



Competitive Energy Services Weekly Market Summary

March 20 - 24, 2017

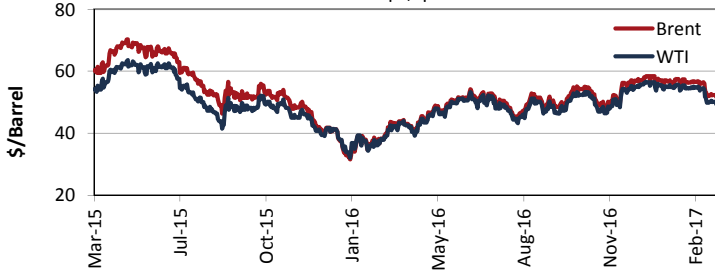
Synopsis of Last Week's Energy Markets

Near-term crude oil remained under the \$50 mark last week as the EIA reported a large gain in domestic stocks. Record US stocks have insulated both WTI and Brent prices from the impacts of OPEC's production cuts, which could be extended beyond the current end date of June 30. Natural gas prices made gains last week as late-winter cold boosted heating demand, narrowing the supply surplus. The EIA reported a record supply draw of 150 Bcf; the average draw for this time of year is 21 Bcf.

Oil Market

Crude Oil - WTI & Brent

12-Month Forward Strips, past 24 months

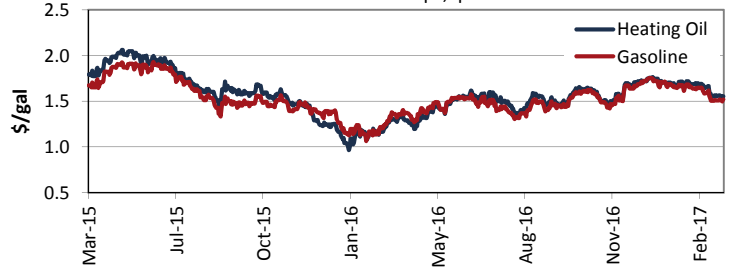


NYMEX WTI	last close	previous week	24-month high	24-month low
12 month strip, \$/bbl	\$49.33	\$50.09	\$63.51	\$32.40
date	3/24/17	3/17/17	5/6/15	1/20/16
change from last close		-1.5%	-22.3%	52%

US STORAGE (in million bbls)	crude oil
domestic stocks as of	3/17/17
gain / loss from previous week	533.1
comparison to historic range	4.9
	above

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	\$1.55	\$1.56	\$2.06	\$0.97
date	3/24/17	3/17/17	5/6/15	1/20/16
change from last close		-0.8%	-25%	60%

US STORAGE (in million bbls)	distillate	propane	gasoline
domestic stocks as of	3/17/17		
gain / loss from previous week	155.4	44.3	243.5
comparison to historic range	-1.9	-0.1	-2.8
	within	within	within

Natural Gas Market

NYMEX Henry Hub Futures: 12 Month Forward Strip

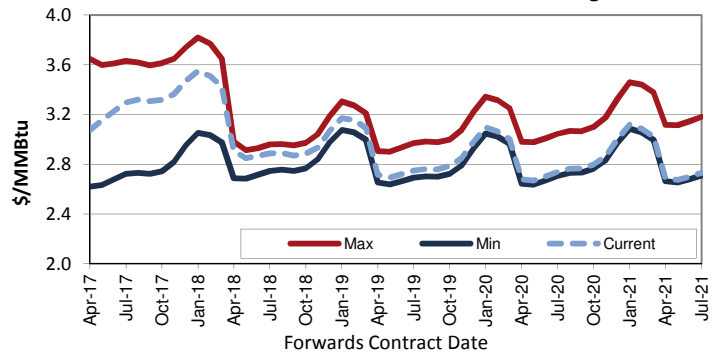


NYMEX PRICING	last close	previous week	24-month high	24-month low
12 mo. strip, \$/MMBtu	\$3.34	\$3.20	\$3.70	\$2.11
date	3/24/17	3/17/17	12/28/16	2/25/16
change from last close		4.1%	-10%	58%

CES SCORE	
12 month	38
18 month	36
24 month	40
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)	\$3.34	\$3.18	\$3.15	\$3.05

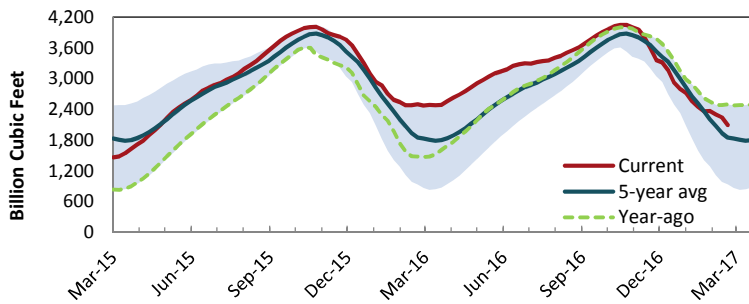
Natural gas futures are useful for both natural gas and electricity consumers because they drive electricity pricing in many U.S. markets including New England, Texas and, to a lesser extent, New York and the Mid-Atlantic. This chart compares the current natural gas price for each forward month on the NYMEX exchange to the highest and lowest prices for the same month over the past 12 months.



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Natural Gas Storage

Working Gas in Underground Storage Compared With 5-Year Range



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	3/10/17	2,242	
Most Recent Stock Level	3/17/17	2,092	
Year-ago Stock Level		2,491	-16.0%
5-Year Average Stock Level		1,826	14.6%
Most Recent Net Change	3/17/17	-150	
Year-Ago Net Change		13	
5-Year Average Net Change		-21	

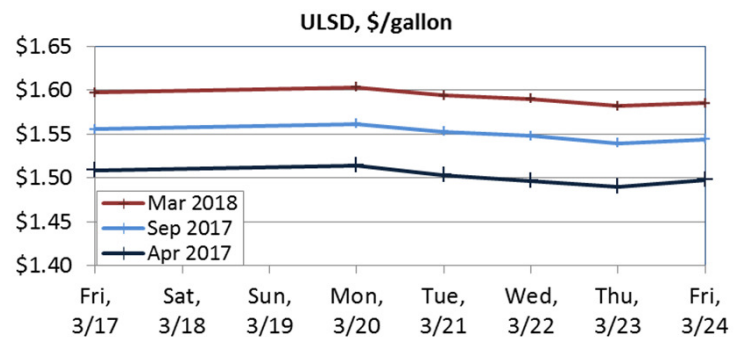
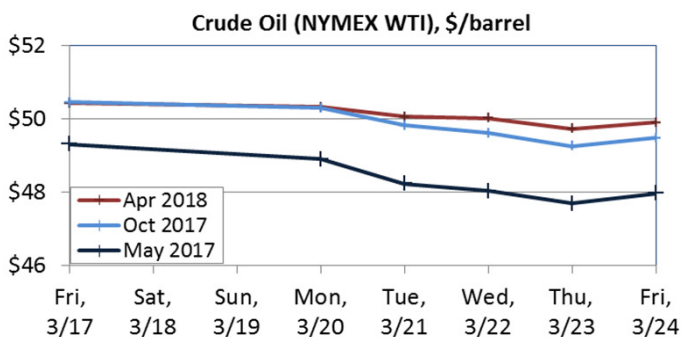
Data Source: EIA <http://tonto.eia.doe.gov/oog/info/ngs/ngs.html>

Market Assessment

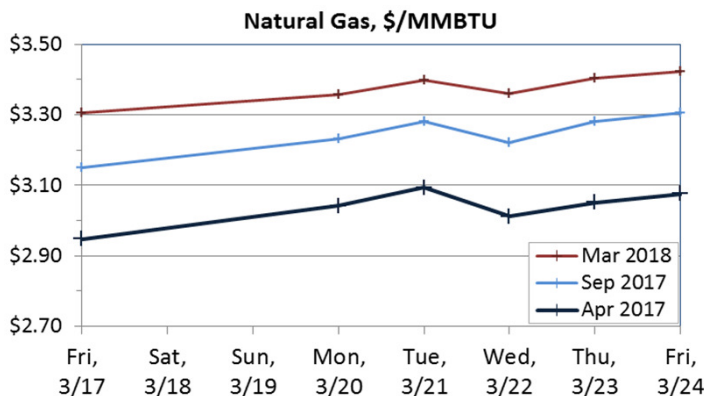
NYMEX Futures Summary Statistics

	Last Expired Contract	Exp. Date	Price	Prompt Month	Price	Most Expensive Next 12 Months	Price	Least Expensive Next 12 Months	Price	Next Winter Avg (Nov17-Mar18)
Crude oil	Apr-17	2/21/17	\$47.34	Apr-17	\$47.97	Mar-18	\$49.87	May-17	\$47.97	\$49.75
Heating oil	Mar-17	2/28/17	\$1.62	Apr-17	\$1.50	Feb-18	\$1.59	Apr-17	\$1.50	\$1.58
Natural gas	Mar-17	2/24/17	\$2.63	Apr-17	\$2.95	Jan-18	\$3.55	Apr-17	\$3.08	\$3.46

NYMEX End-of-Day Settlements



Crude oil prices fell last week as the US added another 5 million barrels to already-record crude stocks. Prompt-month WTI had been holding steady in the low-\$50s from December through February but fell below \$48 per barrel last week. OPEC meets this week to discuss compliance with the agreed-upon production cuts and will meet again in late May to discuss extending the agreement beyond the current commitment period, which goes through June. Domestically, the number of active oil rigs has been trending up since last May and is now at the highest since October 2015. On Friday, President Trump announced the State Department's approval of the Keystone XL pipeline, calling it "the greatest technology known to man or woman." The pipeline would provide transport for crude oil from the Alberta tar sands to refineries on the Texas gulf coast.



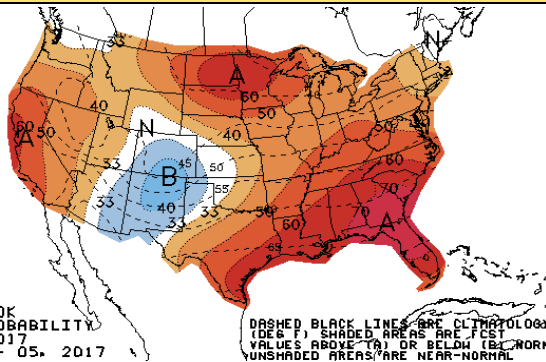
Natural gas prices rose last week on tightening stockpiles, reversing the previous week's losses. Futures advanced early in the week as analysts predicted that the mid-month low temperatures and surge in heating demand would impact the storage balance. Prices dipped briefly on Wednesday amid forecasts of a mild end to March, but began to rise again on Thursday when the EIA reported a record drop in inventories that carved away at the storage surplus, which has been building since the beginning of the year. Nonetheless, storage is at a 15% surplus to the average and will likely remain above 2,000 Bcf by the start of the conventional injection season in April.

The National Weather Service near-term forecast calls for above-normal temperatures for almost all of the continental US. The natural gas market scores on page 1 declined from the previous week. Clients with electricity or natural gas contracts expiring in 2017 should consult with a CES representative for customized guidance.

National Weather Service Forecast



6-10 DAY OUTLOOK
TEMPERATURE PROBABILITY
MADE 26 MAR 2017
VALID APR 01 - 05, 2017



DASHED BLACK LINES ARE CLIMATOLOGY (DEG F). SHADED AREAS ARE FCST VALUES ABOVE (A) OR BELOW (B) NORMAL. UNSHADED AREAS ARE NEAR-NORMAL.

6 - 10 Day Forecast for April 1 - 5, 2017

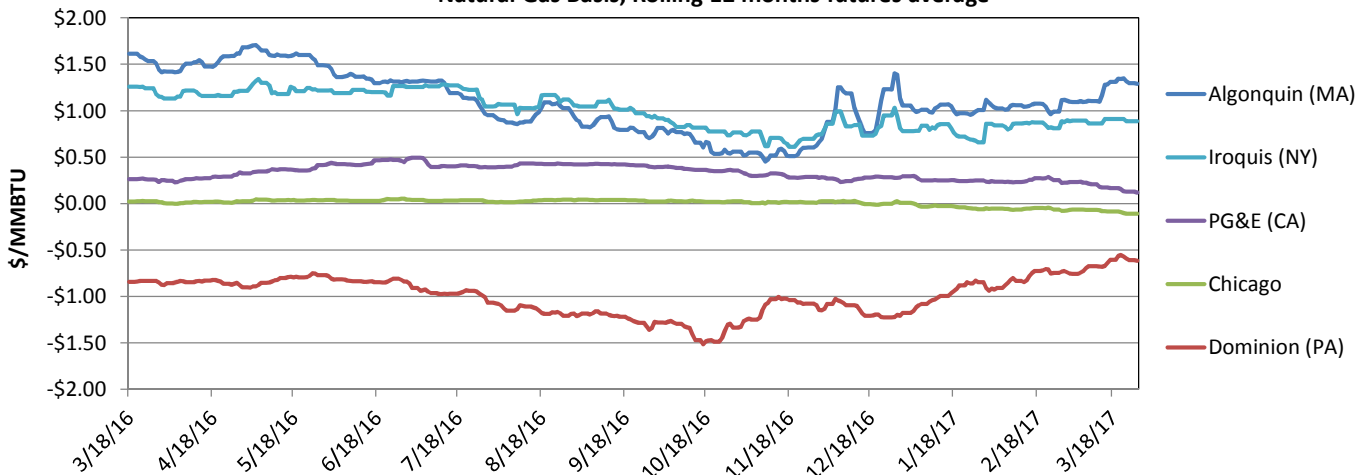
This map depicts forecasted temperatures for next week compared to the long term average. The blue/purple areas are forecast to be colder than normal, white areas are normal, and yellow/orange/red areas are warmer than normal. Abnormally hot weather in the summer and cold weather in the winter can increase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

Source: Chart from the National Weather Service Climate Prediction Center www.cpc.ncep.noaa.gov

Natural Gas Basis Futures

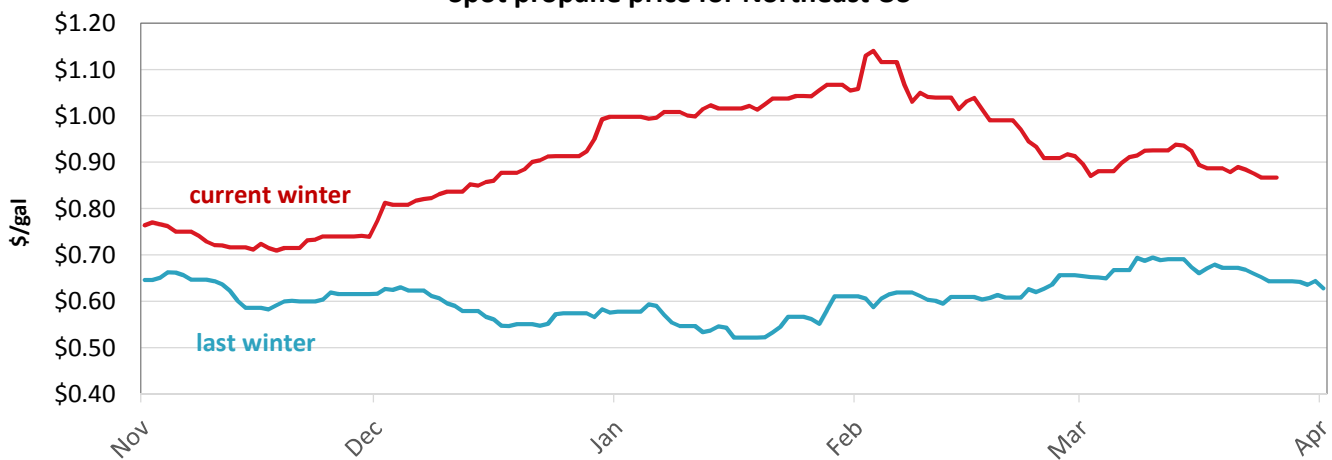
Basis is the price differential between Henry Hub, located in Erath, Louisiana, and the liquidity point closest to the end-user. Because Henry Hub is used as the delivery point for NYMEX natural gas futures contracts, the cost of using natural gas in any geographic region of the country can be approximated 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)		3/20/17	3/21/17	3/22/17	3/23/17	3/24/17	3/25/17	3/26/17	Avg	
Power (\$/MWh)	Maine RT On Pk	17	26	7	30	34			23	
	Maine RT Off Pk	6	11	23	38	29	44	37	27	
	NH RT On Pk	17	28	32	32	37			29	
	NH RT Off Pk	6	16	25	41	29	46	38	29	
	Vermont RT On Pk	17	28	35	32	36			30	
	Vermont RT Off Pk	6	16	24	39	29	47	38	29	
	Connecticut RT On Pk	18	28	38	33	37			31	
	Connecticut RT Off Pk	6	16	25	42	30	48	40	30	
	Rhode Island RT On Pk	17	28	38	33	36			30	
	Rhode Island RT Off Pk	7	16	25	41	29	46	38	29	
	NE Mass RT On Pk	17	28	40	34	37			31	
	NE Mass RT Off Pk	7	16	25	41	29	47	39	29	
	SE Mass RT On Pk	17	28	38	33	37			30	
	SE Mass RT Off Pk	7	16	25	42	29	47	39	29	
	WC Mass RT On Pk	17	28	38	33	37			31	
	WC Mass RT Off Pk	7	16	25	42	30	47	39	29	
	New York ISO Real Time Power Pricing By Zone (\$/MWh)		Avg							
	Capital RT On Pk	37	23	35	49	47				38
	Capital RT Off Pk	27	22	26	39	31	38	31		31
	Central RT On Pk	30	22	27	43	41				33
Central RT Off Pk	18	19	10	34	1	35	25		20	
Hudson RT On Pk	35	24	34	49	47				38	
Hudson RT Off Pk	25	22	23	39	23	39	31		29	
Mohawk RT On Pk	29	22	27	43	42				33	
Mohawk RT Off Pk	18	19	11	34	1	36	26		21	
Milwood RT On Pk	35	24	34	49	48				38	
Milwood RT Off Pk	25	22	23	39	23	39	31		29	
NYC RT On Pk	35	24	35	49	48				38	
NYC RT Off Pk	25	22	23	39	23	39	31		29	
PJM Real Time Power Pricing By Zone (\$/MWh)		Avg								
Eastern Hub On Pk	34	26	31	28	28				29	
Eastern Hub Off Pk	31	23	22	32	32	32	32		29	
Western Hub On Pk	34	31	31	31	31				32	
Western Hub Off Pk	32	26	23	36	36	36	36		32	
PPL Zone On Pk	37	31	34	32	32				33	
PPL Zone Off Pk	31	24	22	35	35	35	35		31	
AEP RT On Pk	40	34	35	31	31				34	
AEP RT Off Pk	32	27	23	36	36	36	36		32	
Chicago RT On Pk	34	33	31	26	26				30	
Chicago RT Off Pk	22	24	22	22	22	22	22		22	
New Jersey Hub On Pk	36	27	35	31	31				32	
New Jersey Hub Off Pk	30	22	22	32	32	32	32		29	
California ISO Real Time Power Pricing (\$/MWh)		Avg								
SoCal Edison RT On Pk	21	14	10	2	16				13	
SoCal Edison RT Off Pk	17	12	13	3	18	27	10		14	
Natural Gas \$/MMBtu	3/20/17	3/21/17	3/22/17	3/23/17	3/24/17	3/25/17	3/26/17	Avg		
	Henry Hub, LA	2.92	3.06	2.98	2.93	2.92			2.96	
	TZ6, MA	3.40	6.71	4.10	2.97	2.94			4.02	
	Algonquin, MA		6.92	4.44	2.80	2.60			4.19	
	Chicago Hub, IL	2.88	2.99	2.89	2.86	2.87			2.90	
	New York, NY	2.85	3.17	2.90	2.61	2.53			2.81	
	Dominion South, PA	2.74	2.90	2.82	2.57	2.48			2.70	
	Opal Hub, WY	2.60	2.69	2.61	2.59	2.58			2.62	
	PG&E Citygate, CA	3.16	3.26	3.19	3.18	3.17			3.19	
	Kern River Deliveries	2.68	2.77	2.70	2.66	2.64			2.69	