



Market Operations Presentation

Board of Director's Meeting

February 20, 2007

Retail Activity

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

Wholesale Activity

- Energy Services including Summary Hub Price Data
- REPs and QSEs Added/Deleted

Other Items

Retail Transactions Summary

since June 1, 2001

As of Friday, December 29, 2006

Transaction Type

Switches 3,134,197

Move - Ins 10,452,117

Move Out 6,015,160

CSA 1,633,749

Drop to POLR 320,765

Total 21,555,988

Compared to Last Month 369,550

Migration from Native AREP

	% of Load *	% of ESI IDs	
	at <u>12-31-06</u>	at <u>12-31-06</u>	at <u>12-31-05</u>
Residential	44%	36%	28%
Small Non-Residential	88%	38%	31%
Large Non-Residential	71%	72%	72%

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

SWITCHES

814 Transactions - 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%

867 Transactions - 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%

MIMO

814 Transactions - 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%

867 Transactions - 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%

	YTD (\$'s in millions)		December (\$'s in millions)	
	<u>12/31/06</u>	<u>12/31/05</u>	<u>2006</u>	<u>2005</u>
• Market Perspective:				
Approximate Retail Market (at \$.10/kWh PTB)	\$30,775.6	29,878.2	2,324.5	2,323.7
Volume (GWh)	307,756	298,782	23,245	23,237
% Increase	3.0%		0.0%	
Natural Gas Price Index (\$/MMBTU)	6.3	8.1	6.5	11.2
% Increase	-22.2%		-42.0%	
• Balancing Energy:				
Balancing Energy - Up	\$709.4	\$1,132.6	\$54.5	\$98.6
% Increase	-37.4%		-44.7%	
Up (GWh)	10,017.3	11,626.1	771.3	829.6
% Increase	-13.8%		-7.0%	
% of Market	3.3%	3.9%	3.3%	3.6%
Balancing Energy - Down	-\$324.1	-\$236.6	-\$28.5	-\$21.6
% Increase	37.0%		31.9%	
Down (GWh)	-8,607.6	-5,056.1	-718.7	-469.9
% Increase	70.2%		52.9%	
% of Market	2.8%	1.7%	3.1%	2.0%

- ERCOT Hubs**

Balancing Energy Weighted Average Price (\$/MWH)

<u>HUB</u>	<u>Dec</u> <u>2006</u>	<u>Nov</u> <u>2006</u>	<u>Oct</u> <u>2006</u>	<u>Sept</u> <u>2006</u>	<u>Aug</u> <u>2006</u>	<u>July</u> <u>2006</u>	<u>June</u> <u>2006</u>	<u>May</u> <u>2006</u>	<u>Apr</u> <u>2006</u>	<u>Mar</u> <u>2006</u>	<u>Feb</u> <u>2006</u>	<u>Jan</u> <u>2006</u>
South	\$53.80	\$40.95	\$44.54	\$40.81	\$71.99	\$55.08	\$53.66	\$58.30	\$63.14	\$57.19	\$55.16	\$58.79
North	\$53.86	\$46.29	\$41.08	\$38.09	\$65.01	\$65.89	\$55.31	\$58.27	\$66.04	\$54.87	\$55.19	\$50.59
Houston	\$60.84	\$48.05	\$40.35	\$40.46	\$70.69	\$61.17	\$56.52	\$60.27	\$68.50	\$54.92	\$51.77	\$52.18
West	\$56.91	\$52.06	\$45.04	\$44.57	\$73.06	\$66.29	\$64.50	\$81.01	\$92.11	\$59.41	\$58.20	\$54.06
ERCOT Hub	\$55.55	\$46.06	\$42.23	\$39.72	\$68.51	\$62.41	\$56.30	\$60.08	\$67.35	\$55.89	\$55.30	\$53.37
ERCOT Bus	\$55.63	\$45.60	\$42.03	\$39.68	\$68.16	\$63.02	\$56.07	\$60.38	\$67.81	\$55.91	\$55.04	\$53.35
% Change	22.0%	8.5%	5.9%	-41.8%	8.2%	12.4%	-7.1%	-11.0%	21.3%	1.6%	3.2%	
NGPI % Change	-3.0%	24.1%	12.5%	-31.4%	20.7%	-4.9%	1.7%	-13.0%	6.2%	-9.7%	-5.3%	

- **Added Reps**

- ✓ None

- **Deleted Reps**

- ✓ None

- **Added QSEs**

- ✓ None

- **Deleted QSEs**

- ✓ None