



ENERGY RISK MANAGEMENT

Howard Rennell, Pat Shigueta,
& Karen Palladino

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

www.e-windham.com

POWER MARKET REPORT FOR APRIL 21, 2008

NATURAL GAS MARKET NEWS

Total announced that the Sabine Pass LNG regasification terminal on the Gulf of Mexico was started today. The facility will have an initial send out capacity of 2.6 bcf/d and 10 Bcf of storage capacity and will move up to 4 bcf/d when its Phase 2 is commissioned, with total storage of 16.8 making it the largest LNG terminal in the United States. Phase 2 is expected to be completed by April 2009.

Full service along the Rockies Express Pipeline's 1.8 bcf/d west leg is expected to commence as early as the middle of next week.

PEMEX natural gas production rose 13.2% during the first quarter to 6.59 bcf/d, up sharply from the same time a year ago.

Singapore's Energy Market Authority selected BG Group to supply up to 3 million metric tons per year of LNG to the Singaporean market for up to 20 years.

A report released by Strategic Energy Economic Research noted that record high oil prices are likely to keep a strong level of support for natural gas prices this summer. The group sees natural gas prices averaging around \$10.20 per Mmbtu through the injection season, some 48% above year ago levels.

API reported Friday that drilling activity continues to increase in the U.S. exploration and production industry, with drilling activity double the rate of the first quarter of the 1990's. Natural gas continues to be the primary target for drilling activity domestically with some

Generator Problems

ERCOT – Luminant's 1150 Mw Comanche Peak #2 nuclear unit was at 78% of power this morning as operators continue to work on ramping the unit up from its recent outage.

The #2 coal fired unit at the Harrington Station power plant was taken off line today for one week to perform maintenance on the air preheater.

The #3 coal fired unit at the Martin Lake Steam Electric Station was shutdown in order to repair a boiler tube leak this morning and was expected to remain offline until Tuesday.

MAIN – Exelon's Corp 1178 Mw Braidwood #2 nuclear unit was off line this morning. Operators began coasting the unit down last week.

NPCC – Entergy's 1020 Mw Indian Point #2 nuclear unit was at 29% of capacity this morning as operators slowly ramp the unit back from its recent refueling and maintenance outage.

Constellation's 497 Mw Ginna nuclear unit was taken off line this morning for scheduled maintenance. The unit had been at full power on Friday.

Constellation Energy's 1140 Mw Nine Mile Point #2 nuclear unit was back to full power Monday after being off line on Friday.

OPG's 490 Mw coal fired unit #6 at the Nanticoke power station was taken off line Monday morning.

PJM – PSE&G's 1100 Mw Salem #1 nuclear unit was at 80% of capacity this morning down 20% from Friday.

FPL's 1135 Mw Susquehanna #1 nuclear unit was at 71% of power this morning, up 33% from Friday.

MAPP – OPPD's 478 Mw Fort Calhoun nuclear unit was taken off line early Monday. The unit had been at full power on Friday.

SERC – TVA's 1150 Mw Browns Ferry #1 nuclear unit was at 70% of capacity this morning down 30% from Friday.

Duke Energy's 1100 mw McGuire #2 nuclear unit was at 98% of power on Monday, up 29% of capacity from Friday.

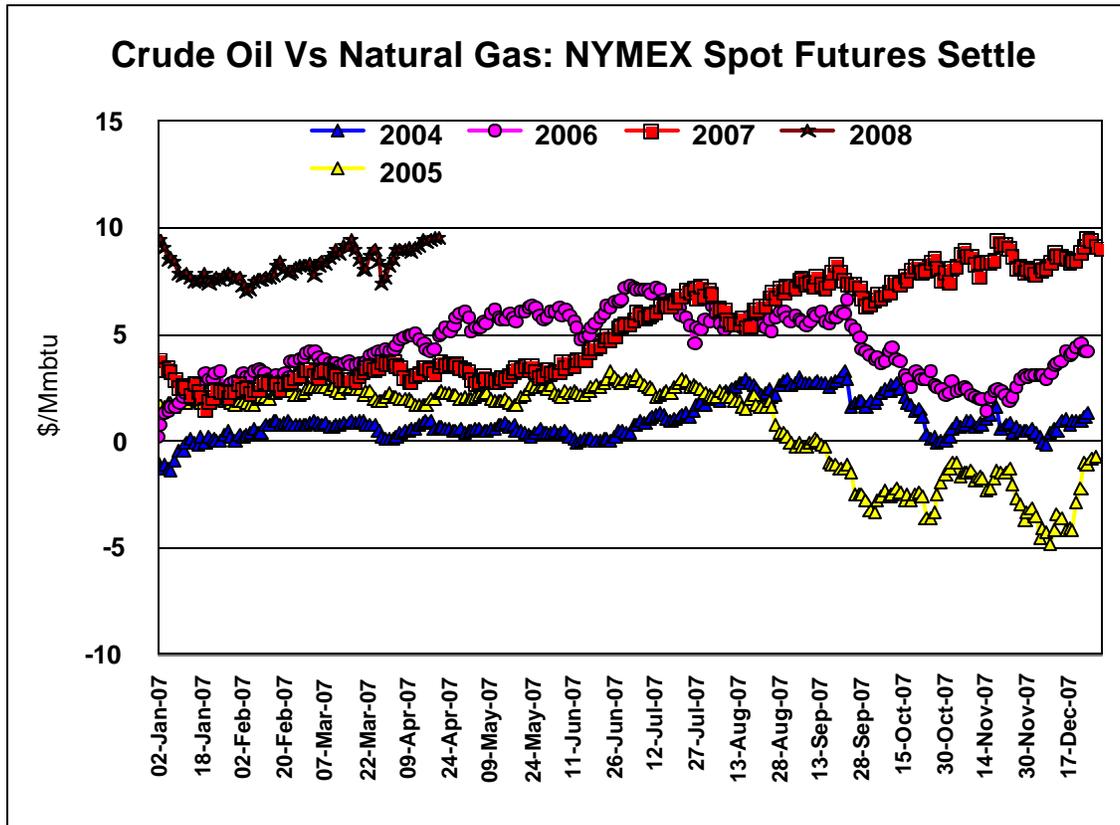
The NRC reported that 77,185 Mw of nuclear capacity is online, up 0.8% from Friday but down 4.1% from a year ago.

7459 wells completed but this is off 1% from the same time a year ago.

Private weather forecaster WSI called today for cooler than normal temperatures over the Southeast and Pacific Coast states in May, June and July. The group sees warmer than normal temperatures over much of the rest of the country.

Senator Cantwell and Congressman Inslee both from Washington State called on the Department of Justice to create an oil and gas market fraud task force to investigate potential fraud and manipulation in the energy market.

Wood Mackenzie said today that they see natural gas and oil prices will reconnect again in the United States possibly by 2012, when North American natural gas production is unable to keep up with demand from U.S. power generators and thus the country is forced to turn to larger LNG imports. Worldwide LNG prices



are largely set by indexes based on crude oil prices. The group sees under current market conditions with oil pricing over \$100 per barrel, a relinkage would make gas prices as much as \$13-\$14

PIPELINE MAINTENANCE

TransColorado Gas transmission said it will perform maintenance at its Redvale Compressor Station on Wednesday. Capacity through Segment 220 will be limited to 355,000 dth and capacity through Segment 240 will be limited to 405,000 Dth. Based on current level of expected nominations, AOR/IT, secondary and primary FT quantities are at risk of not being scheduled.

Northwest Pipeline said that it has scheduled maintenance for April 22-25 as it performs pig runs in the Plymouth to Roosevelt corridor. The available capacity at the Plymouth North constraint point is expected to be reduced by 100,000 Dth/d to 453,000 Dth/d.

ANR Pipeline said that due to unplanned engine failure, repairs have begun at its Sandwich CS.

PIPELINE RESTRICTIONS

PG&E California Gas Transmission has announced that a system wide operational flow order will be in effect for April 22nd due to low inventory.

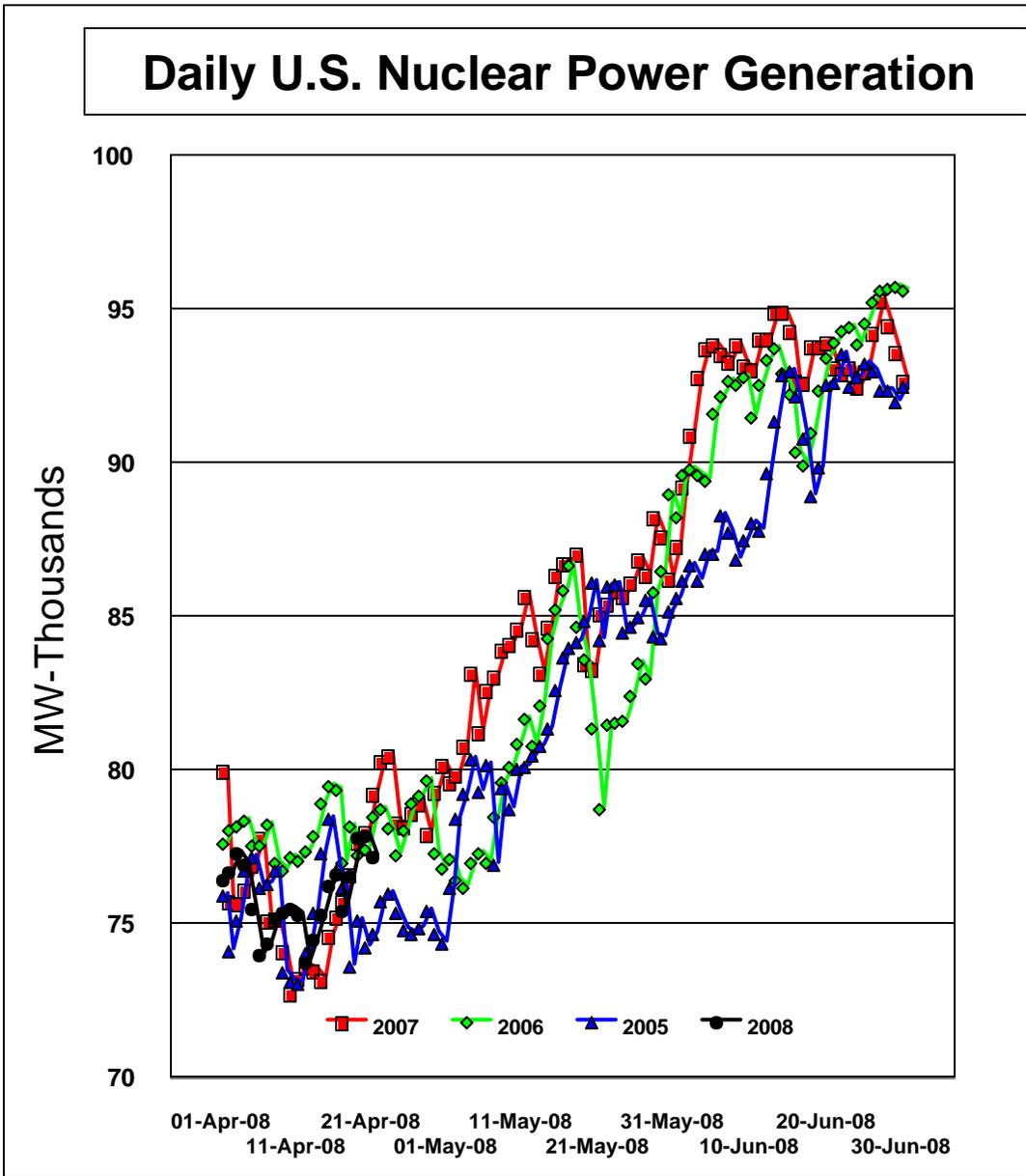
FGT said today that its total linepack is lower and given the warmer weather forecasted for tis service territory today and tomorrow it has notified its customers that there is a potential the company may be forced to issue an Overage Alert Day during either day.

ELECTRIC MARKET NEWS

The FERC on Monday issued an order approving a plan to expand potential participation in the SPP real-time balancing market by external generators, but the agency also added a few requirements for modifications to provide more fairness and greater clarity on cost responsibility. The agency approved SPP's proposal that external costs will be the responsibility of the generator selling the power, while the implementation costs within SPP will be shared among SPP members.

MARKET COMMENTARY

The natural gas market for much of the day was the strongest energy market, as it reduced the price advantage that crude oil had reached on a record level on Friday. While crude took back much of its record strength by late in the session, the spot natural gas contract still settled over 14 cent per Mmbtu and settled at its highest level since December 30, 2005.



We see the natural gas market will most likely remain strong over the next several weeks but with the March-April spread appearing to run out of steam here in the last couple of days we feel that this market could be ripe for a minor sell off allowing bulls another opportunity to buy this market flat price as well as on a spread basis. We see support in the May contract tomorrow at \$10.60 and \$10.496 followed by \$10.19, \$10.01 and \$9.847. Resistance we see at \$10.749 followed by \$10.995.

