



Market Performance Report for July 2008

Alan Isemonger
Manager, Market Information

Board of Governors Meeting
General Session
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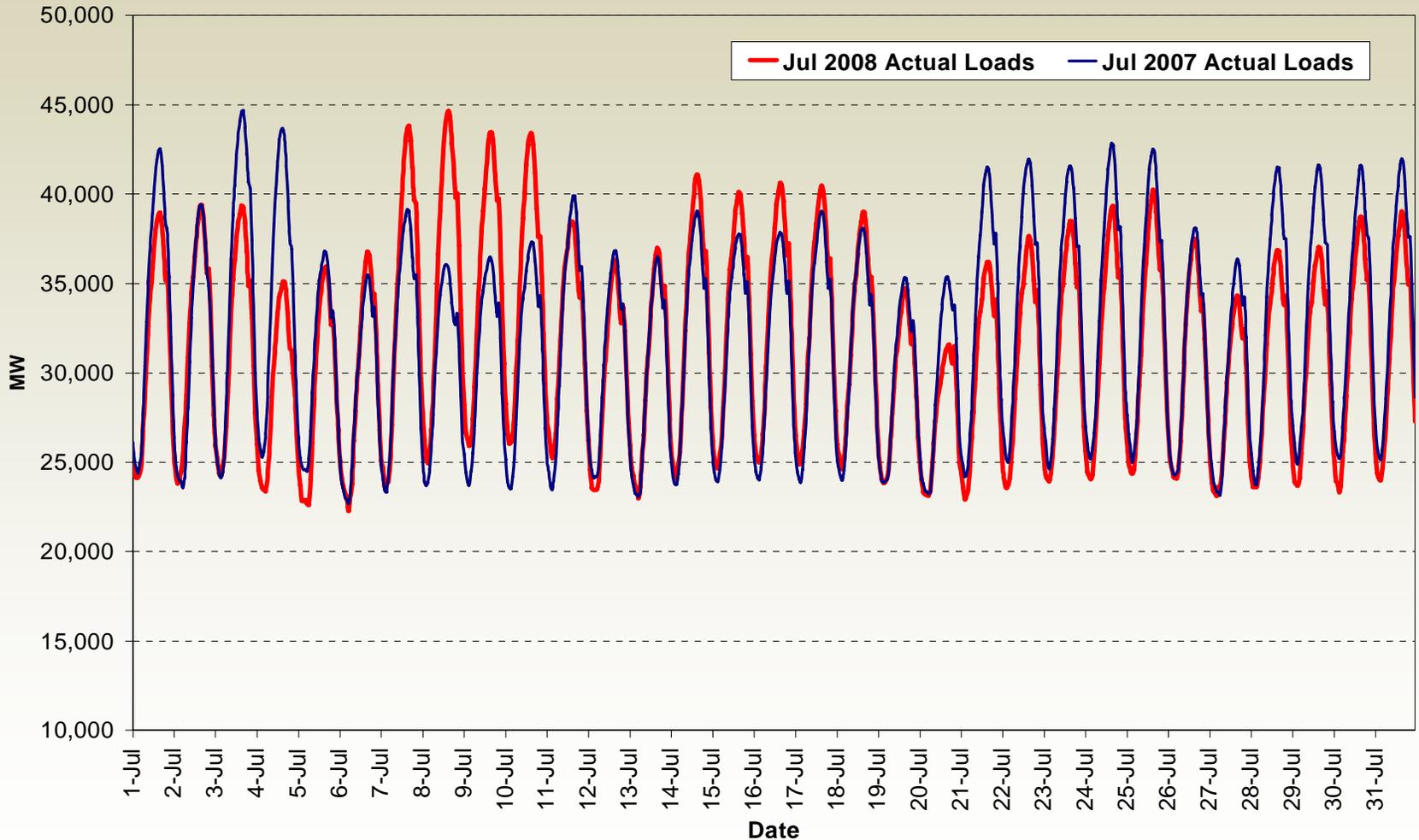
Market Highlights

- July was a quiet month.
- Mild summer temperatures resulted in moderate summer loads.
- Inter-zonal congestion costs down sharply.

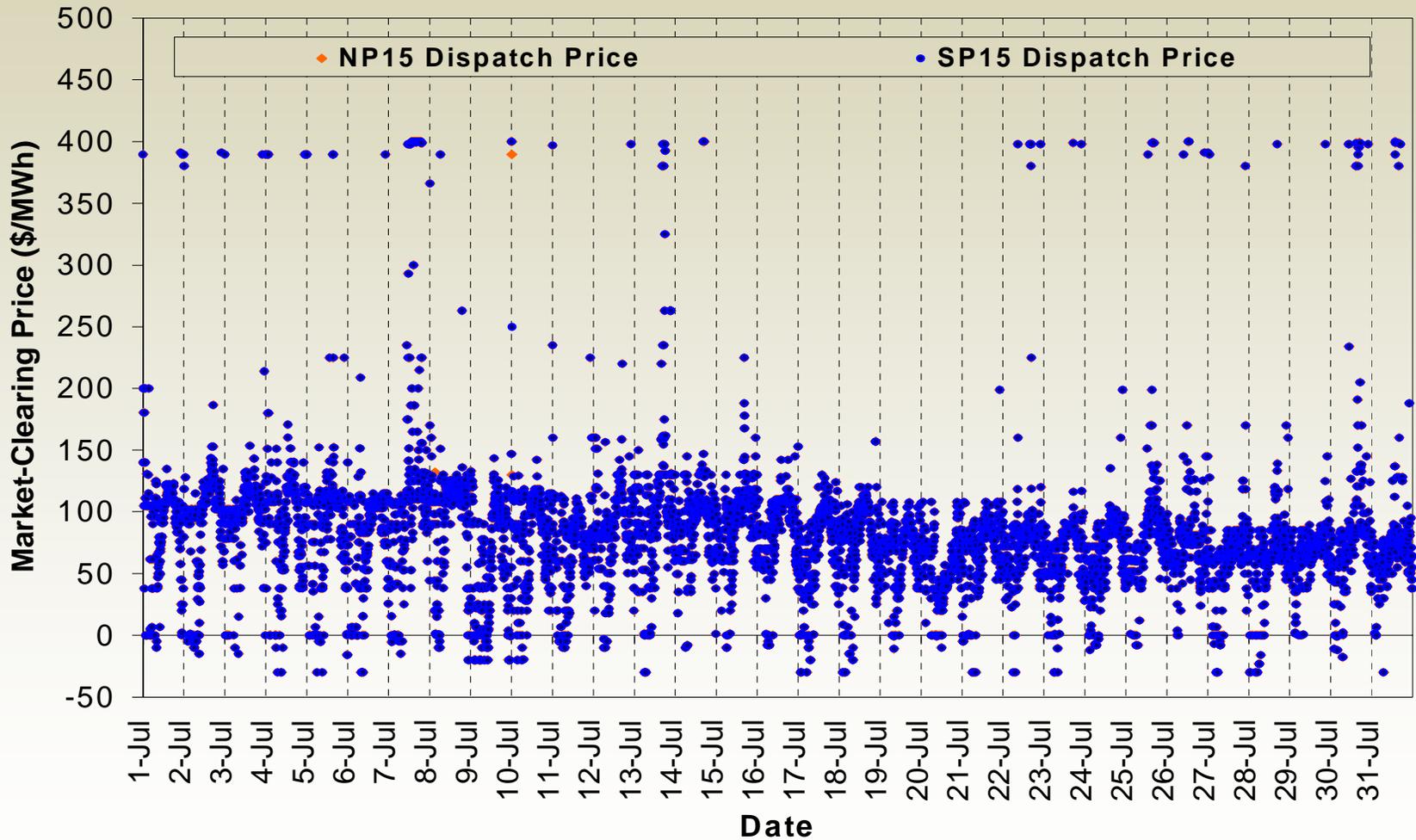
Monthly Market Performance Metrics

Monthly Metrics	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Avg
Average Gas Price	\$6.14	\$5.93	\$5.73	\$6.80	\$7.05	\$7.00	\$7.78	\$8.31	\$9.09	\$9.96	\$9.98	\$11.78	\$10.00	\$8.12
Average On-Peak Contract Price	\$71.76	\$71.40	\$59.64	\$71.89	\$64.21	\$70.41	\$76.90	\$77.52	\$84.41	\$97.74	\$89.18	\$106.61	\$105.00	\$80.51
Average Real-Time Price	\$55.84	\$62.44	\$47.22	\$56.59	\$56.95	\$62.84	\$70.64	\$66.07	\$75.88	\$89.10	\$64.21	\$86.18	\$81.27	\$67.33
No. of Price Spikes Over \$250	79	167	10	93	72	122	192	192	171	225	195	465	165	\$165.23
Costs Incurred over \$250 (percent)	14%	24%	3%	27%	16%	29%	28%	26%	21%	25%	25%	36%	23%	23%
AS Cost (\$ per MWh)	\$1.16	\$0.78	\$0.58	\$0.47	\$0.56	\$0.50	\$0.45	\$0.63	\$0.73	\$0.77	\$1.18	\$1.92	\$0.99	\$0.82
RA Unit Commitment Costs (\$M)	\$4.8	\$3.2	\$2.9	\$4.3	\$5.0	\$5.0	\$7.0	\$4.0	\$4.0	\$5.0	\$16.0	\$14.0	\$13.0	\$6.78
FERC Unit Commitment Costs (\$M)	\$1.4	\$1.4	\$0.8	\$3.8	\$0.6	\$0.1	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.62
Inc OOS Redispatch Costs (\$M)	\$2.1	\$1.2	\$1.2	\$4.5	\$2.0	\$3.1	\$3.4	\$3.0	\$2.9	\$1.8	\$12.0	\$3.2	\$4.3	\$3.44
Dec OOS Redispatch Costs (\$M)	\$0.4	\$0.5	\$0.3	\$2.5	\$2.5	\$1.2	\$2.3	\$2.5	\$1.1	\$0.6	\$1.7	\$1.7	\$1.6	\$1.45
Total Interzonal Congestion (\$M)	\$4.2	\$3.1	\$4.3	\$12.9	\$10.3	\$12.3	\$6.1	\$1.9	\$9.0	\$4.5	\$18.2	\$56.7	\$14.2	\$12.13

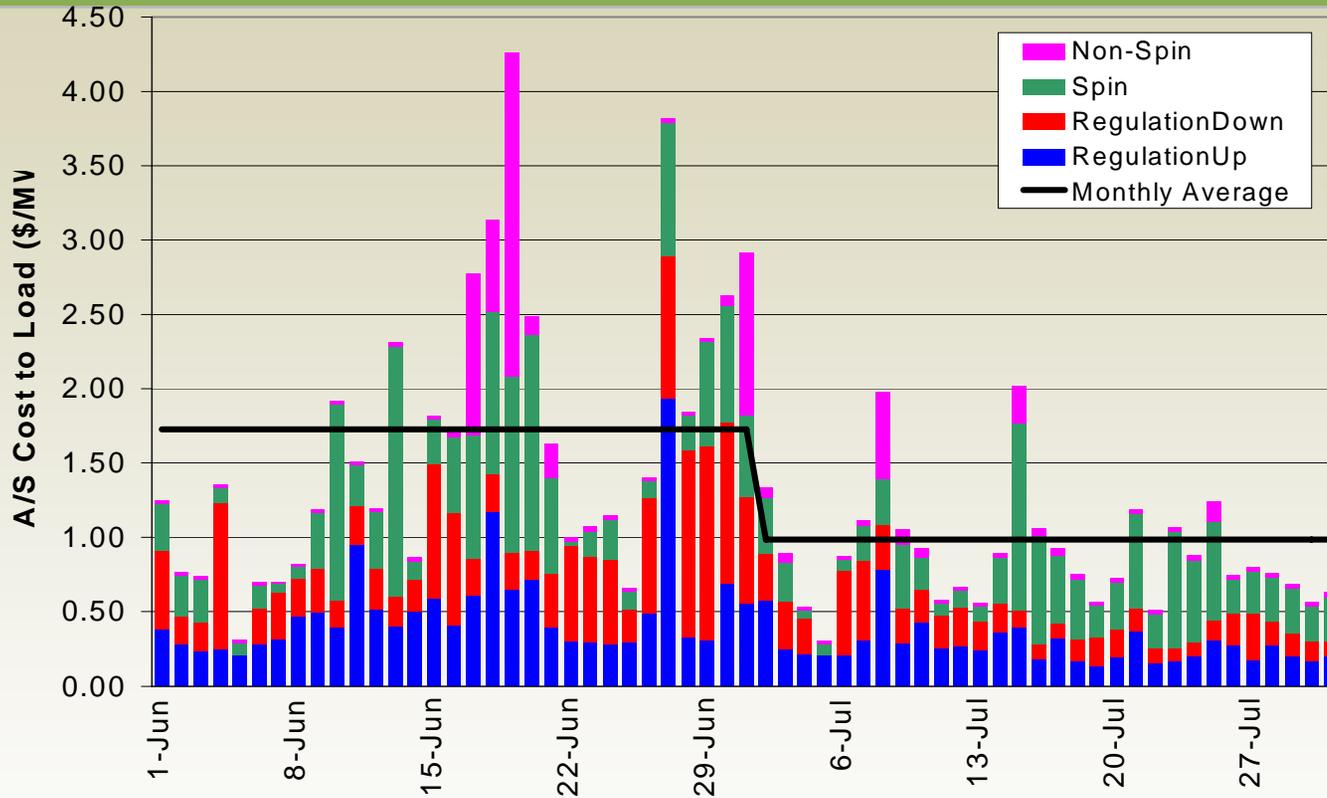
Loads peaked at 44,700 MW on July 8th



Number of Price Spikes Down to 165 from 465.



Ancillary Service Cost to Load down to \$0.99 from \$1.73



	Average Procured (MW)				Weighted Average Price (\$/MW)			
	RU	RD	SP	NS	RU	RD	SP	NS
Jun 08	394	358	878	888	\$ 38.99	\$ 42.75	\$ 17.55	\$ 6.10
Jul 08	421	360	984	1027	\$ 21.76	\$ 20.36	\$ 11.59	\$ 3.15
	6.9%	0.7%	12.1%	15.6%	-44.2%	-52.4%	-34.0%	-48.4%

Inter-zonal Congestion Down to \$14.2M from \$56.7M

