



UTILITY REVENUE SERVICES

Weekly Energy Report

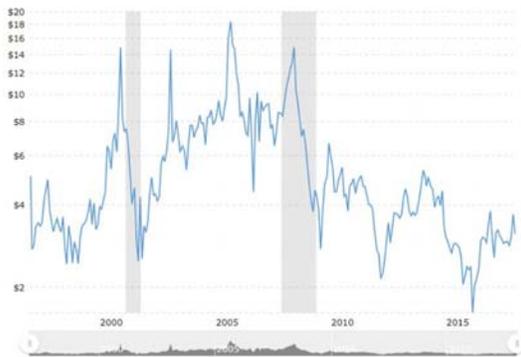


Natural Gas in Underground Storage

The weekly EIA Natural Gas Storage Report advised that there was an injection of 91Bcf (billion cubic feet) into Underground Storage for the week ending May 18th, 2018.

This is 6Bcf above the median forecast of a 85Bcf injection, the average prediction of sector analysts and traders in the Dow Jones Newswires weekly survey. The injection one year ago was 75Bcf and the 5-year average injection is 89Bcf. Storage is **804Bcf below last year** for the same week and **499Bcf below the 5-year average**. Working gas in storage stands at 1,629Bcf.

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Natural Gas Pricing

As of 9:59AM CST, June 2018, (the prompt month) Natural Gas was trading at \$2.94, +\$0.14 from one week ago and the 1-Year Spread average was \$2.97, +\$0.13 from one week ago.

Crude Oil Pricing

As of 9:29AM CST, June, 2018, (the prompt month) Light, Sweet Crude on the NYMEX was at **\$70.93**, -\$0.89 from one week ago.

Crude Oil & Natural Gas

INDEX	UNITS	PRICE	CHANGE	%CHANGE	CONTRACT	TIME (EDT)	2 DAY
CL1:COM WTI Crude Oil (Nymex)	USD/bbl	70.93	-0.91	-1.27%	Jul 2018	10:29 AM	
CO1:COM Brent Crude (ICE)	USD/bbl	78.89	-0.91	-1.14%	Jul 2018	10:29 AM	
CPL:COM Crude Oil (Tokyo)	JPY/KI	50,310.00	-460.00	-0.91%	Oct 2018	10:34 AM	
NG1:COM Natural Gas (Nymex)	USD/MMBtu	2.91	0.00	-0.17%	Jun 2018	10:29 AM	

U.S. Petroleum Balance Sheet, Week Ending 5/18/2018

Petroleum Stocks (Million Barrels)	Current Week	
	5/18/18	5/11/18
Crude Oil	1,099.5	1,094.4
Commercial (Excluding SPR) ¹	438.1	432.4
Strategic Petroleum Reserve (SPR) ²	661.3	662.0
Total Motor Gasoline ³	233.9	232.0
Reformulated	0.0	0.0
Conventional	22.0	21.9
Blending Components	211.9	210.1
Fuel Ethanol	22.1	21.5
Kerosene-Type Jet Fuel	40.6	41.3
Distillate Fuel Oil ³	114.0	114.9
15 ppm sulfur and Under ³	100.9	102.1
> 15 ppm to 500 ppm sulfur	3.7	3.9
> 500 ppm sulfur	9.4	9.0
Residual Fuel Oil	30.9	32.8
Propane/Propylene	41.1	40.4
Other Oils ⁴	271.5	270.3
Unfinished Oils	94.3	95.3
Total Stocks (Including SPR) ^{2,3}	1,853.6	1,847.6
Total Stocks (Excluding SPR) ³	1,192.3	1,185.5

Crude Oil Inventory

US crude inventories increased by 5.8 million barrels to 438.2 million barrels for the week ended May 18th, according to data released yesterday morning by the US Department of Energy. Traders in the Reuters poll projected a decrease of 1.6 million barrels.

U.S. Rotary Rigs

U.S. Rotary Rigs drilling for natural gas were +1 at 200 for the week of May 18th. The number of rigs currently drilling for Natural Gas was 20 higher than last year's level of 180. US Rigs drilling for oil were unchanged at 844. There are 124 more rigs targeting oil than last year. Canadian rigs were +4 at 83 for the week. Rigs targeting oil remain at 81% of all US drilling activity.

North American Rig Count	05/18/2018			05/11/2018			05/19/2017			Change		Percent Change	
	05/18/2018	05/11/2018	05/19/2017	Weekly	Annual	Weekly	Annual	Weekly	Annual	Weekly	Annual		
Total U.S.	1,046	1,045	901	1	145	0.1%	16.1%						
Offshore	19	21	23	(2)	(4)	-9.5%	-17.4%						
Land	1,027	1,024	878	3	149	0.3%	17.0%						
Inland Waters	4	3	4	1	0	33.3%	0.0%						
Oil	844	844	720	0	124	0.0%	17.2%						
Percent	80.7%	80.8%	79.9%	-0.1%	0.8%								
Gas	200	199	180	1	20	0.5%	11.1%						
Percent	19.1%	19.0%	20.0%	0.1%	-0.9%								
Directional	66	72	66	-6	0	-8.3%	0.0%						
Horizontal	919	918	759	1	160	0.1%	21.1%						
Vertical	61	55	76	6	-15	10.9%	-19.7%						
Gulf of Mexico	18	20	23	-2	-5	-10.0%	-21.7%						
Gulf Oil	17	19	19	-2	-2	-10.5%	-10.5%						
Percent	94.4%	95.0%	82.6%	-0.6%	11.8%								
Gulf Gas	1	1	4	0	-3	0.0%	-75.0%						
Percent	5.6%	5.0%	17.4%	0.6%	-11.8%								
Canada	83	79	85	4	(2)	5.1%	-2.4%						
Oil	38	32	36	6	2	18.8%	5.6%						
Percent	45.8%	40.5%	42.4%	5.3%	3.4%								
Gas	45	47	49	(2)	(4)	-4.3%	-8.2%						
Percent	54.2%	59.5%	57.6%	-5.3%	-3.4%								
North America	1,129	1,124	986	5	143	0.4%	14.5%						
Prices													
Oil \$/bbl	\$71.29	\$70.59	\$49.25	\$0.70	\$22.05	1.0%	44.8%						
Oil \$/mmbtu	\$12.29	\$12.17	\$8.49	\$0.12	\$3.80	1.0%	44.8%						
Gas \$/mmbtu	\$2.78	\$2.73	\$3.08	\$0.06	(\$0.29)	2.1%	-9.5%						



Geopolitical

Lack of Long-Term US Energy Plan Impedes Transformative Technology: Tour a few of Cornell Engineering's laboratories and you'll see some amazing prototypes with the power to change the energy landscape – devices that can suck carbon out of the air and turn it into electricity, new materials for batteries and solar cells, and plans for a



Weather

The AccuWeather 1-5 day Outlook forecasts above-normal temps for all of the US with the exception of small areas in the Southeast and far West, which are expected to be at normal or below-normal temps. The 6-10 Day Outlook forecasts above-normal temps for all of the US with the exception of the Southeast and

unique geothermal system that can heat an entire 745-acre campus.

However, the lack of a consistent energy policy and meaningful investment means many of these technologies may end up on the shelf instead of working in your home or community. It can take years for basic research to translate into deployable technology, and in many cases the research horizon does not align with policy...

Northwest, which are expected to be at normal or below-normal temps..

The 11-15 Day Outlook forecasts normal temps for the Eastern third of the country and Northwest, with above-normal temps for the balance of the country.

The 30 and 90-day Outlook projects above-normal temps for the West and part of the East Coast of the US while the balance of the country will be at mostly normal temps. Much of the East will receive above-normal rainfall over the next 90 days.



Sustainability and Renewables

NEW YORK, May 01, 2018 (GLOBE NEWSWIRE) -- PwrCor, Inc. (OTCQB:PWCO), an advanced technology company focusing on clean, renewable energy solutions for the Waste-Heat-to-Power, Geothermal, and Solar Thermal



This Week's Key Takeaway

Natural Gas Prices Soar While Crude Remains Above \$70: As we approach the Summer months, we are seeing crude prices remain above \$70, even though this week's injection into Underground Storage was almost 6 million barrels.

markets, announces that it has successfully launched its breakthrough heat conversion engine technology at Surprise Valley Hot Springs in Modoc County, California. This represents an historic step for geothermal energy in California.

The engine is the first of its kind using the Company's proprietary technology, designed and constructed by PwrCor's team and the Southwest Research Institute in San Antonio, TX, and funded by the California Energy Commission and project participants. The state-of-the-art engine had successfully passed a rigorous testing regimen prior to being shipped to California. The Surprise Valley geothermal installation is a prime example of ...

Additionally, Natural Gas has continued to climb and is approaching \$3.00. As a result, electric prices have gone up significantly - in some markets, by as much as 60%.

Heat Rates have been unusually high this year, as warmer-than-normal temperatures are expected this Summer and there is concern about capacity - having enough electricity to satisfy demand.

On Texas' ERCOT grid, the spread between power-generation capacity and projected consumer demand is expected to be 11%, which is very tight. Ideally, the grid operator prefers to maintain a "reserve margin" of at least 13.75%. Rolling blackouts remain a possibility.

Next Day On-Peak Power (traded for 5/24/2018)		
ISO-NE Mass Hub \$25.54	MISO Indiana Hub \$46.03	NYISO Zone G \$31.75
PJM West Hub \$47.78	ERCOT North \$54.65	CAISO SP15 \$22.33



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