



CURRENT GAS & ELECTRIC MARKET CONDITIONS

February 7, 2023

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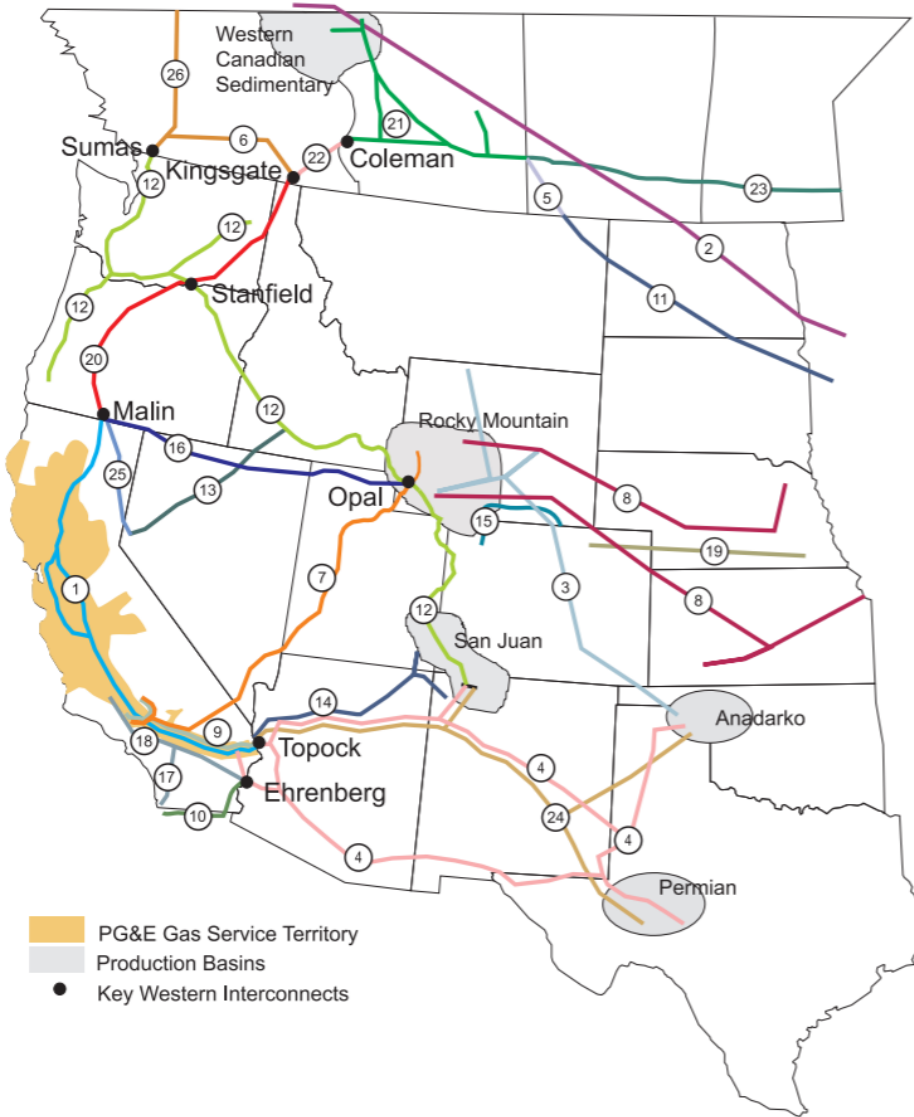
MANAGER OF FUEL AND PURCHASED POWER

BACKGROUND

LADWP Generation

- Municipality
- Load Serving Entity
- Balancing Authority
- Vertically Integrated
- Resource Portfolio
- Environmental Goals
- Inadvertent Risk Exposure

Gas Market Access



WESTERN NORTH AMERICAN NATURAL GAS PIPELINES (Not to Scale)

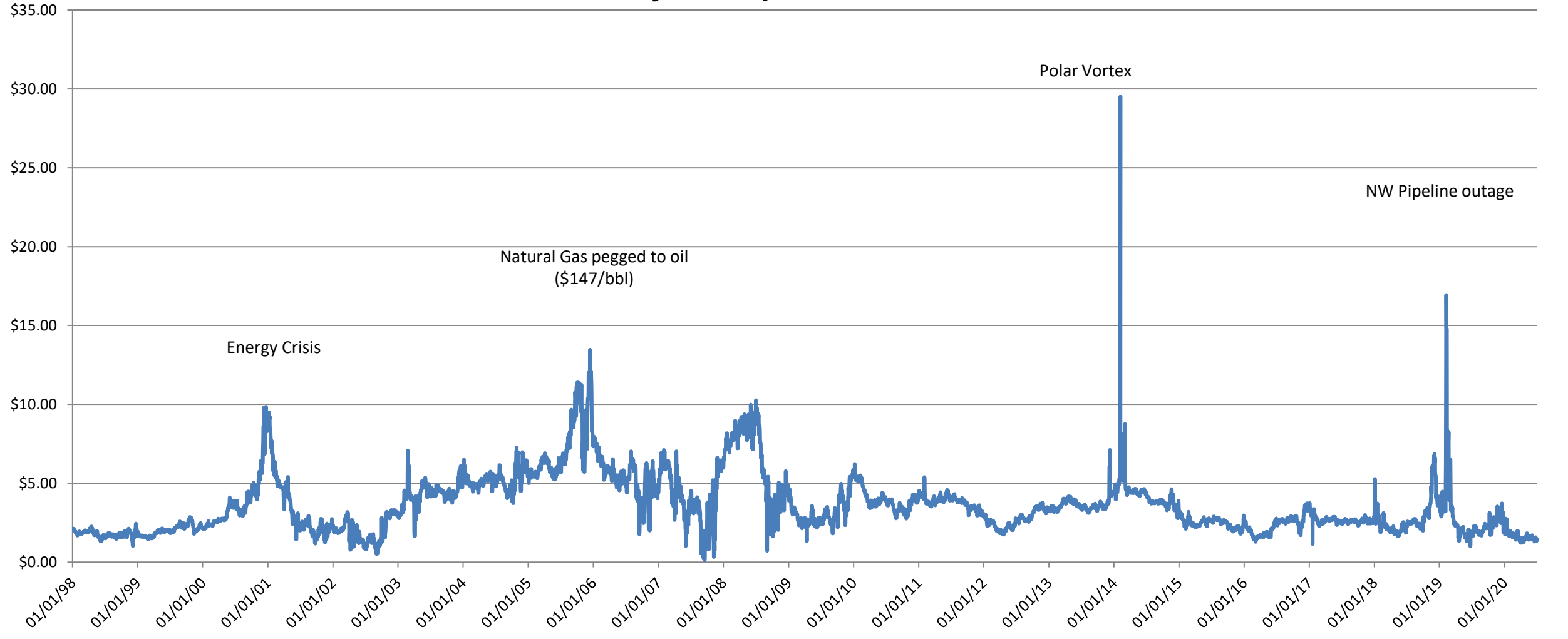
- ① Pacific Gas and Electric Company - California Gas Transmission
- ② Alliance Pipeline L.P.
- ③ Colorado Interstate Gas Company
- ④ El Paso Natural Gas Company
- ⑤ Foothills Pipe Lines Ltd.
- ⑥ FortisBC
- ⑦ Kern River Gas Transmission Company**
- ⑧ Kinder Morgan Interstate Gas Transmission
- ⑨ Mojave Pipeline Company
- ⑩ North Baja Pipeline, LLC
- ⑪ Northern Border Pipeline Company
- ⑫ Northwest Pipeline (Williams)
- ⑬ Paiute Pipeline Company
- ⑭ Questar Southern Trails Pipeline Company
- ⑮ Rockies Express
- ⑯ Ruby Pipeline
- ⑰ San Diego Gas & Electric
- ⑱ Southern California Gas Company**
- ⑲ Trailblazer Pipeline Company
- ⑳ TransCanada - GTN System
- ㉑ TransCanada - Alberta System
- ㉒ TransCanada - B.C. System
- ㉓ TransCanada - Canadian Mainline
- ㉔ Transwestern Pipeline Company
- ㉕ Tuscarora Gas Transmission Company
- ㉖ Westcoast Pipeline

PG&E Gas Service Territory
 Production Basins
 Key Western Interconnects

CURRENT GAS MARKET CONDITIONS

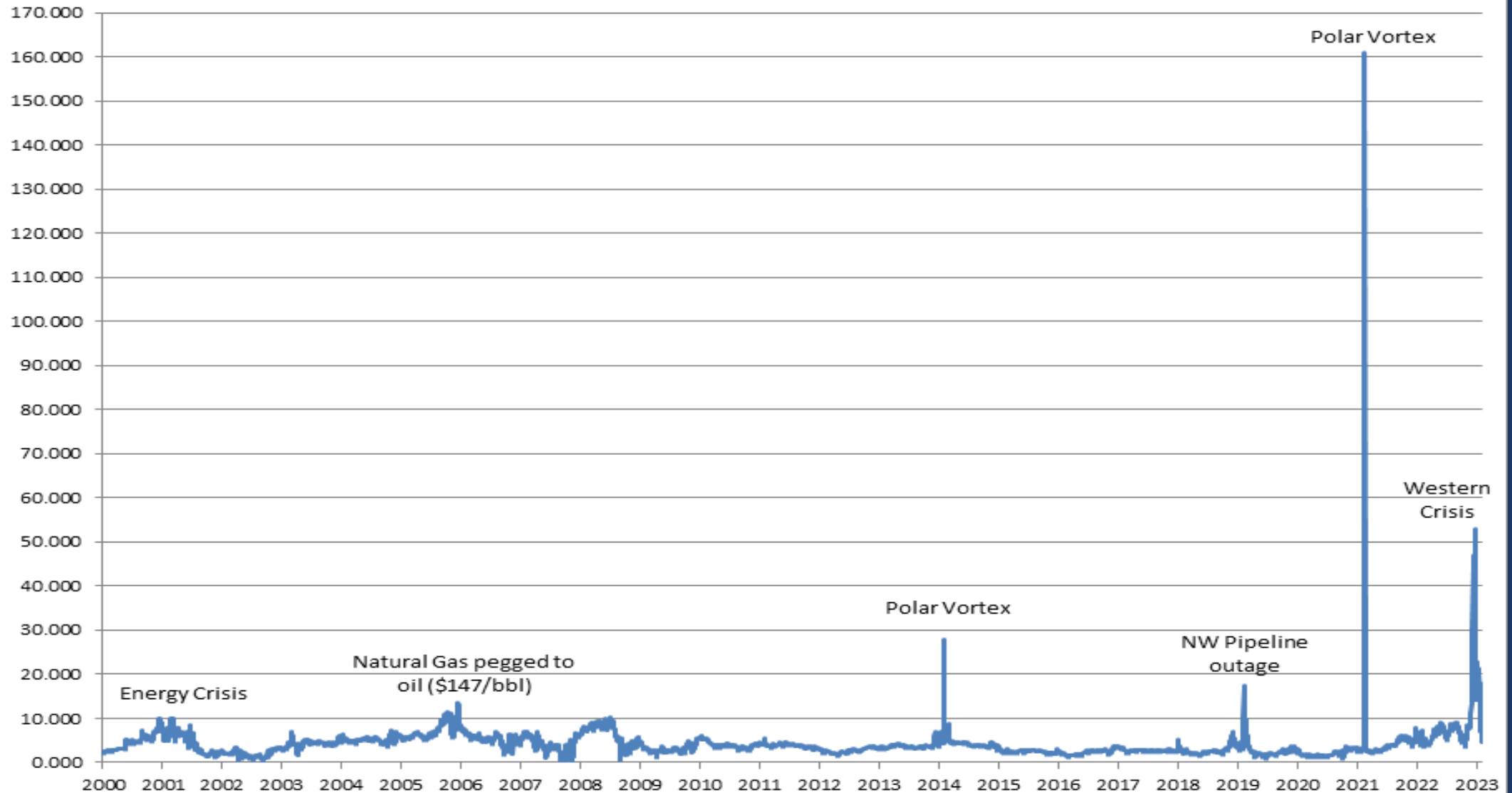
Historical Natural Gas Prices

NW Rockies Daily Gas Spot Prices



Recent Natural Gas Prices

Opal Gas Daily Average Price 2000-Present



IMPACTS OF GAS PRICES ON ELECTRIC GENERATION MARKETS

Not Your Normal Spike

Demand

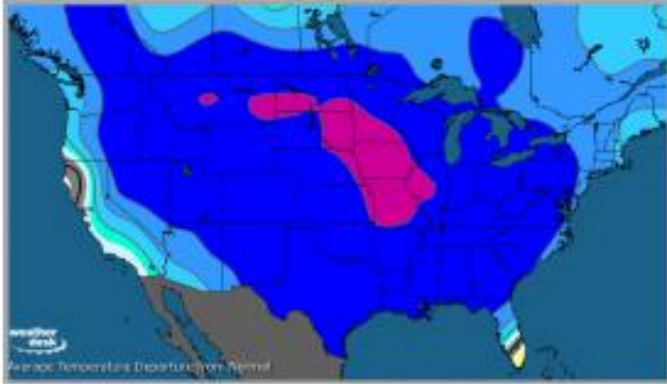
- East vs. West
- Sustained below average overnight temperatures
- Everything west of the Rockies

Supply

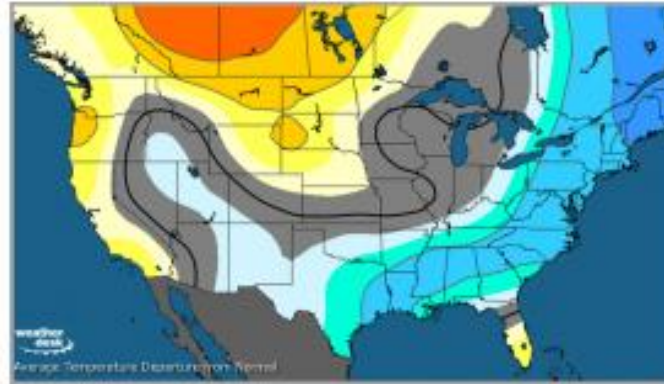
- Force Majeure on TransCanada GTN pipeline – limited market access
- Low storage inventory (declared)
- Ongoing pipeline restrictions

Unexpected Weather

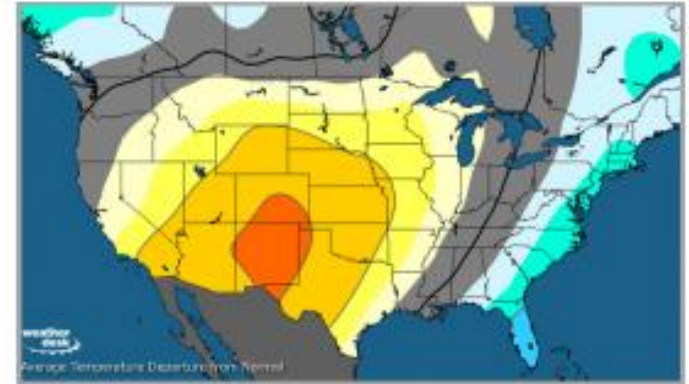
1-5 Day: Wednesday Nov 16 - Sunday Nov 20



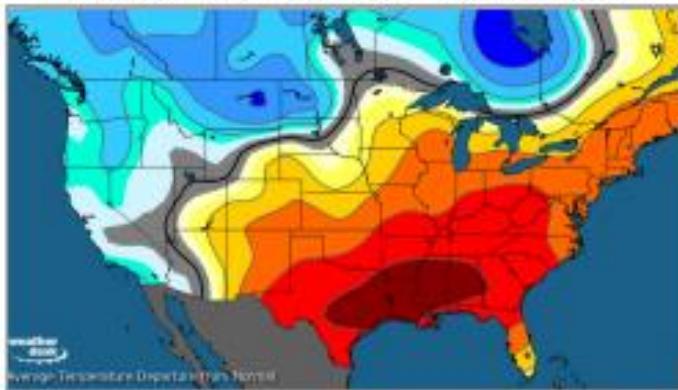
6-10 Day: Monday Nov 21 - Friday Nov 25



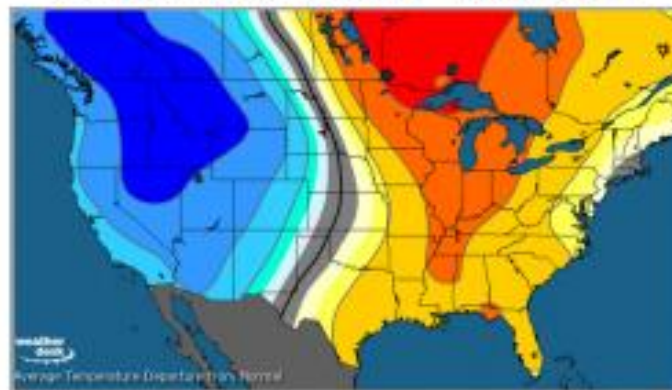
11-15 Day: Saturday Nov 26 - Wednesday Nov 30



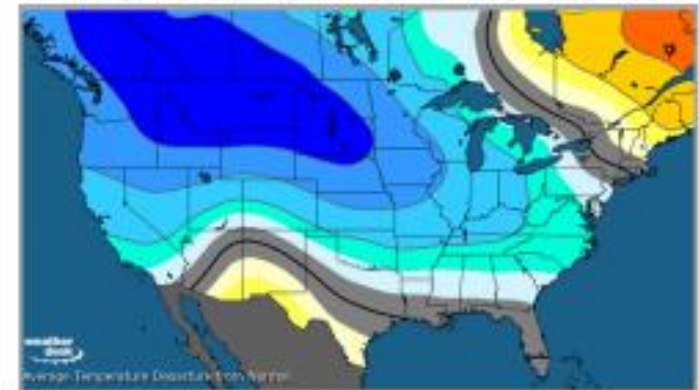
1-5 Day: Wednesday Dec 7 - Sunday Dec 11



6-10 Day: Monday Dec 12 - Friday Dec 16

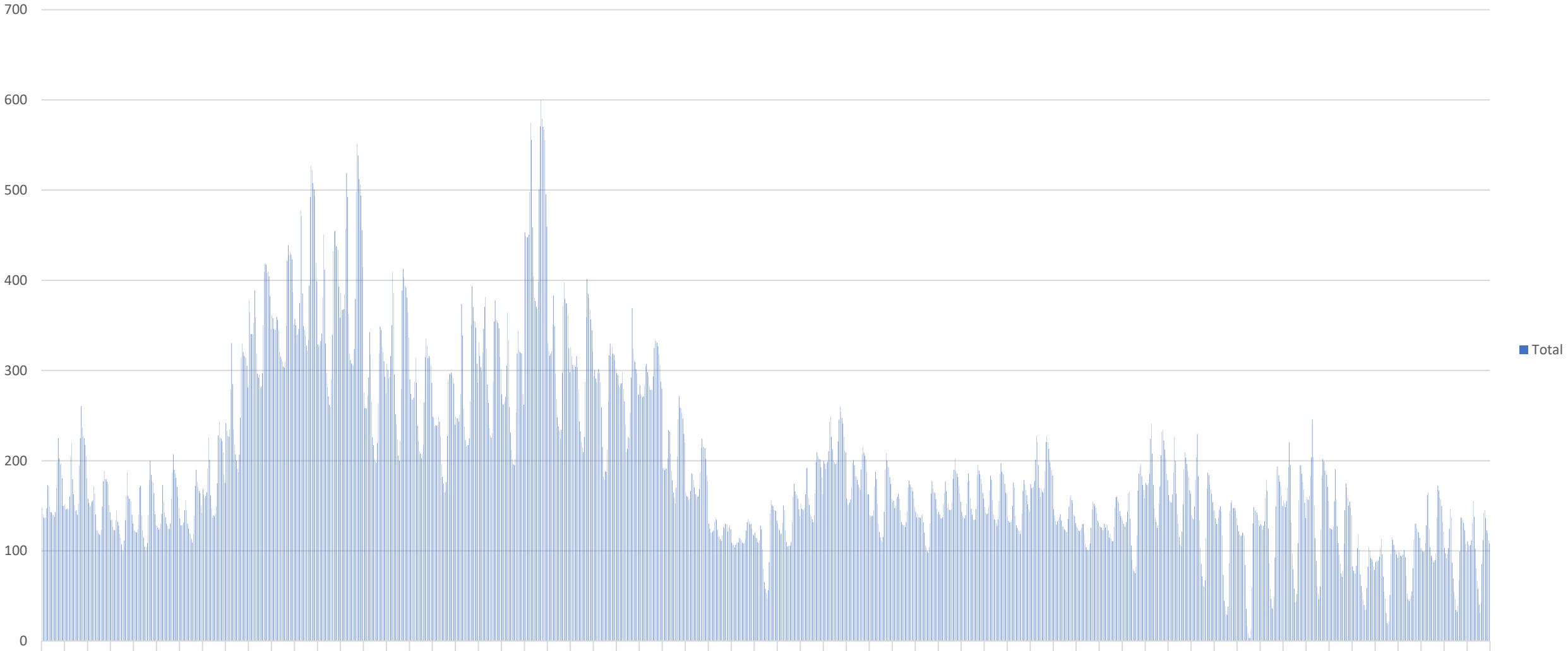


11-15 Day: Saturday Dec 17 - Wednesday Dec 21



Increased Generation Costs

Sylmar LMP Prices December and January

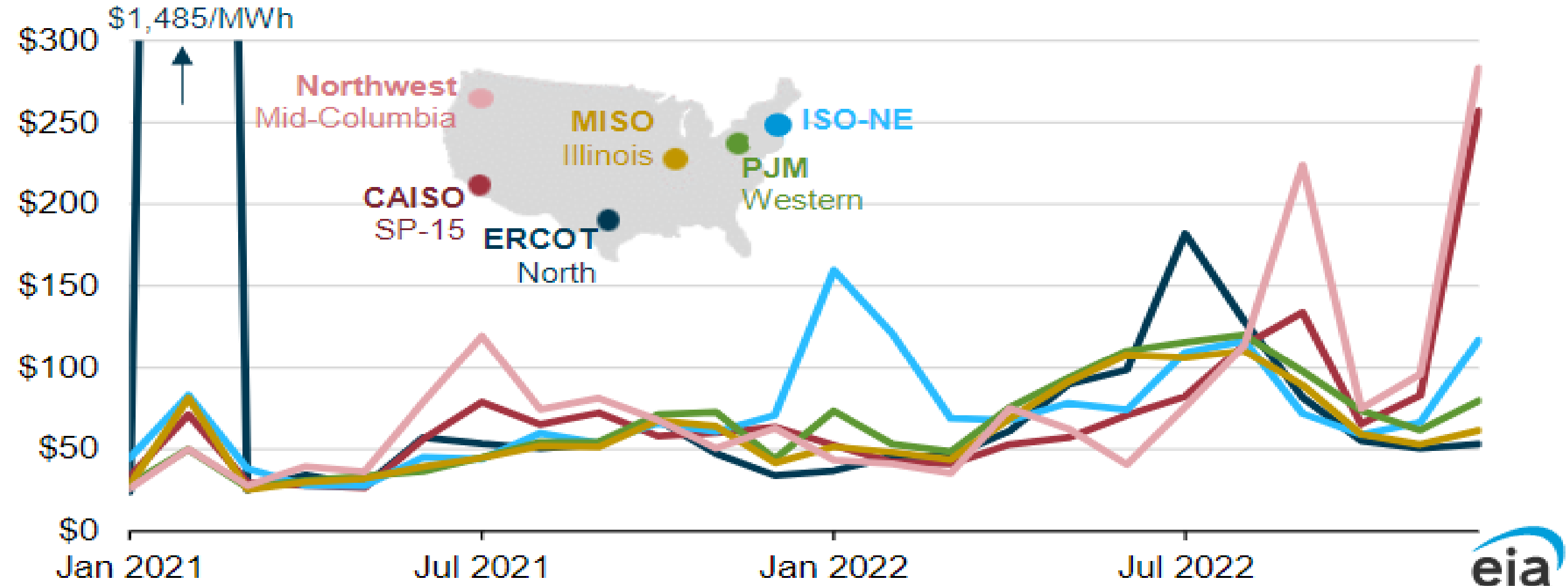


■ Total

December 2022 – January 2023

Wholesale U.S. electricity prices were volatile in 2022

Monthly average wholesale electricity prices at selected trading hubs (Jan 2021–Dec 2022)
dollars per megawatt-hour (\$/MWh)



Data source: S&P Global Market intelligence





QUESTIONS?