



GENERAL UPDATE

- The NYMEX Henry Hub futures contract for May 2018 closed the week unchanged at \$2.69/MMBtu. Below normal temperatures from the Dakotas to the Northeast pushed spot gas markets higher.
- At the Chicago Citygate, prices rose \$0.54 to \$2.94/MMBtu, a 22.5% increase. Prices at the PG&E Citygate increased approximately 4% to \$2.66/MMBtu, while SoCal Citygate prices jumped 22.7% to \$2.97/MMBtu. Supply constraints continue to push SoCal gas prices higher.
- At the Algonquin Citygate prices spiked \$4.46 to \$6.81/MMBtu. Cold weather combined with upcoming outages at the Stony Point and Oxford Compressor stations helped move prices higher. Transco Zone prices rose 15.8% to \$2.92/MMBtu.
- Tennessee Zone 4 prices traded 17.9% higher to close at \$2.43/MMBtu. Prices at Dominion South climbed 22.9% to \$2.57/MMBtu.

Near-month natural gas futures prices (Nymex)



eia Source: Natural Gas Intelligence

POWER

- NEMASS curves moved higher on colder than normal temperatures. The 12-month ATC strip rose \$0.70/MWh (1.7%); the 24-month curve moved \$0.50 (1.2%) higher and the calendar 2019 strip added \$0.20/MWh (<0.5%). New York's Zone J curve slipped \$0.20 (<0.5%) for the 12-month term. The 24-month ATC strip was unchanged, and the calendar 2019 term rose \$0.05/MWh (<0.5%).
- PJM curves posted modest gains. In the COMED zone the 12-month strip added \$0.20 (0.7%); the 24-month term rose \$0.15 (0.5%) and the calendar 2019 curve was \$0.10/MWh higher (<0.5%). In the PJM East zones, the 12-month strip rose \$0.15/MWh (0.5%), while the 24-month and 2019 curves each rose \$0.05/MWh (<0.5%).
- In the ERCOT Houston zone, the 12 and 24-month ATC curves each lost \$0.25/MWh (0.5%), while the calendar 2019 strip lost \$0.20/MWh (0.5%).

UTILITY HIGHLIGHT

ISONE

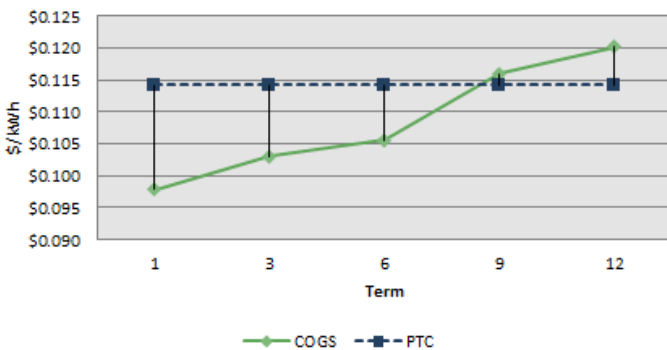


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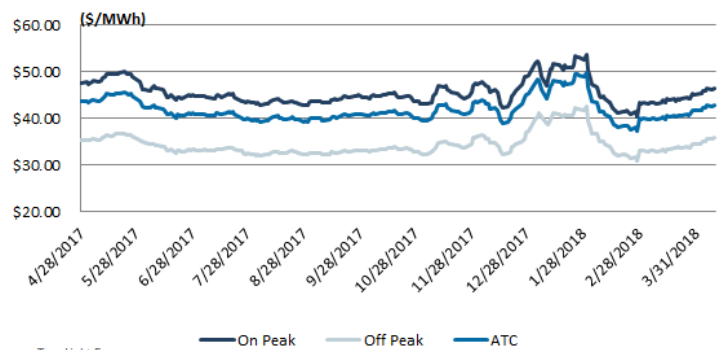


WMECO

WMECO - GO



WMECO - 12 MONTH STRIP PRICING



Source: TrueLight Energy

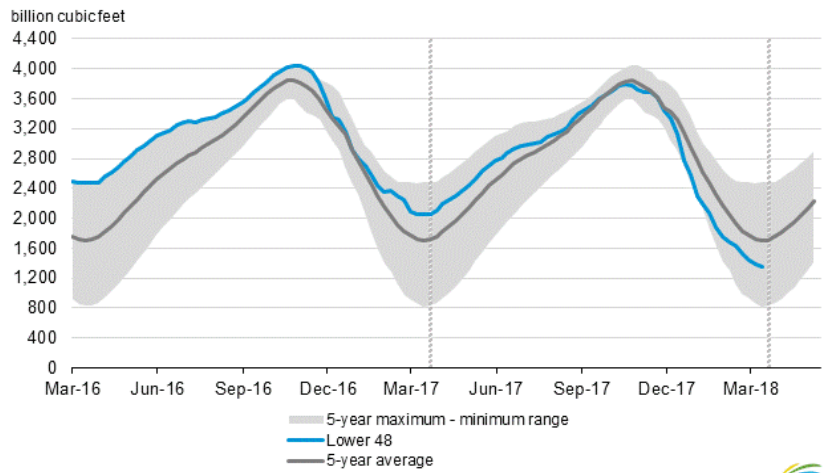
- The current Price to Compare (PTC) for Western Massachusetts Eversource (WMECO) Commercial G Service rate class is \$0.10503/kWh for the current price period of January 1, 2018 to June 30, 2018. This is an approximate 22.6% increase from the previous PTC of \$0.08563/kWh for the July 1, 2017 through December 31, 2017 price period. Headroom is likely at the 1, 3, and 6 month terms, however unlikely at the 9 and 12 month terms.

- The rolling 12-month ATC curve in the Western Massachusetts Eversource load zone traded \$1.18/MWh higher to close at \$42.81 with a gain of almost 3%.
- The curve has moved aggressively higher in the last few weeks, adding more than 7% in the last 30 days. Despite recent upward momentum, the curve remains down more than 5% for the year and is more than 14% below its 52-week high of \$49.89/MWh which it hit on January 30, 2018.

NATURAL GAS

- Net withdrawals from storage were -29 Bcf for the week ending March 30, roughly in line with both the 5-year average (-28) and market expectations. Estimates ranged from -21 to -41 Bcf, with a median of -26 Bcf.
- The implied net flow for the week, which excludes the effects of a 9 Bcf non-flow-related adjustment in the South Central non-salt region, totaled -20 Bcf. Inventories are now 1,354 Bcf, which is 347 Bcf (or 20%) lower than the 5-year average and 697 Bcf (or 34%) below last year's level at this time.
- Non-flow-related adjustments are generally due to engineering assessments of inventories that reduce working gas in the field but do not reclassify them as base gas. Base gas levels were not affected by this week's non-flow-related adjustment.

Working gas in underground storage compared with the 5-year maximum and minimum



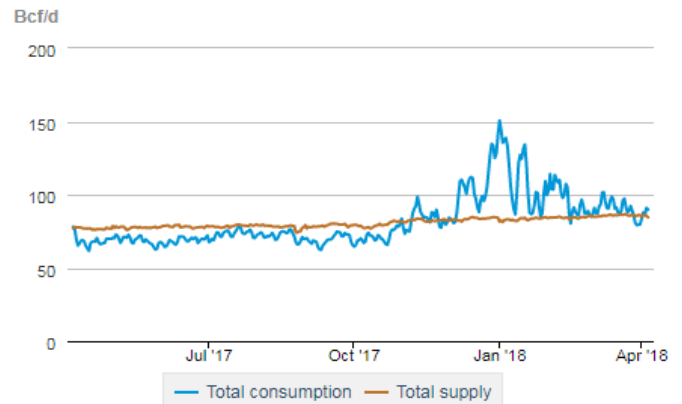
Source: U.S. Energy Information Administration



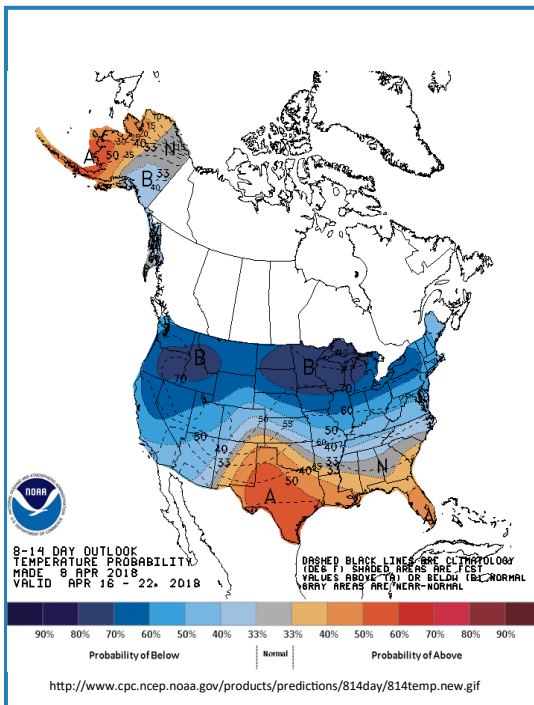
SUPPLY & DEMAND

- The EIA reported that the total supply of natural gas was unchanged for the week, averaging roughly 86 Bcf/day. Dry gas production rose about 0.4 Bcf/day, while Canadian imports dropped 5%.
- Total demand for natural gas fell 6% compared with the prior week. Power burn demand slipped 2%, industrial consumption fell 1%, and residential/commercial use dropped 13%, largely due to warmer temperatures in the Southwest and the Northeast. Mexican exports fell 9% largely due to maintenance on the Los Ramones pipeline in Mexico.

Total supply/demand balance (last 365 days)



Source: OPIS PointLogic Energy, an IHS Company



WEATHER

- Temperatures in the Lower 48 states averaged 46°F, 2° lower normal and 6° lower than last year at this time.
- Elements of winter remain in force in the Midwest with two snow events in the early part of this week. A warm front pushes North out of the Southwest and will meet a low pressure front in the West. Look for heavy rain and winds with mountain snow in Northern California and the Pacific Northwest. The system stays in the West for now and we can expect the East to enjoy a pattern of warmer and drier conditions in the short-term.
- The Western low will eventually move East, making room for a new cold front to follow in its wake. Look for more active storms in the Midwest and East as we get into the 6-10 day timeframe. It won't be as cold as the first week of April, but the Northern states will definitely be below normal. Low pressure systems are notable in their absence for this time of year, so the Northern and Central Plains, the Great Lakes and the Northeast should have a chance to dry out.

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