

AUGUST 14 - 18, 2023 MARKET SUMMARY



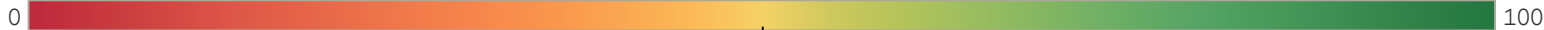
SPOTLIGHT | Illinois governor vetoes right-of-first-refusal for MISO transmission

Governor J.B. Pritzker of Illinois vetoed a provision in an Illinois omnibus energy bill that would have given incumbent utilities the right-of-first-refusal (ROFR) to construct, own, and maintain long-range transmission lines. Pritzker reasoned that a lack of competition in transmission project development would pass on higher costs to ratepayers....

Governor J.B. Pritzker of Illinois vetoed a provision in an Illinois omnibus energy bill that would have given incumbent utilities the right-of-first-refusal (ROFR) to construct, own, and maintain long-range transmission lines. Pritzker reasoned that a lack of competition in transmission project development would pass on higher costs to ratepayers. There is currently more than \$3.6 billion in planned transmission projects in Ameren's service territory, one of the largest utilities in Illinois and a key supporter of the ROFR provision. Ameren and other transmission owners currently have plans to build four Midcontinent Independent System Operator (MISO) transmission projects worth \$1.9 billion. These projects aim to support MISO's plan to develop greater long-range transmission infrastructure. Defenders of the ROFR provision argue that it allows for construction of transmission lines to begin sooner, but opponents cite studies highlighting that competition can reduce overall cost of transmission projects. ROFR laws have been proposed in several other states in recent months. Legislation was rejected in Iowa, Montana, and Oklahoma whereas ROFR bills were passed in Indiana and Mississippi.

CES SCORE | Is it Time for Action?

The **CES SCORE** shows how current wholesale commodity prices compare to their 52-week range. A score close to 0 indicates that current prices are close to their 52-week **HIGH**; a score close to 100 indicates that current prices are close to their 52-week **LOW**. Many factors influence how wholesale prices are translated into retail prices paid by consumers and when it is time to consider a price lock. Please contact your CES Energy Services Advisor for customized strategic procurement advice.



NATURAL GAS NYMEX TERMS

12 MONTH: 92
18 MONTH: 88
24 MONTH: 90
36 MONTH: 86

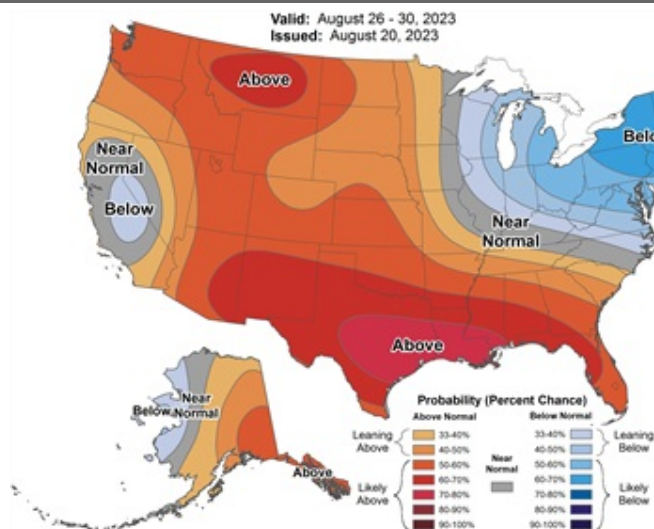
NEW ENGLAND ELECTRICITY TERMS

12 MONTH: 94
18 MONTH: 85
24 MONTH: 87
36 MONTH: 79

CRUDE OIL TERMS

12 MONTH: 68
18 MONTH: 65
24 MONTH: 64
36 MONTH: 61

WEATHER | 6-10 Day Forecast



While cooler-than-average temperatures are expected in New England for the remainder of August, most of the rest of the country braces for hot summer temperatures.

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, gray 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.

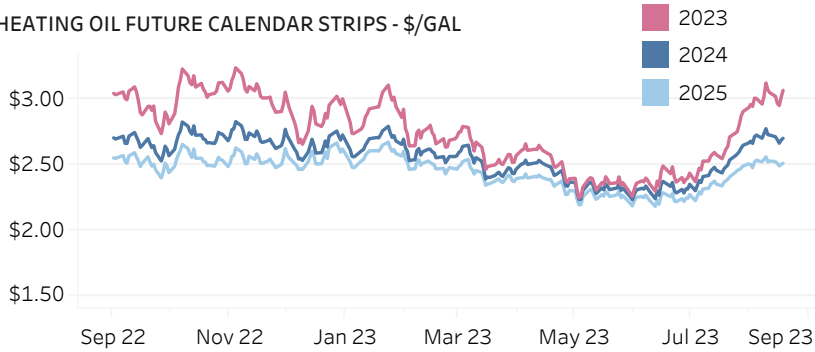
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OIL & DISTILLATES OVERVIEW

HEATING OIL FUTURE CALENDAR STRIPS - \$/GAL

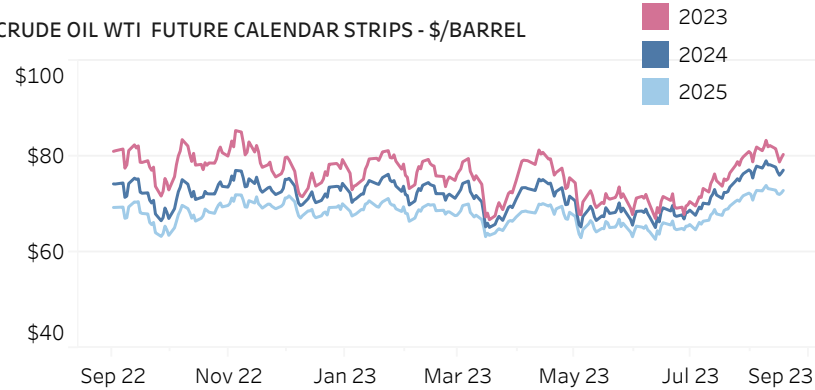


Prompt Month Price For Sep 23

This Week:	\$81.25/Bbl
Prior Week:	\$83.19/Bbl
CHANGE:	\$1.94/Bbl

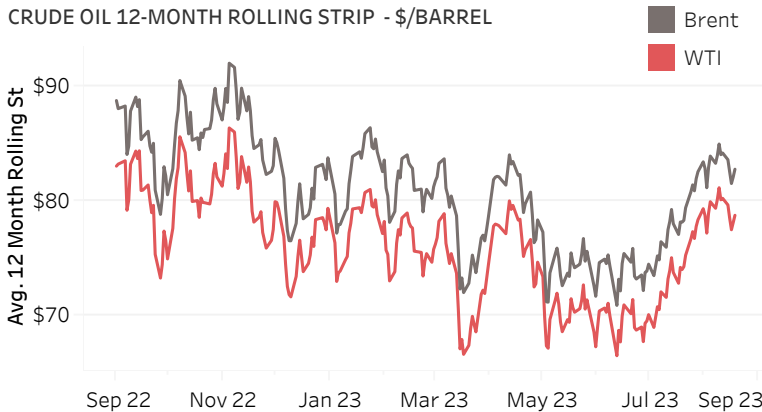
Both WTI and Brent fell week over week, with WTI falling 2.5% to \$78.15/Barrel and Brent falling 2.3% to \$82.14/Barrel. Crude oil markets remain volatile due to uncertainties in the Chinese economy. A contraction in manufacturing activity in China has affected global oil demand in the recent months. Against the backdrop of continuing OPEC+ production cuts, Chinese macroeconomic conditions have introduced further fluctuations in the crude oil market. The 4-week average of U.S. production increased by 0.8% week-over-week to 12.425 million bpd last week and is expected to cross the 12.9 million bpd toward the end of this year. U.S. crude oil stocks fell by 1.3% last week to 439.7 million barrels as refinery activity climbed by 1.1 percentage points to 93.8%, exhibiting recovery in operations after an extreme weather-induced slowdown three weeks ago. Total motor gasoline inventories also registered a decline last week, falling by 0.3 million barrels, applying upward pressure on gasoline prices across the country.

CRUDE OIL WTI FUTURE CALENDAR STRIPS - \$/BARREL

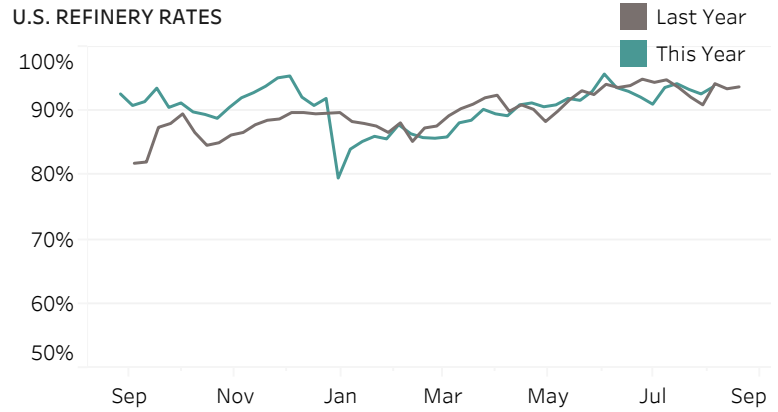


FUNDAMENTALS

CRUDE OIL 12-MONTH ROLLING STRIP - \$/BARREL

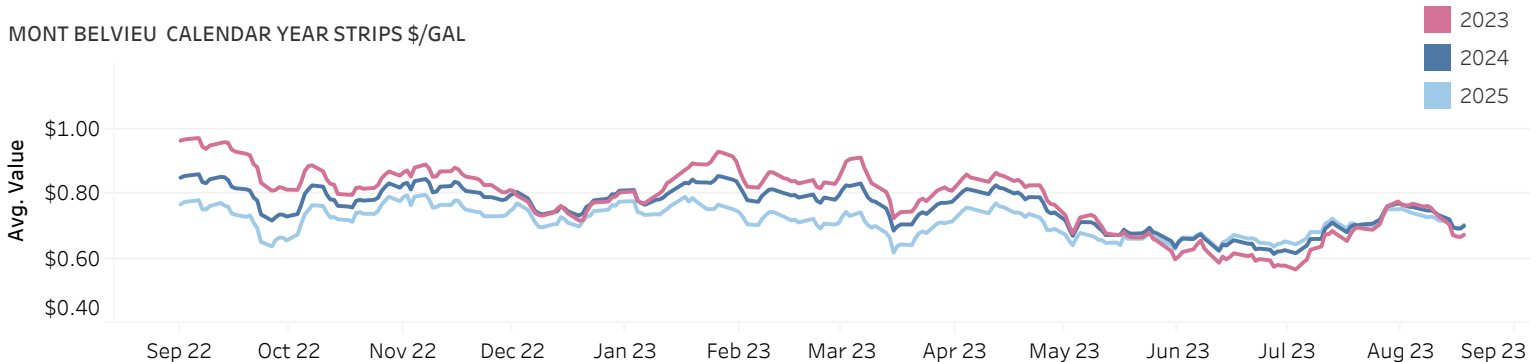


U.S. REFINERY RATES



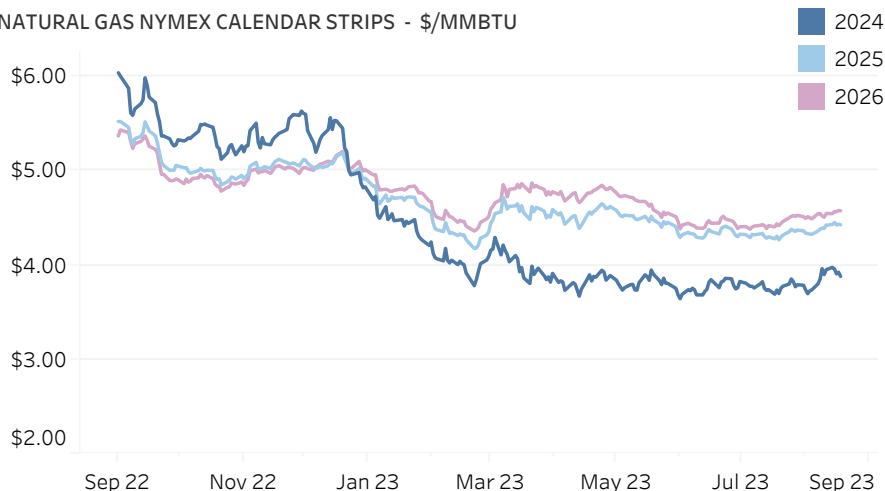
PROPANE

MONT BELVIEU CALENDAR YEAR STRIPS \$/GAL



NATURAL GAS OVERVIEW

NATURAL GAS NYMEX CALENDAR STRIPS - \$/MMBTU



2024
2025
2026

Prompt Month Price For Sep 23 ---

This Week: \$2.55/MMBTU

Prior Week: \$2.76/MMBTU

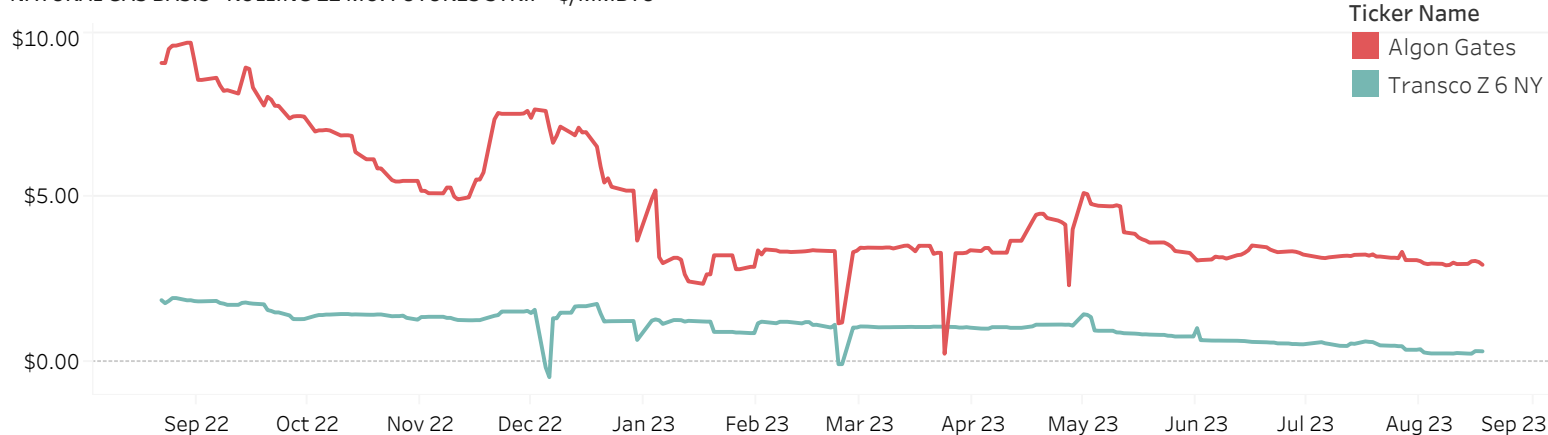
CHANGE: (\$0.21)/MMBTU

Natural gas prompt month futures saw a 7.9% decrease week-over-week to land at \$2.55/MMBTU. This week, we saw natural gas production remain above 100 Bcf/d but decline slightly to 102.0 Bcf/day, down from 102.2 Bcf/day the week prior. Natural gas storage injections have increased again week-over-week, indicating a trend away from the smaller injections we've seen throughout the summer. Storage injections totaled 35 Bcf for the week ending 8/11, a 21% increase over the week before. Northeast natural gas spot prices have remained stable despite a warmer week in New England. A looming LNG worker strike in Australia has already impacted some international gas markets and has the potential to inflate New England winter gas prices although any impacts have yet to be seen.

Winter natural gas NYMEX strips are an average of commodity prices for the months of December - March of each winter. Prices are presented in this format to highlight what consumers will pay during the typical heating season in the U.S.

NATURAL GAS FUNDAMENTALS

NATURAL GAS BASIS - ROLLING 12 MO. FUTURES STRIP - \$/MMBTU

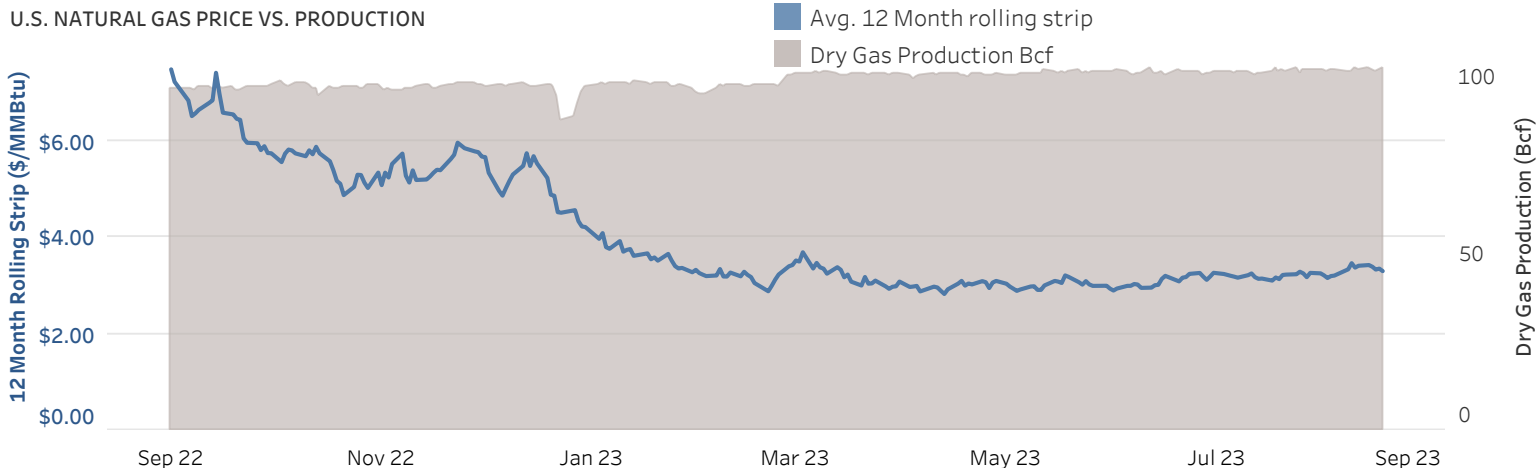


Ticker Name

Algon Gates

Transco Z 6 NY

U.S. NATURAL GAS PRICE VS. PRODUCTION



Avg. 12 Month rolling strip

Dry Gas Production Bcf

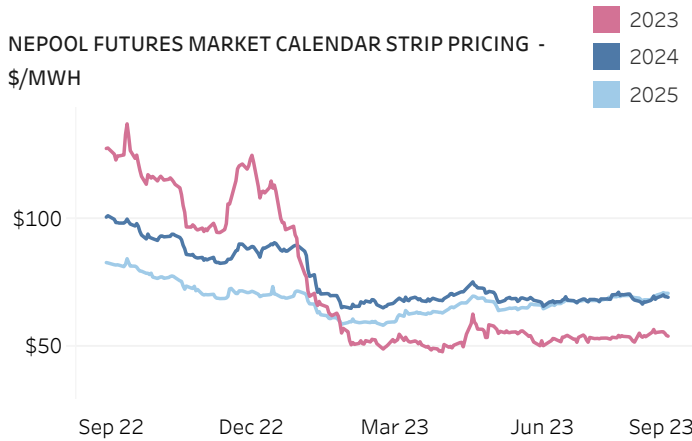
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NEW ENGLAND ELECTRICITY OVERVIEW

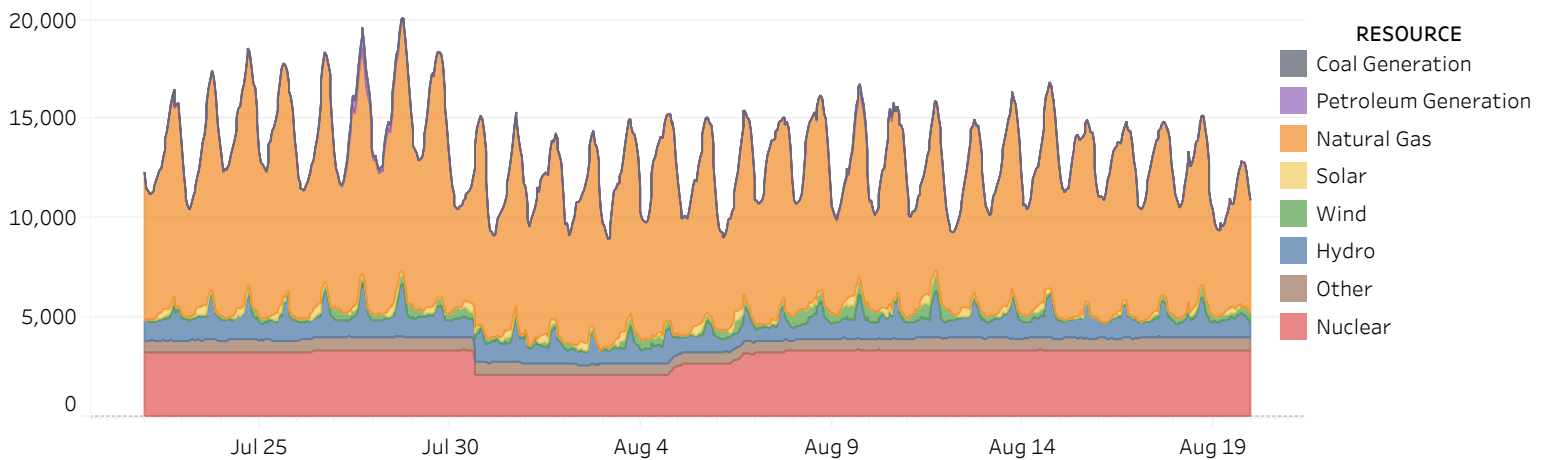
NEPOOL FUTURES MARKET CALENDAR STRIP PRICING - \$/MWH



The NEPOOL 12-month strip rose 0.7% week-over-week, settling at \$65.78/MWh. All calendar strips also saw increases week-over-week. The 2024 strip increased 1.4% week-over-week, settling at \$69.67/MWh, 2025 rose 1.5% to \$71.02/MWh, and 2026 settled at \$64.70/MWh, a 3.1% increase from the week prior. Natural gas storage remains above the 5-year average, with storage increasing 35 Bcf to 299 Bcf above the 5-year average. NYMEX and Basis saw small changes week over week, resulting in a two-cent decrease and one-cent increase respectively. Cooler temperatures in New England this past week have added downward pressure on prices, and below-average temperatures are projected to continue into September. A potential Australian labor strike at three large LNG export terminals led to significant increases in global LNG pricing and caused a subsequent \$1/MWh jump in New England electricity prices on August 9th. If the strike materializes, it will likely have far-reaching effects on prices in Europe and the United States.

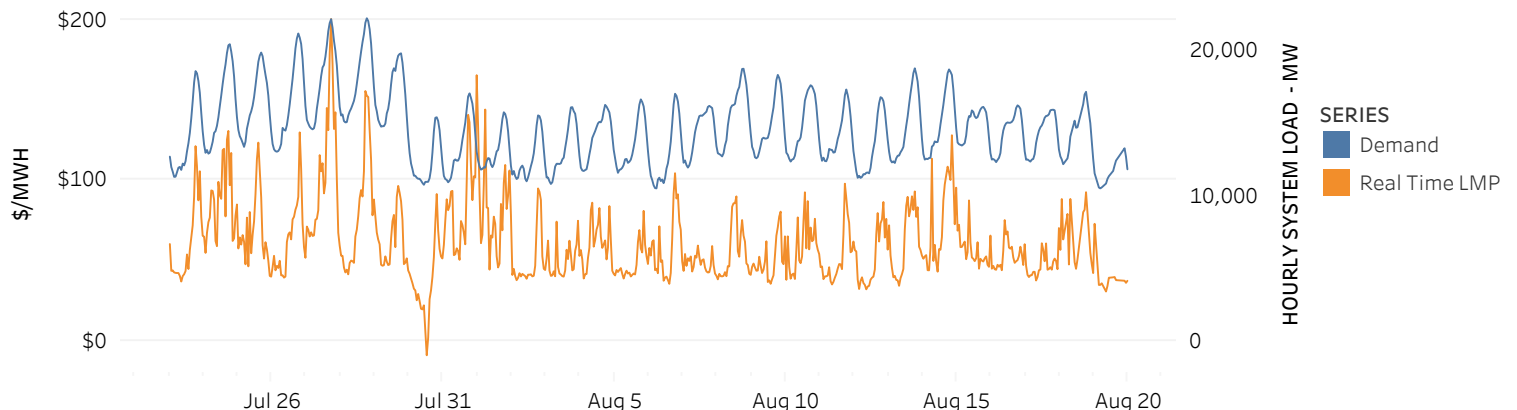
NEW ENGLAND REGIONAL ELECTRICITY GRID GENERATION MIX

ISO-NE GRID ELECTRICITY GENERATION MIX - EXCLUDES IMPORTS - MW



NEW ENGLAND GRID FUNDAMENTALS

ISO NE HOURLY GRID DEMAND & REAL TIME LMP RATE



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