

Retail Market Monitor

A Monthly Report Tracking Competitive and Regulatory Issues in Retail Energy Markets

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Deals

Liberty Power Corporation to Supply Power to New York Life and Pasadena, Texas

Liberty Power Corporation announced that it was awarded a power supply contract by New York Life Insurance Company. From its regional offices located in the Empire State Building, Liberty manages a rapidly expanding portfolio of clients including the U.S. Department of Homeland Security, the Department of Defense, Linens 'n Things, and Autozone.

On June 15, Liberty Power Corporation announced that it has been awarded a multi-year contract to supply power to the municipal government of Pasadena, Texas. Liberty Power will supply electricity to all of Pasadena's municipal agencies, including the City's Police, Fire and other emergency-response departments.

Calpine signs 25-year power and steam deal with Dow

Calpine Corporation signed a 25-year agreement on May 25 with The Dow Chemical Company (Dow), Midland, Mich., for the sale of up to 200 megawatts of electricity and 1 million pounds per hour of steam to Dow's Freeport, Texas, facility. Under the agreement, Calpine will develop a 250 MW natural gas-fired cogeneration facility that will be constructed in phases (beginning in June 2004) and will begin the delivery of steam in 2005. The facility is expected to be fully operational in 2006.

Reliant Energy Solutions, Pepco Energy Services announce supply deals with U.S. military installations

Reliant Energy announced that it won a \$35.9 million contract from the U.S. Defense Department to supply power to several U.S. military installations. The contract, which runs for 17 months beginning July 4, calls for Reliant to supply 93 megawatts of electricity to Andrews Air Force Base, Walter Reed Medical Center, Carderock Naval Weapons Testing Center and other military locations. The company was also recently awarded a contract by the Baltimore Metropolitan Council to supply 134 MW of electricity to 23 Maryland government entities, including the city of Baltimore.

Pepco Energy Services announced it was awarded a contract with the Department of Defense to supply 107 MW to several federal agencies in Maryland. PES valued the 17-month contract at \$34 million, and said it would save the government \$8 million compared with utility rates. The contract begins this month.

N.H. Industries to buy retail power directly from wholesale market

New Hampshire Industries, Inc. (NHI) has become the first consumer to purchase wholesale electricity directly from the New England Power Pool market. Under the deal, Freedom Energy will manage NHI's purchases from the NEPOOL market.

A customer that buys directly from NEPOOL can hedge prices through NEPOOL and can stop purchasing with 48 hours notice and then take default power from the distribution company.

DTE signs deal to buy utility assets from and provide conservation services to DaimlerChrysler

DTE Energy Services and an affiliate of the Goldman Sachs, have formed a joint venture to acquire utility equipment at eight DaimlerChrysler Corp. manufacturing plants. DTE Energy Services has developed similar utility services projects with other automakers, as well as with steel companies, large commercial businesses, and in the pulp and paper industry. DTE Energy Services will provide a variety of utility management services to Chrysler under a long-term management services agreement. The utility assets at Chrysler plants in Michigan, Indiana and Ohio, were purchased for \$288M.

Whole Foods Markets sign wind deal in Northeast

Whole Foods Market signed a contract with Community Energy to purchase 11.2 million kWh of electricity each year for the next five years. As a result of the deal, 10 percent of the electricity used by its 54 stores in the Northeast and Mid-Atlantic States will be generated by wind turbines.

Direct Energy Business Services to supply electricity to Texas school districts and colleges

Direct Energy Business Services announced on June 8 that the Texas Association of School Boards (TASB) has selected Direct Energy Business Services as the preferred electricity provider for 1,042 Texas independent school districts, private schools and colleges. To date, Direct Energy Business Services has contracted with 43 independent school districts, one private school and three colleges for electricity services ranging from 12 to 34 months, representing more than approximately 400 gigawatt-hours over the terms of the contracts. Direct Energy Business Services product offerings include various length-of-term contracts and price protection plans.

In addition, Direct Energy Business Services announced June 14 that it has secured a 29-month electricity supply contract with the Hurst-Euless-Bedford Independent School District, located between Dallas and Fort Worth. The contract includes service to 42 commercial sites and annually represents approximately 26 million kilowatt-hours and an estimated \$400,000 in savings for the school district. The Direct Energy Price Protection Plan provides the large school district a flat price, which will protect it from electricity cost increases during the term of the contract.

FirstEnergy Solutions to supply electricity to Westinghouse Electric Company In Pittsburgh

FirstEnergy Solutions Corporation has been selected to supply electricity to Westinghouse Electric Company's international headquarters, The Energy Center in Monroeville,

Pennsylvania. The agreement is part of Westinghouse's ongoing efforts to reduce energy costs at its facility. Details about the deal were not disclosed.

