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Energy Markets and Market Design Impacts on Renewables

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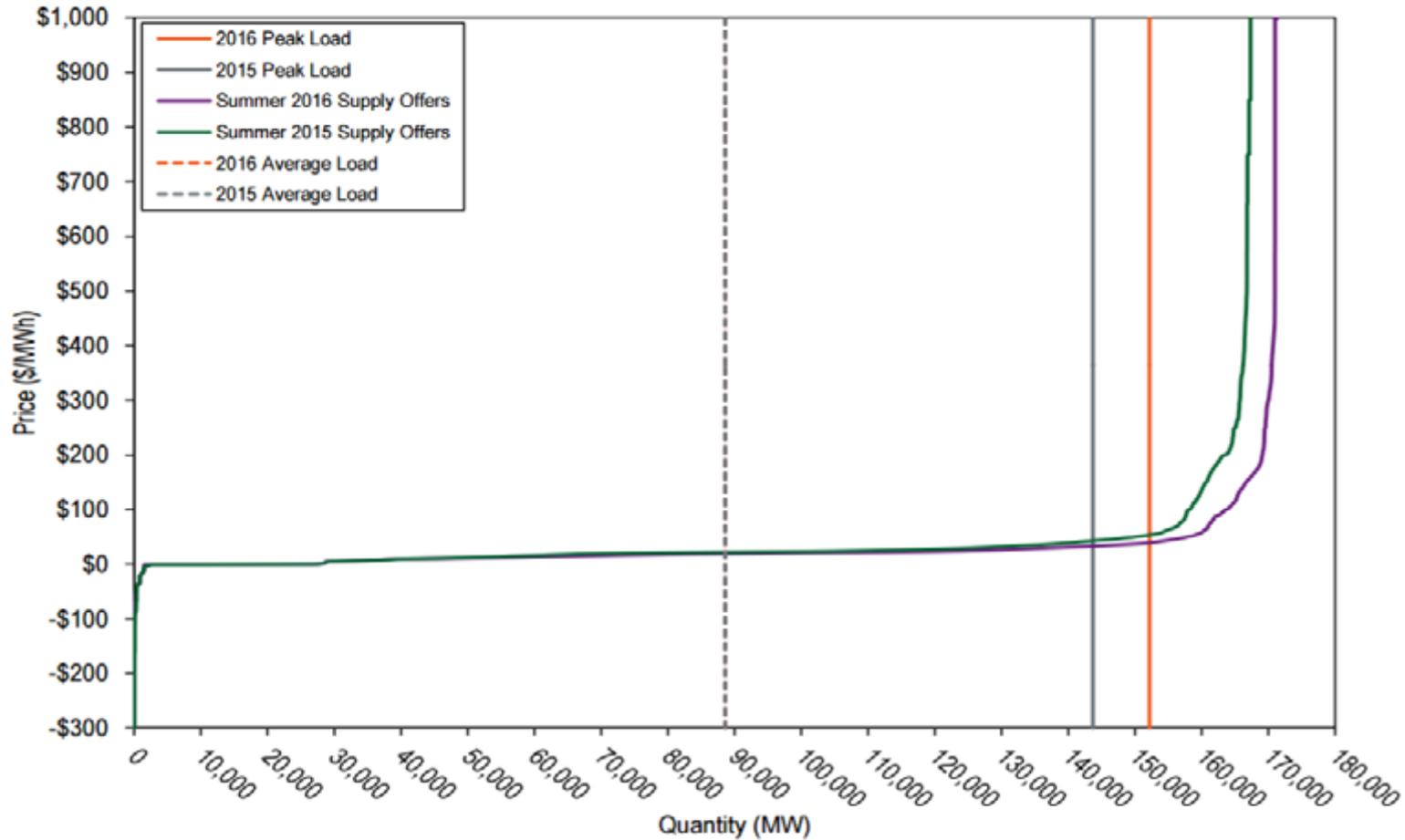


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Energy Prices: Electricity Flat and Natural Gas Volatile

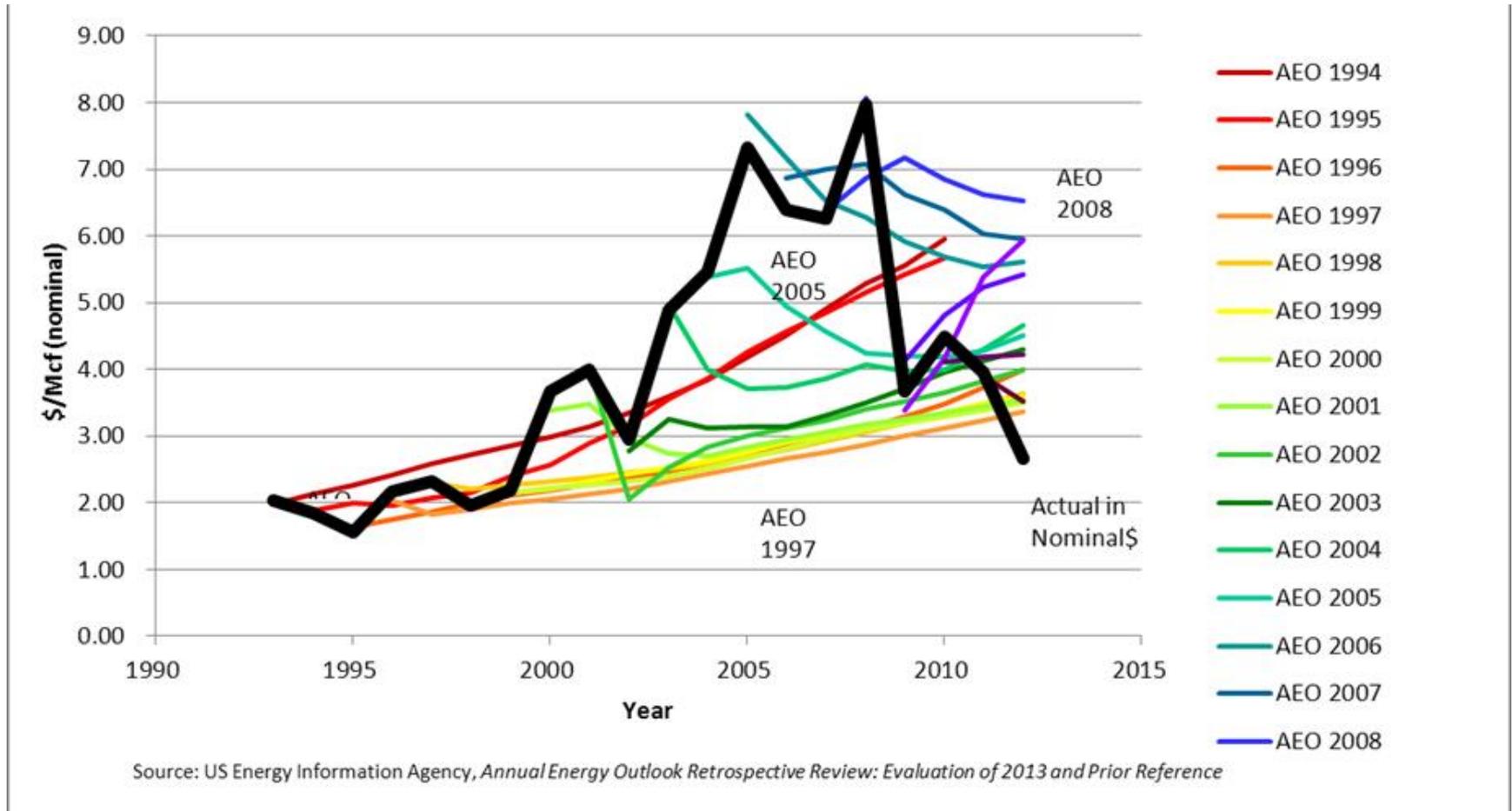


Figure 3. Average PJM Aggregate Real-Time Generation Supply Curves in summer 2015 and 2016



Source: PJM, Energy Price Formation and Valuing Flexibility (June 2017)

Historic Natural Gas Wellhead Price Projections (in color each year) and Actual (in black)

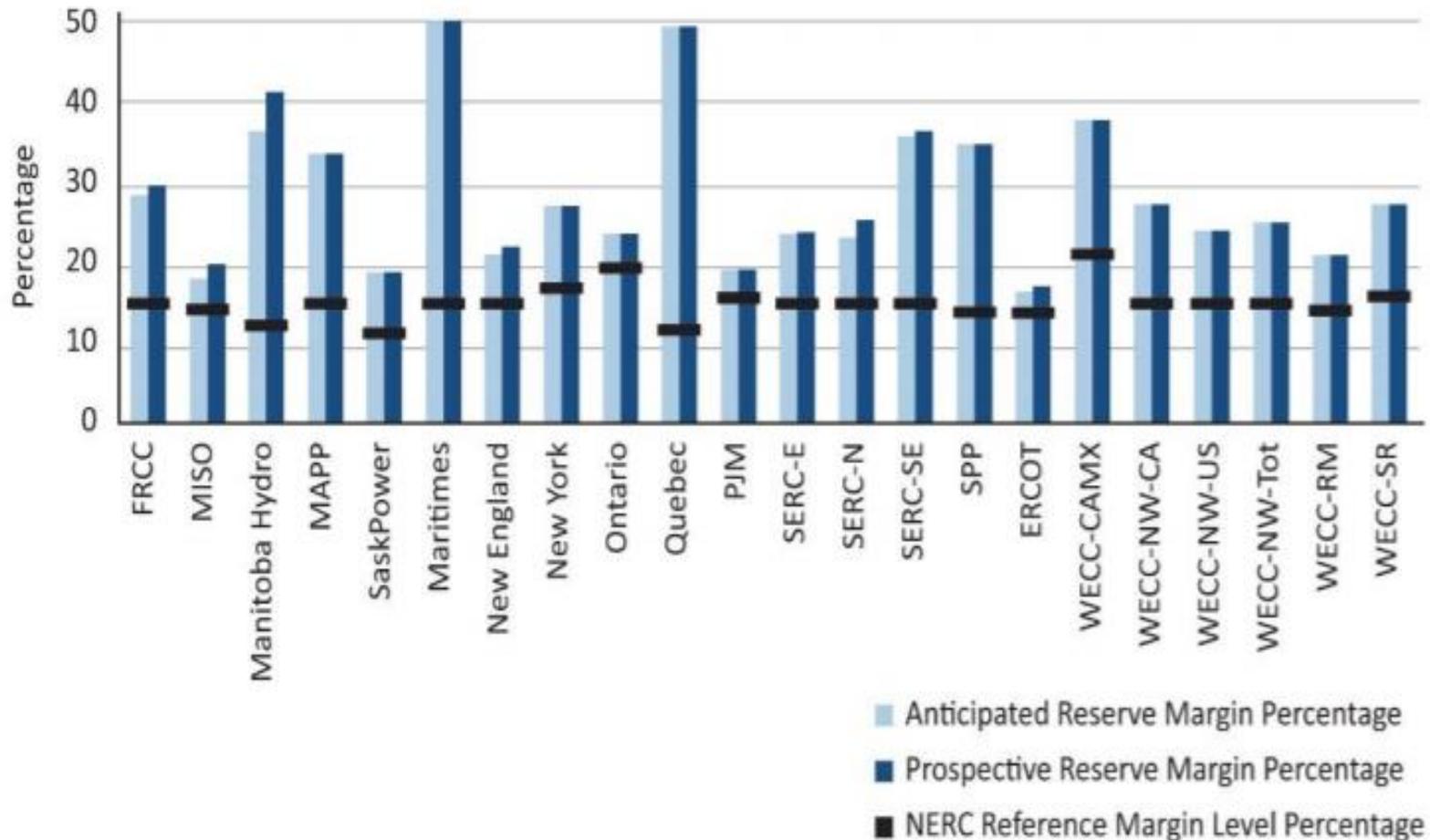


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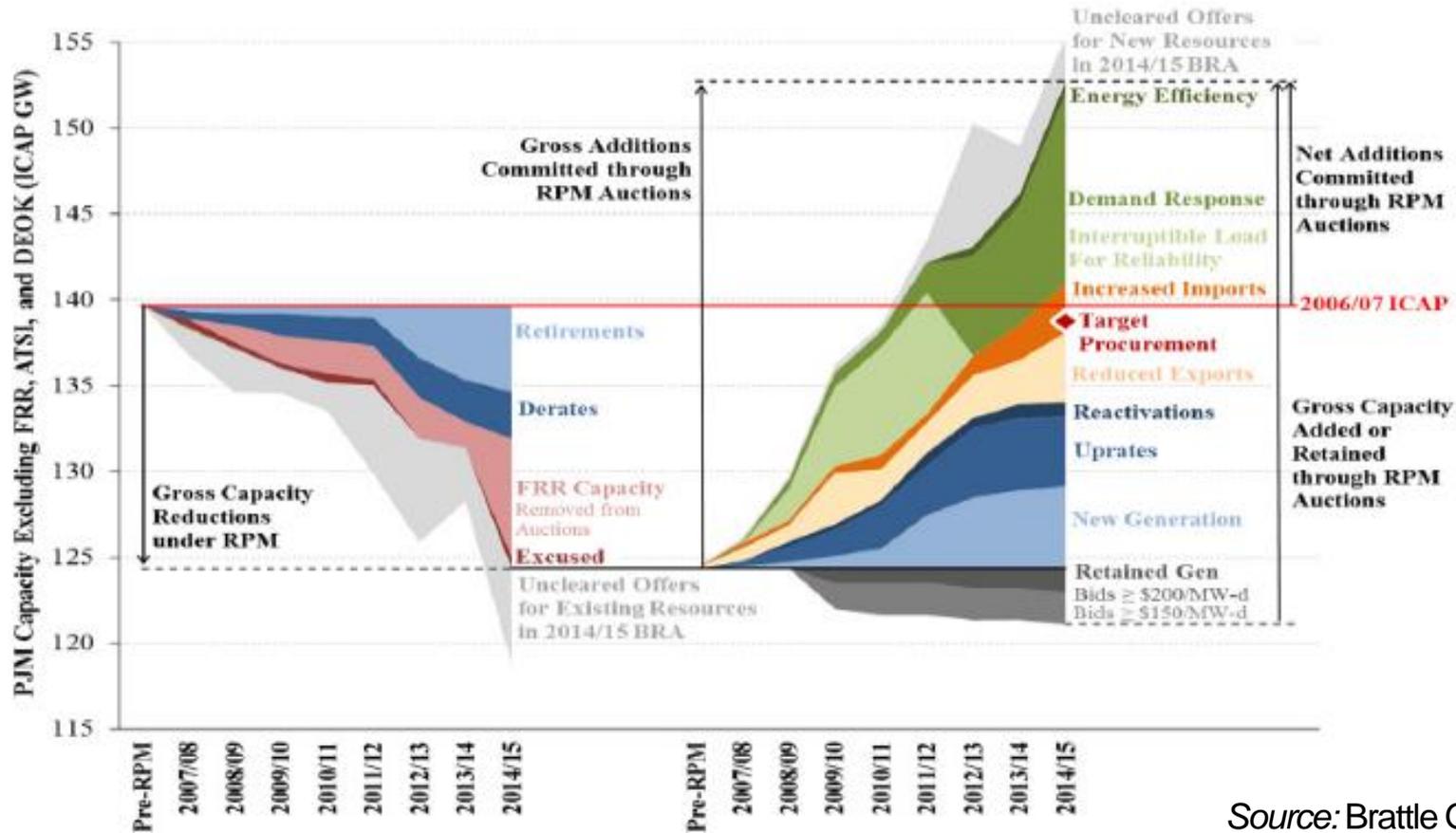
Overcapacity In Most U.S. (and World) Markets



Overcapacity abounds



PJM: capacity meets ICAP before DR and EE is counted



Source: Brattle Group

About RAP

The Regulatory Assistance Project (RAP)® is an independent, non-partisan, non-governmental organization dedicated to accelerating the transition to a clean, reliable, and efficient energy future.

Learn more about our work at raponline.org



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