



Market Operations Presentation Board of Director's Meeting

September 20, 2005

Retail Activity

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

Wholesale Activity

- Reliability Services
- Balancing Services
- Hub Summary Data
- Congestion Management Services

Other Items



Overall Activity

Retail Transactions Summary

since June 1, 2001

As of Friday, July 29, 2005

Transaction Type

Switches	2,007,941
Move - Ins	7,029,879
Move Out	4,060,098
CSA	1,224,996
Drop to POLR	303,128

Total

14,626,042

**Compared to
Last Month**

407,959



Migration from Native AREP

	% of Load *		% of ESI IDs	
	at <u>07-31-05</u>	at <u>07-31-05</u>	at <u>07-31-05</u>	at <u>07-31-04</u>
Residential	31%	25%	17%	
Small Non-Residential	77%	30%	21%	
Large Non-Residential	74%	73%	62%	

* % of Peak Demand on 08-03-04



Reliability Services

	YTD		July	
	(\$'s in millions)		(\$'s in millions)	
	<u>07/31/05</u>	<u>07/31/04</u>	<u>2005</u>	<u>2004</u>
• Market Perspective:				
Approximate Retail Market (at \$.10/kWh PTB)	\$16,935.8	16,513.8	3,102.7	3,042.3
Volume (GWh)	169,358	165,138	31,028	30,423
% Increase	2.6%		2.0%	
Natural Gas Price Index (\$/MMBTU)	6.6	5.7	7.5	5.8
% Increase	15.8%		29.3%	
• RMR:				
RMR Capacity and Start Up	26.5	26.8	5.4	3.9
RMR Energy	104.4	148.6	24.1	34.5
BENA Credit	<u>-78.2</u>	<u>-97.5</u>	<u>-20.7</u>	<u>-24.4</u>
Net RMR	52.7	77.9	8.8	14.0
• Other Capacity Services:				
Replacement Reserve	0.0	0.0	0.0	0.0
Reg Up and Down	79.3	29.5	11.0	2.3
Responsive (Spinning) Reserve	70.1	26.5	13.6	2.4
Non-Spinning Reserve	21.0	3.3	6.9	0.7
Black Start	4.2	4.4	0.6	0.6
TOTAL RELIABILITY SERVICES	\$227.3	141.6	40.9	20.0



Balancing Services

	YTD		July	
	(\$'s in millions)		(\$'s in millions)	
	<u>07/31/05</u>	<u>07/31/04</u>	<u>2005</u>	<u>2004</u>
• Market Perspective:				
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Natural Gas Price Index (\$/MMBTU)	6.6	5.7	7.5	5.8
% Increase	15.8%		29.3%	
• Balancing Energy:				
Balancing Energy - Up	\$441.4	239.1	104.8	37.8
% Increase	84.6%		177.2%	
Up (GWh)	6,370.6	4,886.2	1,224.5	974.7
% Increase	30.4%		25.6%	
% of Market	3.8%	3.0%	3.9%	3.2%
Balancing Energy - Down	-\$142.4	-203.1	-27.3	-37.0
% Increase	-29.9%		-26.2%	
Down (GWh)	-3,081.5	-4,334.7	-560.1	-946.4
% Increase	-28.9%		-40.8%	
% of Market	1.8%	2.6%	1.8%	3.1%



Hub Summary Data

- ERCOT Hubs**
Weighted Average Price (\$/MWH)

<u>HUB</u>	<u>July 2005</u>	<u>June 2005</u>	<u>May 2005</u>
South	\$77.03	\$62.27	\$58.27
North	\$81.62	\$75.23	\$60.77
Houston	\$87.38	\$80.92	\$67.43
West	\$92.23	\$80.11	\$68.90
ERCOT Hub	\$83.24	\$73.43	\$62.80
ERCOT Bus	\$83.26	\$74.46	\$62.69
% Change - Bus	11.8%	18.8%	
NGPI % Change	3.9%	12.6%	



Congestion Management Services

	YTD		July	
	(\$'s in millions)		(\$'s in millions)	
	<u>07/31/05</u>	<u>07/31/04</u>	<u>2005</u>	<u>2004</u>
• Market Perspective:				
Approximate Retail Market (at \$.10/kWh PTB)	\$16,935.8	16,513.8	3,102.7	3,042.3
Volume (GWh)	169,358	165,138	31,028	30,423
% Increase	2.6%		2.0%	
Natural Gas Price Index (\$/MMBTU)	6.6	5.7	7.5	5.8
% Increase	15.8%		29.3%	
• Local Congestion:				
OOMC	28.3	56.3	8.8	14.3
"Market Solution" Down	0.0	0.0	0.0	0.0
"Market Solution" Up	0.0	0.0	0.0	0.0
OOME - Down	28.4	35.3	5.4	6.2
OOME - Up	<u>10.4</u>	<u>14.4</u>	<u>2.9</u>	<u>1.6</u>
Total Local Congestion Costs	\$67.1	\$106.0	\$17.1	\$22.1
• Zonal Congestion:				
TCR Auction Revenue from TCR Holders	-\$12.3	-14.1	-2.9	-3.6
Amount Paid to QSEs representing load	\$12.3	14.1	2.9	3.6
Direct Assignment Revenue Paid by QSEs based on schedules	-27.8	-19.6	-6.9	-1.9
TCR Payments to TCR Holders	<u>\$17.0</u>	<u>15.6</u>	<u>2.4</u>	<u>1.5</u>
BENA Charge	-\$10.8	-\$4.0	-4.5	-0.4

- **Added Reps**
 - ✓ Fire Fly Electricity, LLC
 - ✓ Andeler Retail
- **Added QSEs**
 - ✓ None