



GENERAL UPDATE

- The June 2019 contract decreased \$0.01 (-0.4%) to \$2.61/MMBtu last Wednesday. The 12-month strip price averaging June 2019 through May 2020 futures contracts remained unchanged Wednesday to Wednesday at \$2.746/MMBtu.
- Northeast prices trended downwards in demand markets. Boston's Algonquin Citygate prices decreased \$0.24 (-9.2%) to \$2.36/MMBtu last Wednesday. Transco Zone 6 NYC prices were unchanged week over week at \$2.35/MMBtu.
- Pennsylvania's Dominion South increased just \$0.01 (0.5%) to \$2.21/MMBtu. Tennessee Zone 4 Marcellus spot prices climbed \$0.19 (9.9%) from \$1.92/MMBtu to \$2.11/MMBtu.
- California prices were mixed, reflecting milder temperatures in the San Francisco area and cooler temperatures in Southern California. SoCal Citygate prices increased \$0.39 (15.8%) to \$2.85/MMBtu. Prices at Northern California PG&E Citygate decreased \$0.16 (-4.7%) from \$3.41/MMBtu the previous Wednesday to a weekly high of \$3.25/MMBtu last Wednesday.

Near-month natural gas futures prices (Nymex)

dollars per million British thermal units



Source: CME Group as compiled by Bloomberg, L.P.

POWER

- For the NEMASSBOST zone in ISONE, the 12 Month ATC strip decreased \$0.14 (0.3%) to \$44.20. The 24 Month ATC strip decreased \$0.07 (-0.2%) to \$44.40, and the Cal 2020 ATC strip decreased \$0.01 (-0.02%) to \$44.49/MWh yesterday.
- For the NYC zone in NYISO, the 12 Month ATC strip decreased \$0.30 (-0.7%) to \$41.10. The 24 Month ATC strip decreased \$0.32 (-0.8%) to \$42.02 and the Cal 2020 ATC strip decreased \$0.29 (-0.7%) to \$41.76/MWh yesterday.
- For the PEPCO zone in PJM, the 12 Month ATC strip decreased \$0.22 (-0.6%) to \$36.47. The 24 Month ATC strip decreased \$0.23 (-0.6%) to \$36.28 and the Cal 2020 ATC strip decreased \$0.19 (-0.5%) to \$36.36/MWh yesterday.
- For the Houston zone in ERCOT, the 12 Month ATC strip dropped \$0.93 (-2.4%) to \$37.96. The 24 Month ATC strip decreased \$0.50 (-1.3%) to \$38.09, and the Cal 2020 ATC strip increased \$0.16 (0.4%) to \$38.59/MWh yesterday.

UTILITY HIGHLIGHT

PJM

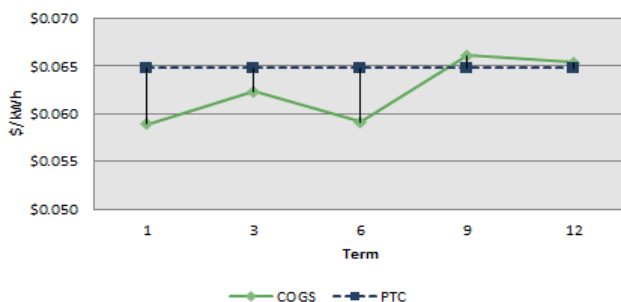


PA

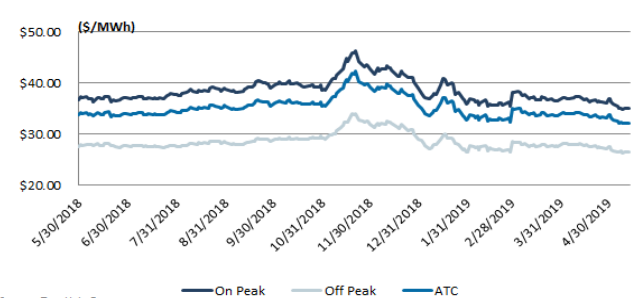


METED

MetEd - GSCS



METED - 12 MONTH STRIP PRICING



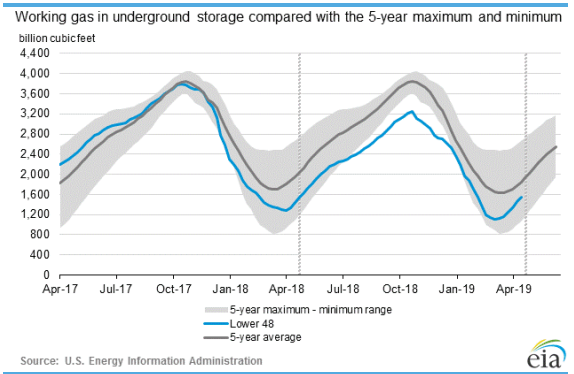
- The current Price to Compare (PTC) for Pennsylvania's Metropolitan Edison (METED) Small General Service Small Secondary rate class (GSCS) is \$0.05352/kWh for the June 1, 2019 through August 31, 2019 price period, down 17% from the previous price period's rate of \$0.06483/kWh.
- METED Headroom is likely for the 1, 3, and 6 month terms, with \$0.00571/kWh of headroom likely for the 6 month term. Headroom has increased since last reported on April 23, 2019.
- Over the last week, the METED ATC 12-month strip has traded just \$0.28/MWh lower, a loss of 0.86%, to finish at \$32.18/MWh.
- Since the beginning of the year, the strip has traded between \$32.02/MWh, a new low that was reached this past Thursday, May 9, and \$37.18/MWh. This time last year, the strip traded at \$34.09/MWh, which is about 6% higher than this year.



Tuesday, May 14, 2019

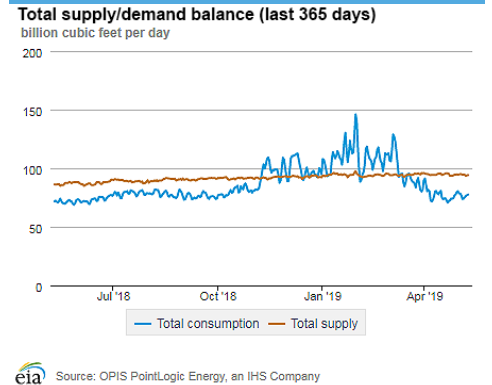
NATURAL GAS

- For the week ending May 3, the EIA reported net injections from storage of 85 Bcf, which is the same as last year's net injections of 85 Bcf for this week and higher than the 5-year (2014–18) average net injections of 72 Bcf.
- Working natural gas in storage totaled 1,547 Bcf, which is 128 Bcf (9%) higher than last year's level and 303 Bcf (-16.4%) lower than the five-year average of 1,850 Bcf. Total working gas is within the five-year historical range.



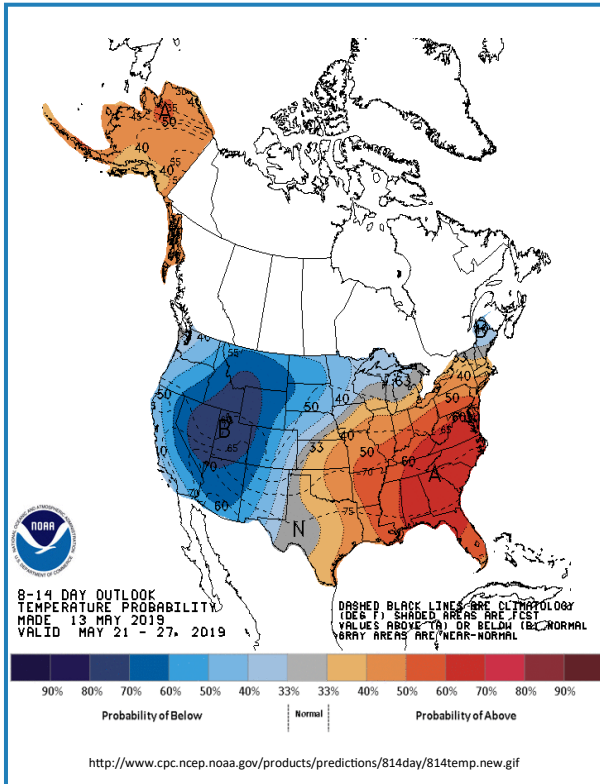
SUPPLY & DEMAND

- Average total supply of natural gas was the same as the previous report week, averaging 94.4 Bcf/day. Dry natural gas production remained constant week over week while net imports from Canada increased by 6%.
- Total US consumption of natural gas fell by 3% from the previous week. Consumption for power generation grew by 6%, industrial sector consumption decreased by 2%, residential-commercial consumption declined by 16%, and exports to Mexico were unchanged, averaging 4.6 Bcf/day.
- US LNG exports decreased week/week, with seven vessels departing US ports for a combined 24.5 Bcf.



MARKET INTELLIGENCE

- The South Carolina bill requiring the development of a program that allows large customers to instruct their utility to purchase renewable energy from a competitive supplier on behalf of the customer has passed both houses and is now enrolled. The details of this renewable energy competitive supply program, including program viability and fees, is in the hands of the PSC. This program is voluntary and the utility may not charge nonparticipating customers for any costs related to the program.



WEATHER

- An unseasonably powerful May storm is expected to hit California later this week. The week will begin with sunshine before giving way to heavy rain, thunderstorms, small hail, flash flooding, mudslides and snow at higher elevations. The hardest hit areas will see up to five inches of rain. There is some good news, as the late storm will prevent water supply shortages during the summer and fall.
- The central US will face more severe weather this week as well, starting widespread across the nation's midsection and reducing to localized clusters as the week goes on. By Friday into next weekend, Midland and Fort Stockton to San Antonio will be at risk for violent thunderstorms capable of producing large hail, damaging winds and flash flooding.
- The same storm that brought severe weather and flooding to the south-central US last week will be bringing cold and raw weather to the Northeast through the beginning of this week. Many places will experience near record low temperatures, stretching from Pennsylvania to Maine.

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