The Windham Group
Energy Futures Brokerage

ENERGY RISK MANAGEMENT

Howard Rennell, Pat Shigueta & Zachariah Yurch
(212) 624-1132 (888) 885-6100

www.e-windham.com

POWER MARKET REPORT FOR NOVEMBER 16, 2006

NATURAL GAS MARKET NEWS

Backing up its preliminary winter 2006-2007 forecasts from October, meteorologists at the National Oceanic and Atmospheric Administration (NOAA) on Thursday reiterated once again that this season is likely to be warmer than the 30-year norm (1971-2000) across much of the nation, yet cooler than last year's very warm winter season. If the forecast holds up, natural gas and power prices during this heating season could soften.

Argentina resumed some natural gas exports to Chile on Thursday after a workers' strike halted supplies to the neighboring country.

PIPELINE RESTRICTIONS

KM Interstate Gas Transmission said that a force majeure event occurred at its Casper Compressor Station in Natrona County, Wyoming on November 15. Repairs are in progress at this time, however the completion date is unknown. Effective for today and until further notice, the capacity through Segments 10, 43 & 720 is limited to 137 MMcf/d. AOR/I, secondary and/or primary quantities may not be fully scheduled.

Natural Gas Pipeline Company said that PEPL Moultrie has limited capacity available for deliveries. Limited ITS/AOR and secondary firm transports are available.

PG&E California Gas Transmission has called a system-wide operational flow order on its California natural gas pipeline for today's gas flow. PG&E issued the restriction because of high gas supplies on its system. Tolerance was set for 5%.

Generator Problems

ECAR – AEP's 1,060 Mw Cook #1 nuclear unit increased output to 60% today as it comes back from a refueling outage. Cook #2 continues to operate at full power.

ERCOT – TXU Corp.'s 575 Mw Big Brown #2 coal-fired power unit restarted following repairs to a boiler tube leak.

NRG Energy's 766 Mw Limestone #2 coal-fired power unit shut for maintenance.

TXU Corp.'s 750 Mw Martin Lake #2 coal-fired power station shut and returned to service yesterday following a power line trip.

MAAC – FirstEnergy's 864 Mw Beaver Valley #2 nuclear unit increased production to 89%, up from 71% as it comes back from its refueling.

Constellation's 835 Mw Calvert Cliffs #2 nuclear unit shut from full capacity after a turbine trip prompted a reactor trip. Unit #1 is operating at full power.

Exelon's 636 Mw Oyster Creek nuclear unit is back at full power.

MAPP – Dominion Resources' 591 Mw Kewaune nuclear unit ramped output to 98%, up from the 40% level yesterday.

NPCC – Entergy's 956 Mw Indian Point #2 nuclear unit automatically shut yesterday when a circuit failed, but has since restarted and is expected to return to full power later today.

Entergy's 535 Mw Vermont Yankee nuclear unit increased output to 54% from 43%.

SERC – Dominion Resources' 917 Mw North Anna #2 nuclear unit automatically shut today. The unit is expected to return in about a week.

WSCC – Energy's 1,200 Mw Columbia nuclear unit decreased power to 85%. The unit was operating at full capacity.

Arizona Public Service's 1,270 Mw Palo Verde #1 nuclear unit reconnected to the grid and ramped output to 69% capacity.

The NRC reported that 80,663 Mw of nuclear capacity is on line, down 1.60% from Wednesday, and off 6.06% from a year ago.

EIA Weekly Report

	11/10/2006	11/03/2006	Net chg	Last Year
Producing Region	1015	1010	5	890
Consuming East	1962	1966	-4	1942
Consuming West	473	469	4	442
Total US	3450	3445	5	3274

*storage figures in Bcf

Texas Eastern Transmission Corp. said that it has restricted to capacity deliveries downstream of Castor on the Castor lateral. No increase of deliveries downstream of Castor on the Castor lateral will be accepted. Tetco has also restricted receipts sourced between Mt. Belvieu and Little Rock for delivery outside of that area. No increase of receipts between Mt. Belvieu and Little Rock for delivery outside of that area will be accepted.

Canadian Gas Association

Weekly Storage Report

	10-Nov-06	03-Nov-06	11-Nov-05
East	240.6	240.1	247.6
West	211.2	210.3	252.1
Total	451.8	450.4	499.8

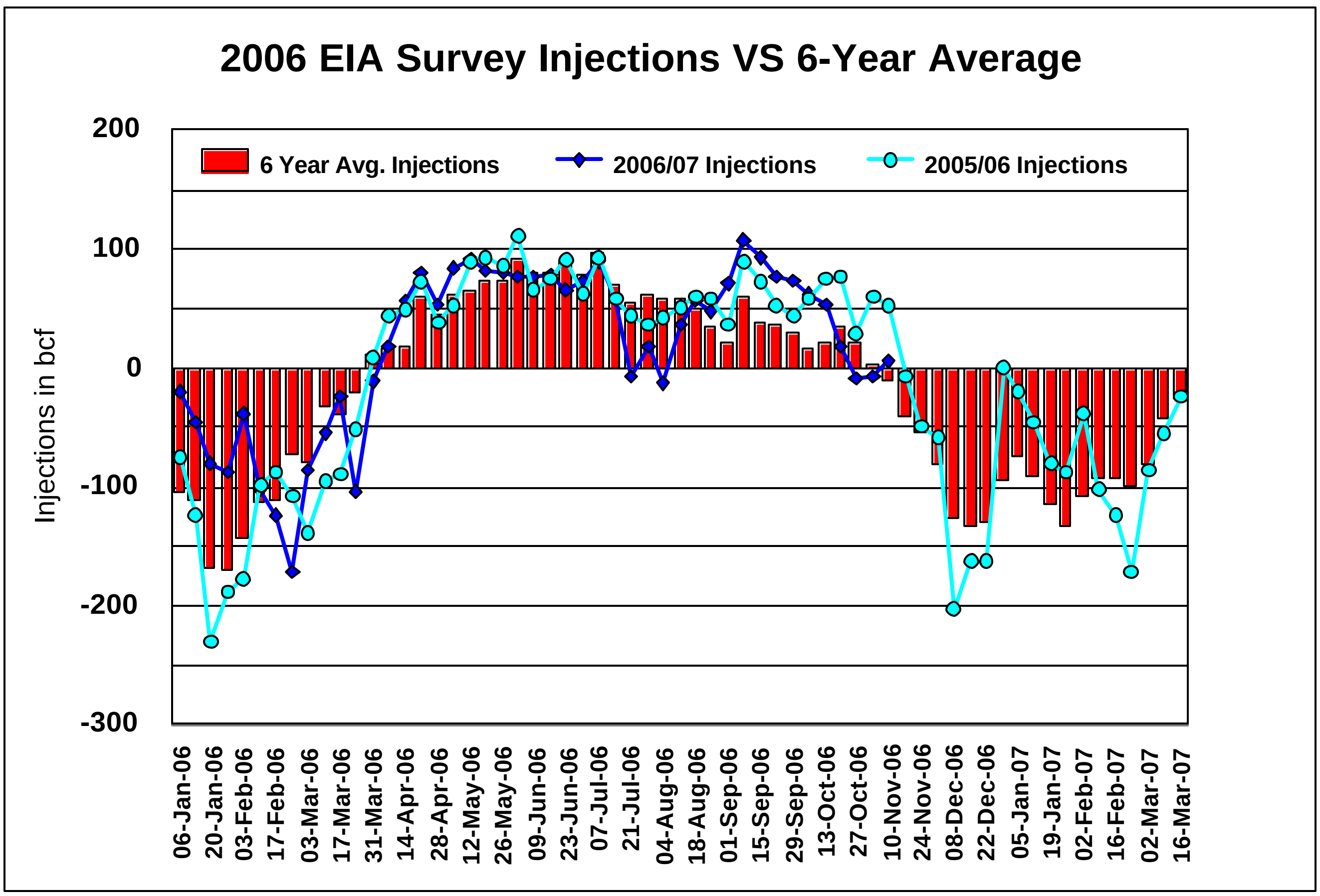
storage figures are in Bcf

Williston Basin Interstate Pipeline Company said that several points and line sections are in pipeline capacity constraint for today's timely cycle. Penalties will be imposed at the following line sections: Dickinson-Bismarck; Bismarck-Cleveland; Cleveland-Grafton; Williston-Bismarck; Cleveland-Mapleton; Portal-Tioga.

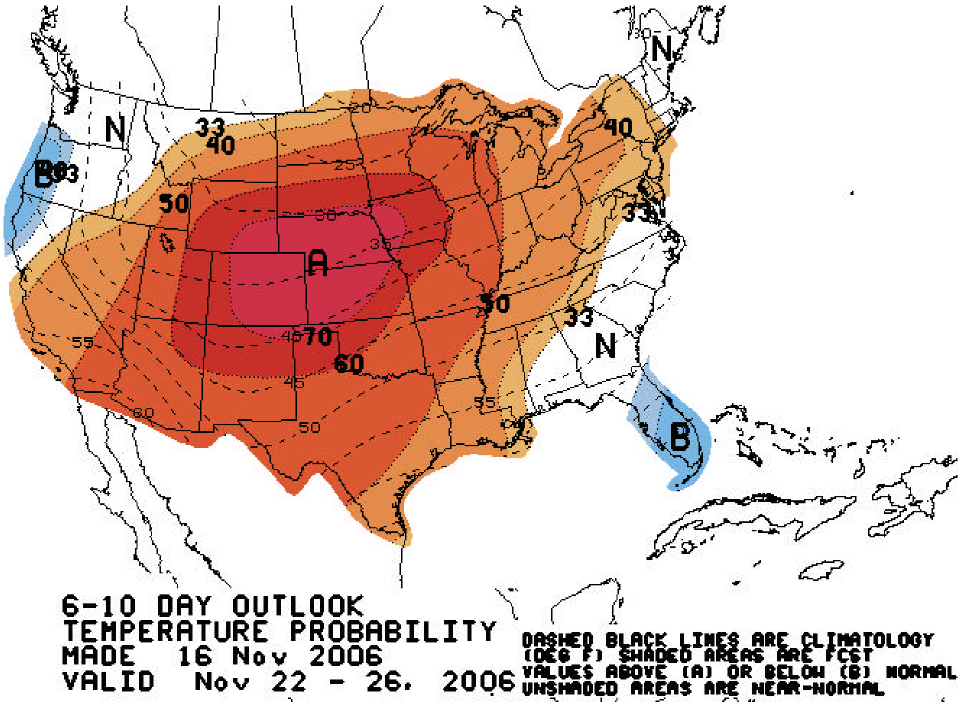
PIPELINE MAINTENANCE

Gulf South Pipeline said it will be performing scheduled compressor maintenance on Bistineau Compressor Station Unit #3 beginning November 27, and continuing for approximately three weeks. Capacity on injections to the Bistineau Storage Field will be reduced by 75 MMcf/d for the duration of the maintenance. Gulf South also said it will be performing unscheduled maintenance on the Hall Summit Compressor Station Unit #2 beginning immediately until further notice. Capacity through the Hall Summit Compressor Station could be affected by as much as 75 MMcf/d during the maintenance.

Northwest Pipeline said that while reviewing the data acquired from the recent south end pig runs, a mainline anomaly requiring immediate repair was identified near the Mapco-Delores delivery point just south of the



Pleasant View compressor station. Northwest must lower the operating pressure in the affected segment of mainline to 80%, which will reduce mainline capacity to about 275 MMcf/d. Since current primary nominations through the Pleasant View compressor are already scheduled above the design capacity of 352 MMcf/d this capacity reduction will result in a daily deficiency volume of 77 MMcf/d.



ELECTRIC MARKET NEWS

Even though peak electricity demand is expected to be higher this winter than it was last winter, the U.S. North American Electric Reliability Council said power supplies should be efficient to meet demand and capacity margins should not be strained this winter.

MARKET COMMENTARY

The natural gas market opened 3 cents higher in anticipation of the weekly EIA inventory report. The small build of 5 bcf caught some traders off guard and the market immediately gapped lower back below the 8.00 level to yesterday's low of 7.90. The selling wasn't over yet, as crude oil went into a freefall ahead of expiration, natural gas trekked lower on forecasts of mild temperatures. December natural gas traded as low as 7.72 before settling down 36.5 cents at 7.755.

The sinking crude oil market added some additional psychological pressure and with the holiday week ahead lighter industrial usage coupled with not much more heating demand will keep the market off the highs. Weather forecasters maintain that this winter will be warmer than normal, but colder than last year's above normal winter. The market is securely trading in a wide 7.40-8.25 range and will continue to do so until we get a better picture of what the winter of 2006-2007 will bring. We see support at $7.66, $7.40, $7.27, $7.10 and $7.00. We see resistance at $8.00, $8.25-$8.26, $8.45 and $8.54.

Natural Gas Cash Market						
ICE Next Day Cash Market						
	Volume	**Avg**	**Change**	**Basis**	**Change**	**Basis 5-Day**
Location	**Traded**	**Price**		**(As of 12:30 PM)**		**Moving Avg**
Henry Hub	1,045,200	$7.591	$0.145	($0.164)	$0.510	($0.533)
Chicago City Gate	700,600	$7.544	$0.109	($0.356)	$0.309	($0.562)
NGPL- TX/OK	629,700	$7.021	$0.111	($0.879)	$0.311	($1.160)
SoCal	868,900	$6.717	$0.263	($1.183)	$0.463	($1.660)
PG&E Citygate	662,000	$7.407	$0.119	($0.493)	$0.319	($0.776)
Dominion-South	505,400	$7.875	$0.177	($0.025)	$0.377	($0.254)
Transco Zone 6	173,200	$8.099	$0.251	$0.199	$0.451	($0.099)

NYMEX Nat GasOptions Most Active Strikes for November 16, 2006								
Symbol	Month	Year	Call/Put	Strike	Exp Date	Settle	Volume	IV
LN	3	7	P	5	02/23/2007	0.0381	4,950	58.99
ON	1	7	C	12	12/26/2006	0.052	4,075	70.64
LN	4	7	P	5	03/27/2007	0.0572	3,050	52.37
LN	1	7	P	6	12/26/2006	0.0415	2,900	64.60
ON	12	6	P	7.75	11/27/2006	0.333	2,589	62.68
LN	12	6	P	7	11/27/2006	0.0693	2,550	62.02
ON	1	7	P	7	12/26/2006	0.193	2,470	62.71
LN	12	6	C	10	11/27/2006	0.0069	1,600	69.21
LN	12	6	C	8.5	11/27/2006	0.1074	1,571	63.98
LN	12	6	C	11.5	11/27/2006	0.0003	1,500	72.60
ON	12	6	P	7	11/27/2006	0.069	1,178	61.02
LN	12	6	C	7.9	11/27/2006	0.274	1,150	61.56
ON	1	7	C	13	12/26/2006	0.027	1,111	72.56
ON	1	7	P	6.5	12/26/2006	0.096	1,103	62.89
LN	10	7	P	7	09/25/2007	0.8727	1,000	57.08
LN	5	8	P	7	04/25/2008	0.7827	1,000	41.86
ON	12	6	P	5	11/27/2006	0.001	1,000	93.52
LN	12	6	C	9.5	11/27/2006	0.0178	963	67.45
ON	3	7	C	12	02/23/2007	0.264	900	70.24
LN	12	6	P	7.5	11/27/2006	0.2159	870	63.52
LN	12	6	P	6.5	11/27/2006	0.0137	865	60.75
LN	1	7	P	7	12/26/2006	0.1925	850	64.47
LN	12	6	C	7.8	11/27/2006	0.3156	800	61.10
LN	3	7	P	7	02/23/2007	0.4427	800	62.00
ON	1	7	C	10	12/26/2006	0.206	780	66.66
ON	12	6	C	8.5	11/27/2006	0.107	756	64.93
LN	4	7	C	10	03/27/2007	0.3394	750	50.15
LN	1	7	C	10	12/26/2006	0.2062	750	64.71
LN	10	7	P	6	09/25/2007	0.487	700	56.02
ON	3	7	C	30	02/23/2007	0.004	650	86.90
LN	12	6	P	7.35	11/27/2006	0.16	600	63.02
ON	2	7	C	11	01/26/2007	0.271	598	68.87
LN	12	6	C	9	11/27/2006	0.045	565	65.79
ON	3	7	C	9	02/23/2007	0.762	561	64.75
ON	12	6	P	6	11/27/2006	0.001	550	57.22
LN	12	6	P	6	11/27/2006	0.0015	550	59.68
LN	12	6	P	5	11/27/2006	0.0001	550	68.91
LN	1	7	P	8.5	12/26/2006	0.8366	550	67.16
ON	3	8	C	9	02/26/2008	1.754	500	47.95
ON	12	7	C	15	11/27/2007	0.477	500	51.62
ON	12	6	P	12	11/27/2006	4.245	500	115.82
LN	6	7	P	5	05/25/2007	0.1	500	51.37
LN	12	6	P	7.25	11/27/2006	0.1286	500	62.73
ON	4	7	P	7	03/27/2007	0.54	500	50.27
LN	5	7	P	5	04/25/2007	0.0868	500	52.66
ON	12	6	P	11.5	11/27/2006	3.745	500	104.44