



# Market Operations Presentation

**Board of Director's Meeting**

**April 18, 2007**

## Retail Activity

- **Overall Activity** – experienced expected volume
- **Migration From Native AREPs** – continued to increase
- **Transaction Performance Measures** – within tolerance limits

## Wholesale Activity

- **Energy Services** – nothing unusual noted
- **Summary Hub Price Data** – February prices slightly lower with higher natural gas prices
- **REPs and QSEs Added/Deleted**
  - No change in REPs
  - One new QSE

# Overall Activity

## Retail Transactions Summary

since June 1, 2001

As of Wednesday, February 28, 2007

### Transaction Type

Switches 3,263,015

Move - Ins 10,813,210

Move Out 6,216,117

CSA 1,693,823

Drop to POLR 321,549

**Total 22,307,714**

**Compared to Last Month 344,431**

# Migration from Native AREP

	% of Load *		% of ESI IDs	
	at <u>02-28-07</u>	at <u>02-28-07</u>	at <u>02-28-07</u>	at <u>02-28-06</u>
<b>Residential</b>	46%	37%	29%	
<b>Small Non-Residential</b>	93%	39%	32%	
<b>Large Non-Residential</b>	71%	71%	72%	

\* % of AREP Peak Demand on 08-17-06

# Performance Measures – February 2007

## Switches

### Enrollment and Meter Read Scheduling

	<u>Request</u>	<u>Reject</u>	<u>to TDSP</u>	<u>Schedule</u>	<u>to New CR</u>	<u>to Old CR</u>	<u>from Old CR</u>
	250,177	10,420	239,282	240,125	236,895	144,074	189,863
% in Protocol	n/a	99.6%	99.9%	99.9%	99.7%	98.1%	99.7%

### Historical Usage (H) and Initial (I) Meter Read Deliveries

	<u>H to ERCOT</u>	<u>H to CR</u>	<u>I to ERCOT</u>	<u>I to CR</u>
	237,241	235,826	212,514	211,875
% in Protocol	99.8%	99.9%	n/a	99.2%

## Move In / Move Out

### Enrollment and Meter Read Scheduling

	<u>Request</u>	<u>Reject</u>	<u>to TDSP</u>	<u>Schedule</u>	<u>to New CR</u>	<u>to Old CR</u>	<u>from Old CR</u>
	609,415	11,798	595,965	585,259	579,561	253,538	266,643
% in Protocol	n/a	97.2%	98.9%	97.0%	99.3%	99.9%	99.6%

### Historical Usage (H) and Initial (I) Meter Read Deliveries

	<u>H to ERCOT</u>	<u>H to CR</u>	<u>I to ERCOT</u>	<u>I to CR</u>
	332,529	329,101	558,025	556,560
% in Protocol	99.6%	99.9%	n/a	99.1%

# Energy Services

	YTD (\$'s in millions)		February (\$'s in millions)	
	<u>02/28/07</u>	<u>02/28/06</u>	<u>2007</u>	<u>2006</u>
<ul style="list-style-type: none"> <li> <b>Market Perspective:</b> <ul style="list-style-type: none"> <li> <b>Approximate Retail Market</b> (at \$.10/kWh PTB)           <ul style="list-style-type: none"> <li>Volume (GWh)</li> <li>% Increase</li> <li>Natural Gas Price Index (\$/MMBTU)</li> <li>% Increase</li> </ul> </li> </ul> </li> </ul>				
	<b>\$4,741.0</b>	<b>4,217.0</b>	<b>2,161.3</b>	<b>2,074.3</b>
	47,410	42,170	21,613	20,743
	12.4%		4.2%	
	6.7	7.4	7.3	7.2
	-9.5%		1.4%	
<ul style="list-style-type: none"> <li> <b>Balancing Energy:</b> <ul style="list-style-type: none"> <li> <b>Balancing Energy - Up</b> <ul style="list-style-type: none"> <li>% Increase</li> <li>Up (GWh)</li> <li>% Increase</li> <li>% of Market</li> </ul> </li> <li> <b>Balancing Energy - Down</b> <ul style="list-style-type: none"> <li>% Increase</li> <li>Down (GWh)</li> <li>% Increase</li> <li>% of Market</li> </ul> </li> </ul> </li> </ul>				
	<b>\$107.8</b>	<b>\$85.7</b>	<b>\$43.3</b>	<b>\$49.6</b>
	25.8%		-12.7%	
	1,630.9	1,280.6	641.5	764.3
	27.4%		-16.1%	
	3.4%	3.0%	3.0%	3.7%
	<b>-\$53.9</b>	<b>-\$31.9</b>	<b>-\$25.5</b>	<b>-\$16.4</b>
	69.0%		55.5%	
	-1,371.6	-884.8	-642.1	-435.7
	55.0%		47.4%	
	2.9%	2.1%	3.0%	2.1%

# Hub Summary Data

- ERCOT Hubs**

## Balancing Energy Weighted Average Price (\$/MWH)

<b>HUB</b>	<b>Feb 2007</b>	<b>Jan 2007</b>	<b>Dec 2006</b>	<b>Nov 2006</b>	<b>Oct 2006</b>	<b>Sept 2006</b>	<b>Aug 2006</b>	<b>July 2006</b>	<b>June 2006</b>	<b>May 2006</b>	<b>Apr 2006</b>	<b>Mar 2006</b>
South	\$53.41	\$54.71	\$53.80	\$40.95	\$44.54	\$40.81	\$71.99	\$55.08	\$53.66	\$58.30	\$63.14	\$57.19
North	\$51.48	\$52.59	\$53.86	\$46.29	\$41.08	\$38.09	\$65.01	\$65.89	\$55.31	\$58.27	\$66.04	\$54.87
Houston	\$56.30	\$55.11	\$60.84	\$48.05	\$40.35	\$40.46	\$70.69	\$61.17	\$56.52	\$60.27	\$68.50	\$54.92
West	\$63.95	\$56.86	\$56.91	\$52.06	\$45.04	\$44.57	\$73.06	\$66.29	\$64.50	\$81.01	\$92.11	\$59.41
ERCOT Hub	\$53.65	\$54.33	\$55.55	\$46.06	\$42.23	\$39.72	\$68.51	\$62.41	\$56.30	\$60.08	\$67.35	\$55.89
ERCOT Bus	\$53.57	\$54.06	\$55.63	\$45.60	\$42.03	\$39.68	\$68.16	\$63.02	\$56.07	\$60.38	\$67.81	\$55.91
% Change	-0.9%	-2.8%	22.0%	8.5%	5.9%	-41.8%	8.2%	12.4%	-7.1%	-11.0%	21.3%	
NGPI % Change	15.9%	-3.1%	-3.0%	24.1%	12.5%	-31.4%	20.7%	-4.9%	1.7%	-13.0%	6.2%	

- **Added Reps**

- ✓ None

- **Added QSEs**

- ✓ APNA Holding, LLC

- **Deleted Reps**

- ✓ None

- **Deleted QSEs**

- ✓ None