



Competitive Energy Services Weekly Market Summary

February 11 - 15, 2019

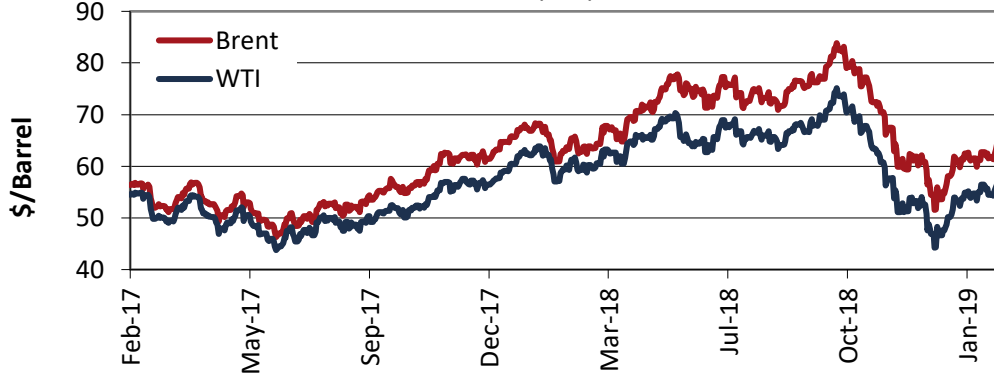
Synopsis of Last Week's Energy Markets

Crude oil rose to the highest levels in 2019 to date as optimism over a possible US-China trade deal raised hopes for demand. Saudi Arabia announced further production cuts as Russia indicated its intention to comply with its own promised production cuts. Natural gas prices rose 2% last week as but remain near historical lows. Winter's cold has yet to draw inventories to critical lows, which has weighed on prices as spring approaches.

Oil Market

Crude Oil - WTI & Brent

12-Month Forward Strips, past 24 months

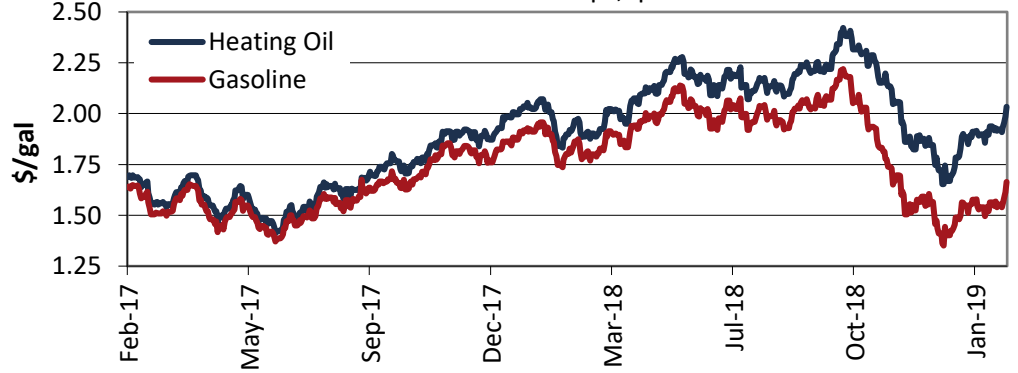


NYMEX WTI	last close	previous week	24-month high	24-month low
12 month strip, \$/bbl	\$57.60	\$54.50	\$75.39	\$43.82
date	2/15/19	2/8/19	10/3/18	6/21/17
change from last close		5.7%	-23.6%	31%

US STORAGE (in million bbls)	crude oil
domestic stocks as of	2/8/19
	451
gain / loss from previous week	3.6
comparison to historic range	within

Heating Oil & Gasoline

NYMEX 12-Month Forward Strips, past 24 months

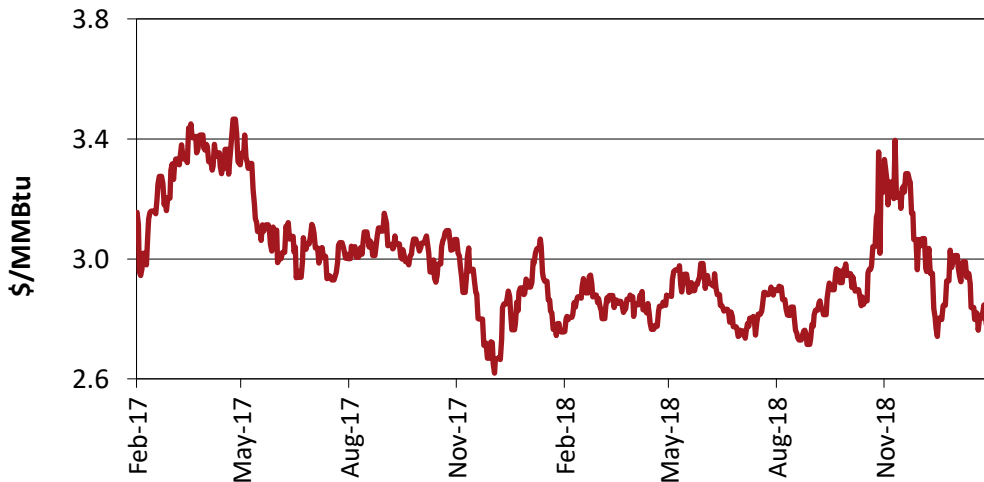


NYMEX Heating Oil	last close	previous week	24-month high	24-month low
12 month strip, \$/gal	\$2.03	\$1.92	\$2.43	\$1.41
date	2/15/19	2/8/19	10/3/18	6/21/17
change from last close		5.7%	-16%	44%

US STORAGE (in million bbls)	distillate	propane	gasoline
domestic stocks as of	2/8/19		
	140	58	258
gain / loss from previous week	1.2	0.7	0.4
comparison to historic range	within	within	above

Natural Gas Market

NYMEX Henry Hub Futures: 12 Month Forward Strip



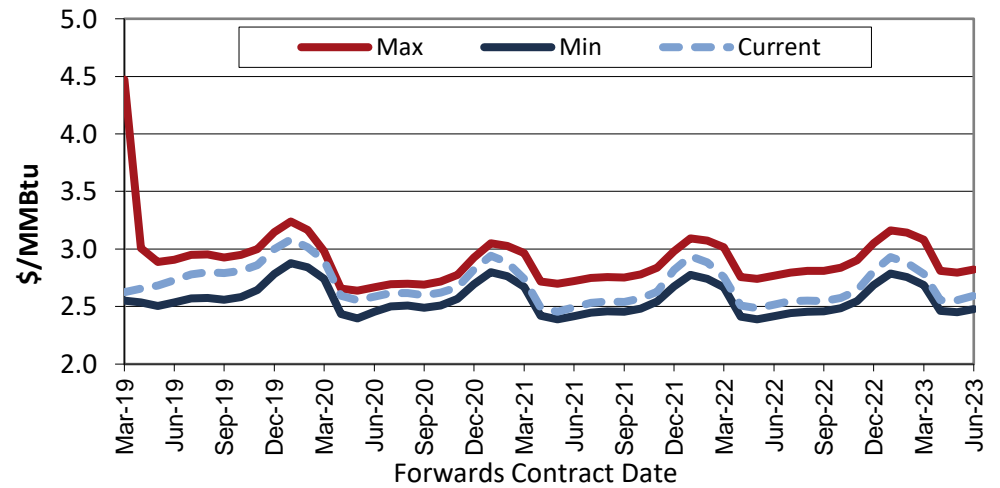
NYMEX PRICING	last close	previous week	24-month high	24-month low
12 mo. strip, \$/MMBtu	\$2.82	\$2.80	\$3.48	\$2.61
date	2/15/19	2/8/19	4/6/17	12/21/17
change from last close		0.6%	-19%	8%

CES SCORE

12 month	50
18 month	46
24 month	46
36 month	54

The Score provides a measure of how current prices compare to their 52-week range. A score close to 0 indicates that current prices are close to their 52-week highs; a score close to 100 indicates that current prices are close to their 52-week lows.

NYMEX Natural Gas Forwards vs. 1 Year Range



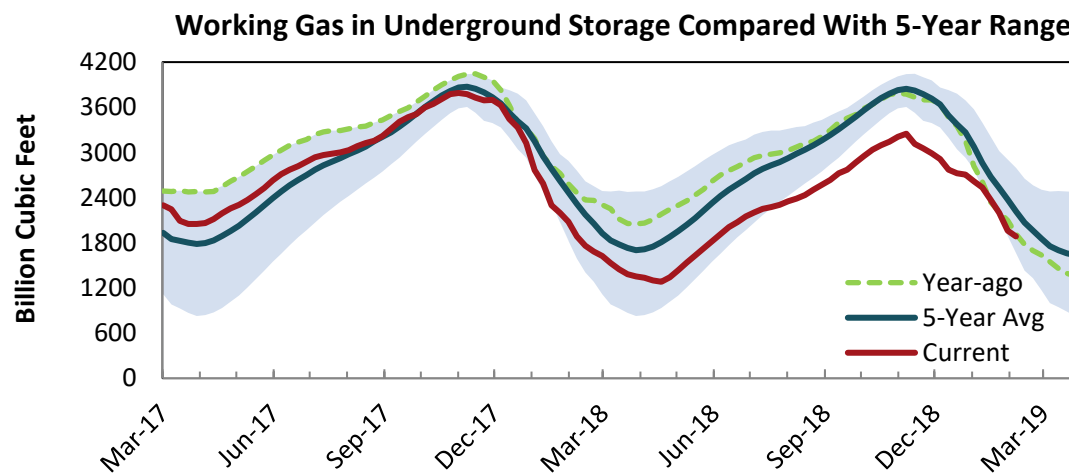
FORWARDS	12 month	18 month	24 month	36 month
strip (\$/MMBtu)	\$2.82	\$2.76	\$2.76	\$2.72

Natural gas futures are useful for both natural gas and electricity consumers because they drive electricity pricing in many U.S. markets. This chart compares the current natural gas price for each forward month on the NYMEX exchange to the highest and lowest prices for the same month over the past 12 months.



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Natural Gas Storage



This chart shows the amount of natural gas in storage at each point in time (red line) compared to the highest, lowest, and average amounts in the past 5 calendar years.

EIA Storage Data		date	Bcf	+/-
Previous Stock Level		2/1/19	1,960	
Most Recent Stock Level		2/8/19	1,882	
Year-ago Stock Level			1,912	-1.6%
5-Year Average Stock Level			2,215	-15.0%
Most Recent Net Change		2/8/19	-78	
Year-Ago Net Change			-183	
5-Year Average Net Change			-160	

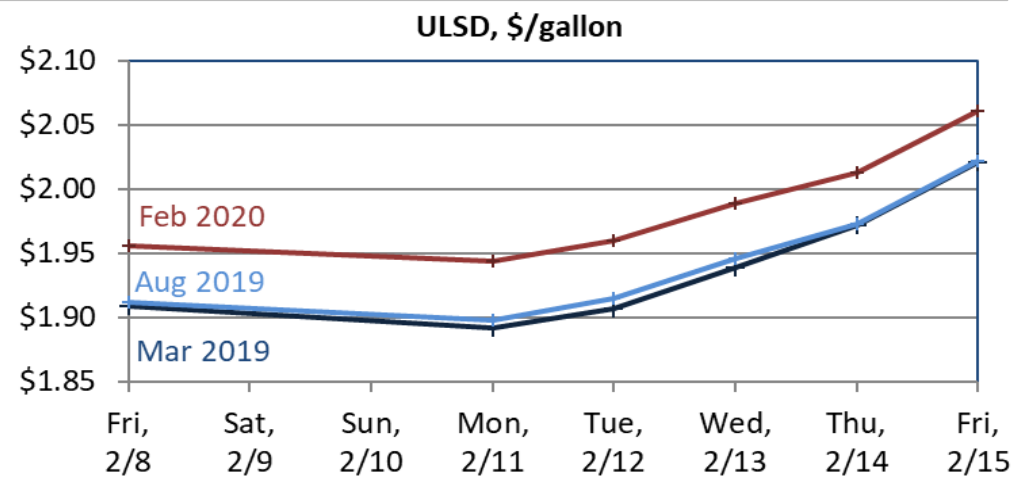
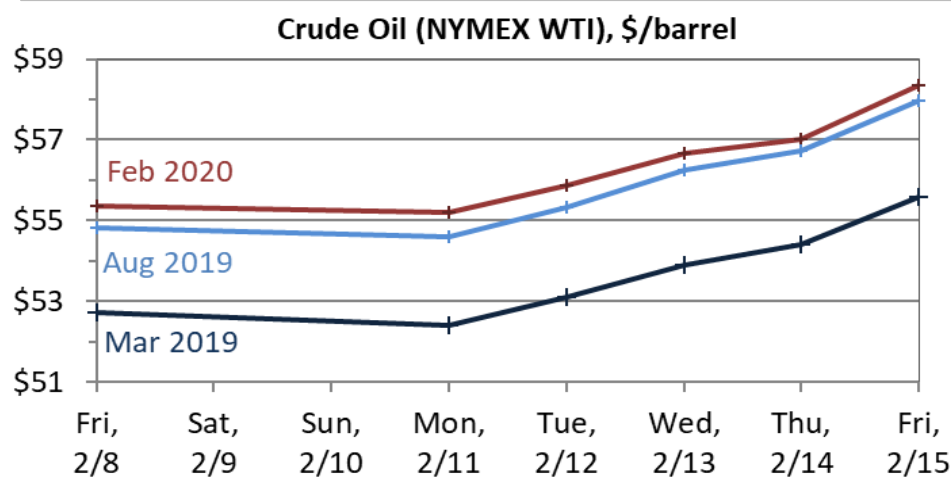
Data Source: EIA <http://tonto.eia.doe.gov/oog/info/ngs/ngs.html>

Market Assessment

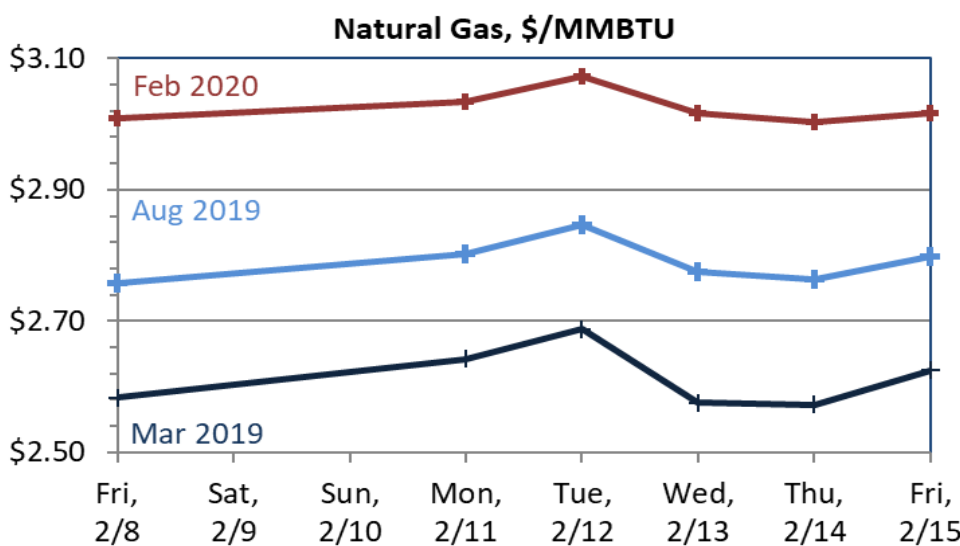
NYMEX Futures Summary Statistics

	Last Expired Contract	Exp. Date	Price	Prompt Month	Price	Most Expensive Next 12 Months	Price	Least Expensive Next 12 Months	Price	Next Winter Avg (Nov19-Mar20)
Crude oil	Feb-19	1/22/19	\$52.57	Mar-19	\$55.59	Nov-19	\$58.48	Mar-19	\$55.59	\$58.40
Heating oil	Feb-19	1/31/19	\$1.88	Mar-19	\$2.02	Feb-20	\$2.06	May-19	\$2.01	\$2.06
Natural gas	Feb-19	12/27/18	\$2.95	Mar-19	\$2.63	Jan-20	\$3.08	Mar-19	\$2.63	\$2.97

NYMEX End-of-Day Settlements



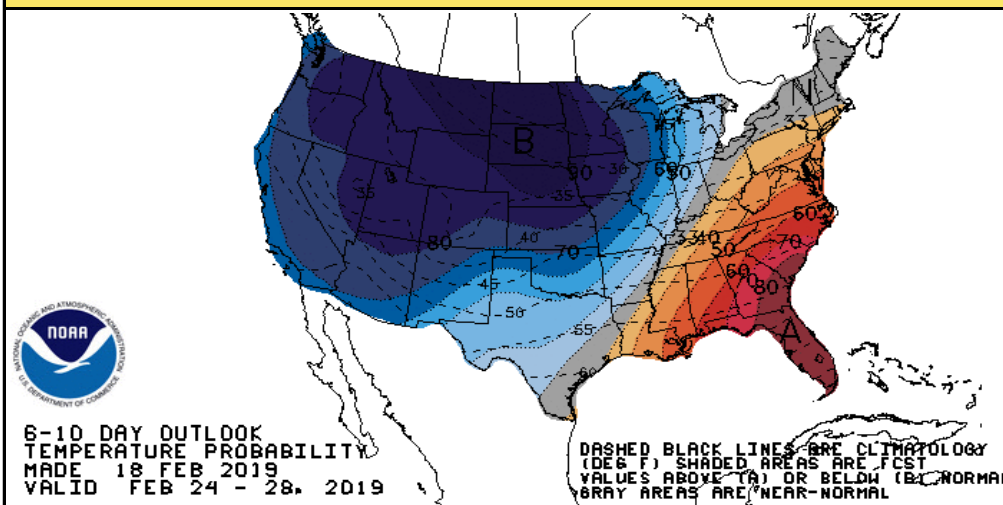
Crude oil climbed 5-7% last week to its highest point in 2019. Positive comments from China President Xi Jinping on meetings this week bolstered hopes of a trade deal between the US and China, ahead of a March 1 deadline, after which the 10% tariff rate on Chinese goods is set to double. Saudi Arabia announced it would cut production further than its pledged cut of 322,000 barrels/day, while Russia committed to tightening production in adherence to its own pledged cut of 230,000 barrels/day. Global exports from Venezuela may shrink further, as the US weighs expanding sanctions to prevent foreign entities from purchasing oil from state-owned PDVSA. Imports to the US dropped 13% as ports in the Gulf Coast were forced to temporarily close due to fog and rail cargoes from Canada slumped following production cuts implemented in Alberta in December. Rising crude stocks were unable to impact prices, building up as refiners slowed production to the lowest levels since October 2017 on slimming margins.



Natural gas futures gained 2% last week, a gain that did little to reverse the recent slide that brought front-month futures to lows last seen in 2016. Prices had fallen even through the early-month cold snap when it became clear that gas demand might not be strong enough to overwhelm strong production and deplete inventories. The EIA reported that last week's storage withdrawal was less than half the typical draw, placing further downward pressure on prices. March contracts have traded near and even below April, reversing the typical March - April spread pattern. This indicates that traders are not expecting a supply shortage in the last month of winter. March closed at \$2.63/MMBtu on Friday afternoon, April at \$2.66/MMBtu.

The National Weather Service near-term forecast calls for colder-than-normal temperatures for the western two-thirds of the US. The CES Market Score on page 1 decreased slightly from the previous week. Clients with electricity or natural gas contracts expiring in 2019 should consult with a CES representative for customized guidance.

National Weather Service Forecast



6 - 10 Day Forecast for Feb 24 - 28

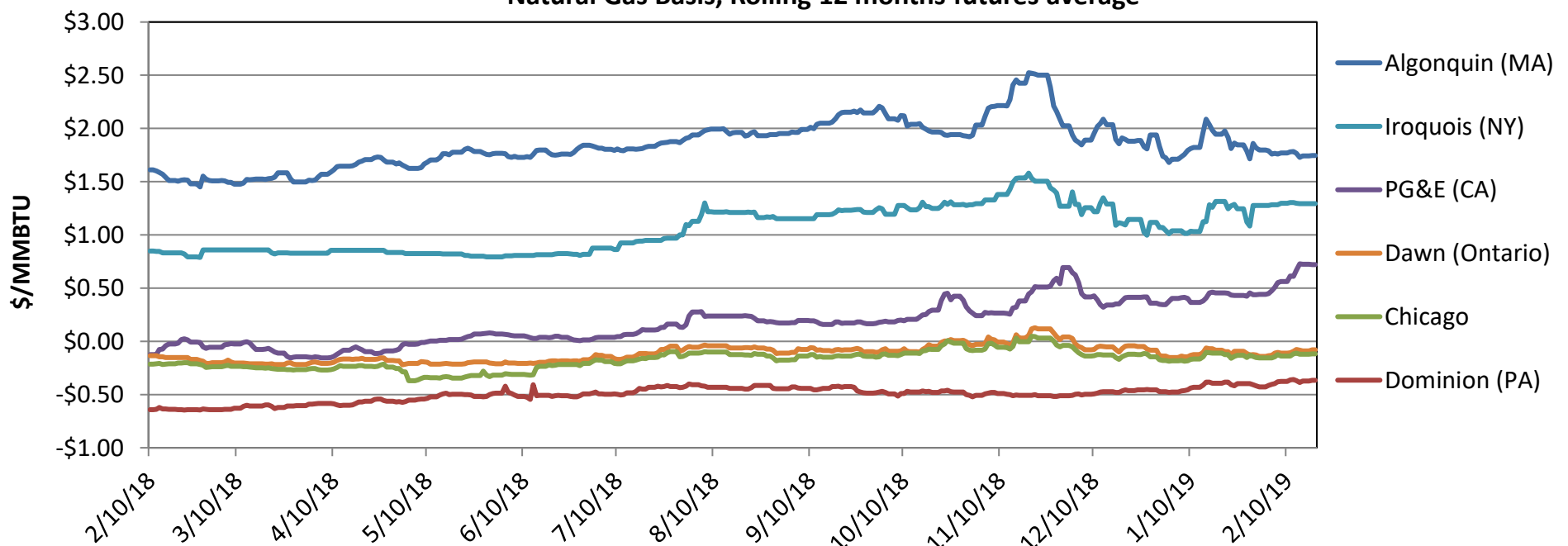
This map depicts forecasted temperatures for next week compared to the long term average. The blue/purple areas are forecast to be colder than normal, white areas are normal, and yellow/orange/red areas are warmer than normal. Abnormally hot weather in the summer and cold weather in the winter can increase the price for natural gas, oil, and electricity.

Source: Chart from the National Weather Service Climate Prediction

Natural Gas Basis Futures

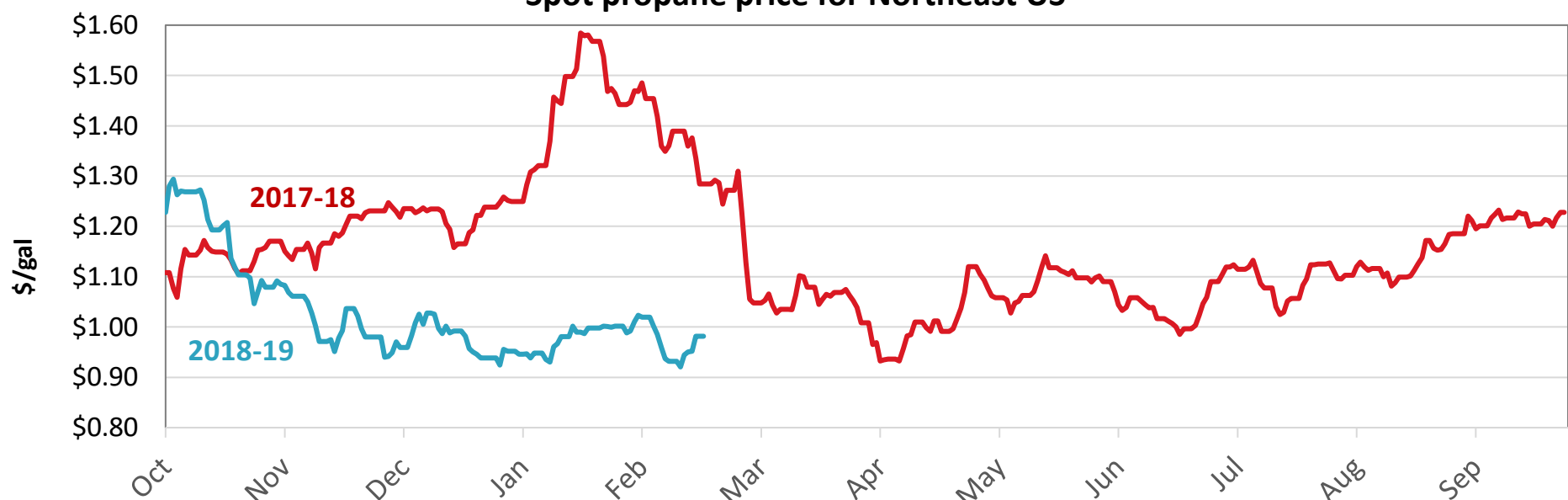
Basis is the price differential between Henry Hub, located in Erath, Louisiana, and the liquidity point closest to the end-user. Because Henry Hub is used as the delivery point for NYMEX natural gas futures contracts, the cost of using natural gas in any geographic region of the country can be approximated by adding the basis price for the appropriate liquidity point to the NYMEX futures contract. Basis prices can be negative (indicating that natural gas at a liquidity point is cheaper than at the Henry Hub) or positive (indicating that natural gas at a different liquidity point is more expensive than at the Henry Hub). Basis prices are a key component of regional electricity and natural gas costs.

Natural Gas Basis, Rolling 12 months futures average



Propane

Spot propane price for Northeast US



Spot Prices

		New England ISO Real Time Power Pricing By Zone (\$/MWh)							Avg	
		2/11/19	2/12/19	2/13/19	2/14/19	2/15/19	2/16/19	2/17/19		
Power (\$/MWh)	Maine RT On Pk	34	46	51	34	41			41	
	Maine RT Off Pk	25	9	11	20	32	29	37	23	
	NH RT On Pk	35	46	52	34	42			42	
	NH RT Off Pk	25	9	12	20	33	31	38	24	
	Vermont RT On Pk	35	44	50	33	41			40	
	Vermont RT Off Pk	25	9	12	20	32	30	37	24	
	Connecticut RT On Pk	35	44	49	33	41			40	
	Connecticut RT Off Pk	25	9	12	20	32	31	37	24	
	Rhode Island RT On Pk	35	45	50	33	41			41	
	Rhode Island RT Off Pk	25	9	12	20	33	31	38	24	
	NE Mass RT On Pk	36	46	51	34	42			42	
	NE Mass RT Off Pk	26	9	12	20	33	32	38	24	
	SE Mass RT On Pk	35	45	50	33	41			41	
	SE Mass RT Off Pk	25	9	12	20	32	31	38	24	
	WC Mass RT On Pk	35	45	50	33	41			41	
	WC Mass RT Off Pk	25	9	12	20	32	31	38	24	
		New York ISO Real Time Power Pricing By Zone (\$/MWh)							Avg	
Power (\$/MWh)	Capital RT On Pk	30	39	35	27	29			32	
	Capital RT Off Pk	32	19	19	25	33	32	30	27	
	Central RT On Pk	28	36	31	24	19			28	
	Central RT Off Pk	11	6	19	24	26	27	28	20	
	Hudson RT On Pk	31	39	35	27	27			32	
	Hudson RT Off Pk	27	26	29	29	26	20	22	26	
	Mohawk RT On Pk	29	37	32	25	19			28	
	Mohawk RT Off Pk	26	25	26	21	7	19	21	21	
	Milwood RT On Pk	31	40	35	27	27			32	
	Milwood RT Off Pk	26	16	20	25	32	31	30	26	
	NYC RT On Pk	31	40	35	27	27			32	
	NYC RT Off Pk	27	26	30	29	26	20	22	26	
			PJM Real Time Power Pricing By Zone (\$/MWh)							Avg
	Power (\$/MWh)	Eastern Hub On Pk	28	40	27	22	22			28
		Eastern Hub Off Pk	23	24	25	21	21	21	21	22
		Western Hub On Pk	28	37	29	24	24			29
Western Hub Off Pk		22	21	19	22	22	22	22	21	
PPL Zone On Pk		27	39	27	21	21			27	
PPL Zone Off Pk		22	20	19	21	21	21	21	21	
AEP RT On Pk		28	33	30	25	25			28	
AEP RT Off Pk		24	29	25	27	27	27	27	26	
Chicago RT On Pk		27	32	30	25	25			28	
Chicago RT Off Pk		23	28	24	19	19	19	19	21	
New Jersey Hub On Pk		27	38	28	22	22			28	
New Jersey Hub Off Pk		23	20	19	22	22	22	22	21	
		California ISO Real Time Power Pricing (\$/MWh)							Avg	
Power (\$/MWh)		SoCal Edison RT On Pk	84	84	109	76	72			85
		SoCal Edison RT Off Pk	35	62	84	124	125	92	80	86
		2/11/19	2/12/19	2/13/19	2/14/19	2/15/19	2/16/19	2/17/19	Avg	
Natural Gas \$/MMBtu	Henry Hub, LA	2.57	2.56	2.58	2.62				2.58	
	TZ6, MA	2.86	3.95	2.70	2.88	4.79			3.44	
	Algonquin, MA	2.92		2.70	2.90	5.45			3.49	
	Chicago Hub, IL	2.52	2.52	2.57	2.66	2.53			2.56	
	New York, NY	2.45	2.50	2.46	2.56	2.61			2.52	
	Dominion South, PA	2.38	2.38	2.36	2.42	2.41			2.39	
	Opal Hub, WY	4.83	6.15	13.34	17.54	14.70			11.31	
	PG&E Citygate, CA	6.01	6.50	9.18	7.70	8.66			7.61	