



Competitive Energy Services Weekly Market Summary

June 25 - 29, 2018

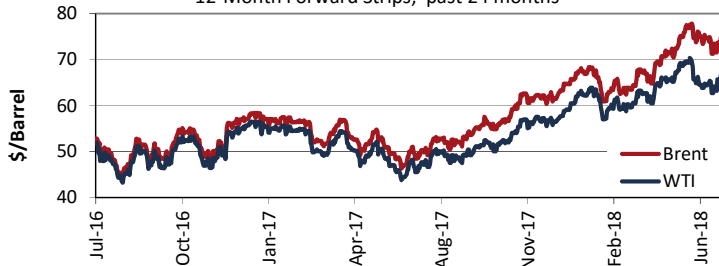
Synopsis of Last Week's Energy Markets

Crude oil climbed dramatically last week, with prompt month WTI closing above the \$70 mark on Tuesday and continuing to soar over \$74 by week's end. A major outage in Canada's oil sands production region will impact US stockpiles at least through July. Natural gas prices remained flat last week as cooling demand weighed against high production levels. Current gas in storage is almost 20% below the 5-year average and 26% below this time last year.

Oil Market

Crude Oil - WTI & Brent

12-Month Forward Strips, past 24 months

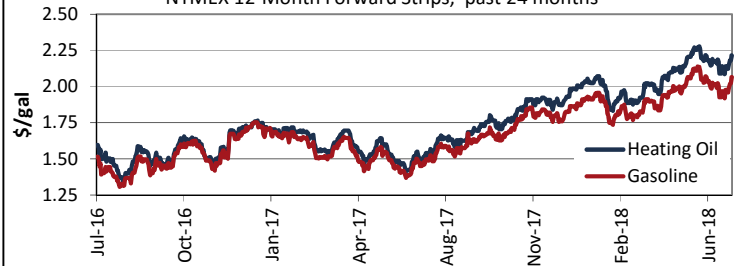


NYMEX WTI	last close	previous week	24-month high	24-month low
12 month strip, \$/bbl	\$68.92	\$63.49	\$70.12	\$43.04
date	6/29/18	1/24/18	5/21/18	8/2/16
change from last close		8.5%	-1.7%	60%

US STORAGE (in million bbls)	crude oil
domestic stocks as of	6/22/18
gain / loss from previous week	417
comparison to historic range	-9.9
	within

Heating Oil & Gasoline

NYMEX 12-Month Forward Strips, past 24 months

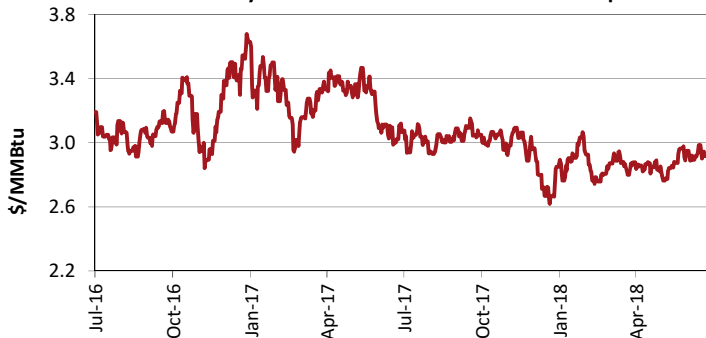


NYMEX Heating Oil	last close	previous week	24-month high	24-month low
12 month strip, \$/gal	\$2.22	\$2.06	\$2.28	\$1.34
date	6/29/18	1/24/18	5/23/18	8/2/16
change from last close		7.6%	-3%	65%

US STORAGE (in million bbls)	distillate	propane	gasoline	
domestic stocks as of	6/22/18	117	58	241
gain / loss from previous week	0.0	4.3	1.2	
comparison to historic range	below	within	within	

Natural Gas Market

NYMEX Henry Hub Futures: 12 Month Forward Strip

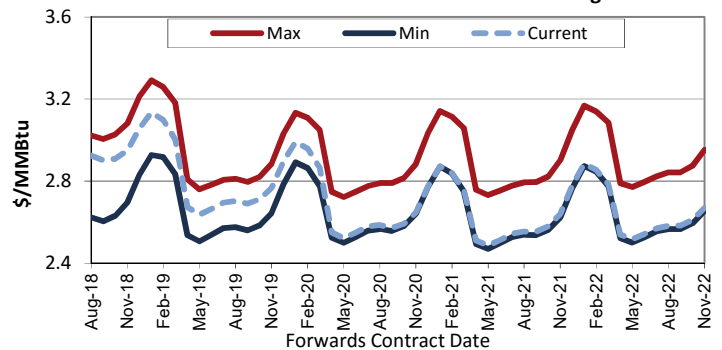


NYMEX PRICING	last close	previous week	24-month high	24-month low
12 mo. strip, \$/MMBtu	\$2.89	\$2.99	\$3.70	\$2.61
date	6/29/18	1/24/18	12/28/16	12/21/17
change from last close		-3.3%	-22%	10%

CES SCORE	
12 month	41
18 month	44
24 month	53
36 month	67

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	\$2.86	\$2.81	\$2.75

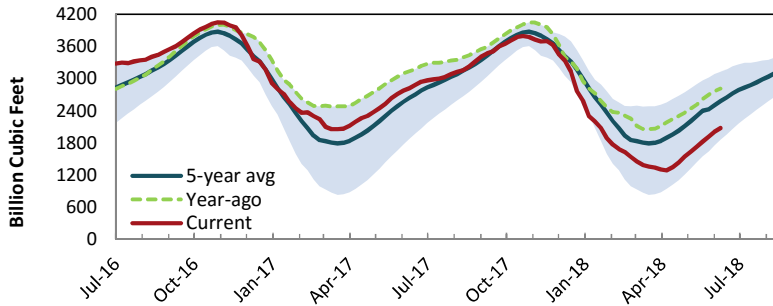
Natural gas futures are useful for both natural gas and electricity consumers because they drive electricity pricing in many U.S. markets. This chart compares the current natural gas price for each forward month on the NYMEX exchange to the highest and lowest prices for the same month over the past 12 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	6/15/18	2,008	
Most Recent Stock Level	6/22/18	2,074	
Year-ago Stock Level		2,809	-26.2%
5-Year Average Stock Level		2,575	-19.5%
Most Recent Net Change	6/22/18	66	
Year-Ago Net Change		48	38%
5-Year Average Net Change		72	-8%

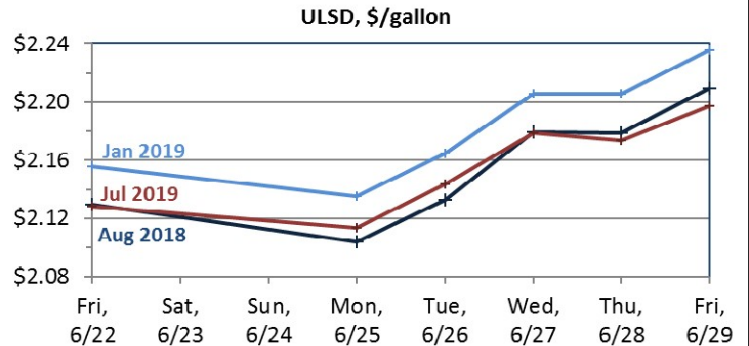
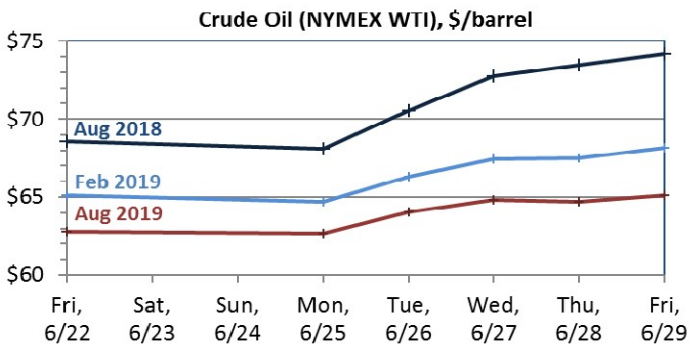
Data Source: EIA <http://tonto.eia.doe.gov/oog/info/ngs/ngs.html>

Market Assessment

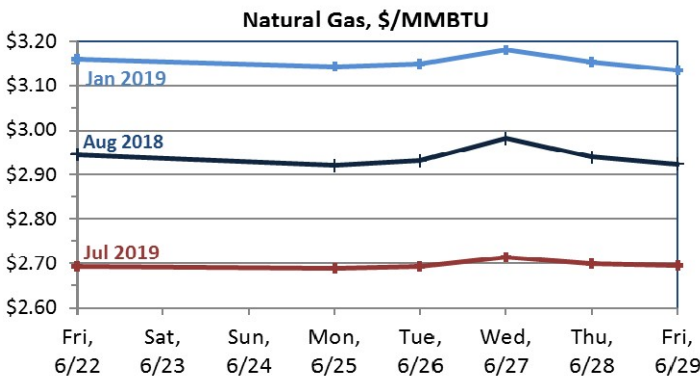
NYMEX Futures Summary Statistics

	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	Jul-18	6/20/18	\$66.22	Aug-18	\$74.15	Aug-18	\$74.15	Jun-19	\$65.59	\$68.85
Heating oil	Jul-18	6/29/18	\$2.21	Aug-18	\$2.21	Jan-19	\$2.24	Jun-19	\$2.19	\$2.23
Natural gas	Jul-18	6/27/18	\$3.00	Aug-18	\$2.92	Jan-19	\$3.14	May-19	\$2.64	\$3.05

NYMEX End-of-Day Settlements



Prompt month WTI closed last week over \$74, a price not seen since November 2014. Supply disruptions were the driving forces, overshadowing OPEC's decision to release more production. A power outage at a Syncrude Canada facility in the Alberta oil sands region could impact as much as 10% of Canadian production; the facility is expected offline at least through July. Domestically, the EIA reported that total US crude oil stocks fell 10M barrels, and stocks at the NYMEX storage hub in Cushing, Oklahoma, have fallen for the past 6 weeks (prior to the Syncrude outage). Internationally, anti-government forces in Libya gained control of major export terminal, and the US told allies to sever ties to Iran, including oil interests, by November.

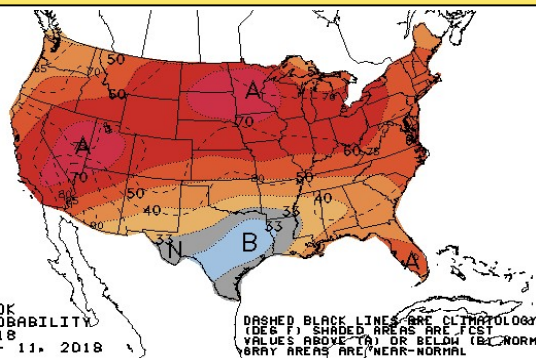


Natural gas prices remained consistent last week with prices hovering just under \$3/MMBtu and ending on Friday at \$2.939/MMBtu. Prices fell slightly on Monday as production increased, up 12% from last year as of June 21. This dip was reversed by a rise of 1.6 cents on Tuesday that can be attributed to increased cooling load as high temperatures continue across much of the United States. Natural gas inventory increased by 66 Bcf from last week, resulting in a total inventory of 2,074 Bcf, 501 Bcf less than the five-year average. This leaves the storage deficit at 19.5% as of June 22. Looking forward, natural gas futures for August fell today by 6 cents to \$2.862 as temperatures are predicted to normalize and gas production is slated to continue at record levels.

The National Weather Service near-term forecast calls for above-normal temperatures for most of the United States. 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 Jul 7 - 11



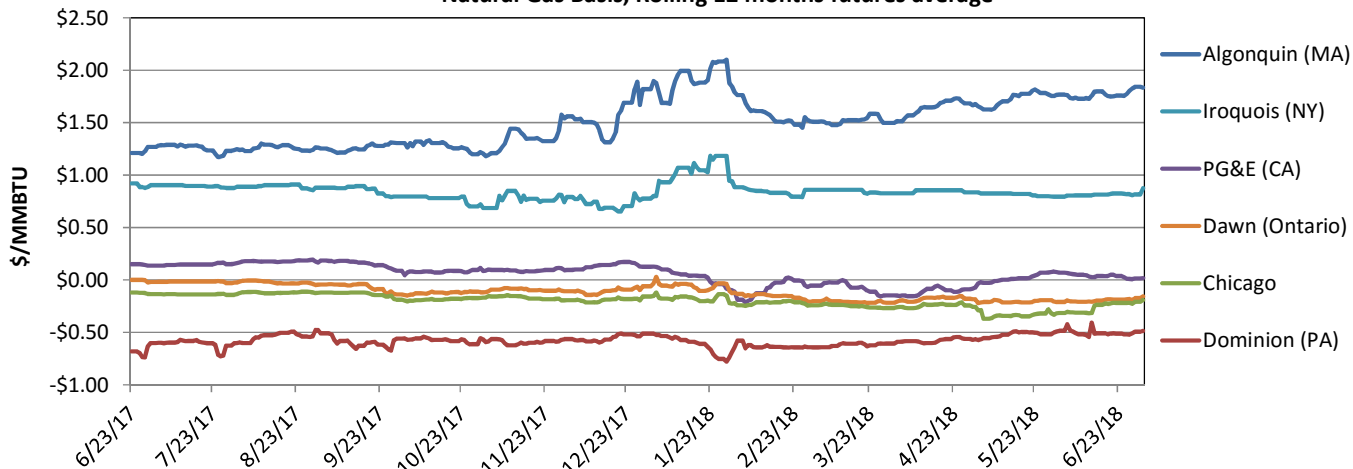
This map depicts forecasted temperatures for next week compared to the long term average. The blue/purple areas are forecast to be colder than normal, white areas are normal, and yellow/orange/red areas are warmer than normal. Abnormally hot weather in the summer and cold weather in the winter can increase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

Source: Chart from the National Weather Service Climate Prediction

Natural Gas Basis Futures

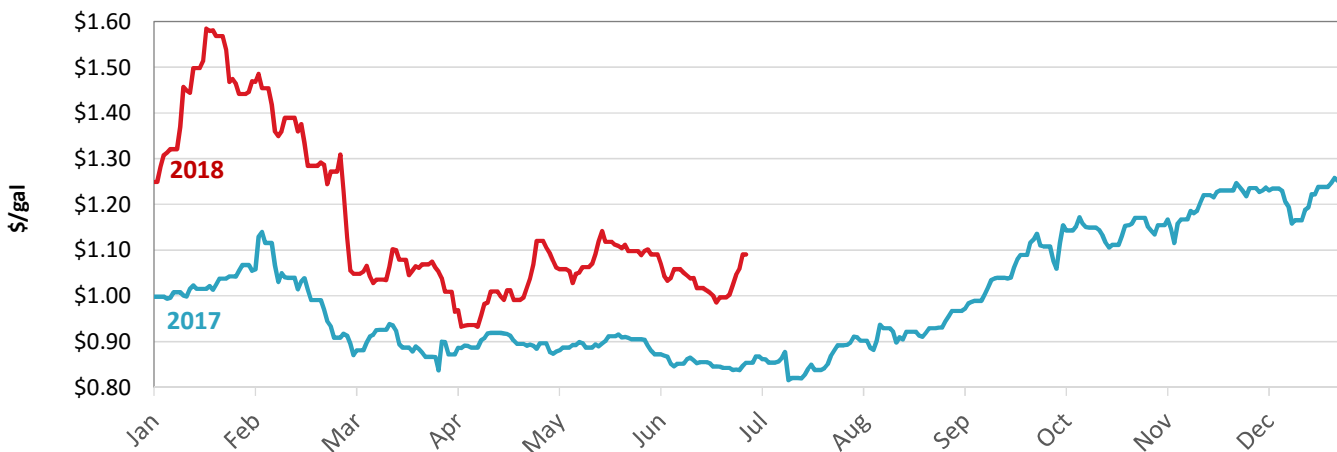
Basis is the price differential between Henry Hub, located in Erath, Louisiana, and the liquidity point closest to the end-user. Because Henry Hub is used as the delivery point for NYMEX natural gas futures contracts, the cost of using natural gas in any geographic region of the country can be approximated 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	
		6/25/18	6/26/18	6/27/18	6/28/18	6/29/18	6/30/18	7/1/18		
Power (\$/MWh)	Maine RT On Pk	29	24	22	35	35			29	
	Maine RT Off Pk	20	23	18	23	23	36	47	27	
	NH RT On Pk	29	24	23	36	35			30	
	NH RT Off Pk	21	24	25	26	23	36	48	29	
	Vermont RT On Pk	28	24	23	36	34			29	
	Vermont RT Off Pk	20	24	25	26	23	36	48	29	
	Connecticut RT On Pk	29	24	23	36	35			29	
	Connecticut RT Off Pk	21	24	25	26	24	36	49	29	
	Rhode Island RT On Pk	29	24	23	36	35			29	
	Rhode Island RT Off Pk	21	24	25	26	23	36	48	29	
	NE Mass RT On Pk	29	24	23	36	35			30	
	NE Mass RT Off Pk	21	24	25	26	23	36	48	29	
	SE Mass RT On Pk	29	24	23	36	35			30	
	SE Mass RT Off Pk	21	24	25	26	23	36	48	29	
	WC Mass RT On Pk	29	24	23	36	35			30	
	WC Mass RT Off Pk	21	24	25	26	24	36	49	29	
			New York ISO Real Time Power Pricing By Zone (\$/MWh)							Avg
	Power (\$/MWh)	Capital RT On Pk	28	27	24	36	35			30
		Capital RT Off Pk	17	23	24	25	25	31	39	26
		Central RT On Pk	27	26	23	35	35			29
Central RT Off Pk		7	21	21	24	18	29	38	23	
Hudson RT On Pk		29	28	25	38	36			31	
Hudson RT Off Pk		14	23	24	25	23	31	40	26	
Mohawk RT On Pk		27	26	24	36	34			30	
Mohawk RT Off Pk		7	21	21	24	18	28	38	23	
Milwood RT On Pk		29	28	25	38	36			31	
Milwood RT Off Pk		14	23	24	25	23	31	40	26	
NYC RT On Pk		33	30	25	38	38			33	
NYC RT Off Pk		14	23	24	26	25	33	46	27	
		PJM Real Time Power Pricing By Zone (\$/MWh)							Avg	
Power (\$/MWh)		Eastern Hub On Pk	24	24	21	40	40			30
		Eastern Hub Off Pk	19	18	21	21	21	21	21	20
		Western Hub On Pk	29	27	35	39	39			34
	Western Hub Off Pk	19	18	21	20	20	20	20	20	
	PPL Zone On Pk	27	26	31	38	38			32	
	PPL Zone Off Pk	18	18	20	20	20	20	20	20	
	AEP RT On Pk	31	28	39	39	39			35	
	AEP RT Off Pk	19	18	21	20	20	20	20	20	
	Chicago RT On Pk	29	27	39	38	38			34	
	Chicago RT Off Pk	18	18	21	20	20	20	20	20	
	New Jersey Hub On Pk	25	25	25	39	39			31	
	New Jersey Hub Off Pk	19	18	21	21	21	21	21	20	
			California ISO Real Time Power Pricing (\$/MWh)							Avg
	Power (\$/MWh)	SoCal Edison RT On Pk	29	24	25	22	20			24
SoCal Edison RT Off Pk		22	24	25	30	53	24	29	30	
		6/25/18	6/26/18	6/27/18	6/28/18	6/29/18	6/30/18	7/1/18	Avg	
Natural Gas \$/MMBtu	Henry Hub, LA	2.93	2.93	3.00	2.97	2.97			2.96	
	TZ6, MA	2.62	2.60	2.84	3.34	3.34			2.95	
	Algonquin, MA	2.56	2.59	2.79	3.43	3.45			2.96	
	Chicago Hub, IL	2.60	2.71	2.82	2.83	2.80			2.75	
	New York, NY	2.39	2.30	2.43	2.73	2.70			2.51	
	Dominion South, PA	2.29	2.25	2.33	2.50	2.58			2.39	
	Opal Hub, WY	1.82	1.90	1.89	2.22	2.27			2.02	
	PG&E Citygate, CA	2.91	2.94	2.98	3.05	2.96			2.97	