



ENERGY RISK MANAGEMENT

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NATURAL GAS & POWER MARKET REPORT FOR APRIL 15, 2009

NATURAL GAS MARKET NEWS

API reported that first quarter domestic oil and natural gas drilling activity dropped to levels not seen since 2004, marking the end of six consecutive years of first quarter growth.

The FERC extended to December 31st from May 22nd the deadline for Sempra Energy to place into service its Cameron LNG terminal under construction near Hackberry, Louisiana. The developer had told the FERC the need for additional time was largely the result of construction delays. The facility is slated to have an initial capacity of 1.5 Bcf/d, with the possibility of an expansion to 2.6 bcf/d.

The Federal Reserve said US industrial production fell by 1.5% in March. At a level of 97.4, production was at its lowest since December 1998. Capacity utilization receded in March to 69.3%, a historical low since records began in 1967. Over the 12 months ending in March, industrial production was down 12.8%.

Reuters reported that the LNG Bayelsa LNG tanker arrived at the Lake Charles terminal on Wednesday. The cargo was from Nigeria. This is the second cargo to arrive at this terminal since last November.

BP's British Emerald LNG tanker is set to arrive at the UK's Isle of Grain terminal from Trinidad & Tobago on April 28th.

The Ukrainian state energy company Naftogaz, reportedly has started pumping gas into underground storage ahead of schedule, according to company officials today. The government has said that it will provide state credits to the company to enable it to build up reserves

South Korean LPG supplier E1 said today that it is considering building a LPG storage facility at the Daesan petrochemical complex in order to meet the rising demand from naphtha cracker operators. The facility may have a potential capacity of 60,000 tonnes.

Generator Problems

NPCC – Constellation Energy's 621 Mw Nine Mile Point #1 nuclear unit climbed to 75% power, up 30% from Tuesday.

Entergy's 1025 Mw Indian Point #3 nuclear unit was at 2% capacity as operators began to restart the unit from its recent refueling outage. Later in the afternoon the company confirmed that the unit had reconnected to the grid as it reached 28% capacity

OPG's was expected to restart two 490 Mw coal fired units at its Nanticoke power station today.

MISO- Ameren's 1190 Mw Callaway nuclear unit ramped up to 60% power Wednesday, up 50% from Tuesday.

PJM- Exelon's 1134 Mw Limerick #2 nuclear unit ramped up to 95% of capacity this morning.

ERCOT – Luminant said it planned to restart its 565 Mw Monticello #1 coal fired unit late Wednesday or early Thursday.

SERC – TVA's 1114 Mw Browns Ferry #3 nuclear unit slipped to 57% power as of early Wednesday. The unit had been at full power on Tuesday.

The NRC reported this morning that 79,564 Mw of nuclear generation capacity was on line, down 0.4% from yesterday but up 3.9% from the same time a year ago.

Japanese press reports indicate that Russia is seeking Japanese help in financing a planned pipeline extension from Khabarovsk to Vladivostok to help to feed LNG supply effort from the Sakhalin-1 project.

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	558,700	\$3.604	\$0.016	(\$0.087)	\$0.013	(\$0.241)
Chicago City Gate	695,500	\$3.415	(\$0.010)	(\$0.276)	(\$0.025)	(\$0.210)
NGPL- TXOK	685,800	\$3.270	(\$0.004)	(\$0.421)	(\$0.019)	(\$0.374)
SoCal	456,000	\$3.073	(\$0.002)	(\$0.618)	(\$0.017)	(\$0.606)
PG&E Citygate	839,500	\$3.476	\$0.013	(\$0.215)	(\$0.002)	(\$0.160)
Dominion-South	276,700	\$3.961	\$0.008	\$0.270	(\$0.007)	\$0.356
USTrade Weighted	16,774,100	\$3.444	\$0.028	(\$0.247)	\$0.01	(\$0.241)

Poland's state owned gas company announced today that it has signed a 20-year deal to buy LNG from Qatar in order to cut its dependence on

Russian energy. Qatar will sell Poland 1 million tons of LNG annually between 2014 and 2034. This would be roughly 10% of Poland's natural gas needs.

PIPELINE RESTRICTIONS

NGPL said that effective today and until further notice, Texas Eastern Transmission Cameron was at capacity for deliveries. ITS/AOR and Secondary Firm transports are at risk of not being fully scheduled.

Tennessee Gas Pipeline said it has restricted approximately 47% of Supply to market Secondary Out of Path nominations on its Carthage Line Lateral

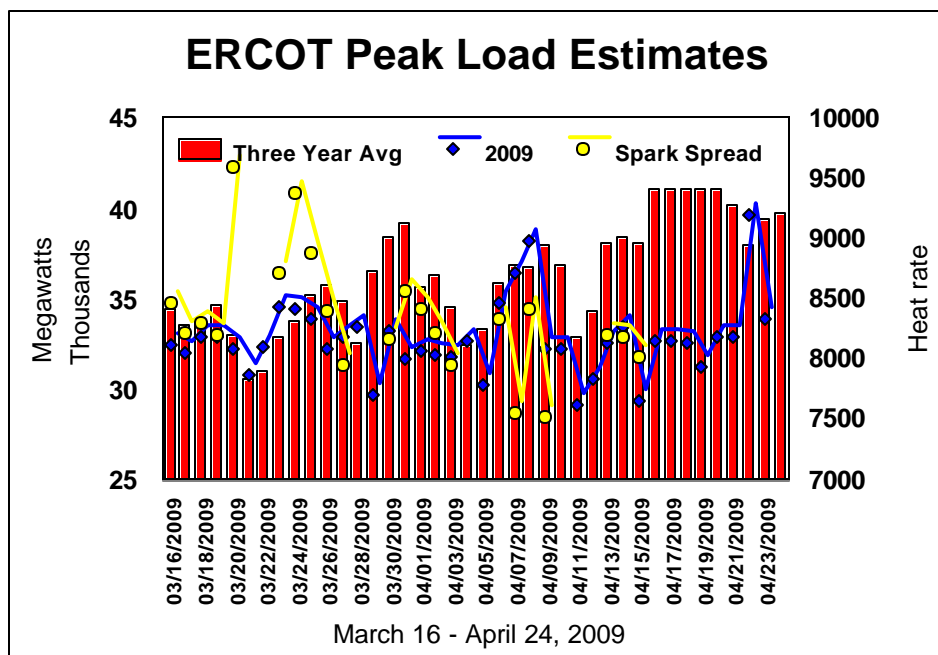
PIPELINE MAINTENANCE

Alliance Pipeline reported that it would perform maintenance this week at the Manchester and Tower Compression Stations. The units will be off line for 4 hours on April 16th to perform minor maintenance. System throughput (AOS) will not be impacted. The company

also reported that inspections and maintenance would be required at the Morinville Compression Station. The work will have the unit off line for 120 hours starting on April 18th. System throughput will be affected but will be determined closer to the outage date.

Wyoming Interstate Gas Company said the Douglas Compressor Station was taken out of service today for 12 hours. Capacity through MBC will be reduced from 1520 to 325 MMcf/d. The company also reported that GE unit would be out of service April 15-18 to uprate turbine, reducing capacity to 1155 MMcf/d.

Colorado Interstate Gas said it has resolved system issues for April 14-15.

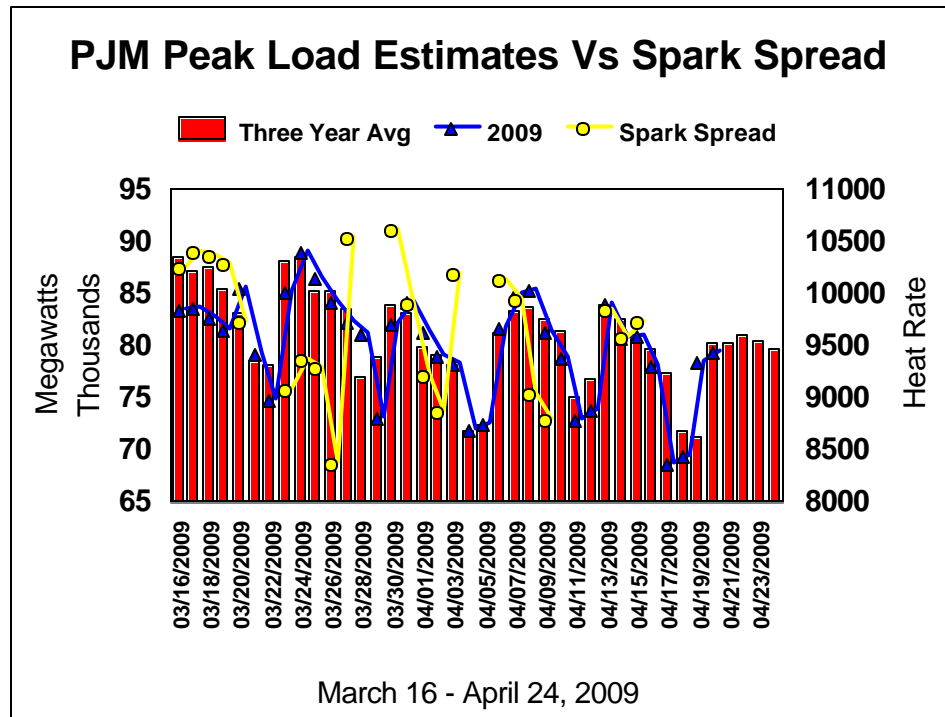


PG&E California Gas Transmission said for flow date April 14-15, capacity will be at a maximum of 94% at the Delevan compressor k-3 on the company's Redwood Path due to unplanned maintenance

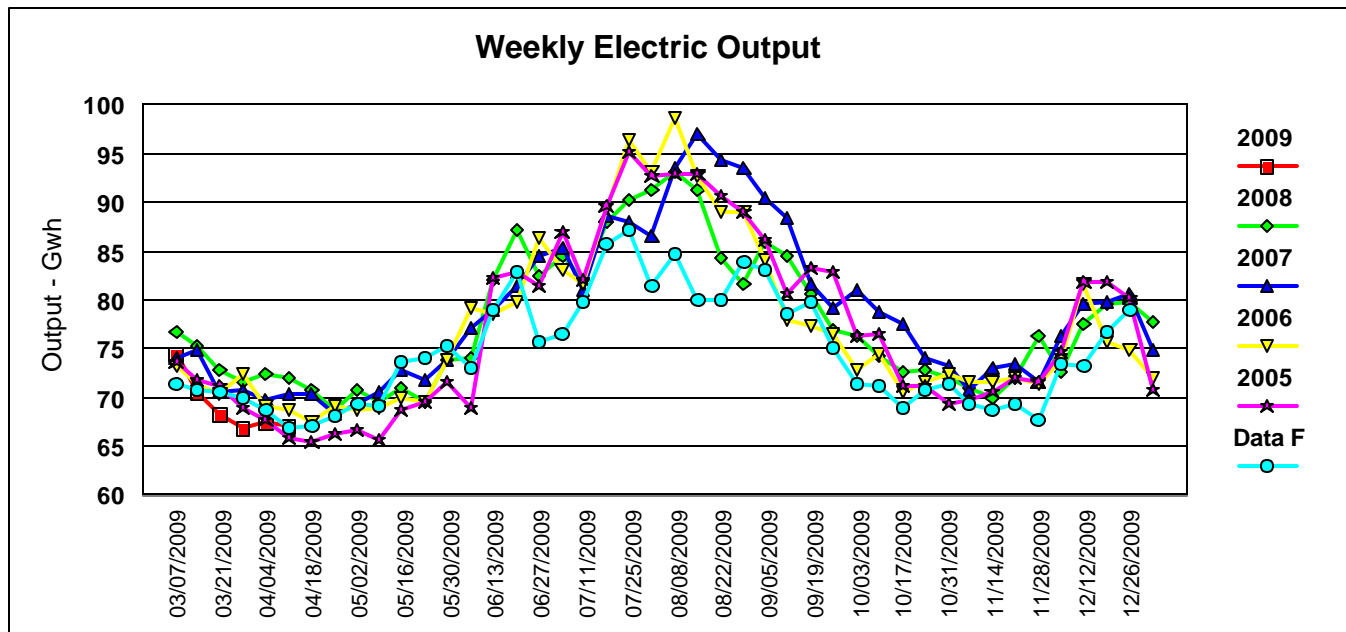
ELECTRIC MARKET NEWS

Dominion Resources and BP said on Wednesday that they had started operations at a wind farm in Benton County, Indiana, that will generate 400 Mw of power and could be expanded to generate up to 750 Mw. The facility, the Fowler Ridge Wind farm is about 90 miles northwest of Indianapolis.

The Edison Electric Institute reported that for the week ending April 11th saw electrical production in the U.S. reach 67,091 Gwh down 0.57% from the previous week and some 5.47% less than the same week a year ago.



The U.S. EPA reported today that overall emission in the U.S. during 2007 increased by 1.4% from the previous year. Overall emissions from 1990 through 2007 had grown by 17.2%



MARKET COMMENTARY

The natural gas market for the third consecutive day squeezed out yet another higher finish to the trading day, despite the market receiving bearish news to start the day of a larger than expected

NEW YORK MERCANTILE EXCHANGE(r)									
NYMEX OPTIONS CONTRACT LISTING FOR 04/15/2009									
-----CONTRACT-----				TODAY'S	PREVIOUS	ESTIMATED	DAILY	DAILY	
				SETTLE	SETTLE	VOLUME	HIGH	LOW	
LN	5	9	C	4.5	0.0106	0.0115	3025	0.01	0.01
LN	5	9	P	3.5	0.0894	0.0938	2831	0	0
LN	6	9	P	3	0.0481	0.049	2000	0.0475	0.0475
LN	7	9	C	5	0.1378	0.1416	2000	0	0
LN	5	9	C	4	0.0649	0.0668	1495	0.055	0.055
LN	5	9	P	3.6	0.1267	0.1317	1205	0	0
LN	6	9	P	3.5	0.1711	0.1727	1150	0	0
LN	7	9	C	4.25	0.323	0.3286	1100	0	0
LN	5	9	P	3.25	0.0313	0.034	1064	0	0
LN	11	9	C	10	0.047	0.0481	1000	0	0
LN	8	9	P	1.5	0.0007		1000	0	0
LN	6	9	P	2	0.0005	0.0005	1000	0	0
LN	7	9	C	4	0.4211	0.4271	1000	0	0
LN	6	9	P	3.75	0.2745	0.2763	900	0	0
LN	10	9	C	5.5	0.3637	0.3571	800	0	0
LN	6	9	C	4	0.2419	0.242	800	0	0
LN	10	12	C	8	1.1271	1.1137	800	0	0
LN	10	9	C	7	0.1587	0.1507	800	0	0
LN	5	9	C	4.25	0.0262	0.0276	750	0.0225	0.0225
LN	9	9	C	10	0.0181	0.0168	750	0	0
LN	7	9	C	4.75	0.1845	0.1889	700	0	0
LN	10	10	C	8	0.6342	0.6278	700	0	0
LN	10	10	P	5	0.6252	0.6307	675	0	0
LN	7	9	P	4	0.431	0.4311	650	0	0
LN	11	9	P	3	0.0983	0.0996	600	0	0
LN	12	9	P	3	0.0354	0.0364	600	0	0
LN	3	11	C	6.85	1.3101		600	0	0
LN	3	11	P	6.85	1.2673		600	0	0
LN	1	10	P	3	0.0279	0.0292	600	0	0
LN	2	10	P	3	0.032	0.0334	600	0	0
LN	10	10	C	9	0.4733	0.4683	600	0	0
LN	3	10	P	3	0.0334	0.035	600	0	0

contraction in U.S. industrial activity. It appears that this week's upward grind has been fueled by new longs coming into the market, especially on Tuesday as open interest on a combined and adjusted basis in the Henry Hub futures and swaps grew by 18,119 lots on the day, the largest single daily gain since February 19th. The market though seems still not to be gaining any significant traction as every session except one since March 27th has seen the May natural gas contract finish the trading session between \$3.60-\$3.80.

Without a significant surprise from tomorrow's storage report, this market does not seem ready to break out of this area of trading congestion. We see support at \$3.62, \$3.58-\$3.56 and \$3.50, with additional major support at \$3.39. Resistance we see at \$3.74-\$3.75, \$3.81-\$3.82 and \$.87. Additional resistance we see at \$3.986, \$4.10 and \$4.467.

Market expectations for tomorrow's EIA Storage report range between a 10 to 30 bcf build in stocks, with the median expectation falling at a 20 bcf

build. Our model though looks for a much bigger build of 35 bcf or higher. Stocks rose an adjusted 21 bcf for the same week a year ago, while the five year seasonal average shows a 20 bcf gain.

The CME announced 44 new natural gas swing and index swap futures contracts, scheduled to begin trading on April 26th for trade date April 27th. These contracts will be available on Clearport.

The new swing swap futures contracts and their commodity codes will be:

- SoCal City-Gate natural gas (Platts Gas Daily) (T9)
- Southern Star, Tex-Okla.-Kan. natural gas (Platts Gas Daily) (M4)
- OneOk ,Oklahoma natural gas (Platts Gas Daily) (M3)

- Texas Eastern, WLA natural gas (Platts Gas Daily) (X8)
- Florida Gas, Zone 2 natural gas (Platts Gas Daily) (X5)
- Transco Zone 1 natural gas (Platts Gas Daily) (X4)
- Transco Zone 2 natural gas (Platts Gas Daily) (X3)
- Columbia Gulf, Mainline natural gas (Platts Gas Daily) (X2)
- Tennessee, 800 Leg natural gas (Platts Gas Daily) (W5)
- Texas Gas, Zone 1 natural gas (Platts Gas Daily) (Y9)
- Florida Gas, Zone 3 natural gas (Platts Gas Daily) (J8)
- Transco Zone 4 natural gas (Platts Gas Daily) (J3)
- Columbia Gulf, LA. natural gas (Platts Gas Daily) (J6)
- Texas Gas, Zone SL natural gas (Platts Gas Daily) (J7)
- Texas Eastern, ELA natural gas (Platts Gas Daily) (K9)
- Southern Natural, LA . natural gas (Platts Gas Daily) (K8)
- Trunkline ELA natural gas (Platts Gas Daily) (K7)
- ANR, LA. natural gas (Platts Gas Daily) (K6)
- NGPL STX natural gas (Platts Gas Daily) (Q7)
- Algonquin City-Gates natural gas (Platts Gas Daily) (C8)
- Questar natural gas (Platts Gas Daily) (C6)
- Alberta natural gas (Platts Gas Daily) (K5)

The new index swap futures contracts and their commodity codes will be:

- Southern Star, Tx.-Okla.-Kan. natural gas (Platts Gas Daily/Platts IFERC) (C9)
- OneOk, Oklahoma natural gas (Platts Gas Daily/Platts IFERC) (C7)
- Texas Eastern, WLA natural gas (Platts Gas Daily/Platts IFERC) (C2)
- Florida Gas, Zone 2 natural gas (Platts Gas Daily/Platts IFERC) (C3)
- Transco Zone 1 natural gas (Platts Gas Daily/Platts IFERC) (C4)
- Transco Zone 2 natural gas (Platts Gas Daily/Platts IFERC) (L7)
- Columbia Gulf, Mainline natural gas (Platts Gas Daily/Platts IFERC) (L2)
- Tennessee, 800 Leg natural gas (Platts Gas Daily/Platts IFERC) (L4)
- Texas Gas, Zone 1 natural gas (Platts Gas Daily/Platts IFERC) (N4)
- Florida Gas, Zone 3 natural gas (Platts Gas Daily/Platts IFERC) (Q9)
- Transco Zone 4 natural gas (Platts Gas Daily/Platts IFERC) (B2)

- Columbia Gulf, LA. natural gas (Platts Gas Daily/Platts IFCR) (S9)
- Texas Gas, Zone SL natural gas (Platts Gas Daily/Platts IFCR) (S7)
- Texas Eastern, ELA natural gas (Platts Gas Daily/Platts IFCR) (M9)
- Southern Natural, LA. natural gas (Platts Gas Daily/Platts IFCR) (M8)
- Trunkline ELA natural gas (Platts Gas Daily/Platts IFCR) (M7)
- ANR, LA. natural gas (Platts Gas Daily/Platts IFCR) (M6)
- SoCal City-Gate natural gas (Platts Gas Daily/Platts IFCR) (N5)
- NGPL STX natural gas (Platts Gas Daily/Platts IFCR) (N6)
- Algonquin City-Gates natural gas (Platts Gas Daily/Platts IFCR) (N7)
- Questar natural gas (Platts Gas Daily/Platts IFCR) (N8)
- Malin natural gas (Platts Gas Daily/Platts IFCR) (V8)

The first listed month will be May 2009 for all of the contracts. The natural gas swing swap futures contracts will be listed for two consecutive months, and the natural gas index swap futures contracts will be listed for 36 consecutive months.

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