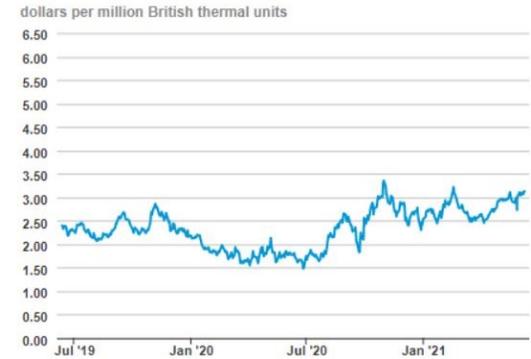


## GENERAL UPDATE

- The July 2021 NYMEX Henry Hub traded to \$3.129/MMBtu, up \$0.05 (+1.8%) from the previous Wednesday. The price of the 12-month strip averaging July 2021 through June 2022 futures contract was up \$0.06 (+1.9%) to \$3.108/MMBtu.
- Boston's Algonquin Citygate price went up \$0.07 (+3.0%) to \$2.62/MMBtu last Wednesday. Transco Zone 6 NYC price increased \$0.12 (+5.5%) to \$2.30/MMBtu.
- Pennsylvania's Eastern Gas South (formerly known as Dominion South) fell \$0.01 (-0.1%) to \$2.00/MMBtu. Tennessee Zone 4 Marcellus spot price increased \$0.45 (+30.2%) to \$1.94/MMBtu.
- SoCal Citygate price decreased \$0.98 (-21.9%) to \$3.50/MMBtu last Wednesday. The price at Northern California PG&E Citygate fell \$0.18 (-4.4%) to \$3.87/MMBtu week over week.

Near-month natural gas futures prices (NYMEX)



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

## POWER

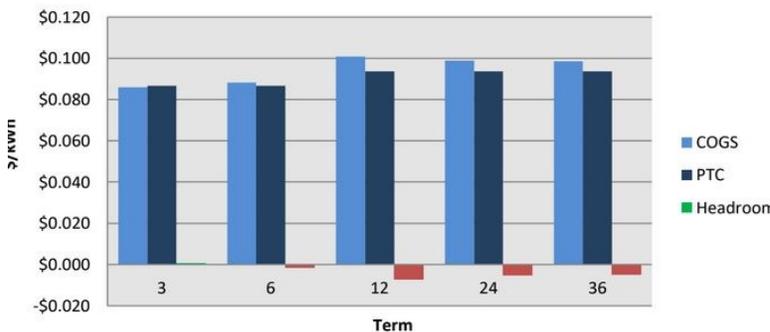
- Power markets moved much higher over the past week as the summer demand season is upon us and early heat last week helped drive prices higher. No pricing relief expected this week as summer weather forecasts are still above to well above normal with that trend expected to continue into September for all the eastern load serving centers. The early heat stretched all the way up to New England and threatened to set peak summer demand for ISONE given the summer like heat and humidity. ERCOT is asking to conserve power as higher temps are expected with very low wind generation every day this week during the peak hours.
- The shorter term power contracts are up the most week over week and have pushed the 12 month contracts much higher. In New England the MassHub 12 Month peak jumped over \$4 and now above \$52.00 price level with the 24 month up over \$2.00. In PJM all Hubs and zones have moved up by a wide margin week over week and West Hub 12 Month peak price is up over \$40.00 with the 24 Month up over \$1.50 week over week. In NYISO NYC Zone (J) the front of the curve is back above the back half as your 12 month contract is close to \$50.00 price level with the 24 month about \$0.50 lower than the 12 month term to start the week.

## UTILITY HIGHLIGHT

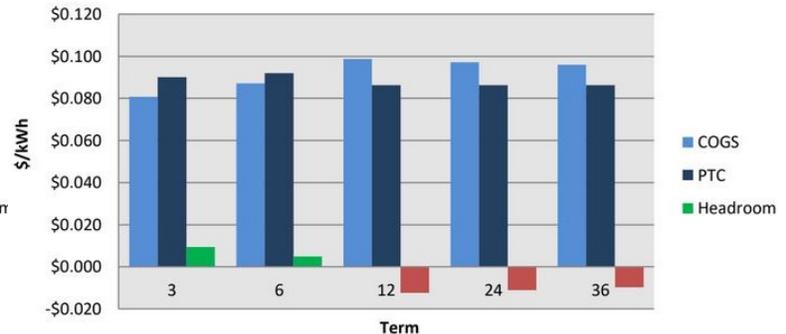
UI > R

AECO > MGSP

UI - R



AECO - MGSP



- The upcoming Price to Compare for United Illuminating in Connecticut, Residential rate class (UI - R) is \$0.08667/kWh, in effect from July 1, 2021 to July 31, 2021.
- Headroom in the UI - R territory is now available in the shorter period for contract with 3 month term. Headroom of \$0.00077/kWh is likely for the 3 month period; respectively.
- Current Price to Compare for Atlantic City Electric in New Jersey, Monthly General Service Primary rate class (AECO - MGSP) is \$0.09010/kWh, in effect from July 1, 2021 to July 31, 2021.
- Headroom is available in the AECO - MGSP market for the shorter period for contract with 3 and 6 month term. Headroom of \$0.00939/kWh is likely for the 3 month period and headroom of \$0.00480/kWh is likely for the 6 month period; respectively.

# NATURAL GAS

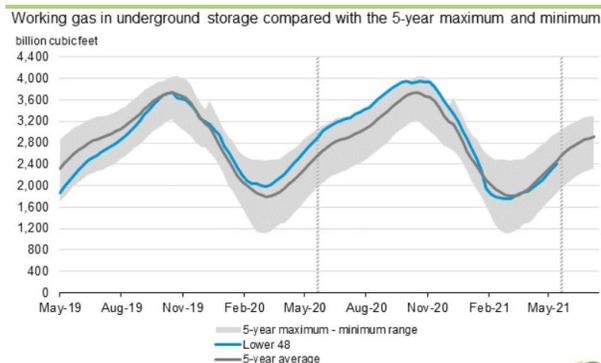
- For the week ending June 4<sup>th</sup>, 2021, the EIA reported net injections into storage of 98 Bcf, which is more than last year's net injection of 95 Bcf this week last year and more than the 5-year (2016-2020) average net injections of 92 Bcf.
- Working natural gas in storage totaled 2,411 Bcf, which is 383 Bcf (-13.7%) lower than last year's working gas totals of 2,794 Bcf at the same time and 55 Bcf (-2.2%) lower than the 5-year average of 2,466 Bcf. Total working gas is within the five-year historical range.

# SUPPLY & DEMAND

- Average total supply of natural gas rose 1.2% week/week. Dry natural gas production was higher by 1.2%, while net imports with Canada increased by 19.8% compared with the previous week.
- Total US consumption of natural gas rose by 6.4% since last week. Natural gas consumption for power generation increased 27.0%, industrial sector consumption decreased 2.8%, residential-commercial consumption decreased 25.8%, and exports to Mexico decreased 1.1% compared to last week.
- US LNG exports fell week over week, with 17 vessels departing US ports for a combined 61 Bcf.

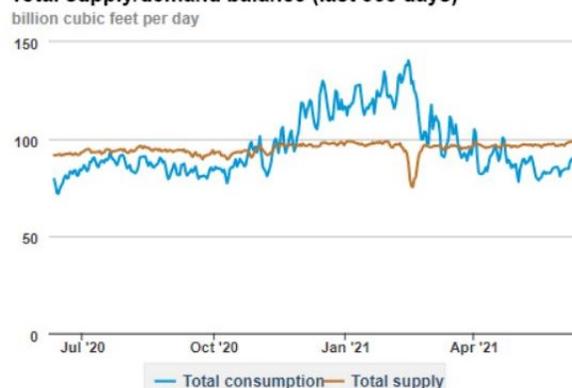
# MARKET INTELLIGENCE

California's electric grid is showing improvements compared to last August, Elliot Mainzer, president and chief executive officer of the California Independent System Operator (ISO) was cautious about his statements and added "It continues to get hotter every year. As a result, the grid will continue to remain vulnerable to high loads and decreased imports during a broader West-wide heat wave event like the one we saw last year. If imports dry up and we're limited to capacity that's been secured under resource adequacy contracts, were facing the possibility of scarcity of energy supply this summer." California ISO is one of the largest power grids in the world and manages 80% of the California electric grid as well as parts of Nevada. To have a reliable grid the California Public Utilities Commission (CPUC) President Marybel Batjer said, additional steps such as directing utilities to procure more resources such as adding 2.5% to the previously required 15% reserve capacity, adopting an emergency load reduction program, ordering investor-owned utilities to modify critical peak pricing programs and expanding demand response programs. California Energy Commission will improve its energy demand forecasting horizon from 10 to 15 years, evaluate rooftop solar for performance/reliability and invest \$74 million in new technologies.

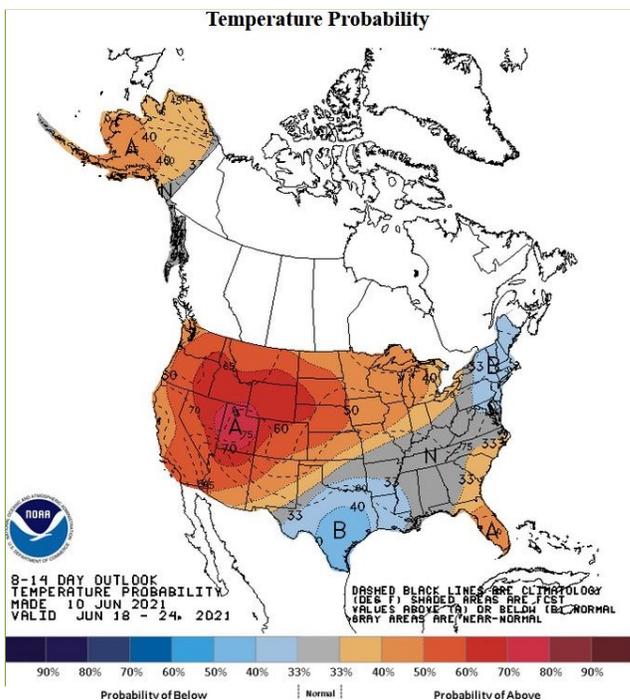


Source: U.S. Energy Information Administration  
 Note: The shaded area indicates the range between the historical minimum and maximum values for the weekly series from 2016 through 2020. The dashed vertical lines indicate current and year-ago weekly periods.

## Total supply/demand balance (last 365 days)



Source: IHS Markit



## WEATHER

- A warm weather pattern for most of the Western United States and Florida is forecast through the later portion of June 2021 in the 8-14 window starting June 18<sup>th</sup>. The Western United States consisting of the Pacific Coast States, Rocky Mountain States, 4 Corners States and Midwestern States along with Florida are forecast for above normal temperatures. Texas, the Middle Atlantic States and New England States are forecast for a below normal temperature pattern. The Southern States, beside Florida, are forecast for a normal temperature outlook. The Rocky Mountain States have the highest probably for much above normal temperatures, while South Texas has the highest probability of below normal temperatures.
- In the 8-14 day window from June 18<sup>th</sup> through June 24<sup>th</sup>, the Southern States, Middle Atlantic States and New England States are predicted to see normal precipitation. The Northern Pacific Coast States, Rocky Mountain States, Midwestern States and North Texas are forecast for below normal precipitation. Arizona, Louisiana and South Texas are forecast for above normal precipitation.

The information contained herein, including any pricing, is for informational purposes only, and is subject to changed at any time without notice. This information is

provided by Advantage Energy Partners, LLC ("Advantage"), and while Advantage believes the information to be reliable as of the date and time of publication, energy markets are dynamic and specific outcomes can vary widely based on a variety of factors. Therefore, neither Advantage nor any of its members or affiliates is responsible for errors, omissions or misstatements of any kind, nor makes any warranty or representation, whether express or implied, including without limitation the implied warranties of merchantability and fitness for a particular purpose. Advantage accepts no liability for any direct, indirect or other consequential loss arising out of any use of the information contained herein or any inaccuracy, error or omission in any of its content. This content is made possible by TrueLight Energy, LLC.