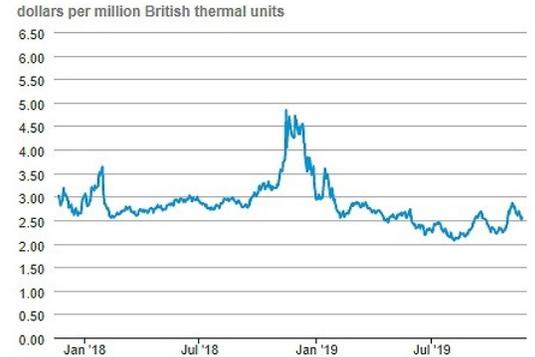


## GENERAL UPDATE

- The December 2019 NYMEX Henry Hub forward contract decreased to \$2.559/MMBtu, a -\$0.04 (-1.6%) decrease from the previous Wednesday. The price of the 12-month strip averaging December 2019 through November 2020 futures contracts decreased -\$0.06 (-2.4%) to \$2.427/MMBtu.
- Natural gas price movements in the Northeast were mixed week over week. Boston's Algonquin Citygate prices fell -\$0.35 (-8.9%) to \$3.58/MMBtu last Wednesday. Transco Zone 6 NYC prices decreased -\$0.84 (-25.7%) from \$3.27/MMBtu to \$2.43/MMBtu.
- Pennsylvania's Dominion South rose \$0.01 (0.5%) to \$2.15/MMBtu. Tennessee Zone 4 Marcellus spot prices increased \$0.02 (1.0%) to \$2.07/MMBtu.
- California prices moved up since last week. SoCal Citygate prices increased \$1.66 (38.9%) to \$5.93/MMBtu last Wednesday after abnormally warm temperatures. Prices at Northern California PG&E Citygate increased \$0.24 (7.8%) to \$3.32/MMBtu week over week.

Near-month natural gas futures prices (Nymex)



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

## POWER

- For the NYC zone (J) in NYISO, the 12 Month ATC strip decreased -\$0.05 (-0.1%) to \$36.58. The 24 Month ATC strip increased \$0.11 (0.3%) to \$37.41 and the Cal 2020 ATC strip increased \$0.09 (0.2%) to \$37.11.
- For the NEMASSBOST zone in ISONE, the 12 Month ATC strip increased \$0.34 (0.8%) to \$40.35. The 24 Month ATC strip increased \$0.28 (0.7%) to \$41.02 and the Cal 2020 ATC strip increased \$0.19 (0.5%) to \$41.08.
- For the PEPCO zone in PJM, the 12 Month ATC strip increased \$0.06 (0.2%) to \$35.15. The 24 Month ATC strip increased \$0.14 (0.4%) to \$34.33 and the Cal 2020 ATC strip decreased -\$0.01 (-0.0%) to \$34.63.
- For the Houston zone in ERCOT, the 12 Month ATC strip decreased -\$0.34 (-0.8%) to \$42.97. The 24 Month ATC strip decreased -\$0.35 (-0.9%) to \$40.66 and the Cal 2020 ATC strip decreased -\$0.28 (-0.6%) to \$43.02.

## UTILITY HIGHLIGHT

PJM

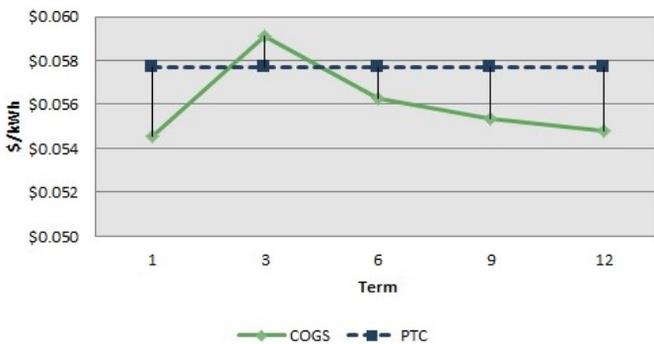


OH

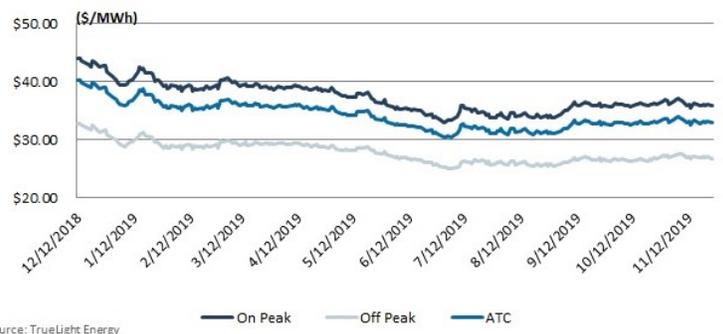


DUKE

### Duke DM0



### DEOK - 12 MONTH STRIP PRICING



- The current Price to Compare for Ohio's Duke Energy Small Secondary Distribution Service rate class (DM0) is \$0.05771/kWh, in effect for the period October 1, 2019 through December 31, 2019. This rate is a very slight -0.1% decrease from the previous rate of \$0.05774/kWh for the July 1, 2019 through September 30, 2019 price period.
- Headroom is now available in the Duke territory for the 1, 6, 9 and 12 month terms, with \$0.00234/kWh and \$0.00294/kWh of likely headroom for the 9 and 12 month contracts, respectively.

- Over the last week, the DEOK ATC 12-month strip increased 0.2% to finish at \$32.87/MWh yesterday. This time last year, the strip was trading at \$40.25/MWh, which is 22.4% higher than this year.
- Since the beginning of the year, the ATC strip has reached a high of \$38.69/MWh on January 17, 2019 and a low of \$30.42/MWh on July 2, 2019.

# NATURAL GAS

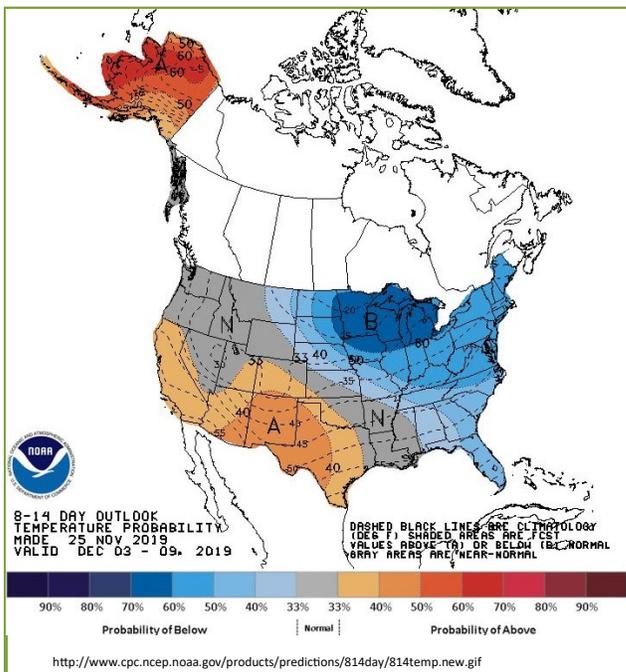
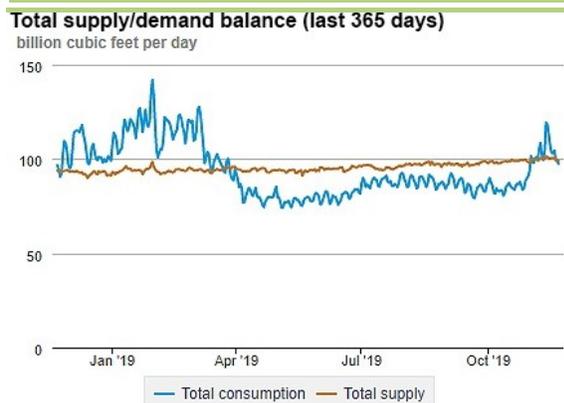
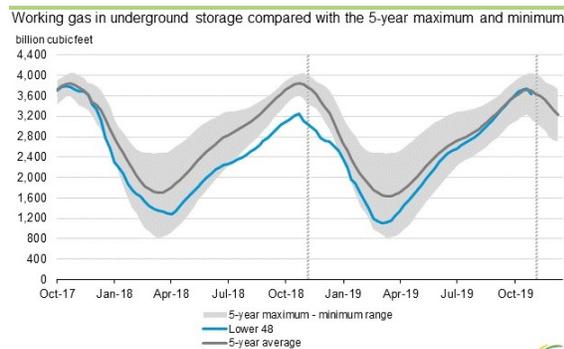
- For the week ending November 15, the EIA reported net withdrawals from storage of 94 Bcf, which is lower than last year’s net withdrawals of 109 Bcf for this week and higher than the 5-year (2014–18) average net injections of 32 Bcf.
- Working natural gas in storage totaled 3,638 Bcf, which is 506 Bcf (16.2%) higher than last year’s working gas totals of 3,132 Bcf at the same time and 60 Bcf (-1.6%) lower than the 5-year (2014–2018) average of 3,698 Bcf. Total working gas is within the five-year historical range.

# SUPPLY & DEMAND

- Average total supply of natural gas remained constant week/week. Dry natural gas production increased 1% while net imports with Canada decreased 17% compared with the previous week.
- Total US consumption of natural gas decreased by 5% since last week. Consumption for power generation decreased 7%, industrial sector consumption decreased 1%, residential-commercial consumption decreased 5%, and exports to Mexico remained the same.
- US LNG exports decreased week/week, with twelve vessels departing US ports for a combined 43 Bcf.

# MARKET INTELLIGENCE

- New Jersey increased its offshore wind procurement target to 7.5 GW by 2035 as a result of Governor Phil Murphy’s executive order last week. The new order gives New Jersey the second largest offshore renewable capacity goal, improving upon the state’s previous target of 3.5 GW by 2030. The announcement follows steps taken last year to develop the offshore wind industry, such as implementing an Offshore Wind Tax Credit Program and an Offshore Wind Technical Assistance Program. A solicitation last June awarded Orsted the largest offshore wind project in the U.S. at the time in the form of a 1.1 GW installation, and additional requests for proposals are planned for the next few years.



## WEATHER

- The 8-14 day window will bring below average temperatures to the East Coast and parts of the Midwest, with the coldest anomalies coming to the Great Lakes. Higher than average temperatures are forecast for California, the Southwest and Texas, while normal temperatures are forecast for the northern Rockies and the Pacific Northwest.
- Drier than average conditions are forecast for the East Coast, Southeast and Texas largely due to northwesterly air flow preventing storms from developing on the eastern part of the country. Wetter than average conditions are predicted for the Southwest and West, with the highest probabilities for wet weather on the Californian coast. About normal precipitation levels are expected for the Pacific Northwest and Great Lakes regions.

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