



Competitive Energy Services Weekly Market Summary

May 21 - 25, 2018

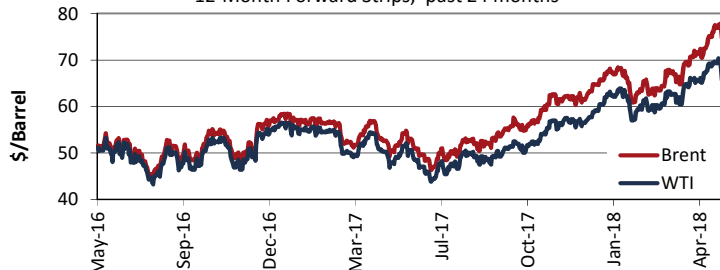
Synopsis of Last Week's Energy Markets

Crude oil prices fell dramatically last week after Russia and Saudi Arabia said would that they would be discussing easing the current production limits during the upcoming OPEC meeting in response to falling output from Venezuela and Iran. Natural gas prices gained 3% last week amid speculation that early summer heat could boost cooling demand and curb storage injections. Inventories remain 23% below the 5-year average.

Oil Market

Crude Oil - WTI & Brent

12-Month Forward Strips, past 24 months

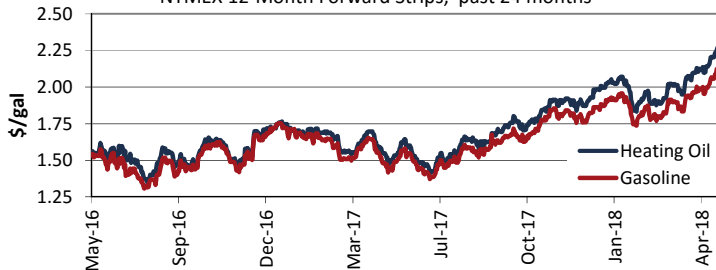


NYMEX WTI	last close	previous week	24-month high	24-month low
12 month strip, \$/bbl	\$66.06	\$69.32	\$70.12	\$43.04
date	5/25/18	5/18/18	5/21/18	8/2/16
change from last close		-4.7%	-5.8%	53%

US STORAGE (in million bbls)	crude oil
domestic stocks as of	5/18/18
	438
gain / loss from previous week	5.8
comparison to historic range	within

Heating Oil & Gasoline

NYMEX 12-Month Forward Strips, past 24 months

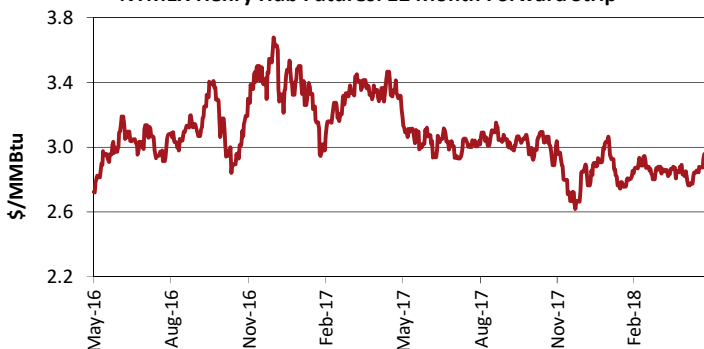


NYMEX Heating Oil	last close	previous week	24-month high	24-month low
12 month strip, \$/gal	\$2.20	\$2.25	\$2.28	\$1.34
date	5/25/18	5/18/18	5/23/18	8/2/16
change from last close		-2.3%	-3%	64%

US STORAGE (in million bbls)	distillate	propane	gasoline
domestic stocks as of	5/18/18	114	41
		234	
gain / loss from previous week	-1.0	0.7	1.9
comparison to historic range	within	within	within

Natural Gas Market

NYMEX Henry Hub Futures: 12 Month Forward Strip

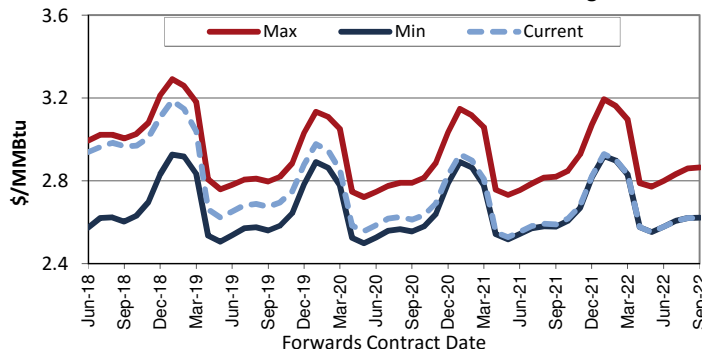


NYMEX PRICING	last close	previous week	24-month high	24-month low
12 mo. strip, \$/MMBtu	\$2.97	\$2.88	\$3.70	\$2.61
date	5/25/18	5/18/18	12/28/16	12/21/17
change from last close		3.2%	-20%	13%

CES SCORE	
12 month	26
18 month	35
24 month	44
36 month	56

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



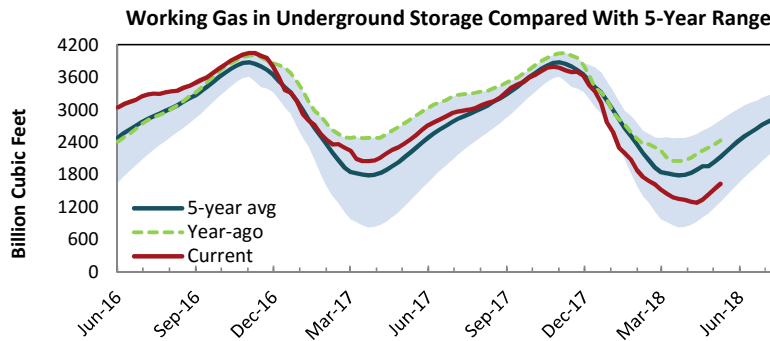
FORWARDS	12 month	18 month	24 month	36 month
strip (\$/MMBtu)	\$2.97	\$2.87	\$2.86	\$2.80

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	5/11/18	1,538	
Most Recent Stock Level	5/18/18	1,629	
Year-ago Stock Level		2,433	-33.0%
5-Year Average Stock Level		2,128	-23.4%
Most Recent Net Change	5/18/18	91	
Year-Ago Net Change		74	23%
5-Year Average Net Change		89	2%

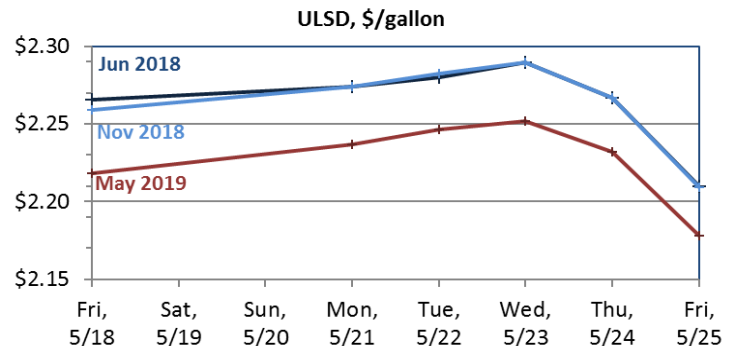
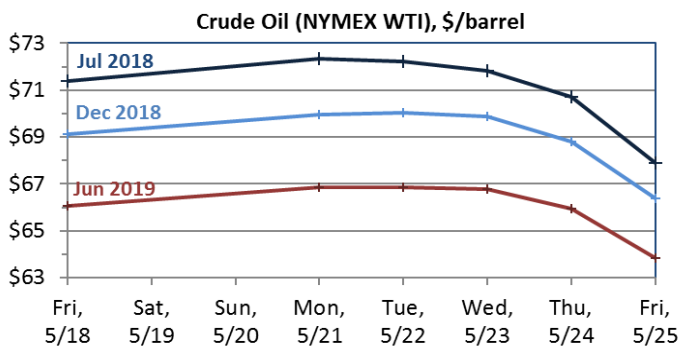
Data Source: EIA <http://tonto.eia.doe.gov/oog/info/ngs/ngs.html>

Market Assessment

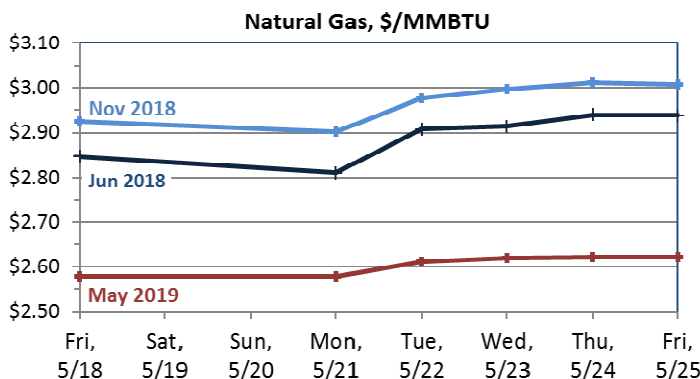
NYMEX Futures Summary Statistics

	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	Jun-18	5/22/18	\$72.13	Jul-18	\$67.88	Jul-18	\$67.88	May-19	\$64.23	\$65.97
Heating oil	May-18	4/30/18	\$2.17	Jun-18	\$2.21	Jun-18	\$2.21	Apr-19	\$2.23	\$2.25
Natural gas	Jun-18	5/25/18	\$2.94	Jul-18	\$2.94	Jan-19	\$3.19	May-19	\$2.62	\$3.10

NYMEX End-of-Day Settlements



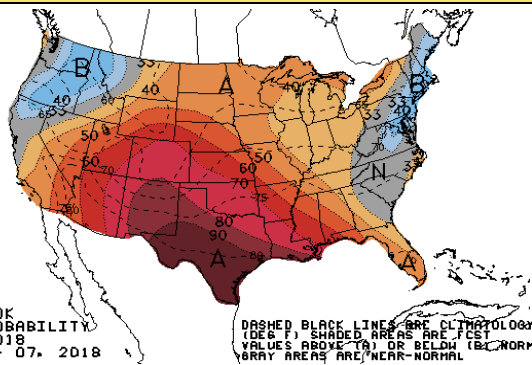
Crude oil plummeted last week, with the prompt month falling \$4.50 (-6%) between Monday and Friday. Early in the week prices rose to the highest point since November 2014, when WTI was last above \$70 a barrel. Wednesday's EIA weekly storage report showed an unexpectedly large gain in US stocks, which snapped the upward momentum. On Thursday, the Russian Energy Minister said that Russia and Saudi Arabia are open to gradually easing the OPEC-led production cuts in the second half of 2018. This would offset the lost production from Venezuela and the impending loss of output from Iran due to reinstated US sanctions. The group is set to discuss this at its next quarterly meeting on June 22.



Natural gas prices jumped over 9 cents last week amid speculation that forecasted warm weather and high demand for generation could cap inventory builds through the summer. Both domestic production and LNG exports are expected to rise this year with the buildout of transportation and liquefaction infrastructure. Prices advanced on Thursday after the EIA reported a larger-than-average storage gain of 91 Bcf that nonetheless left stocks 23.4% below typical levels. Twelve-month forward prices were approaching the \$3 benchmark by the end of the week, but markets retreated on Tuesday as now-subtropical depression Alberto, the first named storm of the season, brought rain and lower temperatures to in the South, likely suppressing demand in the region.

The National Weather Service near-term forecast calls for below-normal temperatures for the northeastern coast and the Northwest while the rest of the US should be warmer-than-normal. 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 Jun 3 - 7

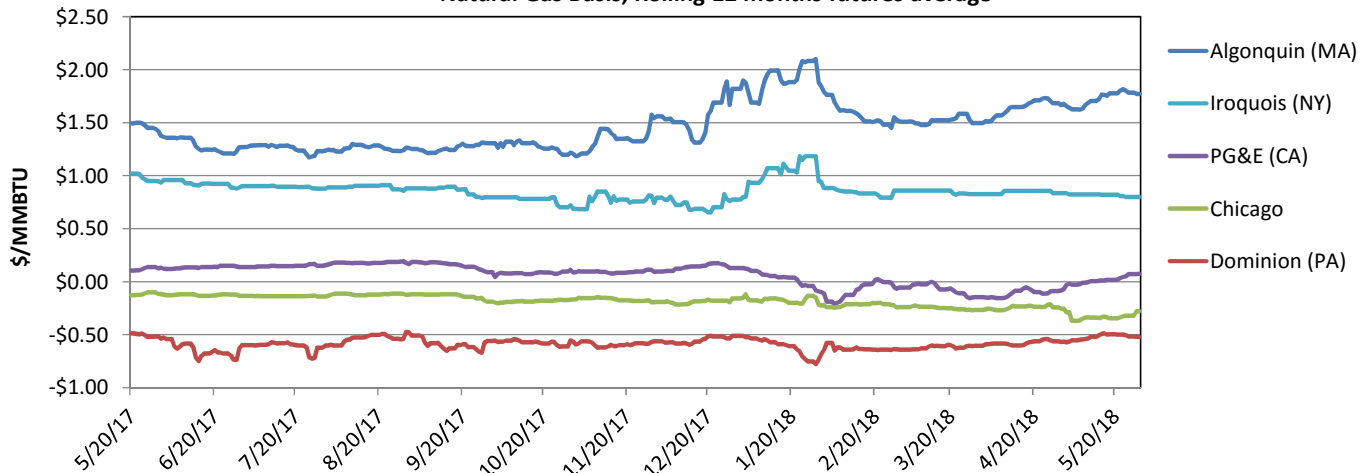
This map depicts forecasted temperatures for next week compared to the long term average. The blue/purple areas are forecast to be colder than normal, white areas are normal, and yellow/orange/red areas are warmer than normal. Abnormally hot weather in the summer and cold weather in the winter can increase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

Source: Chart from the National Weather Service Climate Prediction

Natural Gas Basis Futures

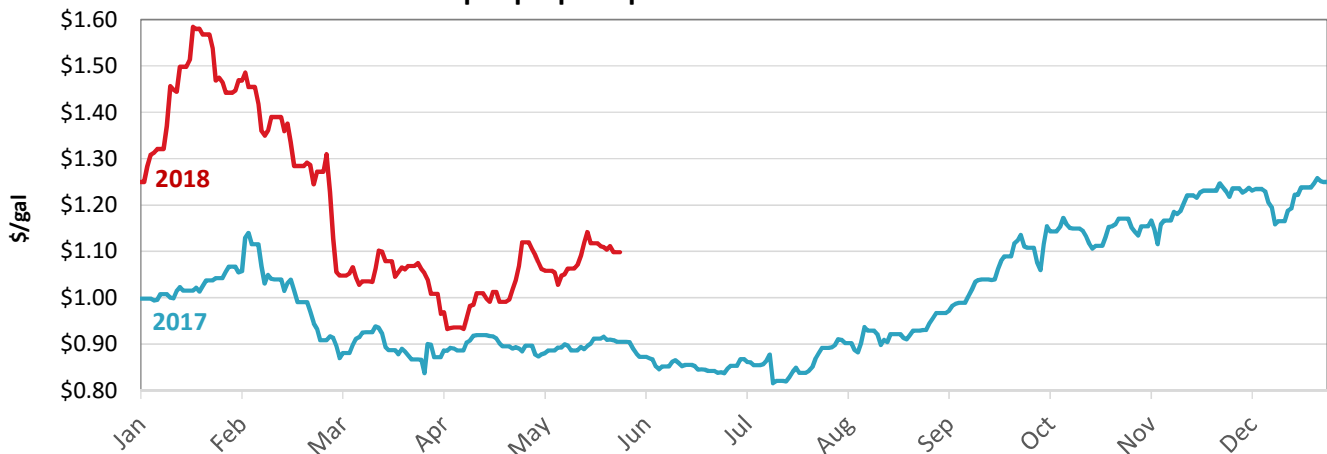
Basis is the price differential between Henry Hub, located in Erath, Louisiana, and the liquidity point closest to the end-user. Because Henry Hub is used as the delivery point for NYMEX natural gas futures contracts, the cost of using natural gas in any geographic region of the country can be approximated 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)								
		5/21/18	5/22/18	5/23/18	5/24/18	5/25/18	5/26/18	5/27/18	Avg	
Power (\$/MWh)	Maine RT On Pk	10	24	28	32	19			22	
	Maine RT Off Pk	1	16	13	22	2	34	33	17	
	NH RT On Pk	15	27	28	32	20			24	
	NH RT Off Pk	1	18	17	22	1	35	33	18	
	Vermont RT On Pk	16	27	28	32	20			25	
	Vermont RT Off Pk	1	18	18	22	2	34	32	18	
	Connecticut RT On Pk	16	27	27	32	20			24	
	Connecticut RT Off Pk	1	17	17	22	2	35	33	18	
	Rhode Island RT On Pk	15	27	27	31	19			24	
	Rhode Island RT Off Pk	1	18	17	22	2	34	33	18	
	NE Mass RT On Pk	16	27	28	32	19			24	
	NE Mass RT Off Pk	2	18	17	22	2	35	33	18	
	SE Mass RT On Pk	16	27	28	32	19			24	
	SE Mass RT Off Pk	2	18	17	22	2	35	33	18	
	WC Mass RT On Pk	16	27	28	32	20			24	
	WC Mass RT Off Pk	1	18	17	22	2	35	33	18	
			New York ISO Real Time Power Pricing By Zone (\$/MWh)							Avg
	Capital RT On Pk	31	26	23	51	20			30	
	Capital RT Off Pk	8	16	10	18	14	29	24	17	
	Central RT On Pk	27	22	20	43	18			26	
	Central RT Off Pk	6	6	9	17	4	18	14	10	
	Hudson RT On Pk	31	25	23	51	20			30	
	Hudson RT Off Pk	7	14	10	19	12	27	22	16	
	Mohawk RT On Pk	25	21	20	42	18			25	
	Mohawk RT Off Pk	6	6	9	17	4	17	14	10	
	Milwood RT On Pk	31	25	24	51	20			30	
	Milwood RT Off Pk	7	14	10	19	12	27	22	16	
	NYC RT On Pk	32	27	23	52	35			34	
NYC RT Off Pk	7	14	10	19	11	35	22	17		
		PJM Real Time Power Pricing By Zone (\$/MWh)							Avg	
Eastern Hub On Pk	23	18	21	48	48			31		
Eastern Hub Off Pk	5	19	16	18	18	18	18	16		
Western Hub On Pk	33	30	34	61	61			44		
Western Hub Off Pk	11	20	16	18	18	18	18	17		
PPL Zone On Pk	14	12	16	51	51			29		
PPL Zone Off Pk	(1)	19	16	18	18	18	18	15		
AEP RT On Pk	45	42	48	65	65			53		
AEP RT Off Pk	20	21	18	20	20	20	20	20		
Chicago RT On Pk	36	35	44	62	62			48		
Chicago RT Off Pk	15	19	17	12	12	12	12	14		
New Jersey Hub On Pk	22	17	21	49	49			32		
New Jersey Hub Off Pk	4	19	16	18	18	18	18	16		
		California ISO Real Time Power Pricing (\$/MWh)							Avg	
SoCal Edison RT On Pk	17	26	27	25	18			23		
SoCal Edison RT Off Pk	17	22	25	27	20	26	12	21		
Natural Gas \$/MMBtu	5/21/18	5/22/18	5/23/18	5/24/18	5/25/18	5/26/18	5/27/18	Avg		
	Henry Hub, LA	2.79	2.78	2.88	2.88	2.90			2.85	
	TZ6, MA	2.41	2.43	2.43	2.50	2.41			2.44	
	Algonquin, MA	2.36	2.52	2.42	2.43	2.13			2.37	
	Chicago Hub, IL	2.54	2.66	2.74	2.71	2.70			2.67	
	New York, NY	2.28	2.22	2.30	2.21	2.08			2.22	
	Dominion South, PA	2.20	2.19	2.23	2.17	2.08			2.17	
	Opal Hub, WY	1.81	1.78	1.89	1.93	1.93			1.87	
	PG&E Citygate, CA	2.95	2.99	3.03	3.05	3.08			3.02	