

Early Morning Update:

The Oct17 natural gas contract is trading down \$0.02 at \$2.96. Oct17 crude is down \$0.03 at \$49.06.

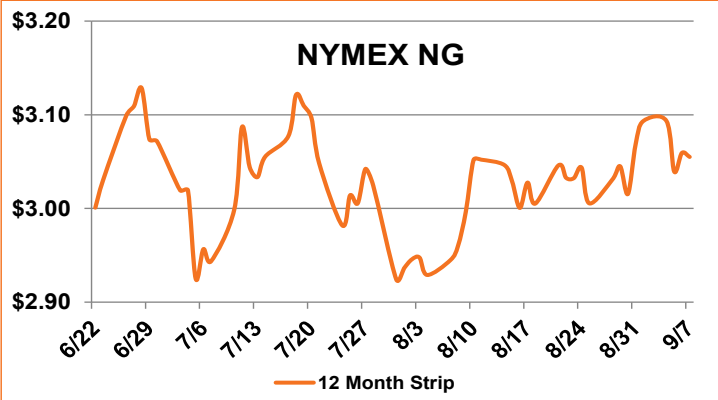
Summary: Another quiet day on the NYMEX as the prompt NG contract settled down \$.019 to close the day at \$2.981. The EIA reported a fairly neutral injection of 65 Bcf, higher than last year and the 5-year average. We're expecting large builds over the next two weeks as higher production and the loss of demand due to Hurricane Harvey filters through to the storage report. Next week is forecast at 75 Bcf and the following week is 86 Bcf. End-of-season storage forecast is roughly 3.8 Tcf, which has risen recently. Marcellus production has moved to an all-time high due to increased pipeline capacity from Rover, and total US production is also approaching a record with daily volumes near 74 Bcf/d. Exports via LNG and to Mexico are down due to Hurricane Harvey but should come back on-line as the area recovers from the storm.

Bullish Factors

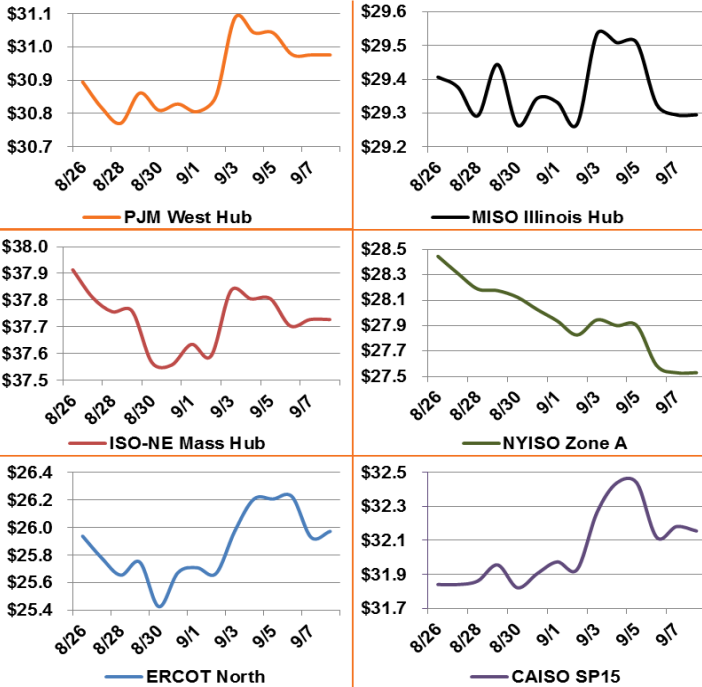
- Growing LNG exports
- Exports to Mexico at record high
- Hurricane season unpredictability

Bearish Factors

- Power burn down year-over-year
- Increased renewable energy generation
- NG production at record levels



12 Month Strips, ATC Power Prices



Next Day On-Peak Power (traded for 9/8/2017)

ISO-NE Mass Hub \$17.10	MISO Indiana Hub \$26.08	NYISO Zone G \$22.06
PJM West Hub \$22.70	ERCOT North \$22.90	CAISO SP15 \$35.10
NYMEX NG	Close	Change
Oct-17	2.981	-0.019
Nov-17	3.053	-0.016
12 Month	3.055	-0.004
Cal 18	3.040	0.001
Cal 19	2.880	0.016

EIA Natural Gas Storage

EIA Reported Storage (Bcf)	This Week	Last Week	Last Year	5-Year Avg.
Total	3,220	3,155	3,432	3,205
Diff v. Current		65	-212	15
% Diff			-6.2%	0.5%

