



Competitive Energy Services Weekly Market Summary

February 25 - March 1, 2019

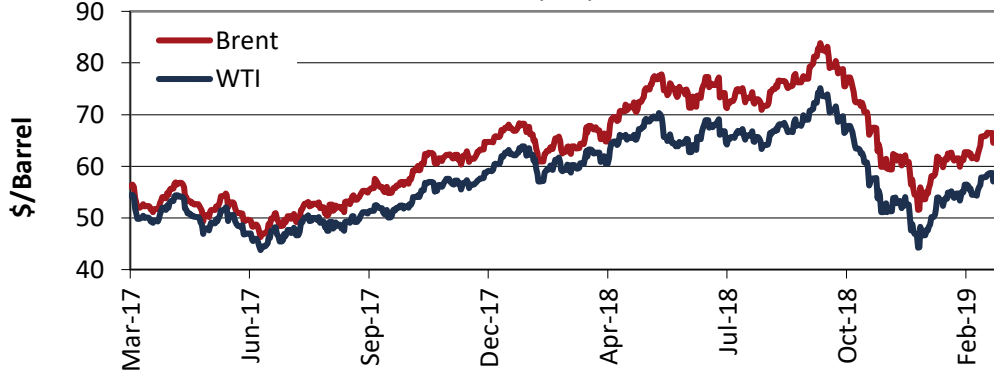
Synopsis of Last Week's Energy Markets

Crude oil ended a volatile week down 3% as comments from President Trump and depressed US economic data offset news of further OPEC production cuts in February and a bullish inventory report from the EIA. In contrast, natural gas prices gained 4% last week fueled by forecasts for cold weather and a widening inventory deficit, but strong output and the nearing end of winter have alleviated fears for a serious supply shortage.

Oil Market

Crude Oil - WTI & Brent

12-Month Forward Strips, past 24 months

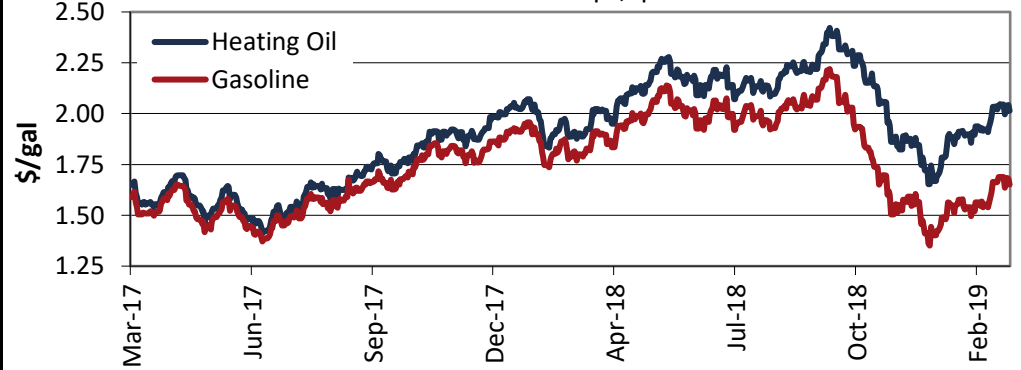


NYMEX WTI	last close	previous week	24-month high	24-month low
12 month strip, \$/bbl	\$57.34	\$58.66	\$75.39	\$43.82
date	3/1/19	2/22/19	10/3/18	6/21/17
change from last close		-2.3%	-23.9%	31%

US STORAGE (in million bbls)		crude oil
domestic stocks as of	2/22/19	446
gain / loss from previous week		-8.6
comparison to historic range		within

Heating Oil & Gasoline

NYMEX 12-Month Forward Strips, past 24 months

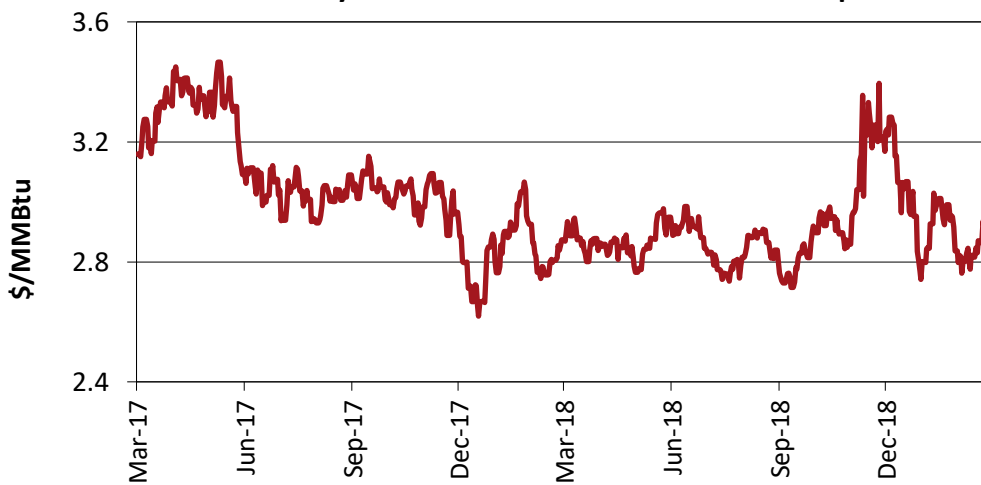


NYMEX Heating Oil	last close	previous week	24-month high	24-month low
12 month strip, \$/gal	\$2.02	\$2.04	\$2.43	\$1.41
date	3/1/19	2/22/19	10/3/18	6/21/17
change from last close		-1.4%	-17%	43%

US STORAGE (in million bbls)		distillate	propane	gasoline
domestic stocks as of	2/22/19	138	53	255
gain / loss from previous week		-0.3	-1.2	-1.9
comparison to historic range		within	within	above

Natural Gas Market

NYMEX Henry Hub Futures: 12 Month Forward Strip

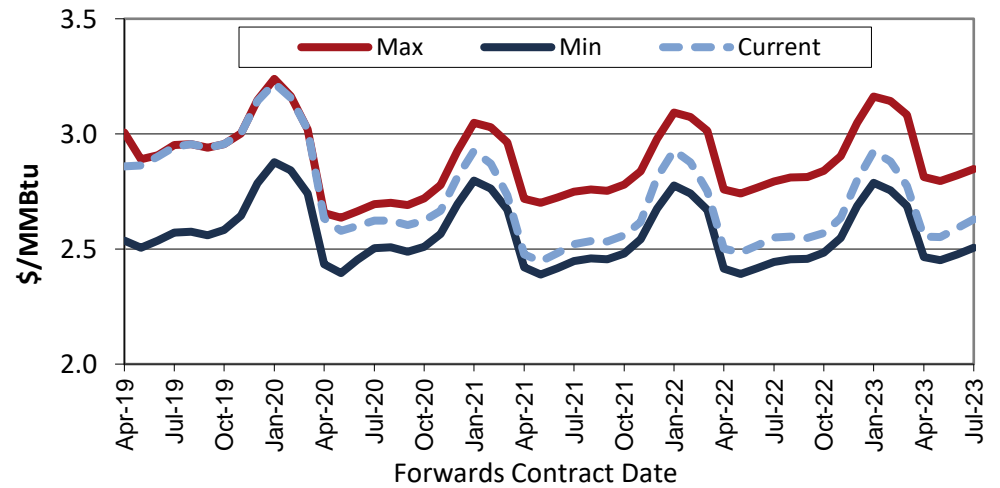


NYMEX PRICING	last close	previous week	24-month high	24-month low
12 mo. strip, \$/MMBtu	\$3.00	\$2.86	\$3.48	\$2.61
date	3/1/19	2/22/19	4/6/17	12/21/17
change from last close		4.6%	-14%	15%

CES SCORE	
12 month	4
18 month	13
24 month	24
36 month	40

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



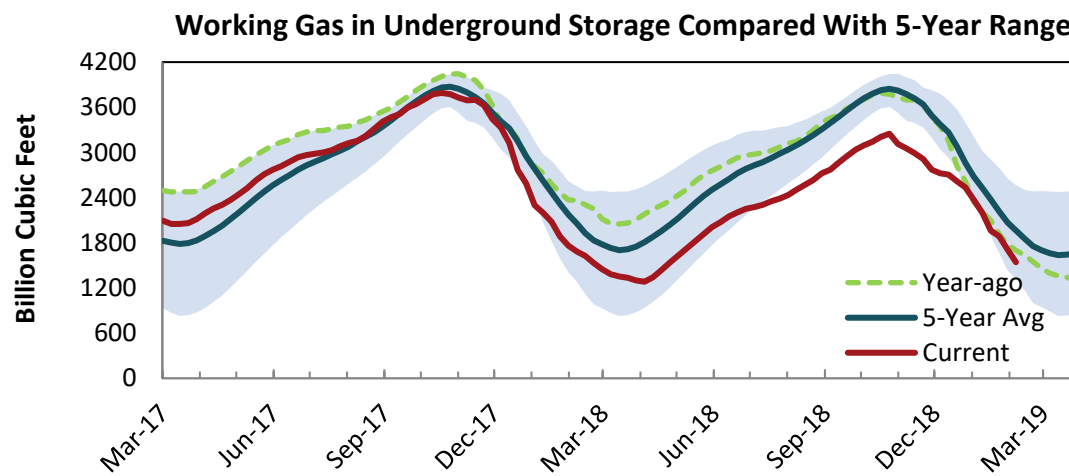
FORWARDS	12 month	18 month	24 month	36 month
strip (\$/MMBtu)	\$3.00	\$2.87	\$2.84	\$2.77

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		2/15/19	1,705	
Most Recent Stock Level		2/22/19	1,539	
Year-ago Stock Level			1,693	-9.1%
5-Year Average Stock Level			1,963	-21.6%
Most Recent Net Change		2/22/19	-166	
Year-Ago Net Change			-85	
5-Year Average Net Change			-104	

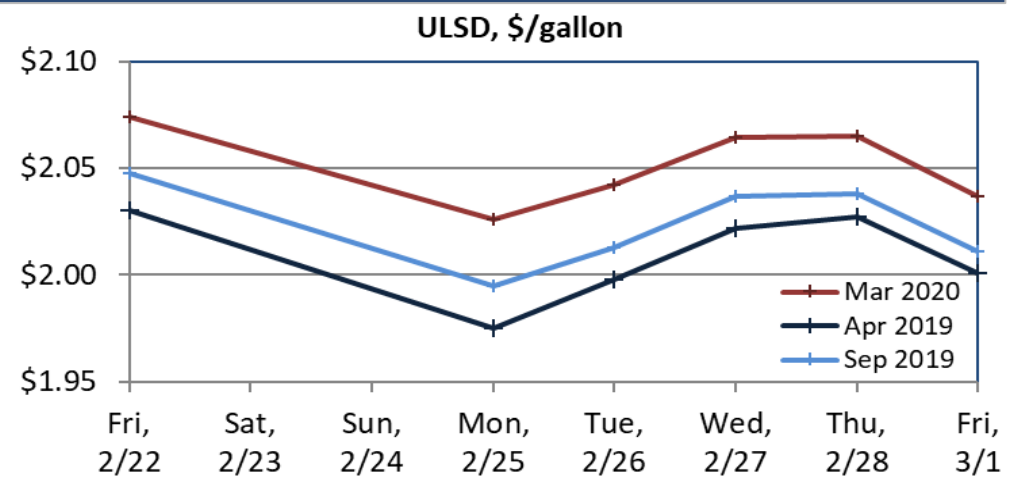
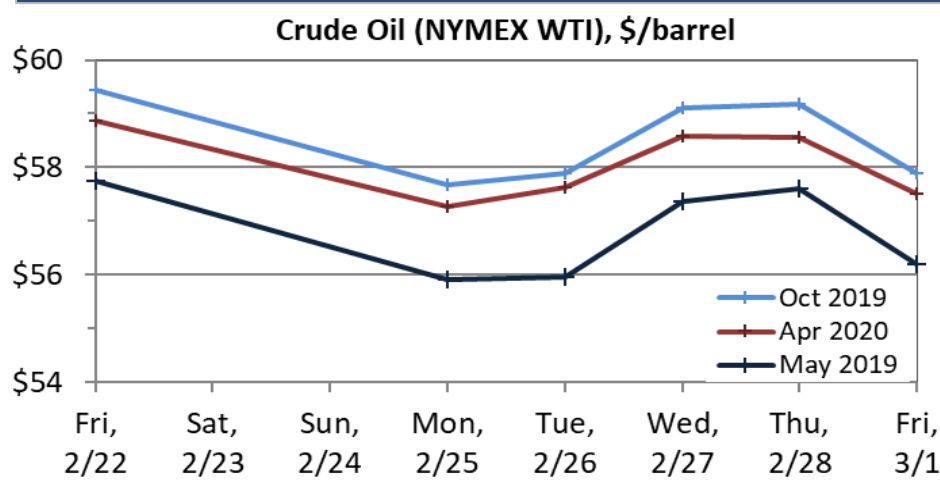
Data Source: EIA <http://tonto.eia.doe.gov/oog/info/ngs/ngs.html>

Market Assessment

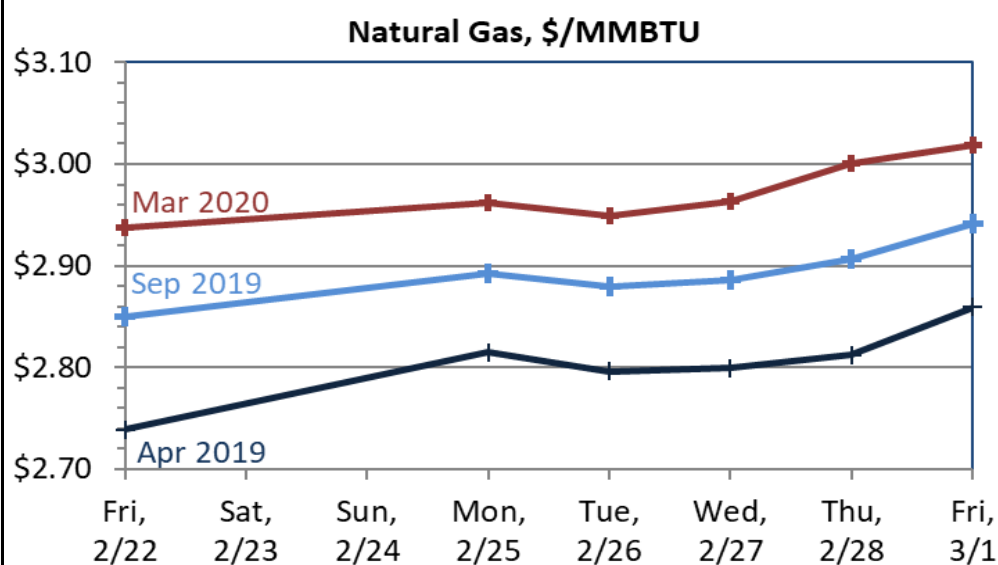
NYMEX Futures Summary Statistics

	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	Mar-19	2/20/19	\$56.92	Apr-19	\$55.80	Nov-19	\$57.95	Apr-19	\$55.80	\$57.85
Heating oil	Mar-19	2/28/19	\$2.02	Apr-19	\$2.00	Feb-20	\$2.04	May-19	\$1.99	\$2.04
Natural gas	Mar-19	2/26/18	\$2.86	Apr-19	\$2.86	Jan-20	\$3.22	Apr-19	\$2.86	\$3.11

NYMEX End-of-Day Settlements



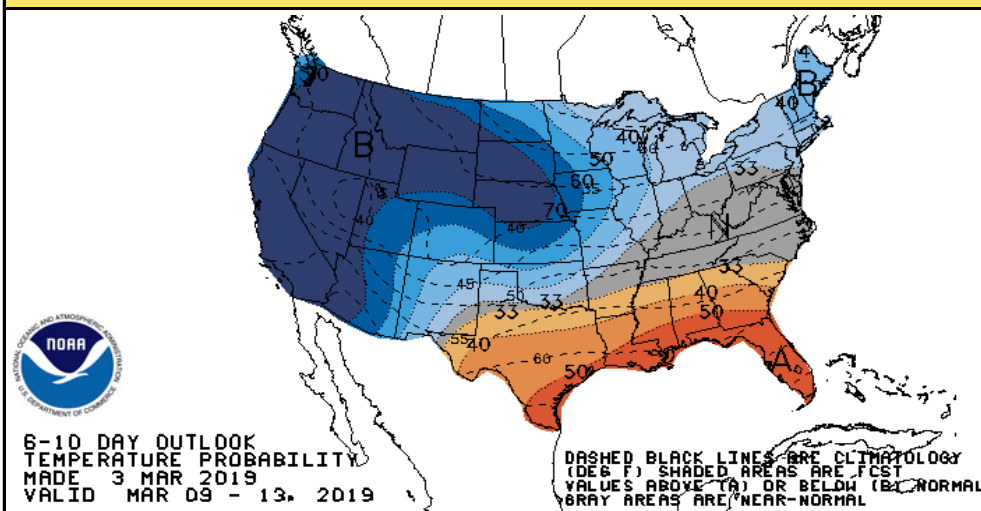
Crude oil dipped 3% last week, as rises through the mid-week were bookended with drops Monday and Friday. A tweet from President Trump on Monday morning telling OPEC to “relax and take it easy” with its production cut efforts sparked a sell-off of 3%. Initial data for production in February showed that OPEC cut production a further 560,000 barrels per day and that the late 2018 OPEC+ agreement for cuts has been fully met. Domestic crude production rose to a new all-time record of 12.1 million barrels per day but the news was overshadowed by a steep drop in imports to the lowest levels since 1996, as a drop in rail shipments from Canada combined with the effects of Saudi Arabia’s production cuts. A gauge of US factory activity fell to a two year low, ending the week with concerns for business activity and oil demand.



Natural gas rose for the third week in a row as the US inventory deficit widened to 22% compared to the 5-year average. April contracts gained 12 cents week-over-week to close at \$2.86/MMbtu on Friday afternoon. Forecasts for early March point to lower-than-average temperatures across most of the continental U.S. This late-winter cold is expected to boost heating demand and further deplete stocks before spring brings the withdrawal season to a close. This boost in heating demand is paired with rising LNG exports: with the Corpus Christi facility online in Texas, estimated exports now top 5 Bcf/D. Domestic output remains near record highs, however, easing any concern over a serious supply crunch before the end of March.

The National Weather Service near-term forecast calls for colder-than-normal temperatures for almost all of the continental US except for the Southeast. The CES Market Score on page 1 decreased 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 Mar 9 - 13

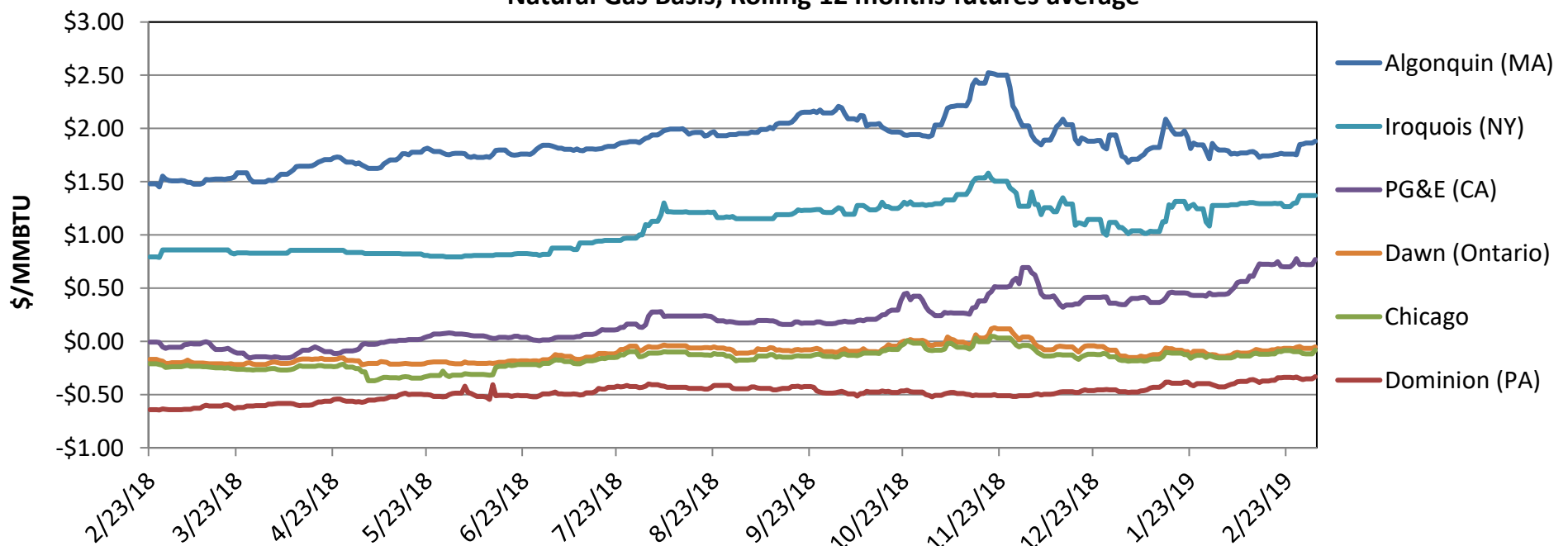
This map depicts forecasted temperatures for next week compared to the long term average. The blue/purple areas are forecast to be colder than normal, white areas are normal, and yellow/orange/red areas are warmer than normal. Abnormally hot weather in the summer and cold weather in the winter can increase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

Source: Chart from the National Weather Service Climate Prediction

Natural Gas Basis Futures

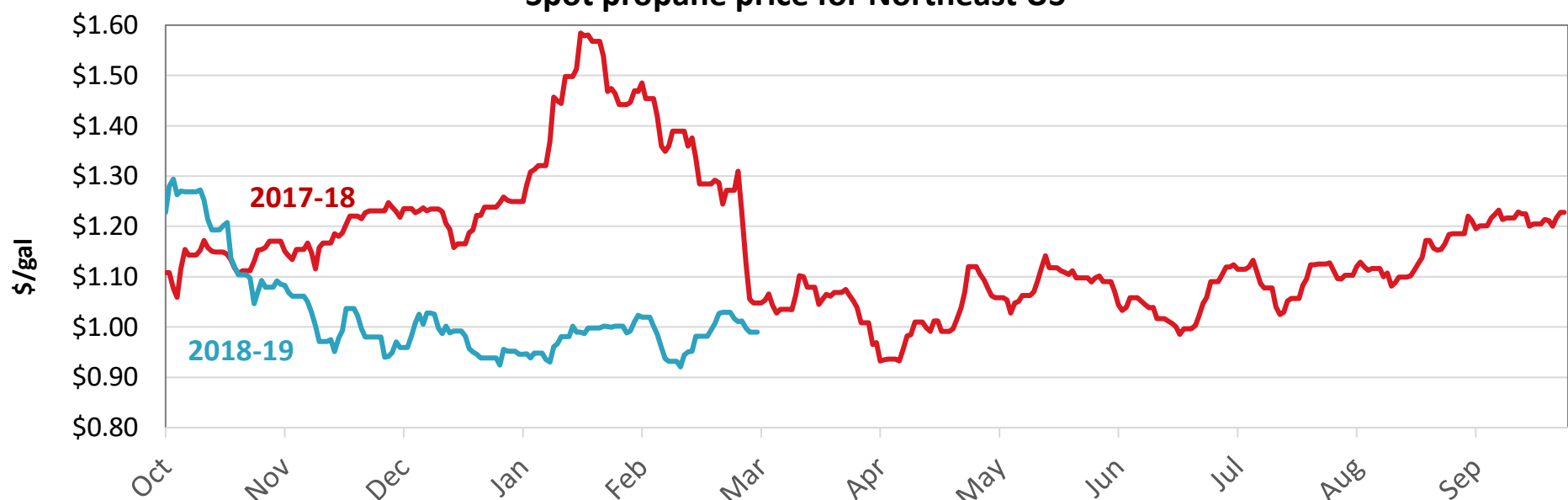
Basis is the price differential between Henry Hub, located in Erath, Louisiana, and the liquidity point closest to the end-user. Because Henry Hub is used as the delivery point for NYMEX natural gas futures contracts, the cost of using natural gas in any geographic region of the country can be approximated 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	
		2/25/19	2/26/19	2/27/19	2/28/19	3/1/19	3/2/19	3/3/19		
Power (\$/MWh)	Maine RT On Pk	48	44	50	54	50			49	
	Maine RT Off Pk	47	50	41	79	53	70	80	60	
	NH RT On Pk	50	46	51	55	51			51	
	NH RT Off Pk	48	52	42	79	54	69	80	61	
	Vermont RT On Pk	48	43	50	54	50			49	
	Vermont RT Off Pk	47	51	41	77	53	68	79	59	
	Connecticut RT On Pk	49	45	50	54	50			50	
	Connecticut RT Off Pk	47	51	41	76	53	69	79	60	
	Rhode Island RT On Pk	50	46	51	55	50			50	
	Rhode Island RT Off Pk	48	53	42	79	54	69	79	60	
	NE Mass RT On Pk	51	46	51	55	51			51	
	NE Mass RT Off Pk	48	53	42	79	54	69	80	61	
	SE Mass RT On Pk	50	46	51	55	50			50	
	SE Mass RT Off Pk	48	53	42	79	54	69	79	60	
	WC Mass RT On Pk	50	46	50	55	51			50	
	WC Mass RT Off Pk	48	52	42	78	54	69	80	60	
		New York ISO Real Time Power Pricing By Zone (\$/MWh)							Avg	
Power (\$/MWh)	Capital RT On Pk	37	34	42	53	35			40	
	Capital RT Off Pk	57	33	28	45	28	35	30	37	
	Central RT On Pk	32	32	37	43	32			35	
	Central RT Off Pk	28	30	26	33	27	33	27	29	
	Hudson RT On Pk	37	34	41	51	35			40	
	Hudson RT Off Pk	49	33	28	42	28	35	29	35	
	Mohawk RT On Pk	33	27	37	44	33			35	
	Mohawk RT Off Pk	28	31	27	33	27	33	28	30	
	Milwood RT On Pk	37	35	41	51	35			40	
	Milwood RT Off Pk	49	33	28	42	28	35	29	35	
	NYC RT On Pk	37	35	41	51	36			40	
	NYC RT Off Pk	49	33	28	42	28	36	30	35	
			PJM Real Time Power Pricing By Zone (\$/MWh)							Avg
	Power (\$/MWh)	Eastern Hub On Pk	26	24	28	29	29			27
Eastern Hub Off Pk		24	25	26	25	25	25	25	25	
Western Hub On Pk		28	26	35	37	37			32	
Western Hub Off Pk		48	25	27	27	27	27	27	30	
PPL Zone On Pk		27	25	27	29	29			27	
PPL Zone Off Pk		34	24	25	25	25	25	25	26	
AEP RT On Pk		30	26	33	35	35			32	
AEP RT Off Pk		64	25	27	27	27	27	27	32	
Chicago RT On Pk		30	26	33	34	34			31	
Chicago RT Off Pk		61	24	26	26	26	26	26	31	
New Jersey Hub On Pk		28	24	27	34	34			29	
New Jersey Hub Off Pk		28	25	28	26	26	26	26	27	
		California ISO Real Time Power Pricing (\$/MWh)							Avg	
Power (\$/MWh)		SoCal Edison RT On Pk	46	98	45	39	77			61
	SoCal Edison RT Off Pk	51	44	40	43	47	71	37	48	
			2/25/19	2/26/19	2/27/19	2/28/19	3/1/19	3/2/19	3/3/19	Avg
Natural Gas \$/MMBtu	Henry Hub, LA	2.84	2.98	2.89	2.97	3.19			2.97	
	TZ6, MA	6.90	6.49	5.49	4.86	6.87			6.12	
	Algonquin, MA	6.74	7.22	5.96	4.86	7.75			6.51	
	Chicago Hub, IL	2.94	3.01	2.94	2.92	8.84			4.13	
	New York, NY	3.12	3.11	2.89	2.91	3.41			3.09	
	Dominion South, PA	2.72	2.84	2.74	2.79	3.09			2.84	
	Opal Hub, WY	4.59	4.58	4.02	4.00	6.74			4.79	
	PG&E Citygate, CA	5.17	5.00	4.47	4.26	6.57			5.09	