



ENERGY SITUATION ANALYSIS REPORT



April 30, 2002

(next scheduled update: May 1, 2002)

Energy Information Administration
US Department of Energy
Washington, DC 20585
(202) 586-8800

[Petroleum](#) [Natural Gas](#) [Coal](#) [Electricity](#)

Latest Energy Market Developments

(updated April 30, 2002)

Crude oil futures on the NYMEX on Monday, April 29 were up 46 cents per barrel to close at \$27.57 per barrel, but lost some of that gain on April 30. Uncertainty about the Middle East appears to be lending price support, as Iraqi oil has been off the market since April 8 and recent reports suggest that other OPEC producers are not making up for the shortfall. Furthermore, markets continue to react to news reports that the U.S. might be planning some sort of military action against Iraq. These political tensions add to already-tightening market conditions, with increased economic growth leading to increased oil demand, while OPEC production quotas are at their lowest levels in a decade.

Other topics affecting **world oil markets** include:

- Oil ministers from U.S. oil suppliers Saudi Arabia, Mexico and Venezuela held a surprise meeting on Monday, April 29, and said they would continue efforts to maintain oil market stability. Venezuelan Oil Minister Alvaro Silva said there is no reason to adjust production quotas at OPEC's next meeting, scheduled for June 26.
- Iraq's unilateral 30-day embargo of its U.N.-sanctioned "Oil-for-Food" oil exports is in its fourth week. Iraq has stated intentions to decide at the beginning of next week whether to extend the embargo beyond 30 days.
- Iran's oil minister reiterated on April 30 his call for oil-producing countries to embargo Israel and its supporters. On April 29, U.S. National Security Advisor Condoleezza Rice restated that Iran is a member of an international "axis of evil".
- Algeria's oil minister said on April 29 that his country won't use oil as a weapon, commenting that oil has to be kept apart from political issues to allow OPEC to maintain market stability.

Other recent developments in **U.S. energy markets** include:

- Due to a heat wave in the U.S. Gulf Coast, natural gas prices surged on Monday, April 29, climbing between 10 and 33 cents per MMBtu at most major market locations in the lower 48 States.
- Average U.S. electricity prices on April 29 were 5% lower than on April 23, partially due to seasonal temperatures during the week.

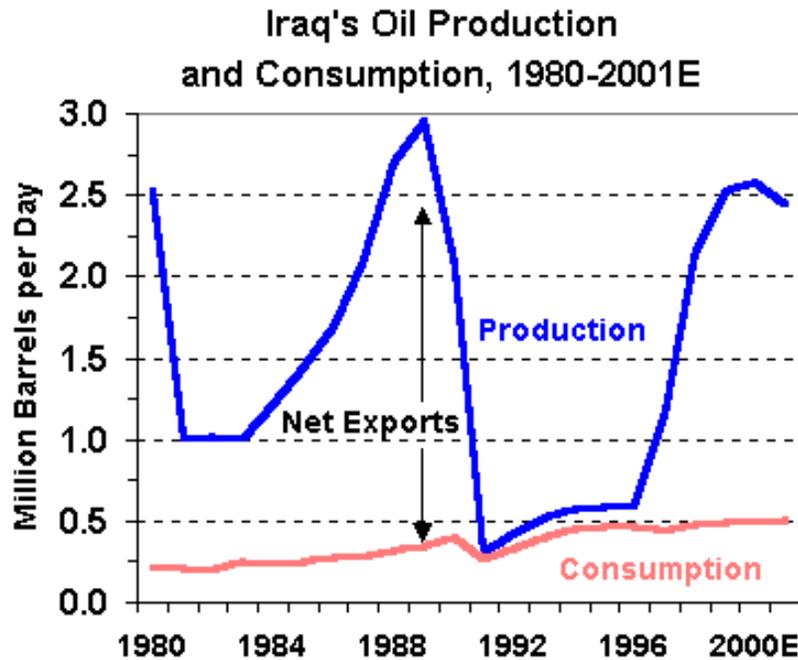
- U.S. coal supplies are more than adequate for anticipated needs. U.S. coal prices have either fallen or held relatively steady in recent weeks.

Special Topic -- Basic Facts on Iraq

(updated April 30, 2002)

While Iraq's weekly export levels fluctuate, the country remains an important world oil player, with U.N. "Oil-for-Food" exports from January 1, 2002 through April 8, 2002 averaging 1.7 million barrels per day. "Oil-for-Food" exports ceased on April 8, when the country declared an embargo. The United States is the largest single market for Iraqi oil, with almost half of Iraqi oil exports bound for the United States in 2001. Imports from Iraq accounted for an average 8% of total U.S. imports in 2001. In 2001, Iraq was the sixth-largest source of U.S. crude oil imports, behind Saudi Arabia, Mexico, Canada, Venezuela, and Nigeria.

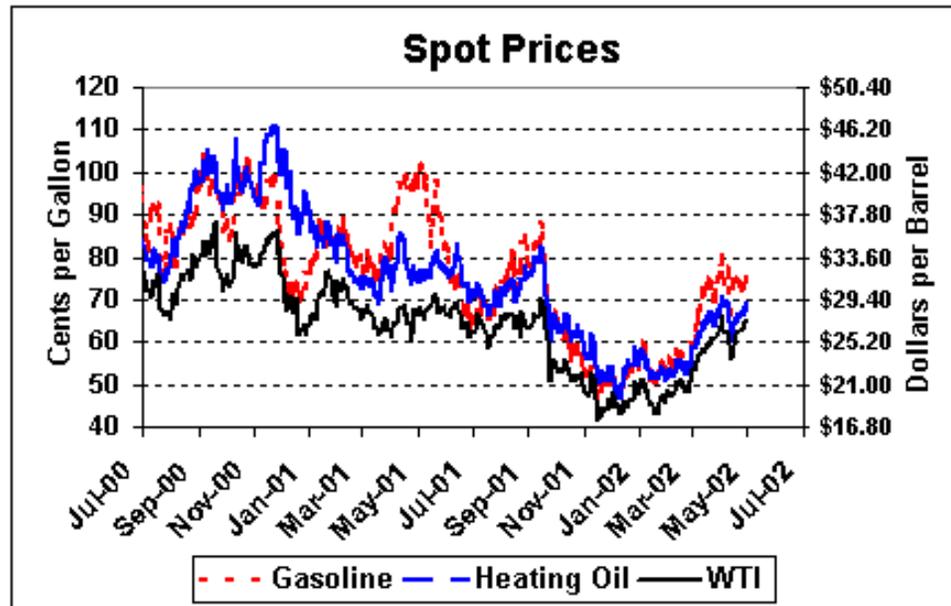
The current phase of the "Oil-for-Food" program expires at the end of May 2002. Temporary downturns in Iraqi exports in association with program rollovers are common.



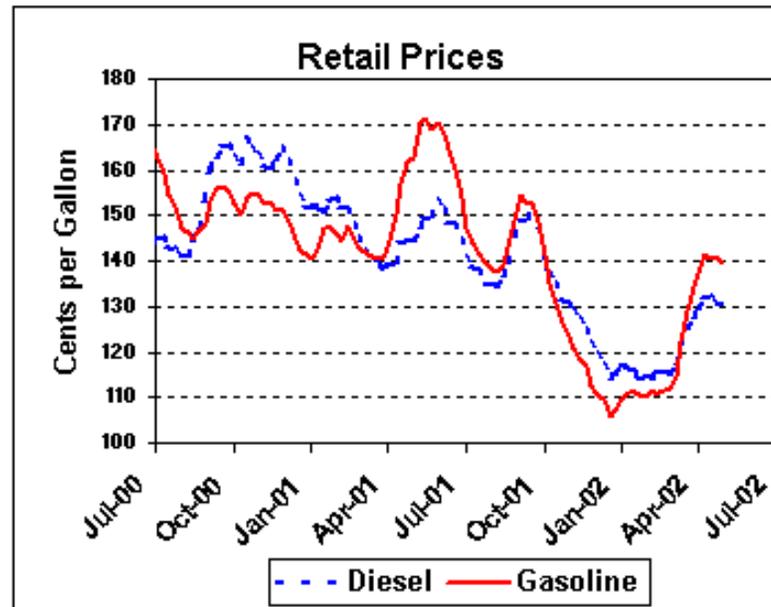
Note: Production includes crude oil, lease condensate, natural gas liquids, ethanol, and refinery gain.

U.S. Petroleum Prices

(updated April 30, 2002)



Source: Closing quote as reported by Reuters News Service



Source: Energy Information Administration (EIA)

Crude Oil and Oil Products Price Table

Date	WTI Crude Oil		Gasoline		Heating Oil		Kerojet	Propane		EIA Weekly Retail	
	Spot	Futures	Spot	Futures	Spot	Futures	Spot	Spot	US Average		
	Cushing		NYH		NYH		NYH	Mt. Belvieu	Conway	Gasoline	Diesel
	\$/bbl	\$/bbl	cents per gallon		cents per gallon		c/gal	cents per gallon		cents per gallon	
3/12/2002	\$24.55	\$24.20	72.38	78.54	64.40	63.49	65.60	37.88	35.25		
3/13/2002	\$24.14	\$24.16	71.63	79.20	64.15	64.82	65.43	37.82	34.63		
3/14/2002	\$24.48	\$24.56	71.85	79.95	63.73	65.70	65.18	37.88	34.88		
3/15/2002	\$24.47	\$24.51	72.63	80.90	64.28	64.76	65.73	38.26	35.32		
3/18/2002	\$25.03	\$25.11	75.28	83.36	66.00	66.48	67.40	38.07	35.75	128.8	125.1
3/19/2002	\$25.02	\$24.88	74.23	83.16	66.20	66.12	67.30	39.63	37.13		
3/20/2002	\$24.92	\$24.90	72.30	81.92	65.60	66.57	66.60	39.82	37.57		
3/21/2002	\$25.74	\$25.61	73.88	82.93	66.80	67.14	67.80	38.69	37.00		
3/22/2002	\$25.56	\$25.35	70.82	80.08	64.83	65.27	65.45	39.69	38.25		
3/25/2002	\$25.69	\$24.99	69.55	78.81	63.60	64.16	64.60	39.00	37.75	134.2	128.1
3/26/2002	\$25.75	\$25.36	70.81	80.08	65.23	65.68	66.26	39.75	38.25		
3/27/2002	\$25.79	\$25.87	74.55	82.05	66.40	66.72	67.80	40.50	39.63		
3/28/2002	\$26.21	\$26.31	74.88	82.49	67.05	66.89	67.95	40.63	41.00		
3/29/2002	NA	NA	NA	NA	NA	NA	NA	NA	NA		
4/1/2002	\$26.82	\$26.88	78.25	84.90	68.40	68.69	68.05	42.38	41.88	137.1	129.5
4/2/2002	\$27.75	\$27.71	80.15	86.98	70.65	70.95	72.75	44.82	44.63		
4/3/2002	\$27.55	\$27.56	76.35	84.84	70.40	70.83	72.50	44.38	44.25		
4/4/2002	\$26.64	\$26.58	74.75	82.33	68.40	68.66	70.50	44.01	44.50		
4/5/2002	\$26.21	\$26.21	73.70	81.70	68.15	68.22	70.05	43.00	42.19		
4/8/2002	\$26.16	\$26.54	77.57	84.19	69.57	69.30	71.20	43.82	42.94	141.3	132.3
4/9/2002	\$25.45	\$25.82	75.13	83.39	66.80	67.80	68.50	41.19	40.13		
4/10/2002	\$26.15	\$26.13	76.00	83.44	67.35	67.84	68.98	41.00	40.13		
4/11/2002	\$24.93	\$24.99	72.53	78.87	64.73	64.71	66.50	39.00	37.69		
4/12/2002	\$23.51	\$23.47	66.48	72.96	60.03	60.05	61.93	38.07	36.63		
4/15/2002	\$24.53	\$24.57	73.00	78.63	63.07	63.34	65.09	39.50	38.00	140.4	132.0
4/16/2002	\$24.92	\$24.75	74.73	79.29	64.23	63.78	66.25	39.50	38.00		
4/17/2002	\$25.94	\$25.94	74.70	80.77	65.10	65.40	67.25	40.25	38.75		
4/18/2002	\$25.86	\$26.18	74.57	81.13	65.30	65.58	67.25	41.13	39.13		
4/19/2002	\$26.43	\$26.38	73.95	80.40	65.65	65.91	67.75	40.38	37.88		
4/22/2002	\$26.28	\$26.27	72.82	79.02	65.55	65.81	67.65	41.00	38.50	140.4	130.4
4/23/2002	\$26.28	\$26.62	74.11	80.16	66.40	66.53	69.07	41.69	39.32		
4/24/2002	\$26.28	\$26.38	71.89	78.76	66.10	66.12	68.28	41.13	39.19		
4/25/2002	\$26.36	\$26.73	72.50	79.37	66.70	67.20	69.10	41.50	39.69		
4/26/2002	\$27.12	\$27.11	74.00	81.39	67.60	67.90	70.00	40.69	39.25		
4/29/2002	\$27.45	\$27.57	74.95	83.36	68.95	69.20	71.20	41.57	39.25	139.3	130.2

Source: Spot and futures closing quotes as reported by Reuters News Service, retail prices reported by EIA

Latest U.S. Weekly EIA Petroleum Information

(updated April 24, 2002)

When Up Is Down

U.S. commercial crude oil inventories (excluding those in the Strategic Petroleum Reserve) rose by 1.5 million barrels last week. Total commercial petroleum inventories increased by 5.0 million barrels. So how do these increases actually represent a declining inventory situation? It is by looking at the shrinking surplus to year-ago levels. Even with these increases, the petroleum inventory surplus that has existed in the United States for over a year is shrinking fast.

U.S. crude oil inventories, which were about 40 million barrels above year-ago levels as recently as the week ending March 1, stand at just 3.9 million barrels above year ago levels for the week ending April 19. Because of the nearly 21 million barrel increase in crude oil inventories last April, unless crude oil inventories increase about another 1 million barrels next week, we will see the first deficit to year-ago levels since the week ending March 16, 2001. How has the situation turned so dramatically in recent weeks? Crude oil imports into the United States continue to track well below year-ago levels. Even with an increase of 0.9 million barrels per day last week to average over 9.1 million barrels per day, U.S. crude oil imports over the last four weeks have averaged just 8.8 million barrels per day, or nearly 850,000 barrels per day less than over the same period last year. With OPEC 10 (excluding Iraq) crude oil production in the first quarter of 2002 averaging 22.6 million barrels per day, this is the lowest quarterly average since the second quarter of 1992! With less crude oil being produced by these countries after a series of cuts in production quotas, they are exporting less, and so it is no surprise to see the world's largest importing country experiencing declining imports. Of course, with the large stock surpluses that were in the United States earlier this year, this was not a concern, since inventories were available to supply refineries. However, now that the crude oil inventory surplus is all but gone, how much longer can the system rely on inventories before U.S. refiners need to go out and bid against European and Asian refiners for more imports, thus putting increased pressure on prices?

The situation is similar when looking at total commercial petroleum inventories (commercial crude oil plus refined product inventories). A surplus to year-ago levels that was as high as 87.7 million barrels as of the week ending January 4, and was as high as 83 million barrels as recently as the week ending February 8, is now just 38 million barrels above the level last year. With large increases in commercial petroleum inventories last April and May, this surplus could also disappear by next month. With the peak of the gasoline season still ahead, the year-over-year inventory surpluses we've become accustomed to may be fading away.

Retail Gasoline Takes a Slide (updated April 30, 2002 -- this section only)

The retail price for regular motor gasoline fell this week, losing 1.1 cents to end at 139.3 cents per gallon. This price is 23.3 cents per gallon lower than last year. Prices have been flat or falling for the past three weeks. Prices were down throughout the country, except for in the Rocky Mountains, which saw an increase of 0.8 cents per gallon. The largest price decrease occurred in the Midwest, where prices dropped 2.4 cents per gallon. Gasoline inventories have declined over the past two weeks, but they remain 6.4% above last year's level and 1.8% above the 5-year average. Total gasoline imports were up last week, at a level 36.6 percent higher than this time last year. However, continuing daily conflicts in the Middle East and OPEC's reluctance to raise its production quota could have the potential to disrupt crude oil and product markets. For further information, see the [Summer Motor Gasoline Outlook](#), released on April 8, which anticipates that gasoline prices are likely

to rise further, although they are expected at this time to remain below levels seen the last two years. However, with the season just beginning, it is difficult to know how events will unfold this summer. Last year, after rising in the spring and then falling in the middle of summer, gasoline prices rose again towards the end of summer.

Retail diesel fuel prices fell for a third straight week by 0.2 cents per gallon, to a national average of 130.2 cents per gallon as of April 29.

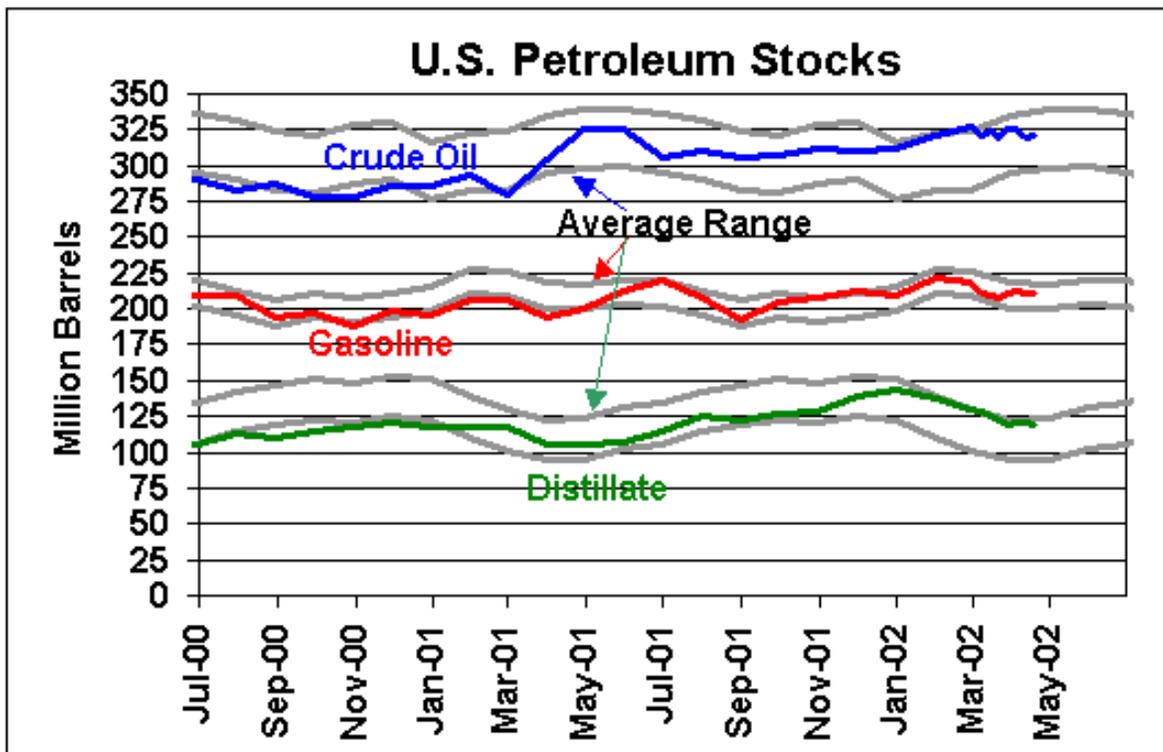
Jet Fuel Demand Maintains Status Quo

Despite the week over week drop in jet fuel demand, the overall picture remains robust as the most recent four week period continues to show demand trailing less than 4% below the comparable period last year. Jet fuel demand over the four-week period ending April 19, 2002, maintained the 1.6-million-barrel-per-day average reported the previous week. Continuation of cheap airfares appears to be one of the drivers behind the recent rebound seen over the past several weeks. But it is still uncertain whether the upward trend can be maintained during the summer travel season if major airlines abandon this practice and return to more normal pricing policies.

Over the last four weeks, total demand for petroleum products was less than 2% below the same period last year, continuing a trend of declining differentials that started during the first quarter of the year as petroleum demand began approaching year-ago levels.

U.S. Petroleum Supply

(Thousand Barrels per Day)	Four Weeks Ending		vs. Year Ago	
	4/19/2002	4/19/2001	Diff.	% Diff.
Refinery Activity				
Crude Oil Input	14,984	15,218	-234	-1.5%
Operable Capacity	16,800	16,639	161	1.0%
Operable Capacity Utilization (%)	89.9%	92.8%	-2.9%	
Production				
Motor Gasoline	8,377	8,274	103	1.2%
Jet Fuel	1,487	1,535	-48	-3.1%
Distillate Fuel Oil	3,572	3,592	-20	-0.6%
Imports				
Crude Oil (incl. SPR)	8,844	9,698	-854	-8.8%
Motor Gasoline	814	725	89	12.3%
Jet Fuel	130	150	-20	-13.4%
Distillate Fuel Oil	226	317	-91	-28.6%
Total	11,240	12,179	-939	-7.7%
Exports				
Crude Oil	33	16	17	100.9%
Products	928	933	-5	-0.5%
Total	961	949	12	1.3%
Products Supplied				
Motor Gasoline	8,694	8,522	172	2.0%
Jet Fuel	1,606	1,671	-65	-3.9%
Distillate Fuel Oil	3,748	3,923	-175	-4.5%
Total	19,404	19,699	-295	-1.5%
vs. Year Ago				
Stocks (Million Barrels)	4/19/2002	4/19/2001	Diff.	% Diff.
Crude Oil (excl. SPR)	320.9	317.0	3.9	1.2%
Motor Gasoline	210.6	197.9	12.7	6.4%
Jet Fuel	40.0	40.2	-0.2	-0.5%
Distillate Fuel Oil	119.7	105.0	14.7	14.0%
Total (excl. SPR)	997.3	958.8	38.5	4.0%



Source: Energy Information Administration, Weekly Petroleum Status Report, Petroleum Supply Monthly.

World Oil Market Highlights

(updated April 30, 2002)

According to second quarter 2002 estimates, the world holds about 7 million barrels per day of excess oil production capacity outside of Iraq, over 90% of which lies in OPEC countries. As of April 30, the [U.S. Strategic Petroleum Reserve](#) (SPR) contained 566.1 million barrels of oil. The SPR has a maximum drawdown capability of 4.18 million barrels per day for 90 days, with oil beginning to arrive in the marketplace 15 days after a presidential decision to initiate a drawdown.

Major Sources of U.S. Petroleum Imports, 2001*

(all volumes in million barrels per day)

	Total Oil Imports	Crude Oil Imports	Petroleum Product Imports

Canada	1.79	1.32	0.47
Saudi Arabia	1.66	1.61	0.05
Venezuela	1.54	1.28	0.26
Mexico	1.42	1.38	0.04
Nigeria	0.86	0.81	0.04
Iraq	0.78	0.78	0.00
Norway	0.33	0.27	0.06
Angola	0.32	0.31	0.07
United Kingdom	0.31	0.23	0.08
Total Imports	11.62	9.15	2.47

* Table includes all countries from which the U.S. imported more than 300,000 barrels per day in 2001.

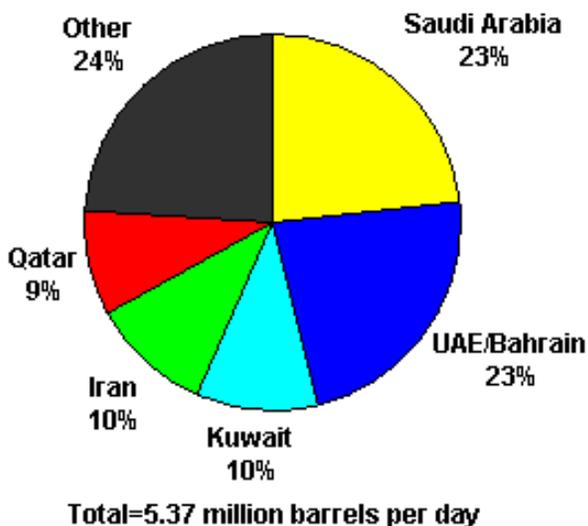
Top World Oil Net Exporters, 2001*		
	Country	Net Exports (million barrels per day)
1)	Saudi Arabia	7.38
2)	Russia	4.76
3)	Norway	3.22
4)	Iran	2.74
5)	Venezuela	2.60
6)	United Arab Emirates	2.09
7)	Nigeria	2.00
8)	Iraq	2.00
9)	Kuwait	1.80
10)	Mexico	1.65
11)	Libya	1.24
12)	Algeria	1.24

**Table includes all countries with net exports exceeding 1 million barrels per day in 2001.*

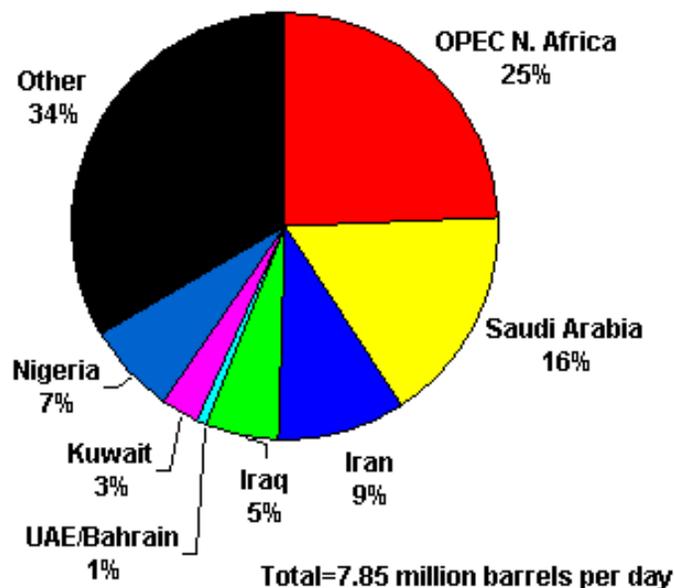
During 2001, about 48% of U.S. crude oil imports came from the Western Hemisphere (19% from South America, 15% from Mexico, 14% from Canada), while 30% came from the Persian Gulf region (18% from Saudi Arabia, 9% from Iraq, 3% from Kuwait).

In general, OECD Europe depends far more heavily on the Persian Gulf and North Africa for oil imports than the United States. During 2001, about 35% of OECD Europe's net oil imports came from the Persian Gulf (mainly Saudi Arabia, Iran, Iraq, and Kuwait), around one-third from Africa (mainly Libya, Algeria, and Nigeria), and much of the remainder from Russia. Japan receives over three-quarters of its oil supplies from the Persian Gulf (mainly the UAE, Saudi Arabia, Kuwait, Iran, and Qatar) with the remainder coming from Indonesia, China, and other sources.

Japanese Net Oil Imports by Country, 2001



OECD European Net Oil Imports by Country, 2001



Latest U.S. Weekly Natural Gas Information

(updated April 30, 2002)

[Industry/Market Developments](#)

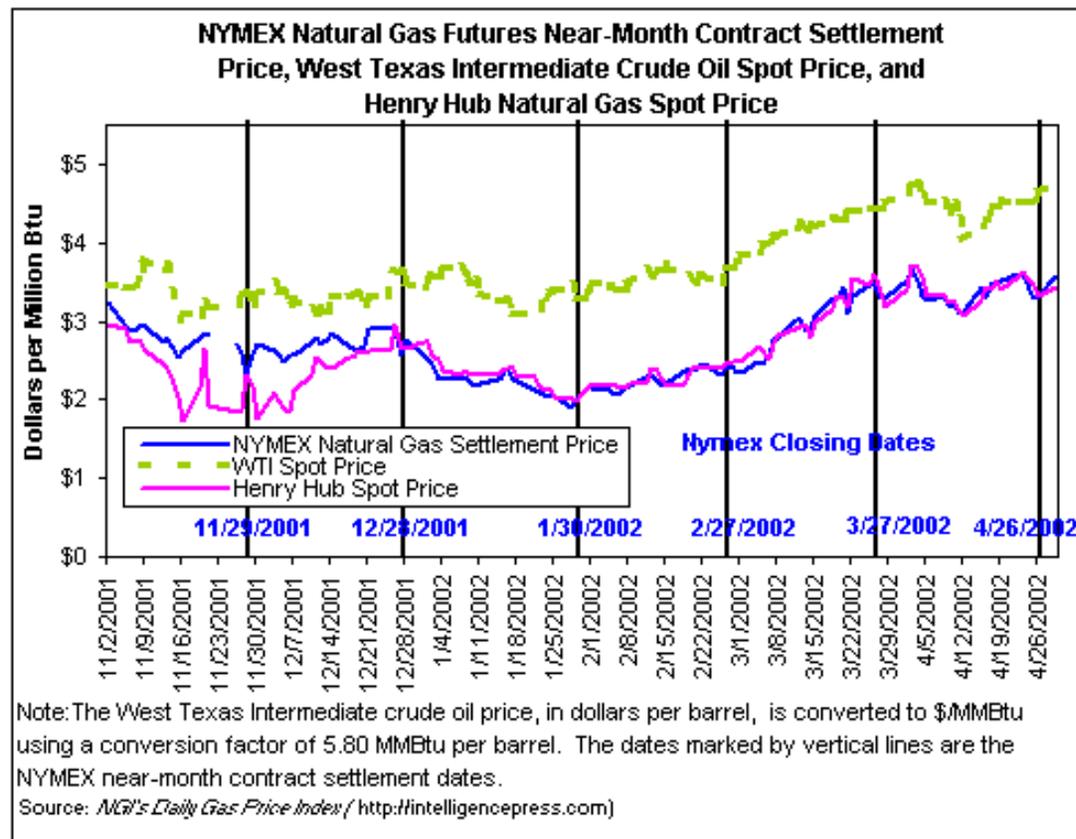
Gas drilling activity: The number of rotary rigs drilling gas prospects rose for the third week in a row, to 634, according to the latest Baker Hughes rig count released Friday, April 26. This is the first time in nearly a year that the natural gas rig count has recorded consecutive weekly increases. Since reaching its all-time high of 1,068 rigs running for the week ending July 13, 2001, the rig count has fallen quite consistently, recording only 4 weekly increases in the 36 weeks through April 5, 2002. As of that date, the rig count had dropped to 591 -- its lowest level since October 15, 1999, when it reached 579. Despite the recent

increases in gas drilling, the monthly average gas rig count declined from 617 in March 2002 to 612 in April 2002.

Prices

Natural gas prices surged on Monday, April 29, climbing between 10 and 33 cents per MMBtu at most major market locations in the lower 48 States, as a heat wave gripped the Gulf Coast States, increasing cooling demand for gas. Prices at the Henry Hub climbed 12 cents to \$3.44 per MMBtu. Prices in the West continued their recent pattern of daily price changes outstripping the rest of the country. In California, prices rose between 36 and 52 cents per MMBtu at most locations, while in the Rocky Mountains, price increases ranged between 59 and 96 cents per MMBtu at most locations. At the Florida citygate, the price of gas rose to the highest levels in the country, climbing 33 cents to average \$4.20 per MMBtu.

On the NYMEX, the price for futures contracts for June delivery settled at \$3.561 per MMBtu, climbing nearly 19 cents in its first full day as the near-month contract. Similarly, prices of futures contracts for delivery in each month remaining in the injection season also posted double-digit gains, averaging \$3.61 per MMBtu, or roughly 17 cents greater than the previous day's settlement prices.



<i>All prices in \$ per MMBtu</i>	California	Henry	New York		NYMEX	NYMEX	NYMEX
	Composite Average Price*	Hub	City	Chicago	contract- May delivery	contract- June delivery	contract- July delivery
4/2/2002	3.54	3.72	4.12	3.76	3.654	3.674	3.699
4/3/2002	3.53	3.68	4.07	3.69	3.506	3.528	3.558
4/4/2002	3.45	3.56	4.08	3.61	3.333	3.371	3.409
4/5/2002	3.14	3.31	3.80	3.34	3.275	3.313	3.357
4/8/2002	3.23	3.36	3.72	3.40	3.327	3.365	3.410
4/9/2002	3.14	3.25	3.59	3.28	3.201	3.240	3.283
4/10/2002	3.15	3.25	3.59	3.28	3.184	3.223	3.264
4/11/2002	3.04	3.14	3.56	3.17	3.103	3.141	3.181
4/12/2002	2.68	3.08	3.35	3.09	3.125	3.163	3.205
4/15/2002	3.11	3.27	3.74	3.30	3.430	3.465	3.500
4/16/2002	3.31	3.43	3.88	3.44	3.294	3.329	3.367
4/17/2002	3.23	3.40	3.76	3.38	3.477	3.511	3.546
4/18/2002	3.31	3.51	3.81	3.50	3.485	3.523	3.558
4/19/2002	3.01	3.40	3.68	3.41	3.527	3.562	3.595
4/22/2002	3.32	3.58	3.97	3.59	3.596	3.616	3.646
4/23/2002	3.31	3.63	3.97	3.64	3.591	3.615	3.645
4/24/2002	3.14	3.53	3.85	3.55	3.419	3.431	3.465
4/25/2002	3.14	3.47	3.81	3.49	3.295	3.306	3.341
4/26/2002	2.70	3.32	3.66	3.33	3.319	3.372	3.407
4/29/2002	3.14	3.44	3.79	3.48	expired	3.561	3.589

* Average of NGI's reported average prices for: Malin, PG&E citygate, and Southern California Border Average.

Source: NGI's Daily Gas Price Index (<http://intelligencepress.com>)

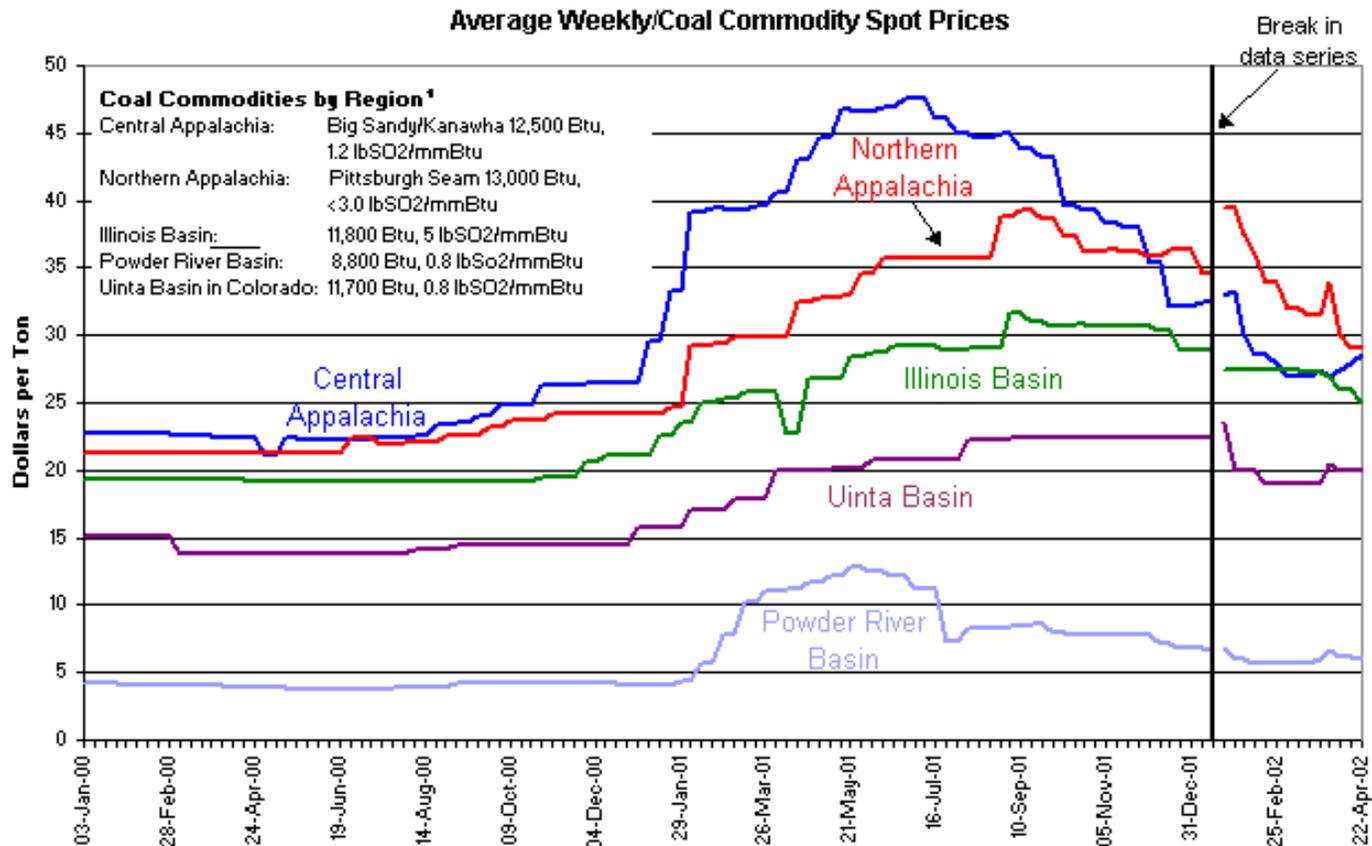
Latest U.S. Coal Information

(updated April 25, 2002)

U.S. coal supplies are more than adequate for anticipated needs. For the week ending April 20, EIA estimates U.S. [coal production](#) at 20.0 million short tons (mst). This was 8% lower than in the comparable week in 2001. Year-to-date as of April 20, rail car loadings of coal and national coal production have fallen by 4.4% and 5.2%, respectively, compared to their levels a year ago. Year-to-date, western U.S. coal production is 1.3% below the levels of a year ago, whereas eastern U.S. coal production is estimated to be 9.4% below last year's level. The estimated production for the first quarter of 2002 was 268.8 mst. Restrained production at this time accommodates higher-than-usual coal stockpiles at consuming facilities, coinciding with the spring period of low seasonal demand.

While crude oil prices have fluctuated, mostly upward, in recent weeks, U.S. coal prices have either fallen or held relatively steady. Although price criteria changed since last summer, Illinois, Uinta, and Powder River Basin coals are continuing the level-to-slowly-declining price profiles established with the 2001 spot data. Since summer 2001 peaks, Central and Northern Appalachian coal prices have fallen significantly (by about \$19.00 and 10.00 per short ton,

respectively). The latest prices, \$28.50 per short ton for Central Appalachian and \$29.00 per short ton for Northern Appalachian coal, are 28% and 36% above prices in the summer of 2000, prior to escalation. Spot prices currently indexed are about 25% and 40% above the summer 2000 baseline, respectively, for Central and Northern Appalachia, and about 10% for the Uinta Basin, 20% for the Illinois Basin, and 50% for the Powder River Basin, above summer 2000 levels. In the latest week, coal prices either did not change or moved down by small percentages, with the exception of Central Appalachian coal, which has extended a 3-week rise totaling \$1.50 per short ton. Uncertainty over the course of events in the Middle East continues to add a security margin to other energy prices. Although [NYMEX](#) trade volumes are nominal and erratic, the trend since mid-November 2001 has been toward lower prices, with a recent leveling off of prices since early February 2002.



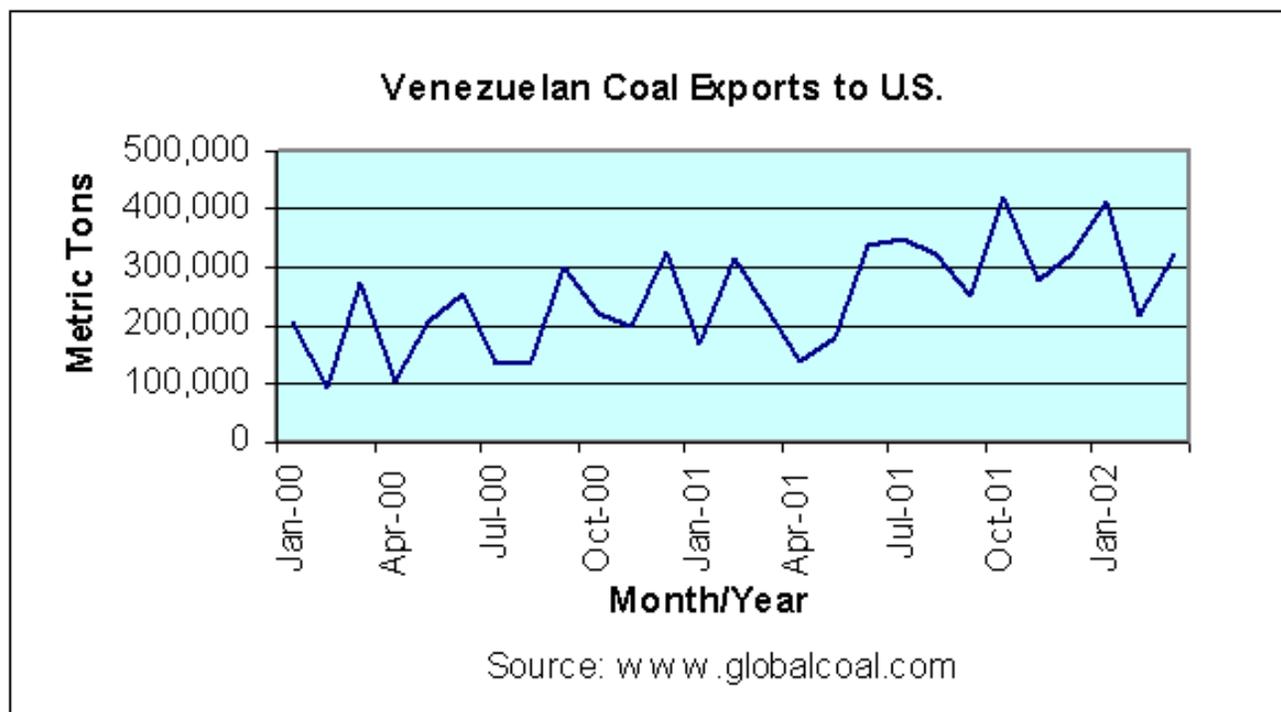
Source: with permission, selected from listed prices in Platts Coal Outlook, "Weekly Price Survey"

¹Prior to January 14, 2002 EIA averaged 12-month "forward" spot prices for several coal specifications; after that date, the values shown are based on a single specification in each region for delivery by the end of the next quarter.

Principals from the over-the-counter (OTC) markets say the wide volatility of coal prices during the past 2 years indicates the need for a "more mature" OTC trading market, according to Platts Coal Trader, April 23, 2002. The prices tracked in the Average Weekly Coal Commodity Spot Prices (above) are estimated from near-term OTC spot prices, for delivery by the end of the coming quarter, or generally within 30 to 120 days.

Although the United States can produce sufficient coal for domestic needs, 12.5 mst were imported in 2000, about 1% of consumption. A few electric power

generators situated near the Atlantic and Gulf coasts purchase imported coal because their location allows them to cash in on low mine-level prices and ocean shipping rates and because the imported coals are low in sulfur, with high heat content. In 2000, 2.0 mst of coal was imported from Venezuela. If disruptions of these coal shipments were to occur, the national impact would be insignificant. In any case, unlike with recent strikes against Venezuelan oil exports, we have seen no curtailment of Venezuelan coal shipments.



A March 28 ruling by U.S. District Judge James Robertson, of the federal district court in Washington, DC, would restrict underground coal mining under national parks, inhabited residences, and other protected areas. The court ruled in favor of the Citizens Coal Council, an environmental advocacy group, in its suit challenging the way the Department of the Interior has allowed permitting of underground coal mining that may cause ground subsidence in specified protected areas. The effect of this ruling would negate permitting practices that have been followed, but challenged, almost since the initiation of the Surface Mining Control and Reclamation Act of 1977. The National Mining Association, which along with Gale Norton, Secretary of the Interior, is one of the Defendants, claims that the ruling ignores long-standing interpretation of the 1977 statute and would devastate eastern U.S. coal production. It pledges to appeal the ruling.

In the long term, however, EIA expects domestic coal supplies to be more than adequate for projected consumption. Most coal is still sold under multi-year contracts, and average prices for all coal supply contracts, incorporating spot and long-term, are projected to stabilize at well below current spot prices. EIA's projections of average coal prices decline slightly in inflation-adjusted dollars because nominal prices rise more slowly than the rate of inflation between 2000 and 2020.

Latest U.S. Electricity Information

(updated April 30, 2002)

Selected Wholesale Electricity Prices (April 23 – April 29): Western U.S. wholesale prices have decreased over the past seven days as lower natural gas prices and a decrease in heating and cooling demand have contributed to lower electricity prices. Prices at the California-Oregon Border have declined 7%, from \$26.81 per megawatthour on April 23 to \$24.88 per megawatthour on April 29. Palo Verde prices decreased 11%, from \$30.37 per megawatthour on April 23 to \$27.01 per megawatthour on April 29.

With warm weather forecasts and anticipation of weekend routine maintenance outages, ISO New England wholesale electricity spot prices increased over the past week, from \$28.94 per megawatthour on April 23 to \$32.90 per megawatthour on Friday, April 29. New York ISO prices over the same days also increased, from \$35.61 to \$41.57 per megawatthour.

Overall, the average price at all trading centers decreased 5% over the past week, from \$29.46 on April 23 to \$27.97 on April 29.

U.S. Regional Electricity Prices at Major Trading Centers (Dollars per megawatthour)

Trading Centers	Date							Price Range		
	4/23/02	4/24/02	4/25/02	4/26/02	4/27/02	4/28/02	4/29/02	Max	Min	Average
COB	26.81	33.00	27.00	25.88	n.q.	n.q.	24.88	33.00	19.00	27.51
Palo Verde	30.37	32.85	32.45	26.74	n.q.	n.q.	27.01	32.85	25.49	29.88
Mid-Columbia	15.68	21.89	22.75	20.08	n.q.	n.q.	19.85	22.75	11.11	20.05
Mead/Marketplace	32.14	35.42	32.14	28.19	n.q.	n.q.	27.47	35.42	27.02	31.07
4 Corners	28.92	32.42	31.75	27.00	n.q.	n.q.	26.25	32.42	25.33	29.27
NP 15	30.90	35.85	32.52	27.89	n.q.	n.q.	27.17	35.85	26.00	30.87
SP 15	32.43	36.34	33.35	27.95	n.q.	n.q.	27.87	36.34	26.29	31.59
PJM West	33.17	29.68	26.98	26.66	n.q.	n.q.	28.33	91.35	26.66	28.96
ISO New England	28.94	29.38	28.46	31.03	29.55	35.22	32.90	36.63	23.06	30.74
New York ISO	35.61	35.63	36.49	34.21	31.18	29.72	41.57	61.56	28.75	35.09
Cinergy	29.05	26.25	24.81	24.10	n.q.	n.q.	24.33	49.99	24.10	25.71
Average Price	29.46	31.70	29.88	27.25	30.37	32.47	27.97	39.73	25.91	29.16

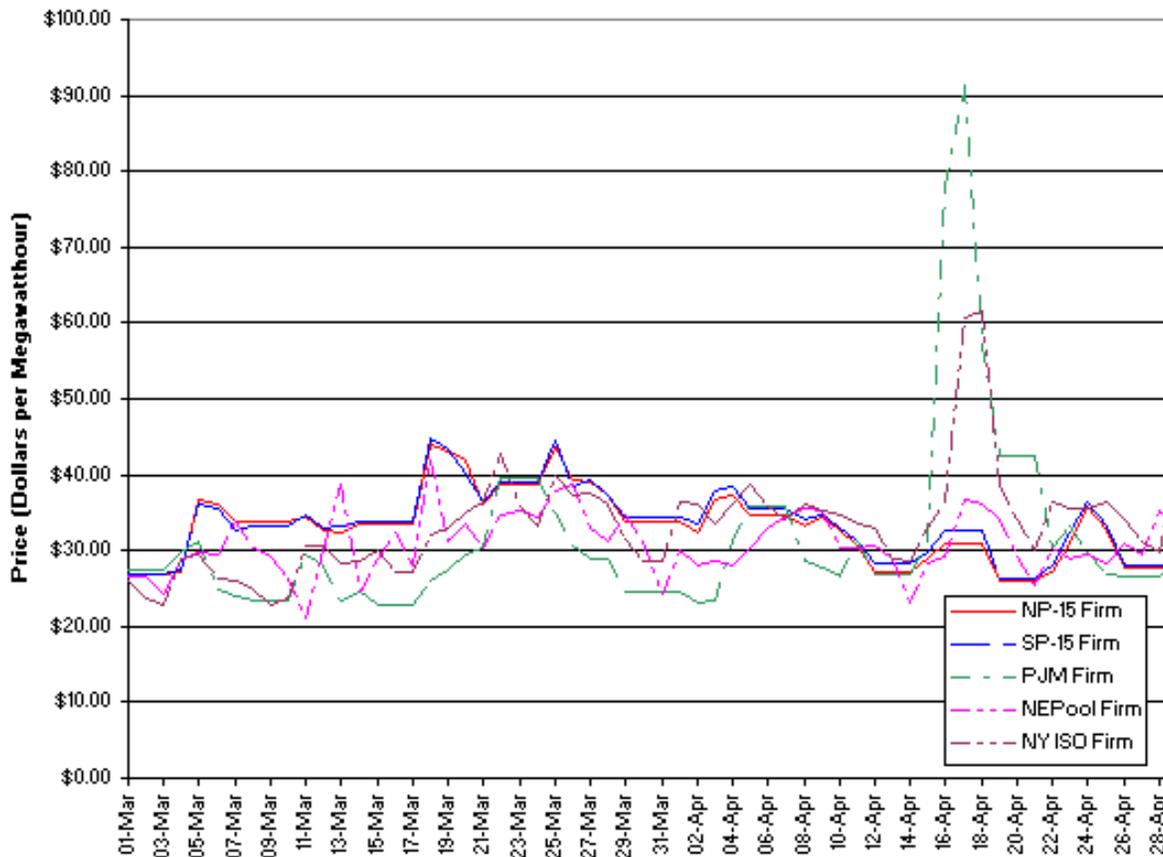
Source: COB, Palo Verde, Mid-Columbia, Mead/Market Place, Four Corners, NP-15, SP-15, PJM-West, and Cinergy trading centers, Used with Permission from Bloomeberg L.P., ISO New England (<http://www.iso-ne.com>), and New York ISO (<http://www.nyiso.com>) web pages.

Notes:

n.q. - No quotes available for the day.

- COB:** Average price of electricity traded at the California-Oregon and Nevada-Oregon Borders.
- Palo Verde:** Average price of electricity traded at Palo Verde and the West Wing, Arizona.
- Mid-Columbia:** Average price of electricity traded at Mid-Columbia.
- Mead/Market Place:** Average price of electricity traded at Mead Market Place, McCullough and Eldorado.
- Four Corners:** Average price of electricity traded at Four Corners, Shiprock, and San Juan, New Mexico.
- NP-15:** Average price of electricity traded at NP-15.
- SP-15:** Average price of electricity traded at SP-15.
- PJM-West:** Average price of electricity traded at PJM Western hub.
- ISO New England** Average price of electricity traded at the New England ISO, formerly Nepoch.
- New York ISO:** Average price of electricity traded at the New York ISO.
- Cinergy:** Average price of electricity traded into the Cinergy control area.

Average Wholesale Electricity Prices in the U.S.



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Contact:
 Lowell Feld and Tara Billingsley
lowell.feld@eia.doe.gov
tara.billingsley@eia.doe.gov

Phone: Lowell Feld: (202) 586-9502; Tara Billingsley: (202) 586-0172
 Fax: (202) 586-9753

URL: <http://www.eia.doe.gov/emeu/security/esar/esar.html>

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