

ENERGY MARKET WATCH

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May 27, 2025

Market Commentary

Week Ending May 23, 2025

Natural gas largely unchanged on the week as inventories build.

Electric and Natural Gas Market Drivers

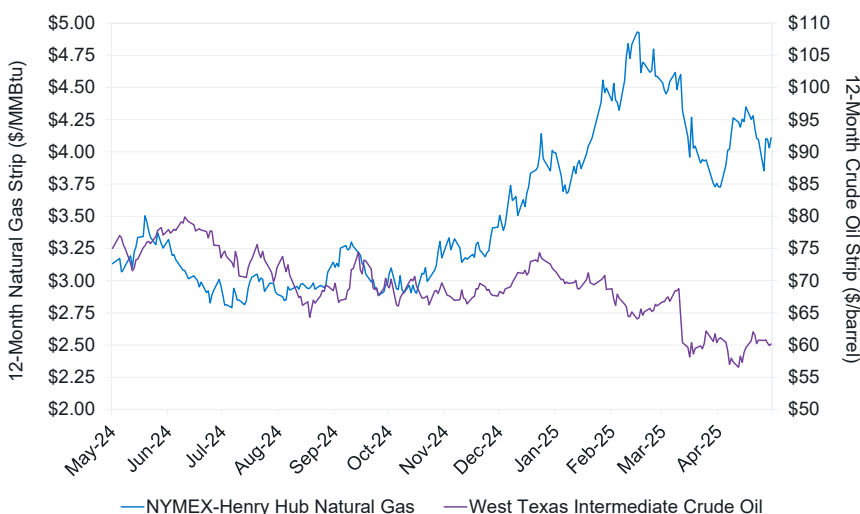
Bullish — Influences driving prices higher:

- ↗ LNG Exports
- ↗ U.S. Dollar

Bearish — Influences driving prices lower:

- ↘ Weather Forecast
- ↘ Natural Gas Storage Report
- ↘ Economics
- ↘ Crude Oil
- ↘ Natural Gas Production

Natural Gas & Crude Oil 12-Month Strip Prices



Monday 5/19

The Jun-2025 NYMEX natural gas contract fell 22.4 cents lower to \$3.110 per MMBtu as weather forecasts advertised lower-than-normal cooling demand in the eastern half of the country through the end of May. Crude oil gained 20 cents to settle at \$62.69 per barrel after a financial institution raised their 2025 global demand outlook by 600,000 barrels per day. Equity markets managed to land in the green even after a credit agency downgraded the U.S. rating due to financing challenges tied to the federal government's growing budget deficit.

Tuesday 5/20

Natural gas surged 31.4 cents higher to \$3.427 on a technical bounce off downside support even as fundamental drivers remained unchanged. The Jun-2025 WTI crude oil contract closed and

expired 13 cents lower at \$62.56 ahead of the fifth round of U.S.-Iran talks during the upcoming weekend. Equities lost ground as investors tuned into speeches from central bank officials to gauge the impact of U.S. tariffs on the Federal Reserve's policy path.

Wednesday 5/21

The cost of gas edged 5.9 cents lower to \$3.368 ahead of the next day's storage report, which was expected to show a build around 110 Bcf that would compare to the 5-year average 87 Bcf build. The new prompt Jul-2025 WTI crude oil contract slipped 46 cents lower to \$61.57 after the EIA reported a 1.3-million-barrel increase in oil inventories. Stocks tumbled lower as investors monitored the progress on a U.S. budget bill that had the potential to put pressure on the country's deficit.

Thursday 5/22

Natural gas lost another 11.5 cents to close at \$3.253 after the EIA reported a larger-than-expected 120 Bcf injection to storage, which widened the surplus compared to the 5-year average to 90 Bcf. Oil shed another 37 cents to end the session at \$61.20 on oversupply concerns following reports OPEC+ was discussing a production increase for July. Equities were mixed on the day after the Labor Department revealed initial jobless claims were lower on the week.

Friday 5/23

Natural gas recovered 8.1 cents to \$3.334 on light pre-holiday volumes as traders covered short positions even as weather forecasts continued to weigh on the demand outlook into early June. Crude oil climbed 33 cents higher to \$61.53 after Iranian officials said nuclear talks could break down if U.S. insisted on no uranium enrichment. Equity markets traded in negative territory after President Trump recommended a 50% tariff on the European Union amid stalled trade negotiations.

Looking Ahead

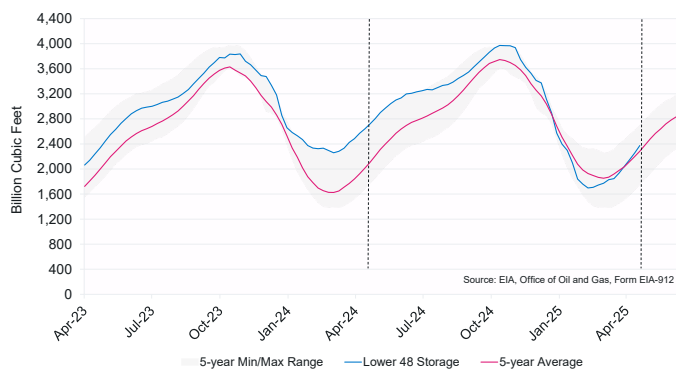
Weather forecasts are calling for above-normal temperatures to move into the major consuming East by the middle of June.

Storage and Inventory

	Last Week Comparison					Historical Comparison			
	5/16/2025	5/9/2025	Change (incr/decr)			Same Period Last Year	Stocks over/under Last Year	Same Period 5-Year Avg.	Stocks over/under 5-Yr Avg.
Natural Gas in Storage (Bcf)	2,375	2,255	120	▲	5.3%	2,708	-333	2,285	90
Crude Oil Inventories (mbpd)	443.2	441.8	1.3	▲	0.3%	458.8	-15.7	n/a	n/a

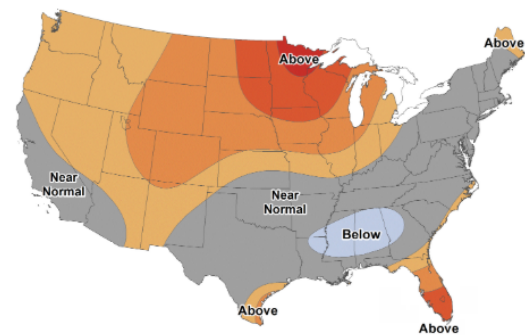
Working Gas in Underground Storage May 16, 2025

Note: The shaded area represents the range between the maximum and minimum values over the past 5 years. The blue line is the historic current level for the date on the x axis and the pink line is the 5-year average.



6-10 Day Weather Forecast May 26, 2025

The short-term weather forecast is calling for above-normal temperatures to stretch from the Midwest to the western U.S., with a pocket of below-normal temperatures in the South.



Natural Gas

UNITED STATES	Current	Historical Comparison (US\$/MMBtu)			
NYMEX Contract:	5/23/2025	Last Week 5/16/2025	Last Month 4/23/2025	Last Year 5/23/2024	
Henry Hub Spot	\$2.930	▼ -2.66%	▲ 2.09%	▲ 10.98%	
Prompt Month: June 2025	\$3.334	▲ 0.00%	▲ 10.32%	▲ 25.48%	
12 Mth Strip (Jun25-May26)	\$4.110	▲ 0.37%	▲ 9.42%	▲ 27.05%	
Summer Strip (Jun25-Oct25)	\$3.699	▲ 0.23%	▲ 7.64%	▲ 27.82%	
Winter Strip (Nov25-Mar26)	\$4.586	▲ 0.21%	▲ 7.83%	▲ 26.81%	
Next Summer Strip (Apr26-Oct26)	\$4.152	▲ 0.52%	▲ 8.45%	▲ 22.57%	
Cal '26 (Jan26-Dec26)	\$4.360	▲ 0.39%	▲ 8.15%	▲ 10.50%	

CANADA *Pricing in Canadian Dollars	Current	Historical Comparison *(CAD\$/GJ)			
AECO:	5/23/2025	Last Week 5/16/2025	Last Month 4/23/2025	Last Year 5/23/2024	
Spot Price	\$1.990	▼ -0.52%	▼ -6.77%	▲ 53.06%	
Prompt Month: June 2025	\$1.440	▲ 3.37%	▼ -13.05%	▲ 68.24%	
12 Mth Strip (Jun25-May26)	\$2.113	▲ 0.99%	▲ 3.24%	▲ 18.18%	

Electricity

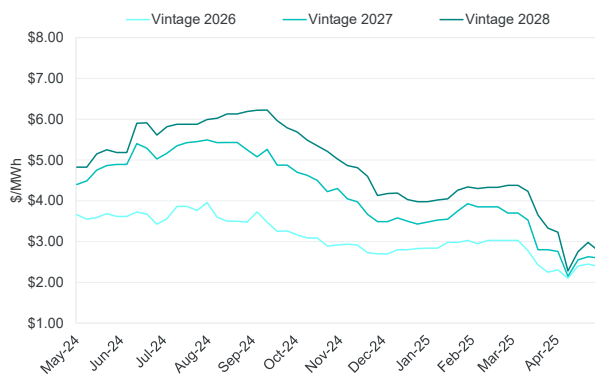
UNITED STATES	Current	Historical Comparison (US\$/MWh)			
Wholesale Electricity Prices:	5/23/2025	Last Week 5/16/2025	Last Month 4/23/2025	Last Year 5/23/2024	
ERCOT (Hub Avg.) - ATC					
Monthly Real-Time Avg: May 2025	\$36.42	▼ -5.34%	▲ 17.50%	▼ -8.70%	
Prompt Month: June 2025	\$43.45	▼ -1.69%	▲ 11.82%	▼ -27.95%	
12 Mth Strip (Jun25-May26)	\$54.66	▼ -0.48%	▲ 3.31%	▼ -14.20%	
NY ISO (Zone J) - ATC					
Monthly Real-Time Avg: May 2025	\$37.26	▼ -5.68%	▼ -24.15%	▲ 27.50%	
Prompt Month: June 2025	\$46.55	▲ 1.51%	▲ 18.15%	▲ 28.41%	
12 Mth Strip (Jun25-May26)	\$62.38	▲ 1.00%	▲ 4.59%	▲ 14.87%	
PJM (Western Hub) - ATC					
Monthly Real-Time Avg: May 2025	\$38.05	▼ -5.74%	▼ -20.04%	▲ 3.77%	
Prompt Month: June 2025	\$42.49	▲ 5.71%	▲ 7.50%	▲ 11.81%	
12 Mth Strip (Jun25-May26)	\$52.55	▲ 0.66%	▲ 2.64%	▲ 9.01%	
ISO-NE (SE MASS) - ATC					
Monthly Real-Time Avg: May 2025	\$35.49	▼ -4.14%	▼ -15.85%	▲ 33.17%	
Prompt Month: June 2025	\$48.09	▲ 0.06%	▲ 28.02%	▲ 32.61%	
12 Mth Strip (Jun25-May26)	\$65.33	▼ -0.12%	▲ 3.56%	▲ 5.86%	
MISO (Indiana Hub) - ATC					
Monthly Real-Time Avg: May 2025	\$35.51	▼ -3.86%	▼ -9.55%	▼ -4.12%	
Prompt Month: June 2025	\$40.51	▲ 3.23%	▲ 16.21%	▲ 4.56%	
12 Mth Strip (Jun25-May26)	\$47.05	▲ 0.49%	▲ 4.13%	▲ 2.05%	
PG&E (NP15 West) - ATC					
Monthly Real-Time Avg: May 2025	\$25.14	▼ -5.80%	▲ 17.22%	▲ 57.40%	
Prompt Month: June 2025	\$32.05	▲ 4.36%	▲ 59.06%	▲ 20.21%	
12 Mth Strip (Jun25-May26)	\$56.06	▲ 3.26%	▲ 9.45%	▼ -3.24%	
CANADA *Pricing in Canadian Dollars.	Current	Historical Comparison *(CAD\$/MWh)			
Wholesale Electricity Prices:	5/23/2025	Last Week 5/16/2025	Last Month 4/23/2025	Last Year 5/23/2024	
AESO (Ave.) - ATC					
Rolling 30-Day Average	\$35.55	▼ -3.96%	▼ -1.70%	▼ -4.73%	
IESO (Ave.) - ATC					
Rolling 30-Day Average HOEP	\$27.73	▼ -4.58%	▼ -39.47%	▼ -1.55%	

Renewables

Industry Highlights

Massachusetts House Bill 4144 was recently sent to Committee and proposes significant reforms to improve energy affordability, independence, and innovation through updates to planning, grid modernization, and clean energy policies. It revises requirements for energy efficiency plans, introduces a flexible interconnection program, and streamlines application processes for distributed generation and energy storage. The bill supports the development of microgrids and upgrades to large transmission infrastructure, while establishing a new statewide solar incentive program to replace existing frameworks. It includes changes to rate design, such as shifting low-income surcharges to fixed charges, and modifies net metering credit calculations. Additionally, the bill creates new divisions within the Department of Energy Resources for clean energy procurement and siting, and sets requirements for long-term distribution system planning.

Renewable GE National Wind REC Index May 23, 2025



Renewable GE National Solar REC Index May 23, 2025



Note: Renewable Energy Credits (RECs) are a market-based instrument that represents the property rights to the environmental, social, and other non-power attributes of renewable electricity generation. One REC is equal to one MWh of renewable energy generated and delivered to the grid. The various shades in the above charts refer to the vintage year the REC was produced.

Environmental Price Summary

UNITED STATES	Current	Historical Comparison (US\$/Credit)				
Renewable Energy Credits	5/23/2025	Last Week 5/16/2025	Last Month 4/23/2025	Last Year 5/23/2024		
Connecticut Class I REC Index 2025	\$38.63	▲ 0.36%	▼ -2.99%	▼ -1.89%		
Maine Class I REC Index 2025	\$39.94	▲ 0.00%	▲ 0.00%	▲ 2.54%		
Maryland Tier I REC Index 2025	\$26.08	▲ 0.77%	▼ -6.02%	▼ -8.09%		
Massachusetts Class I REC Index 2025	\$38.15	▲ 0.39%	▼ -0.91%	▼ -3.26%		
New Jersey Class I REC Index 2025	\$28.93	▼ -4.30%	▼ -8.68%	▼ -25.20%		
Pennsylvania Tier I REC Index 2025	\$28.67	▼ -4.43%	▼ -6.67%	▼ -18.67%		
Texas Solar REC Index 2025	\$2.300	▲ 0.00%	▲ 0.00%	▼ -22.03%		
Texas Wind REC Index 2025	\$2.230	▲ 0.00%	▲ 6.19%	▼ -25.67%		

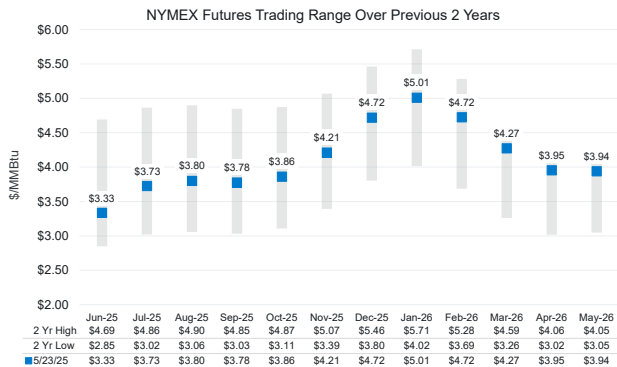
UNITED STATES	Current	Historical Comparison (US\$/tonne or ton)			
Carbon and RGGI Allowances	5/23/2025	Last Week 5/16/2025	Last Month 4/23/2025	Last Year 5/23/2024	
California Carbon Dec 2026 Vintage	\$29.05	▼ -0.34%	▲ 1.64%	▼ -28.02%	
RGGI CO2 Allowances Dec 2026 Vintage	\$21.10	▼ -9.05%	▲ 2.93%	▼ -4.57%	

*Regional Greenhouse Gas Initiative (RGGI)

Trend Analysis

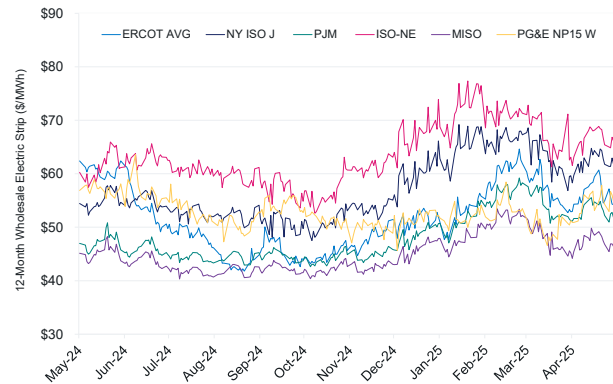
NYMEX Futures Trading Range

This graph represents the futures trading range of each NYMEX natural gas contract over the past two years. The high and the low for each month have been provided below, along with the current forward prices as of the market close on May 23, 2025.



Electric ATC 12 Month Rolling Strips

This graph shows the historic trading range of the electric around-the-clock (ATC) 12-month rolling strip by Independent System Operator (ISO) region as of the market close on May 23, 2025.



12-Month Rolling Strip

This chart presents the correlation between NYMEX natural gas and electricity's 12-month rolling forward pricing over the past year.

12-Month Rolling Strip	ERCOT HZ	NY ISO J	PJM	ISO-NE	MISO	PG&E NP15
NYMEX Correlation	63.3%	93.2%	96.1%	83.8%	93.7%	-6.3%

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