



Competitive Energy Services Weekly Market Summary

June 19 - 23, 2017

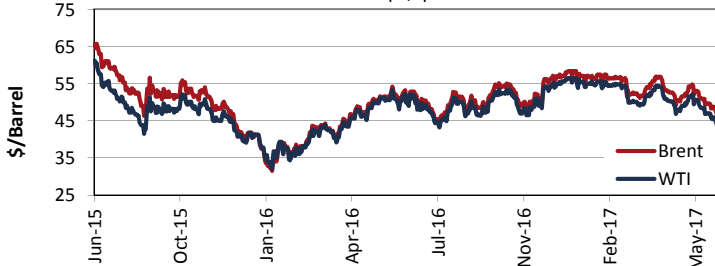
Synopsis of Last Week's Energy Markets

Crude oil prices fell once again as estimates for the timeframe that global demand would outpace production was pushed out to mid-2018. Prompt month WTI dipped to a 10-month low on Wednesday. Natural gas prices fell 3.6% last week on forecasts of mild weather that could bring down heating demand through the end of June. The southeast saw diminished production and demand for generation as Tropical Storm Cindy made landfall.

Oil Market

Crude Oil - WTI & Brent

12-Month Forward Strips, past 24 months

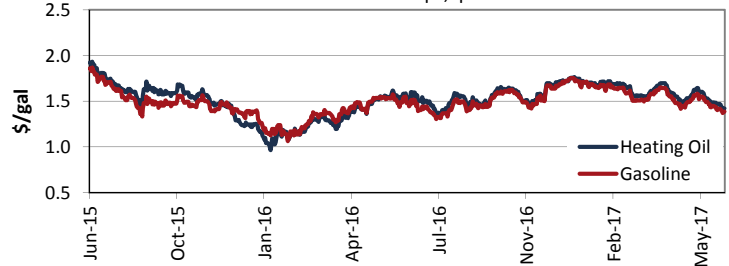


NYMEX WTI	last close	previous week	24-month high	24-month low
12 month strip, \$/bbl	\$44.34	\$45.91	\$61.06	\$32.40
date	6/23/17	6/16/17	6/25/15	1/20/16
change from last close		-3.4%	-27.4%	37%

US STORAGE (in million bbls)	crude oil
domestic stocks as of 6/16/17	509
gain / loss from previous week	-2.5
comparison to historic range	above

Heating Oil & Gasoline

NYMEX 12-Month Forward Strips, past 24 months

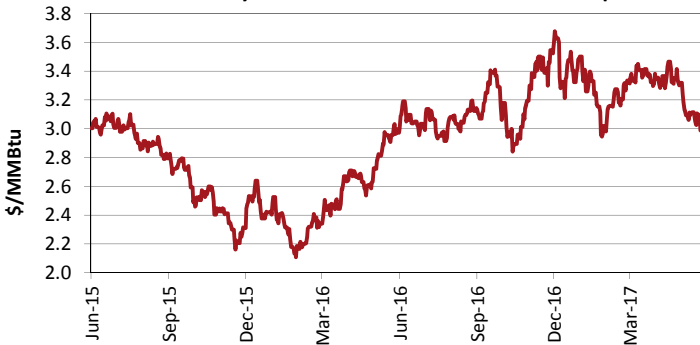


NYMEX Heating Oil	last close	previous week	24-month high	24-month low
12 month strip, \$/gal	\$1.42	\$1.47	\$1.94	\$0.97
date	6/23/17	6/16/17	6/30/15	1/20/16
change from last close		-3.6%	-27%	46%

US STORAGE (in million bbls)	distillate	propane	gasoline
domestic stocks as of 6/16/17	152	55	242
gain / loss from previous week	1.1	1.75	-0.6
comparison to historic range	within	within	above

Natural Gas Market

NYMEX Henry Hub Futures: 12 Month Forward Strip

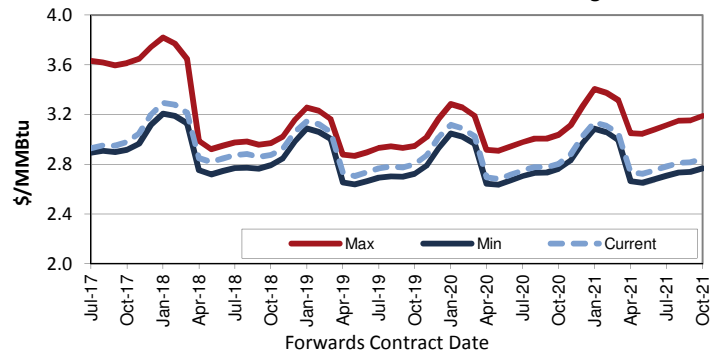


NYMEX PRICING	last close	previous week	24-month high	24-month low
12 mo. strip, \$/MMBtu	\$3.03	\$3.10	\$3.70	\$2.11
date	6/23/17	6/16/17	12/28/16	2/25/16
change from last close		-2.1%	-18%	44%

CES SCORE	
12 month	80
18 month	71
24 month	70
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)	\$3.03	\$2.99	\$2.97	\$2.94

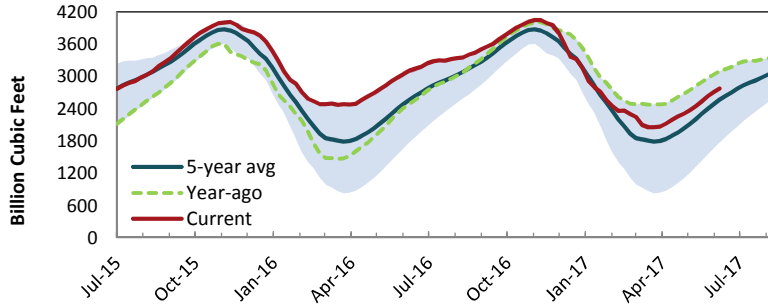
Natural gas futures are useful for both natural gas and electricity consumers because they drive electricity pricing in many U.S. markets. This chart compares the current natural gas price for each forward month on the NYMEX exchange to the highest and lowest prices for the same month over the past 12 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	6/9/17	2,709	
Most Recent Stock Level	6/16/17	2,770	
Year-ago Stock Level		3,094	-10.5%
5-Year Average Stock Level		2,563	8.1%
Most Recent Net Change	6/16/17	61	
Year-Ago Net Change		63	
5-Year Average Net Change		82	

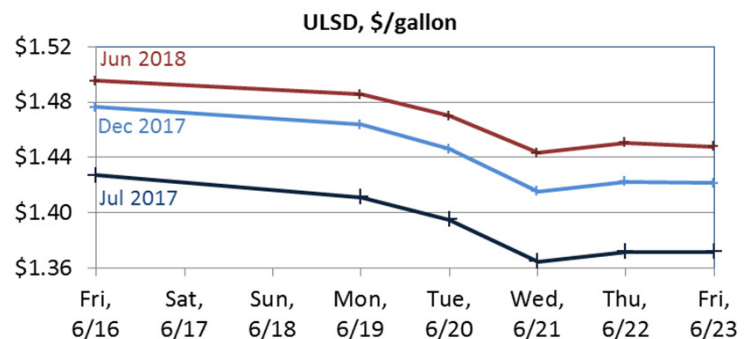
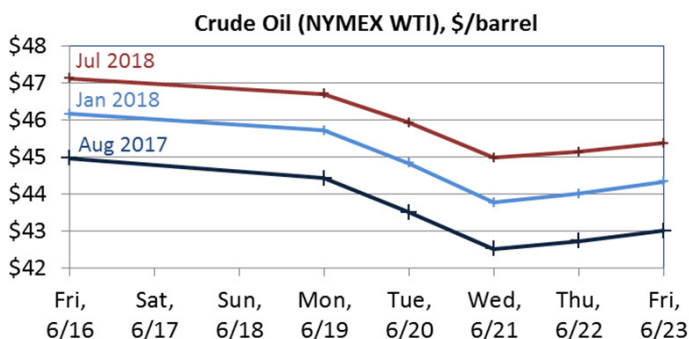
Data Source: EIA <http://tonto.eia.doe.gov/oog/info/ngs/ngs.html>

Market Assessment

NYMEX Futures Summary Statistics

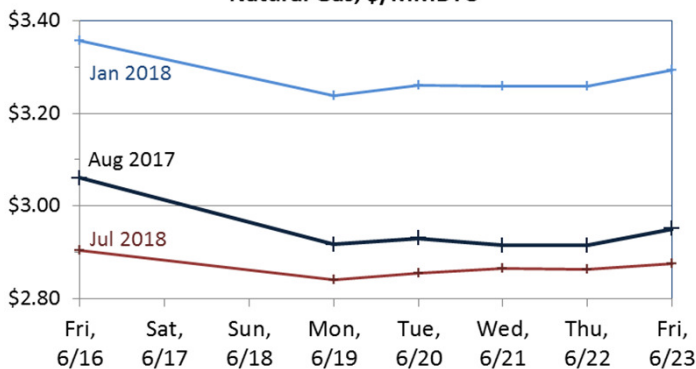
	Last Expired Contract	Exp. Date	Price	Prompt Month	Price	Most Expensive Next 12 Months	Price	Least Expensive Next 12 Months	Price	Next Winter Avg (Nov17-Mar18)
Crude oil	Jul-17	5/22/17	\$43.23	Aug-17	\$43.01	Jul-18	\$45.38	Aug-17	\$43.01	\$44.31
Heating oil	Jun-17	5/31/17	\$1.52	Jul-17	\$1.37	Jun-18	\$1.45	Jul-17	\$1.37	\$1.43
Natural gas	Jun-17	4/26/17	\$3.24	Jul-17	\$2.93	Jan-18	\$3.29	May-18	\$2.82	\$3.21

NYMEX End-of-Day Settlements



Crude oil prices dropped for the fifth consecutive week, losing over 16% since late May. OPEC reports that its coalition of producers achieved 106% compliance in May; however, the cuts are offset by members exempt from the agreement and also by increasing production from the US. Libya has managed to triple its output over the past year, even at a time of extreme instability. Multiple factions are struggling for control of the government while also battling tribal militias who have at certain points managed to gain control of major export terminals. Domestically, lower-than-normal demand for gasoline has been keeping a cap on WTI, especially in conjunction with record high refining rates for late May into early June.

Natural Gas, \$/MMBTU



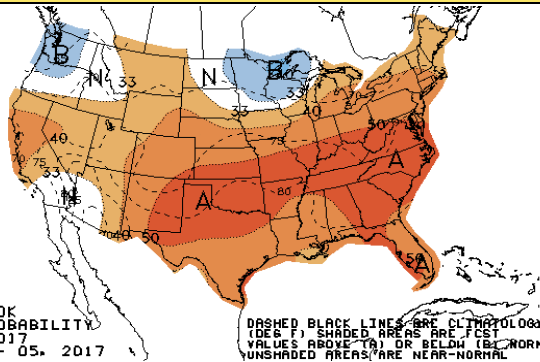
Natural gas prices fell dramatically early last week as forecasts of a mild end to June and predictions that rainfall from Tropical Storm Cindy would bring cool temperatures in the South. July futures fell 14.3 cents on Monday alone and recovered only slightly over the remainder of the week, closing at \$2.93 on Friday. The storage surplus narrowed to 8% this week following a 61 Bcf injection; this did little to strengthen prices, however, as the average forecast for the week had been much lower at 55 Bcf. Both supply and demand fell towards the end of the week as storm conditions hindered southeast production and dampened power burn demand. Cooling demand is expected to recover as temperatures warm in early July.

The National Weather Service near-term forecast calls for above-normal temperatures for almost all of the continental United States. The natural gas market scores on page 1 improved dramatically 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 25 JUN 2017
VALID JUL 01 - 05, 2017



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

6 - 10 Day Forecast for July 1 - 5, 2017

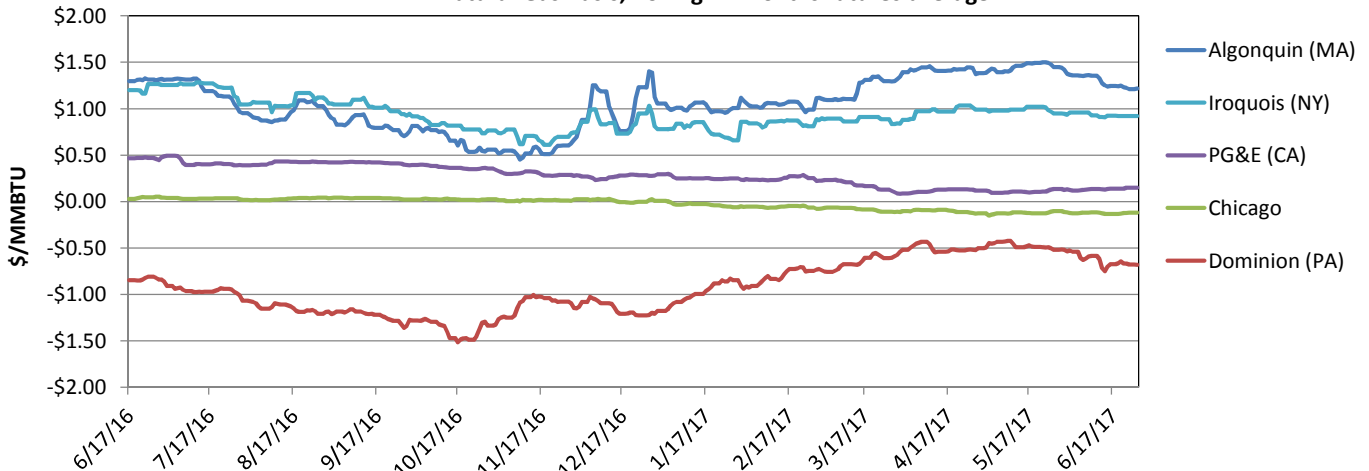
This map depicts forecasted temperatures for next week compared to the long term average. The blue/purple areas are forecast to be colder than normal, white areas are normal, and yellow/orange/red areas are warmer than normal. Abnormally hot weather in the summer and cold weather in the winter can increase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

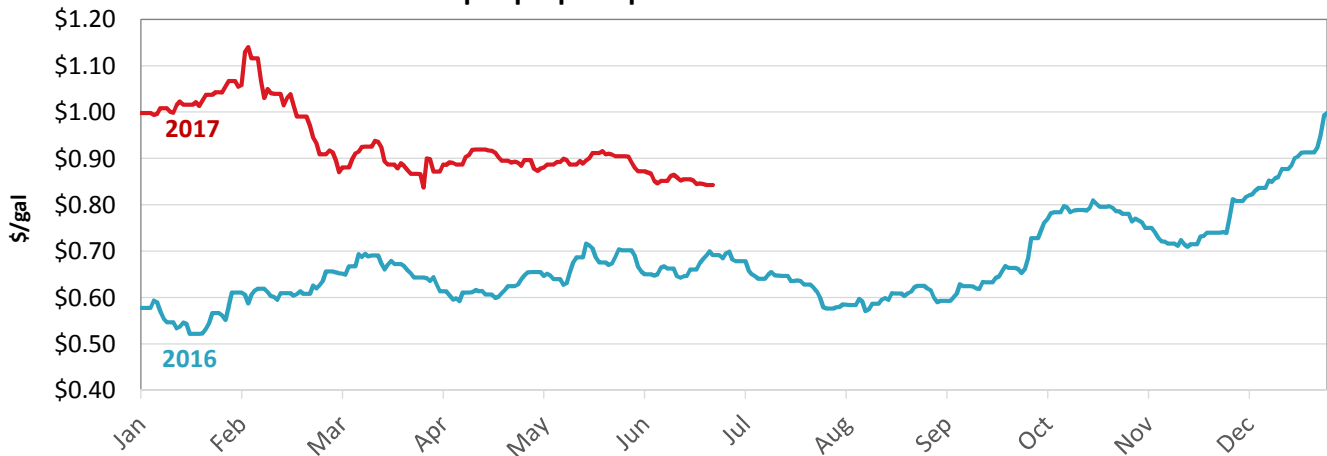
Basis is the price differential between Henry Hub, located in Erath, Louisiana, and the liquidity point closest to the end-user. Because Henry Hub is used as the delivery point for NYMEX natural gas futures contracts, the cost of using natural gas in any geographic region of the country can be approximated 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	
		6/19/17	6/20/17	6/21/17	6/22/17	6/23/17	6/24/17	6/25/17		
Power (\$/MWh)	Maine RT On Pk	61	24	28	27	35			35	
	Maine RT Off Pk	22	20	19	16	22	28	22	21	
	NH RT On Pk	63	25	28	28	37			36	
	NH RT Off Pk	23	20	20	16	23	28	23	22	
	Vermont RT On Pk	64	25	28	28	37			36	
	Vermont RT Off Pk	23	20	20	16	23	28	22	22	
	Connecticut RT On Pk	65	26	29	29	38			37	
	Connecticut RT Off Pk	24	21	20	17	23	29	23	22	
	Rhode Island RT On Pk	63	26	28	28	37			36	
	Rhode Island RT Off Pk	23	20	20	16	23	29	23	22	
	NE Mass RT On Pk	64	26	28	28	37			37	
	NE Mass RT Off Pk	23	20	20	16	23	29	23	22	
	SE Mass RT On Pk	63	26	28	28	37			36	
	SE Mass RT Off Pk	23	20	20	16	23	29	23	22	
	WC Mass RT On Pk	64	26	29	28	38			37	
	WC Mass RT Off Pk	23	20	20	16	23	29	23	22	
		New York ISO Real Time Power Pricing By Zone (\$/MWh)							Avg	
Power (\$/MWh)	Capital RT On Pk	35	22	27	31	33			30	
	Capital RT Off Pk	22	18	21	12	22	25	22	20	
	Central RT On Pk	33	22	26	32	32			29	
	Central RT Off Pk	21	17	19	11	22	22	19	19	
	Hudson RT On Pk	57	28	31	33	38			37	
	Hudson RT Off Pk	23	18	22	13	23	25	22	21	
	Mohawk RT On Pk	35	23	26	31	33			30	
	Mohawk RT Off Pk	21	17	20	12	21	22	19	19	
	Milwood RT On Pk	61	29	32	33	39			39	
	Milwood RT Off Pk	23	18	22	13	24	25	22	21	
	NYC RT On Pk	61	34	38	39	40			42	
	NYC RT Off Pk	23	19	23	13	25	29	24	22	
			PJM Real Time Power Pricing By Zone (\$/MWh)							Avg
	Power (\$/MWh)	Eastern Hub On Pk	47	27	30	49	32			37
		Eastern Hub Off Pk	24	18	19	18	22	22	22	21
		Western Hub On Pk	50	26	29	34	35			35
Western Hub Off Pk		23	18	18	18	23	23	23	21	
PPL Zone On Pk		53	27	29	35	35			36	
PPL Zone Off Pk		23	17	18	18	22	22	22	20	
AEP RT On Pk		37	25	29	33	31			31	
AEP RT Off Pk		23	18	18	19	23	23	23	21	
Chicago RT On Pk		27	24	28	34	31			29	
Chicago RT Off Pk		19	17	18	18	22	22	22	20	
New Jersey Hub On Pk		63	28	29	37	40			39	
New Jersey Hub Off Pk		24	18	18	18	23	23	23	21	
		California ISO Real Time Power Pricing (\$/MWh)							Avg	
Natural Gas \$/MMBtu	SoCal Edison RT On Pk	56	75	68	34	29			52	
	SoCal Edison RT Off Pk	29	31	27	27	23	25	32	28	
			6/19/17	6/20/17	6/21/17	6/22/17	6/23/17	6/24/17	6/25/17	Avg
	Henry Hub, LA	2.86	2.87	2.88	2.85	2.86			2.86	
	TZ6, MA	2.62	2.82	2.82	2.94	2.39			2.72	
	Algonquin, MA	2.66		2.90		2.50			2.69	
	Chicago Hub, IL	2.77	2.77	2.80	2.71	2.68			2.75	
	New York, NY	1.98	1.96	1.96	1.96	1.81			1.93	
	Dominion South, PA	1.87	1.85	1.83	1.84	1.76			1.83	
	Opal Hub, WY	2.65	2.65	2.66	2.60	2.54			2.62	
	PG&E Citygate, CA	3.14	3.14	3.19	3.15	3.12			3.15	
	Kern River Deliveries	3.41	3.78	3.62	2.96	2.66			3.29	