



# LYNX ELECTRIC CURRENTS

MAY 2014 NEWSLETTER

## EDITOR'S NOTE

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The brutally cold temperatures of this winter are behind us and we can finally look forward to beautiful spring days outside, yet the impact of the winter pricing spikes are still with us. We have reached the stage when different parts of the energy industry are looking to blame the other players. It is interesting to note the “finger pointing” is entirely towards retailers at this time. No one seems to blame the politicians who pushed for renewable energy mandates, failed to approve pipeline projects, stood by as EPA regulations closed coal plants and refused to approve new fracking for natural gas wells. FERC investigation of improprieties, market manipulation by gas suppliers and pipeline carriers has yielded little to date. Gas prices have been running at \$4.50 per MMBTU, making it hard to justify prices during cold weather extremes jumping to \$140 per MMBTU. Certainly the number of gas wells or the supply of natural gas has not dropped to justify the price spikes. Power and National Energy Marketers are partly blaming the lack of sufficient carrying capacity in the

gas pipeline infrastructure. State PSC/PUC's are proposing stricter licensing for retailers. Implementing mandatory hedging and placing price caps on retail sales can provide relief but may also impact reliability. However, such moves are more cosmetic and do not address underlying conditions. FERC should review the impact of EPA regulations and mandated state energy mixes on price spikes in order to fulfill their mission, which is to insure consumers have economic, reliable and environmentally responsible energy supplies. Changes must be made to allow for a smoother transition from coal to renewables and natural gas which requires time and money. The industry needs time to build - new pipelines, clean natural gas plants, more DG/CHP facilities, new nuclear plants, and reliable renewables along with some beefed up energy storage, and finally develop some clean coal plants.

Retiring coal plants are expected to raise capacity prices in 2014-2015. First Energy is expecting prices to go from \$27.33/MW Day to \$357/MW

day in 2015. Coal plants are retiring because of [MATS](#) which are the latest EPA emission standards to impact power plant economics. The price spikes are caused by state and federal regulations forcing the closing of coal plants, regulations holding up new, cleaner, and more efficient power plants, and delaying of new natural gas pipeline permitting along with new transmission lines for renewable energy generation. The various federal agencies are funded by the US Congress. Policies pertaining to air, water, and energy start in bills passed by Congress. Implementation is typically performed by government agencies such as FERC, EPA, and DOE. It appears the balance is out of sync, and Congress needs to address the problem. Certainly grid attacks and cyber-attacks are problems impacting reliability but making electric unaffordable is a threat to U.S. productivity, safety, and could potentially create larger problems for the economy, jobs and security.

## TIP OF THE MONTH

In our editorials we have talked about **value added services** which allow you to stand above your competitors as you sell electric commodity. With many changes coming into affect from federal agencies, state utility regulators, and state legislators, providing extra services to help navigate the new landscape becomes

more critical, rather than selling the cheapest kWh of electricity.

LynxEMS is working hard to keep our customers informed of changes, aware of successful marketing stories, mergers and acquisitions, and new marketing opportunities. Here are some key strategies and offerings LynxEMS can provide to help you provide additional value to your

customers.

- Curtailment programs pay customers to shed electric load at peak times. Become an aggregator to build a block (1 MW minimum) of load that can be shed. Your customers will get paid, the Supplier makes money for aggregating and Lynx can provide all the support, tracking and communication involved for

a minimal management fee.

- Lynx develops strategies for hedging that will protect both your business and your customer's energy budget, to help when prices spike as they did this winter.
- Lynx provides Account Analysis, a daily pricing desk, Profitability Analysis and Account Tracking

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## FERC UPDATES

FERC [Chairman La Fleur](#) reminded us of the interdependence of electric generators and gas pipelines. The recent price spikes clearly demonstrate that changes must be made. One area being investigated by FERC is changing the scheduling times used by pipeline managers. The proposed changes will require four scheduling periods per day starting at 4:00 AM. The rationale is that the earlier posting and additional scheduling periods will allow pricing to be matched closer to market conditions. Interstate pipeline owners will be required to revise their tariff to facilitate new FERC scheduling orders.

At a recent meeting of the American Council on Renewable Energy Policy, [Jon Wellinghoff](#), a FERC Commissioner, addressed the group and fore-

cast what programs and trends can be expected ahead. Mr. Wellinghoff stated that both wind and solar energy are becoming competitive, and will be able to compete with conventional generation. The commissioner also addressed grid security and suggested some type of tax earmarked for grid security may be needed. Mr. [Michael Yackira](#), CEO of Nevada Energy gave a presentation on fuel diversity. He pointed out the negative impacts of switching all generation to natural gas without adequate pipeline infrastructure and also indicated that having a robust mix of fuel diversity is a better way to ensure reliability and economic stability.

PJM came within 500 MW of losing their spinning reserves this winter. FERC Chairman

La Fleur is reviewing options and having discussions with industry leaders in an effort to avoid a reoccurrence. Action must be taken now in order to have new systems, fuel sources and protocol in place for next winter. Proposals call for dual fuel systems, generator fuel hedging, changing rules that impact natural gas trading times, and the list goes on. Dual fuel plants are becoming more attractive as natural gas and oil prices have competitive pricing with each other. Coal is getting a second look as power plants can store months of fuel on site and not be dependent on pipeline capacity.

Not only are FERC and other various agencies looking into the impact of the “Polar Vortex” and the causes of the winter spikes, but Congress is also reviewing the recent price

spikes. Energy & Power subcommittee Chairman [Ed Whitfield](#) and House Energy & Commerce Committee Chairman [Fred Upton](#) issued letters to the ISO/RTO’s regarding the impact of closing coal powered plants. New data is indicating that a potential 60 GW’s of coal plants may close between now and 2020. The “Mercury & Air Toxic Standards” issued by EPA is causing the shutdown. Experts project by 2016, 17% of US coal plant generation will be lost making the previous winter spike market conditions even worse. The short time frame for compliance can threaten the US Grid and risks the possibility of damaging the physical, economic and reliability the US grid.

## ISO-NE UPDATES

FERC [Order 755](#) impacts pay for performance in regulated markets. The initial implementation for “pay for performance” is set for October 2014. The ISO wants FERC to accelerate approval so the ISO can implement the changes by May 2014. The FERC order would have incentives for DR, Energy

Storage, and new generation so they can receive higher payments. Other changes include generation dispatch, rules for alternative technology dispatch and timelines for using alternative technologies under one MW. The ISO wants to defer incorporation of the smaller units to October of

2014.

The state of Vermont has raised the net metering cap percentage from 4% to 15% of peak utility rates. As a result more solar power can be sold to the grid when generator output exceeds customer usage. There are 3,600 net metering projects currently

operating in Vermont. Many states allow net metering but the technology or renewable energy, the percentage of net metering and the rate and method utilities compensate customers exporting power are determined by the individual states PSC/PUC’s

## NY STATE UPDATES

DR rule changes appear to be a hot topic this spring due to a severe winter, FERC rules and the need for more capacity. In an effort to secure additional capacity, NY-PSC has ordered an increase in payments for participants in the ConEd service territory. The changes include incentive based payments for achieving 80% of the contracted capacity for the season, not just one event. Customers are enrolled with 3 year contracts. The PSC

approved a budget of \$26 million for the ConEd summer “Distribution Load Relief Program (DLRP). The incentive is available through the Commercial/Industrial/multi-family Housing Buildings and consists of \$15/month/kWh and \$1.00 per kWh reduction. For more information, Contact Con Edison:

[IPPNY](#) has filed a complaint against National Grid for contracting with the Dunkirk Power plant owned and operated

by NRG. The complaint states the plant would provide 435 MW of capacity but only 150 MW’s are needed. IPPNY says the extra capacity is not cost effective. NYISO’s position is that the extra capacity is needed to support grid reliability.

[NYSERDA](#) has received a prestigious award as the 2014 [Energy Star Partner](#) of the year. The Sustained Excellence Award was given by EPA. The award is based on NYSERDA’s efforts in protecting the envi-

ronment through superior energy efficiency.

Governor Cuomo is initiating multiple programs to move the NY power grid into the 21st century. In an effort to make the grid more resilient to storms and related attacks, the Governor announced a \$285 million allocation to improve the NYC and Westchester County grid infrastructure. Another initiative the governor is pushing is a plan to make

## PJM UPDATES

Concern over high price spikes for variable rate markets has the PA-PUC proposing that suppliers provide full disclosure to customer participating in retail markets. [NEMA](#) has reservations about full disclosure, claiming the measure could have severe consequences for variable rate markets. Instead, using price caps, price bands or range structure would protect customers when prices spike and would benefit suppliers when prices drop below the band. So as prices rise or

fall, customers are charged within the range of the band's lower and upper caps. The band strategy is still responsive to market conditions but keeps prices within a range. More sophisticated metering and purchasing strategies would be required.

Rules for DR continue to be contentious as FERC deliberates on the latest PJM proposal while ESCO aggregators filed against proposed changes. PJM is asking for shorter response times requiring resources to be dispatched

with 30 minute notice. The RTO has also requested FERC approval for DR capacity outside of emergency dispatch. That change would require FERC and EPA to compromise on the rules that limit annual run hours for stand-by or emergency generators. The RTO's position is any DR provider that cannot provide contracted capacity with 30 minutes' notice should not be in the DR program. Energy markets would still be available to DR that cannot meet the 30 minute rule and they

can market their capacity into the PJM Dam markets.

Maryland PSC has reported that residential customers received a 20% increase in their electric bill this winter. Cold days share part of the increase for this. Customers wishing to change suppliers complained about poor customer service and prolonged timelines, and lack of staffing by suppliers to handle call in loads. The new regulations give utilities with smart meter customers 5 days to switch suppliers. Previously a switch

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## NYISO

[Michael Bemis](#) was named the new NYISO chairman, and [Erkie Kailbourne](#) is the new Vice President. Both parties have been approved by the NYISO Board of Directors. Past Chairman Robert Hiney will continue serving on the Board.

NYISO received a waiver from FERC to pay above the \$1,000 per MWH cap, making generators whole when generating during recent winter price spikes. FERC received 5 applications for review to re-

ceive compensation above the \$1,000 price cap. After completing their analysis, it was determined that none of the applicants warranted additional funding and the requests were turned down.

Filings against recent NYISO capacity issues continue. National Grid is trying to get their former power plant refueled with natural gas, and supply 435 MW of power. IPPNY is challenging that decision claiming the meas-

ure would impact the wholesale market and discourages construction of new power plants. Reliability contracts force costly power plants to bid in D-E minus offers ensuring they get selected so they can meet their reliability contract obligations. Lowering capacity pricing hurts both new and existing power plant operators. FERC is being urged to rule on the complaints as generators have been on hold for over 1 year and plans for new capacity must be made

to avoid potential capacity shortfalls this coming winter.

NYISO fired back at IPPNY stating their complaints should be addressed in their stakeholder meeting and not by FERC. Furthermore, they pointed out that the Dunkirk plant would not be operational before 2015 giving sufficient time to resolve any needed capacity market charges.

## US ENERGY

Customer owned generation continues to make inroads into the nation's power supply. The terminology for customer owned generation started out as *co-generation* and if used when electric prices were high it was called a *peak shaver* and if used to meet thermal load it was termed a *base load generator*. If the generator was off-grid, or not connected to a utility, it was called an *islanding generator*. [DG](#) referred to generators that provided electricity at a customer's facility and was used onsite. As state regulators struggled with owners who wanted cheaper power and more

reliability, utilities viewed DG as competition and lost kWh sales. The concept became political and confrontational as state regulators tried to satisfy both sides. Regulators established efficiency standards in order for DG operations to qualify for grants and incentives followed by stricter emission compliance rules. The name changed to [DG/CHP](#). New standards require generators to meet energy efficiencies above 60%. As a result, project developers and engineers planning a DG installation started sizing equipment for the thermal needs of a facility rather than the peak

demand. Heat is recovered from generator engine exhaust, engine radiator and engine oil. Without heat recovery, the economics for a DG installation are difficult to justify, unless grants can be secured or if renewable REC's can be marketed along with excess kWh. Recent articles are now calling self-generation [DER](#) and looking at their impact on the grid. Advances in technology including generators, solar, wind, and eventually fuel cells and small turbines will have major impacts. The Lawrence Berkley National Lab is forecasting 600% growth in solar generation by 2020. [NRG CEO David Crane](#) is predicting that cheap

natural gas has the most potential to displace the grid. That would open up demand for engine and generator technicians. However, if the [DOE](#) continues their push for exporting our new found natural gas resources, along with our previously discussed pipeline capacity constraints and government restrictions on drilling for oil and gas, cheap power will remain wishful thinking.

The Russian Crimea/Ukraine conflict has moved to the US as our DOE will be approving building [LNG](#) plants. The LNG plants will have the ability to produce .3 BFG per Day and an addition-

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## NYSERDA PON UPDATES

**Current PON's (Program Opportunity Notices), which are available to qualified customers from NYSERDA.**

- **PON 1219 Existing Buildings:** Provides rebates and performance incentives for existing buildings including lighting, motors, generators, HVAC equipment etc. through 12-31-2015.
- **PON 1601 New Construction Financial Incentives:** Provides incentives for new and remodeled buildings, paying for architectural and engineering services, rebates on electric equipment, appli-

ances, HVAC equipment, and building envelope, through 2015.

- **PON 1746 Flex Tech:** Provides funding for a variety of feasibility and energy related studies through 12-31-2015.
- **PON 2112 Solar PV Program Financial Incentive** through 2015
- **PON 2439 Wind Turbines:** This PON pays incentives to certified installers of DG windmills under 2 MW through 2015.
- **Multi Family Performance Partners:** Facilities with 5 or more housing units are eligible for energy audits and

energy efficiency funding through 2015.

- **PON 2456 Industrial and Process Efficiency Program:** This PON is can pay up to \$4.5 Million per project through Dec. 2015.
- **PON 2568 CHP Acceleration:** Funding for onsite generation with heat recovery CHP) packaged units through 2015.
- **PON 2758 Gas Station Backup Power Program.** This PON provides emergency power for generators in Downstate gas stations, and will do so until the funding runs out.
- **PON 2689 Emerging Tech-**

**nologies and accelerated Commercialization through Dec. 2016**

- **PON 2701 Combined Heat and Power CHP Performance Program through Dec. 2016**
- **PON 2846 Innovations in Data Center Information & Communications Technology Energy Efficiency:** This PON has funding through April 2015.
- **PON 2828 Renewable Portfolio Standard Customer-Sited Tier Anaerobic Digester Gas to Electricity Through 2015**

## US ENERGY MARKETS

The latest effort from US DOE is \$2.5 billion in loan guarantees has been announced by US DOE Secretary Ernest Moniz. The funding is designated for developing new technologies that will reduce greenhouse gas emissions and promote clean energy technologies. The DOE program is called: "Renewable Energy and Efficient projects Loan and Guarantees". The DOE is looking for pro-

jects in the areas of:

- Waste to Energy
  - Energy Storage
  - Grid Integrating with Renewable Energy
  - Energy Efficiency Upgrades
  - Biofuel Energy Projects
- Professionals in the retail electric power sales in Ohio have formed a new organization. The new organization is called Energy Professionals of Ohio. Members in the group include:

Brokers, aggregators and consultants. Their goal is to support and promote competitive energy markets. The good news is energy is becoming more critical and getting attention. The bad news is more changes and regulations are being issued by state and federal agencies. Key concerns include: economics, reliability and environmental concerns caused by electric generation. The latest state agency issuing new rules is Ohio PUC after

completing their analysis of Ohio retail markets. Changes include adding retailer logos to utility generated bills, and standardizing "Price to Compare" to make it easier for customer to choose a supplier. To achieve their goal to get more customer participation. The PUC also addressed smart meters and the methodology utilities will use to share data with retailers.

## GLOSSARY OF ACRONYMS

**AEPS** - Alternative Energy Portfolio Standard

**DAM** - Day Ahead Market

**DER** - Distributive Energy Resource

**DG** - Distributive Generation

**DG/CHP** - Distributive Energy, Combined Heat and Power

**DOE** - Department of Energy

**DR** - Demand Response

**IPPNY** - Independent Power Producers of New York

**GHG** - Greenhouse Gas

**LNG** - Liquid Natural Gas

**MATS** - Mercury and Air Toxics Standards

**NEMA** - National Energy Markets Association

**NYSERDA** - New York State Energy Research and Development Authority

**REC's** - Renewable Energy Credits

**RGGI** - Regional Greenhouse Gas Initiative

## PJM UPDATES (CONTINUED)

in suppliers could take up to 72 days. New protection strategies are being developed by the PSC. Suggestions to be included are: faster switching of suppliers, budget billing to spread out price spikes, consumer education, fixed pricing and hedging strategies.

[Thomas Johnson](#) is the new Chairman of the Ohio PUC. A long time public servant, Mr.

Johnson has participated as a member or chairman of numerous Ohio state committees including: House Public Utilities, House Energy and Environment, House Finance and Appropriations Committee, and Office of Budget Management. Based on this past service, he should be well prepared for his new position.

Although more people are

now aware of the energy industry and paying more attention to it, this also brings more changes and regulations being issued by state and federal agencies. Key concerns include: economics, reliability and environmental concerns caused by electric generation. Ohio PUC is one state issuing new rules, after completing their analysis of Ohio retail

markets. Changes include adding retailer logos to utility generated bills, and standardizing "Price to Compare" to make it easier for customers to choose a supplier. The goal of the changes is to get more customer participation. The PUC also addressed smart meters and the methodology utilities will use to share data with retailers.

## TIP OF THE MONTH (CONTINUED)

- LynxEMS provides bilateral purchasing of power, futures purchasing along with our traditional [DAM](#) and spot markets.

- LynxEMS is a Cummins generator dealer to aide in the expanding DR programs, the need for reliability and security by customers. Lynx provides a variety of generator sizes, in air cooled, water cooled, natural gas, propane and diesel configurations. LynxEMS performs the pre-engineering,

installation start-up, financing and continued maintenance for the generators. Our staff will help secure grants or incentives for qualifying customers.

- Other technologies include Energy Cap which is a utility data tracking management system, helpful in managing large and multi building customer facilities.

- LynxEMS staff provides energy engineering service which can include: DR services, tax

energy audits, assistance with sizing and specifying stand-by generators, evaluation potential renewable energy projects and utility rate analysis.

- Technology for reducing operating demand on your air conditioning and heating loads are available. Lynx can help you with pre engineering, and financing of the REGEN Controllers that will load manage your HVAC loads.

- Lynx continues to help our

customers with state mandated Renewable Energy Credits. These mandatory credits can result in hefty charges for non-compliance. Lynx works on a national scale to secure the best qualifying REC's.

We hope you can take advantage of some or all of offerings and that they will give you an edge over your competitors. We value your business and strive to keep you profitable.

## NY STATE UPDATES (CONTINUED)

the NY grid a "World-Class-Energy System" using new information technology, clean energy sources, and innovative market solutions. Included in the plan are proposals to promote [DR](#), [DG](#), renewable energy, and energy storage systems.

tems. "Reforming Energy Vision" another initiative involving utilities, will have utilities coordinate new generation resources, and encourage generation from multiple small energy sources. Changes in retail and wholesale markets

will promote clean energy and energy efficiency. The major objective is to reduce peak power during the summer.

*Editor's note: For years NYISO has made it difficult for SCR curtailment programs that deliver DR by changing*

*the rules, the incentives, adding fines and size restriction for enrollment that deliver DR.*

*With the Governor's support, we can look for changes that are more equitable with NYISO payment, and have more workable policies and regulations.*

## US ENERGY (CONTINUED)

al 27 BFG applications for exporting gas are in the hopper waiting for DOE approval.

Another Senate hearing is weighing in on the after effects of the "Polar Vortex". W. VA. Senator [Joe Manchin](#) discussed the importance of coal generators in W. VA. where 89% of AEP generation in W. VA. are coal fueled and therefore scheduled to be retired. PJM is making a transition to

gas and will be adding 19,000 MW of new natural gas fueled plants. Meanwhile the northeast has allocated \$3 billion for pipeline infrastructure to bring more gas capacity were it is needed most. Not all the capacity problems can be blamed on pipeline shortages. PJM reported that almost 30,000 MW of coal plants had mechanical problems and did not provide capacity when it

was critical to maintain grid reliability.

Additional changes coming from the [EPA Clean Air Rule III D](#), will be adding [GHG](#) regulations. State regulators and ISO/RTO's are investigating compliance strategies. Advocates of a regional approach are pointing to [RGGI](#) as a workable solution. RGGI has successfully raised millions of dollars for Greenhouse Gas

reduction and successfully dropped carbon emissions by 40% with energy efficiency upgrades, closing old coal power plants, and building renewable energy generation. Proponents claim a regional approach spreads out costs and cushions the impact of major changes, such as closing a nuclear plant, on individual states.

# May 2014

Sun	Mon	Tue	Wed	Thu	Fri	Sat
				1	2	3
4	5	6	7	8 <i>NYISO ICAP Monthly Auction</i>	9 <i>NYISO ICAP Monthly Auction</i>	10
11	12	13 <i>NYISO ICAP Monthly Auction</i>	14	15	16	17
18	19	20	21 <i>Certification</i>	22	23 <i>NYISO ICAP Spot Auction</i>	24
25	26 <i>NYISO ICAP Spot Auction</i>	27	28	29 <i>NYISO ICAP Spot Auction</i>	30	31

## FUTURE DATES

### May

- 8-9 NYISO ICAP Monthly Auction
- 13 NYISO ICAP Monthly Auction Results
- 21 Certification
- 23-26 NYISO ICAP Spot Auction
- 29 NYISO ICAP Spot Auction Results

### June

- 9-10 NYISO ICAP Monthly Auction
- 12 NYISO ICAP Monthly Auction Results
- 20 Certification
- 24-25 NYISO ICAP Spot Auction
- 27 NYISO ICAP Spot Auction Results

## NYISO SCR CURTAILMENT PROGRAM

Proposed changes by the NYISO will impact SCR customers. Lynx works to keep you informed and updated as changes get approved. **Prices for participation in DR programs are up as Governor Cuomo is getting behind peak load reduction programs.** Lynx provides assistance for our customers with event notification and supplies documentation for the NYISO verifying results. A major obstacle for customers having peak demand less than 500 kW is having an interval meter. Lynx can help you with securing grants for interval meters, and getting those meters installed. Many customers willing to participate in NYISO programs need help in determining what items can be curtailed and to determine the kW value of those items to be shut off. Lynx can help your customers determine kW loads that can be curtailed. In addition Lynx can now provide Cummins generators which can be used for curtailment purposes along with providing protection for property and life during emergencies. Lynx will work with you to get customers registered in a NYISO program which will help your them get money back for shedding electric loads during peak load emergency events. ESCO's or suppliers will also earn funds. With Lynx guidance you can avoid costly pitfalls and potential fines. We urge our customers to get their information in to our office now before the summer strip starts. Should you miss the deadline customers can still participate on a monthly basis but will miss out on May payments for 2014. Call Lisa Klein or Bert Spaeth in our Lynx office at 716-774-1341.

**COMMODITY PRICING**

***Historical - Flat DAM***

	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14
NYISO-A	38.48	43.99	106.48	73.00	80.97	38.46
NYISO-F	40.65	63.61	176.83	135.16	106.16	43.82
NYISO-J	40.82	61.14	175.92	122.84	102.52	46.49
NYISO-K	46.52	76.26	187.11	145.94	108.43	50.75
PJM-PSEG	38.37	45.79	184.41	89.93	78.53	45.95
PJM-JCPL	37.32	42.56	176.63	78.12	73.97	41.79
PJM-APS	34.91	39.15	107.43	69.25	65.20	41.10
PJM-PECO	36.27	40.15	168.45	74.00	72.74	41.60
PJM-PPL	36.09	40.34	167.39	74.13	72.14	40.63
PJM-DLCO	32.93	36.65	83.22	57.65	52.31	38.13
PJM-	36.37	40.50	116.57	72.96	67.47	41.47
PJM-METED	36.38	40.44	166.67	73.72	72.41	40.62
PJM-BGE	39.40	44.68	179.66	75.97	77.21	44.24
ISONE-CT	44.70	87.97	166.29	153.89	109.27	45.02

***Current Projections***

May-14	Jun-14	Jul-14	May-14 to Apr-15		
Flat	Flat	Flat	Flat	Peak	Off Peak
39.42	42.53	51.68	46.32	54.96	38.79
42.57	48.95	53.96	61.59	72.77	51.84
46.41	54.99	64.97	64.20	77.00	53.05
58.21	63.32	75.10	71.40	86.17	58.52
45.73	47.09	60.47	52.45	64.38	42.04
43.96	46.21	59.80	50.68	62.08	40.74
40.07	41.52	51.72	44.64	53.64	36.79
41.93	44.60	58.27	48.24	58.84	38.99
41.72	44.12	56.61	47.89	58.51	38.62
37.67	38.63	46.28	40.55	48.13	33.94
40.74	43.00	53.78	46.13	55.93	37.59
41.86	44.31	56.89	48.05	58.73	38.75
45.77	49.49	64.03	52.82	64.90	42.28
43.97	56.69	57.48	71.71	83.09	61.80

Note: On-peak is defined as HE08- HE23 Weekdays (less NERC Holidays)  
 Commodity pricing at MWh reflects an estimate of pricing based on current information available at time of printing from various market sources. The prices are not intended to be used as hard data for contractual purposes. Prices are represented in dollar per MWh.

**GREEN ENERGY**

As state mandates are phased in, suppliers or ESCO's will be required to purchase Green REC's and show documented proof of purchase. Some states require a percentage of Solar REC's or offshore wind depending on the host states social policies. Each category, whether it is called Tier or Class has different pricing and some states mandate a mix. Suffice it to say, Solar is the most expensive and Tier or Class II is the least expensive. Failure to purchase green energy or AEPS or REC's will result in a default REC. PJM customers would pay Alternative Energy Credits (AEP) at \$500 per credit. Connecticut has a default rate as well. Lynx will assist you in locating cost effective green REC's to meet your needs. In addition, Lynx can handle your reporting and assist you in purchasing REC's. The percentage of renewable energy is expected to increase up to 27% in certain states by 2025.

Note: To ease the burden of purchasing annually and the large cash expenditure, Lynx is recommending purchasing REC's on a quarterly basis to avoid higher prices at the end of the reporting period.

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