



Competitive Energy Services Weekly Market Summary

May 14 - 18, 2018

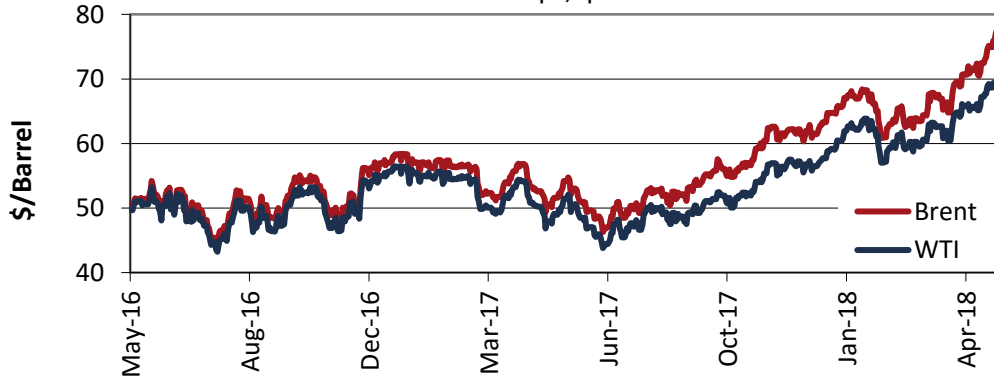
Synopsis of Last Week's Energy Markets

Oil prices ticked up slightly last week as a spate of violence surrounding the new US embassy in Jerusalem boosted prices, along with the wearing down of global oil stocks from previously surplus-levels. Natural gas prices gained for the second week in a row following forecasts for a warm end to May that could support rising cooling demand. Gas inventories are currently 24.6% below the 5-year average.

Oil Market

Crude Oil - WTI & Brent

12-Month Forward Strips, past 24 months

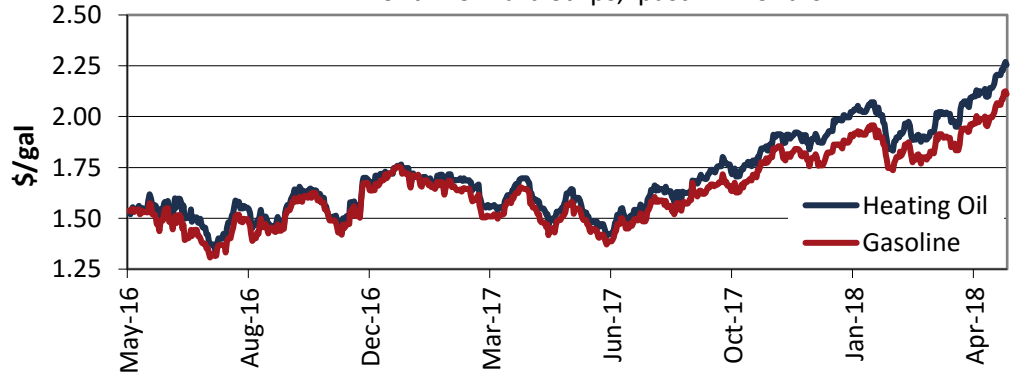


NYMEX WTI	last close	previous week	24-month high	24-month low
12 month strip, \$/bbl	\$69.26	\$63.49	\$69.57	\$43.04
date	5/18/18	1/24/18	5/16/18	8/2/16
change from last close		9.1%	-0.4%	61%

US STORAGE (in million bbls)		crude oil
domestic stocks as of	5/11/18	432
gain / loss from previous week		-1.4
comparison to historic range		within

Heating Oil & Gasoline

NYMEX 12-Month Forward Strips, past 24 months

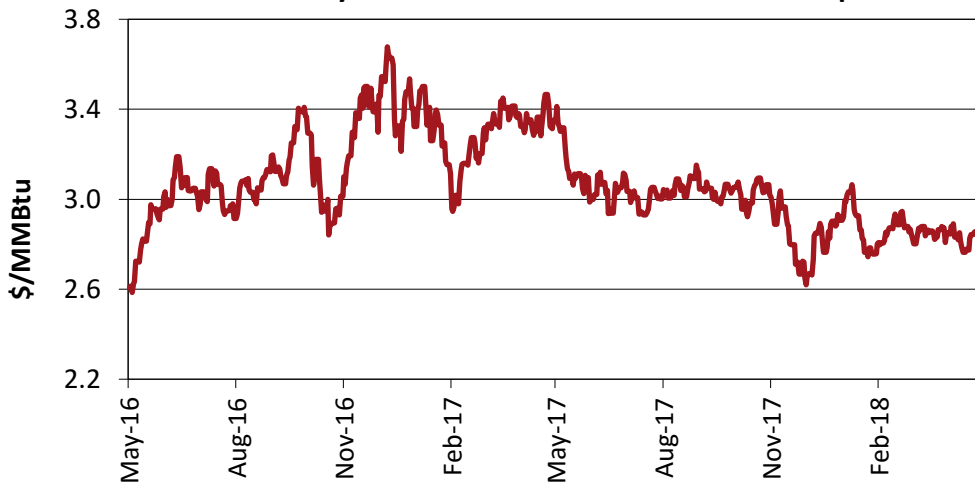


NYMEX Heating Oil	last close	previous week	24-month high	24-month low
12 month strip, \$/gal	\$2.25	\$2.06	\$2.26	\$1.34
date	5/18/18	1/24/18	5/17/18	8/2/16
change from last close		9.3%	-1%	68%

US STORAGE (in million bbls)		distillate	propane	gasoline
domestic stocks as of	5/11/18	115	40	232
gain / loss from previous week		-0.1	1.7	-3.8
comparison to historic range		within	within	within

Natural Gas Market

NYMEX Henry Hub Futures: 12 Month Forward Strip



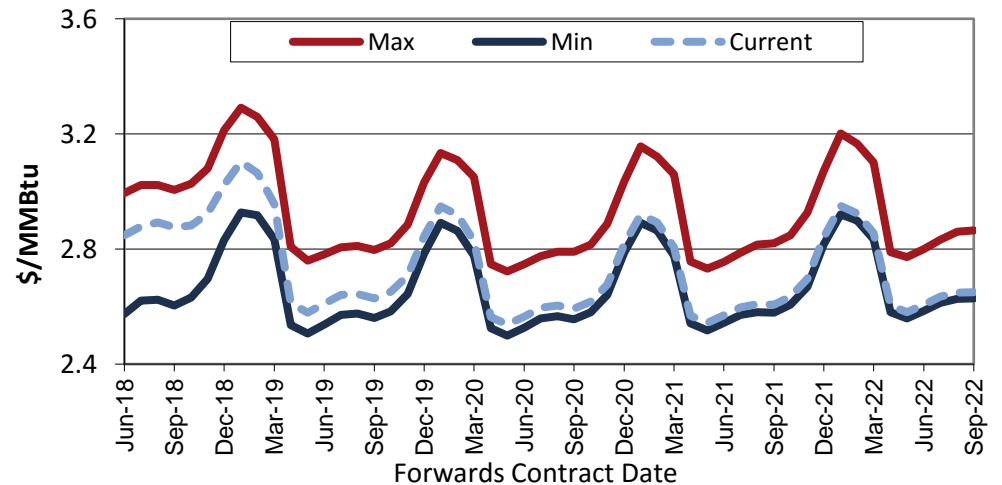
NYMEX PRICING	last close	previous week	24-month high	24-month low
12 mo. strip, \$/MMBtu	\$2.89	\$2.99	\$3.70	\$2.59
date	5/18/18	1/24/18	12/28/16	5/24/16
change from last close		-3.4%	-22%	12%

CES SCORE

12 month	48
18 month	56
24 month	62
36 month	70

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



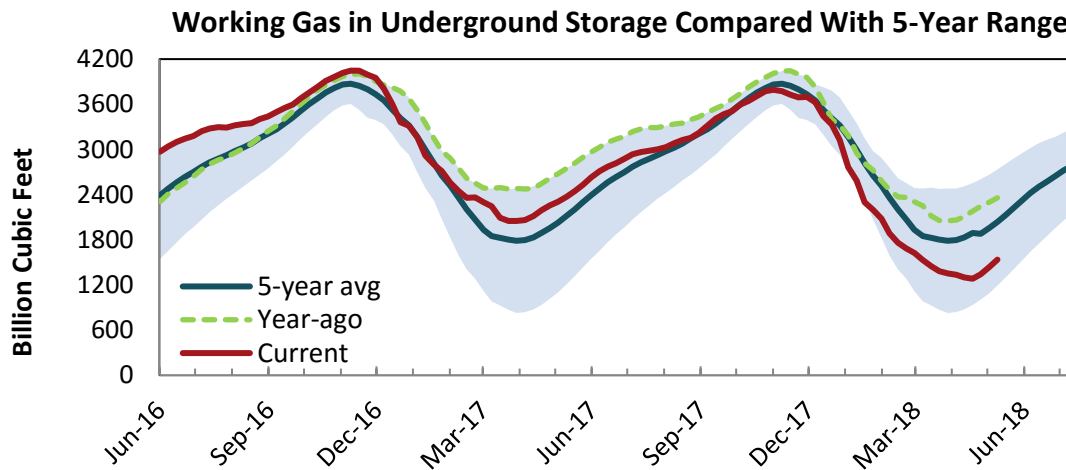
FORWARDS	12 month	18 month	24 month	36 month
strip (\$/MMBtu)	\$2.89	\$2.81	\$2.80	\$2.76

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		5/4/18	1,432	
Most Recent Stock Level		5/11/18	1,538	
Year-ago Stock Level			2,359	-34.8%
5-Year Average Stock Level			2,039	-24.6%
Most Recent Net Change		5/11/18	106	
Year-Ago Net Change			64	66%
5-Year Average Net Change			87	22%

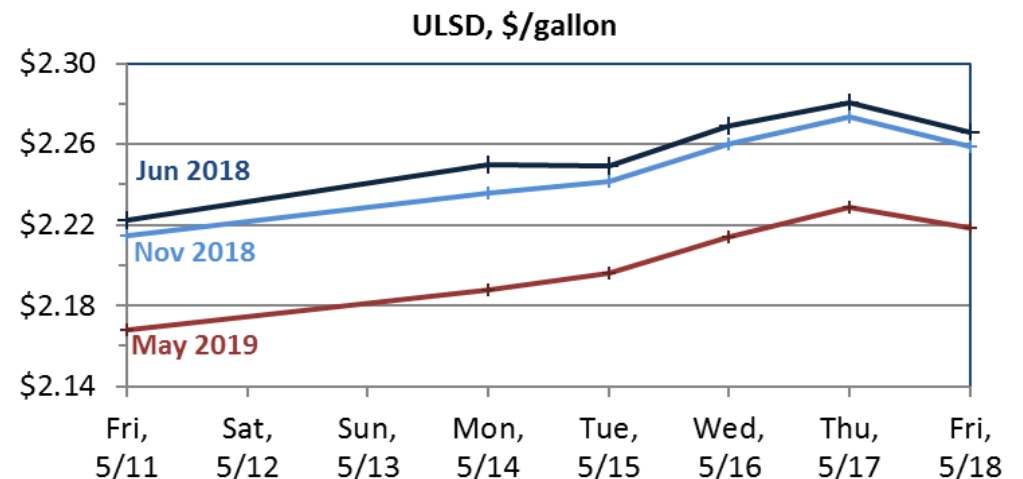
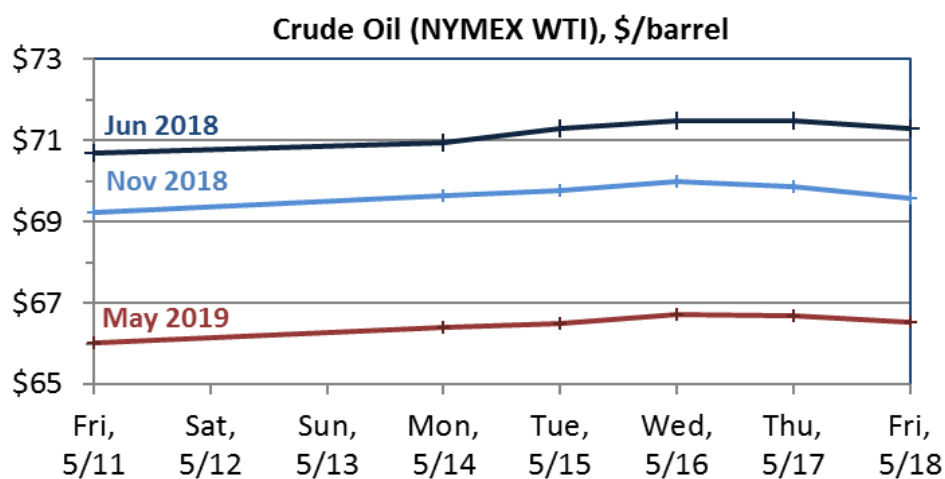
Data Source: EIA <http://tonto.eia.doe.gov/oog/info/ngs/ngs.html>

Market Assessment

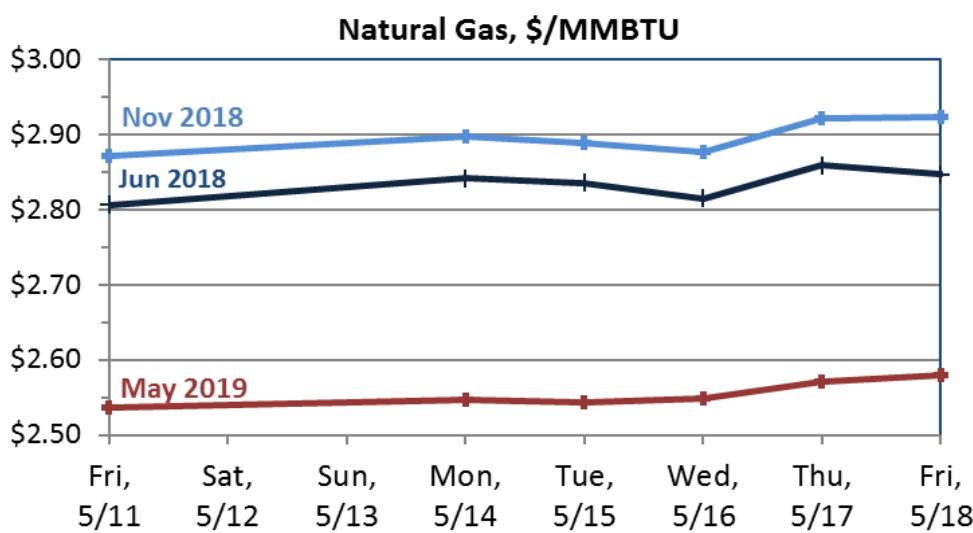
NYMEX Futures Summary Statistics

	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	\$71.28	Jul-18	\$71.37	May-19	\$66.03	\$68.60
Heating oil	May-18	4/30/18	\$2.17	Jun-18	\$2.27	Jun-18	\$2.27	Apr-19	\$2.23	\$2.25
Natural gas	May-18	4/26/18	\$2.82	Jun-18	\$2.81	Jan-19	\$3.10	May-19	\$2.58	\$3.01

NYMEX End-of-Day Settlements



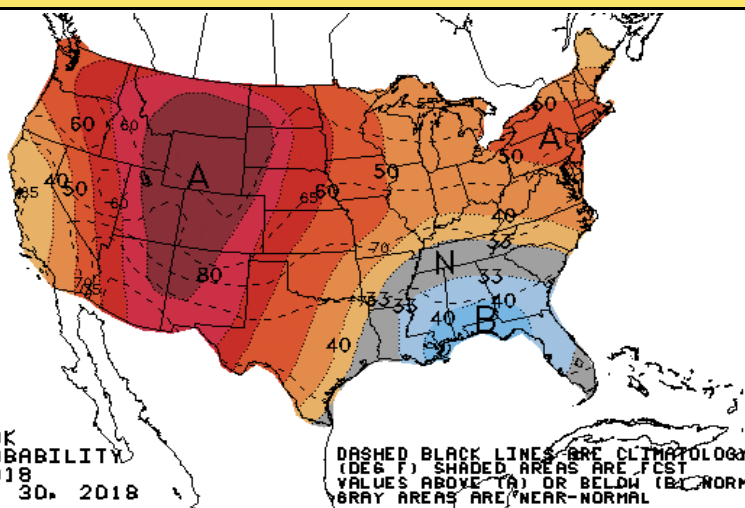
Oil rose slightly last week, remaining elevated since the US's withdrawal from the Iran nuclear deal. The prompt month WTI contract jumped to \$71 on May 9, the day after President Trump made this announcement, and has hovered near the mark since. London-traded Brent crude briefly climbed above \$80 in intraday trading on Thursday. Oil stocks for the US and the Organization for Economic Cooperation and Development (OECD) countries have now fallen to 5-year average levels as a result of the OPEC cuts. Furthermore, exports from Venezuela are expected to dwindle as President Trump weighs economic sanctions against the state after the weekend re-election of socialist President Nicolas Maduro, who is widely criticized for the mismanagement of state-owned oil resources.



Natural gas prices rose 4 cents to \$2.847 last week as the weather outlook for summer points to strong demand. Temperatures are expected to rise above average across most of the U.S. and boost cooling load through the end of this month, while expanded natural gas generation capacity has resulted in higher power burn demand in 2018 than 2017. High generation demand and exports could pare down storage injections, even with the expected gains in Appalachian output as takeaway capacity from the region grows. Record-high production supported this week's storage gain of 107 Bcf which surpassed the typical 87 Bcf build. Robust injections would be needed to erode the inventory deficit, which remains at 24.6%, by the end of the summer season.

The National Weather Service near-term forecast calls for warmer-than-normal temperatures for most of the US except the Southeast. 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 Forecast for May 26 - 30

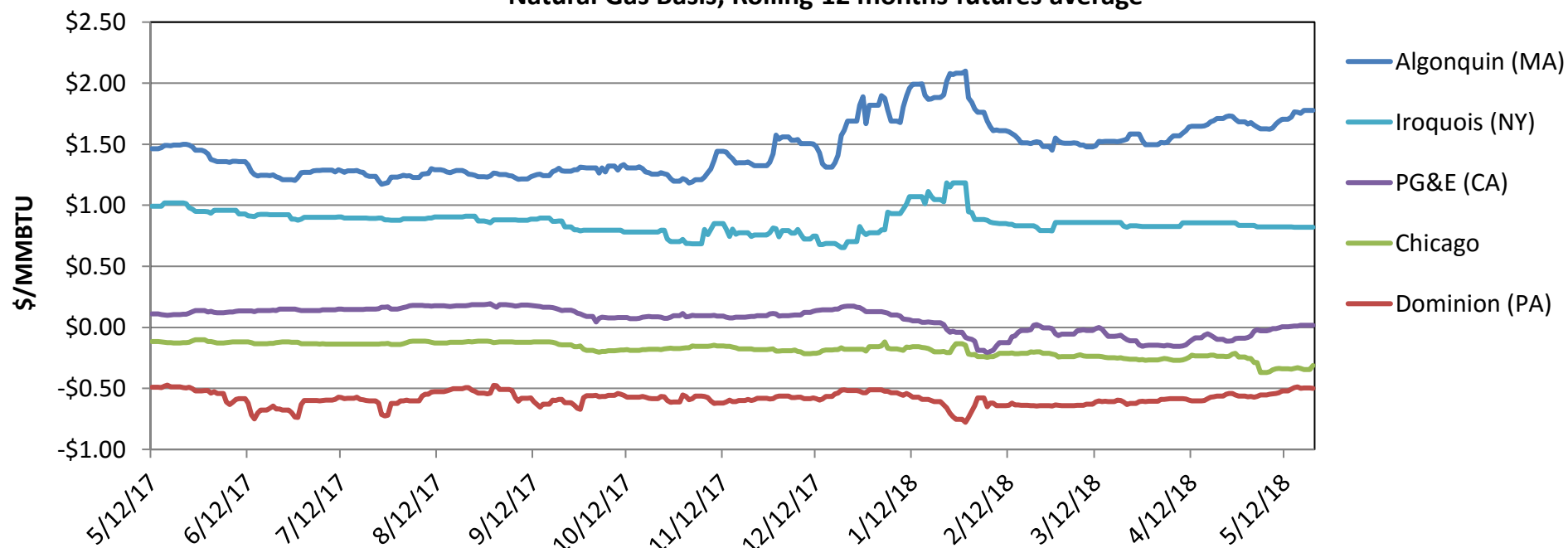
This map depicts forecasted temperatures for next week compared to the long term average. The blue/purple areas are forecast to be colder than normal, white areas are normal, and yellow/orange/red areas are warmer than normal. Abnormally hot weather in the summer and cold weather in the winter can increase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

Source: Chart from the National Weather Service Climate Prediction

Natural Gas Basis Futures

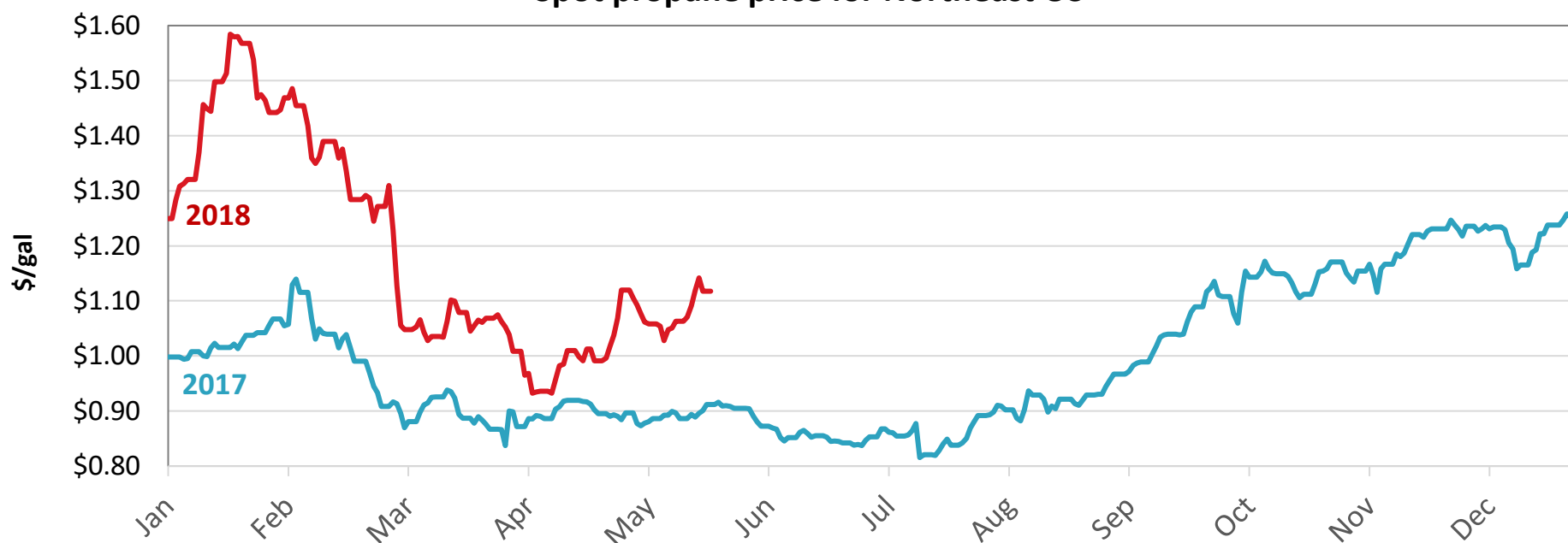
Basis is the price differential between Henry Hub, located in Erath, Louisiana, and the liquidity point closest to the end-user. Because Henry Hub is used as the delivery point for NYMEX natural gas futures contracts, the cost of using natural gas in any geographic region of the country can be approximated 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	
		5/14/18	5/15/18	5/16/18	5/17/18	5/18/18	5/19/18	5/20/18		
Power (\$/MWh)	Maine RT On Pk	39	49	24	26	17			31	
	Maine RT Off Pk	13	18	16	13	12	21	15	16	
	NH RT On Pk	43	53	26	29	17			33	
	NH RT Off Pk	20	20	18	17	14	22	19	18	
	Vermont RT On Pk	42	52	25	29	17			33	
	Vermont RT Off Pk	20	19	17	17	13	21	18	18	
	Connecticut RT On Pk	43	53	26	29	17			34	
	Connecticut RT Off Pk	20	20	18	18	14	22	19	18	
	Rhode Island RT On Pk	43	53	26	29	17			33	
	Rhode Island RT Off Pk	20	20	18	17	14	22	19	18	
	NE Mass RT On Pk	43	53	26	29	17			34	
	NE Mass RT Off Pk	20	20	18	18	14	22	19	18	
	SE Mass RT On Pk	43	53	26	29	17			33	
	SE Mass RT Off Pk	20	20	18	18	14	22	19	18	
	WC Mass RT On Pk	43	53	26	29	17			34	
	WC Mass RT Off Pk	20	20	18	18	14	22	19	18	
			New York ISO Real Time Power Pricing By Zone (\$/MWh)							Avg
		Capital RT On Pk	31	62	30	40	20			37
		Capital RT Off Pk	18	18	15	16	12	18	20	17
		Central RT On Pk	31	62	31	40	19			37
Central RT Off Pk		18	17	15	16	12	16	19	16	
Hudson RT On Pk		33	65	32	41	21			38	
Hudson RT Off Pk		19	18	15	16	13	18	20	17	
Mohawk RT On Pk		27	58	25	37	20			33	
Mohawk RT Off Pk		4	17	15	16	12	13	18	14	
Milwood RT On Pk		33	65	32	41	21			38	
Milwood RT Off Pk		19	18	15	16	13	18	20	17	
NYC RT On Pk		34	68	33	42	21			40	
NYC RT Off Pk		19	18	16	17	13	18	24	18	
		PJM Real Time Power Pricing By Zone (\$/MWh)							Avg	
		Eastern Hub On Pk	29	82	42	34	34			44
	Eastern Hub Off Pk	20	23	29	18	18	18	18	20	
	Western Hub On Pk	35	75	32	32	32			41	
	Western Hub Off Pk	21	21	31	22	22	22	22	23	
	PPL Zone On Pk	23	67	28	26	26			34	
	PPL Zone Off Pk	20	19	21	12	12	12	12	15	
	AEP RT On Pk	47	74	36	42	42			48	
	AEP RT Off Pk	21	22	37	28	28	28	28	28	
	Chicago RT On Pk	34	18	33	20	20			25	
	Chicago RT Off Pk	10	13	26	10	10	10	10	13	
	New Jersey Hub On Pk	24	71	26	27	27			35	
	New Jersey Hub Off Pk	20	20	26	16	16	16	16	19	
			California ISO Real Time Power Pricing (\$/MWh)							Avg
		SoCal Edison RT On Pk	19	19	17	11	27			19
SoCal Edison RT Off Pk		18	22	19	9	17	16	12	16	
		5/14/18	5/15/18	5/16/18	5/17/18	5/18/18	5/19/18	5/20/18	Avg	
Natural Gas \$/MMBtu	Henry Hub, LA	2.84	2.86	2.85	2.75	2.78			2.82	
	TZ6, MA	2.71	2.48	2.49	2.49	2.44			2.52	
	Algonquin, MA	2.71	2.54	2.40	2.40	2.37			2.48	
	Chicago Hub, IL	2.54	2.62	2.49	2.39	2.46			2.50	
	New York, NY	2.34	2.38	2.29	2.29	2.30			2.32	
	Dominion South, PA	2.20	2.33	2.19	2.20	2.24			2.23	
	Opal Hub, WY	1.76	1.79	1.81	1.77	1.71			1.77	
	PG&E Citygate, CA	2.92	2.92	2.92	2.86	2.89			2.90	