



Competitive Energy Services Weekly Market Summary

November 27 - December 1, 2017

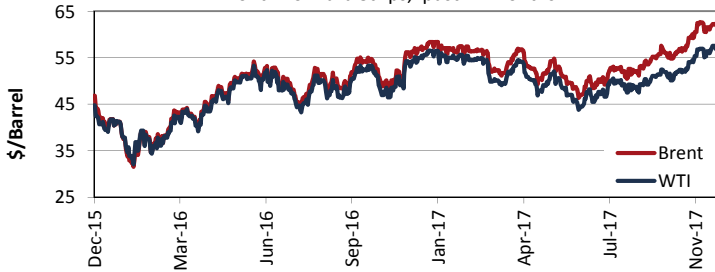
Synopsis of Last Week's Energy Markets

Crude oil prices saw an overall drop last week despite OPEC and Russia's agreement to extend production cuts through 2018. Domestic production continues to set record highs and oil rigs are at an 11-week high. In contrast, natural gas prices saw 5% gains last week despite significant losses on Thursday that followed a lower-than-average storage withdrawal. Near-term prices have been volatile for weeks amid shifting weather forecasts and a narrow storage deficit.

Oil Market

Crude Oil - WTI & Brent

12-Month Forward Strips, past 24 months

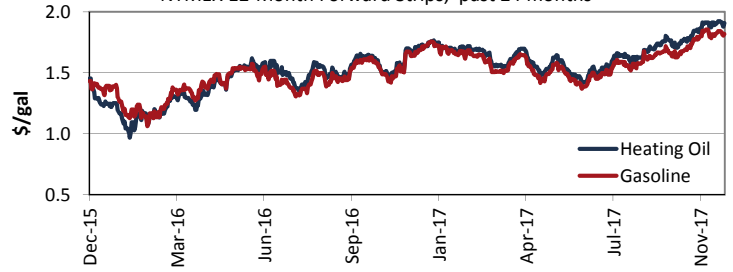


NYMEX WTI	last close	previous week	24-month high	24-month low
12 month strip, \$/bbl	\$56.09	\$57.54	\$57.06	\$32.40
date	12/1/17	11/24/17	11/9/17	1/20/16
change from last close		-2.5%	-1.7%	73%

US STORAGE (in million bbls)	crude oil
domestic stocks as of 11/24/17	454
gain / loss from previous week	-3.4
comparison to historic range	within

Heating Oil & Gasoline

NYMEX 12-Month Forward Strips, past 24 months

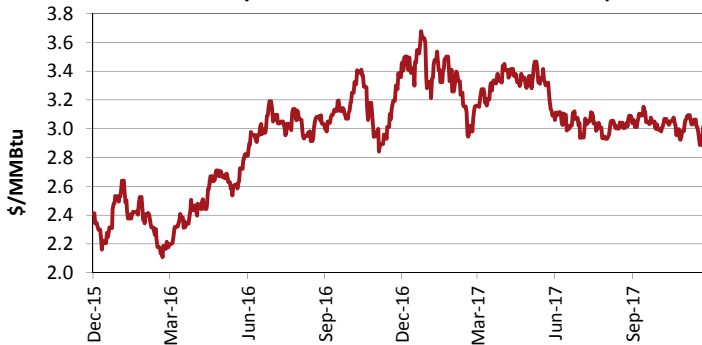


NYMEX Heating Oil	last close	previous week	24-month high	24-month low
12 month strip, \$/gal	\$1.91	\$1.92	\$1.92	\$0.97
date	12/1/17	11/24/17	11/24/17	1/20/16
change from last close		-0.7%	-1%	97%

US STORAGE (in million bbls)	distillate	propane	gasoline
domestic stocks as of 11/24/17	128	73	214
gain / loss from previous week	2.7	-0.6	3.6
comparison to historic range	within	within	within

Natural Gas Market

NYMEX Henry Hub Futures: 12 Month Forward Strip

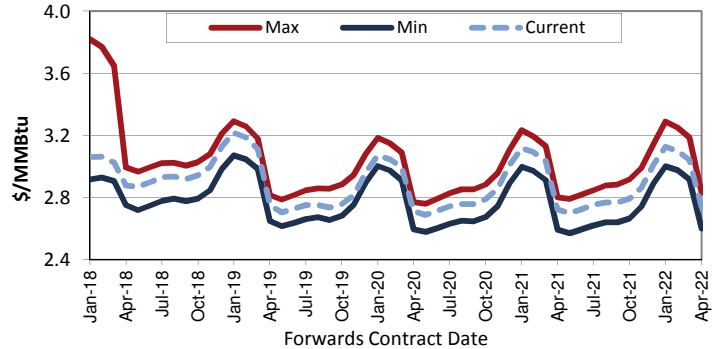


NYMEX PRICING	last close	previous week	24-month high	24-month low
12 mo. strip, \$/MMBtu	\$2.97	\$2.89	\$3.70	\$2.11
date	12/1/17	11/24/17	12/28/16	2/25/16
change from last close		2.9%	-20%	41%

CES SCORE	
12 month	50
18 month	46
24 month	50
36 month	49

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)	\$2.97	\$2.96	\$2.92	\$2.90

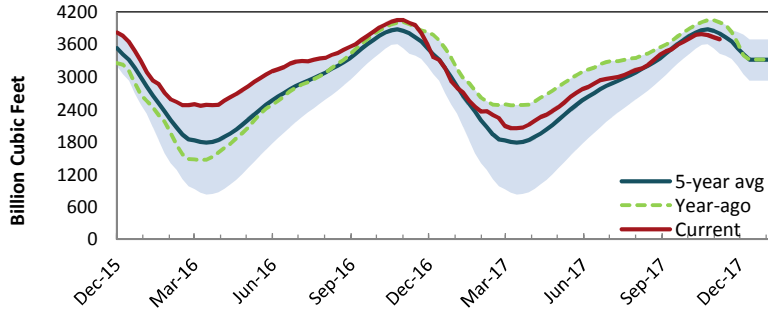
Natural gas futures are useful for both natural gas and electricity consumers because they drive electricity pricing in many U.S. markets. This chart compares the current natural gas price for each forward month on the NYMEX exchange to the highest and lowest prices for the same month over the past 12 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	11/17/17	3,726	
Most Recent Stock Level	11/24/17	3,693	
Year-ago Stock Level		4,002	-7.7%
5-Year Average Stock Level		3,800	-2.8%
Most Recent Net Change	11/24/17	-33	
Year-Ago Net Change		-43	
5-Year Average Net Change		-47	

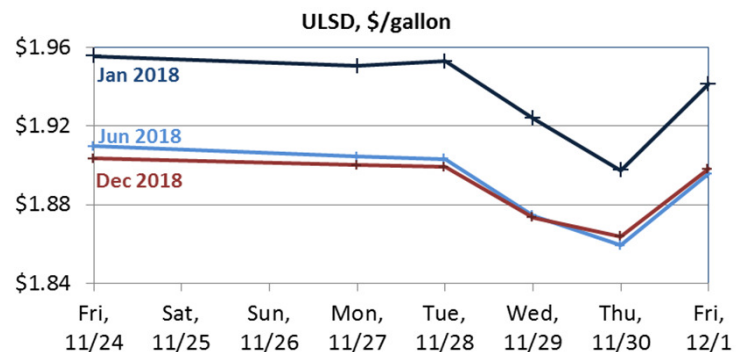
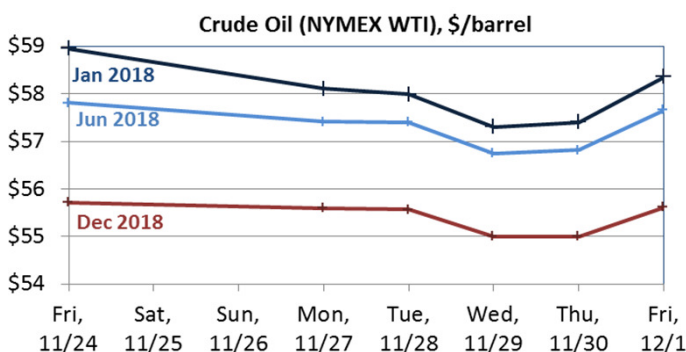
Data Source: EIA <http://tonto.eia.doe.gov/oog/info/ngs/ngs.html>

Market Assessment

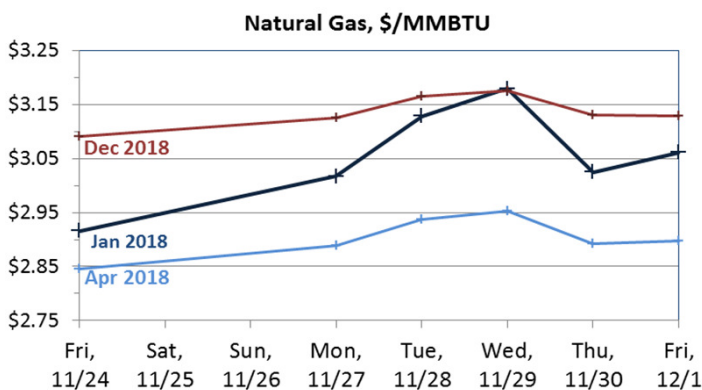
NYMEX Futures Summary Statistics

	Last Expired Contract	Exp. Date	Price	Prompt Month	Price	Most Expensive Next 12 Months	Price	Least Expensive Next 12 Months	Price	Winter Avg (Jan-Mar18)
Crude oil	Dec-17	11/20/17	\$56.09	Jan-18	\$58.36	Feb-18	\$58.38	Dec-18	\$55.62	\$58.35
Heating oil	Dec-17	11/30/17	\$1.89	Jan-18	\$1.94	Feb-18	\$1.94	Aug-18	\$1.89	\$1.94
Natural gas	Dec-17	11/28/17	\$3.07	Jan-18	\$3.06	Dec-18	\$3.13	May-18	\$2.87	\$3.05

NYMEX End-of-Day Settlements



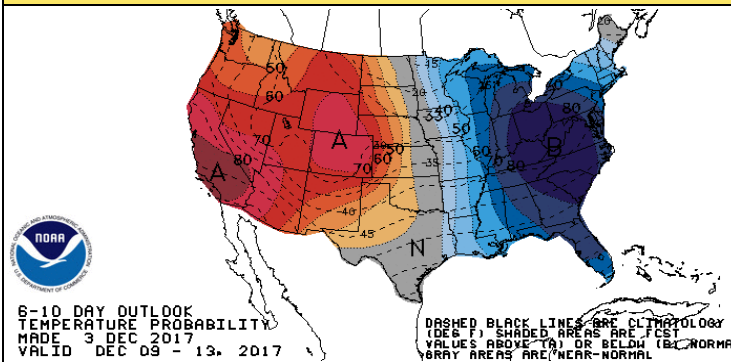
Crude oil prices started the week off bearish as TransCanada was able to repair and resume flow on the Keystone pipeline earlier than expected and US crude production hit a new record of 9.68M barrels per day. However, OPEC and other major producers, led by Russia, announced on Thursday that they had agreed to extend the current output limits until the end of 2018, causing a jump in WTI and Brent prices on Friday. The extension incorporates previously-exempt Libya and Nigeria and also includes a review period in June during which the parties can modify the agreement. By Monday, near-term WTI and Brent contracts had pared Friday's gains as attention turns to rising US shale output and the oil rig count, up 57% from a year ago.



Natural gas prices climbed 14.5 cents last week, rebounding from the previous week's losses. Cold temperatures are expected to set in across the Eastern U.S. next week, which could jump-start heating demand and reverse the relatively mild trend that has persisted since mid-November. On Thursday the EIA reported a 33 Bcf inventory withdrawal, lower than the typical 47 Bcf drop, following tepid demand paired with accelerating domestic production. The withdrawal fell short of analyst expectations and January contracts retreated 15 cents on Thursday alone. This served only to pare down weekly gains: one-month futures closed at \$3.06 on Friday, up 4.9% compared to the previous week.

The National Weather Service near-term forecast calls for cooler-than-normal temperatures east of the Plains and warmer-than-normal temperatures for the West. The natural gas market scores on page 1 declined from the previous week. Clients with electricity or natural gas contracts expiring in 2018 should consult with a CES representative for customized guidance.

National Weather Service Forecast



6 - 10 Day Forecast for Dec 9 - 13

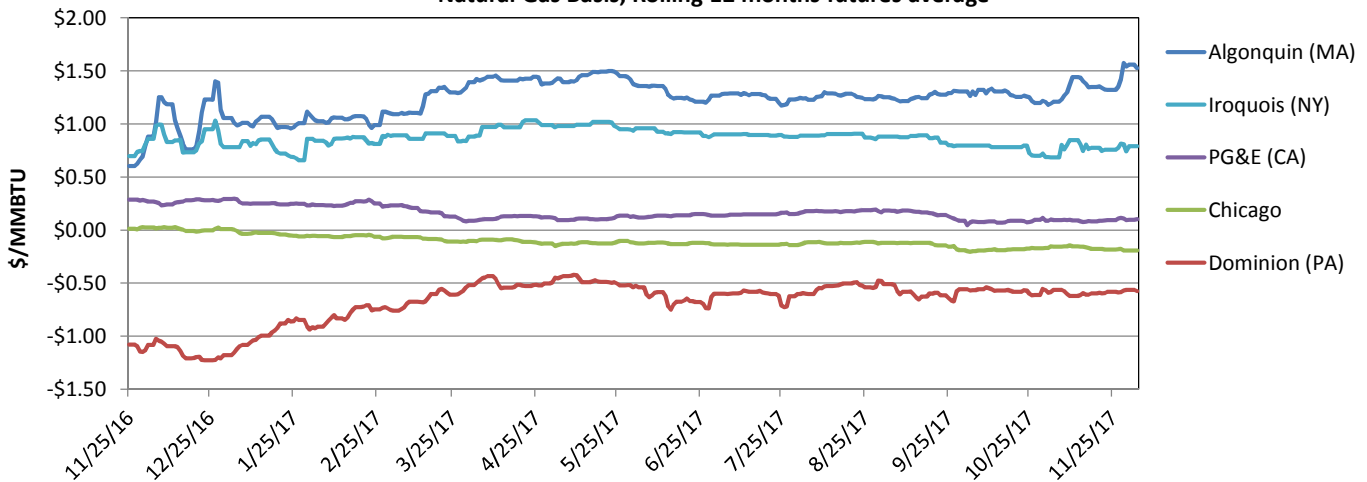
This map depicts forecasted temperatures for next week compared to the long term average. The blue/purple areas are forecast to be colder than normal, white areas are normal, and yellow/orange/red areas are warmer than normal. Abnormally hot weather in the summer and cold weather in the winter can increase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

Source: Chart from the National Weather Service Climate Prediction

Natural Gas Basis Futures

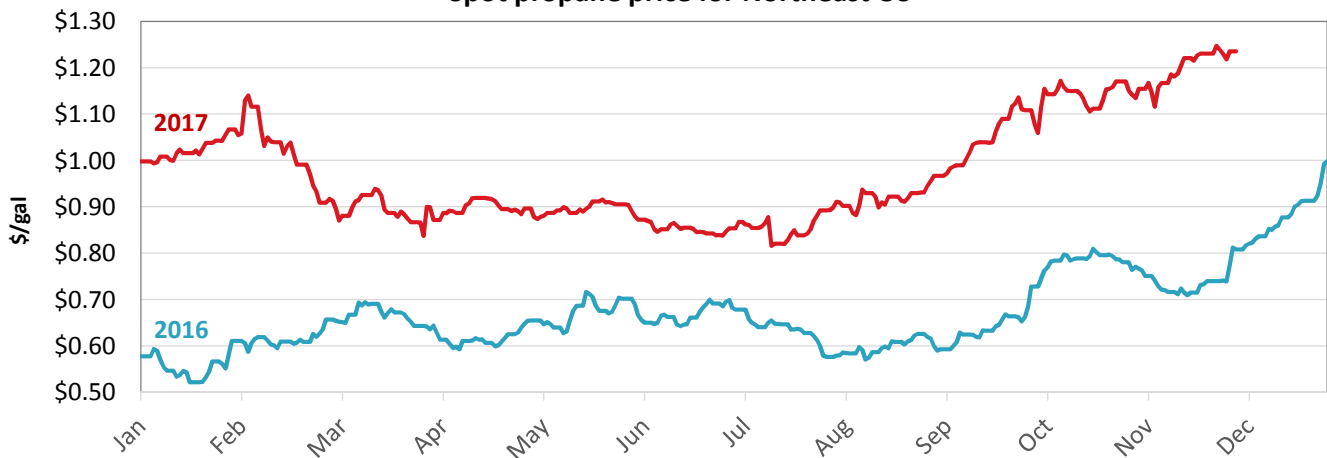
Basis is the price differential between Henry Hub, located in Erath, Louisiana, and the liquidity point closest to the end-user. Because Henry Hub is used as the delivery point for NYMEX natural gas futures contracts, the cost of using natural gas in any geographic region of the country can be approximated 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)									
		11/27/17	11/28/17	11/29/17	11/30/17	12/1/17	12/2/17	12/3/17	Avg		
Power (\$/MWh)	Maine RT On Pk	26	56	27	28	35			34		
	Maine RT Off Pk	22	30	25	27	26	47	46	32		
	NH RT On Pk	31	59	29	36	38			39		
	NH RT Off Pk	24	34	34	31	28	48	45	35		
	Vermont RT On Pk	30	55	29	34	38			37		
	Vermont RT Off Pk	24	34	34	31	28	46	45	35		
	Connecticut RT On Pk	30	57	29	36	38			38		
	Connecticut RT Off Pk	24	33	35	31	28	45	44	34		
	Rhode Island RT On Pk	30	57	29	35	37			38		
	Rhode Island RT Off Pk	24	34	35	31	28	43	43	34		
	NE Mass RT On Pk	31	58	29	36	38			38		
	NE Mass RT Off Pk	25	34	35	31	28	48	45	35		
	SE Mass RT On Pk	30	58	29	36	38			38		
	SE Mass RT Off Pk	25	34	35	31	28	46	44	35		
	WC Mass RT On Pk	30	58	29	36	38			38		
	WC Mass RT Off Pk	25	34	35	31	28	46	44	35		
			New York ISO Real Time Power Pricing By Zone (\$/MWh)								Avg
	Power (\$/MWh)	Capital RT On Pk	30	28	29	29	38			31	
		Capital RT Off Pk	15	27	47	47	22	41	25	32	
		Central RT On Pk	28	22	27	27	36			28	
Central RT Off Pk		7	21	9	9	13	39	19	16		
Hudson RT On Pk		30	27	29	29	38			31		
Hudson RT Off Pk		13	25	34	34	19	41	24	27		
Mohawk RT On Pk		29	22	27	27	36			28		
Mohawk RT Off Pk		7	21	9	9	13	39	19	17		
Milwood RT On Pk		30	27	30	30	38			31		
Milwood RT Off Pk		13	26	35	35	20	41	24	28		
NYC RT On Pk		30	27	30	30	39			31		
NYC RT Off Pk		13	26	35	35	20	41	24	28		
		PJM Real Time Power Pricing By Zone (\$/MWh)								Avg	
Power (\$/MWh)		Eastern Hub On Pk	29	27	27	27	27			27	
		Eastern Hub Off Pk	24	24	24	22	22	22	22	23	
		Western Hub On Pk	26	26	26	27	27			26	
	Western Hub Off Pk	22	25	25	22	22	22	22	23		
	PPL Zone On Pk	26	26	26	26	26			26		
	PPL Zone Off Pk	24	23	23	22	22	22	22	22		
	AEP RT On Pk	27	25	25	26	26			26		
	AEP RT Off Pk	24	27	27	22	22	22	22	24		
	Chicago RT On Pk	25	23	23	24	24			24		
	Chicago RT Off Pk	21	15	15	19	19	19	19	18		
	New Jersey Hub On Pk	27	27	27	28	28			27		
	New Jersey Hub Off Pk	24	23	23	22	22	22	22	23		
			California ISO Real Time Power Pricing (\$/MWh)								Avg
Power (\$/MWh)	SoCal Edison RT On Pk	41	50	41	41	39			42		
	SoCal Edison RT Off Pk	43	28	27	27	30	31	25	30		
		11/27/17	11/28/17	11/29/17	11/30/17	12/1/17	12/2/17	12/3/17	Avg		
Natural Gas \$/MMBtu	Henry Hub, LA	2.82	2.91	3.06	2.94	2.84			2.91		
	TZ6, MA	3.32	3.54	5.10	3.83	3.21			3.80		
	Algonquin, MA	3.13		3.16	2.93	2.85			3.02		
	Chicago Hub, IL	2.70	2.85	2.99	2.78	2.72			2.81		
	New York, NY	2.40	2.59	2.66	2.49	2.32			2.49		
	Dominion South, PA	2.29	2.41	2.56	2.37	2.21			2.37		
	Opal Hub, WY	2.61	2.62	2.74	2.65	2.53			2.63		
	PG&E Citygate, CA	3.05	3.13	3.19	3.05	3.02			3.09		
	Kern River Deliveries	2.74	2.74	2.86	2.86	2.76			2.79		