



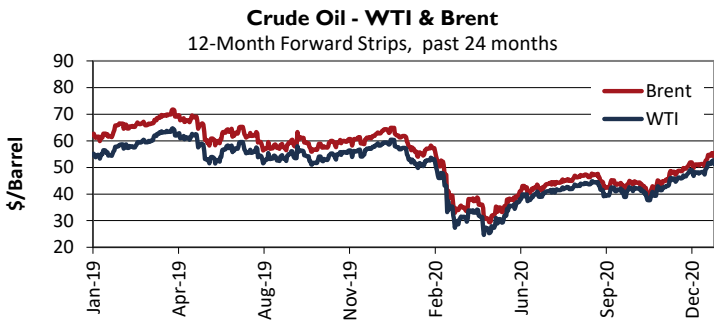
# Competitive Energy Services Weekly Market Summary

January 11 - 15, 2021

## Synopsis of Last Week's Energy Markets

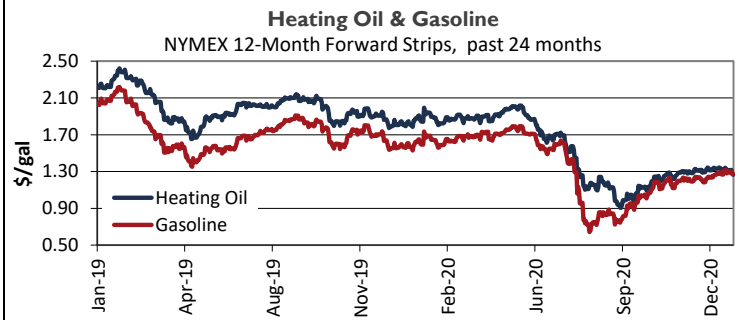
Crude oil prices ended Friday at \$52.36/barrel, a 0.2% increase from the week prior. Oil markets managed to pull through with a slight increase despite a strengthening of the US dollar, which decreased the appeal of dollar-based commodities. The possibility of polar vortex conditions developing at the end of January and continued high exports caused US natural gas prices to rise 1.5% from the previous week, settling at \$2.74/MMBtu last Friday.

## Oil Market



| <b>NYMEX WTI</b>       | last close | previous week | 24-month high | 24-month low |
|------------------------|------------|---------------|---------------|--------------|
| 12 month strip, \$/bbl | \$51.56    | \$51.59       | \$64.69       | \$23.66      |
| date                   | 1/15/21    | 1/8/21        | 4/23/19       | 4/21/20      |
| change from last close |            | -0.1%         | -20.3%        | 118%         |

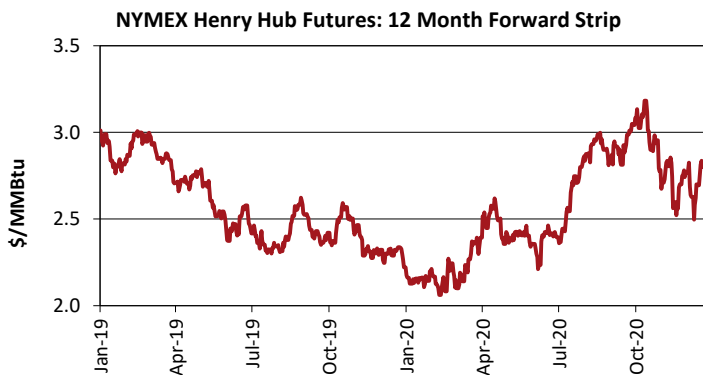
| <b>US STORAGE (in million bbls)</b> | crude oil |
|-------------------------------------|-----------|
| domestic stocks as of 1/8/21        | 482       |
| gain / loss from previous week      | -3.2      |
| comparison to historic range        | outside   |



| <b>NYMEX Heating Oil</b> | last close | previous week | 24-month high | 24-month low |
|--------------------------|------------|---------------|---------------|--------------|
| 12 month strip, \$/gal   | \$1.60     | \$1.31        | \$2.14        | \$0.90       |
| date                     | 1/15/21    | 1/8/21        | 4/23/19       | 4/28/20      |
| change from last close   |            | 22.3%         | -25%          | 78%          |

| <b>US STORAGE (in million bbls)</b> | distillate | propane | gasoline |
|-------------------------------------|------------|---------|----------|
| domestic stocks as of 1/8/21        | 163        | 0       | 245      |
| gain / loss from previous week      | 4.8        | 0.0     | 4.4      |
| comparison to historic range        | within     | within  | within   |

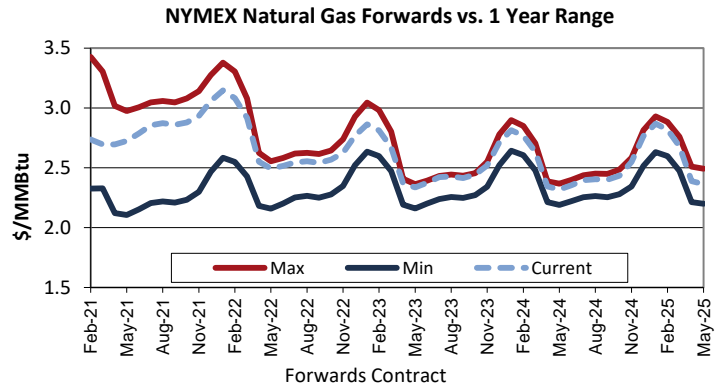
## Natural Gas Market



| <b>NYMEX PRICING</b>   | last close | previous week | 24-month high | 24-month low |
|------------------------|------------|---------------|---------------|--------------|
| 12 mo. strip, \$/MMBtu | \$2.85     | \$2.80        | \$3.16        | \$2.05       |
| date                   | 1/15/21    | 1/8/21        | 10/30/20      | 2/28/20      |
| change from last close |            | 1.8%          | -10%          | 39%          |

| <b>CES SCORE</b> |    |
|------------------|----|
| 12 month         | 32 |
| 18 month         | 28 |
| 24 month         | 29 |
| 36 month         | 25 |

The Score provides a measure of how current prices compare to their 52-week range. A score close to 0 indicates that current prices are close to their 52-week highs; a score close to 100 indicates that current prices are close to their 52-week lows.



| <b>FORWARDS</b>  | 12 month | 18 month | 24 month | 36 month |
|------------------|----------|----------|----------|----------|
| strip (\$/MMBtu) | \$2.85   | \$2.80   | \$2.76   | \$2.68   |

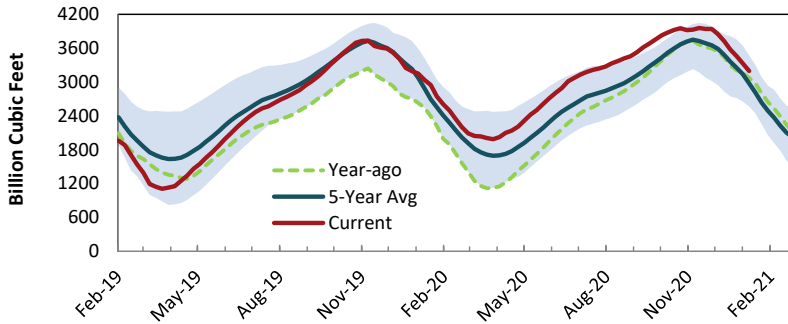
Natural gas futures are useful for both natural gas and electricity consumers because they drive electricity pricing in many U.S. markets. This chart compares the current natural gas price for each forward month on the NYMEX exchange to the highest and lowest prices for the same month over the past 12 months.



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### Natural Gas Storage

Working Gas in Underground Storage Compared With 5-Year Range



This chart shows the amount of natural gas in storage at each point in time (red line) compared to the highest, lowest, and average amounts in the past 5 calendar years.

| EIA Storage Data           | date   | Bcf   | + / - |
|----------------------------|--------|-------|-------|
| Previous Stock Level       | 1/1/21 | 3,330 |       |
| Most Recent Stock Level    | 1/8/21 | 3,196 |       |
| Year-ago Stock Level       |        | 3,070 | 4.1%  |
| 5-Year Average Stock Level |        | 2,978 |       |
| Most Recent Net Change     | 1/8/21 | -134  |       |
| Year-Ago Net Change        |        | -91   |       |
| 5-Year Average Net Change  |        | -161  |       |

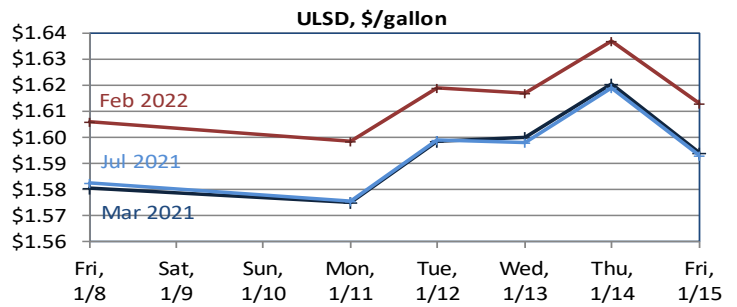
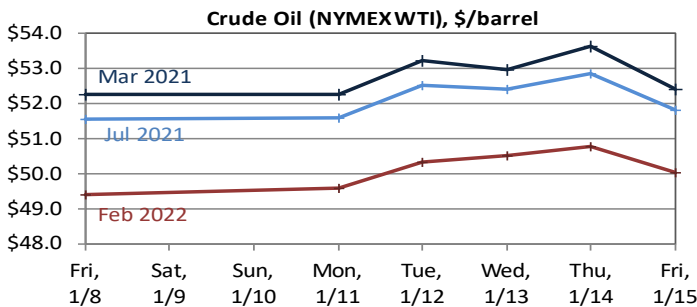
Data Source: EIA <http://tonto.eia.doe.gov/oog/info/ngs/ngs.html>

### Market Assessment

#### NYMEX Futures Summary Statistics

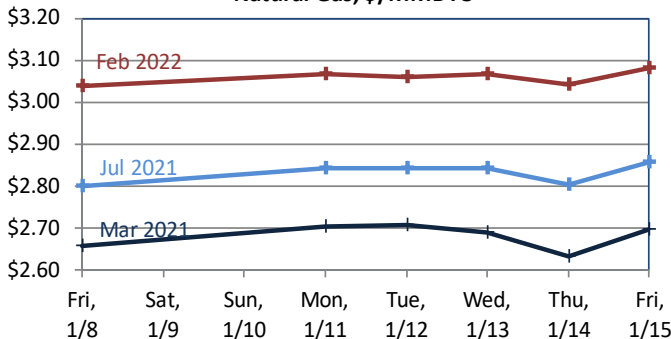
|             | Last Expired Contract | Exp. Date | Price   | Prompt Month | Price   | Most Expensive Next 12 Months | Price   | Least Expensive Next 12 Months | Price   | Winter Avg (Nov20-Mar21) |
|-------------|-----------------------|-----------|---------|--------------|---------|-------------------------------|---------|--------------------------------|---------|--------------------------|
| Crude oil   | Jan-21                | 12/21/20  | \$47.74 | Feb-21       | \$52.42 | Mar-21                        | \$52.42 | Jan-22                         | \$50.27 | \$49.93                  |
| Heating oil | Jan-21                | 12/31/20  | \$1.48  | Feb-21       | \$1.59  | Jan-22                        | \$1.61  | May-21                         | \$1.59  | \$1.61                   |
| Natural gas | Jan-21                | 12/29/20  | \$2.47  | Feb-21       | \$2.74  | Jan-22                        | \$3.15  | Apr-21                         | \$2.70  | \$2.92                   |

#### NYMEX End-of-Day Settlements



Crude oil prices ended Friday at \$52.36/barrel, a 0.2% increase from the week prior. Early last week oil prices increased, and the commodity benchmark became overbought. As the dollar strengthened, oil became less appealing and there was a decrease in price as a selloff occurred later in the week. Thursday night President-elect Biden announced he was going to ask Congress for a \$1.9 trillion stimulus to fund a variety of programs to help boost the US economy. This plan would raise the federal minimum wage to \$15, give cash payments of \$1600 to each household, add \$400 a week in unemployment benefits, and fund COVID-19 vaccination efforts. Many feel lukewarm about the plan's chances of passing due to the high price tag and large portions opposed by Republicans. This news, coupled with Saudi Arabia's pledge earlier in the month to decrease output, suggests that prices will stay stable with short term decreases possible.

#### Natural Gas, \$/MMBTU



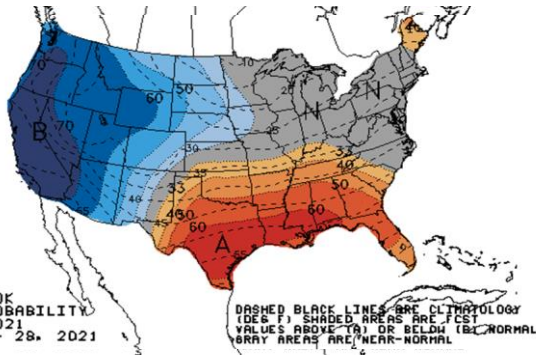
February front-month natural gas futures rose to \$2.74/MMBtu on Friday. This upward pressure was driven by forecasts indicating that an emerging polar vortex weather pattern could blanket the northeastern and midwestern US with cold weather at the end of January. As the end of the month approaches, this optimism has offset market volatility caused by mild near-term weather forecasts across the US. Additionally, a period of extreme cold and high heating demand in Asia led to record Japan/Korea Marker (JKM) baseline LNG prices, incentivizing a substantial increase in US exports this week. On Friday, LNG feedgas volumes were 11 bcf/day, a 57% year-over-year increase. As of January 8, gas inventories fell 134 Bcf week-over-week to move total stockpiles to 3,196 Bcf.

The National Weather Service near-term forecast calls for average temperatures in the Western US, above average temperatures in the South and average temperatures in the Northeast. The CES Market Score on page 1 decreased from the previous week. Clients with electricity or natural gas contracts expiring in 2020 should consult with a CES representative for customized guidance.

### National Weather Service Forecast



6-10 DAY OUTLOOK  
TEMPERATURE PROBABILITY  
MADE 18 JAN 2021  
VALID JAN 24 - 28, 2021



#### 6 - 10 Day Forecast for Jan 24 - 28

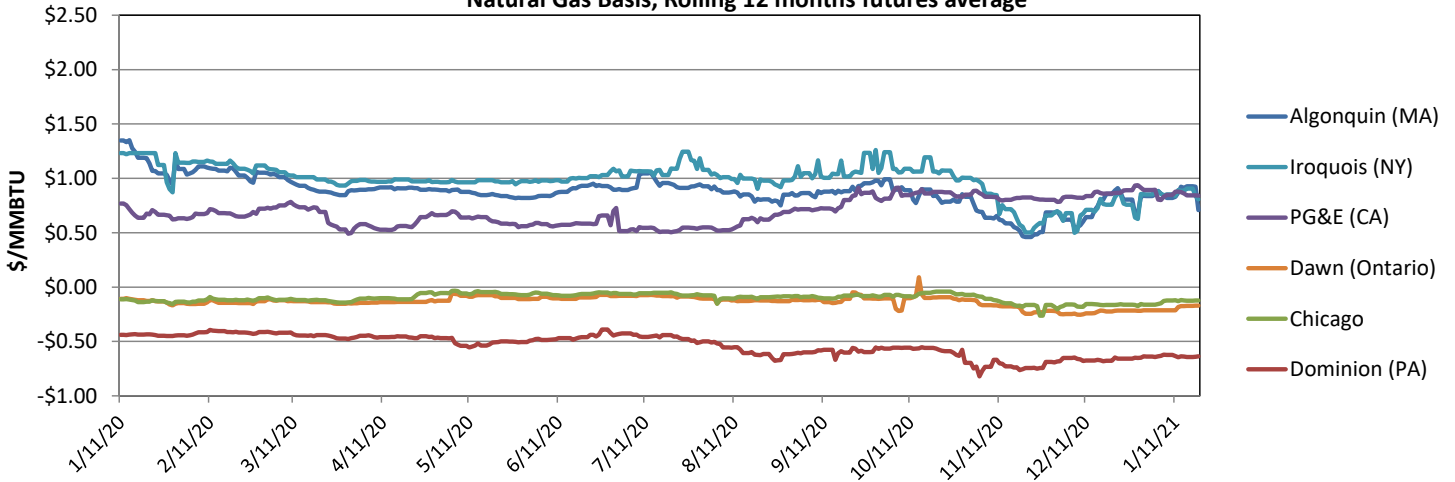
This map depicts forecasted temperatures for next week compared to the long term average. The blue/purple areas are forecast to be colder than normal, white areas are normal, and yellow/orange/red areas are warmer than normal. Abnormally hot weather in the summer and cold weather in the winter can increase the price for natural gas, oil, and electricity.

Source: Chart from the National Weather Service Climate Prediction Center [www.cpc.ncep.noaa.gov](http://www.cpc.ncep.noaa.gov)

### Natural Gas Basis Futures

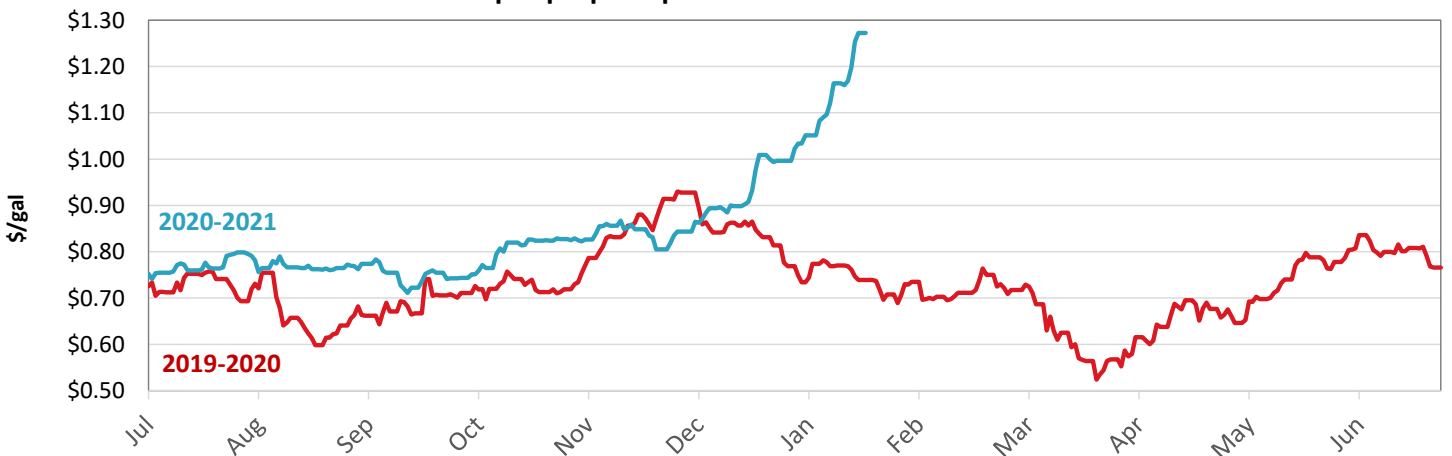
Basis is the price differential between Henry Hub, located in Erath, Louisiana, and the liquidity point closest to the end-user. Because Henry Hub is used as the delivery point for NYMEX natural gas futures contracts, the cost of using natural gas in any geographic region of the country can be approximated by adding the basis price for the appropriate liquidity point to the NYMEX futures contract. Basis prices can be negative (indicating that natural gas at a liquidity point is cheaper than at the Henry Hub) or positive (indicating that natural gas at a different liquidity point is more expensive than at the Henry Hub). Basis prices are a key component of regional electricity and natural gas costs.

Natural Gas Basis, Rolling 12 months futures average



### Propane

Spot propane price for Northeast US



**Spot Prices**

|                        |                        | <b>New England ISO Real Time Power Pricing By Zone (\$/MWh)</b> |  |         |         |         |         |         |            |            |
|------------------------|------------------------|---|--|---------|---------|---------|---------|---------|------------|------------|
|                        |                        | 1/11/21   | 1/12/21  | 1/13/21 | 1/14/21 | 1/15/21 | 1/16/21 | 1/17/21 | <b>Avg</b> |            |
| Power (\$/MWh)         | Maine RT On Pk         | 60  | 40   | 42      | 36      | 26      |         |         | 41         |            |
|                        | Maine RT Off Pk        | 37  | 35   | 36      | 35      | 26      | 23      | 31      | 32         |            |
|                        | NH RT On Pk            | 60  | 40   | 42      | 36      | 26      |         |         | 41         |            |
|                        | NH RT Off Pk           | 37  | 35   | 36      | 35      | 26      | 24      | 31      | 32         |            |
|                        | Vermont RT On Pk       | 58  | 39   | 41      | 35      | 25      |         |         | 40         |            |
|                        | Vermont RT Off Pk      | 36  | 34   | 35      | 34      | 26      | 23      | 30      | 31         |            |
|                        | Connecticut RT On Pk   | 56  | 38   | 40      | 34      | 25      |         |         | 39         |            |
|                        | Connecticut RT Off Pk  | 35  | 33   | 34      | 33      | 26      | 23      | 30      | 31         |            |
|                        | Rhode Island RT On Pk  | 58  | 40   | 41      | 36      | 25      |         |         | 40         |            |
|                        | Rhode Island RT Off Pk | 36  | 34   | 36      | 35      | 26      | 24      | 31      | 32         |            |
|                        | NE Mass RT On Pk       | 60  | 40   | 42      | 36      | 26      |         |         | 41         |            |
|                        | NE Mass RT Off Pk      | 37  | 35   | 36      | 35      | 26      | 24      | 31      | 32         |            |
|                        | SE Mass RT On Pk       | 59  | 40   | 42      | 36      | 26      |         |         | 41         |            |
|                        | SE Mass RT Off Pk      | 37  | 34   | 36      | 35      | 26      | 24      | 31      | 32         |            |
|                        | WC Mass RT On Pk       | 59  | 40   | 41      | 36      | 26      |         |         | 40         |            |
|                        | WC Mass RT Off Pk      | 36  | 34   | 35      | 35      | 26      | 24      | 31      | 32         |            |
|                        |                        |   | <b>New York ISO Real Time Power Pricing By Zone (\$/MWh)</b> |         |         |         |         |         |            | <b>Avg</b> |
|                        | Power (\$/MWh)         | Capital RT On Pk  | 48   | 32      | 29      | 30      | 25      |         |            | 33         |
|                        |                        | Capital RT Off Pk   | 33   | 30      | 24      | 32      | 24      | 22      | 37         | 29         |
|                        |                        | Central RT On Pk  | 32   | 29      | 24      | 28      | 19      |         |            | 26         |
| Central RT Off Pk      |                        | 20  | 18   | 19      | 17      | 21      | 17      | 15      | 18         |            |
| Hudson RT On Pk        |                        | 44  | 32   | 28      | 30      | 24      |         |         | 32         |            |
| Hudson RT Off Pk       |                        | 29  | 27   | 23      | 28      | 24      | 21      | 31      | 26         |            |
| Mohawk RT On Pk        |                        | 33  | 30   | 25      | 29      | 20      |         |         | 27         |            |
| Mohawk RT Off Pk       |                        | 20  | 18   | 20      | 17      | 22      | 18      | 16      | 19         |            |
| Milwood RT On Pk       |                        | 44  | 33   | 28      | 30      | 25      |         |         | 32         |            |
| Milwood RT Off Pk      |                        | 30  | 27   | 23      | 28      | 24      | 21      | 31      | 26         |            |
| NYC RT On Pk           |                        | 44  | 33   | 29      | 31      | 25      |         |         | 32         |            |
| NYC RT Off Pk          |                        | 30  | 27   | 23      | 28      | 24      | 22      | 31      | 26         |            |
|                        |                        | <b>PJM Real Time Power Pricing By Zone (\$/MWh)</b>             |  |         |         |         |         |         | <b>Avg</b> |            |
| Power (\$/MWh)         |                        | Eastern Hub On Pk   | 27   | 22      | 26      | 22      | 22      |         |            | 24         |
|                        |                        | Eastern Hub Off Pk  | 25   | 22      | 25      | 20      | 20      | 20      | 20         | 22         |
|                        |                        | Western Hub On Pk   | 30   | 24      | 30      | 25      | 25      |         |            | 27         |
|                        | Western Hub Off Pk     | 25  | 23   | 28      | 21      | 21      | 21      | 21      | 23         |            |
|                        | PPL Zone On Pk         | 26  | 22   | 24      | 21      | 21      |         |         | 23         |            |
|                        | PPL Zone Off Pk        | 24  | 22   | 23      | 20      | 20      | 20      | 20      | 21         |            |
|                        | AEP RT On Pk           | 29  | 25   | 28      | 27      | 27      |         |         | 27         |            |
|                        | AEP RT Off Pk          | 25  | 24   | 27      | 22      | 22      | 22      | 22      | 23         |            |
|                        | Chicago RT On Pk       | 27  | 22   | 24      | 24      | 24      |         |         | 25         |            |
|                        | Chicago RT Off Pk      | 23  | 21   | 22      | 20      | 20      | 20      | 20      | 21         |            |
|                        | New Jersey Hub On Pk   | 31  | 24   | 31      | 24      | 24      |         |         | 27         |            |
|                        | New Jersey Hub Off Pk  | 26  | 22   | 32      | 20      | 20      | 20      | 20      | 23         |            |
|                        |                        |   | <b>California ISO Real Time Power Pricing (\$/MWh)</b>       |         |         |         |         |         |            | <b>Avg</b> |
|                        | Power (\$/MWh)         | SoCal Edison RT On Pk   | 25   | 33      | 24      | 19      | 23      |         |            | 25         |
| SoCal Edison RT Off Pk |                        | 28  | 27   | 29      | 26      | 28      | 30      | 20      | 27         |            |
|                        |                        | 1/11/21   | 1/12/21  | 1/13/21 | 1/14/21 | 1/15/21 | 1/16/21 | 1/17/21 | <b>Avg</b> |            |
| Natural Gas \$/MMBtu   | Henry Hub, LA          | 2.68  | 2.87   | 2.78    | 2.77    | 2.77    |         |         | 2.77       |            |
|                        | TZ6, MA                | 3.05  | 4.57   | 4.38    | 3.14    | 3.14    |         |         | 3.65       |            |
|                        | Algonquin, MA          | 3.67  | 4.37   | 4.54    | 3.03    | 5.21    |         |         | 4.16       |            |
|                        | Chicago Hub, IL        | 2.55  | 2.71   | 2.62    | 2.63    | 2.64    |         |         | 2.63       |            |
|                        | New York, NY           | 2.68  | 2.71   | 2.65    | 2.59    | 2.79    |         |         | 2.68       |            |
|                        | Dominion South, PA     | 2.29  | 2.44   | 2.42    | 2.39    | 2.43    |         |         | 2.39       |            |
|                        | Opal Hub, WY           | 2.65  | 2.75   | 2.69    | 2.65    | 2.65    |         |         | 2.68       |            |
| PG&E Citygate, CA      | 3.52                   | 3.73  | 3.66   | 3.11    | 3.54    |         |         | 3.51    |            |            |