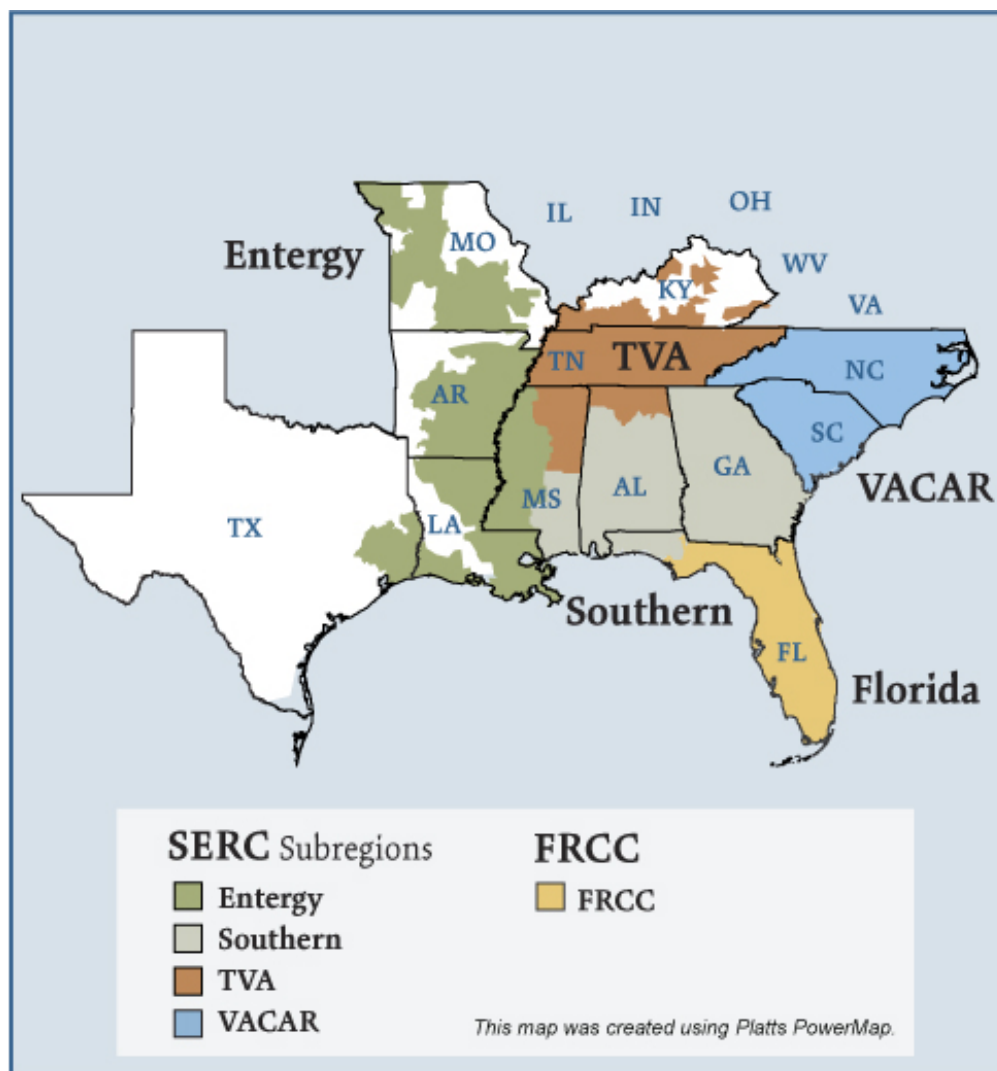


Southeast Electric Market: Overview and Focal Points

Federal Energy Regulatory Commission • Market Oversight • www.ferc.gov/oversight

Southeast Electric Regions



Southeast Electric Market: Overview and Focal Points

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Overview

Market Description

Florida Reliability Coordinating Council (FRCC) and SERC Reliability Corporation (SERC) reliability regions minus the portions of SERC in the Midwest ISO (MISO) and in PJM.

Geography

States covered: All or most of Florida, Arkansas, Louisiana, Mississippi, Alabama, Georgia, Tennessee, North Carolina, South Carolina and parts of Missouri, Kentucky and Texas.

Reliability region: Southeastern Electric Reliability Council (SERC) and Florida Reliability Coordinating Council (FRCC)

Balancing authorities: See list on page 5 and 6.

Hubs: Entergy, Southern, TVA

RTO/ISO

None

Generation/Supply

Marginal fuel type: Coal and natural gas

Generating capacity (summer 2006): 299,712 MW

Capacity reserve (summer 2006): 64,188 MW

Reserve margin (summer 2006): 27%

Updated May 3, 2007

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Southeast Electric Market: Overview and Focal Points

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Demand

All time peak demand: 237,100 MW (2005)

In summer of 2006, demand in parts of the region, such as the Southern Company service area, reached record levels on several occasions due to extremely hot weather.

Peak demand growth: -0.6% (2005–2006)

Summer Peak Demand (MW): 237,100 (2005) 235,524 (2006)

Source: Derived from *SERC* and *FRCC* data and discussions.

Prices

Annual Average of Daily Bilateral Day Ahead On-Peak Prices

Platts “Into Southern” Index

2004: \$48.64/MWh

2005: \$70.84/MWh

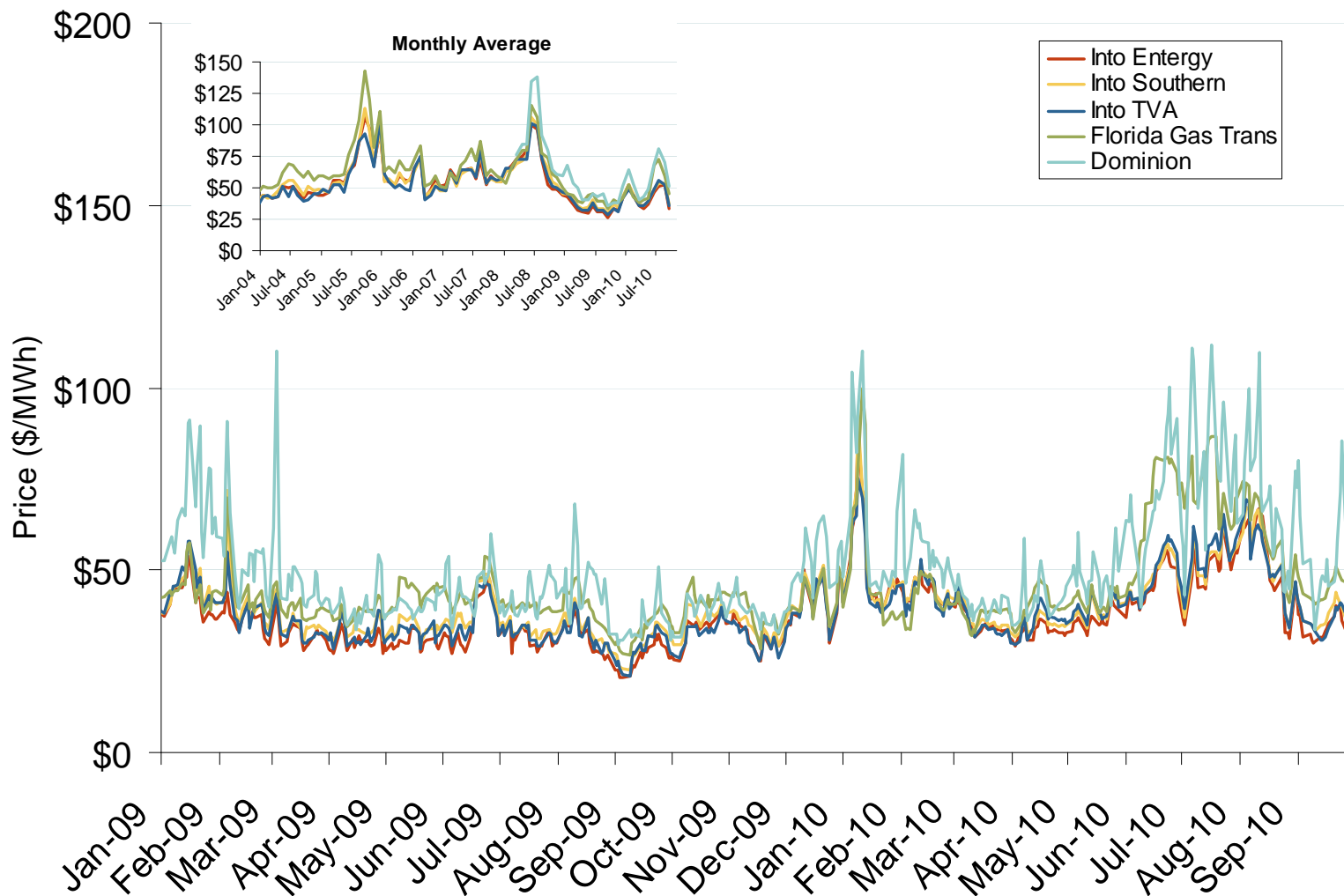
2006: \$55.50/MWh

2007: \$59.10/MWh

Annual Average Bilateral Prices

Annual Average Day Ahead On Peak Prices (\$/MWh)						
	2005	2006	2007	2008	2009	5-Year Avg
VACAR	\$71.88	\$56.34	\$60.52	\$70.86	\$36.42	\$59.20
Southern	\$70.84	\$55.50	\$59.10	\$70.13	\$36.58	\$58.43
TVA	\$67.39	\$53.48	\$60.28	\$69.01	\$34.91	\$57.02
Florida	\$85.03	\$64.02	\$65.59	\$74.66	\$40.75	\$66.01
Entergy	\$69.96	\$56.28	\$59.74	\$68.49	\$33.57	\$57.61

Southeastern Daily Bilateral Day-Ahead On-Peak Prices

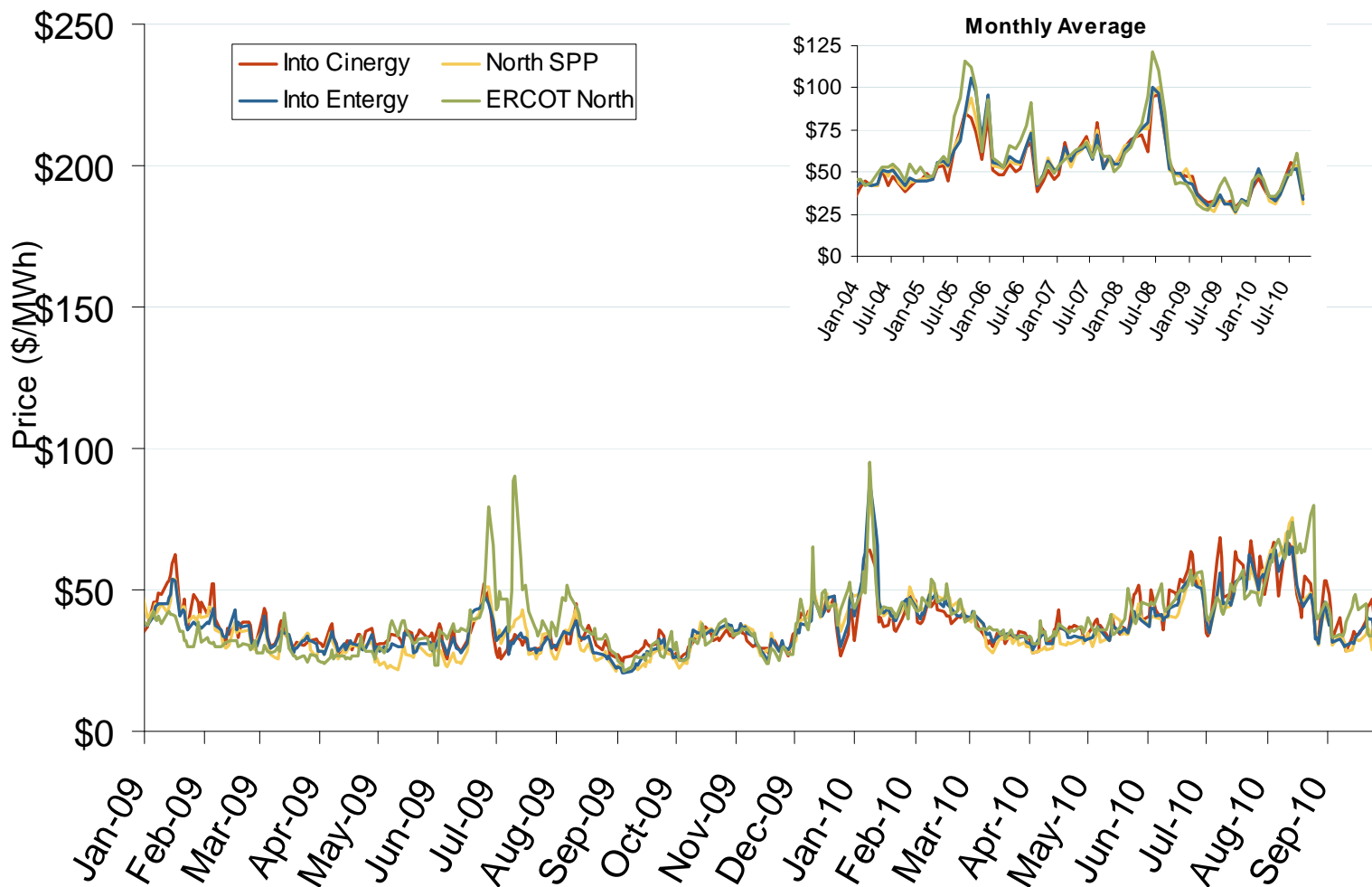


Source: Derived from *Platts* data.

Updated October 7, 2010

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Midwestern Daily Bilateral Day-Ahead On-Peak Prices



Source: Derived from *Platts* data.

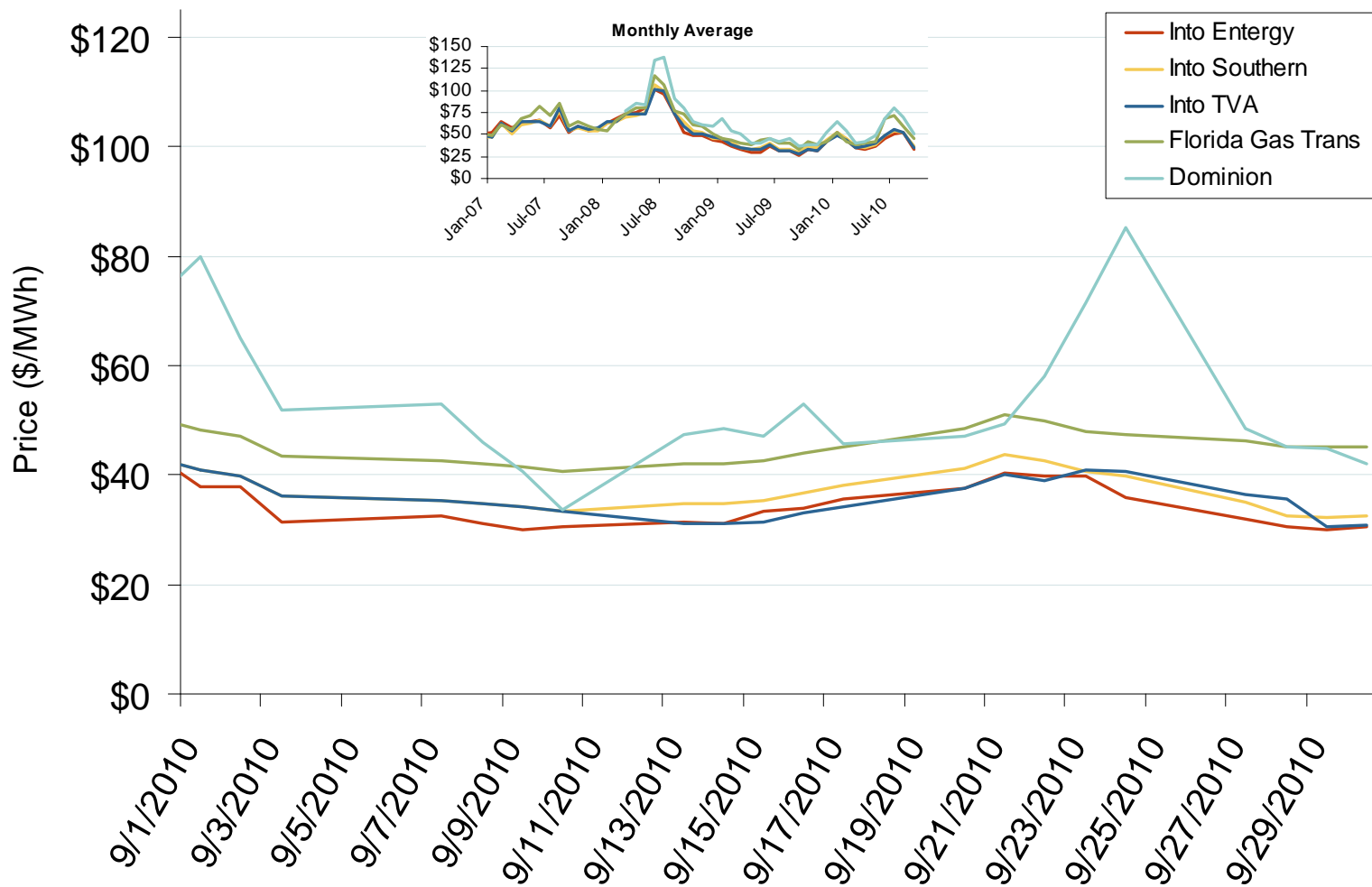
Updated October 7, 2010

1060

Southeast Electric Market: Last Month's Southeastern Bilateral Prices

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Southeastern Daily Bilateral Day-Ahead On-Peak Prices



Source: Derived from Platts data.

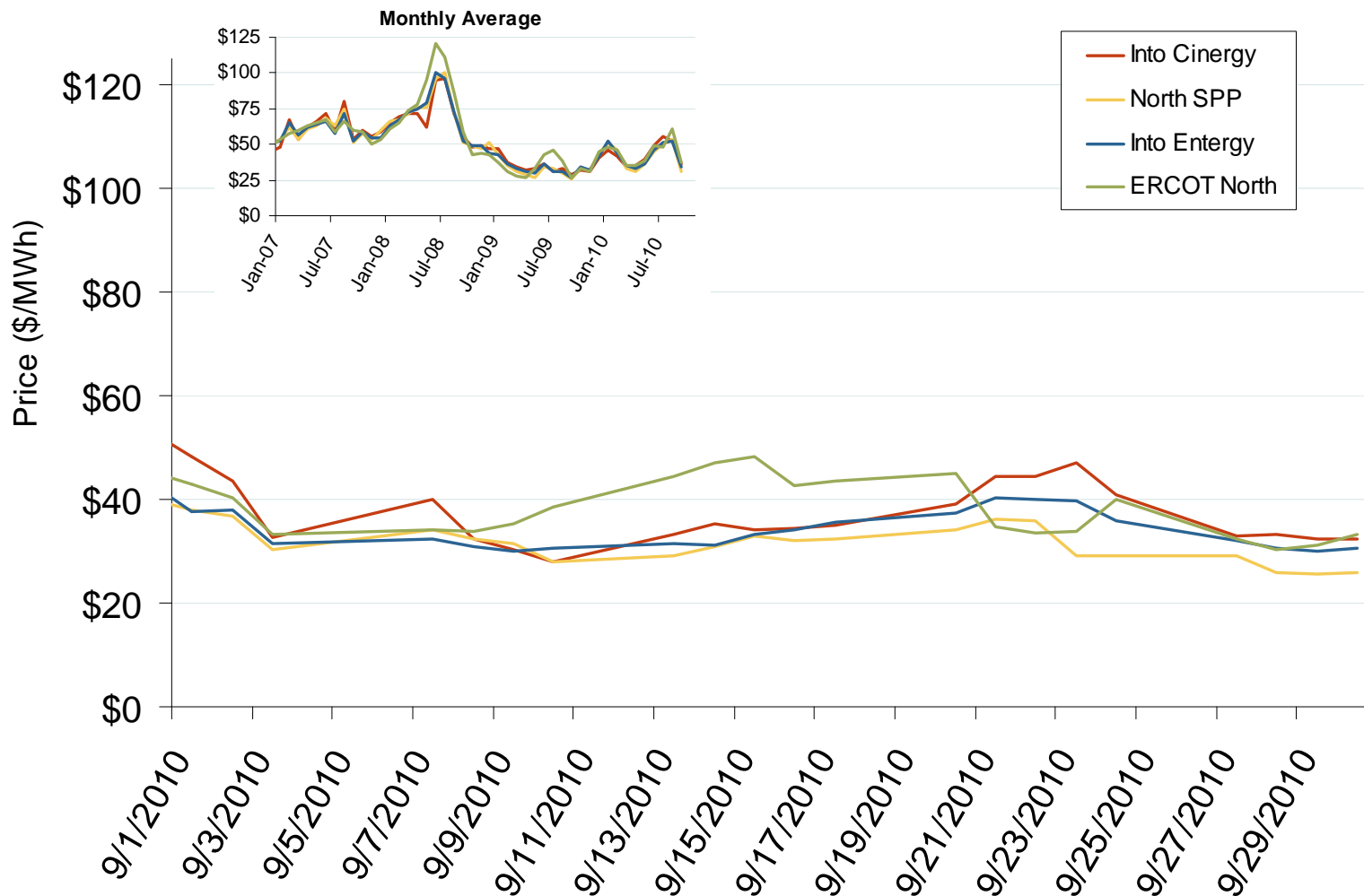
Updated October 7, 2010

14020

Southeast Electric Market: Last Month's Midwestern Bilateral Prices

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Midwestern Daily Bilateral Day-Ahead On-Peak Prices



Source: Derived from Platts data.

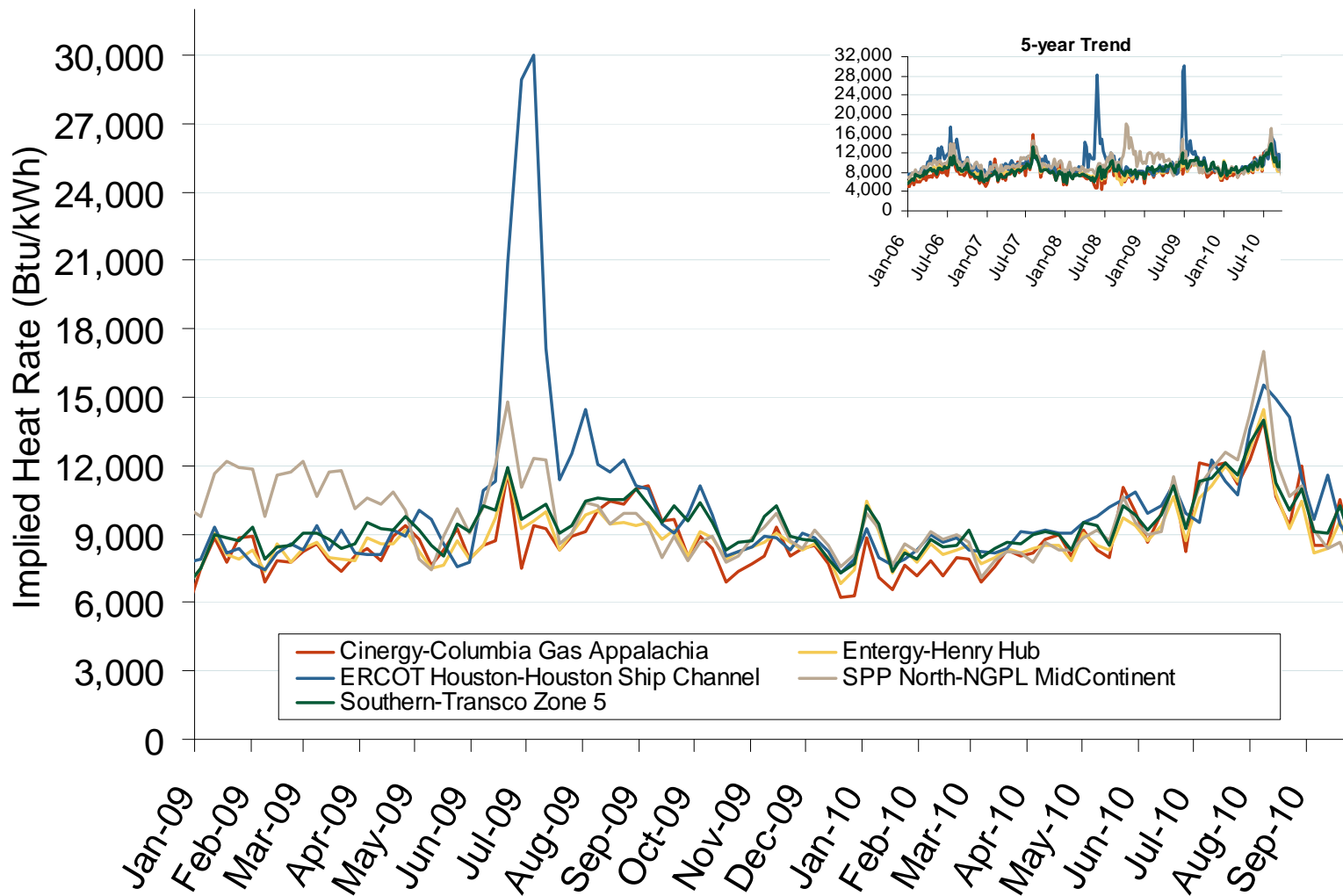
Updated October 7, 2010

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Southeast Electric Market: South Central Implied Heat Rates

Federal Energy Regulatory Commission • Market Oversight • www.ferc.gov/oversight

Implied Heat Rates at South Central Trading Points Weekly Averages



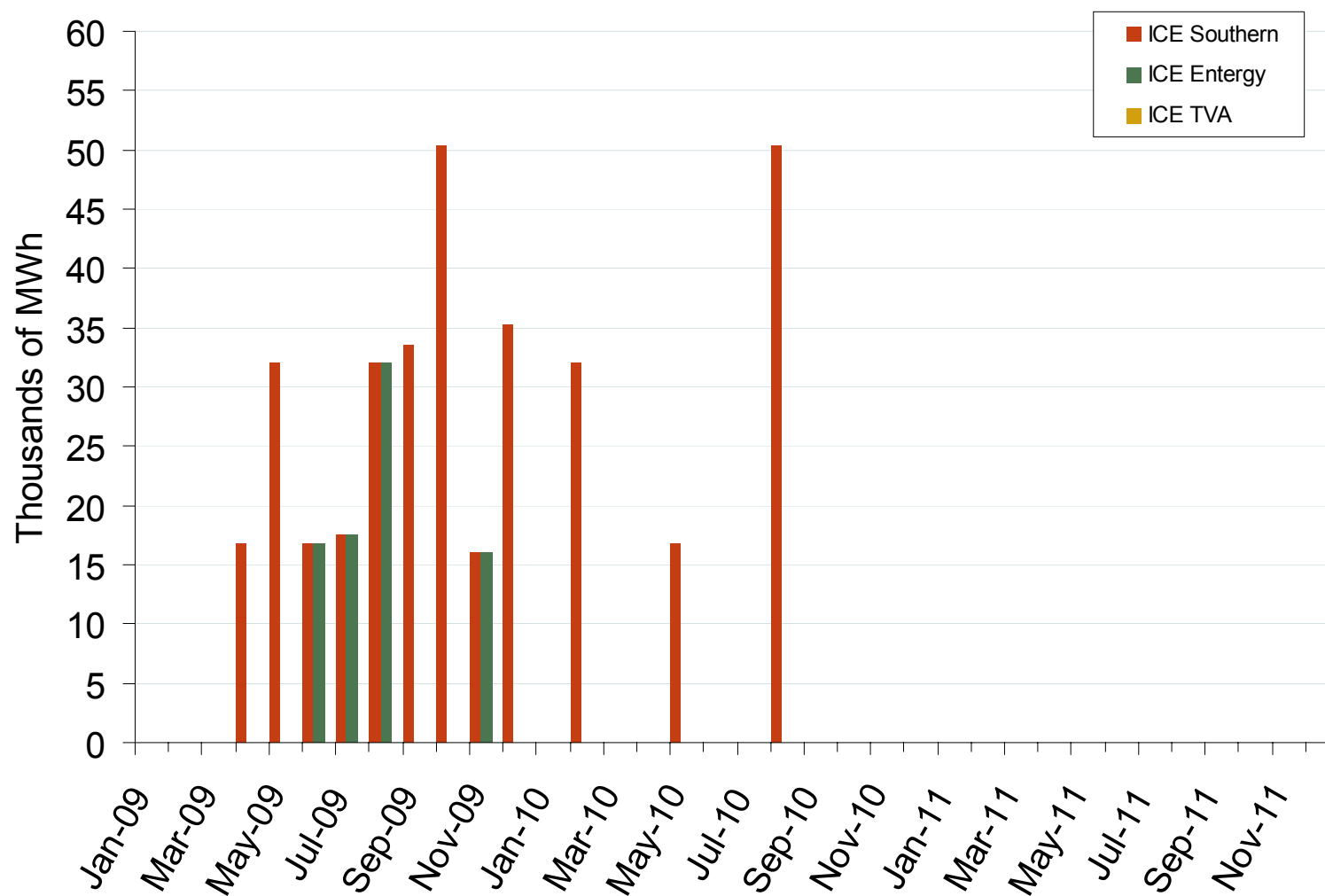
Source: Derived from *Platts* on-peak electric and natural gas price data.

Updated October 14, 2010

Southeast Electric Market: Physical Market Volumes

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Southeast Forward Volumes

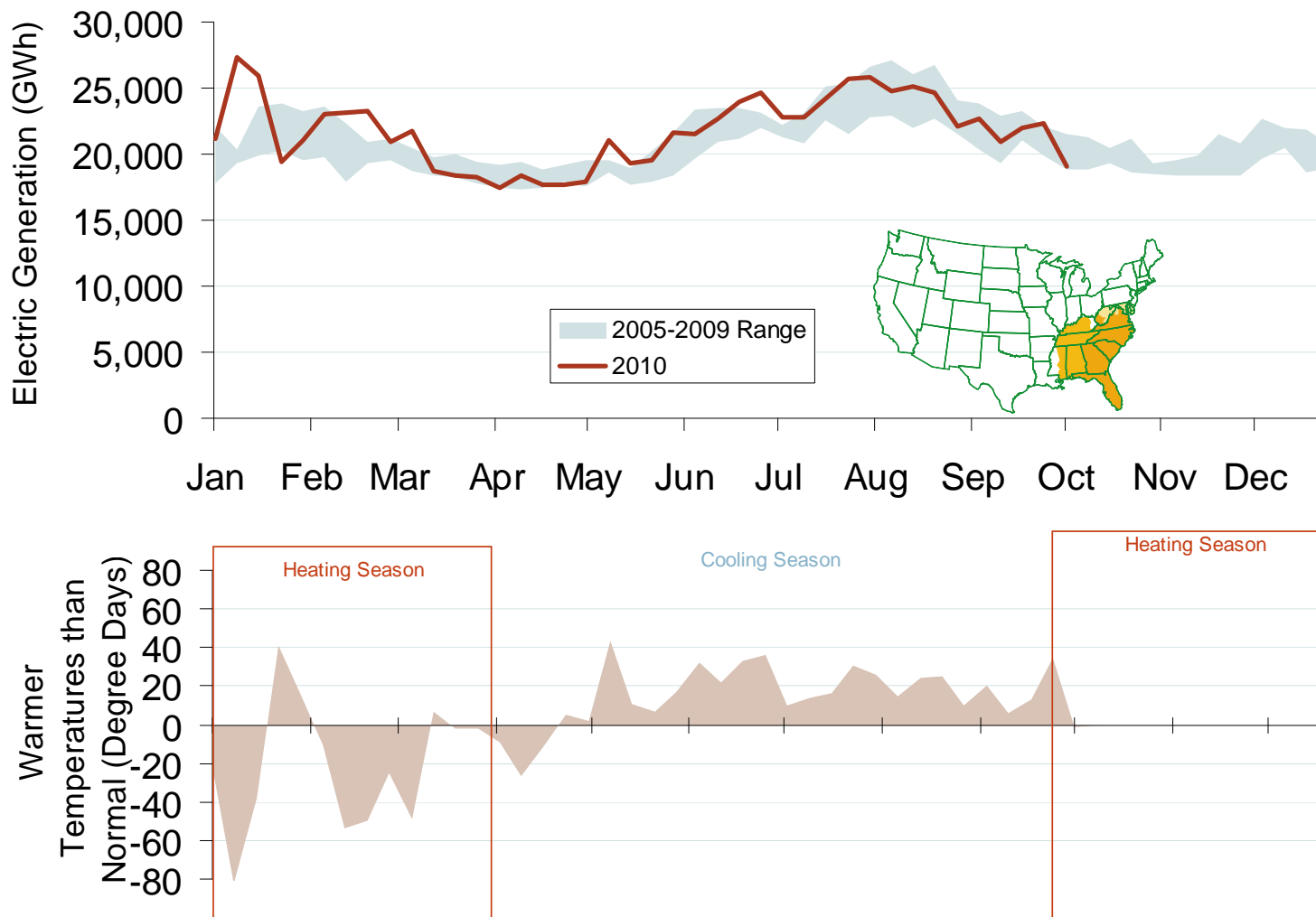


Source: Derived from ICE data. ICE on-peak forward (physical) volumes are for Entergy, Southern and TVA and include monthly, dual monthly, quarterly, and calendar year contracts traded for each month.

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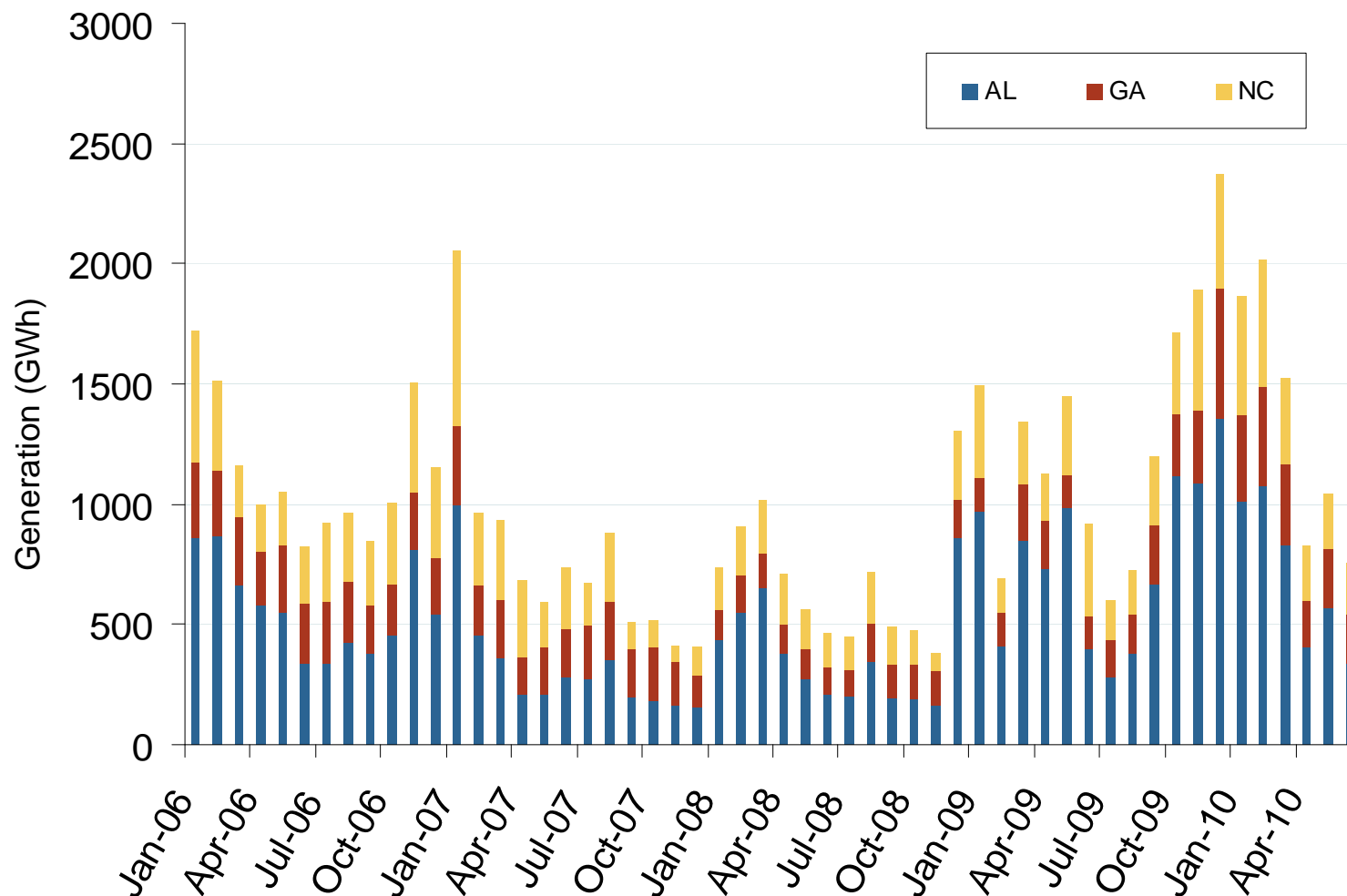
Weekly Electric Generation Output and Temperatures Southeast Region



Source: Derived from *EEl* and NOAA data.

Updated October 7, 2010

Monthly Southeastern Hydroelectric Generation



Source: Energy Velocity, Derived from EIA and EPA data.

Updated October 7, 2010

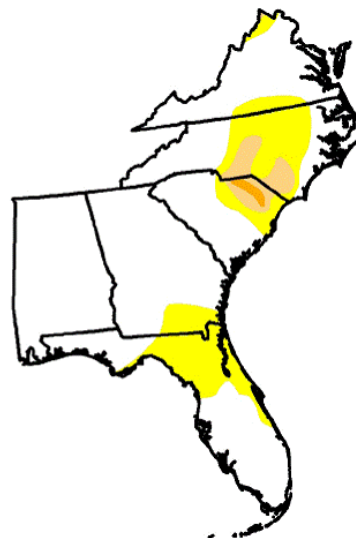
Southeast Electric Market: Drought Conditions

Federal Energy Regulatory Commission • Market Oversight @ FERC.gov

Monthly Southeastern Drought Conditions

Drought Conditions (Percent Area)

	None	D0-D4	D1-D4	D2-D4	D3-D4	D4
Current	77.6	22.4	4.0	0.5	0.0	0.0
Last Week (10/06/2009 map)	82.6	17.4	5.5	1.0	0.0	0.0
3 Months Ago (07/21/2009 map)	64.5	35.5	0.0	0.0	0.0	0.0
Start of Calendar Year (01/06/2009 map)	65.3	34.7	15.7	5.3	2.8	0.0
Start of Water Year (10/06/2009 map)	82.6	17.4	5.5	1.0	0.0	0.0
One Year Ago (10/14/2008 map)	36.0	64.0	34.9	22.5	9.6	1.3



October 5, 2010

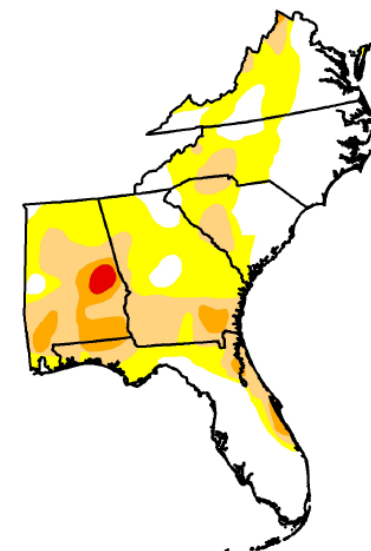
Intensity:

- D0 Abnormally Dry
- D1 Drought - Moderate
- D2 Drought - Severe
- D3 Drought - Extreme
- D4 Drought - Exceptional

October 13, 2009

Drought Conditions (Percent Area)

	None	D0-D4	D1-D4	D2-D4	D3-D4	D4
Current	37.3	62.7	29.0	6.7	0.8	0.0
Last Week (09/28/2010 map)	18.2	81.8	38.0	10.3	0.9	0.0
3 Months Ago (07/13/2010 map)	57.1	42.9	7.5	0.0	0.0	0.0
Start of Calendar Year (01/05/2010 map)	99.5	0.5	0.0	0.0	0.0	0.0
Start of Water Year (10/05/2010 map)	37.3	62.7	29.0	6.7	0.8	0.0
One Year Ago (10/06/2009 map)	82.6	17.4	5.5	1.0	0.0	0.0



Intensity:

- D0 Abnormally Dry
- D1 Drought - Moderate
- D2 Drought - Severe
- D3 Drought - Extreme
- D4 Drought - Exceptional