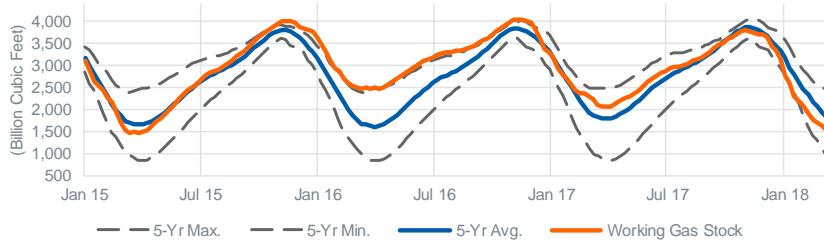


WEEKLY UPDATE

Working Natural Gas Storage

as of 3/9/2018



Balance 2018	Calendar 2019	Calendar 2020
NYMEX Price as of 3/16/2018 2.821	NYMEX Price as of 3/16/2018 2.804	NYMEX Price as of 3/16/2018 2.765
Min (Occurred 2/25/2016) 2.549	Min (Occurred 2/25/2016) 2.603	Min (Occurred 2/22/2016) 2.712
Max (Occurred 1/2/2015) 3.945	Max (Occurred 1/2/2015) 4.118	Max (Occurred 1/2/2015) 4.260

Summer 2018	Summer 2019	Summer 2020
Price as of 3/16/2018 2.831	Price as of 3/16/2018 2.712	Price as of 3/16/2018 2.679
Min (Occurred 2/23/2016) 2.476	Min (Occurred 2/25/2016) 2.528	Min (Occurred 2/22/2016) 2.636
Max (Occurred 1/2/2015) 3.870	Max (Occurred 1/2/2015) 4.030	Max (Occurred 1/2/2015) 4.058

Winter 2018	Winter 2019	Winter 2020
Settled Winter Price 3.185	Price as of 3/16/2018 3.015	Price as of 3/16/2018 2.771
Min (Occurred 12/21/2017) 2.595	Min (Occurred 2/23/2016) 2.747	Min (Occurred 2/22/2016) 2.668
Max (Occurred 1/2/2015) 4.116	Max (Occurred 1/2/2015) 4.244	Max (Occurred 1/2/2015) 3.867

MARKET INTELLIGENCE

- Natural gas demand from the power sector has averaged 23.7 Bcf/d since early February, which represents a year-over-year increase of 1.6 Bcf/d versus same period in 2017.
- Total U.S. demand for natural gas averaged 88 Bcf/d this past weekend, however that is forecast to increase 5% as another Nor'easter is forecast.
- Natural gas production remains robust averaging over 77 Bcf/d, an increase of nearly 6 Bcf/d versus same period in 2017.

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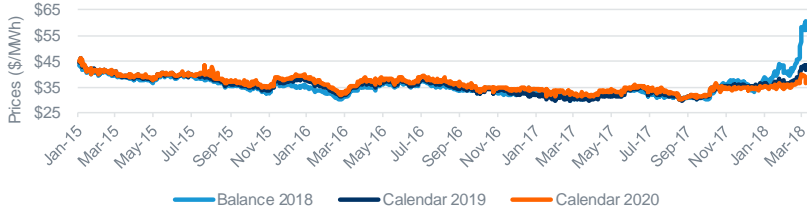
TEXAS STATE POWER PROGRAM
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ERCOT – ISO MARKET TRENDS

19 MARCH 2018

ERCOT NZ 5x16 Fixed Prices

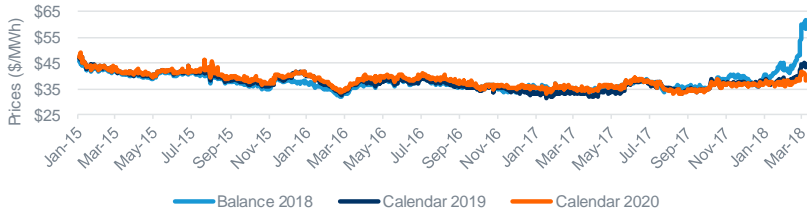
Trade Dates: 1/2/2015 - 3/16/2018



Balance 2018		Calendar 2019		Calendar 2020	
Fixed Price as of 3/16/2018	57.85	Fixed Price as of 3/16/2018	43.07	Fixed Price as of 3/16/2018	38.00
Min (Occurred 2/24/2017)	29.55	Min (Occurred 2/2/2017)	29.45	Min (Occurred 8/22/2017)	30.01
Max (Occurred 3/7/2018)	60.17	Max (Occurred 1/5/2015)	45.93	Max (Occurred 1/5/2015)	46.31

ERCOT HZ 5x16 Fixed Prices

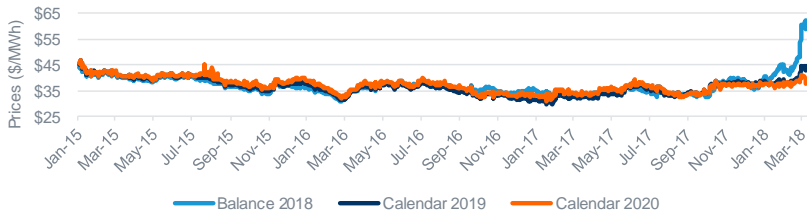
Trade Dates: 1/2/2015 - 3/16/2018



Balance 2018		Calendar 2019		Calendar 2020	
Fixed Price as of 3/16/2018	59.30	Fixed Price as of 3/16/2018	44.43	Fixed Price as of 3/16/2018	39.56
Min (Occurred 2/25/2016)	31.93	Min (Occurred 1/19/2017)	31.53	Min (Occurred 1/19/2017)	32.81
Max (Occurred 3/7/2018)	61.86	Max (Occurred 1/5/2015)	48.37	Max (Occurred 1/5/2015)	43.24

ERCOT SZ 5x16 Fixed Prices

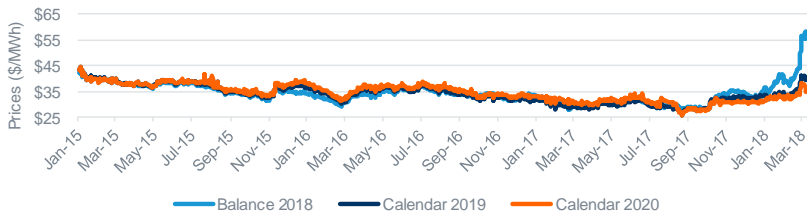
Trade Dates: 1/2/2015 - 3/16/2018



Balance 2018		Calendar 2019		Calendar 2020	
Fixed Price as of 3/16/2018	60.11	Fixed Price as of 3/16/2018	44.05	Fixed Price as of 3/16/2018	38.99
Min (Occurred 2/25/2016)	30.94	Min (Occurred 1/19/2017)	29.64	Min (Occurred 1/19/2017)	30.71
Max (Occurred 3/7/2018)	62.38	Max (Occurred 1/5/2015)	46.47	Max (Occurred 1/5/2015)	41.43

ERCOT WZ5x16 Fixed Prices

Trade Dates: 1/2/2015 - 3/16/2018



Balance 2018		Calendar 2019		Calendar 2020	
Fixed Price as of 3/16/2018	55.88	Fixed Price as of 3/16/2018	40.41	Fixed Price as of 3/16/2018	36.09
Min (Occurred 8/23/2017)	27.31	Min (Occurred 8/23/2017)	25.76	Min (Occurred 8/23/2017)	25.55
Max (Occurred 3/7/2018)	58.22	Max (Occurred 1/5/2015)	44.26	Max (Occurred 1/5/2015)	38.91

PRICE TRENDS

- Working gas in storage was 1,532 Bcf as of Friday, March 9, 2018, according to EIA estimates. This represents a net decrease of 93 Bcf from the previous week. Stocks were 718 Bcf less than last year at this time and 296 Bcf below the five-year average of 1,828 Bcf. At 1,532 Bcf, storage is 32% lower than the year-ago level and 16% lower than the five-year (2013–17) average for this week.
- Natural gas spot price movements were mixed this report week (Wednesday, March 7, to Wednesday, March 14). The Henry Hub spot price fell from \$2.77 per million British thermal units (MMBtu) last Wednesday to \$2.66/MMBtu.
- At the New York Mercantile Exchange (Nymex), the April 2018 contract price fell 5¢ from \$2.777/MMBtu last Wednesday to \$2.731/MMBtu, before settling at \$2.688/MMBtu.
- According to Baker Hughes, for the week ending Tuesday, March 6, the natural gas rig count increased by 7 to 188. The number of oil-directed rigs fell by 4 to 796. The total rig count increased by 3, and it now stands at 984.

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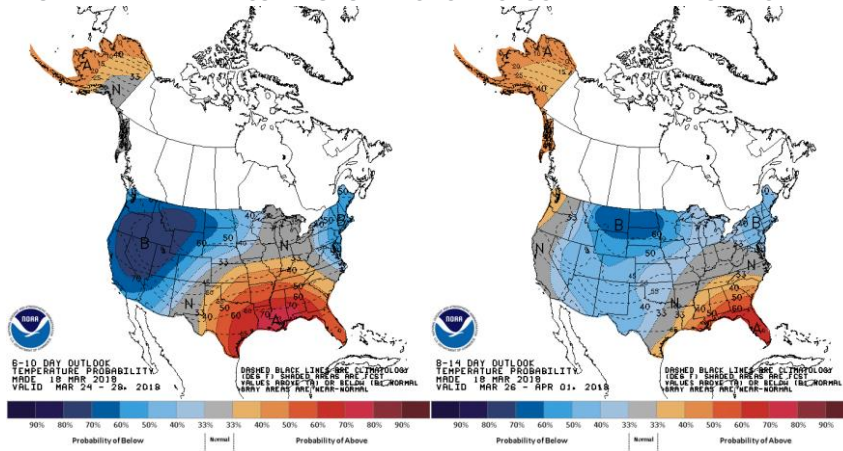
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ERCOT – ISO MARKET TRENDS

19 MARCH 2018

ERCOT WEATHER OUTLOOK

ANOTHER WET PATTERN COMING TO TEXAS BUT IT SHOULD BE A WARM ONE AS WE MOVE INTO APRIL

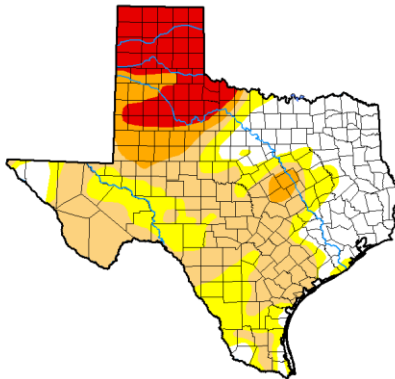


- Good run of warmth/heat later this week/weekend
- 80's and 90's back on the charts Friday and Saturday
- Cooler temps next week with a wet pattern as a boundary sets up across the state allowing for moderate to heavy rains
- The moderate rains will not keep the warmer temps away however
- Drier in the 15-day forecast

DROUGHT MONITOR

U.S. Drought Monitor Texas

March 13, 2018
(Released Thursday, Mar. 15, 2018)
Valid 8 a.m. EDT



- Intensity:**
- D0 Abnormally Dry
 - D1 Moderate Drought
 - D2 Severe Drought
 - D3 Extreme Drought
 - D4 Exceptional Drought

The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. See accompanying text summary for forecast statements.

Author:
Richard Tinker
CPC/NOAA/NWS/NCEP



<http://droughtmonitor.unl.edu/>

- Dry and warm thru the weekend
- Wet next week with 1-3" possible
- Heaviest rains expected in Northeast Texas and along I-35
- Little change week over week

The 6-10 and 8-14 day forecasts courtesy of the [National Weather Service/CPC](#)

The U.S. Drought Monitor is jointly produced by the National Drought Mitigation Center at the University of Nebraska-Lincoln, the United States Department of Agriculture, and the National Oceanic and Atmospheric Administration. Map courtesy of [NDMC-UNL](#).

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