



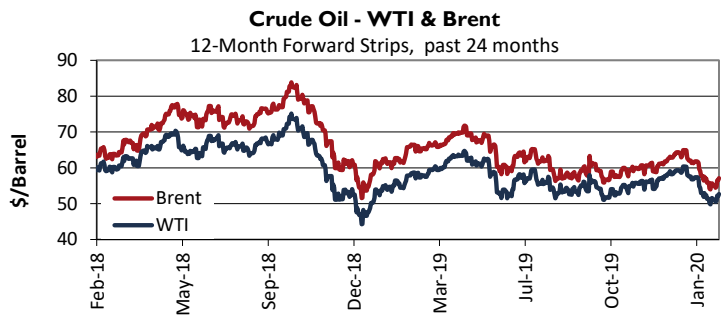
# Competitive Energy Services Weekly Market Summary

February 10 - 14, 2020

## Synopsis of Last Week's Energy Markets

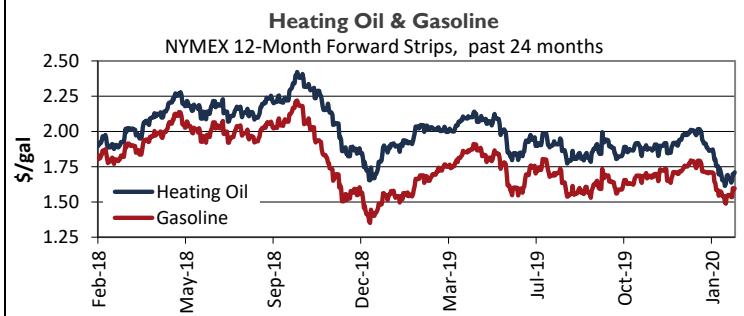
WTI crude oil prices on Friday, February 14 remained depressed at \$52.05/BBL, up from \$50.32/BBL a week prior, but down from the \$58.54/BBL (down 11.1%) price seen just a month earlier. Meanwhile, despite intra-week gains, natural gas prices ended the week down 1%, settling at \$1.837/MMBtu on NYMEX Friday. Storage draws were 115 Bcf for the week of Feb 7, slightly lower than the 5-year average.

## Oil Market



NYMEX WTI	last close	previous week	24-month high	24-month low
12 month strip, \$/bbl	\$52.53	\$51.03	\$75.39	\$44.20
date	2/14/20	2/7/20	10/3/18	12/24/18
change from last close		2.9%	-30.3%	19%

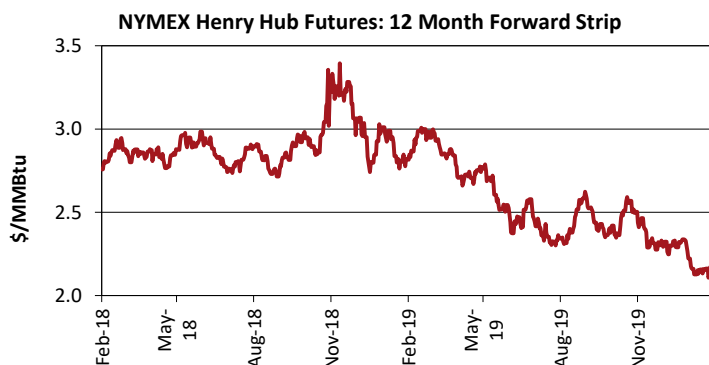
US STORAGE (in million bbls)	crude oil
domestic stocks as of	2/7/20
	442
gain / loss from previous week	7.5
comparison to historic range	within



NYMEX Heating Oil	last close	previous week	24-month high	24-month low
12 month strip, \$/gal	\$1.71	\$1.67	\$2.43	\$1.62
date	2/14/20	2/7/20	10/3/18	2/3/20
change from last close		2.5%	-30%	6%

US STORAGE (in million bbls)	distillate	propane	gasoline	
domestic stocks as of	2/7/20	141	77	261
gain / loss from previous week	-2.0	-6.2	-0.1	
comparison to historic range	within	within	within	

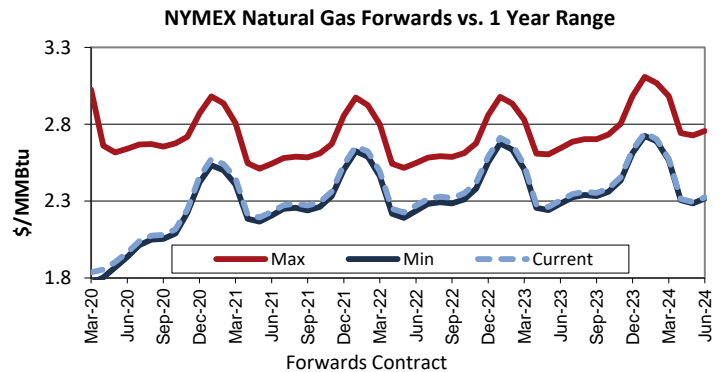
## Natural Gas Market



NYMEX PRICING	last close	previous week	24-month high	24-month low
12 mo. strip, \$/MMBtu	\$2.14	\$2.16	\$3.43	\$2.11
date	2/14/20	2/7/20	11/14/18	2/10/20
change from last close		-1.0%	-38%	1%

CES SCORE	
12 month	94
18 month	94
24 month	93
36 month	91

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.



FORWARDS	12 month	18 month	24 month	36 month
strip (\$/MMBtu)	\$2.14	\$2.19	\$2.25	\$2.31

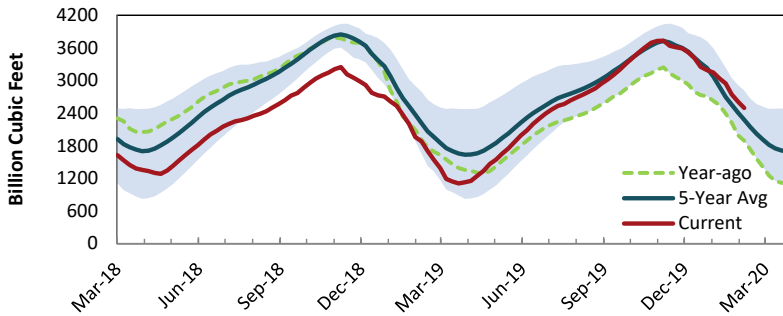
Natural gas futures are useful for both natural gas and electricity consumers because they drive electricity pricing in many U.S. markets. This chart compares the current natural gas price for each forward month on the NYMEX exchange to the highest and lowest prices for the same month over the past 12 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	1/31/20	2,609	
Most Recent Stock Level	2/7/20	2,494	
Year-ago Stock Level		1,893	31.7%
5-Year Average Stock Level		2,279	9.4%
Most Recent Net Change	2/7/20	-115	
Year-Ago Net Change		-101	
5-Year Average Net Change		-131	

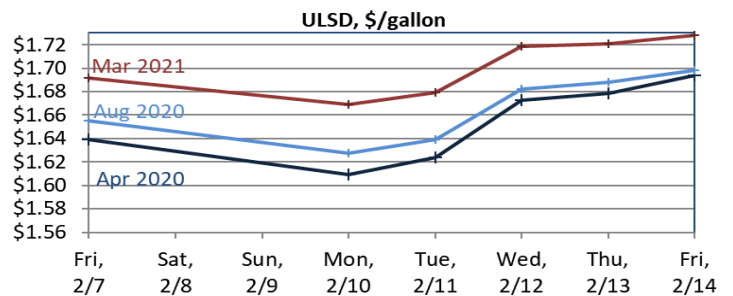
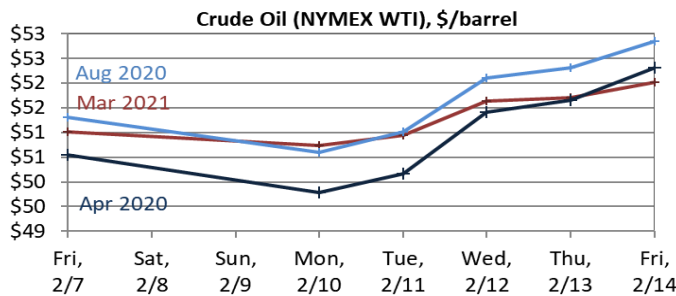
Data Source: EIA <http://tonto.eia.doe.gov/oog/info/ngs/ngs.html>

### Market Assessment

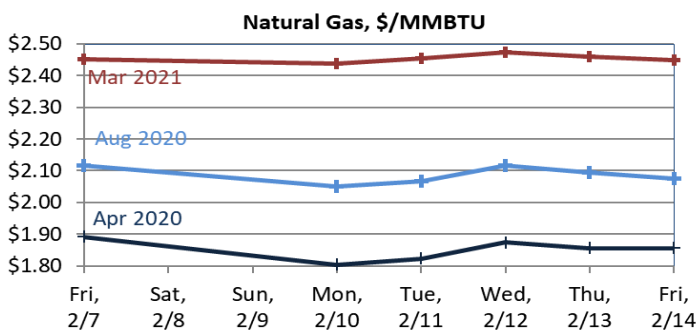
NYMEX Futures Summary Statistics

	Last Expired Contract	Exp. Date	Price	Prompt Month	Price	Most Expensive Next 12 Months	Price	Least Expensive Next 12 Months	Price	Winter Avg (Feb20-Mar20)
Crude oil	Feb-20	1/21/20	\$58.34	Mar-20	\$52.05	Jul-20	\$52.87	Mar-20	\$52.05	\$52.30
Heating oil	Feb-20	1/31/20	\$1.62	Mar-20	\$1.70	Feb-21	\$1.73	Jun-20	\$1.69	\$1.73
Natural gas	Feb-20	1/29/20	\$1.88	Mar-20	\$1.84	Jan-21	\$2.57	Mar-20	\$1.84	\$2.45

NYMEX End-of-Day Settlements



WTI crude oil prices on Friday, February 14 remained depressed at \$52.05/BBL, up from \$50.32/BBL a week prior, but down from the \$58.54/BBL (down 11.1%) price seen just a month earlier. Uncertainty surrounding the global impact of the coronavirus on crude demand remains the biggest factor influencing prices. Asia's demand for oil from the Middle East has already plummeted, and speculators remain cautious surrounding global implications of the virus on demand. First quarter demand forecasts by the International Energy Agency have been slashed and the latest predictions indicate the first fall in oil demand in a decade. This comes as the EIA reported an inventory build of 7.5 million barrels for the first week of February, adding oversupply concerns to the list of items putting downward pressure on prices.



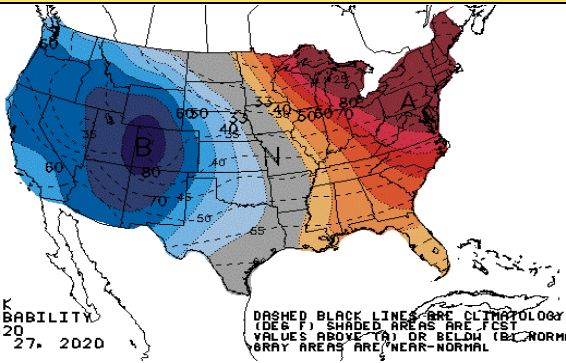
Natural gas prices rose from a 4-year low (\$1.766/MMBtu) on Monday to settle at \$1.837/MMBtu on NYMEX Friday. Forecasts indicate a brief cold blast will sweep across the Northeast this week before warming up at the end of the month. Traders expect cold temperatures will lead an increase in natural gas demand. Despite the intra-week gains, prices were down 1% compared to the previous week. Dry gas production remained flat at about 90 Bcf/d. Storage withdrawals for the week of February 7th were 115 Bcf, within sight of the 5-year average (131 Bcf). Overall, storage inventories are at a 10% surplus to the 5-year average.

The National Weather Service near-term forecast calls for above average temperatures for the Eastern U.S. and average and below average temperatures in the Western U.S. The CES Market Score on page 1 improved 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 17 FEB 2020  
VALID FEB 23 - 27, 2020



DASHED BLACK LINES ARE CLIMATOLOGY (DEG F) SHADED AREAS ARE FCST VALUES ABOVE (+) OR BELOW (-) NORMAL GRAY AREAS ARE NEAR-NORMAL

**6 - 10 Day Forecast for Feb 23 - 27**

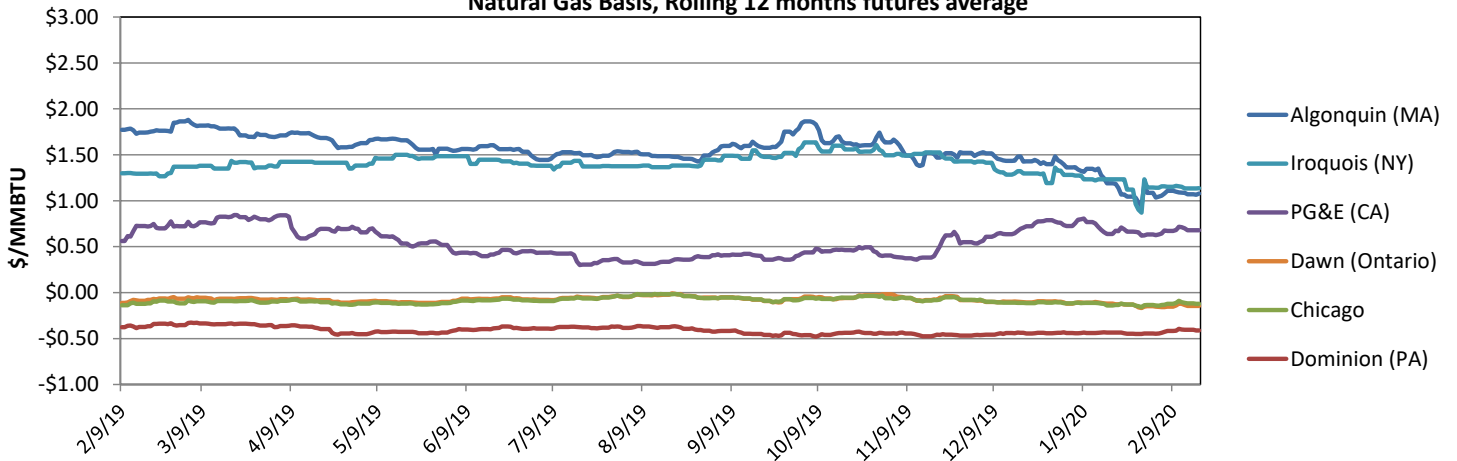
This map depicts forecasted temperatures for next week compared to the long term average. The blue/purple areas are forecast to be colder than normal, white areas are normal, and yellow/orange/red areas are warmer than normal. Abnormally hot weather in the summer and cold weather in the winter can increase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

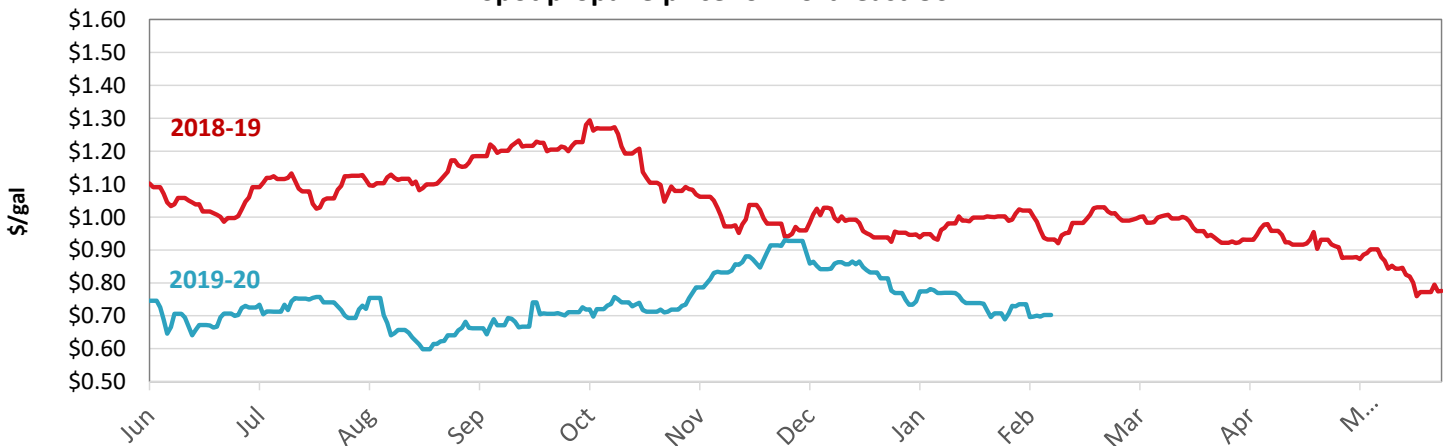
Basis is the price differential between Henry Hub, located in Erath, Louisiana, and the liquidity point closest to the end-user. Because Henry Hub is used as the delivery point for NYMEX natural gas futures contracts, the cost of using natural gas in any geographic region of the country can be approximated 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>							<b>Avg</b>	
		2/10/20	2/11/20	2/12/20	2/13/20	2/14/20	2/15/20	2/16/20		
Power (\$/MWh)	Maine RT On Pk	26	20	17	27	18			22	
	Maine RT Off Pk	15	12	15	15	18	18	24	17	
	NH RT On Pk	26	20	17	27	18			22	
	NH RT Off Pk	15	12	15	15	19	19	24	17	
	Vermont RT On Pk	25	19	17	26	18			21	
	Vermont RT Off Pk	15	11	15	15	18	18	23	17	
	Connecticut RT On Pk	25	19	16	26	18			21	
	Connecticut RT Off Pk	15	11	15	15	18	18	23	16	
	Rhode Island RT On Pk	26	19	17	27	18			21	
	Rhode Island RT Off Pk	15	11	15	15	18	19	24	17	
	NE Mass RT On Pk	26	20	17	27	18			22	
	NE Mass RT Off Pk	15	12	16	16	19	19	24	17	
	SE Mass RT On Pk	26	20	17	27	18			22	
	SE Mass RT Off Pk	15	11	16	16	19	19	24	17	
	WC Mass RT On Pk	25	19	17	27	18			21	
	WC Mass RT Off Pk	15	11	15	15	18	19	23	17	
			<b>New York ISO Real Time Power Pricing By Zone (\$/MWh)</b>							<b>Avg</b>
		Capital RT On Pk	19	15	14	21	22			18
		Capital RT Off Pk	15	13	15	15	29	20	19	18
		Central RT On Pk	18	14	13	20	20			17
		Central RT Off Pk	5	11	13	14	26	12	12	14
		Hudson RT On Pk	19	15	14	21	22			18
		Hudson RT Off Pk	12	12	15	15	29	18	17	17
		Mohawk RT On Pk	19	15	13	20	21			17
		Mohawk RT Off Pk	5	11	13	15	27	13	13	14
		Milwood RT On Pk	20	15	14	21	22			18
		Milwood RT Off Pk	12	12	15	15	29	18	17	17
		NYC RT On Pk	22	19	19	29	31			24
	NYC RT Off Pk	12	13	15	16	30	25	20	19	
		<b>PJM Real Time Power Pricing By Zone (\$/MWh)</b>							<b>Avg</b>	
	Eastern Hub On Pk	20	19	17	20	20			19	
	Eastern Hub Off Pk	14	15	16	15	15	15	20	16	
	Western Hub On Pk	21	22	19	21	21			21	
	Western Hub Off Pk	14	15	16	15	15	15	19	16	
	PPL Zone On Pk	20	17	16	18	18			18	
	PPL Zone Off Pk	14	14	15	15	15	15	19	15	
	AEP RT On Pk	24	21	22	19	19			21	
	AEP RT Off Pk	15	16	17	16	16	16	19	16	
	Chicago RT On Pk	23	20	21	19	19			21	
	Chicago RT Off Pk	14	15	16	15	15	15	18	15	
	New Jersey Hub On Pk	21	19	17	19	19			19	
	New Jersey Hub Off Pk	14	15	16	15	15	15	19	16	
		<b>California ISO Real Time Power Pricing (\$/MWh)</b>							<b>Avg</b>	
	SoCal Edison RT On Pk	38	34	22	22	22			28	
	SoCal Edison RT Off Pk	20	23	23	25	27	22	15	22	
		2/10/20	2/11/20	2/12/20	2/13/20	2/14/20	2/15/20	2/16/20	<b>Avg</b>	
Natural Gas \$/MMBtu	Henry Hub, LA	1.85	1.82	1.91	1.95	1.93			1.89	
	TZ6, MA	2.15	1.85	2.59	3.32	2.22			2.43	
	Algonquin, MA	2.06	1.95	2.45	3.49	2.12			2.41	
	Chicago Hub, IL	1.70	1.72	1.82	1.80	1.73			1.75	
	New York, NY	1.68	1.67	1.73	2.28	1.77			1.83	
	Dominion South, PA	1.53	1.55	1.62	1.73	1.57			1.60	
	Opal Hub, WY	1.67	1.66	1.70	1.72	1.65			1.68	
	PG&E Citygate, CA	2.64	2.63	2.67	2.67	2.60			2.64	