

Key Accounts Customer Meeting



November 19, 2008

Welcome

Today's Speakers:

**Cheryl Mele, Senior VP of Electric
Service Delivery**

**Pat Sweeney, Director of Energy &
Market Operations**



Agenda

- **Power Factor**
- **Future Resource Planning**
- **Green Choice Batch 6**
- **Fuel Charge Outlook**

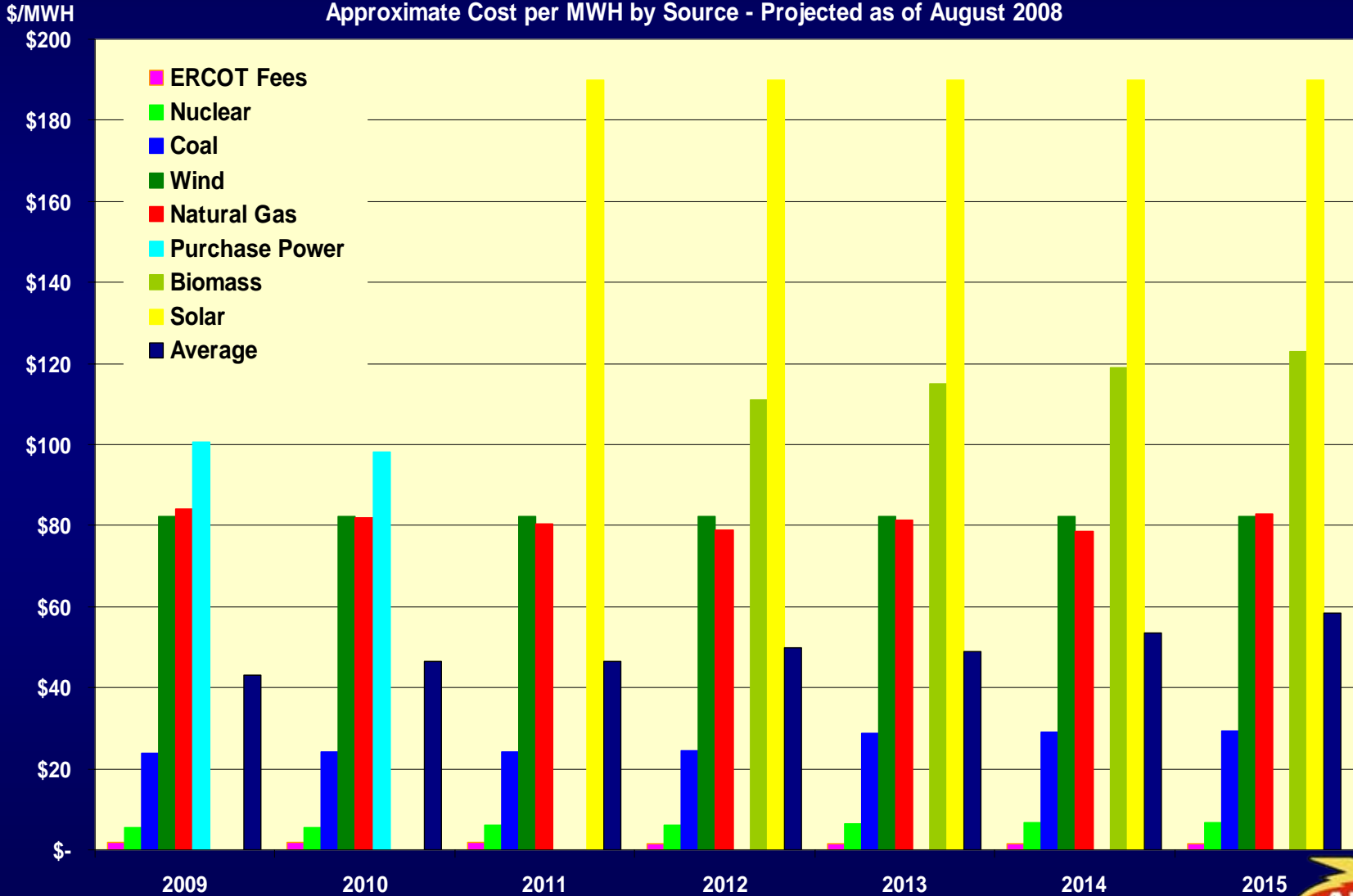


Fuel Charge Outlook

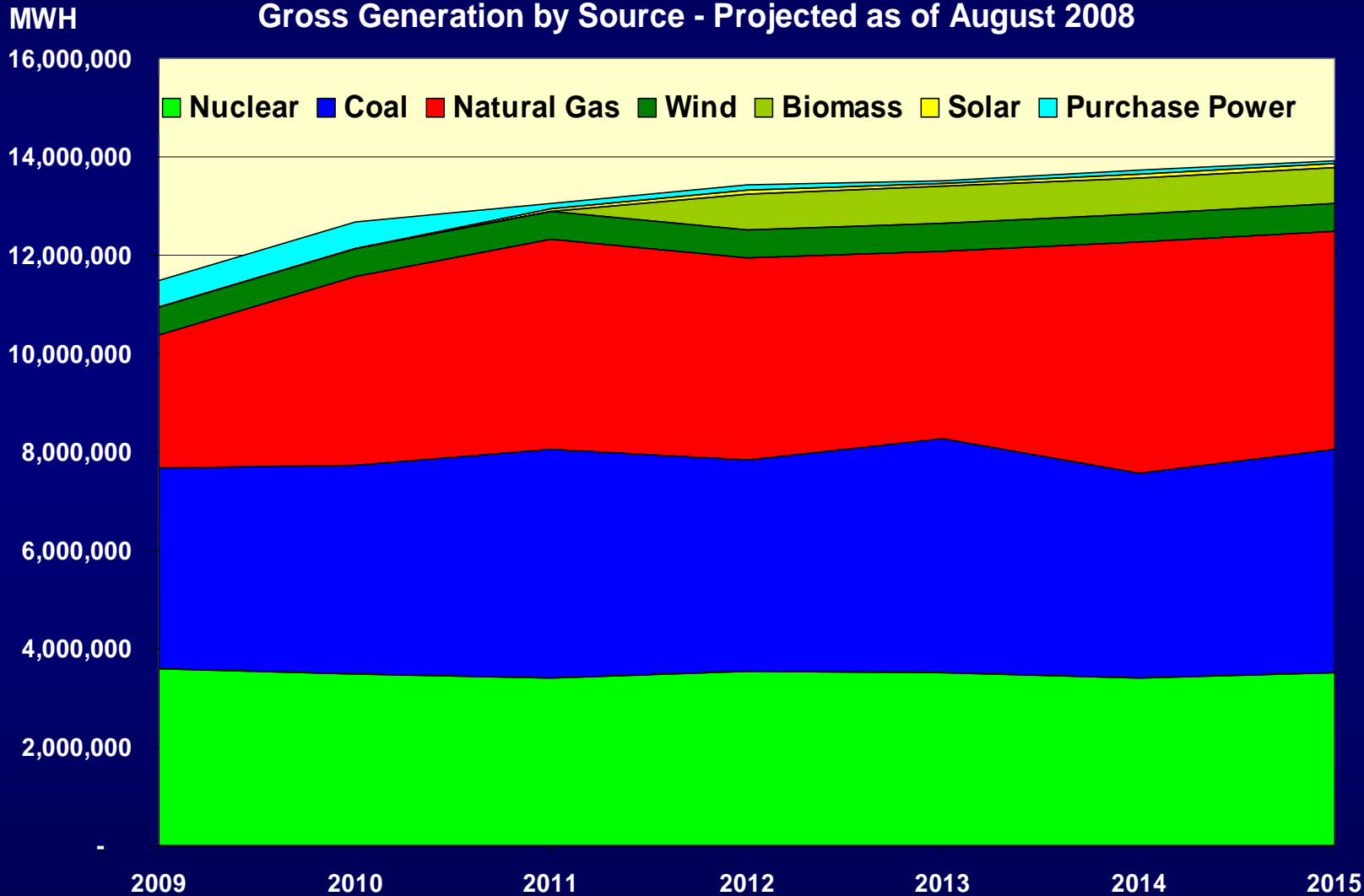


Fuel Charge Outlook

Approximate Cost per MWH by Source - Projected as of August 2008

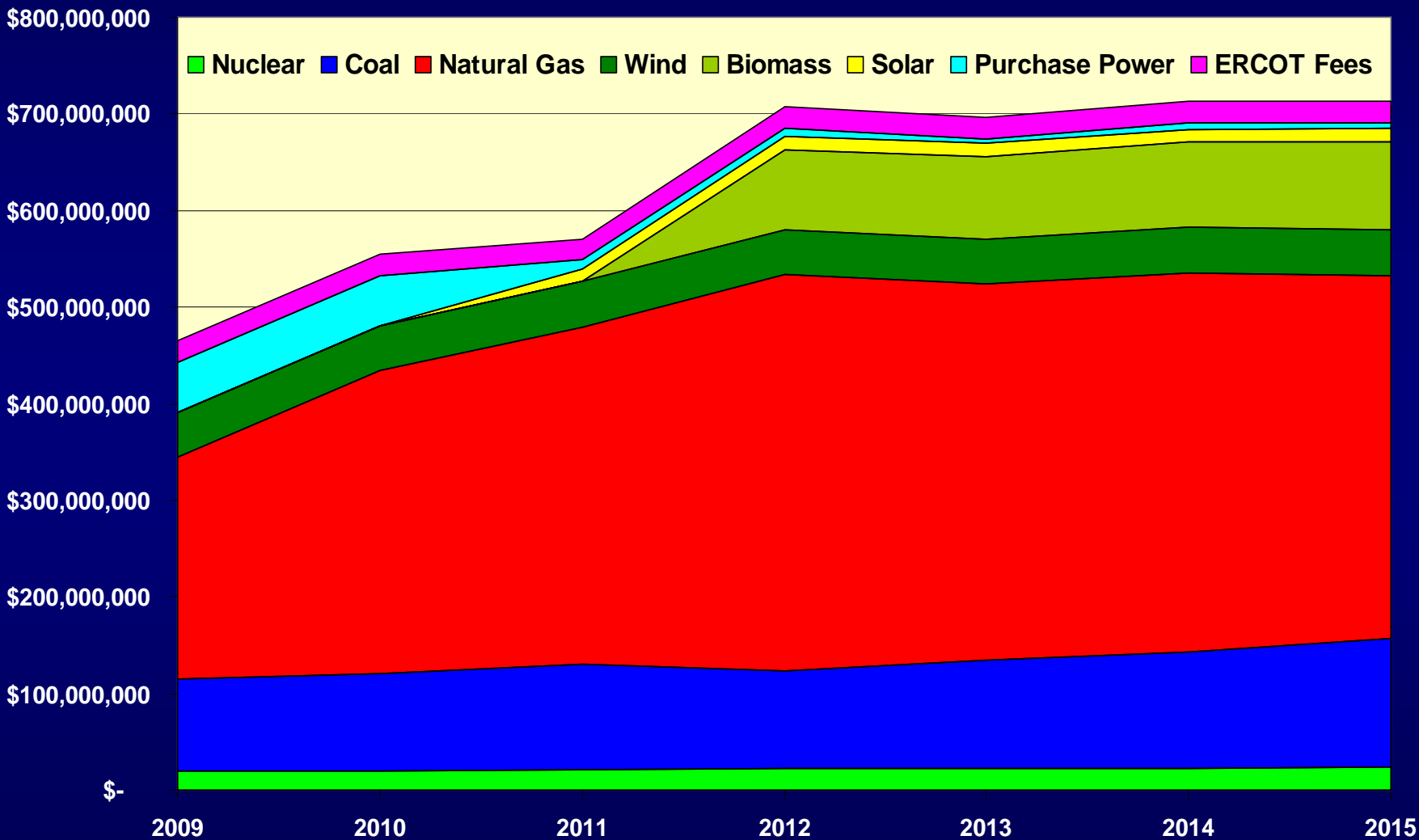


Fuel Charge Outlook



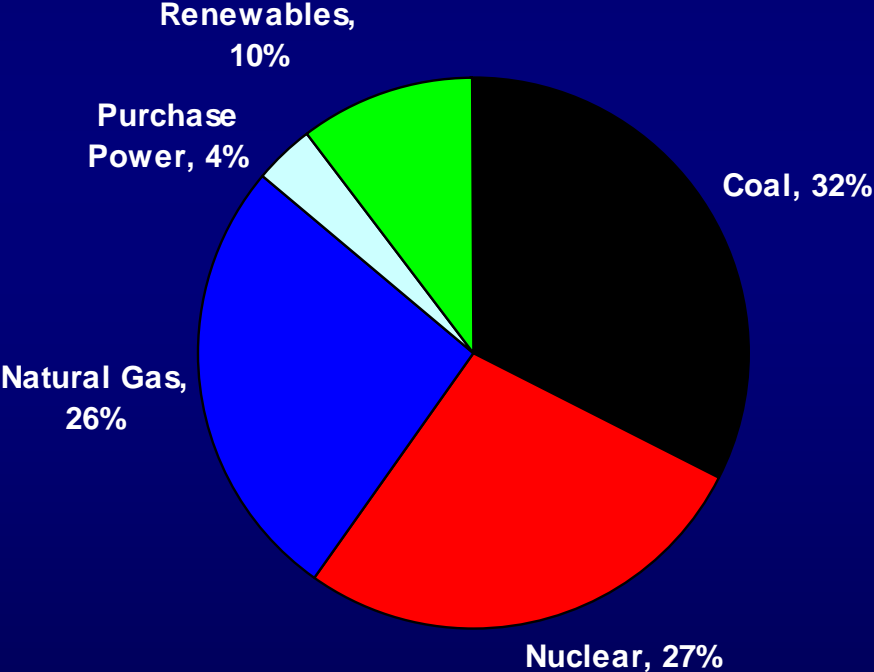
Fuel Charge Outlook

Fuel Costs by Source - Projected as of August 2008

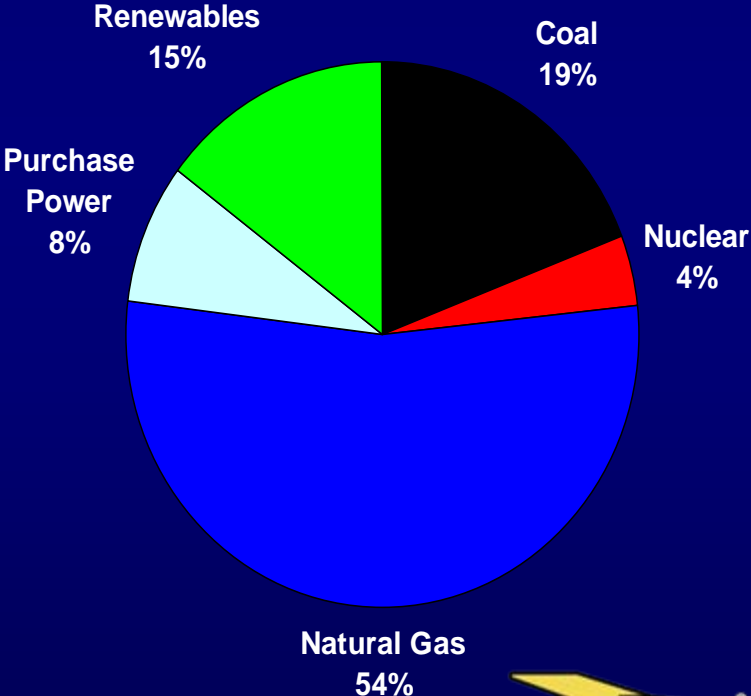


Fuel Charge Outlook

% of Supply



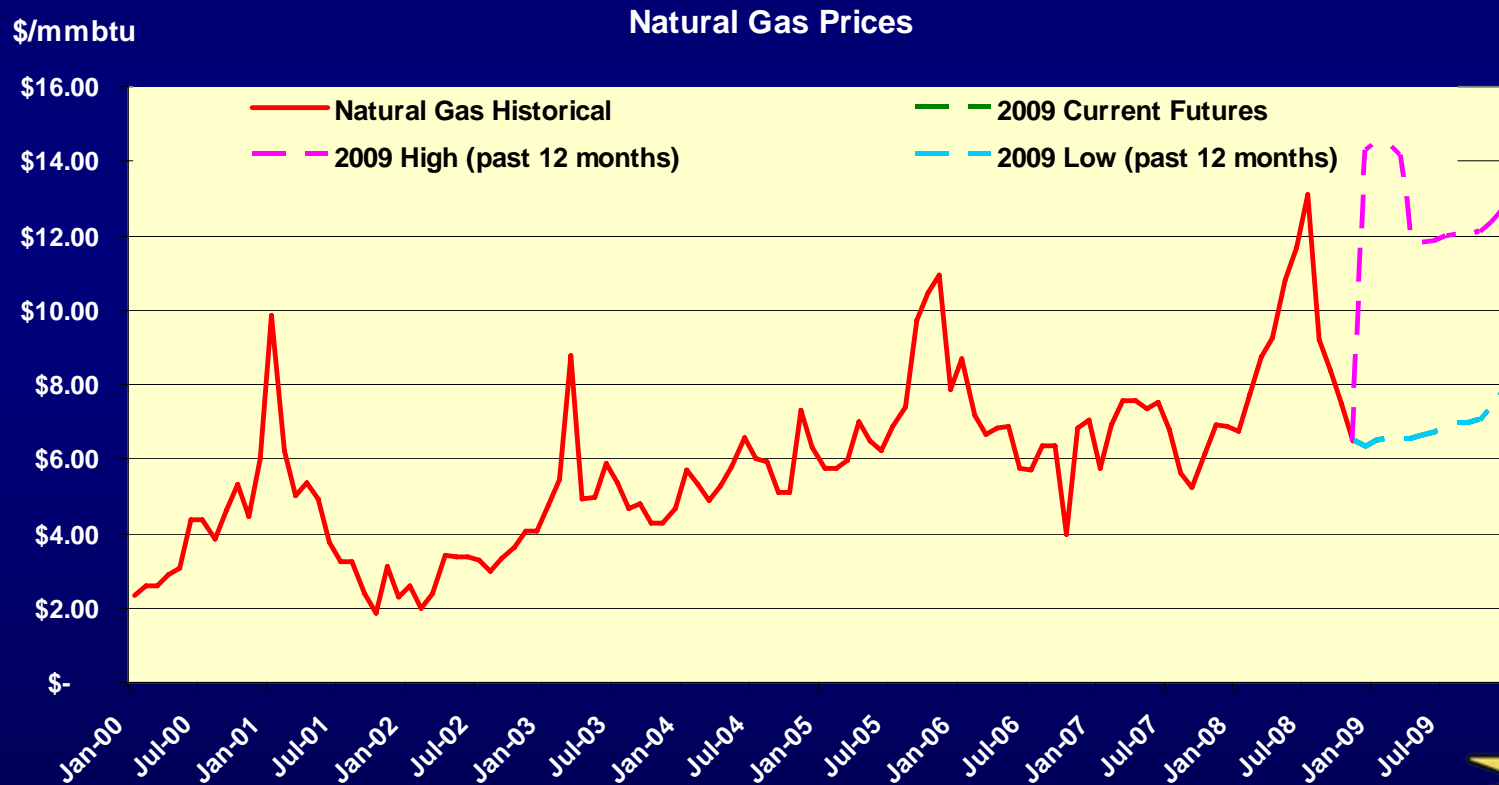
% of Cost



Fuel Charge Outlook

2008 saw significant price volatility:

- Hedges protected AE from spike and are allowing us to benefit from the decline



Fuel Charge Outlook

- **2009 Outlook**
 - **Estimated 10–15% increase since last December**
 - **Natural gas prices for 2009 have moved down**
 - **Now estimating 5–10% increase for 2009**
 - **Final determination by mid-December**
- **Long term trend is still up**



Fuel Charge Outlook

Fuel Factor Ranges - Projected as of August 2008
(\$8 to \$12 Natural Gas)

