



Competitive Energy Services Weekly Market Summary

May 7 - 11, 2018

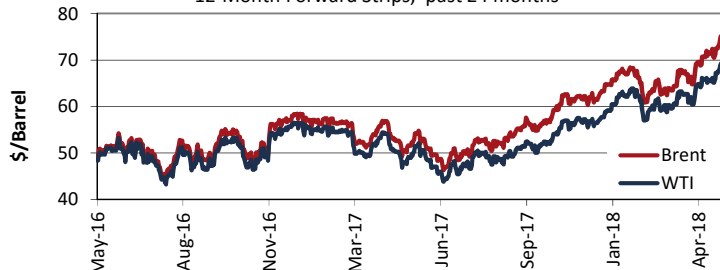
Synopsis of Last Week's Energy Markets

Crude oil climbed last week as President Trump announced that the US would indeed withdraw from the Iran nuclear deal and unilaterally reimpose sanctions. In addition, domestic crude oil in storage fell more than expected. Natural gas prices rose 3.8% last week amid speculation that oncoming cooling demand paired with high exports could curb injections more than expected. Even with this week's larger-than-average injection, inventories stand 27% below typical levels.

Oil Market

Crude Oil - WTI & Brent

12-Month Forward Strips, past 24 months

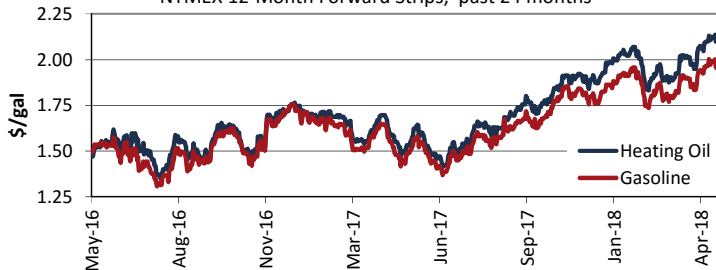


NYMEX WTI	last close	previous week	24-month high	24-month low
12 month strip, \$/bbl	\$68.81	\$63.49	\$69.23	\$43.04
date	5/11/18	1/24/18	5/10/18	8/2/16
change from last close		8.4%	-0.6%	60%

US STORAGE (in million bbls)	crude oil
domestic stocks as of	5/4/18
gain / loss from previous week	-2.2
comparison to historic range	within

Heating Oil & Gasoline

NYMEX 12-Month Forward Strips, past 24 months

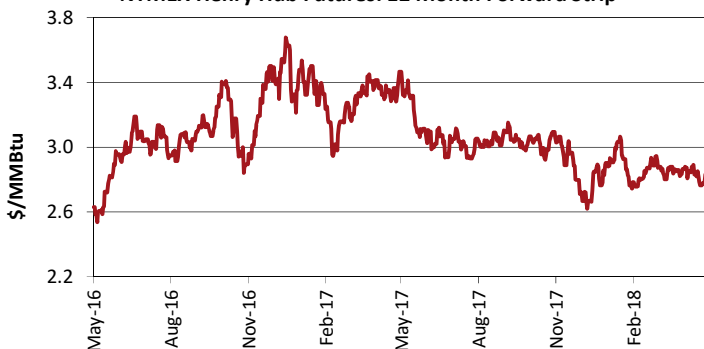


NYMEX Heating Oil	last close	previous week	24-month high	24-month low
12 month strip, \$/gal	\$2.21	\$2.06	\$2.21	\$1.34
date	5/11/18	1/24/18	5/10/18	8/2/16
change from last close		7.1%	0%	64%

US STORAGE (in million bbls)	distillate	propane	gasoline	
domestic stocks as of	5/4/18	115	39	236
gain / loss from previous week	-3.8	2.3	-2.2	
comparison to historic range	within	within	within	

Natural Gas Market

NYMEX Henry Hub Futures: 12 Month Forward Strip

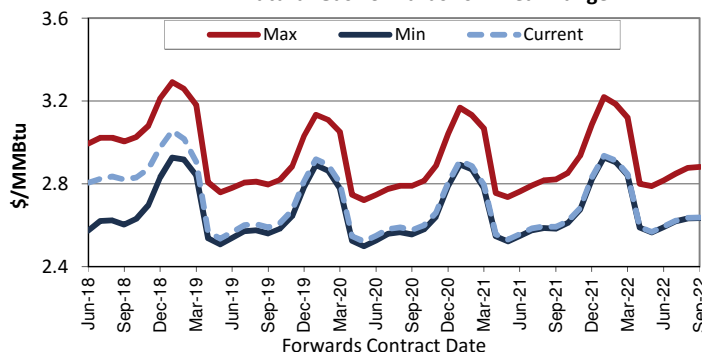


NYMEX PRICING	last close	previous week	24-month high	24-month low
12 mo. strip, \$/MMBtu	\$2.84	\$2.99	\$3.70	\$2.54
date	5/11/18	1/24/18	12/28/16	5/18/16
change from last close		-5.0%	-23%	12%

CES SCORE	
12 month	62
18 month	71
24 month	75
36 month	81

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)	\$2.84	\$2.76	\$2.76	\$2.73

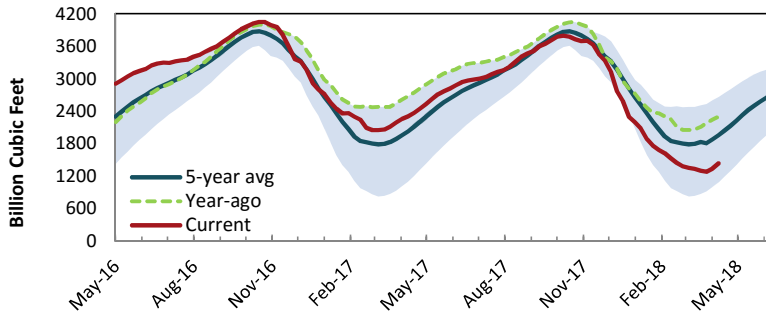
Natural gas futures are useful for both natural gas and electricity consumers because they drive electricity pricing in many U.S. markets. This chart compares the current natural gas price for each forward month on the NYMEX exchange to the highest and lowest prices for the same month over the past 12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



The information set forth herein is a compilation of public and internal information and is presented solely for the convenience of CES customers. CES does not make any representation or warranties, express or implied, with respect to the accuracy or completeness of the information contained herein. CES shall not have any liability to any person or entity resulting from the use of this information in any way.

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	4/27/18	1,343	
Most Recent Stock Level	5/4/18	1,432	
Year-ago Stock Level		2,295	-37.6%
5-Year Average Stock Level		1,952	-26.6%
Most Recent Net Change	5/4/18	89	
Year-Ago Net Change		49	82%
5-Year Average Net Change		75	19%

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

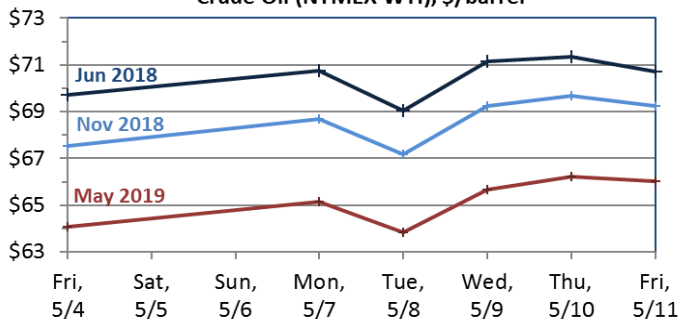
Market Assessment

NYMEX Futures Summary Statistics

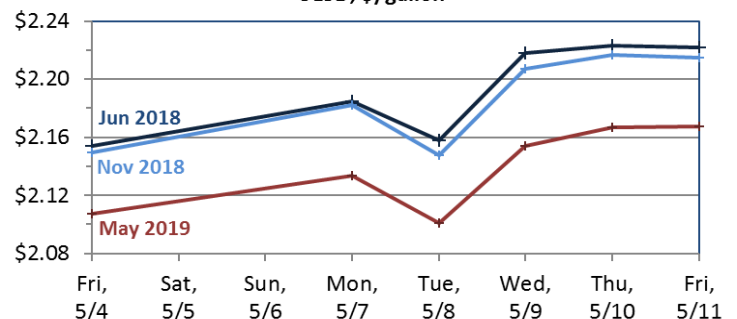
	Last Expired Contract	Exp. Date	Price	Prompt Month	Price	Most Expensive Next 12 Months	Price	Least Expensive Next 12 Months	Price	Next Winter Avg (Nov18-Mar19)
Crude oil	May-18	4/20/18	\$68.38	Jun-18	\$70.70	Jun-18	\$70.70	May-19	\$66.03	\$68.29
Heating oil	May-18	4/30/18	\$2.17	Jun-18	\$2.22	May-18	\$2.22	Apr-19	\$2.12	\$2.21
Natural gas	May-18	4/26/18	\$2.82	Jun-18	\$2.81	Jan-19	\$3.06	May-19	\$2.54	\$2.97

NYMEX End-of-Day Settlements

Crude Oil (NYMEX WTI), \$/barrel

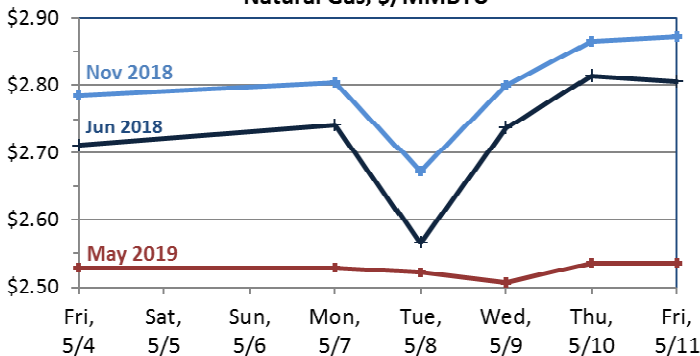


ULSD, \$/gallon



Oil rose last week. President Trump announced on Tuesday that the US was withdrawing from the Iran nuclear deal and reinstating sanctions, causing confusion as to whether the remaining parties could continue the terms without the US. Of paramount concern was how the US would deal with countries and companies that had signed trade agreements with Iranian entities during the suspension of sanctions; the US advised European businesses to wind down purchases from Iran within the next 90-180 days. Adding to the bullish sentiment, US stockpiles dropped by 2.2 million barrels last week, largely due to a drop in imports. Last week's market climb was tempered by OPEC reporting that there was enough spare production amongst members to mitigate the loss of Iran's

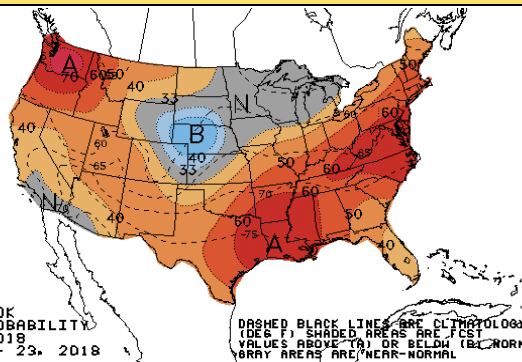
Natural Gas, \$/MMBTU



Natural gas futures gained 10 cents last week as the EIA-reported storage injection fell short of projections, indicating the long-awaited summer builds might not erase the inventory deficit as swiftly as expected. Early-week forecasts for an injection of over 90 Bcf weighed on markets, but prices jumped on Thursday following news of an 89-Bcf gain. Inventories are currently 520 Bcf, or 26.6%, below the 5-year average after a mid-winter cold snap and spring chill that brought record withdrawals. Some heating demand lingers in the Midwest while cooling demand may grow as temperatures rise. This alongside high exports could moderate injections despite soaring production. June futures gained nearly 4% week-over-week to close at \$2.81 on Friday afternoon.

The National Weather Service near-term forecast calls for normal or warmer-than-normal temperatures for most of the US with the notable exception of Nebraska. The natural gas market scores on page 1 declined 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 OUTLOOK
TEMPERATURE PROBABILITY
MADE 13 MAY 2018
VALID MAY 19 - 23, 2018

DASHED BLACK LINES ARE CLIMATE NORMALS (DEG F). SHADED AREAS ARE 1°CST VALUES ABOVE (A) OR BELOW (B) NORMAL. GRAY AREAS ARE NEAR-NORMAL.

6 - 10 Day Forecast for May 19 - 23

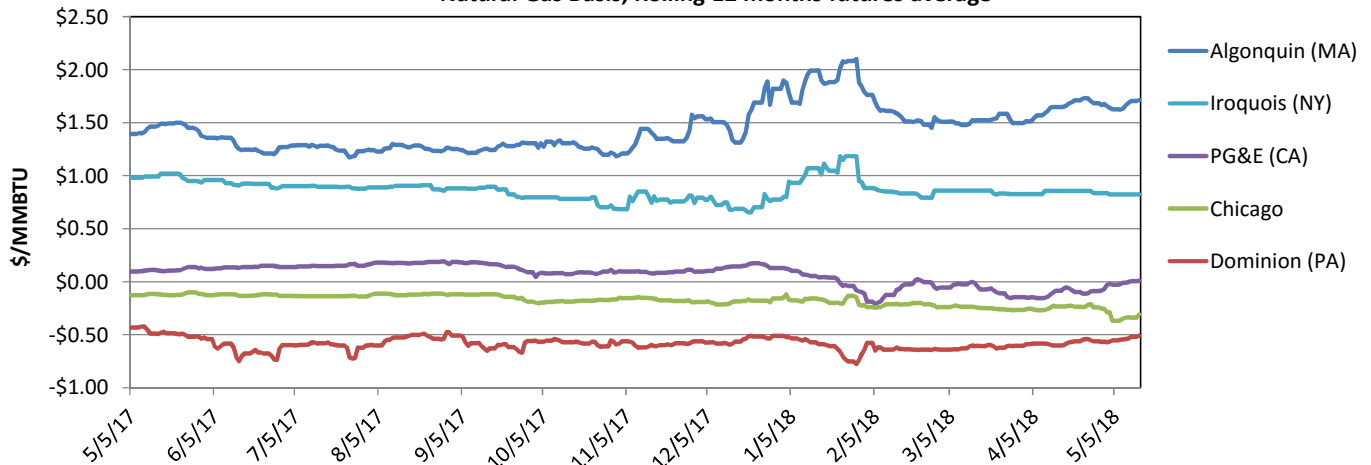
This map depicts forecasted temperatures for next week compared to the long term average. The blue/purple areas are forecast to be colder than normal, white areas are normal, and yellow/orange/red areas are warmer than normal. Abnormally hot weather in the summer and cold weather in the winter can increase 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	
		5/7/18	5/8/18	5/9/18	5/10/18	5/11/18	5/12/18	5/13/18		
Power (\$/MWh)	Maine RT On Pk	33	22	25	9	22			22	
	Maine RT Off Pk	5	11	12	7	8	22	9	11	
	NH RT On Pk	33	27	26	12	23			24	
	NH RT Off Pk	5	12	13	8	18	23	10	13	
	Vermont RT On Pk	32	27	26	12	22			24	
	Vermont RT Off Pk	5	12	13	7	17	23	10	12	
	Connecticut RT On Pk	33	27	27	12	23			25	
	Connecticut RT Off Pk	5	12	13	8	18	24	11	13	
	Rhode Island RT On Pk	33	27	26	12	23			24	
	Rhode Island RT Off Pk	5	12	13	8	18	24	11	13	
	NE Mass RT On Pk	33	27	26	12	23			25	
	NE Mass RT Off Pk	5	12	13	8	18	24	11	13	
	SE Mass RT On Pk	33	27	26	12	23			24	
	SE Mass RT Off Pk	5	12	13	8	18	24	11	13	
	WC Mass RT On Pk	33	27	27	12	23			25	
	WC Mass RT Off Pk	5	12	13	8	18	24	11	13	
			New York ISO Real Time Power Pricing By Zone (\$/MWh)							Avg
Power (\$/MWh)	Capital RT On Pk	29	34	30	25	29			29	
	Capital RT Off Pk	11	16	15	19	19	21	16	17	
	Central RT On Pk	29	33	29	26	28			29	
	Central RT Off Pk	11	16	15	17	17	21	16	16	
	Hudson RT On Pk	30	35	31	24	30			30	
	Hudson RT Off Pk	12	17	15	18	18	22	17	17	
	Mohawk RT On Pk	28	30	27	18	27			26	
	Mohawk RT Off Pk	11	15	14	12	13	21	16	15	
	Milwood RT On Pk	30	35	31	24	30			30	
	Milwood RT Off Pk	12	17	15	18	18	22	17	17	
	NYC RT On Pk	33	35	31	25	30			31	
	NYC RT Off Pk	15	17	16	18	18	22	17	18	
			PJM Real Time Power Pricing By Zone (\$/MWh)							Avg
	Power (\$/MWh)	Eastern Hub On Pk	42	39	37	29	29			35
		Eastern Hub Off Pk	21	20	21	21	21	21	21	21
		Western Hub On Pk	48	42	44	31	31			39
		Western Hub Off Pk	22	21	22	23	23	23	23	22
PPL Zone On Pk		43	39	40	24	24			34	
PPL Zone Off Pk		19	18	19	18	18	18	18	19	
AEP RT On Pk		50	45	50	41	41			45	
AEP RT Off Pk		24	23	23	30	30	30	30	27	
Chicago RT On Pk		42	30	26	38	38			35	
Chicago RT Off Pk		7	3	11	22	22	22	22	15	
New Jersey Hub On Pk		40	38	38	25	25			33	
New Jersey Hub Off Pk		20	19	20	20	20	20	20	20	
		California ISO Real Time Power Pricing (\$/MWh)							Avg	
Natural Gas \$/MMBtu		SoCal Edison RT On Pk	14	40	21	26	33			27
	SoCal Edison RT Off Pk	9	19	21	18	17	25	5	16	
			5/7/18	5/8/18	5/9/18	5/10/18	5/11/18	5/12/18	5/13/18	Avg
	Henry Hub, LA	2.74	2.77	2.75	2.78				2.76	
	TZ6, MA	2.25	2.35	2.25	2.24	2.23			2.26	
	Algonquin, MA	2.24	2.32	2.29	2.34	2.27			2.29	
	Chicago Hub, IL	2.42	2.39	2.41	2.43	2.36			2.40	
	New York, NY	2.07	2.12	2.16	2.20	2.15			2.14	
	Dominion South, PA	1.97	2.09	2.11	2.13	2.16			2.09	
	Opal Hub, WY	1.95	1.96	1.76	1.70	1.66			1.81	
PG&E Citygate, CA	2.85	2.81	2.77	2.75				2.80		