Price Forecasts

Natural Gas – July 2013
Massoud Jourabchi

Electric Price Forecast – March 2014
Steven Simmons
What a difference a year can make. June 11, 2012: prices in low $2 range
By April 2013 prices were over $4.
Long-term Perspective

ICF GAS MARKET OUTLOOK

Projected Henry Hub Gas Prices

Annual Average Henry Hub Price (2010$/MMBtu)

- Historical
- ICF Projected

Note: 3-year rolling average prices provided from ICF’s Gas Market Model.
ICF Projection For Production And Demand For Natural Gas

Flat growth in R&C&I demand, growing demand for power and petrochemical at 1.3% per year
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 6th and proposed Preliminary 7th 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 CO2 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