

ENERGY STRIP PURCHASE

August 7, 2007

MEETING ENERGY NEEDS 10/2009 – 2012 200 mwht/yr

Braintree Plant

30 mwht/yr

Peak Unit

Taunton Plant

avail circa 2012?

Russell Plant

avail circa 2012?

No other options at present

FIXED PRICE vs INDEXED PRICE

Fixed – supplier provides fixed price per kwh
- includes all costs

Constellation Energy - Good idea

Indexed – supplier provides a fixed heat rate (efficiency)
- buyer pays direct cost of gas

all - Natural Gas

Good for Buyer
debt rate
Plants are about
1/3 efficient

BIDDERS

Florida Power & Light Energy

Integrus Energy Services (WPS)

all W.S. option

JP Morgan

Dominion Energy

Constellation Energy

Morgan Stanley

BUYER OPTIONS

Fixed or Indexed

Time frame

MISC

Performance guarantee

RESULTS

8 cents/kwh

average price '09 – '12

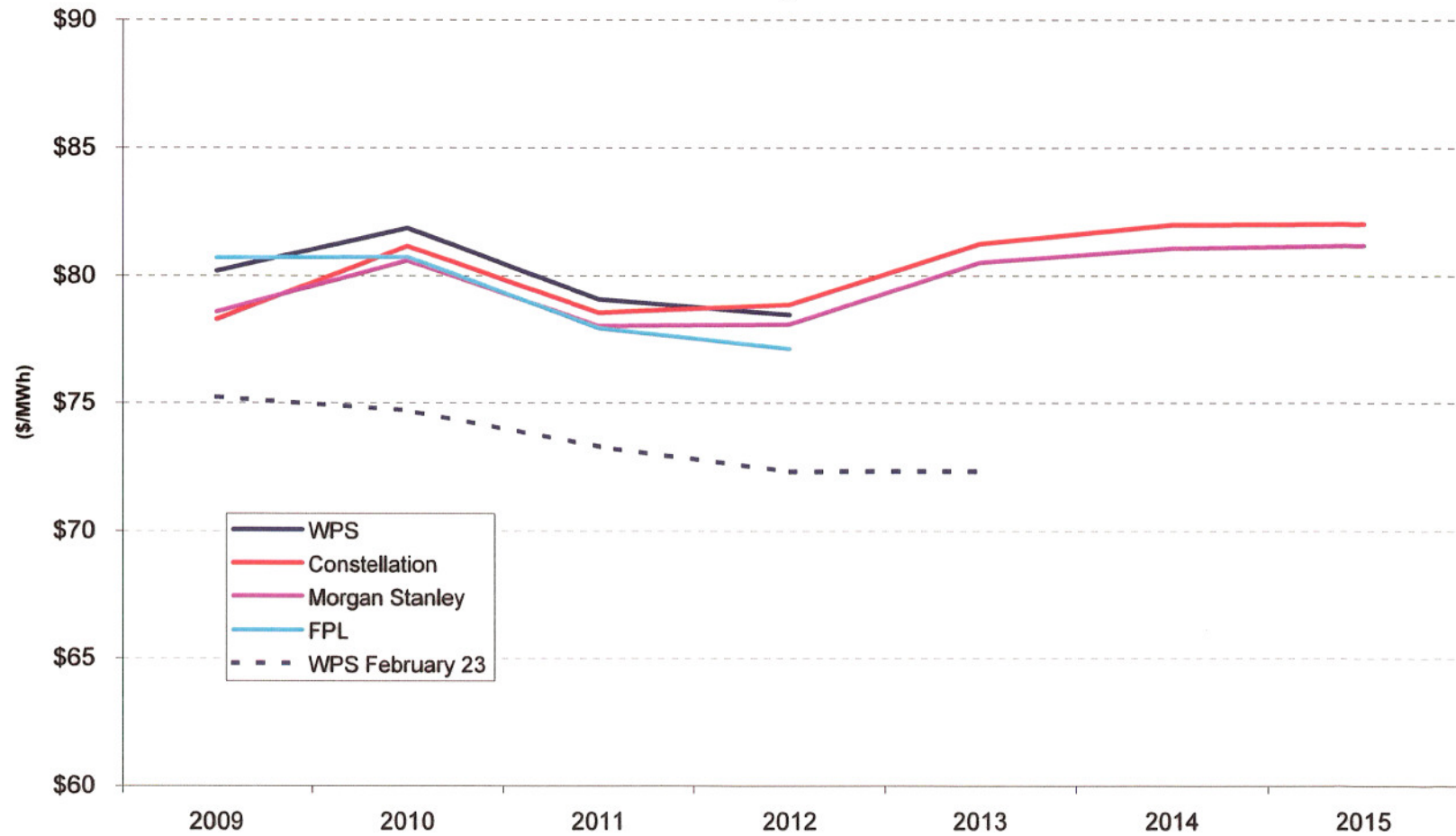
@ NYMEX fixed (8/7/07) gas prices

55% of energy needs '09 – '12

Option to lock in lower gas prices as available; efficiency fixed

Spot market to fill balance of energy needs '09 – '12

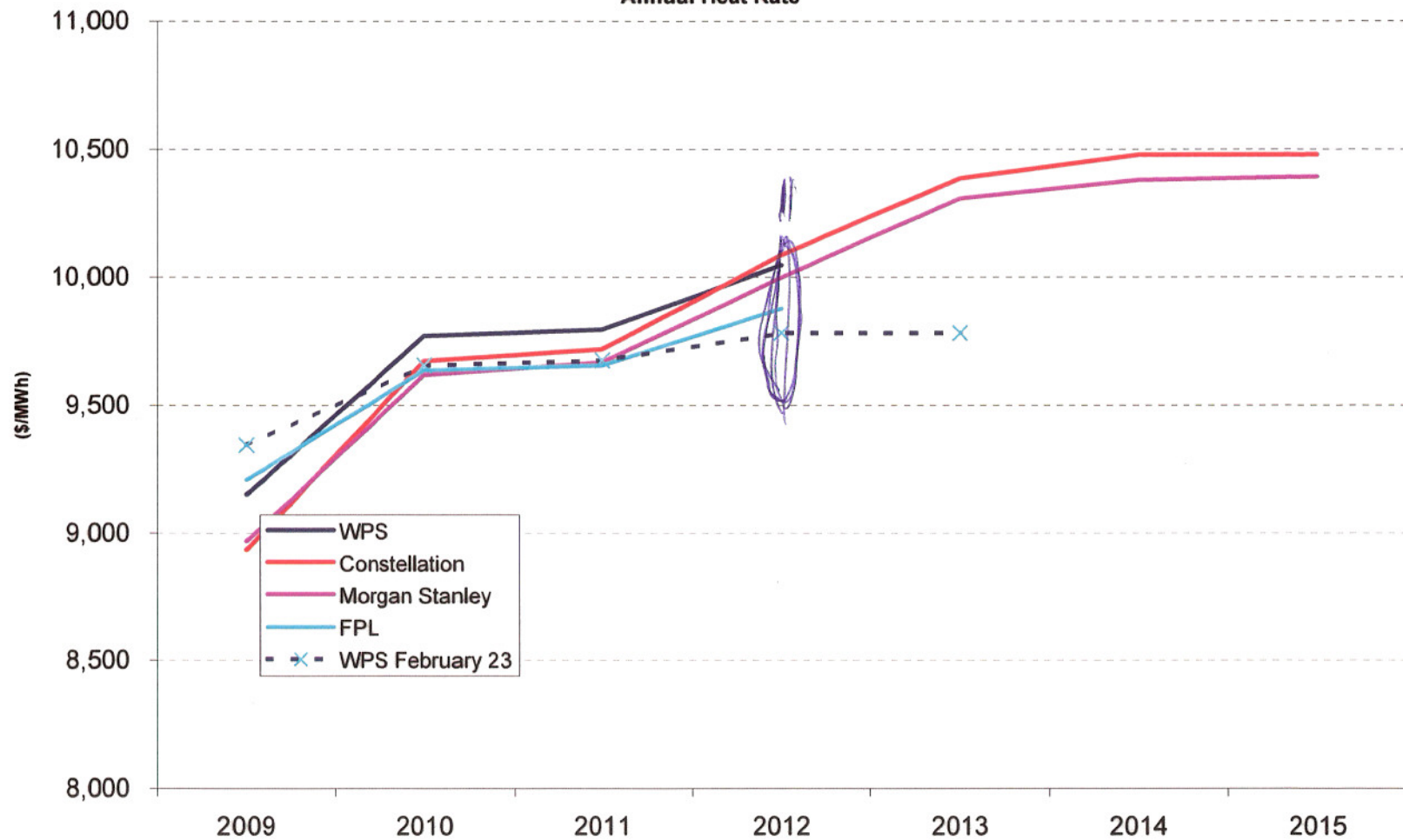
Concord Municipal Light Department
Summary of Indicative Prices Received February 23, 2007
Option A1 - Firm Energy - Indexed Price
Annual Average Cost



**Concord Municipal Light Department
Summary of Indicative Prices Received February 23, 2007**

Option A1 - Firm Energy - Indexed Price

Annual Heat Rate



Heat Rate = $\frac{100}{1.25} = 80$

Concord Analysis of Final Prices 08-07-07.xls

summary

	Option A - Firm Energy Index Price				Option B - Firm Energy - Fixed Price					
	WPS	Morgan Stanley	FPL	Constellation	Constellation	Dominion	J P Morgan	Morgan Stanley	FPL	WPS
Total Cost										
2009	2,599,808	2,547,265	2,616,267	2,537,811	2,536,189	2,602,771	2,586,992	2,538,303	2,601,528	2,568,289
2010	10,930,617	10,759,381	10,779,767	10,836,049	10,823,844	10,615,866	10,765,471	10,708,790	10,744,680	10,779,611
2011	10,589,002	10,449,279	10,436,573	10,519,352	10,462,050	10,813,236	10,352,845	10,344,110	10,329,872	10,385,517
2012	10,489,733	10,439,738	10,312,337	10,543,368	10,384,353	10,460,258	10,273,921	10,339,995	10,193,364	10,298,377
2013		10,760,211		10,858,976	10,473,942	10,766,481		10,408,291		
2014		10,835,074		10,957,125	10,454,767	11,079,901		10,348,033		
2015		10,849,416		10,961,431	10,446,551	11,430,890		10,352,936		
2009-2012	34,609,161	34,195,664	34,144,944	34,436,579	34,206,435	34,492,131	33,979,229	33,931,198	33,869,443	34,031,794
2009-2015		66,640,364		67,214,111	65,581,696	67,769,404		65,040,458		
Rank										
2009	3	2	4	1	1	6	4	2	5	3
2010	4	1	2	3	6	1	4	2	3	5
2011	4	2	1	3	5	6	3	2	1	4
2012	3	2	1	4	5	6	2	4	1	3
2013		1		2	2	3		1		
2014		1		2	2	3		1		
2015		1		2	2	3		1		
Delta %										
2009	2%	0%	3%	0%	0%	3%	2%	0%	3%	1%
2010	2%	0%	0%	1%	2%	0%	1%	1%	1%	2%
2011	1%	0%	0%	1%	1%	5%	0%	0%	0%	1%
2012	2%	1%	0%	2%	2%	3%	1%	1%	0%	1%
2013		0%		1%	1%	3%		0%		
2014		0%		1%	1%	7%		0%		
2015		0%		1%	1%	10%		0%		
2009-2012	1.4%	0.1%	0.0%	0.9%	1.0%	1.8%	0.3%	0.2%	0.0%	0.5%
2009-2015										
Average Cost										
	WPS	Morgan Stanley	FPL	Constellation	Constellation	Dominion	J P Morgan	Morgan Stanley	FPL	WPS
2009	80.19	78.57	80.70	78.28	77.91	79.96	79.47	77.98	79.92	78.90
2010	81.86	80.58	80.73	81.16	80.82	79.27	80.38	79.96	80.23	80.49
2011	79.06	78.02	77.93	78.54	78.25	80.88	77.44	77.37	77.26	77.68
2012	78.46	78.09	77.13	78.86	77.71	78.27	76.88	77.37	76.28	77.06
2013		80.52		81.26	78.38	80.56		77.88		
2014		81.08		81.99	78.23	82.91		77.43		
2015		81.19		82.02	78.17	85.54		77.47		
2009-2012	79.82	78.87	78.75	79.43	78.90	79.55	78.37	78.26	78.12	78.49
2009-2015		\$ 79.86		\$ 80.55	\$ 78.59	\$ 81.21		\$ 77.94		

Oh not FPL

	Option A - Firm Energy Index Price				Option B - Firm Energy - Fixed Price					
	WPS	Morgan Stanley	FPL	Constellation	Constellation	Dominion	J P Morgan	Morgan Stanley	FPL	WPS
Index Premium										
2009	1.29	0.59	0.78	0.37						
2010	1.38	0.62	0.51	0.34						
2011	1.38	0.65	0.66	0.29						
2012	1.40	0.71	0.86	1.16						
2013		2.63		2.88						
2014		3.64		3.76						
2015		3.72		3.85						
	\$ 1.36	\$ 1.80	\$ 0.70	\$ 1.81						
Heat Rate										
2009	9,152	8,967	9,210	8,934						
2010	9,770	9,617	9,635	9,672						
2011	9,795	9,666	9,654	9,718						
2012	10,046	9,998	9,876	10,086						
2013	-	10,308		10,387						
2014		10,380		10,479						
2015		10,394		10,480						
Zero Adder Heat Rate										
2009	9,152	8,967	9,210	8,934						
2010	9,770	9,617	9,635	9,672						
2011	9,795	9,666	9,654	9,718						
2012	10,046	9,998	9,876	10,086						
2013		10,308		10,387						
2014		10,380		10,479						
2015		10,394		10,480						

Concord Analysis of Final Prices 08-07-07.xls

A - Firm Indexed

				Constellation							Morgan Stanley							
	Requirements			NYMEX (\$/MMBtu)	On-Peak			On-Peak			Total Cost	On-Peak			On-Peak			Total Cost
	On-Peak	Off-Peak	Heat Rate		Basis Adjust.	Price	Heat Rate	Basis Adjust.	Price	Heat Rate		Basis Adjust.	Price					
Oct-09	18,200	10,000	8.404	9,890		83.12	7,430		62.44	777,243	8,967		75.36	8,967		75.36	778,164	
Nov-09	19,100	10,600	8.754	9,860		86.31	7,380		64.60	816,898	8,967		78.50	8,967		78.50	823,257	
Dec-09	20,500	11,900	9.089	10,020		91.07	7,550		68.62	943,670	8,967		81.50	8,967		81.50	945,845	
Jan-10	21,000	12,200	9.309	11,380		105.94	9,100		84.71	1,188,208	9,617		89.52	9,617		89.52	1,089,876	
Feb-10	20,100	11,900	9.304	11,380		105.88	9,100		84.67	1,035,668	9,617		89.47	9,617		89.47	950,284	
Mar-10	18,600	10,900	9.039	10,830		97.89	8,220		74.30	958,392	9,617		86.93	9,617		86.93	940,533	
Apr-10	17,500	9,800	7.889	9,870		77.86	7,890		62.24	692,080	9,617		75.87	9,617		75.87	731,593	
May-10	18,600	10,100	7.784	9,880		76.91	7,610		59.24	738,047	9,617		74.86	9,617		74.86	786,472	
Jun-10	21,500	11,500	7.860	10,390		81.67	7,620		59.89	854,439	9,617		75.59	9,617		75.59	879,837	
Jul-10	23,500	12,700	7.940	12,310		97.74	8,620		68.44	1,126,409	9,617		76.36	9,617		76.36	998,562	
Aug-10	21,900	11,700	7.990	12,230		97.72	8,560		68.39	1,088,407	9,617		76.84	9,617		76.84	957,273	
Sep-10	18,900	10,300	8.025	9,960		79.93	7,110		57.06	703,721	9,617		77.17	9,617		77.17	774,087	
Oct-10	18,200	10,000	8.125	9,930		80.68	7,210		58.58	760,636	9,617		78.14	9,617		78.14	817,113	
Nov-10	19,100	10,600	8.460	9,850		83.33	7,200		60.91	782,721	9,617		81.36	9,617		81.36	853,276	
Dec-10	20,500	11,900	8.785	10,060		88.38	7,390		64.92	907,320	9,617		84.48	9,617		84.48	980,474	
Jan-11	21,000	12,200	8.990	11,460		103.03	9,120		81.99	1,153,667	9,666		86.90	9,666		86.90	1,057,922	
Feb-11	20,100	11,900	8.985	11,420		102.61	9,080		81.58	1,042,483	9,666		86.85	9,666		86.85	958,604	
Mar-11	18,600	10,900	8.725	10,890		95.02	8,200		71.55	911,982	9,666		84.34	9,666		84.34	902,123	
Apr-11	17,500	9,800	7.575	9,920		75.14	7,870		59.62	677,883	9,666		73.22	9,666		73.22	715,095	
May-11	18,600	10,100	7.465	9,930		74.13	7,600		56.73	697,056	9,666		72.16	9,666		72.16	748,293	
Jun-11	21,500	11,500	7.545	10,440		78.77	7,610		57.42	822,588	9,666		72.93	9,666		72.93	848,904	
Jul-11	23,500	12,700	7.635	12,470		95.21	8,660		66.12	1,116,732	9,666		73.80	9,666		73.80	977,877	
Aug-11	21,900	11,700	7.685	12,400		95.29	8,610		66.17	1,017,070	9,666		74.28	9,666		74.28	901,203	
Sep-11	18,900	10,300	7.720	10,060		77.66	7,120		54.97	710,595	9,666		74.62	9,666		74.62	769,019	
Oct-11	18,200	10,000	7.815	10,020		78.31	7,210		56.35	736,326	9,666		75.54	9,666		75.54	789,964	
Nov-11	19,100	10,600	8.155	9,890		80.65	7,170		58.47	726,139	9,666		78.83	9,666		78.83	805,288	
Dec-11	20,500	11,900	8.490	10,070		85.49	7,320		62.15	906,829	9,666		82.06	9,666		82.06	974,989	
Jan-12	21,000	12,200	8.705	11,880		103.42	9,460		82.35	1,139,601	9,998		87.04	9,998		87.04	1,047,354	
Feb-12	20,100	11,900	8.705	11,820		102.89	9,410		81.91	1,004,930	9,998		87.04	9,998		87.04	924,390	
Mar-12	18,600	10,900	8.460	11,290		95.51	8,510		71.99	932,964	9,998		84.59	9,998		84.59	915,223	
Apr-12	17,500	9,800	7.330	10,290		75.43	8,170		59.89	680,596	9,998		73.29	9,998		73.29	715,761	
May-12	18,600	10,100	7.200	10,300		74.16	7,910		56.95	685,292	9,998		71.99	9,998		71.99	736,757	
Jun-12	21,500	11,500	7.300	10,820		78.99	7,910		57.74	842,134	9,998		72.99	9,998		72.99	861,260	
Jul-12	23,500	12,700	7.385	12,940		95.56	9,010		66.54	1,144,156	9,998		73.84	9,998		73.84	991,142	
Aug-12	21,900	11,700	7.430	12,880		95.70	8,950		66.50	1,021,624	9,998		74.29	9,998		74.29	901,261	
Sep-12	18,900	10,300	7.470	10,440		77.99	7,410		55.35	714,178	9,998		74.69	9,998		74.69	769,703	
Oct-12	18,200	10,000	7.570	10,400		78.73	7,500		56.78	726,921	9,998		75.69	9,998		75.69	781,581	
Nov-12	19,100	10,600	7.900	10,240		80.90	7,430		58.70	743,312	9,998		78.99	9,998		78.99	817,675	
Dec-12	20,500	11,900	8.230	10,390		85.51	7,570		62.30	907,660	9,998		82.29	9,998		82.29	977,631	