



ENERGY RISK MANAGEMENT

Howard Rennell, Pat Shigueta,
Karen Palladino & Zachariah Yurch
(212) 624-1132 (888) 885-6100

www.e-windham.com

POWER MARKET REPORT FOR FEBRUARY 1, 2008

NATURAL GAS MARKET NEWS

As the company continues to discuss merger possibilities with the Chicago Mercantile Exchange (CME), Nymex Holdings, parent company of the New York Mercantile Exchange Inc. (Nymex), on Friday reported record 4Q2007 and full-year 2007 revenues.

Spectra Energy Partners is conducting a non-binding open season to solicit participation in holding capacity on its East Tennessee Natural Gas Pipeline system. The open season is in response to requests from producers for additional market outlets and from end users for increased access to Appalachian supplies. The proposed expansion, called the Greenway Project, is expected to move up to an additional 250 to 450 MMcf/d of new supply from the Appalachian basin in southwest Virginia, West Virginia and Kentucky to Southeast and Mid-Atlantic markets.

U.K. gas prices at the National Balancing Point plunged Friday as demand came in lower than expected and supplies picked up considerably. Within-day was down almost 4 pence to 50 pence/therm and day-ahead was down 3.3 pence to 50.6 pence/therm.

ConocoPhillips started shutting production at three North Sea oil and gas fields and two platforms as storms brought high winds and waves to the region.

PIPELINE MAINTENANCE

Gulf South Pipeline said that unscheduled maintenance on Montpelier Compressor Station Unit #7 that began January 22 has been extended through February 8. Capacity through Montpelier Compressor Station could be reduced by as much as 50 MMcf during this outage.

TransCanada said that temporary repairs to the NPS 16 Flat Lake Extension have been completed. The nil nominations have been lifted at Prosperity and Flat Lake North meter stations. Final repairs and investigations will be completed at a later date.

PIPELINE RESTRICTIONS

Generator Problems

ECAR – Detroit Edison's 1,100 Mw Fermi #2 nuclear unit shut after a malfunction with two pumps prompted a reactor shutdown.

FirstEnergy's 898 Mw Davis-Besse nuclear unit exited a refueling outage and is warming up offline at 4%.

ERCOT – Luminant's 1,150 Mw Comanche Peak #1 nuclear unit reduced power to 12% capacity. The unit was operating at full power. Comanche Peak #2 continues to operate at full power.

MANI – Exelon's 1,120 Mw Braidwood #1 nuclear unit reduced output to 21% power. The unit was operating at full capacity. Braidwood #2 continues to operate at full power.

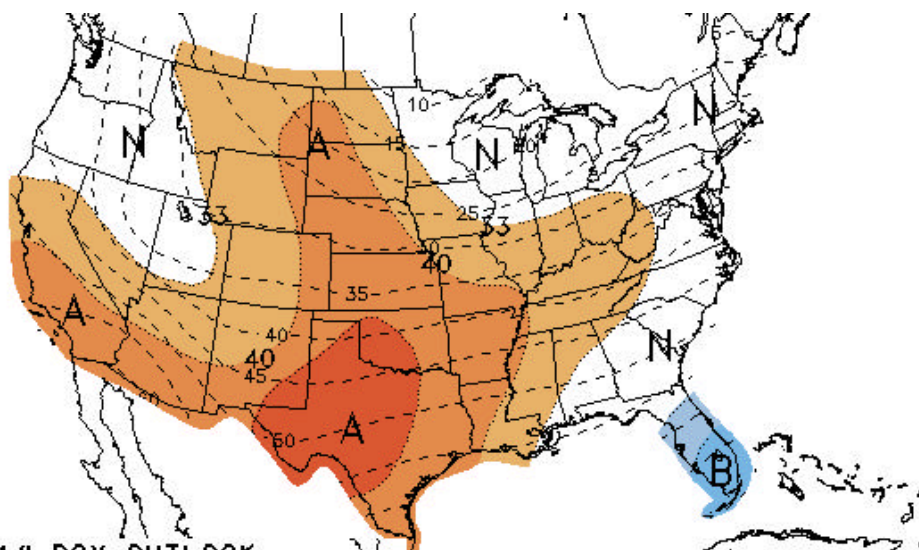
NPCC – FPL's 1,240 Mw Seabrook nuclear unit reconnected to the grid and ramped output to 67% capacity today.

SERC – South Carolina Edison's 1,000 Mw Summer nuclear unit restarted and is warming up offline at 1% capacity.

Exelon's 1,162 Mw LaSalle #1 nuclear unit inched up to 79% capacity today though the unit is expected to shutdown this weekend for a refueling outage. LaSalle #2 continues to operate at full power.

The NRC reported that 89,772 Mw of nuclear capacity is online, down 2.01% from Thursday, and down 5.68% from a year ago.

The shut-in is expected to last 24 hours.



8-14 DAY OUTLOOK
 TEMPERATURE PROBABILITY MADE 1 FEB 2008
 VALID FEB 09 - 15, 2008
 DASHED BLACK LINES ARE CLIMATOLOGY (DEG F) SHADED AREAS ARE FCST VALUES ABOVE (A) OR BELOW (B) NORMAL UNSHADED AREAS ARE NEAR-NORMAL

Trunkline Gas Company said that there will be an outage on the Joppa 100-2 Line from the Gate Valve 106-2 to Gate Valve 108-2 while pipeline sections are excavated to allow for ground subsidence monitoring during the upcoming Long Wall Mining project. Expected outage duration is 23 days. Capacity through Joppa Station will be limited to 1340 MMcf/d.

Southern Natural Gas Pipeline Co. said that the following information is not an Operational Flow

Order notice, but is its best projection of the likelihood of implementing a Type 6 OFO for the following dates based on anticipated receipts and projected deliveries. Today, UL for long imbalances and OFO for short imbalances is issued and tomorrow, UL for long imbalances and HL for short imbalances.

ELECTRIC MARKET NEWS

As estimated by the EIA from data on railroad car loadings, U.S. coal production totaled approximately 22.5 million short tons during the week ended January 26. This production estimate is about the same as last week's estimate, and also about the same as the estimate reported for the comparable week in 2007. Production east of the Mississippi River totaled 9.6 mmst and production west of the Mississippi River totaled 12.9 mmst.

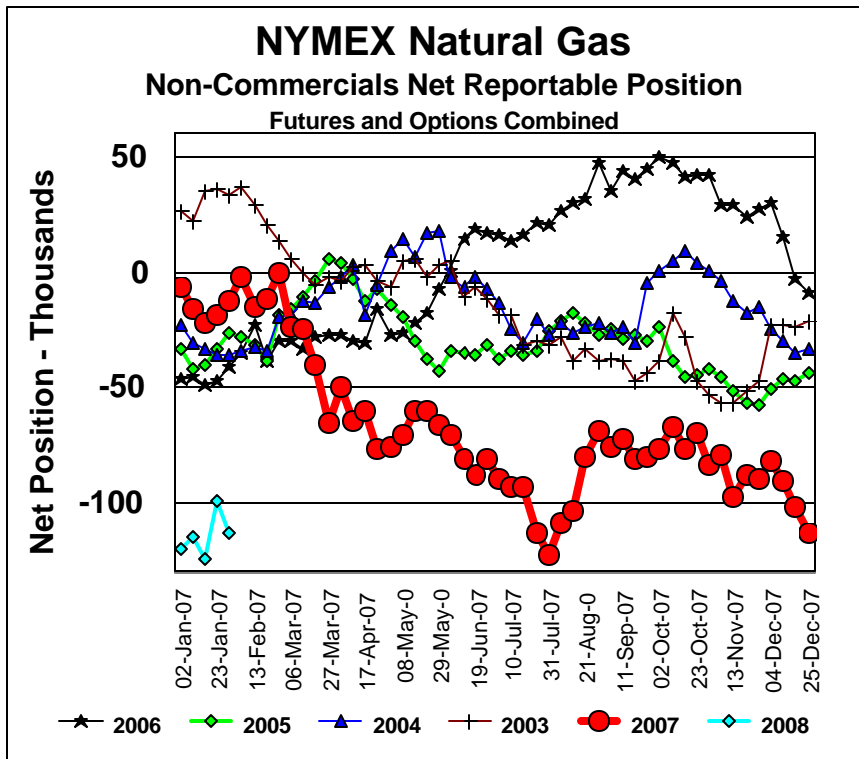
Natural Gas Cash Market						
ICE Next Day Cash Market						
Location	Volume Traded	Avg Price	Change	Basis (As of 12:30 PM)	Change	Basis 5-Day Moving Avg
Henry Hub	1,217,600	\$7.886	(\$0.209)	\$0.091	(\$0.070)	\$0.079
Chicago City Gate	791,900	\$7.986	(\$0.219)	\$0.191	(\$0.034)	\$0.250
NGPL- TX/OK	957,200	\$7.562	(\$0.162)	(\$0.233)	\$0.023	(\$0.241)
SoCal	683,600	\$7.724	(\$0.256)	(\$0.071)	(\$0.071)	(\$0.102)
PG&E Citygate	619,700	\$8.012	(\$0.248)	\$0.217	(\$0.063)	\$0.193
Dominion-South	308,300	\$8.210	(\$0.311)	\$0.415	(\$0.126)	\$0.471
Transco Zone 6	94,900	\$8.569	(\$0.450)	\$0.774	(\$0.265)	\$1.072

Tenaska Inc. said that a challenge by environmentalists to its planned \$2 billion clean-coal power plant in Illinois failed, allowing a final air permit to be issued. If built, the 630 Mw Taylorville Energy Center, an integrated gasification combined cycle plant, will be more than twice as large as existing IGCC demonstration plants in the United States. The U.S. Environmental Appeals Board denied an appeal filed by the Sierra Club of the Taylorville air permit granted last year.

Maine lawmakers are laying the groundwork for a quick withdrawal from ISO New England should the state decide to go forward with the split. The bill marks the next step of the state's probe into leaving the ISO to form its own transmission company or create a joint market with the Canadian province of New Brunswick. Maine officials say ISO payments are too high. They also are concerned the state will be strapped with a large bill for upcoming transmission projects to push renewable energy from northern Maine to southern New England.

MARKET COMMENTARY

The natural gas market officially put the yesterday's record draw behind it today, as prices tumbled down the charts to wrap up a volatile week. The market was pressed lower by a mild temperatures outlook as well as



unsupportive economic news that pressured financial markets, as well as the broad-based energy complex as a weak employment report this morning gave the markets renewed fears of an economic slowdown and subsequent destruction of long-range energy demand. The March contract took out support at 7.80 to settle the day down 33.4 cents at 7.74.

Forecasts for February show no sustained cold giving the bulls nothing to hold onto. We are certain to see a test of the 7.60 level, and if no supportive weather shows up this market will probe to the lower 7.00s over the coming weeks. The Commitment of Traders Report showed that non-commercial traders reduced their net short futures position by 5,685 lots to 100,067 contracts, while they increased their combined futures and options net

short position by 13,619 lots to 112,993 contracts. We see support at 7.60, 7.553, 7.534, 7.50 and 7.25. We see resistance at 7.809, 7.928, 8.00, 8.12, 8.184, 8.303 and 8.48.