



Competitive Energy Services Weekly Market Summary

May 28 - June 1, 2018

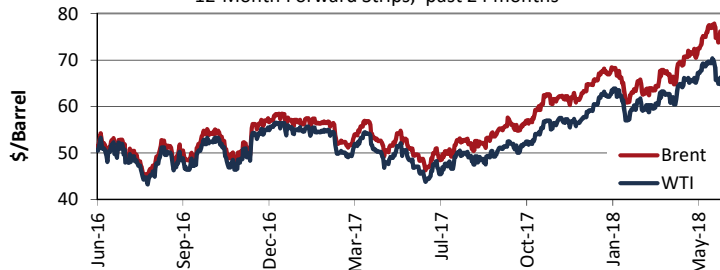
Synopsis of Last Week's Energy Markets

Crude oil prices saw a second straight decline last week on the expectation that Russia and Saudi Arabia will convince other cartel members to ease production limits at their meeting on June 22. Natural gas prices saw little week-over-week change as reports of a smaller-than-expected storage injection competed with forecasts for milder weather on the East coast that could provide relief from high cooling demand.

Oil Market

Crude Oil - WTI & Brent

12-Month Forward Strips, past 24 months

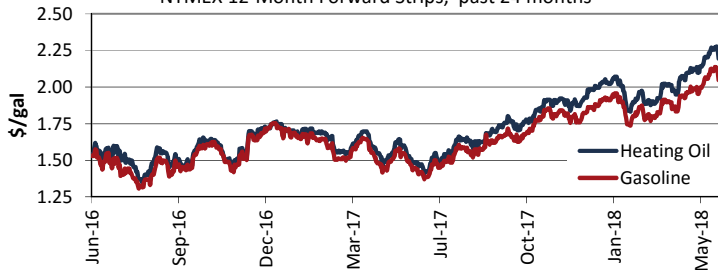


NYMEX WTI	last close	previous week	24-month high	24-month low
12 month strip, \$/bbl	\$64.56	\$63.49	\$70.12	\$43.04
date	6/1/18	1/24/18	5/21/18	8/2/16
change from last close		1.7%	-7.9%	50%

US STORAGE (in million bbls)	crude oil
domestic stocks as of	5/25/18
gain / loss from previous week	435
comparison to historic range	-3.6
	within

Heating Oil & Gasoline

NYMEX 12-Month Forward Strips, past 24 months

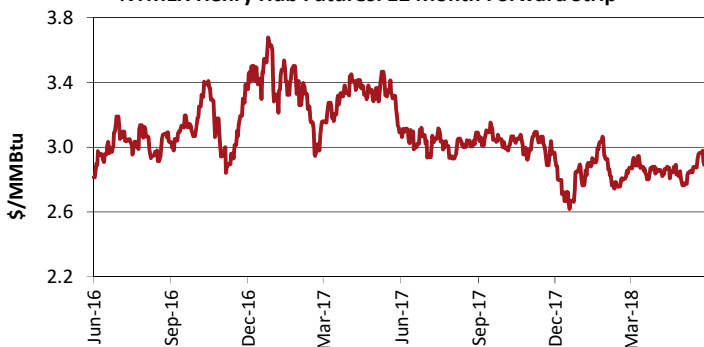


NYMEX Heating Oil	last close	previous week	24-month high	24-month low
12 month strip, \$/gal	\$2.19	\$2.06	\$2.28	\$1.34
date	6/1/18	1/24/18	5/23/18	8/2/16
change from last close		6.1%	-4%	63%

US STORAGE (in million bbls)	distillate	propane	gasoline	
domestic stocks as of	5/25/18	115	43	234
gain / loss from previous week	0.6	2.0	0.5	
comparison to historic range	within	within	within	

Natural Gas Market

NYMEX Henry Hub Futures: 12 Month Forward Strip

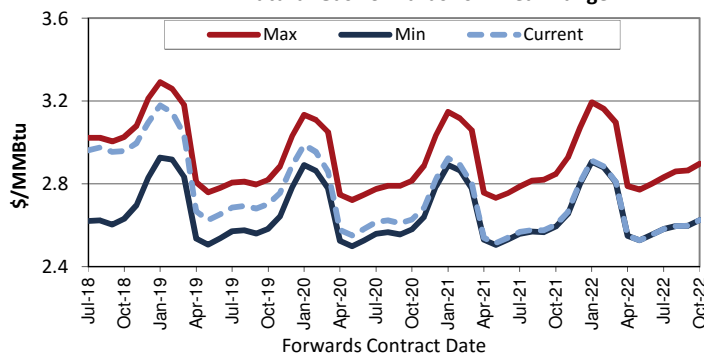


NYMEX PRICING	last close	previous week	24-month high	24-month low
12 mo. strip, \$/MMBtu	\$2.94	\$2.99	\$3.70	\$2.61
date	6/1/18	1/24/18	12/28/16	12/21/17
change from last close		-1.6%	-21%	12%

CES SCORE	
12 month	31
18 month	38
24 month	46
36 month	59

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



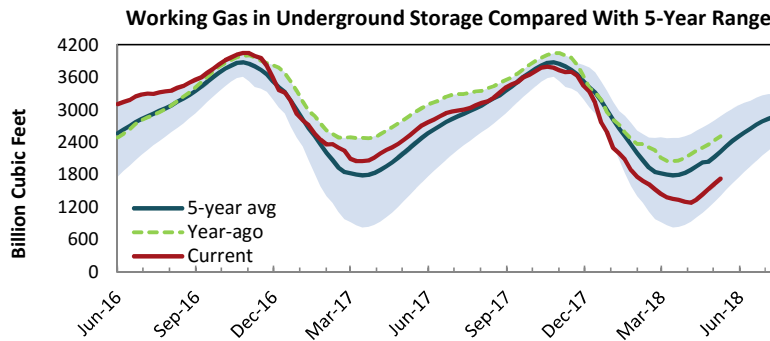
FORWARDS	12 month	18 month	24 month	36 month
strip (\$/MMBtu)	\$2.94	\$2.87	\$2.84	\$2.79

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	5/18/18	1,629	
Most Recent Stock Level	5/25/18	1,725	
Year-ago Stock Level		2,513	-31.4%
5-Year Average Stock Level		2,225	-22.5%
Most Recent Net Change	5/25/18	96	
Year-Ago Net Change		80	20%
5-Year Average Net Change		97	-1%

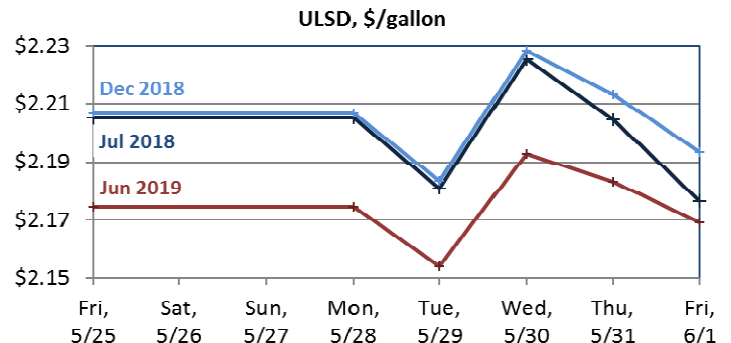
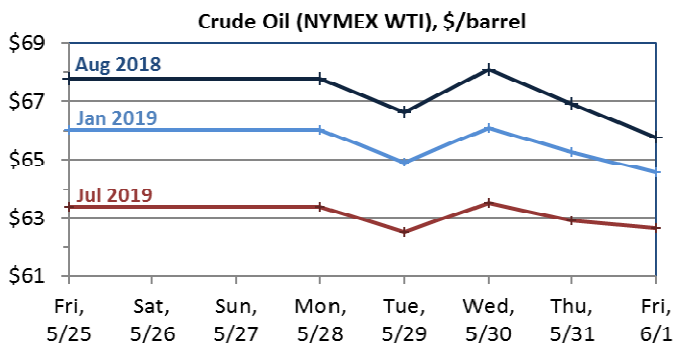
Data Source: EIA <http://tonto.eia.doe.gov/oog/info/ngs/ngs.html>

Market Assessment

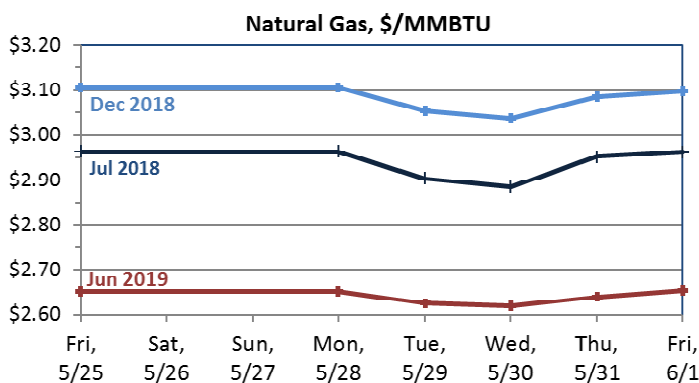
NYMEX Futures Summary Statistics

	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	\$65.81	Jul-18	\$65.81	Jun-19	\$62.97	\$64.50
Heating oil	Jun-18	5/31/18	\$2.19	Jul-18	\$2.18	Jan-19	\$2.20	May-19	\$2.17	\$2.19
Natural gas	Jun-18	5/29/18	\$2.88	Jul-18	\$2.96	Jan-19	\$3.18	May-19	\$2.63	\$3.09

NYMEX End-of-Day Settlements



Crude oil prices came down last week, especially for near-term contracts. Prompt month WTI, the US benchmark, has fallen 9% over the past two weeks as Saudi Arabia and Russia have signaled their readiness to ease the production limits that have been in place since the beginning of 2017. London-traded Brent crude, the international benchmark, also fell but at a slower pace. The premium for Brent over WTI has risen to \$11 due to transportation issues constraining crude oil coming from Texas and Oklahoma, which must get to refineries on the Gulf Coast. A decision on the OPEC cuts is expected at the next quarterly meeting, scheduled for June 22.

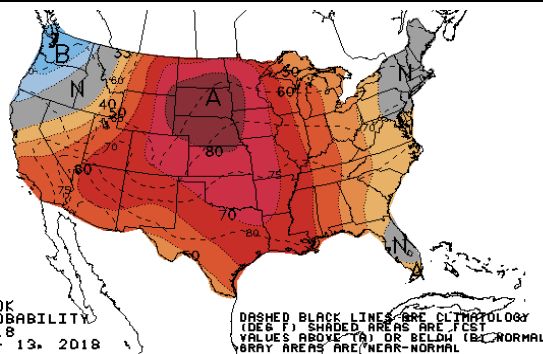


Natural gas prices jumped over 9 cents last week amid speculation that forecasted warm weather and high demand for generation could cap inventory builds through the summer. Both domestic production and LNG exports are expected to rise this year with the buildout of transportation and liquefaction infrastructure. 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 above-normal temperatures for almost all of the continental US except the Northwest and Northeast. The natural gas market scores on page 1 improved slightly 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 9 - 13



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



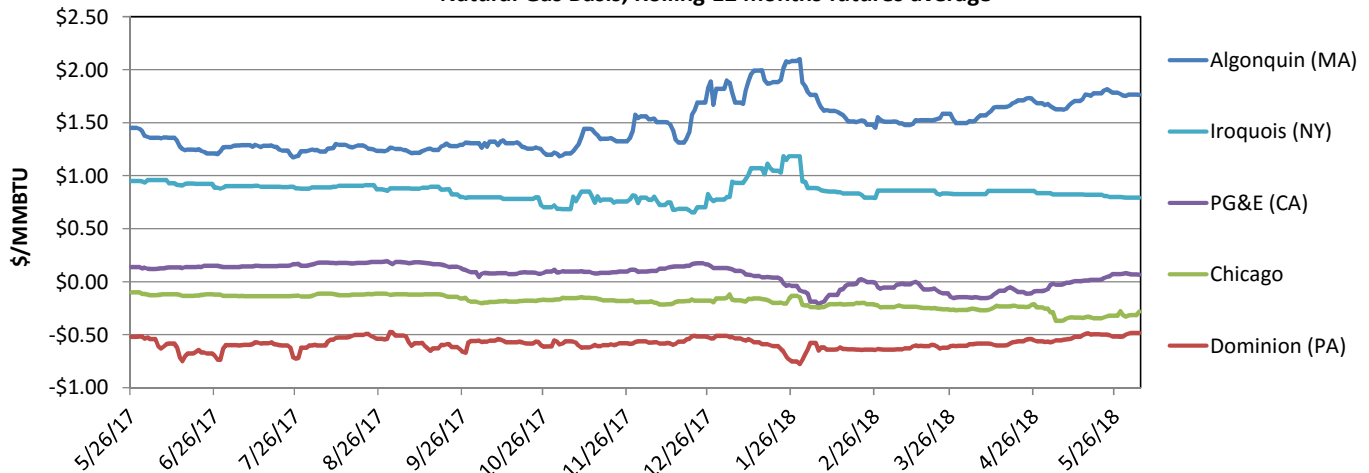
6-10 DAY OUTLOOK
TEMPERATURE PROBABILITY
MADE 3 JUN 2018
VALID JUN 09 - 13, 2018

DASHED BLACK LINES ARE CLIMATEOLOGY (50°F). SHADED AREAS ARE 1°CST VALUES ABOVE (A) OR BELOW (B) NORMAL. GRAY AREAS ARE NEAR-NORMAL.

Natural Gas Basis Futures

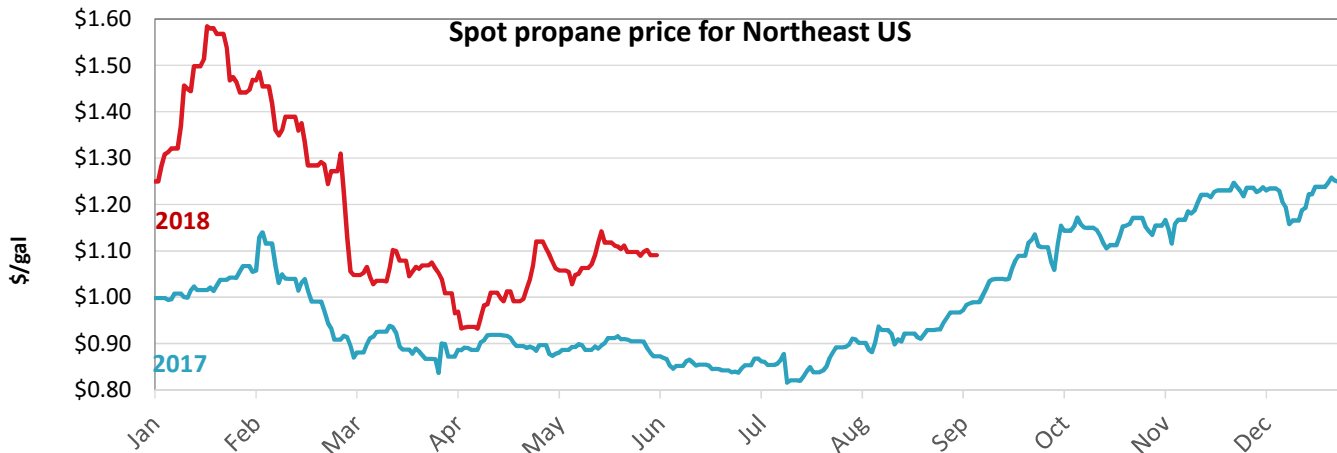
Basis is the price differential between Henry Hub, located in Erath, Louisiana, and the liquidity point closest to the end-user. Because Henry Hub is used as the delivery point for NYMEX natural gas futures contracts, the cost of using natural gas in any geographic region of the country can be approximated 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)								
		5/28/18	5/29/18	5/30/18	5/31/18	6/1/18	6/2/18	6/3/18	Avg	
Power (\$/MWh)	Maine RT On Pk	23	36	44	35	35			34	
	Maine RT Off Pk	18	16	57	23	23	69	24	33	
	NH RT On Pk	23	37	44	35	36			35	
	NH RT Off Pk	18	16	58	24	24	73	25	34	
	Vermont RT On Pk	22	38	43	35	36			35	
	Vermont RT Off Pk	17	15	57	24	24	73	25	34	
	Connecticut RT On Pk	22	39	44	35	36			35	
	Connecticut RT Off Pk	18	16	57	24	23	73	25	34	
	Rhode Island RT On Pk	22	37	43	34	35			34	
	Rhode Island RT Off Pk	18	16	58	24	24	73	25	34	
	NE Mass RT On Pk	23	37	43	34	35			35	
	NE Mass RT Off Pk	18	16	58	24	24	74	25	34	
	SE Mass RT On Pk	22	37	43	34	35			34	
	SE Mass RT Off Pk	18	16	58	24	24	74	25	34	
	WC Mass RT On Pk	22	37	44	35	36			35	
	WC Mass RT Off Pk	18	16	58	24	24	74	25	34	
			New York ISO Real Time Power Pricing By Zone (\$/MWh)							Avg
Power (\$/MWh)	Capital RT On Pk	18	59	52	35	40			41	
	Capital RT Off Pk	10	17	33	25	22	89	21	31	
	Central RT On Pk	17	61	50	35	33			39	
	Central RT Off Pk	6	17	28	24	20	34	13	20	
	Hudson RT On Pk	18	61	52	36	39			41	
	Hudson RT Off Pk	9	17	32	25	22	74	20	28	
	Mohawk RT On Pk	17	58	47	35	30			37	
	Mohawk RT Off Pk	6	16	28	20	20	15	11	17	
	Milwood RT On Pk	18	60	52	36	39			41	
	Milwood RT Off Pk	9	17	32	25	22	74	20	28	
	NYC RT On Pk	18	67	52	36	40			43	
	NYC RT Off Pk	9	18	33	25	22	76	19	29	
			PJM Real Time Power Pricing By Zone (\$/MWh)							Avg
	Power (\$/MWh)	Eastern Hub On Pk	14	71	38	33	33			38
		Eastern Hub Off Pk	(30)	18	23	20	20	20	20	13
Western Hub On Pk		28	123	64	82	82			76	
Western Hub Off Pk		(12)	19	23	21	21	21	21	16	
PPL Zone On Pk		11	75	37	30	30			37	
PPL Zone Off Pk		(45)	18	22	20	20	20	20	11	
AEP RT On Pk		46	129	58	94	94			84	
AEP RT Off Pk		13	19	23	21	21	21	21	20	
Chicago RT On Pk		37	55	38	59	59			49	
Chicago RT Off Pk		12	19	23	19	19	19	19	18	
New Jersey Hub On Pk		14	80	38	34	34			40	
New Jersey Hub Off Pk		(32)	18	22	20	20	20	20	13	
		California ISO Real Time Power Pricing (\$/MWh)							Avg	
Power (\$/MWh)	SoCal Edison RT On Pk	22	23	11	15	18			18	
	SoCal Edison RT Off Pk	73	42	44	27	11	27	23	35	
			5/28/18	5/29/18	5/30/18	5/31/18	6/1/18	6/2/18	6/3/18	Avg
Natural Gas \$/MMBtu	Henry Hub, LA		2.84	2.84	2.92	2.93			2.88	
	TZ6, MA		2.64	2.69	2.66	2.63			2.66	
	Algonquin, MA			2.54	2.69	2.48			2.57	
	Chicago Hub, IL		2.67	2.67	2.73	2.68			2.69	
	New York, NY		2.47	2.38	2.60	2.43			2.47	
	Dominion South, PA		2.39	2.38	2.54	2.43			2.44	
	Opal Hub, WY		2.04	2.04	2.22	2.33			2.16	
PG&E Citygate, CA			3.01	3.01	2.95			2.99		