



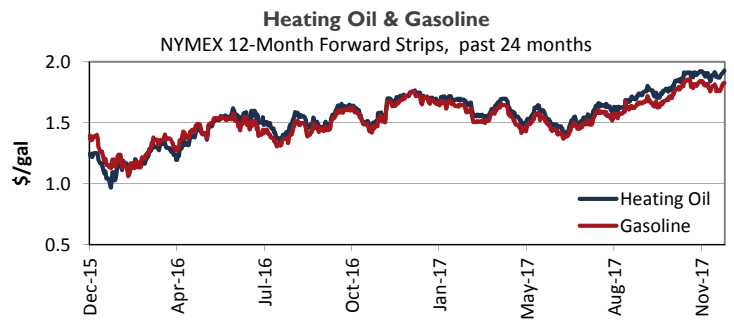
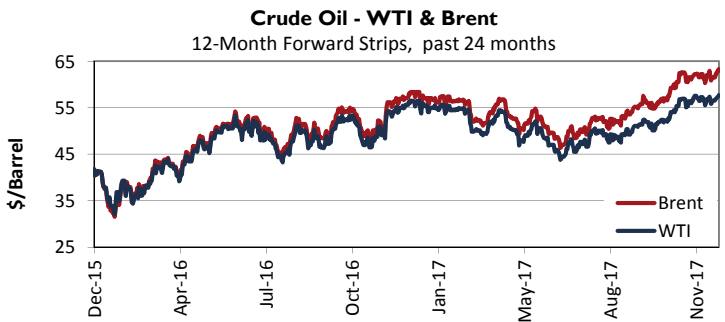
Competitive Energy Services Weekly Market Summary

December 18 - 22, 2017

Synopsis of Last Week's Energy Markets

Crude oil climbed last week; futures contracts beyond April 2018 have rallied each trading day since December 13th. Domestic crude stocks have fallen for five straight weeks, and London-traded Brent crude continues to be impacted by the Forties Pipeline outage. Natural gas prices gained for this winter's contracts while the outer months declined. Cooler-than-normal forecasts for both Christmas weekend and New Years weekend boosted prices, but heating demand has been muted so far this season.

Oil Market



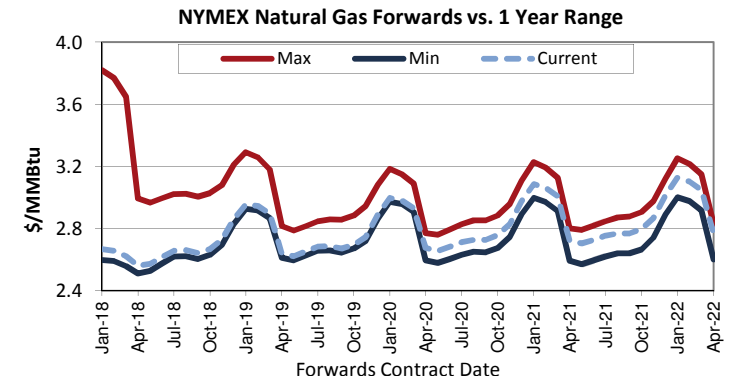
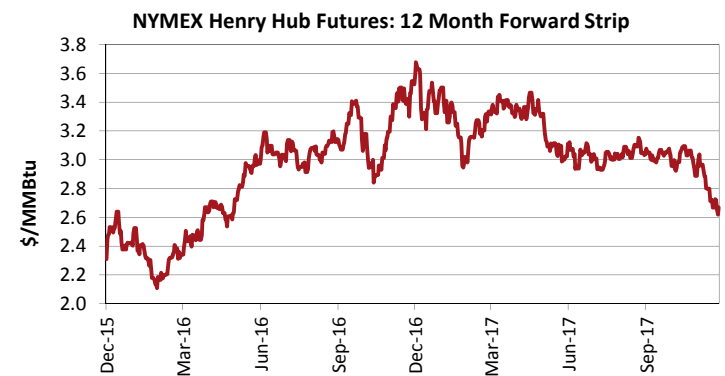
| NYMEX WTI | last close | previous week | 24-month high | 24-month low |
|------------------------|------------|---------------|---------------|--------------|
| 12 month strip, \$/bbl | \$57.77 | \$56.48 | \$57.77 | \$32.40 |
| date | 12/22/17 | 12/15/17 | 12/22/17 | 1/20/16 |
| change from last close | | 2.3% | 0.0% | 78% |

| NYMEX Heating Oil | last close | previous week | 24-month high | 24-month low |
|------------------------|------------|---------------|---------------|--------------|
| 12 month strip, \$/gal | \$1.93 | \$1.87 | \$1.93 | \$0.97 |
| date | 12/22/17 | 12/15/17 | 12/22/17 | 1/20/16 |
| change from last close | | 3.2% | 0% | 99% |

| US STORAGE (in million bbls) | | crude oil |
|--------------------------------|----------|-----------|
| domestic stocks as of | 12/15/17 | 436 |
| gain / loss from previous week | | -6.5 |
| comparison to historic range | | within |

| US STORAGE (in million bbls) | | distillate | propane | gasoline |
|--------------------------------|----------|------------|---------|----------|
| domestic stocks as of | 12/15/17 | 129 | 71 | 228 |
| gain / loss from previous week | | 0.8 | -3.3 | 1.2 |
| 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 | \$2.66 | \$2.67 | \$3.70 | \$2.11 |
| date | 12/22/17 | 12/15/17 | 12/28/16 | 2/25/16 |
| change from last close | | -0.3% | -28% | 26% |

| FORWARDS | 12 month | 18 month | 24 month | 36 month |
|------------------|----------|----------|----------|----------|
| strip (\$/MMBtu) | \$2.66 | \$2.70 | \$2.71 | \$2.74 |

| CES SCORE | |
|-----------|----|
| 12 month | 92 |
| 18 month | 91 |
| 24 month | 90 |
| 36 month | 82 |

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.

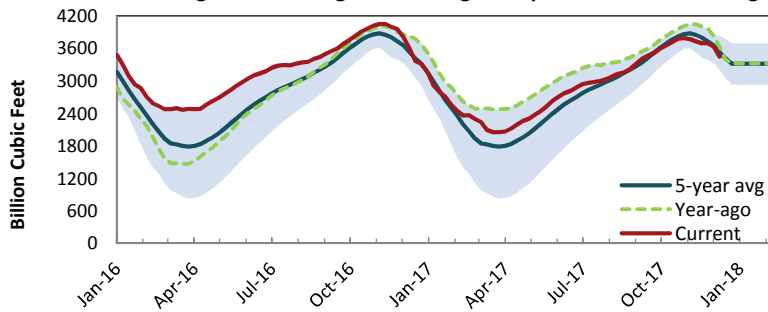
Natural gas futures are useful for both natural gas and electricity consumers because they drive electricity pricing in many U.S. markets. This chart compares the current natural gas price for each forward month on the NYMEX exchange to the highest and lowest prices for the same month over the past 12 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 | 12/8/17 | 3,626 | |
| Most Recent Stock Level | 12/15/17 | 3,444 | |
| Year-ago Stock Level | | 3,627 | -5.0% |
| 5-Year Average Stock Level | | 3,528 | -2.4% |
| Most Recent Net Change | 12/15/17 | -182 | |
| Year-Ago Net Change | | -200 | |
| 5-Year Average Net Change | | -125 | |

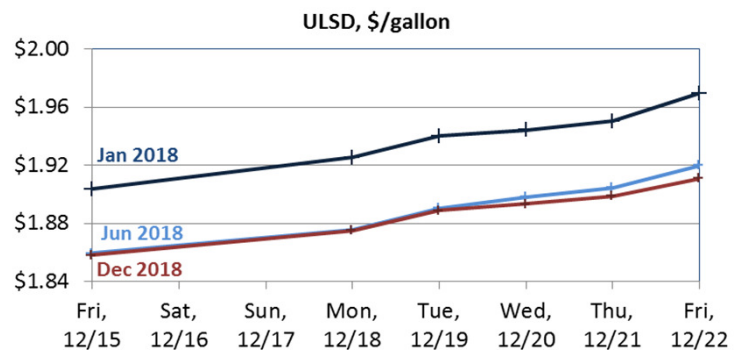
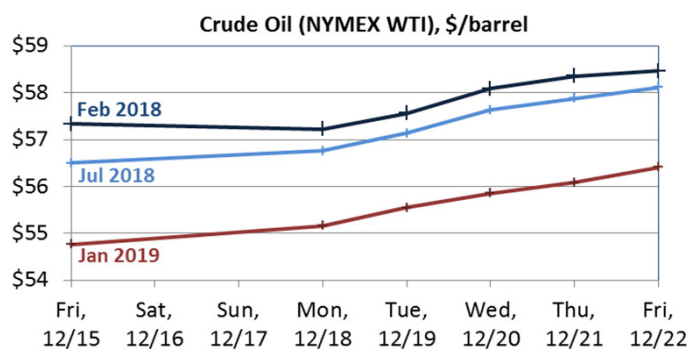
Data Source: EIA <http://tonto.eia.doe.gov/oog/info/ngs/ngs.html>

Market Assessment

NYMEX Futures Summary Statistics

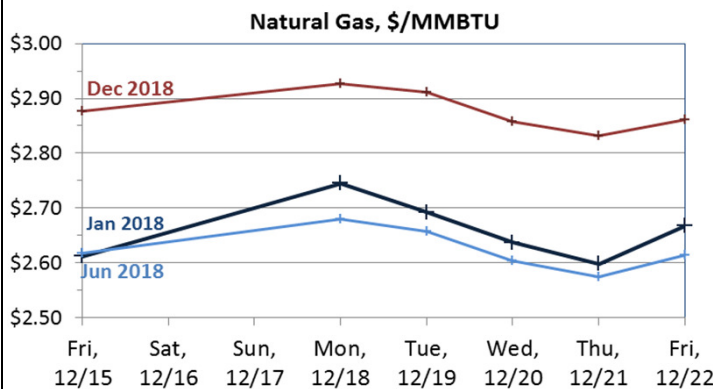
| | Last Expired Contract | Exp. Date | Price | Prompt Month | Price | Most Expensive Next 12 Months | Price | Least Expensive Next 12 Months | Price | Winter Avg (Jan-Mar18) |
|-------------|-----------------------|-----------|---------|--------------|---------|-------------------------------|---------|--------------------------------|---------|------------------------|
| Crude oil | Jan-18 | 12/19/17 | \$57.46 | Feb-18 | \$58.47 | Mar-18 | \$58.54 | Jan-19 | \$56.41 | \$58.16 |
| Heating oil | Dec-17 | 11/30/17 | \$1.89 | Jan-18 | \$1.97 | Feb-18 | \$1.97 | Oct-18 | \$1.91 | \$1.97 |
| Natural gas | Dec-17 | 11/28/17 | \$2.61 | Jan-18 | \$2.67 | Dec-18 | \$2.86 | Apr-18 | \$2.56 | \$2.65 |

NYMEX End-of-Day Settlements



Crude prices rallied last week. The EIA reported a drop of 6.5M barrels in domestic crude oil stocks, the fifth consecutive decline.

Despite record production rates, crude oil stocks are at the lowest point in more than two years due to a growth in exports and high refining rates. Internationally, Kuwait's oil minister reported a current compliance rate of 122% amongst members of the joint production cuts. Brent crude, the London-traded benchmark, has been bolstered by a closure on one stretch of the Ineos-owned Forties Pipeline system after a leak was discovered two weeks ago. Prices are starting this week off strong after militants carried out an explosives attack on a pipeline leading to one of Libya's major oil terminals.



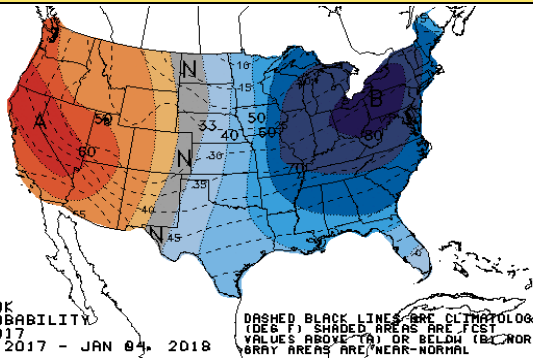
Natural gas prices surged Monday on forecasts for a cold Christmas weekend for the Midwest and Northeast. However, prices declined mid-week; gas demand across the US has been depressed as the heating season so far has been milder than normal. The EIA storage report showed a net withdrawal that exceeded both projections and the five-year average, although Thursday still saw a drop in prices. A cold forecast for the eastern US for December 27 - January 4 snapped the run of losses, and this winter's contracts reversed course on Friday. However, NOAA's monthly outlook for January calls for normal or warmer-than-normal weather for most of the US except for the Great Lakes region. Interestingly, gas prices for this winter have fallen so much that the spread between the March and April 2018 contracts is currently at 5 cents.

The National Weather Service near-term forecast calls for cooler-than-normal temperatures for the Eastern US and warmer-than-normal temperatures for the West. 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 25 DEC 2017
VALID DEC 31, 2017 - JAN 04, 2018



6 - 10 Day Forecast for Dec 31 - Jan 4

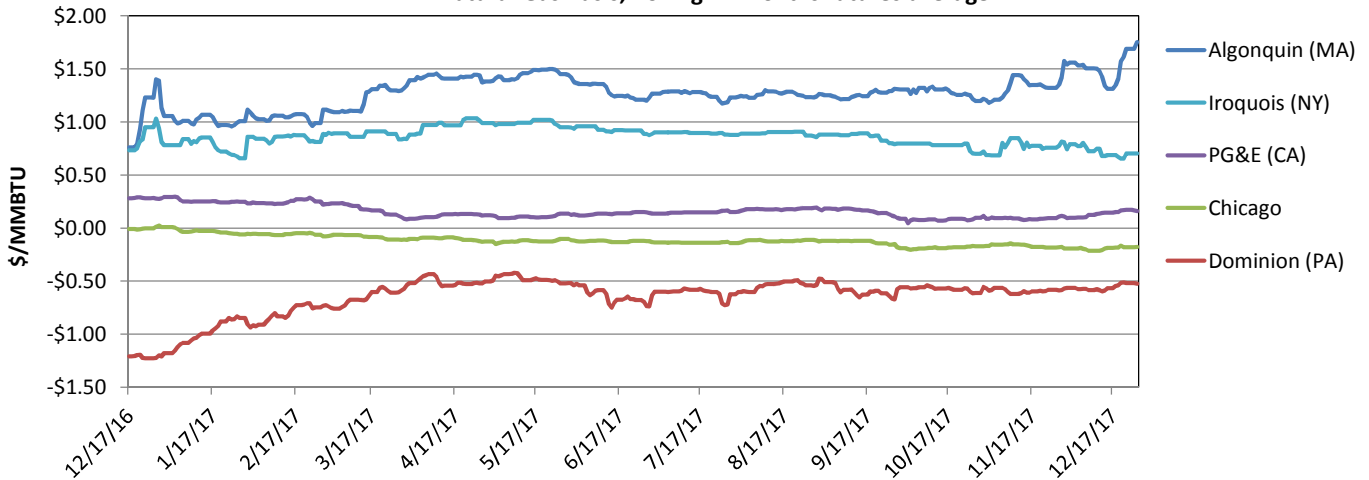
This map depicts forecasted temperatures for next week compared to the long term average. The blue/purple areas are forecast to be colder than normal, white areas are normal, and yellow/orange/red areas are warmer than normal. Abnormally hot weather in the summer and cold weather in the winter can increase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

Source: Chart from the National Weather Service Climate Prediction

Natural Gas Basis Futures

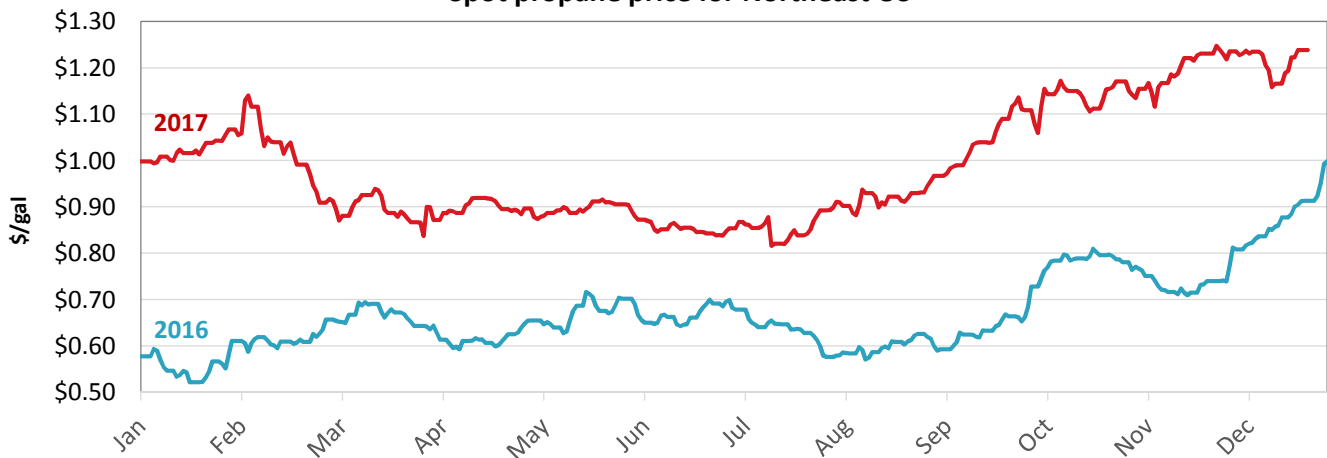
Basis is the price differential between Henry Hub, located in Erath, Louisiana, and the liquidity point closest to the end-user. Because Henry Hub is used as the delivery point for NYMEX natural gas futures contracts, the cost of using natural gas in any geographic region of the country can be approximated 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) | | | | | | | Avg | |
|-----------------------------|------------------------|---|--|----------|----------|----------|----------|----------|------------|------------|
| | | 12/18/17 | 12/19/17 | 12/20/17 | 12/21/17 | 12/22/17 | 12/23/17 | 12/24/17 | | |
| Power (\$/MWh) | Maine RT On Pk | 48 | 59 | 49 | (7) | 63 | | | 42 | |
| | Maine RT Off Pk | 151 | 60 | 9 | 38 | 38 | 120 | 53 | 67 | |
| | NH RT On Pk | 49 | 60 | 51 | 41 | 89 | | | 58 | |
| | NH RT Off Pk | 151 | 60 | 9 | 40 | 39 | 122 | 53 | 68 | |
| | Vermont RT On Pk | 48 | 58 | 51 | 70 | 101 | | | 66 | |
| | Vermont RT Off Pk | 147 | 59 | 9 | 38 | 38 | 119 | 53 | 66 | |
| | Connecticut RT On Pk | 48 | 59 | 52 | 79 | 105 | | | 68 | |
| | Connecticut RT Off Pk | 32 | 74 | 41 | 75 | 92 | 92 | 92 | 71 | |
| | Rhode Island RT On Pk | 48 | 59 | 52 | 88 | 109 | | | 71 | |
| | Rhode Island RT Off Pk | 151 | 60 | 10 | 40 | 39 | 121 | 54 | 68 | |
| | NE Mass RT On Pk | 136 | 56 | 38 | 65 | 87 | | | 76 | |
| | NE Mass RT Off Pk | 151 | 60 | 10 | 40 | 38 | 122 | 54 | 68 | |
| | SE Mass RT On Pk | 49 | 60 | 52 | 90 | 110 | | | 72 | |
| | SE Mass RT Off Pk | 151 | 60 | 10 | 40 | 39 | 122 | 54 | 68 | |
| | WC Mass RT On Pk | 48 | 60 | 52 | 84 | 108 | | | 70 | |
| | WC Mass RT Off Pk | 150 | 60 | 10 | 40 | 38 | 121 | 54 | 68 | |
| | | | New York ISO Real Time Power Pricing By Zone (\$/MWh) | | | | | | | Avg |
| | | | Capital RT On Pk | 38 | 31 | 37 | 47 | 65 | | 43 |
| | | | Capital RT Off Pk | 31 | 22 | 19 | 30 | 23 | 40 | 27 |
| | | | Central RT On Pk | 35 | 29 | 31 | 26 | 45 | | 33 |
| | | | Central RT Off Pk | 27 | 15 | 7 | 28 | 22 | 37 | 22 |
| | | | Hudson RT On Pk | 39 | 32 | 41 | 50 | 60 | | 44 |
| | | | Hudson RT Off Pk | 31 | 21 | 15 | 30 | 24 | 40 | 26 |
| | | | Mohawk RT On Pk | 36 | 29 | 32 | 28 | 47 | | 35 |
| | | | Mohawk RT Off Pk | 12 | 16 | 13 | 11 | 15 | 15 | 14 |
| | | | Milwood RT On Pk | 39 | 32 | 43 | 52 | 61 | | 45 |
| | | Milwood RT Off Pk | 24 | 35 | 23 | 40 | 51 | 51 | 39 | |
| | | NYC RT On Pk | 39 | 32 | 43 | 54 | 62 | | 46 | |
| | | NYC RT Off Pk | 31 | 21 | 16 | 30 | 24 | 40 | 26 | |
| | | PJM Real Time Power Pricing By Zone (\$/MWh) | | | | | | | Avg | |
| | | Eastern Hub On Pk | 49 | 35 | 59 | 39 | 39 | | 44 | |
| | | Eastern Hub Off Pk | 22 | 21 | 21 | 27 | 24 | 24 | 23 | |
| | | Western Hub On Pk | 33 | 36 | 39 | 43 | 43 | | 39 | |
| | | Western Hub Off Pk | 22 | 21 | 21 | 26 | 23 | 24 | 23 | |
| | | PPL Zone On Pk | 28 | 31 | 39 | 38 | 38 | | 35 | |
| | | PPL Zone Off Pk | 22 | 21 | 21 | 26 | 23 | 24 | 22 | |
| | | AEP RT On Pk | 26 | 33 | 36 | 36 | 36 | | 33 | |
| | | AEP RT Off Pk | 21 | 21 | 21 | 25 | 22 | 23 | 22 | |
| | | Chicago RT On Pk | 25 | 31 | 25 | 32 | 32 | | 29 | |
| | | Chicago RT Off Pk | 17 | 18 | 20 | 24 | 22 | 22 | 21 | |
| | | New Jersey Hub On Pk | 29 | 34 | 41 | 39 | 39 | | 36 | |
| | | New Jersey Hub Off Pk | 23 | 23 | 29 | 33 | 33 | 33 | 29 | |
| | | California ISO Real Time Power Pricing (\$/MWh) | | | | | | | Avg | |
| | | SoCal Edison RT On Pk | 58 | 79 | 50 | 42 | 29 | | 52 | |
| | | SoCal Edison RT Off Pk | 33 | 36 | 33 | 35 | 32 | 42 | 34 | |
| Natural Gas \$/MMBtu | | 12/18/17 | 12/19/17 | 12/20/17 | 12/21/17 | 12/22/17 | 12/23/17 | 12/24/17 | Avg | |
| | Henry Hub, LA | 2.71 | 2.74 | 2.70 | 2.60 | 2.61 | | | 2.67 | |
| | TZ6, MA | 6.69 | 9.73 | 11.19 | 8.09 | 11.88 | | | 9.52 | |
| | Algonquin, MA | | 11.06 | | | 17.32 | | | 14.19 | |
| | Chicago Hub, IL | 2.66 | 2.71 | 2.64 | 2.54 | 2.67 | | | 2.64 | |
| | New York, NY | 2.42 | 2.64 | 2.78 | 2.25 | 3.42 | | | 2.70 | |
| | Dominion South, PA | 2.15 | 2.36 | 2.26 | 2.07 | 2.04 | | | 2.17 | |
| | Opal Hub, WY | 2.55 | 2.64 | 2.56 | 2.57 | 2.55 | | | 2.58 | |
| | PG&E Citygate, CA | 2.98 | 2.99 | 2.91 | 2.87 | 2.85 | | | 2.92 | |
| | Kern River Deliveries | 3.03 | 3.07 | 3.65 | 4.06 | 3.04 | | | 3.37 | |