



ENERGY RISK MANAGEMENT

Howard Rennell, Pat Shigueta &
Zachariah Yurch

(212) 624-1132 (888) 885-6100

www.e-windham.com

POWER MARKET REPORT FOR APRIL 17, 2006

NATURAL GAS MARKET NEWS

El Paso's Continental Connector project is shaping up a little bit differently than originally anticipated with strong demand for capacity from producers in the Barnett Shale of North Texas and in other Midcontinent basins, said Gary Charette, vice president of El Paso's Pipelines Group.

Natural gas markets worldwide are showing increasing convergence, particularly among the Organization of Economic Cooperation & Development (OECD) countries, and that trend, spurred by increased liquefied natural gas (LNG) traffic, is expected to continue, according to Raymond James' Energy Stat of the Week.

Looking to tap a number of constrained natural gas production areas, Kinder Morgan Energy Partners LP (KMP) has launched a nonbinding open season for its proposed Kinder Morgan MidContinent Express Pipeline. The proposed 780-mile, \$1.5-to-\$2 billion pipe is designed to provide takeaway capacity from several constrained producing areas, including the Anadarko Basin located in western Oklahoma and the Texas Panhandle.

PIPELINE RESTRICTIONS

Kern River Pipeline said that line pack is high on the entire system. Kern River is currently requesting that shoppers stay on rate.

Texas Eastern Transmission said it has scheduled and sealed M1 and M2 24-inch. No increases between Little Rock and Fagus for delivery outside that area will be accepted.

PIPELINE MAINTENANCE

El Paso Natural Gas Company said that based on information that major San Juan Basin producers will be performing maintenance outages during the period May 15 through 18, it has planned certain projects to coincide. EPNG's Blanco A compressor station will be down for annual Department of

Generator Problems

ERCOT— AEP's Big Brown #1 coal-fired power unit shut down for a scheduled refueling.

FRCC— FPL's 760 Mw Turkey Point #3 nuclear unit increased power to full power as it returned from a refueling outage. Turkey Point #4 continues to operate at full power.

MAAC— Constellation Energy's 825 Mw Calvert Cliffs #1 nuclear unit returned to full power following a refueling outage. Calvert Cliffs #2 continues to operate at full power.

PPL's 1,135 Mw Susquehanna #1 nuclear unit returned to full power. On Friday, the unit was operating at 73% after exiting a refueling outage. Susquehanna #2 continues to operate at full power.

MAIN— Exelon's 1,178 Mw Braidwood #1 nuclear unit shut early today for a planned month-long refueling outage. Braidwood #2 continues to operate at full power.

MAPP— Xcel's 593 Mw Prairie Island #1 nuclear unit increased production to full power following an unforeseen outage on Friday. Prairie Island #2 continues to operate at full power.

NPCC— Constellation Energy's 1,135 Mw Nine Mile Point #2 nuclear unit ramped up to full capacity early today. On Friday, the unit was operating at 21% of capacity after exiting a refueling outage. Nine Mile Point #1 continued to operate at full power.

SERC— Duke Power's 846 Mw Oconee #2 nuclear unit shut for a planned refueling outage. Oconee #1 and #3 continue to operate at full power.

Entergy's 968 Mw River Bend nuclear unit automatically tripped shut on Saturday after the failure of an optical isolator in the control circuit. The unit has since entered start up and will reconnect to the grid after reaching 15%.

Southern Co.'s 1,152 Mw Vogtle #1 nuclear unit shut due to the failure of a main feed regulating valve that controls the steam generator level. Vogtle #2 continues to operate at full power.

Transportation inspections May 15. For 16 hours there will be no flow to EPNG from IMOITRKA of from the Enterprise Ignacio Dry Gas system. Line 1104 (Havasus Crossover) will be shut down (no flow) to install pigging facilities as part of our pipeline integrity program May 15-18. The Havasu Line normally transports 600 to 650 MMcf/d from the North Mainline to Southern Markets. We anticipate that at least that amount of San Juan Basin gas be shut in due to other's maintenance, providing the opportunity to complete the Havasu work with no additional impact. Other EPNG pipeline projects in the San Juan area and the North Mainline as well as plant work at Gallup and Dilkon Stations will be done during the week of May 15.

Gulf South Pipeline said that it has now been determined Bayou Dinde Citygate and Entergy #1 will not be affected by pigging maintenance on Indes 198 20-inch, which is scheduled to begin April 22, lasting for six days. The work was originally scheduled to begin April 20.

National Fuel Gas said that it has scheduled maintenance on units #3 and #4 at Knox Station that will begin April 17, and will end Friday afternoon April 21. All producers must shut-in 75% of production.

PG&E California Gas Transmission has scheduled pigging operation on Line 300 B for April 25-28, and May 1. Capacity on the Baja Line will be reduced to 1000 MMcf/d during the work, roughly 88% of capacity.

Williston Basin Interstate Pipeline Company said that due to maintenance at the Fort Peck Compressor Station on April 14-18, the maximum capacity at the Fort Peck Compressor Station will be approximately 22.5 MMcf/d. This will affect receipts in Line Section 8.

ELECTRIC MARKET NEWS

Four governors from Western states are expected to unveil efforts to develop a feasibility analysis and conceptual plan to advance the ambitious Frontier transmission line, which is designed to transmit power from clean coal and renewable energy projects. The governors of California, Nevada, Utah and Wyoming

Generator Problems

WSCC— PG&E's 1,100 Mw Diablo Canyon #2 nuclear unit shut early today for a planned refueling outage. Diablo Canyon #1 continues to operate at full power.

APS' 1,335 Mw Palo Verde #2 ramped production to full power by early today. On Friday, the unit was operating at 12% after exiting an outage begun last week.

Southern California Edison's 1,070 Mw San Onofre #2 nuclear unit exited a refueling and ramped up to 18% power by early today.

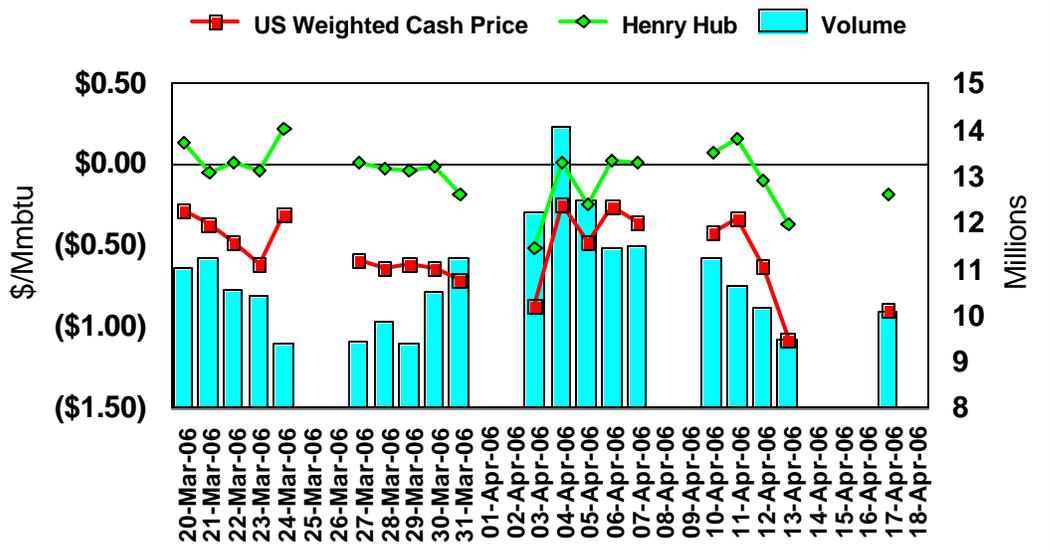
Cal ISO reported that five natural gas-fired power plants shut for planned maintenance and three other plants restarted to contribute to the grid after outages. A net 1,018 Mw is offline.

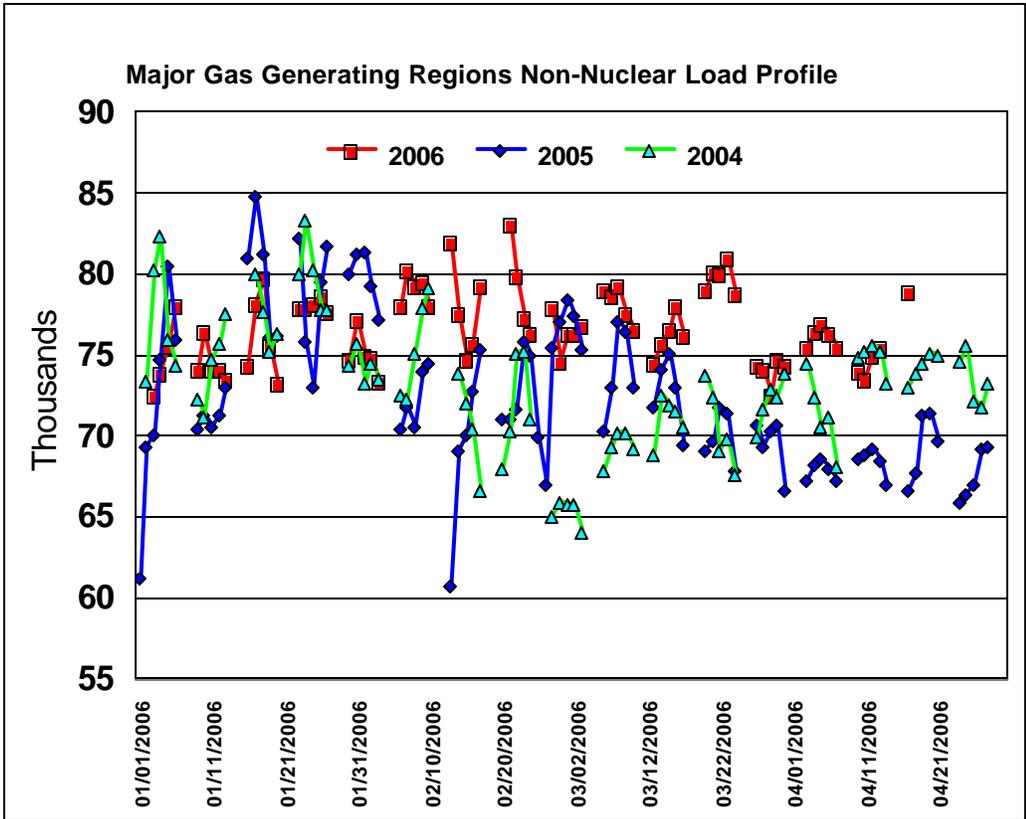
Canada— Ontario Power Generation's 490 Mw Nanticoke #4 coal-fired power unit shut, while unit #6 returned to service.

The NRC reported that U.S. nuclear generating capacity was at 76,968 Mw down 1.14% from Thursday and up 4.60% from a year ago.

ICE Next Day Cash Price Minus Nymex Spot Futures

US Price volume weighted traded price
NYMEX Spot price as of 11:30 am

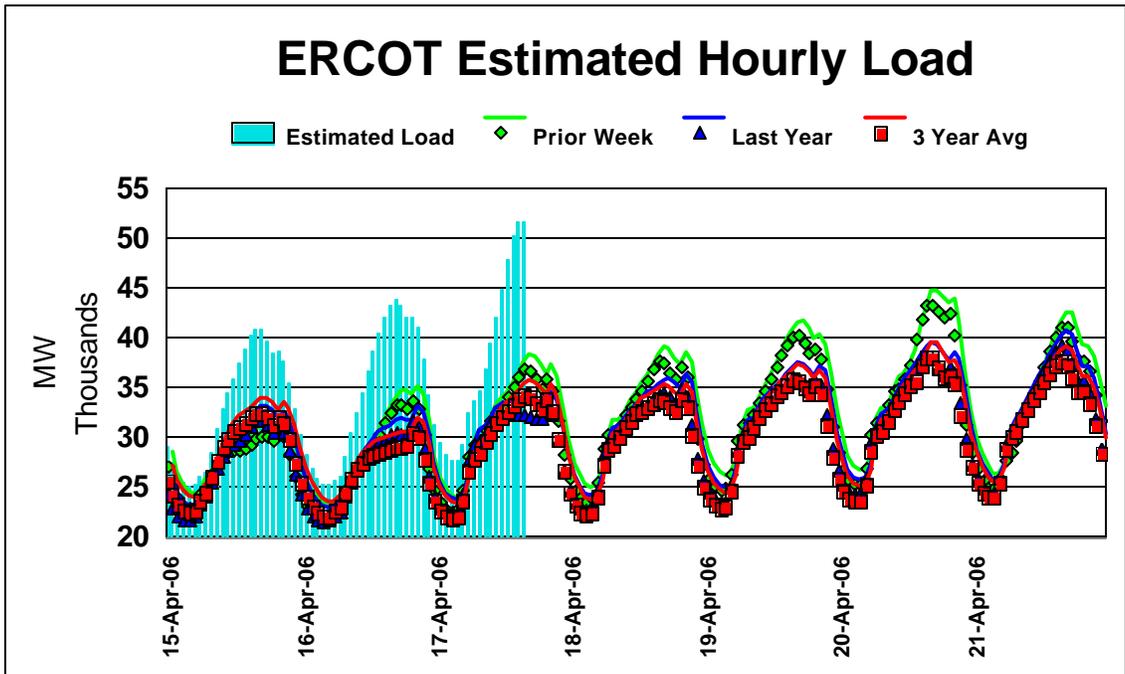




signed a memorandum of understanding in April 2005 to pursue the Frontier line to increase transmission capacity for clean energy in the region. The project has been envisioned as a way to move up to 12,000 Mw across the West. Utility leaders have agreed to form the "Western Regional Transmission Expansion Partnership," to conduct a feasibility analysis and conceptual plan for the project. The effort will produce a plan that will help the West realize a dream of building the single largest clean energy enabling infrastructure project

ever proposed. According to the governors, more transmission will help usher in the next generation of renewable and advanced coal technologies across the region. Issues that need be tackled in the Frontier line feasibility analysis include forecast demand, project costs, resource options and integration with other planned expansions.

International electric utility operator AES Corp. said it plans to spend about \$1 billion over the next three years to expand its alternative energy business. The company said it plans to invest in expanding its wind generation business, the development technologies that reduce greenhouse gas emissions and developing LNG terminals.



ECONOMIC NEWS

U.S. Treasuries rose after a Federal Reserve index of manufacturing in New York State for April fell more than forecast. The New York Fed showed its manufacturing index tumbled to 15.8 this month from 29 in March. A reading of 24.3 was expected. The yield on the 10-year note declined almost 3 basis points, or 0.03-percentage point, to 5.02.

MARKET COMMENTARY

The natural gas market opened 14.5 cents stronger fueled by follow-through buying and a crude oil market that broke the 70.00 level. With little fundamental justification for the move, outside of some short term higher utility demand for gas, last week's failed attempts and extending the lows past 6.65 and the geopolitical strength behind the oil complex, natural gas able to swing to the upper end of its trading range. Natural gas trended higher all day, briefly sagging to 7.30 before following the crude market higher. May natural gas traded to a high of 7.63 just before settling up 44.2 cents at 7.577.

Natural gas remains within its 6.65-7.65 range, as bearish fundamentals exist prohibiting the market from gaining upside traction. Yet as summer approaches, downside potential will be limited due to cooling demand and hurricane season. In fact, electrical estimated load reports for the ERCOT region are running about 50% above the 3 year average, and other major gas generating regions non-nuclear load profile are running above historical levels. We see support at \$7.30, \$7.00, \$6.65-\$6.65 and \$6.45-\$6.50. We see further support at \$6.13 and \$5.68. We see resistance at \$ 7.62-\$7.65, \$7.85 and \$8.00-\$8.05. We see further resistance at \$8.13.