

California Department of Water Resources



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July Energy Costs Down Significantly:  
Conservation, Long Term Contracts Continue to have Major Impact on  
Market

SACRAMENTO - Energy prices in California are continuing their downward trend this summer with significant decreases in total average cost, average price paid per day and average megawatt hour, according to the California Department of Water Resources.

"Long-term contracts and conservation continue to shrink our exposure to the spot market, reducing our cost significantly," said B.B. Blevins, DWR's Assistant Director for Energy. "As we move deeper in the summer, the numbers continue to move downward. We're far from being out of the woods but everything is going well right now."

Last week, DWR spent \$30 million a day or less on power, down from a daily average of nearly \$65 million in May, a month with three days of cost exceeding \$100 million. Other significant decreases include:

Spot Market Average per Megawatt Hour

- July - \$82/MWh (through July 12)
- June - \$119/MWh
- May - \$271/MWh

Total Average Cost per MWh

- July - \$133/MWh (through July 12)
- June - \$167/MWh
- May - \$243/MWh

### Highlights of Total Cost by Day for July (through July 12)

- High - \$37 million on July 5
- Low (weekday) - \$25.5 million on July 11
- Low (overall) - \$24.5 million on July 8

### Other Significant Issues

- Last rolling blackout - May 8, 2001
- Last staged emergency - July 3
- No staged emergencies were declared in June

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