

**El Paso to exit trading/marketing, isolate business in new unit**

In an attempt to shield itself from further trading risk, but without abandoning its trading operations altogether, El Paso Energy Friday said it would be “exiting” trading and marketing through a plan to isolate those operations in a new subsidiary.

The Houston-based firm, one of the biggest in both power and gas trading, said that “substantially diminished business opportunities,” higher capital costs, and the end of some market-to-market accounting, was forcing it to take what one analyst called “ring-fencing” measures to isolate its trading and marketing business.

Ranked third among power traders through the first half of 2002, and fifth in gas trading in the second quarter, El Paso, which announced a 50% cutback in trading last May, took the final plunge and said Friday that “the key component” to

regaining financial health “is to liquidate the trading portfolio in an orderly manner.”

The company indicated it would work to “segregate the credit and balance sheet demands of trading from the remainder of the corporation through the creation of a new, separately capitalized subsidiary, Travis Energy Services.”

“El Paso is planning to transfer the bulk of its energy trading portfolio to Travis Energy in the first quarter of 2003, with the expectation that the portfolio will be liquidated within two years.”

The Houston-based firm said, as of September 30, its “trading portfolio” had a net asset value of \$968-million.

Referring to the recent move by the Financial Accounting Standards Board’s Emerging Issues Task Force to rescind some mark-to-

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**BPA sees less demand for grid connections**

The Bonneville Power Administration said Friday the power industry’s financial crunch has led to a fall off of developers seeking to connect with BPA’s grid. The number of megawatts proposed in various gas-fired and wind power plants has plummeted from 93 plants with 38,150,000 MW in 2001 to 57 plants with 21,500 MW today.

Of the remaining projects, gas-fired plants represent 16,700 MW—but 4,300 MW are in plants that developers have announced will be delayed or are on hold. Last year, developers wanted to connect more than 90 plants, but this

has dropped to 57.

BPA is not confident that many of the new gas-fired plants on its list will be built, says Chuck Meyer, a vice president for transmission. BPA is concerned because regional power planners estimate the region needs 8,000 MW within 20 years.

The evaporation of new projects moving forward is affecting BPA’s transmission planning and construction. BPA requires developers to pay costs of new transmission up front and receive credits for their transmission use until reim-

*(Continued on page 8)*

**Xcel might sell NRG to shield it from bankruptcy**

Xcel Energy told the Securities and Exchange Commission it will likely shed at least half and possibly all of its ownership in NRG Energy, and that the independent power subsidiary may end up in bankruptcy court.

Minneapolis-based Xcel early this month gave NRG’s lenders and bondholders a plan for restructuring NRG, which likely involves giving creditors an ownership interest in NRG in exchange for wiping out debt. “Due to the large levels of debt at NRG, Xcel Energy believes that the restructuring plan will involve the conversion of sig-

nificant amounts of NRG debt into NRG common stock and the reduction of Xcel Energy’s ownership interest in NRG to below 50% or even the entire elimination of Xcel Energy’s ownership interest in NRG,” Xcel told the SEC in a filing.

Xcel said NRG may be headed to bankruptcy court. “Even assuming cooperation of NRG’s lenders, a consensual restructuring may involve the filing of a consensual bankruptcy proceeding by NRG in which all significant parts of the restructuring plan for NRG are

*(Continued on page 2)*

**Key Hub Trades for Standard 16-Hour Daily Products 11/11/02**

Weighted average index prices (in \$/MWh) and volumes are shown for selected major hubs. More detailed price information is available on page 3.

Delivery Point	Weighted Average Index	Trading Volume Reported
COB	32.20	825
Mid-C	28.77	800
Palo Verde	34.23	550
ERCOT	31.04	2000
ComEd, into	20.50	N.A.
Entergy, into	26.66	3675
Cinergy, into	18.26	5580
PJM West	28.03	1750
TVA, into	19.70	250

## Ontario set to make major changes to newly-formed market

The Ontario government today is expected to announce controversial changes to the province's six-month-old competitive electric market, government and energy-industry sources in the province said Friday.

Sources said that details of the plan were still being worked out on Friday, but that the plan is expected to include a temporary cap on the now-fluctuating retail rates paid by about 75% of electricity customers in the province, and a energy-use-based rebate to retail customers expected to average about US\$30/customer.

Despite the likely cap on retail electricity prices, however, the provincial government is expected to continue to allow wholesale-market prices to fluctuate. Any difference between the fluctuat-

ing wholesale price for electricity and the capped retail rates is expected to be absorbed by the government and, ultimately, by taxpayers.

The government also may propose new tax incentives to encourage the development of new merchant generating capacity in Ontario. The province's Independent Electricity Market Operator, which runs the wholesale market, said in two recent reports that capacity supplies will become increasingly tight if more merchant projects don't proceed to construction soon.

The Ontario government has been under growing pressure in recent weeks from retail customers who have seen their electricity bills rise by 25% or more as wholesale prices soared, particularly in

August and September. Also, municipally-owned distribution utilities have expressed concern they may face financial ruin because of the one-to-two-month time gap between when munis must pay for the wholesale power they need to provide default service to retail customers who do not select alternative retailers and when retail customers pay their bills.

When Ontario implemented full wholesale and retail competition on May 1, it was anticipated that wholesale prices—the basis for the retail rates paid by default customers—would average about 2.9 cents/kWh. However, while wholesale prices averaged only 2 cents/kWh in May, they rose to 4.1 cents/kWh in July and to 5.6 cents/kWh in September.

## Concerns grow over NRG ... (from page 1)

approved in advance by a majority of NRG's creditors," Xcel said. "Also, if a consensual arrangement cannot be reached, NRG's creditors may seek to force NRG into bankruptcy."

NRG owes its creditors about \$10-billion. Restructuring talks with the creditors will likely take several more weeks, NRG said Friday. In a move that gives Xcel breathing room as it deals with NRG, the SEC granted Xcel a temporary waiver from the requirement that the company's common equity be at least 30% of its total consolidated capitalization, including short-term debt, Xcel said Friday.

NRG will take write-downs of more than \$2-billion this quarter on various projects, reducing Xcel's equity ratio to below 30%. The SEC waiver reduces the equity requirement to 24% through

March 2003. Xcel had asked for a waiver through June. Without the waiver, Xcel could not issue securities or access the capital markets.

In its Nov. 7 filing, Xcel asked the SEC for permission to make several specific financial transactions, including issuing up to \$400-million of debt to repay, refinance or replace a \$400-million credit facility that matured Nov. 8. Xcel continues to work with its banks on the credit line and doesn't see its expiration as a problem, a company spokesman said.

Xcel also asked for permission to support NRG's power marketing operations with up to \$118-million in guaranties. In addition, Xcel said it plans to issue between \$300-million and \$500-million in common stock in early 2003. Proceeds could be used to pay NRG

\$300-million under a support agreement that Xcel made when it bought back the outstanding shares of NRG last summer. Once the issues surrounding NRG are resolved, either through bankruptcy, a transfer of ownership to NRG's creditors or asset sales, Xcel expects its equity level to jump above the 30% threshold, Xcel told the SEC. A bankruptcy filing, either voluntary or involuntary, would take NRG off Xcel's books, the company said.

In another move boosting Xcel's liquidity, the company said Friday it had agreed to sell subsidiary Viking Gas Transmission and Viking's one-third interest in Guardian Pipeline to Northern Border Partners for about \$152-million, including the assumption of outstanding debt. The purchase is expected to close by year-end.

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## Explanations

**Index** — Volume-weighted average of all trades reported.

**Low** — Lowest trade reported.

**High** — Highest trade reported.

**Volume** — Volume of trades per hour for each of 16 peak hours. This figure is a total of all trading volume reported to MWD for each delivery site; because every effort is made to capture both sides of every deal reported, MWD recognizes that this figure includes duplicate volumes, and the figure should be used as a trend indicator not necessarily as an indicator for transmitted volumes.

## Methodology

The prices displayed in the table to the right are for power, in \$/MWh, traded at the delivery points and regions listed. Peak hours are 0600-2200 hrs.; PJM and New York peak hours are 0700-2300. Off-peak hours generally start at 2200 hrs. on the date before the delivery date and end at 0600 on the delivery date. Not included are 24-hour deals categorized in some NERC regions as off-peak hours over Saturdays and Sundays. Transactions at the hubs listed in the separate table at the top of this page are financially firm. Deals at other locations may be unit-firm or system-contingent, and may include capacity reservation charges. Transactional data is gathered from utilities, marketers, co-ops, brokers, municipalities and government power agencies. Deals done in the West are excluded if done after 1015 hrs. PT; deals done in the East and Central areas are excluded if done after 1100 hrs. CT. Copyright 2002 by The McGraw-Hill Companies, Inc..

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## Trades for Standard 16-Hour Daily Products; all prices and volumes in \$/MWh

Point	Index	Change	Low	High	Volume	Avg \$/Mo
<b>East</b>						
New England	45.80	-0.95	45.50	46.00	885	48.55
N.Y. Zone-G	44.28	-2.32	44.00	44.50	400	49.91
N.Y. Zone-J	59.00	-1.50	59.00	59.00	N.A.	60.79
N.Y. Zone-A	36.50	-1.25	36.50	36.50	N.A.	40.91
Ontario*	59.00	-0.63	58.50	59.50	250	64.65
PJM West	28.03	-5.45	27.25	30.00	1750	35.38
VACAR	22.00	-3.00	22.00	22.00	N.A.	27.70
Southern, into	25.51	-0.79	25.00	26.00	300	27.99
Florida	45.00	10.00	45.00	45.00	N.A.	41.38
TVA, into	19.70	-3.16	18.50	20.00	250	25.79
<b>Central</b>						
ECAR, North	20.50	-0.71	20.50	20.50	N.A.	26.08
Cinergy, into	18.26	-1.66	16.00	20.25	5580	24.26
MAIN, North	22.75	-0.38	22.75	22.75	N.A.	27.42
MAIN, South	24.00	0.00	24.00	24.00	N.A.	28.96
ComEd, into	20.50	0.00	20.50	20.50	N.A.	25.59
MAPP, North	24.50	1.75	24.50	24.50	N.A.	27.81
MAPP, South	22.50	-0.25	22.50	22.50	N.A.	27.44
SPP, North	25.13	0.13	24.00	25.75	200	28.18
Entergy, into	26.66	-4.04	25.00	28.00	3675	29.87
ERCOT	31.04	-1.71	30.25	32.25	2000	33.06
ERCOT, North	31.50	-2.20	31.50	31.50	N.A.	33.51
ERCOT, Houston	31.50	-2.20	31.50	31.50	N.A.	33.38
ERCOT, West	31.50	-1.50	31.50	31.50	N.A.	33.34
ERCOT, South	30.78	-2.05	30.50	31.25	400	32.97
<b>West</b>						
COB	32.20	1.54	32.00	33.00	825	37.88
Mid-C	28.77	0.97	28.00	30.00	800	35.03
Palo Verde	34.23	2.51	33.25	35.00	550	36.89
Four Corners	35.00	4.00	35.00	35.00	N.A.	38.06
NP15	40.06	4.41	38.25	42.00	1125	42.50
SP15	40.23	3.00	39.50	40.75	450	42.96

## Trades for Standard Forward Products all prices in \$/MWh traded 11/08

Point	Bal-week		Bal-month		Next-week		Prompt-month assessment
	low	high	low	high	low	high	
<b>Delivery</b>							
<b>East</b>							
New England	-	-	46.50	46.50	-	-	46.00
N.Y. Zone-G	-	-	-	-	-	-	47.00
N.Y. Zone-J	-	-	-	-	-	-	58.00
N.Y. Zone-A	-	-	-	-	-	-	38.80
Ontario*	-	-	-	-	-	-	64.25
PJM West	-	-	31.15	31.75	-	-	33.50
TVA, into	-	-	-	-	-	-	26.10
<b>Central</b>							
Cinergy, into	21.50	21.50	-	-	-	-	25.60
ComEd, into	-	-	-	-	-	-	25.35
Entergy, into	27.00	27.25	-	-	-	-	29.10
ERCOT	-	-	-	-	-	-	32.25
<b>West</b>							
Mid-C	---	---	30.50	30.75	---	---	36.50
Palo Verde	---	---	-	-	---	---	34.75
NP15	---	---	-	-	---	---	41.25
SP15	---	---	-	-	---	---	40.25

For additional forward pricing, see long-term forward assessments, page 8. \*Ontario prices are in Canadian dollars

### Ranges and Indexes of Trades for Standard Off-Peak Products

Delivery Date: 11/11/02

	Index	Low	High	Volume
<b>East</b>				
New England	32.00	32.00	32.00	N.A.
N.Y. Zone-G	-	-	-	-
N.Y. Zone-J	-	-	-	-
N.Y. Zone-A	-	-	-	-
PJM West	18.00	18.00	18.00	N.A.
VACAR	14.00	14.00	14.00	N.A.
Southern, into	17.00	17.00	17.00	N.A.
Florida	21.00	21.00	21.00	200
TVA, into	13.50	13.50	13.50	N.A.
<b>Central</b>				
ECAR, North	13.50	13.50	13.50	N.A.
Cinergy, into	10.66	9.75	12.00	121
MAIN, North	13.00	13.00	13.00	N.A.
MAIN, South	13.00	13.00	13.00	N.A.
ComEd, into	11.00	11.00	11.00	N.A.
MAPP, North	13.00	13.00	13.00	N.A.
MAPP, South	12.75	12.75	12.75	N.A.
SPP, North	13.27	12.00	13.75	412
Entergy, into	14.78	14.50	15.10	200
ERCOT	22.75	22.00	23.00	200
ERCOT, North	22.75	22.75	22.75	N.A.
ERCOT, Houston	22.75	22.75	22.75	N.A.
ERCOT, West	22.75	22.75	22.75	N.A.
ERCOT, South	22.75	22.75	22.75	N.A.
<b>West</b>				
COB	27.11	26.00	27.75	425
Mid-C	24.54	23.00	27.00	400
Palo Verde	23.58	22.50	25.30	550
Four Corners	25.00	25.00	25.00	N.A.
NP15	29.19	28.00	31.00	500
SP15	28.97	28.00	31.50	625

### Cinergy Peak Hourly Indexes

The data in this table shows weighted average costs of power and total volumes based on deals done into Cinergy, in U.S.\$/MWh, for the 16 hours of the peak period. The average hourly price is a straight numerical average. (For more detailed information on this table, see the Methodology on the MWD website.) Copyright 2002 The McGraw-Hill Companies, Inc.

Trans. Date: 11/07/02

Hour Ending	Index	Low	High	Volume
0800	28.06	21.00	35.00	245
0900	38.00	38.00	38.00	50
1000	35.74	25.00	40.00	352
1100	29.79	26.00	37.00	145
1200	35.00	35.00	35.00	50
1300	28.00	28.00	28.00	50
1400	18.00	18.00	18.00	20
1500	18.00	18.00	18.00	20
1600	18.83	18.00	19.00	120
1700	24.43	18.00	28.00	70
1800	24.08	22.00	25.00	108
1900	23.09	21.00	27.00	460
2000	25.65	21.00	29.00	215
2100	25.45	18.00	28.00	310
2200	19.69	16.00	22.00	130
2300	18.16	15.00	20.00	150

Avg on-peak price 25.62

### Daily generation outage references

- CD - coastdown for refueling outage
  - FP - Full power
  - RP - reduced power
  - MO - unplanned maintenance outage
  - PMO - planned maintenance outage
  - RF - refueling outage
  - RS - restart
  - RT - return to grid
  - IP - Increasing power
  - EO - economic outage
  - Unk - unknown
  - Fuels: Nuclear=n; Coal=c; Natural gas=g; Hydro=h
- Sources: Generation owners, public information and other market sources.

## Mild temps erode dailies, next-week in N.Y.

New York dailies fell a couple dollars with forecasts for unseasonably mild weather eroding the possibility of any premium for delivery three days out after the weekend.

Zone G dailies traded down \$2.50 to \$44/MWh for Monday delivery in the Hudson Valley. To the west in Zone A, dailies fell a dollar to \$36.50/MWh for Monday delivery. Zone J dailies were assessed near \$59/MWh for New York City.

Eastern Markets

In Zone A, weekend 2-by-16 packages were offered at \$34/MWh, after trades a day earlier at \$34.50/MWh.

Daytime temperatures were forecast to moderate upward 10 degrees through the weekend, averaging 3-4 degrees above season norms with highs in the mid-60s in New York City.

Entergy Nuclear's 829-MW Fitzpatrick nuclear unit in Lycoming, N.Y., remained at 98% power as of Friday morning, on its way back from a refueling and maintenance outage.

Sources said some smaller units totaling about 1,000 MW would return from maintenance outages. In response to that and milder weather, Zone A for Nov. 11-15 traded down \$1 at \$37.25/MWh. Zone G held at \$46.75/MWh. Balance-of-the-month was within a dollar of those prices.

NEPOOL dailies lost about \$1 with most trades done around \$45.80/MWh for Monday delivery. The forecast is for mostly sunny, dry weather with temperatures about 5 degrees above normal. ISO unit outages increased by 1,430 MW bringing Monday's missing generation total to over 8,000 MW.

Two-by-16 packages traded between \$42.50 and \$43/MWh amid daytime temperatures above the 60-degree mark. Two-by-24 packages traded to \$39.75/MWh. The balance-of-the-month traded to \$46.50/MWh.

PJM dailies opened Friday with trades off by \$6 to \$30/MWh for Monday delivery. Prices then dropped another \$1 as the morning session progressed.

On Nov. 8, Public Service Electric & Gas' 1,115-MW nuclear unit Salem-1 in Hancocks Bridge, N.J., increased its output to 47% following a refueling outage. The unit's return helped decrease PJM's Monday outages to 7,822 MW.

Two-by-16 packages also fell with initial trades at \$21.50/MWh and later deals at \$21/MWh. Nov. 11-15 deals were done to \$30.75/MWh. The balance-of-the-month reached \$31.75/MWh with trades as low as \$31.15/MWh.

Forecasts calling for unseasonably warm weather 3 to 8 degrees above normal caused most dailies to weaken again in the South. The exception was in Florida, where dailies for Monday traded near \$45/MWh, gaining about \$10 from the previous day amid forecasts for 80-degree weather following a short-lived cool spell. According to traders, dailies also strengthened, as transmission line work going into Florida will cut import capacity by about one-third, leaving the area with even less transmission capability. Prices at the border were near \$33/MWh.

Into TVA dailies for Monday traded between \$18.50 and \$20/MWh, losing about \$3. Most volume traded at an index near \$19.70/MWh.

VACAR dailies eased down about \$3 with most trading near \$22/MWh for Monday delivery. Southern Co. dailies slipped about 80 cents for Monday. Most volume traded between \$25.25 and \$26/MWh, with an index near \$25.50/MWh.

### East Generation Unit Outage Report for November 11

Plant/Operator	Cap	Fuel	State	Status	Return	Shut
Browns Ferry-1/TVA	1065	n	Ala	RF	Unk	03/03/85
North Anna-2/Dom	907	n	Va	MO	Unk	09/09/02
Vogtle-2/Georgia Power	1,169	n	Ga	RF	Unk	10/07/02
Watts-Bar/TVA	166	h	Tenn	MO	Unk	09/27/02
New Boston-2/ Sithe	350	g	Mass	MO	Unk	10/01/02
Fitzpatrick/Entergy	829	n	NY	RF	11/08/02	10/08/02
Brayton-4/PG&E	475	o	Mass	MO	Unk	10/08/02
Wyman/Duke	632	o	ME	MO	Unk	10/08/02
Ravenswood-3/KeySpan	1,027	o	NY	MO	late Dec	10/12/02
Oconee-2/Duke	886	n	SC	RF	11/15/02	10/15/02
Robinson-2/CP&L	700	n	SC	RF	11/15/02	10/15/02
Indian Point-2/Entergy	986	n	NY	RF	11/30/02	10/26/02

### Texas PUC makes deal with state's marketers

The Texas Public Utility Commission Thursday approved a multimillion-dollar settlement with four energy marketers who had been under investigation for allegedly manipulating the "balancing energy" market in the Electric Reliability Council of Texas in the summer of 2001.

The settlement, which was agreed to by the PUC staff in mid-September, calls for American Electric Power Service, Mirant Americas Energy Marketing, Reliant Energy Services, and TXU Energy Trading to pay nearly \$10.5-million into a fund that would be redistributed to other marketers, municipal utilities, and electric cooperatives that were overcharged in August and September of last year.

The AEP marketing unit will pay about \$3.2-million, Mirant about \$2.9-million, Reliant about \$2.8-million, and TXU about \$1.6-million.

In New York, December fell a dime at \$47/MWh in Zone G and came off 20 cents to \$38.80/MWh in Zone A, despite higher natural gas futures. The curve then gained similar amounts until summer, which was flat. Further out markets were flat to slightly softer, down 15 cents on average.

In NEPOOL, a warm spell caused a dip in the prompt month to \$46/MWh. The winter package 2003 gained on a stronger natural gas futures contract to \$49.25/MWh. Similarly, In PJM, warmer weather influenced December, which shed 20 cents to \$33.50/MWh. The summer 2003 package was flat at \$53.75/MWh.

Ontario dailies fell C\$1.50 with trades at C\$58.50/MWh [US\$37.39] for-Monday on forecasts for milder weather.

Unseasonably frigid weather was trending up before the weekend and expected to warm by 20 degrees to slightly above fall averages by Monday, to a high of 54 in Toronto.

Power for the full week of Nov. 11-15 showed bids at C\$58/MWh, down C\$3.50 from bids the previous trading day.

Real-time at C\$57.31/MWh late Friday afternoon was tracking near posted pre-dispatch prices at the Ontario Independent Electricity Market Operator. Real-time was expected to hold below C\$75/MWh for most of Friday on demand near 20,000 MW, down 1,500 MW from Thursday, which was the coldest day of last week with highs below 32.

Ontario term remained flat with December at C\$64.25/MWh, winter at C\$73.25/MWh and 2003 at C\$61.25/MWh.

### Weaker gas drags Entergy dailies to \$25/MWh

Entergy dailies for Monday fell \$5 to a low of \$25/MWh as spot gas prices slipped more than a dime. Forecasts for high temperatures ranging from the upper 70s near the coast to the low 60s in Arkansas are curbing demand through out the region.

The balance-of-the-week was done between \$27 and \$27.25/MWh, the high end of the daily range with forecasts calling for cooling temperatures through next Friday.

Despite advances in NYMEX gas for the front months, heat rates for the forward curve compressed, keeping most terms from making any significant gains. December finished the day at \$29.10/MWh, up 35 cents. Winter packages edged up 30 cents to \$30.35/MWh.

ERCOT dailies for Monday retreated a few dollars to near \$31/MWh. Weaker gas

(continued on page 6)

Central Markets

### Megawatt Daily Weekly Price Index

The indexes in the left columns are the volume weighted averages of the transactions collected in the Megawatt Daily survey for the past week. For all points in the West, the index is based on deals done from Monday to Saturday. In the Central and East areas, the index is based on deals done from Monday to Friday. In the right columns are the average daily volumes over those periods. The transactions that comprise the indexes are daily, prescheduled blocks of power. Contracting practices differ by region. Copyright 2002 by The McGraw-Hill Companies, Inc.

Week Ending: 11/09/02

Delivery Point	Index Avg.	Volume/Day PEAK	Index Avg.	Volume/Day OFF-PEAK
<b>East</b>				
New England	48.94	681	33.95	N.A.
N.Y. Zone-G	50.46	288	N.A.	N.A.
N.Y. Zone-J	61.10	N.A.	N.A.	N.A.
N.Y. Zone-A	40.82	438	N.A.	N.A.
Ontario*	65.15	288	N.A.	N.A.
PJM West	35.67	1830	20.82	400
VACAR	27.18	N.A.	15.45	N.A.
Southern, into	27.46	380	17.86	348
Florida	40.13	273	23.90	100
TVA, into	25.62	350	14.55	N.A.
<b>Central</b>				
ECAR, North	25.69	376	14.65	371
Cinergy, into	23.70	5281	13.89	511
MAIN, North	26.77	353	13.80	N.A.
MAIN, South	28.30	N.A.	13.64	232
ComEd, into	25.07	250	13.37	N.A.
MAPP, North	26.78	250	13.75	N.A.
MAPP, South	26.66	565	13.77	210
SPP, North	27.52	225	13.85	N.A.
Entergy, into	29.65	3060	14.62	297
ERCOT	32.73	1700	23.52	753
ERCOT, North	33.13	325	23.64	300
ERCOT, Houston	33.11	300	23.80	200
ERCOT, West	32.97	350	23.37	N.A.
ERCOT, South	32.79	342	23.53	250
<b>West</b>				
COB	36.31	592	32.99	367
Mid-C	33.30	771	32.24	525
Palo Verde	35.66	388	28.88	492
Four Corners	37.58	N.A.	28.86	N.A.
NP15	41.15	858	35.26	463
SP15	41.90	375	33.39	393

### Central Generation Unit Outage Report for November 11

Plant/Operator	Cap	Fuel	State	Status	Return	Shut
Davis Besse/FirstEnergy	906	n	OH	MO	Early 2003	02/17/02
South Texas2/HL&P	1250	n	TX	MO	Unknown	10/02/02
Comanche Peak 1/TXU	1150	n	TX	MO	Unknown	09/30/02
Arkansas Nuclear 1/Entergy	850	n	AK	RF	10/31/02	10/07/02
Callaway/Ameren	1171	n	MO	RF	Late Nov-02	10/22/02
Quad Cities-1/Exelon	789	n	IL	RF	Late Nov-02	11/5/02

### Spark Spreads for November 11

These spark spreads (in \$/MWh) compare the cost of generating power using a gas turbine at various heating efficiencies with the cost of buying peaking from the grid. The \$/mmBtu column is based on the closest geographic Gas Daily price posting midpoint, while the \$/MWh column is based on the Megawatt Daily index. A positive spread indicates it's economical to buy gas, while a negative spread indicates it's economical to buy power from the grid. The gas and power transactions were generally conducted yesterday for delivery today, weekends excepted. Copyright 2002 by The McGraw-Hill Companies, Inc.

	Marginal Heat Rate	\$/MMBtu	\$/MWh	7000	8000	10000	12000
COB/Malin, Ore.	9020	3.570	32.20	7.21	3.64	-3.50	-10.64
Mid-Columbia/Stanfield	8388	3.430	28.77	4.76	1.33	-5.53	-12.39
Palo Verde/El Paso San Juan	10598	3.230	34.23	11.62	8.39	1.93	-4.53
ERCOT/Houston Ship Channel	8539	3.635	31.04	5.60	1.96	-5.31	-12.58
Com Ed/Chicago Citygates	5511	3.720	20.50	-5.54	-9.26	-16.70	-24.14
Entergy/Henry Hub	7081	3.765	26.66	0.30	-3.46	-10.99	-18.52
Cinergy/Columbia Gas, App.	4706	3.880	18.26	-8.90	-12.78	-20.54	-28.30
PJM-West/Transco Z 6 (non-NY)	6930	4.045	28.03	-0.28	-4.33	-12.42	-20.51
Nepool/Tenn. Zone 6 (del.)	11337	4.040	45.80	17.52	13.48	5.40	-2.68
NY Zone G/Transco Z 6 (NY)	10947	4.045	44.28	15.96	11.92	3.83	-4.26
Fla. in-state/Fla. Citygates	11450	3.930	45.00	17.49	13.56	5.70	-2.16

**Trades for Standard 16-Hour Daily Products**

Delivery Date: 11/9/2002

	Index	Low	High	Volume
<b>East</b>				
New England	42.75	42.50	43.00	400
N.Y. Zone-G	40.00	40.00	40.00	N.A.
N.Y. Zone-J	51.00	51.00	51.00	N.A.
N.Y. Zone-A	33.50	33.50	33.50	N.A.
Ontario	47.50	47.50	47.50	N.A.
PJM West	21.38	21.00	21.50	700
VACAR	21.00	21.00	21.00	N.A.
Southern, into	24.00	24.00	24.00	N.A.
Florida	33.00	33.00	33.00	N.A.
TVA, into	20.00	20.00	20.00	N.A.
<b>Central</b>				
ECAR, North	22.00	22.00	22.00	N.A.
Cinergy, into	19.00	19.00	19.00	N.A.
MAIN, North	21.50	21.50	21.50	N.A.
MAIN, South	22.00	22.00	22.00	N.A.
ComEd, into	19.00	19.00	19.00	N.A.
MAPP, North	22.75	22.75	22.75	N.A.
MAPP, South	22.50	22.50	22.50	N.A.
SPP, North	22.00	22.00	22.00	N.A.
Entergy, into	25.50	24.75	26.25	200
ERCOT	31.03	30.50	32.50	850
ERCOT, North	31.50	31.50	31.50	N.A.
ERCOT, Houston	31.50	31.50	31.50	N.A.
ERCOT, West	31.50	31.50	31.50	N.A.
ERCOT, South	30.78	30.50	31.25	400
<b>West</b>				
COB	30.66	29.50	32.00	600
Mid-C	27.80	27.00	30.00	650
Palo Verde	31.72	30.50	33.30	325
Four Corners	31.00	31.00	31.00	N.A.
NP15	35.65	34.00	37.50	425
SP15	37.23	36.80	38.00	275

**Ranges and Indexes of Trades for Standard Off-Peak Products**

Delivery Date: 11/9/2002

	Index	Low	High	Volume
<b>East</b>				
New England	32.50	32.50	32.50	N.A.
N.Y. Zone-G	-	-	-	-
N.Y. Zone-J	-	-	-	-
N.Y. Zone-A	-	-	-	-
PJM West	15.00	15.00	15.00	N.A.
VACAR	14.00	14.00	14.00	N.A.
Southern, into	15.88	15.88	15.88	N.A.
Florida	21.00	21.00	21.00	N.A.
TVA, into	13.50	13.50	13.50	N.A.
<b>Central</b>				
ECAR, North	9.50	9.50	9.50	N.A.
Cinergy, into	10.00	10.00	10.00	N.A.
MAIN, North	10.30	10.00	10.50	250
MAIN, South	11.00	11.00	11.00	N.A.
ComEd, into	10.00	10.00	10.00	N.A.
MAPP, North	13.00	13.00	13.00	N.A.
MAPP, South	12.75	12.75	12.75	N.A.
SPP, North	13.25	13.25	13.25	N.A.
Entergy, into	14.25	14.25	14.25	N.A.
ERCOT	22.58	22.00	23.00	300
ERCOT, North	22.75	22.75	22.75	N.A.
ERCOT, Houston	22.75	22.75	22.75	N.A.
ERCOT, West	22.75	22.75	22.75	N.A.
ERCOT, South	22.75	22.75	22.75	N.A.
<b>West</b>				
COB	29.78	29.00	30.25	250
Mid-C	28.00	28.00	28.00	N.A.
Palo Verde	24.00	24.00	24.00	N.A.
Four Corners	23.00	23.00	23.00	N.A.
NP15	34.25	34.25	34.25	N.A.
SP15	33.66	33.40	34.00	275

**Trades for Standard 16-Hour Daily Products**

Delivery Date: 11/10/2002

	Index	Low	High	Volume
<b>East</b>				
New England	42.75	42.50	43.00	400
N.Y. Zone-G	40.00	40.00	40.00	N.A.
N.Y. Zone-J	51.00	51.00	51.00	N.A.
N.Y. Zone-A	33.50	33.50	33.50	N.A.
Ontario	47.50	47.50	47.50	N.A.
PJM West	21.38	21.00	21.50	700
VACAR	21.00	21.00	21.00	N.A.
Southern, into	24.00	24.00	24.00	N.A.
Florida	33.00	33.00	33.00	N.A.
TVA, into	20.00	20.00	20.00	N.A.
<b>Central</b>				
ECAR, North	22.00	22.00	22.00	N.A.
Cinergy, into	19.00	19.00	19.00	N.A.
MAIN, North	21.50	21.50	21.50	N.A.
MAIN, South	22.00	22.00	22.00	N.A.
ComEd, into	19.00	19.00	19.00	N.A.
MAPP, North	22.75	22.75	22.75	N.A.
MAPP, South	22.50	22.50	22.50	N.A.
SPP, North	22.00	22.00	22.00	N.A.
Entergy, into	25.50	24.75	26.25	200
ERCOT	31.03	30.50	32.50	850
ERCOT, North	31.50	31.50	31.50	N.A.
ERCOT, Houston	31.50	31.50	31.50	N.A.
ERCOT, West	31.50	31.50	31.50	N.A.
ERCOT, South	30.78	30.50	31.25	400
<b>West</b>				
COB	N.A.	N.A.	N.A.	N.A.
Mid-C	N.A.	N.A.	N.A.	N.A.
Palo Verde	N.A.	N.A.	N.A.	N.A.
Four Corners	31.00	31.00	31.00	N.A.
NP15	N.A.	N.A.	N.A.	N.A.
SP15	N.A.	N.A.	N.A.	N.A.

**Ranges and Indexes of Trades for Standard Off-Peak Products**

Delivery Date: 11/10/2002

	Index	Low	High	Volume
<b>East</b>				
New England	32.50	32.50	32.50	N.A.
N.Y. Zone-G	-	-	-	-
N.Y. Zone-J	-	-	-	-
N.Y. Zone-A	-	-	-	-
PJM West	15.00	15.00	15.00	N.A.
VACAR	14.00	14.00	14.00	N.A.
Southern, into	15.88	15.88	15.88	N.A.
Florida	21.00	21.00	21.00	N.A.
TVA, into	13.50	13.50	13.50	N.A.
<b>Central</b>				
ECAR, North	9.50	9.50	9.50	N.A.
Cinergy, into	10.00	10.00	10.00	N.A.
MAIN, North	10.50	10.50	10.50	N.A.
MAIN, South	11.00	11.00	11.00	N.A.
ComEd, into	10.00	10.00	10.00	N.A.
MAPP, North	13.00	13.00	13.00	N.A.
MAPP, South	12.75	12.75	12.75	N.A.
SPP, North	13.25	13.25	13.25	N.A.
Entergy, into	14.25	14.25	14.25	N.A.
ERCOT	22.58	22.00	23.00	300
ERCOT, North	22.75	22.75	22.75	N.A.
ERCOT, Houston	22.75	22.75	22.75	N.A.
ERCOT, West	22.75	22.75	22.75	N.A.
ERCOT, South	22.75	22.75	22.75	N.A.
<b>West</b>				
COB	29.78	29.00	30.25	250
Mid-C	28.00	28.00	28.00	N.A.
Palo Verde	24.00	24.00	24.00	N.A.
Four Corners	23.00	23.00	23.00	N.A.
NP15	34.25	34.25	34.25	N.A.
SP15	33.66	33.40	34.00	275

**Cinergy dailies trade to the teens ... (from page 5)**

was the main culprit, although mild temperatures continue to keep overall demand in the 30,000 MW range. Zonal trading was limited with only a few deals trading about 50 cents over the seller's choice product.

The balance-of-the-month was done at \$31/MWh, off more than \$1 from a day earlier. Behind a rebounding NYMEX gas market, December deals hiked up 50 cents to \$32.25/MWh.

Into ComEd dailies for Monday were priced near \$20.50/MWh, the identical midpoint from the previous day, brushing off any instance of an early-week rise. Seemingly, the market was unaffected by the trip of Exelon's 1,120-MW Byron-1 nuclear plant in Byron, Ill. Most traders said they expect a little bit of a "pop" for the Tuesday delivery, but gains don't appear to have much of an upside. Balance-of-the-week offers at Into ComEd reached only \$24/MWh.

"[The market] is going to be very flat", one trader said of mid-November.

Into Cinergy dailies for Monday traded down into the teens, hitting a low of \$16/MWh, off \$3 from the previous day.

ECAR generation remained healthy and temperatures in Ohio are expected as high as 57 degrees on Monday. The remainder of the week was priced near \$22/MWh, off about \$1.50. North MAPP dailies remained a few dollars pricier than the big hubs due to colder weather in spots and probable but typical shoulder-season weekend fossil plant maintenance, area traders said.

Although natural gas pushed upward Friday, the Midwest prompt month was unable to follow with markets in November. Into Cinergy December fell 50 cents to \$25.60/MWh.

Into ComEd December fell 40 cents to \$25.35/MWh.

**NERC Regions**

- WSCC:** Western Systems Coordinating Council
- MAPP:** Mid-Continent Area Power Pool
- MAIN:** Mid-America Interconnected Network
- SPP:** Southwest Power Pool
- ERCOT:** Electric Reliability Council of Texas
- SERC:** Southeastern Electric Reliability Council
- ECAR:** East Central Area Reliability Council
- MAAC:** Mid-Atlantic Area Council
- NPCC:** Northeast Power Coordinating Committee
- FRCC:** Florida Reliability Coordinating Council

# Storm leaves Calif. powerless; dailies advance on doubts

Western daily power markets strengthened Friday with a massive regional winter storm that triggered widespread power outages in northern and central California and forced operators of a large nuclear generator in the state to close.

California dailies were up with week-day loads as Friday dailies traded for Monday and Tuesday delivery. Schedules are altered because of the Veterans Day holiday. NP15 moved up \$4.50 to \$42/MWh. SP15 rose \$2.75 to \$40.75/MWh. In the Southwest, Palo Verde dailies traded up \$1.70 to \$35/MWh.

Most Mid-Columbia markets were virtually unchanged, although November balances moved up a bit. Mid-C dailies traded tightly between \$28 and \$30/MWh, compared to the previous \$27 to \$30/MWh range. The Mid-C November market was bid at \$30.50/MWh and

offered at \$30.75/MWh, increasing about a dollar.

NP15 and SP15 November were virtually flat at \$39.25/MWh bids and \$39.70 to \$40/MWh offers. The Palo Verde balance-of-the-month bid-offer spread was wide — \$33.75/MWh at \$35/MWh.

It was a quiet day in the Western forwards, with prices ending mixed and little overall movement during the day. December packages did not perform well, despite the jump in dailies and NYMEX gas. The rain and warm weather in the Northwest pulled down Mid-C December 50 cents to \$36.50/MWh.

NP15 and SP15 also shrugged off dailies and gas. NP15 and SP15 December lost 75 cents to \$41.25/MWh and \$40.25/MWh, respectively.

The powerful winter storm walloped the region Thursday and Friday with high winds and heavy rain that toppled trees

onto transmission lines, a Pacific Gas and Electric spokesman said. Seas rose and ocean swells increased enough that PG&E's 1,119-MW nuclear-powered Diablo Canyon-2 in Avila Beach, Calif., was taken down to prevent excessive sea kelp from fouling the plant's water intake system. The unit was expected to reopen over the weekend. The 1,086-MW Diablo Canyon-1 has been off-line since Oct. 23 while operators replace a rotor on the unit's main generator.

The total amount of generation off-line Friday in California was 16,165 MW, including 4,379 MW of unplanned repairs, data from the state Independent System Operator showed. Of the overall figure, there were 10,352 MW unavailable in SP15 and 5,813 MW out in NP15.

**Western Markets**

Plant/Operator	Cap	Fuel	State	Status	Return	Shut
AceCogen/ACPower	118	c	Calif	PMO	Unk	11/4/02
AES Placerita/AES	114	g	Calif	PMO	Unk	11/5/02
Alamitos-1/AES	175	g	Calif	PMO	Unk	9/26/02
Alamitos-2/AES	175	g	Calif	PMO	Unk	9/26/02
Alamitos-5/AES	485	g	Calif	MO	Unk	10/25/02
Colgate-1/YubaCity	168	h	Calif	PMO	Unk	10/7/02
ContraCosta-7/Mirant	337	g	Calif	PMO	Unk	11/7/02
DiabloCanyon-1/PG&E	1119	n	Calif	PMO	Dec	10/20/02
DiabloCanyon-2/PG&E	1105	n	Calif	MO	Unk	11/8/02
El Segundo-1/Dynegy	175	g	Calif	PMO	Unk	9/5/02
El Segundo-2/Dynegy	164	g	Calif	PMO	Unk	9/25/02
El Segundo-3/Dynegy	335	g	Calif	PMO	Unk	10/24/02
Encina-3/NRG-NSP	110	g	Calif	PMO	Unk	10/8/02
Encina-5/NRG-NSP	330	g	Calif	PMO	Unk	11/8/02
Etiwanda-1/Reliant	135	g	Calif	EO	Unk	10/20/02
Etiwanda-2/Reliant	134	g	Calif	EO	Unk	10/16/02
Etiwanda-3/Reliant	320	g	Calif	EO	Unk	11/7/02
Etiwanda-4/Reliant	320	g	Calif	EO	Unk	9/26/02
Helms-3/PG&E	404	h	Calif	PMO	Unk	9/30/02
Kerckhoff-2/PG&E	154	h	Calif	PMO	Unk	11/4/02
HuntingtonBch-3/AES	225	g	Calif	PMO	Unk	8/28/02
HuntingtonBch-5/AES	133	g	Calif	MO	Unk	10/12/01
Kerckhoff-2/PG&E	154	h	Calif	PMO	Unk	11/5/02
Mandalay-3/Reliant	120	g	Calif	MO	Unk	10/28/02
Mohave-2/SCE	818	c	Nev	MO	Unk	10/23/02
Morro Bay-1/Duke	163	g	Calif	PMO	Unk	8/14/02
Morro Bay-2/Duke	163	g	Calif	PMO	Unk	9/5/02
Morro Bay-3/Duke	337	g	Calif	MO	Unk	11/1/02
MossLanding-6/Duke	750	g	Calif	MO	Unk	10/14/02
OrmondBch-1/Reliant	750	g	Calif	EO	Unk	10/20/02
Pittsburg-1/Mirant	150	g	Calif	MO	Unk	8/19/02
Pittsburg-2/Mirant	150	g	Calif	MO	Unk	8/19/02
Pittsburg-3/Mirant	150	g	Calif	PMO	Unk	9/5/02
Pittsburg-4/Mirant	145	g	Calif	MO	Unk	9/5/02
Pittsburg-5/Mirant	312	g	Calif	PMO	Unk	11/7/02
Redondo-5/AES	175	g	Calif	PMO	Unk	9/26/02
Redondo-6/AES	175	g	Calif	PMO	Unk	10/10/02
Redondo-7/AES	480	g	Calif	PMO	Unk	9/23/02
Redondo-8/AES	487	g	Calif	PMO	Unk	9/27/02
San Juan-1/PNM	360	c	NM	PMO	11/17/2002	10/15/02
Southbay-3/Duke	175	g	Calif	PMO	Unk	11/5/02
Southbay-4/Duke	222	g	Calif	PMO	Unk	10/11/02
Sunrise/EdMision	325	g	Calif	PMO	Unk	11/7/02
Trinity/USBR	140	h	Calif	PMO	Unk	10/22/02

## SNC-Lavalin interested in Hydro One's transmission

Montreal-based construction and infrastructure-management giant SNC-Lavalin Friday said it had "expressed interest" in investing in Hydro One, Ontario's province-owned transmission and distribution company.

A company spokeswoman declined to say whether SNC-Lavalin has discussed Hydro One with Ontario's provincial government, which announced last December that it wanted to sell the unit. It retreated from that position in June, saying it planned to retain a majority stake.

A 49% interest in Hydro One could be valued at as much as US\$2-billion, the Ontario government said.

The province in August selected the Bank of Montreal and investment firms BMO Nesbitt Burns and CIBC World Markets to help the province select a strategic partner or partners for a minority interest in Hydro One.

Ontario hopes to select a partner or partners for Hydro One by the end of this year, and to complete the formal transfer of a minority interest in the company by the end of March.

Hydro One owns an 18,000-mile, high-voltage transmission grid and serves 1.2-million retail customers through 71,000 miles of distribution lines.

### Winergy eyes massive offshore Va. wind farm

Winergy of Shirley, N.Y., said Friday it is considering four sites off the coast of Virginia's Eastern Shore for a wind farm of up to 976 MW, and that it hopes that the first turbines at the selected site could be in operation by 2006 or 2007.

A spokesman for the wind-farm developer said the four sites include one site three miles off Smith Island, near the southern tip of the Eastern Shore and the Chesapeake Bay Bridge-Tunnel, and three sites in the Porpoise Banks area about five miles off Accomack County.

The four sites range in size from 37 to 57 square miles, and the wind farm at each site would have the capacity to generate between 630 and 976 MW.

The Winergy spokesman said that his company has submitted a preliminary application to the U.S. Army Corps of Engineers, whose initial review suggests that no environmental impact statement may be needed. The Corps has asked for public comments; the deadline is Nov. 19.

### Duke Energy gets subpoena for Calif. probe

Duke Energy Friday said it has received a subpoena from the U.S. attorney's office in San Francisco as part of a grand jury probe of the California energy markets.

North Carolina-based Duke said it would cooperate with the subpoena.

Further details on the subpoena were not immediately available. In

recent months, the company has been the subject of investigations into "wash" trading by the Securities and Exchange Commission, and a Federal Energy Regulatory Commission probe into possible withholding of power in the California market during the region's power crisis in 2000-2001.

### Market woes seen in NW ... (from page 1)

bursed. But it cannot get developers to commit financing now to build the nearly permitted, 77-mile long, \$117-million high voltage John Day-McNary line. Nor can it get developers to agree to fund the needed \$5-million on environmental work and a 105-mile line from northern Oregon to southern Washington that would connect other proposed plants.

In 2001 and 2002, some 2,528 MW will have been brought on line in Wash-

ington, Idaho and Oregon by Calpine, PacifiCorp, Avista, Cogentrix, Mirant, Idaho Power, TransAlta and EPCOR. Construction has halted on two partially complete plants with a total of 900 MW owned by Duke Energy and Mirant. Only two other plants have entered construction, Tractebel's 520-MW gas-fired project in Chehalis, Wash., and North-Western Energy's 240-MW Montana Megawatts project.

## Econ One Retail Power Index

November 2002

City	Regulated Retail Generation Price <sup>1</sup> (\$/MWh)	Competitive Retail Generation Price <sup>2</sup> (\$/MWh)	% Change From October <sup>3</sup>	Retail Power Spread <sup>4</sup> (\$/MWh)
Boston	\$49.50		0%	\$9.86
Chicago	\$23.66		0%	\$0.98
Cincinnati	\$46.68		-0%	\$23.44
Dallas	\$55.92	\$54.01	-1.4%	\$27.24
Detroit	\$79.41	\$71.00	0%	\$47.76
Houston	\$57.88	\$62.25	3%	\$31.10
New York	\$78.49		0.6%	N/A
Philadelphia	\$52.12		0%	\$23.28
Pittsburgh	\$52.78		0%	\$23.94
Washington, D.C.	\$51.31		0%	\$19.11

The Econ One Retail Power Index is based on regulated and competitive rates available for the average small commercial customer in each region based on an annual contract beginning in the prompt month. For more details on the index methodology and the competitive suppliers included, please visit the Econ One website at [www.econone.com](http://www.econone.com). All regulated and competitive generation prices include the cost of generation, losses, congestion, and generation-related ancillary services based on the best information available.

<sup>1</sup>Regulated Generation Price is the generation price paid by a customer if they take no action and thus receive traditional service from their distribution company.

<sup>2</sup>Competitive Retail Generation Price is the simple average of generation prices reported by competitive suppliers.

<sup>3</sup>Change is monthly percentage change in lowest of retail price (regulated or competitive) from previous month

<sup>4</sup>Retail Power Spread is the difference between the minimum Retail Generation Price and relevant wholesale hub price for an annual 7\*24 flat block of power.

**Wall Street slams market shares ...** (from page 1)

market accounting rules, El Paso said it would, in the fourth quarter, "fully implement the new accounting rules that eliminate the use of mark-to-market accounting for certain energy contracts that are not derivatives (EITF 02-3)."

"The company expects that this implementation, together with its decision to exit the energy trading business, will result in an estimated after-tax charge in the fourth quarter of \$400- to \$600-million."

The company said it would ask the credit rating agencies to eventually rate Travis as a separate entity and seek an investment-grade rating for the new company.

"El Paso expects to support Travis Energy's trading portfolio liquidation by credit facilities with a total capacity of approximately \$600-million. El Paso is in active negotiations with capital providers to supply this funding. The company expects to pledge the cash flow from liquidating the trading portfolio and to pledge its 50% interests in Citrus Corp. and Great Lakes Gas Transmission as collateral for this \$600-million in incremental credit," the company said.

Credit Suisse First Boston analyst

Curt Launer said, "we view the creation of Travis Energy as a dramatic plus for El Paso in terms of reducing rating agency risk through liquidating trading." Launer said, "we consider this move to be the first successful 'ring-fencing' of a trading unit."

El Paso made its move to exit trading after reporting a 49% third-quarter decline to \$333-million in its overall earnings before interest expense and taxes (EBIT) compared to the third quarter of 2001.

William Wise, El Paso chairman and CEO, said, "While overall earnings were hurt by weak trading and refining results, our core businesses of pipelines, production, midstream, and power produced strong earnings and cash flow in a difficult quarter."

The company's merchant energy group recorded a third-quarter loss of \$171-million, compared with EBIT of \$253-million in 2001. The company said the loss "reflected" lower income from both trading and petroleum refining activities.

Wall Street didn't react favorably to El Paso's news. The company's share price closed down 16.5% to just below \$7.68/shar on Fridaye.

**Catamount sells stake in Birmingham, England plant**

Catamount Energy, based in Rutland, Vt., said Friday it had sold its 50% stake in the 98-MW Heartlands power plant in Birmingham, England.

The company—a subsidiary of Central Vermont Public Service—brought the gas-fired, simple-cycle plant into service in 1999. The plant's output is sold to TXU Europe Energy Trading.

In 2001, Catamount announced that it would focus on wind energy in the future, and would seek to sell non-wind assets. Catamount said it sold its share of Heartlands to partner Rolls Royce for an undisclosed amount. Catamount has interests in a number of other plants in the U.S. and U.K.

In the spring of 2002, Catamount formed New England Windpower, a joint venture with North American Renewables, which is a joint venture of the Spanish companies Iberdrola and Energia Hidroelectrica de Navarra. The partners said they have identified at least 200 MW of wind projects in New England.

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**LONG-TERM FORWARD ASSESSMENTS (\$/MWH) traded 11/08**

EAST FORWARD ASSESSMENTS												
	Dec	Jan	Jan/Feb-03	Mar/Apr-03	May-03	Jun-03	Jul/Aug-03	Sep 2003	Q4-03	Cal-2003	Cal-2004	Cal-2005
NEW ENGLAND	46.00	51.90	49.25	39.10	38.80	38.00	49.15	33.60	33.85	40.75	39.50	39.50
MASS HUB	46.00	51.90	49.25	43.60	43.35	45.50	58.65	40.70	40.65	46.85	44.90	44.90
PJM WEST	33.50	37.00	36.00	33.25	36.75	42.75	53.75	36.60	32.75	38.25	37.50	38.25
N.Y. ZONE-G	47.00	50.00	50.00				64.85			48.75	48.75	
N.Y. ZONE-J	58.00	59.95	59.95				84.85			58.80	58.80	
N.Y. ZONE-A	38.80	41.00	41.00				54.05			40.00	39.75	
ONTARIO*	64.25	73.25	73.25				87.75			61.25	61.25	
TVA, INTO	26.10	29.10	28.40				39.10			29.20	30.25	

CENTRAL FORWARD ASSESSMENTS												
	Dec	Jan	Jan/Feb-03	Mar/Apr-03	May-03	Jun-03	Jul/Aug-03	Sep 2003	Q4-03	Cal-2003	Cal-2004	Cal-2005
CINERGY, INTO	25.60	27.95	27.80	27.00	28.90	32.00	40.65	27.45	26.95	30.10	31.50	33.25
COMED, INTO	25.35	26.65	26.05	25.00	26.50	30.50	39.00	27.75	25.75	28.25	31.75	32.65
ENTERGY, INTO	29.10	30.60	30.35	29.25	28.70	32.60	36.35	27.45	28.60	30.30	30.55	30.85
ERCOT	32.25	33.45	33.20	32.80	33.90	35.25	39.60	33.40	31.85	34.20	34.00	33.55

WEST FORWARD ASSESSMENTS									
	Dec	Jan	Q1-03	Q2-03	Q3-03	Q4-03	Cal-2003	Cal-2004	Cal-2005
MID-C	36.50	38.35	36.35	27.75	40.25	41.50	36.50	38.50	38.75
PALO VERDE	34.75	36.00	35.75	36.25	47.75	36.25	39.00	40.00	40.50
NP15	41.25	41.50	41.75	38.50	50.25	42.75	43.30	44.50	45.00
SP15	40.25	42.00	41.50	41.25	52.25	41.75	44.25	45.50	45.75

NOTE: ALL ASSESSMENTS ARE FOR STANDARD 16 HOUR ON-PEAK PRODUCTS. \*ONTARIO PRICES ARE IN CANADIAN DOLLARS

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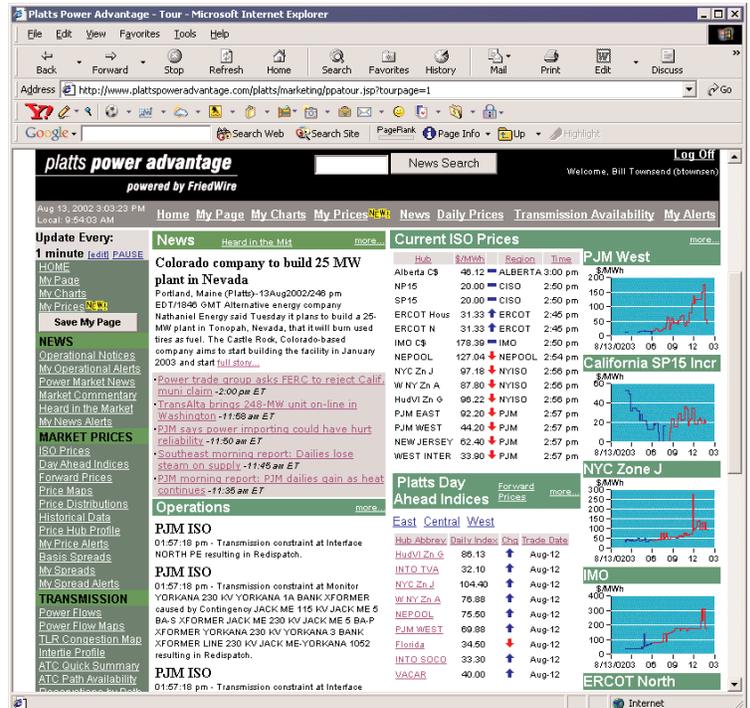
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