

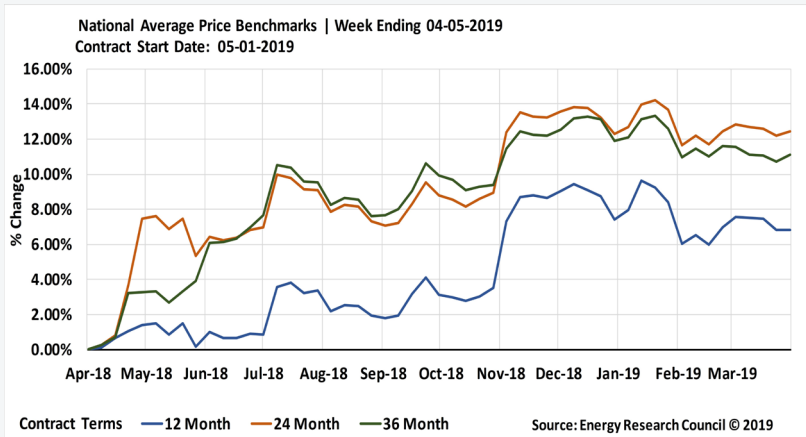
ELECTRICITY BENCHMARK PRICES & TRENDS

Energy Research Council's (ERC) national average benchmark price for electricity increased slightly at \$0.0760/kWh, representing an uptick of 0.33%. Prices increased in most deregulated territories, with the largest increases in the District of Columbia (1.6%), Pennsylvania (1%), and Texas (0.7%). Month-over-month, prices are up 0.13%. Prices were down 2.6% in Texas, and up 3.4% in DC since this time last month.

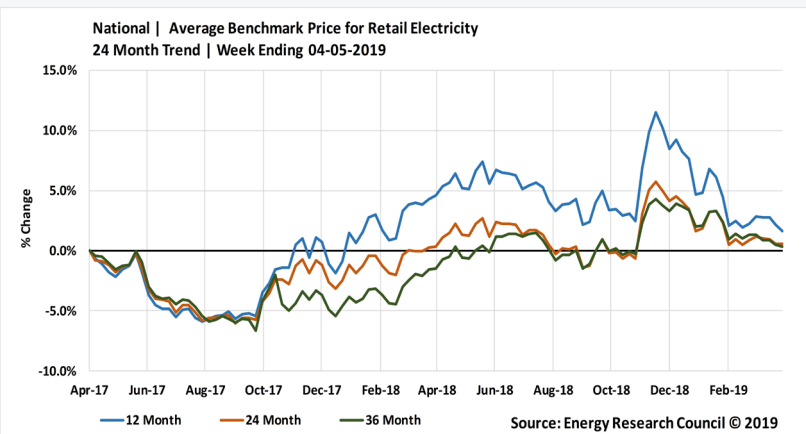
Natural gas prices were up on Monday on news of unseasonable colds in the central U.S. and normal temperatures across the East Coast. However, with the injection season beginning quickly this year, predictions are that pricing will decrease as inventory quickly replenishes this shoulder season. Prices have been unable to move beyond the \$3/MMBtu level since the third week in January on the backs of a polar vortex-related weather event. We won't likely see demand pressure supply without a sustained and unseasonable heatwave this spring.

Demand for natural gas fell by 4% compared with the previous report week. Natural gas consumed for power generation increased 2% week-over-week. Industrial sector consumption decreased by 1% since last week. In residential and commercial sectors, consumption declined by a staggering 12% as warm temperatures lowered heating demand. Natural gas exports to Mexico increased 1%.

COMPETITIVE ELECTRICITY BENCHMARK TRENDS



Contract Start May 2019	Week Ending			Wk/Wk % Chg.	Mo/Mo % Chg.
	3/8/19	3/29/19	4/5/19		
Connecticut	0.0927	0.0928	0.0932	0.45%	0.49%
Delaware	0.0686	0.0685	0.0683	-0.30%	-0.49%
District of Columbia	0.0750	0.0764	0.0776	1.56%	3.39%
Illinois	0.0558	0.0550	0.0552	0.44%	-1.16%
Maine	0.0866	0.0870	0.0866	-0.43%	0.01%
Maryland	0.0690	0.0687	0.0690	0.37%	-0.10%
Massachusetts	0.1121	0.1124	0.1127	0.27%	0.57%
New Jersey	0.0993	0.0996	0.0998	0.18%	0.47%
New York	0.0616	0.0617	0.0615	-0.33%	-0.27%
Ohio	0.0545	0.0540	0.0539	-0.18%	-1.00%
Pennsylvania	0.0642	0.0636	0.0642	0.98%	0.02%
Rhode Island	0.0920	0.0919	0.0924	0.55%	0.47%
Texas	0.0558	0.0539	0.0543	0.73%	-2.62%
Nat. Average	0.0759	0.0758	0.0760	0.33%	0.13%



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MARKET DRIVERS

Concerns of a repeat of last year's delayed injection season dissipated this week as we saw the first injection of the season take place with predictions of a continued injection into storage on the following report week. Net injections totaled 23 Bcf which is 200% higher than the five-year average withdrawal of the same quantity.

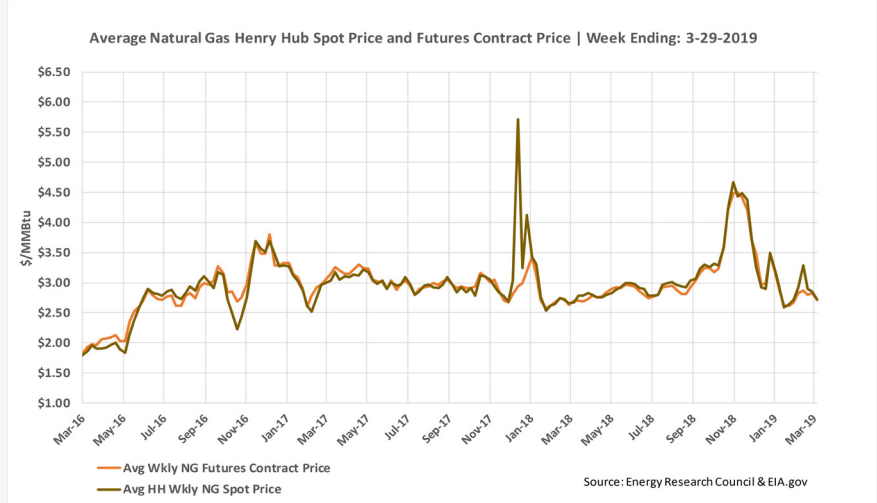
As we move into this spring injection season, we should expect quite a bit more stability and sustainable low prices during these shoulder months. Supply is likely to refill itself quickly on the back of high production and the end of heating related weather demand. However, in the event that temperatures become unseasonably high for a sustained period of time during this spring (quite possible, given the increased frequency of anomalous weather conditions), we could see sustained pricing growth.

HH SPOT PRICE & NG FUTURES CONTRACTS

Week Ending 4-5-19		HH Spot Price		NG Futures Contract	
		\$/MMBtu	% Chg.	\$/MMBtu	%Chg.
6 months	10/5/18	\$3.06	12.92%	\$3.04	10.95%
Last Quarter	1/4/19	\$3.83	41.18%	\$3.48	27.01%
Last Month	3/1/19	\$2.91	7.38%	\$2.62	-4.38%
Prev. Week	3/29/19	\$2.71	0.00%	\$2.82	2.92%
Last Week	4/5/19	\$2.71		\$2.74	

NATURAL GAS INJECTION & STORAGE LEVELS

Week Ending 4-5-19	Net Injections		Storage	
	Bcf	% Chg.	Bcf	%Chg.
4/3/2019	23		1,130	
Previous Week	-36	-163.9%	1,107	2.08%
Last year	-34	-167.6%	1,358	-16.8%
5 Yr Avg	-23	-200.0%	1,635	-30.9%



BULLS & BEARS

BULLS: *Moving prices upward*

- LNG exports are expected to increase from 3.6 Bcf/d to 9.6 Bcf/d by the end of 2019.
- Delays in new power generation projects have led to higher prices in some ISOs, namely ERCOT.

BEARS: *Moving prices downward*

- Production continues at record highs.
- Despite the polar vortex-related weather events, January 2019 was the 3rd warmest January since record-keeping began 140 years ago.
- We entered the spring injection season early, starting the first week of April with an injection 200% higher than the five-year average.