

Capacity Markets and Electric Rates  
A Comparison by [EnergyChoiceMatters.com](http://EnergyChoiceMatters.com)

The following are charts comparing all-in electric rates for various states, developed using data from the U.S. Energy Information Administration, Average Retail Price of Electricity to Ultimate Customers by End-Use Sector, by State, which is based on responses to EIA Form 826.

Three months were chosen for a representative comparison. The most recent monthly data available was chosen (June 2012), as well as two prior but relatively recent months (January 2012 and April 2011), which fall within different capacity delivery years. Using these three months provides a comparison of all-in rates which include capacity prices from three distinct periods.

States were included if they were restructured and were within a Regional Transmission Organization (RTO) which relies on a "centralized" capacity market, including ISO New England, the New York ISO, and PJM Interconnection. California, which mandates a capacity obligation on jurisdictional load-serving entities, was also included, as was Texas, which relies on an energy only market.

Michigan was not included in the comparison due to its utilities' location in the Midwest ISO (which during the relevant period used a "voluntary" capacity auction for resource adequacy), or its utilities' use of a Fixed Resource Requirement to opt-out of the centralized capacity market, for those Michigan utilities within PJM.

Note that Illinois is included in the comparison, but that much of its load is located in the Midwest ISO (MISO), which does not have a centralized capacity market. The MISO voluntary capacity market has generally been characterized by prices well below capacity prices in

centralized capacity market RTOs, and likely leads to Illinois' average electric rates diverging from the higher rates seen in states wholly within an RTO with a centralized capacity market.

Ohio is also included in the survey, but note that during the relevant period, base generation rates were frozen at non-market rates at the majority of the large utilities, namely AEP Ohio, Dayton Power & Light, and Duke Energy Ohio (in the April 2011 data only for Duke), thereby skewing results. Several Ohio utilities also rely on the Fixed Resource Requirement capacity market "opt-out" to meet capacity obligations, which disconnects rates from rates driven by the centralized capacity market.

**Comparison of All-in Residential Retail Electric Rates (¢/kWh)**

**June 2012**

New York	18.30
Connecticut	17.31
New Hampshire	16.54
California	16.09
New Jersey	15.70
Rhode Island	15.32
Massachusetts	14.92
Maine	14.29
Delaware	14.02
Maryland	13.27
District of Columbia	13.17
Pennsylvania	12.97
Ohio*	12.16
Illinois*	11.23
Texas	11.19

*\*See note in introductory summary regarding Ohio and Illinois relying only partially on a centralized capacity market*

**Comparison of All-in Residential Retail Electric Rates (¢/kWh)**

**January 2012**

Connecticut	17.33
New York	16.83
New Hampshire	16.19
New Jersey	16.09
California	15.50
Massachusetts	15.21
Maine	15.21
Rhode Island	14.75
Delaware	13.07
Pennsylvania	12.92
Maryland	12.58
District of Columbia	11.77
Illinois*	11.23
Texas	11.04
Ohio*	10.99

**April 2011**

Connecticut	18.14
New York	17.48
New Hampshire	16.53
New Jersey	16.24
Rhode Island	16.15
Maine	15.35
California	14.60
Massachusetts	14.23
Delaware	13.93
Maryland	13.89
District of Columbia	13.68
Pennsylvania	13.34
Illinois*	11.90
Texas	11.34
Ohio*	11.23

*\*See note in introductory summary regarding Ohio and Illinois relying only partially on a centralized capacity market*

**Comparison of All-in Commercial Retail Electric Rates (¢/kWh)**

**June 2012**

New York	15.94
California	15.51
Connecticut	14.55
Massachusetts	14.35
New Jersey	13.56
New Hampshire	13.45
Rhode Island	12.29
District of Columbia	12.01
Maine	10.76
Maryland	10.76
Delaware	10.14
Ohio*	9.24
Pennsylvania	9.22
Texas	8.28
Illinois*	7.94

**January 2012**

Connecticut	15.02
New York	14.46
Massachusetts	13.82
New Hampshire	13.64
Rhode Island	13.18
New Jersey	12.85
Maine	12.72
District of Columbia	12.32
California	11.96
Maryland	10.80
Delaware	9.78
Ohio*	9.65
Pennsylvania	9.43
Texas	8.54
Illinois*	8.26

*\*See note in introductory summary regarding Ohio and Illinois relying only partially on a centralized capacity market*

**Comparison of All-in Commercial Retail Electric Rates (¢/kWh)**

**April 2011**

Connecticut	15.61
New York	15.04
New Hampshire	13.98
Massachusetts	13.95
District of Columbia	13.14
New Jersey	13.08
Rhode Island	12.72
California	12.68
Maine	12.06
Maryland	11.45
Delaware	10.81
Pennsylvania	10.00
Ohio*	9.80
Texas	8.82
Illinois*	8.65

*\*See note in introductory summary regarding Ohio and Illinois relying only partially on a centralized capacity market*

**Comparison of All-in Industrial Retail Electric Rates (¢/kWh)**

**June 2012**

Massachusetts	14.03
Connecticut	12.70
New Hampshire	11.73
California	11.48
Rhode Island	11.47
New Jersey	11.07
Delaware	9.05
Maryland	8.02
Maine	7.49
Pennsylvania	7.27
New York	6.99
Ohio*	6.14
Texas	5.80
Illinois*	5.79
District of Columbia	3.71

**January 2012**

Connecticut	13.42
Massachusetts	12.90
New Hampshire	11.75
Rhode Island	10.94
New Jersey	10.64
California	9.83
Maryland	8.27
Maine	8.20
Delaware	8.13
Pennsylvania	7.33
New York	6.97
Illinois*	6.18
Ohio*	6.16
Texas	5.76
District of Columbia	4.64

*\*See note in introductory summary regarding Ohio and Illinois relying only partially on a centralized capacity market*

**Comparison of All-in Industrial Retail Electric Rates (¢/kWh)**

**April 2011**

Connecticut	13.38
Massachusetts	12.71
New Hampshire	12.40
Rhode Island	11.14
New Jersey	11.13
California	10.26
Maryland	9.14
Delaware	8.84
Maine	8.81
Pennsylvania	7.78
New York	7.55
District of Columbia	7.54
Illinois*	6.39
Ohio*	6.03
Texas	5.97

*\*See note in introductory summary regarding Ohio and Illinois relying only partially on a centralized capacity market*