



GENERAL UPDATE

- Financial gas markets trended sharply higher. The NYMEX Henry Hub December 2017 futures contract rose almost 8%, adding \$0.23 to close the week at \$3.21/MMBtu.
- At the Chicago Citygate, prices rose \$0.64 to \$3.31/MMBtu. Colder weather in the Northeast pushed prices up. At the Algonquin Citygate prices jumped \$2.29 to \$3.47/MMBtu. At the Transco Zone 6 point rose \$1.85 to \$3.19/MMBtu. PJM area prices also moved higher. Tennessee Zone 4 spot prices traded \$1.71 higher to \$2.23/MMBtu. Prices at Dominion South rose \$1.91 to \$2.58/MMBtu.
- Prices at the PG&E Citygate rose \$0.34 to \$3.29/MMBtu. The price at SoCal Citygate jumped \$1.18 to \$4.41/MMBtu. The Southern California Gas Company still faces constraints on inflowing pipelines and reduced storage availability from the Aliso Canyon facility.

Near-month natural gas futures prices (Nymex)



Source: Natural Gas Intelligence

POWER

- In the NEMASS load zone the 12-month ATC strip jumped \$2.00/MWh; the 24-month rose \$1.50, while the calendar 2018 term traded \$1.20/MWh higher. In New York's Zone J, the 12-month ATC curve added \$0.70; the 24-month term added \$0.80, while the calendar 2018 strip rose \$0.50/MWh.
- PJM prices were mixed. In the COMED load zone, the 12 and 24-month ATC curves were essentially unchanged, while the calendar 2018 term rose \$0.25/MWh. PJM Eastern load zone prices rose about \$0.25/MWh for both the 12 and 24-month terms; calendar 2018 curves were unchanged.
- In ERCOT's Houston load zone, the 12-month ATC strip moved \$0.50/MWh higher. 24-month ATC prices were about \$0.40 higher, while the calendar 2018 curve traded \$0.55/MWh higher.

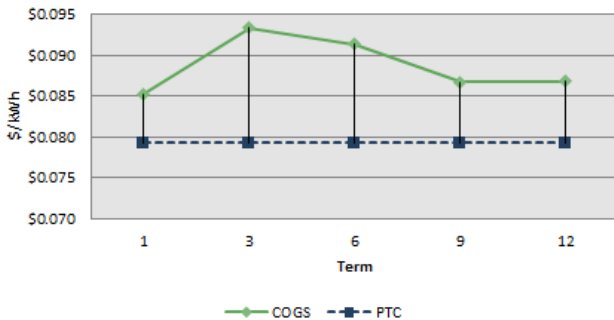
UTILITY HIGHLIGHT

PJM

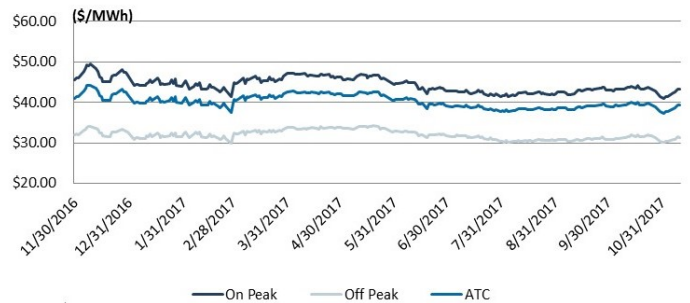
DC

PEPCO

PEPCO - RDNS



PEPCO - 12 MONTH STRIP PRICING



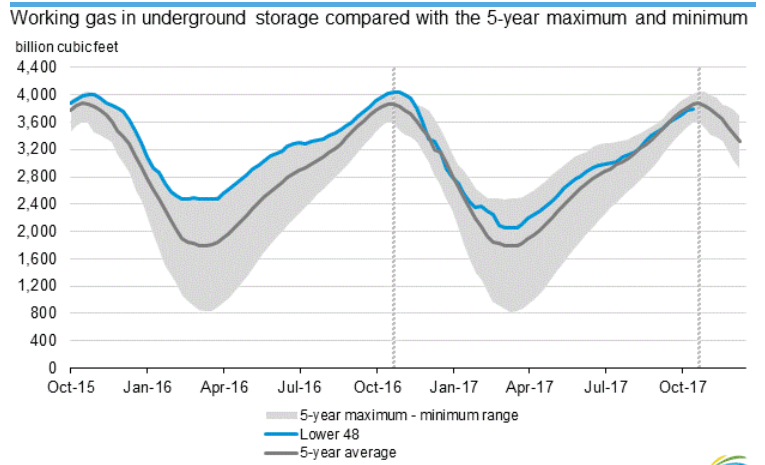
Source: TrueLight Energy

- The current Price to Compare (PTC) for DC's Potomac Electric Power Company (PEPCO) Residential Non-Heating Service rate class is \$0.07972/kWh for the current price period, as of November 1st, 2017.
- This is an approximate 0.42% decrease from the previous PTC of \$0.08006/kWh for the month of October. Head-room is unlikely at the 1, 3, 6, 9, and 12 month terms.

- The rolling 12-month ATC curve in PJM's PEPCO load zone rose \$1.52, or about 4%, to close the week at \$39.29/MWh. Despite the weather related price rally, the curve remains down more than 6% for the year, and is only 5% above its 52-week low.

NATURAL GAS

- Net injections into storage totaled +15 Bcf for the week ending November 3, compared with the 5-year average of +45 Bcf and last year's fill of +54 Bcf. The prior week report was +65. Estimates of net injections into working natural gas storage ranged from +6 Bcf to +23 Bcf with a median of +14 Bcf.
- Working gas stocks total 3,790 Bcf, 71 Bcf below the 5-year average and 219 Bcf less than last year at this time. This is the largest that the deficit to the average has been since it reached 77 Bcf for the week ending January 13, 2017. The majority of the deficit occurred in the South Central region, where gas stocks fell to 42 Bcf below the 5-year average.
- Storage in the East and Midwest regions (where natural gas is the key source for space and water heating) were 1 Bcf below and 15 Bcf above the 5-year average, respectively. The East region reported its first withdrawal of the heating season, pulling 1 Bcf of natural gas from storage. The Midwest region saw injections of +5 Bcf, which is 8 Bcf below the 5-year average.



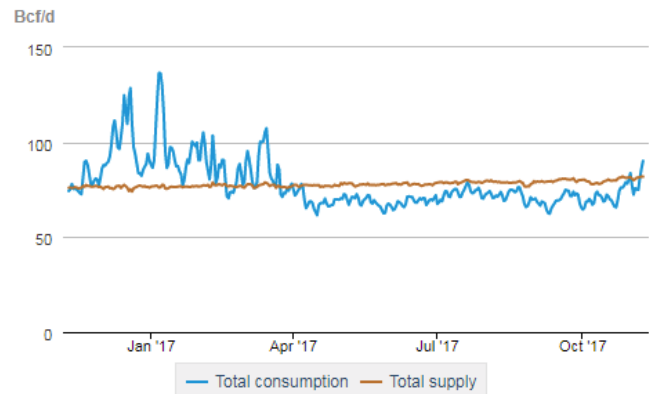
Source: U.S. Energy Information Administration



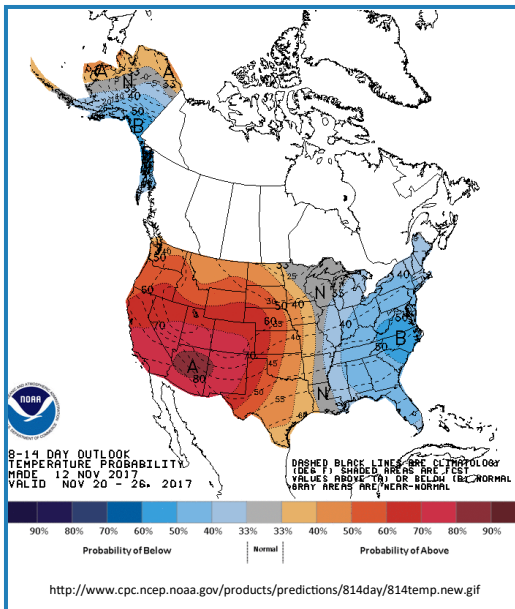
SUPPLY & DEMAND

- The average total supply of natural gas was unchanged from the previous week, averaging 81.3 Bcf/day. Dry gas production was steady, while net imports from Canada fell 5% for the week.
- Total U.S. consumption of natural gas rose 2% for the week. While we had cold conditions in the North, conditions were warmer than normal along the Gulf Coast. As a result, power burn demand rose 7%. Industrial demand fell 2% for the week. Consumption in the residential and commercial sectors was flat, averaging 21.7 Bcf/day. Natural gas exports to Mexico rose 4%.
- LNG exports fell for the week. Four vessels (total capacity of 14.4 Bcf) departed Sabine Pass liquefaction facility last week.

Total supply/demand balance (last 365 days)



Source: OPIS PointLogic Energy, an IHS Company



WEATHER

- Temperatures in the Lower 48 states averaged 50°F, 1° lower than normal and 7° lower than last year at this time. The majority of the country will see warming air this week, but the East will likely trend colder than normal. The Northwest and Great Lakes will both see dominant upper low systems, but their intensity and duration will be weak and short-lived. As the week progresses, the Northern Plains will see stronger cold and higher chance of precipitation.
- In the 8-14 day window, colder air spreads Southeast. As we get closer to Thanksgiving, we can expect snow in the Great Lakes and possibly into the Northeast. Further South, things should stay drier and colder.

The information contained herein, including any pricing, is for informational purposes only, and is subject to change at any time without notice. This information is provided by Broker Online Exchange, LLC ("BOX"), and while BOX believes the information to be reliable as of the date and time of publication, energy markets are dynamic and specific outcomes can vary widely based on a variety of factors. Therefore, neither BOX nor any of its members or affiliates is responsible for errors, omissions or misstatements of any kind, nor makes any warranty or representation, whether express or implied, including without limitation the implied warranties of merchantability and fitness for a particular purpose. BOX accepts no liability for any direct, indirect or other consequential loss arising out of any use of the information contained herein or any inaccuracy, error or omission in any of its content. This content is made possible by TrueLight Energy, LLC.