



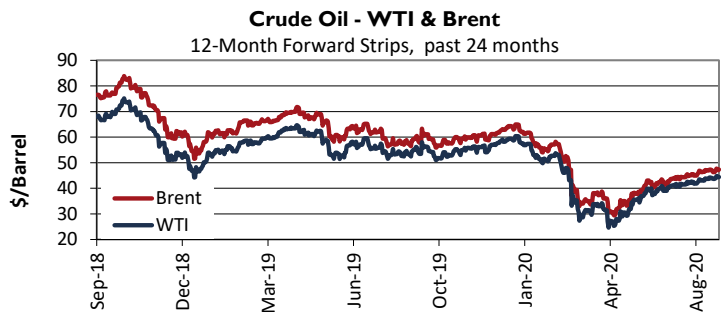
# Competitive Energy Services Weekly Market Summary

August 24 - 28, 2020

## Synopsis of Last Week's Energy Markets

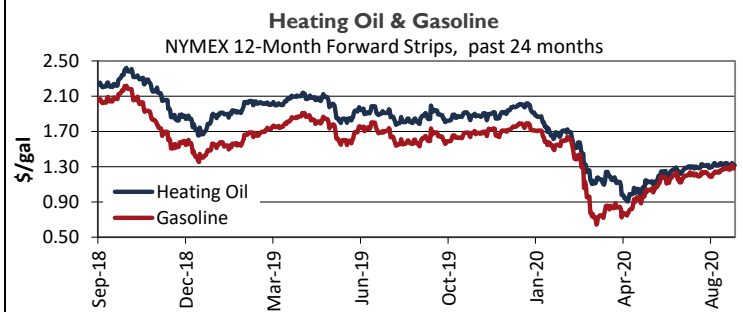
Crude oil prices ended Friday \$43.09/barrel, a 1.8% increase from the week prior. Prices managed to climb slightly as petroleum infrastructure in the gulf avoided major damage from Hurricane Laura, and domestic crude reserves continue to fall. Natural gas prices jumped 8.5% to \$2.66/MMBtu last week. Hurricane Laura put upward pressure on the market throughout the week, impacting U.S. gas production and refinement operations. Meanwhile, EIA data showed gas storage at 15% above the 5-year average for the sixth week in a row.

## Oil Market



NYMEX WTI	last close	previous week	24-month high	24-month low
12 month strip, \$/bbl	\$44.46	\$43.64	\$75.39	\$23.66
date	8/28/20	8/21/20	10/3/18	4/21/20
change from last close		1.9%	-41.0%	88%

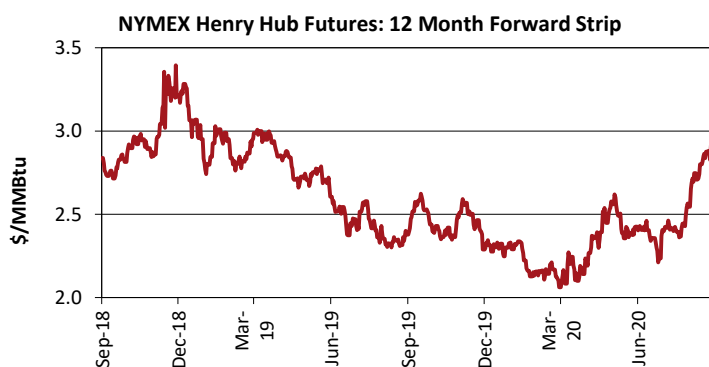
US STORAGE (in million bbls)	crude oil
domestic stocks as of	8/21/20
	508
gain / loss from previous week	-4.7
comparison to historic range	outside



NYMEX Heating Oil	last close	previous week	24-month high	24-month low
12 month strip, \$/gal	\$1.32	\$1.30	\$2.43	\$0.90
date	8/28/20	8/21/20	10/3/18	4/28/20
change from last close		1.3%	-46%	46%

US STORAGE (in million bbls)	distillate	propane	gasoline	
domestic stocks as of	8/21/20	179	0	239
gain / loss from previous week	1.4	0.0	-4.6	
comparison to historic range	within	within	within	

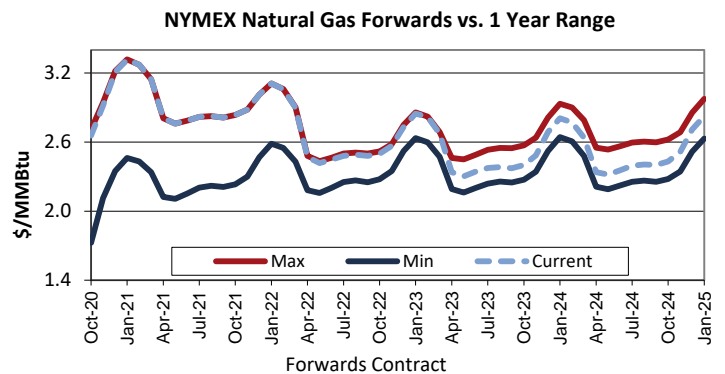
## Natural Gas Market



NYMEX PRICING	last close	previous week	24-month high	24-month low
12 mo. strip, \$/MMBtu	\$2.94	\$2.88	\$3.43	\$2.05
date	8/28/20	8/21/20	11/14/18	2/28/20
change from last close		2.4%	-14%	44%

CES SCORE	
12 month	1
18 month	1
24 month	2
36 month	11

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.



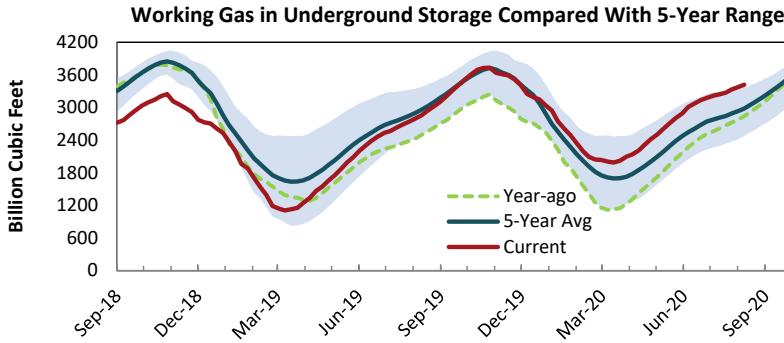
FORWARDS	12 month	18 month	24 month	36 month
strip (\$/MMBtu)	\$2.94	\$2.95	\$2.83	\$2.73

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



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	8/14/20	3,375	
Most Recent Stock Level	8/21/20	3,420	
Year-ago Stock Level		2,840	20.4%
5-Year Average Stock Level		2,982	
Most Recent Net Change	8/21/20	45	
Year-Ago Net Change		60	
5-Year Average Net Change		49	

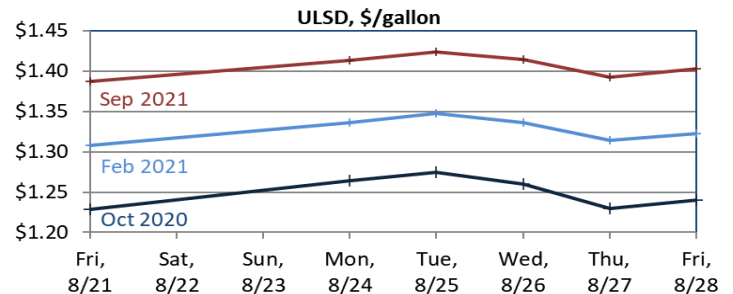
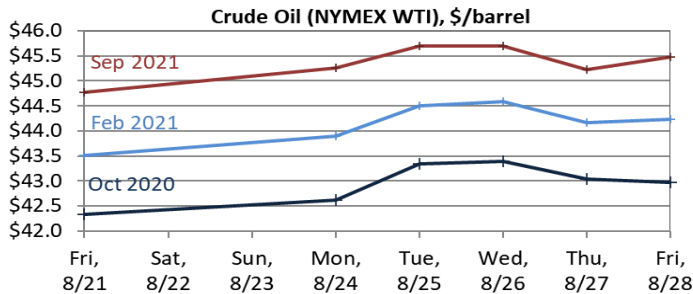
Data Source: EIA <http://tonto.eia.doe.gov/oog/info/ngs/ngs.html>

### Market Assessment

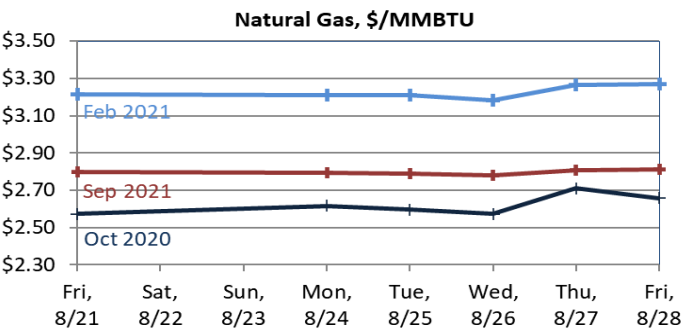
#### NYMEX Futures Summary Statistics

	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	Sep-20	8/20/20	\$42.58	Oct-20	\$42.97	Aug-21	\$45.38	Oct-20	\$42.97	\$43.92
Heating oil	Aug-20	7/31/20	\$1.22	Sep-20	\$1.22	Aug-21	\$1.39	Sep-20	\$1.22	\$1.30
Natural gas	Aug-20	7/29/20	\$1.85	Oct-20	\$0.00	Jan-21	\$3.32	Oct-20	\$2.66	\$3.17

#### NYMEX End-of-Day Settlements



Crude oil prices ended Friday \$43.09/barrel, a 1.8% increase from the week prior. Hurricane Laura made landfall on the gulf coast of Texas and Louisiana this week, disrupting crude production and refinery activity. Total crude production in the area is expected to fall 1 1/2 million bpd this week, an 84% decrease. Shipments of crude and distillates were halted in anticipation of the storm. Though there are widespread power outages and many counties issued mandatory evacuation calls, activity is expected to get back on track relatively quickly. Crude production and refining infrastructure fared well during these storms. The port of Houston already prepared to open for commercial shipping yesterday. The EIA reports large stock draws last week, a continuation of the nearly 5-week streak, driving crude prices up. Gasoline demand climbed over 6%, gaining slightly on the deficit to last year.



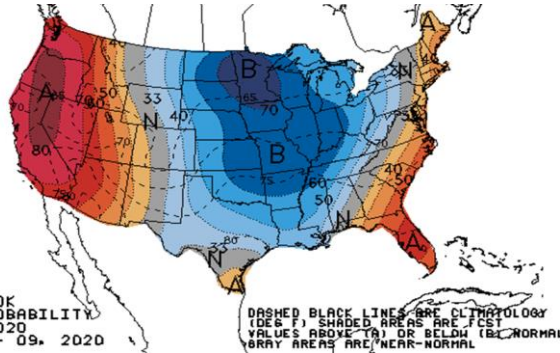
Natural gas prices rose 8.5% week-over-week to \$2.66/MMBtu last Friday. Upward market pressure was largely caused by Hurricane Laura which made landfall last Thursday near Cameron, Louisiana. Over 60% of natural gas production in the Gulf of Mexico was halted last week due to evacuations. Gas flows to LNG export plants fell to 2 Bcf/d Thursday, down 58% from the previous week. EIA data showed a 45 Bcf gain to stocks which remain 15% above average levels as of Friday, August 21. Gas prices are up 48% for August following hot weather and high powerplant fuel demand. If prices hold through Monday, these gains would represent the largest monthly increase since September of 2009.

The National Weather Service near-term forecast calls for above average temperatures along the East and West Coasts and below average temperatures throughout central U.S. 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 30 AUG 2020  
VALID SEP 05 - 09, 2020



**6 - 10 Day Forecast for Sep 5 - 9**

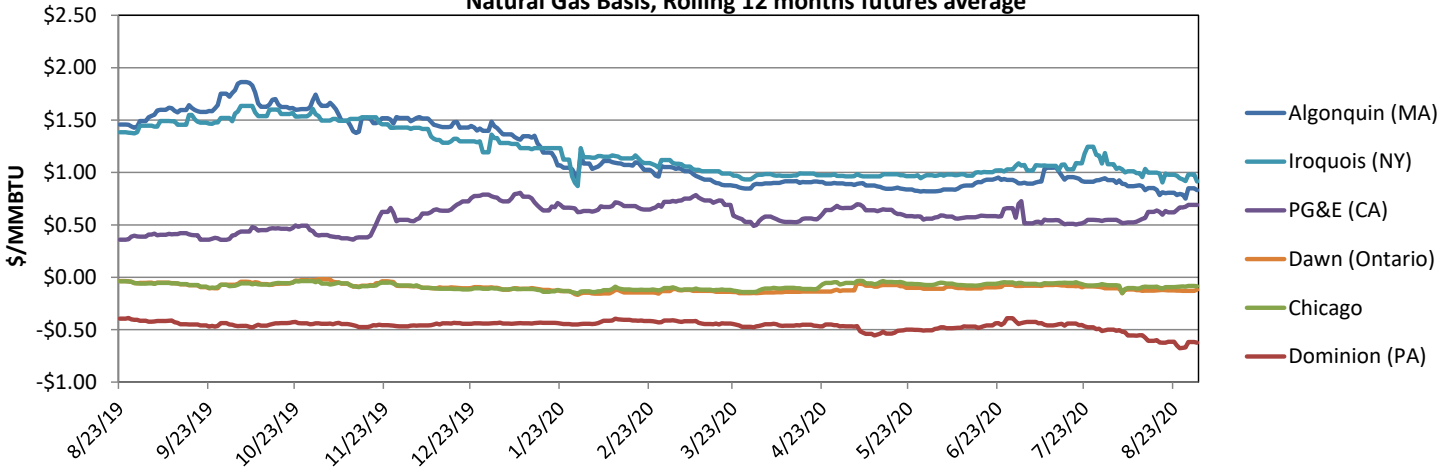
This map depicts forecasted temperatures for next week compared to the long term average. The blue/purple areas are forecast to be colder than normal, white areas are normal, and yellow/orange/red areas are warmer than normal. Abnormally hot weather in the summer and cold weather in the winter can increase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

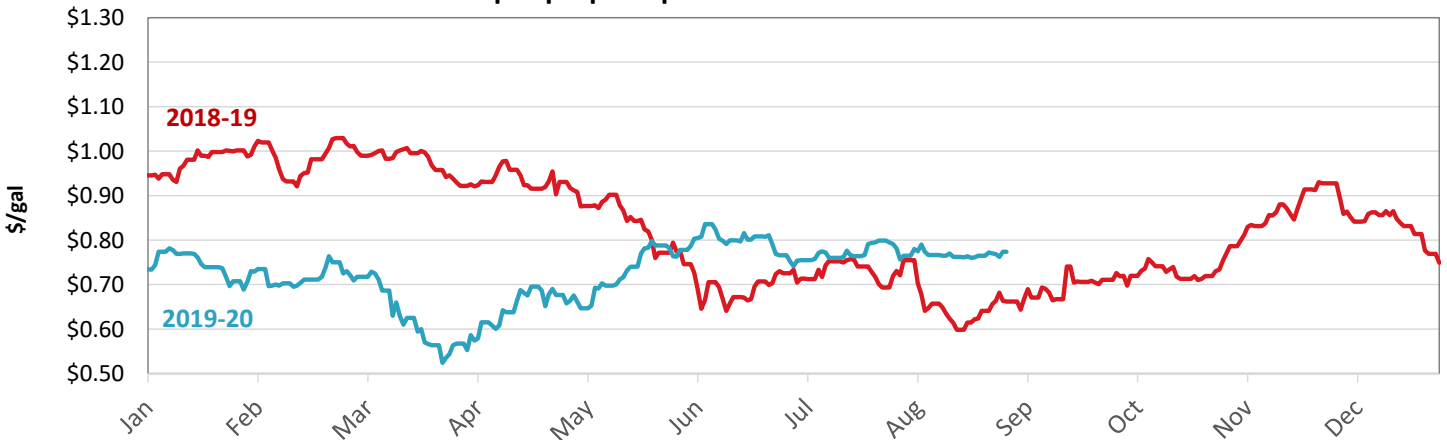
Basis is the price differential between Henry Hub, located in Erath, Louisiana, and the liquidity point closest to the end-user. Because Henry Hub is used as the delivery point for NYMEX natural gas futures contracts, the cost of using natural gas in any geographic region of the country can be approximated 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>	
		8/24/20	8/25/20	8/26/20	8/27/20	8/28/20	8/29/20	8/30/20		
Power (\$/MWh)	Maine RT On Pk	37	31	16	22	21			26	
	Maine RT Off Pk	16	18	16	14	14	24	13	17	
	NH RT On Pk	38	32	17	23	22			26	
	NH RT Off Pk	16	18	17	15	14	24	13	17	
	Vermont RT On Pk	37	31	16	23	22			26	
	Vermont RT Off Pk	16	18	16	14	14	23	13	16	
	Connecticut RT On Pk	37	31	17	23	22			26	
	Connecticut RT Off Pk	16	18	17	14	14	23	13	17	
	Rhode Island RT On Pk	37	32	16	22	21			26	
	Rhode Island RT Off Pk	16	18	17	14	14	23	13	17	
	NE Mass RT On Pk	38	32	17	23	22			26	
	NE Mass RT Off Pk	16	18	17	15	14	24	13	17	
	SE Mass RT On Pk	37	32	16	22	22			26	
	SE Mass RT Off Pk	16	18	17	14	14	24	13	17	
	WC Mass RT On Pk	37	32	17	23	22			26	
	WC Mass RT Off Pk	16	18	17	14	14	24	13	17	
			<b>New York ISO Real Time Power Pricing By Zone (\$/MWh)</b>							<b>Avg</b>
Power (\$/MWh)	Capital RT On Pk	39	25	19	19	19			24	
	Capital RT Off Pk	19	22	17	16	13	24	18	19	
	Central RT On Pk	37	22	18	15	24			23	
	Central RT Off Pk	18	21	17	15	13	19	13	16	
	Hudson RT On Pk	39	26	19	30	20			27	
	Hudson RT Off Pk	19	22	18	16	13	23	17	18	
	Mohawk RT On Pk	39	25	17	15	21			23	
	Mohawk RT Off Pk	18	21	17	16	13	19	13	16	
	Milwood RT On Pk	39	39	19	35	20			30	
	Milwood RT Off Pk	19	22	18	16	14	23	17	18	
	NYC RT On Pk	43	38	20	42	25			34	
	NYC RT Off Pk	19	22	18	17	14	23	17	19	
			<b>PJM Real Time Power Pricing By Zone (\$/MWh)</b>							<b>Avg</b>
	Power (\$/MWh)	Eastern Hub On Pk	39	26	18	24	24			26
		Eastern Hub Off Pk	17	17	15	14	14	14	14	15
		Western Hub On Pk	51	35	22	37	37			36
		Western Hub Off Pk	17	16	15	14	14	14	14	15
PPL Zone On Pk		38	26	18	24	24			26	
PPL Zone Off Pk		16	16	15	13	13	13	13	14	
AEP RT On Pk		46	27	28	29	29			32	
AEP RT Off Pk		17	17	15	15	15	15	15	15	
Chicago RT On Pk		44	27	34	31	31			33	
Chicago RT Off Pk		17	17	15	15	15	15	15	15	
New Jersey Hub On Pk		38	26	18	24	24			26	
New Jersey Hub Off Pk		17	17	15	13	13	13	13	15	
		<b>California ISO Real Time Power Pricing (\$/MWh)</b>							<b>Avg</b>	
Power (\$/MWh)		SoCal Edison RT On Pk	58	38	38	66	114			63
		SoCal Edison RT Off Pk	37	31	28	25	30	27	20	28
		8/24/20	8/25/20	8/26/20	8/27/20	8/28/20	8/29/20	8/30/20	<b>Avg</b>	
Natural Gas \$/MMBtu		Henry Hub, LA	2.52	2.52	2.52	2.52	2.52			2.52
	TZ6, MA	1.80	1.45	1.45	1.32	1.32			1.47	
	Algonquin, MA	1.81	1.55	1.55	1.40	1.40			1.54	
	Chicago Hub, IL	2.39	2.39	2.32	2.28	2.28			2.33	
	New York, NY	1.57	1.45	2.05	1.59	1.59			1.65	
	Dominion South, PA	1.41	1.30	1.35	1.20	1.20			1.29	
	Opal Hub, WY	2.48	2.48	2.48	2.48	2.48			2.48	
	PG&E Citygate, CA	3.46	3.42	3.50	3.58	3.58			3.51	