

NYISO Webinar Q&A

Nick: Some marketers have offerings within LIPA. What do you think of this?

We do not participate in the LIPA market. We have reviewed the market and we do not feel that we would not provide the best opportunities for our customers by being in this market.

John: What factors affect the MSC? Are these impacted by utility power purchases?

The MSC rate is set on a 3 month period using the energy and capacity charges. They adjust the price on a monthly basis to make up for the price of power purchases.

Key factors that affect the MSC include:

- 1. Market cost of energy and capacity based on NYISO market prices (Impact from Utility Power Purchases)*
- 2. Ancillary Service Charges*
- 3. NYPA Transmission adjustment Charge (NTAC)*
- 4. Other transmission charges*

John: What are the differences between bearish and bullish?

Bullish drives prices to increase, whereas, bearish will drive the market down.

Skip: Can you define large/small customers?

Your invoice will tell you if you are a commercial or industrial customer. If you look on your invoice it will tell you the meter type of meters your facilities have. The difference determines what rate class you are on with the utility or the product with an ESCo.

Eulah: If you have NYSEG BRO w/Rack and ESCO supplying electrons are you required to go to hourly pricing?

No, they are reviewing the laws right now trying to decide if they need to go to hourly pricing, but it is still undecided. The decision will be made by September of this year.

Eulah: In the NYSEG area, is the day-ahead or real time price lower?

Theoretically, they are the same. They are both indexes and there should not be an arbitrage situation between the two. Historically, the day ahead is less volatile than real time, but that does not mean that it always will be.

Adrian: Why did you correlate to Henry Hub instead of a point in NY?

We used Henry Hub because it is recognized natural gas hub. It is used to reflect gas prices for the US. Prices across the state will vary from that, but that is due to transportation cost and would not affect the correlation between power and gas.

NYISO Webinar Q&A

Steve: Do you service Central Hudson?

Yes, we do serve in that area. Feel free to give us a call if you have any questions about the service territories we serve. Our number is 1-866-999-8374 if you would like further information.

Diane: I am getting conflicted information regarding the PSC's mandate to hourly pricing. Are ESCo's required to introduce hourly pricing or are they exempt?

New York utilities have to offer this to their customers. It was mandated to the utilities. No, ESCo's are not required to have hourly pricing. We do offer that product, but it is not required.

Dennis: Please provide a status update for PFJ (Power for Jobs). What is the current expiration date? Will the accounts on PFG receive rebates for the market premiums paid between December and May of this year? What is the advantage in staying with PFJ? What risk leaving?

PFJ customers can receive physical supply or a monthly supply credit from NYPA. Historically, NYPA has been able to offer rates that are so low that it did not make sense leave NYPA and switch to a third party supplier. Generally, if you are receiving NYPA power you probably should stay with it. With that, the longevity of Power for Jobs is still in question. If it is approved, there is \$100 million dollars available. The charges are changing. Recently, many customers have seen such an increase in their NYPA charges that in some cases, leaving NYPA and opting for 3rd Party supply instead has made sense.

Whether you are being served physically or financially (monthly credit), 3rd Party Supply is usually a viable option. If you are being served physically, you can contract with an ESCO to only supply the residual load above your monthly NYPA allocation. If you are being served financially, you should contract with an ESCO to supply your entire load, your NYPA credit will not be affected. Keep in mind, that to receive both the Sales Tax incentive (and Retail Access Credit, if you're with Con Edison), you must be under contract with an approved 3rd Party Supplier.

Ralph: What markets do for need the Authorization for?

We will ask for a letter of Authorization for all markets for our own record keeping. The actually need for the letter does vary on case by case basis depending on the rules of that utility. If you call us we can let you know if it is necessary, our number is 1-866-999-8374.

Jim: What are the saving by switching to Suez over staying with the utility. Can SUEZ give a savings analysis?

NYISO Webinar Q&A

It does depend on the market. In markets like RG&E there can be up to a \$4/MWh savings, where as in ConEd there is not a savings on our prices in compared to the hourly price. Give us a call and we can let you know what some of the potential savings are and if there are products that allow you to better manage your risk.

Scott: In National grid territory can I get a fixed price from a supplier?

Yes, in National Grid you can get a fixed price from an ESCo. The utility does not offer a fixed price option. Once again, feel free to give us a call and we can talk about the fixed price product in the National Grid market.

Melody: Can you address the tax savings available in the state of New York?

For customers who execute a commodity supply agreement with an ESCO, they will avoid paying Sales Tax on their T&D (Transportation and Distribution) bill from their regulated utility during the contract term.

Jeremy: What sort of metering is required for hourly pricing?

This is a correction from the presentation. Any meter can be on hourly pricing. However, IDR meters can benefit from the hourly pricing, whereas, a scalar meter the hourly pricing is just averaged to a monthly rate. IDR meters reads data every 15 minutes and scalar meters reads data once a month.

Eric: I am trying to stay informed on the markets but I am not a decision maker or purchasing agent. Will our contracts with Suez help to sort of insulate us from market volatility with interval pricing in the National Grid serviced area?

Feel free to give us a call and we can set up a product that can match up to your risk tolerances. The number is 1-866-999-8374.

Rajiv: How do you define if you are a commercial or residential service class if you are a high rise apartment rental building and why does it vary? Which one is more beneficial financially?

If you look at your invoice it will tell you what meter type you have. It varies because of the type and size of load you use.

Josh: Do you offer green power?

Yes, we can offer green power. We do not have any plants that are green power generators. However, we can procure the rights to green power to be able to sell that to the end users. This is similar to most ESCo's in the NYISO market.

NYISO Webinar Q&A

Josh: Where does the shopping incentive credit show up, on the utility bill or the ESCo bill?

For Con Edison & O&R, the credit will show up on the utility bill.