



Market Operations Presentation Board of Director's Meeting

January 18, 2005

Retail Activity

- Overall Activity
- Migration From Native AREPs
- Performance Measures (Quarter Only)

Wholesale Activity

- Reliability Services
- Balancing Services
- Congestion Management Services

Other Items

Retail Transactions Summary

since June 1, 2001

As of Tuesday, November 30, 2004

Transaction Type

Switches 1,607,049

Move - Ins 5,550,023

Move Out 3,187,987

CSA 950,816

Drop to POLR 297,297

Total 11,593,172

**Compared to
Last Month 352,949**



Migration from Native AREP

	% of Load *		% of ESI IDs	
	at <u>11-30-04</u>	at <u>11-30-04</u>	at <u>11-30-04</u>	at <u>11-30-03</u>
Residential	23%	20%	20%	14%
Small Non-Residential	62%	24%	24%	16%
Large Non-Residential	67%	64%	64%	54%

* % of Peak Demand on 08-07-03



Reliability Services

	YTD (\$'s in millions)		November (\$'s in millions)	
	<u>11/30/04</u>	<u>11/30/03</u>	<u>2004</u>	<u>2003</u>
• Market Perspective:				
Approximate Retail Market (at \$.10/kWh PTB)	\$26,604.0	26,339.6	2,003.3	2,033.3
Volume (GWh)	266,040	263,396	20,033	20,333
% Increase	1.0%		-1.5%	
Natural Gas Price Index (\$/MMBTU)	5.6	5.3	5.7	4.4
% Increase	5.7%		29.5%	
• RMR:				
RMR Capacity and Start Up	39.9	49.9	2.8	3.9
RMR Energy	243.2	222.7	12.8	16.5
BENA Credit	<u>-174.5</u>	<u>-149.5</u>	<u>-9.9</u>	<u>-9.0</u>
Net RMR	108.6	123.1	5.7	11.4
• Other Capacity Services:				
Replacement Reserve	0.0	0.0	0.0	0.0
Reg Up and Down	59.4	47.4	11.5	2.9
Responsive (Spinning) Reserve	55.7	67.2	8.9	3.6
Non-Spinning Reserve	5.8	7.0	0.0	0.1
Black Start	6.7	6.6	0.6	0.6
TOTAL RELIABILITY SERVICES	\$236.2	251.3	26.7	18.6



Balancing Services

	YTD (\$'s in millions)		November (\$'s in millions)	
	<u>11/30/04</u>	<u>11/30/03</u>	<u>2004</u>	<u>2003</u>
• Market Perspective:				
Approximate Retail Market (at \$.10/kWh PTB)	\$26,604.0	26,339.6	2,003.3	2,033.3
Volume (GWh)	266,040	263,396	20,033	20,333
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Natural Gas Price Index (\$/MMBTU)	5.6	5.3	5.7	4.4
% Increase	5.7%		29.5%	
• Balancing Energy:				
Balancing Energy - Up	\$430.5	686.1	39.4	22.2
% Increase	-37.3%		77.5%	
Up (GWh)	8,697.7	10,040.9	670.0	568.3
% Increase	-13.4%		17.9%	
% of Market	3.3%	3.8%	3.3%	2.8%
Balancing Energy - Down	-\$281.1	-330.3	-15.7	-15.5
% Increase	-14.9%		1.3%	
Down (GWh)	-6,124.2	-5,957.4	-325.0	-414.4
% Increase	2.8%		-21.6%	
% of Market	2.3%	2.3%	1.6%	2.0%



Congestion Management Services

	YTD (\$'s in millions)		November (\$'s in millions)	
	<u>11/30/04</u>	<u>11/30/03</u>	<u>2004</u>	<u>2003</u>
• Market Perspective:				
Approximate Retail Market (at \$.10/kWh PTB)	\$26,604.0	26,339.6	2,003.3	2,033.3
Volume (GWh)	266,040	263,396	20,033	20,333
% Increase	1.0%		-1.5%	
Natural Gas Price Index (\$/MMBTU)	5.6	5.3	5.7	4.4
% Increase	5.7%		29.5%	
• Local Congestion:				
OOMC	72.0	126.9	0.5	6.8
"Market Solution" Down	0.0	11.4	0.0	0.0
"Market Solution" Up	0.0	11.6	0.0	0.0
OOME - Down	53.6	64.9	2.7	4.3
OOME - Up	<u>17.0</u>	<u>38.5</u>	<u>0.2</u>	<u>4.1</u>
Total Local Congestion Costs	\$142.6	\$253.3	\$3.4	\$15.2
• Zonal Congestion:				
TCR Auction Revenue from TCR Holders	-\$32.6	-24.9	-2.6	-1.8
Amount Paid to QSEs representing load	\$32.6	24.9	2.6	1.8
Direct Assignment Revenue Paid by QSEs based on schedules	-25.2	-21.7	-0.2	-0.1
TCR Payments to TCR Holders	<u>\$31.4</u>	<u>30.4</u>	<u>0.2</u>	<u>0.1</u>
BENA Charge	\$6.2	\$8.7	0.0	0.0

- **Added Reps**

- ✓ Nueces Electric Coop RD

- **Added QSEs**

- ✓ Himalaya Power, Inc.
- ✓ Sitara Energy, Inc.
- ✓ DB Energy Trading
- ✓ Sempra Texas Services LP
- ✓ North American Energy Credit and Clearing Delivery