



Competitive Energy Services Weekly Market Summary

November 5 - 9, 2018

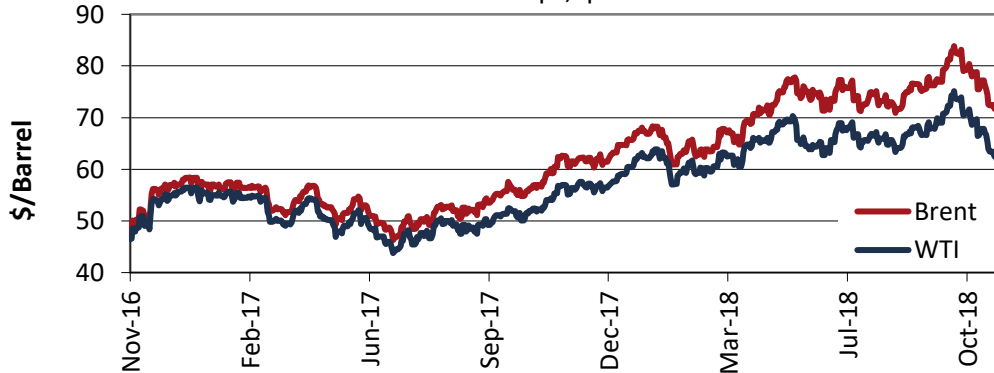
Synopsis of Last Week's Energy Markets

Crude oil prices have plummeted since early October as Russia, Saudi Arabia, and the US are all producing crude at historically high levels. In the past 5 weeks, NYMEX-traded WTI has eliminated the gains made since the start of 2018. Natural gas prices rose by a dramatic 14% last week amid concerns that cold weather could strain gas inventories, which began November at the lowest seasonal levels in more than a dozen years.

Oil Market

Crude Oil - WTI & Brent

12-Month Forward Strips, past 24 months

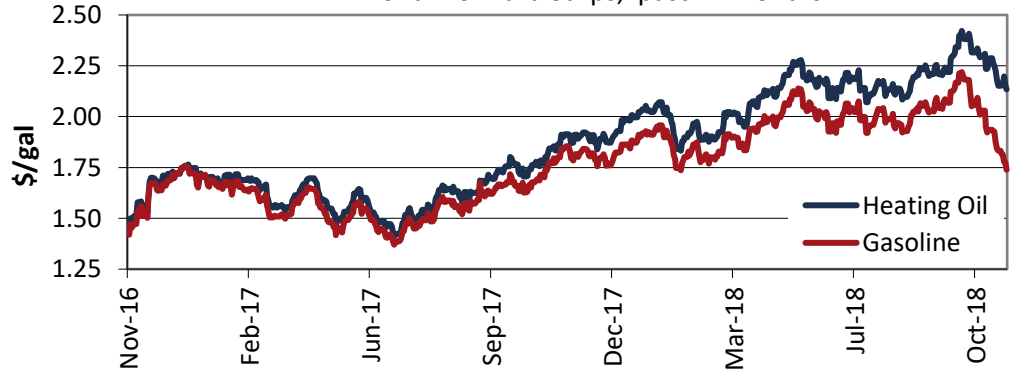


NYMEX WTI	last close	previous week	24-month high	24-month low
12 month strip, \$/bbl	\$60.77	\$63.41	\$75.39	\$43.82
date	11/9/18	11/2/18	10/3/18	6/21/17
change from last close		-4.2%	-19.4%	39%

US STORAGE (in million bbls)		crude oil
domestic stocks as of	11/2/18	432
gain / loss from previous week		5.8
comparison to historic range		within

Heating Oil & Gasoline

NYMEX 12-Month Forward Strips, past 24 months

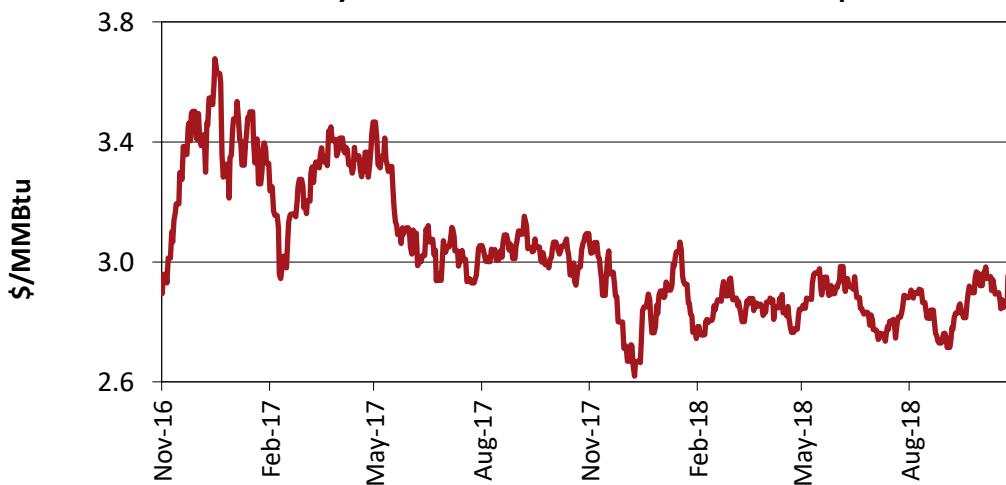


NYMEX Heating Oil	last close	previous week	24-month high	24-month low
12 month strip, \$/gal	\$2.13	\$2.15	\$2.43	\$1.41
date	11/9/18	11/2/18	10/3/18	6/21/17
change from last close		-0.9%	-12%	51%

US STORAGE (in million bbls)		distillate	propane	gasoline
domestic stocks as of	11/2/18	123	85	228
gain / loss from previous week		-3.5	1.5	1.9
comparison to historic range		within	within	above

Natural Gas Market

NYMEX Henry Hub Futures: 12 Month Forward Strip

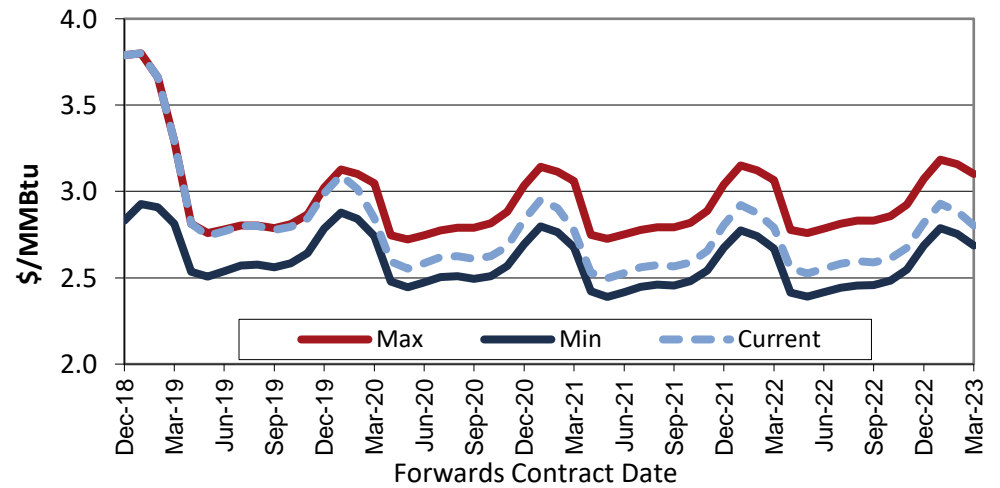


NYMEX PRICING	last close	previous week	24-month high	24-month low
12 mo. strip, \$/MMBtu	\$3.04	\$2.86	\$3.70	\$2.61
date	11/9/18	11/2/18	12/28/16	12/21/17
change from last close		6.4%	-18%	16%

CES SCORE	
12 month	3
18 month	15
24 month	27
36 month	40

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



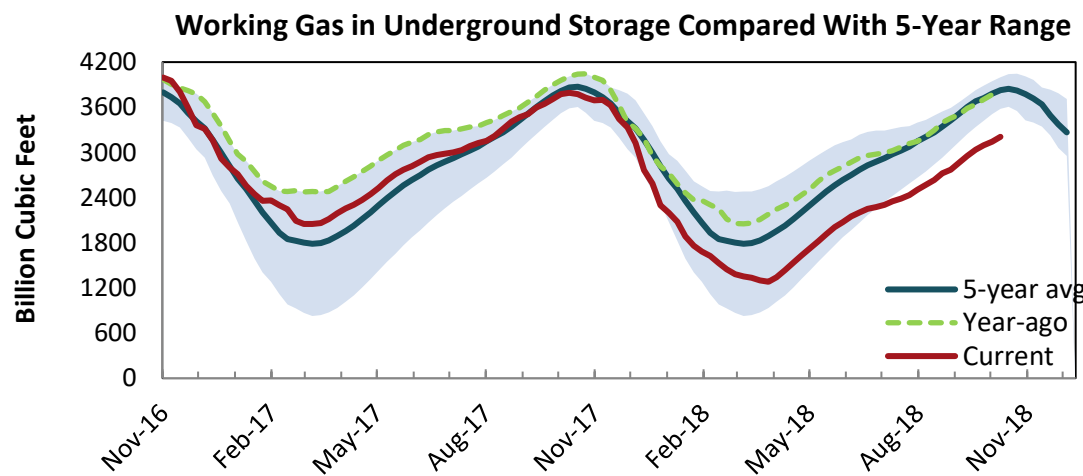
FORWARDS	12 month	18 month	24 month	36 month
strip (\$/MMBtu)	\$3.04	\$3.00	\$2.90	\$2.82

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



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		10/26/18	3,143	
Most Recent Stock Level		11/2/18	3,208	
Year-ago Stock Level			3,788	-15.3%
5-Year Average Stock Level			3,829	-16.2%
Most Recent Net Change		11/2/18	65	
Year-Ago Net Change			22	195%
5-Year Average Net Change			48	35%

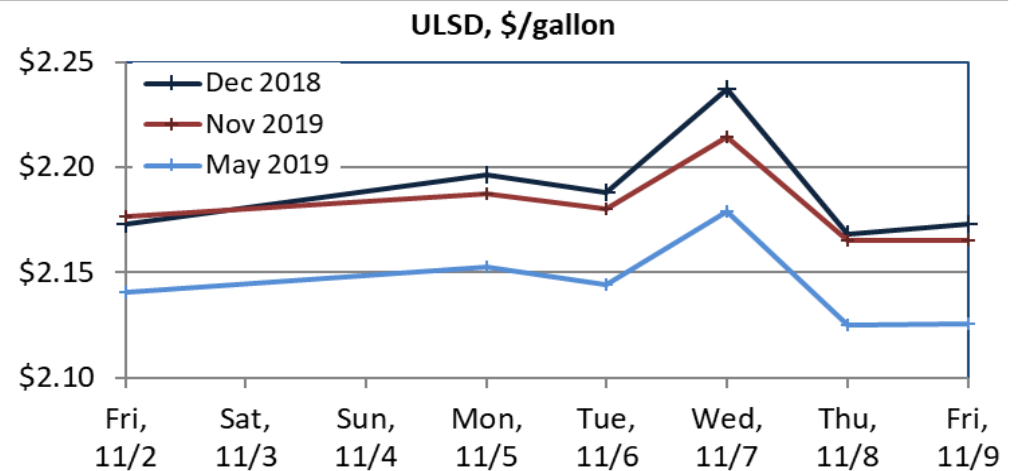
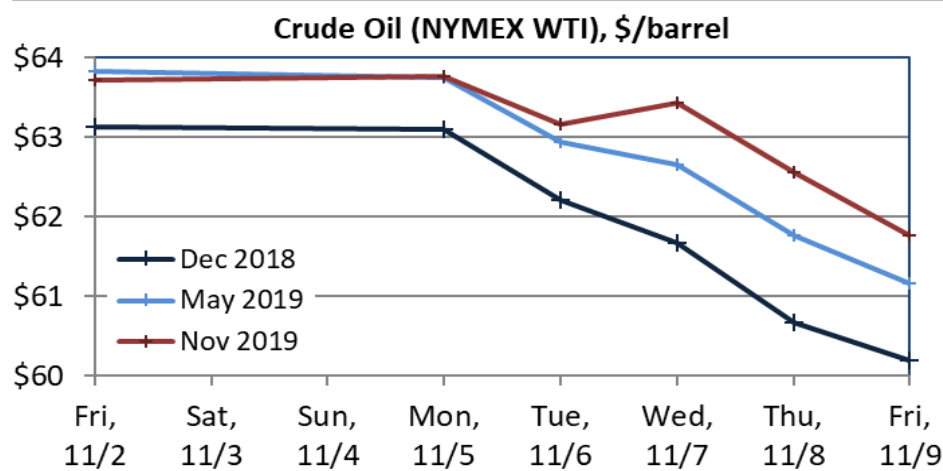
Data Source: EIA <http://tonto.eia.doe.gov/oog/info/ngs/ngs.html>

Market Assessment

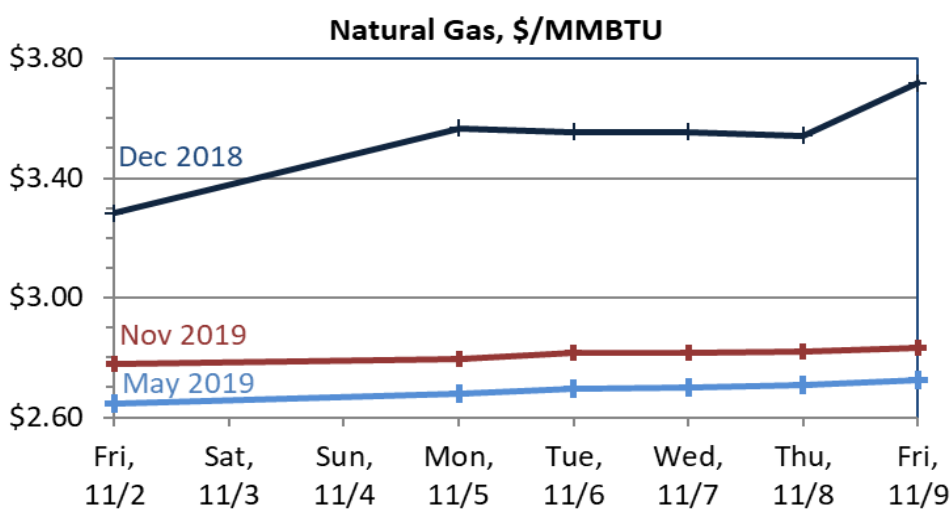
NYMEX Futures Summary Statistics

	Last Expired Contract	Exp. Date	Price	Prompt Month	Price	Most Expensive Next 12 Months	Price	Least Expensive Next 12 Months	Price	Next Winter Avg (Nov19-Mar20)
Crude oil	Nov-18	10/22/18	\$69.17	Dec-18	\$60.19	Nov-19	\$61.77	Dec-18	\$60.19	\$61.73
Heating oil	Nov-18	10/31/18	\$2.26	Dec-18	\$2.17	Dec-18	\$2.17	Jun-19	\$2.12	\$2.17
Natural gas	Nov-18	10/29/18	\$3.19	Dec-18	\$3.72	Jan-19	\$3.72	May-19	\$2.72	\$2.93

NYMEX End-of-Day Settlements



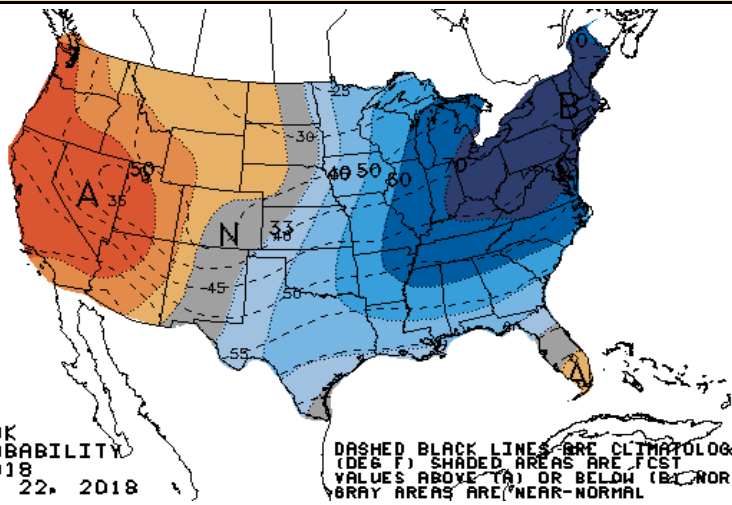
Crude oil prices plummeted again last week, with near-term WTI contracts falling back to the \$60 mark. Oil prices climbed to a 2018 high in early October in anticipation of the sanctions against Iran, but President Trump granted last-minute waivers to eight countries which rely on Iran's oil and Saudi Arabia and Russia have both ramped up production in September and October. Domestically, the EIA reported that US production jumped to 11.6M barrels per day and domestic stocks gained for a seventh straight week. Crude oil continued plummet on Monday, marking the 11th straight day of losses for the prompt month WTI contract. Near-term WTI contracts have fallen \$16/barrel (20%) since peaking on October 3rd.



Natural gas prices jumped 44 cents last week, driven by a single-day 28-cent gain on Monday and strong gains on Friday. Futures rallied as the conventional withdrawal season begins with the storage deficit at the lowest seasonal levels since 2003, according to EIA estimates. Inventories could see two additional injections this year, but that would do little to close the nearly 600-Bcf (16%) gap. With storage tight this year, markets could be sensitive to forecasts for cold that could leave supply constrained. Last week, traders looked ahead to lower-than-average temperatures across the eastern half of the country in the coming days. December futures closed at \$3.728/MMBtu on Friday afternoon, a 75-cent premium to December 2020 contracts.

The National Weather Service near-term forecast calls for below-average temperatures for the eastern half of the US, particularly in the Northeast. The natural gas market scores on page 1 declined drastically from the previous week. Clients with electricity or natural gas contracts expiring in 2018 and 2019 should consult with a CES representative for customized guidance.

National Weather Service Forecast



6 - 10 Day Forecast for Nov 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



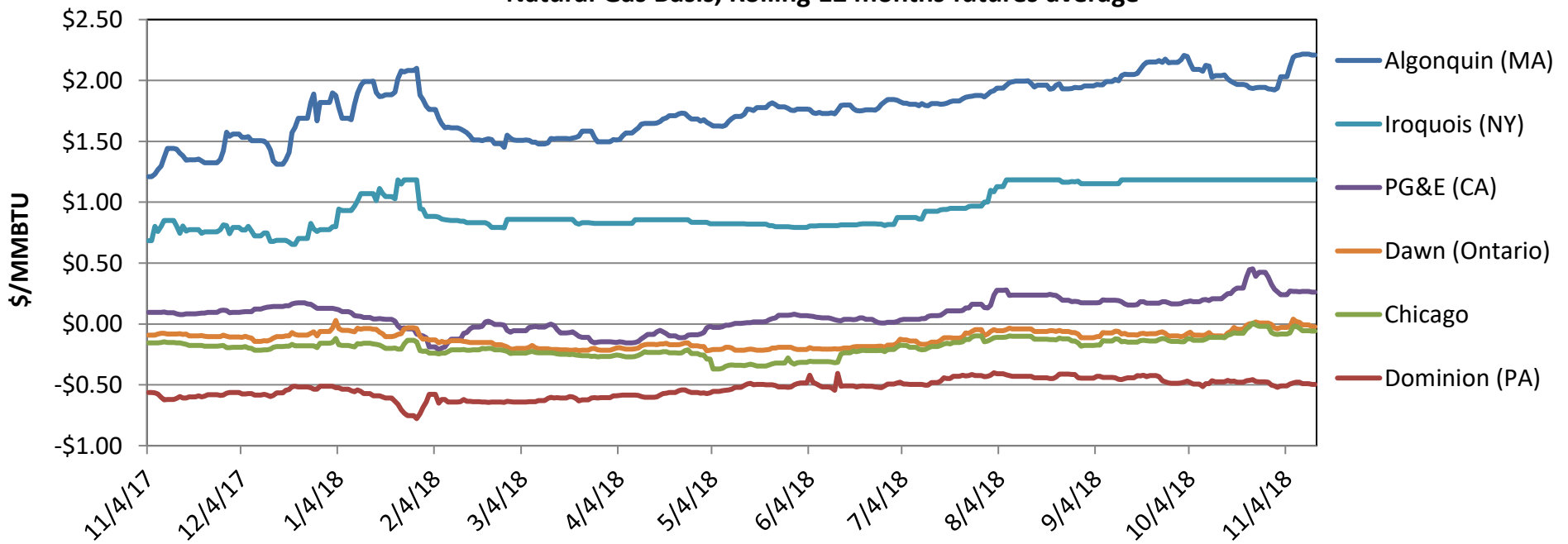
6-10 DAY OUTLOOK
TEMPERATURE PROBABILITY
MADE 12 NOV 2018
VALID NOV 18 - 22, 2018

DASHED BLACK LINES ARE CLIMATEOLOGY (DEG F). SHADED AREAS ARE FCST VALUES ABOVE (+) OR BELOW (-) NORMAL. GRAY AREAS ARE NEAR-NORMAL.

Natural Gas Basis Futures

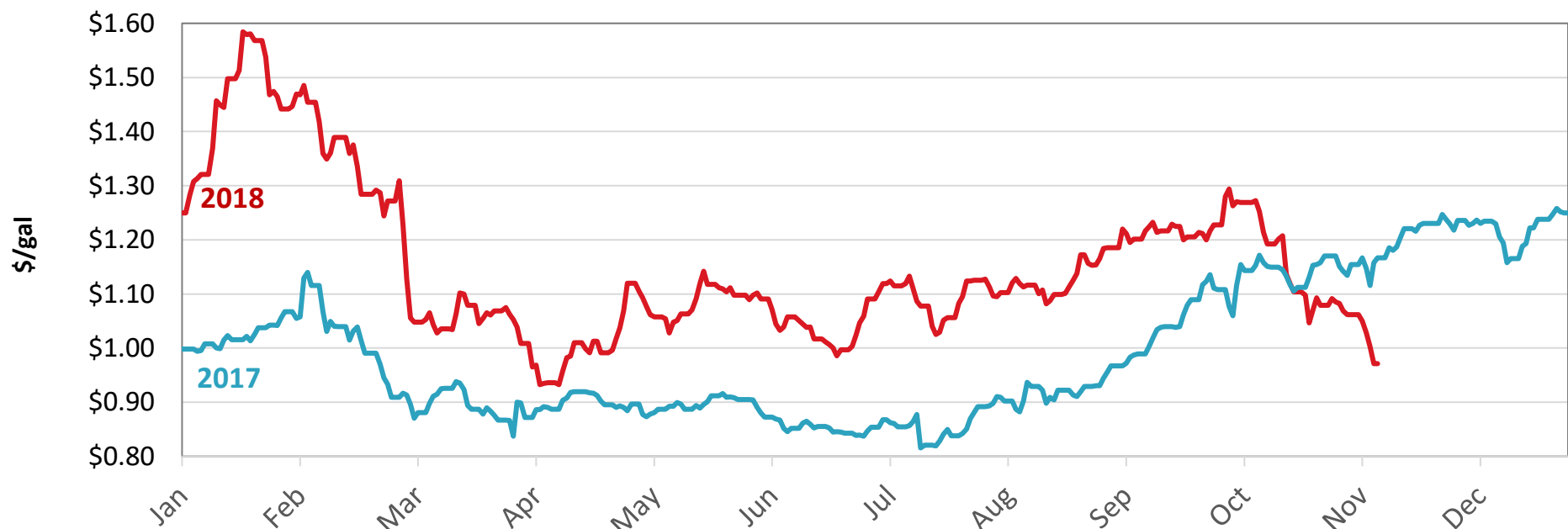
Basis is the price differential between Henry Hub, located in Erath, Louisiana, and the liquidity point closest to the end-user. Because Henry Hub is used as the delivery point for NYMEX natural gas futures contracts, the cost of using natural gas in any geographic region of the country can be approximated 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	
		11/5/18	11/6/18	11/7/18	11/8/18	11/9/18	11/10/18	11/11/18		
Power (\$/MWh)	Maine RT On Pk	41	34	34	43	32			37	
	Maine RT Off Pk	9	12	27	19	28	30	25	22	
	NH RT On Pk	42	36	37	46	32			39	
	NH RT Off Pk	13	23	28	27	30	31	27	26	
	Vermont RT On Pk	40	35	36	46	32			38	
	Vermont RT Off Pk	12	23	27	26	30	30	27	25	
	Connecticut RT On Pk	41	36	37	45	32			38	
	Connecticut RT Off Pk	13	24	28	27	30	31	28	26	
	Rhode Island RT On Pk	42	36	37	45	32			39	
	Rhode Island RT Off Pk	13	24	28	27	30	31	28	26	
	NE Mass RT On Pk	42	37	38	46	33			39	
	NE Mass RT Off Pk	13	24	28	27	30	31	28	26	
	SE Mass RT On Pk	42	36	38	46	32			39	
	SE Mass RT Off Pk	13	24	28	27	30	31	28	26	
	WC Mass RT On Pk	42	36	38	46	32			39	
	WC Mass RT Off Pk	13	24	29	27	30	31	28	26	
			New York ISO Real Time Power Pricing By Zone (\$/MWh)							Avg
		Capital RT On Pk	37	30	31	52	29			36
		Capital RT Off Pk	17	20	25	29	26	29	26	25
		Central RT On Pk	35	27	29	50	27			34
Central RT Off Pk		17	18	22	27	24	28	25	23	
Hudson RT On Pk		38	30	31	52	29			36	
Hudson RT Off Pk		17	20	25	29	26	29	27	25	
Mohawk RT On Pk		35	28	28	50	28			34	
Mohawk RT Off Pk		16	18	22	27	24	28	25	23	
Milwood RT On Pk		38	30	31	52	29			36	
Milwood RT Off Pk		17	20	25	29	26	30	27	25	
NYC RT On Pk		38	33	34	53	30			37	
NYC RT Off Pk		18	20	25	29	26	30	29	25	
		PJM Real Time Power Pricing By Zone (\$/MWh)							Avg	
		Eastern Hub On Pk	48	43	41	35	40			41
	Eastern Hub Off Pk	20	26	25	27	26	36	45	29	
	Western Hub On Pk	37	35	36	34	29			34	
	Western Hub Off Pk	23	26	26	27	24	33	30	27	
	PPL Zone On Pk	36	33	34	25	27			31	
	PPL Zone Off Pk	21	25	24	25	23	23	20	23	
	AEP RT On Pk	35	34	37	37	29			35	
	AEP RT Off Pk	24	26	27	28	24	35	32	28	
	Chicago RT On Pk	32	32	35	36	27			32	
	Chicago RT Off Pk	23	24	25	27	23	34	29	27	
	New Jersey Hub On Pk	37	37	35	28	28			33	
	New Jersey Hub Off Pk	20	26	25	26	24	30	28	26	
			California ISO Real Time Power Pricing (\$/MWh)							Avg
		SoCal Edison RT On Pk	24	36	38	53	36			37
SoCal Edison RT Off Pk		25	29	36	42	38	35	37	35	
		11/5/18	11/6/18	11/7/18	11/8/18	11/9/18	11/10/18	11/11/18	Avg	
Natural Gas \$/MMBtu	Henry Hub, LA	3.53	3.53	3.54	3.59	3.83			3.60	
	TZ6, MA	3.49	3.54	3.75	3.69	4.39			3.77	
	Algonquin, MA	3.25	3.55	3.78	3.70	4.50			3.76	
	Chicago Hub, IL	3.52	3.68	3.68	3.76	3.90			3.71	
	New York, NY	3.16	3.33	3.48	3.43	3.79			3.44	
	Dominion South, PA	3.11	3.26	3.34	3.35	3.51			3.31	
	Opal Hub, WY		3.40	3.46	3.54	3.76			3.54	
	PG&E Citygate, CA	3.83	3.99	4.03	4.00	4.08			3.99	