



ENERGY RISK MANAGEMENT

Howard Rennell, Pat Shigueta &
Zachariah Yurch

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

www.e-windham.com

POWER MARKET REPORT FOR JUNE 14, 2006

NATURAL GAS MARKET NEWS

AccuWeather reported that Hurricane Alberto has been reduced to a tropical depression. Looking further out, two tropical waves, one in the eastern Caribbean sea and another about 1,300 miles east of the southern windward islands are generating disorganized showers and thunderstorms. Development of either of these systems is not expected.

PIPELINE RESTRICTIONS

East Tennessee Natural Gas recently reminded shippers and meter operators that it has limited ability to absorb due shipper imbalances. ETNG requires that shippers schedule their contracts balanced, and point operators to perform according to nominated volumes. Additionally, no due-pipe nominations will be accepted on the entire ENTG system.

Kern River Pipeline said that line pack has returned to normal across its entire system.

Texas Eastern Transmission said that it has scheduled and sealed M1 and M2 24-inch to capacity. No increases between Little Rock and Circleville for delivery outside that area will be accepted. Tetco has also restricted and sealed receipts between Longview and Little Rock in zone ETX. No increases in receipts between Longview and Little Rock for delivery outside that area will be accepted. Tetco has restricted and sealed zone ETX. No increases in receipts between Huntsville and Longview for delivery outside that area will be accepted.

PIPELINE MAINTENCE

Panhandle Eastern Pipe Line Company said that the ongoing outage at Centralia 100 line from Centralia Station to Pleasant Hill Station for anomaly repairs has been extended until June 28. During this outage, the capacity through Houstonia will be limited to 1,250 MMcf/d. This scheduled project is part of an ongoing integrity program conducted by Panhandle.

ELECTRIC MARKET NEWS

The Edison Electric Institute reported that electricity production in the continental U.S. for the week ended June 10 fell 4.7% from the same 2005 week and 0.9% down from the previous week to 78.485 GWh. For the first 23

Generator Problems

ERCOT— AEP's 525 Mw Welsh #1 coal fired power station will restart following repairs to a boiler tube leak.

TXU's 750 Mw Martin Lake #1 coal fired power station shut to repair an air leakage.

FRCC— FPL's 839 Mw St. Lucie #2 nuclear unit stalled its rise to full power at 45% capacity due to a faulty seal. The unit was operating at 40% capacity yesterday. St. Lucie #1 continues to operate at full power.

Constellation's 565 Mw Nine Mile Point #1 nuclear unit increased output to 45% capacity. The unit was operating at 24% yesterday. Nine Mile Point #2 continues to operate at full power.

SERC— Duke Energy's 846 Mw Oconee #1 nuclear unit shut early today for planned maintenance. The unit was operating at full power yesterday. Oconee #2 and #3 continue to operate at full power.

Entergy's 966 Mw River Bend nuclear unit reduced power to 80% from full capacity today.

Canada— Ontario Power Generation's 490 Mw Nanticoke coal-fired power station returned to service by early today.

The NRC reported that U.S. nuclear generating capacity was at 92,892 Mw down .91% from Tuesday and down .09% from a year ago.

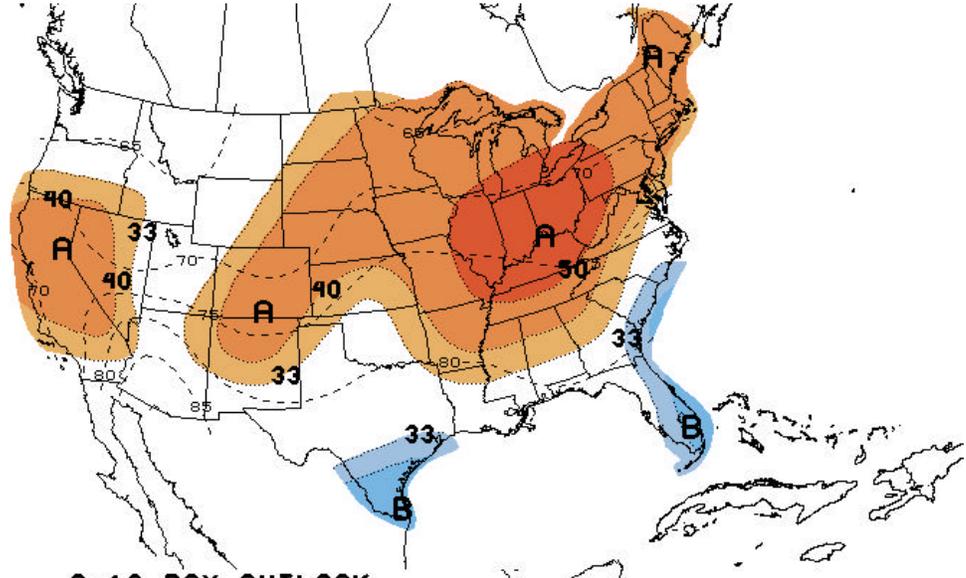
weeks of the year, production is up 1.2% from last year, and for the 52 weeks ended June 10, production is up 3.9% from the corresponding period in 2005.

ECONOMIC NEWS

The Labor Department reported that the Consumer Price Index rose 0.4% in May after jumping 0.6% in April. That was in line with forecasts, but the even more closely watched core CPI, which strips out often volatile food and energy prices, rose 0.3%, the same rise seen in April. That April report helped spark a sell-off in worldwide stock markets that persisted for most of last month. Economists had forecast only a 0.2% increase in May.

MARKET COMMENTARY

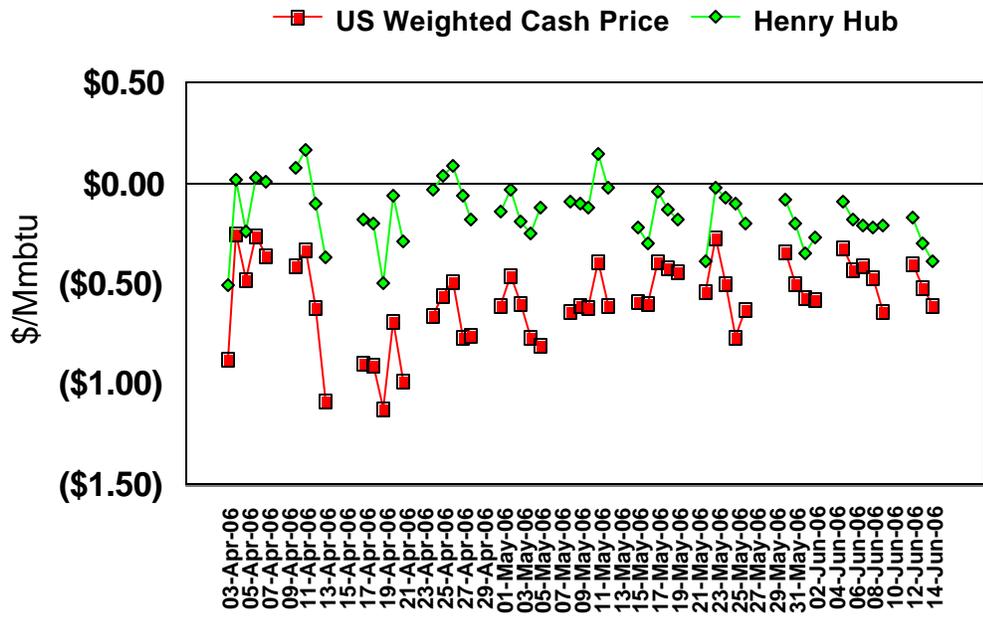
The natural gas market opened 20 cents stronger on forecasts that summer heat will make its way to key consuming regions by the beginning of next week. July natural gas traded to a low of 6.35 early in the session as the whole energy complex waited for the release of the



6-10 DAY OUTLOOK TEMPERATURE PROBABILITY
 MADE 14 Jun 2006
 VALID Jun 20 - 24, 2006
 DASHED BLACK LINES ARE CLIMATOLOGY (DEG F) SHADED AREAS ARE FCST VALUES ABOVE (A) OR BELOW (B) NORMAL UNSHADED AREAS ARE NEAR-NORMAL

ICE Next Day Cash Price Minus Nymex Spot Futures

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



oil inventory report. As the oil complex shrugged off the report and moved higher, natural gas traded up to the 6.60 level, where it found resistance. The market moved sideways through the afternoon, drifting down to the 6.40 level, until and afternoon rally sent prices through 6.60 to a high of 6.66. The July contract finished the day up 42.7 cents at 6.59.

The arrival of summer temperatures has boosted demand, but as storage is packed, and some pipelines are limiting injections, such as El Paso's ANR line, which is limiting injections for interruptible customers,

the record high inventories will limit any upside. Expectations for tomorrow's EIA storage report call for an injection of 70-100 Bcf, with most expectations looking for a build of 88 Bcf. Our pipeline model calls for a build of 92-96 Bcf. For the same week last year, stocks rose 78 Bcf and on average over the last five years, inventories have gained about 96 Bcf in this report. Cash prices were unable to keep up with futures today, weakening to more than 30 cents versus 20 cents under yesterday, a factor that could slow further NYMEX

gains. We see support at \$6.35, \$6.10 and \$6.00. We see further support at \$5.86, \$5.75 and \$5.70-\$5.71. We see resistance at \$6.82, \$7.00, \$7.12 and \$7.37. We see further resistance at \$7.50.

