



Item 14.2: Summer Markets Outlook

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Board of Directors Meeting

June 1-2, 2026

Purpose

To present indicators of expected price trends for Summer 2026, compared with previous years, as well as forward gas prices and general forward price trends.

For information only

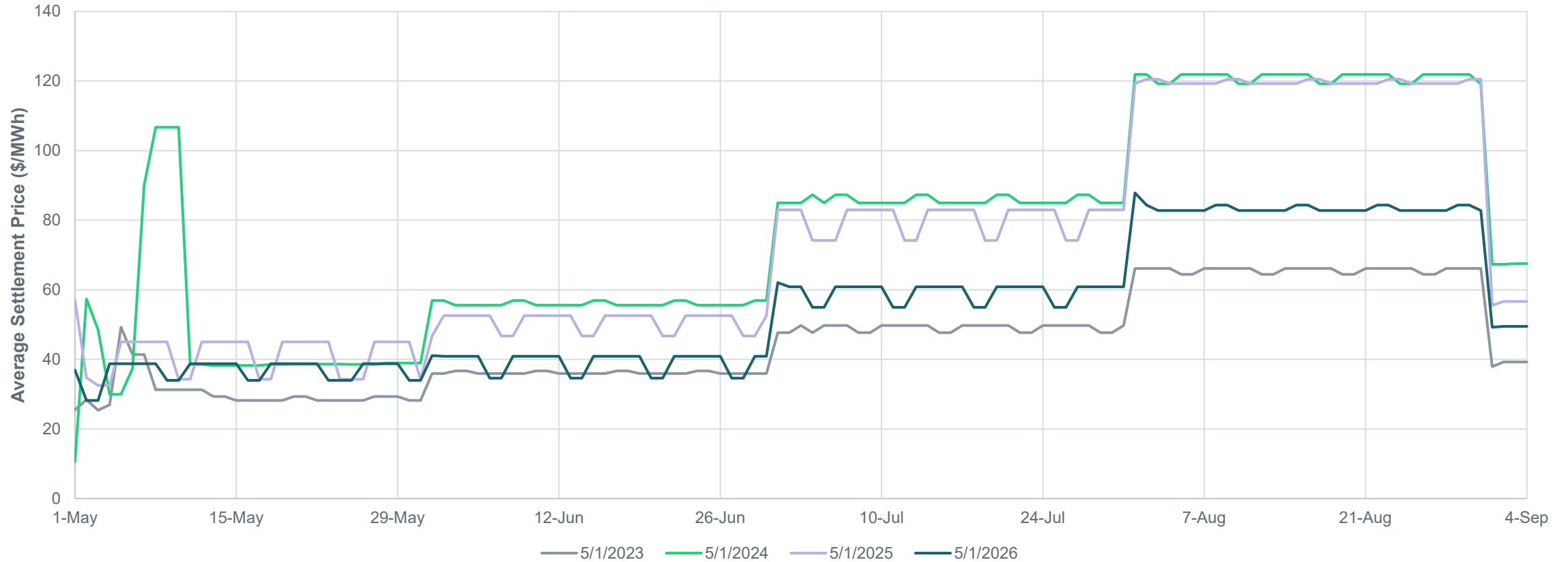
No action is requested; for discussion only.

Key Takeaways

- Forward prices for Summer 2026 are trending lower than at the same time last year.
- Apart from the window around Winter Storm Fern, Natural gas prices are lower in 2026 than in 2025, and forward prices indicate that this trend will continue over the summer.
- Looking to future years, forward prices in the ERCOT market are trending lower than one year ago.

Forward Prices for Summer 2026

ICE Forward Prices for ERCOT North 345KV Hub RT (May 1st Trade Dates)

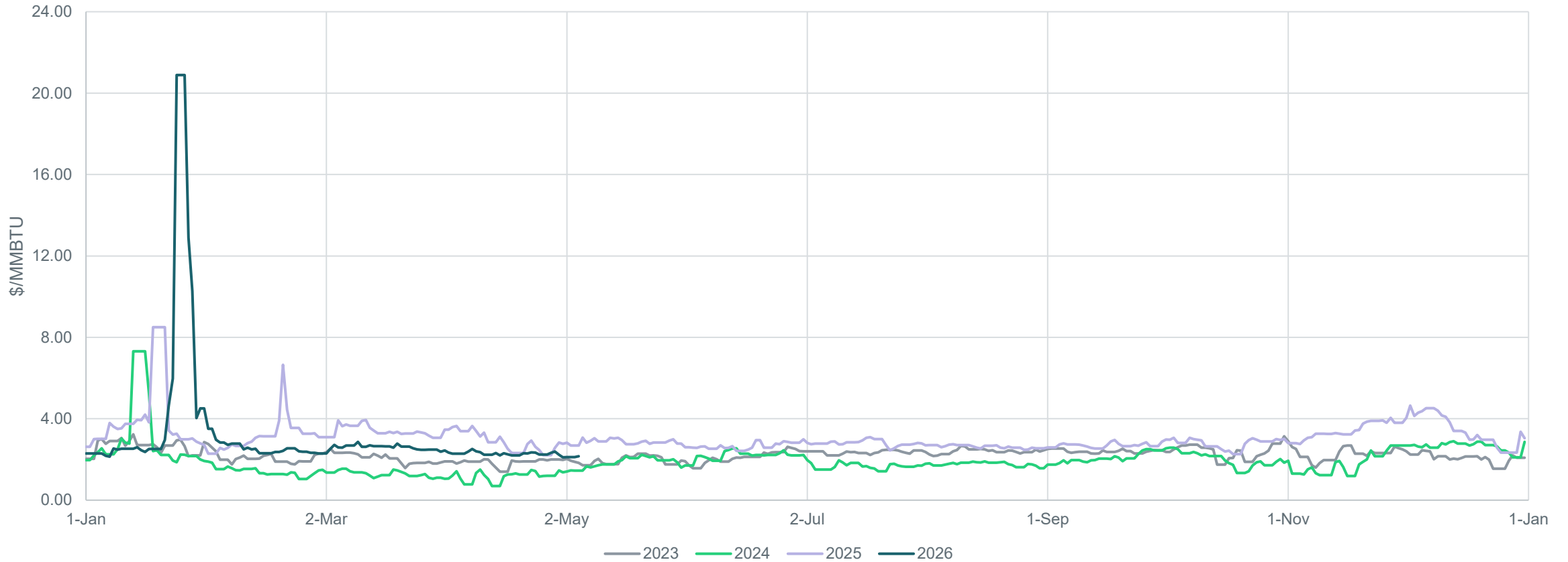


Forward energy prices are trending lower for Summer 2026 than for Summer 2025.

The data on this graph is the time-weighted average of On-peak and Off-peak ICE forward power prices.

Natural Gas Prices

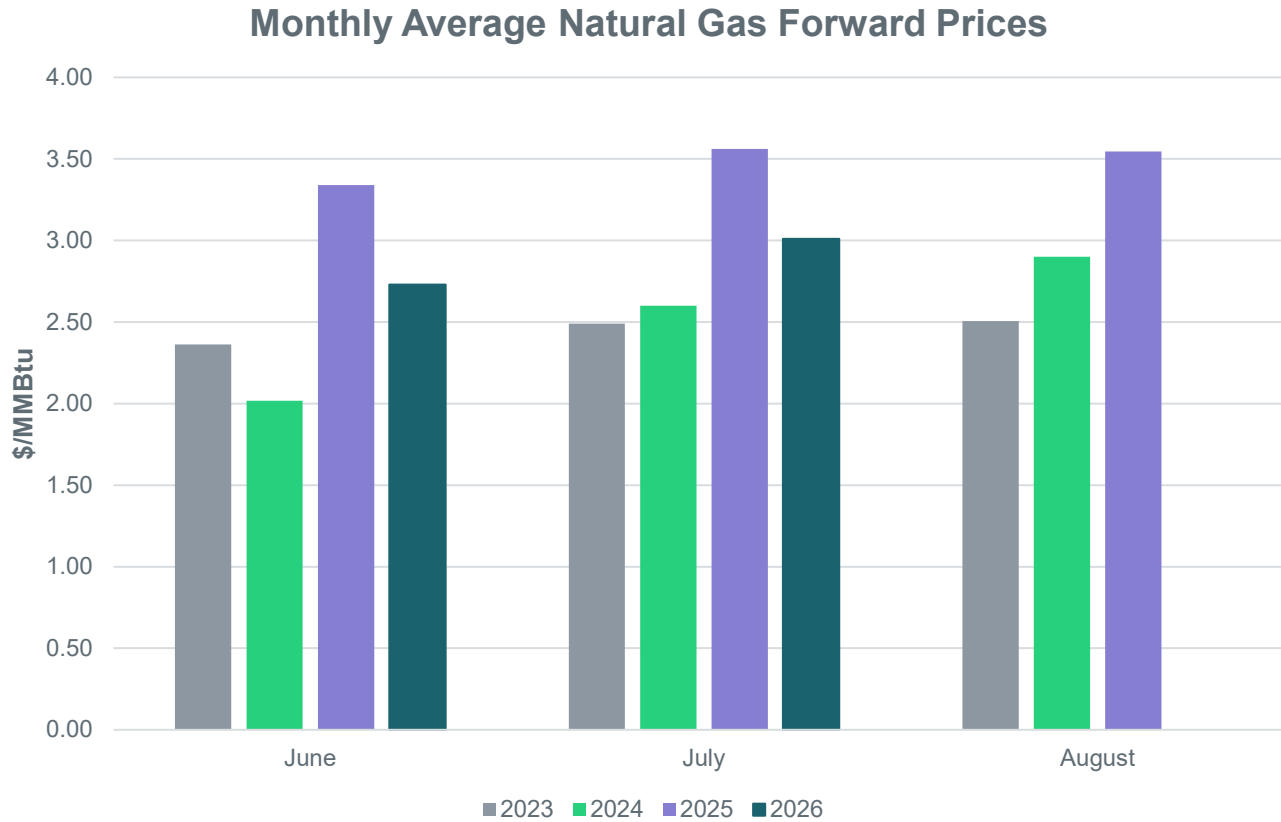
Natural Gas Price (Katy Hub)



Apart from the window around Winter Storm Fern, natural gas prices have been lower in 2026 than in 2025.

Daily index of natural gas prices at the Katy Hub.

Natural Gas Forward Prices



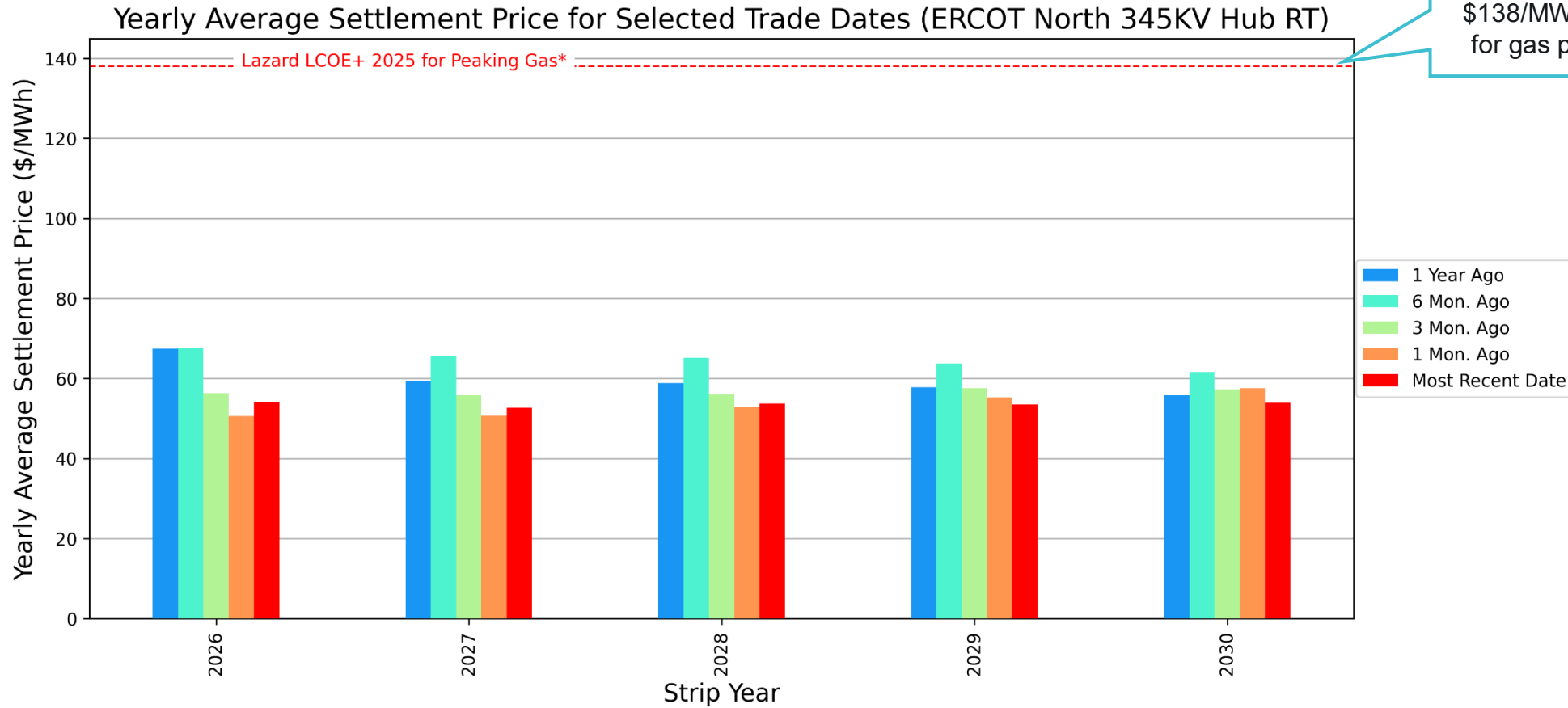
Implied Heat Rates (MMBtu per MWh)

	June	July	August
2023	16.5	27.1	56.8
2024	37.2	45.0	63.2
2025	17.1	23.9	37.5
2026	16.5	24.2	-

Natural gas futures indicate lower prices this summer than in 2025, while Implied Heat Rates are tracking closely in line with 2025 levels.

Natural gas prices are NYMEX 2-month natural gas forward prices. The data for August 2026 are not available at the time of presentation posting. Implied heat rates are based upon 2-month ahead On-Peak ICE forward power prices.

Long-Term Forward Prices Trends



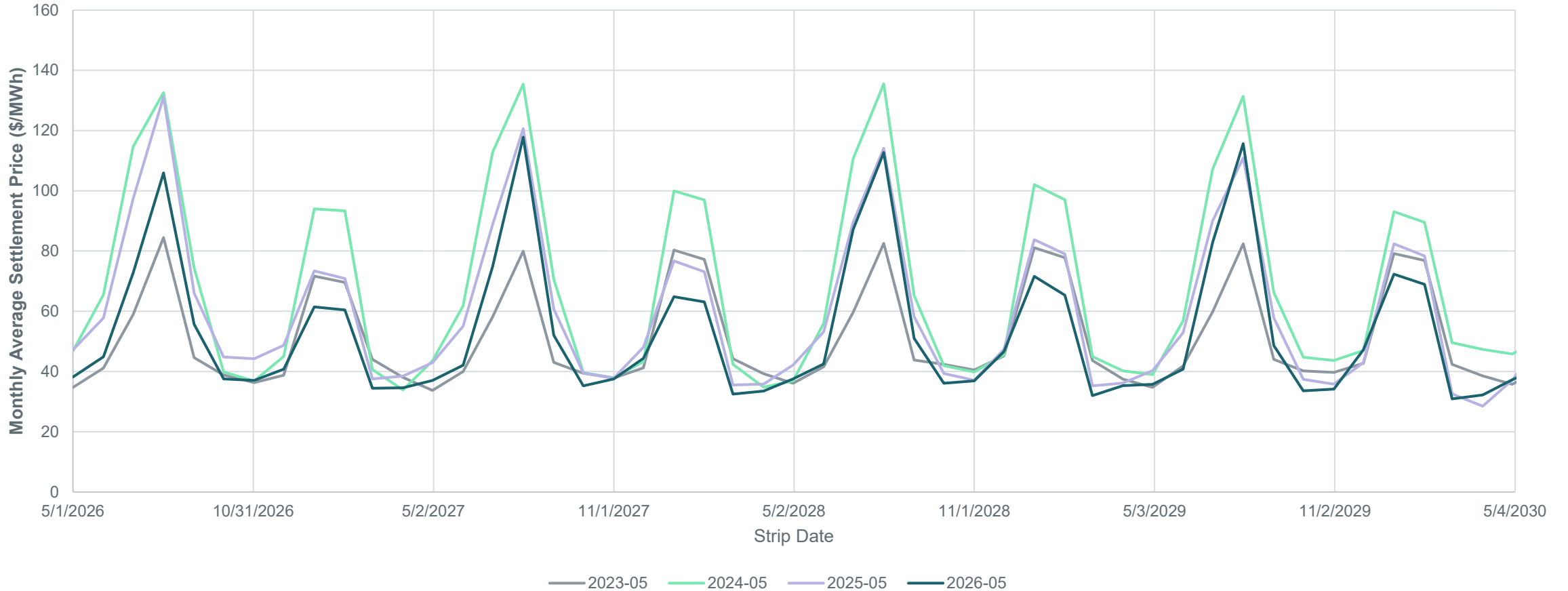
The minimum LCOE for a gas peaker plant in 2025 is \$138/MWh, when adjusted for gas price sensitivities.

Forward prices across the 2026–2030 strip have declined over the past year, with the most recent prices converging around \$53–\$55/MWh and remaining well below the ~\$138/MWh Lazard LCOE+ threshold needed to support investment in gas peaking generation.

Strip year is an average of monthly ICE On-peak prices. The most recent data was captured at the beginning of May. LCOE data is from the Lazard+ Levelized Cost of Energy report published in June 2025.

Year-Over-Year Forward Price Comparison

Monthly Average Settlement Price for May Trade Dates 2023-2026 (ERCOT North 345 kV Hub RT)



Forward energy prices traded in May 2026 are trending lower than those from May 2025.

Strip year is an average of monthly ICE On-peak prices. The most recent data was captured at the beginning of May.