



Competitive Energy Services Weekly Market Summary

January 2 - 6, 2017

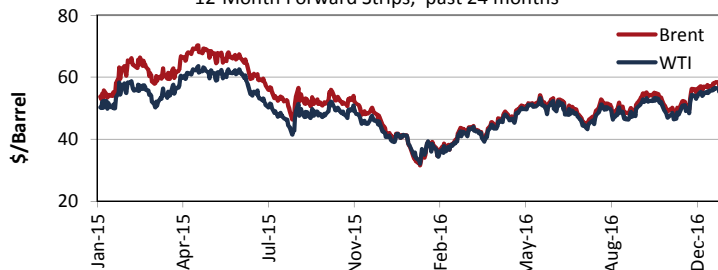
Synopsis of Last Week's Energy Markets

Crude oil prices rose for the fourth straight week. WTI and Brent contracts have gradually risen 15% since the end of November as the OPEC-led coalition of producers have agreed to and implemented production cuts. Natural gas prices plummeted last week from end-of-year highs. This followed forecasts of above-average temperatures for most of January that could hold down heating demand relative to previous years.

Oil Market

Crude Oil - WTI & Brent

12-Month Forward Strips, past 24 months

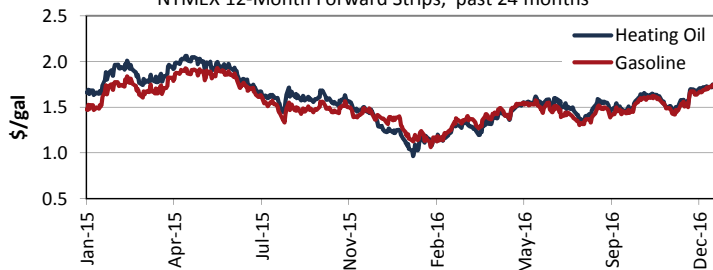


NYMEX WTI	last close	previous week	24-month high	24-month low
12 month strip, \$/bbl	\$56.70	\$56.43	\$63.51	\$32.40
date	1/6/17	12/30/16	5/6/15	1/20/16
change from last close		0.5%	-10.7%	75%

WTI STORAGE (in million bbls)		crude oil
domestic stocks as of	12/30/16	479
gain / loss from previous week		-7.1
comparison to historic range		above

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	\$1.75	\$1.76	\$2.06	\$0.97
date	1/6/17	12/30/16	5/6/15	1/20/16
change from last close		-0.3%	-15%	81%

STORAGE (in million bbls)		distillate	propane	gasoline
domestic stocks as of	12/30/16	161.7	84.1	235.5
gain / loss from previous week		10.1	-2.7	8.4
comparison to historic range		above	within	within

Natural Gas Market

NYMEX Henry Hub Futures: 12 Month Forward Strip

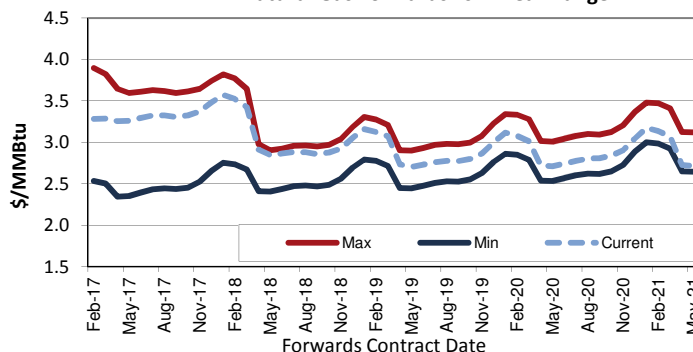


NYMEX PRICING	last close	previous week	24-month high	24-month low
12 mo. strip, \$/MMBtu	\$3.34	\$3.63	\$3.70	\$2.11
date	1/6/17	12/30/16	12/28/16	2/25/16
change from last close		-7.9%	-10%	59%

CES SCORE	
12 month	28
18 month	24
24 month	24
36 month	30

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)	\$3.34	\$3.25	\$3.18	\$3.08

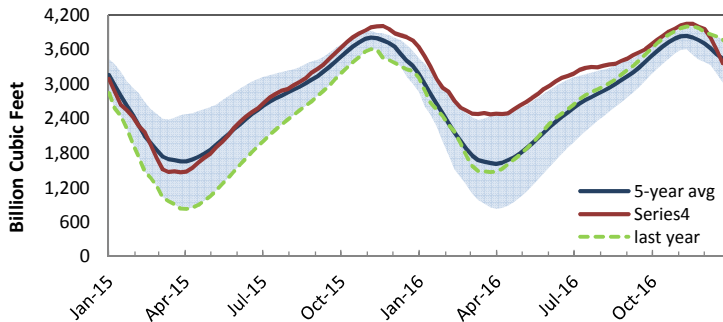
Natural gas futures are useful for both natural gas and electricity consumers because they drive electricity pricing in many U.S. markets including New England, Texas and, to a lesser extent, New York and the Mid-Atlantic. This chart compares the current natural gas price for each forward month on the 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	12/23/16	3,360	
Most Recent Stock Level	12/30/16	3,311	
Year-ago Stock Level		3,675	-9.9%
5-Year Average Stock Level		3,332	-0.6%
Most Recent Net Change	12/30/16	-49	
Year-Ago Net Change		-98	
5-Year Average Net Change		-107	

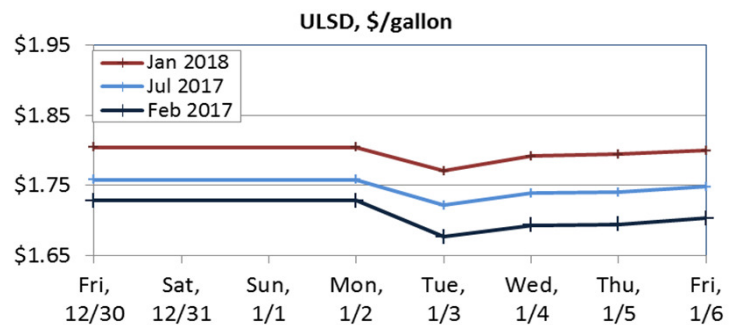
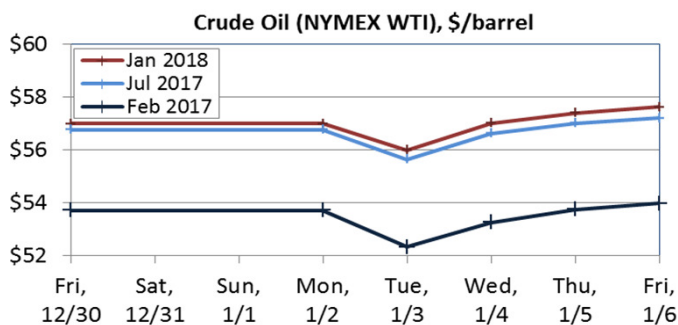
Data Source: EIA <http://tonto.eia.doe.gov/oog/info/ngs/ngs.html>

Market Assessment

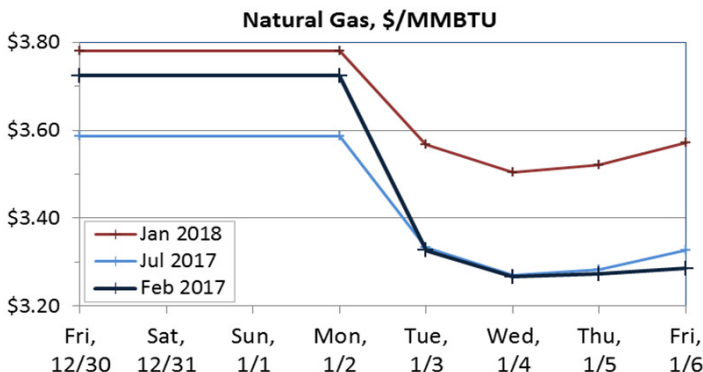
NYMEX Futures Summary Statistics

	Last Expired Contract	Exp. Date	Price	Prompt Month	Price	Most Expensive Next 12 Months	Price	Least Expensive Next 12 Months	Price	Next Winter Avg (Nov17-Mar18)
Crude oil	Jan-17	12/20/16	\$52.23	Feb-17	\$53.99	Dec-17	\$57.66	Feb-17	\$53.99	\$57.62
Heating oil	Jan-17	12/30/16	\$1.70	Feb-17	\$1.70	Jan-18	\$1.80	Feb-17	\$1.70	\$1.79
Natural gas	Jan-17	12/28/16	\$3.93	Feb-17	\$3.29	Jan-18	\$3.57	Apr-17	\$3.26	\$3.48

NYMEX End-of-Day Settlements



Crude oil prices inched up again last week as the market closely watches compliance with OPEC-led production cuts; January will be an important test. Participating states have begun curbing output, but the reductions have been offset by others. Iran, an OPEC member which is exempt from the agreement, has begun selling off crude oil which has been stored for several months on offshore tankers while the market was oversupplied. Domestically, the EIA storage report counteracted bullish OPEC sentiment. High refinery rates caused US crude oil stocks to drop by greater than 7 million barrels but led to a gain of 18 million barrels in distillate and gasoline stocks combined. OPEC's impact on WTI prices was also being capped by a strong dollar last week.



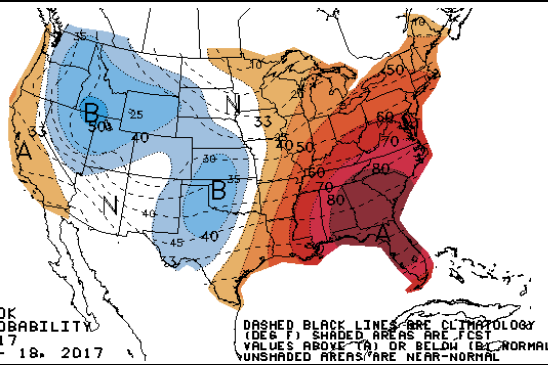
Natural gas prices slipped dramatically this week as warmer-than-average temperatures are forecasted to dominate most of January. Prices had jumped late in December when frigid temperatures wore away the storage surplus, but this year began with a nearly 40-cent drop in February contracts by Tuesday afternoon. On Thursday the EIA reported a below-average storage draw of 49 Bcf, a stark contrast to previous weeks' draws of over 200 Bcf. Near the end of the week, outer-month futures saw modest price increases that failed to regain earlier losses. February futures saw a weekly price decline of 11.7% and continue to slip early this week.

The National Weather Service near-term forecast calls for above-average temperatures for the eastern half of the country. The natural gas market scores on page 1 improved dramatically from the previous week. Clients with electricity or natural gas contracts expiring in 2017 should consult with a CES representative for customized guidance.

National Weather Service Forecast



6-10 DAY OUTLOOK
TEMPERATURE PROBABILITY
MADE 8 JAN 2017
VALID JAN 14 - 18, 2017



6 - 10 Day Forecast for Jan 14 - 18, 2017

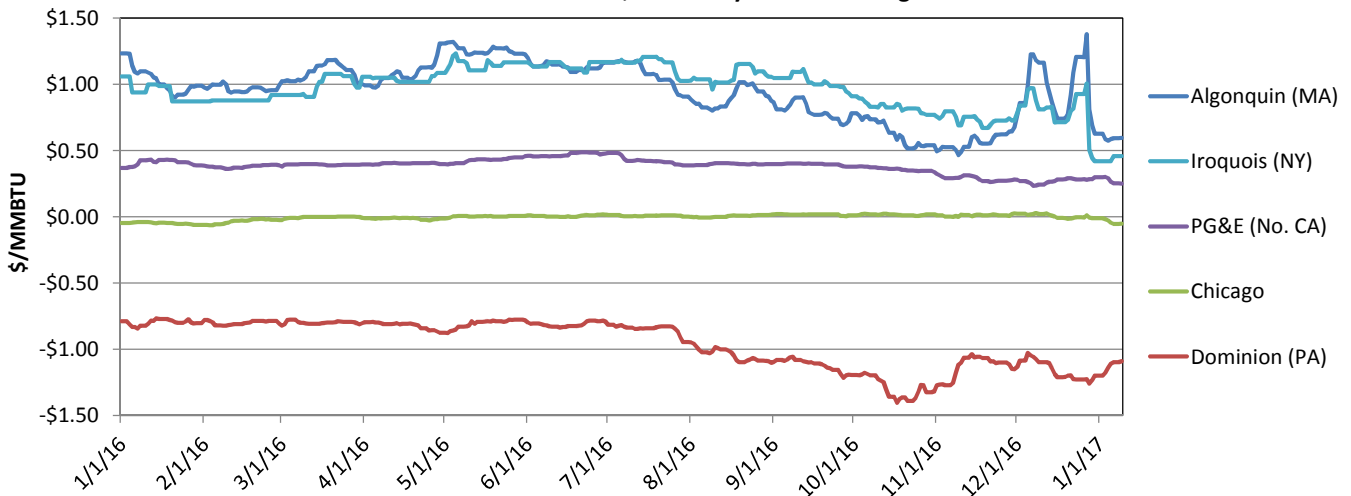
This map depicts forecasted temperatures for next week compared to the long term average. The blue/purple areas are forecast to be colder than normal, white areas are normal, and yellow/orange/red areas are warmer than normal. Abnormally hot weather in the summer and cold weather in the winter can increase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

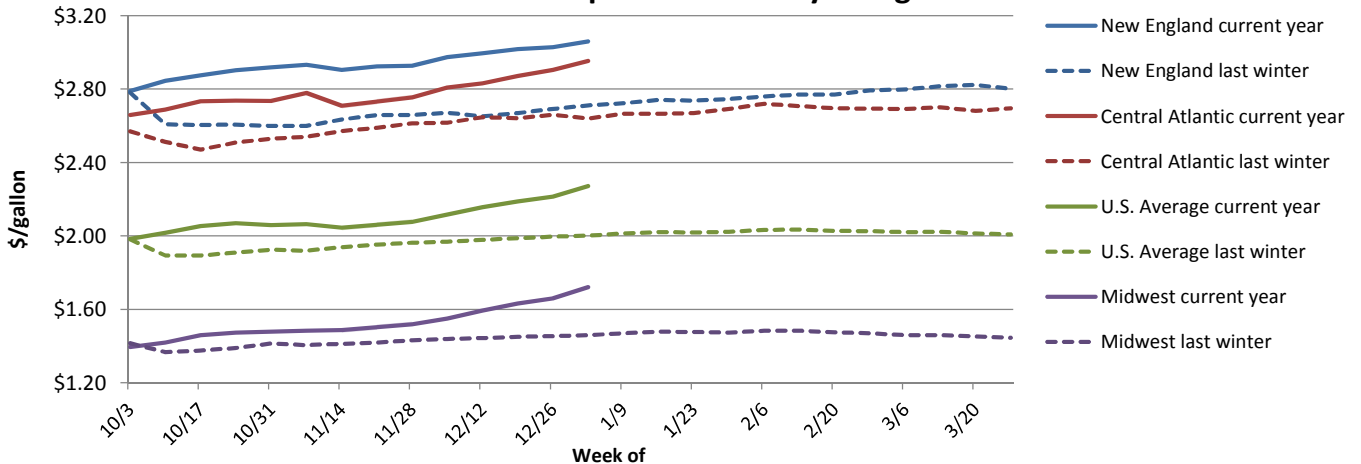
Basis is the price differential between Henry Hub, located in Erath, Louisiana, and the liquidity point closest to the end-user. Because Henry Hub is used as the delivery point for NYMEX natural gas futures contracts, the cost of using natural gas in any geographic region of the country can be approximated 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, calendar year 2017 average



Propane

Residential Propane Prices vs. year ago



Spot Prices

		Spot Prices								
		New England ISO Real Time Power Pricing By Zone (\$/MWh)								
		1/2/17	1/3/17	1/4/17	1/5/17	1/6/17	1/7/17	1/8/17	Avg	
Power (\$/MWh)	Maine RT On Pk	48	45	40	45	51			46	
	Maine RT Off Pk	30	29	30	16	37	64	72	40	
	NH RT On Pk	48	45	41	46	52			46	
	NH RT Off Pk	30	30	31	16	37	65	75	41	
	Vermont RT On Pk	48	44	40	45	51			46	
	Vermont RT Off Pk	30	26	31	15	37	65	75	40	
	Connecticut RT On Pk	48	45	40	46	51			46	
	Connecticut RT Off Pk	31	30	31	16	37	65	76	41	
	Rhode Island RT On Pk	48	45	40	46	52			46	
	Rhode Island RT Off Pk	31	30	31	16	38	66	76	41	
	NE Mass RT On Pk	48	45	41	46	52			47	
	NE Mass RT Off Pk	31	30	31	16	37	66	76	41	
	SE Mass RT On Pk	48	45	40	46	52			46	
	SE Mass RT Off Pk	31	30	31	16	37	66	76	41	
	WC Mass RT On Pk	48	45	41	46	52			47	
	WC Mass RT Off Pk	31	30	31	16	38	66	76	41	
			New York ISO Real Time Power Pricing By Zone (\$/MWh)							
			Avg							
		Capital RT On Pk	54	40	36	40	40			42
		Capital RT Off Pk	29	33	33	20	30	77	88	44
		Central RT On Pk	50	36	33	36	37			38
		Central RT Off Pk	22	23	23	18	28	33	34	26
		Hudson RT On Pk	55	40	36	40	41			42
		Hudson RT Off Pk	28	31	30	20	31	63	71	39
		Mohawk RT On Pk	51	37	33	38	38			39
		Mohawk RT Off Pk	23	24	24	19	29	35	36	27
		Milwood RT On Pk	55	40	37	41	41			43
		Milwood RT Off Pk	28	30	30	20	31	64	72	39
	NYC RT On Pk	55	40	37	41	42			43	
	NYC RT Off Pk	28	30	30	20	31	64	71	39	
		PJM Real Time Power Pricing By Zone (\$/MWh)								
		Avg								
	Eastern Hub On Pk	35	35	24	39	39			34	
	Eastern Hub Off Pk	24	25	24	27	27	27	27	26	
	Western Hub On Pk	34	34	38	41	41			37	
	Western Hub Off Pk	23	24	23	28	28	28	28	26	
	PPL Zone On Pk	34	34	25	38	38			34	
	PPL Zone Off Pk	23	24	23	26	26	26	26	25	
	AEP RT On Pk	32	32	37	39	39			36	
	AEP RT Off Pk	22	24	23	27	27	27	27	25	
	Chicago RT On Pk	31	30	36	39	39			35	
	Chicago RT Off Pk	22	23	22	26	26	26	26	25	
	New Jersey Hub On Pk	35	36	25	38	38			34	
	New Jersey Hub Off Pk	23	25	23	27	27	27	27	25	
		California ISO Real Time Power Pricing (\$/MWh)								
		Avg								
	SoCal Edison RT On Pk	45	40	41	27	23			35	
	SoCal Edison RT Off Pk	17	27	27	26	30	31	22	26	
Natural Gas \$/MMBtu		1/2/17	1/3/17	1/4/17	1/5/17	1/6/17	1/7/17	1/8/17	Avg	
		Henry Hub, LA	3.39	3.37	3.30	3.33			3.35	
		TZ6, MA	5.99	6.90	7.60	9.93			7.60	
		Algonquin, MA	5.12	6.86	(no trades)				5.99	
		Chicago Hub, IL	3.55	3.49	3.32	3.33			3.42	
		New York, NY	3.34	3.53	3.68	6.13			4.17	
		Dominion South, PA	3.13	3.13	3.06	3.04			3.09	
		Opal Hub, WY	3.38	3.39	3.27	3.18			3.30	
		PG&E Citygate, CA	3.66	3.57	3.46	3.48			3.54	
		Kern River Deliveries	3.52	3.48	3.37	3.31			3.42	