



Competitive Energy Services Weekly Market Summary

May 22 - 26, 2017

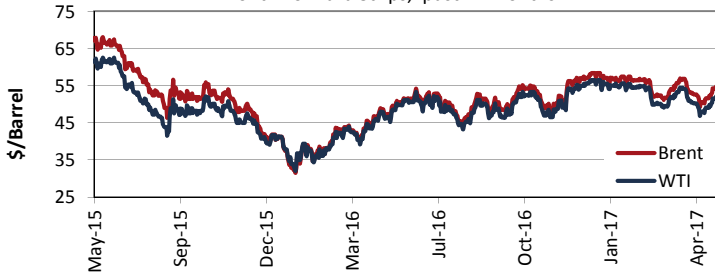
Synopsis of Last Week's Energy Markets

Crude oil prices saw an overall drop last week as OPEC and other key producers decided to extend but not to deepen output cuts, leading prices to tumble on Thursday. The cuts will now extend through March 2018, a nine-month extension from the initial end-date of June 2017. Natural gas prices slipped modestly last week amid mild shoulder season weather that stimulated little heating or cooling demand. Futures prices began to plummet early this week, however, as forecasts for the beginning of June turned cold for the eastern continental U.S.

Oil Market

Crude Oil - WTI & Brent

12-Month Forward Strips, past 24 months

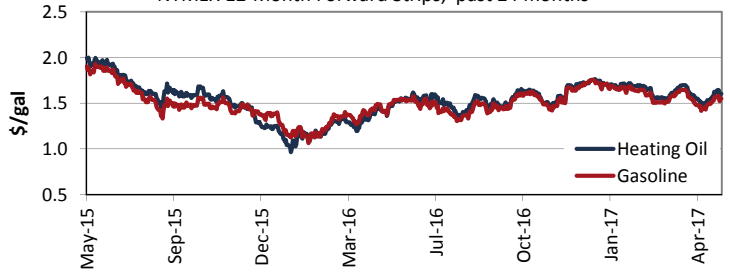


| NYMEX WTI | last close | previous week | 24-month high | 24-month low |
|------------------------|------------|---------------|---------------|--------------|
| 12 month strip, \$/bbl | \$50.43 | \$51.44 | \$62.86 | \$32.40 |
| date | 5/26/17 | 5/19/17 | 6/10/15 | 1/20/16 |
| change from last close | | -2.0% | -19.8% | 56% |

| US STORAGE (in million bbls) | crude oil |
|--------------------------------|-----------|
| domestic stocks as of | 5/19/17 |
| | 516 |
| gain / loss from previous week | -4.4 |
| 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 | \$1.60 | \$1.62 | \$2.00 | \$0.97 |
| date | 5/26/17 | 5/19/17 | 6/10/15 | 1/20/16 |
| change from last close | | -1.6% | -20% | 65% |

| US STORAGE (in million bbls) | distillate | propane | gasoline |
|--------------------------------|------------|---------|----------|
| domestic stocks as of | 5/19/17 | | |
| | 146 | 44 | 240 |
| gain / loss from previous week | -0.5 | 1.48 | -0.8 |
| comparison to historic range | within | within | above |

Natural Gas Market

NYMEX Henry Hub Futures: 12 Month Forward Strip

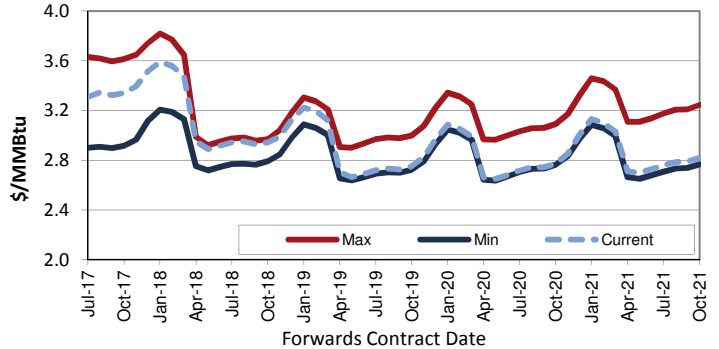


| NYMEX PRICING | last close | previous week | 24-month high | 24-month low |
|------------------------|------------|---------------|---------------|--------------|
| 12 mo. strip, \$/MMBtu | \$3.30 | \$3.35 | \$3.70 | \$2.11 |
| date | 5/26/17 | 5/19/17 | 12/28/16 | 2/25/16 |
| change from last close | | -1.5% | -11% | 57% |

| CES SCORE | |
|-----------|----|
| 12 month | 32 |
| 18 month | 28 |
| 24 month | 37 |
| 36 month | 55 |

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) | \$3.30 | \$3.19 | \$3.13 | \$3.03 |

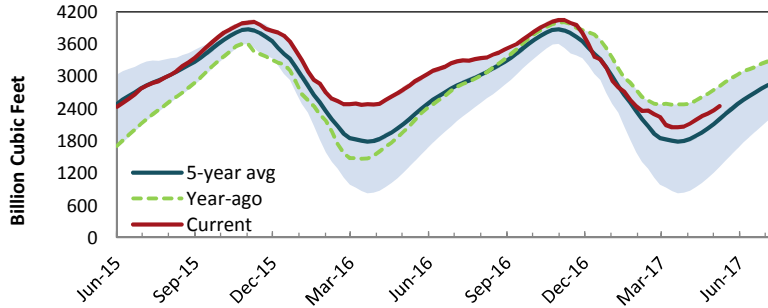
Natural gas futures are useful for both natural gas and electricity consumers because they drive electricity pricing in many U.S. markets. This chart compares the current natural gas price for each forward month on the NYMEX exchange to the highest and lowest prices for the same month over the past 12 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 | 5/12/17 | 2,369 | |
| Most Recent Stock Level | 5/19/17 | 2,444 | |
| Year-ago Stock Level | | 2,815 | -13.2% |
| 5-Year Average Stock Level | | 2,203 | 10.9% |
| Most Recent Net Change | 5/19/17 | 75 | |
| Year-Ago Net Change | | 71 | |
| 5-Year Average Net Change | | 90 | |

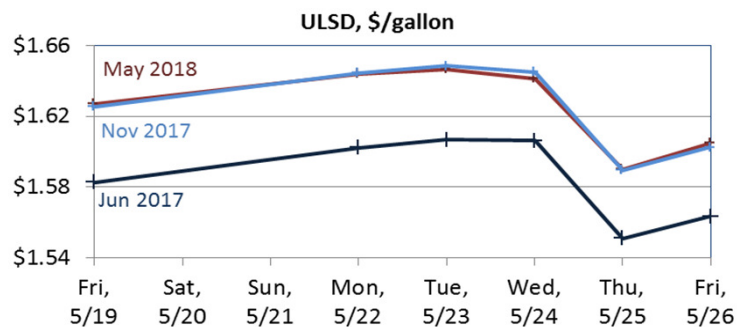
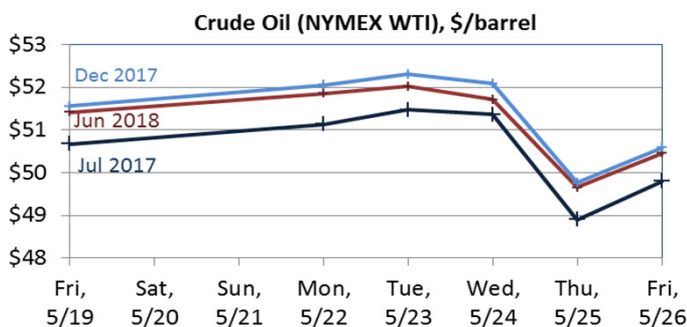
Data Source: EIA <http://tonto.eia.doe.gov/oog/info/ngs/ngs.html>

Market Assessment

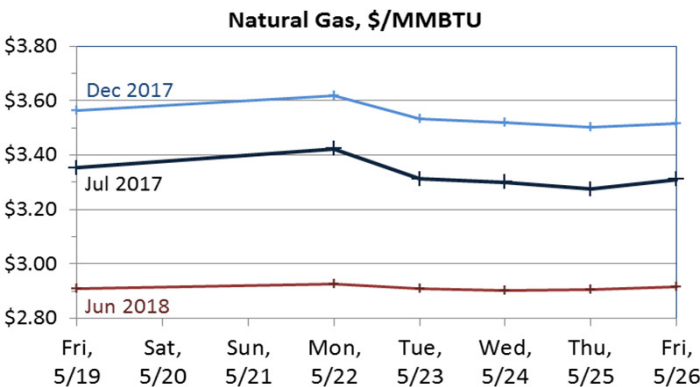
NYMEX Futures Summary Statistics

| | 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 | Jun-17 | 5/22/17 | \$50.73 | Jul-17 | \$49.80 | Feb-18 | \$50.68 | Jul-17 | \$49.80 | \$50.62 |
| Heating oil | May-17 | 4/28/17 | \$1.50 | Jun-17 | \$1.56 | Feb-18 | \$1.62 | Jun-17 | \$1.56 | \$1.62 |
| Natural gas | Jun-17 | 4/26/17 | \$3.24 | Jul-17 | \$3.31 | Jan-18 | \$3.59 | May-18 | \$2.89 | \$3.51 |

NYMEX End-of-Day Settlements



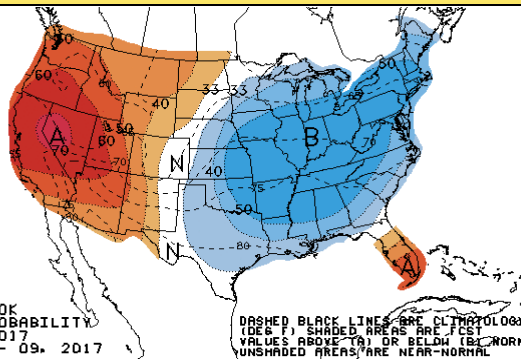
Crude oil prices fell last week due to a one-day tumble on Thursday after OPEC and non-OPEC producers agreed to a nine-month extension to the joint production cuts at the current level of 1.8 million barrels per day. Prior to the meeting, Saudi Arabia and Russia had announced they were in favor of the nine-month extension, so the ultimate decision was as expected. However, the option of extending and deepening the cuts was a possibility. Crude oil prices, having surged since May 5, tumbled 5% on the decision not to deepen cuts. Prices rebounded slightly on Friday after the Department of Commerce reported that 1st quarter GDP grew at a 1.2% annualized rate, exceeding projections.



Natural gas prices fell slightly last week, closing with 1% losses week-over-week; June futures settled on Friday afternoon at \$3.236. While weather forecasts predict an overall warmer-than-average summer with high gas demand for generation, the spring shoulder season has been relatively mild. Without an early boost to cooling demand storage gains have been in line with average injections, and for the past few weeks gas prices have been trading in a narrow range punctuated by a few short-lived price jumps. By contrast, prices have fallen dramatically so far this week amidst forecasts of a cold start to June that could hold down near-term cooling demand. Current storage surplus is at 11% to the 5-year average; muted demand could allow it to expand in the coming weeks.

The National Weather Service near-term forecast calls for below-normal temperatures for the eastern half of the nation and above-normal temperatures for the western half. The natural gas market scores on page 1 improved 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 Forecast for June 5 - 9, 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



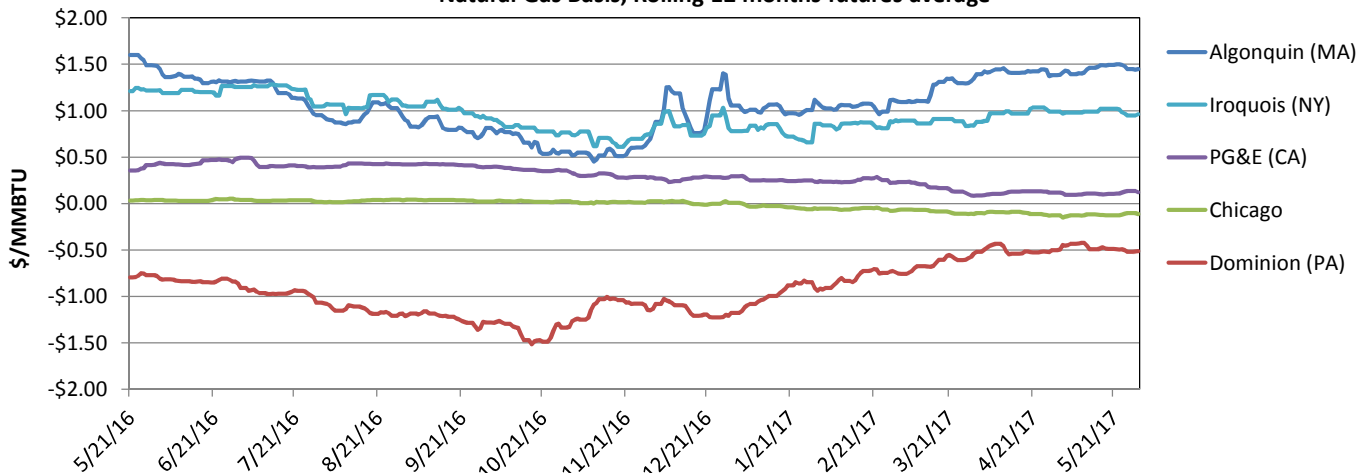
6-10 DAY OUTLOOK
TEMPERATURE PROBABILITY
MADE 30 MAY 2017
VALID JUN 05 - 09, 2017

DASHED BLACK LINES ARE CLIMATOLOGY
(DEG F) SHADED AREAS ARE TEMPERATURE
VALUES ABOVE (+) OR BELOW (-) NORMAL
UNSHADED AREAS ARE NEAR-NORMAL

Natural Gas Basis Futures

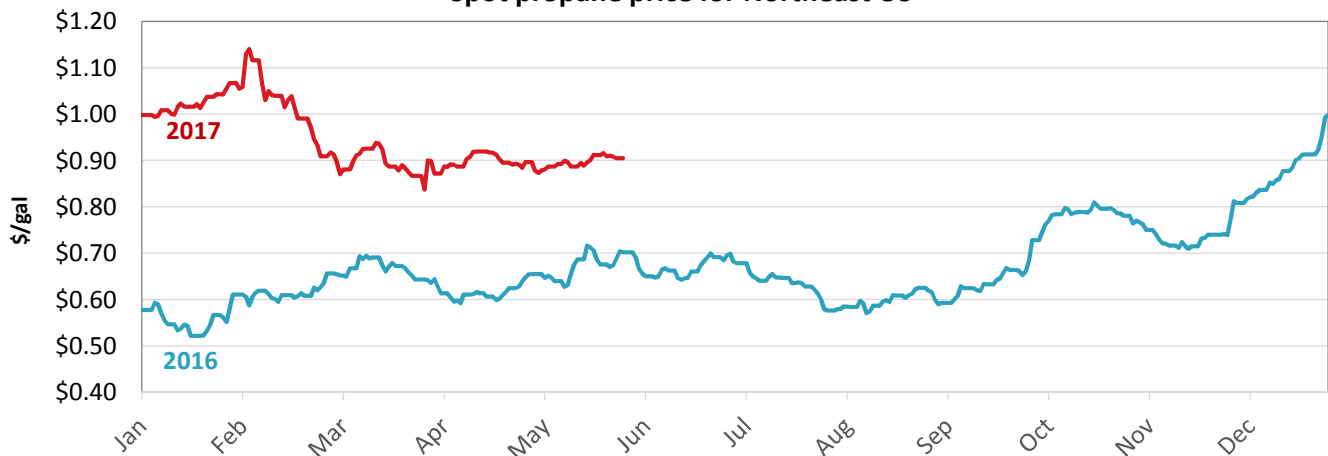
Basis is the price differential between Henry Hub, located in Erath, Louisiana, and the liquidity point closest to the end-user. Because Henry Hub is used as the delivery point for NYMEX natural gas futures contracts, the cost of using natural gas in any geographic region of the country can be approximated 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 | |
|-----------------------------|------------------------|---|---|---------|---------|---------|---------|---------|------------|------------|
| | | 5/22/17 | 5/23/17 | 5/24/17 | 5/25/17 | 5/26/17 | 5/27/17 | 5/28/17 | | |
| Power (\$/MWh) | Maine RT On Pk | 30 | 24 | 30 | 25 | 22 | | | 26 | |
| | Maine RT Off Pk | 19 | 31 | 16 | 21 | 22 | 16 | 14 | 20 | |
| | NH RT On Pk | 31 | 24 | 30 | 25 | 22 | | | 26 | |
| | NH RT Off Pk | 19 | 32 | 16 | 21 | 21 | 16 | 14 | 20 | |
| | Vermont RT On Pk | 30 | 24 | 31 | 24 | 23 | | | 26 | |
| | Vermont RT Off Pk | 19 | 31 | 15 | 21 | 22 | 16 | 13 | 20 | |
| | Connecticut RT On Pk | 31 | 24 | 30 | 25 | 23 | | | 27 | |
| | Connecticut RT Off Pk | 19 | 32 | 15 | 21 | 23 | 17 | 14 | 20 | |
| | Rhode Island RT On Pk | 31 | 24 | 30 | 25 | 23 | | | 26 | |
| | Rhode Island RT Off Pk | 19 | 32 | 15 | 21 | 23 | 17 | 14 | 20 | |
| | NE Mass RT On Pk | 31 | 24 | 30 | 25 | 23 | | | 27 | |
| | NE Mass RT Off Pk | 19 | 32 | 16 | 21 | 23 | 16 | 14 | 20 | |
| | SE Mass RT On Pk | 31 | 24 | 30 | 25 | 23 | | | 26 | |
| | SE Mass RT Off Pk | 20 | 32 | 16 | 21 | 23 | 16 | 14 | 20 | |
| | WC Mass RT On Pk | 31 | 24 | 30 | 25 | 23 | | | 27 | |
| | WC Mass RT Off Pk | 19 | 32 | 16 | 21 | 23 | 17 | 14 | 20 | |
| | | New York ISO Real Time Power Pricing By Zone (\$/MWh) | | | | | | | Avg | |
| Power (\$/MWh) | Capital RT On Pk | 20 | 23 | 24 | 27 | 7 | | | 20 | |
| | Capital RT Off Pk | 18 | 19 | 14 | 21 | 11 | 17 | 11 | 16 | |
| | Central RT On Pk | 20 | 24 | 25 | 26 | 7 | | | 20 | |
| | Central RT Off Pk | 5 | 10 | 12 | 14 | 11 | 9 | 10 | 10 | |
| | Hudson RT On Pk | 21 | 24 | 24 | 27 | 7 | | | 21 | |
| | Hudson RT Off Pk | 14 | 17 | 14 | 20 | 12 | 15 | 11 | 15 | |
| | Mohawk RT On Pk | 18 | 22 | 21 | 24 | 7 | | | 18 | |
| | Mohawk RT Off Pk | 5 | 11 | 12 | 14 | 11 | 6 | 10 | 10 | |
| | Milwood RT On Pk | 21 | 24 | 25 | 28 | 7 | | | 21 | |
| | Milwood RT Off Pk | 14 | 17 | 14 | 20 | 12 | 15 | 12 | 15 | |
| | NYC RT On Pk | 42 | 25 | 25 | 28 | 31 | | | 30 | |
| | NYC RT Off Pk | 26 | 26 | 15 | 21 | 14 | 19 | 12 | 19 | |
| | | | PJM Real Time Power Pricing By Zone (\$/MWh) | | | | | | | Avg |
| | Power (\$/MWh) | Eastern Hub On Pk | 28 | 29 | 28 | 28 | 26 | | | 28 |
| | | Eastern Hub Off Pk | 21 | 22 | 22 | 21 | 21 | 21 | 21 | 21 |
| | | Western Hub On Pk | 29 | 31 | 28 | 28 | 26 | | | 28 |
| Western Hub Off Pk | | 21 | 22 | 22 | 20 | 21 | 21 | 21 | 21 | |
| PPL Zone On Pk | | 27 | 27 | 27 | 27 | 26 | | | 27 | |
| PPL Zone Off Pk | | 21 | 21 | 21 | 20 | 21 | 21 | 21 | 21 | |
| AEP RT On Pk | | 31 | 35 | 28 | 27 | 26 | | | 29 | |
| AEP RT Off Pk | | 21 | 22 | 22 | 21 | 21 | 21 | 21 | 21 | |
| Chicago RT On Pk | | 30 | 33 | 27 | 27 | 30 | | | 29 | |
| Chicago RT Off Pk | | 13 | 17 | 21 | 6 | 17 | 17 | 17 | 15 | |
| New Jersey Hub On Pk | | 27 | 28 | 28 | 27 | 26 | | | 27 | |
| New Jersey Hub Off Pk | | 21 | 21 | 21 | 20 | 21 | 21 | 21 | 21 | |
| | | California ISO Real Time Power Pricing (\$/MWh) | | | | | | | Avg | |
| Natural Gas \$/MMBtu | SoCal Edison RT On Pk | 27 | 24 | 134 | 19 | 16 | | | 44 | |
| | SoCal Edison RT Off Pk | 13 | 21 | 27 | 22 | 17 | 9 | 13 | 17 | |
| | | | 5/22/17 | 5/23/17 | 5/24/17 | 5/25/17 | 5/26/17 | 5/27/17 | 5/28/17 | Avg |
| | Henry Hub, LA | 3.21 | 3.20 | 3.11 | 3.06 | 3.10 | | | 3.14 | |
| | TZ6, MA | 2.95 | 3.01 | 2.93 | 2.81 | 2.63 | | | 2.87 | |
| | Algonquin, MA | | 3.05 | | 2.84 | | | | 2.94 | |
| | Chicago Hub, IL | 3.12 | 3.13 | 3.03 | 3.01 | 2.96 | | | 3.05 | |
| | New York, NY | 2.82 | 2.87 | 2.72 | 2.75 | 2.45 | | | 2.72 | |
| | Dominion South, PA | 2.74 | 2.77 | 2.66 | 2.58 | 2.41 | | | 2.63 | |
| | Opal Hub, WY | 2.89 | 2.91 | 2.81 | 2.83 | 2.77 | | | 2.84 | |
| PG&E Citygate, CA | 3.46 | 3.48 | 3.38 | 3.42 | 3.37 | | | 3.42 | | |
| Kern River Deliveries | 2.98 | 3.00 | 2.90 | 2.94 | 2.82 | | | 2.93 | | |