



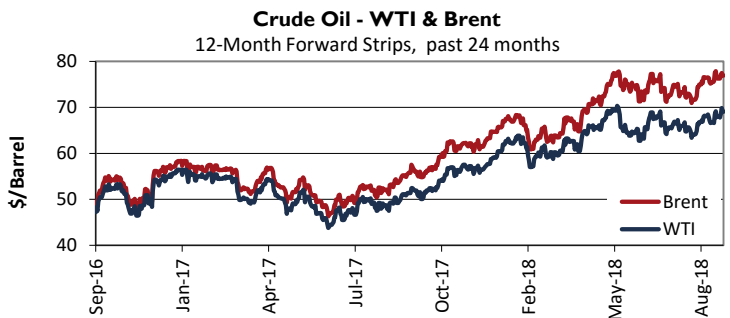
Competitive Energy Services Weekly Market Summary

September 17 - 21, 2018

Synopsis of Last Week's Energy Markets

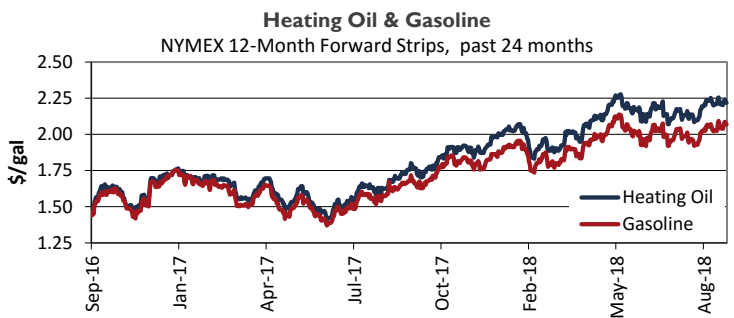
Crude oil prices climbed last week and into this week as domestic crude stocks declined for a fifth consecutive week. In addition, the OPEC+ cartel met over the weekend and decided not to increase production. Natural gas prices surged 7.6% last week after China announced 10% tariffs on U.S. LNG shipments. Inventories remain 18% below the 5-year average as summer comes to a close.

Oil Market



NYMEX WTI	last close	previous week	24-month high	24-month low
12 month strip, \$/bbl	\$69.19	\$68.00	\$70.63	\$43.82
date	9/21/18	9/14/18	9/24/18	6/21/17
change from last close		1.8%	-2.0%	58%

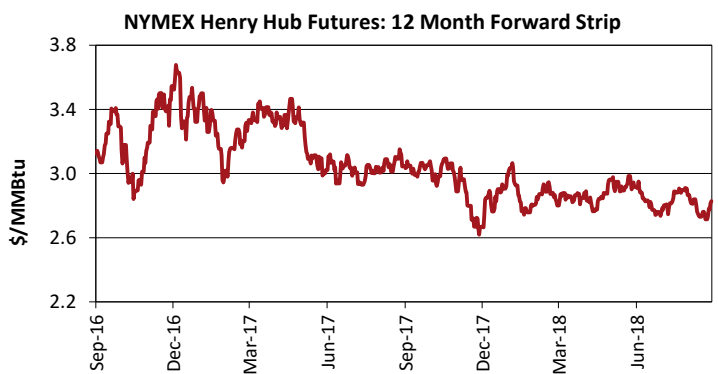
US STORAGE (in million bbls)	crude oil
domestic stocks as of	9/14/18
	394
gain / loss from previous week	-2.1
comparison to historic range	within



NYMEX Heating Oil	last close	previous week	24-month high	24-month low
12 month strip, \$/gal	\$2.23	\$2.21	\$2.28	\$1.41
date	9/21/18	9/14/18	9/24/18	6/21/17
change from last close		0.8%	-2%	58%

US STORAGE (in million bbls)	distillate	propane	gasoline
domestic stocks as of	9/14/18		
	140	75	234
gain / loss from previous week	0.8	0.1	-1.7
comparison to historic range	within	within	within

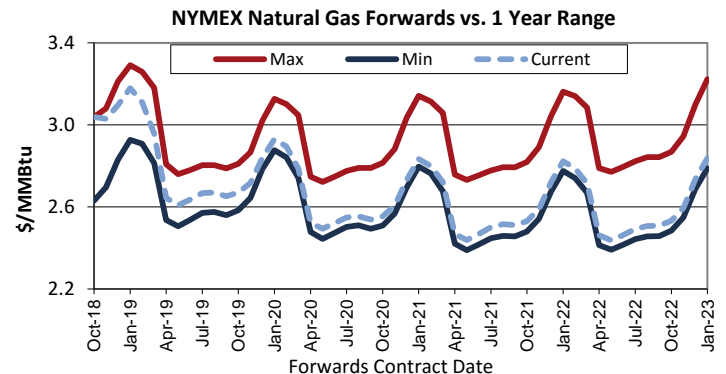
Natural Gas Market



NYMEX PRICING	last close	previous week	24-month high	24-month low
12 mo. strip, \$/MMBtu	\$2.81	\$2.71	\$3.70	\$2.61
date	9/21/18	9/14/18	12/28/16	12/21/17
change from last close		3.4%	-24%	7%

CES SCORE	
12 month	44
18 month	55
24 month	62
36 month	70

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)	\$2.81	\$2.84	\$2.76	\$2.71

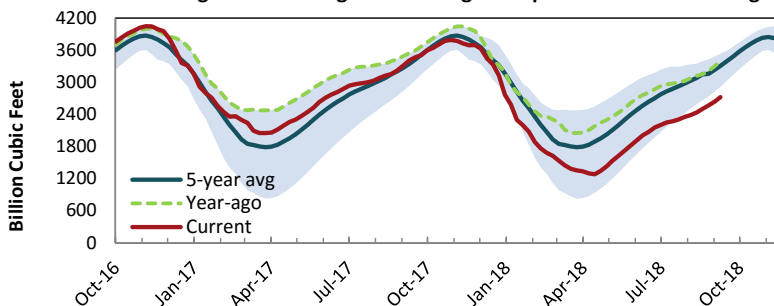
Natural gas futures are useful for both natural gas and electricity consumers because they drive electricity pricing in many U.S. markets. This chart compares the current natural gas price for each forward month on the NYMEX exchange to the highest and lowest prices for the same month over the past 12 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	9/7/18	2,636	
Most Recent Stock Level	9/14/18	2,722	
Year-ago Stock Level		3,394	-19.8%
5-Year Average Stock Level		3,308	-17.7%
Most Recent Net Change	9/14/18	86	
Year-Ago Net Change		96	-10%
5-Year Average Net Change		76	13%

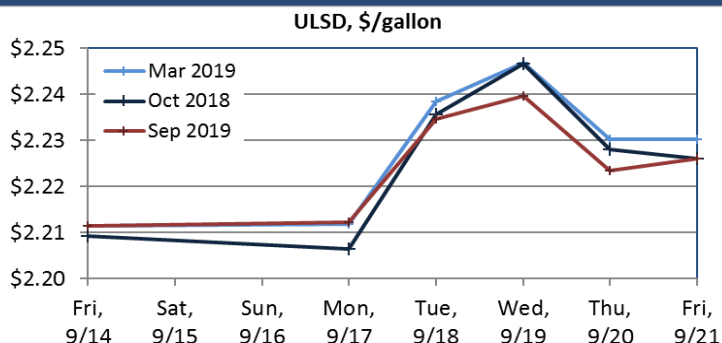
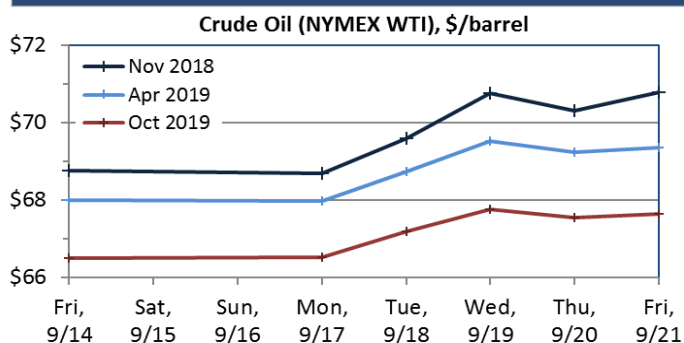
Data Source: EIA <http://tonto.eia.doe.gov/oog/info/ngs/ngs.html>

Market Assessment

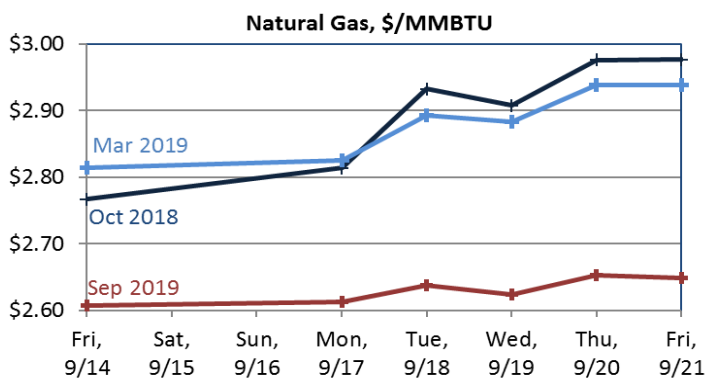
NYMEX Futures Summary Statistics

	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	Oct-18	9/20/18	\$70.80	Nov-18	\$70.78	Nov-18	\$70.78	Oct-19	\$67.63	\$70.11
Heating oil	Sep-18	8/31/18	\$2.24	Oct-18	\$2.23	Jan-19	\$2.24	Jun-19	\$2.21	\$2.24
Natural gas	Sep-18	8/29/18	\$2.90	Oct-18	\$2.76	Jan-19	\$2.93	May-19	\$2.56	\$2.85

NYMEX End-of-Day Settlements



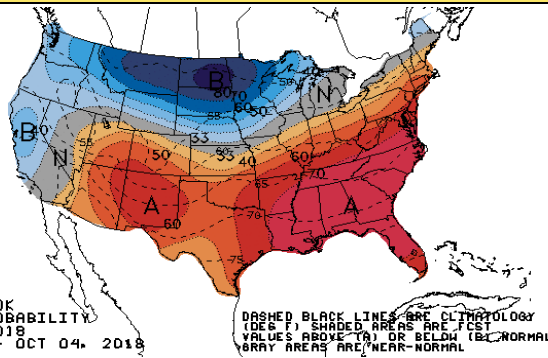
Crude oil climbed for the second straight week, with prompt month WTI remaining steadfastly above the \$70 mark for the latter half of the week. London-traded Brent crude remained just under \$80 for the second straight week. Wednesday's EIA storage report was bullish; domestic crude stocks fell by 2M barrels the previous week, the fifth straight decline. On the international front, President Trump tweeted at OPEC members Thursday to "get prices down now!" However, members of the OPEC-led production cuts met on Sunday (9/23) and decided not to increase production. In conjunction with the winding down of purchase contracts for Iran's oil, crude prices are now at 4-year highs for the start of this week. Iran is the third largest producer in OPEC, and US sanctions take effect in early November.



Natural gas prices jumped 21 cents last week after China announced a 10% tariff on LNG imported from the United States. China had previously proposed 25% tariffs, which could still take effect if the most recent U.S. tariffs on Chinese goods escalate in 2019. Meanwhile, power and demand returned to the southeast as Hurricane Florence receded and temperatures rebounded. Storage injections have begun to accelerate as the summer fades, but with inventories running nearly 600 Bcf behind the 5-year average, stocks could end the season close to 3.3 Tcf, the lowest level in more than a decade. October futures closed on Friday at \$2.977/MMBtu, but continued to gain early this week to surpass the \$3 threshold.

The National Weather Service near-term forecast calls for above-normal temperatures for the Southeast and below-normal temperatures for the northern-central states. 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 Forecast for Sep 30 - Oct 4

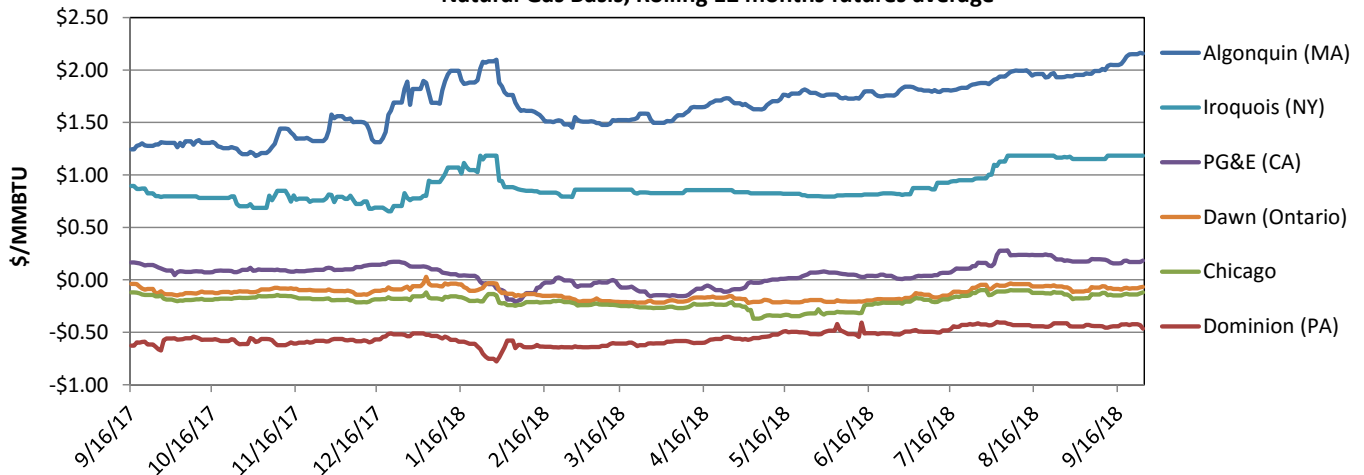
This map depicts forecasted temperatures for next week compared to the long term average. The blue/purple areas are forecast to be colder than normal, white areas are normal, and yellow/orange/red areas are warmer than normal. Abnormally hot weather in the summer and cold weather in the winter can increase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

Source: Chart from the National Weather Service Climate Prediction

Natural Gas Basis Futures

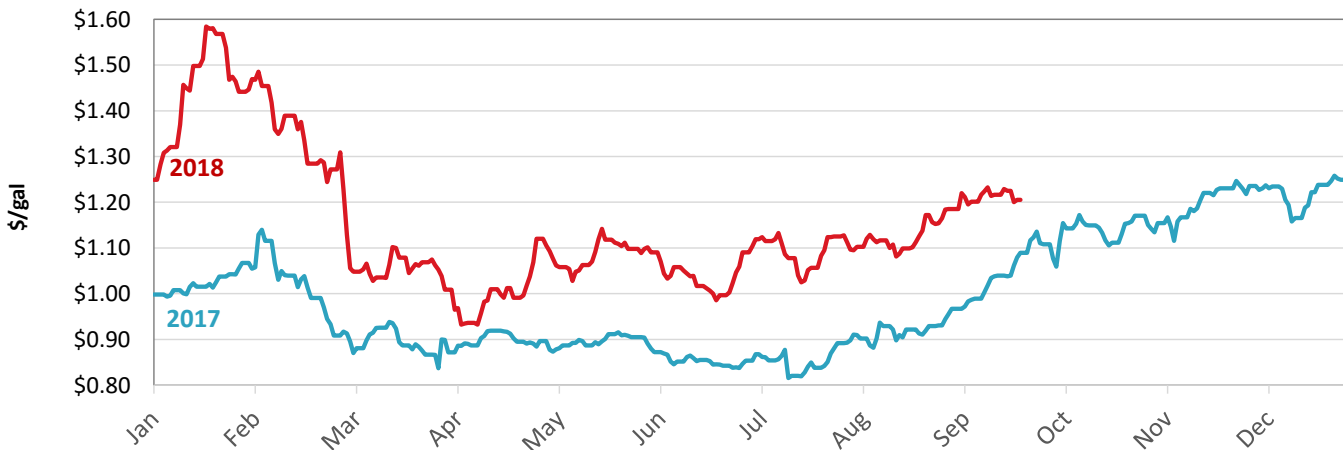
Basis is the price differential between Henry Hub, located in Erath, Louisiana, and the liquidity point closest to the end-user. Because Henry Hub is used as the delivery point for NYMEX natural gas futures contracts, the cost of using natural gas in any geographic region of the country can be approximated 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)		9/17/18	9/18/18	9/19/18	9/20/18	9/21/18	9/22/18	9/23/18	Avg
Maine RT On Pk		52	50	41	46	26			43
Maine RT Off Pk		53	33	26	28	26	25	21	30
NH RT On Pk		53	52	42	46	27			44
NH RT Off Pk		55	34	27	28	27	26	21	31
Vermont RT On Pk		53	52	42	46	26			44
Vermont RT Off Pk		54	34	27	28	26	26	21	31
Connecticut RT On Pk		52	51	41	45	26			43
Connecticut RT Off Pk		54	33	26	27	26	26	21	31
Rhode Island RT On Pk		52	51	41	45	26			43
Rhode Island RT Off Pk		54	33	26	28	26	26	21	31
NE Mass RT On Pk		53	52	41	46	27			44
NE Mass RT Off Pk		55	34	26	28	27	26	21	31
SE Mass RT On Pk		52	51	41	45	26			43
SE Mass RT Off Pk		54	33	26	28	27	26	21	31
WC Mass RT On Pk		53	52	41	46	27			44
WC Mass RT Off Pk		55	34	26	28	27	26	21	31
New York ISO Real Time Power Pricing By Zone (\$/MWh)									Avg
Capital RT On Pk		49	53	47	46	28			45
Capital RT Off Pk		51	33	29	29	25	29	22	31
Central RT On Pk		46	51	45	45	28			43
Central RT Off Pk		13	29	27	21	18	22	20	21
Hudson RT On Pk		48	54	49	47	29			45
Hudson RT Off Pk		42	32	30	27	23	28	22	29
Mohawk RT On Pk		45	47	42	46	33			43
Mohawk RT Off Pk		5	30	22	21	18	23	20	20
Milwood RT On Pk		50	54	49	47	29			46
Milwood RT Off Pk		43	32	30	27	24	28	22	29
NYC RT On Pk		50	54	49	48	32			47
NYC RT Off Pk		42	32	30	27	24	28	23	30
PJM Real Time Power Pricing By Zone (\$/MWh)									Avg
Eastern Hub On Pk		80	85	62	32	25			57
Eastern Hub Off Pk		25	28	21	23	25	24	22	24
Western Hub On Pk		57	57	65	44	42			53
Western Hub Off Pk		25	28	22	23	26	25	23	25
PPL Zone On Pk		53	43	48	29	22			39
PPL Zone Off Pk		24	27	21	22	23	23	22	23
AEP RT On Pk		57	62	79	75	53			65
AEP RT Off Pk		25	28	23	25	29	27	23	26
Chicago RT On Pk		56	35	53	53	25			44
Chicago RT Off Pk		24	26	21	23	26	15	19	22
New Jersey Hub On Pk		56	46	49	30	24			41
New Jersey Hub Off Pk		25	28	21	22	24	24	22	24
California ISO Real Time Power Pricing (\$/MWh)									Avg
SoCal Edison RT On Pk		40	26	31	25	42			33
SoCal Edison RT Off Pk		35	25	24	24	31	26	24	27
Natural Gas \$/MMBtu		9/17/18	9/18/18	9/19/18	9/20/18	9/21/18	9/22/18	9/23/18	Avg
Henry Hub, LA		2.95	3.00	3.11	3.07	3.02			3.03
TZ6, MA		2.94	2.91	2.92	2.93	3.00			2.94
Algonquin, MA		3.00	2.95	2.92	2.76	3.13			2.95
Chicago Hub, IL		2.86	2.91	2.91	2.79	2.85			2.86
New York, NY		2.70	2.66	2.66	2.55	2.29			2.57
Dominion South, PA		2.66	2.61	2.55	2.52	2.28			2.52
Opal Hub, WY		2.34	2.45	2.24	2.19	2.30			2.30
PG&E Citygate, CA		3.07	3.15	3.10	3.14	3.08			3.11