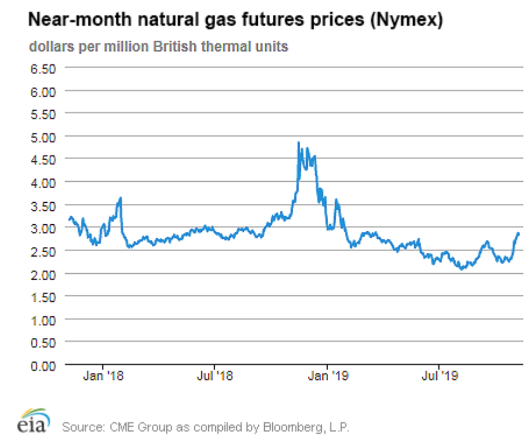
ADVANTAGE ENERGY PARTNERS

Tuesday, November 12th, 2019

GENERAL UPDATE



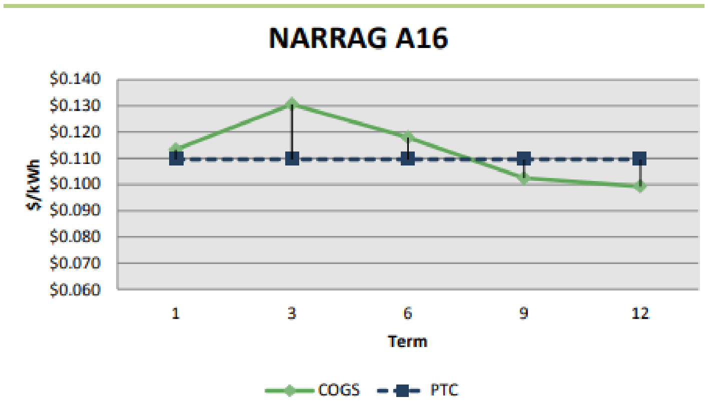
- The December 2019 NYMEX Henry Hub forward contract increased to $2.828/MMBtu, a $0.14 (14.1%) increase from the previous Wednesday. The price of the 12-month strip averaging December 2019 through November 2020 futures contracts increased $0.07 (2.76%) to $2.567/MMBtu.
- Natural gas prices grew in the Northeast due to increased heating demand. Boston's Algonquin Citygate prices rose $1.18 (62.11%) to $3.08/MMBtu last Wednesday. Transco Zone 6 NYC prices also increased $0.83 (44.39%) from $1.87/MMBtu to $2.70/MMBtu.
- Pennsylvania's Dominion South rose $0.67 (37.43%) to $2.46/MMBtu. Tennessee Zone 4 Marcellus spot prices increased $0.67 (38.29%) to $2.42/MMBtu.
- California prices are mixed since last week. SoCal Citygate prices decreased -$0.25 (-6.7%) to $3.48/MMBtu last Wednesday. Prices at Northern California PG&E Citygate increased $0.04 (1.18%) to $3.44/MMBtu week over week.

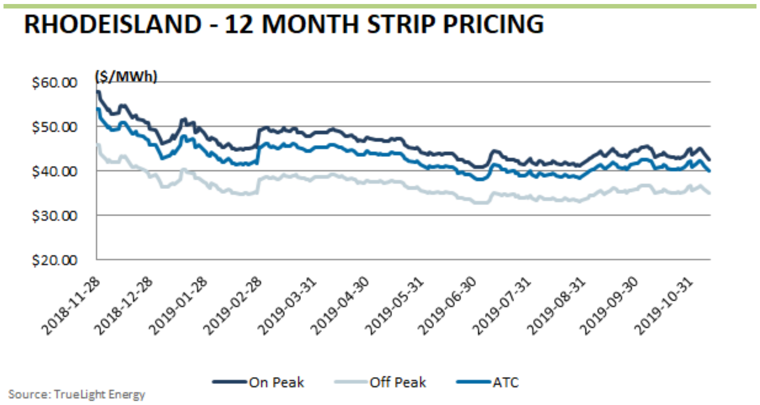
POWER

- For the NYC zone (J) in NYISO, the 12 Month ATC strip decreased -$1.57 (-4.1%) to $36.79. The 24 Month ATC strip decreased -$0.95 (-2.46%) to $37.50 and the Cal 2020 ATC strip decreased -$1.50 (-3.88%) to $37.17.
- For the NEMASSBOST zone in ISONE, the 12 Month ATC strip decreased -$1.54 (-3.65%) to $40.57. The 24 Month ATC strip decreased -$0.87 (-2.08%) to $41.18 and the Cal 2020 ATC strip decreased -$1.16 (-2.74%) to $41.24.
- For the PEPCO zone in PJM, the 12 Month ATC strip decreased -$0.99 (-2.73%) to $35.40. The 24 Month ATC strip decreased -$0.59 (-1.7%) to $34.47 and the Cal 2020 ATC strip decreased -$1.09 (-3.03%) to $34.80.
- For the Houston zone in ERCOT, the 12 Month ATC strip decreased -$0.56 (-1.23%) to $44.85. The 24 Month ATC strip decreased -$0.33 (-0.78%) to $42.03 and the Cal 2020 ATC strip decreased -$0.87 (-1.92%) to $44.29.

UTILITY HIGHLIGHT

ISONE › RI › NARRAG



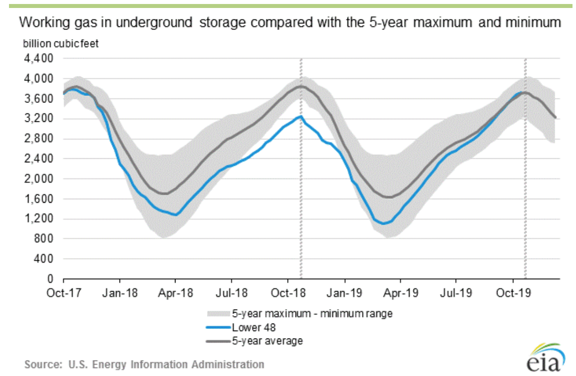


- The current Price to Compare for Rhode Island's Narragansett Electric Company, dba National Grid, Basic Residential Fixed Price rate class (A16) is $0.10957/kWh, in effect from October 1, 2019 to March 31, 2020. This rate is an 18.6% increase from the previous rate of $0.0924/kWh for the April 1, 2019 to September 30, 2019 price period.
- Headroom in the NARRAG territory is now available in the 9 and 12 month terms. Headroom of $0.0072/kWh and $0.01035/kWh is likely for the 9 and 12 month terms, respectively.

- Over the last week, the RHODEISLAND ATC 12-month strip decreased, dropping -3.69% to finish at $40.13/MWh yesterday. This time last year, the strip was trading at $50.22/MWh, which is 25.13% higher than this year.
- Since the beginning of the year, the ATC strip has reached a high of $47.96/MWh on January 17, 2019 and a low of $38.12/MWh on July 5, 2019.

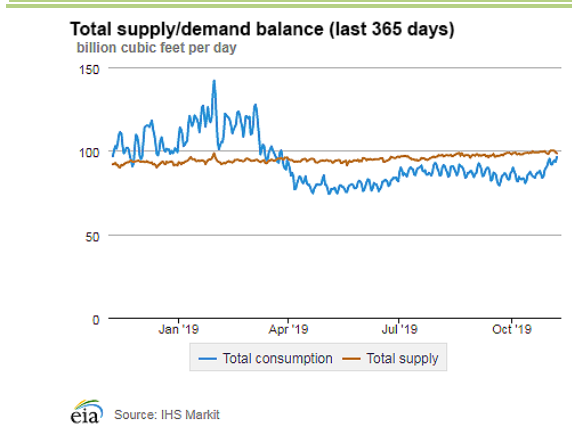
NATURAL GAS

- For the week ending November 1, the EIA reported net injections into storage of 34 Bcf, which is lower than last year's net injections of 63 Bcf for this week and lower than the 5-year (2014–18) average net injections of 57 Bcf.
- Working natural gas in storage totaled 3,729 Bcf, which is 530 Bcf (16.6%) more than last year's working gas totals of 3,199 Bcf at the same time and 29 Bcf (0.8%) more than the 5-year (2014-2018) average of 3,700 Bcf. Total working gas is within the five-year historical range.



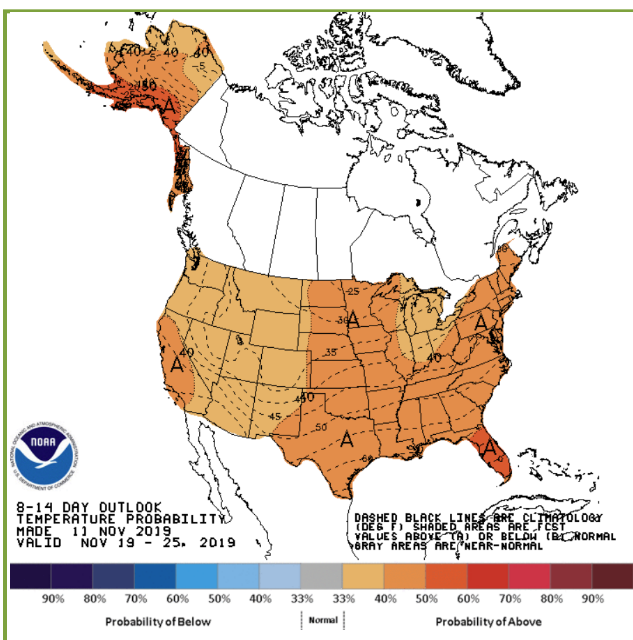
SUPPLY & DEMAND

- Average total supply of natural gas remained the same week/week. Dry natural gas production did not change while net imports with Canada increased 3% compared with the previous week.
- Total US consumption of natural gas increased by 8.5% since last week. Consumption for power generation decreased -4.4%, industrial sector consumption decreased -3.2%, residential-commercial consumption increased 40%, and exports to Mexico decreased -1.9%.
- US LNG exports decreased week/week, with twelve vessels departing US ports for a combined 43 Bcf.



MARKET INTELLIGENCE

- Natural gas in storage reached near-record volumes in the 2019 injection season. This injection season (April 1) started at 1,155 Bcf, the second-lowest level for the beginning of a season since 2004, and ended at 3,724 Bcf on October 31st. This end of season inventory exceeded the historical five-year end-of-October average by 37 Bcf. Weekly changes in natural gas storage exceeded 100 Bcf nine times while certain weeks in April, June and September saw weekly injections reach their highest values since 2010.
- NSTAR Electric Company d/b/a Eversource Energy filed new basic service rates for Western Massachusetts (WMECO) effective January 1, 2020 through June 30, 2020. The newly filed fixed small C&I basic service rate of 11.696 cents/kWh will be a 15% increase from the current rate of 10.145 cents/kWh. Residential customers will see their fixed residential default service rate jump 17% from the current rate of 9.851 cents/kWh to 11.571 cents/kWh.



http://www.cpc.ncep.noaa.gov/products/predictions/814day/814temp.new.gif

WEATHER

- Warmer than average temperatures are expected for the entire continental U.S. in the 8-14 day forecast period. Cold temperatures in the Northeast are expected to give way to warmer temperatures at the beginning of the period. Above normal levels of precipitation are coming to the rest of the country east of the Rockies, with the above normal chances of precipitation forecasted for the Desert Southwest, Plains, and Mississippi Valley.
- Wet weather is forecast for much of the country east of the Rockies. Above normal levels of precipitation are favored in the Desert Southwest, Plains, and Mississippi Valley. The Pacific Northwest and parts of the West coast will experience the driest weather with precipitation levels forecasted below normal levels for the 8-14 day forecast period.