



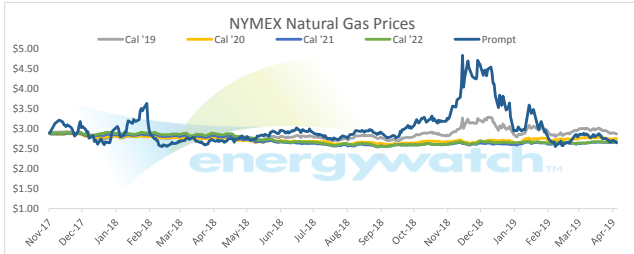
Week Ending: 4/4/2019

Weekly Update:

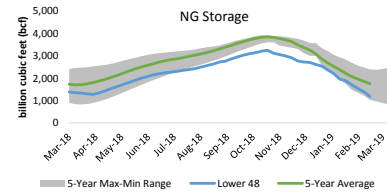
The May natural gas contract closed yesterday at \$2.643/MMBtu, which is the lowest closing price since May took the front month position. The first injection of this season stands at 23 bcf, which is higher than the expected 13 bcf addition to storage. The total 1,130 bcf of natural gas in storage is 16.8% below last year and 30.9% below the five-year average. "The deficit in storage versus the five-year average is expected to decrease in the coming weeks as temperatures moderate across the U.S. The 6-10 and 8-14 day weather outlooks show seasonal near normal conditions across the Northeast" (Direct Energy). Prices increased from \$2.50/MMBtu last Wednesday to \$2.61/MMBtu this past Wednesday at the Transco Zone 6 Pipeline, which serves NYC (EIA).

An article released by the EIA this past Wednesday stated that at the Sumas trading point on the Canada-Washington border, natural gas spot prices averaged \$161.33/MMBtu on Friday, March 1, which is the highest daily spot price anywhere in the U.S. since at least 2014. This spike in prices was caused by a limited supply and unusually high demand for this time of the year due to colder than normal temperatures from March 1st to March 4th. "The October 2018 explosion on Enbridge's BC Pipeline- which transports natural gas through British Columbia, Canada, into the United States at Sumas, Washington- led to reduced flows and higher prices at the Sumas trading point throughout the 2018-2019 winter" (EIA). The daily natural gas flow in this pipeline averaged 610 MMcf/d from November 2018 through February 2019; about one-third lower than the same period the previous year.

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 forward power pricing for our clients. Gas production is expected to continue to grow, however, there is speculation that demand growth will outpace supply primarily due to LNG and Mexican exports and increased power burn, presenting upside risk to power pricing in the future.

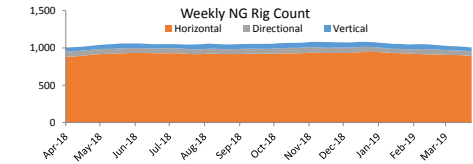


Natural Gas Storage Week Ending 3/29/2019	
Current Week Stocks (bcf)	1,130
Previous Week Stocks (bcf)	1,107
Implied Net Change (bcf)	23
Expected Net Change (bcf)	13
Variance (bcf)	10
Year-Ago Stocks (bcf)	1,358
Variance vs Prev. Year (%)	-16.8%
5-Year Average (bcf)	1,635
Variance vs 5-YR Avg (%)	-30.9%



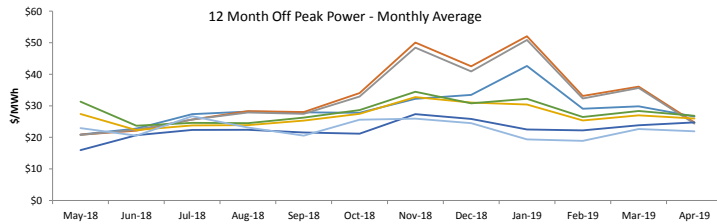
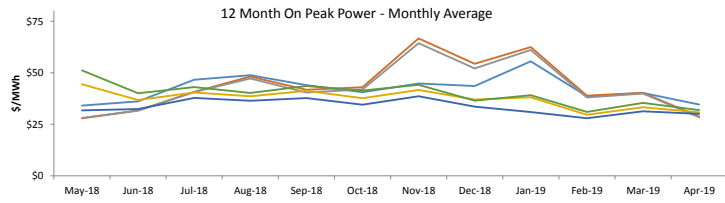
	\$/MMBtu	W-o-W Δ	Y-o-Y Δ
Prompt Month	\$2.643	-1.7%	-1.6%
12-Month	\$2.827	-0.8%	-0.6%
24-Month	\$2.768	-0.2%	-1.5%
Cal 19	\$2.870	-0.7%	2.9%
Cal 20	\$2.747	0.2%	-0.6%
Cal 21	\$2.668	0.4%	-4.7%
Cal 22	\$2.671	0.2%	-6.4%

Week Ending: 3/29/2018	W-o-W Δ
Oil Rigs	816 -1.0%
Gas Rigs	190 -1.0%
Vertical	51 -3.8%
Horizontal	891 -1.0%
Directional	63 -1.7%



	Price	W-o-W Δ	Y-o-Y Δ	\$/MMBtu
Natural Gas (\$/MMBtu)	\$2.643	-\$0.02	-2.1%	\$2.64
WTI Crude Oil (\$/bbl)	\$62.10	\$2.69	0.1%	\$10.61
#2 Heating Oil (\$/gal)	\$2.02	\$0.04	3.2%	\$14.59

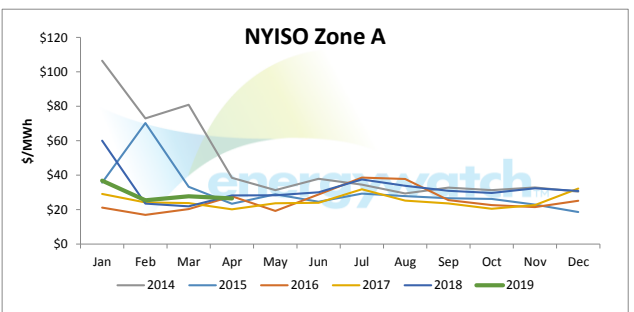
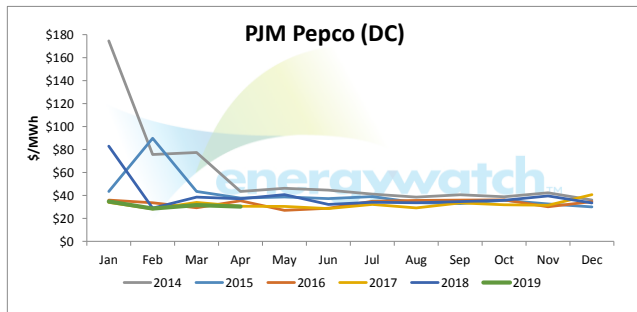
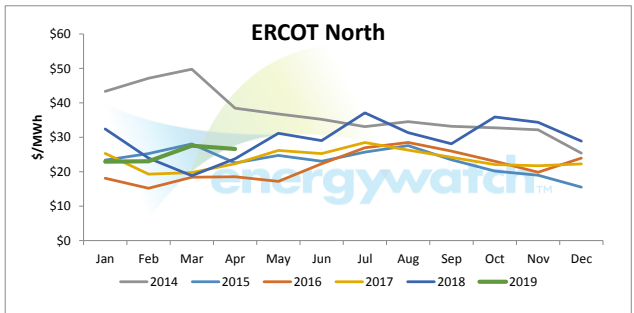
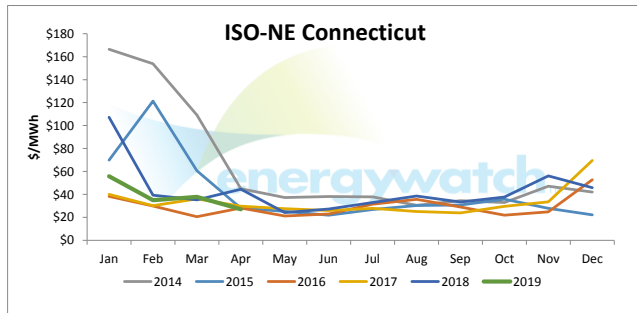
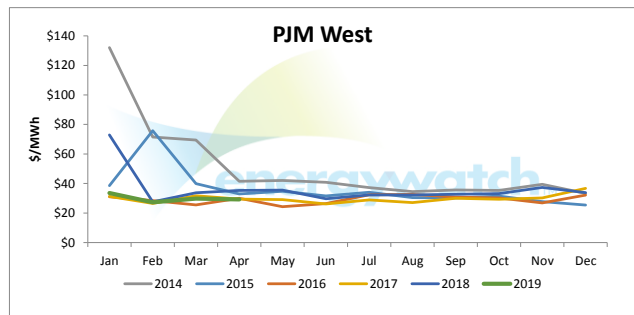
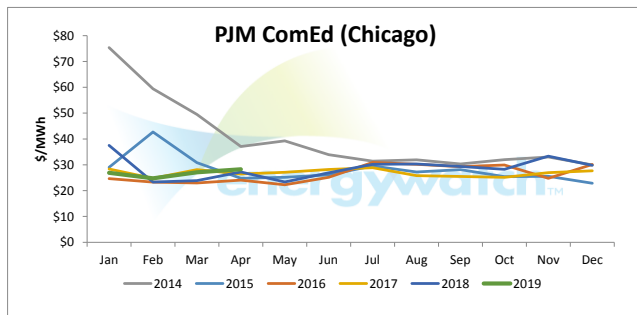
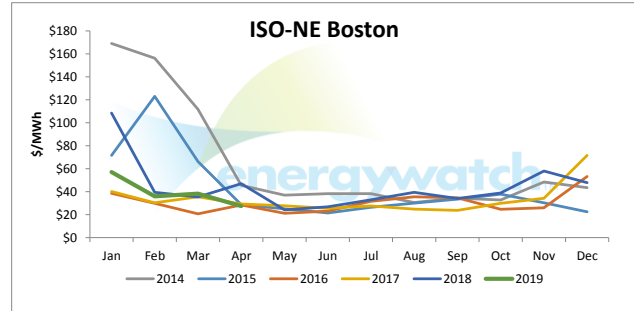
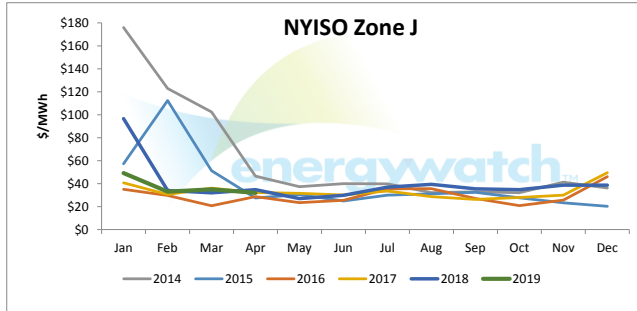
	Avg. Temp	Past 10 Weeks	Departure From Normal	CDD		HDD	
				CDD	HDD	CDD	HDD
Boston	49		5	0	16		
Chicago	45		1	0	20		
Columbus	49		1	0	16		
Dallas	66		4	4	3		
Denver	46		2	0	19		
Detroit	45		2	0	20		
Hartford	49		0	0	16		
Houston	67		4	5	3		
Indianapolis	52		3	0	13		
Las Vegas	69		3	4	0		
Los Angeles	60		3	0	5		
Miami	76		3	12	0		
Minneapolis	40		-1	0	25		
New York City	53		4	0	12		
Philadelphia	54		4	0	11		
Phoenix	72		3	7	0		
Salt Lake City	53		5	0	12		
San Diego	62		2	0	3		
San Francisco	56		0	0	9		
Seattle	54		5	0	12		
St. Louis	53		0	0	12		
Washington D.C.	51		0	0	14		



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 marks of their respective holders. All rights reserved.



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