

August 8 - 12, 2022

MARKET SUMMARY



SPOTLIGHT | New Law to Restrict Natural Gas Use in Massachusetts

A new climate law will allow a handful of Massachusetts towns and cities to restrict natural gas use in buildings. The measures moved forward after Gov. Charlie Baker signed House Bill 5060, an Act Driving Clean Energy and Offshore Wind, into law on Aug. 11....

A new climate law will allow a handful of Massachusetts towns and cities to restrict natural gas use in buildings. The measures moved forward after Gov. Charlie Baker signed House Bill 5060, An Act Driving Clean Energy and Offshore Wind, into law on Aug. 11. HB 5060 directs the state Department of Energy Resources to establish a pilot program that would allow up to 10 cities and towns to restrict fossil fuel use in new construction. Only towns and cities that have achieved a minimum 10% affordable housing target will be allowed to participate, and health care and science lab facilities remain exempt. Moreover, the bill created a statewide requirement for buildings 20,000 square feet or larger to report their energy usage annually. A similar energy benchmarking requirement is already in place per local ordinances in Boston and Cambridge. HB 5060 also adds deep geothermal and networked geothermal to the statutory definition of clean energy, making them eligible for investment under state renewable thermal energy incentive programs.

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: 22 |
| 18 MONTH: 23 |
| 24 MONTH: 25 |
| 36 MONTH: 24 |

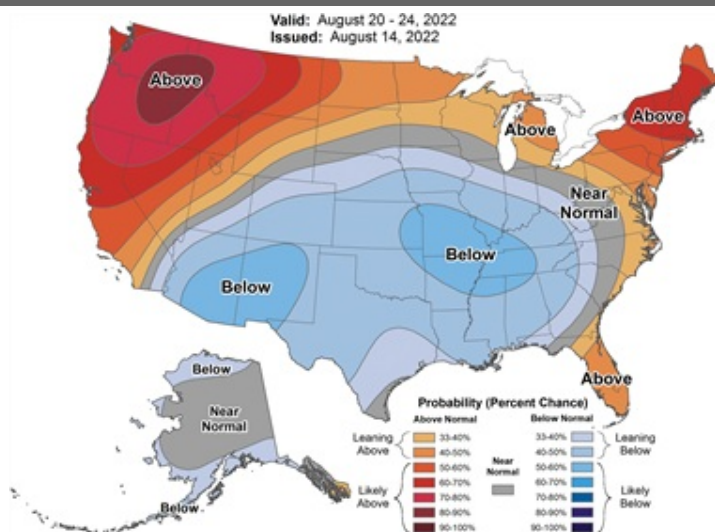
NEW ENGLAND ELECTRICITY TERMS

| |
|-------------|
| 12 MONTH: 1 |
| 18 MONTH: 1 |
| 24 MONTH: 1 |
| 36 MONTH: 1 |

CRUDE OIL TERMS

| |
|--------------|
| 12 MONTH: 37 |
| 18 MONTH: 34 |
| 24 MONTH: 32 |
| 36 MONTH: 28 |

WEATHER | 6-10 Day Forecast



Above average temperatures are expected for the Northeast, upper Midwest and West regions of the U.S. Near normal and below average temperatures for the lower Midwest, Southwest, and Southeast regions.

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.

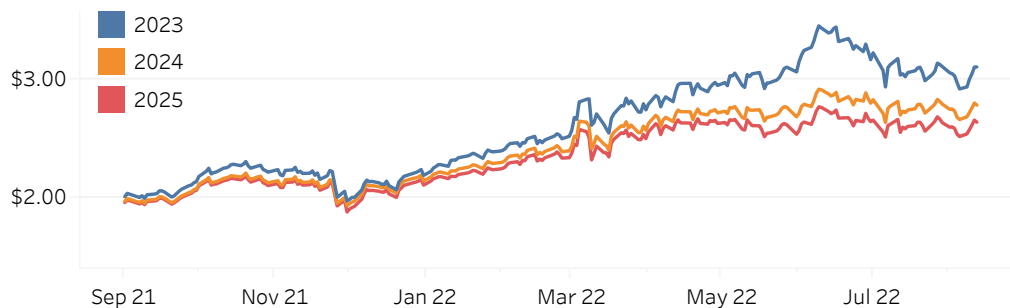
MARKET SUMMARY

August 8 - 12, 2022



OIL & DISTILLATES OVERVIEW

HEATING OIL FUTURE CALENDAR STRIPS - \$/GAL

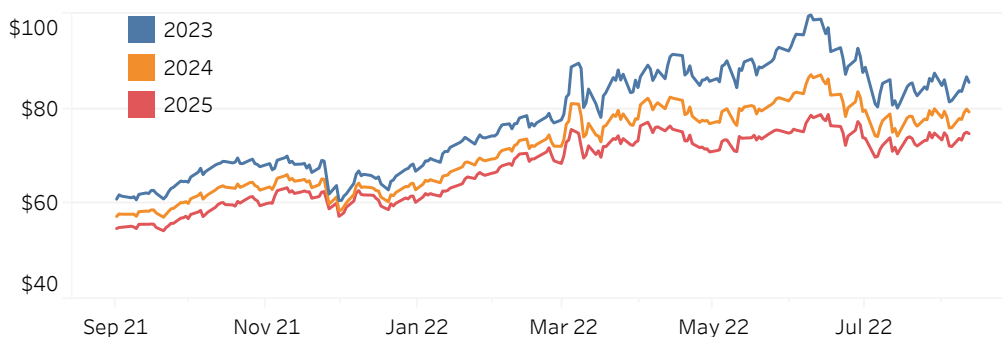


Prompt Month Price For Sep 22

| | |
|-------------|-------------|
| This Week: | \$92.09/Bbl |
| Prior Week: | \$88.54/Bbl |
| CHANGE: | \$3.55/Bbl |

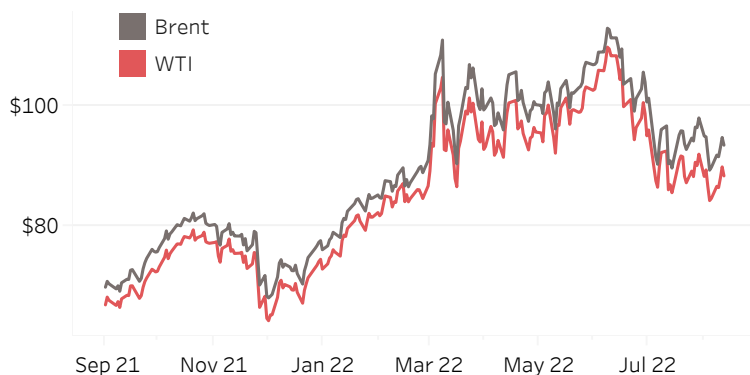
WTI closed at \$92.09 on Friday, up 3.5% from the week prior. Crude prices rebounded from the lowest point since before Russia's invasion of Ukraine. The International Energy Agency raised its oil demand growth forecast for 2022 by 380,000 barrels per day (bpd), as high natural gas prices incentivize gas-to-oil fuel switching. Production at several deepwater platforms in the Gulf of Mexico was halted due to a damaged pipeline, but operations were set to resume by the end of the week; three of the platforms, run by Shell, can produce a total of 410,000 barrels of oil per day.

CRUDE OIL WTI FUTURE CALENDAR STRIPS - \$/BARREL

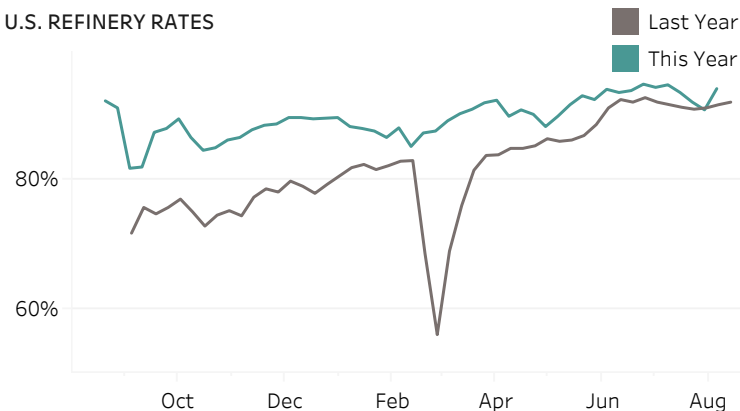


FUNDAMENTALS

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

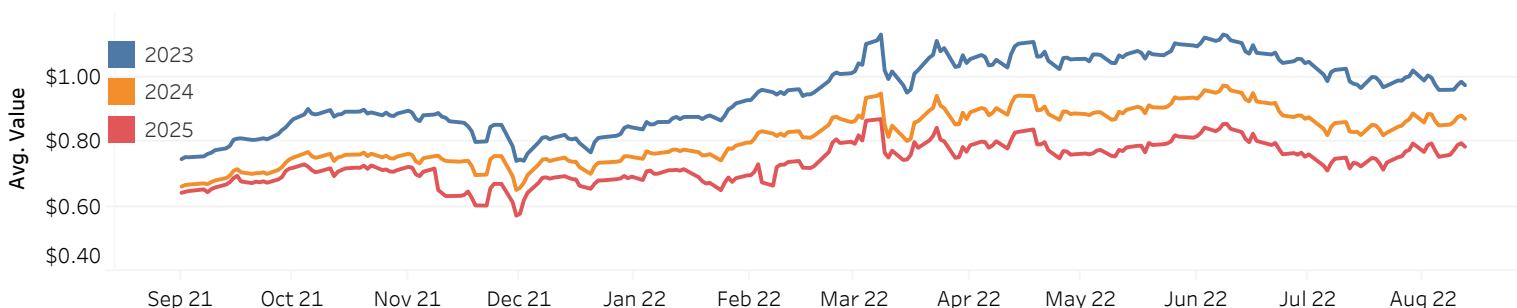


U.S. REFINERY RATES



PROPANE

MONT BELVIEU CALENDAR YEAR STRIPS \$/GAL



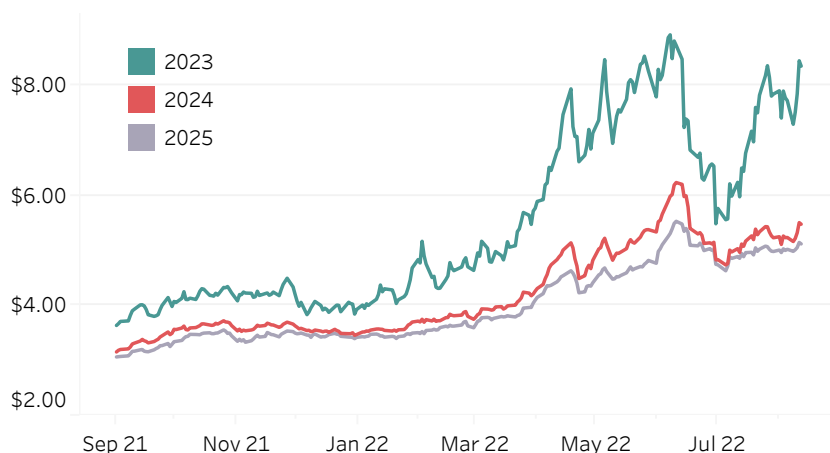
MARKET SUMMARY

August 8 - 12, 2022



NATURAL GAS OVERVIEW

WINTER NATURAL GAS NYMEX STRIPS - \$/MMBTU



Prompt Month Price For Sep 22

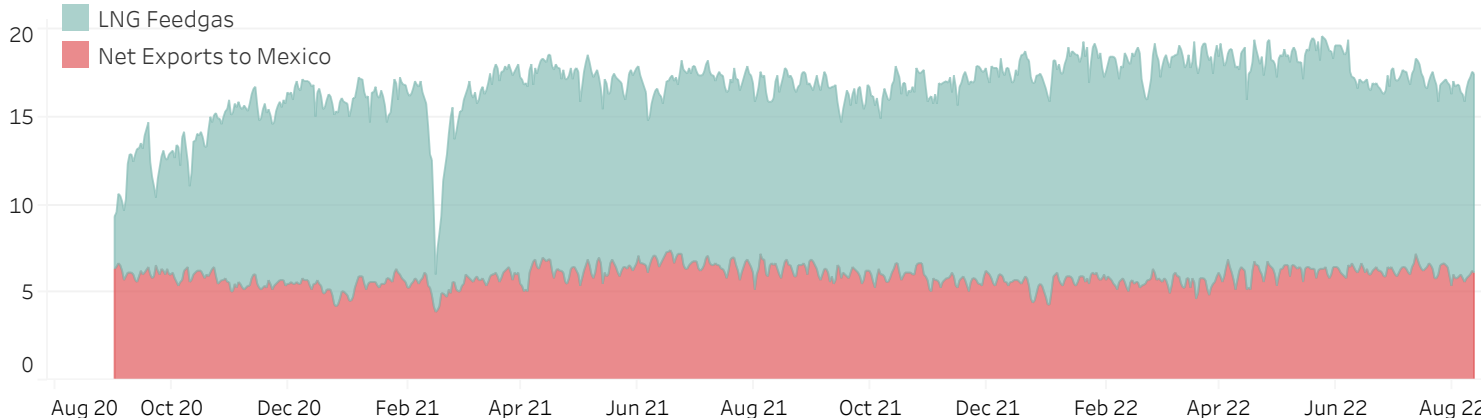
| | |
|-------------|--------------|
| This Week: | \$8.77/MMBTU |
| Prior Week: | \$8.12/MMBTU |
| CHANGE: | \$0.65/MMBTU |

September natural gas futures increased 8% week-over-week, settling at \$8.77/MMBTU on Friday. A larger-than-expected storage injection with reduced cooling demand and increased production helped improve the overall weekly supply outlook. However, the expectation that the end to the Freeport LNG facility's force majeure will push U.S. LNG exports back to maximum capacity in the coming months still caused NYMEX prices to increase overall. With U.S. national storage inventories currently 12% below the five-year average, the expected return of near-record export levels has worsened the long-term supply outlook for natural gas heading into the upcoming winter.

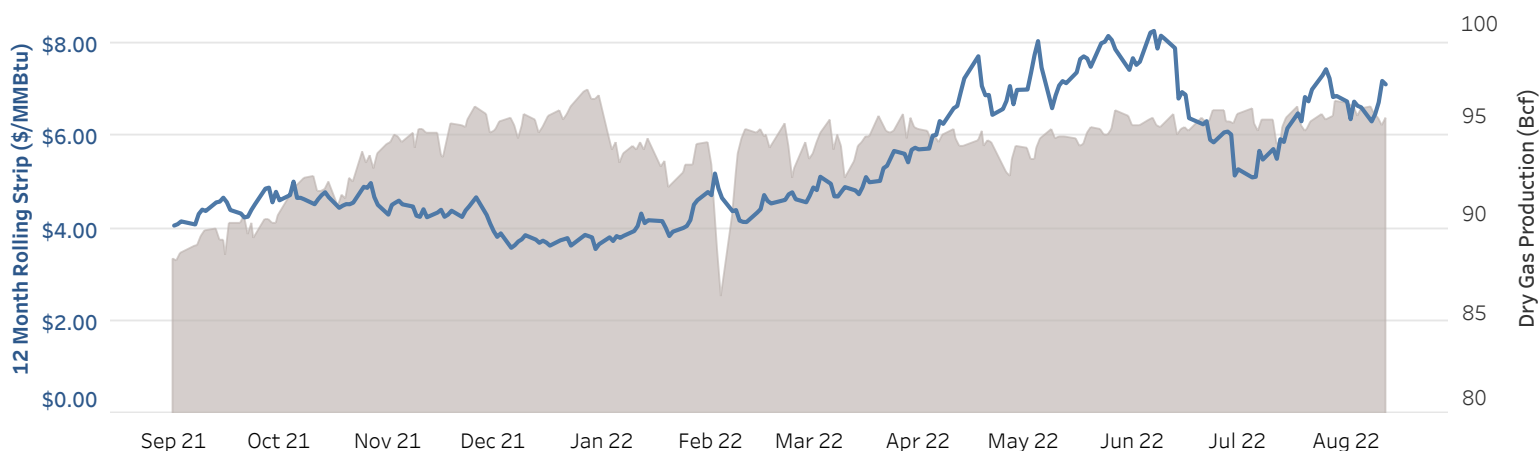
Winter natural gas NYMEX strips are an average of commodity prices for the months of December - March of each winter. Prices are presented in this format to highlight what consumers will pay during the typical heating season in the U.S.

NATURAL GAS FUNDAMENTALS

U.S. NATURAL GAS TOTAL EXPORTS - BCF



U.S. NATURAL GAS PRICE VS. PRODUCTION



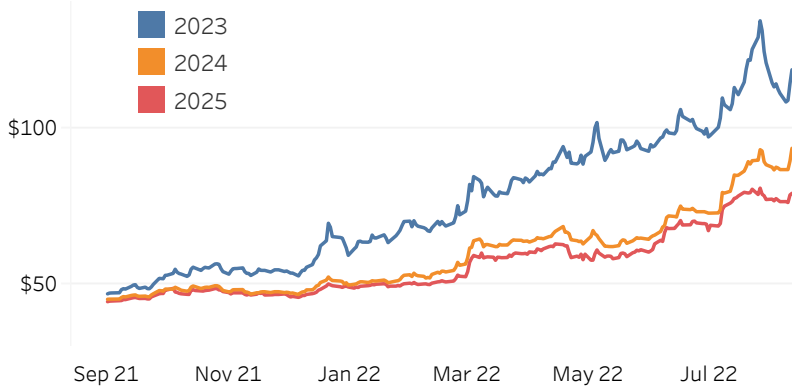
MARKET SUMMARY

August 8 - 12, 2022



NEW ENGLAND ELECTRICITY OVERVIEW

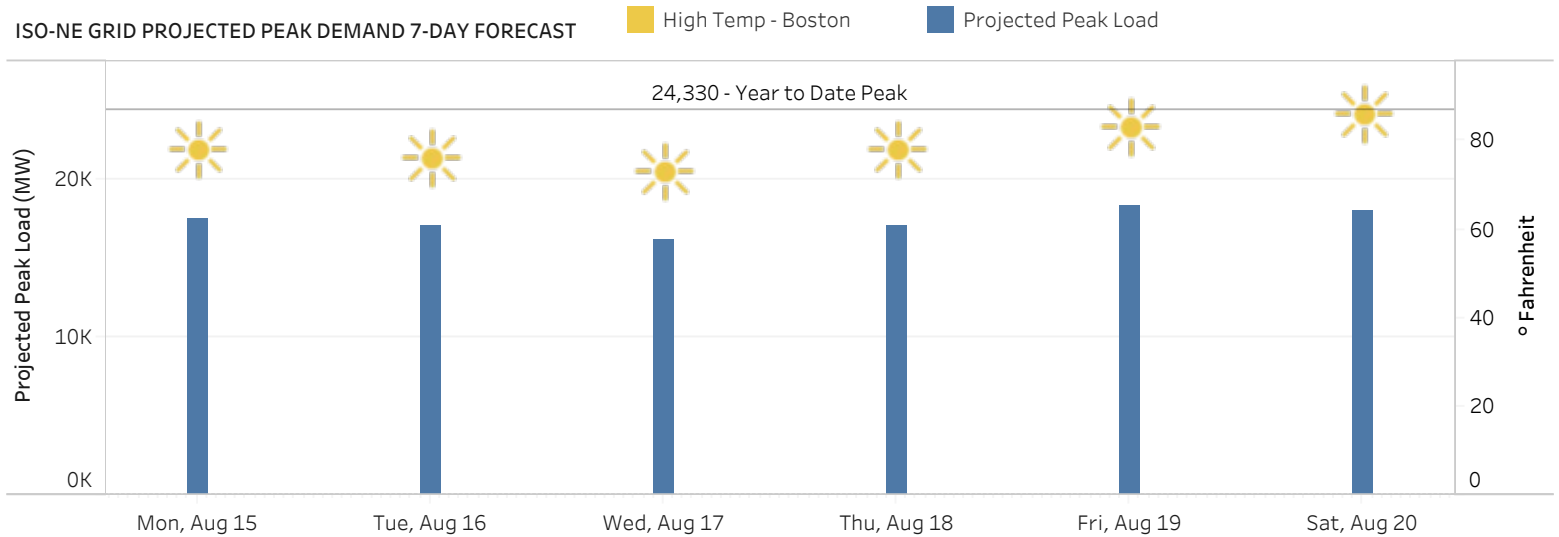
NEPOOL FUTURES MARKET CALENDAR STRIP PRICING -\$/MWh



The 12-month NEPOOL strip rose 5.4% week-over-week, despite some relief from high regional temperatures and high grid demand by Wednesday of last week. Calendar strips also saw week-over-week increases, largely influenced by elevated natural gas prices. Notably, the 2024 calendar strip reached a new decade high of \$93.86/MWh, accounting for a 7.9% week-over-week increase. Similarly, the 2023 strip rose 6.8%, settling at \$119.18/MWh and the 2025 strip rose 3.5%, settling at \$79.34/MWh. While the region is forecasted to see continued relief from the recent heat wave in the coming weeks, forward pricing is likely to remain driven by trends in the elevated and volatile natural gas market.

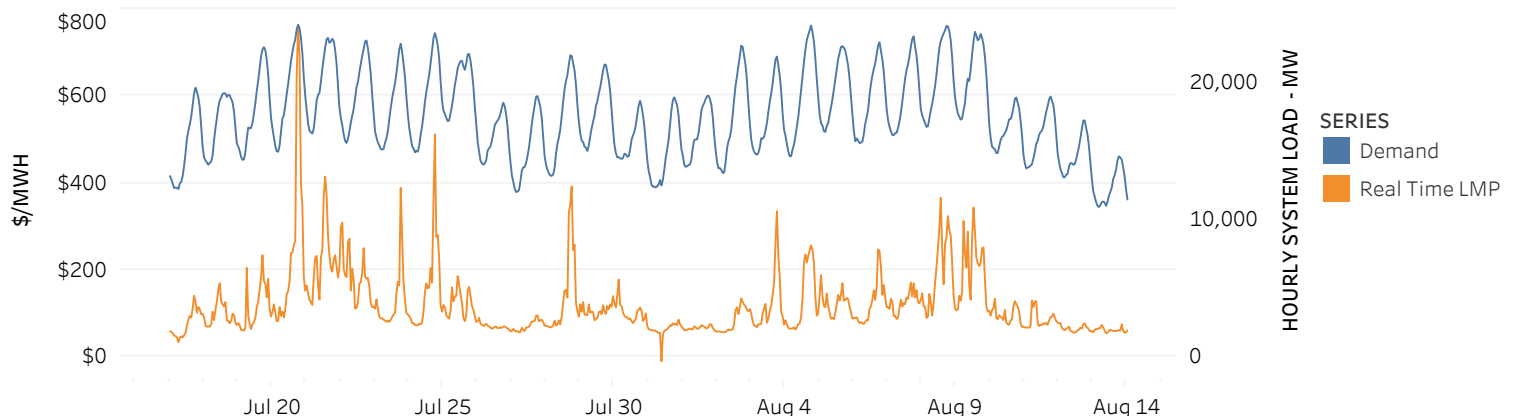
NEW ENGLAND 7-DAY DEMAND FORECAST

ISO-NE GRID PROJECTED PEAK DEMAND 7-DAY FORECAST



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



MAGGIE PAUL

Energy Services Advisor

(508) 648-9554

mpaul@competitive-energy.com

ISO-NE; Connecticut



LAUREN GREY

Energy Services Advisor

(207) 712-9703

lgrey@competitive-energy.com

ISO-NE; Maine

Thank you for choosing **Competitive Energy Services!**
For all your energy market questions, please contact your Energy Services Advisors today.



(866) 401-4591 | competitive-energy.com