



Competitive Energy Services Weekly Market Summary

April 30 - May 4, 2018

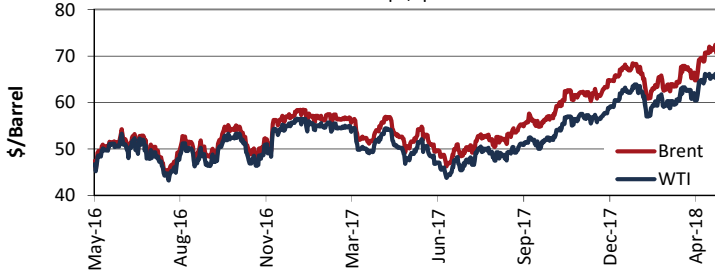
Synopsis of Last Week's Energy Markets

Crude oil prices climbed last week and then jumped this morning as world leaders speculated over the weekend on Trump's likely course of action on the Iran nuclear deal and what a withdrawal from the deal would mean for world relations. In contrast, natural gas prices slipped 2% last week as the first storage injection of the year surpassed expectations. Inventories still stand at a 28% deficit to the 5-year average going into the shoulder season.

Oil Market

Crude Oil - WTI & Brent

12-Month Forward Strips, past 24 months

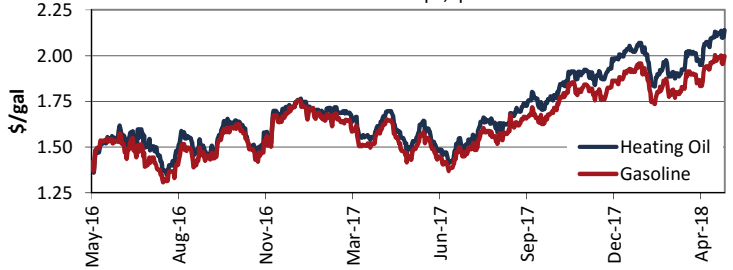


NYMEX WTI	last close	previous week	24-month high	24-month low
12 month strip, \$/bbl	\$67.17	\$63.49	\$67.17	\$43.04
date	5/4/18	1/24/18	5/4/18	8/2/16
change from last close		5.8%	0.0%	56%

US STORAGE (in million bbls)	crude oil
domestic stocks as of	4/27/18
gain / loss from previous week	436
comparison to historic range	6.2
	within

Heating Oil & Gasoline

NYMEX 12-Month Forward Strips, past 24 months

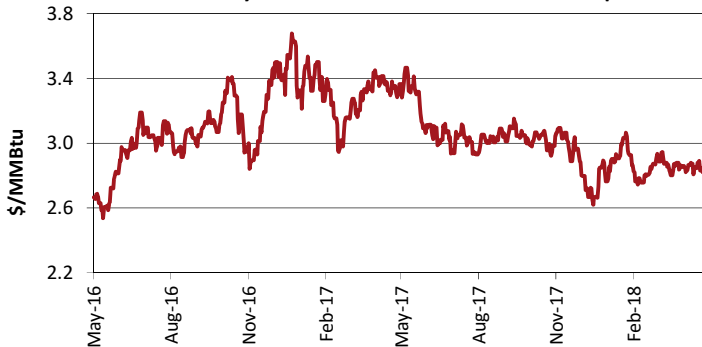


NYMEX Heating Oil	last close	previous week	24-month high	24-month low
12 month strip, \$/gal	\$2.14	\$2.06	\$2.14	\$1.34
date	5/4/18	1/24/18	5/4/18	8/2/16
change from last close		4.0%	0%	59%

US STORAGE (in million bbls)	distillate	propane	gasoline
domestic stocks as of	4/27/18		
gain / loss from previous week	119	36	238
comparison to historic range	-3.9	0.7	1.2
	within	within	within

Natural Gas Market

NYMEX Henry Hub Futures: 12 Month Forward Strip



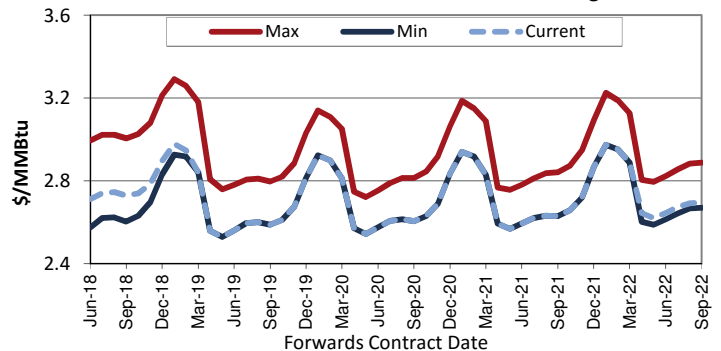
NYMEX PRICING	last close	previous week	24-month high	24-month low
12 mo. strip, \$/MMBtu	\$2.77	\$2.99	\$3.70	\$2.54
date	5/4/18	1/24/18	12/28/16	5/18/16
change from last close		-7.4%	-25%	9%

CES SCORE

12 month	82
18 month	88
24 month	91
36 month	94

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)	\$2.77	\$2.71	\$2.72	\$2.72

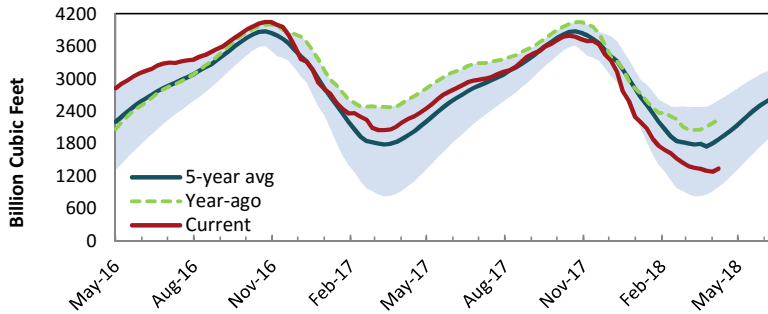
Natural gas futures are useful for both natural gas and electricity consumers because they drive electricity pricing in many U.S. markets. This chart compares the current natural gas price for each forward month on the NYMEX exchange to the highest and lowest prices for the same month over the past 12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



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Natural Gas Storage

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	4/20/18	1,281	
Most Recent Stock Level	4/27/18	1,343	
Year-ago Stock Level		2,246	-40.2%
5-Year Average Stock Level		1,877	-28.4%
Most Recent Net Change	4/27/18	62	
Year-Ago Net Change		68	-9%
5-Year Average Net Change		69	-10%

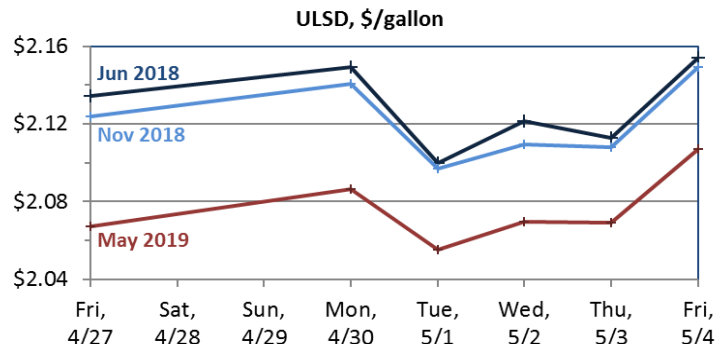
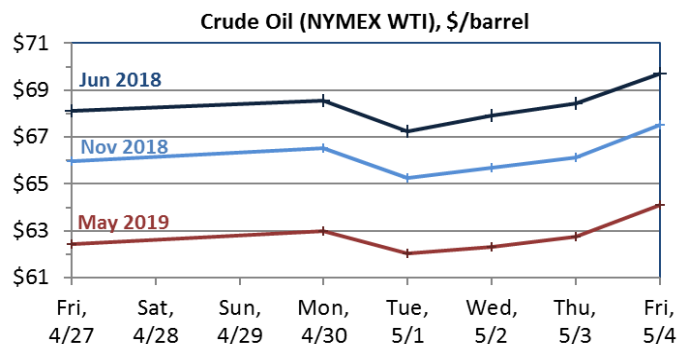
Data Source: EIA <http://tonto.eia.doe.gov/oog/info/ngs/ngs.html>

Market Assessment

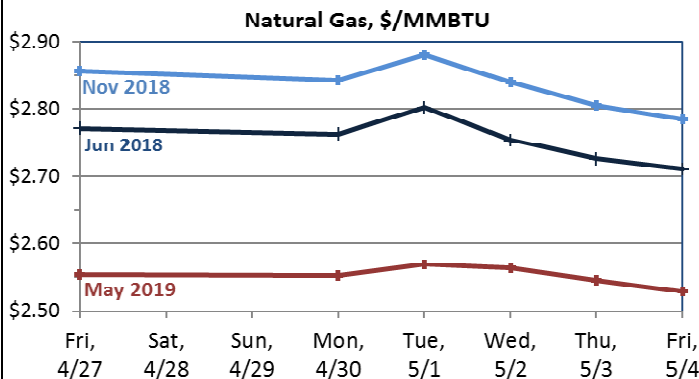
NYMEX Futures Summary Statistics

	Last Expired Contract	Exp. Date	Price	Prompt Month	Price	Most Expensive Next 12 Months	Price	Least Expensive Next 12 Months	Price	Next Winter Avg (Nov18-Mar19)
Crude oil	May-18	4/20/18	\$68.38	Jun-18	\$69.72	Jun-18	\$69.72	May-19	\$64.09	\$66.43
Heating oil	May-18	4/30/18	\$2.17	May-18	\$2.15	May-18	\$2.15	Apr-19	\$2.12	\$2.14
Natural gas	May-18	4/26/18	\$2.82	Jun-18	\$2.71	Jan-19	\$2.98	May-19	\$2.53	\$2.89

NYMEX End-of-Day Settlements



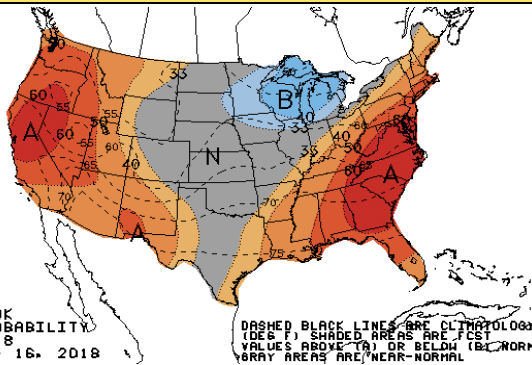
WTI climbed last week and then soared this morning, exceeding \$70 per barrel for the first time since November 2014. Brent crude, the international benchmark, rose 2% since last Monday including today's gains. As the May 12 deadline for recertification approaches, bets are increasing that Trump will abandon the Iran nuclear deal. French President Emmanuel Macron said that such a move "could mean war" and Iranian President Hassan Rouhani said that the US "will regret it like never before in history." Iran is OPEC's third largest producer. Adding to supply concerns, Venezuela's output has been hit by chronic mismanagement and lack of investment; a recent \$2B judgment against the state-owned oil company (in favor of ConocoPhillips) will further diminish its financial resources.



Natural gas prices slipped this week as markets anticipated the first storage injection of the season. The storage balance shifted as heating demand dissipated while production remained strong. The EIA reported a 62-Bcf net gain that exceeded projections but still fell short of the typical early-May injection of 69 Bcf. Stocks are positioned at nearly 600 Bcf, or 28%, below the 5-year average level, but prices remain low as additional pipeline capacity out of the Appalachian basin is expected to allow continued production growth throughout the year. Injections could accelerate in the coming weeks before being dampened by generation demand to meet summer cooling load. June futures slipped 6 cents last week to close at \$2.71 on Friday afternoon.

The National Weather Service near-term forecast calls for warmer-than-normal temperatures for the East and West, and normal temperatures for the Plains states. The natural gas market scores on page 1 improved from the previous week. Clients with electricity or natural gas contracts expiring in 2018 should consult with a CES representative for customized guidance.

National Weather Service Forecast



6 - 10 Day Forecast for May 13 - 17

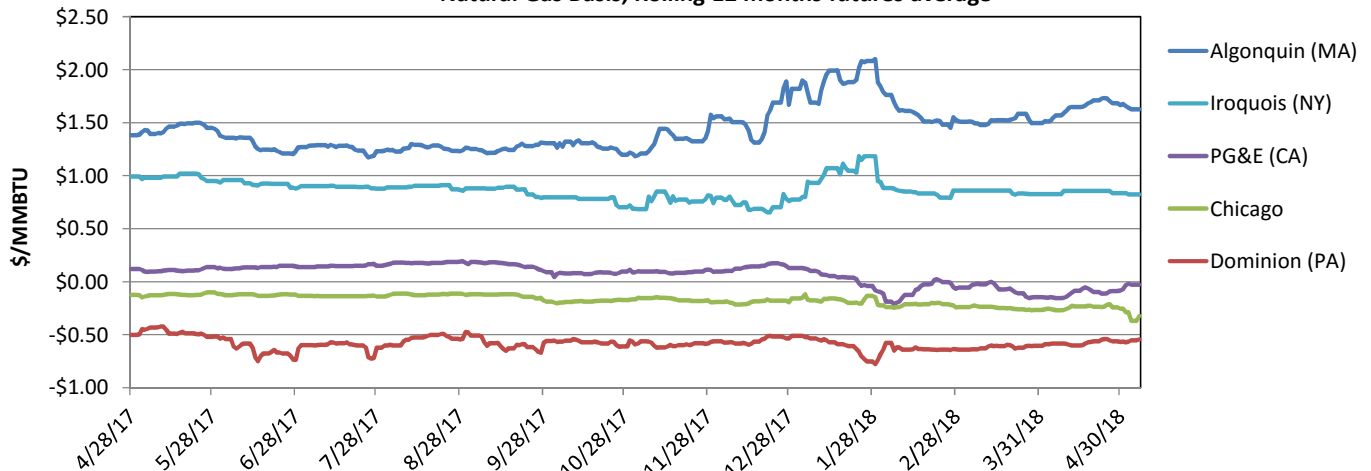
This map depicts forecasted temperatures for next week compared to the long term average. The blue/purple areas are forecast to be colder than normal, white areas are normal, and yellow/orange/red areas are warmer than normal. Abnormally hot weather in the summer and cold weather in the winter can increase 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	
		4/30/18	5/1/18	5/2/18	5/3/18	5/4/18	5/5/18	5/6/18		
Power (\$/MWh)	Maine RT On Pk	30	16	18	36	22			25	
	Maine RT Off Pk	23	23	19	14	14	20	9	17	
	NH RT On Pk	30	16	19	36	23			25	
	NH RT Off Pk	23	23	19	15	15	23	11	18	
	Vermont RT On Pk	30	16	18	35	22			24	
	Vermont RT Off Pk	22	22	18	14	14	22	10	18	
	Connecticut RT On Pk	30	16	19	36	23			25	
	Connecticut RT Off Pk	23	23	19	15	15	23	11	18	
	Rhode Island RT On Pk	30	16	19	36	22			25	
	Rhode Island RT Off Pk	23	23	19	15	15	23	11	18	
	NE Mass RT On Pk	30	16	19	36	23			25	
	NE Mass RT Off Pk	23	23	20	15	15	23	11	18	
	SE Mass RT On Pk	30	16	19	36	22			25	
	SE Mass RT Off Pk	23	23	20	15	15	23	11	18	
	WC Mass RT On Pk	30	16	19	36	23			25	
	WC Mass RT Off Pk	23	23	19	15	15	23	11	18	
			New York ISO Real Time Power Pricing By Zone (\$/MWh)							Avg
	Capital RT On Pk	41	14	13	31	22			24	
	Capital RT Off Pk	21	14	12	5	14	19	15	14	
	Central RT On Pk	40	14	12	32	24			24	
Central RT Off Pk	19	14	10	5	13	18	15	13		
Hudson RT On Pk	43	14	13	38	23			26		
Hudson RT Off Pk	21	15	11	5	14	19	16	14		
Mohawk RT On Pk	40	12	8	25	22			21		
Mohawk RT Off Pk	19	14	7	5	12	18	15	13		
Milwood RT On Pk	43	14	12	39	23			26		
Milwood RT Off Pk	21	15	11	5	14	19	16	14		
NYC RT On Pk	43	15	30	47	37			34		
NYC RT Off Pk	21	15	13	12	24	22	18	18		
		PJM Real Time Power Pricing By Zone (\$/MWh)							Avg	
Eastern Hub On Pk	31	21	37	51	51			38		
Eastern Hub Off Pk	29	19	15	22	22	22	22	21		
Western Hub On Pk	42	26	36	42	42			37		
Western Hub Off Pk	60	22	19	21	21	21	21	27		
PPL Zone On Pk	34	16	28	43	43			33		
PPL Zone Off Pk	34	18	11	17	17	17	17	18		
AEP RT On Pk	47	31	37	40	40			39		
AEP RT Off Pk	75	30	26	24	24	24	24	33		
Chicago RT On Pk	21	23	34	21	21			24		
Chicago RT Off Pk	15	(4)	25	20	20	20	20	17		
New Jersey Hub On Pk	32	19	29	44	44			33		
New Jersey Hub Off Pk	31	19	14	19	19	19	19	20		
		California ISO Real Time Power Pricing (\$/MWh)							Avg	
SoCal Edison RT On Pk	34	23	23	36	40			31		
SoCal Edison RT Off Pk	27	16	16	19	22	21	52	25		
		4/30/18	5/1/18	5/2/18	5/3/18	5/4/18	5/5/18	5/6/18	Avg	
Natural Gas \$/MMBtu	Henry Hub, LA	2.75	2.77	2.77	2.75	2.75			2.76	
	TZ6, MA	2.53	2.54	2.55		2.08			2.43	
	Algonquin, MA	2.50	2.78	2.65	2.47	2.16			2.51	
	Chicago Hub, IL	2.38	2.40	2.37	2.40	2.26			2.36	
	New York, NY	2.27	2.28	2.26	2.20	1.95			2.19	
	Dominion South, PA	2.04	2.13	2.21	2.12	2.06			2.11	
	Opal Hub, WY	1.84	1.84		1.75	1.75			1.80	
	PG&E Citygate, CA	2.66	2.80	2.86	2.80	2.71			2.77	