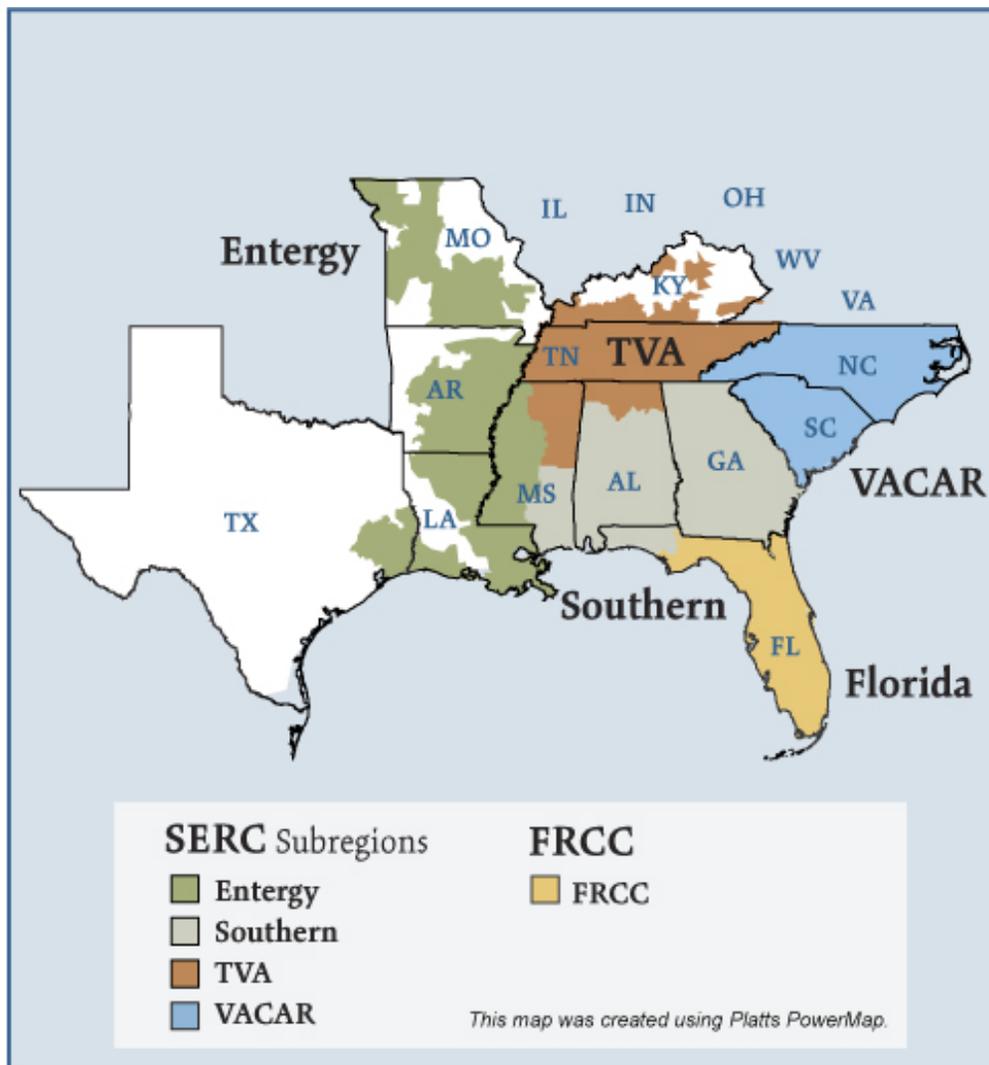


Southeast Electric Regions



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%

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

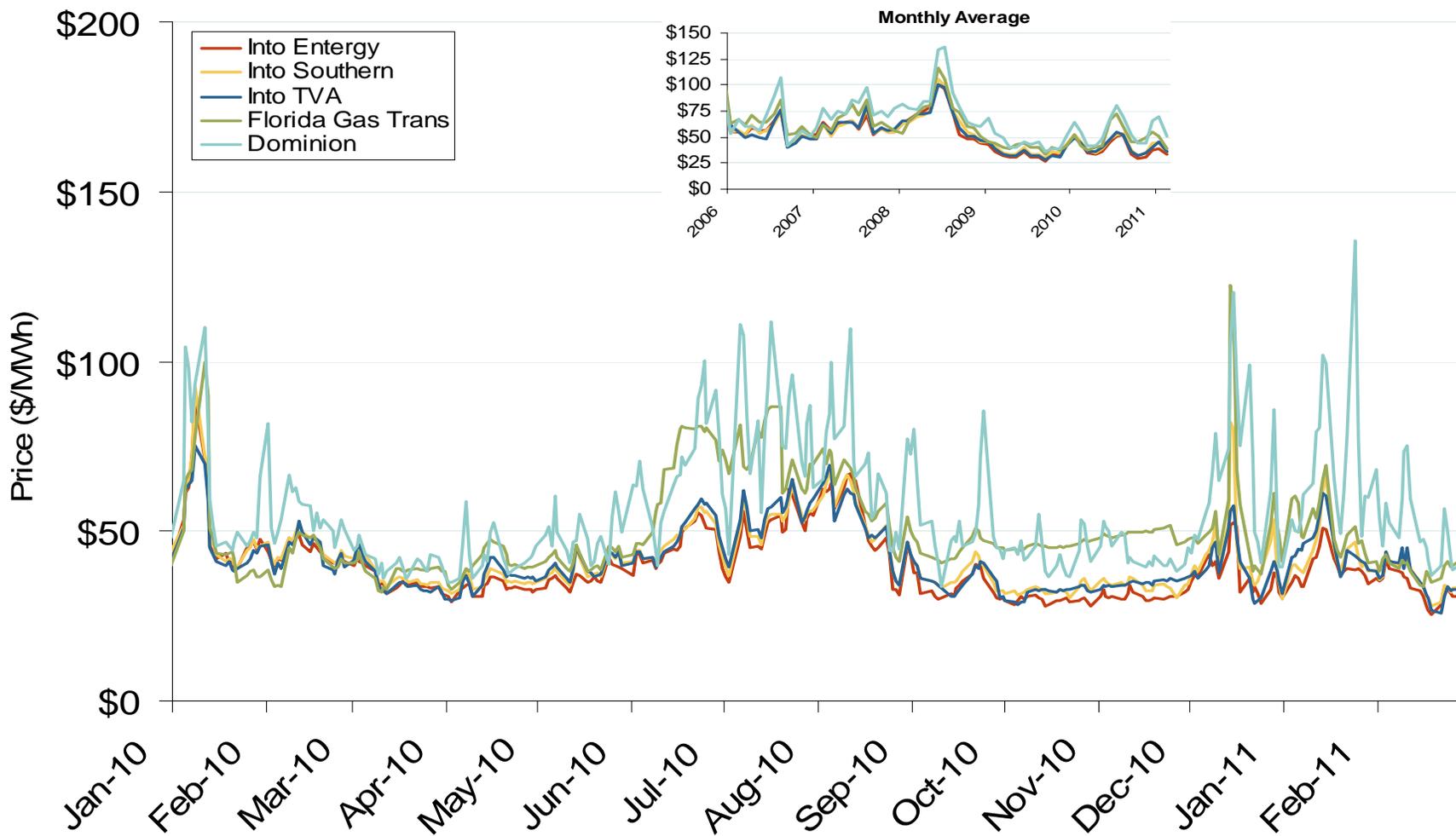
2004: \$48.64/MWh

2005: \$70.84/MWh

2006: \$55.50/MWh

2007: \$59.10/MWh

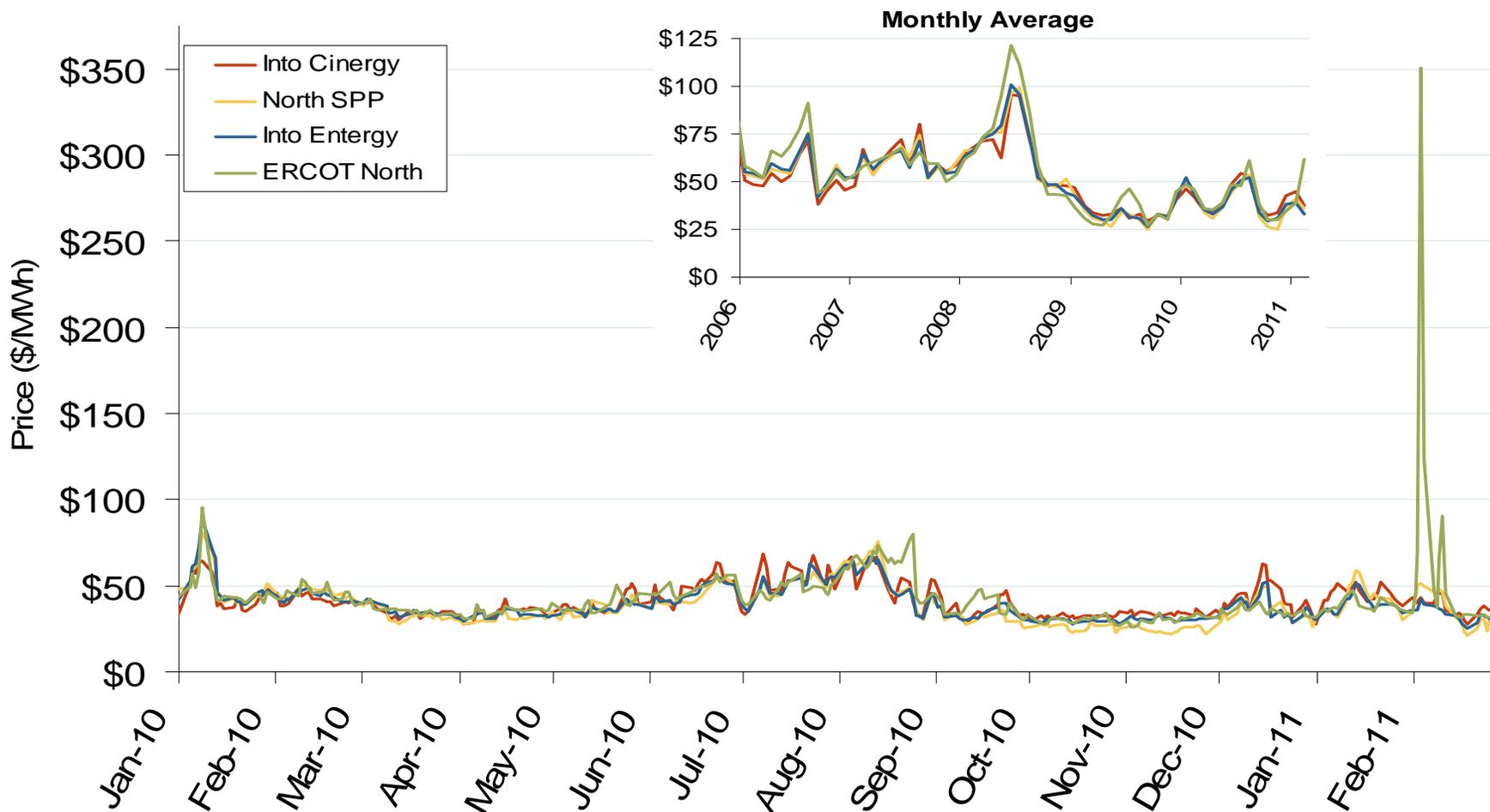
Southeastern Daily Bilateral Day-Ahead On-Peak Prices



Source: Derived from *Platts* data.

Updated: March 08, 2011

Midwestern Daily Bilateral Day-Ahead On-Peak Prices



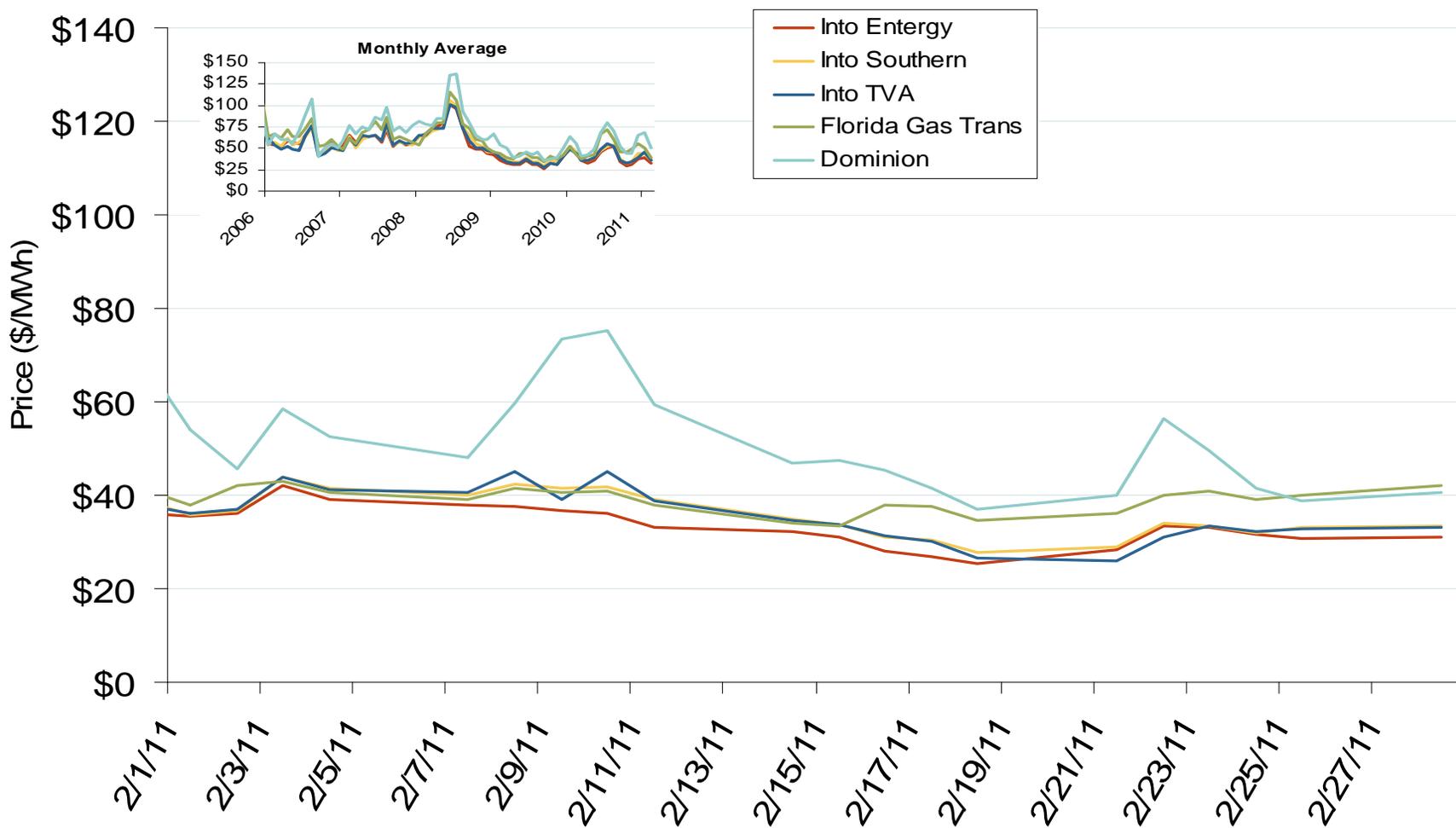
Source: Derived from *Platts* data.

Updated: March 08, 2011

Southeast Electric Market: Last Month's Southeastern Bilateral Prices

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

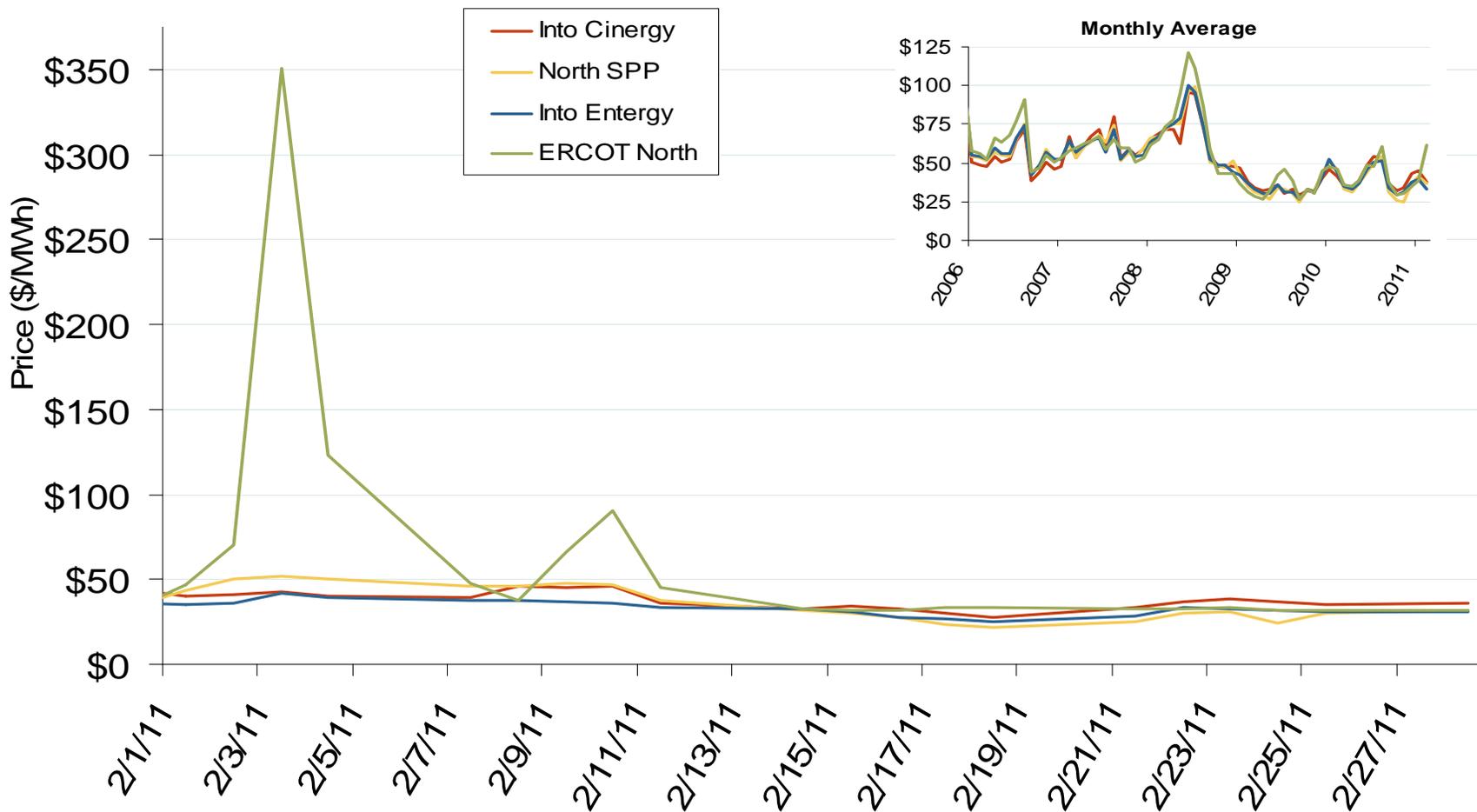
Southeastern Daily Bilateral Day-Ahead On-Peak Prices



Source: Derived from Platts data.

Updated: March 08, 2011

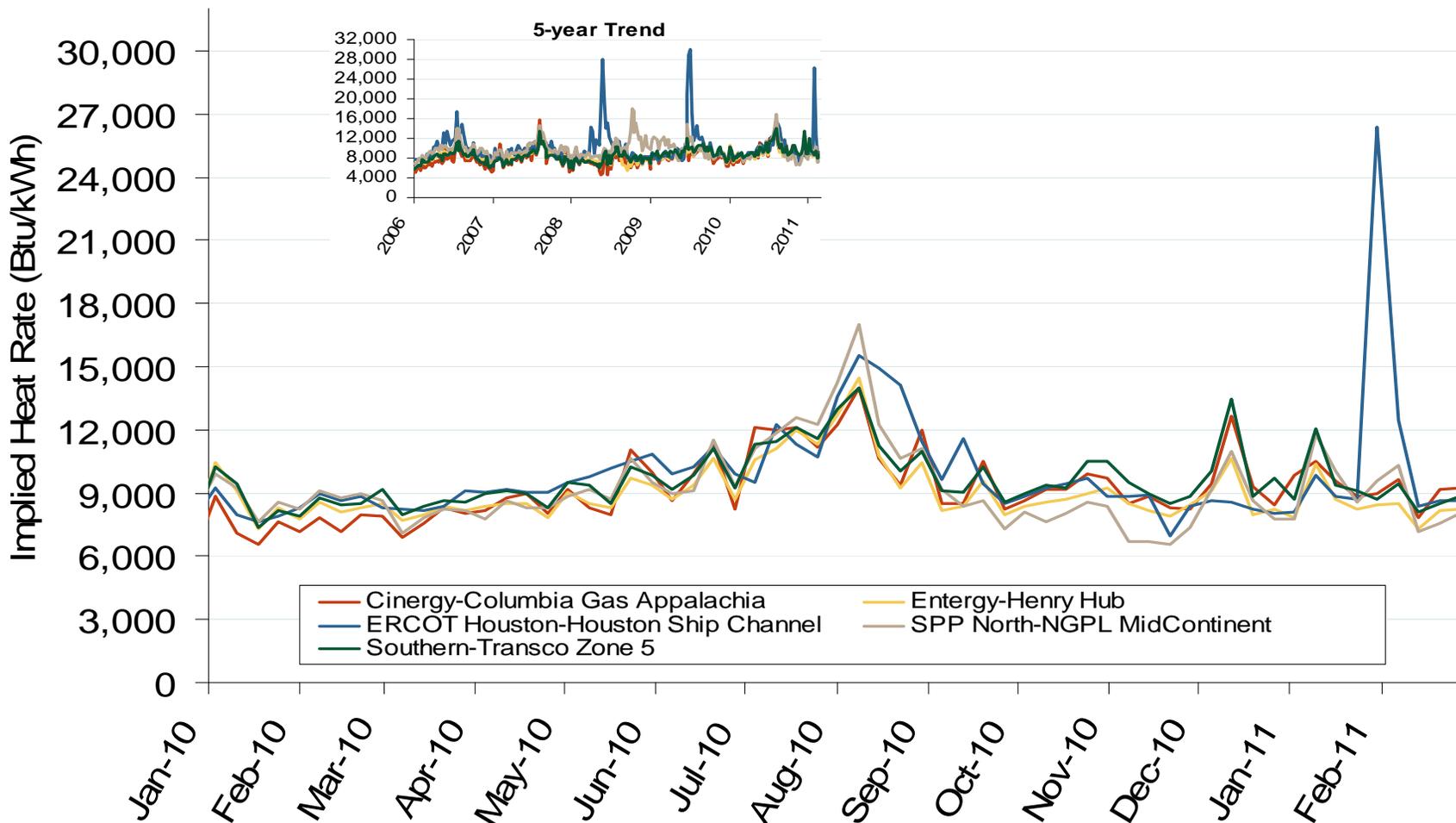
Midwestern Daily Bilateral Day-Ahead On-Peak Prices



Source: Derived from *Platts* data.

Updated: March 08, 2011

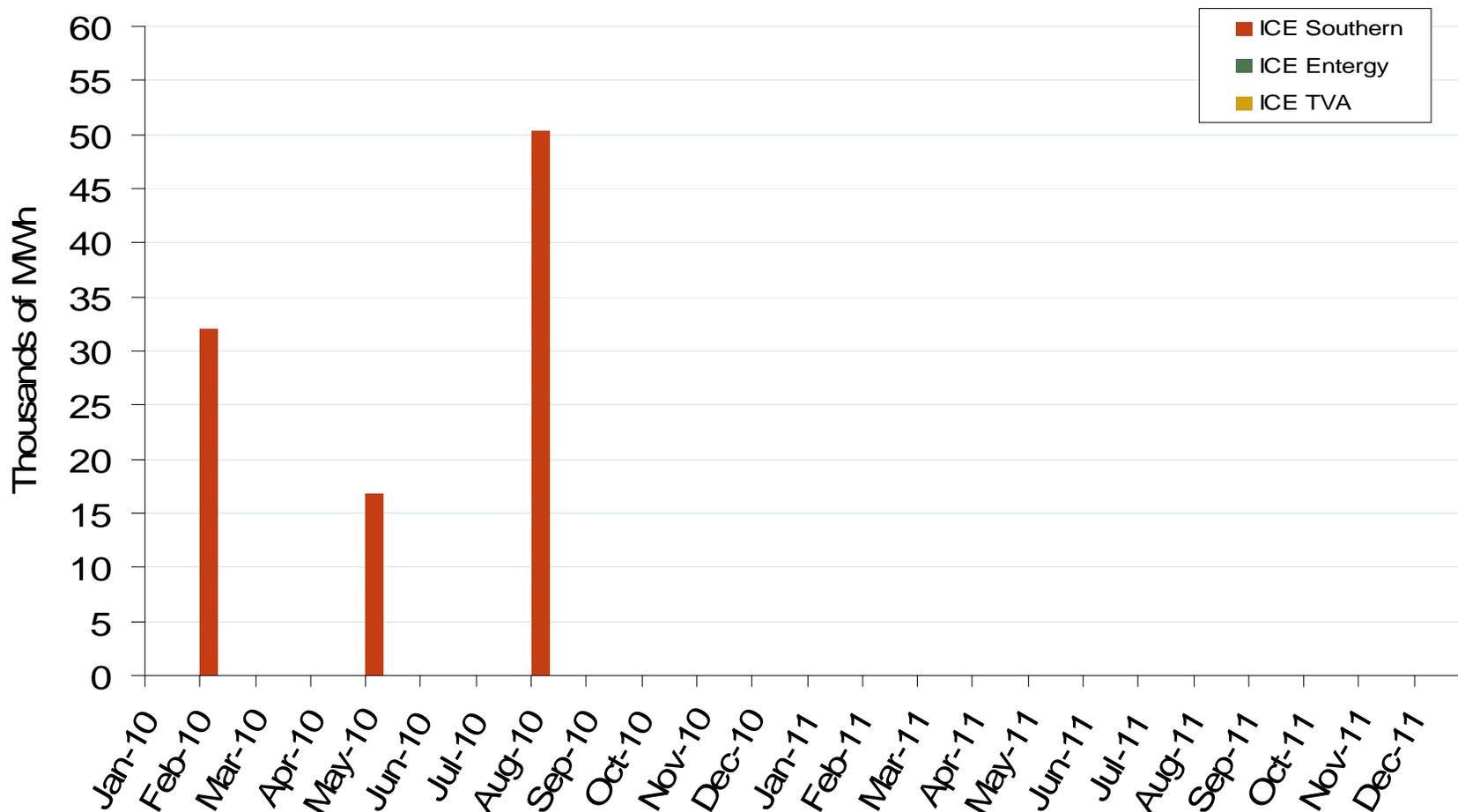
Implied Heat Rates at South Central Trading Points Weekly Averages



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

Updated: March 08, 2011

Southeast Forward Volumes

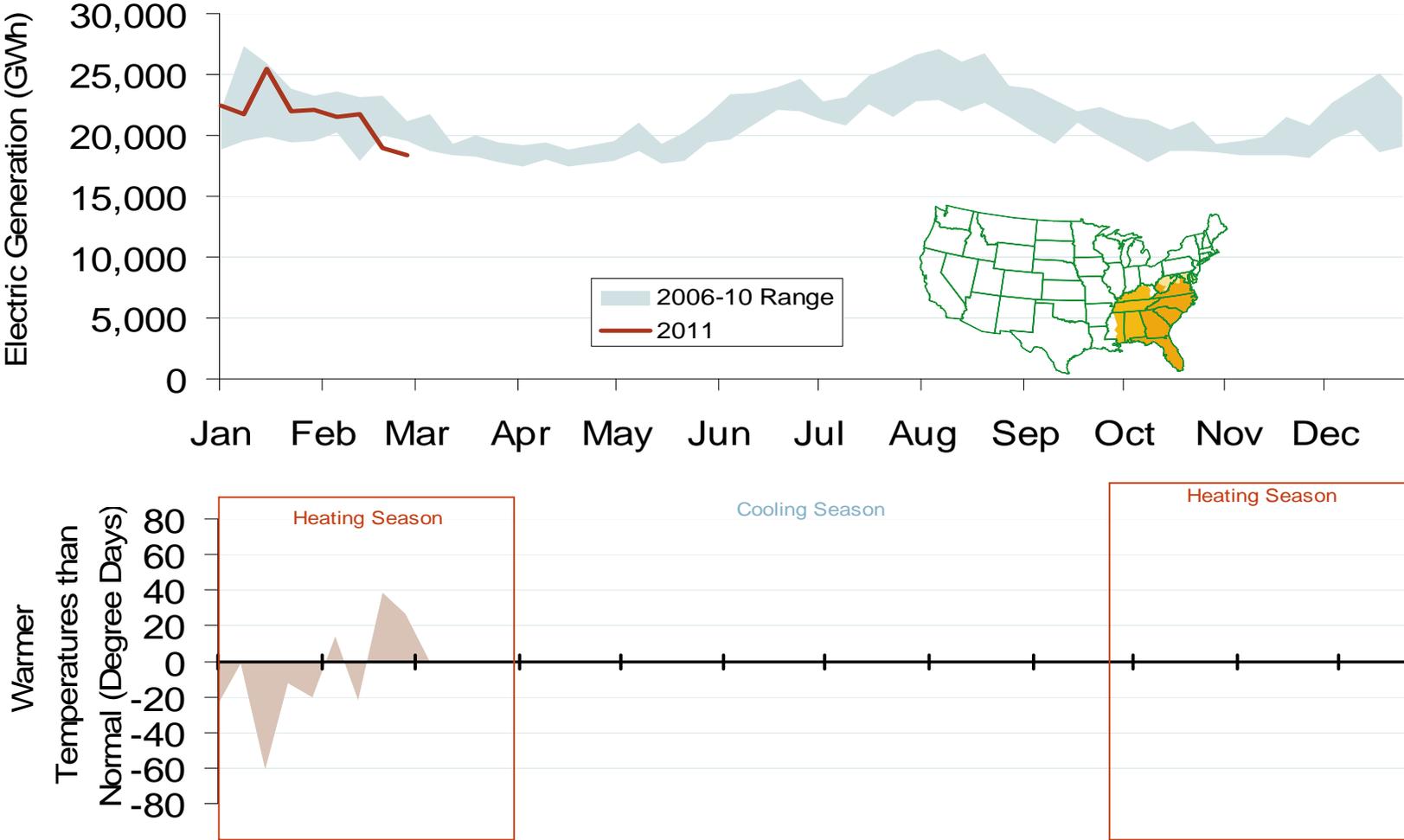


Source: Derived from ICE data.

Note: 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.

Updated: March 08, 2011

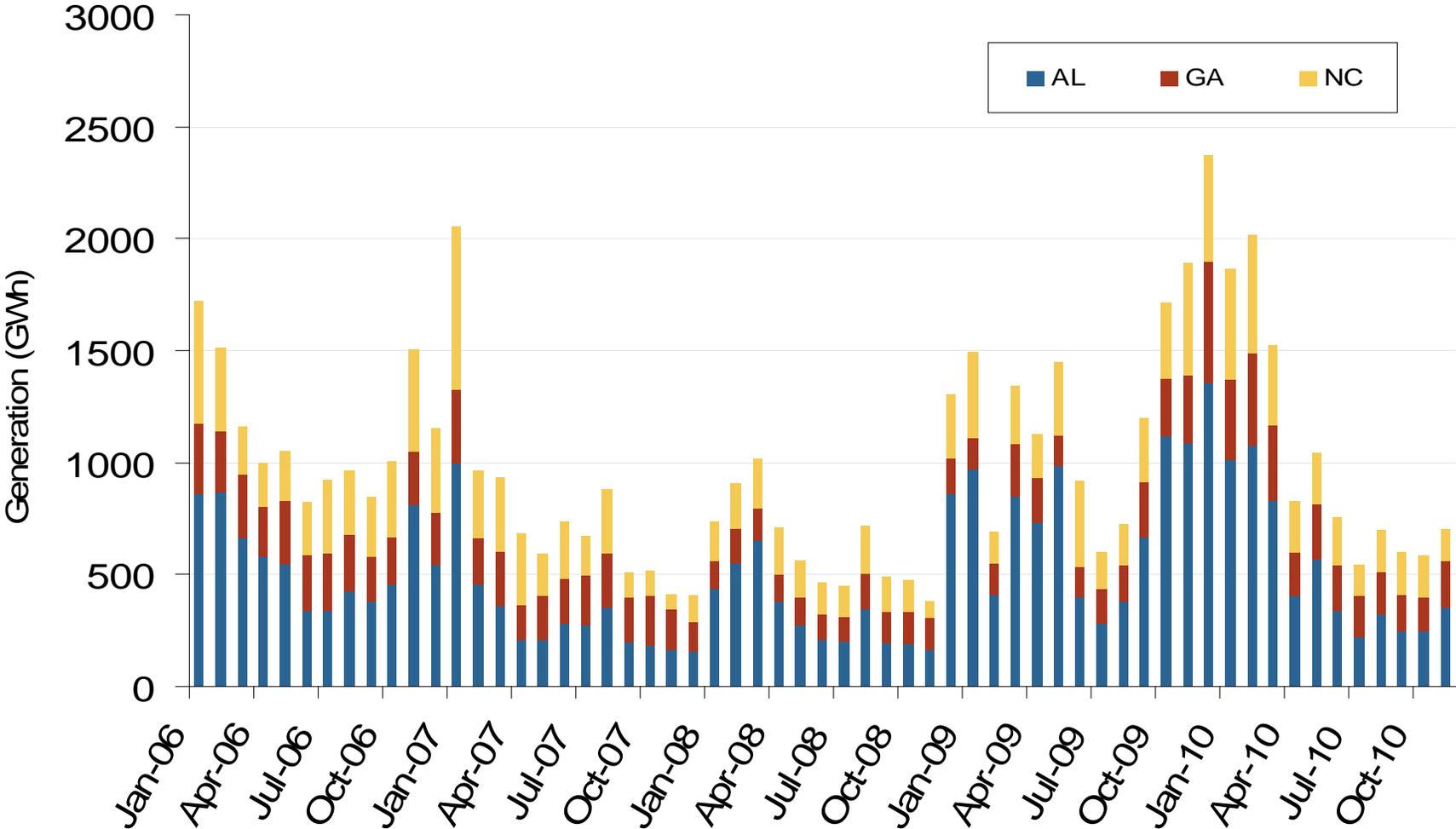
Weekly Electric Generation Output and Temperatures Southeast Region



Source: Derived from EEI and NOAA data.

Updated: March 08, 2011

Monthly Southeastern Hydroelectric Generation



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

Updated: March 08, 2011

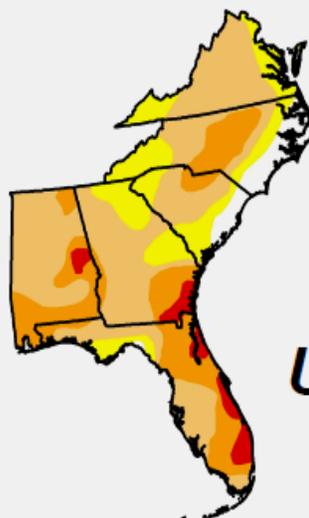
Monthly Southeastern Drought Conditions

U.S. Drought Monitor

Southeast

Drought Conditions (Percent Area)

	None	D0-D4	D1-D4	D2-D4	D3-D4	D4
Current	5.82	94.18	75.79	27.10	4.43	0.00
Last Week (02/22/2011 map)	5.82	94.18	71.95	24.17	3.36	0.00
3 Months Ago (11/30/2010 map)	12.92	87.08	50.11	20.29	2.68	0.00
Start of Calendar Year (12/28/2010 map)	23.01	76.99	51.84	23.55	5.63	0.00
Start of Water Year (09/28/2010 map)	18.18	81.82	38.04	10.32	0.90	0.00
One Year Ago (02/23/2010 map)	100.00	0.00	0.00	0.00	0.00	0.00



Intensity:

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

March 1, 2011

March 2, 2010

U.S. Drought Monitor

Southeast

Drought Conditions (Percent Area)

	None	D0-D4	D1-D4	D2-D4	D3-D4	D4
Current	100.0	0.0	0.0	0.0	0.0	0.0
Last Week (02/23/2010 map)	100.0	0.0	0.0	0.0	0.0	0.0
3 Months Ago (12/08/2009 map)	96.4	3.6	0.6	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 (10/06/2009 map)	82.6	17.4	5.5	1.0	0.0	0.0
One Year Ago (03/03/2009 map)	8.5	91.5	40.8	7.1	1.6	0.0



Intensity:

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