



Competitive Energy Services Weekly Market Summary

August 6 - 10, 2018

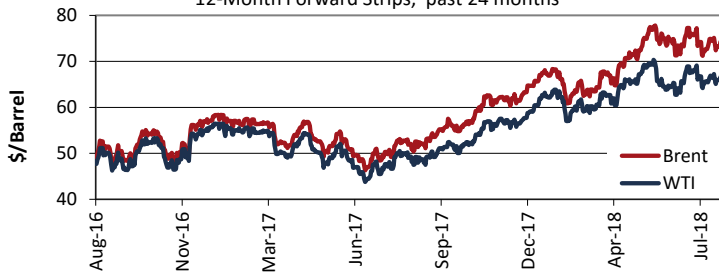
Synopsis of Last Week's Energy Markets

Crude oil futures ended the week close to where they began. The US-China trade war continues to weigh on the market, and last week China added US gasoline and diesel to its tariff list. However, the IEA warned that lost production from Venezuela and Iran will soon affect global stocks. Natural gas prices rose 3% last week, approaching \$3/MMBtu as traders looked ahead to warming forecasts for mid-August. Storage levels trail the 5-year average by 20% despite record-high production.

Oil Market

Crude Oil - WTI & Brent

12-Month Forward Strips, past 24 months

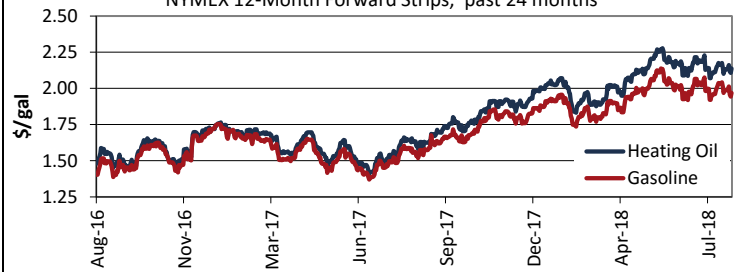


NYMEX WTI	last close	previous week	24-month high	24-month low
12 month strip, \$/bbl	\$65.57	\$63.49	\$70.12	\$43.82
date	8/10/18	1/24/18	5/21/18	6/21/17
change from last close		3.3%	-6.5%	50%

US STORAGE (in million bbls)	crude oil
domestic stocks as of	8/3/18
	407
gain / loss from previous week	-1.4
comparison to historic range	within

Heating Oil & Gasoline

NYMEX 12-Month Forward Strips, past 24 months

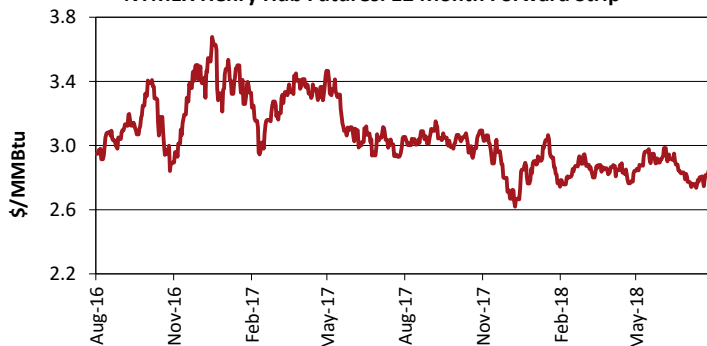


NYMEX Heating Oil	last close	previous week	24-month high	24-month low
12 month strip, \$/gal	\$2.13	\$2.06	\$2.28	\$1.41
date	8/10/18	1/24/18	5/23/18	6/21/17
change from last close		3.6%	-6%	51%

US STORAGE (in million bbls)	distillate	propane	gasoline
domestic stocks as of	8/3/18	125	66
		66	234
gain / loss from previous week	1.2	0.1	2.9
comparison to historic range	below	within	within

Natural Gas Market

NYMEX Henry Hub Futures: 12 Month Forward Strip



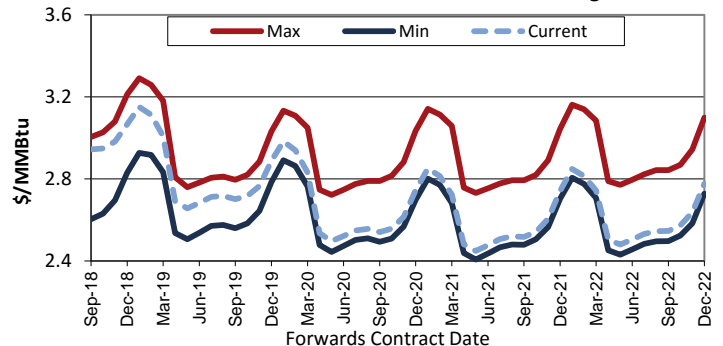
NYMEX PRICING	last close	previous week	24-month high	24-month low
12 mo. strip, \$/MMBtu	\$2.89	\$2.99	\$3.70	\$2.61
date	8/10/18	1/24/18	12/28/16	12/21/17
change from last close		-3.3%	-22%	11%

CES SCORE

12 month	36
18 month	42
24 month	52
36 month	63

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	\$2.87	\$2.80	\$2.73

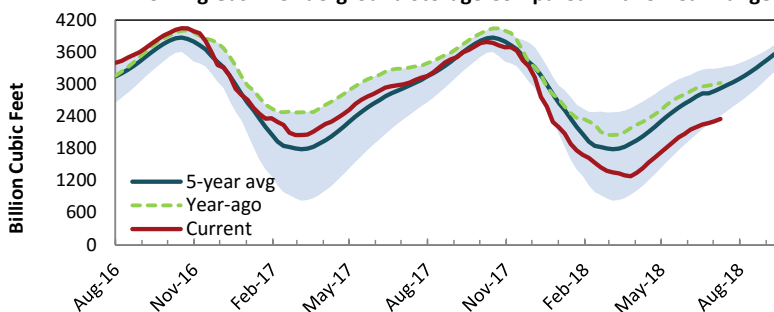
Natural gas futures are useful for both natural gas and electricity consumers because they drive electricity pricing in many U.S. markets. This chart compares the current natural gas price for each forward month on the NYMEX exchange to the highest and lowest prices for the same month over the past 12 months.



The information set forth herein is a compilation of public and internal information and is presented solely for the convenience of CES customers. CES does not make any representation or warranties, express or implied, with respect to the accuracy or completeness of the information contained herein. CES shall not have any liability to any person or entity resulting from the use of this information in any way.

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	7/27/18	2,308	
Most Recent Stock Level	8/3/18	2,354	
Year-ago Stock Level		3,025	-22.2%
5-Year Average Stock Level		2,926	-19.5%
Most Recent Net Change	8/3/18	46	
Year-Ago Net Change		29	59%
5-Year Average Net Change		53	-13%

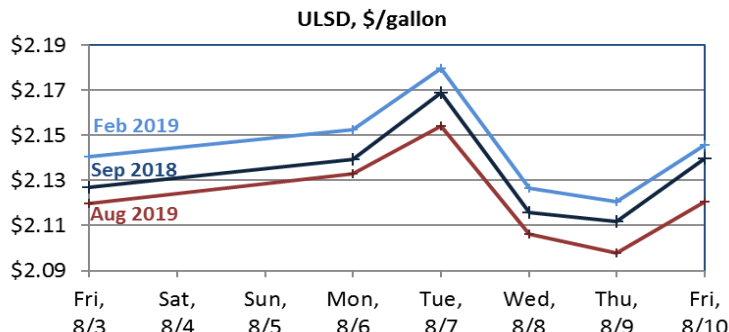
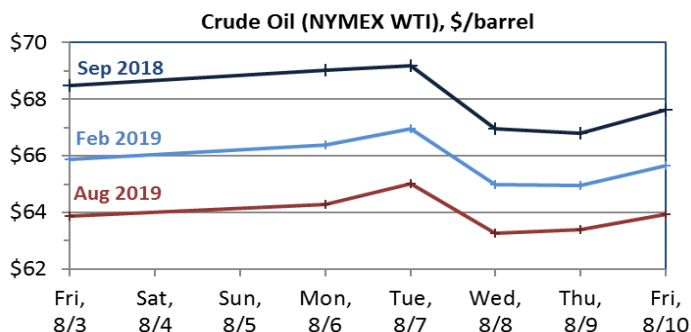
Data Source: EIA <http://tonto.eia.doe.gov/oog/info/ngs/ngs.html>

Market Assessment

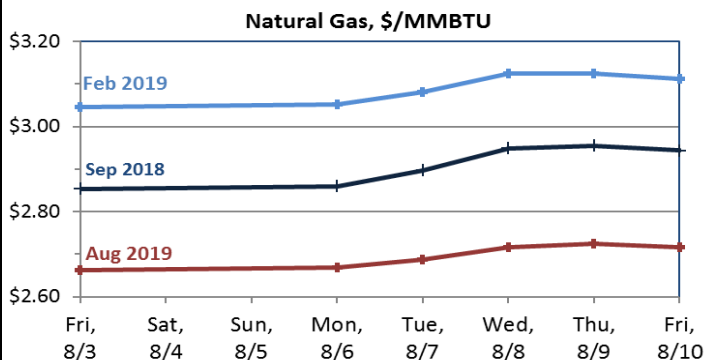
NYMEX Futures Summary Statistics

	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	\$67.63	Sep-18	\$67.63	Aug-19	\$63.93	\$65.94
Heating oil	Aug-18	7/31/18	\$2.13	Sep-18	\$2.14	Jan-19	\$2.15	Jun-19	\$2.11	\$2.14
Natural gas	Aug-18	7/27/18	\$2.82	Sep-18	\$2.94	Jan-19	\$3.15	May-19	\$2.66	\$3.06

NYMEX End-of-Day Settlements



Near-term WTI crude futures fell slightly last week, while futures for deliveries in 2019 ended the week where they began. Contracts fell midweek largely on the trade war with China, which continues to escalate. China announced that gasoline and diesel are on the list US goods to be taxed at 25% starting August 23, although it removed crude oil due to pressure from Sinopec, the nation's largest refiner. On Thursday the prompt month price fell to its lowest point in seven weeks. Prices recovered slightly on Friday as the International Energy Agency reiterated that lost production from Venezuela and Iran may be challenging to replace. US sanctions against Iran will be reinstated November 2. Iran and Turkey are both facing currency crises exacerbated by US sanctions, with the potential to have a ripple effect on other emerging economies.



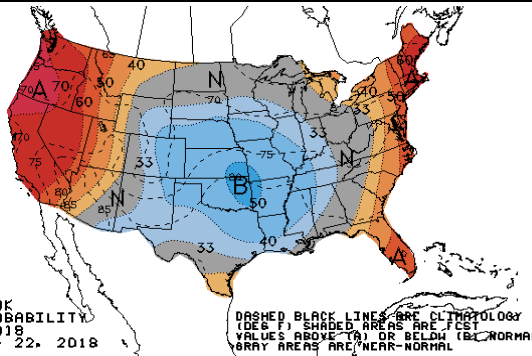
Natural gas prices jumped more than nine cents last week while a heat wave swept across the Western U.S., driving up air conditioning load and gas demand for generation. With more hot weather forecasted for August, there is growing concern that strong demand will continue to outweigh production gains. High temperatures through the remainder of the summer could prevent the inventory deficit from narrowing ahead of the withdrawal season. Storage remains a stubborn 20% below 5-year average levels thanks to high power burn demand and rising exports, particularly to Mexico. August futures climbed to \$2.944/MMBtu on Friday afternoon.

The National Weather Service near-term forecast calls for above-normal temperatures for the East Coast and areas west of the Rockies. 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 12 AUG 2018
VALID AUG 18 - 22, 2018



6 - 10 Day Forecast for Aug 18 - 22

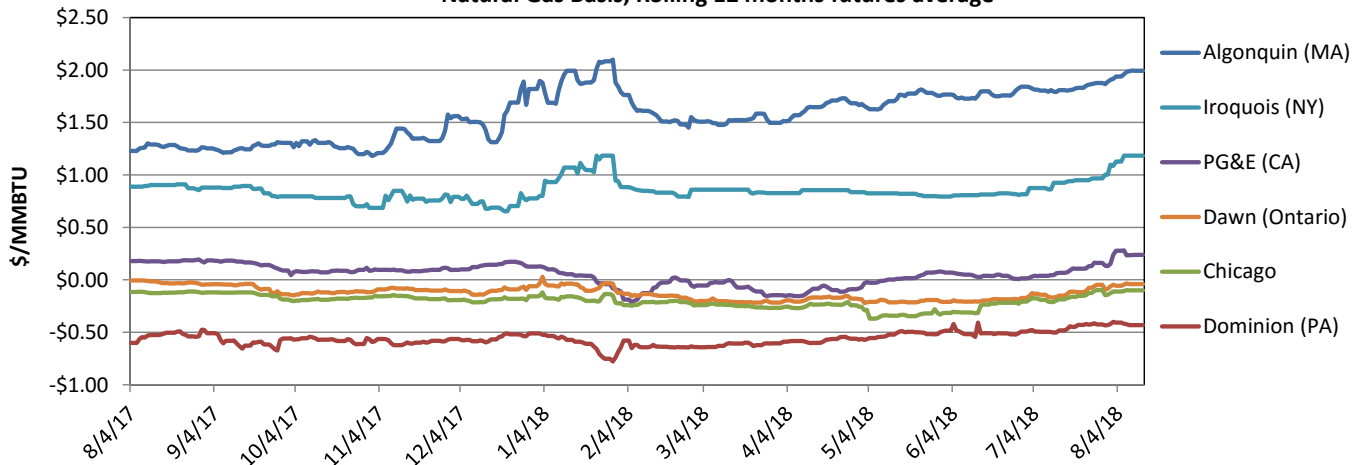
This map depicts forecasted temperatures for next week compared to the long term average. The blue/purple areas are forecast to be colder than normal, white areas are normal, and yellow/orange/red areas are warmer than normal. Abnormally hot weather in the summer and cold weather in the winter can increase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

Source: Chart from the National Weather Service Climate Prediction

Natural Gas Basis Futures

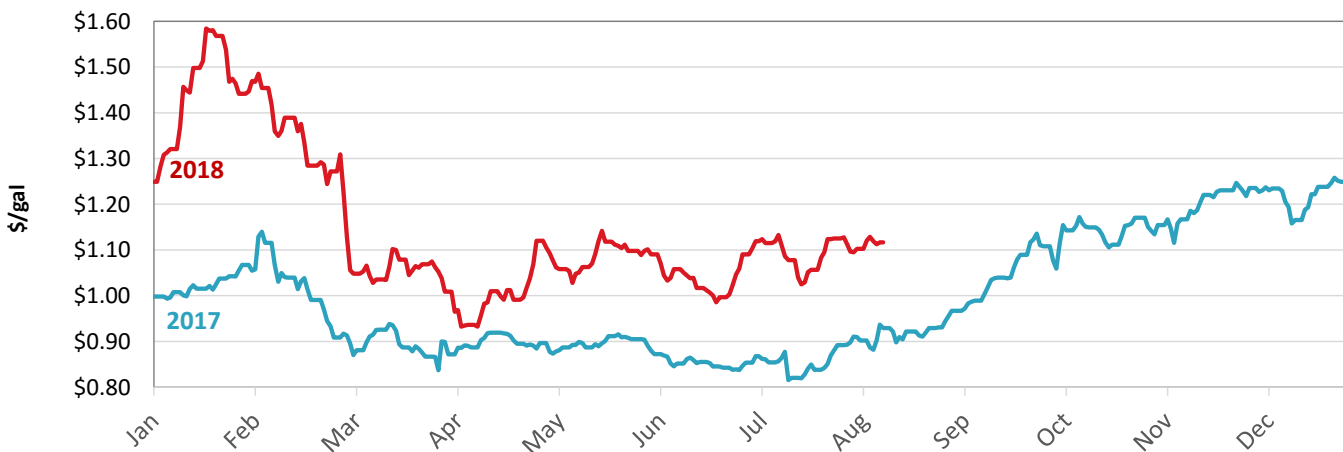
Basis is the price differential between Henry Hub, located in Erath, Louisiana, and the liquidity point closest to the end-user. Because Henry Hub is used as the delivery point for NYMEX natural gas futures contracts, the cost of using natural gas in any geographic region of the country can be approximated 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)								
	8/6/18	8/7/18	8/8/18	8/9/18	8/10/18	8/11/18	8/12/18	Avg
Maine RT On Pk	99	64	55	44	44			61
Maine RT Off Pk	26	37	35	31	22	44	37	33
NH RT On Pk	102	65	56	46	45			63
NH RT Off Pk	26	37	35	31	22	44	37	33
Vermont RT On Pk	100	64	56	45	45			62
Vermont RT Off Pk	26	37	35	31	22	44	37	33
Connecticut RT On Pk	101	65	55	45	45			62
Connecticut RT Off Pk	26	37	34	30	22	43	36	33
Rhode Island RT On Pk	101	65	55	45	45			62
Rhode Island RT Off Pk	26	37	34	30	22	43	36	33
NE Mass RT On Pk	102	66	55	46	45			63
NE Mass RT Off Pk	26	37	35	31	22	44	37	33
SE Mass RT On Pk	102	66	55	46	45			63
SE Mass RT Off Pk	26	37	35	31	22	44	36	33
WC Mass RT On Pk	101	65	55	45	45			62
WC Mass RT Off Pk	26	37	35	31	22	44	37	33
New York ISO Real Time Power Pricing By Zone (\$/MWh)								
								Avg
Capital RT On Pk	54	48	41	43	41			45
Capital RT Off Pk	27	32	30	30	23	34	34	30
Central RT On Pk	56	45	38	41	39			44
Central RT Off Pk	25	30	29	28	22	30	32	28
Hudson RT On Pk	55	49	46	44	42			47
Hudson RT Off Pk	27	32	30	30	23	34	34	30
Mohawk RT On Pk	56	46	39	42	40			45
Mohawk RT Off Pk	25	31	29	29	22	31	33	29
Milwood RT On Pk	55	49	47	44	42			47
Milwood RT Off Pk	27	32	30	31	23	34	34	30
NYC RT On Pk	81	53	71	60	43			62
NYC RT Off Pk	29	35	30	33	24	42	43	34
PJM Real Time Power Pricing By Zone (\$/MWh)								
								Avg
Eastern Hub On Pk	38	36	41	40	40			39
Eastern Hub Off Pk	22	23	24	25	25	25	25	24
Western Hub On Pk	41	42	45	55	55			48
Western Hub Off Pk	22	24	24	24	24	24	24	23
PPL Zone On Pk	38	31	38	35	35			36
PPL Zone Off Pk	21	22	23	24	24	24	24	23
AEP RT On Pk	38	35	39	38	38			38
AEP RT Off Pk	22	23	24	23	23	23	23	23
Chicago RT On Pk	31	30	36	38	38			35
Chicago RT Off Pk	18	18	17	22	22	22	22	20
New Jersey Hub On Pk	42	36	40	35	35			38
New Jersey Hub Off Pk	22	23	24	24	24	24	24	24
California ISO Real Time Power Pricing (\$/MWh)								
								Avg
SoCal Edison RT On Pk	87	176	83	206	78			126
SoCal Edison RT Off Pk	45	71	52	48	60	44	75	56
Natural Gas \$/MMBtu								
	8/6/18	8/7/18	8/8/18	8/9/18	8/10/18	8/11/18	8/12/18	Avg
Henry Hub, LA	2.86	2.93	2.99	3.02	2.96			2.95
TZ6, MA	3.77	3.49	3.92	2.98	2.84			3.40
Algonquin, MA	3.79	3.45	3.30	3.05	2.87			3.29
Chicago Hub, IL	3.00	2.97	2.99	2.93	2.83			2.94
New York, NY	2.76	2.79	2.67	2.63	2.55			2.68
Dominion South, PA	2.61	2.64	2.63	2.52	2.63			2.61
Opal Hub, WY		2.70	2.75	2.70	2.56			2.68
PG&E Citygate, CA	3.36	3.37	3.45	3.45				3.41