

Early Morning Update

The Jun20 natural gas contract is trading up \$0.01 at \$1.73. The Jun20 crude oil contract is up \$0.12 at \$25.90.

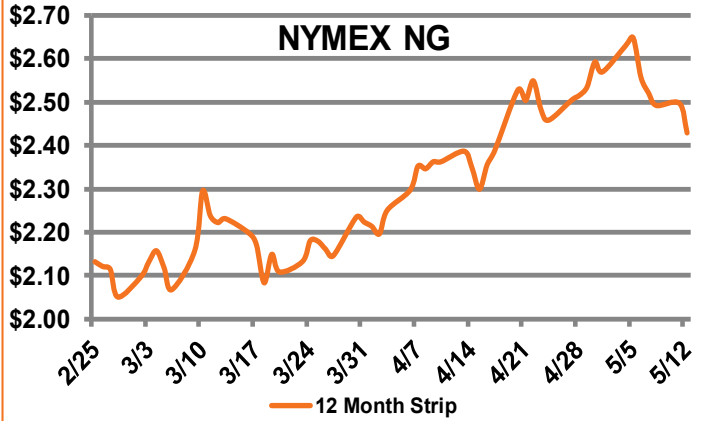
Summary: Yesterday's trading session saw NYMEX natural gas move down through the near-term, with the June prompt month contract closing at \$1.72/MMBtu, which was a loss of 10.6 cents on the day. The balance of 2020 moved down nine cents to just under \$2.20, and the 12-month strip dropped three cents to close at \$2.43. All forward calendar strips showed little movement, with 2021 moving the most with a three cent pullback to close at \$2.67, 2022 lost just under a penny to \$2.49, and 2023 lost just a half cent to \$2.41. The further out years all had slight upward movement. There is still backwardation in the market, but the calendar strips of 2023 through 2026 are all trading within just one cent of each other. Yesterday's downward movement in the near term comes as production ticked down to 88.8 Bcf/d, but warmer-than-average temperatures in the forecast suggest that Res/Comm demand will drop significantly over the next few weeks. Even with this pullback in production to below where we were last year at this time, the next three storage reports are projected to show a net increase of 53 Bcf over the 5-year average as demand softens.

Bullish Factors

- Eventual growth in exports
- Northeast below-normal temps
- Possible production curtailments

Bearish Factors

- Coronavirus impacts
- Healthy storage levels
- Warmer normal temperatures

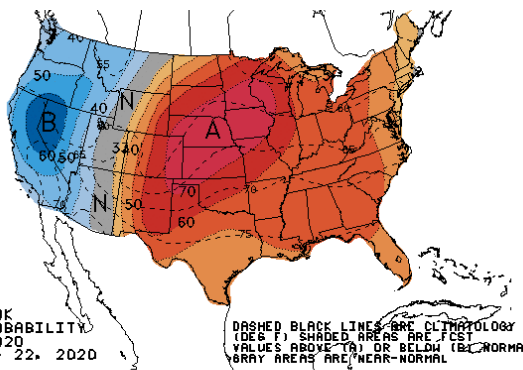
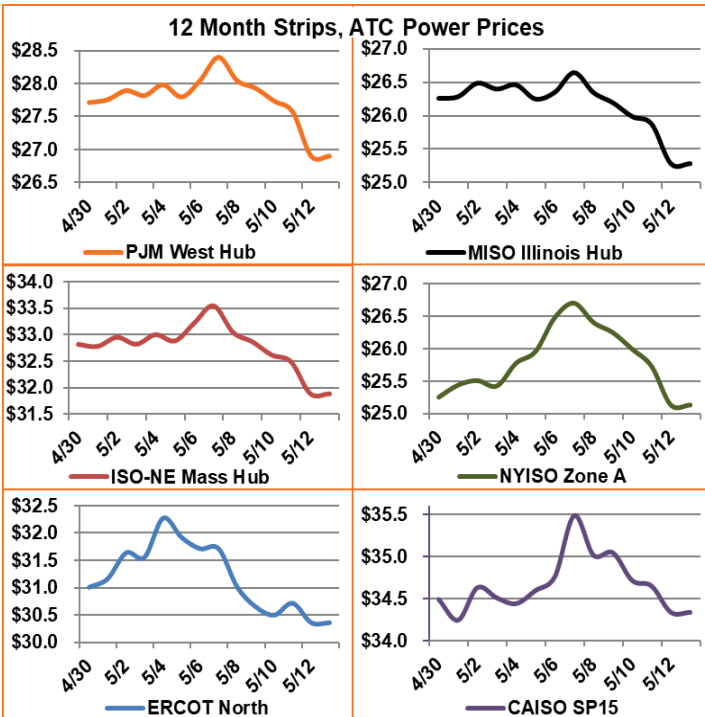


Next Day On-Peak Power (traded for 5/13/2020)

| | | |
|----------------------------|-----------------------------|-------------------------|
| ISO-NE Mass Hub \$14.94 | MISO Indiana Hub \$23.00 | NYISO Zone G \$15.27 |
| PJM West Hub \$18.31 | ERCOT North \$20.00 | CAISO SP15 \$10.49 |
| NYMEX NG | Close | Change |
| Jun-20 | 1.720 | -0.106 |
| Jul-20 | 1.965 | -0.120 |
| 12 Month | 2.429 | -0.068 |
| Cal 21 | 2.675 | -0.028 |
| Cal 22 | 2.491 | -0.008 |

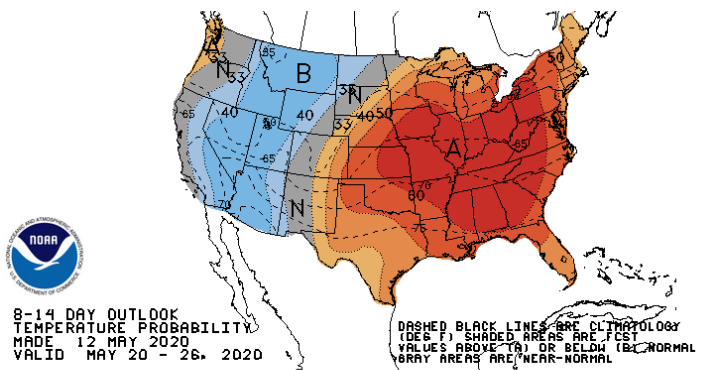
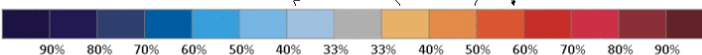
EIA Natural Gas Storage

| EIA Reported Storage (Bcf) | This Week | Last Week | Last Year | 5-Year Avg. |
|----------------------------|-----------|-----------|-----------|-------------|
| Total | 2,319 | 2,210 | 1,523 | 1,924 |
| Diff v. Current | | 109 | 796 | 395 |
| % Diff | | | 52.3% | 20.5% |



6-10 DAY OUTLOOK
TEMPERATURE PROBABILITY
MADE 12 MAY 2020
VALID MAY 18 - 22, 2020

DASHED BLACK LINES ARE CLIMATOLOGY (DEG F) SHADED AREAS ARE FCST VALUES ABOVE (A) OR BELOW (B) NORMAL GRAY AREAS ARE NEAR-NORMAL



8-14 DAY OUTLOOK
TEMPERATURE PROBABILITY
MADE 12 MAY 2020
VALID MAY 20 - 26, 2020

DASHED BLACK LINES ARE CLIMATOLOGY (DEG F) SHADED AREAS ARE FCST VALUES ABOVE (A) OR BELOW (B) NORMAL GRAY AREAS ARE NEAR-NORMAL

