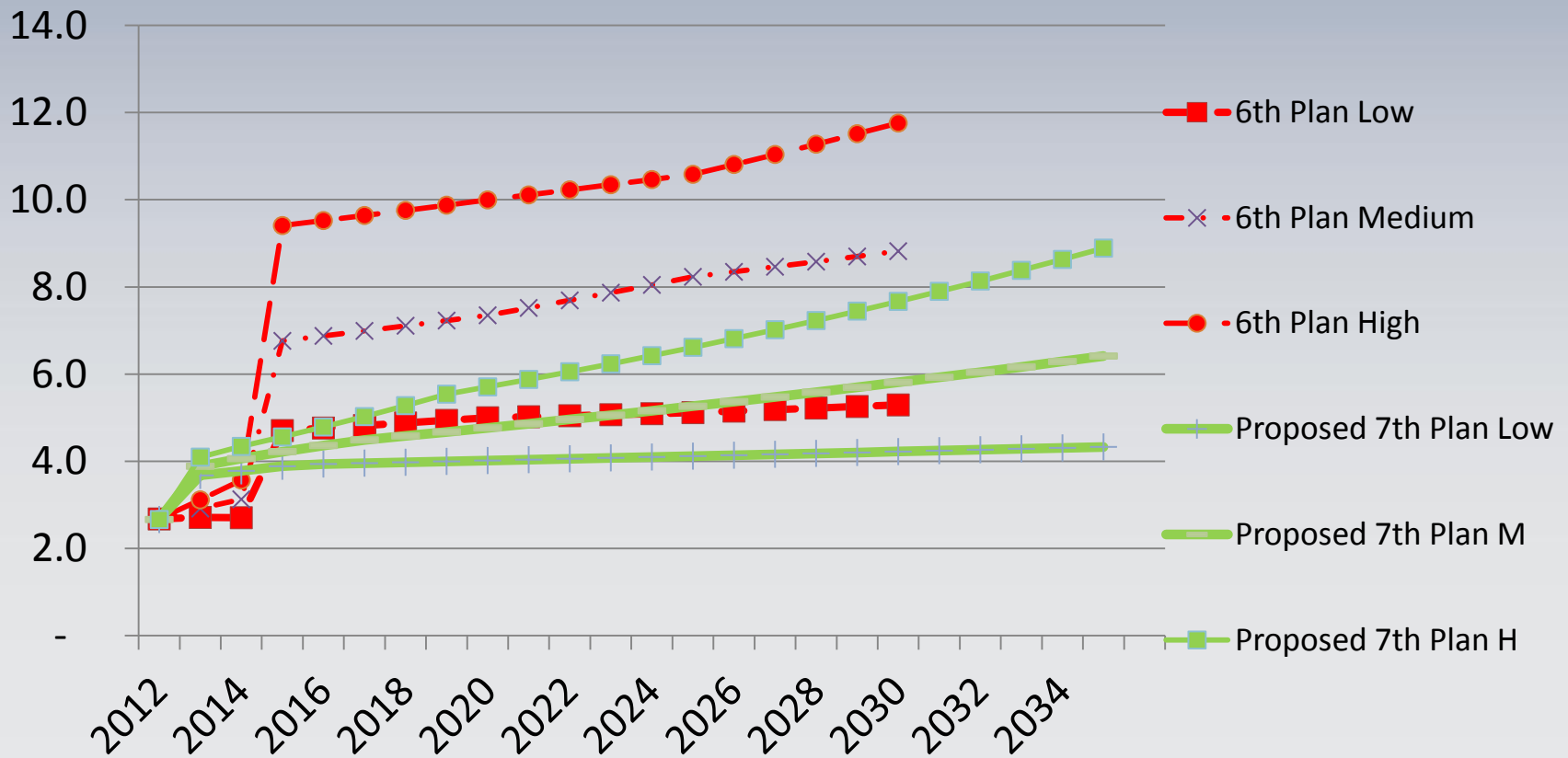
# ICF Projection For Production And Demand For Natural Gas



# Proposed Preliminary Forecast

- After review of a large number of existing forecasts for natural gas prices.
- After discussion with members of the Natural Gas Advisory Committee.
- The following preliminary forecast is prepared for use in the Council's Seventh Power Plan.

# Comparison of 6<sup>th</sup> and proposed Preliminary 7<sup>th</sup> Power Plan Forecast of Natural Gas Prices (2012\$/MMBTU)





# Electric Price Forecast

Expected to be published – March 2014

Updates to Inputs from the 2013 Forecast include

1. New hydro data parameters
2. New fuel forecast
3. New transmission links
4. New CO<sub>2</sub> assumptions
5. Generating resource additions and retirements across WECC such as SONGS
6. New RPS forecast
7. New Solar PV and Ntrl Gas CCCT and SC cost estimates