

AUGUST 2007 INDICATIVE PRICING RFP CHRONOLOGY

2/23/07

Indicative bids received by other utilities suggested the market for fixed and indexed pricing was favorable.

3/9/07

Concord initiated an RFP for fixed and indexed indicative pricing:

Six bidders; Constellation, Morgan Stanley, J P Morgan, Dominion, Florida Power, Wisconsin Public Service.

Indexed Bids: Heat Rates flat between 9,700 – 10,200

Fixed Price Bids: 2010-2012 prices start at 7.6 cents/kwh and end at 7.3 in 2012 indicating a downward trend.

May-June

PLM reviewed Concord load curves and determined mwhs required to fill in base load from 2010-2012 by month and during peak and off peak hours.

7/31/07

Met with Chris and Tony to discuss the above and answer questions about indexed vs fixed pricing and the present market trends. With winter approaching (historically higher natural gas prices; high demand) as well as hurricane season, an RFP should either be offered now or wait until next spring.

8/1/07

Issued RFP for indicative pricing for approximately 115 million kwhs per year from 10/09 -12/12 stating Concord had the sole right to refuse all bids. Originally were going to send out the RFP for late August but because of hurricane season concerns and the possible adverse impact on natural gas prices, it was decided to issue the RFP immediately.

8/7/07

We received indicative fixed and indexed bids from the same six suppliers, who responded in March, 2007. The low fixed and indexed bids were within 1% so the consensus was the indexed bids offered the best value. MS and FPL were the low indexed bids with MS having the best contractual guarantee. MS was then negotiated to a slightly lower heat rate and a faxed response was required that day to fix the deal. The faxed response was signed by the Town Manager and sent on 8/7.