



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 NOVEMBER 13, 2007

NATURAL GAS MARKET NEWS

AccuWeather said today that while it expects colder than normal temperatures in the U.S Midwest and Northeastern states to start (November) and end (March) the extended winter heating season, the heart of the heating season December through February, should see above normal temperatures, with the southeastern U.S. seeing one of the top 10 warmest years for this period of time with temperatures averaging some 4 degrees warmer than normal. Overall Accuweather forecasters are looking for this winter overall to be warmer than last year especially during the second half of January and February, when the nation last year was at its coldest. They see the current weather patterns matching the analogs of the winter 1949 and 1998-99, which was much warmer than normal east of the Mississippi.

The pipeline linking Belgium's gas network to Britain is scheduled to switch back to UK import mode on Wednesday morning, as British demand outpaced needs in Europe. The line had been supplying gas to the UK from Europe on Monday night into Tuesday but had switched to a flow from Britain to Europe Tuesday afternoon. U.K. natural gas for delivery this week rose to a 19-month high on forecasts for colder weather. Gas for delivery in the rest of the working week advanced as much as 7.9% to 54.50 pence a therm. That is the highest price since March 22, 2006, and equivalent to \$11.30 a million btus.

Transco reported that it has placed an expansion of its system into service today, increasing firm transportation capacity in the greater Washington D.C. and Baltimore region by 165,000 dekatherms per day.

Spectra Energy Group vice president Bill Yardley said the pending influx of LNG imports to the U.S. presents a tremendous opportunity for gas pipeline firms to extend their reach into new markets.

Williston Basin Interstate Pipeline Company is proposing construction of facilities to expand pipeline capacity for delivery of natural gas to Northern Border Pipeline near Ft. Buford, North Dakota. The targeted in-service date of this capacity increase is November 1, 2008, provided the necessary regulatory approvals are received and facilities can be constructed by that date.

Generator Problems

ERCOT – Operators at Luminant's 545 Mw Sandow 4 coal fired power plant have restarted the unit. The company also reported that it has restarted this afternoon its 750 Mw Martin Lake #3 coal fired unit.

MAPP – Xcel Energy's 600 Mw Monticello #1 nuclear unit increased output to 91% power. Yesterday, the unit was operating at 60% power.

NPCC – Entergy's 825 Mw FitzPatrick nuclear unit reduced output to 84% power. The unit was operating at 97% power yesterday.

PJM – PSEG's 1,050 Mw Hope Creek nuclear unit remains offline, operating at 8% power as it comes back from a refueling outage.

SERC – TVA's 1155 Mw Browns Ferry #1 nuclear unit has exited its recent outage and was at 15% of capacity this morning. Browns Ferry #2 and #3 remain at full power.

Southern's 851 Mw Farley #1 nuclear unit has exited its recent refueling outage and was at 1% of capacity this morning.

The NRC reported that 84,628 Mw of nuclear capacity is online, up .29% from Monday, and up 3.04% from a year ago.

PIPELINE MAINTENANCE

Transcontinental gas Pipeline said today that repairs to the valve at Ship Shoal Block 269, is slated to begin on November 26th and end by December 3rd, but the work is not expected to impact flows on its system. The work is expected to affect only "very, very minimal amounts of gas".

Natural Gas Cash Market						
ICE Next Day Cash Market						
Location	Volume Traded	Avg Price	Change	Basis (As of 12:30 PM)	Change	Basis 5-Day Moving Avg
Henry Hub	1,990,700	\$7.215	\$0.387	(\$1.341)	\$0.368	(\$1.315)
Chicago City Gate	980,200	\$6.114	\$0.102	(\$1.838)	\$0.152	(\$1.512)
NGPL- TX/OK	1,236,700	\$5.508	(\$0.072)	(\$2.444)	(\$0.022)	(\$1.970)
SoCal	1,158,700	\$6.126	\$0.419	(\$1.826)	\$0.470	(\$1.757)
PG&E Citygate	604,300	\$6.727	\$0.288	(\$1.225)	\$0.338	(\$1.130)
Dominion-South	540,600	\$7.605	\$0.250	(\$0.347)	\$0.300	(\$0.375)
Transco Zone 6	324,100	\$7.798	\$0.208	(\$0.154)	\$0.258	(\$0.090)

PIPELINE RESTRICTIONS

Pacific Gas & Electric's California Gas Transmission unit said today that it had issued an OFO for Wednesday for all customers on its pipeline system due to high inventories. The system-wide

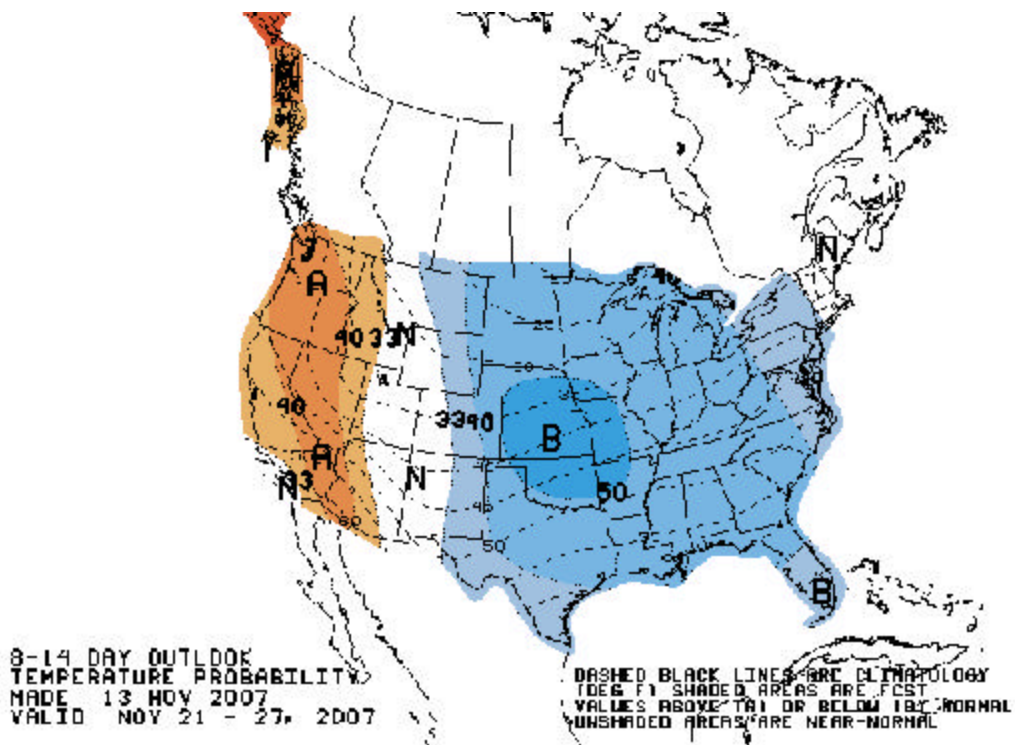
alert, issued at 3% tolerance.

Trunkline Gas Company said that there will be an outage at the Crosstex LIG-Patterson location to install direct mount transmitters beginning November 14. Expected duration is three days. During this time, no nominations will be accepted at the location.

ELECTRIC MARKET NEWS

Genscape reported that U.S. coal supplies rose 1.7% last week and days of forward supplies increased to 57 days. Power suppliers had stockpiled nearly 17% more coal than during the same week in 2006.

San Diego Gas & Electric said it has restored power to all customers who lost service during October's wildfires. During the fires some 80,000 customers were without power at one point or another. SDG&E said the restoration effort involved the replacement of 1,880 poles, 290 transformers and about 35 miles of overhead electrical wire.

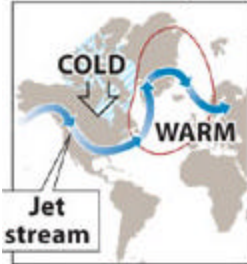


The California Independent System Operator has posted the results of its allocation process for long-term transmission rights, making it the first grid operator to issue a ten-year financial hedge for transmission users. Called Congestion Revenue Rights (CRRS) by the California ISO, the hedges provide Load Serving Entities and

other holders with a more stable cost structure by offsetting the congestion costs incurred for use of the high-voltage power grid.

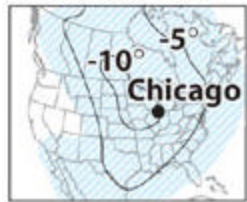
ATMOSPHERIC SET-UP

Pattern indicates chill for Chicago



CHILLY LATE THANKSGIVING HOLIDAY PERIOD

Forecast temp departure from normal (Friday Nov. 23-Tues. Nov. 27)

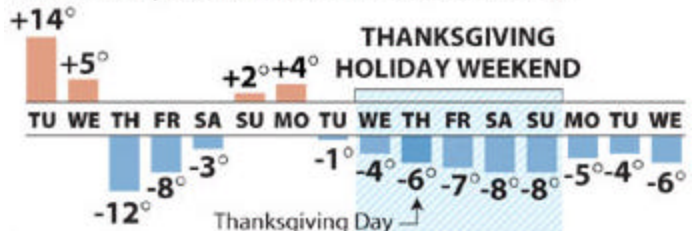


MARKET COMMENTARY

The natural gas market traded higher early in the session to a high of 8.123 supported by a cold 11-to 14-day weather outlook for the Northeast and Midwest. Then, like yesterday, the market felt the weight of the weak fundamentals as well as the sinking crude market, and gave back all of the day's gains, trading to a low of 7.882 before settling down 1.2 cents at 7.949.

CHICAGO'S PREDICTED TEMPERATURE TREND

Forecast departure from normal (Nov. 13-28)



Sources: NOAA-NCEP, NWS-Chicago, Frank Wachowski

The recent cold in the Northeast and Midwest has lent some support to the market over the past couple of sessions, and with some cold to return in the 11-14 day period that level of support will persist. However, with long-range forecasts for a warmer-than-normal winter from December through February, we continue to view natural gas as a bear market yet the tug of war will continue and prices will maintain their proven range. We see support at 7.829, 7.735, 7.588 and 7.50. We see resistance at 8.123, 8.217, 8.311, 8.70 and 9.00.