

JANUARY 15 - 19, 2024 MARKET SUMMARY



SPOTLIGHT | Power Grids Maintain Reliability Through Winter Chill

Last week, during the Federal Energy Regulatory Commission's (FERC) open meeting, Chairman Phillips highlighted the strong performance of the US power grid despite cold temperatures driving peak winter electricity demand. This came after a week when much of the country experienced extreme cold and grid operators issued related advisories and alerts out of concern for potential blackouts....

Last week, during the Federal Energy Regulatory Commission's (FERC) open meeting, Chairman Phillips highlighted the strong performance of the US power grid despite cold temperatures driving peak winter electricity demand. This came after a week when much of the country experienced extreme cold and grid operators issued related advisories and alerts out of concern for potential blackouts. Commissioner Clements underscored the value of renewables, demand response, and battery storage, along with the lessons learned from winter storms in previous years, particularly in Texas. Interregional transmission also contributed towards maintaining reliability across grid operators. However, all three sitting commissioners highlighted the need for continued focus on winter reliability as we go through the remainder of this winter and into the future, with more fossil fuel generators expected to retire in coming years. Besides winter reliability, the FERC also previewed continued efforts on transmission planning and cost allocation, an expected priority in 2024.

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: 100
18 MONTH: 100
24 MONTH: 100
36 MONTH: 98

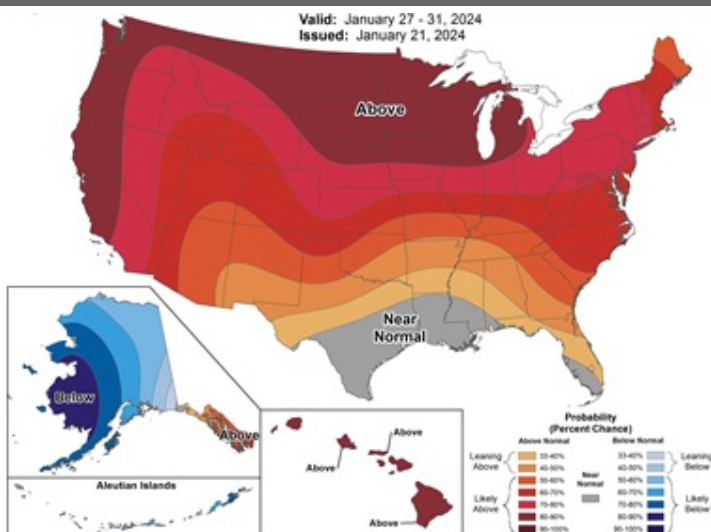
NEW ENGLAND ELECTRICITY TERMS

12 MONTH: 100
18 MONTH: 100
24 MONTH: 100
36 MONTH: 97

CRUDE OIL TERMS

12 MONTH: 82
18 MONTH: 81
24 MONTH: 80
36 MONTH: 78

WEATHER | 6-10 Day Forecast



After a cold snap enveloped much of the country this past week, above-average temperatures are expected to move in for the remainder of the month and into February.

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.

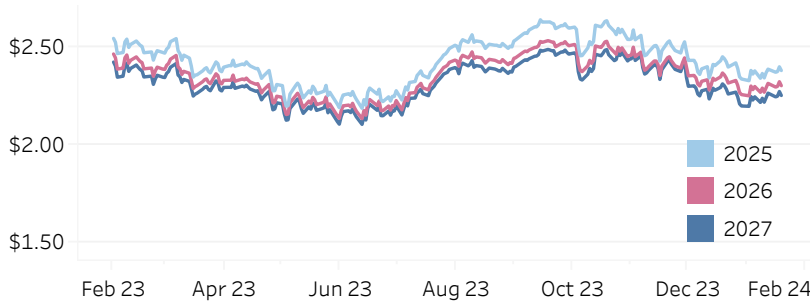
MARKET SUMMARY

JANUARY 15 - 19, 2024



OIL & DISTILLATES OVERVIEW

HEATING OIL FUTURE CALENDAR STRIPS - \$/GAL



Prompt Month Price For Feb 24

This Week:	\$73.41/Bbl
Prior Week:	\$72.02/Bbl
CHANGE:	\$1.39/Bbl

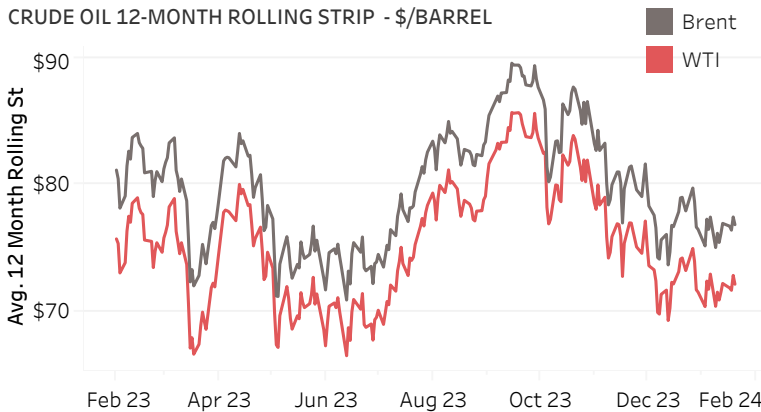
Crude oil experienced slight drops in prices this week as concerns over geopolitical tensions grew. WTI decreased 0.09% week-over-week to \$72.14/barrel, and Brent was down 0.13% week-over-week to \$76.86/barrel. Investors are balancing the impact of war widening in the Middle East and global disruptions to supply with downtrodden economic outlook data. The Houthis have continued to attack ships on the Red Sea despite responses from the U.S. and its allies, and Israel's attacks in Gaza show little sign of stopping. Furthermore, a Russian Baltic Sea fuel export terminal was shut down due to a fire. On the demand side, recent economic data points to shaky growth outlook in both China and Europe. This comes on top of December data that showed U.S. consumer inflation rose 3.4% in December, .2% higher than expected. EIA, IEA, and OPEC demand data projections show a wide range of oil demand growth for 2024 but all three expect demand to slow in 2025.

CRUDE OIL WTI FUTURE CALENDAR STRIPS - \$/BARREL

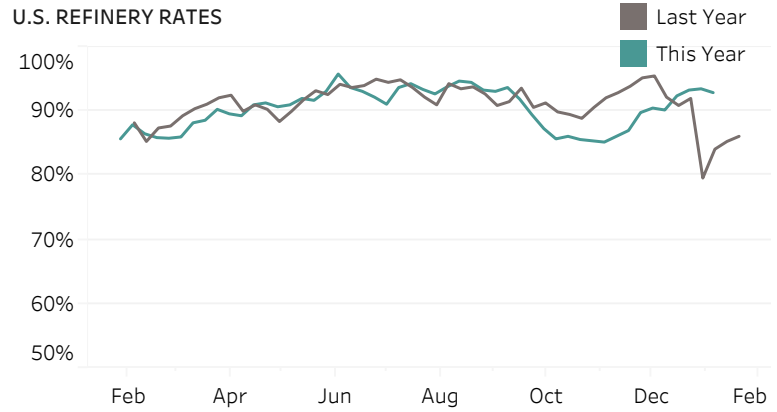


FUNDAMENTALS

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

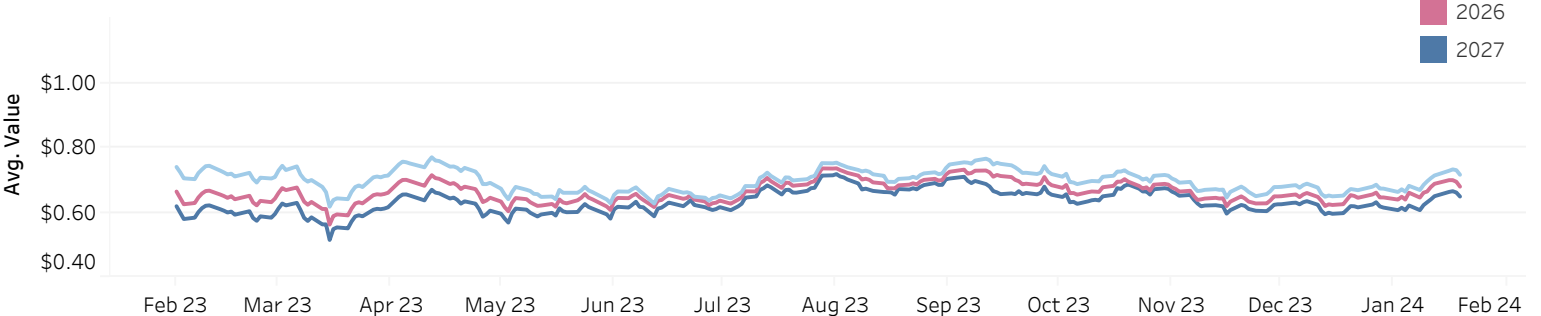


U.S. REFINERY RATES



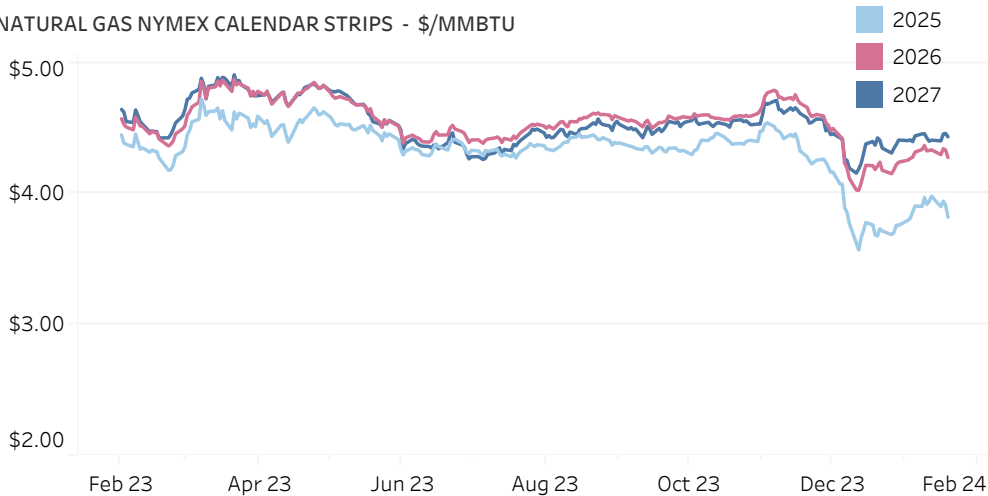
PROPANE

MONT BELVIEU CALENDAR YEAR STRIPS \$/GAL



NATURAL GAS OVERVIEW

NATURAL GAS NYMEX CALENDAR STRIPS - \$/MMBTU



Prompt Month Price For Feb 24

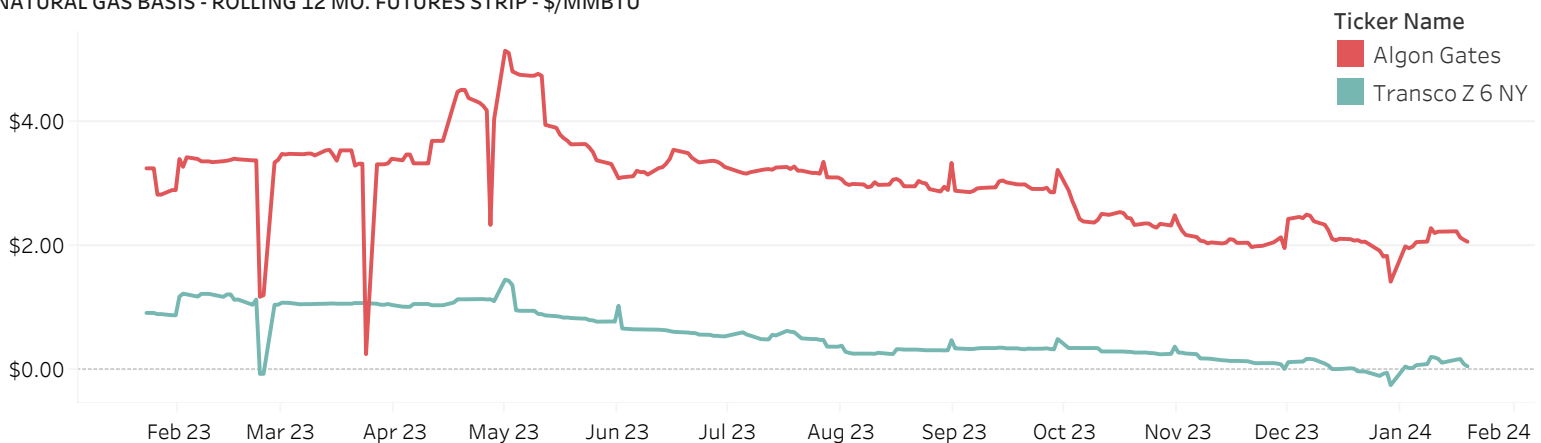
This Week:	\$2.52/MMBTU
Prior Week:	\$3.10/MMBTU
CHANGE:	(\$0.58)/MMBTU

Natural gas prompt month futures experienced a significant 23.8% drop week-over-week, landing at \$2.52/MMBtu. Total US consumption rose 20.8% to 123.4 Bcf/day. Consumption in the residential and commercial, industrial, and electric power sectors reached a combined daily record high of 141.5 Bcf on January 16th as temperatures fell below average across much of the country. Ahead of the weekend, demand was expected to continue to rise as temperatures dropped further. A warm February temperature outlook has eased upward movement in pricing in the Northeast, as the Basis 12-month rolling strip has fallen 3.2% week-over-week.

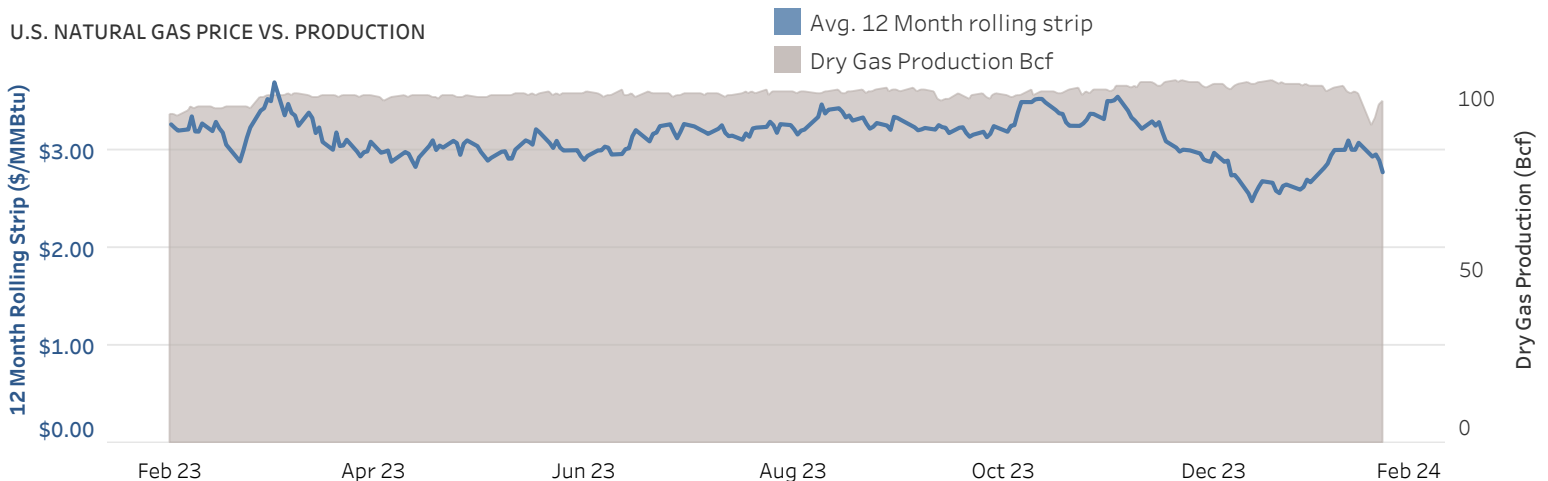
Winter natural gas NYMEX strips are an average of commodity prices for the months of December - March of each winter. Prices are presented in this format to highlight what consumers will pay during the typical heating season in the U.S.

NATURAL GAS FUNDAMENTALS

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



U.S. NATURAL GAS PRICE VS. PRODUCTION



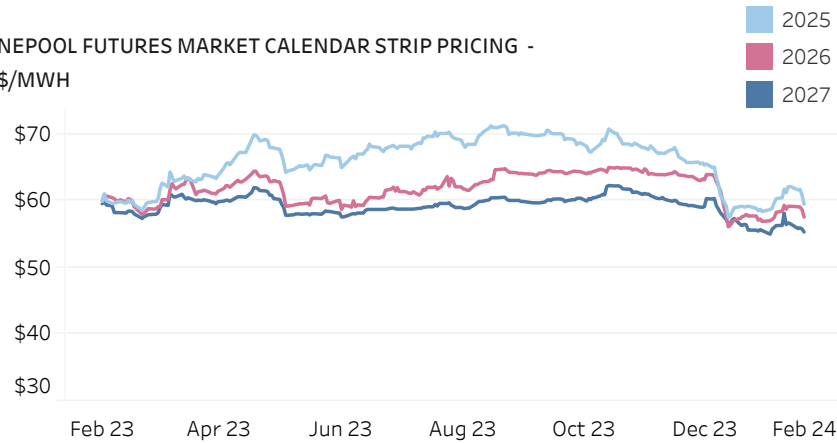
MARKET SUMMARY

JANUARY 15 - 19, 2024



NEW ENGLAND ELECTRICITY OVERVIEW

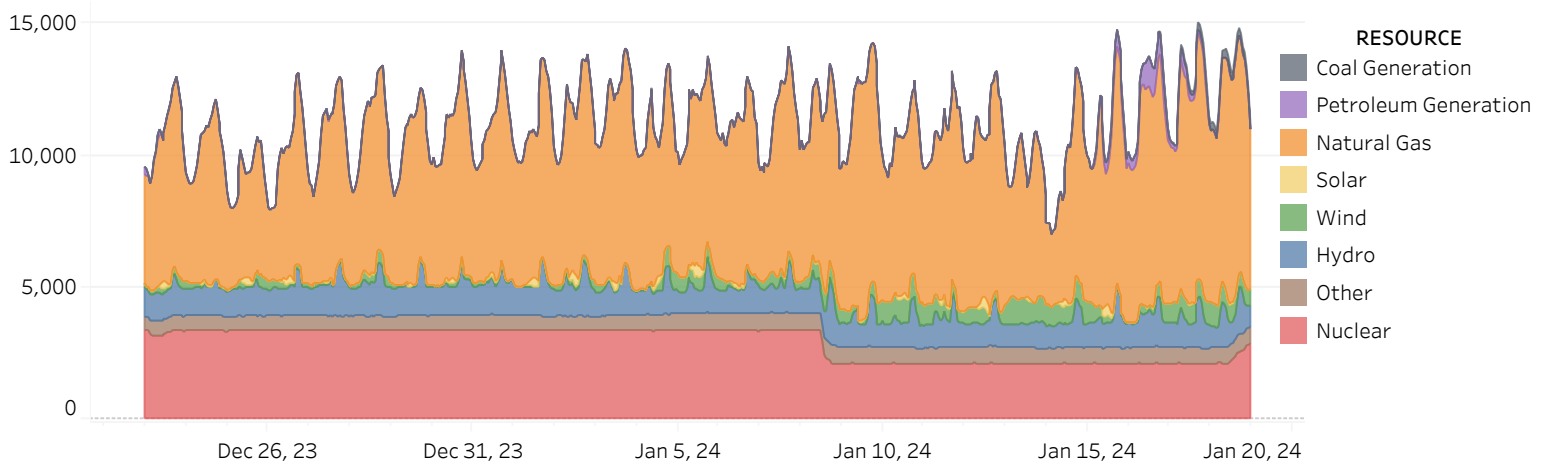
NEPOOL FUTURES MARKET CALENDAR STRIP PRICING - \$/MWH



The NEPOOL 12-month strip fell by 2% week-over-week, landing at \$56.89/MWh. After recent increases due to anticipated winter weather events around the holiday weekend, this past week saw some recovery, with calendar strip prices remaining fairly stable. The 2025 calendar strip rose 0.8% to settle at \$61.76/MWh. The 2026 strip increased week-over-week by 0.6% to \$59.11/MWh, and the 2027 strip fell by 0.9% week-over-week to land at \$55.99/MWh. Milder weather is forecast for the coming weeks, combining with high natural gas storage levels to put downward pressure on natural gas pricing and subsequent electricity pricing. However, some upward pressure from colder temperatures and associated increased heating demand is likely as we move into February.

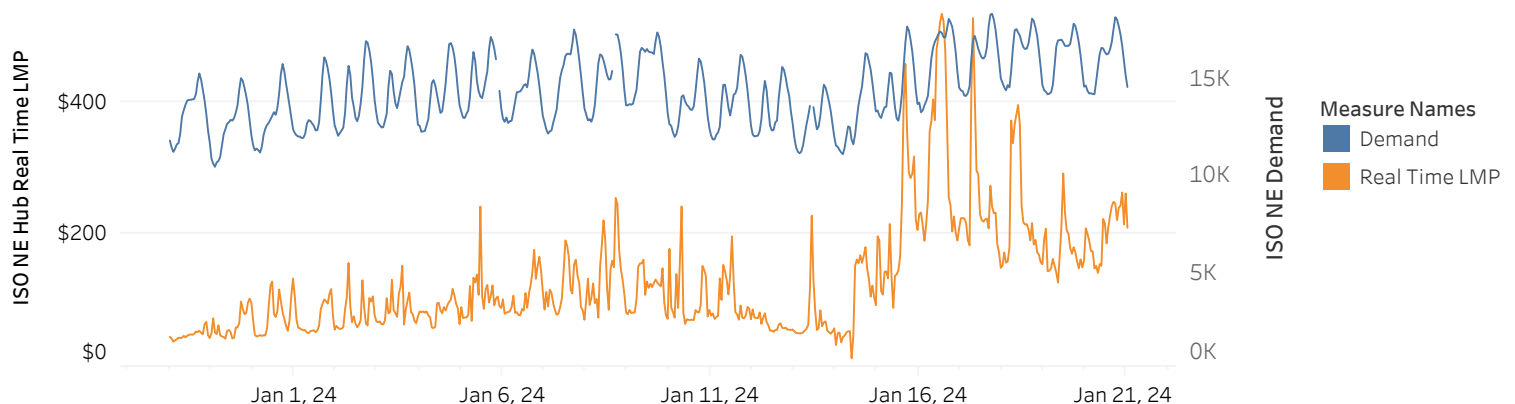
NEW ENGLAND REGIONAL ELECTRICITY GRID GENERATION MIX

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



NEW ENGLAND GRID FUNDAMENTALS

ISO NE HOURLY GRID DEMAND & REAL TIME LMP RATE



DISCLAIMER: 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.



ENERGY SERVICES KEY CONTACTS



KEITH SAMPSON

Senior VP Energy Services

(617) 633-9320

ksampson@competitive-energy.com

ISO-NE; Massachusetts, Connecticut,
Rhode Island; NYISO



ZAC BLOOM

VP, Head of Sustainability & Renewables

(617) 237-6497

zbloom@competitive-energy.com

ISO-NE; CAISO; ERCOT; NYISO, SPP



CHARLIE AGNEW

Managing Director of Energy Services

(207) 576-3490

cagnew@competitive-energy.com

ISO-NE; Maine, New Hampshire,
Massachusetts



CHRIS BROOK

Director of Natural Gas & Energy Services

(207) 949-0312

cbrook@competitive-energy.com

ISO-NE; Maine, Massachusetts;
ERCOT; CAISO



LARRY PIGNATARO

*Director of Strategic Partnerships
& Sr. Energy Services Advisor*

(603) 767-5321

lpignataro@competitive-energy.com

ISO-NE; New Hampshire, Maine,
Massachusetts



SANDY BEAUREGARD

Director of Sustainability Services

(207) 616-6340

sbeauregard@competitive-energy.com

ISO-NE; CAISO; ERCOT; NYISO; SPP



ZACK HALLOCK

Senior Energy Services Advisor

(603) 558-4872

zhallock@competitive-energy.com

ISO-NE; Massachusetts, Connecticut,
New Hampshire; NYISO



LAUREN GREY

Energy Services Advisor

(207) 712-9703

lgrey@competitive-energy.com

ISO-NE; Maine



EDWARD (TEDDY) STORRS

Energy Services Advisor

(978) 505-3080

tstorrs@competitive-energy.com

ISO-NE; Massachusetts

**Thank you for choosing
Competitive Energy Services!**

**For all of your energy market questions, please
contact your Energy Services Advisor today.**

(207) 772-6190 | competitive-energy.com

