



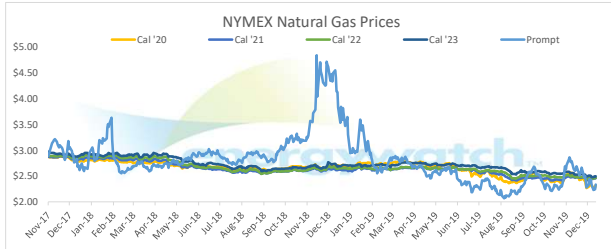
Week Ending: 1/17/2020

Weekly Update:

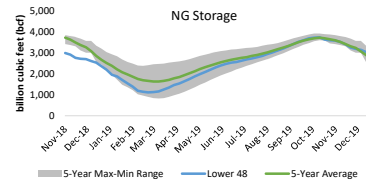
Prompt month (Feb 20) gas prices are now trading below \$2/MMBtu! Last weekend, an updated weather forecast shifted from normal expected winter temperatures for much of the US to a significantly warmer above average outlook for the next few weeks. This forecast caused prompt month gas prices to dive under \$2/MMBtu for the first time. At one point this week, prices even fell below \$1.90/MMBtu. Thursday's -92 Bcf storage report withdrawal exceeded expectations by 38cf but was insignificant compared to this time last year where we recorded a 152 Bcf decrease. The 5 year average withdrawal for this time of the year is at 194 Bcf. Gas storage is now 23% higher than this time last year and over 9% higher than the 5-year average. Early reports are showing natural gas production numbers slowly dialing back due to the low prices. Cal 2021 prices are now below \$2.40/MMBtu.

Day-Ahead on peak prices in NYISO, PJM West Hub, and ISONE are trading between \$23-\$25/mWh, very similar to where they were last week. ERCOT (TX) prices are still trading in the teens, at around \$19/mWh. Given the above average temperature forecasts for the new few weeks, power prices should hold steady. Even though the winter months are not a traditionally opportune to hedge future contracts, prices for both electricity and natural gas remain attractive for the upcoming months. Consider making a hedge now to reduce portfolio exposure in case prices to begin to increase.

Natural gas pricing plays a key role in electricity power pricing due to the increasing reliance on natural gas fired generators as nuclear, coal, and oil generation is retired and mothballed. As the marginal unit of generation, gas prices are directly correlated to power pricing (more so in some regions such as NYC vs. others such as parts of PJM). We keep an eye on natural gas market fundamentals in order to provide insights into

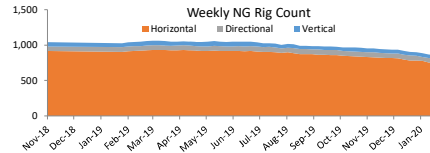


Natural Gas Storage Week Ending 1/17/2020	
Current Week Stocks (bcf)	2,947
Previous Week Stocks (bcf)	3,039
Implied Net Change (bcf)	-92
Expected Net Change (bcf)	-89
Variance(bcf)	-3
Year-Ago Stocks (bcf)	2,393
Variance vs Prev. Year (%)	23.2%
5-Year Average (bcf)	2,696
Variance vs 5-YR Avg (%)	9.3%

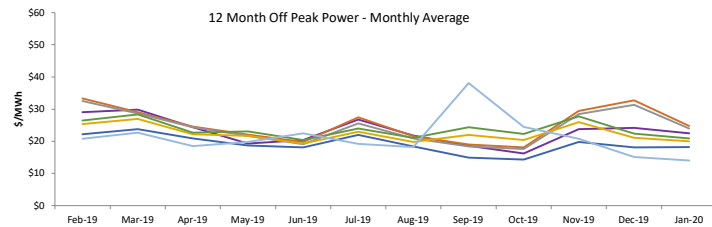
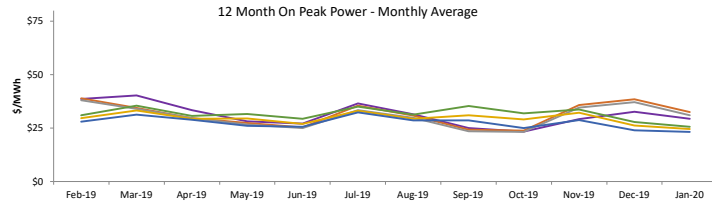


	\$/MMBtu	W-o-W Δ	Y-o-Y Δ
Prompt Month	\$1.926	-1.8%	-36.0%
12-Month	\$2.160	-1.7%	-27.1%
24-Month	\$2.273	-1.3%	-20.2%
Cal 20	\$2.121	-1.7%	-23.1%
Cal 21	\$2.379	-1.2%	-9.9%
Cal 22	\$2.413	-1.0%	-9.0%

Week Ending: 1/17/2020	W-o-W Δ
Oil Rigs	673 -5.2%
Gas Rigs	120 -16.7%
Vertical	51 -1.9%
Horizontal	752 0.4%
Directional	57 5.6%



	Avg. Temp	Past 10 Weeks	Departure From Normal		CDD	HDD
Boston	30	1	0	34		
Chicago	30	6	0	35		
Columbus	27	-3	0	38		
Dallas	43	-4	0	22		
Denver	40	9	0	25		
Detroit	26	3	0	39		
Hartford	22	0	0	43		
Houston	55	-2	0	10		
Indianapolis	30	-1	0	35		
Las Vegas	53	3	0	12		
Los Angeles	58	1	0	7		
Miami	55	-17	0	10		
Minneapolis	31	14	0	34		
New York City	34	0	0	31		
Philadelphia	30	-2	0	35		
Phoenix	57	1	0	7		
Salt Lake City	40	10	0	25		
San Diego	59	2	0	6		
San Francisco	54	3	0	11		
Seattle	48	4	0	17		
St. Louis	32	-1	0	33		
Washington D.C.	26	-5	0	39		

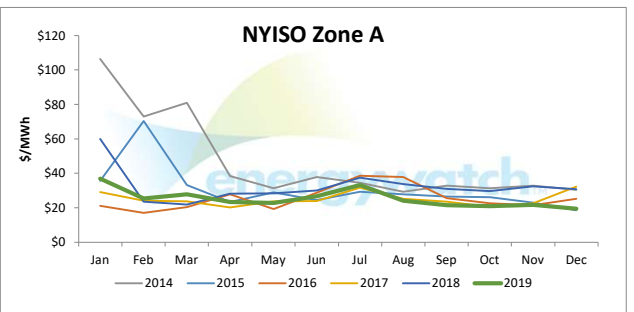
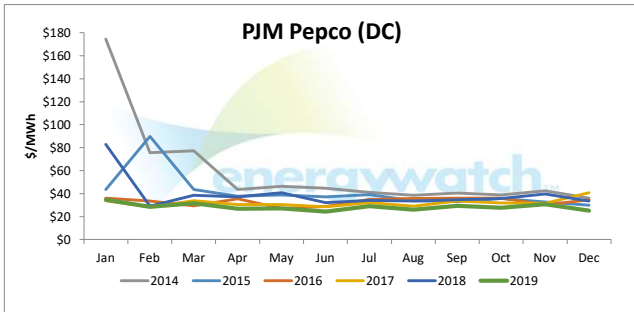
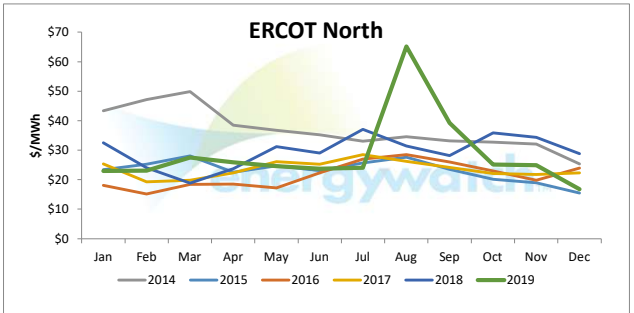
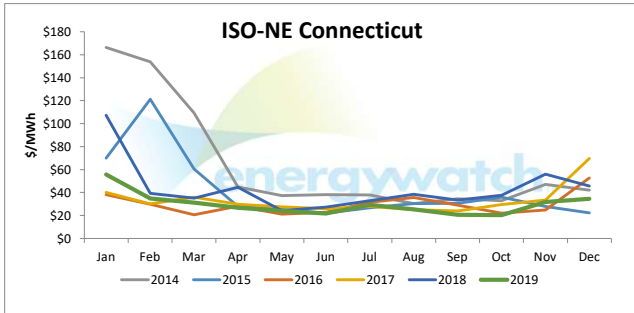
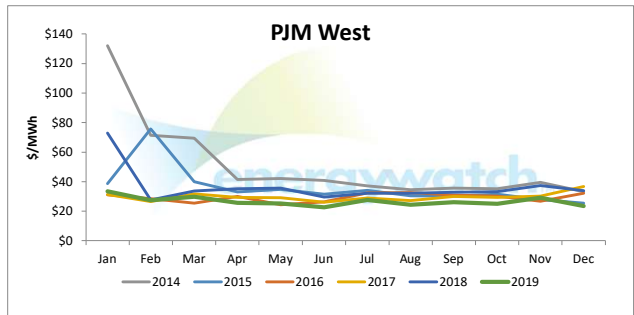
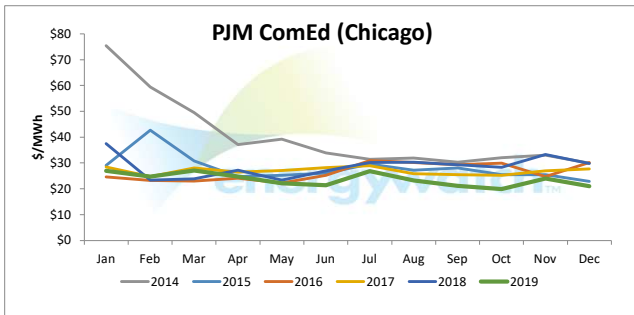
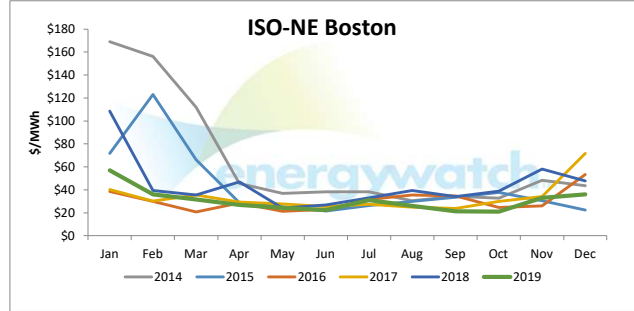
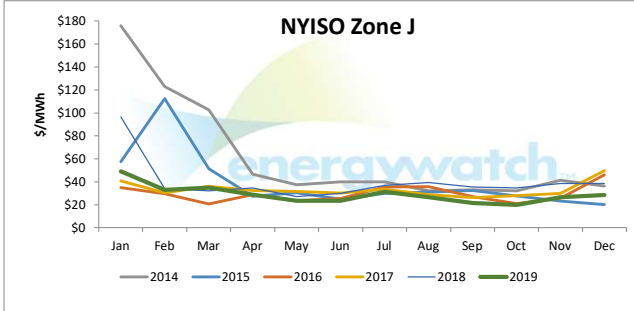


The information contained herein has been obtained from sources which EnergyWatch LLC believes to be reliable. EnergyWatch does not represent or warrant as to its accuracy or completeness. All representations and estimates included herein constitute EnergyWatch's judgment as of the date of the presentation and may be subject to change without notice. This material has been prepared solely for informational purposes relating to our business as an energy management company. We are not providing advice regarding the value or advisability of trading in "commodity interests" as defined in the Commodity Exchange Act, 7 U.S.C. §§ 1-25, et seq., as amended (the "CEA"), including futures contracts, swaps or any other activity which would cause us or any of our affiliates to be considered a commodity trading advisor under the CEA. EnergyWatch does not make and expressly disclaims, any express or implied guaranty, representation or warranty regarding any opinions or statements set forth herein. EnergyWatch shall not be responsible for any reliance upon any information, opinions, or statements contained herein or for any omission or error of fact. All prices referenced herein are indicative and informational. This material shall not be reproduced (in whole or in part) to any other person without the prior written approval of EnergyWatch. Brand names and product names are trademarks or service marks of their respective holders. All rights reserved.



Week Ending: 1/17/2020

2014 - 2019 YTD Locational Marginal Pricing (LMPs)



The information contained herein has been obtained from sources which EnergyWatch Inc. believes to be reliable. EnergyWatch does not represent or warrant as to its accuracy or completeness. All representations and estimates included herein constitute EnergyWatch's judgment as of the date of the presentation and may be subject to change without notice. This material has been prepared solely for informational purposes relating to our business as an energy management company. We are not providing advice regarding the value or advisability of trading in "commodity interests" as defined in the Commodity Exchange Act, 7 U.S.C. §§ 1-25, et seq., as amended (the "CEA"), including futures contracts, swaps or any other activity which would cause us or any of our affiliates to be considered a commodity trading advisor under the CEA. EnergyWatch does not make and expressly disclaims, any express or implied guaranty, representation or warranty regarding any opinions or statements set forth herein. EnergyWatch shall not be responsible for any reliance upon any information, opinions, or statements contained herein or for any omission or error of fact. All prices referenced herein are indicative and informational. This material shall not be reproduced (in whole or in part) to any other person without the prior written approval of EnergyWatch. Brand names and product names are trademarks or service