



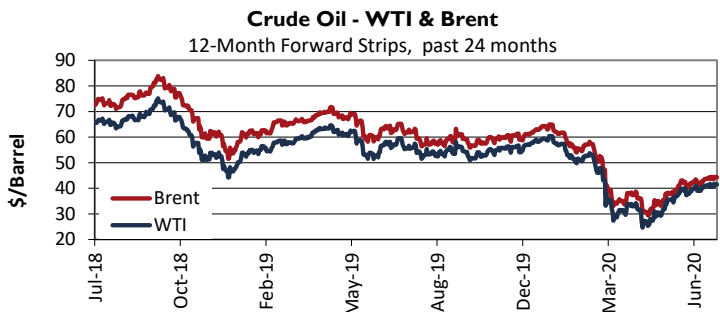
# Competitive Energy Services Weekly Market Summary

July 13 - 17, 2020

## Synopsis of Last Week's Energy Markets

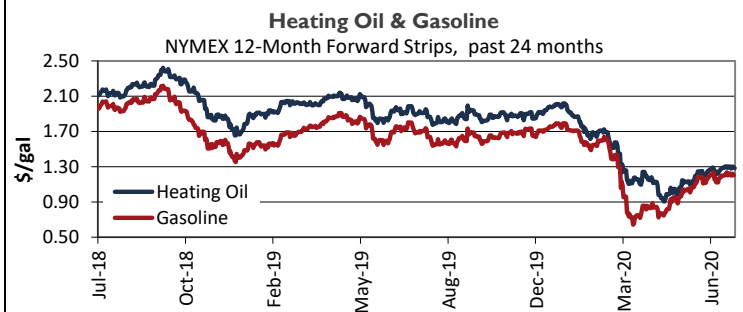
Crude oil prices ended Friday \$40.59/barrel, a 0.1% increase from the week prior. Prices rose mid-week following the cooling of tensions between the U.S. and China and large domestic stock draws, but fell after lukewarm demand figures reported by the EIA and promises of increased global supply from OPEC. August natural gas futures ended the week trading at \$1.72 /MMBtu, down 6% week-over-week as surging COVID-19 cases threatened extended shutdowns across the continental US. Storage injections totaled 45 Bcf for the week of July 10th, raising total working gas in storage to 3,178 Bcf, 16% above the 5-year average.

## Oil Market



NYMEX WTI	last close	previous week	24-month high	24-month low
12 month strip, \$/bbl	\$41.48	\$41.50	\$75.39	\$23.66
date	7/17/20	7/10/20	10/3/18	4/21/20
change from last close		0.0%	-45.0%	75%

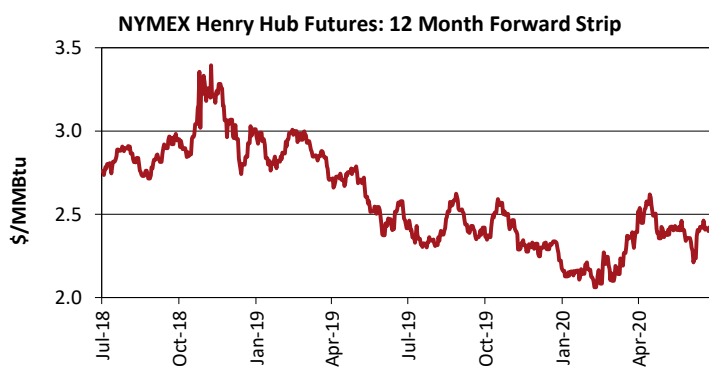
US STORAGE (in million bbls)	crude oil
domestic stocks as of	7/10/20
	532
gain / loss from previous week	-7.5
comparison to historic range	outside



NYMEX Heating Oil	last close	previous week	24-month high	24-month low
12 month strip, \$/gal	\$1.28	\$1.30	\$2.43	\$0.90
date	7/17/20	7/10/20	10/3/18	4/28/20
change from last close		-1.3%	-47%	43%

US STORAGE (in million bbls)	distillate	propane	gasoline
domestic stocks as of	7/10/20		
	177	0	249
gain / loss from previous week	-0.5	0.0	-3.1
comparison to historic range	within	within	within

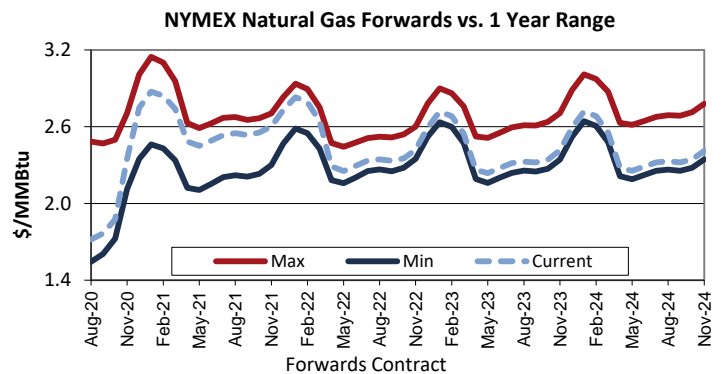
## Natural Gas Market



NYMEX PRICING	last close	previous week	24-month high	24-month low
12 mo. strip, \$/MMBtu	\$2.41	\$2.42	\$3.43	\$2.05
date	7/17/20	7/10/20	11/14/18	2/28/20
change from last close		-0.4%	-30%	17%

CES SCORE	
12 month	48
18 month	41
24 month	44
36 month	54

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)	\$2.41	\$2.48	\$2.47	\$2.45

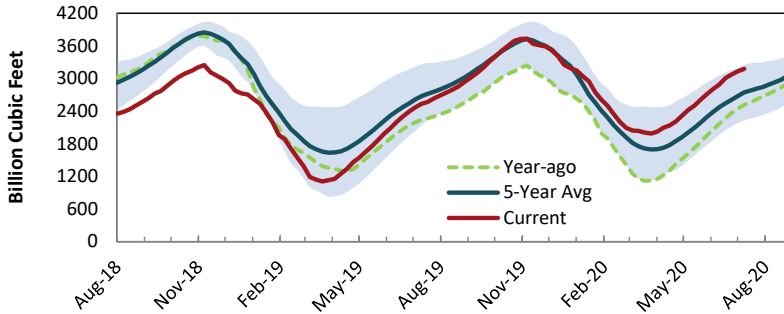
Natural gas futures are useful for both natural gas and electricity consumers because they drive electricity pricing in many U.S. markets. This chart compares the current natural gas price for each forward month on the NYMEX exchange to the highest and lowest prices for the same month over the past 12 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	7/3/20	3,133	
Most Recent Stock Level	7/10/20	3,178	
Year-ago Stock Level		2,515	26.4%
5-Year Average Stock Level		2,742	
Most Recent Net Change	7/10/20	45	
Year-Ago Net Change		67	
5-Year Average Net Change		63	

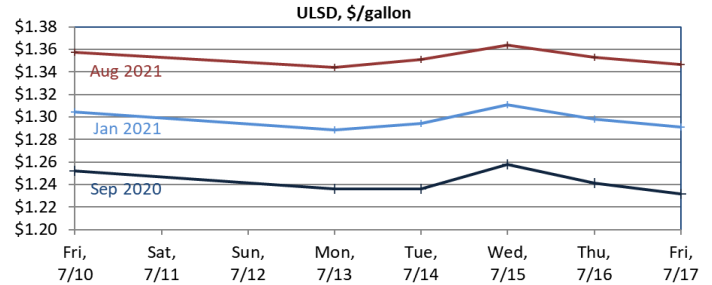
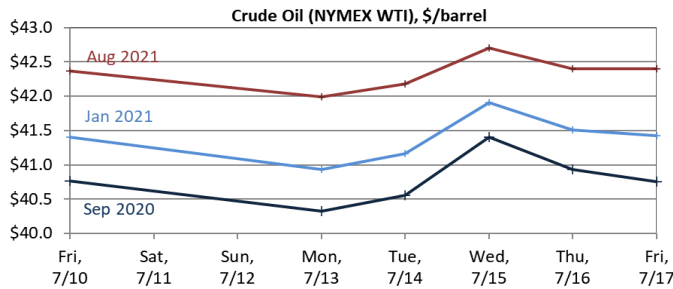
Data Source: EIA <http://tonto.eia.doe.gov/oog/info/ngs/ngs.html>

### Market Assessment

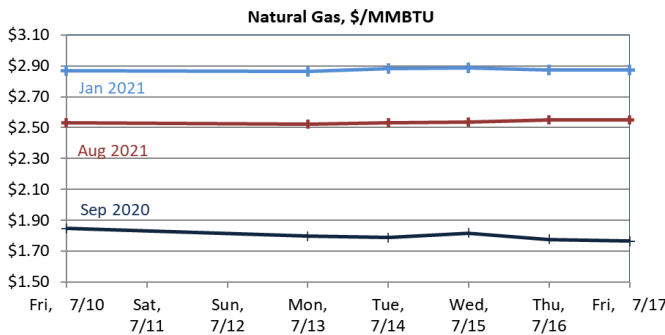
#### NYMEX Futures Summary Statistics

	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	Jul-20	6/22/20	\$40.46	Aug-20	\$40.59	Jul-21	\$42.28	Aug-20	\$40.59	\$41.42
Heating oil	Jul-20	6/30/20	\$1.18	Aug-20	\$1.22	Jul-21	\$1.33	Aug-20	\$1.22	\$1.27
Natural gas	Jul-20	6/26/20	\$1.50	Aug-20	\$1.72	Jan-20	\$2.87	Aug-20	\$1.72	\$1.79

#### NYMEX End-of-Day Settlements



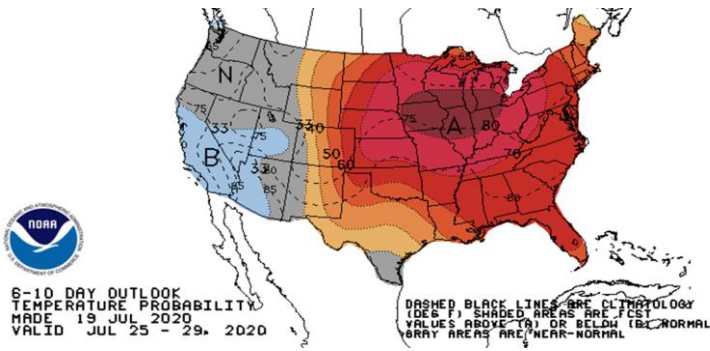
Crude oil prices ended Friday \$40.59/barrel, a 0.1% increase from the week prior. Prices rose mid-week following news that the U.S. administration was not interested in adding additional sanctions against Chinese officials after weeks of a back and forth between the two countries. Early news of a significant stock draw of 7.5 million barrels was overshadowed by EIA data on decreased imports (down 1.8 million barrels after a backlog of Saudi shipments was cleared) and gasoline demand (down 1.3%, 6% below this last year) indicating demand recovery was not forthcoming as expected by some analysts, complicating OPEC's calculus in recently agreeing to ease up on production cuts. Domestic crude production continues to stay flat for the third week in a row. However, this is set to increase as prices rise and some companies are lifting curtailment measures.



August futures ended the week trading at \$1.72/MMBTU on Friday, down 6% week-over-week. Traders weighed forecasts for nationwide heat waves against the extended shutdowns as the US continues to set and break daily records for new COVID cases. EIA data released this week showed a smaller than expected stockpile gain due in part to increased cooling demand: natural gas in storage rose 45 Bcf to 3,178 Bcf as of Friday, July 10, 16% higher than typical levels. Meanwhile, LNG cargo cancellations persist as global demand for natural gas remains low. According to shipping data provided by Marine Traffic, US LNG export volume has reached its lowest weekly mark since December of 2016.

The National Weather Service near-term forecast calls for above average temperatures throughout most of the Eastern and Central U.S. and average or below average temperatures in the West. 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**



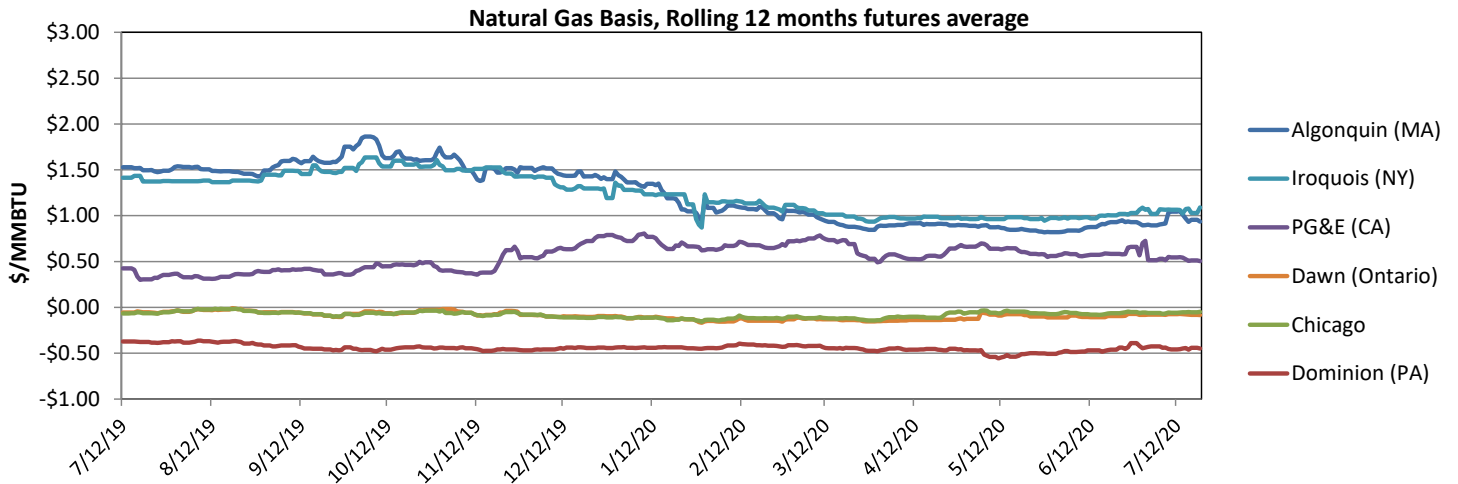
**6 - 10 Day Forecast for Jul 25 - 29**

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.

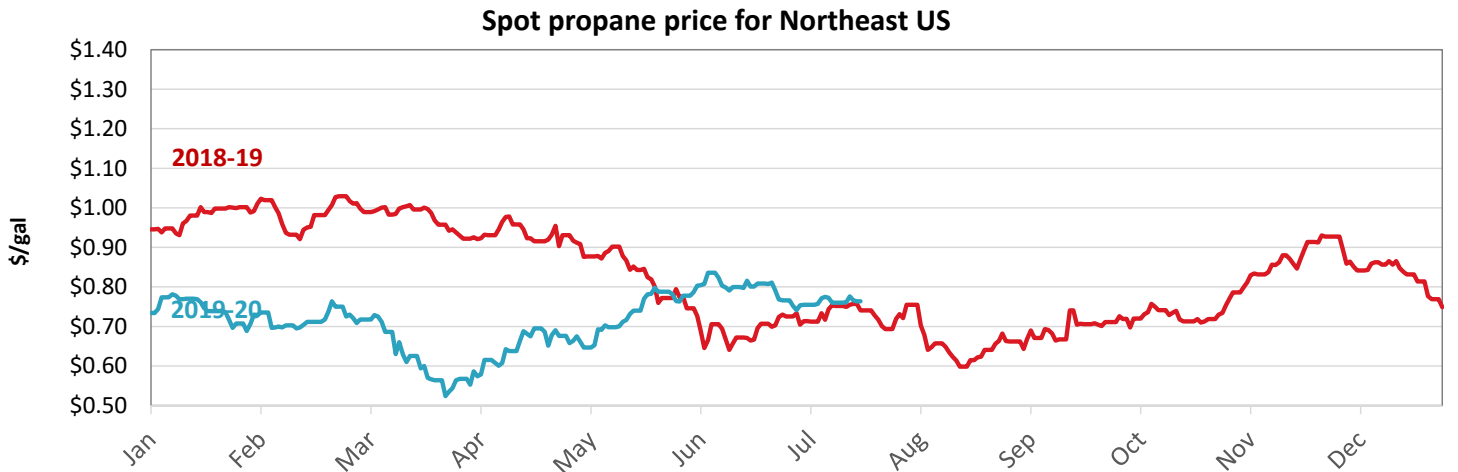
Source: Chart from the National Weather Service Climate Prediction Center [www.cpc.ncep.noaa.gov](http://www.cpc.ncep.noaa.gov)

**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.



**Propane**



**Spot Prices**

		<b>New England ISO Real Time Power Pricing By Zone (\$/MWh)</b>							<b>Avg</b>	
		7/13/20	7/14/20	7/15/20	7/16/20	7/17/20	7/18/20	7/19/20		
Power (\$/MWh)	Maine RT On Pk	31	25	21	16	18			22	
	Maine RT Off Pk	17	18	16	15	9	17	19	16	
	NH RT On Pk	31	25	21	16	18			22	
	NH RT Off Pk	17	18	16	15	9	18	19	16	
	Vermont RT On Pk	30	25	21	16	18			22	
	Vermont RT Off Pk	17	18	16	15	9	17	19	16	
	Connecticut RT On Pk	30	25	21	16	18			22	
	Connecticut RT Off Pk	17	17	16	15	9	17	19	15	
	Rhode Island RT On Pk	30	24	21	16	18			22	
	Rhode Island RT Off Pk	17	18	16	15	9	17	19	16	
	NE Mass RT On Pk	30	25	21	16	18			22	
	NE Mass RT Off Pk	17	18	16	15	9	17	19	16	
	SE Mass RT On Pk	30	25	21	16	18			22	
	SE Mass RT Off Pk	17	18	16	15	9	17	19	16	
	WC Mass RT On Pk	30	25	21	16	18			22	
	WC Mass RT Off Pk	17	18	16	15	9	17	19	16	
	<b>New York ISO Real Time Power Pricing By Zone (\$/MWh)</b>									<b>Avg</b>
	Capital RT On Pk	25	23	24	20	22			23	
	Capital RT Off Pk	15	16	15	16	14	18	21	16	
	Central RT On Pk	23	22	26	21	22			23	
	Central RT Off Pk	14	15	14	15	12	17	20	15	
	Hudson RT On Pk	25	24	25	22	24			24	
	Hudson RT Off Pk	15	16	15	16	13	18	21	17	
	Mohawk RT On Pk	24	23	29	20	22			23	
	Mohawk RT Off Pk	15	15	15	15	11	17	20	15	
	Milwood RT On Pk	25	24	25	22	24			24	
	Milwood RT Off Pk	15	16	16	16	13	19	21	17	
	NYC RT On Pk	29	25	26	22	25			25	
NYC RT Off Pk	16	17	16	16	14	20	26	18		
<b>PJM Real Time Power Pricing By Zone (\$/MWh)</b>									<b>Avg</b>	
Eastern Hub On Pk	25	21	21	20	20			22		
Eastern Hub Off Pk	14	15	14	16	16	19	19	16		
Western Hub On Pk	24	27	25	24	24			25		
Western Hub Off Pk	14	15	14	16	16	19	19	16		
PPL Zone On Pk	24	20	26	18	18			21		
PPL Zone Off Pk	14	14	13	15	15	18	18	15		
AEP RT On Pk	25	34	32	27	27			29		
AEP RT Off Pk	14	15	14	16	16	20	20	17		
Chicago RT On Pk	24	33	28	26	26			27		
Chicago RT Off Pk	14	14	14	14	14	19	19	15		
New Jersey Hub On Pk	24	21	20	20	20			21		
New Jersey Hub Off Pk	14	15	14	15	15	19	19	16		
<b>California ISO Real Time Power Pricing (\$/MWh)</b>									<b>Avg</b>	
SoCal Edison RT On Pk	28	22	20	20	20			22		
SoCal Edison RT Off Pk	23	22	19	17	22	23	19	21		
		7/13/20	7/14/20	7/15/20	7/16/20	7/17/20	7/18/20	7/19/20	<b>Avg</b>	
Natural Gas \$/MMBtu	Henry Hub, LA	1.73	1.75	1.73	1.76	1.74			1.74	
	TZ6, MA	1.54	1.57	1.50	1.50	1.50			1.52	
	Algonquin, MA	1.55	1.60	1.60	1.52	1.83			1.62	
	Chicago Hub, IL	1.70	1.66	1.68	1.69	1.65			1.68	
	New York, NY	1.80	2.23	1.59	1.55	1.86			1.81	
	Dominion South, PA	1.31	1.20	1.30	1.28	1.32			1.28	
	Opal Hub, WY	1.68	1.65	1.61	1.61	1.61			1.63	
	PG&E Citygate, CA	2.68	2.57	2.41	2.49	2.42			2.51	