



2023 State of the Markets Report

March 21, 2024



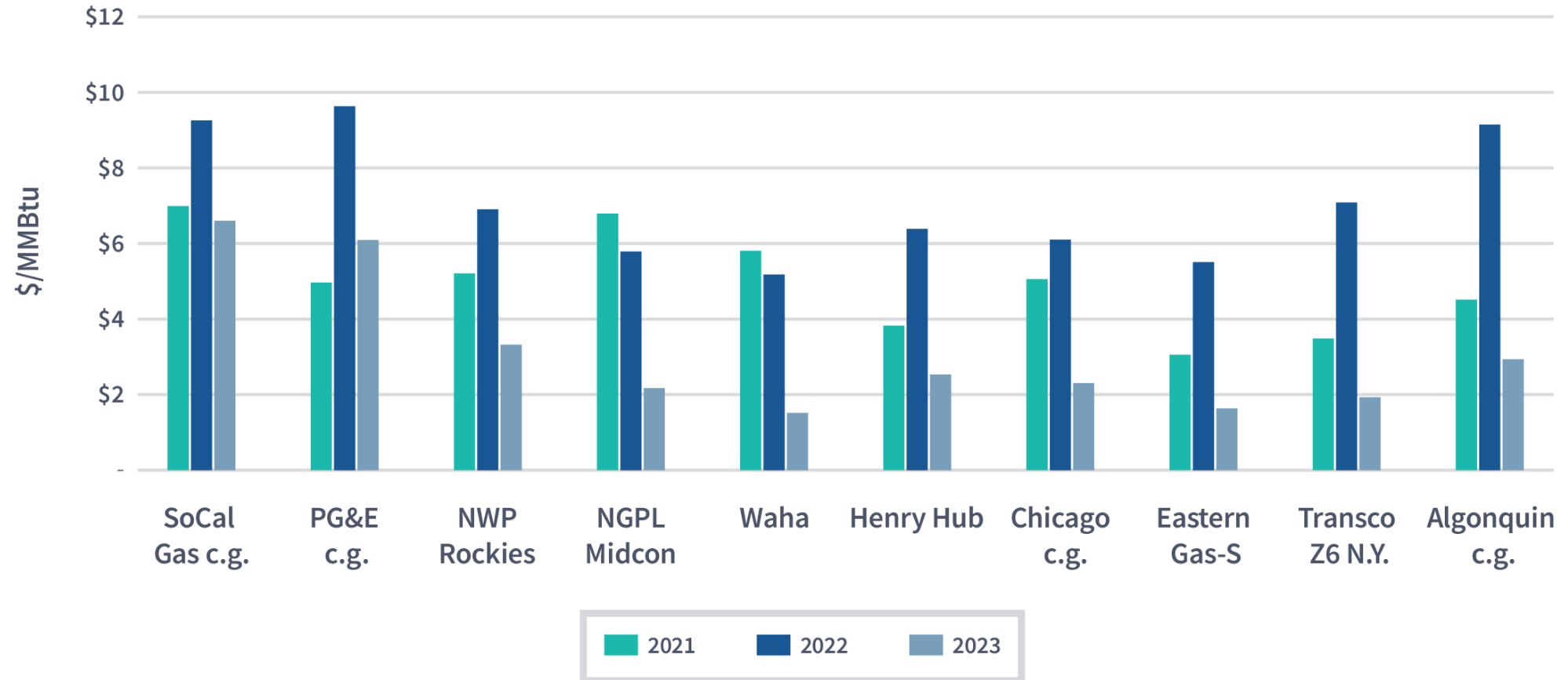
Key Findings in 2023

- Lower natural gas prices, higher natural gas demand.
- Lower wholesale electricity prices, lower electricity demand.
- More electricity generation capacity additions than retirements.
- More interconnection requests active at end of year.



Natural Gas Prices Decreased at All Major Hubs

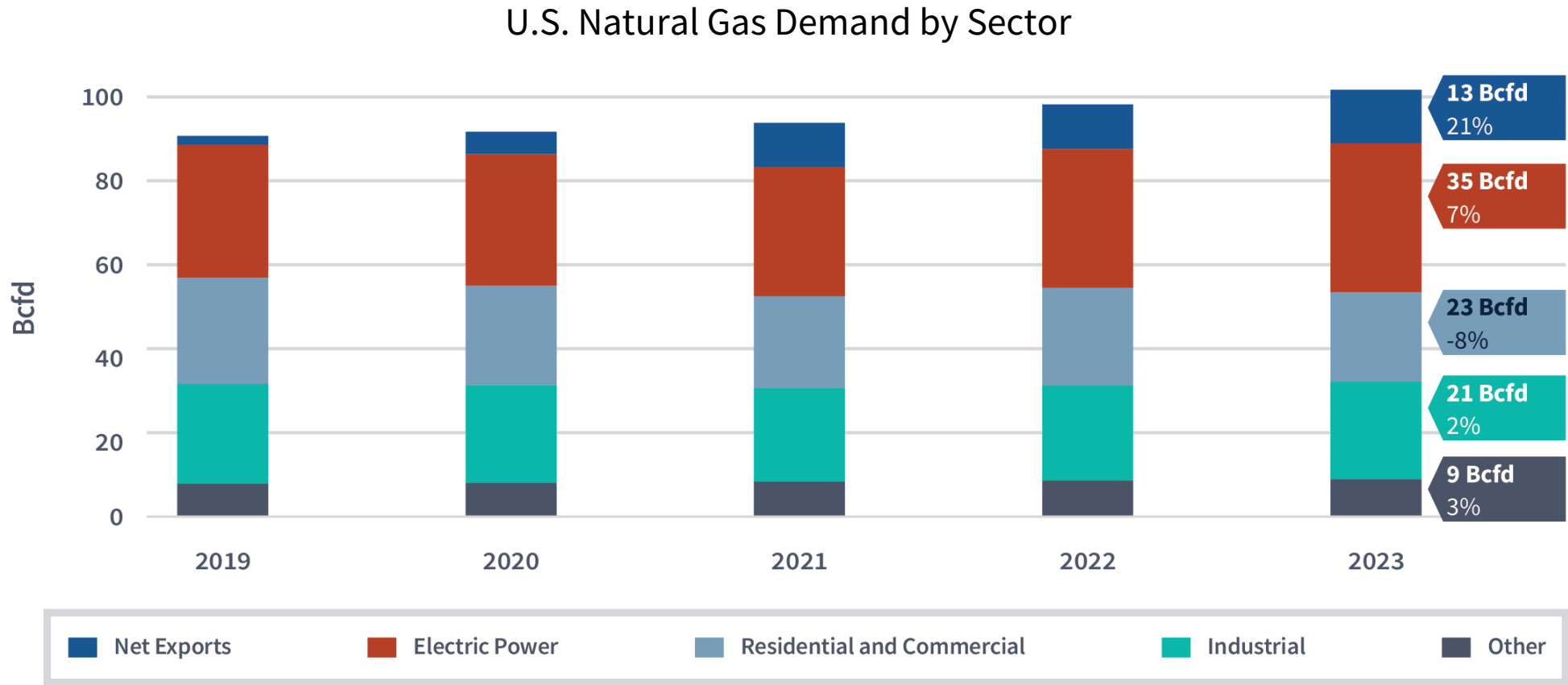
Average Natural Gas Spot Prices



Data Source: S&P Global Commodity Insights



Natural Gas Demand Reached All-time High

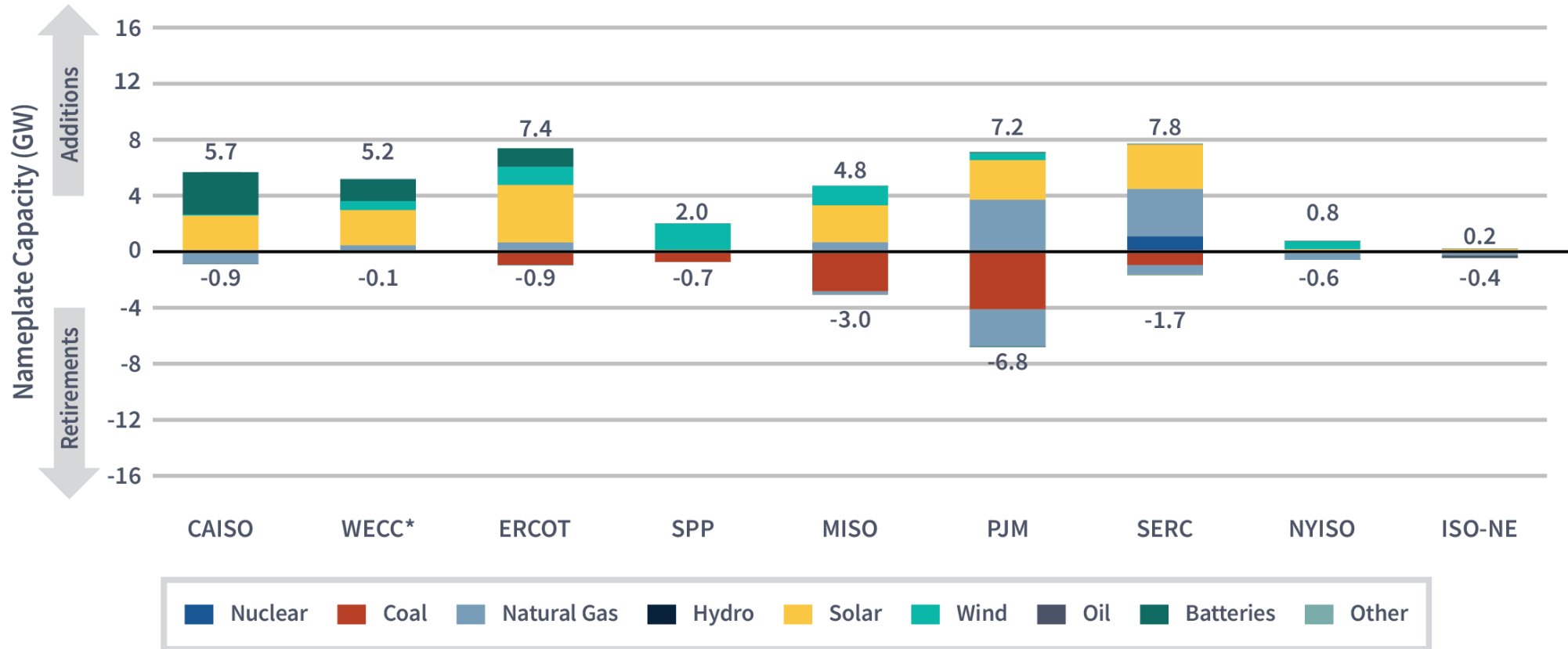


Data Source: U.S. EIA



Most Capacity Additions Came from Solar, Retirements from Coal

2023 Capacity Additions and Retirements by Region and Resource Type

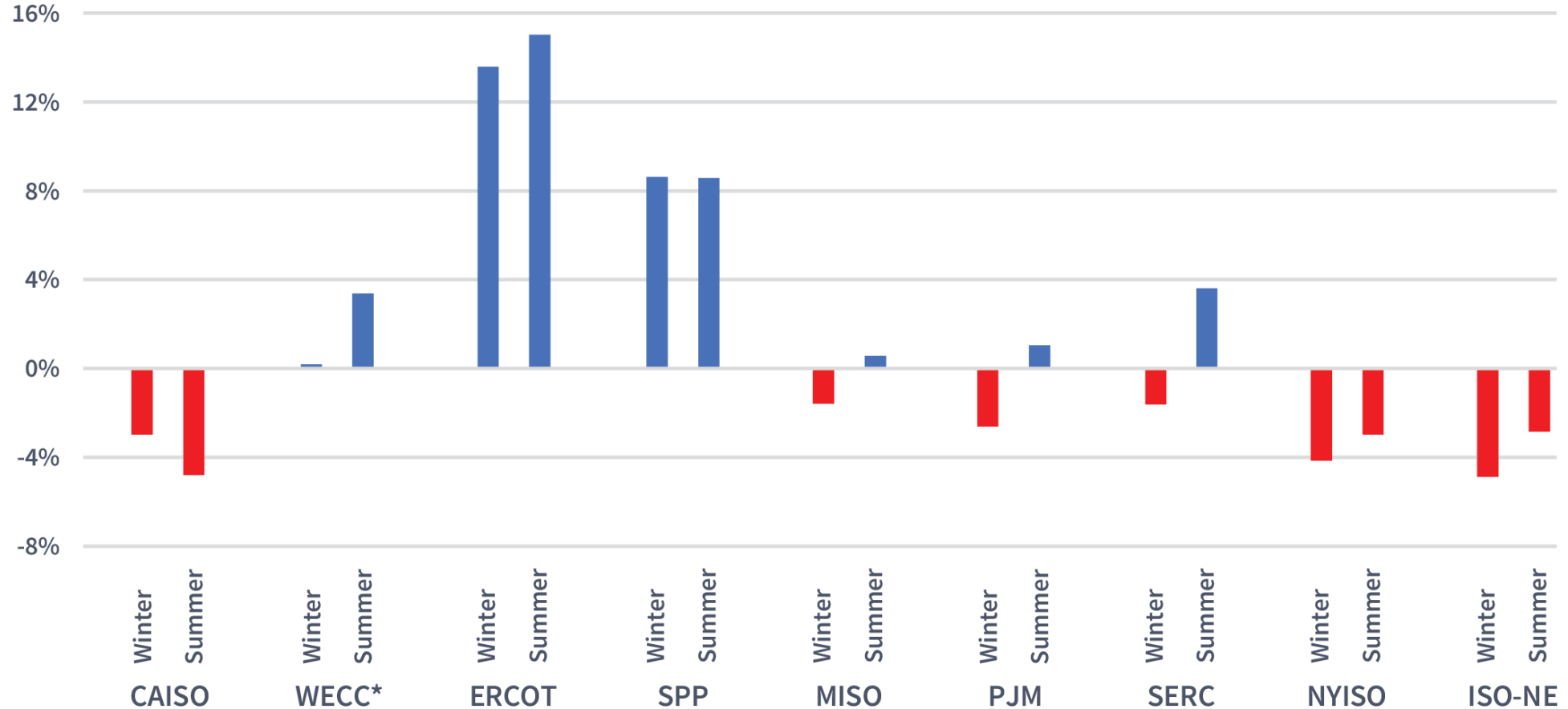


Data Source: EIA 860M. WECC* refers to WECC excluding CAISO.



Electricity Demand has Grown in the Central United States

Total Electricity Consumed by Season, 2014-2018 compared to 2019-2023

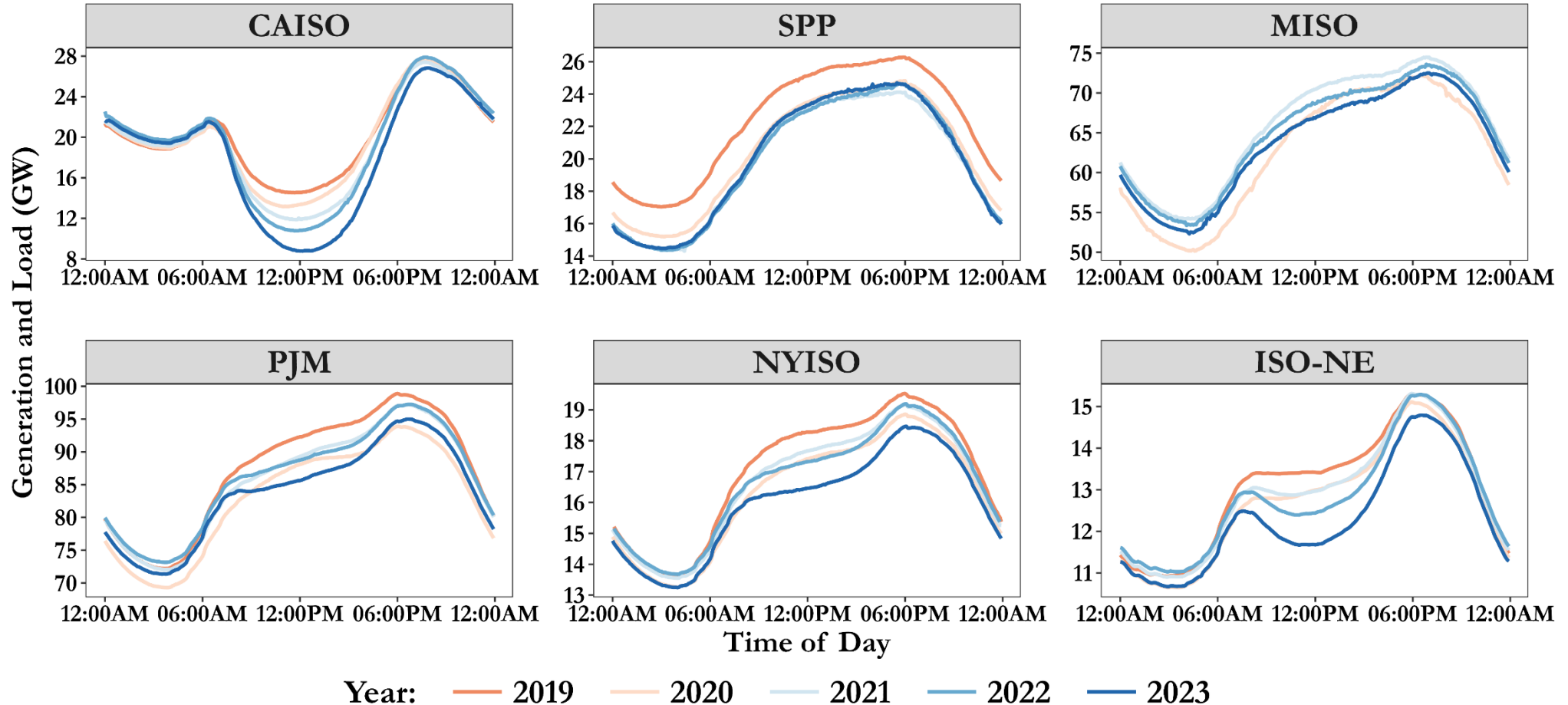


Data Source: Hitachi ABB Power Grids Velocity Suite based and EIA-930 . Note summer includes June, July, and August. Winter includes December, January, and February. Data for SERC and WECC is limited to the years 2015 to 2023. WECC* refers to WECC excluding CAISO. SERC data includes balancing authority areas that were members of the Florida Reliability Coordinating Council prior to 2019.



Evolving Electricity Market Needs

Annual Average Net Load Curves for RTOs/ISOs

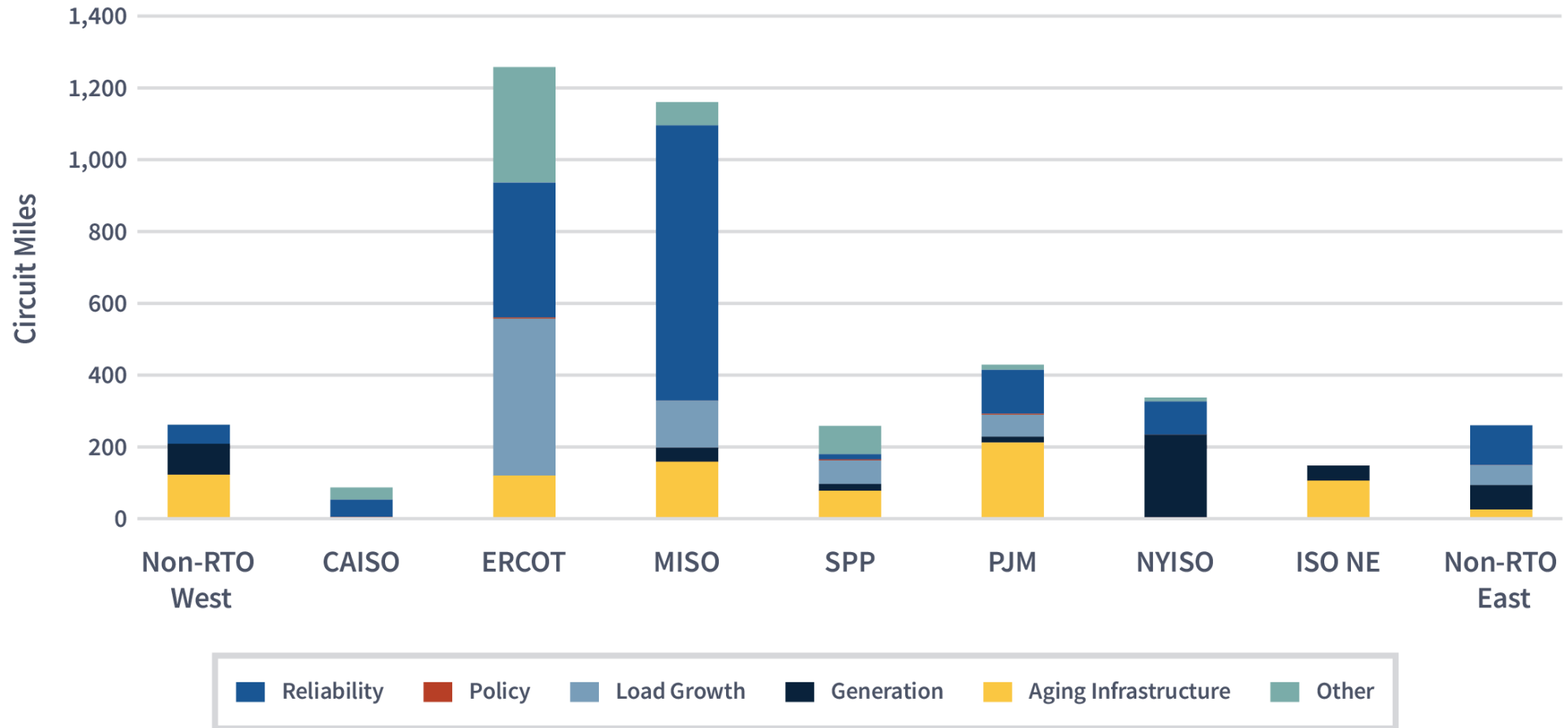


Data Source: Staff analysis of RTO/ISO data from Yes Energy.



Continued Transmission Investment, New Transmission Needs

Transmission Line Miles Added in 2023 by Region and Driver



Data Source: The C3 LLC Group



Growing Interconnection Queue

Active Interconnection Requests Year Over Year

Year Ending	Remaining Interconnection Requests	Change in Active Requests Compared to the Prior Year	Year-Over-Year Change
2019	2,801	1,052	60%
2020	4,326	1,525	54%
2021	7,182	2,856	66%
2022	10,247	3,065	43%
2023	11,841	1,594	16%

Data Source: Preliminary data from LBNL, Queued Up: Characteristics of Power Plants Seeking Transmission Interconnection. Note: Active interconnection requests with missing dates are counted towards year ending 2019. Data up to 2022 are based on 2023 data.





2023 State of the Markets Report

market.assessments@ferc.gov

