



Competitive Energy Services Weekly Market Summary

May 8 - 12, 2017

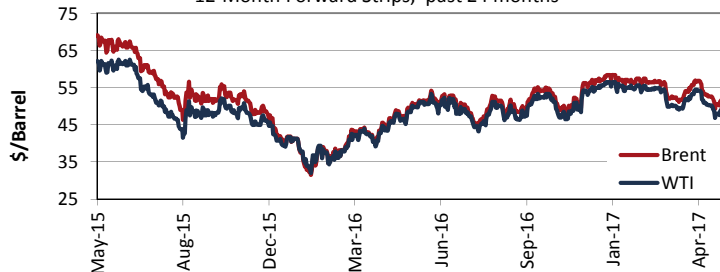
Synopsis of Last Week's Energy Markets

Crude oil prices jumped last week and into Monday of this week, reversing the losses of the previous week. Saudi Arabia and Russia announced over the weekend that they had jointly agreed to extend the production cuts through March, pending approval by the other participating members. Natural gas prices also rose last week as the weekly storage injection fell short of average gains and analyst projections. Inventories gained 45 Bcf, compared to the average of 73 Bcf, narrowing the storage surplus to 13.6% to the 5-year average.

Oil Market

Crude Oil - WTI & Brent

12-Month Forward Strips, past 24 months

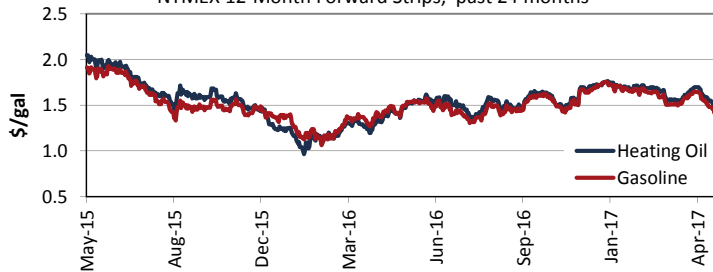


NYMEX WTI	last close	previous week	24-month high	24-month low
12 month strip, \$/bbl	\$48.98	\$47.93	\$62.86	\$32.40
date	5/12/17	5/5/17	6/10/15	1/20/16
change from last close		2.2%	-22.1%	51%

US STORAGE (in million bbls)	crude oil
domestic stocks as of	5/5/17
	523
gain / loss from previous week	-5.2
comparison to historic range	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	\$1.53	\$1.50	\$2.05	\$0.97
date	5/12/17	5/5/17	5/14/15	1/20/16
change from last close		2.4%	-25%	58%

US STORAGE (in million bbls)	distillate	propane	gasoline
domestic stocks as of	5/5/17		
	149	42	241
gain / loss from previous week	-1.6	1.97	-0.2
comparison to historic range	within	within	above

Natural Gas Market

NYMEX Henry Hub Futures: 12 Month Forward Strip

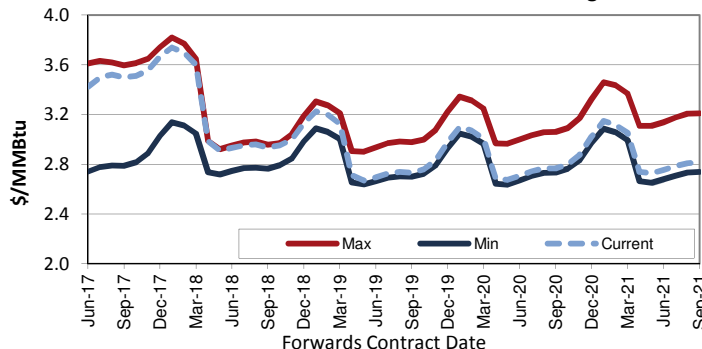


NYMEX PRICING	last close	previous week	24-month high	24-month low
12 mo. strip, \$/MMBtu	\$3.47	\$3.36	\$3.70	\$2.11
date	5/12/17	5/5/17	12/28/16	2/25/16
change from last close		3.1%	-6%	65%

CES SCORE	
12 month	11
18 month	12
24 month	21
36 month	43

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)	\$3.47	\$3.30	\$3.23	\$3.09

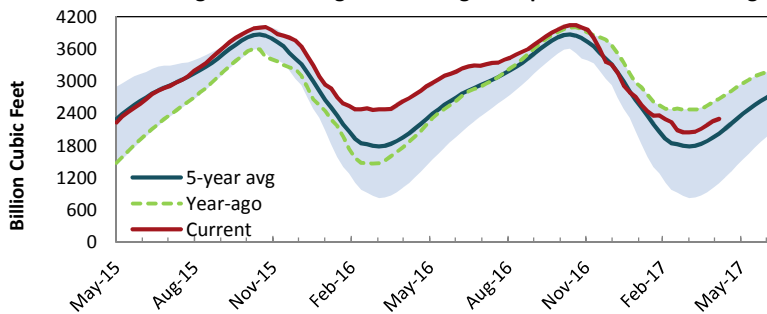
Natural gas futures are useful for both natural gas and electricity consumers because they drive electricity pricing in many U.S. markets. This chart compares the current natural gas price for each forward month on the NYMEX exchange to the highest and lowest prices for the same month over the past 12 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	4/28/17	2,256	
Most Recent Stock Level	5/5/17	2,301	
Year-ago Stock Level		2,673	-13.9%
5-Year Average Stock Level		2,026	13.6%
Most Recent Net Change	5/5/17	45	
Year-Ago Net Change		58	
5-Year Average Net Change		73	

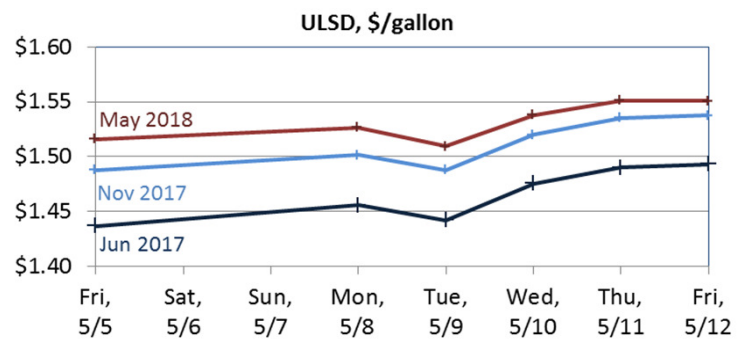
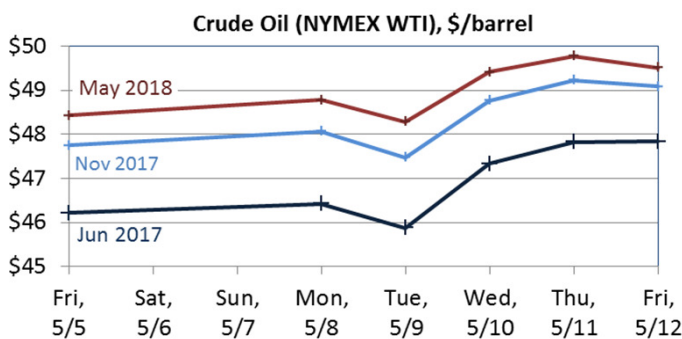
Data Source: EIA <http://tonto.eia.doe.gov/oog/info/ngs/ngs.html>

Market Assessment

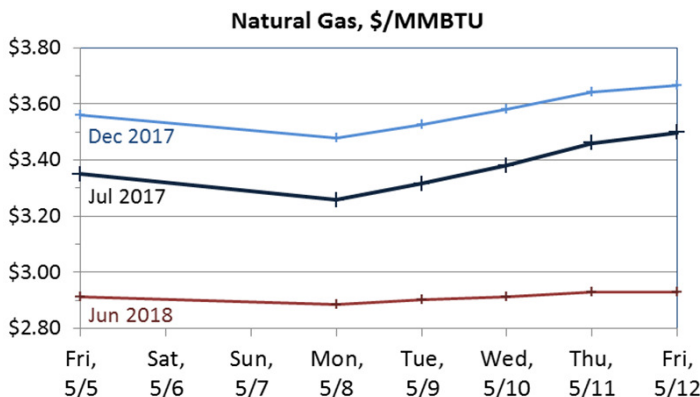
NYMEX Futures Summary Statistics

	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	May-17	4/20/17	\$50.27	Jun-17	\$47.84	Apr-18	\$49.52	Jun-17	\$47.84	\$49.34
Heating oil	May-17	3/31/17	\$1.50	Jun-17	\$1.49	Mar-18	\$1.56	Jun-17	\$1.49	\$1.55
Natural gas	May-17	3/29/17	\$3.14	Jun-17	\$3.42	Jan-18	\$3.74	May-18	\$2.91	\$3.55

NYMEX End-of-Day Settlements



Crude oil gained more than 3% last week, surging Wednesday and Thursday on a bullish EIA storage report. Domestic crude oil stocks saw a larger-than-expected drop; this was due to a reduction in imports, as production continued to gain for the twelfth straight week. Distillate and gasoline stocks also fell, bolstering the bullish sentiment. Oil prices appeared to level off on Friday, but instead jumped in after-hours trading over the weekend and on Monday after Russia and Saudi Arabia issued a surprise announcement that they were jointly seeking to extend the production cuts through March 2018, a nine-month extension. In order for the extension to be binding, OPEC and the other parties to the current cuts must agree to it at the next meeting, scheduled for May 25th.



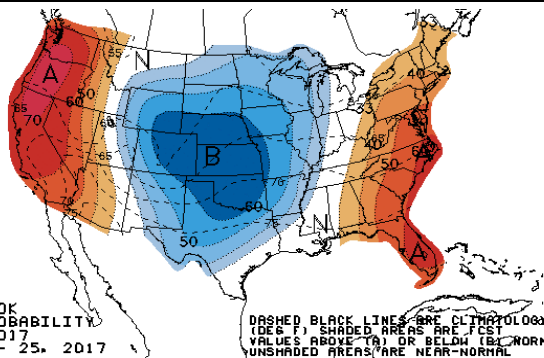
Natural gas prices jumped last week following a modest storage gain and forecasts of a warm summer that could chip away at the storage surplus. Markets slipped on Monday but climbed to a five-month high by Friday afternoon. Analysts projected a storage gain of 50-60 Bcf, compared to the five-year average increase of 73 Bcf, which provided upward pressure on pricing leading up to the release of Thursday's report. Prices continued to climb after the EIA announced a modest inventory change of just 45 Bcf, reflecting low domestic production and relatively high LNG and pipeline exports compared to this time last year. June futures closed at \$3.42 on Friday, a 5% increase compared to last week.

The National Weather Service near-term forecast calls for above-normal temperatures for the East and West coasts, while the central US is expected to be cooler-than-normal. The natural gas market scores on page 1 declined from the previous week across all terms. Clients with electricity or natural gas contracts expiring in 2017 or 2018 should consult with a CES representative for customized guidance.

National Weather Service Forecast



6-10 DAY OUTLOOK
TEMPERATURE PROBABILITY
MADE 15 MAY 2017
VALID MAY 21 - 25, 2017



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

6 - 10 Day Forecast for May 21 - 25, 2017

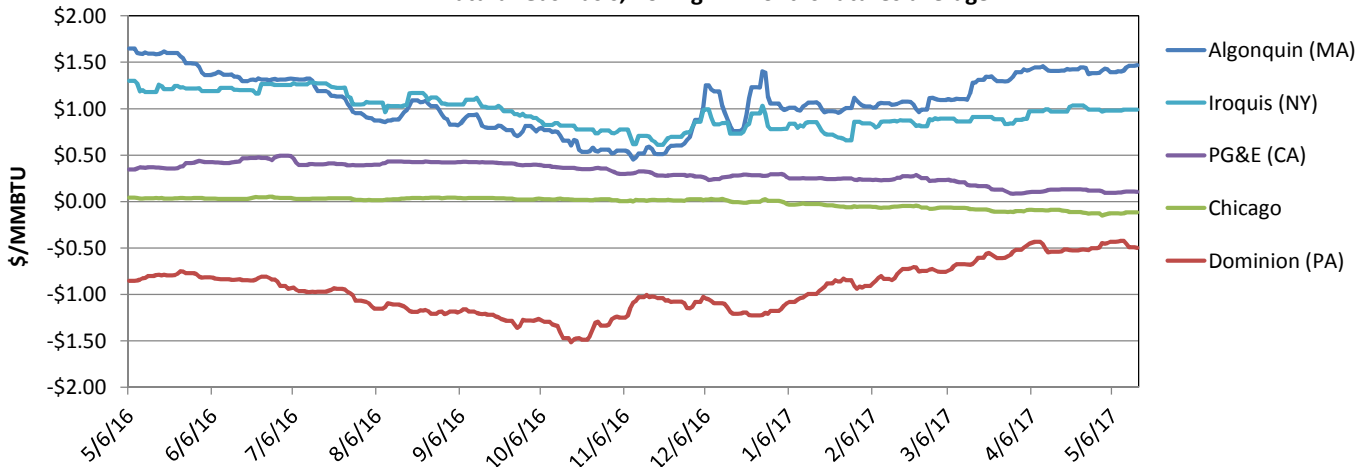
This map depicts forecasted temperatures for next week compared to the long term average. The blue/purple areas are forecast to be colder than normal, white areas are normal, and yellow/orange/red areas are warmer than normal. Abnormally hot weather in the summer and cold weather in the winter can increase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

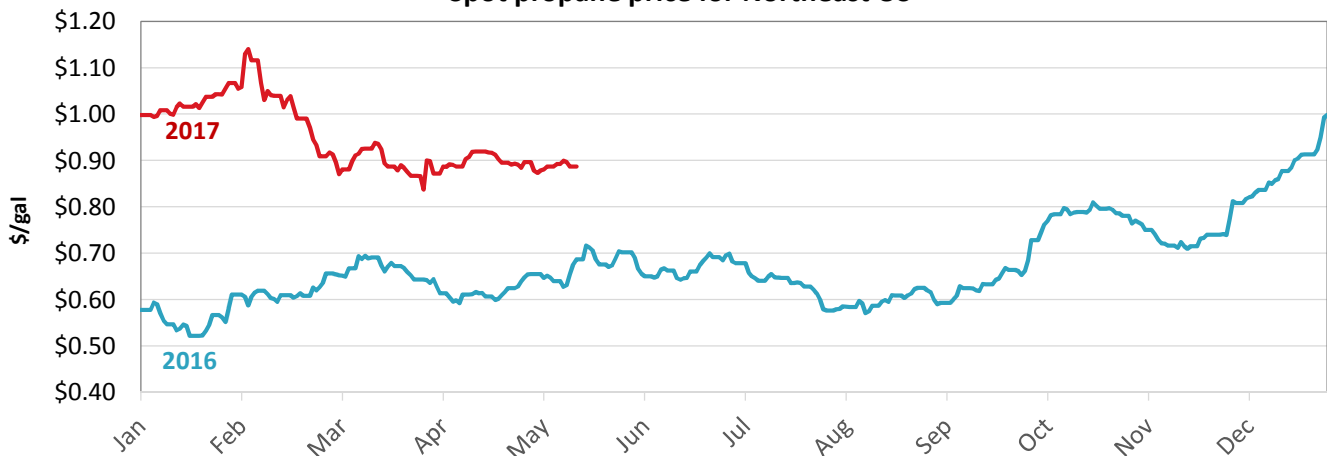
Basis is the price differential between Henry Hub, located in Erath, Louisiana, and the liquidity point closest to the end-user. Because Henry Hub is used as the delivery point for NYMEX natural gas futures contracts, the cost of using natural gas in any geographic region of the country can be approximated 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)							Avg	
		5/8/17	5/9/17	5/10/17	5/11/17	5/12/17	5/13/17	5/14/17		
Power (\$/MWh)	Maine RT On Pk	3	26	30	27	25			22	
	Maine RT Off Pk	18	18	14	20	24	23	23	20	
	NH RT On Pk	15	27	30	27	26			25	
	NH RT Off Pk	20	19	14	20	25	23	25	21	
	Vermont RT On Pk	23	28	29	27	26			27	
	Vermont RT Off Pk	21	22	14	20	24	23	24	21	
	Connecticut RT On Pk	25	29	30	28	27			28	
	Connecticut RT Off Pk	22	23	15	21	25	24	25	22	
	Rhode Island RT On Pk	26	29	30	27	26			28	
	Rhode Island RT Off Pk	22	24	15	21	25	24	25	22	
	NE Mass RT On Pk	29	30	30	27	26			28	
	NE Mass RT Off Pk	22	25	15	20	25	23	25	22	
	SE Mass RT On Pk	27	31	30	27	26			28	
	SE Mass RT Off Pk	22	27	15	21	25	24	25	23	
	WC Mass RT On Pk	25	29	30	27	26			28	
	WC Mass RT Off Pk	22	22	15	20	25	24	25	22	
			New York ISO Real Time Power Pricing By Zone (\$/MWh)							Avg
	Power (\$/MWh)	Capital RT On Pk	25	27	28	28	24			26
		Capital RT Off Pk	20	24	19	18	19	22	23	20
		Central RT On Pk	27	30	31	28	24			28
Central RT Off Pk		20	23	18	18	18	21	20	20	
Hudson RT On Pk		29	28	29	29	25			28	
Hudson RT Off Pk		21	24	19	19	19	23	23	21	
Mohawk RT On Pk		25	26	27	28	23			26	
Mohawk RT Off Pk		19	23	18	18	19	21	20	20	
Milwood RT On Pk		30	28	29	30	25			29	
Milwood RT Off Pk		21	25	20	19	20	23	23	22	
NYC RT On Pk		31	29	30	32	29			30	
NYC RT Off Pk		21	25	20	19	20	23	23	22	
		PJM Real Time Power Pricing By Zone (\$/MWh)							Avg	
Power (\$/MWh)		Eastern Hub On Pk	32	31	31	34	34			32
		Eastern Hub Off Pk	25	25	23	22	22	22	22	23
		Western Hub On Pk	33	35	36	34	34			35
	Western Hub Off Pk	26	26	25	25	25	25	25	25	
	PPL Zone On Pk	32	31	30	33	33			32	
	PPL Zone Off Pk	25	25	21	21	21	21	21	22	
	AEP RT On Pk	34	37	36	33	33			35	
	AEP RT Off Pk	26	26	25	25	25	25	25	25	
	Chicago RT On Pk	31	40	38	43	43			39	
	Chicago RT Off Pk	23	13	25	27	27	27	27	24	
	New Jersey Hub On Pk	32	31	31	33	33			32	
	New Jersey Hub Off Pk	25	25	22	22	22	22	22	23	
			California ISO Real Time Power Pricing (\$/MWh)							Avg
Natural Gas \$/MMBtu	SoCal Edison RT On Pk	51	27	14	23	21			27	
	SoCal Edison RT Off Pk	21	89	25	25	26	20	2	30	
			5/8/17	5/9/17	5/10/17	5/11/17	5/12/17	5/13/17	5/14/17	Avg
	Henry Hub, LA	3.03	3.03	3.11	3.20	3.25			3.12	
	TZ6, MA	3.17	3.12	3.10	3.10	3.11			3.12	
	Algonquin, MA	3.28	3.23	3.16	3.22	3.19			3.22	
	Chicago Hub, IL	2.92	2.95	3.08	3.12	3.10			3.03	
	New York, NY	2.91	2.89	2.94	2.96	2.90			2.92	
	Dominion South, PA	2.81	2.81	2.88	2.88	2.87			2.85	
	Opal Hub, WY	2.69	2.73	2.81	2.90	2.89			2.80	
	PG&E Citygate, CA	3.27	3.32	3.42	3.48	3.51			3.40	
	Kern River Deliveries	2.75	2.80	2.88	2.96	2.95			2.87	