

MONTHLY ENERGY MARKET INTELLIGENCE

ENERGY MARKET UPDATE

Markets are quiet ahead of winter.



AT A GLANCE • NYMEX SETTLEMENT, SEPTEMBER 28, 2026

PROMPT • OCT-26

\$3.000

▲ \$0.086 MOM

12-MONTH STRIP

\$3.127

▼ \$0.044 VS SEP

CAL 2027 GAS

\$3.249

▼ \$0.075 VS SEP

PJM DOM-COMED
CAL 27 SPREAD

\$59.03 /MWh

▲ \$5.18 WIDENING

Gas in \$/MMBtu, power in \$/MWh. Actual price is determined at the time of execution.

Gas Is Stable and Power Price Is Increasing Heading into the Winter

October is a quiet settlement for gas. The Oct-26 Henry Hub prompt closed at \$3.000/MMBtu, up \$0.086 on the month and \$0.911 below a year ago, while the 12-month strip slipped to \$3.127 from \$3.171 in the September report. A very strong El Niño is now the base case for the heating season, and the winter contracts eased with it: January 2027 fell \$0.142 to \$3.837/MMBtu.

Easing is not the same as removing risk. January still sits \$0.837 above the prompt, a winter premium the curve has not given up, and Algonquin January basis remains \$17.04/MMBtu over Henry Hub. Power moved the other way: PJM DOM Cal 2027 on-peak rose to \$114.90/MWh from \$104.97, and the Dominion premium over COMED widened to \$59.03/MWh, as the forward market prices in elevated demand rather than fuel.

HOW THE MARKET MOVED SINCE LAST MONTH				
PROMPT GAS	12-MO STRIP	CAL 2026	CAL 2027	PJM DOM CAL 27
\$2.907	\$3.171	\$3.520	\$3.324	\$104.97
\$3.000	\$3.127	\$3.519	\$3.249	\$114.90
▲ 3.2%	▼ 1.4%	UNCHANGED	▼ 2.3%	▲ 9.5%
PRIOR FIGURE SHOWN ABOVE CURRENT, AS PUBLISHED IN THE SEPTEMBER 2026 REPORT. GAS IN \$/MMBTU; POWER IN \$/MWH ON-PEAK.				

NATURAL GAS

Henry Hub held steady at the front while the winter strip eased. The Oct-26 contract settled at \$3.000/MMBtu, up \$0.086 on the month. December 2026 fell \$0.129 to \$3.452, January 2027 fell \$0.142 to \$3.837 and February 2027 fell \$0.137 to \$3.501, as El Niño odds and an inventory forecast 5% above the five-year average reduced the value of winter protection.

- The 12-month strip sits at \$3.127/MMBtu against \$3.171 in the September report and is down \$0.806 year over year.
- Cal 2027 is priced at \$3.249/MMBtu, down \$0.075 from the September report, while Cal 2028 at \$3.745 and Cal 2029 at \$3.705 hold a modest back-end premium.
- Northeast winter basis eased but stays wide: Algonquin averages \$12.89/MMBtu over Henry Hub from December to February, down from \$14.16, versus \$0.15 in summer 2027.

POWER

Forward power rose across the annual strip even as winter peaks softened. PJM led the move: Cal 2027 on-peak in DOM is \$114.90/MWh, up \$9.93 from the September report, and COMED is \$55.87/MWh, up \$4.75. Both zones burn the same gas, and Cal 2027 gas fell on the month, so the increase is a demand and capacity signal rather than a fuel signal.

- The DOM premium over COMED widened to \$59.03/MWh for Cal 2027, from \$53.85 last month.
- ISO-NE Hub prices Jan-27 on-peak at \$181.80/MWh, down from \$189.20, against a Cal 2027 average of \$90.21/MWh.
- NYISO Zone J Cal 2027 on-peak is \$88.13/MWh, up \$1.88, with the December to February window at \$136.55/MWh.

HISTORICAL AVERAGES

\$/MMBTU, CALENDAR-YEAR SETTLEMENT

2022	\$6.645
2023	\$2.737
2024	\$2.269
2025	\$3.427

FORWARD PRICING

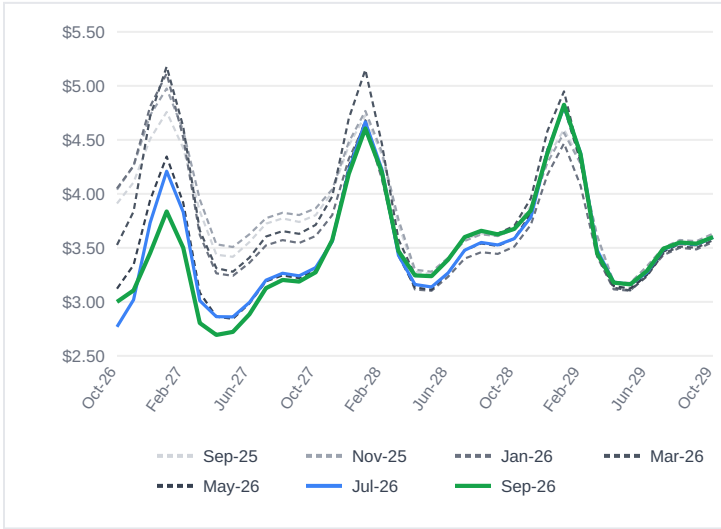
HENRY HUB, \$/MMBTU

CONTRACT	CURRENT	MOM	YOY
Oct-26	\$3.000	\$0.086	(\$0.911)
Nov-26	\$3.106	\$0.035	(\$1.000)
Dec-26	\$3.452	(\$0.129)	(\$1.056)
Jan-27	\$3.837	(\$0.142)	(\$0.921)
Feb-27	\$3.501	(\$0.137)	(\$0.923)
Mar-27	\$2.804	(\$0.145)	(\$1.035)
Apr-27	\$2.694	(\$0.119)	(\$0.743)
May-27	\$2.722	(\$0.102)	(\$0.695)
Jun-27	\$2.885	(\$0.079)	(\$0.669)
Jul-27	\$3.127	(\$0.044)	(\$0.597)
Aug-27	\$3.203	(\$0.037)	(\$0.570)
Sep-27	\$3.188	(\$0.039)	(\$0.552)
12-Month Strip	\$3.127	(\$0.071)	(\$0.806)
Cal 2026	\$3.519	(\$0.003)	(\$0.989)
Cal 2027	\$3.249	(\$0.075)	(\$0.662)
Cal 2028	\$3.745	\$0.033	(\$0.044)
Cal 2029	\$3.705	(\$0.004)	\$0.014

PROMPT MONTH HIGHLIGHTED. CAL 2026 AND CAL 2027 ARE FULL 12-MONTH (JAN TO DEC) CALENDAR-YEAR AVERAGES.

NYMEX FORWARD CURVES

SEP-25 TO SEP-26 BY CONTRACT SETTLEMENT DATE



SEVEN NYMEX SETTLEMENT VINTAGES OVER THE OCT-26 TO OCT-29 DELIVERY WINDOW.

CURVE SHAPE

The curve kept its seasonal shape but lost some height at the peak. January 2027 at \$3.837 is now \$0.837 above the Oct-26 prompt, down from a \$1.072 gap last month, as El Niño odds pared the winter contracts. The back of the curve firmed slightly, with Cal 2028 at \$3.745 and Cal 2029 at \$3.705.

WINTER PEAK · JAN-27

\$3.837

BACK OF CURVE · CAL 2028

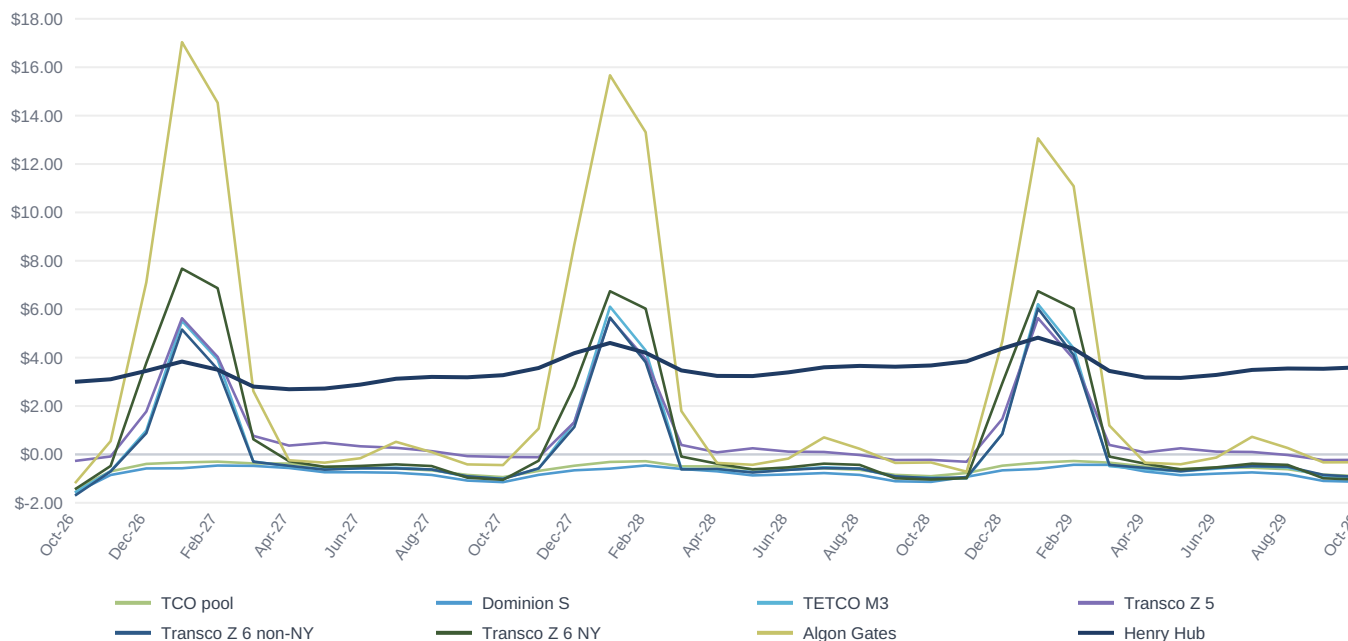
\$3.745

Regional Basis: East Forward Strip

Basis is the delivered premium or discount to Henry Hub at each trading point, and it is where local constraints show up in a customer's all-in gas cost. Henry Hub is plotted as its absolute forward price for reference; every other series is a differential to it.

EAST

AS OF 09/28/2026



MONTHLY FORWARD BASIS TO HENRY HUB (\$/MMBTU), EAST REGION. HENRY HUB SHOWN AS ITS ABSOLUTE FORWARD PRICE FOR REFERENCE; ALL OTHER HUBS ARE BASIS DIFFERENTIALS.

EAST WINTER BASIS

\$/MMBTU TO HENRY HUB

TRADING POINT	DEC-26	JAN-27	FEB-27	WINTER AVG	SUMMER 27 AVG
TCO pool	(0.39)	(0.33)	(0.30)	(0.34)	(0.58)
Dominion S	(0.58)	(0.57)	(0.46)	(0.54)	(0.78)
TETCO M3	0.99	5.52	3.92	3.47	(0.58)
Transco Z 5	1.77	5.63	4.03	3.81	0.25
Transco Z 6 non-NY	0.88	5.16	3.52	3.19	(0.59)
Transco Z 6 NY	3.78	7.68	6.87	6.11	(0.46)
Algon Gates	7.11	17.04	14.53	12.89	0.15

WINTER AVERAGE IS DEC-26 TO FEB-27; SUMMER 27 AVERAGE IS JUN-27 TO AUG-27. DISCOUNTS TO HENRY HUB SHOWN IN PARENTHESES.

EAST TRADING POINTS

TCO POOL	Columbia Gas Transmission pool, Appalachia
DOMINION SOUTH	Southwest Pennsylvania Marcellus supply
TETCO M3	Texas Eastern zone M3, mid-Atlantic delivery
TRANSCO Z5	Virginia and the Carolinas

TRANSCO Z6 NON-NY	Philadelphia and New Jersey
TRANSCO Z6 NY	New York City delivered gas
ALGONQUIN GATES	New England delivered gas
HENRY HUB	NYMEX benchmark, shown as the reference line

PJM DOM · CAL 2027

\$114.90 /MWh

▲ \$9.93 VS SEP

NYISO N.Y.C.-J · CAL 2027

\$88.13 /MWh

▲ \$1.88 VS SEP

ISO-NE HUB · CAL 2027

\$90.21 /MWh

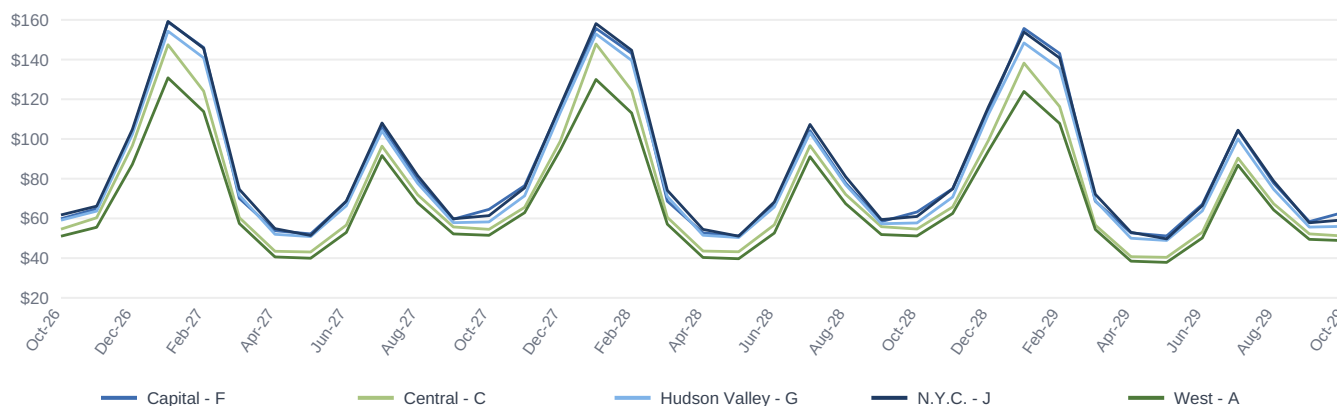
▲ \$0.77 VS SEP

Winter still carries a reliability premium, though a smaller one than last month: ISO-NE Hub forwards peak at \$181.80/MWh in Jan-27 (from \$189.20) and NYISO N.Y.C.-J at \$159.20/MWh (from \$169.60), roughly double their Cal 2027 averages of \$90.21 and \$88.13.

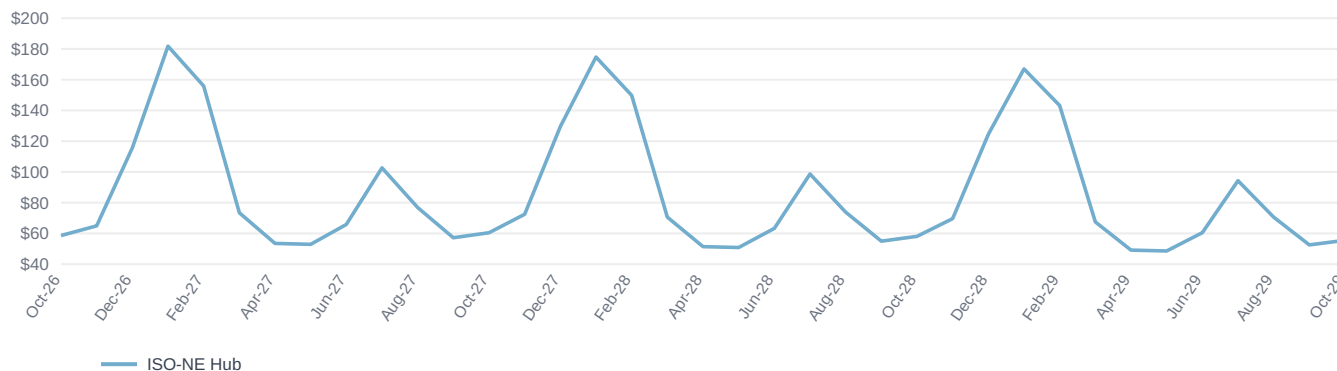
PJM \$/MWH · MONTHLY THROUGH OCT-29



NYISO \$/MWH · MONTHLY THROUGH OCT-29



ISO-NE \$/MWH · MONTHLY THROUGH OCT-29



EL NIÑO EASES THE WINTER, NOT THE PREMIUM

A milder heating season is being priced in, but the forward curve still carries winter risk and rising power demand.

The October curve is calm on the surface. A very strong El Niño is now the most likely outcome for the heating season, and that has taken some value out of every winter contract on the page. What it has not done is flatten the curve. January gas still carries a clear premium to the prompt, New England delivered gas still prices at a multiple of Henry Hub, and forward power across the annual strip moved higher on the month, led by PJM. The chart below compares each figure to the September report.

WINTER RISK PREMIUM · JAN-27 HENRY HUB OVER THE PROMPT

SEPTEMBER REPORT \$1.072 → NOW · 09/28

Narrowed on the month, still clearly priced

+\$0.837

CHANGE SINCE THE SEPTEMBER REPORT

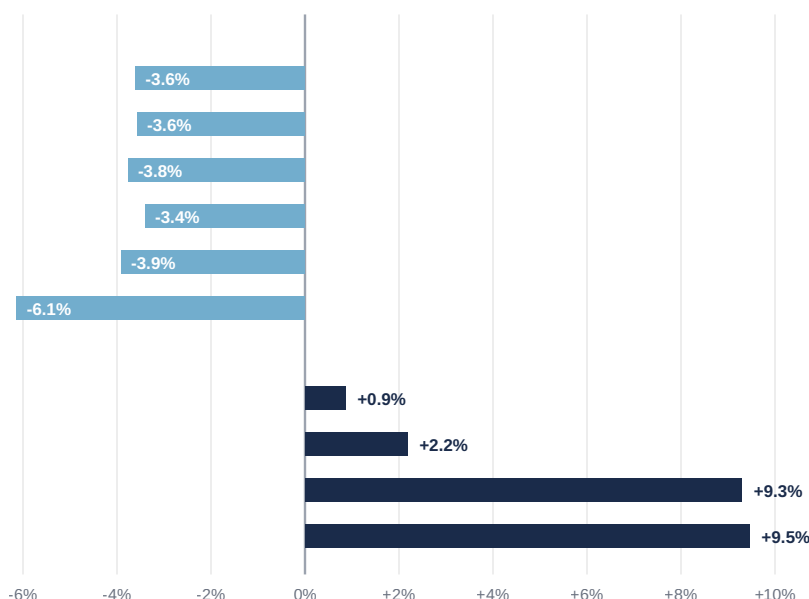
PRIOR → CURRENT · PERCENT CHANGE

WINTER CONTRACTS

Henry Hub · Dec-26	\$3.581 → \$3.452
Henry Hub · Jan-27	\$3.979 → \$3.837
Henry Hub · Feb-27	\$3.638 → \$3.501
Algonquin basis · Jan-27	\$17.64 → \$17.04
ISO-NE Hub · Jan-27	\$189.20 → \$181.80
NYISO N.Y.C.-J · Jan-27	\$169.60 → \$159.20

CAL 2027 ON-PEAK POWER

ISO-NE Hub	\$89.44 → \$90.21
NYISO N.Y.C.-J	\$86.25 → \$88.13
PJM COMED	\$51.12 → \$55.87
PJM DOM	\$104.97 → \$114.90



WHAT EL NIÑO EASES

Henry Hub winter contracts

Forecasters now put the odds of a very strong El Niño through the 2026/2027 winter above 90%, a pattern that historically skews the eastern heating season milder. Storage is forecast to reach 3,969 Bcf at the end of October, 5% above the five-year average. December, January and February 2027 each fell between \$0.129 and \$0.142 on the month.

Northeast winter peaks

The milder weather case reaches the regional contracts too. ISO-NE Hub January on-peak eased to \$181.80/MWh from \$189.20, NYISO N.Y.C.-J to \$159.20 from \$169.60, and Algonquin January basis to \$17.04 from \$17.64.

WHAT IT DOES NOT

The winter risk premium

January 2027 is still \$0.837/MMBtu above the prompt. El Niño lowers the odds of a prolonged cold winter; it does not rule out a single cold week, and the pipeline constraint into New England is unchanged. Upstream supply at TCO pool sits at -\$0.33 for January while Transco Z6 NY is \$7.68 and Algonquin is \$17.04 over Henry Hub.

Rising power demand

U.S. electricity sales are forecast at a record 4,135 billion kWh in 2026 and 4,211 billion kWh in 2027, driven by data center development. In PJM, where the 2028/2029 capacity auction cleared at its price cap, DOM Cal 2027 on-peak rose \$9.93 to \$114.90/MWh and COMED rose \$4.75.

WHY THE PREMIUM HOLDS

Weather sets the odds, not the outcome. The forward curve is an average across possible winters, and a strong El Niño moves weight away from the coldest ones. That is why the winter contracts eased rather than collapsed: January fell \$0.142 to \$3.837, but the gap to the Oct-26 prompt is still \$0.837. With inventory forecast 5% above the five-year average, the national supply picture supports that easing.

Power is responding to a different force. Cal 2027 gas fell \$0.075 on the month, yet Cal 2027 on-peak power rose in every zone we track, from \$0.77 at ISO-NE Hub to \$9.93 in DOM. Load growth from data centers and a capacity market clearing at its cap are pricing into the annual strip regardless of the weather outlook. For budgets, that means a fuel hedge alone no longer caps power cost.

KEY TAKEAWAYS

- 01 Winter gas is cheaper, not risk-free.**
January 2027 fell \$0.142 to \$3.837/MMBtu but still sits \$0.837 above the prompt. El Niño lowers the odds of sustained cold; it does not remove the exposure to a single cold snap in the Northeast.
- 02 Power is rising on demand, not fuel.**
Cal 2027 gas fell \$0.075 while PJM DOM Cal 2027 on-peak rose \$9.93 to \$114.90/MWh. Power and gas budgets now need separate decisions.
- 03 Zone still matters more than the commodity.**
The DOM premium over COMED widened to \$59.03/MWh for Cal 2027. For PJM sites, location drives more of the power bill than any plausible move in Henry Hub.
- 04 A quiet market is a window to act.**
The 12-month strip at \$3.127/MMBtu is down \$0.806 year over year and the winter premium narrowed to \$0.837 from \$1.072. For clients with fall renewal dates, calm markets are the time to layer in coverage.

ENERGY PROCUREMENT & ADVISORY

Rise Energy Services helps commercial and industrial buyers translate these curves into a coverage strategy: timing, tenor, and structure matched to each site's load and risk tolerance.

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SOURCES. Forward and settlement pricing: S&P Global Commodity Insights Regional Market Summary and Forward Strip Browser; NYMEX Henry Hub settlements. Storage, LNG and electricity demand outlook: U.S. Energy Information Administration Short-Term Energy Outlook, September 9, 2026. Seasonal outlook: NOAA Climate Prediction Center ENSO Diagnostic Discussion, September 10, 2026. Capacity market: PJM Interconnection 2028/2029 Base Residual Auction results, July 2026.