



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 6, 2008

NATURAL GAS MARKET NEWS

Looking to help handle the normal peaks and valleys in natural gas demand in the South, Dallas-based Atmos Energy Corp. subsidiary Atmos Pipeline and Storage LLC has submitted a pre-filing request with the Federal Energy Regulatory Commission to construct and operate a 15 Bcf salt-cavern gas storage project in Franklin Parish, LA.

Completing its long awaited expansion of the Pioneer natural gas processing plant in Sublette County, WY, Enterprise Products Partners LP said Wednesday that production at the state-of-the-art facility is currently ramping up and the plant is expected to be processing approximately 525 MMcf/d of natural gas from the Enterprise-operated Jonah Gas Gathering System and extracting approximately 25,000 b/d of natural gas liquids (NGL).

MoBay Storage Hub LLC, an affiliate of Falcon Gas Storage Co. Inc., signed a gas storage lease with the State of Alabama that covers more than 24,000 acres of state-owned lands, clearing the way for construction of the MoBay Storage Hub to start this spring, the company said Wednesday.

Connecticut lawmakers asked the FERC to take a long look at what they feel are potentially unsafe features of a planned Iroquois Gas Transmission gas pipeline expansion. Iroquois filed with the FERC for authorization of a 200 MMcf/d expansion of its New York and Connecticut system so it can transport more gas to the region's major utility, KeySpan. Lawmakers however have taken issue with FERC's recent environmental assessment, which concluded that the expansion could be built without significantly impacting the environment.

Generator Problems

ECAR – FirstEnergy's 889 Mw Davis-Besse nuclear unit shut to work on a vibrating turbine generator.

AEP's 1,060 Mw Cook #1 nuclear unit reconnected to the grid and ramped up to about 50% power. The unit was operating at 17% power yesterday. Cook #2 continues to operate at full power.

Detroit Edison's 1,100 Mw Fermi #2 nuclear unit ramped up to full power today.

MAPP – FPL's 516 Mw Point Beach #1 nuclear unit ramped up to full power. Point Beach #2 continues to operate at full power.

MAIN – AmerGen's 1,022 Mw Clinton nuclear unit reconnected to the grid and ramped up to 29% power following a refueling outage.

Exelon's 855 Mw Quad Cities #1 nuclear unit ramped up to near full power today. Quad Cities #2 remains at 96% power.

NPCC – FPL's 1,240 Mw Seabrook nuclear unit returned to full power up from 76% power.

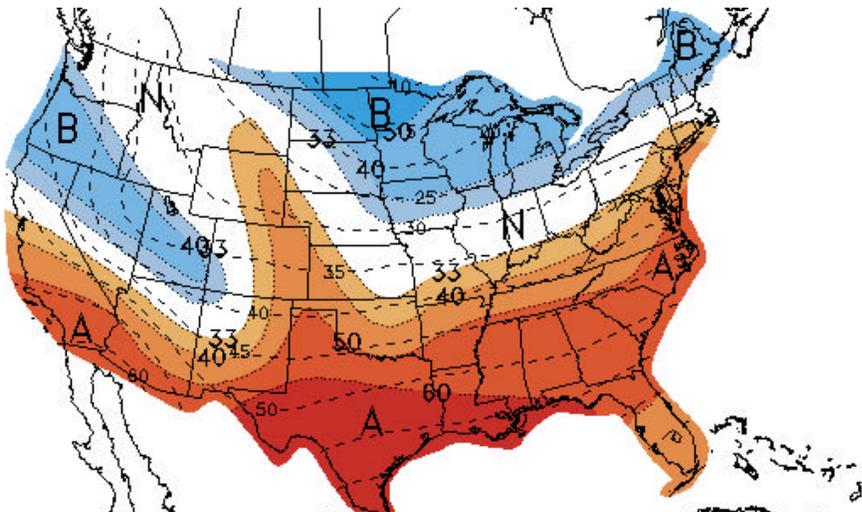
PJM – Exelon's 1,116 Mw Peach Bottom #3 nuclear unit is offline, down from 37% power yesterday. Peach Bottom #2 continues to operate at full power.

SERC – Entergy's 836 Mw Arkansas #1 nuclear unit reduced output to about 25% capacity as a tornado damaged power lines. Arkansas #2 continues to operate at full power.

TVA's 1,121 Mw Watts Bar nuclear unit ramped up to 85% power by this morning and was near full power at the end of the day. The unit was operating at 70% power yesterday after a valve was inadvertently opened.

Canada – Ontario Power Generation's 490 Mw Nanticoke #5 coal-fired power station shut for short work today. The unit is expected to return to service within a week.

The NRC reported that 87,256 Mw of nuclear capacity is online, up .25% from Tuesday, and down 7.27% from a year ago.



8-14 DAY OUTLOOK
 TEMPERATURE PROBABILITY
 MADE 6 FEB 2008
 VALID FEB 14 - 20, 2008
 DASHED BLACK LINES ARE CLIMATOLOGY
 (DEG F) SHADED AREAS ARE FCST
 VALUES ABOVE (A) OR BELOW (B) NORMAL
 UNSHADED AREAS ARE NEAR-NORMAL

PIPELINE MAINTENANCE

Enbridge Offshore Pipelines said that the Stingray pipeline launch that was scheduled for February 4 and rescheduled for February 5, was again postponed and will instead be performed today.

Gulf South Pipeline said on Index 195 SLN 3132 and 3298 have been shut-in during maintenance that began January 9 and will continue until further notice. Capacity at the Goodrich Compressor Station Unit #6 has been affected by as much as 50 MMcf in maintenance that began January 26, which has been

extended through February 18. Ongoing maintenance at Carthage Junction Compressor Station Units #1, #2 and #3 has affected capacity by as much as 75 MMcf since January 25. Marksville Compressor Station Unit #2 has undergone maintenance since January 14 and capacity has been affected by as much as 150 MMcf. The project is slated for completion on February 18. Finally, capacity at Montpelier Compressor Station Unit #7 has been affected by as much as 50 MMcf since January 22. The current completion date is February 8.

Panhandle Eastern Pipe Line Company said that beginning February 8, there will be an outage on the Tuscola 200 line between Tuscola Station and gate valve 202 to tie in the new 20-inch that passes through the town of Tuscola. Expected duration is eight days.

Natural Gas Cash Market						
ICE Next Day Cash Market						
	Volume	Avg	Change	Basis	Change	Basis 5-Day
Location	Traded	Price		(As of 12:30 PM)		Moving Avg
Henry Hub	1,338,600	\$7.943	\$0.140	(\$0.037)	\$0.138	(\$0.071)
Chicago City Gate	998,400	\$8.172	\$0.155	\$0.192	\$0.150	\$0.110
NGPL- TX/OK	755,300	\$7.754	\$0.128	(\$0.226)	\$0.123	(\$0.315)
SoCal	736,000	\$7.886	\$0.083	(\$0.094)	\$0.078	(\$0.124)
PG&E Citygate	580,100	\$8.148	\$0.113	\$0.168	\$0.108	\$0.157
Dominion-South	356,300	\$8.557	\$0.353	\$0.577	\$0.348	\$0.375
Transco Zone 6	128,500	\$9.153	\$0.519	\$1.173	\$0.514	\$0.815

Capacity will be limited to 1,290 MMcf through Dana for the duration of the outage.

PIPELINE RESTRICTIONS

NiSource Inc.'s Columbia Gulf Transmission Co. declared a force majeure today for its natural gas pipeline system in Tennessee after its Hartsville compressor station was struck by a tornado late Tuesday. The tornado touched down directly over the station, causing a fire and severe damage. The fire was put out quickly, but the station was not expected to be back in service for "some time." Lines 100, 200 and 300 were shut in.

ELECTRIC MARKET NEWS

The Edison Electric Institute reported that electricity demand in the continental U.S. was down 2.9% in the week ended February 2, compared with the same week last year. The continental U.S. used 81,005 GWh of electricity, about 6.3% decrease from the previous week.

MARKET COMMENTARY

The natural gas market gained ground again today, as a firm cash market ahead of some cold temperatures gave the futures a boost. The March contract traded to a high of 8.08 early in the session, but as the oil complex

came under pressure resulting from its bearish inventory report, natural gas recoiled back below the 8.00 level. The front month tried later in the session to return back above the 8.00 level, but unresponsive weather and crude's slide kept pressure on natural gas. The March contract was able to settle higher though, up 5.2 cents at 7.994.

With expectations for tomorrow's EIA report running above average, the market is maintaining its upward bias ahead of that data. Most market forecasts for the week ended February 1 point to a drawdown of between 180 and 190 Bcf against the five-year average pull of 177 Bcf and last year's 224 draw down, with most forecasters looking for a pull of around 184 Bcf. Our heating degree day model is on the lower end of expectations, looking for a draw of 175-181 Bcf. We see resistance at 8.08-8.123, 8.16, 8.24, 8.48 and 8.70-8.80. We see support at 7.912, 7.832, 7.748, 7.62-7.60 and 7.50.

