



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 APRIL 24, 2007

NATURAL GAS MARKET NEWS

The Connecticut Attorney General called on New York State to reject a permit from Broadwater Energy LLC to build a deepwater LNG receiving terminal in Long Island Sound.

The legislation that Alaska's Governor Palin is seeking to set a framework for new natural gas pipeline proposals has cleared two hurdles today as the legislation continues to advance forward in the Alaskan legislature. One key change in the legislation would eliminate one roadblock to a pipeline cited by producing companies, was the present ability of the state to switch between royalty payments in value to royalty in kind on a 6-9 month notice to producers. Legislators opted to limit the state to taking royalty in value for gas committed to a pipeline licensed by the state. Producers had argued that switching on short notice would create serious burdens in negotiating long term sales contracts and in purchasing long term capacity commitments in the pipeline in an open season.

Two U.S. Senators introduced legislation that seeks to give local and state governments full veto power over proposed LNG import terminals. The bill would rescind the FERC's ability to final permit authority over LNG projects. Under the new proposed legislation the FERC could not act until getting consent from state agencies charged with assessing environmental and land use issues.

PIPELINE MAINTENANCE

Colorado Interstate Gas Company noted that it has scheduled maintenance work at each of its four storage fields during April and the first part of May. During the work on

Generator Problems

SERC – Southern's 1149 Mw Vogtle #2 nuclear unit tripped off line automatically Monday. No reason or restart date was given. The unit had been operating at 50% on Monday after it was returning over the weekend from its recent refueling outage.

TVA's 1118 Mw Browns ferry #2 nuclear unit dropped to 40% of capacity on Tuesday, down some 56% from Monday's levels.

Dominion Resources 910 Mw North Anna #2 nuclear unit continues to ramp higher from its recent refueling outage. It was at 73% of capacity this morning, up 44% from Monday's levels.

SPP – Entergy's 966 Mw River Bend nuclear unit was down to 40% of power on Tuesday.

PJM – Exelon's 1134 Mw Limerick #2 nuclear unit tripped automatically early Tuesday due to lowering water levels. The unit had been operating at full power.

PSEG Nuclear's 1100 Mw Salem #1 nuclear unit was at 49% of capacity this morning up 8% from yesterday.

WSCC – Reliant Energy's 741 Mw Ormond Beach natural gas fired power station returned to service. The unit had been taken off line for maintenance back on march 20th.

PG&E's 404 Mw Helms Pumped Storage Hydro Unit #2 returned to service on Monday afternoon after being off line for three weeks of scheduled annual maintenance.

ERCOT – Texas Municipal Power agency's 462 Mw Gibbons Creek coal fired power plant was expected to go offline on Tuesday morning for 24 hours for operators to fix a tube leak.

NRG planned to restart the 555 Mw Unit #7 at the WA Parish coal fired power station this morning following its recent maintenance outage.

TXU's 1150 Mw Comanche Peak #1 nuclear unit was at 94% of capacity this morning up 16% from Monday.

Canada – OPG shut its 494 Mw Lambton #2 coal fired unit this morning for short maintenance period.

The NRC reported that 78,280 Mw of nuclear capacity is on line, down 2.73% from Friday, but still up some 0.32% from a year ago.

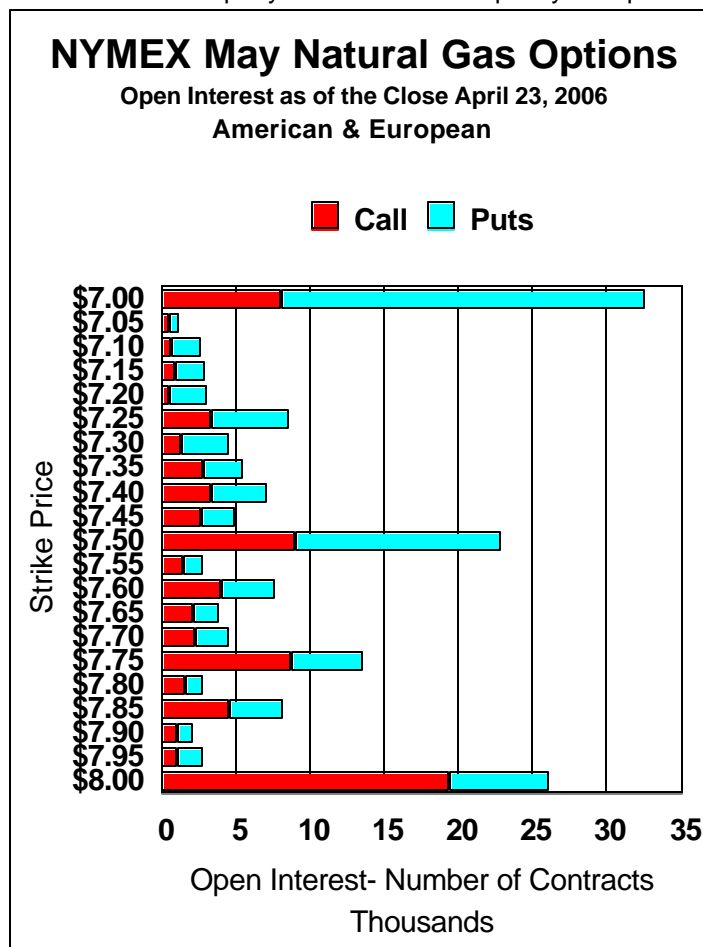
a specific field, the injection rights of CIG's firm shippers must be limited because of the related decrease in operational capability. In addition, CIG will be unable to schedule any interruptible storage injections during this maintenance period.

Natural Gas Cash Market						
ICE Next Day Cash Market						
Location	Volume	Avg	Change	Basis	Change	Basis 5-Day
	Traded	Price		(As of 12:30 PM)		Moving Avg
Henry Hub	892,400	\$7.566	\$0.331	(\$0.245)	\$0.235	(\$0.342)
Chicago City Gate	286,100	\$7.225	\$0.381	(\$0.304)	\$0.269	(\$0.438)
NGPL- TX/OK	496,900	\$6.905	\$0.285	(\$0.624)	\$0.173	(\$0.645)
SoCal	640,900	\$7.034	\$0.217	(\$0.495)	\$0.105	(\$0.589)
PG&E Citygate	300,700	\$7.411	\$0.221	(\$0.118)	\$0.109	(\$0.172)
Dominion-South	250,400	\$8.183	\$0.377	\$0.654	\$0.265	\$0.602
Transco Zone 6	168,400	\$8.388	\$0.375	\$0.859	\$0.263	\$0.826

Panhandle Eastern

Pipeline said that there would be an outage at Cashion to conduct maintenance work on Unit #2302. Nominations through the BIS09 segment will be limited to 90 Mmcf/d through May 4th.

Northwest Pipeline said that after completing its first regularly scheduled inspection of Unit #1 at the Pleasant View Compressor Station on April 18th, it has determined additional inspections will be needed on the unit. Therefore the company will reduce the capacity on April 25th by 34,000 Dth/d to 318,446 Dth/d.



Tennessee Gas Pipeline reported that Meter 011076 East Cameron 254B remains out of service due to a leak repair on the 509A-300 Line. Meter 020794 EW Brown is out of service due to pipel inspection and anomaly repair and Meter 01-1892 South Timbalier 54/55e will remain out of service until the end of May 2007 as repairs remain ongoing.

Southern Natural Gas Pipeline reported that maintenance on a section of its 14-inch Chattanooga Branch Line just upstream of Rome Compressor station has been completed and returned to service. The Force Majeure was cancelled effective immediately.

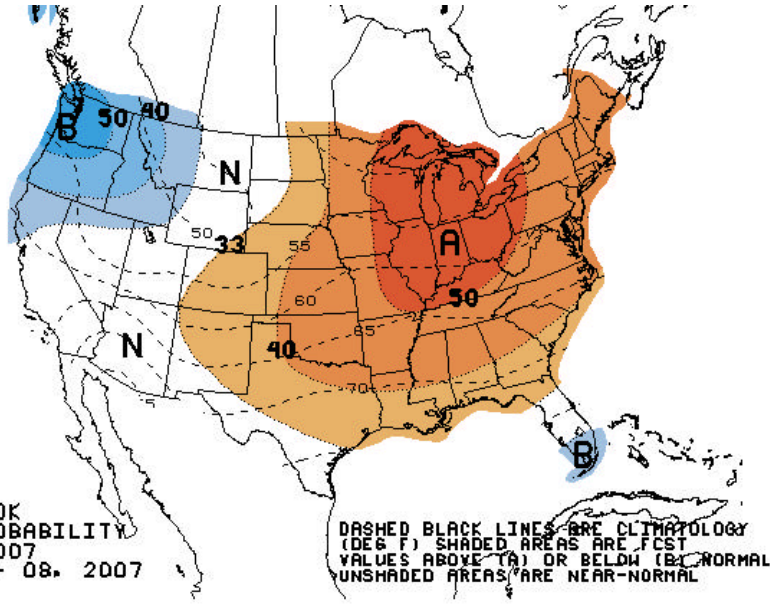
TransCanada said that it will be declaring a force majeure due to a line leak on the NPS 20 Marten Hills Lateral. The line has been isolated and services at Haddock, Haddock North and Haddock South have been nilled. Repairs are expected to take 7until April 28th before being completed. Typical flow at these stations is 33.7 Mmcf/d.

Gulf South Pipeline said that unscheduled maintenance at Montpelier Compressor Station Unit #4 has been extended through May 5th. The project began in February.

PIPELINE RESTRICTIONS

East Tennessee Natural Gas said that effective immediately the company has limited capacity for nominations to resolve due pipe imbalances.

Williston Basin Interstate Pipeline said that capacity restrictions for 019 Madden-Worland and 020 Worland-Lovell for the Evening Cycle has been lifted.



8-14 DAY OUTLOOK
TEMPERATURE PROBABILITY
MADE 24 APR 2007
VALID MAY 02 - 08, 2007

DASHED BLACK LINES ARE CLIMATOLOGY (DEG F) SHADED AREAS ARE FCST VALUES ABOVE (A) OR BELOW (B) NORMAL UNSHADED AREAS ARE NEAR-NORMAL

Tennessee Gas pipeline said that effective today, upstream of Station 823 on the 507A, K and F lines it restricted through approximately 34% of Supply to Market Secondary Out of the Path nominations. Upstream of Station 823 on the Kinder to Sabine Line it restricted through approximately 4% of Supply to Market Secondary Out of Path nominations.

KMIGT said it is at capacity for deliveries through the Rockport Lateral (Segments 620 and 790) effective today and until further notice. It also noted that Segment 340 Ulysses, Segment 773 (CO/KS Border to Herndon) and Segment 775 (Herndon to Solomon River) are at AOR/IT/Secondary at Risk. It also noted that today and until further notice, CIG Weld, NNG Milligan, SSC Grant and Pert Dev Newton are at IT/AOR/Secondary at Risk.

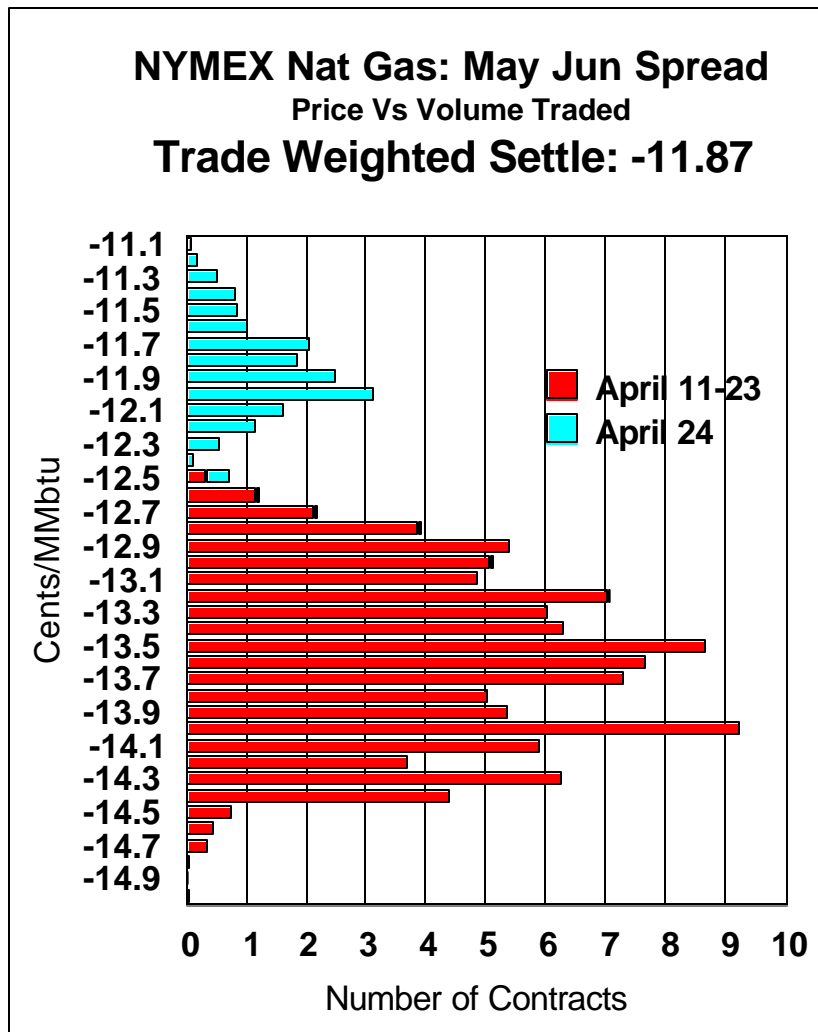
TransColorado Gas Transmission said that Segment 220, 250 and 310 are listed as IT/AOR/Secondary at Risk.

ELECTRIC MARKET NEWS

The NRC is proposing a fine of \$130,000 for Entergy for failing to meet a deadline for operating a new emergency alert system at its Indian Point power plant.

Genscape reported that coal supplies at U.S. power plants rose slightly last week and are now more than 38% above the same week a year ago.

The Pennsylvania Public utility Commission today approved a settlement agreement that will allow a consortium lead by the Australian bank Macquarie to buy Duquesne Light Holdings. The deal was initially announced last summer. The FERC approved the transaction in December. Under the settlement the buyers agreed not to seek a rate increase before 2010 and will not include the costs



associated with the acquisition in any rate filing.

BPA reported that north to south capacity on the California-Oregon AC would drop from 4500 Mw on Tuesday to 3100 Mw on Wednesday, while the capacity on the Pacific DC would dip from 2800 Mw on Tuesday to 2600 Mw on Wednesday.

Public Service Company of New Mexico this week signed a power purchase agreement with Black Hills. Under the terms of the agreement, Black Hills agreed to provide the capacity and energy of a 149 Mw, simple-cycle gas turbine power plant to be located near Albuquerque, New Mexico, to PNM. The project is expected to enter service on June 1, 2008 at a cost of \$101 million. PNM will provide gas to fuel the facility and take the power under 20 year tolling agreement.

MARKET COMMENTARY

The natural gas market today was able to finish higher for the second straight trading session. While oil prices were under pressure for the second half of the day, natural gas prices held their relative value, helped in part to an even stronger cash market that saw values some 25 to 40 cents better than Monday values. While temperature forecasts appear to offer little excitement the down tick in nuclear generation levels on the day did lend a little support to the market as well today. Total volume on the day was good with over 125,000 lots booked on the day between Globex and the floor activity.

With tomorrow as expiration day for the natural gas options it appears basis the open interest

NYMEX Nat Gas Options Most Active Strikes for April 24, 2007								
Symbol	Month	Year	Call/Put	Strike	Exp Date	Settle	Volume	IV
LN	6	7	P	6.5	05/25/2007	0.0243	8,075	40.49
LN	7	7	P	6.5	06/26/2007	0.0672	6,650	40.87
LN	12	7	C	12	11/27/2007	0.5536	5,750	40.59
LN	11	7	C	12	10/26/2007	0.3922	5,200	46.33
LN	11	7	P	9	10/26/2007	1.1926	5,000	52.07
LN	12	7	P	9	11/27/2007	0.9156	5,000	48.00
LN	5	7	P	7.5	04/25/2007	0.0411	3,792	51.60
LN	7	7	P	7	06/26/2007	0.1607	3,600	41.03
LN	9	7	C	15	08/28/2007	0.0473	3,100	55.68
LN	9	7	P	5	08/28/2007	0.0211	3,000	46.18
LN	8	7	C	13	07/26/2007	0.0352	2,900	50.93
LN	6	7	C	11.5	05/25/2007	0.0009	2,750	47.68
LN	1	8	P	5	12/26/2007	0.0227	2,600	45.12
LN	2	8	P	5	01/28/2008	0.0374	2,600	46.47
LN	3	8	P	5	02/26/2008	0.0564	2,600	46.98
LN	4	8	P	5	03/26/2008	0.0579	2,600	38.38
LN	5	8	P	5	04/25/2008	0.0593	2,600	36.61
LN	6	8	P	5	05/27/2008	0.0561	2,600	35.43
LN	7	8	P	5	06/25/2008	0.0646	2,600	36.07
LN	8	8	P	5	07/28/2008	0.0784	2,600	37.05
LN	9	8	P	5	08/26/2008	0.099	2,600	38.57
LN	10	8	P	5	09/25/2008	0.1205	2,600	40.16
LN	11	8	P	5	10/28/2008	0.0758	2,600	37.16
LN	12	8	P	5	11/21/2008	0.0599	2,600	36.64
LN	7	7	P	6	06/26/2007	0.0232	2,450	41.12
LN	11	7	C	10	10/26/2007	0.7305	2,350	41.14
LN	5	8	C	20	04/25/2008	0.0376	2,300	40.24
LN	3	8	P	8	02/26/2008	0.7089	2,200	49.94
LN	3	8	C	20	02/26/2008	0.2569	2,200	53.39
LN	3	8	P	9	02/26/2008	1.1897	2,200	52.56
LN	11	7	C	11	10/26/2007	0.5287	2,100	43.91
LN	1	8	C	20	12/26/2007	0.1603	2,000	52.38
LN	2	8	C	20	01/28/2008	0.2069	2,000	51.85
LN	4	8	C	20	03/26/2008	0.0378	2,000	41.57
LN	6	8	C	20	05/27/2008	0.0288	2,000	36.47
LN	7	8	C	20	06/25/2008	0.0412	2,000	36.51
LN	8	8	C	20	07/28/2008	0.0602	2,000	36.84
LN	9	8	C	20	08/26/2008	0.0861	2,000	37.64
LN	10	8	C	20	09/25/2008	0.1291	2,000	38.85
LN	11	8	C	20	10/28/2008	0.1587	2,000	36.64
LN	12	8	C	20	11/21/2008	0.216	2,000	35.90
LN	7	7	C	8.5	06/26/2007	0.2784	1,950	36.87
LN	7	7	C	10	06/26/2007	0.0641	1,850	41.05
LN	6	7	P	7	05/25/2007	0.0888	1,700	40.13
LN	6	7	C	9.5	05/25/2007	0.0227	1,550	42.49
LN	5	7	C	8	04/25/2007	0.0029	1,420	53.53
LN	6	7	C	8	05/25/2007	0.2313	1,400	37.05

skew for the May options that this market will very well be pinned to the \$7.50 price area. We see resistance again tomorrow at \$7.713, a 62% retracement level of the prior two-week sell off. Additional resistance we see at the gap at \$7.74-\$7.76, \$7.818 and \$7.94. More distant resistance we see at \$7.94, and \$8.00-\$8.03. Support we see at \$7.50, \$7.485, \$7.468, \$7.32 and \$7.25.