



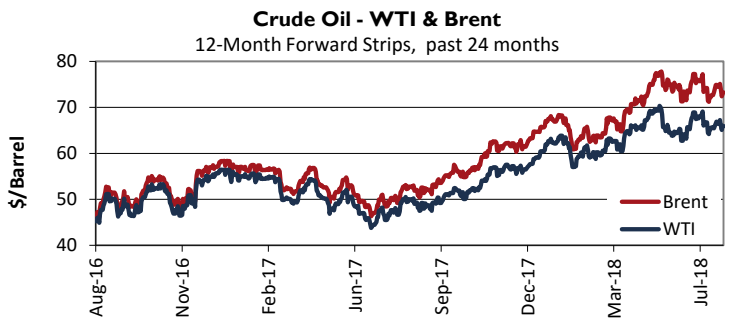
Competitive Energy Services Weekly Market Summary

July 30 - August 3, 2018

Synopsis of Last Week's Energy Markets

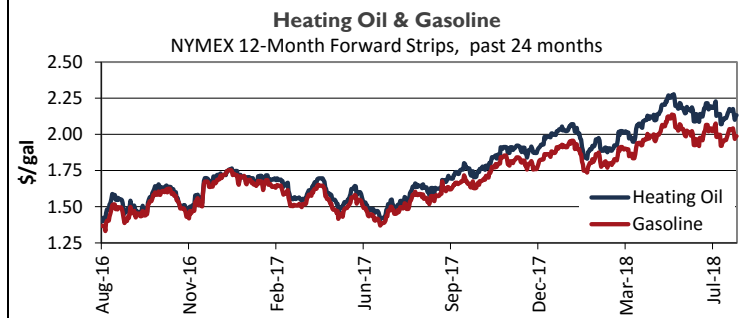
Prompt-month WTI has remained close to the \$68 mark since mid-July, up through today. Oil prices came down slightly last week as the trade war with China continues to weigh on the market and the EIA reported an unexpected rise in domestic crude stocks. Natural gas prices rose 2.5% last week following news of a widening storage deficit. High exports and power burn demand continue to compete with rising production, leaving inventories 20% below the 5-year average.

Oil Market



NYMEX WTI	last close	previous week	24-month high	24-month low
12 month strip, \$/bbl	\$65.81	\$63.49	\$70.12	\$43.82
date	8/3/18	1/24/18	5/21/18	6/21/17
change from last close		3.6%	-6.1%	50%

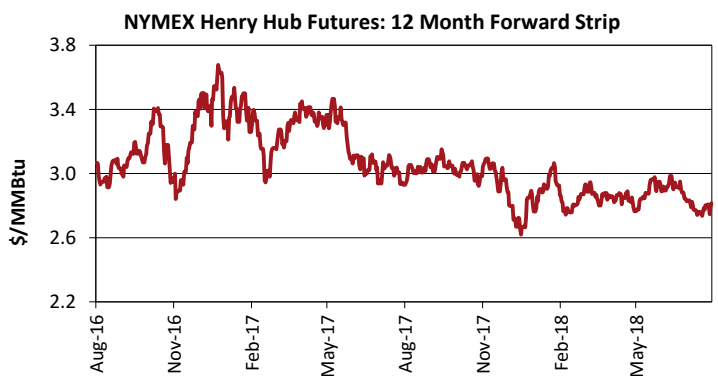
US STORAGE (in million bbls)	crude oil
domestic stocks as of	7/27/18
	409
gain / loss from previous week	3.8
comparison to historic range	within



NYMEX Heating Oil	last close	previous week	24-month high	24-month low
12 month strip, \$/gal	\$2.13	\$2.06	\$2.28	\$1.40
date	8/3/18	1/24/18	5/23/18	8/5/16
change from last close		3.3%	-7%	52%

US STORAGE (in million bbls)	distillate	propane	gasoline
domestic stocks as of	7/27/18		
	124	66	231
gain / loss from previous week	3.0	1.8	-2.5
comparison to historic range	below	within	within

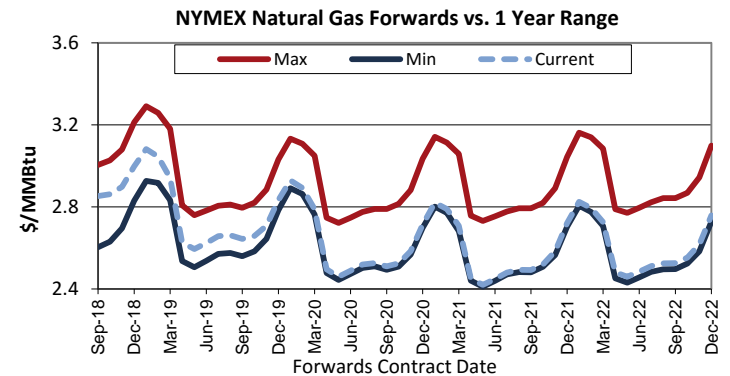
Natural Gas Market



NYMEX PRICING	last close	previous week	24-month high	24-month low
12 mo. strip, \$/MMBtu	\$2.82	\$2.99	\$3.70	\$2.61
date	8/3/18	1/24/18	12/28/16	12/21/17
change from last close		-5.6%	-24%	8%

CES SCORE	
12 month	58
18 month	64
24 month	71
36 month	79

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.



FORWARDS	12 month	18 month	24 month	36 month
strip (\$/MMBtu)	\$2.82	\$2.81	\$2.74	\$2.69

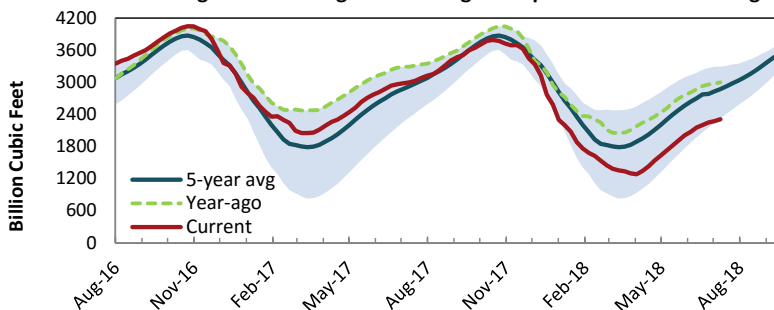
Natural gas futures are useful for both natural gas and electricity consumers because they drive electricity pricing in many U.S. markets. This chart compares the current natural gas price for each forward month on the NYMEX exchange to the highest and lowest prices for the same month over the past 12 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	7/20/18	2,273	
Most Recent Stock Level	7/27/18	2,308	
Year-ago Stock Level		2,996	-23.0%
5-Year Average Stock Level		2,873	-19.7%
Most Recent Net Change	7/27/18	35	
Year-Ago Net Change		18	94%
5-Year Average Net Change		43	-19%

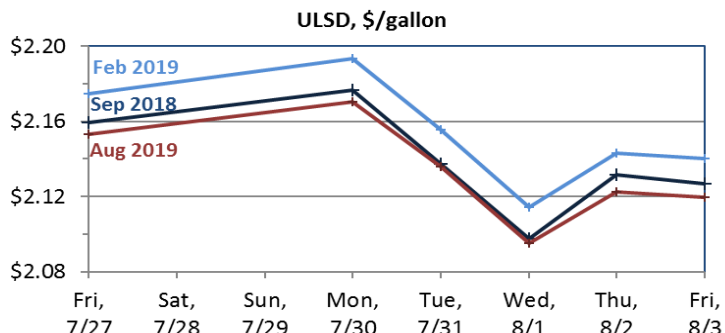
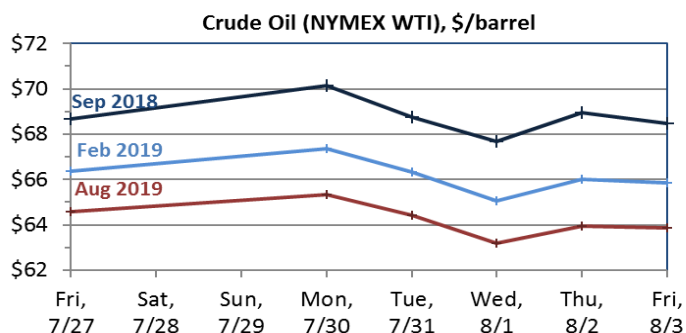
Data Source: EIA <http://tonto.eia.doe.gov/oog/info/ngs/ngs.html>

Market Assessment

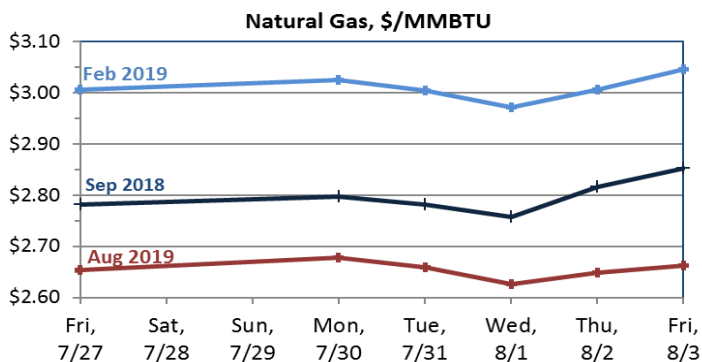
NYMEX Futures Summary Statistics

	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	Aug-18	7/20/18	\$70.46	Sep-18	\$68.49	Sep-18	\$68.49	Aug-19	\$63.88	\$66.24
Heating oil	Aug-18	7/31/18	\$2.13	Sep-18	\$2.13	Jan-19	\$2.14	Jun-19	\$2.11	\$2.14
Natural gas	Aug-18	7/27/18	\$2.82	Sep-18	\$2.85	Jan-19	\$3.08	May-19	\$2.60	\$2.99

NYMEX End-of-Day Settlements



Crude oil prices fell slightly last week. Oil markets rose Monday on news that restoration of production at the Syncrude facility in the Alberta oil sands region would be slower than projected. The facility experienced a power outage in June and was hoping to be back at full capacity in August; however, the revised timeline is now September. Oil prices fell to the lowest point of the week on Wednesday on an unexpected build in domestic crude stocks and also news that Saudi Arabia and Russia ramped up production in July. Crude ended the week down after China's Ministry of Finance released a statement threatening taxes on American imports if President Trump carries through on his proposed tariffs on Chinese goods. Furthermore, China's largest refiner will reportedly stop buying US crude.



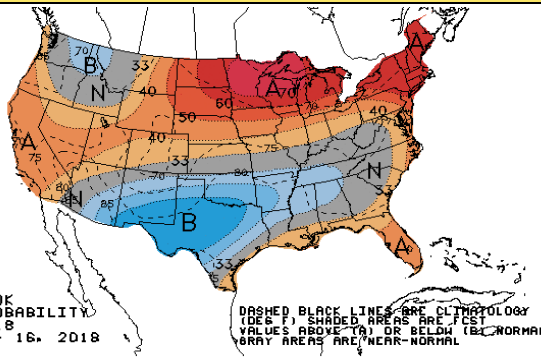
Natural gas prices rose 2.5% as last week's storage build fell short of the 5-year average, leaving inventories at the lowest late-July level in at least five years and 20% behind the 5-year average. This followed strong exports and high cooling demand boosted by a heat wave across the South and West. The EIA reported that July's demand for generation neared record highs set in August 2016; this high demand has offset production gains both from shale output and gas associated with higher oil production. September futures closed at \$2.85 on Friday afternoon, 7 cents higher than last week but well within the contract's 2018 trading range.

The National Weather Service near-term forecast calls for above-normal temperatures for the Northeast and upper Midwest. The natural gas market scores on page 1 declined 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 OUTLOOK
TEMPERATURE PROBABILITY
MADE 6 AUG 2018
VALID AUG 12 - 16, 2018



6 - 10 Day Forecast for Aug 12 - 16

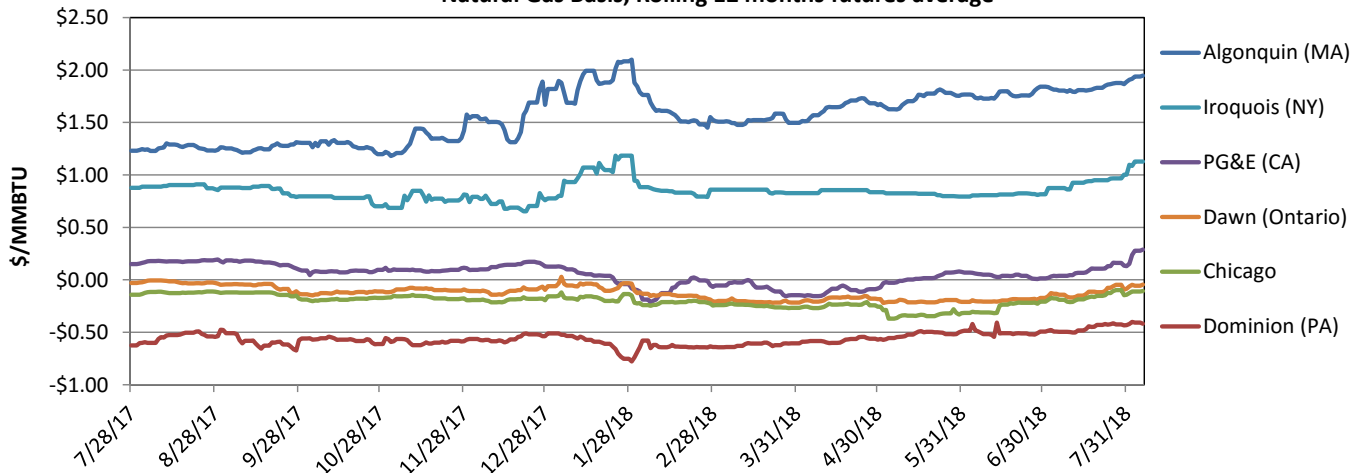
This map depicts forecasted temperatures for next week compared to the long term average. The blue/purple areas are forecast to be colder than normal, white areas are normal, and yellow/orange/red areas are warmer than normal. Abnormally hot weather in the summer and cold weather in the winter can increase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

Source: Chart from the National Weather Service Climate Prediction

Natural Gas Basis Futures

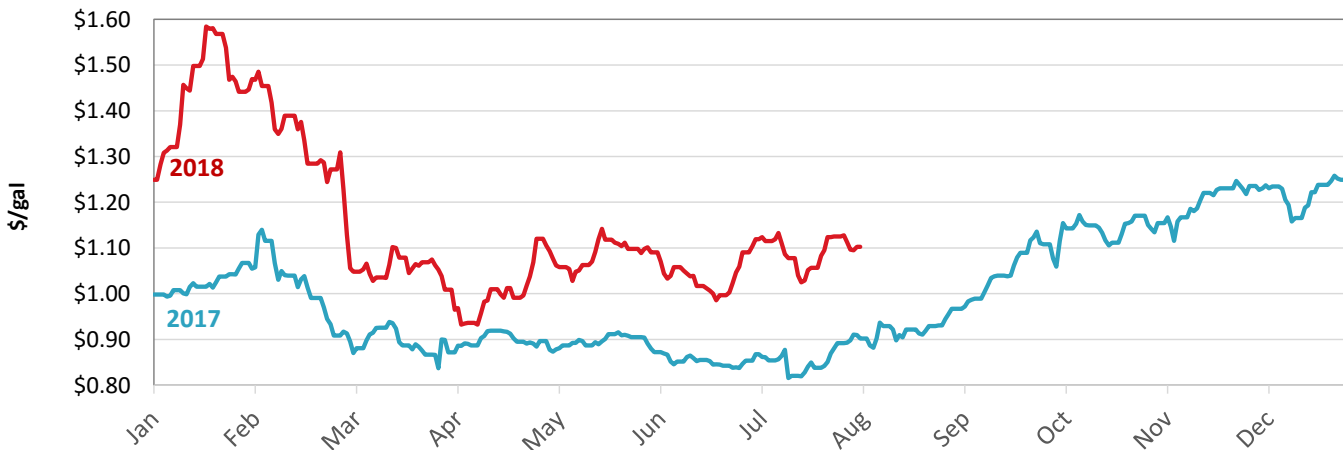
Basis is the price differential between Henry Hub, located in Erath, Louisiana, and the liquidity point closest to the end-user. Because Henry Hub is used as the delivery point for NYMEX natural gas futures contracts, the cost of using natural gas in any geographic region of the country can be approximated 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

		Spot Prices								
		New England ISO Real Time Power Pricing By Zone (\$/MWh)								
		7/30/18	7/31/18	8/1/18	8/2/18	8/3/18	8/4/18	8/5/18	Avg	
Power (\$/MWh)	Maine RT On Pk	21	34	33	42	41			34	
	Maine RT Off Pk	19	20	23	25	27	35	46	28	
	NH RT On Pk	21	34	34	44	42			35	
	NH RT Off Pk	20	20	23	25	27	34	47	28	
	Vermont RT On Pk	21	34	34	45	41			35	
	Vermont RT Off Pk	19	20	23	25	27	34	46	28	
	Connecticut RT On Pk	21	34	34	45	41			35	
	Connecticut RT Off Pk	20	21	23	25	27	34	46	28	
	Rhode Island RT On Pk	21	34	33	46	41			35	
	Rhode Island RT Off Pk	20	21	23	25	27	34	46	28	
	NE Mass RT On Pk	21	34	33	46	42			35	
	NE Mass RT Off Pk	20	20	23	25	27	34	47	28	
	SE Mass RT On Pk	21	34	33	47	42			35	
	SE Mass RT Off Pk	20	20	23	25	27	34	46	28	
	WC Mass RT On Pk	21	34	34	45	41			35	
	WC Mass RT Off Pk	20	21	23	25	27	34	46	28	
	New York ISO Real Time Power Pricing By Zone (\$/MWh)								Avg	
		Capital RT On Pk	22	32	37	41	34			33
		Capital RT Off Pk	20	19	24	26	28	36	37	27
		Central RT On Pk	21	30	35	38	32			31
		Central RT Off Pk	19	18	23	23	27	35	38	26
		Hudson RT On Pk	23	32	38	41	34			34
		Hudson RT Off Pk	21	19	24	26	29	37	38	28
		Mohawk RT On Pk	22	31	36	40	33			32
		Mohawk RT Off Pk	19	18	23	24	27	36	37	26
		Milwood RT On Pk	23	32	39	41	35			34
		Milwood RT Off Pk	21	19	25	26	29	37	38	28
		NYC RT On Pk	31	33	79	71	36			50
	NYC RT Off Pk	22	19	25	44	31	38	46	32	
PJM Real Time Power Pricing By Zone (\$/MWh)								Avg		
	Eastern Hub On Pk	23	34	63	76	76			54	
	Eastern Hub Off Pk	20	20	22	23	23	23	23	22	
	Western Hub On Pk	27	34	42	43	43			38	
	Western Hub Off Pk	20	20	22	22	22	22	22	22	
	PPL Zone On Pk	24	33	49	40	40			37	
	PPL Zone Off Pk	19	20	21	22	22	22	22	21	
	AEP RT On Pk	28	33	39	39	39			36	
	AEP RT Off Pk	20	20	21	22	22	22	22	21	
	Chicago RT On Pk	29	33	38	37	37			35	
	Chicago RT Off Pk	19	20	20	18	18	18	18	19	
	New Jersey Hub On Pk	23	34	48	41	41			37	
	New Jersey Hub Off Pk	19	20	22	22	22	22	22	22	
California ISO Real Time Power Pricing (\$/MWh)								Avg		
	SoCal Edison RT On Pk	111	82	129	78	91			98	
	SoCal Edison RT Off Pk	79	40	50	55	36	66	61	55	
Natural Gas \$/MMBtu		7/30/18	7/31/18	8/1/18	8/2/18	8/3/18	8/4/18	8/5/18	Avg	
		Henry Hub, LA	2.72	2.82					2.77	
		TZ6, MA	2.75	3.04	3.41				3.07	
		Algonquin, MA	2.84	2.92	3.13				2.96	
		Chicago Hub, IL	2.66	2.72	2.75				2.71	
		New York, NY	2.60	2.58	2.70				2.63	
		Dominion South, PA	2.55	2.56	2.56				2.56	
		Opal Hub, WY	2.53	2.47	2.59				2.53	
	PG&E Citygate, CA	3.13	3.20	3.22				3.18		