



Market Operations Presentation

Board of Director's Meeting

April 15, 2008

Retail Activity

- **Overall Activity** – February switching activity was about the same as February last year.
- **Migration From Native AREPs** – steady migration in the Residential sector continues.
- **Transaction Performance Measures** – no problems in February.

Wholesale Activity

- **Settlements & Billing Performance Measures** – no problems in February.
- **Energy Services** – Balancing Energy prices continue to track Natural Gas prices – both are up.
- **Summary Hub Price Data** – reasonable activity overall; volatility in West continues.
- **REPs and QSEs Added/Deleted**
 - 1 new REP
 - 5 new QSEs

Retail Transactions Summary

Transaction Type	YTD		February	
	<u>02/29/2008</u>	<u>02/28/2007</u>	<u>2008</u>	<u>2007</u>
Switches	93,954	128,818	45,496	45,581
Move - Ins	364,992	361,093	185,320	178,201
Move Out	195,441	200,957	97,732	97,113
CSA	58,924	60,074	33,714	23,425
Total	713,311	750,942	362,262	344,320
Since June 1, 2001	26,674,368			

ESI IDs and Load served by providers other than Affiliate REP

	% of Load ¹	% of ESI IDs	
	at <u>02-29-08</u>	at <u>02-29-08</u>	at <u>02-28-07</u>
Residential	47%	42%	37%
Small Non-Residential	67%	45%	40%
Large Non-Residential	70%	72%	72%

¹ - % of Deregulated (Non-NOIE) Peak Demand on historic peak day of 08-17-06

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>
	55,285	2,337	52,895	52,688	52,477	40,093	40,549
% in Protocol	n/a	100.0%	100.0%	100.0%	100.0%	99.9%	99.4%

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>
	48,744	48,679	45,734	45,671
% in Protocol	100.0%	100.0%	n/a	100.0%

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>
	203,912	2,831	200,948	197,256	196,288	104,953	88,494
% in Protocol	n/a	96.9%	99.9%	100.0%	100.0%	100.0%	97.9%

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>
	123,394	123,190	189,669	189,174
% in Protocol	99.7%	100.0%	n/a	100.0%

Settlements & Billing Performance Measures – February 2008

	YTD		February	
	<u>02/29/08</u>	<u>02/28/07</u>	<u>2008</u>	<u>2007</u>
Settlement Statements:				
Total	23,264	19,528	11,646	8,963
Late	0	0	0	0
– <i>Less than 24 hours late</i>	0	0	0	0
– <i>Greater than 24 hours late</i>	0	0	0	0
Balance	23,264	19,528	11,646	8,963
% Within Protocol	100.0%	100.0%	100.0%	100.0%
Invoices:				
Total	1,332	1,009	616	501
Late	0	0	0	0
– <i>Less than 24 hours late</i>	0	0	0	0
– <i>Greater than 24 hours late</i>	0	0	0	0
Balance	1,332	1,009	616	501
% Within Protocol	100.0%	100.0%	100.0%	100.0%
Grand Total:				
Total	24,596	20,537	12,262	9,464
Late	0	0	0	0
– <i>Less than 24 hours late</i>	0	0	0	0
– <i>Greater than 24 hours late</i>	0	0	0	0
Balance	24,596	20,537	12,262	9,464
% Within Protocol	100.0%	100.0%	100.0%	100.0%

	YTD (\$'s in millions)		February (\$'s in millions)	
	<u>02/29/08</u>	<u>02/28/07</u>	<u>2008</u>	<u>2007</u>
<ul style="list-style-type: none"> Market Perspective: <ul style="list-style-type: none"> Approximate Retail Market (at \$.10/kWh) <ul style="list-style-type: none"> Volume (GWh) % Increase Natural Gas Price Index (\$/MMBTU) % Increase 	\$4,704.9 47,049 -0.8% 7.9 17.9%	4,741.0 47,410 6.7	2,173.2 21,732 0.6% 8.1 11.0%	2,161.3 21,613 7.3
<ul style="list-style-type: none"> Balancing Energy: <ul style="list-style-type: none"> Balancing Energy - Up <ul style="list-style-type: none"> % Increase Up (GWh) % Increase % of Market Balancing Energy - Down <ul style="list-style-type: none"> % Increase Down (GWh) % Increase % of Market 	\$124.8 15.8% 1,578.2 -3.2% 3.4% -\$46.8 -13.2% -1,285.3 -6.3% 2.7%	\$107.8 1,630.9 3.4% 2.9%	\$54.2 25.2% 642.5 0.2% 3.0% -\$21.8 -14.5% -614.2 -4.3% 2.8%	\$43.3 641.5 3.0% 3.0% -\$25.5 -642.1 3.0%

Hub Summary Data

- ERCOT Hubs**

Balancing Energy Weighted Average Price (\$/MWH)

HUB	Feb 2008	Jan 2008	Dec 2007	Nov 2007	Oct 2007	Sep 2007	Aug 2007	July 2007	June 2007	May 2007	Apr 2007	Mar 2007
South	\$64.73	\$58.45	\$49.29	\$53.03	\$45.36	\$63.41	\$59.13	\$50.85	\$59.54	\$59.53	\$56.64	\$55.75
North	\$58.83	\$67.91	\$48.29	\$40.10	\$48.04	\$68.73	\$60.38	\$50.57	\$54.70	\$51.68	\$51.63	\$55.53
Houston	\$64.29	\$57.61	\$53.05	\$55.99	\$52.94	\$65.73	\$63.38	\$49.83	\$56.88	\$64.23	\$65.36	\$58.72
West	\$46.21	\$35.64	\$60.04	\$32.54	\$46.23	\$80.17	\$59.86	\$58.44	\$75.18	\$58.92	\$70.75	\$63.86
ERCOT Hub	\$60.94	\$59.39	\$50.70	\$47.42	\$48.12	\$67.44	\$60.60	\$51.33	\$58.99	\$57.21	\$56.78	\$57.39
ERCOT Bus	\$60.51	\$59.80	\$50.69	\$47.32	\$48.37	\$67.44	\$60.69	\$51.14	\$58.70	\$57.12	\$56.84	\$57.41
% Change	1.2%	18.0%	7.1%	-2.2%	-28.3%	11.1%	18.7%	-12.9%	2.8%	0.5%	-1.0%	7.2%
NGPI % Change	5.2%	16.7%	6.5%	-7.5%	11.7%	-1.6%	3.4%	-19.2%	-2.7%	2.7%	10.6%	-9.6%

HUB	Feb 2007	Jan 2007	Dec 2006	Nov 2006	Oct 2006	Sept 2006	Aug 2006	July 2006	June 2006	May 2006	Apr 2006	Mar 2006
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**

- ✓ En Touch Systems, Inc.

- **Deleted Reps**

- ✓ None

- **Added QSEs**

- ✓ Potentia Energy, LLC
- ✓ MAG Energy Solutions, Inc.
- ✓ Silver Star I Power Partners, LLC
- ✓ ENERNOC, Inc.
- ✓ En Touch Systems, Inc.
d/b/a En Touch Energy

- **Deleted QSEs**

- ✓ None