



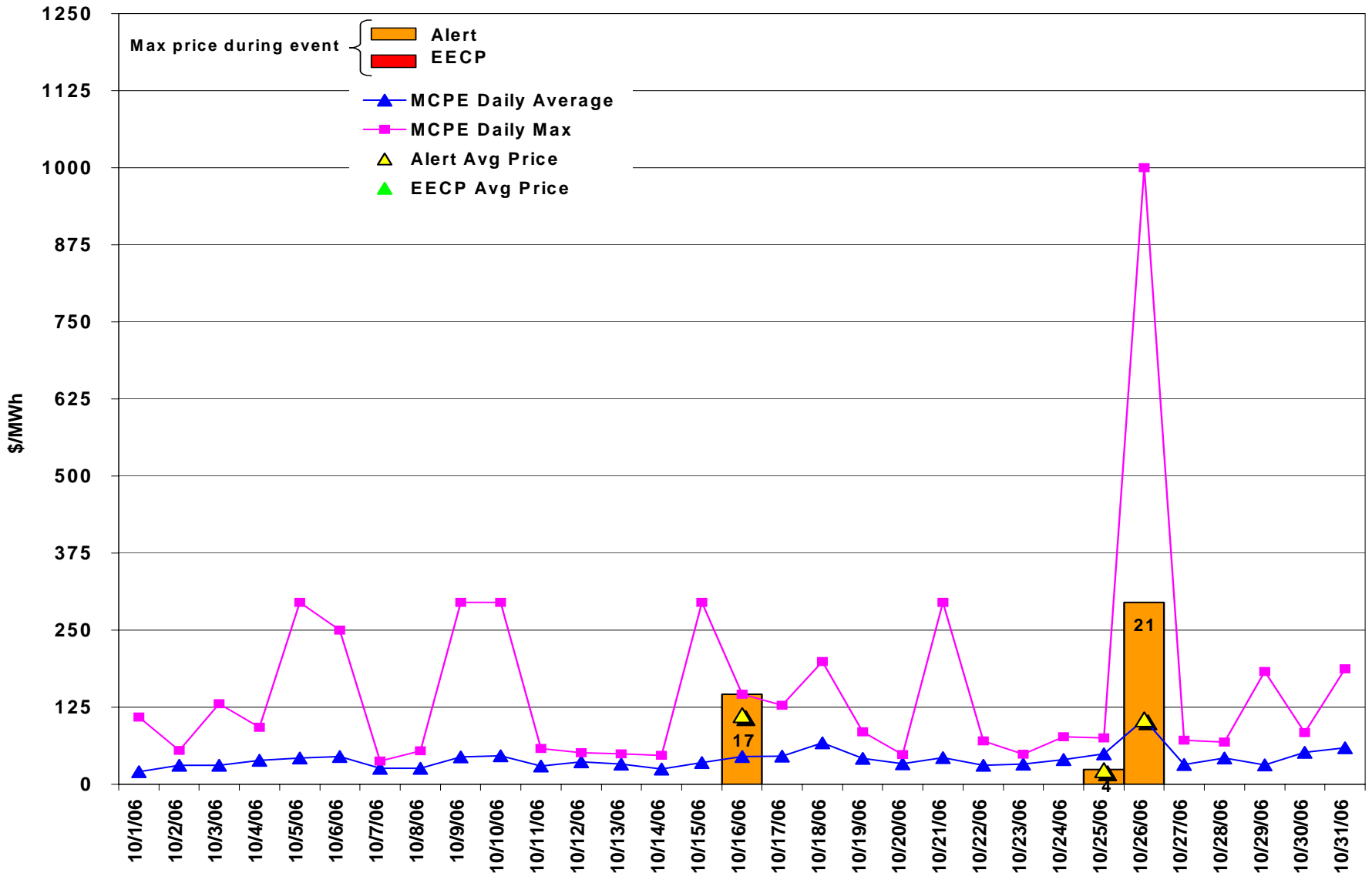
Pricing Overview During ERCOT Events Oct. 2006 thru June 2007

LTSTF

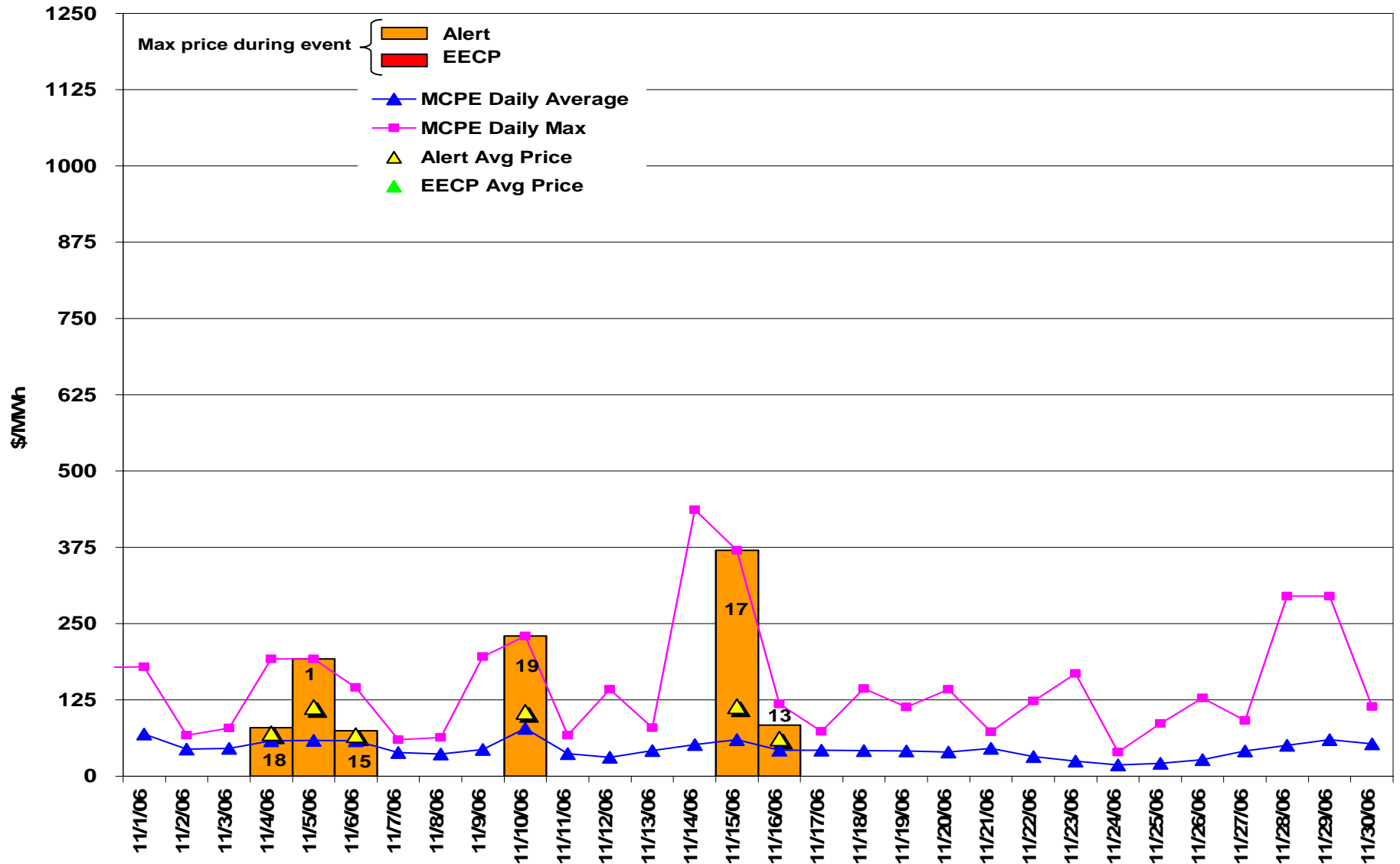
July 11, 2007

- **New rules governing the energy-only ERCOT market took effect Oct. 1, 2006**
 - PUC Subst. Rule §25.505
- **Market-wide offer cap increased from \$1,000/MWh to \$1,500/MWh on March 1, 2007**
- **‘Scarcity conditions’: “Those times when the supply of resources is insufficient to simultaneously meet both energy and operating reserve requirements.” (ERCOT IMM)**
- **ERCOT Operations trigger points for actions related to system-wide capacity insufficiency:**
 - Alert <2,500 MW of adjusted responsive reserve
 - EECP <2,300 MW of adjusted responsive reserve

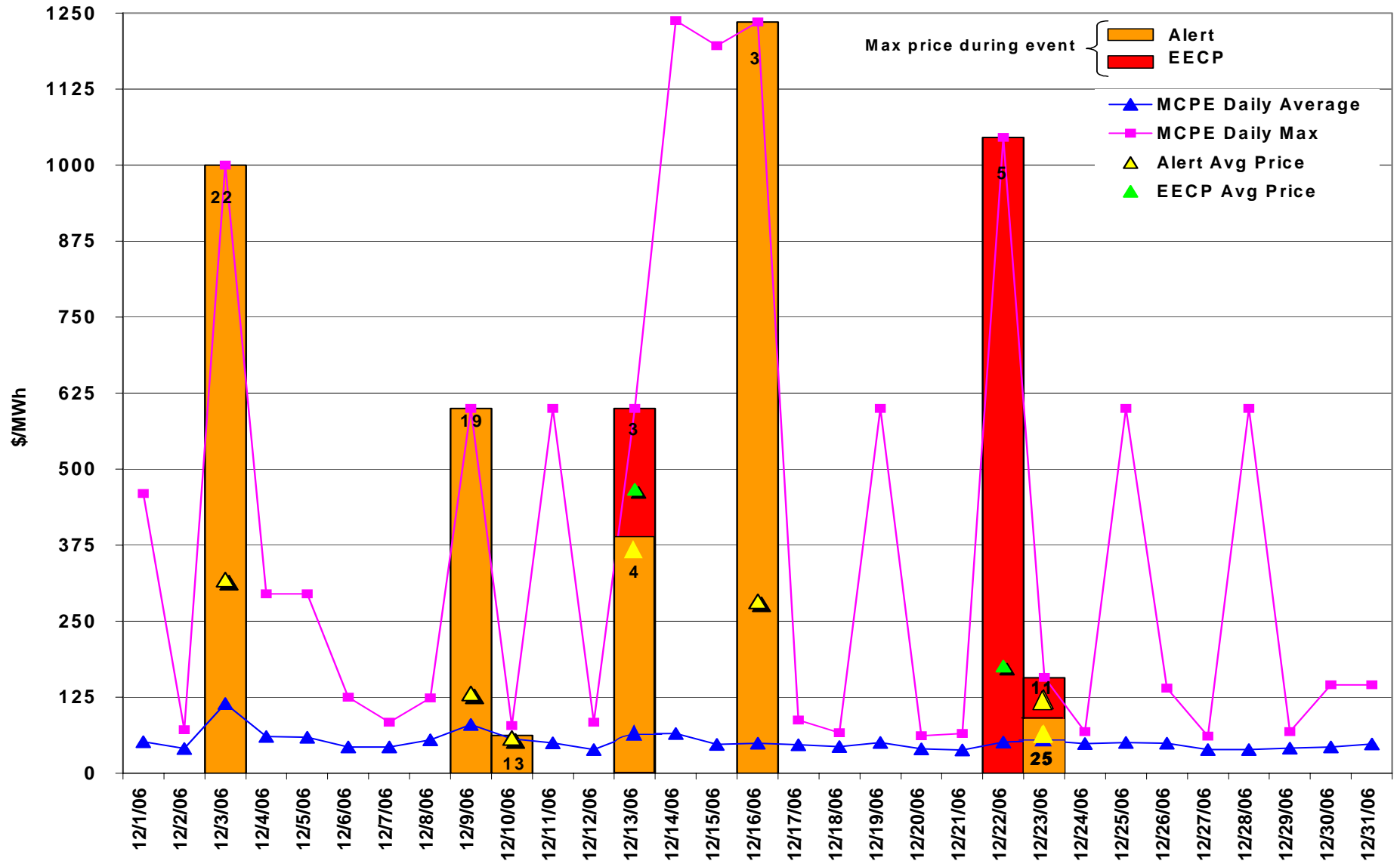
October 2006

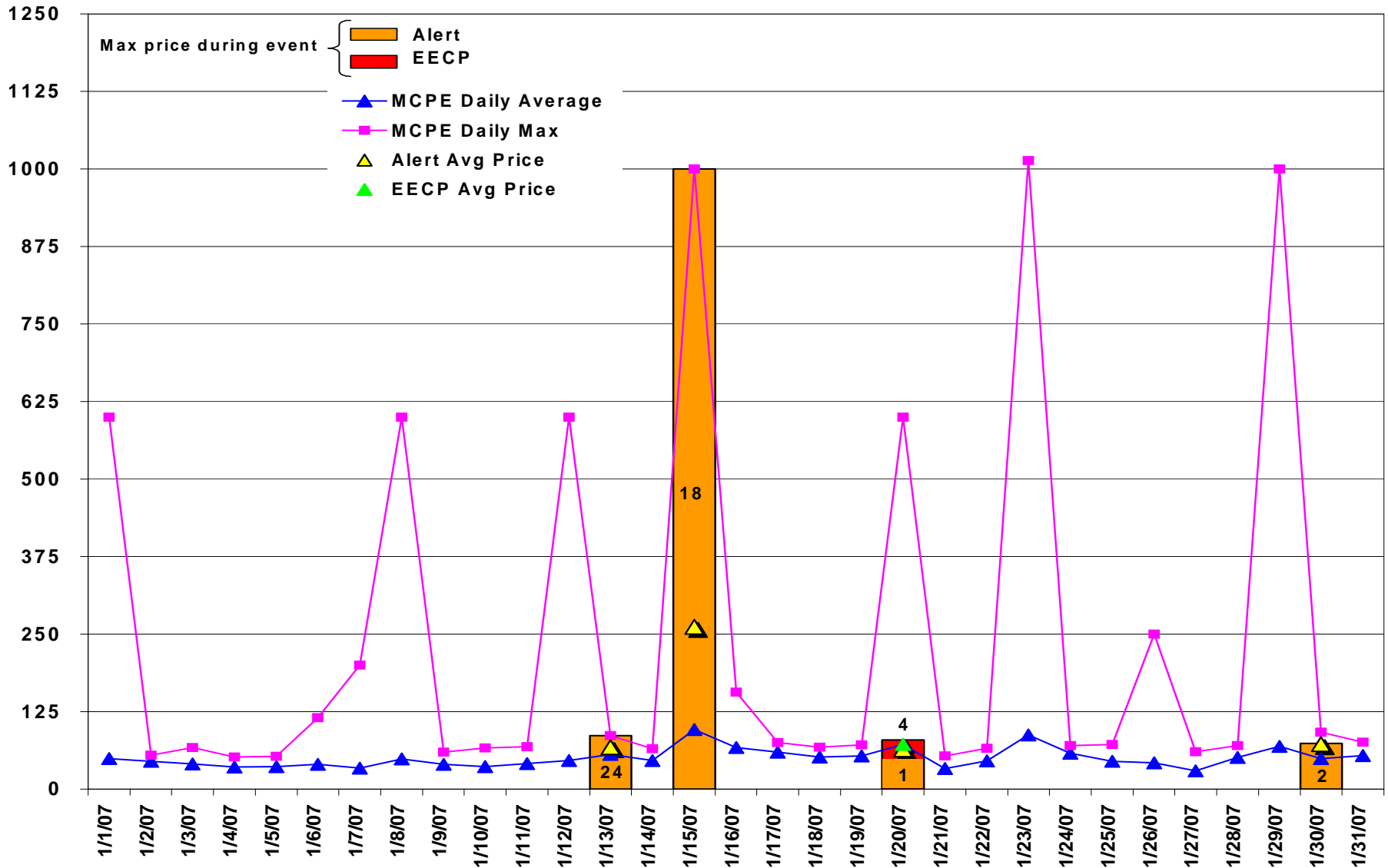


November 2006

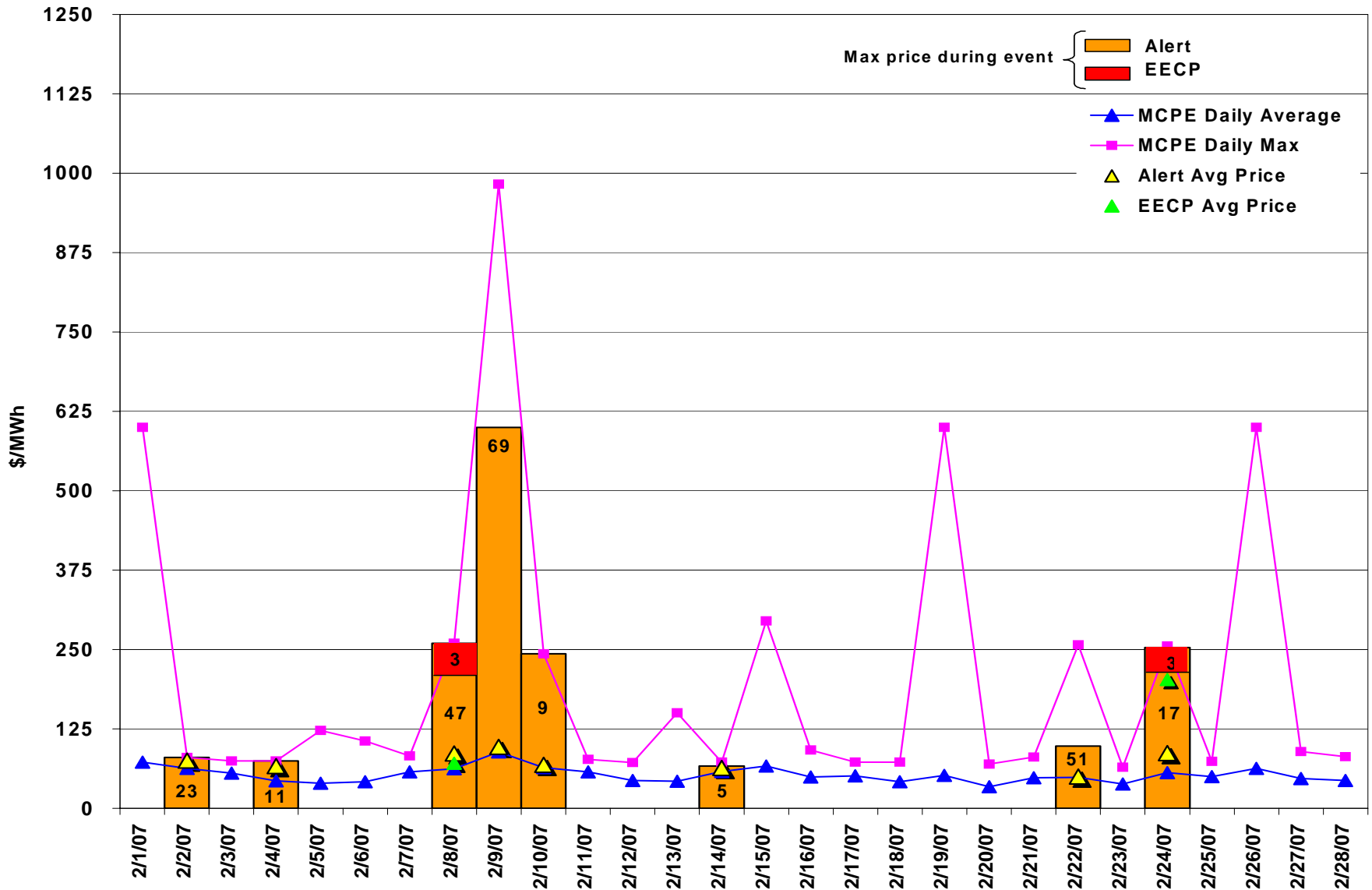


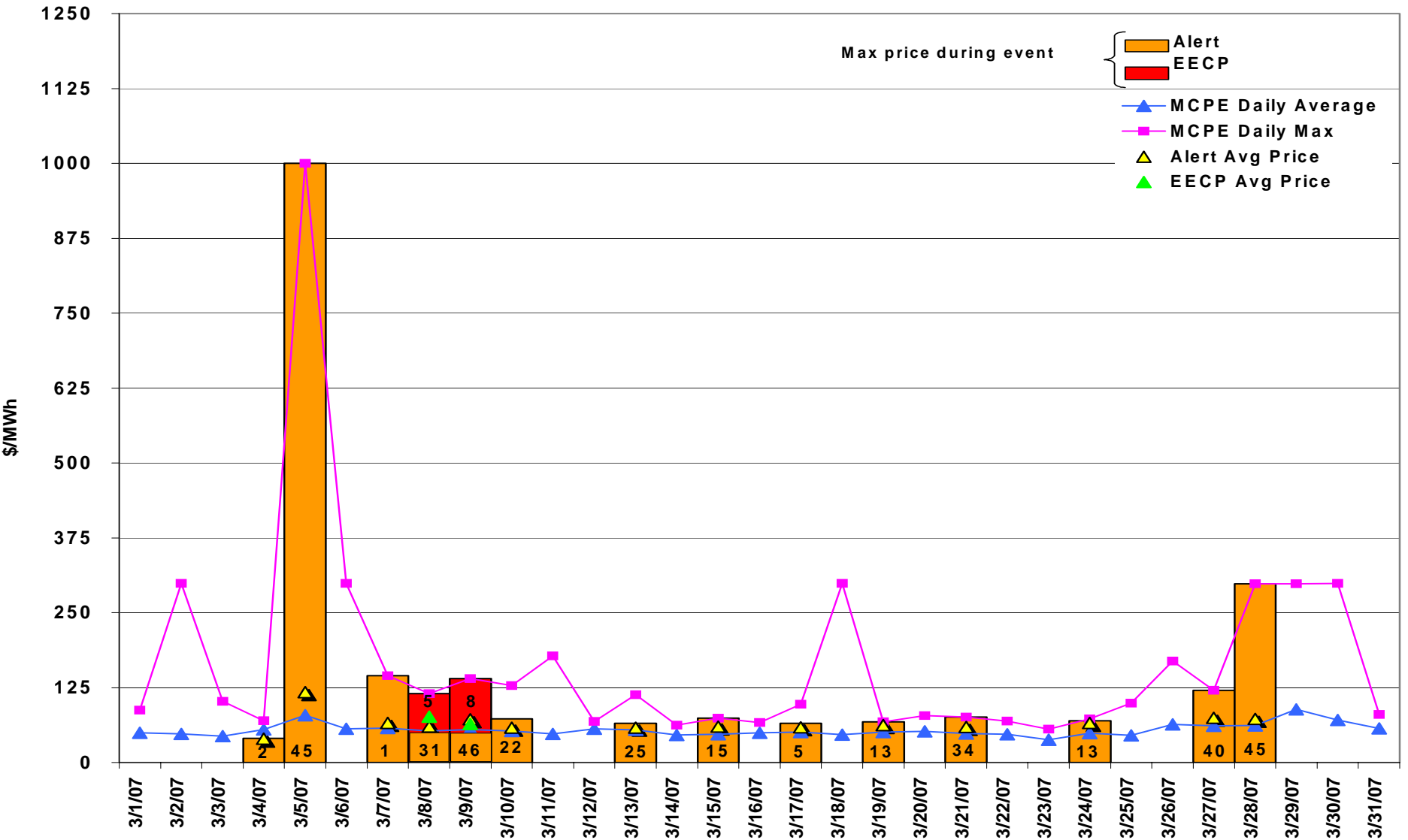
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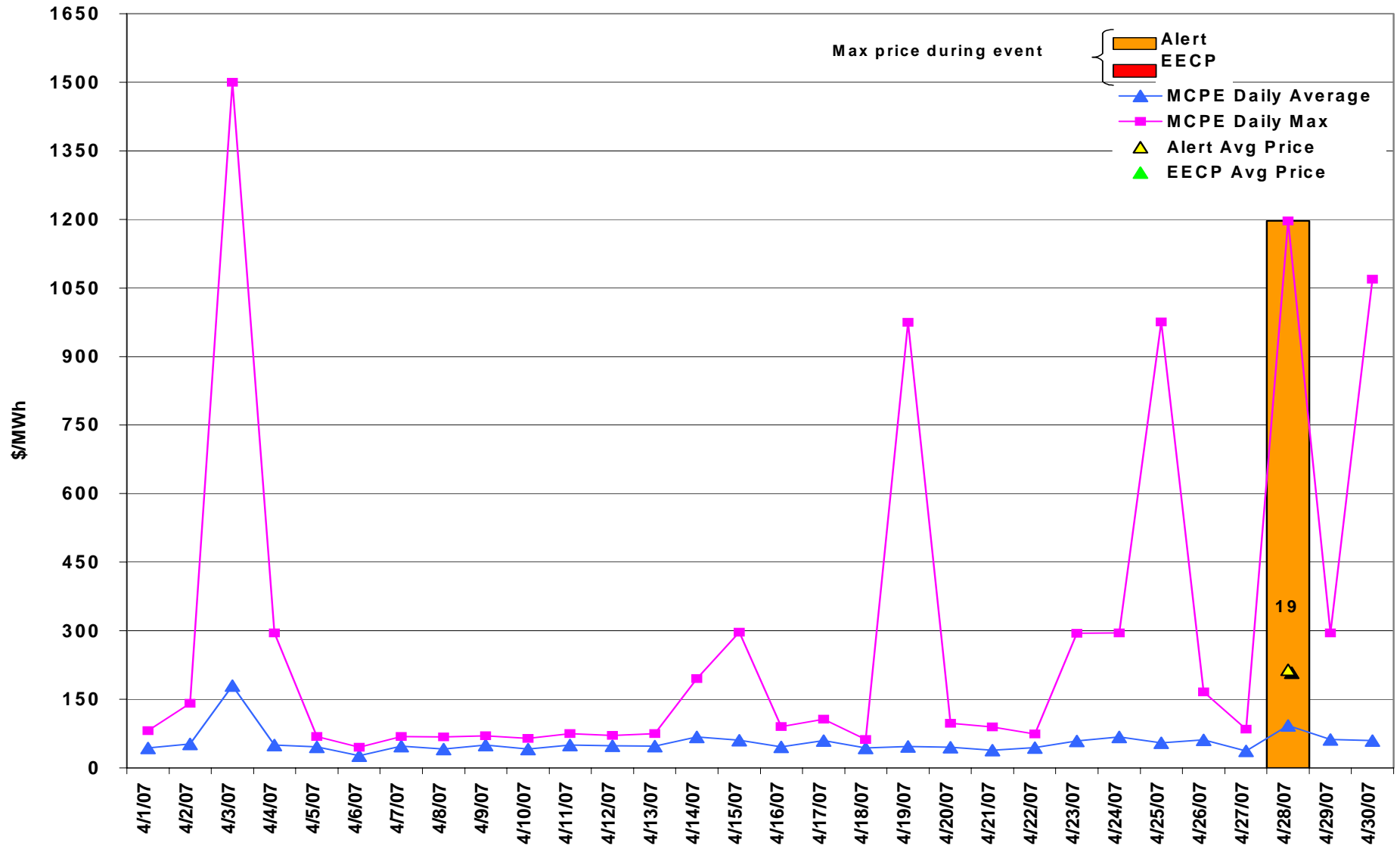


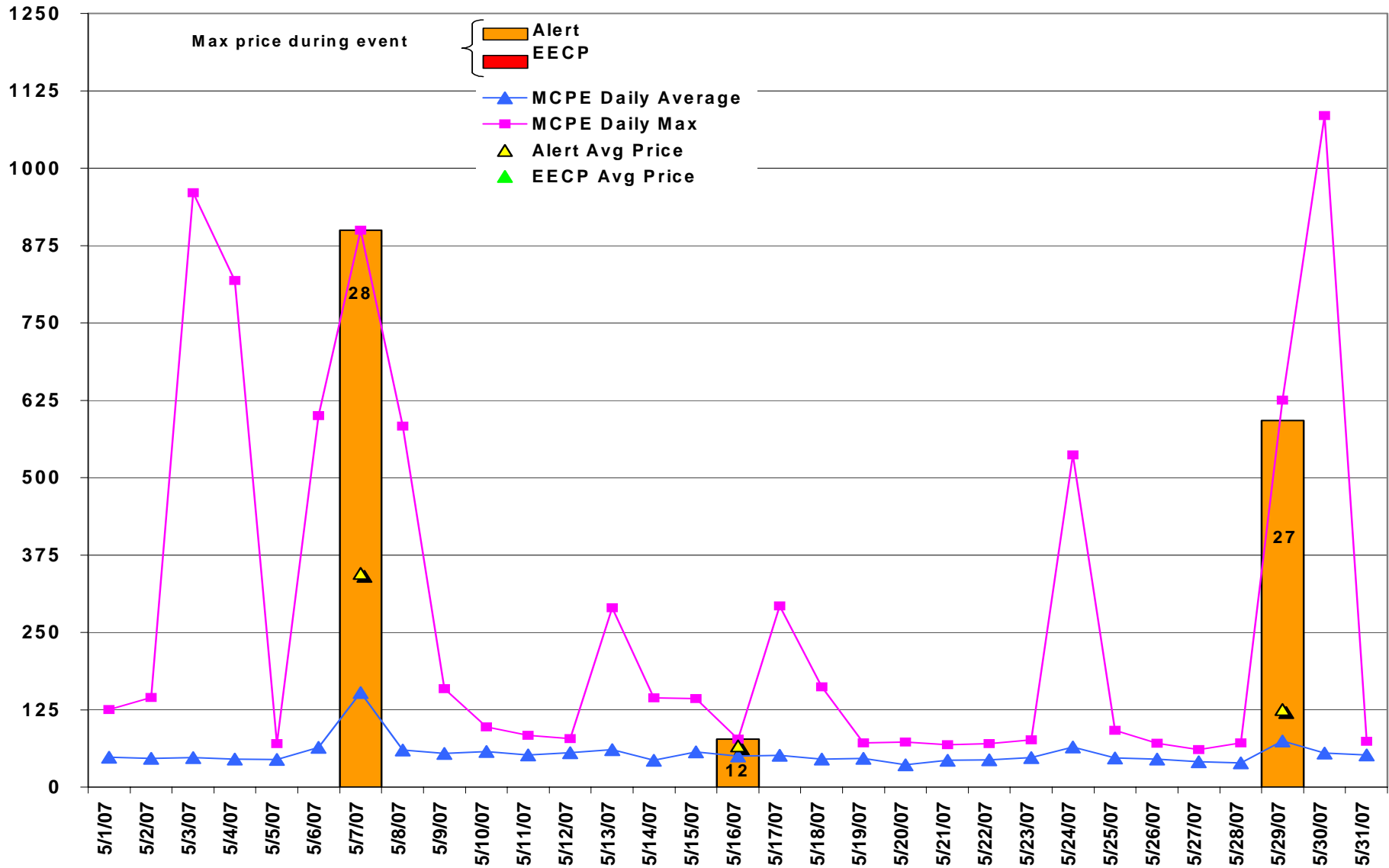


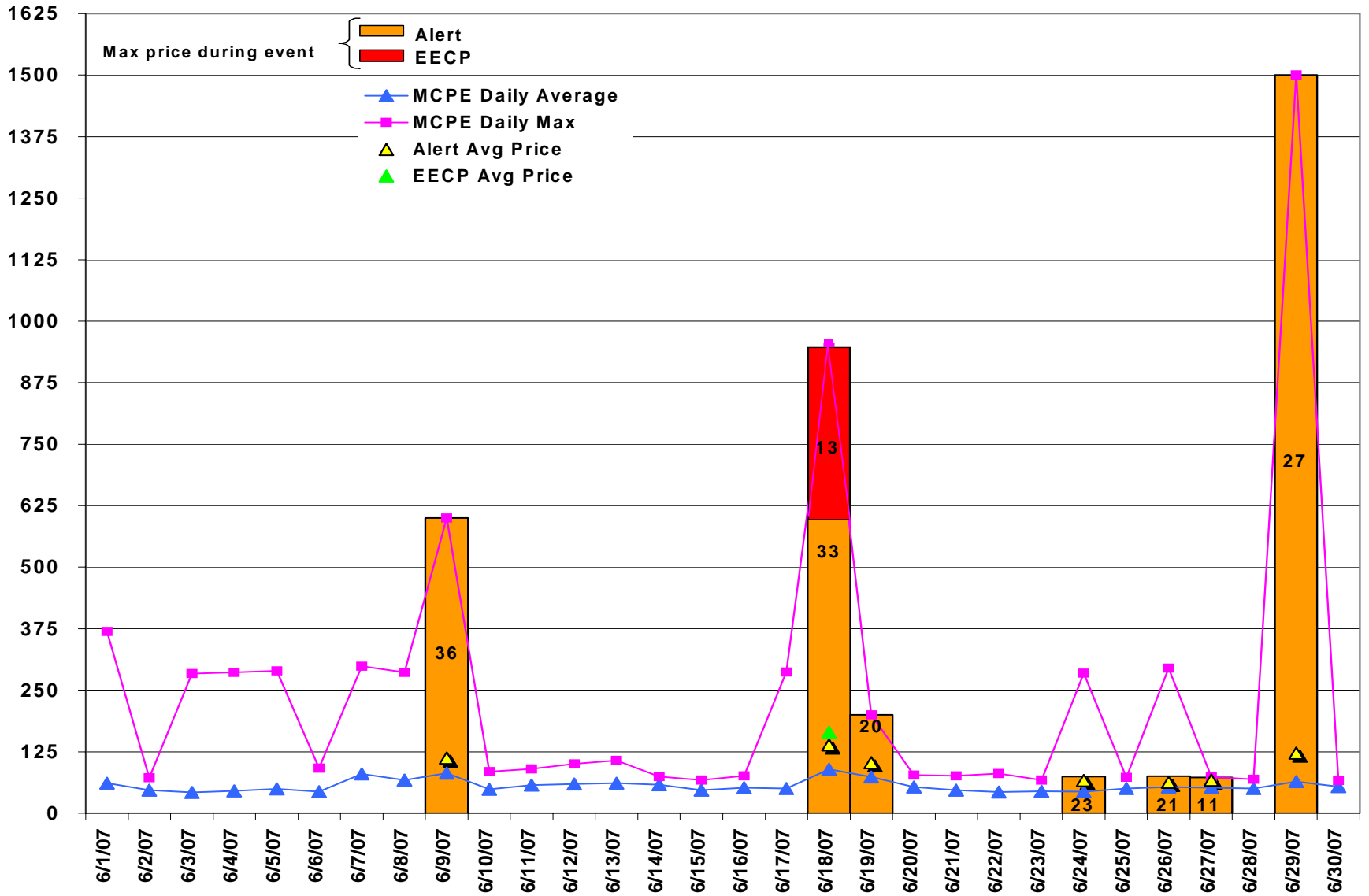
February 2007











Questions?

