



Competitive Energy Services Weekly Market Summary

July 3 - 7, 2017

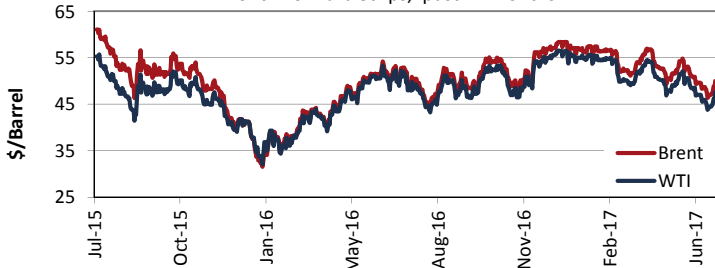
Synopsis of Last Week's Energy Markets

Crude oil prices fell last week, declining each day after the July 4th holiday. Exports from OPEC countries continued to increase for a second month, and domestic production gained by 88,000 barrels per day. Natural gas prices fell last week amid forecasts for mild weather through mid-July. Last week's storage gain was larger than average and muted cooling demand could bring strong gains in the coming weeks, expanding the storage surplus.

Oil Market

Crude Oil - WTI & Brent

12-Month Forward Strips, past 24 months

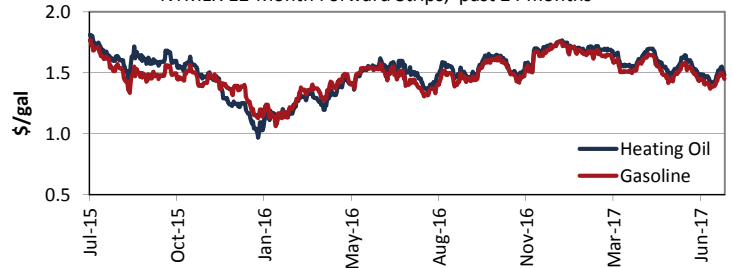


NYMEX WTI	last close	previous week	24-month high	24-month low
12 month strip, \$/bbl	\$45.38	\$47.53	\$56.70	\$32.40
date	7/7/17	6/30/17	1/6/17	1/20/16
change from last close		-4.5%	-20.0%	40%

US STORAGE (in million bbls)	crude oil
domestic stocks as of	6/30/17
	503
gain / loss from previous week	-6.3
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	\$1.48	\$1.52	\$1.81	\$0.97
date	7/7/17	6/30/17	7/10/15	1/20/16
change from last close		-2.5%	-18%	53%

US STORAGE (in million bbls)	distillate	propane	gasoline	
domestic stocks as of	6/30/17	150	61	237
gain / loss from previous week	-1.9	2.1	-3.7	
comparison to historic range	within	within	above	

Natural Gas Market

NYMEX Henry Hub Futures: 12 Month Forward Strip

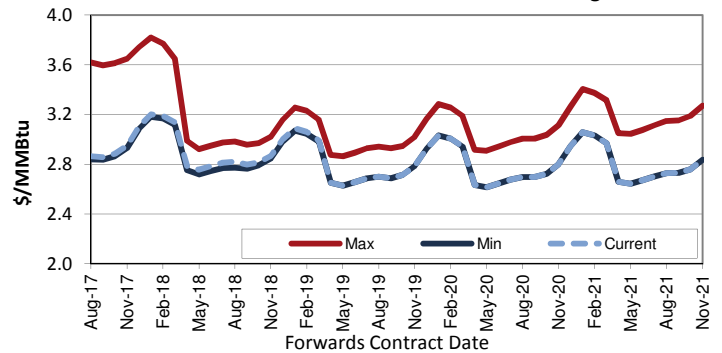


NYMEX PRICING	last close	previous week	24-month high	24-month low
12 mo. strip, \$/MMBtu	\$2.94	\$3.07	\$3.70	\$2.11
date	7/7/17	6/30/17	12/28/16	2/25/16
change from last close		-4.4%	-20%	39%

CES SCORE	
12 month	92
18 month	90
24 month	92
36 month	95

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	\$2.93	\$2.89	\$2.85

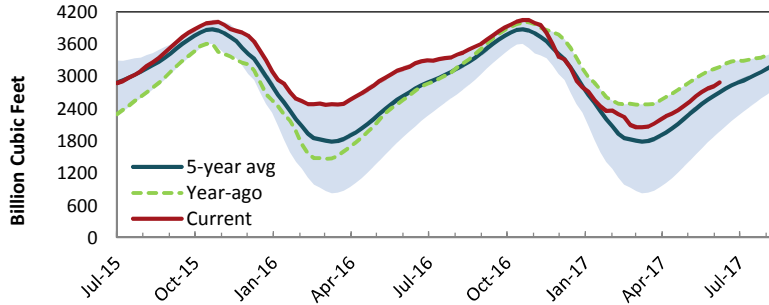
Natural gas futures are useful for both natural gas and electricity consumers because they drive electricity pricing in many U.S. markets. This chart compares the current natural gas price for each forward month on the NYMEX exchange to the highest and lowest prices for the same month over the past 12 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	6/23/17	2,816	
Most Recent Stock Level	6/30/17	2,888	
Year-ago Stock Level		3,173	-9.0%
5-Year Average Stock Level		2,701	6.9%
Most Recent Net Change	6/30/17	72	
Year-Ago Net Change		38	
5-Year Average Net Change		66	

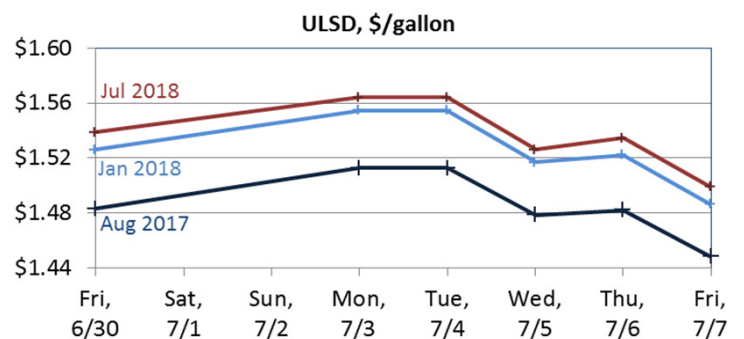
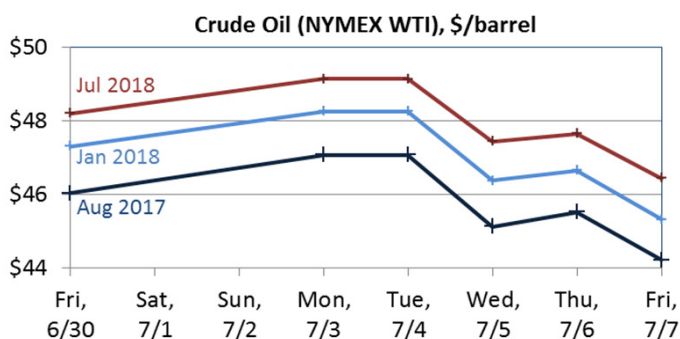
Data Source: EIA <http://tonto.eia.doe.gov/oog/info/ngs/ngs.html>

Market Assessment

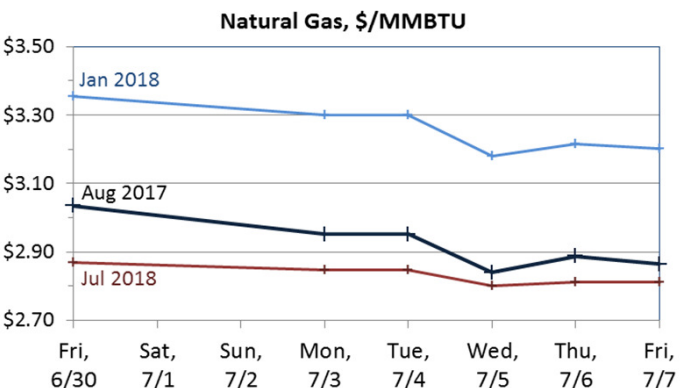
NYMEX Futures Summary Statistics

	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	6/20/17	\$47.07	Aug-17	\$44.23	Jul-18	\$46.44	Aug-17	\$44.23	\$45.31
Heating oil	Jul-17	6/30/17	\$1.48	Aug-17	\$1.45	Jul-18	\$1.50	Aug-17	\$1.45	\$1.48
Natural gas	Jul-17	6/28/17	\$3.07	Aug-17	\$2.86	Jan-18	\$3.20	May-18	\$2.76	\$3.12

NYMEX End-of-Day Settlements



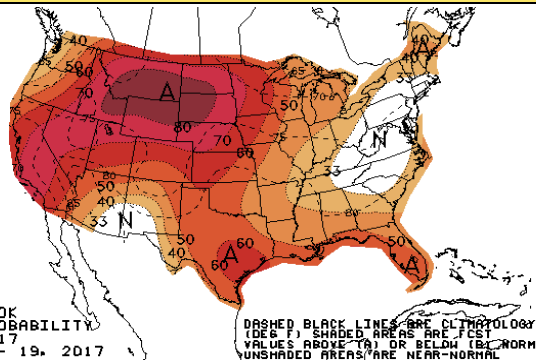
Crude oil erased some of the gains from the previous week (ending June 30) though not all. Prices rose Monday, still riding on US production and rig data from the prior week. However, prices began sliding mid-week on news that OPEC oil exports increased in June, the second consecutive monthly increase. Still, members of the OPEC-led production cuts appear wary of deepening the cuts. Domestically, the EIA weekly report was bearish on prices. Production resumed its steady climb after briefly dipping in the previous report due to maintenance and storm outages. On Friday Baker Hughes Inc. reported that oil rigs increased by 7, further pushing prices downwards.



Natural gas prices fell 5.6% week-over-week as the long-anticipated sweltering summer heat appeared to be delayed yet again. Early-week forecasts indicated that temperatures would be typical across the continental U.S. through mid-July, limiting the growth of power burn demand and allowing the storage surplus to persist. August futures fell 17 cents to \$2.86 by the close on Friday. The EIA reported a larger-than-average storage gain of 72 Bcf, due in part to slightly stronger dry production. Last week during his visit to Warsaw President Trump alluded to one fate of long-term production gains, encouraging Poland purchase U.S. LNG as liquefaction and export capacity expand in the coming years.

The National Weather Service near-term forecast calls for above-normal temperatures for almost all of the United States. The natural gas market scores on page 1 improved from the previous week, indicating that prices are very close to at a 1-year low. 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 July 15 - 19, 2017

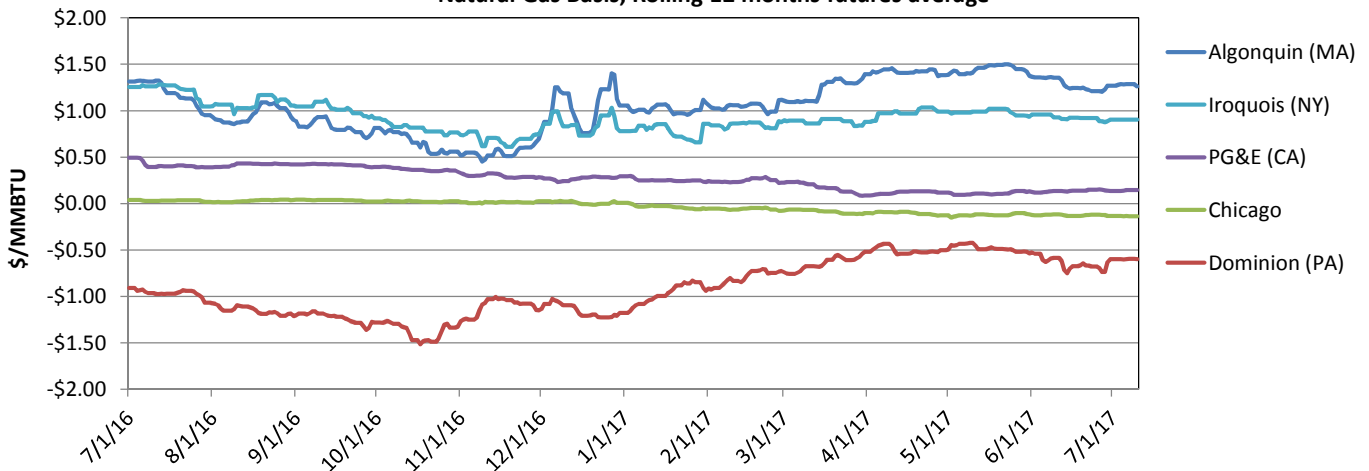
This map depicts forecasted temperatures for next week compared to the long term average. The blue/purple areas are forecast to be colder than normal, white areas are normal, and yellow/orange/red areas are warmer than normal. Abnormally hot weather in the summer and cold weather in the winter can increase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

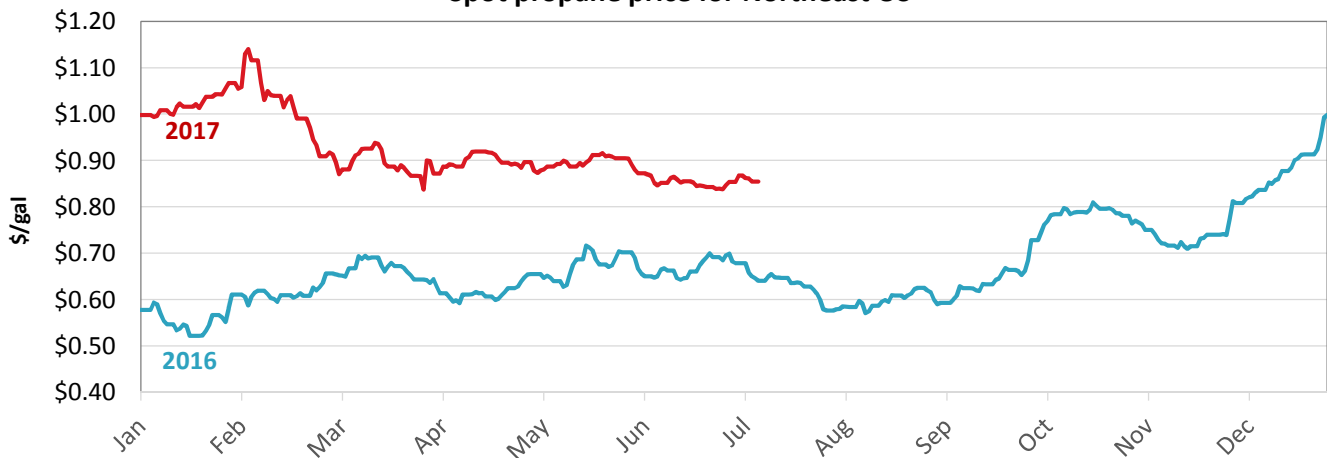
Basis is the price differential between Henry Hub, located in Erath, Louisiana, and the liquidity point closest to the end-user. Because Henry Hub is used as the delivery point for NYMEX natural gas futures contracts, the cost of using natural gas in any geographic region of the country can be approximated 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	
		7/3/17	7/4/17	7/5/17	7/6/17	7/7/17	7/8/17	7/9/17		
Power (\$/MWh)	Maine RT On Pk	22	21	39	21	20			25	
	Maine RT Off Pk	20	19	17	19	15	25	19	19	
	NH RT On Pk	23	21	39	22	20			25	
	NH RT Off Pk	21	20	17	20	16	25	19	20	
	Vermont RT On Pk	24	21	39	22	21			25	
	Vermont RT Off Pk	20	20	17	20	16	25	19	20	
	Connecticut RT On Pk	25	21	40	23	21			26	
	Connecticut RT Off Pk	21	20	18	21	16	26	20	20	
	Rhode Island RT On Pk	24	21	39	22	20			25	
	Rhode Island RT Off Pk	21	20	18	21	16	25	19	20	
	NE Mass RT On Pk	24	21	39	22	20			25	
	NE Mass RT Off Pk	21	20	18	21	16	25	19	20	
	SE Mass RT On Pk	25	21	39	22	20			26	
	SE Mass RT Off Pk	21	20	18	21	16	25	19	20	
	WC Mass RT On Pk	24	21	39	22	20			26	
	WC Mass RT Off Pk	21	20	18	21	16	26	19	20	
			New York ISO Real Time Power Pricing By Zone (\$/MWh)							Avg
		Capital RT On Pk	24	24	39	25	27			28
		Capital RT Off Pk	20	18	16	20	18	24	22	20
		Central RT On Pk	24	22	40	26	26			28
Central RT Off Pk		14	17	15	19	17	23	14	17	
Hudson RT On Pk		25	24	40	25	28			29	
Hudson RT Off Pk		18	19	16	21	18	25	20	20	
Mohawk RT On Pk		22	22	38	23	27			26	
Mohawk RT Off Pk		13	17	14	9	12	23	15	15	
Milwood RT On Pk		25	24	40	26	28			29	
Milwood RT Off Pk		18	19	16	21	18	25	20	20	
NYC RT On Pk		30	26	42	26	30			31	
NYC RT Off Pk		20	20	17	21	20	27	22	21	
		PJM Real Time Power Pricing By Zone (\$/MWh)							Avg	
		Eastern Hub On Pk	35	28	34	27	30			31
		Eastern Hub Off Pk	18	21	19	20	19	54	22	25
	Western Hub On Pk	35	30	34	29	31			32	
	Western Hub Off Pk	19	21	19	21	20	24	22	21	
	PPL Zone On Pk	32	24	31	25	29			28	
	PPL Zone Off Pk	16	20	18	20	19	23	21	19	
	AEP RT On Pk	36	33	36	32	30			33	
	AEP RT Off Pk	21	21	19	21	20	25	22	21	
	Chicago RT On Pk	35	32	37	67	30			40	
	Chicago RT Off Pk	20	16	19	21	20	25	22	20	
	New Jersey Hub On Pk	34	27	34	27	30			30	
	New Jersey Hub Off Pk	18	21	19	20	19	24	21	20	
		California ISO Real Time Power Pricing (\$/MWh)							Avg	
Natural Gas \$/MMBtu	SoCal Edison RT On Pk	50	37	75	40	190			78	
	SoCal Edison RT Off Pk	26	27	23	26	33	39	78	36	
			7/3/17	7/4/17	7/5/17	7/6/17	7/7/17	7/8/17	7/9/17	Avg
	Henry Hub, LA			2.90	2.88	2.89				2.89
	TZ6, MA			2.20	2.19	2.26				2.22
	Algonquin, MA			2.25	2.20	2.38				2.28
	Chicago Hub, IL			2.76	2.71	2.69				2.72
	New York, NY			2.04	2.05	2.04				2.04
	Dominion South, PA			1.97	1.98	1.99				1.98
	Opal Hub, WY			2.62	2.67	2.57				2.62
	PG&E Citygate, CA			3.15	3.16	3.16				3.15
	Kern River Deliveries			2.89	3.27	2.88				3.01