



Competitive Energy Services Weekly Market Summary

January 18 - 22, 2021

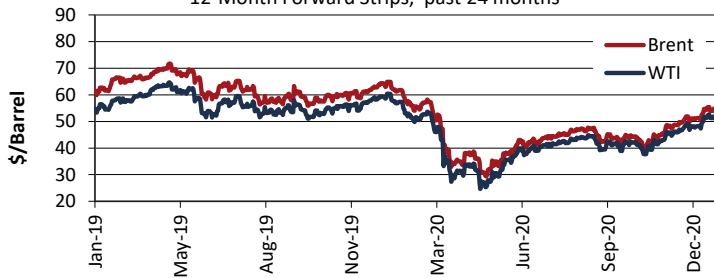
Synopsis of Last Week's Energy Markets

Crude oil prices ended Friday at \$52.27/barrel, a 0.2% decrease from the week prior. Oil fell to its lowest in two weeks due to a negative short-term demand outlook and a stronger US dollar. A shift towards milder national weather forecasts for the end of January and a decline in LNG exports to Asia caused US natural gas prices to fall 11% from the previous week, settling at \$2.45/MMBtu last Friday.

Oil Market

Crude Oil - WTI & Brent

12-Month Forward Strips, past 24 months

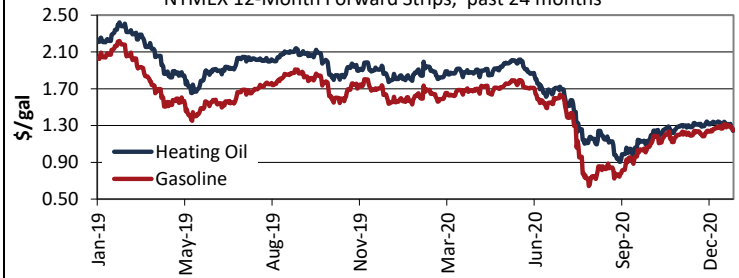


NYMEX WTI	last close	previous week	24-month high	24-month low
12 month strip, \$/bbl	\$51.02	\$51.24	\$64.69	\$23.66
date	1/22/21	1/15/21	4/23/19	4/21/20
change from last close		-0.4%	-21.1%	116%

US STORAGE (in million bbls)	crude oil
domestic stocks as of 1/15/21	487
gain / loss from previous week	4.4
comparison to historic range	outside

Heating Oil & Gasoline

NYMEX 12-Month Forward Strips, past 24 months

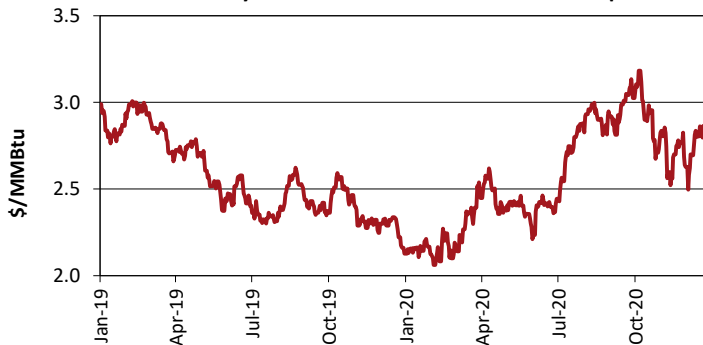


NYMEX Heating Oil	last close	previous week	24-month high	24-month low
12 month strip, \$/gal	\$1.59	\$1.32	\$2.14	\$0.90
date	1/22/21	1/15/21	4/23/19	4/28/20
change from last close		20.8%	-26%	77%

US STORAGE (in million bbls)	distillate	propane	gasoline
domestic stocks as of 1/15/21	164	0	245
gain / loss from previous week	0.5	0.0	-0.3
comparison to historic range	within	within	within

Natural Gas Market

NYMEX Henry Hub Futures: 12 Month Forward Strip

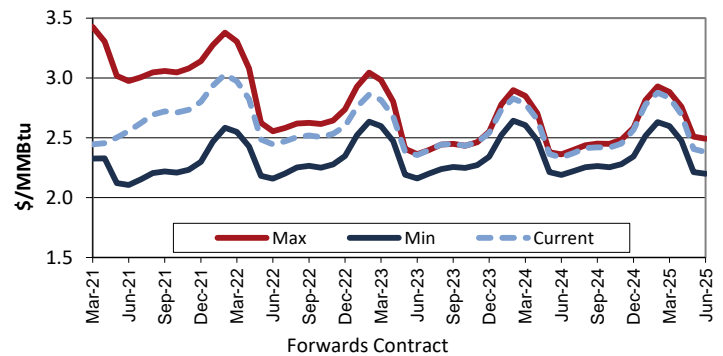


NYMEX PRICING	last close	previous week	24-month high	24-month low
12 mo. strip, \$/MMBtu	\$2.68	\$2.86	\$3.16	\$2.05
date	1/22/21	1/15/21	10/30/20	2/28/20
change from last close		-6.3%	-15%	31%

CES SCORE	
12 month	51
18 month	45
24 month	43
36 month	33

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.

NYMEX Natural Gas Forwards vs. 1 Year Range



FORWARDS	12 month	18 month	24 month	36 month
strip (\$/MMBtu)	\$2.68	\$2.66	\$2.65	\$2.62

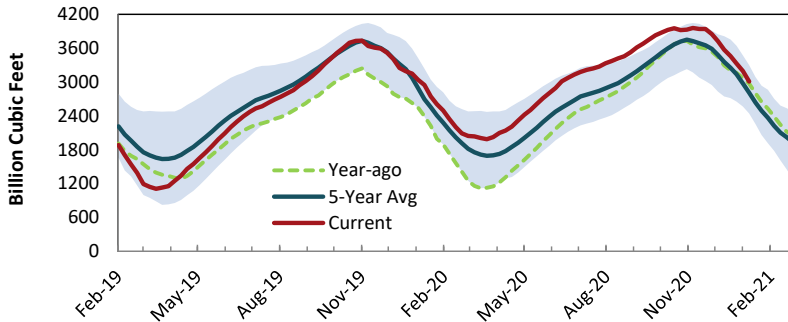
Natural gas futures are useful for both natural gas and electricity consumers because they drive electricity pricing in many U.S. markets. This chart compares the current natural gas price for each forward month on the NYMEX exchange to the highest and lowest prices for the same month over the past 12 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	1/8/21	3,196	
Most Recent Stock Level	1/15/21	3,009	
Year-ago Stock Level		2,973	1.2%
5-Year Average Stock Level		2,811	
Most Recent Net Change	1/15/21	-187	
Year-Ago Net Change		-97	
5-Year Average Net Change		-167	

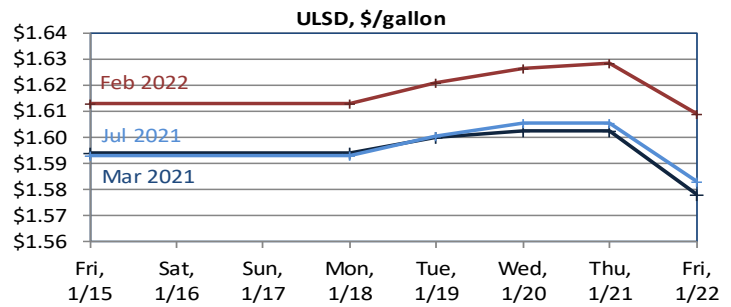
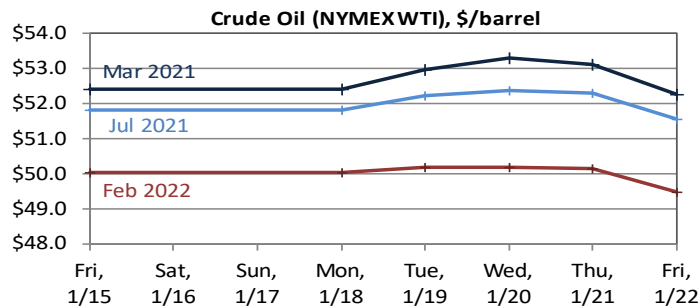
Data Source: EIA <http://tonto.eia.doe.gov/oog/info/ngs/ngs.html>

Market Assessment

NYMEX Futures Summary Statistics

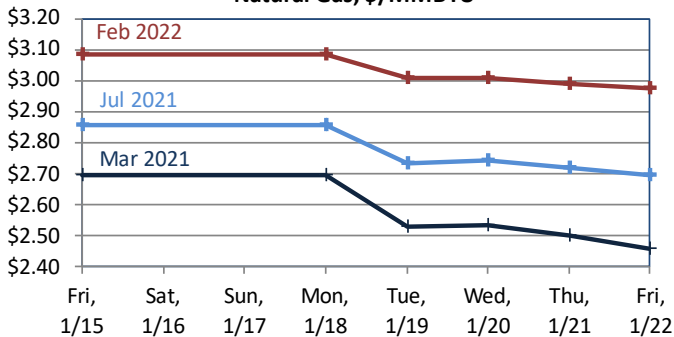
	Last Expired Contract	Exp. Date	Price	Prompt Month	Price	Most Expensive Next 12 Months	Price	Least Expensive Next 12 Months	Price	Winter Avg (Nov21-Mar22)
Crude oil	Feb-21	1/20/21	\$53.24	Mar-21	\$52.27	Mar-21	\$1.60	Jan-22	\$49.73	\$49.76
Heating oil	Jan-21	12/31/20	\$1.48	Feb-21	\$1.58	Jan-22	\$2.85	Feb-21	\$1.58	\$1.61
Natural gas	Jan-21	12/29/20	\$2.47	Feb-21	\$2.45	Jan-22	\$0.00	Feb-21	\$2.45	\$2.91

NYMEX End-of-Day Settlements



Crude oil prices ended Friday at \$52.27/barrel, a 0.2% decrease from the week prior. Oil prices fell to their lowest level in two weeks on Friday after EIA inventory data reported that there was an increase in crude oil stocks for the first time since December, with a gain of 4.4 million barrels. This came as a surprise to market analysts who predicted a 2.5 million barrel decrease. However, this report also claimed the largest refinery crude processing volume since March 2020, which is an encouraging sign for the market. Prices are starting to struggle due to falling Asian demand. COVID-19 outbreaks in the region and the popular Lunar New Year holiday approaching, that there will be increased lockdowns and decreased demand in a typically heavy fuel consumption season. Asia has thus far been boosting prices, so decreased Asian demand will likely lead to a decrease in short-term pricing. Lastly, the US dollar increased in value on Friday, leading to reduced appeal for commodities using the currency.

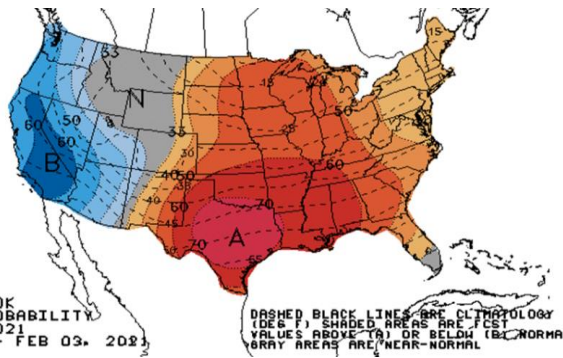
Natural Gas, \$/MMBTU



February front-month natural gas futures dropped to \$2.45/MMBtu on Friday. Prices fell significantly this week as near-term forecasts across the US shifted warmer and stifled national heating demand. On Friday, total US gas demand reached 93.2 Bcf/d, a 10% reduction compared to last year. Additionally, the continued high storage volumes have reduced the market impact of a potential polar vortex or cold weather blast hitting the US later this winter. In addition to the weather, a significant decline in Asian natural gas prices led to a drop in demand for US LNG exports as a period of intense cold in the region ends. On Friday, US feedgas volumes dropped 18% from the previous week to 9.1 Bcf/d, reaching the lowest levels since October. As of January 15, natural gas inventories fell 187 Bcf week-over-week to move total stockpiles to 3,009 Bcf.

The National Weather Service near-term forecast calls for below average temperatures in the Western US and above average temperatures in the Central and Eastern US. The CES Market Score on page 1 increased 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 Forecast for Jan 30 - Feb 3

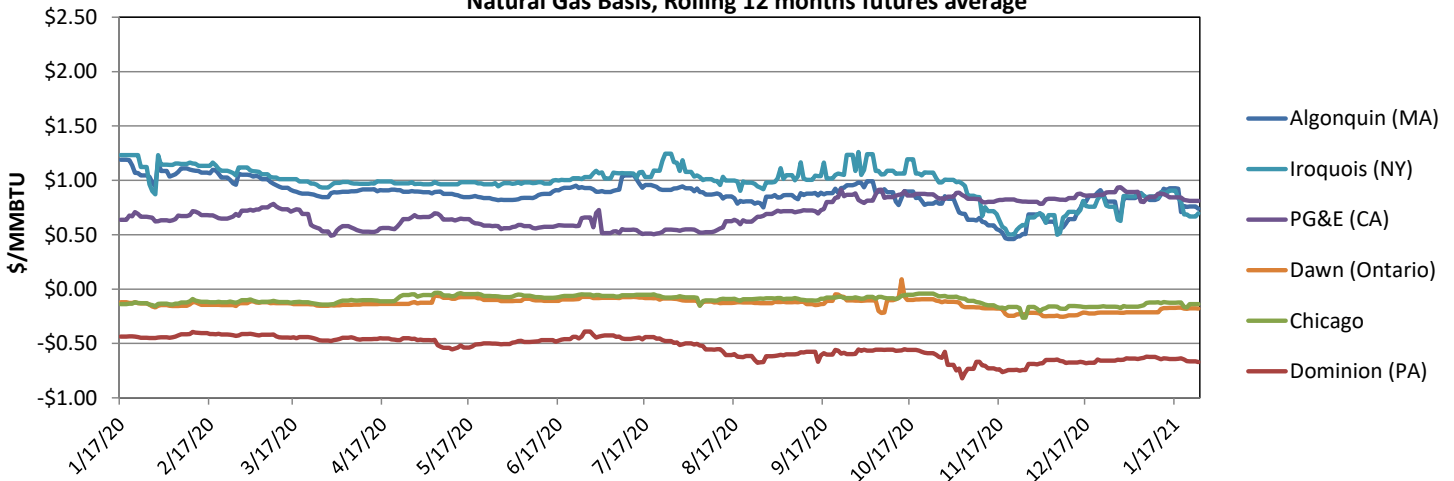
This map depicts forecasted temperatures for next week compared to the long term average. The blue/purple areas are forecast to be colder than normal, white areas are normal, and yellow/orange/red areas are warmer than normal. Abnormally hot weather in the summer and cold weather in the winter can increase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

Source: Chart from the National Weather Service Climate Prediction Center www.cpc.ncep.noaa.gov

Natural Gas Basis Futures

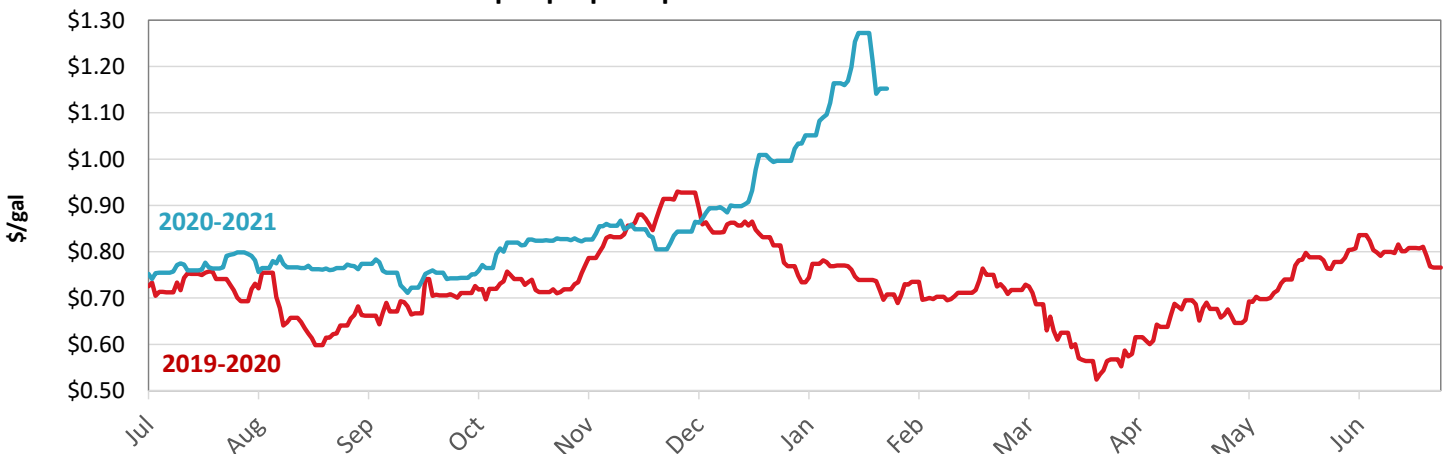
Basis is the price differential between Henry Hub, located in Erath, Louisiana, and the liquidity point closest to the end-user. Because Henry Hub is used as the delivery point for NYMEX natural gas futures contracts, the cost of using natural gas in any geographic region of the country can be approximated 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

		New England ISO Real Time Power Pricing By Zone (\$/MWh)								
		1/18/21	1/19/21	1/20/21	1/21/21	1/22/21	1/23/21	1/24/21	Avg	
Power (\$/MWh)	Maine RT On Pk	33	43	44	70	32			44	
	Maine RT Off Pk	23	23	40	43	34	33	67	38	
	NH RT On Pk	33	43	44	69	31			44	
	NH RT Off Pk	24	24	39	43	34	33	68	38	
	Vermont RT On Pk	32	42	43	67	31			43	
	Vermont RT Off Pk	23	23	38	42	33	32	66	37	
	Connecticut RT On Pk	32	41	42	65	30			42	
	Connecticut RT Off Pk	23	23	37	42	32	33	66	37	
	Rhode Island RT On Pk	33	42	44	68	31			44	
	Rhode Island RT Off Pk	24	24	39	43	33	33	68	38	
	NE Mass RT On Pk	33	43	44	68	31			44	
	NE Mass RT Off Pk	24	24	39	43	33	33	67	38	
	SE Mass RT On Pk	33	43	44	67	31			44	
	SE Mass RT Off Pk	24	24	39	43	33	33	67	38	
	WC Mass RT On Pk	33	42	44	68	31			44	
	WC Mass RT Off Pk	24	24	39	43	33	33	67	38	
		New York ISO Real Time Power Pricing By Zone (\$/MWh)							Avg	
Power (\$/MWh)	Capital RT On Pk	26	34	21	32	26			28	
	Capital RT Off Pk	20	21	33	45	36	36	50	34	
	Central RT On Pk	25	18	20	17	19			20	
	Central RT Off Pk	18	18	14	16	12	16	17	16	
	Hudson RT On Pk	27	29	21	28	24			26	
	Hudson RT Off Pk	20	20	27	36	28	30	40	29	
	Mohawk RT On Pk	25	19	20	17	19			20	
	Mohawk RT Off Pk	18	18	15	17	12	17	18	16	
	Milwood RT On Pk	27	30	22	28	25			26	
	Milwood RT Off Pk	20	21	27	36	29	31	41	29	
	NYC RT On Pk	27	30	22	28	25			26	
	NYC RT Off Pk	20	21	27	36	28	30	40	29	
			PJM Real Time Power Pricing By Zone (\$/MWh)							Avg
	Power (\$/MWh)	Eastern Hub On Pk	23	23	21	21	21			22
Eastern Hub Off Pk		20	19	20	22	22	22	22	21	
Western Hub On Pk		24	22	21	20	20			21	
Western Hub Off Pk		20	20	19	19	19	19	19	19	
PPL Zone On Pk		22	24	20	22	22			22	
PPL Zone Off Pk		19	18	19	23	23	23	23	21	
AEP RT On Pk		26	22	21	20	20			22	
AEP RT Off Pk		20	21	19	19	19	19	19	20	
Chicago RT On Pk		25	21	20	19	19			21	
Chicago RT Off Pk		20	19	18	15	15	15	15	17	
New Jersey Hub On Pk		23	23	22	21	21			22	
New Jersey Hub Off Pk		20	19	20	21	21	21	21	20	
		California ISO Real Time Power Pricing (\$/MWh)							Avg	
Power (\$/MWh)	SoCal Edison RT On Pk	23	26	30	24	27			26	
	SoCal Edison RT Off Pk	27	26	29	27	27	28	25	27	
		1/18/21	1/19/21	1/20/21	1/21/21	1/22/21	1/23/21	1/24/21	Avg	
Natural Gas \$/MMBtu	Henry Hub, LA	2.60	2.60	2.47	2.50	2.41			2.51	
	TZ6, MA	6.08	6.08	2.88	3.57	3.57			4.44	
	Algonquin, MA	4.51	4.51	4.51	2.86	5.04			4.29	
	Chicago Hub, IL	2.44	2.44	2.35	2.42	2.38			2.41	
	New York, NY	2.67	2.67	2.36	2.43	2.50			2.53	
	Dominion South, PA	2.32	2.32	2.17	2.18	2.14			2.23	
	Opal Hub, WY	2.99	2.99	2.49	2.67	2.48			2.72	
PG&E Citygate, CA	3.41	3.41	3.36	3.36	3.36			3.38		