

January 24 - 28, 2022

# MARKET SUMMARY



## SPOTLIGHT | EDF Requests FERC hold Technical Conference on TGP's Responsibly Sourced Gas Proposal

**Last week, the Environmental Defense Fund (EDF) requested that FERC hold a technical conference to review Tennessee Gas Pipeline's (TGP) proposed implementation of a producer certified gas (PCG) pooling service option.**

Last week, the Environmental Defense Fund (EDF) requested that FERC hold a technical conference to review Tennessee Gas Pipeline's (TGP) proposed implementation of a producer certified gas (PCG) pooling service option. According to TGP, this plan would increase the use of responsibly sourced gas (RSG) in the U.S. RSG is conventional gas produced in accordance with certain voluntary environmental, social, and governance standards. This filing is the first request for FERC approval of an RSG-type program and will likely set precedent for the role of interstate pipelines in supporting transactions involving RSG. EDF is concerned that the plan gives TGP complete discretion to define RSG by selecting third party certifiers. Additionally, more discussion and vetting are needed to ensure PCG results in reduction of methane emissions from the natural gas supply chain. Lastly, EDF requests FERC consider how the tariff proposal would interact with state and federal regulatory requirements and corporations that are already taking voluntary action. TGP extended the effective date from January 17 to March 1.

## 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: 17
18 MONTH: 21
24 MONTH: 15
36 MONTH: 14

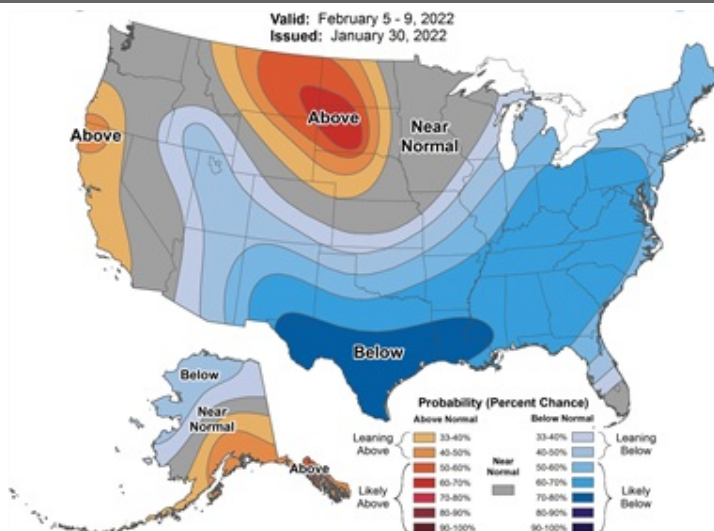
### NEW ENGLAND ELECTRICITY TERMS

12 MONTH: 36
18 MONTH: 29
24 MONTH: 21
36 MONTH: 20

### CRUDE OIL TERMS

12 MONTH: 3
18 MONTH: 3
24 MONTH: 2
36 MONTH: 2

## WEATHER | 6-10 Day Forecast



**Below average temperatures expected for the Eastern and Southern U.S., with above average temperatures expected in the Northern Great Plains region**

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

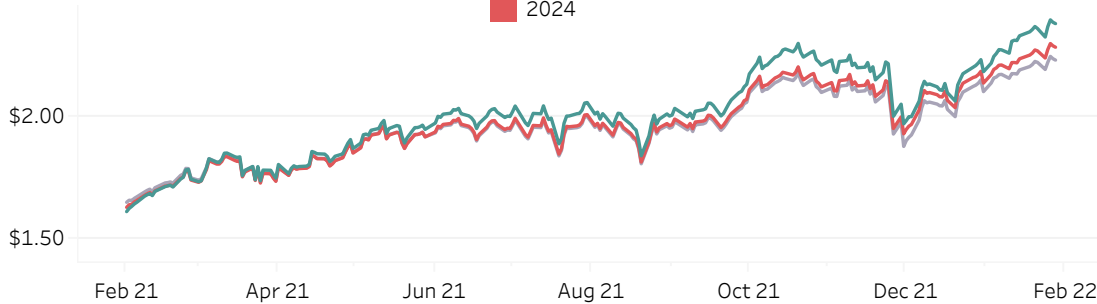
January 24 - 28, 2022



## OIL & DISTILLATES OVERVIEW

HEATING OIL FUTURE CALENDAR STRIPS - \$/GAL

2023 2024 2025



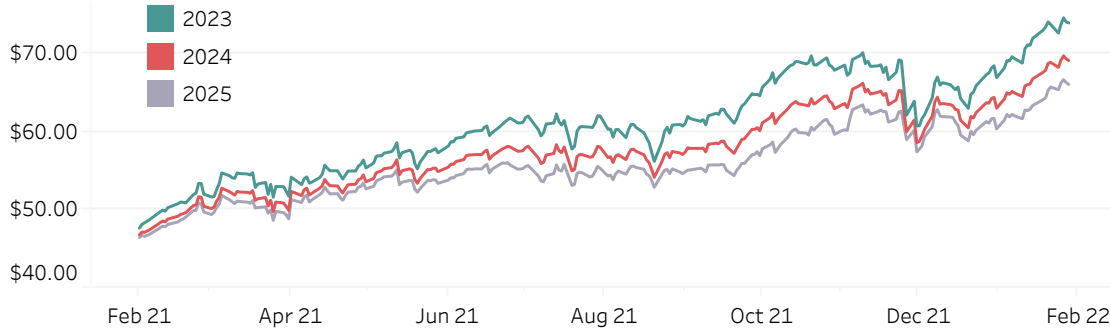
Prompt Month Price For Mar 22

This Week:	\$86.82/MMBTU
Prior Week:	\$85.14/MMBTU
CHANGE:	\$1.68▲

WTI prices closed at \$86.82 per barrel on Friday, up 2.0% from the week prior. Oil hit a seven-year high above \$90 per barrel at one point on Wednesday, likely due to the increasing tensions between the U.S. and Russia. Demand continues to be high due to forecasted cold temperatures and the continued mild impact of the Omicron variant. Cushing storage inventories dropped last week to mark the lowest level for this time of year in a decade, meanwhile oil product consumption is at the highest level for this time of year in at least 30 years.

CRUDE OIL WTI FUTURE CALENDAR STRIPS - \$/BARREL

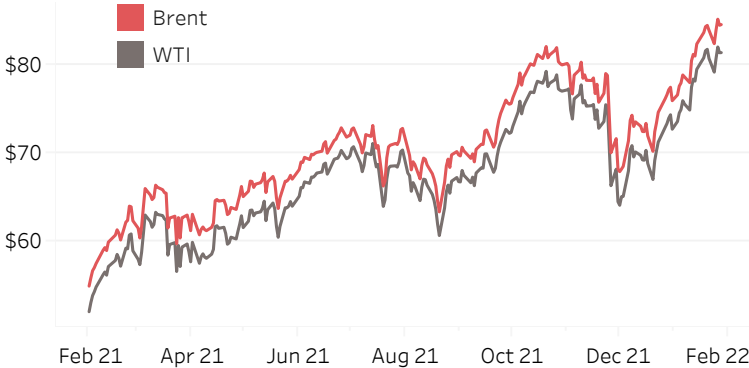
2023 2024 2025



## FUNDAMENTALS

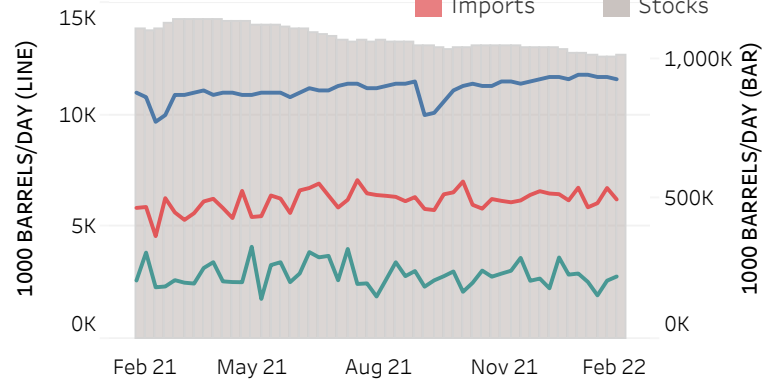
CRUDE OIL 12-MONTH ROLLING STRIP - \$/BARREL

Brent WTI



U.S. WEEKLY CRUDE SUMMARY

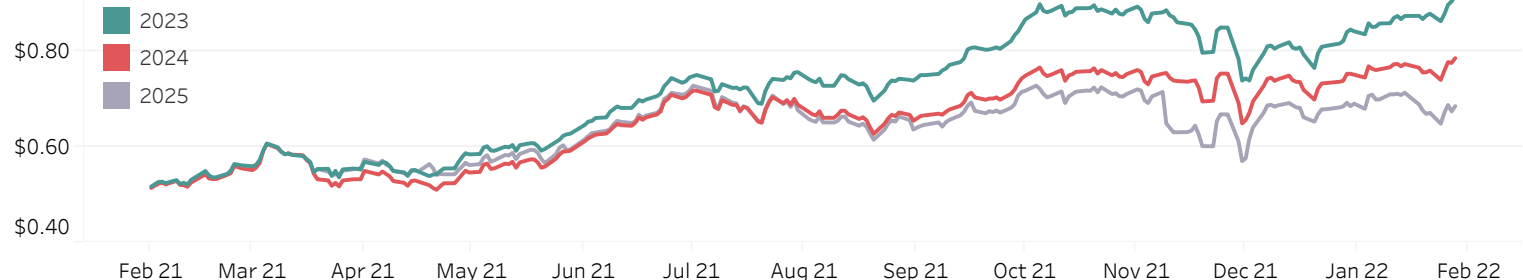
Exports Imports Production Stocks



## PROPANE

MONT BELVIEU CALENDAR YEAR STRIPS \$/GAL

2023 2024 2025



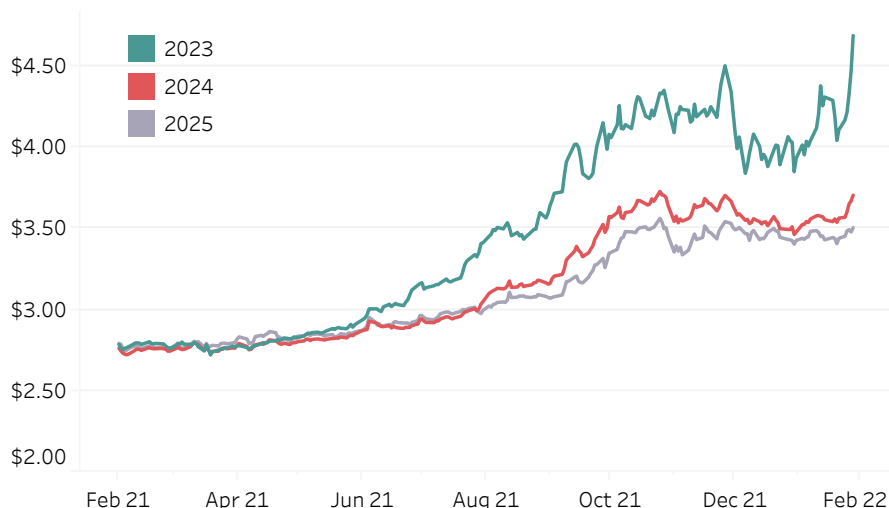
# MARKET SUMMARY

January 24 - 28, 2022



## NATURAL GAS OVERVIEW

WINTER NATURAL GAS NYMEX STRIPS - \$/MMBTU



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.

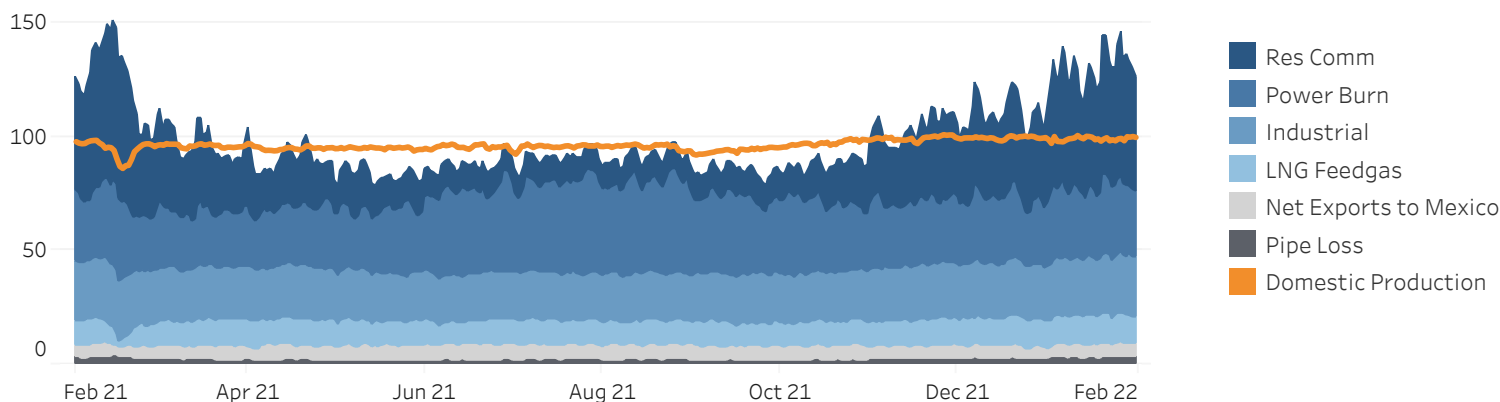
Prompt Month Price For Mar 22

This Week:	\$4.64/MMBTU
Prior Week:	\$3.78/MMBTU
CHANGE:	\$0.86▲

Natural gas futures rose 16% from the previous week, settling at \$4.64/MMBtu on Friday. Expectations that the nor'easter over the weekend would increase heating and power demand led prices to increase week-over-week. Much of Texas is expected to see freezing temperatures as well this week, with the potential for production disruptions further causing prices to rise. The EIA reported a net withdrawal of 219 Bcf from storage as of January 27, which pushed inventories back below the 5-year average by 25 Bcf for the first time in more than 6 weeks. There is concern that inventories will become strained toward the end of the season, as domestic heating needs and strong LNG feedgas volumes are expected to continue to set a high demand baseline for U.S. gas.

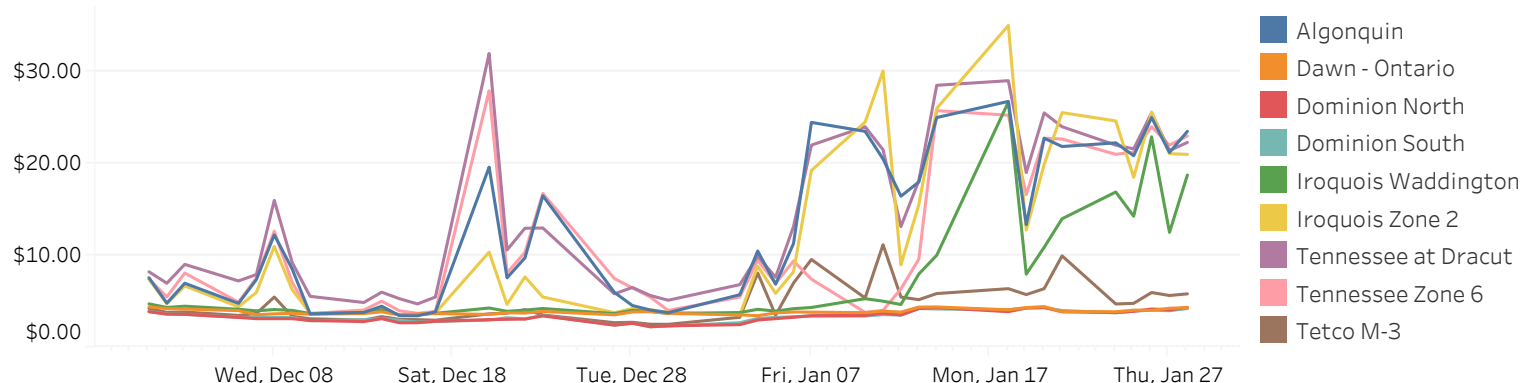
## NATURAL GAS FUNDAMENTALS

U.S. NATURAL GAS TOTAL SUPPLY AND DEMAND - BCF



## NATURAL GAS SETTLEMENT

SPOT PRICE - \$/MMBTU



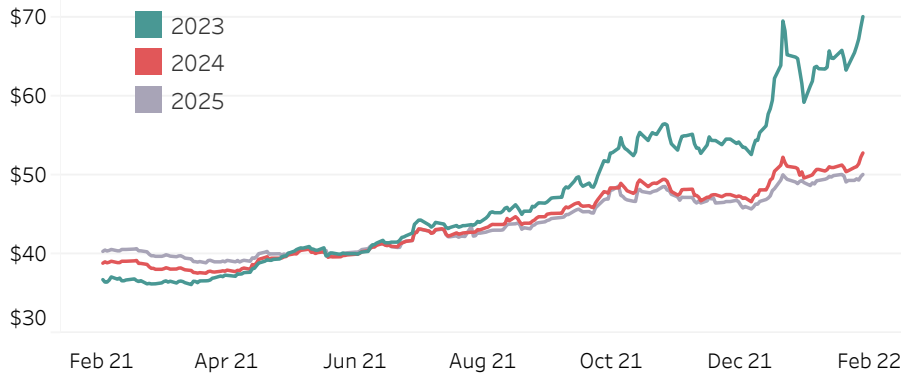
# MARKET SUMMARY

January 24 - 28, 2022



## NEW ENGLAND ELECTRICITY OVERVIEW

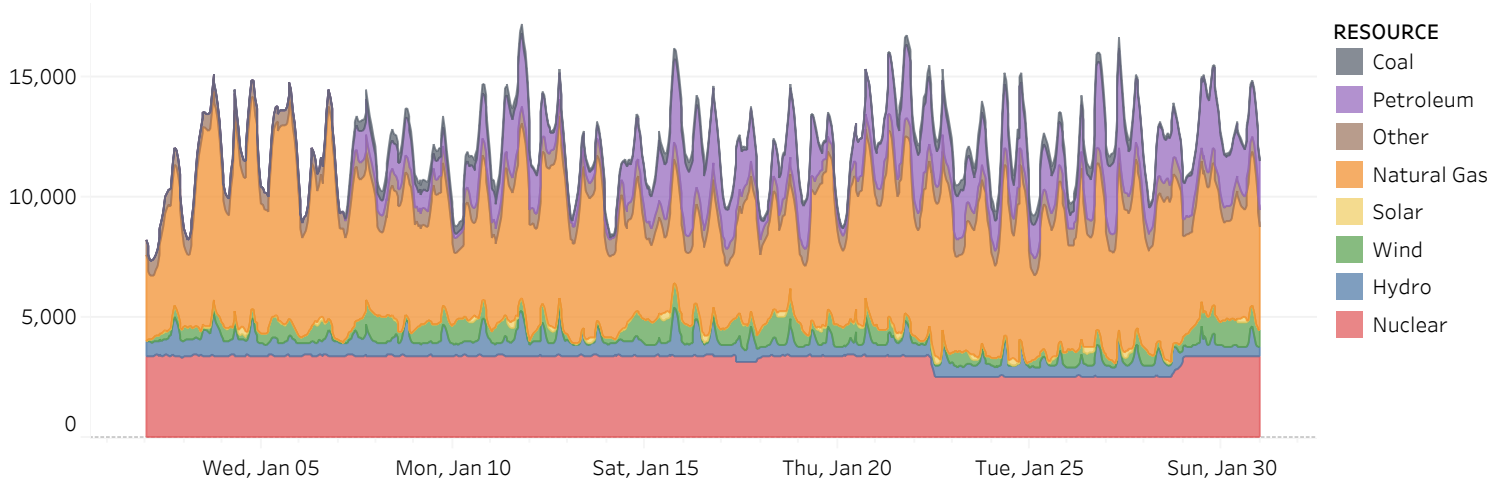
NEPOOL FUTURES MARKET CALENDAR STRIP PRICING -\$/MWH



The NEPOOL 12-mo. strip rose 15% week-over-week, ending at \$79.62/MWH on Friday. Calendar strips also saw significant price increases this week, with the 2022 strip up 15.2%, the 2023 strip up 9.7%, and the 2024 strip up 4.5%. Toward the end of the week, increased heating demand due to falling temperatures and the anticipation of the weekend's winter storm caused natural gas prices to rise significantly, with electricity prices following this trend. Declining natural gas storage also contributed to this week's spike, as natural gas is an important source of power generation in the region. This will continue to be a concern throughout the remainder of the winter, though mild weather on the forecast this week could result in lower prices in the short term.

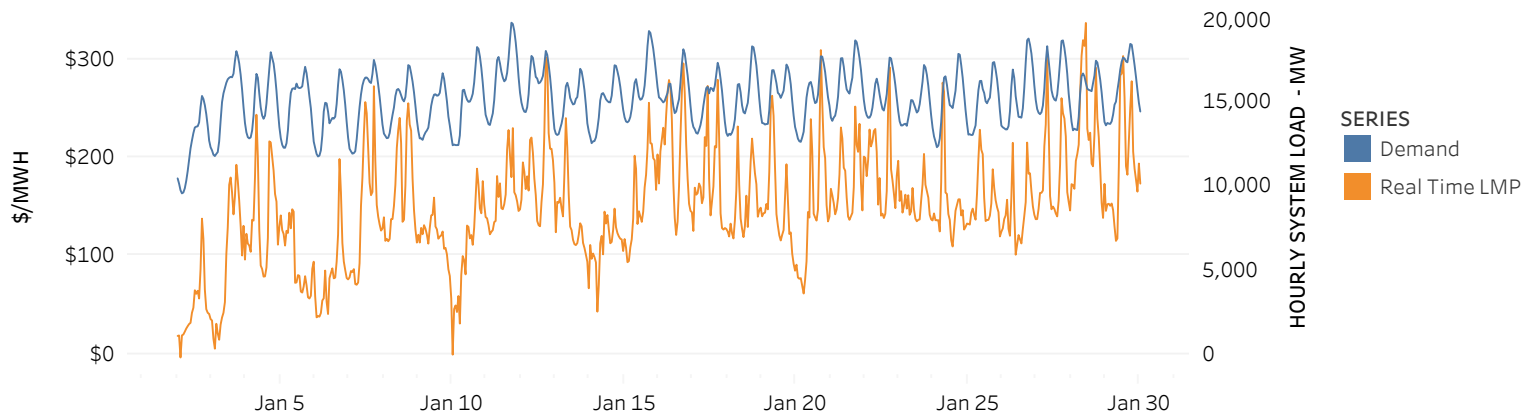
## NEW ENGLAND ELECTRICITY SUPPLY

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](mailto: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](mailto:zbloom@competitive-energy.com)

ISO-NE; CAISO; ERCOT; NYISO, SPP



#### CHARLIE AGNEW

*Managing Director of Energy Services*

(207) 576-3490

[cagnew@competitive-energy.com](mailto: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](mailto: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](mailto:lpignataro@competitive-energy.com)

ISO-NE; New Hampshire, Maine,  
Massachusetts



#### SANDY BEAUREGARD

*Director of Sustainability Services*

(207) 616-6340

[sbeauregard@competitive-energy.com](mailto:sbeauregard@competitive-energy.com)

ISO-NE; CAISO; ERCOT; NYISO; SPP



#### ZACK HALLOCK

*Senior Energy Services Advisor*

(603) 558-4872

[zhallock@competitive-energy.com](mailto:zhallock@competitive-energy.com)

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



#### MAGGIE PAUL

*Energy Services Advisor*

(508) 648-9554

[mpaul@competitive-energy.com](mailto:mpaul@competitive-energy.com)

ISO-NE; Connecticut

**THANK YOU**  
for choosing



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

**(866) 401-4591 | [competitive-energy.com](http://competitive-energy.com)**