

MAY 27 - 31, 2024 MARKET SUMMARY



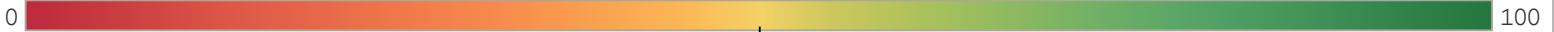
SPOTLIGHT | Biden Administration Releases Non-Binding Federal Guidelines on Carbon Offsets

On May 28, the Biden Administration released federal guidelines for carbon offsets in an effort to inspire confidence in the mechanism as tool to combat climate change amid backlash that offsets are ineffective. While acknowledging the difficulties of that process, the guidelines first urge business to focus on reducing their own Scope 1, 2, and 3 emission....

On May 28, the Biden Administration released federal guidelines for carbon offsets in an effort to inspire confidence in the mechanism as tool to combat climate change amid backlash that offsets are ineffective. While acknowledging the difficulties of that process, the guidelines first urge business to focus on reducing their own Scope 1, 2, and 3 emissions through collaboration with suppliers. Included in the non-binding guidelines is the suggestion that the offsets should meet credible atmospheric integrity standards, including a validation and verification system, and should avoid environmental and social harm. To improve the quality of offsets, the Administration suggests that credit users disclose the nature of the purchased and retired credits on an annual basis and that the credits should be unique and additional. Proponents of the voluntary carbon market hope that these federal guidelines will help foster a market for high-quality offsets, while critics remain skeptical, pointing to the vagueness of the definitions provided and the non-binding nature of the guidelines.

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: 78
18 MONTH: 78
24 MONTH: 78
36 MONTH: 77

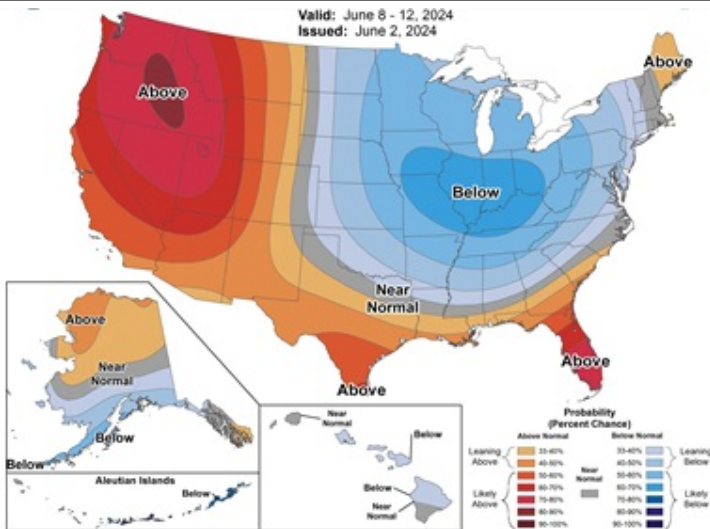
NEW ENGLAND ELECTRICITY TERMS

12 MONTH: 82
18 MONTH: 86
24 MONTH: 80
36 MONTH: 77

CRUDE OIL TERMS

12 MONTH: 55
18 MONTH: 53
24 MONTH: 51
36 MONTH: 47

WEATHER | 6-10 Day Forecast



While the Midwest will experience below-average temperatures, warm temperatures are expected to move in across the rest of the country.

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.

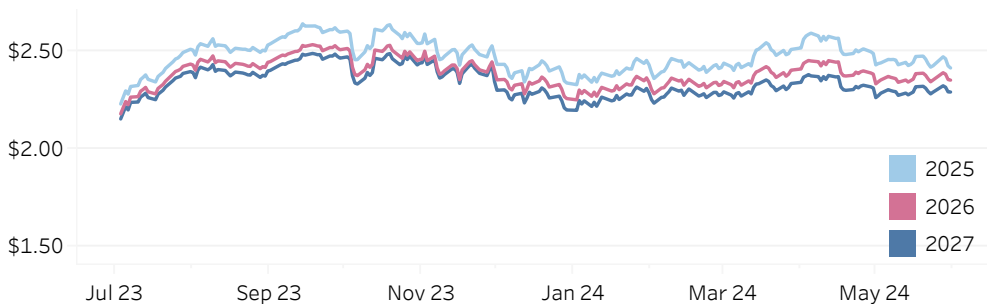
MARKET SUMMARY

MAY 27 - 31, 2024



OIL & DISTILLATES OVERVIEW

HEATING OIL FUTURE CALENDAR STRIPS - \$/GAL

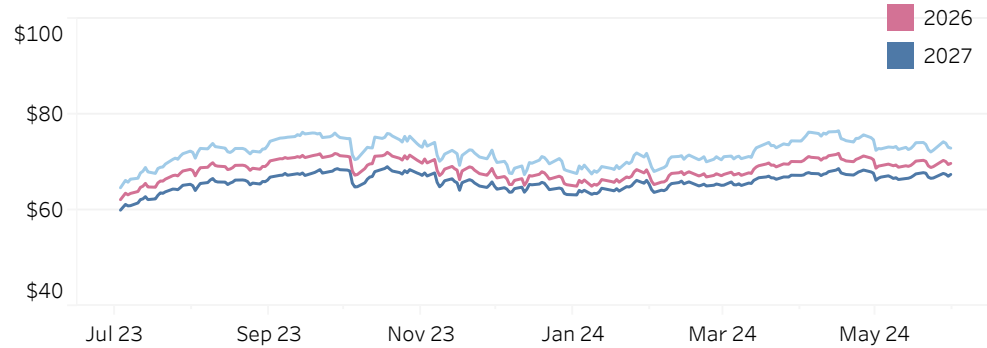


Prompt Month Price For Jul 24

This Week:	\$76.99/Bbl
Prior Week:	\$76.87/Bbl
CHANGE:	\$0.12/Bbl

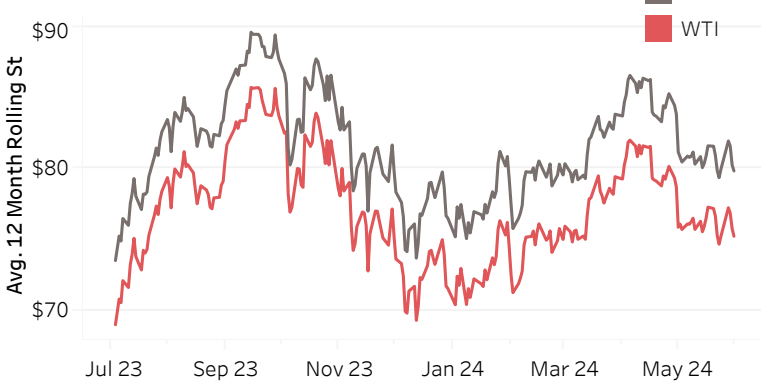
WTI and Brent prices experienced moderate increases this week. WTI was up 2.11% to \$76.84/barrel week-over-week, and Brent was up 2.19% week-over-week to \$81.59/barrel. The New York Harbor Heating Oil price registered a 0.77% increase over the last week to \$2.48/gallon. Analysts predicted the start of the U.S. summer driving season would boost gasoline demand, but demand declined unexpectedly week-over-week. The Organization of the Petroleum Exporting Countries and its allies, known as OPEC+, agreed on Sunday to extend its oil production cuts into 2025 amid lower-than-expected demand growth and increasing non-OPEC production. The deal extends 3.66 million barrels per day cuts set to expire in 2024 through the end of 2025.

CRUDE OIL WTI FUTURE CALENDAR STRIPS - \$/BARREL



FUNDAMENTALS

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

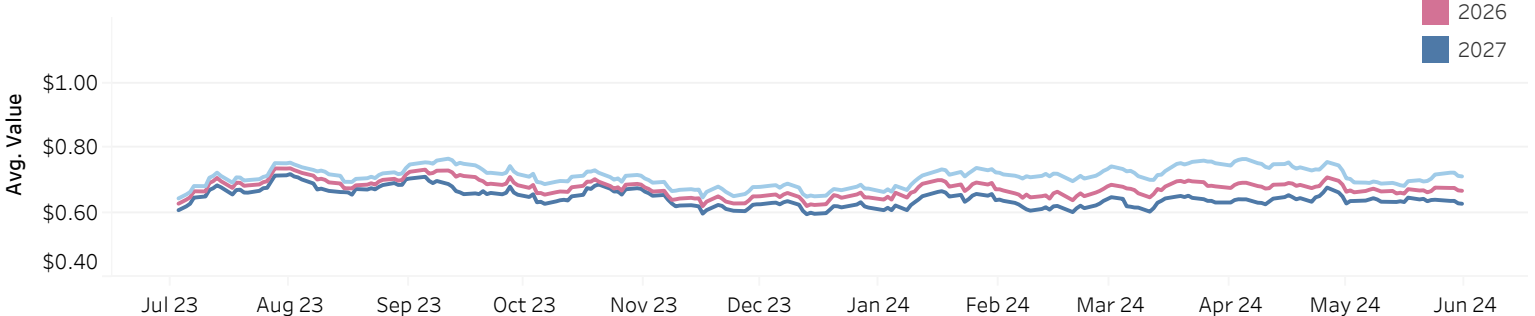


U.S. REFINERY RATES



PROPANE

MONT BELVIEU CALENDAR YEAR STRIPS \$/GAL



NATURAL GAS OVERVIEW

NATURAL GAS NYMEX CALENDAR STRIPS - \$/MMBTU



Prompt Month Price For Jul 24

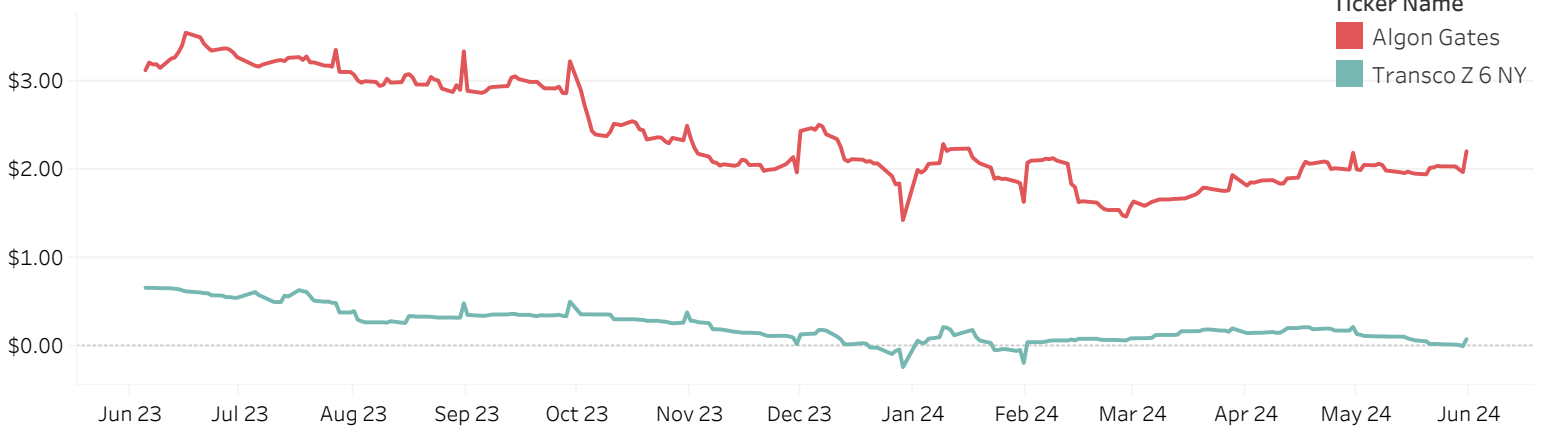
This Week:	\$2.59/MMBTU
Prior Week:	\$2.77/MMBTU
CHANGE:	(\$0.18)/MMBTU

Despite slight day-to-day rises last week as the prompt month shifted to July, natural gas futures saw overall decreases, with the prompt month falling by 6.5% week-over-week to land at \$2.59/MMBTu and the twelve-month strip falling by 4.6% to \$3.09/MMBTu. Warmer temperatures in the second half of the month drove up gas demand for power generation to meet cooling needs, putting upward pressure on the market that drove prices as high as \$2.84/MMBTu on May 22nd. Operators responded with increased dry production, leading to softened prices during the last week of May. The week ending May 24th saw a net storage injection of 84 Bcf week-over-week, falling below the 5-year average injection but landing above projections, with lower 48 U.S. storage sitting 586 Bcf above the 5-year average.

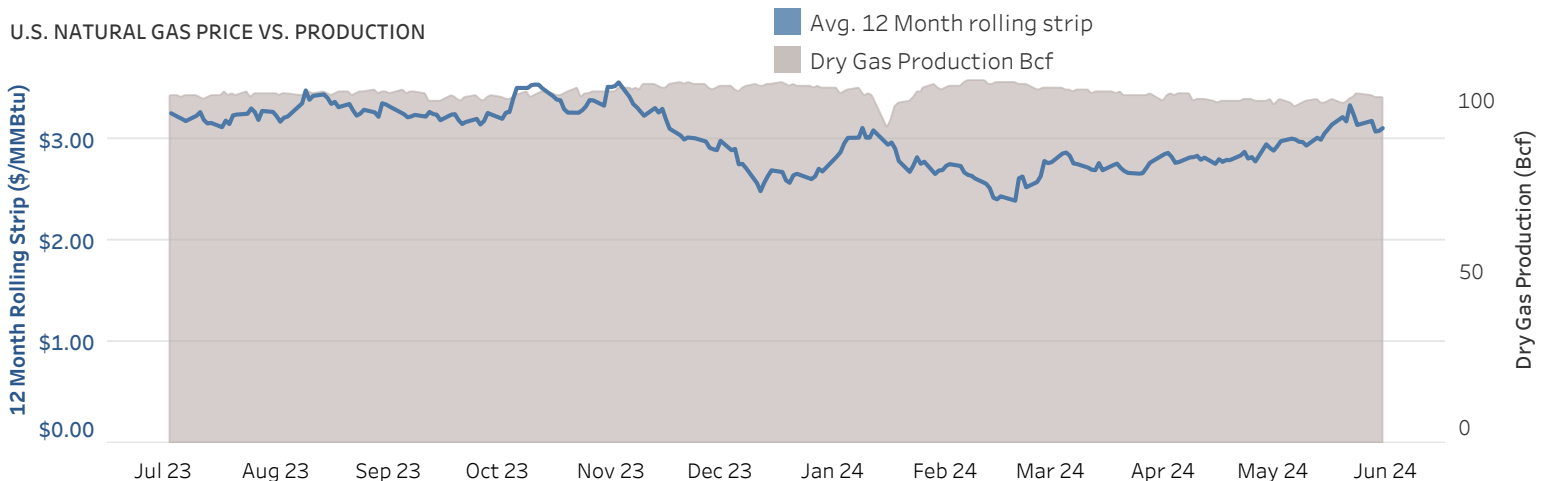
Winter natural gas NYMEX strips are an average of commodity prices for the months of December - March of each winter. Prices are presented in this format to highlight what consumers will pay during the typical heating season in the U.S.

NATURAL GAS FUNDAMENTALS

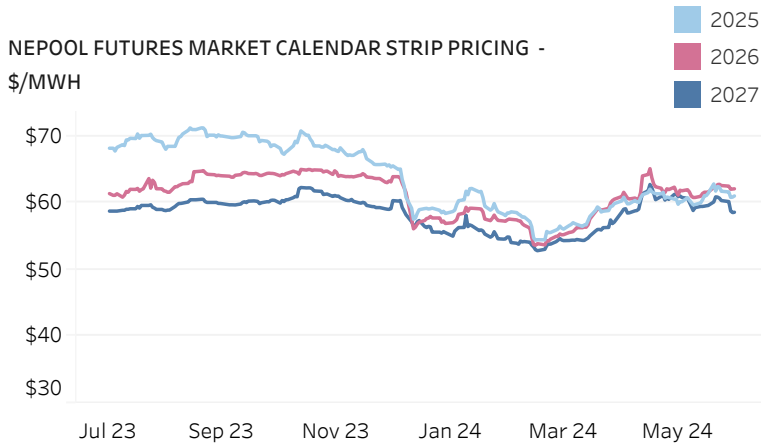
NATURAL GAS BASIS - ROLLING 12 MO. FUTURES STRIP - \$/MMBTU



U.S. NATURAL GAS PRICE VS. PRODUCTION



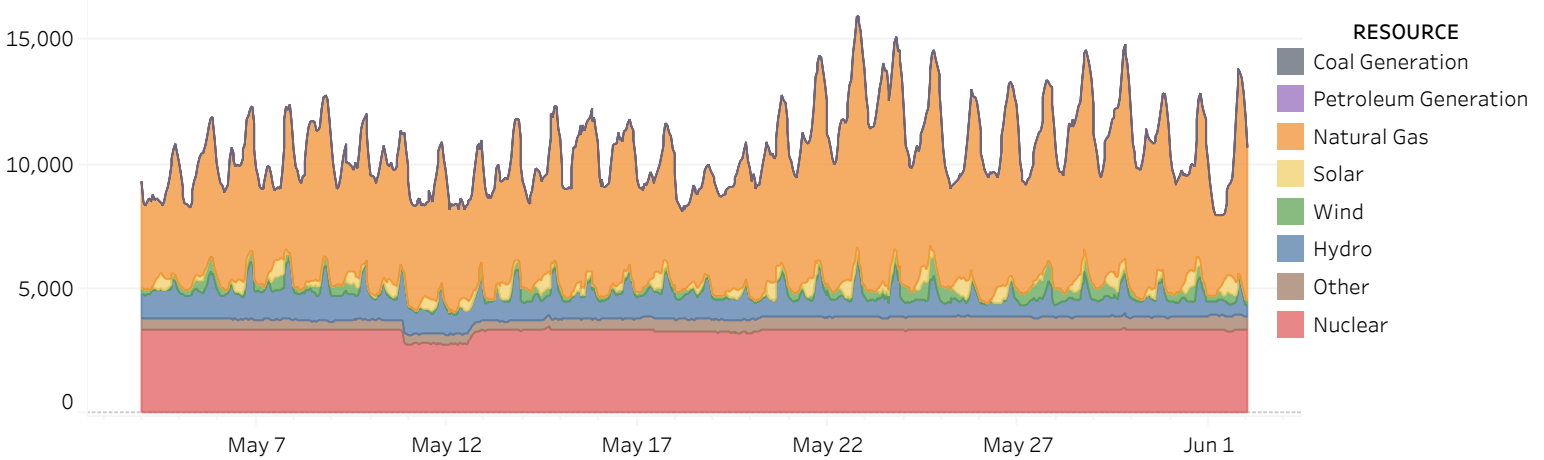
NEW ENGLAND ELECTRICITY OVERVIEW



The NEPOOL 12-month electricity strip trended downward week-over-week, dropping by 4.3% to \$56.57/MWh, matching the trend in calendar year strips for electricity. The 2025 strip was down by 2.38% to \$60.90/MWh, the 2026 strip slid by 1.13% last week to \$62.11/MWh, and the 2027 strip experienced the strongest decline, dropping by 3.55% to end up at \$58.58/MWh. With a decline in Henry Hub and Algonquin natural gas prices week-over-week as well as plentiful storage, downward pressure on generation fuel prices is translating to lower spot prices for electricity in New England. A forecast for this summer published by the EIA estimates natural gas use for electricity generation to be similar to last summer. A 3% increase in electricity generation is projected for the season, but with flat natural gas usage for power production, renewables are expected to capture a large share of this generation growth.

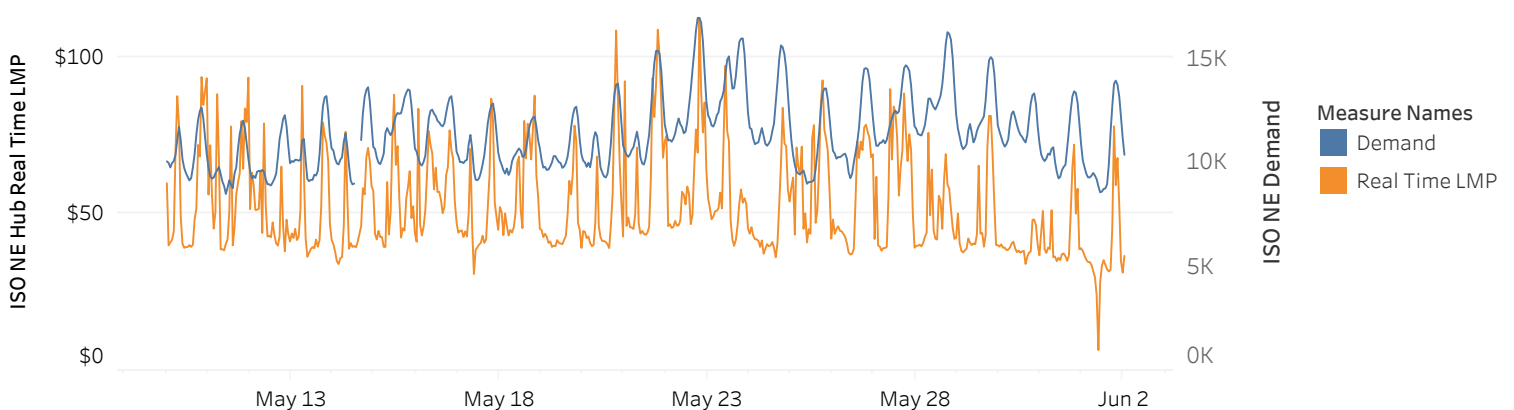
NEW ENGLAND REGIONAL ELECTRICITY GRID GENERATION MIX

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

Thank you for choosing Competitive Energy Services!

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

Competitive Energy Services
(207) 772-6190 | competitive-energy.com

