

Market Performance Report for October 2011

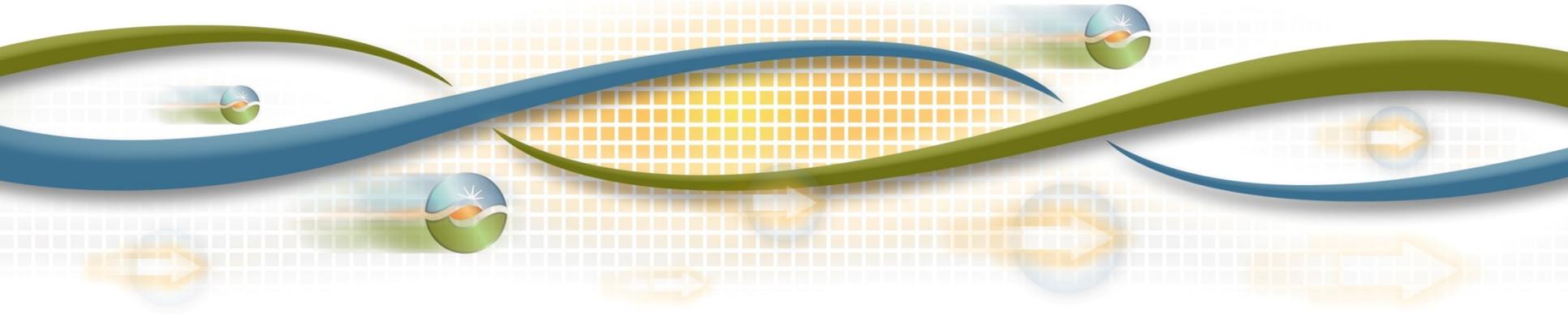
Nan Liu

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Board of Governors Meeting

General Session

December 15-16, 2011



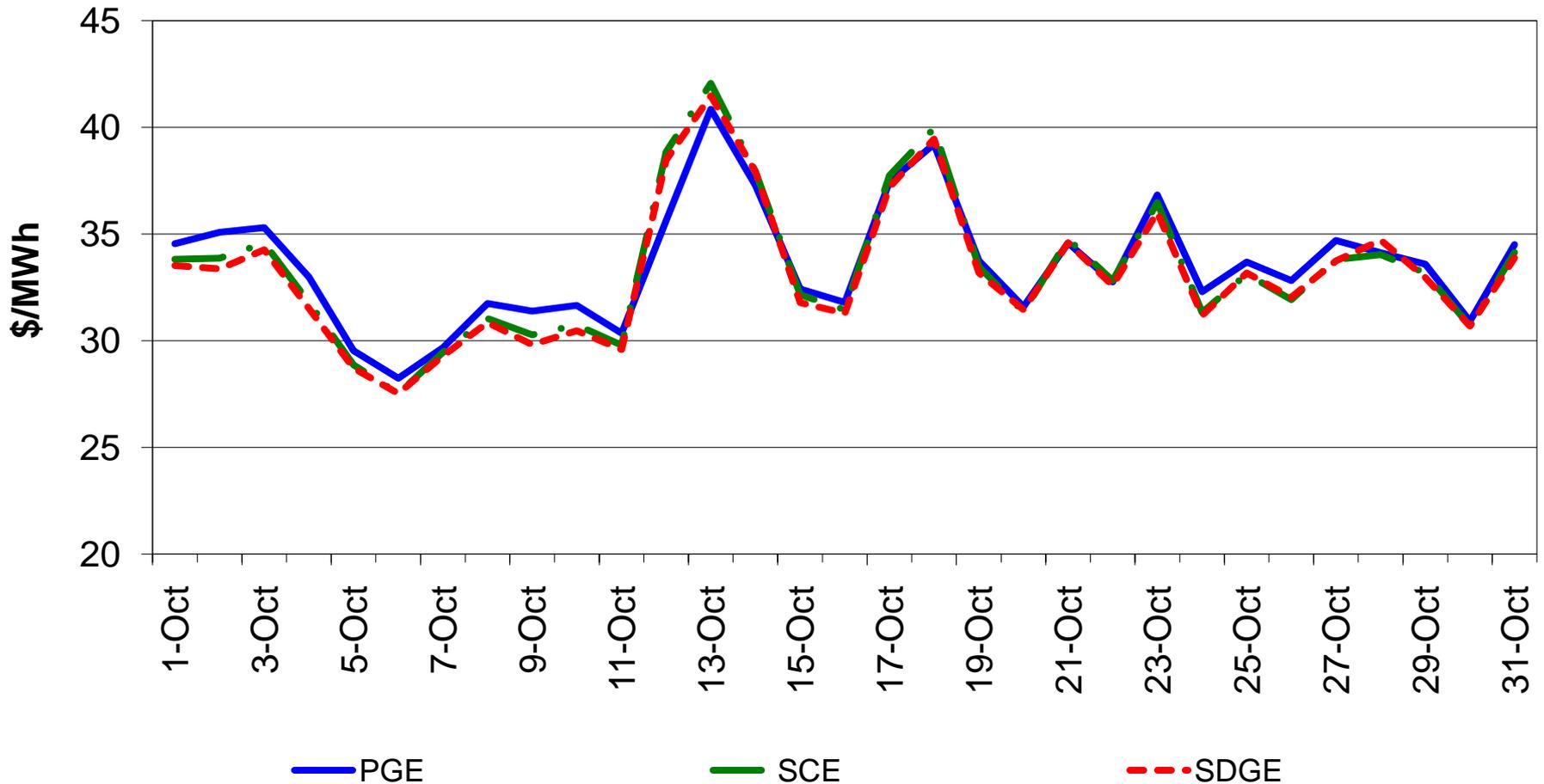
October 2011 - Market Highlights

- Day-ahead market prices were relatively stable in October.
- Real-time market prices were moderate in most days of October, punctuated with occasional price spikes.
- Congestion revenue rights surplus allocation to load was \$3.81 million.
- System ancillary service cost-to-load was \$0.40/MWh in October.
- Real-time imbalance energy offset was \$3.6 million in October vs. \$9.5 million in September.

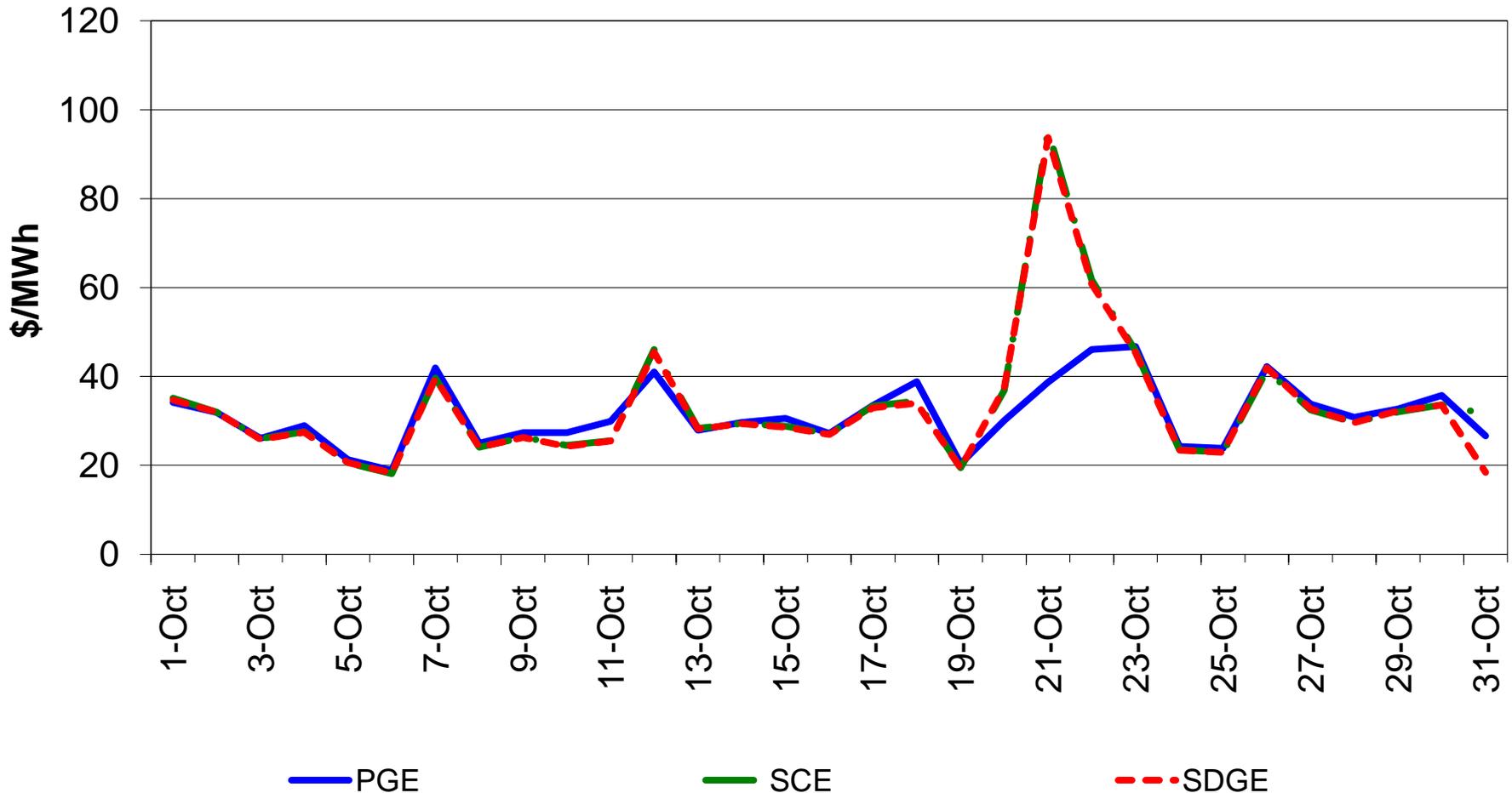
Monthly Market Performance Metrics

Monthly Metrics	May	June	July	August	September	October
Average Gas Price	\$4.36	\$4.65	\$4.50	\$4.29	\$4.20	\$3.63
Average On-Peak Contract Price	\$33.03	\$35.81	\$41.37	\$39.34	\$38.16	\$35.33
DA Weighted Average DLAP LMP	\$27.05	\$30.75	\$37.45	\$39.39	\$38.83	\$33.55
RTD Weighted Average DLAP LMP	\$28.94	\$29.94	\$31.92	\$36.50	\$39.15	\$32.40
Percent of Intervals DLAP Price Spikes Over \$250 for DA	0%	0%	0%	0%	0%	0%
Percent of Intervals DLAP Price Spikes Over \$250 for RTD	1.03%	0.91%	0.66%	0.49%	1.16%	0.55%
Percent Cost Incurred when DLAP over \$250 for RTD	28%	26%	14%	12%	17%	14%
System AS Cost (\$ per MWh)	\$0.90	\$0.81	\$0.74	\$0.52	\$0.35	\$0.40
CRR Revenue Adequacy Ratio	101.36%	115.43%	125.36%	114.30%	100.22%	108.77%

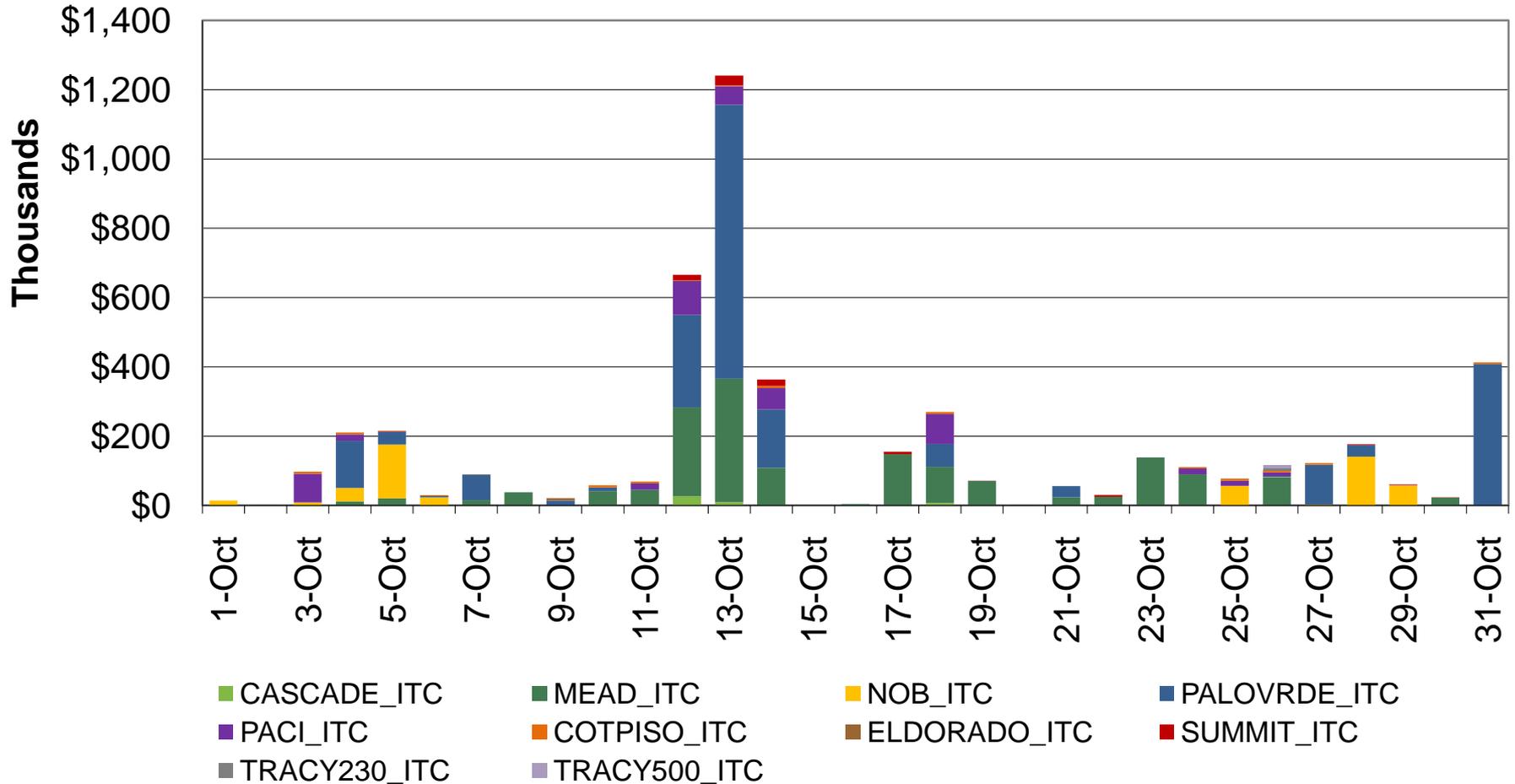
Day-ahead prices were relatively stable in October, which can be attributed to moderate weather.



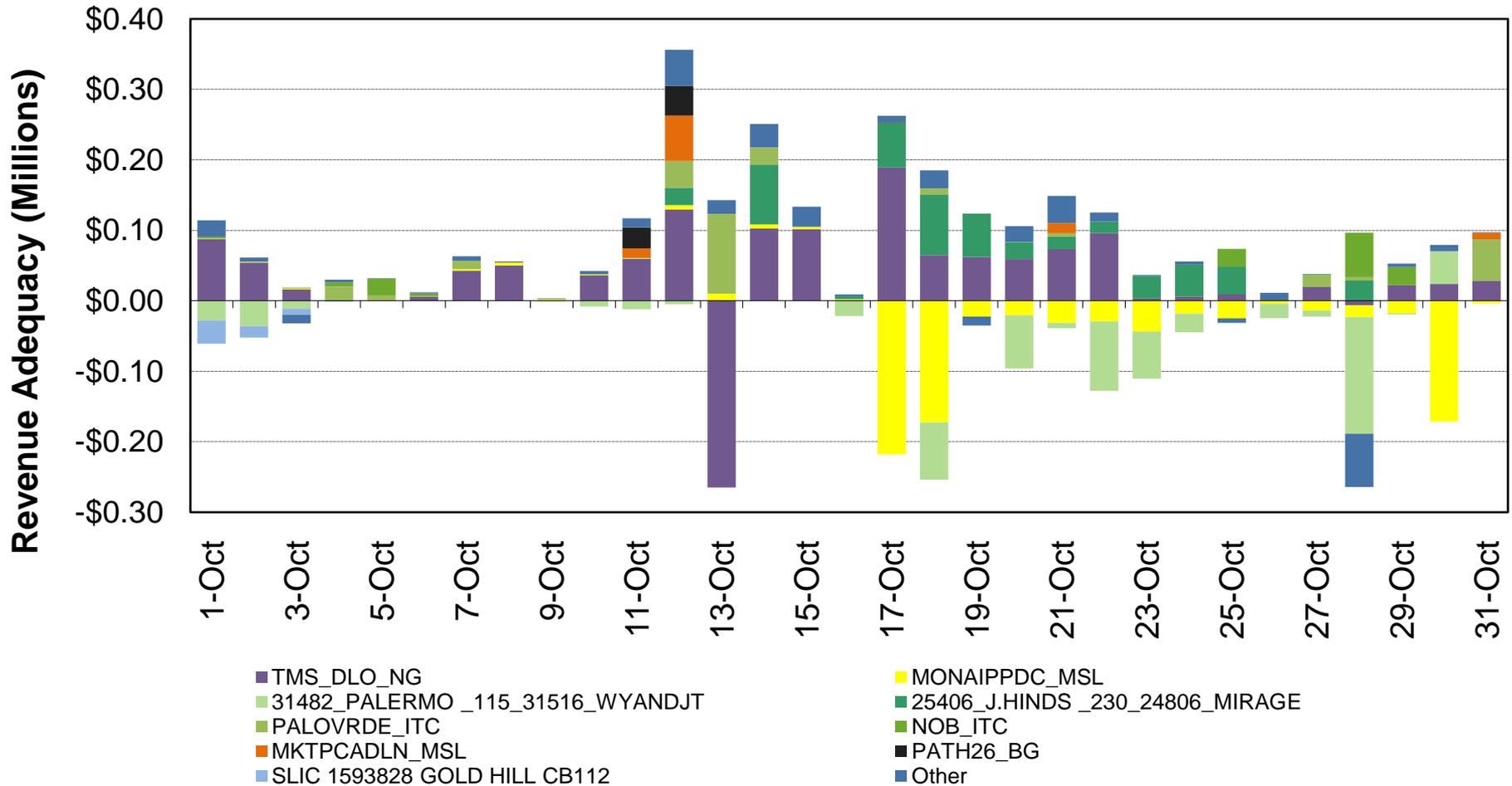
Real-time market prices were moderate for most days of October, punctuated by a few price spikes.



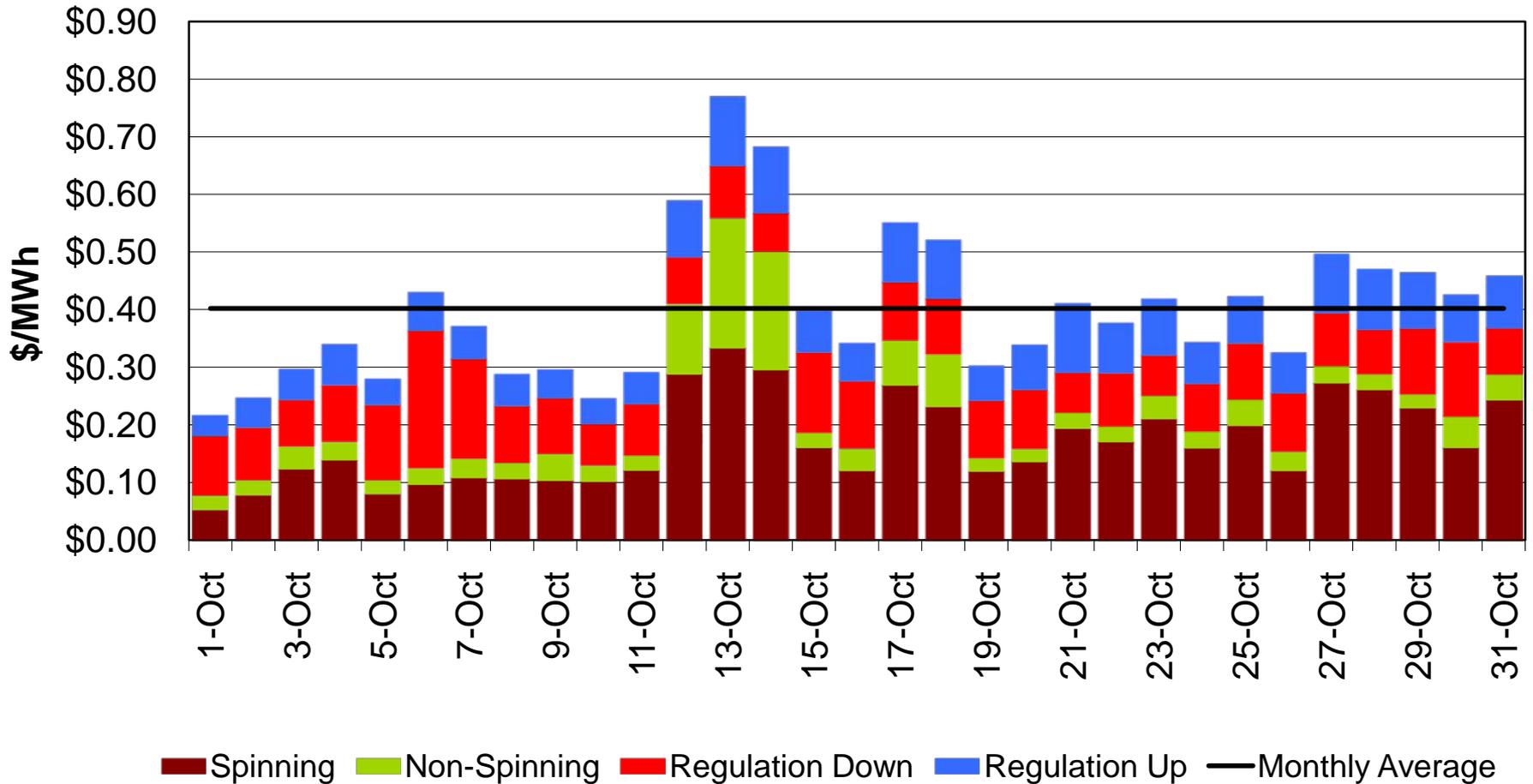
Integrated forward market total congestion rent for interties was \$4.94M in October.



Congestion revenue rights surplus allocation to load was \$3.81M in October.



System ancillary service average cost-to-load increased to \$0.40/MWh in October.



The real-time imbalance energy offset continued to trend downward in October.

