

August 15 - 19, 2022

MARKET SUMMARY



SPOTLIGHT | Biden Administration Engages with the Gulf of Maine to Initiate Offshore Wind Targets

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The Biden-Harris administration is taking initial steps to execute its plan for deploying 30 gigawatts of offshore wind energy capacity by 2030 by filing a request for competitive interest in the Gulf of Maine in the federal register. Filings on Thursday by the Department of the Interior asked for public feedback on auctioning off ~13.7 million acres of water off the Maine coast. Major concerns in the Gulf of Maine relate to how turbines will impact existing fisheries and the fishing industry, as well as the feasibility of implementing floating offshore wind technologies in the Gulf. The Bureau of Ocean Energy Management has already invested \$80 million to understand how offshore wind could impact Maine's lucrative fisheries and ecosystems and will likely need to conduct more research as impacts become clearer. This federal attention could help Maine achieve its goals of 80% renewable power in the state by 2030. The only offshore wind activity in the Gulf to date is the planned single-turbine Maine Aqua Ventus floating demonstration project.



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: 11
18 MONTH: 11
24 MONTH: 15
36 MONTH: 14

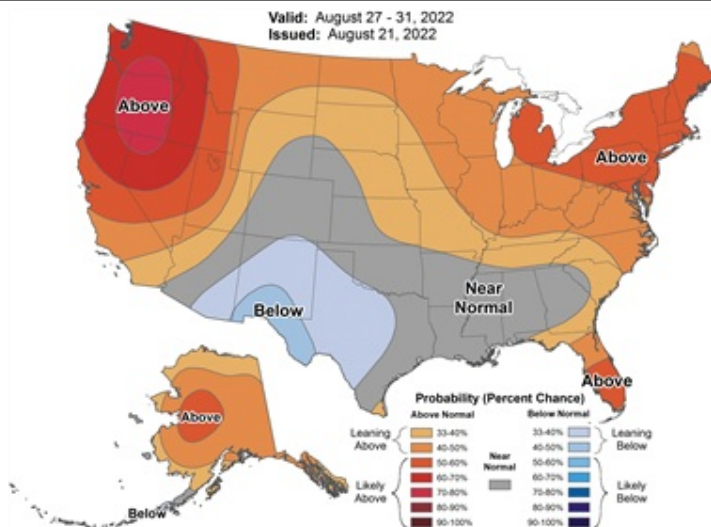
NEW ENGLAND ELECTRICITY TERMS

12 MONTH: 0
18 MONTH: 0
24 MONTH: 0
36 MONTH: 0

CRUDE OIL TERMS

12 MONTH: 38
18 MONTH: 35
24 MONTH: 33
36 MONTH: 31

WEATHER | 6-10 Day Forecast

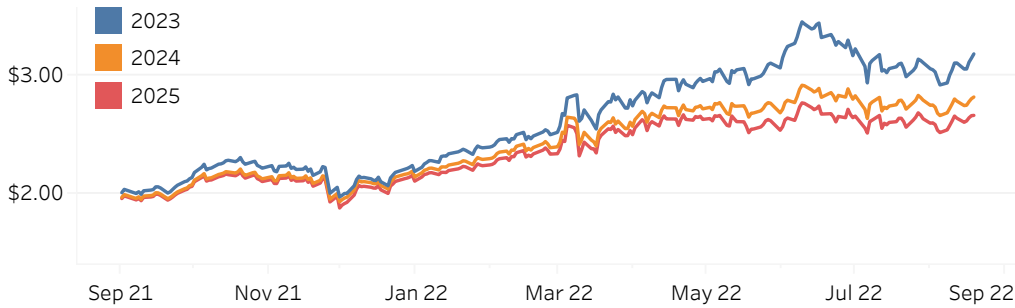


Above average temperatures are expected for the Northeast, Pacific Northwest and Florida, with slightly above normal and near normal temperatures for the rest of the country.

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.

OIL & DISTILLATES OVERVIEW

HEATING OIL FUTURE CALENDAR STRIPS - \$/GAL

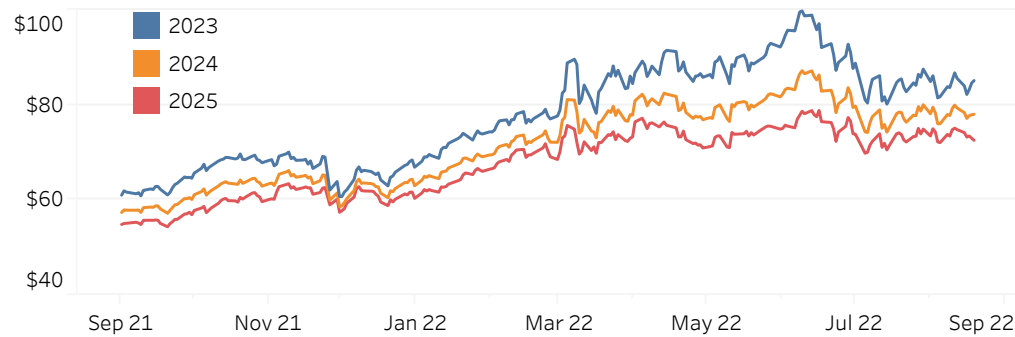


Prompt Month Price For Sep 22

This Week:	\$90.77/Bbl
Prior Week:	\$94.34/Bbl
CHANGE:	(\$3.57)/Bbl

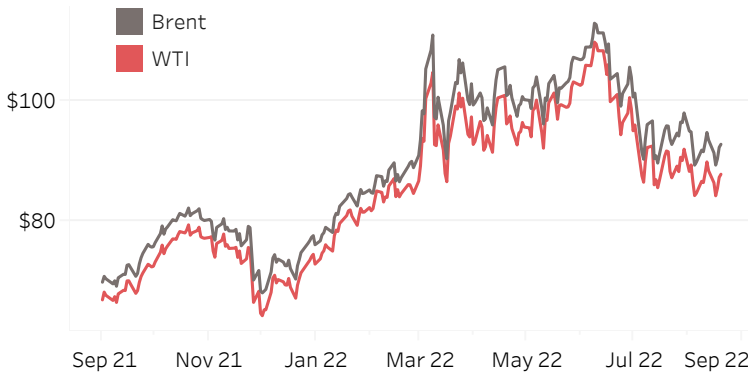
WTI closed at \$90.77 on Friday, down 1.4% from the week prior. Despite ongoing volatility, prices for crude oil settled on the lower end as expectations of an economic slowdown and reduced demand persisted. Tight supply for global oil may also be easing: the premium between prompt month and second-month WTI futures has been declining, coming down to a 39-cent premium after reaching a nearly \$2 premium just a month ago. The count of U.S. oil rigs online has remained flat, holding at 601 over the past week. A strong U.S. dollar has also made crude a more expensive purchase for foreign buyers, adding further downward pressure to prices.

CRUDE OIL WTI FUTURE CALENDAR STRIPS - \$/BARREL

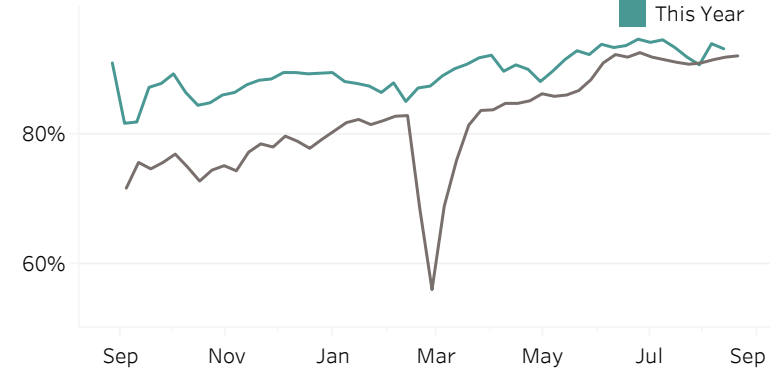


FUNDAMENTALS

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

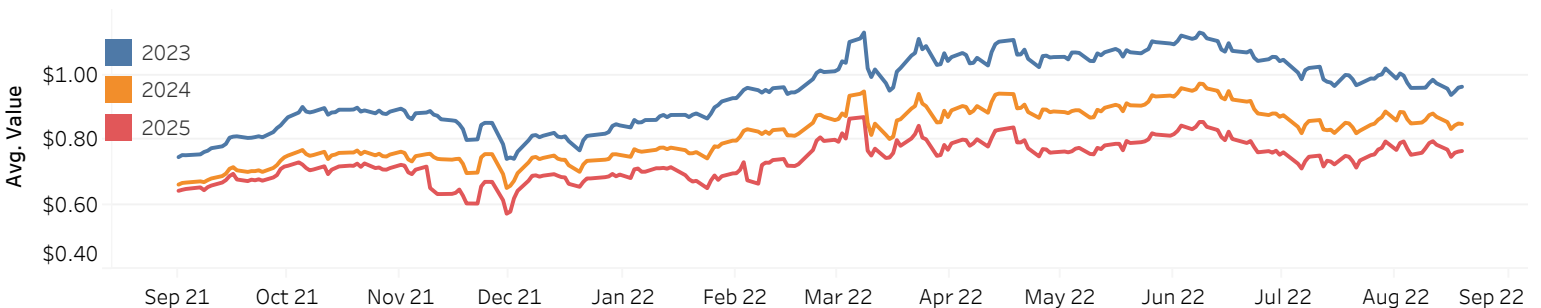


U.S. REFINERY RATES



PROPANE

MONT BELVIEU CALENDAR YEAR STRIPS \$/GAL



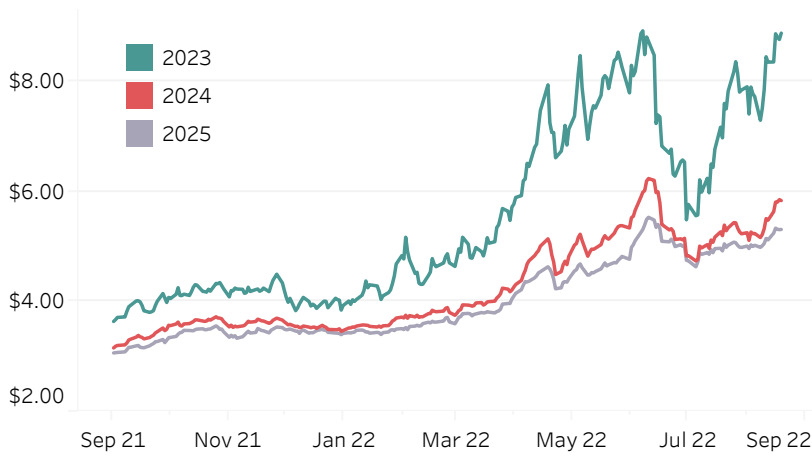
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NATURAL GAS OVERVIEW

WINTER NATURAL GAS NYMEX STRIPS - \$/MMBTU



Prompt Month Price For Sep 22

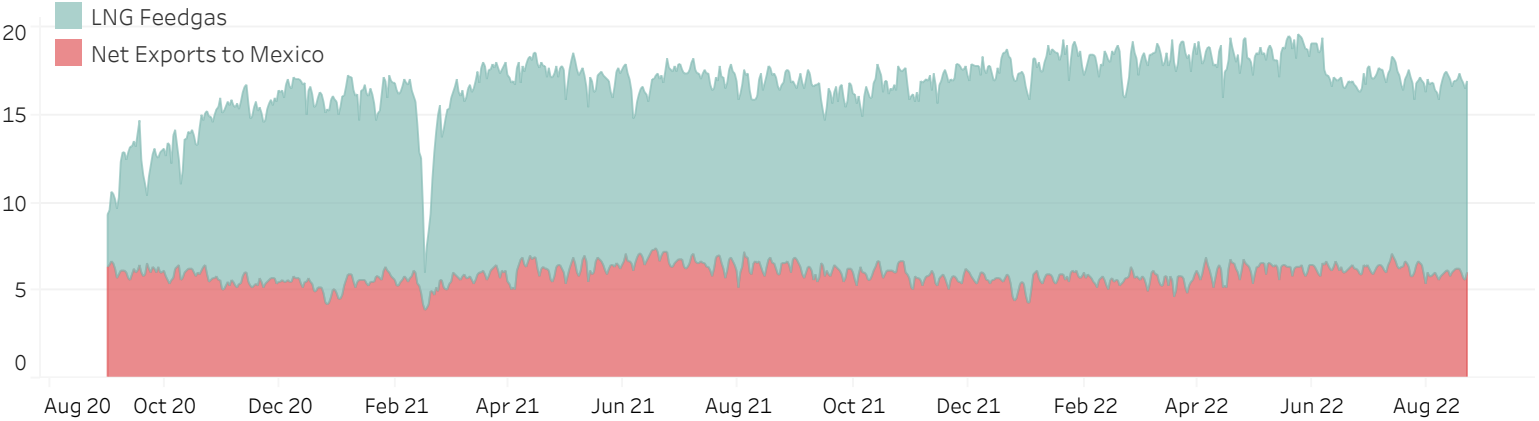
This Week:	\$9.34/MMBTU
Prior Week:	\$8.87/MMBTU
CHANGE:	\$0.46/MMBTU

September natural gas futures increased 6.5% week-over-week, settling at \$9.34/MMBtu on Friday. Cooling demand, both domestically and overseas, is remaining elevated with high temperatures forecasted through the end of summer. Additionally, the return to school for many across the country increases demand, putting additional strain on storage. This high demand coupled with weak production resulted in an injection of 18 Bcf, less than half of what most analysts projected. With U.S. national storage inventories currently 367 Bcf below the five-year average, many analysts have greatly lowered their expectations for the end of the injection season. With the Nord Stream pipeline capacity remaining reduced and international demand for US LNG rising, this weak storage outlook puts our inventories in a precarious position heading into the winter.

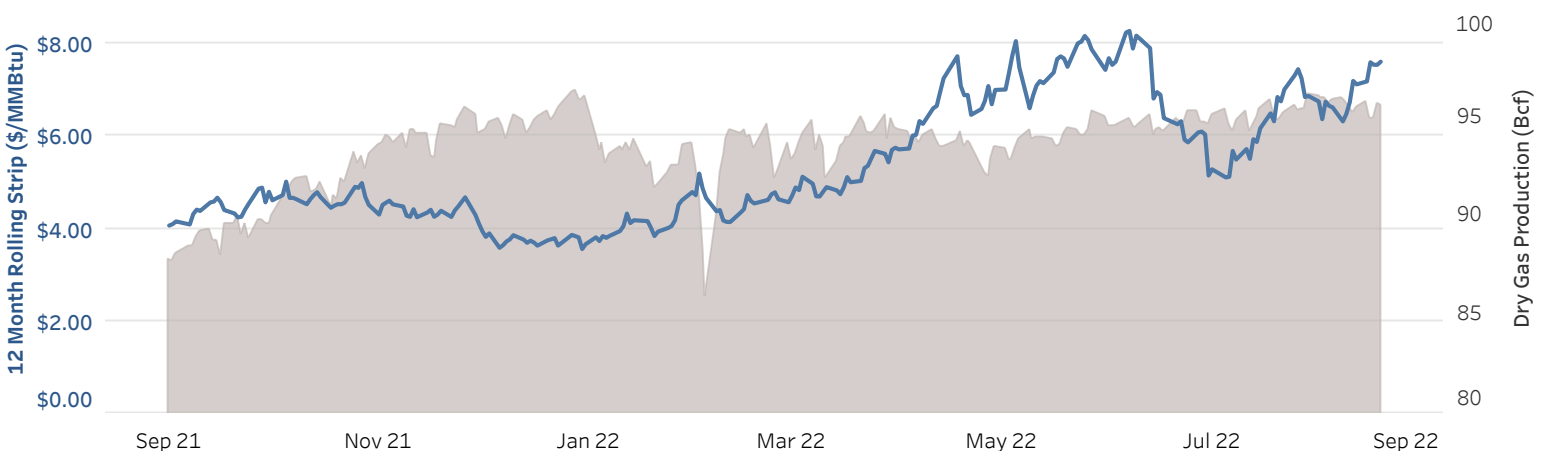
Winter natural gas NYMEX strips are an average of commodity prices for the months of December - March of each winter. Prices are presented in this format to highlight what consumers will pay during the typical heating season in the U.S.

NATURAL GAS FUNDAMENTALS

U.S. NATURAL GAS TOTAL EXPORTS - BCF



U.S. NATURAL GAS PRICE VS. PRODUCTION



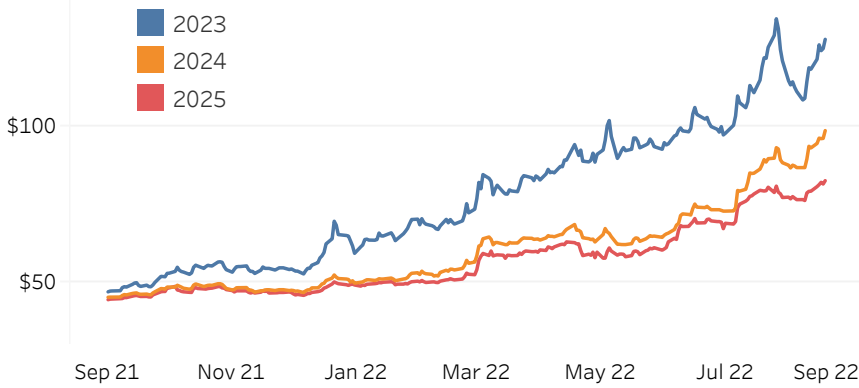
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NEW ENGLAND ELECTRICITY OVERVIEW

NEPOOL FUTURES MARKET CALENDAR STRIP PRICING -\$/MWH

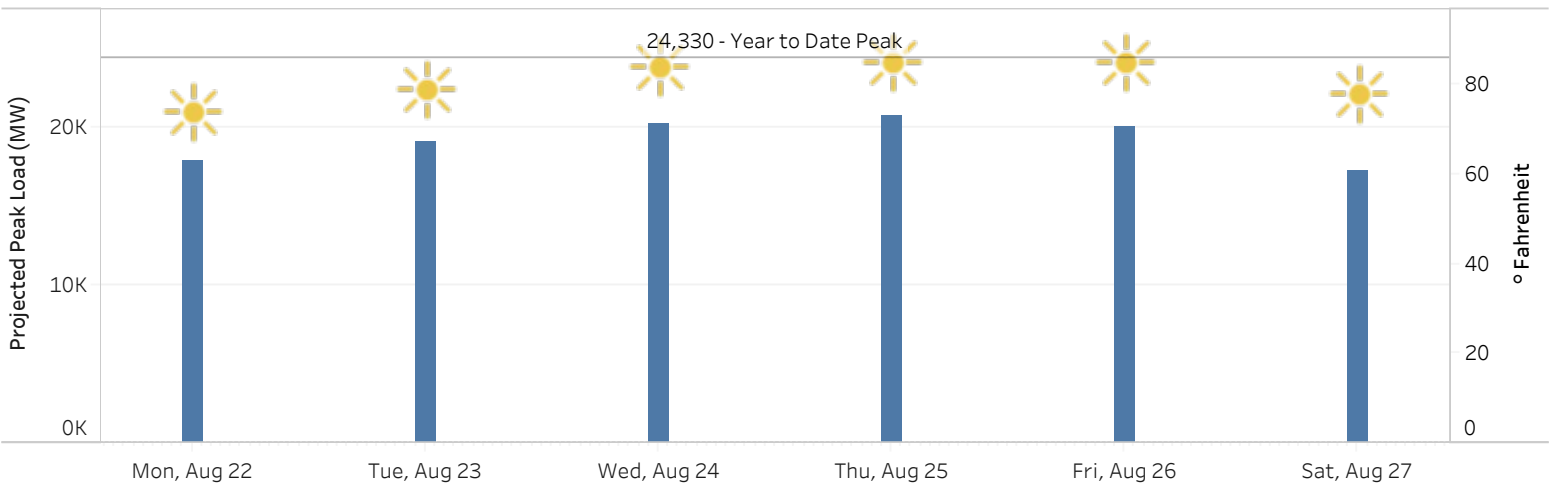


The 12-month NEPOOL strip settled at \$138.86/MWh, accounting for a 5.1% weekly increase which was largely influenced by a spike in NYMEX and Algonquin Basis prices last week. Calendar strips also saw week-over-week increases, with the outer strips each surpassing previous year-to-date highs. The 2023 strip rose 5.0%, settling at \$124.69/MWh, the 2024 strip rose 5.0%, settling at \$96.32/MWh, and the 2025 strip rose 3.6%, settling at \$82.25/MWh. While the region is forecasted to see diminished cooling demand in the coming weeks, forward pricing is likely to remain driven by trends in the volatile natural gas market.

NEW ENGLAND 7-DAY DEMAND FORECAST

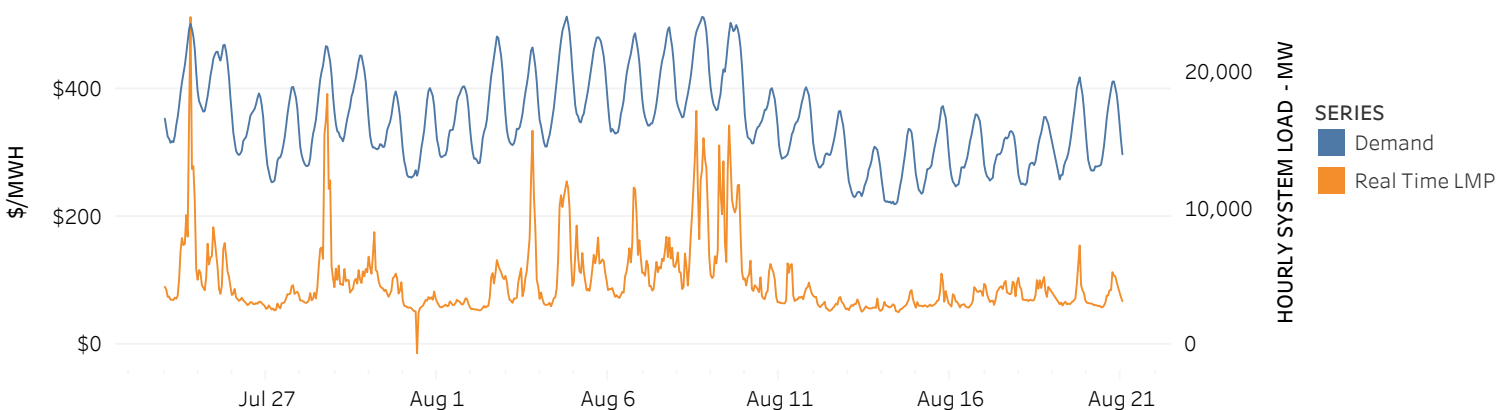
ISO-NE GRID PROJECTED PEAK DEMAND 7-DAY FORECAST

High Temp - Boston Projected Peak Load



NEW ENGLAND GRID FUNDAMENTALS

ISO NE HOURLY GRID DEMAND & REAL TIME LMP RATE



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