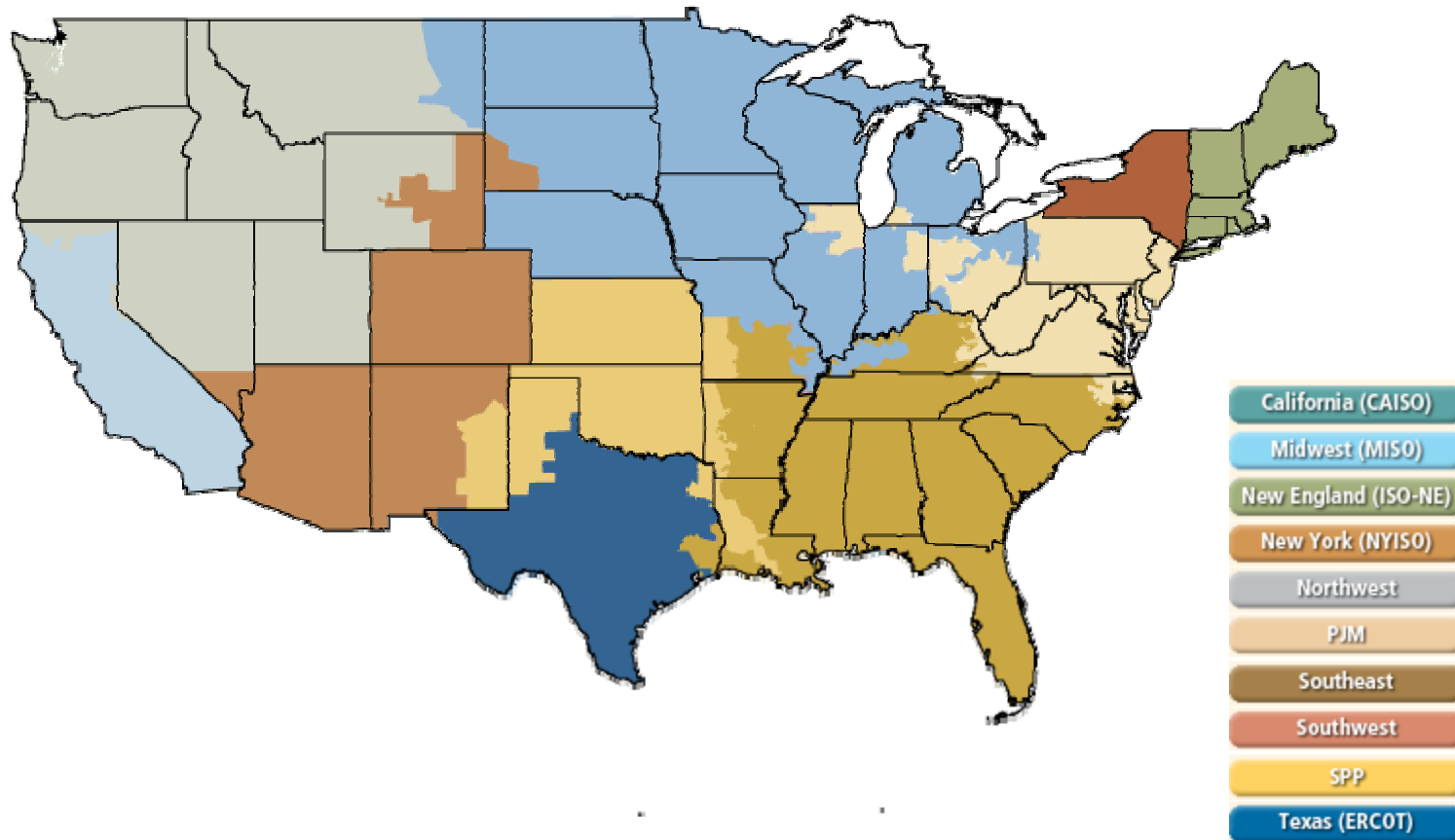
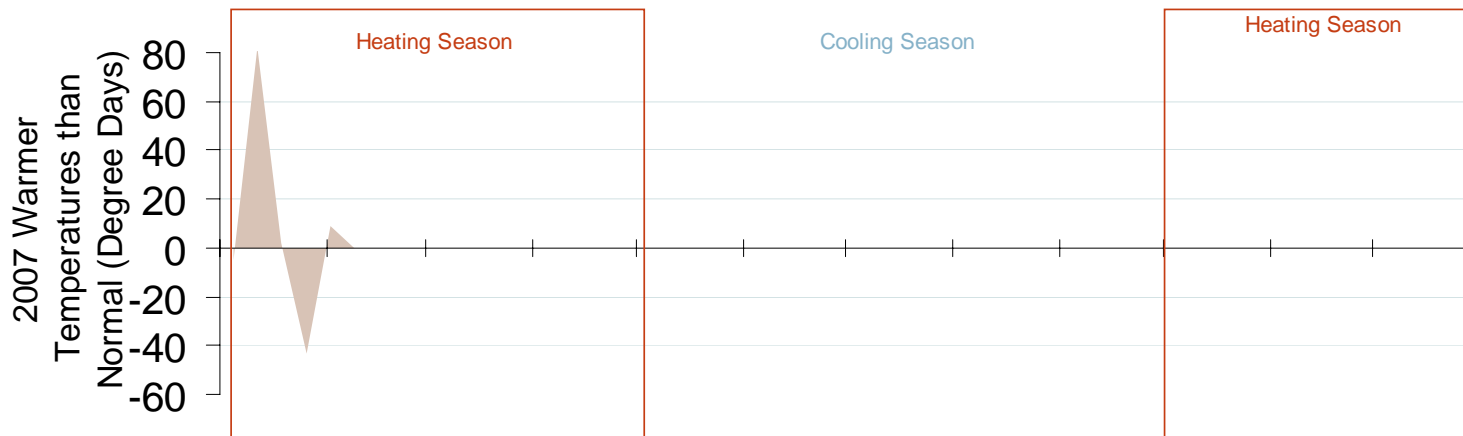
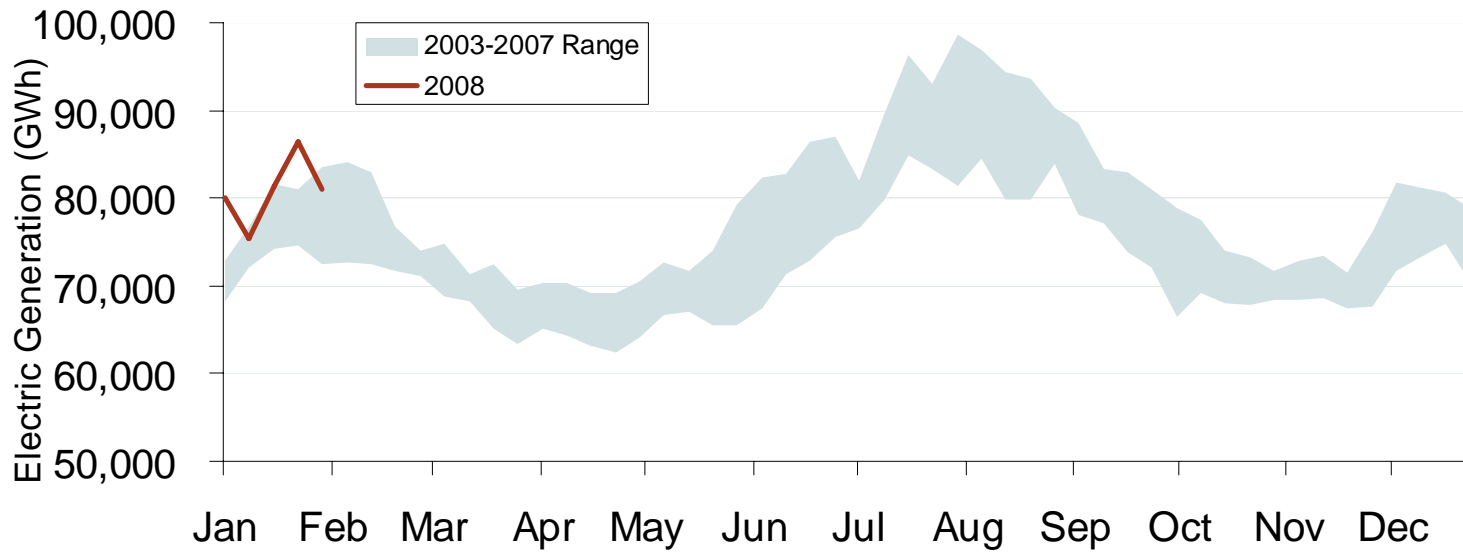


# Electric Market National Overview

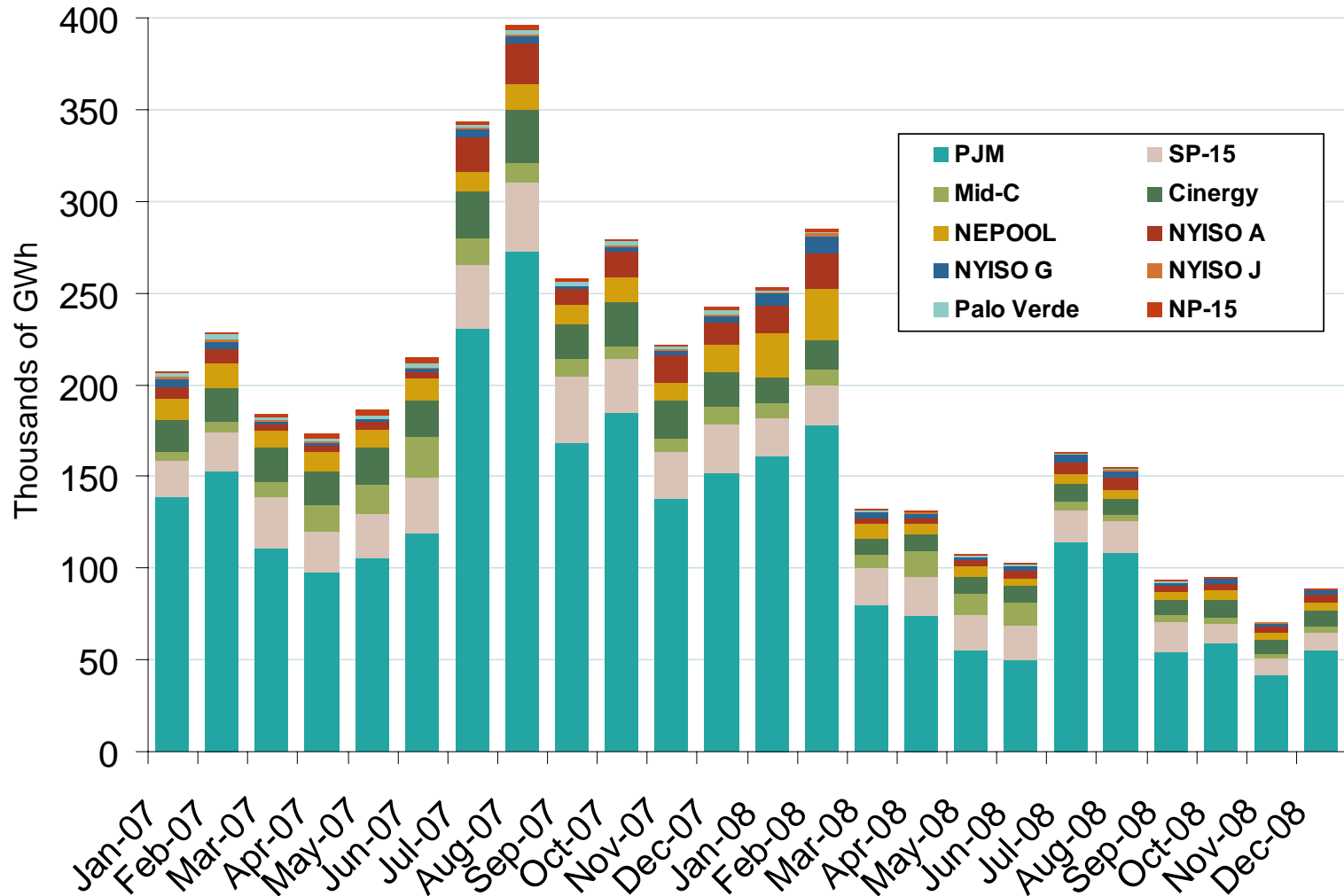


# Weekly U.S. Electric Generation Output and Temperatures



Source: Derived from EEI and NOAA data.

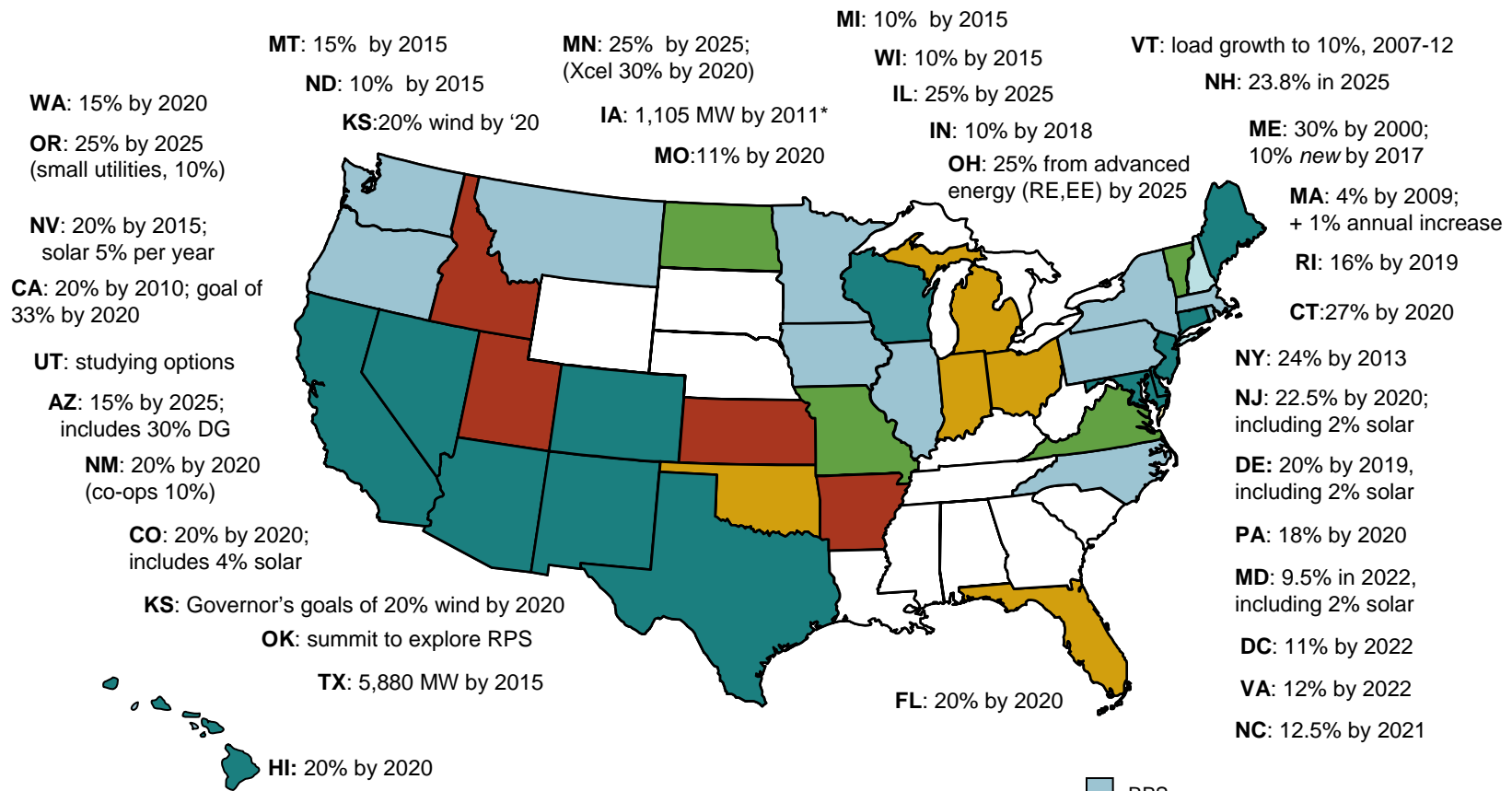
## Financial Trading on ICE



Source: Derived from ICE data. ICE on-peak swaps (financial) volume include monthly, dual monthly, quarterly, and calendar year contracts traded for each month.

Updated February 8, 2008

# 2007 Review of Renewable Energy Portfolio Standards



**Notes:** Alaska has no RPS; DG is distributed generation; \* Iowa has a goal of 1,000 MW of wind by 2010  
**Sources:** Derived from data in: EEI, EIA, LBNL, PUCs, State legislative tracking services, Database of State Incentives for Renewables and Efficiency, and the Union of Concerned Scientists.

## Renewable Energy Portfolio Standards

- A Renewable Portfolio Standard (RPS) requires a percent of energy sales or installed capacity to come from renewable resources.
- 26 states and D.C. have renewable energy standards.
- Four states have enacted renewable goals without financial penalties.
- Indiana, Michigan, and Ohio re-introduced RPS legislation which didn't pass in 2007; Michigan's and Ohio's include energy efficiency.
- Iowa, which long ago met its RPS mandate, has an additional goal of 1,000 MW of installed wind by 2010. Kansas' Governor called for wind to be 20% of generation by 2020.
- North Dakota passed a renewable goal in 2007, but has no mandate.
- Some states with an RPS are revisiting earlier goals. Arizona's governor called for its RPS to cover all utilities. D.C. introduced amended legislation. A "green bill" in Massachusetts would increase the use of renewable energy and add energy efficiency. A report from the Maryland Energy Administration called for increasing the RPS and the compliance payment. It also called for energy efficiency and advanced metering measures.
- 54% of U.S. load is located in states with a renewable energy purchase obligation; an additional 6% is in states with a renewable energy goal.
- Eleven states include energy efficiency in their RPS or renewable goals.

# Energy Efficiency Resource Standards

- An energy efficiency resource standard aims to reduce or flatten electric load growth through energy efficiency measures.
- Goals may specify reductions in energy (MWh), demand (MW), or both.
- 14 states have energy efficiency standards or goals. Six include energy efficiency in a renewable portfolio standard (RPS) or goal.
- Four states and Congress have proposed an EERS or mandated its design.
- States encourage participation through public benefit funds or by decoupling utilities' revenues from power sales. Not all use financial penalties for non-compliance.

**WA:** must pursue all cost-effective, conservation

**NV:** 20% by 2015; part of RPS

**UT:** goal to increase EE 20% by 2015

**CO:** 40 MW and 100 GWh per year, 2006 - 2013\*

**NM:** up to 5% of amended RPS

**CA** by 2013, reduce: 10% electricity (MWh), 12% peak demand

**HI:** in RPS: 20% of MWh sales by 2020

**MN:** proposed: 1.5% annual savings from DR and EE

**MI:** proposed EERS legislation

**IL:** 10% of forecast load 2007, to 25% 2017

**NY:** PSC proceeding to design EERS

**ME:** EE in 10% RE-EE goal by 2017

**VT** goal: EE & RE to meet 2007-12 growth

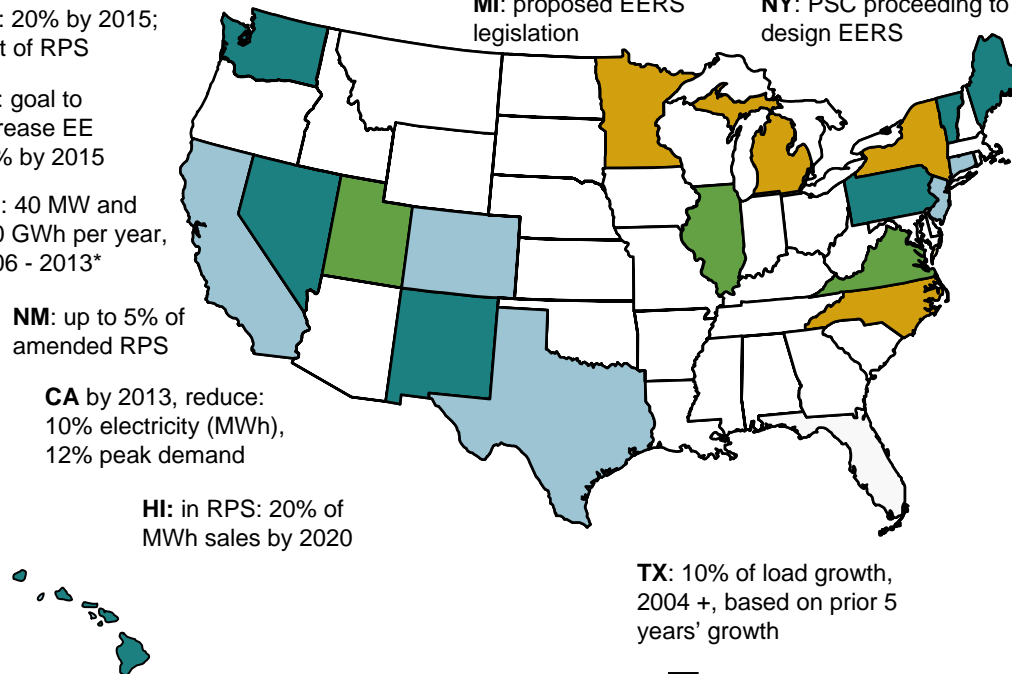
**CT:** 4% savings by 2010, and a Tier III RPS resource

**PA:** EE one of Tier II resources: 10% 2020

**NJ:** 20% load reduction by 2020

**VA:** reduce 10% of 2006 sales by 2022 with EE and DR

**NC:** proposed 10% of electricity from EE savings



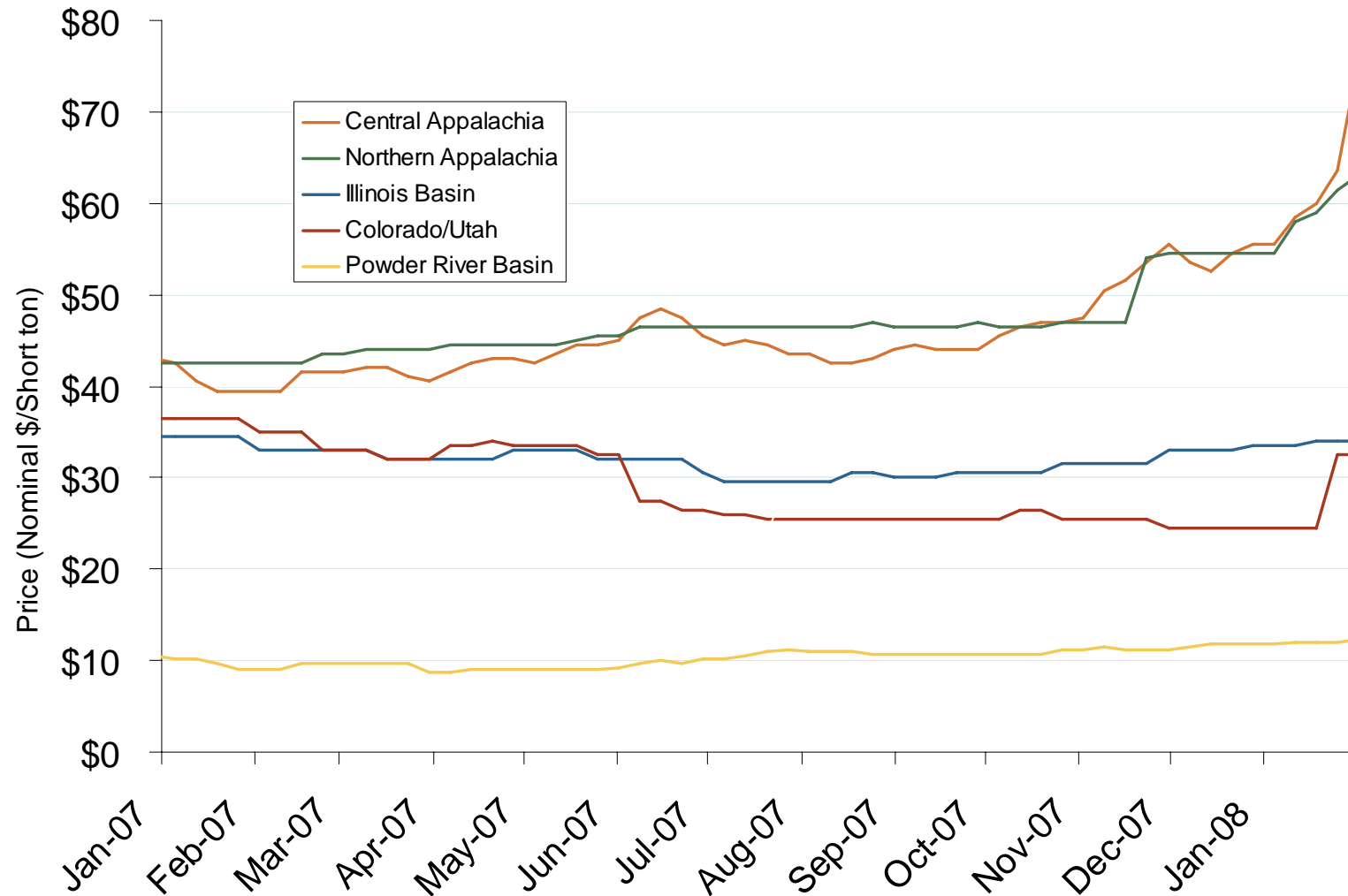
- Existing EERS by regulation or law
- Energy efficiency part of an RPS rule or goal
- Voluntary standards or goals
- Energy efficiency goal proposed / being studied

Abbreviations: DR: demand response; EE: energy efficiency; EERS: Energy Efficiency Resource Standard; RPS: Renewable Portfolio Standard

\* Colorado's standard applies only to Public Service of Colorado

Derived from data in: ACEEE, EPA, the Regulatory Assistance Project, and the Union of Concerned Scientists.

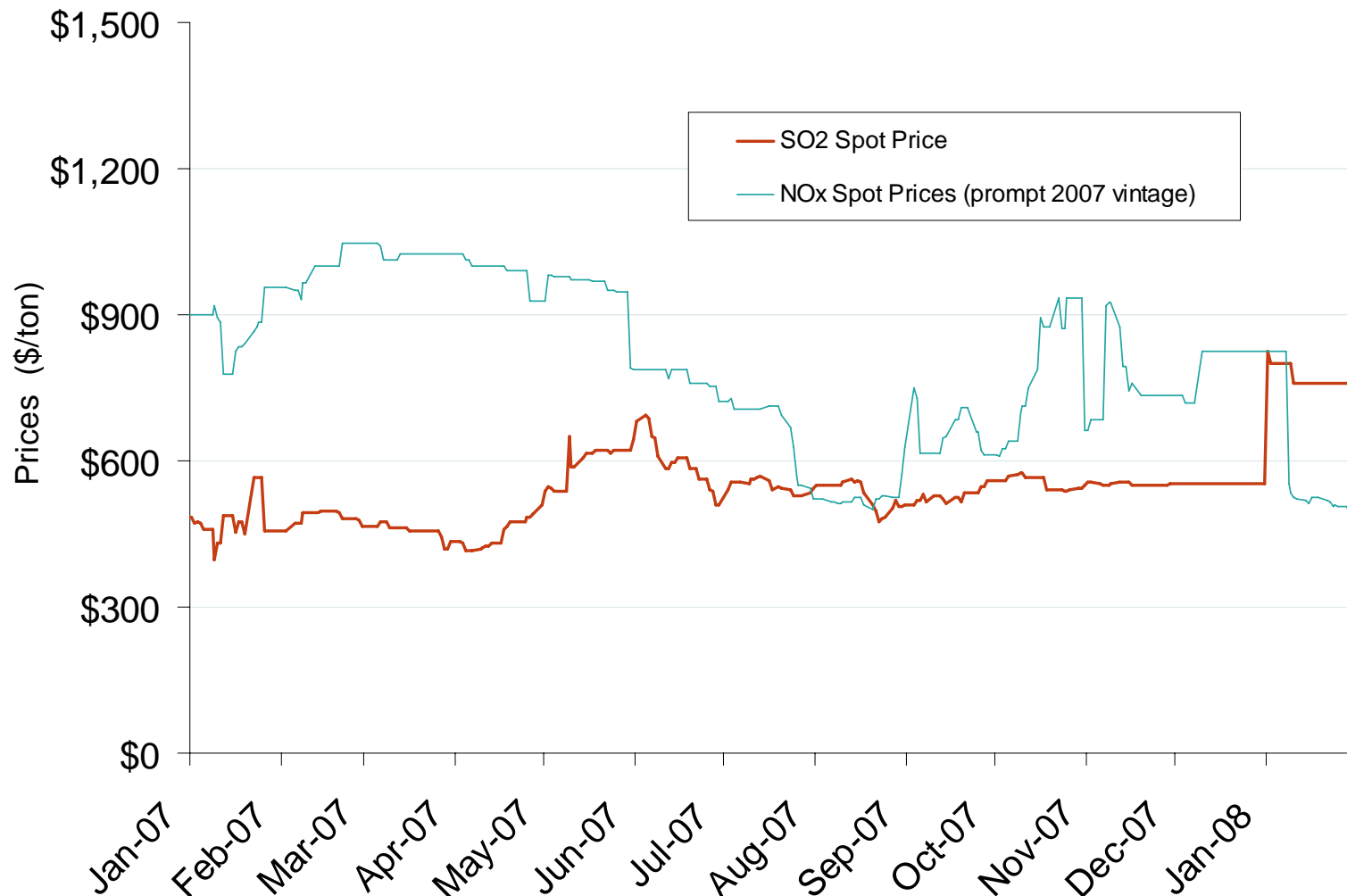
## Central Appalachian and Powder River Basin Coal Prices



Source: Derived from Bloomberg data.

Updated February 8, 2008

## SO<sub>2</sub> and NO<sub>x</sub> Allowance Spot Prices



Source: Derived from Cantor Fitzgerald data.

Updated February 8, 2008