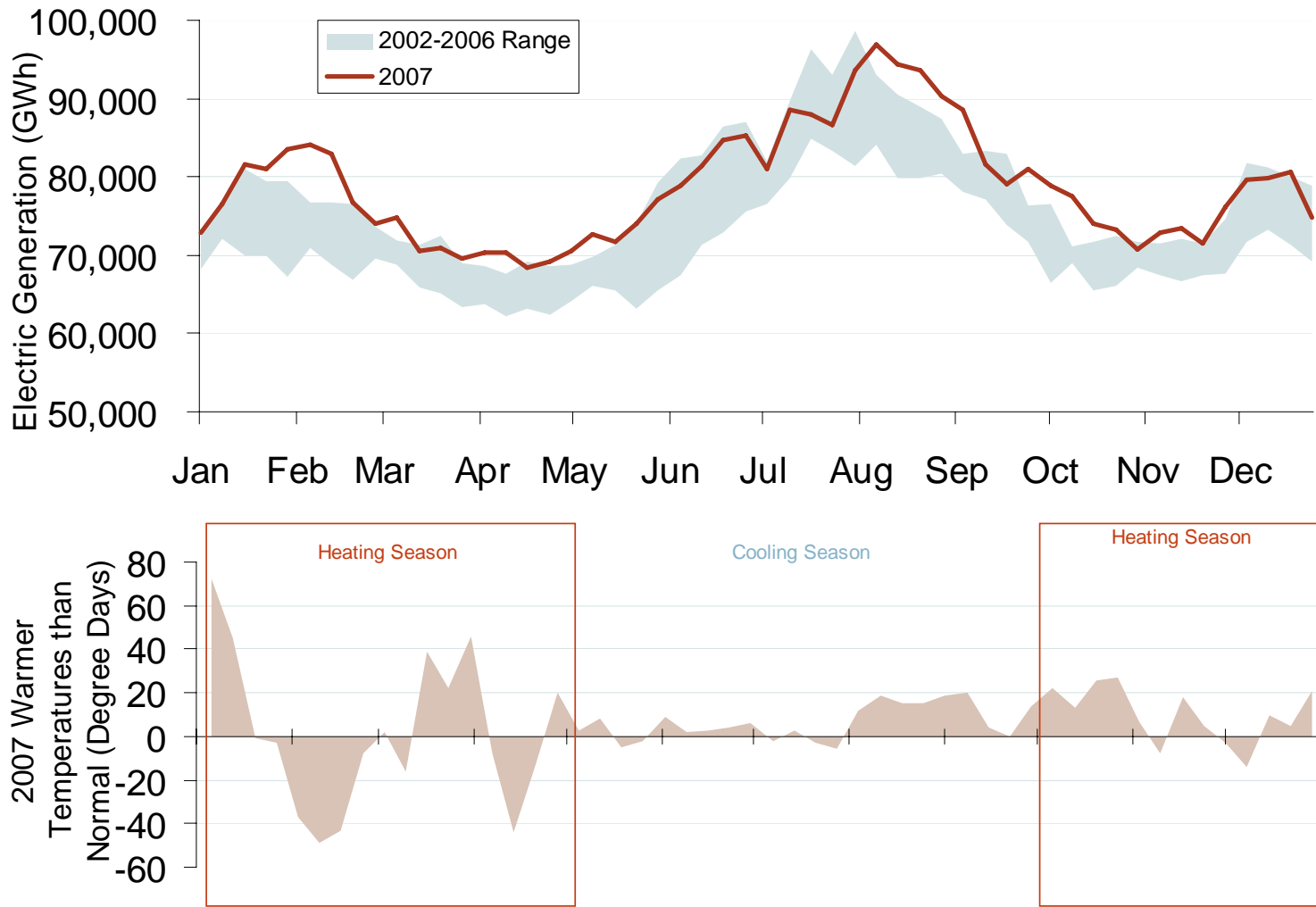


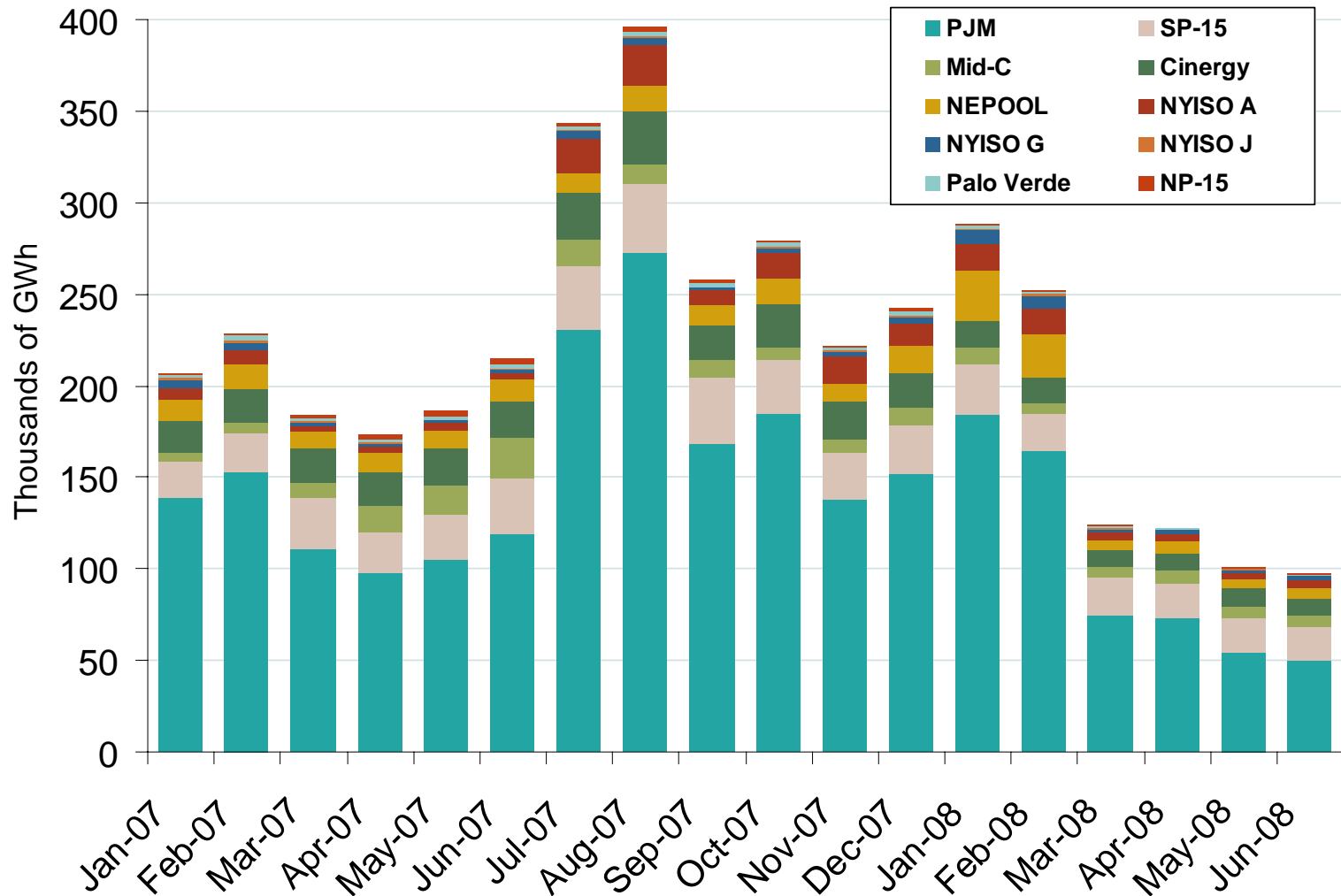
Weekly U.S. Electric Generation Output and Temperatures



Source: Derived from *EI* and NOAA data.

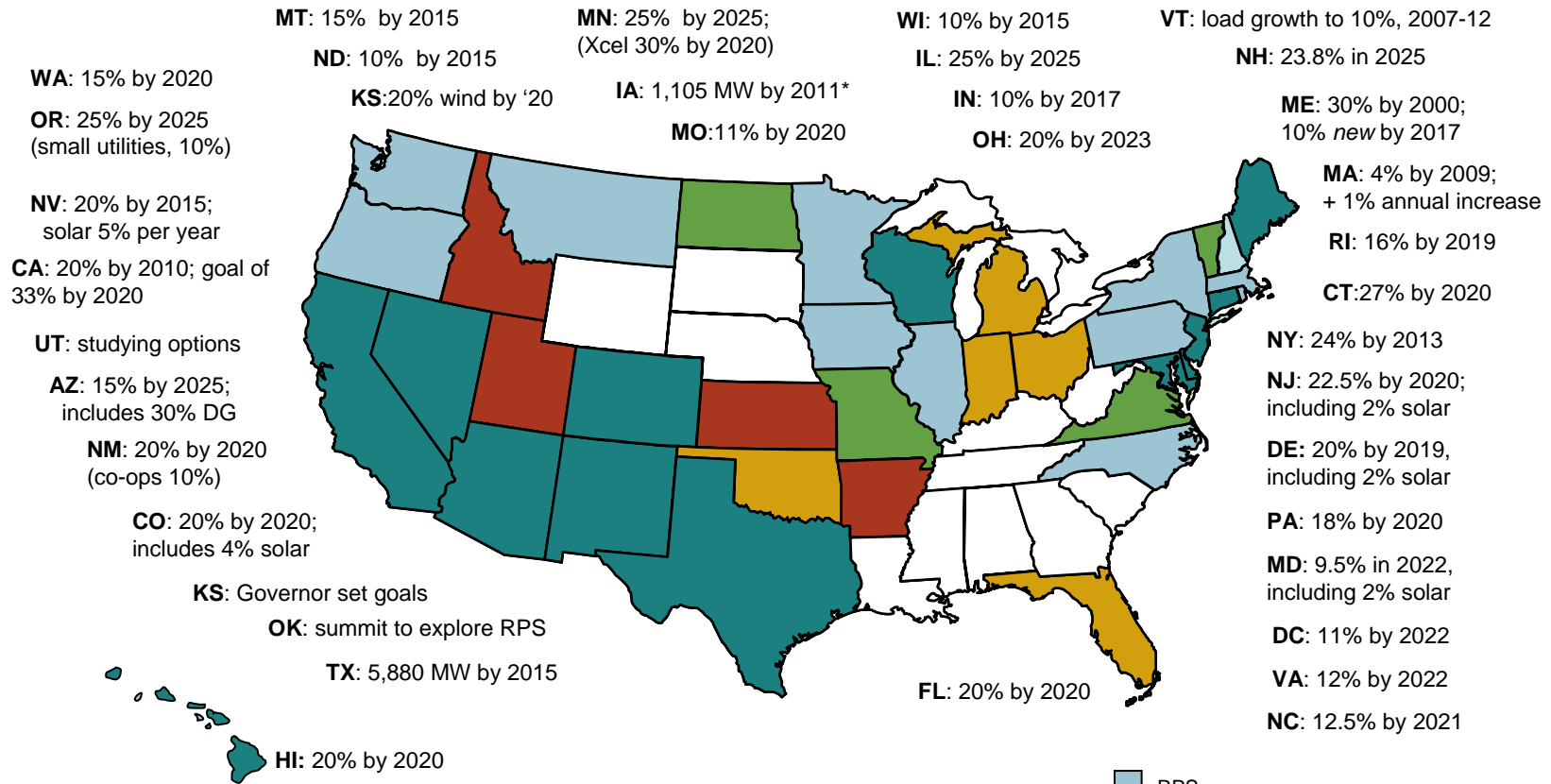
Updated January 9, 2008

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.

2007 Review of Renewable Energy Portfolio Standards



- RPS
- Strengthened/ amended RPS
- Voluntary standards or goals
- Proposed RPS or studying RPS
- Other renewable energy goal

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.

2007 Review of 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 an RPS, also known as a Renewable Energy Portfolio Standard.
 - Five passed an RPS in 2007: Illinois, Minnesota, New Hampshire, North Carolina, and Oregon.
 - Eight amended an RPS: Colorado, Connecticut, Delaware, Maine, Maryland, Massachusetts, New Mexico, and Texas.
- Four states have renewable goals without financial penalties; three passed them in 2007: Missouri, North Dakota, and Virginia.
 - Virginia's goals include financial incentives.
 - Vermont's goal will be rolled into an RPS if it doesn't attain its stated goals by 2012.
 - Iowa has a voluntary goal of 1,000 MW of wind by 2010, beyond the 105 MW in its RPS.
- Indiana, Michigan, and Ohio proposed RPS legislation in 2007, which didn't pass; they intend to re-introduce bills in 2008.
- Florida and Oklahoma are actively studying an RPS; the Governors of Kansas and Utah announced renewable goals in 2007.
- 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.
- Arkansas proposed that utilities should include clean energy and renewable resources in their integrated resource plans; Idaho's Energy Plan urged utilities to give priority to DR, EE, and in-state renewable energy.
- Some states are addressing the importance of transmission upgrades, building, and interconnection to support renewable resources, often located far from load:
 - The Texas PUC designated five preferred "Competitive Renewable Energy Zones" (CREZ) in October and authorized transmission development to bring power from windy areas to load centers.
 - California and Colorado are developing similar CREZ planning and cost recovery policies.
 - New Mexico created a Renewable Energy Transmission Authority at the same time it increased its RPS goal in March 2007.

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

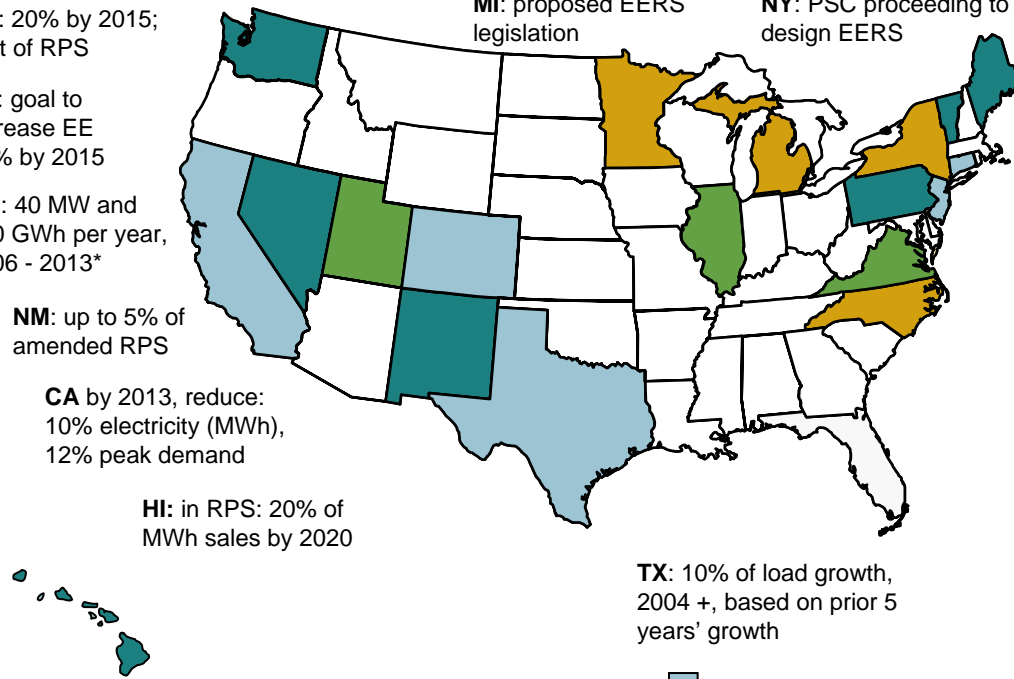
CT: 4% savings by 2010, and a Tier III RPS resource

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



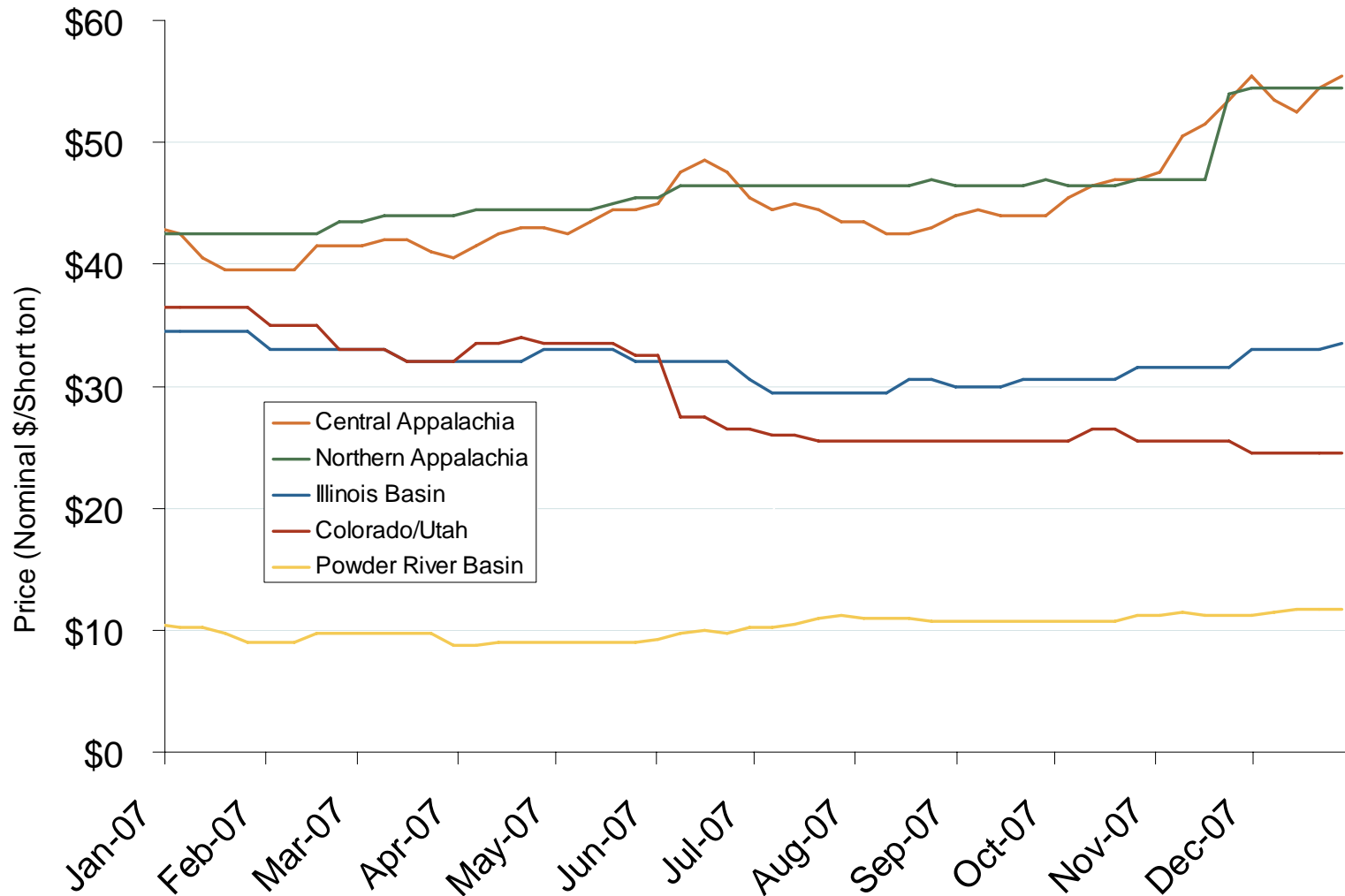
- Existing EERS by regulation or law
- Energy efficiency part of an RPS rule or goal
- Voluntary standards or goals
- Energy efficiency goal proposed / being studied

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.

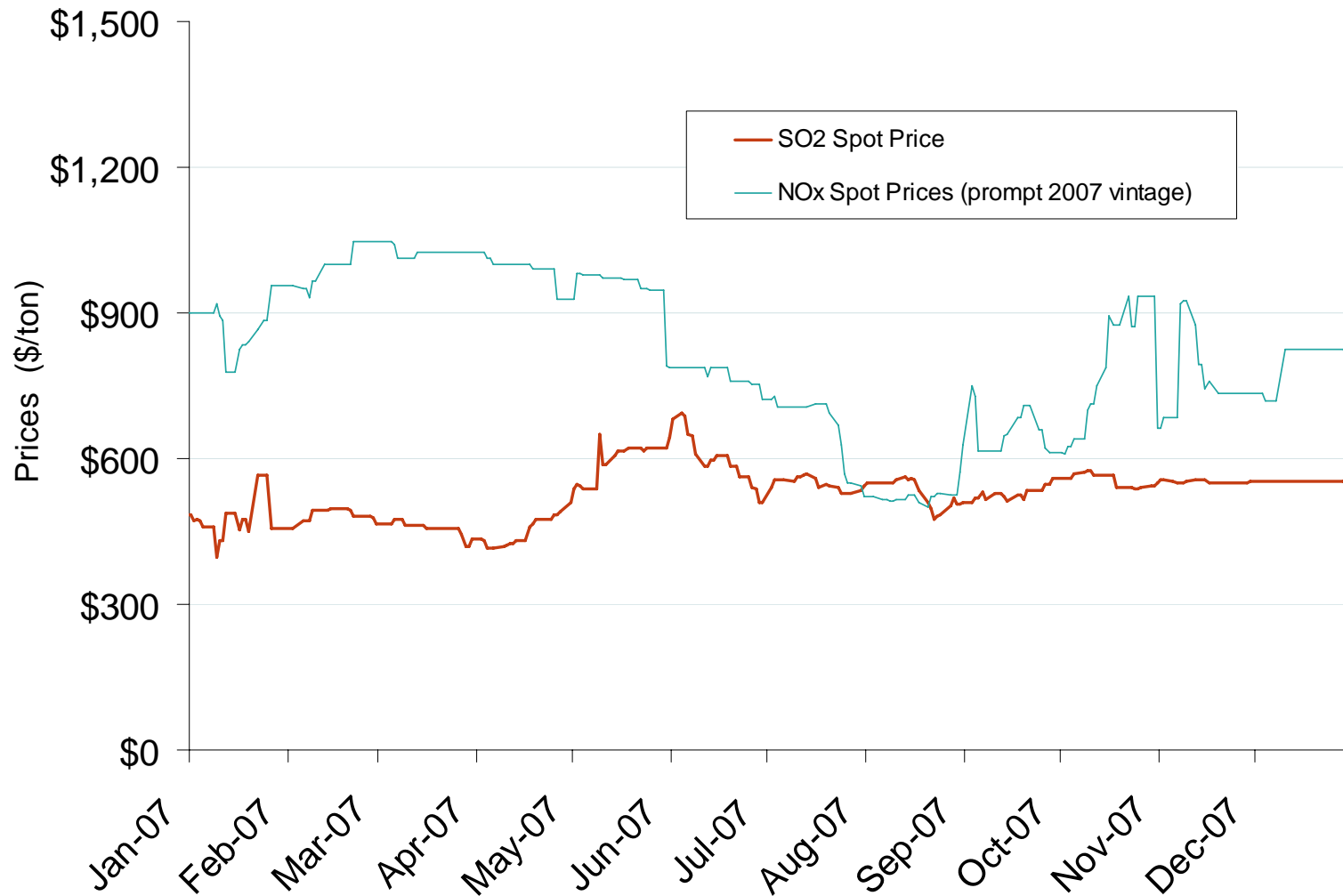
Central Appalachian and Powder River Basin Coal Prices



Source: Derived from Bloomberg data.

Updated January 9, 2008

SO₂ and NO_x Allowance Spot Prices



Source: Derived from Cantor Fitzgerald data.

Updated January 9, 2008