



Competitive Energy Services Weekly Market Summary

July 24 - 28, 2017

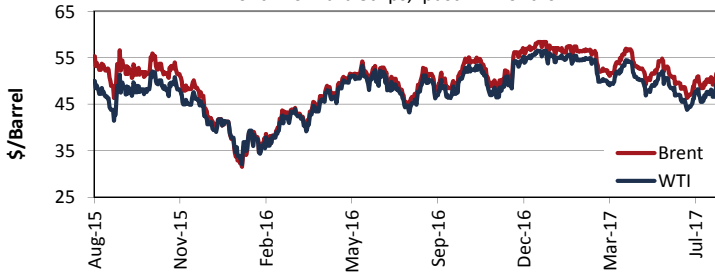
Synopsis of Last Week's Energy Markets

Crude oil prices rose to 2-month highs last week as US crude oil and gasoline inventories fell and domestic production and exploration appears to be slowing. The OPEC cuts are also finally having an impact on fundamentals, and the group will meet next week to discuss tighter compliance. Natural gas futures rose and fell last week amid forecasts of a lower-than-average storage injection and mild weather that could allow for more substantial builds in the coming weeks. Prices had fallen only slightly by the end of the week but dropped dramatically Monday morning.

Oil Market

Crude Oil - WTI & Brent

12-Month Forward Strips, past 24 months

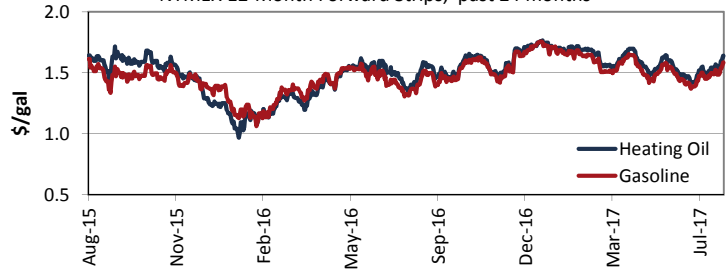


NYMEX WTI	last close	previous week	24-month high	24-month low
12 month strip, \$/bbl	\$50.00	\$46.63	\$56.70	\$32.40
date	7/28/17	7/21/17	1/6/17	1/20/16
change from last close		7.2%	-11.8%	54%

US STORAGE (in million bbls)	crude oil
domestic stocks as of	7/21/17
	483
gain / loss from previous week	-7.2
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	\$1.64	\$1.53	\$1.76	\$0.97
date	7/28/17	7/21/17	1/2/17	1/20/16
change from last close		7.1%	-7%	69%

US STORAGE (in million bbls)	distillate	propane	gasoline
domestic stocks as of	7/21/17		
	150	66	230
gain / loss from previous week	-1.9	0.2	-1.0
comparison to historic range	within	within	above

Natural Gas Market

NYMEX Henry Hub Futures: 12 Month Forward Strip

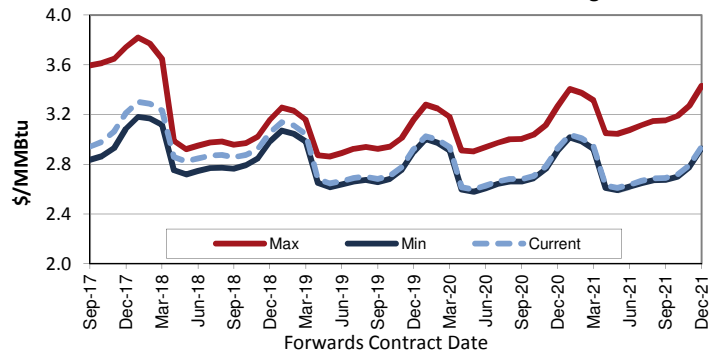


NYMEX PRICING	last close	previous week	24-month high	24-month low
12 mo. strip, \$/MMBtu	\$3.02	\$3.04	\$3.70	\$2.11
date	7/28/17	7/21/17	12/28/16	2/25/16
change from last close		-0.4%	-18%	43%

CES SCORE	
12 month	69
18 month	65
24 month	70
36 month	78

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)	\$3.02	\$3.01	\$2.94	\$2.89

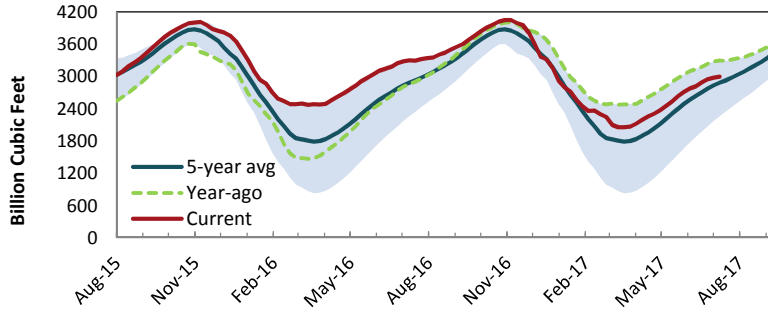
Natural gas futures are useful for both natural gas and electricity consumers because they drive electricity pricing in many U.S. markets. This chart compares the current natural gas price for each forward month on the NYMEX exchange to the highest and lowest prices for the same month over the past 12 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	7/14/17	2,973	
Most Recent Stock Level	7/21/17	2,990	
Year-ago Stock Level		3,292	-9.2%
5-Year Average Stock Level		2,879	3.9%
Most Recent Net Change	7/21/17	17	
Year-Ago Net Change		20	
5-Year Average Net Change		47	

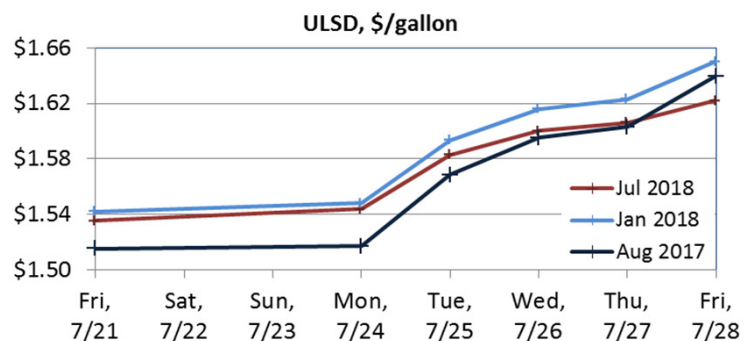
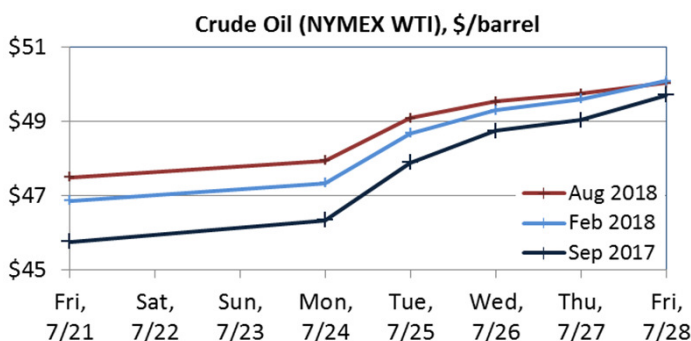
Data Source: EIA <http://tonto.eia.doe.gov/oog/info/ngs/ngs.html>

Market Assessment

NYMEX Futures Summary Statistics

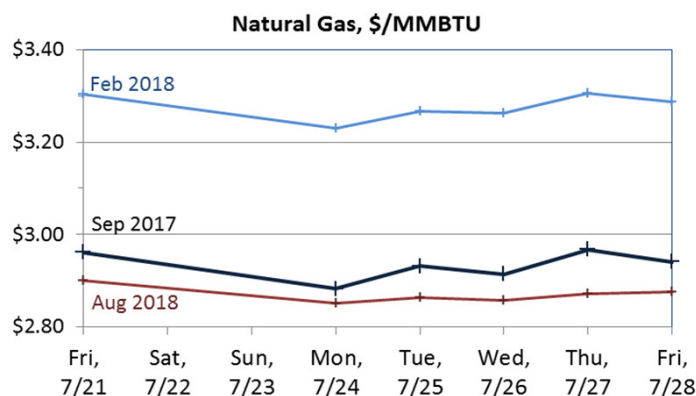
	Last Expired Contract	Exp. Date	Price	Prompt Month	Price	Most Expensive Next 12 Months	Price	Least Expensive Next 12 Months	Price	Next Winter Avg (Nov17-Mar18)
Crude oil	Aug-17	7/20/17	\$46.79	Sep-17	\$49.71	Mar-18	\$50.10	Sep-17	\$49.71	\$50.03
Heating oil	Jul-17	6/30/17	\$1.48	Aug-17	\$1.64	Jan-18	\$1.65	Jun-18	\$1.62	\$1.65
Natural gas	Aug-17	7/27/17	\$2.97	Sep-17	\$2.94	Jan-18	\$3.30	May-18	\$2.82	\$3.22

NYMEX End-of-Day Settlements



Crude oil surged last week, rallying across all five days and ending just under the \$50 mark by end of trading on Friday. Prices were bolstered mid-week when the EIA reported that domestic crude stocks dropped to the lowest point since January, and gasoline stocks declined also. Crude oil stocks at the NYMEX storage hub at Cushing, Oklahoma, are currently at the lowest since late 2015.

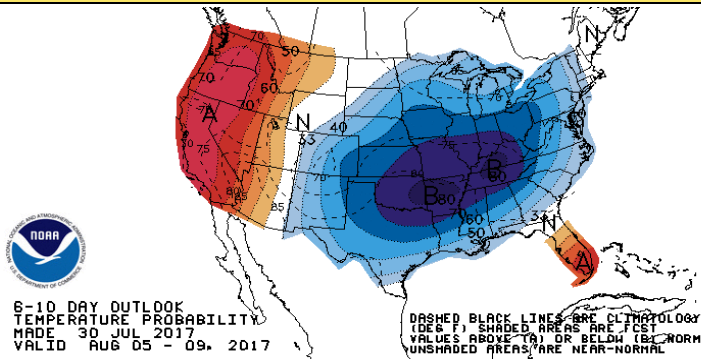
Internationally, the OPEC-led production cuts are finally having the desired effect of rebalancing global supply and demand after six months of reductions. Participating members will meet in early August to discuss increasing compliance with the cuts, currently scheduled to go through March 2018.



Natural gas futures fell slightly week-over-week as forecasts for mild weather weighed down pricing despite projections for a lower-than-average storage injection. Prices were boosted briefly on Thursday following the EIA storage report: this week's storage gain of 17 Bcf fell short of the average injection for this time of year (47 Bcf). This variance was driven by high power burn demand in the South-Central region, which saw a net withdrawal of 16 Bcf compared to the average gain of 5 Bcf. August futures expired on Thursday afternoon at \$2.969. September contracts slid two cents to \$2.94 by the end of the week continued to fall with double-digit cent losses on Monday morning. Forecasts indicate that midcontinent temperatures may be lower than average in early August.

The National Weather Service near-term forecast calls for above-normal temperatures for the central and eastern United States while warmer-than-normal temperatures are expected west of the Rockies. The natural gas market scores on page 1 improved from the previous week. 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 August 5 - 9, 2017

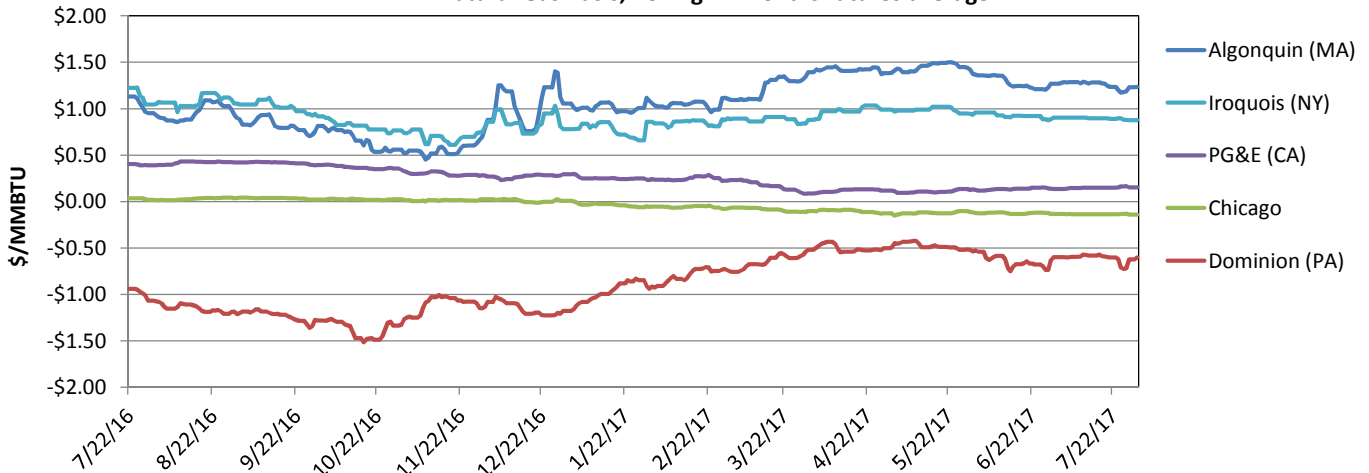
This map depicts forecasted temperatures for next week compared to the long term average. The blue/purple areas are forecast to be colder than normal, white areas are normal, and yellow/orange/red areas are warmer than normal. Abnormally hot weather in the summer and cold weather in the winter can increase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

Source: Chart from the National Weather Service Climate Prediction Center www.cpc.ncep.noaa.gov

Natural Gas Basis Futures

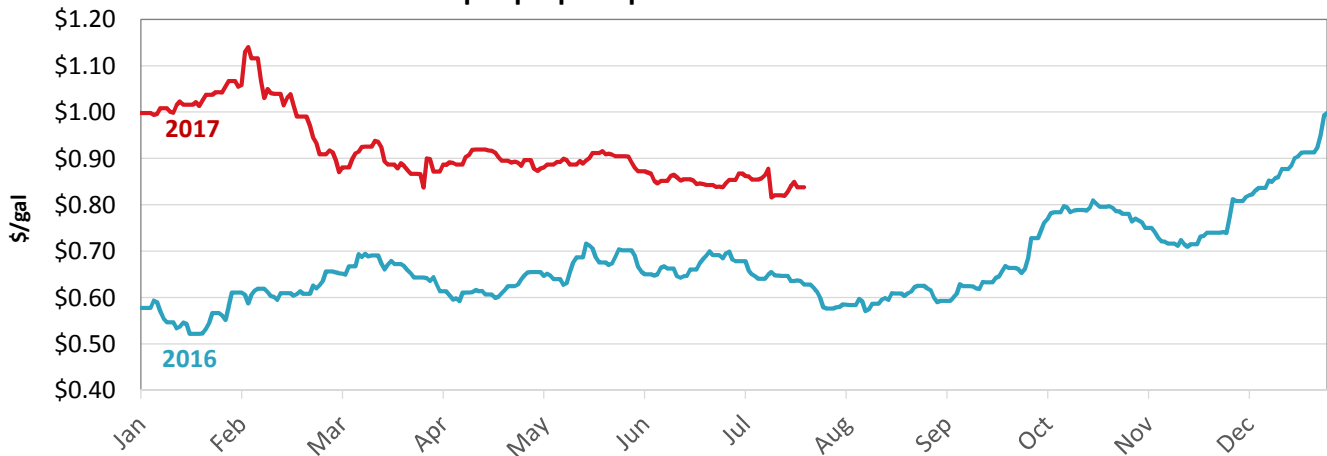
Basis is the price differential between Henry Hub, located in Erath, Louisiana, and the liquidity point closest to the end-user. Because Henry Hub is used as the delivery point for NYMEX natural gas futures contracts, the cost of using natural gas in any geographic region of the country can be approximated 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	
		7/24/17	7/25/17	7/26/17	7/27/17	7/28/17	7/29/17	7/30/17		
Power (\$/MWh)	Maine RT On Pk	16	18	18	18	25			19	
	Maine RT Off Pk	16	12	8	9	16	32	18	16	
	NH RT On Pk	17	18	18	19	25			19	
	NH RT Off Pk	16	13	8	9	17	32	18	16	
	Vermont RT On Pk	17	18	18	19	25			19	
	Vermont RT Off Pk	16	13	8	9	17	32	18	16	
	Connecticut RT On Pk	17	18	18	19	26			20	
	Connecticut RT Off Pk	17	13	8	9	17	32	18	16	
	Rhode Island RT On Pk	16	17	17	19	25			19	
	Rhode Island RT Off Pk	16	13	8	9	17	32	18	16	
	NE Mass RT On Pk	16	18	18	19	25			19	
	NE Mass RT Off Pk	16	13	8	9	16	32	18	16	
	SE Mass RT On Pk	16	18	18	19	25			19	
	SE Mass RT Off Pk	16	13	8	9	17	32	18	16	
	WC Mass RT On Pk	17	18	18	19	25			19	
WC Mass RT Off Pk	16	13	8	9	17	32	18	16		
		New York ISO Real Time Power Pricing By Zone (\$/MWh)							Avg	
Power (\$/MWh)	Capital RT On Pk	14	18	18	22	26			20	
	Capital RT Off Pk	21	(54)	8	10	18	30	19	7	
	Central RT On Pk	15	16	18	21	28			20	
	Central RT Off Pk	20	(52)	8	9	17	20	19	6	
	Hudson RT On Pk	15	17	19	23	30			21	
	Hudson RT Off Pk	21	(56)	8	10	19	28	20	7	
	Mohawk RT On Pk	14	15	18	21	26			19	
	Mohawk RT Off Pk	20	(53)	8	9	17	20	19	6	
	Milwood RT On Pk	15	17	19	23	30			21	
	Milwood RT Off Pk	21	(56)	8	10	19	28	20	7	
	NYC RT On Pk	16	18	19	23	30			21	
	NYC RT Off Pk	22	(57)	8	10	19	28	20	7	
			PJM Real Time Power Pricing By Zone (\$/MWh)							Avg
	Power (\$/MWh)	Eastern Hub On Pk	25	20	25	24	33			25
		Eastern Hub Off Pk	20	14	16	15	20	19	19	18
Western Hub On Pk		28	26	29	36	32			30	
Western Hub Off Pk		20	17	17	18	21	20	20	19	
PPL Zone On Pk		22	14	23	27	31			23	
PPL Zone Off Pk		19	11	14	15	20	18	18	16	
AEP RT On Pk		30	34	47	45	31			38	
AEP RT Off Pk		21	21	19	21	21	23	23	21	
Chicago RT On Pk		29	34	47	45	31			37	
Chicago RT Off Pk		20	20	19	21	20	23	23	21	
New Jersey Hub On Pk		24	19	24	25	32			25	
New Jersey Hub Off Pk		20	14	15	15	20	19	19	17	
		California ISO Real Time Power Pricing (\$/MWh)							Avg	
Natural Gas \$/MMBtu		SoCal Edison RT On Pk	32	33	31	32	31			32
		SoCal Edison RT Off Pk	25	27	27	26	28	29	36	28
			7/24/17	7/25/17	7/26/17	7/27/17	7/28/17	7/29/17	7/30/17	Avg
	Henry Hub, LA	2.96	2.96	2.92	2.92	2.92			2.94	
	TZ6, MA	2.14	2.10	2.01	2.05	1.89			2.04	
	Algonquin, MA				2.08	1.93			2.01	
	Chicago Hub, IL	2.82	2.82	2.78	2.79	2.78			2.80	
	New York, NY	1.90	1.83	1.69	1.71	1.64			1.75	
	Dominion South, PA	1.85	1.77	1.64	1.66	1.64			1.71	
	Opal Hub, WY	2.66	2.69	2.68	2.70	2.66			2.68	
	PG&E Citygate, CA	3.30	3.29	3.28	3.29	3.29			3.29	
	Kern River Deliveries	2.83	2.84	2.86	2.92	2.83			2.85	