DIRECT TESTIMONY OF

JULIUS A. WRIGHT, Ph.D

ON BEHALF OF

SOUTH CAROLINA ELECTRIC & GAS COMPANY

DOCKET NO. 2010-2-E

Q. PLEASE STATE YOUR NAME, TITLE, AND BUSINESS ADDRESS.

A. My name is Julius A. Wright, President, J.A. Wright & Associates, Inc., 3307 Loridan Way, Atlanta, Georgia 30339.

Q. FOR WHOM ARE YOU PRESENTING TESTIMONY IN THIS DOCKET?

A. I am presenting testimony on behalf of South Carolina Electric & Gas Company ("SCE&G" or "Company").

Q. DR. WRIGHT, PLEASE SUMMARIZE YOUR EDUCATION AND PROFESSIONAL EXPERIENCE.

A. I received a Bachelor of Science degree in Chemistry from Valdosta State College in 1974. I later earned an MBA in Finance from Georgia State University in Atlanta, Georgia, and a Master's and Ph.D. in Economics from

North Carolina State University, where I focused on regulatory and environmental economics. I have completed the Michigan State Regulatory Course, several National Association of Regulatory Utility Commissioners courses on regulation, and various management and investment seminars.

I am the President of J. A. Wright & Associates, Inc. Prior to starting my practice, I was a Client Partner for AT&T Solutions, Utilities and Energy Practice. Before that affiliation, I was a Utility Consultant for three years with EDS. Prior to that, I was a Commissioner on the North Carolina Utilities Commission. I also served three terms in the North Carolina State Senate. During the time that I was a Senator, I was a Senior Process Engineer with Corning Glass in its Fiber Optic Division. Prior to my work at Corning, I worked for four years in the chemical industry, first as a Process Chemist and later as a Senior Project Engineer.

In the course of my consulting work, I have addressed various regulatory issues, including: integrated resource planning and DSM; regulatory strategies and policy; prudence reviews; avoided cost determinations; rate forecasting; and gas integrated resource planning. My detailed resume is attached hereto as Exhibit No. __ (JAW-1).

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

A. The purpose of my testimony is to present the findings of an analysis of the feasibility, costs or benefits that would be expected to result should the

Company undertake a coal hedging program. This analysis and subsequent report was prepared in response to a Settlement Agreement which was approved by the Commission in Order No. 2009-289, dated April 30, 2009. In fulfillment of its obligations pursuant to the Settlement Agreement and Order No. 2009-289, the Company conducted the coal hedging feasibility analysis and presented its final report to the Commission as directed by the Order. A copy of this report is attached hereto as Exhibit No. __ (JAW-2).

Q. WERE PARTIES TO THE SETTLEMENT AGREEMENT PROVIDED AN OPPORTUNITY TO PROVIDE INPUT REGARDING THE DESIGN AND ANALYSIS UNDERTAKEN IN THIS COAL HEDGING INVESTIGATION?

A. Yes. The Settlement Agreement explicitly provided that "during the first sixty (60) days of the analytical process measured from the date of execution of this agreement, at each Party's discretion, SCE&G agrees to receive and consider input from a Party regarding the design of the analysis and the factors to be included in the analysis for evaluation." During this sixty day time period, the Company received no suggestions or comments from any party.

Q. PLEASE PROVIDE A BRIEF OVERVIEW OF HOW THE COAL HEDGING FINANCIAL ANALYSIS, FOUND IN THE ATTACHED REPORT, WAS PERFORMED.

A. This coal hedging financial analysis examined the potential benefits or costs of using futures, options, and financial swaps—the basic forms of financial derivatives used in the coal commodity marketplace—as a hedge against both long-term and short-term coal purchasing contracts. For purposes of this analysis, long-term coal contracts are those contracts generally lasting 3 or more years. These contracts represent approximately 80% of SCE&G's coal purchases. For purposes of this analysis, short-term coal contracts are those contracts generally lasting one year or less.

The Settlement Agreement called for a methodology that considered the volumes of coal purchased and other relevant data, such as electric system demand, weather, and plant operating characteristics. To incorporate these parameters in the coal hedging financial analysis, the analytical methodology relied upon actual historical coal purchasing data. Moreover, the analysis included data beginning in 2003 because coal hedging tools and coal spot market price data were largely unavailable before that time.

Q. PLEASE PROVIDE AN OVERVIEW OF THE ANALYSIS CONCERNING LONG-TERM CONTRACTS.

A. For long-term contracts, the analysis compared the actual coal contract price to the price of a coal future (or coal swap, which for this analysis was considered mathematically the same because both derivatives would be based on the same forecast of future coal prices) at the point in time when the long-term coal purchase contract pricing terms were settled - usually sixty to ninety days prior to the start of delivery. The contracts included in this analysis consisted of every non-import long term contract between late 2003 through 2008. In this long-term contract analysis, coal options were not considered a reasonable hedge alternative because the use of an option means that the Company would be willing to not exercise the option. In such a scenario, the Company would either have to allow coal inventories to decline, which seems unlikely for coal-fired baseload generating units, or the Company would have to purchase more coal through the spot market. The second alternative is also unlikely as it not only increases the Company's reliance upon short-term markets, but it exceeds the overall levels of short-term coal purchases that the Company and this Commission have found to be reasonable in the past.

Q. PLEASE PROVIDE AN OVERVIEW OF THE ANALYSIS CONCERNING SHORT-TERM CONTRACTS.

A. For short-term contracts, several analyses were performed. First, the actual historical monthly cost of coal purchased by the Company using spot market contracts (over 130 non-import short-term contracts employed between January 2004 through December 2008) was compared to the actual monthly price of futures contracts that were available at the time the spot market contracts were executed. Similar to the long-term contract analysis, the comparison of a futures contract or a swap market was assumed to be roughly equivalent from a mathematical analytical perspective.

Recognizing a potential bias from considering only the dates and coal pricing data specific to the time the Company entered into a short-term coal contract, a second analysis was also undertaken. In this analysis, it was assumed that at the first of every month, beginning in 2004, and for every month thereafter through September 2009, the Company could do one of two things. It could either enter into a six month, nine month, or twelve month futures contract (or swap) or it could simply purchase coal six, nine, or twelve months later in the spot market at the prevailing spot market prices. The analysis then compared the cost difference had the Company entered into a futures contract as opposed to simply waiting and purchasing the coal in the spot market on a monthly basis. Consequently, this analysis did not pick and choose which month to enter a futures contract and it chose three different

future time periods - six, nine, and twelve months out into the future - to analyze.

Two different analytical techniques were used to determine the impact of the use of call options on short-term coal purchases. First, the actual historical cost of coal purchased by the Company using spot market contracts (approximately 130 different contracts) was compared to the actual price of call options (plus the call premium) that were available at the time the spot market contracts were executed.

The second analysis assumed that near the first of every month, beginning in 2004, and for every single month thereafter through September 2009, the Company could either enter into a six month, nine month, or twelve month call option contract for short-term coal purchases or simply purchase coal each month in the spot market at prevailing spot market prices. Consequently, this analysis does not pick and choose which month to enter a call option contract, but rather assumes a call option contract is entered every single month for future coal purchases six, nine and twelve months out.

Q. PLEASE SUMMARIZE THE FINDINGS OF THE COAL HEDGING FEASIBILITY STUDY.

A. The analysis indicated that SCE&G saved approximately $148 million in coal costs using its existing long-term coal purchasing practices as compared

to the alternative of using futures contracts (or swaps) in lieu of these long-term contracts.

With respect to short-term coal contracts, the analysis relying on Company specific data indicated that SCE&G has generally saved several million dollars each year by employing its current short-term purchasing techniques as compared to using either futures, swaps, or call options in lieu of the current short-term contracts. A similar analysis that did not rely upon Company specific data produced generally similar results.

These long and short-term coal hedging quantitative financial analyses demonstrate that the use of coal hedging in the Company's coal contracting efforts would be expected to increase the Company's overall coal costs.

Q. ARE THERE OTHER FACTORS TO CONSIDER IN DETERMINING WHETHER A COAL HEDGING PROGRAM WOULD BE APPROPRIATE FOR SCE&G?

A. Yes, there are several qualitative issues that would make a coal hedging program less desirable or effective than might otherwise be true for other commodities, such as natural gas. These issues include:

- Coal is not a uniform, homogenous product, therefore, coal from different mines often cannot be used from one coal fired electric generator to another.

- The transportation of coal, unlike natural gas, has proven to be problematic in terms of both capacity and scheduling, thereby adding additional concerns and risks to the development of a derivatives marketplace.
- Coal prices are not as transparent as many commodities due to the fact that many, if not most, coal contracts are confidential.
- Historically, the price of coal has seldom experienced the price volatility routinely seen in the natural gas market.

Q. IN YOUR OPINION, SHOULD THIS COMMISSION REQUIRE SCE&G TO INCLUDE THE USE OF FINANCIAL DERIVATIVES IN ITS COAL PURCHASING PRACTICES?

A. No. Given the lack of any apparent financial benefit from using coal derivatives in its coal purchasing practices, coupled with a number of other non-quantitative concerns, I believe it would be unwise at this time for SCE&G to modify its current coal purchasing practices to include the use of financial derivatives.

Q. DOES THIS COMPLETE YOUR DIRECT TESTIMONY?

A. Yes.

J. A. WRIGHT, PhD

Julius A. "Chip" Wright is the President of J. A. Wright and Associates, 3037 Loridan Way, Atlanta, GA, 30339; 770-956-1225; jawright@mindspring.com.

Experience Overview

Prior to starting his firm, Dr. Wright was a Client Partner for AT&T Solutions Utilities and Energy Practice and before that a Principal in EDS' Management Consulting Services. Prior to this Dr. Wright served an eight-year term as a Utility Commissioner for the state of North Carolina. Prior to that, he served three terms in the North Carolina State Senate while he was a senior project engineer for Corning Glass Works on their optical wave guide project in Wilmington, North Carolina. While serving on the North Carolina Utility Commission, he served four years on the National Association of Regulatory Utility Commissioners (NARUC) Electricity Committee. He has served in various other advisory capacities, including the Keystone Committee on Externalities; the North Carolina Radiation Protection Committee, and on an Oversight Committee for a joint North Carolina/New York/ Department of Energy (DOE) project.

Electric Competition Natural Gas, and Regulatory Strategy

- "*Energy Deregulation*," March 2001, report of the California State Auditor on the causes of the problems related to high electric prices and blackouts (from May, 2000 through June 2001, and ongoing) in California's restructured electric marketplace. Dr. Wright was one of three consultants who essentially researched and prepared the State Auditor's report.

- Principal author with Dr. Al Danielsen of "*Reliability of Electric Supply In Georgia*," published by The Bonbright Utilities Center, University of Georgia, June, 2001.

- Presented testimony before the North Carolina Public Utilities Commission on behalf of SCANA Corporation regarding issues related to market power in its merger with Public Service Company of North Carolina, Docket No. G-5, Sub 400; G-3, Sub 0.

- Was the principal author of a report and investigation titled "*An Analysis of Commonwealth Edison's Planning Process For Achieving Reliability of Supply*," which was an investigation of the Company's planning process to meet its statutory obligation for supplying electricity as Illinois transitions to a competitive retail electric market, Illinois Commerce Commission Docket No. 98-0514.

- Co-authored a national study that used computer modeling techniques to quantify the impact of electric competition on the aggregate economy in each of the 48 continental United States.

- Presented testimony to Louisiana Legislative Committee on behalf of Entergy Corporation regarding the various regulatory and technical issues that need to be addressed in the transition to competition.

- Was a panelist on a Southern Gas Association national televised forum on

performance based regulation for the natural gas industry.

- Was the lead policy witness for South Carolina Electric and Gas on obtaining regulatory approval to transfer depreciation reserve from a nuclear plant to T&D depreciation reserve. This is a critical issue in preparing for competition and limiting stranded investment.

- Public Service Company's power and resource acquisitions over a five year period. Developed an overview of Niagara Mohawk Gas' integrated resource planning efforts. This engagement was under a contract from Oak Ridge National Laboratories.

Presentations and Publications

"*Energy Deregulation*," March 2001, report of the California State Auditor on the causes of the problems related to high electric prices and blackouts (from May, 2000 through June 2001, and ongoing) in California's restructured electric marketplace. Dr. Wright was one of three consultants who essentially researched and prepared the State Auditor's report.

"Low Cost States and Electric Restructuring - The Issue is the Price!" presented to the 1999 Miller Forum on Government, Business and the Economy, University of Southern California, April 19, 1999.

An Analysis of Commonwealth Edison's Planning Process For Achieving Reliability of Supply, Illinois Commerce Commission Docket No. 98-0514.

The Impact of Competition on the Price of Electricity, author, published by L. A. Wright and Associates, November, 1998.

"Retail Competition in the Electric Industry: The Impact on Prices," presented at the 18th Annual Bonbright Center Energy Conference, Atlanta, Georgia, Sept. 10, 1998.

Potential Economic Impacts of Restructuring the Electric Utility Industry, co-author, published by the Small Business Survival Committee, Washington, DC, November, 1997.

"How Deregulation Will Affect Power Quality and Energy Management," presented at the Power Quality and Energy Management Conference co-sponsored by Entergy and EPRI, New Orleans, LA, Nov. 14, 1997.

"Deregulation of the Electric Industry," *Proceedings: National Business Energy Forum*, June 26, 1997, New Orleans, LA.

"Restructuring The Electric Utility Industry: Theory vs. Reality," presented at the American Bar Association Restructuring Conference, Raleigh, NC, Dec. 5, 1996.

"Alternative Rate Making for the Natural Gas Industry: State Issues," presented at the Tenth Annual NARUC Biennial Regulatory Information Conference, Columbus, Ohio, Sept. 12, 1996.

"Stranded Assets Recovery Issues," presented at the Western Electric Power Institute: Financial Forum, Tucson, Arizona, March 8, 1996.

"Performance Based Regulation for The Natural Gas Industry," panelist on Southern Gas Association's Televised Regulatory Forum, Dallas, Texas, Jan. 18, 1996.

"Industry Structure Should Meet Stakeholder Objectives," *Electric Light and Power*, Jan., 1996.

"Quantifying the Value of Stranded Investment: A Dynamic Modeling Approach," *Proceedings: Implementing Transmission Access and Power Transactions Conference*, Denver, Colorado, Dec. 14, 1995.

Comments to FERC in the matter of Notice of Proposed Rulemaking on Open Access, Docket No. 95-9-000, 1995.

"*Comparing New York State Electric and Gas Corporation's Non-Utility Generator Payments to Current Avoided Cost Rates*," report submitted in support of affidavit filed before FERC in Docket No. EL 95-28-000.

"A Solution To The Transmission Pricing and Stranded Investment Problems" *Public Utilities Fortnightly*, January 1995.

"*Gas Integrated Resource Planning: The Niagara Mohawk Experience*," for Martin Marietta Energy Systems, Inc., under contract to the United States Department of Energy, ORNL/SUB/93-03369.

"Future Regulation In the Water Industry - Can We Solve the Problems Before They Happen?" *Water*, Vol. 29, No. 2, pp. 14-17, Summer 1988.

Testimony

- Provided testimony for Georgia Power in its 2007 Integrated Resource Plan reviewing the plan filed by the Company and discussing how its demand-side proposals were reasonable, (TRC, RIM, PTC), Docket number 24505-U, May, 2007.

- Presented two testimonies before the South Carolina Public Service Commission on behalf of South Carolina Electric and Gas, Duke Energy and Progress Energy Carolinas in the investigation of adoption of energy efficiency and generation standards related to the Energy Policy Act of 2005, Dockets No. 2005-385-E and No. 2005-386-E, April, 2007.

- Presented testimony before the North Carolina Public Utilities Commission on behalf of Duke Energy and Progress Energy Carolinas in the investigation of adoption of energy efficiency and generation standards related to the Energy Policy Act of 2005, Docket No. E-100, Sub 108 November, 2006.

- Presented testimony before the North Carolina Public Utilities Commission on behalf of Duke Energy in the investigation of Duke Energy's 2006 Integrated Resource Plan, Docket No. E-100, Sub 103, June, 2006.

- Provided testimony for Georgia Power in its 2005 Fuel Adjustment Hearing on the issue of the appropriate pricing methodology for the dispatch and sale of electricity in the Southern Company system, Docket number 19142-U, April, 2005.

- Presented testimony on behalf of South Carolina Electric and Gas Company before the South Carolina Public Utility Commission for South Carolina Pipeline Company related to the inclusion of a generating plant in rate base and to the recovery of RTO (Gridsouth) related costs,

Docket No. 2004-178-E, October, 2004.

- Presented testimony on behalf of Entergy Mississippi before the Mississippi civil court dealing with maintaining the confidentiality of special use contracts, August, 2004.

- Presented rebuttal testimony before the South Carolina Public Utility Commission for South Carolina Pipeline Company related to the reasons for continuing a program that allows flexible, competitive based pricing for large, interruptible customers that have alternative fuels, Docket No. 2004-6-G, May 29, 2004.

- Presented testimony before the Georgia Public Service Commission on the appropriate range for a return on equity earnings band (a form of performance based regulation) to set in a Savannah Electric & Power Company rate case, Docket No. 14618-U, April, 2002.

- Presented testimony before the Georgia Public Service Commission on behalf of Scana Energy Marketing related to affiliate relationships and the appropriate affiliate rules between Atlanta Gas Light Company's regulated and unregulated affiliates. Docket No. 146060-U, August 24, 2001.

- Presented testimony before the North Carolina Public Utilities Commission on behalf of SCANA Corporation regarding issues related to market power the appropriate affiliate relationship protections necessary in its merger with Public Service Company of North Carolina, Docket No. G-5, Sub 400; G-3, Sub 0.

- Presented testimony before the South Carolina Public Service Commission on behalf of South Carolina Pipeline Corporation regarding issues related to its annual review of gas costs as reflected in its purchase gas adjustment charge, Docket No. 1999-007-G, September, 1999.

- Presented testimony to the South Carolina Public Utility Commission for South Carolina Pipeline Corp. related to acquisition adjustments and regulatory policies related to performance based regulation, Docket No. 90-588-G, June, 1998.

- Testified before the Mississippi Public Service Commission on issues related to the establishment of retail electric competition, including ISO establishment, regional power exchanges, legislation, taxes and regulatory polices, April 16, 17, 1997.

- Support of Transition Proposals filed by Virginia Power Corporation, March, 1997.

- Entergy Arkansas testimony in support of Transition to Competition Filing, 1997.

- Entergy Louisiana testimony in support of Transition to Competition Filing, 1997.

- Support of Performance Based Regulation for GTE South Inc., Docket No. P-19, Sub 277, before the North Carolina Utility Commission, filed Nov. 22, 1995.

- Stranded Cost Regulatory Policy and Recovery Testimony before the South Carolina Public Service Commission, the Commission approved the request Dr. Wright was advocating, Docket No. 95-1000-E, October 27,1995.

Education

Dr. Wright received a Ph.D. in Economics from North Carolina State University, focusing on regulatory and environmental economics, and is a member of the honor society. He received an MBA in finance from Georgia State University in 1978, graduating with honors. He received a Master of Economics from North Carolina State University in 1991 and was a member of the honor society. He received a B.S. in Chemistry from Valdosta State College in Valdosta, Georgia, graduating Magna Cum Laud.

In addition, he has completed the Michigan State University Regulatory Course, several other NARUC courses on regulation, been an instructor on regulatory issues at several NARUC courses, completed management courses at Corning Glass and financial seminars at Bank Boston and Merrill Lynch dealing with regulation.

ANALYSIS OF THE FEASIBILITY OF HEDGING SCE&G'S COAL SUPPLIES FOR ELECTRIC GENERATION

A Report Prepared in Compliance With Order No. 2009-289 of the Public Service Commission of South Carolina

January 15, 2010

1.0 BACKGROUND

In the 2009 Annual Review of Base Rates for Fuel Costs of South Carolina Electric & Gas Company, the Public Service Commission of South Carolina ("Commission") reviewed South Carolina Electric & Gas Company's ("SCE&G" or the "Company") fuel expenses and power plant operations used in generating electricity for the period February 2008 through April 2009 in Docket No. 2009-2-E. In that matter, the parties of record entered into a Settlement Agreement which was approved by the Commission in Order No. 2009-289, dated April 30, 2009. SCE&G agreed to "perform an analysis of the feasibility, costs and potential benefits of operating a financial hedging program for its coal supplies as set out in the Settlement Agreement, including provision of a final written report to the parties and the Commission by January 15, 2010." In fulfillment of its obligations pursuant to the Settlement Agreement and Order No. 2009-289, the Company conducted an analysis of the feasibility and prudency of implementing a financial hedging program for SCE&G's coal supplies used for electric generation.

This report provides the Company's analysis required by the ordering paragraph quoted above. The report first defines and provides an overview of a coal hedging program followed by a discussion of the coal marketplace, the hedging products currently offered in the coal marketplace, and a discussion of the various issues related to the implementation of a coal hedging program. The report further discusses SCE&G's coal procurement requirements. Finally, the report contains an analysis of the feasibility of implementing a financial hedging program for SCE&G's coal purchases.[1]

[1] Related reference material and information on several issues raised in the body of this report are included in the appendices attached hereto.

2.0 HEDGING OVERVIEW

To understand coal hedging, one must understand how commodity markets operate. There are two primary types of commodity marketing and trading: physical trading and financial trading. Physical commodity marketing is less complex and involves the buying and selling of physical commodities of coal with buyers and sellers negotiating physical trading contracts. Numerous types of physical trading contracts exist; however, most contracts share standard specifications including identifying the buyer and seller, the price, the type and amount of commodity to be sold, the receipt and delivery point, the tenure of the contract, and other terms and conditions.

Financial trading, on the other hand, employs sophisticated financial instruments in which the buyer and seller may never take physical delivery of the commodity. Financial trading is often used to reduce the financial risk associated with the inherent volatility of the price in all commodity markets. Buyers and sellers of commodities reduce this risk, or hedge, using a transaction process founded upon derivatives. Derivatives are financial instruments that 'derive' their value from an underlying commodity. Traditionally, most derivatives are traded in the over-the-counter ("OTC") market, which is essentially comprised of a group of market participants inter-exchanging certain derivatives, as opposed to exchanging derivatives through a market such as the New York Mercantile Exchange, or NYMEX. Basic forms of derivatives used to hedge financial risk in the coal commodity marketplace include futures, options, and financial swaps.

Coal Futures: Coal futures are standardized, exchange-traded contracts in which the contract buyer agrees to take from the seller a delivery of a specific quantity of coal (e.g. 1550 tons, barge-load lot) at a predetermined price on a future delivery date. Consumers and producers of coal can manage coal price risk by purchasing and selling coal futures. Coal futures are also traded by speculators who assume the price risk that hedgers seek to avoid in return for an opportunity to profit from favorable coal price movement. Coal producers can employ a short hedge to lock in a selling price for the coal they produce while businesses that purchase coal may utilize a long hedge to secure a purchase price for the coal they need for some period in the future.

To further explain, a short hedge, also known as an output hedge, is a hedging strategy used by coal producers. A short hedge involves taking a short futures position which is used by a producer to lock in the price of a commodity that will be sold at some point in the future while owning the underlying product or commodity to be delivered. In the event that the underlying commodity price falls, the gain in the value of the short futures position will offset the reduction in revenue from the sale of the underlying physical commodity (refer to Appendix A for an example of Short Hedging).

A long hedge, also known as an input hedge, is a hedging strategy used by manufacturers to lock in the price of a product or commodity to be purchased at some time in the future. A long hedge involves taking a long future position which means a manufacturer or producer locks in the price of a commodity that will be required sometime in the future. Should the underlying commodity price rise, the gain in the value of the long futures position will be offset by the increase in purchasing costs.

Coal Options: An option gives the buyer the right, but not the obligation, to buy or sell an asset at a set price on or before a given date. Buyers of call options benefit when the commodity is worth more than the price set by the option (the strike price), plus the price of the option itself. Similarly, buyers of put options benefit when the price of the stock or commodity price falls below the price set by the option. In return for granting the option, the seller collects a payment (the premium) from the option buyer. If an option buyer chooses to exercise the option right, the seller is obligated to sell or buy the commodity at the agreed price. Alternatively, the buyer may choose not to exercise the right and let the option expire.

Coal Financial Swaps: A swap is an agreement between two parties to exchange future cash flows, or "legs" of the swap, according to a prearranged formula. Usually when the contract is initiated, at least one series of cash flows is determined by a random or uncertain variable such as an interest rate or the price of a commodity price. A commodity swap is an agreement whereby a floating (market or spot) price is exchanged for a fixed price over a specified period. For example, the user of a commodity may secure a maximum price by agreeing to pay a swap seller, such as a financial institution, this fixed price. In return, the user will derive payments based on the market price for the commodity involved. Alternatively, a producer seeking to fix a set amount of income may agree to pay the market price to a financial institution in return for receiving fixed payments for the commodity.

For example, a utility may need to purchase coal in the fourth quarter of 2008 ("Q4"). Should the utility choose to buy a Q4 swap on the derivatives market, the swap will increase in value if the price of coal on the spot market increases from the time of the purchase until Q4. Therefore, the profit realized from selling the swap and closing the position operates as an insurance policy against the rising physical price.

3.0 THE COAL MARKETPLACE AND HEDGING

3.1 The Coal Marketplace and Hedging Products

The physical market for coal is comprised of both long-term and short-term contracts. Long-term contracts (contracts greater than one year, but generally for periods of three or more years) act as a physical hedge since the contract price and other contract terms are specified in advance thereby reducing potential future price volatility. According to the American Coal Council, as much as 80% to 85% of coal used in electric generation nationwide is sold on the long-term market, usually through bilateral contracts for delivery over one year or more. The remaining purchases are divided between the spot and the OTC market.[2] The OTC market generally manages contracts for short-term to mid-term (less than three years) deliveries, often through brokers. The spot market is based on a consumer's request-for-proposal ("RFP") which identifies tonnage, quality specifications and times of delivery needed. Delivery may be spread over as much as a year.

NYMEX first offered coal futures in July 2001 based on single barge load contracts (1,550 tons) at Big Sandy River origin. While this offering initially found few takers, a major effect of the NYMEX futures contract's creation was the adaptation of its coal specifications into the "NYMEX lookalike" specification, which has become the eastern coal benchmark in OTC trading.[3] Currently, NYMEX offers three financial products that cover the major coal geographic markets; however, these products continue to have low liquidity. While a variety of coals trade in the OTC markets, the majority of the activity is based on these three NYMEX offerings:

- Central Appalachian ("CAPP") Coal Futures (12,000 Btu/lb coal, 1% Sulfur)
- Eastern Rail ("CSX") Coal Swap Futures (12,500 Btu/lb coal, 1 % Sulfur)
- Western Rail Powder River Basin ("PRB") Coal Swap Futures (8,800 and 8,400 Btu/lb coal, 1.20 # SO2)

[2] An OTC trade involves the buying and selling of equities off-exchange, as opposed to a listed stock option on a national securities exchange (such as the New York Mercantile Exchange). The OTC option is conducted between a buyer and a seller, sometimes without standardized prices and expiration dates.

[3] For more information on the issue of coal trading refer to the Coal Trading Association ("CTA"), which is an association dedicated exclusively to the needs of traders, trading managers, brokers, risk managers, sales managers and purchasing managers in the coal trading industry. The CTA was established in 1999 to promote coal trading capability and liquidity in the US. The CTA develops and maintains industry standards for coal trading activity with the goal of achieving a disciplined, liquid and efficient coal trading industry. To achieve this goal, CTA develops policies, exchanges information among members and other interested professional and technical groups, and offers training programs to improve the knowledge, skills and practice tools of its members.

The NYMEX CAPP contract is a physical futures contract. The CSX and PRB contracts trade are financial swaps that settle against the Platts OTC Monthly Broker Index. All three products utilize NYMEX's Clearport for trade entry, trade under a standardized contract in the physical OTC market and trade under the contractual and credit guarantee of NYMEX. The following table illustrates the primary NYMEX coal derivative products and their standardized physical characteristics.

	Nymex look-alike	CSX <1%	CSX 1.2#	NS <1%	NS 1.2#	Pitt 8 3.4#	PRB 8800	PRB 8400
Btu/lb guarantee	12000	12500	12500	12500	12500	13000	8800	8400
Min reject	11750	12200	12200	12200	12200	12800	8600	8200
Sulf (% or #SO2)	1.0%	1.0%	1.2#	1.0%	1.2#	3.0#	0.8#	0.8#
max reject	1.0%	1.0%	1.2#	1.0%	1.2#	3.4#	1.2#	1.2#
Ash (%)	12	12	12	12	12	8	5.5	5.5
max reject	13.5	13.5	13.5	13.5	13.5			
Moisture (%)	10	7	7	7	7	8	27	30
Vol (%) min reject	30	30	30	30	30			
HGI min reject	38	40	40	40	40			
Contract Size	7,750 tons 5 barges	10,000 tons unit train	10,000 tons unit train	10,000 tons unit train	10,000 tons unit train	10,000 tons Unit train	14,500 tons unit train	14,500 tons unit train
FOB Delivery Point	Ohio River	Big Sandy	Big Sandy	Thacker	Thacker	Dual Line	Dual Line	Dual Line
	@ Big Sandy	Kanawha	Kanawha	Kenova	Kenova	NS-CSX	BNSF - UP	BNSF - UP
	Barge	Rail	Rail	Rail	Rail	Rail	Rail	Rail

3.2 Issues Related To Coal Hedging

3.2.1 Hedging Marketplace Requirements

In order to create a tradable commodity derivative, the commodity must either be strictly defined or ubiquitous in nature. For example, hedging is a common and widespread practice in the natural gas industry. In the electric industry, electric utilities commonly hedge as much as 25% or more of their natural gas fuel purchases for the following reasons:

- Natural gas is fungible, meaning that it is a uniform, homogeneous product in its physical properties. The physical commodity is, therefore, easy to use across multiple gas-fired generators and easy to define with respect to the physical properties or heat content of the gas itself. As such, contracts for hedging natural gas purchases are reasonably standardized. Standardization ensures that any one contract is indistinguishable from any other in terms of physical properties, heat content, quantity, and when and where a commodity is to be delivered. Therefore, all contracts for a particular commodity with the same physical characteristics on a particular date are the same. Through the standardization of contracts, a trader may, for example, sell a contract to deliver natural gas in November. The trader may then take an offsetting position by buying a contract to deliver natural gas in November. As a result, the trader can achieve a zero net position. If the trader sells natural gas for an amount exceeding his purchase price, the trader realizes a net profit. Otherwise, the trader would realize a net financial loss.

- Natural gas has a very reliable and well defined transportation system which rarely limits the deliverability of the gas.

- Natural gas has a well defined and price transparent spot marketplace.

- The natural gas marketplace is primarily comprised of short-term contracts (one year or less) and spot gas purchases. The use of longer term contracts (more than one year, but more generally for three to five years duration) to fix and stabilize prices is not commonplace.

- Natural gas prices have been historically volatile, often doubling or substantially declining over periods less than a year.

By comparison, derivatives are not so easily suitable for securing coal supply purchases largely because coal has few if any of the favorable attributes that make natural gas a good candidate for hedging. A comparison of the two commodities demonstrates quite clearly the reasons why coal is not a good candidate for financial hedging. Those reasons include:

- Unlike natural gas, coal is not a uniform, homogenous product. Heat content, hardness, ash fusion temperature, volatility and ash content of coal commodities all vary greatly. Therefore, different types of coal cannot be used from one coal fired electric generator to another. As well, coal from different mines cannot be used interchangeably across a mix of coal fired generators. Rather, each coal fired generator is designed to use a particular coal product with physical properties specifically selected for that electric generator. It is therefore difficult to have a robust derivative coal marketplace because there is a wide variety of coal products to meet significantly varying quality demands and these differences in the physical properties of different coal products can cause substantial differences in the price of each type of coal.

- The transportation of coal, unlike gas, has proven to be problematic in terms of both capacity and scheduling. The transportation difficulties add to the complexity in trying to develop a derivatives marketplace because it increases the risks associated with derivative contracts and may significantly impact the delivered price of coal.

- Deliverability issues add to the price volatility risk and add more uncertainty into the design of appropriate derivatives contracts.

- Whereas the natural gas market is largely comprised of spot or short-term contracts (one year or less), the coal market is predominately made up of longer term (more than one year, but more generally for three to five years duration) fixed price contracts which themselves operate as a hedge against volatile prices thereby greatly diminishing (if not eliminating) the potential for dollar savings associated with hedging.

- Coal prices are not transparent due to the fact that many, if not most, coal contracts are confidential. This lack of price and contract term transparency constrains the liquidity of the coal derivative marketplace because traders of derivatives prefer a price transparent marketplace to make transactions data known in a timely fashion. Without this transparency, such transactions are risky and thus difficult for many potential market participants.

- The price of coal seldom experiences the price volatility routinely seen in the natural gas market. Consequently, if the primary reason for hedging derivatives is to reduce risk associated with price volatility, the lack of coal price volatility over the last fifty years obviates most of the need for hedging.

3.3.2 Other Issues related to Coal Hedging

Contract Non-performance: One of the main reasons for hedging any commodity is to reduce price variability associated with exogenous marketplace variables. In the coal industry, some of these exogenous marketplace variables include largely unpredictable events such as coal mines labor strikes, railroad labor strikes, or environmental issues resulting in coal mine closures. These types of circumstances will almost undoubtedly lead to increasing near term coal prices, suggesting that a hedging program may provide significant financial benefits in such a situation. However, when these types of events occur, a force majeure clause negotiated in a coal or derivative contract often removes the financial liability associated with the financial derivative resulting in a hedging strategy that may have little if any value. Despite these protections, these types of situations are often cited as a primary contributor to historical fluctuations in the coal marketplace. Consequently, any analysis of potential financial impacts related to coal hedging must consider whether the price volatility being considered has negated the hedging opportunity by virtue of a force majeure circumstance.

It should be noted that during the period under review in Docket No. 2009-2-E, certain of SCE&G's suppliers gave notice that they would be unable to perform under the terms of their contracts for coal supply with SCE&G and asserted that any non-performance was excused due to circumstances of "force majeure" and other reasons. In order to maintain reliable coal inventory, SCE&G was required to purchase significant amounts of spot coal during the elevated market. Some of these purchases were made through a coal broker (OTC purchase). In these types of transactions, the coal broker locates a supplier willing to make spot sales of coal which meet the necessary criteria at a specified price. The purchaser does not directly interact with the suppliers and is not notified of the specific suppliers that are participating in the solicitation. Rather, the coal broker negotiates the sale and only after the purchaser contractually agrees with the coal broker to execute the purchase does the coal broker notify the purchaser of the supplier's identity. Two of SCE&G's suppliers under shipped their long-term contracts citing circumstances of force majeure and other problems. SCE&G made some spot coal purchases through a coal broker to maintain minimal supply inventory. The Company submitted solicitations to coal brokers and several suppliers submitted bids to the brokers in response. The two nonperforming vendors were the successful bidders to two of the solicitations. However, only after the purchase was closed and the coal broker provided SCE&G with confirmations of the sales did the Company learn that the spot coal would be supplied by the nonperforming vendors. Because spot coal purchases are made pursuant to a contract with the coal broker and not directly with the supplier, SCE&G was contractually obligated to honor the solicitation and, therefore, purchase the coal being supplied by the nonperforming vendors. However, the Company contacted the suppliers in question to inquire why they were able to supply coal on the spot market but were unable to perform pursuant to their long-term contracts with the Company. The suppliers responded that rail transportation was then available to ship the purchase of spot coal whereas it had been previously unavailable to ship SCE&G's coal pursuant to its long-term contracts. After these two incidents, SCE&G informed coal brokers that it would not accept spot

coal from the two suppliers in question and none of SCE&G's other spot purchases were supplied by nonperforming vendors.

Additionally, history has demonstrated that coal companies occasionally avoid performing on supply contracts by declaring bankruptcy. Some industry observers believe this legal strategy is sometimes a means for coal companies to avoid low priced coal contract obligations, not dissimilar to SCE&G's experience noted above. Furthermore, the bankruptcy option is not foreign to the coal industry. Below are some examples within the last six years:

- In November of 2002, Horizon Natural Resources Co., formerly AEI Resources, the second largest coal producer in central Appalachia, filed for reorganization under Chapter 11 of the U.S. Bankruptcy Code for the second time that year after reporting a net loss of $185.4 million for the first nine months of that year. The company stated that falling coal prices were among the reasons that it sought bankruptcy protection.

- In January 29, 2002, Pen Holdings Inc., a coal producer with mines south of Charleston and in Wayne County, filed voluntary bankruptcy petitions with the U.S. Bankruptcy Court for the Middle District of Tennessee.

- In October of 2002, Anker Coal Group Inc. and 18 subsidiaries filed for Chapter 11 bankruptcy protection. The company operated deep and surface mines in West Virginia, Pennsylvania and Maryland. Over this same time period, Steven F. Leer, Arch Coal Corporation's President and CEO, in reporting his company's 3rd quarter, 2002 operating results, commented that "[d]uring the past 18 months, many traditional eastern coal producers have closed mines, filed for bankruptcy protection or even exited the business."

- Buffalo Coal Company, a Northern Appalachia coal producer, sought bankruptcy protection in May 2006.

- Black Diamond Mining Company, LLC, entered bankruptcy in February 2008.

Regulatory Issues: As has been the experience with regulated natural gas utility hedging, state utility regulators often monitor and limit a regulated electric utility's potential coal hedging activities to reduce the financial and other risks associated with hedging coal. For example, state regulators may choose to limit the amount of allowable coal purchases to be hedged. In the case of regulated natural gas distribution utilities, state regulators often limit the level of hedging to 25% to 50% of firm purchases. This same limit would be inappropriate for coal primarily because 80% or more of SCE&G's coal purchases are long-term contracts which themselves provide a physical hedge against coal price volatility. When determining the amount to hedge financially, one would first have to subtract any fixed price physical deals from the expected

volume. Furthermore, it is generally not recommended that utilities hedge their entire fuel supply; rather, it is advisable for utilities to leave a portion of their purchases open in the event that prices fall or the actual fuel needs of the utility vary as compared to forecasted needs. Therefore, after allowing for fixed price physical deals, an allowance for a portion of the portfolio to be priced at spot prices, and a reasonable forecast variability, only a very small quantity of coal remains for consideration as the foundation of a financial hedging program.

Another regulatory issue surrounding hedging for coal purchases is that hedging, by definition, attempts to reduce the volatility of prices, but that, over time, hedging will not lower the long-term cost of the hedged product. Rather, the cost of operating a hedging program will likely create long-term average cost increases for the hedged product. Therefore, for a utility to enter into a hedging program it must have reasonable assurance in advance that regulators will allow full cost recovery for any hedged fuel and not allow intervening parties, who rely on hindsight, to evaluate whether to allow full recovery of the fuel costs.

A third regulatory related problem requiring resolution is whether or not hedging costs may be recovered through the State's fuel adjustment mechanism. The statute is unclear on this critical cost-recovery issue and would require clarification if a coal hedging program was determined to be advisable.

Costs of a Hedging Program: The implementation of any hedging program will add costs to a utility's fuel purchasing program. These include the costs of the financial derivatives used in any hedging program as well as the costs of designing, implementing, and maintaining the hedge program which can include both employees, outside consultants, and software. The utility will also experience accounting issues that may or may not be easily incorporated into the Company's current accounting software. Finally, as mentioned above, the fuel costs associated with the hedging could theoretically be higher than anticipated, which will be dependent on whether the price of future coal is higher or lower than what was expected when a particular hedge is initiated. For example, if prices decrease from when a hedge is initiated, all other things being equal the costs of any un-hedged coal will likely be lower than the hedged coal. As well, the purpose of a hedging program is to reduce price volatility which can only be obtained at a cost. Therefore, while any particular hedge might increase or decrease the cost of coal in a particular instance, over the long term and on average, a hedging program will increase the cost of coal.

For example, in terms of the actual dollar cost (or price) of hedging, a Central Appalachian Coal Option "put" represents an option to assume a short underlying Central Appalachian Coal futures contract traded on the Exchange. The Central Appalachian Coal Option "call" represents an option to assume a long underlying Central Appalachian Coal futures contract traded on the Exchange. The "strike price" is offered in increments of $2.50 per ton above and below the at-the-money strike price. Strike price boundaries are adjusted according to futures price movements.

Accounting Impacts: Hedge accounting has proven to be difficult in almost all industries because of the complexities in the accounting rules and infrastructure necessary to document, test, and track all the hedging relationships. Financial Accounting Standards 133 and 138 (FAS 133/138) apply to derivative instruments and certain hedging activities. These standards require all derivatives and certain embedded derivatives to be reported on a company's balance sheet at fair value, i.e. mark-to-market. The issue to consider with coal hedging is not only the accounting treatment, but the potential impact on earnings relative to these standards. Typically, these standards require changes in the fair value of derivatives to be recorded through earnings which is an issue to consider before implementing coal hedging.

4.0 SCE&G'S COAL FUEL REQUIREMENTS AND PURCHASING PROCEDURES

4.1 SCE&G's Coal Fired Generation Facilities and Related Coal Demand

In 2008, SCE&G reported that 65.3% of its total kWh output was produced by coal burning facilities.[4] Historically, coal has provided this same general percentage of total electricity demanded by SCE&G's customers. The Company has ten coal-fired generating units with 2475 MW of capacity. As well, it is important to note that these coal-fired generating facilities are considered to be "baseload" generating facilities that are expected to run in a continuous nature to meet some or all of a given region's continuous energy demand. For this reason, the coal supply for these facilities is critical – particularly in terms of supply reliability.

The historical operating performance of these coal-fired facilities has been outstanding. For example, in the December 2008 issue of *Electric Light & Power*, SCE&G was recognized for having three of its plants listed in the top 20 most energy efficient coal fired plants in the nation during calendar year 2007. Cope Station ranked 4th, McMeekin Station ranked 11th, and Williams Station ranked 16th. This ranking means that three of the Company's six coal fired plants which represent 50% of the Company's coal-fired generating capacity are ranked in the top 20 plants in the country for efficiency. In total, the Company's coal burning plants burned 6,401,275 tons of coal in 2008 in the production of electricity for its customers.

4.2 SCE&G's Coal Purchasing Practices

SCE&G's Fuel Procurement Department is responsible for purchasing all necessary coal and associated transportation for the Company's fossil plants. The Company's coal purchasing activities are predicated on the fact that coal is the fuel for much of the Company's baseload capacity. It is simply unacceptable and contrary to prudent electric utility practices to allow a coal fired baseload facility to risk fuel shortages as this could have a significant impact on the Company's ability to meet its customers' energy demands and its regulatory obligations pertaining to the provision of adequate and reliable service. In meeting these policy objectives, the Fuel Procurement Department must purchase coal that meets the operational and environmental needs of the particular facility for which the coal is being purchased.

In meeting the coal supply needs of the Company's facilities while adhering to the purchasing policy objectives, SCE&G maintains an active list of qualified suppliers of coal used to power its plants. SCE&G uses several methods to analyze the fuel supply and demand factors to determine the level of coal needs. In preparing the short-range sales forecast, the Company divides its customers into detailed forecasting groups defined by rate and class. Where possible, customers are further divided into electric space heating and non-electric space heating groups.

[4] SCANA Corporation 2008 Statistical Information.

Residential customers are further separated into those living in either single-family, multi-family or mobile homes. SCE&G also forecasts consumption for about twenty of its largest industrial customers on an individual basis while the balance are separated into 2-digit SIC groups. Where a detailed customer group contains a large number of homogeneous customers, separate econometric models are developed to project the number of customers and the average use per customer based on such factors as population growth, and levels of economic activity within SCE&G's service territory. All residential groups and small commercial groups are projected in this way. Weather is a significant factor in the residential and commercial models and projections are based on normal weather where normal is defined as the average taken over the last fifteen years. Overall, nearly 100 econometric and statistical models are utilized to develop the short-run forecast.

SCE&G simulates the dispatch of our generating units with the software program PROSYM, a well-accepted tool in the industry being used by over 100 utilities. PROSYM is a chronological hourly dispatch model. In each hour of the study period, PROSYM arranges all of the available supply sources from lowest cost to highest and then determines the least-cost method of meeting customer load in that hour while considering a complex set of operating constraints. As part of this dispatching process, PROSYM also simulates random unscheduled outages of our plants based on forced outage rates. The PROSYM model output defines how the SCE&G electric system will meet the projected electric load. This information provides an appropriate forecast for projecting plant dispatch rates and fuel usage.

Fuel usage levels are calculated and forecasted for each of the generating plants. Coal inventories are then validated and contract quantities are summed and compared against system usage to determine needs going forward. Typically, as contracts expire or needs are identified, solicitations are tendered for competitive sealed bids. With this information, Fuel Procurement looks at the coal requirements and determines whether contract options, spot purchases or additional long-term agreements are appropriate. Coal is procured with long-term (more than one year) and spot purchase (up to one year) agreements to achieve a balance of reliable supplies, while maintaining flexibility to react to market changes or short-term system needs.

Typically, SCE&G's long-term purchases represent approximately 75 to 80 percent of projected system demand. These long-term contracts help shield SCE&G's customers from the price volatility of the spot market while also providing a physical hedge against unexpected increases in the price of coal. Thus, the Company already has in effect a significant physical hedging program. The remaining amount of coal needed to generate electricity is acquired through spot purchases which allow the Company to successfully manage its inventories and react to short-term changes in the marketplace. Throughout the years, SCE&G has been successful in leveraging long-term and short-term coal purchases to achieve reasonable purchase prices while insuring the reliability of coal supplies necessary to support system needs.

As part of it coal fuel strategy which has been approved in prior hearings by the Commission, the Company attempts to maintain approximately a 925,000 ton inventory of coal based on the average of each of twelve months' ending inventories to support anticipated

consumption. This methodology allows for an inventory of more than 925,000 tons at the beginning of high demand periods and less than 925,000 tons entering the milder months. Experience has shown, and the Commission has agreed, that this inventory level is reasonable and aids in protecting SCE&G's customers against availability, production and delivery problems that may arise in the coal industry from time to time. It also affords the coal resources necessary to meet our supply needs when short-term market prices are unfavorable. It is always important to balance short-term decisions against long-term requirements and future operating conditions.

While coal supply reliability is the essential policy objective in order for the Company to meet its customers' electric demands and the Company's regulatory obligations, the Company also works diligently to achieve an optimization between adequate supplies at reasonable prices. Although they have historically remained relatively stable, coal markets may fluctuate due to such things as seasonality, political turmoil, national weather trends and supply/demand imbalances. SCE&G's Fuel Procurement Department strives to use a variety of pricing mechanisms among coal contracts to mitigate or normalize the effects on prices created by changes in market conditions. The Fuel Procurement Department also monitors coal price information such as indexes and stays informed about market trends and conditions. This information flow is integral in the Company's ongoing analysis of current or prospective coal costs and market conditions as the Fuel Procurement Department is continuously balancing adequate coal inventories against long-term coal contract supplies, spot market purchases and contract options.

5.0 THE POTENTIAL COSTS OR BENEFITS FROM AN SCE&G COAL HEDGING PROGRAM

5.1 Introduction

Section K of the Settlement Agreement in Docket No. 2009-2-E specified that SCE&G would "receive and consider input from a Party regarding the design of the analysis and the factors to be included in the analysis for evaluation." This third party input was to be received within sixty days of the Order approving the Settlement Agreement, or by June 29, 2009. SCE&G received no additional input from any party within the timeframe specified in the Settlement Agreement.

The remaining instructions outlined in the Settlement Agreement called for a methodology that considered the "[t]he volumes of coal that are the subject of this analysis" and the potential use of forecasted data "supplemented by all relevant data." In addition, the analysis is to "explicitly address, among other things, electric system demand, weather, plant operating characteristics, forced outages, scheduled plant outages, and the market price of power." To incorporate the parameters cited above "supplemented by all relevant data," the Company performed an analysis that was based primarily on several years of actual coal purchasing data, such as coal contracts, contract terms and prices, delivery schedules, coal purchase volumes, and derivative pricing information. Using this actual coal purchasing data explicitly incorporates all of the characteristics cited above that relate to the use of coal in generating electric power, including coal usage, weather related coal usage patterns, system demand, coal plant performance and outages, and all other data relevant to the Company's overall demand for coal.

However, it should be recognized that this historical data is somewhat limited due to the fact that coal hedging tools and coal spot market price data were largely unavailable before 2003. Notwithstanding this limitation, the Company undertook several different analyses using historical coal futures prices and historical SCE&G coal contract data. These analyses compare the coal costs the Company actually incurred versus what would have been incurred had the Company employed various types of hedging tools. This type of analysis clearly demonstrates that the resulting conclusions of the efficacy of a coal hedging program are based on actual facts and data as opposed to conclusions based on assumptions and suppositions.

5.2 Long-term Contract Hedging Analysis

5.2.1 Background

Longer term contracts, generally of duration for three or more years, represent approximately 80% of SCE&G's coal purchases. One of the primary reasons to purchase coal through longer term contracts is that the Company's coal-fired generation fleet is predominately baseload generation, meaning it is in continual operation. Therefore, an ongoing, reliable supply of coal is an absolute necessity to ensure that SCE&G's coal generating facilities have adequate

fuel to consistently and constantly generate electricity. Long-term types of coal purchases are generally for very large quantities, establish coal shipments over more than one year, if not over several years, and mandate that the delivery of the coal is a top priority in terms of need. These coal contract requirements, coupled with SCE&G's practice of limiting spot coal purchases to around 20% of supply, restricts the applicable hedging tools to those tools which essentially guarantee the delivery of coal at a specified time.

Specifically, only coal futures and coal swaps can reasonably be used to hedge these long-term contracts, while a coal call option would not be a reasonable hedge alternative for the longer term contracts. A call option gives the buyer the right, but not the obligation, to purchase coal commodities. With SCE&G's reliance on deliverability and specified inventory levels, it is impractical to assume that it could purchase coal options in lieu of long-term contracts and in those months of higher coal prices choose not to take delivery of this coal under the option contract. Such a scenario would mean that the Company would have to be willing to either allow coal inventories to decline or to purchase the "call optioned" coal through the spot market. This latter result assumes that a sufficient coal supply was available on the spot market and deliverable as needed. This assumption is unreasonable given the Company's past experience with various suppliers and spot market purchases. Furthermore, reliance upon call options in lieu of long-term contracts would inherently place the Company into the short-term, spot market for a larger percentage of its coal purchases than it has historically used. Therefore, the two hedging instruments that are realistically available for SCE&G to employ in its longer term contracting practices are futures and swaps.

Historical long-term coal contract and price data can also be used to determine if there are benefits or costs related to employing either futures or swaps in the Company's long-term coal purchasing practices. The Company used this data to analyze whether, at the time a long-term contract was initiated, the Company could have contracted for a coal future or swap that resulted in known cost savings over the term of the contract.

5.2.2 Would Futures Contracts Have Lowered Coal Costs as Compared to SCE&G's Long-Term Contracts?

To determine whether employing financial derivatives would have resulted in savings for the Company's fuel purchases, SCE&G compared the actual cost of coal purchased in historical long-term contracts to the actual price of futures contracts that were available at the time the long-term coal contract was executed. From a mathematical perspective, this comparison, using the futures market price, is essentially the same as comparing the settlement price of a swap contract to the long-term contract coal prices, assuming that both the futures price and the swap settlement price were established around the date the long-term contracts prices were consummated. The reason this swap contract analysis is effectively equivalent to a future based analysis is predicated on the premise that whether one purchases a coal futures contract on date X, or a coal swap contract on date X, the per ton price of coal for either derivative is established based on similar forecasts of future coal prices. Thus, the only quantitative difference in these

two derivative contracts, assuming both were executed on the same day, is the difference in the price of the premium between a futures contract and a swap. For this analysis, it is assumed that this difference in premiums is negligible as compared to the underlying total cost of the coal contract. Therefore, this analysis only compares the cost of a futures contract to the actual cost of the Company's long-term coal purchases.

The actual analysis requires the following data:

- A list of the long-term coal contracts, their delivery dates, delivery volumes, price and other terms (data available from SCE&G's long-term coal contracts);
- The date the long-term contract price was established (which is prior to the contract initial delivery date);
- The price for a coal future or swap (with appropriate coal specifications) at the time that SCE&G established prices in its long-term coal contract; and
- Any other costs for the futures or swap contract, such as the cost of the premium.

The analysis is limited to long-term contracts beginning no earlier than November 2003 due to the fact that that is the first month that sufficient data on coal futures prices was available.

The Company then compared the actual contract price of coal per month for the thirty-four non-import long-term contracts the Company entered during the five-year period between late 2003 through 2008 to the price of a futures contract assuming a futures contract had been used rather than the long-term contract. The Company reviewed futures contracts' prices from information provided by United Power, Inc. The date that prices were finalized for each long-term contract was assumed to be sixty days prior to the start date of the contract, except in those cases where data was available indicating otherwise. SCE&G used the consummation date of the contract to determine futures contracts' prices for the comparison assuming that at the date of contract price consummation, the futures prices would also be known at that time. A sample of the spreadsheet used for each long-term contract analysis is shown in **Table 5.1**, and the corresponding worksheets are provided in **Appendix D**.

TABLE 5.1: SAMPLE OF WORKSHEET USED TO ESTIMATE DIFFERENCE IN TOTAL COST USING LONG-TERM CONTRACTS VERSUS FUTURES CONTRACTS

CONTRACT		**START DATE**			**DATA FOR FUTURES FROM UPI SHEET 11/3/03**		
Supplier A		8/1/2003					
		Tons per month	**Actual Contract Price $/ton**	**Future Price $/ton**	**Cost of future per ton**	**Contract Price Minus Future Price per ton**	**Total monthly savings or (cost) to ratepayers using physical contracts as compared to futures**
2004	JAN	30,000	$ 32.90	$ 34.40	$ 0.05	$ 1.55	$ 46,500.00
	FAB	30,000	$ 32.90	$ 34.40	$ 0.05	$ 1.55	$ 46,500.00
	MAR	30,000	$ 32.90	$ 34.40	$ 0.05	$ 1.55	$ 46,500.00
	APR	30,000	$ 32.90	$ 34.50	$ 0.05	$ 1.65	$ 49,500.00
	MAY	30,000	$ 32.90	$ 34.50	$ 0.05	$ 1.65	$ 49,500.00
	JUNE	30,000	$ 32.90	$ 34.50	$ 0.05	$ 1.65	$ 49,500.00
	JULY	30,000	$ 32.90	$ 34.65	$ 0.05	$ 1.80	$ 54,000.00
	AUG	30,000	$ 32.90	$ 34.65	$ 0.05	$ 1.80	$ 54,000.00
	SEPT	30,000	$ 32.90	$ 34.65	$ 0.05	$ 1.80	$ 54,000.00
	OVT	30,000	$ 32.90	$ 34.85	$ 0.05	$ 2.00	$ 60,000.00
	NOV	30,000	$ 32.90	$ 34.85	$ 0.05	$ 2.00	$ 60,000.00
	DEC	30,000	$ 32.90	$ 34.85	$ 0.05	$ 2.00	$ 60,000.00
			TOTAL CONTRACT SAVINGS (COST)				**$ 6,300,000**

In performing the analysis there were two limitations. First, as previously mentioned, futures pricing data was not available prior to November of 2003. Second, futures prices were limited to three years or less, depending on the start date of the contract. This meant that a price comparison between the actual contract price versus a futures contract price was not available in the outlying years of some long-term contracts.

The overall results of this analysis are summarized in **Table 5.2** below. As this table demonstrates, the overall experience indicates that SCE&G has saved in excess of $148 million by using long-term contracts as compared to the option of using futures contracts in lieu of these long-term contracts. As might be expected, in some of the contract analysis shown in **Table 5.2** the results indicate that hypothetically entering a futures contract could have, on occasion, yielded some cost benefits over the actual long-term contract prices the Company paid. However, on those few occasions when a futures contract might appear, in this analysis, to have

been slightly less expensive than the negotiated contract price, there could be other reasons for the Company to enter into a long-term contract, such as supplier reliability, that might be reflected in a negotiated price. SCE&G would also have sacrificed reliable deliverability of its coal purchases when employing futures contracts for coal purchases. Additionally, the overall result favored the continued use of the Company's current long-term contracting practice over the use of futures contracts. Finally, as discussed earlier, the mathematical results for comparing long-term contracts to futures contracts should yield similar results to a comparison of long-term contracts to swaps. In short, the analysis demonstrates that, in general, SCE&G's coal procurement team is signing long-term coal purchasing contracts that have been historically favorable to rate payers given the pricing knowledge available at the time of contracting.

TABLE 5.2: COMPARISON OF SCE&G'S LONG-TERM CONTRACTS VERSUS USING FUTURES CONTRACTS

CONTRACT	CONTRACT START DATE	ESTIMATED CURRENT CONTRACT SAVINGS VERSUS USING FUTURES (BENEFITS)
Supplier A	8/1/2003	$ 1,395,000.00
Supplier B	10/1/2003	$ 594,000.00
Supplier C	8/1/2003	$ 1,323,000.00
Supplier D	1/1/2004	$ (437,400.00)
Supplier E	1/1/2004	$ 615,600.00
Supplier F	9/1/2003	$ 1,390,000.00
Supplier G	1/1/2004	$ 3,080,015.40
Supplier H	4/1/2004	$ (2,199,600.00)
Supplier I	4/1/2004	$ (1,140,600.00)
Supplier J	1/1/2004	$ (408,000.00)
Supplier A	1/1/2004	$ 135,000.00
Supplier A	1/1/2005	$ 17,437,500.00
Supplier J	1/1/2005	$ 1,333,500.00
Supplier K	1/1/2005	$ 1,569,000.00
Supplier L	12/1/2004	$ (310,500.00)
Supplier M	1/1/2005	$ 5,463,000.00

Supplier D	1/1/2005	$ 17,152,500.00
Supplier N	1/1/2005	$ 12,303,000.00
Supplier O	1/1/2005	$ 23,002,500.00
Supplier P	3/1/2005	$ (501,250.00)
Supplier Q	1/1/2007	$ (1,952,494.20)
Supplier R	1/1/2007	$ 5,040,000.00
Supplier G	1/1/2007	$ (4,343,000.00)
Supplier S	1/1/2007	$ 262,500.00
Supplier A	1/1/2008	$ 20,159,955.40
Supplier J	1/1/2008	$ (10,968,000.00)
Supplier T	1/1/2008	$ 8,049,000.00
Supplier U	1/1/2009	$ 5,047,200.00
Supplier K	1/1/2009	$ 13,548,000.00
Supplier K	1/1/2009	$ 7,878,000.00
Supplier V	1/1/2009	$ (5,299,875.00)
Supplier W	1/1/2009	$ (1,791,000.00)
Supplier Q	1/1/2009	$ 4,759,977.60
Supplier X	6/1/2008	$ 26,287,200.00
TOTAL SAVINGS OR (COSTS)		$ 148,473,729.20

5.3 Short-term Or Spot Market Hedging Analysis

5.3.1 Background

Spot market coal purchases are generally purchases of one year or less and represent approximately 20% of SCE&G's coal purchases. These spot purchases augment the longer term contracts employed by SCE&G and allow the Company flexibility in coal delivery schedules to help manage inventory and the ability to take advantage of coal or delivery price movements. The quantity purchased in these types of coal purchases can vary dramatically, from a few thousand tons per month to ten thousand or more tons per month.

The financial derivatives available for these shorter term purchases generally include futures, financial swaps, and call options. The Company first used historical short-term coal purchasing and price data to determine whether employing any of the available financial derivatives in SCE&G's short-term coal purchasing practices might be beneficial. The Company also analyzed known historical spot market and futures pricing data.

5.3.2 Would Futures or Swaps Have Lowered Coal Costs as Compared to SCE&G's Spot Market Coal Purchases?

In comparing the actual historical cost of coal purchased by the Company using spot market contracts to the actual price of futures contracts that were available at the time the spot market contracts were executed, the Company reviewed over 130 non-import short-term contracts employed between January 2004 through December 2008. As with the long-term contract analysis, the comparison of a futures contract to spot market purchases is roughly equivalent, from a mathematical analytical perspective, to the same comparison using a swap contract.

The actual comparison of the spot market purchase prices to an optional futures contract requires the following data:

- A list of the spot market contracts, their delivery dates, delivery volumes, price and other terms (data available from SCE&G);
- The date the spot market price was established (which is usually just prior to the contract initial delivery date);
- The price for a coal future or swap (with appropriate coal specifications) at the time that SCE&G established prices in its spot market coal purchases; and
- Any other costs for the futures or swap contract such as a premium.

Because of data limitations the analysis was limited to spot market purchases beginning in 2004.

To perform the comparison which is more fully provided in **Appendix E**, the Company compared the actual spot market purchase price for coal per month for each spot market purchase to the price of futures contracts, assuming a futures contract had been used rather than the spot market purchase. This analysis exempted import coal, which could not be compared absent the addition of delivery costs. Futures prices were obtained from information provided by United Power, Inc. Spot market purchase price dates were based on information provided by SCE&G and this was also the date used to establish comparable futures contract prices. The spreadsheet analysis is similar to that used for the analysis of long-term contracts, except that the actual number of spot market purchases, though not the coal volumes, exceeded the number of long-term contracts.

The overall results of this analysis are summarized in **Table 5.3** below. As this table shows, SCE&G has generally saved several million dollars each year by using its spot market purchasing techniques as compared to the option of using futures contracts. As might be expected, in some of the contract analyses shown in **Appendix E** and reflected in **Table 5.3** in 2007, employing futures contracts for short-term coal purchasing could, on occasion, have yielded some lower costs over straightforward spot market contract purchases. However, SCE&G would have sacrificed reliable deliverability of its coal purchases when employing futures contracts for coal purchases. Additionally, the overall results heavily favor the continued use of spot market purchases rather than using futures contracts. As discussed earlier, the results of comparing a spot market contract to a futures contract should yield very similar results to a comparison of spot market contracts to swaps. Another conclusion supported by this analysis is that in general, SCE&G's coal procurement team has historically been using the spot market to the benefit of rate payers given the pricing knowledge available at the time of contracting.

TABLE 5.3: COMPARISON OF SPOT MARKET PURCHASES VERSUS EMPLOYING FUTURES CONTRACTS

CONTRACT YEAR	TOTAL SAVINGS USING SCE&G TYPICAL SPOT MARKET CONTRACTS VERSUS POTENTIAL (BENEFITS) USING FUTURES FOR SPOT MARKET PURCHASES
2004	$ 2,272,639.04
2005	$ 834,825.00
2006	$ 20,977,900.00
2007	$ (459,694.70)
2008	$ 4,472,508.00

The Company also analyzed historical coal prices and futures prices, without any comparison with the Company's actual coal contracts. This analysis assumed that, unlike longer term contracts, the Company could rely on the spot market to provide sufficient short-term coal if it were willing to pay the prevailing market price. The Company also assumed that near the first of every month, beginning in 2004, and for every month thereafter through September 2009, the Company could either enter into a six-month, nine-month, or twelve-month futures contract (or swap, which would use the same analysis) for short-term coal purchases, or simply purchase coal each month in the spot market at prevailing spot market price. The analysis then compared the cost difference had the Company entered into a futures contract as opposed to simply waiting and purchasing the coal in the spot market on a monthly basis. Consequently, this analysis does

not pick and choose which month to enter a futures contract, but rather assumes a futures contract is entered every single month for coal purchases some six, nine and twelve months out. This analysis represented a sample size of some 69 months and over 200 potential futures contracts. The futures prices at the beginning of each month for all three different futures options were then compared to the actual spot market price of coal six, nine, or twelve months later. The Company believes these timeframes are reasonable in that they cover several potential types of short-term futures contracts and are consistent with some of the futures contract options discussed by the intervenors in Docket No. 2009-2-E. The actual comparison of the spot market purchase prices to futures contract required the following data:

- The monthly price of coal futures (or swap) six, nine, and twelve months out; and
- The spot market price of coal near the beginning of each month under the assumption that this is a reasonable proxy for the price the Company would have paid at the time for a month's worth of spot market coal.

The analysis is limited to spot market purchases beginning in 2004 due to the fact that this is the first month that coal futures prices were available.

To perform the comparison which is more fully provided in **Appendix F**, the Company compared the actual spot market potential purchase price for coal per month to the price of coal futures some six, nine and twelve months earlier. The futures prices and monthly spot prices were obtained from information provided by United Power, Inc., augmented where necessary by data from SNL.

Table 5.4 illustrates how this analysis was actually performed. For example, assume a six-month futures contract was purchased in January 2004 at the indicated price of $38.50 per ton. Alternatively, rather than enter a futures contract in January for June coal, the Company assumed that it entered into a short-term (one-month) contract to purchase spot coal six months later in June at the then prevailing price of $56.00 per ton to determine which of the two coal purchasing options produces the lowest purchase price for coal. In this particular case, entering a futures contract in January would have saved the Company $17.50 per ton as compared to purchasing the coal in June on the spot market. A similar analysis was used for both the nine- and twelve-month futures contracts.

TABLE 5.4: EXAMPLE OF COAL FUTURES VERSUS MONTHLY SPOT PRICING COMPARISON

Year	Month	Last week of Prior Month Actual Price per Ton for Following Month		Coal Futures Pricing at First of Month				Assume Buying Futures- Current Month Price Less Futures Price (positive value indicates using a futures contract would have saved money on a $ per ton basis)		
				6 Month Spot price per Ton	9 Month Spot Price per Ton	12 Month Spot Price per Ton		Assume Bought 6-Month Future	Assume Bought 9-Month Future	Assume Bought a 12-month Future
2004	Jan	$37.80		$ 38.50	$ 39.00	$ 39.20		$ 17.50	$ 24.00	$ 21.55
	Feb	$44		$ 44.85	$ 44.88	$ 42.50		$ 11.65	$ 20.12	$ 12.00
	March	$52		$ 55.25	$ 55.25	$ 52.00		$ 3.25	$ 8.25	$ 5.00
	April	$55		$ 55.00	$ 55.00	$ 50.50		$ 8.00	$ 5.75	$ 8.75
	May	$54		$ 54.00	$ 50.00	$ 47.00		$ 11.00	$ 4.50	$ 12.75
	June	$56		$ 58.00	$ 55.00	$ 52.25		$ 5.50	$ 2.00	$ 9.75
	July	$56.50		$ 58.25	$ 58.25	$ 56.25		$ 2.50	$ 1.00	$ 0.25
	Aug	$58.50		$ 60.00	$ 57.50	$ 56.25		$ (5.50)	$ 2.25	$ (1.50)
	Sept	$63		$ 61.50	$ 58.00	$ 56.00		$ (4.50)	$ 4.00	$ (1.00)
	Oct	$65		$ 62.00	$ 59.90	$ 57.75		$ (2.75)	$ (3.40)	$ (3.75)
	Nov	$63.50		$ 58.75	$ 57.75	$ 56.50		$ 1.00	$ (3.00)	$ -
	Dec	$60.75		$ 58.75	$ 58.25	$ 57.75		$ 3.25	$ (3.25)	$ (1.00)
2005	Jan	$54.50		$ 57.50	$ 57.00	$ 56.00		$ (1.00)	$ (3.00)	$ 0.75
	Feb	$57		$ 57.50	$ 56.50	$ 55.00		$ (2.75)	$ -	$ 2.75

The overall results of this analysis are summarized in **Table 5.5** below. As this table demonstrates, using six-month coal futures (or swaps) provides a savings over the use of a futures derivative ($0.35/ton). Using either nine- or twelve-month futures contracts (or swaps) would have provided some savings over using the spot market ($0.18/ton or $1.44/ton). However, the latter two results are driven by the unprecedented increase and decline in coal prices through 2008. Furthermore, the methodology used to make the comparisons terminates before the full impact of the decline in prices following the unprecedented spike in coal prices is captured in the modeling data. As shown in **Table 5.6**, assuming that coal prices will remain as currently forecasted through the remainder of 2009, the nine- and twelve-month results indicating benefits from using either nine- or twelve-month futures contracts over monthly spot purchases will be either largely negated or reversed.

TABLE 5.5: ANALYSIS OF SHORT-TERM COAL PURCHASING USING FUTURES CONTRACTS VERSUS MONTHLY SPOT PURCHASES

	6-Month Future	9-Month Future	12-Month Future
Savings using Spot Market Versus (Savings) Using Derivative, Per Ton	$0.35	$(0.18)	$(1.44)
Total # of Months Data	64	61	58
Total # of Months Futures Increased Costs	34	34	33

TABLE 5.6: ANALYSIS OF SHORT-TERM COAL PURCHASING USING FUTURES CONTRACTS VERSUS MONTHLY SPOT PURCHASES

	6-Month Future	9-Month Future	12-Month Future
Savings using Spot Market Versus (Savings) Using Derivative, Per Ton	$0.26	$0.10	$(0.30)
Total # of Months Data	68	65	62
Total # of Months Futures Increased Costs	35	37	36

In addition, in more than half the total number of months examined, the analysis indicated that spot market contracts would have been less costly than if the Company had used futures contracts. Therefore, the price of a futures contract was above the actual future price of spot market coal more than half the time which the Company believes is a reasonable result.

These results support the earlier finding that using coal futures contracts for short-term coal purchases is not likely, over time, to provide cost savings over standard spot market purchases. Furthermore, as discussed earlier, the results for comparing a spot market contract to a futures contract should yield very similar results to a comparison of spot market contracts to swaps.

5.3.3 Would Call Options Have Lowered Coal Costs For SCE&G Spot Market Coal Purchases?

To determine whether SCE&G could save money if it employed call options in its spot market coal purchases, the Company employed a similar methodology to the analysis in **Section 5.3.2**. The first method compared the actual historical cost of coal purchased by the Company using spot market contracts to the actual price of call options (plus the call premium) that were available at the time the spot market contracts were executed. This analysis was premised on the assumption that, unlike longer term contracts, the Company could rely on the spot market to provide sufficient short-term coal if it were willing to pay the prevailing market price. Given this assumption, the number of actual short-term contracts reviewed included over 130 non-import short-term contracts employed by the Company used between January 2004 through December 2008. The actual comparison of the spot market purchase prices to a call option required the following data:

- A list of the spot market contracts, their delivery dates, delivery volumes, price and other terms (data available from SCE&G);
- The date the spot market price was established (which is usually just prior to the contract initial delivery date); and
- The price for a coal call option plus premium at the time that SCE&G established prices in its spot market coal purchases.

Because of data limitations the analysis is limited to spot market purchases beginning in 2004.

To perform the comparison which is provided in **Appendix G**, the Company compared the actual spot market purchase price for coal per month for each spot market purchase to the price of call options, assuming a call option could have been used rather than the spot market purchase. The futures prices were obtained from data sheets provided by United Power, Inc. Spot market purchase price dates were based on information provided by SCE&G and were used to establish comparable futures contracts' prices.

The overall results of this analysis are summarized in **Table 5.7** below. As this table shows, using call options for short-term coal purchases would have increased the overall cost of coal in three out of the five years examined. Over the entire five years of the analysis the overall cost of coal using call options would have increased by approximately $6.1 million. Even where the Company would have realized cost savings, SCE&G would have sacrificed reliable deliverability of its coal purchases when employing call options for short-term coal purchases. It is therefore reasonable to conclude that the use of call options in short-term coal purchasing will likely increase the overall cost of coal purchases. Furthermore, SCE&G's short-term coal procurement methodology generally would not likely produce coal cost savings if the Company employed six- to twelve-month call option coal contracts as opposed to standard, short-term spot market based contracts.

TABLE 5.7: ACTUAL SHORT-TERM COAL PURCHASE CONTRACTS AS COMPARED TO CALL OPTIONS

CONTRACT YEAR		TOTAL SAVINGS USING CURRENT PRACTICE VERSUS (BENEFITS) OF USING CALL OPTIONS FOR SPOT MARKET PURCHASES
2004		$ 3,199,072.03
2005		$ 629,300.00
2006		$ 3,921,560.00
2007		$ (1,504,496.60)
2008		$ (119,956.00)
Total		$ 6,125,479.43

The second method analyzed historical coal prices and estimated call option strike prices, without any reliance on the Company's actual coal contracts. This analysis assumes that unlike longer term contracts, the Company could rely on the spot market to provide sufficient short-term coal if it were willing to pay the prevailing market price. Additionally, this analysis assumes that near the first of every month, beginning in 2004, and for every single month thereafter through September 2009, the Company could either enter into a six-month, nine-month, or twelve-month call option contract for short-term coal purchases, or simply purchase coal each month in the spot market at prevailing spot market price. The analysis then compared the cost difference had the Company entered into a call option contract as opposed to purchasing the coal in the spot market on a monthly basis. Consequently, this analysis does not pick and choose which month to enter a call option contract, but rather assumes a futures contract is entered every single month for coal purchases some six, nine and twelve months out. This analysis represented a sample size of some 69 months and over 200 potential futures contracts. The call option prices at the beginning of each month for all three different futures options plus the call premium, were then compared to the actual spot market price of coal some six, nine, or twelve months later. These timeframes are reasonable in that they cover several potential types of short-term futures contracts and are consistent with some of the futures contract options discussed by intervenors in Docket No. 2009-2-E. The actual comparison of the spot market purchase prices to futures contract requires the following data:

- The monthly price of coal futures assuming this would be a proxy for call option prices (plus the call option premium) six, nine, and twelve months out; and

- The spot market price of coal near the beginning of each month under the assumption that this is a reasonable proxy for the price the Company would have paid at the time for a month's worth of spot market coal.

The analysis is limited to spot market purchases beginning in 2004 due to the fact that this is the first month that coal futures prices were available.

In addition, as in the previous call option analysis, this analysis assumes the Company could rely on the spot market to provide sufficient short-term coal if the Company were willing to forego exercising a previously entered call option to purchase coal in the spot market and pay the prevailing market price. The analysis also assumes that, if SCE&G had purchased call options in lieu of signing firm spot market purchase contracts, in the month when the call option became exercisable, the Company would exercise the call option in those situations when the call option price was lower than the then-current spot market price. In the opposite situation the Company would simply rely on spot market purchases.

Using a similar spreadsheet analysis to that shown in **Table 5.4**, the estimated price of the call option was determined using the actual forward looking future price of coal (using ICAP, United, Inc. coal pricing data) for the future month for which the purchase was being contracted, plus a call premium of $2.00 per ton (which is the call premium used by intervenors in Docket No. 2009-2-E and which SCE&G affirmed is a reasonable estimate for a call premium). The tables illustrating the total analysis are shown in **Appendix F**. **Table 5.8** below provides a summary of the results.

TABLE 5.8: ANALYSIS OF SHORT-TERM COAL PURCHASING USING CALL OPTION CONTRACTS VERSUS MONTHLY SPOT PURCHASES

	6-Month Call Option	9-Month Call Option	12-Month Call Option
Cost (Savings) per Ton Coal Using Derivative	$ 2.32	$ 1.79	$ 0.53
Total # of Months Data	64	61	58
Total # of Months Call Options Increased Costs	41	41	36

As **Table 5.8** shows, using call options for short-term coal purchases is not likely to provide cost savings over spot market purchases. Therefore, SCE&G's short-term coal procurement methodology would not likely produce coal cost savings if the Company began to employ six- to twelve-month call option coal contracts as opposed to simple, short-term spot market based contracts.

5.4 SUMMARY AND CONCLUSION

The purpose of the Company's analysis is to determine whether SCE&G could reduce its coal purchasing costs by employing financial derivatives in its coal purchasing practices. The analysis examines the potential benefits or costs of using various financial derivatives for both long-term and short-term coal purchasing options and uses both actual and projected data in formulating the various comparisons developed.

The first analysis examines the potential use of either futures contracts or swaps in longer term coal contracting assuming only these types of derivatives could reasonably be used to hedge these long-term contracts. SCE&G reviewed historical long-term coal contact and price data to determine if the Company could have saved money in its long-term coal purchasing costs if it had used either futures or swaps in lieu of its current long-term contracting methodology. This analysis indicates that SCE&G saved approximately $148 million by using long-term contracts as compared to the option of using futures contracts in lieu of these long-term contracts.

The second analysis examines the potential for derivatives to reduce the Company's costs associated with shorter term coal contracts, usually referred to as spot market purchases. The financial derivatives available for these shorter term purchases generally include futures, financial swaps, and call options. This analysis relies on Company specific data and indicates that SCE&G has generally saved several million dollars each year by employing its spot market purchasing techniques as compared to the option of using either futures or swap type contracts. In a similar analysis that did not rely upon Company specific data, the results indicate that using either futures or swaps would not provide a financial benefit in terms of cost savings.

Another analysis considers the use of call options for shorter term coal purchases using actual Company short-term contract data in one analysis and general market data in a second analysis. In both cases, using call options for shorter term coal purchases proves to be more costly than SCE&G's current short-term coal contracting practice.

In summary, the Company's analysis demonstrates that the use of financial derivatives in its coal contracting efforts is unlikely to result in cost savings. Furthermore, using financial derivatives in either its long-term or short-term coal purchasing practice would likely increase the Company's overall coal costs. While the results do show that on occasion, the use of financial derivatives could reduce coal purchase costs, it would be impossible for coal buyers to accurately and routinely forecast future market prices in an attempt to time the use of derivatives

in a manner to consistently reduce coal costs. Moreover, these results indicate that any consistent use of financial derivatives in this market would likely lead to higher overall coal costs.

Finally, these quantitative considerations cannot override the myriad of other issues that make the use of derivatives in the Company's coal purchasing practices undesirable. These other issues include the following:

- Historically, coal prices have been fairly stable, reducing the need for derivatives in this market.
- Unlike natural gas, coal is not a uniform, homogenous product. Coal's heat content, hardness, ash fusion temperature, volatility and ash content all greatly vary, and for this reason different types of coal cannot be used from one coal fired electric generator to another. This makes it difficult to have a robust derivative marketplace simply because there are so many types of coal products.
- The transportation of coal, unlike gas, has been found to be quite problematic in terms of capacity, scheduling, and reliability.
- The lack of transparency in coal prices constrains the liquidity of the coal derivative marketplace simply because most traders prefer a price transparent marketplace to make transaction data known in a timely fashion.
- In the coal marketplace, there is a persistent concern regarding supplier contract performance. This includes issues such as suppliers going bankrupt or simply not fulfilling contracts when spot market coal prices greatly exceed the contract price.

In conclusion, given the lack of any apparent financial benefit from using coal derivatives in its coal purchasing practices, coupled with a number of other non-quantitative concerns, it would be unwise at this time and in current market conditions, for SCE&G to modify its current coal purchasing practices to include any use of financial derivatives.

APPENDICES

APPENDIX A: SHORT HEDGE EXAMPLE

In March, a wheat farmer is planning to plant 100,000 bushels of wheat, which will be ready for harvesting by late August and delivery in September. The farmer knows from past years that the total cost of planting and harvesting the crops is about $6.30 per bushel. At this time, September Wheat futures are trading at $6.70 per bushel, and the wheat farmer wishes to lock in this selling price. To do this, he enters a short hedge by selling some September Wheat futures. Since each Wheat futures contract covers 5,000 bushels, he will need to sell 20 futures contracts to hedge his projected 100,000 bushels production.

By mid-August, his wheat crops are ready for harvesting. However, the price of wheat has since risen to $6.80 per bushel. Correspondingly, prices of September Wheat futures have also risen and are now trading at $7.30 per bushel.

Selling his harvest of 100,000 bushels of wheat at the local elevator yields $680,000 ($6.80*100,000), however the farmers cost of growing the crops is $630,000 ($6.30*100,000. Consequently, absent the short hedge the farmer would have made $50,000.

With the short hedge, the farmer had contracted to sell his wheat for $6.70 per bushel. Thus the farmer made the value of Wheat futures Sold in March = $6.70 x 20 contracts x 5000 bushels = $670,000. The value of Wheat futures purchased in August was $7.30 x 20 contracts x 5,000 bushels = $730,000, making the farmers net loss in the futures market = $670,000 - $730,000 = ($60,000).

Overall, the farmers profit is equal to his loss in the futures market less his gain in the cash market, or ($60,000) + $50,000 = ($10,000) in net losses. Consequently, with the short hedge in place, the farmer lost money although he would have made a profit had he not used the hedge.

APPENDIX B: LONG HEDGE EXAMPLE

Assume that in May, a flour manufacturer signs a contract to supply flour to a supermarket in September and that the total amount of wheat needed to produce the flour is 50,000 bushels. Based on the agreed selling price for the flour, the flour maker calculates that he must purchase wheat at $7.00 per bushel or less in order to breakeven.

At that time, wheat is selling at a price of $6.60 per bushel at the local elevator while September Wheat futures are trading at $6.70 per bushel. The flour maker wishes to lock in this current purchase price, so to do this he enters a long hedge by buying September Wheat futures.

Each Wheat futures contract covers 5,000 bushels, meaning the flour manufacturer needs to purchase 10 futures contracts to hedge his projected 50,000 bushels requirement.

In August, the manufacturing process begins and the flour maker needs to purchase his wheat supply from the local elevator. However, the price of wheat has risen to $7.20 per bushel. Correspondingly, the price of September Wheat futures have also risen and are now trading at $7.27 per bushel.

The manufacturers breakeven cost for Wheat was $7.00 per bushel as compared to the current purchase prices of $7.20 per bushel. This means absent the long hedge, the manufacturer would lose $0.20 per bushel or a total $10,000 in the cash market for his 50,000 bushels.

However, with the long hedge the manufacturer's long position in September Wheat futures purchased in May was $6.70 per bushel, which times 50,000 bushels equals $335,000. The value of September Wheat futures sold in August equals $7.27 per bushel times 50,000 bushels equals $363,500. This makes the manufacturer's net gain in the futures market equal to $363,500 minus $335,000 which is equal to $28,500.

The manufactures overall profit equals $18,500 (Gain in Futures Market - Loss in Cash Market = $28,500 - $10,000 = $18,500).

APPENDIX C: COAL FUTURE – NYMEX

Central Appalachian Coal Futures Overview

In 1996, the New York Mercantile Exchange (NYMEX) began providing companies in the electric power industry with secure and reliable risk management tools by creating a series of electricity futures contracts fashioned to meet the particular regional needs and practices of the power industry. The buying and selling of these futures contracts and the related options contracts have given the industry a much-needed price reference and risk management tool. In the restructured electric power industry, where annual sales nationally are over $250 billion, and price increases can no longer be passed along to customers, the pricing of resources used to generate electricity becomes more important.

Since coal is now the largest single power generating fuel in the United States, the once relatively sedate cash markets for coal have become more volatile and very strong market forces. Thus, electric utilities are no longer eager to enter into long-term coal supply contracts that once were the industry norm. Instead, there is now a preference for short-term and more price-flexible contracts that rely more on cash market purchases as power producers try to reduce their inventory holding levels.

U.S. coal exports, chiefly Central Appalachian bituminous, make up a significant percentage of the world export market and are a relevant factor in world coal prices. Because coal is a bulk commodity, transportation is an important aspect of its price and availability. In response to dramatic changes in both electric and coal industry practices, the New York Mercantile Exchange, after conferring with coal producers and consumers, sought and received regulatory approval to offer coal futures and options contracts. On July 12, 2001, NYMEX began trading Central Appalachian Coal Futures.

Coal futures provide the electric power industry with another set of risk management options, as well as offer the coal industry new and necessary risk management tools.

Coal producers can sell futures contracts to lock in a specific sales price for a specific volume of the coal they intend to produce in coming months. Electric utilities can buy coal futures to hedge against rising prices for their base load fuel. Power marketers can mitigate their generation price risk and hedge with electricity futures to control their delivery price risk. Non-utility industrial coal users, such as steel mills, can use futures to lock in their own coal supply costs. International coal trading companies can use futures to hedge their export or import prices.

Power generating companies that use both coal and natural gas to produce electricity can use coal futures in conjunction with natural gas futures to offset seasonal cost variations and to take advantage of the “spark spread” – the differential between the cost of the two fuels and the relative value of the electricity generated by each of the two fuels.

For the NYMEX futures market, coal contracts specify delivery by seller to the buyer at barge terminals on two limited sections of river located in Central Appalachia **(see map)**, near the confluence of the Big Sandy and the Ohio Rivers. The sections are a twelve-mile stretch of the Ohio River and the adjoining Big Sandy River (where coal barge terminals are within the lowermost nine miles). The actual origins of the coal are not defined, but the coal must meet a set of specifications as to heat, ash, moisture, sulfur, volatile matter, hardness or grind ability, and sizing and must be delivered in 1,550 ton trading units (barge-load lots).

Trading Unit: 1,550 tons of coal.

Price Quotation: U.S. dollars and cents per ton.

Trading Hours: *(All times are New York time)* The contract is available for trading on the Globex® trading platform from 6:00 PM Sundays through 5:15 PM Fridays, with a 45-minute break each day between 5:15 PM and 6:00 PM. Off-Exchange transactions can be submitted solely for clearing to the NYMEX ClearPort® clearing website as an exchange of futures for swaps (EFS) or exchange of futures for physicals (EFP) transaction until 5:15 PM, Monday through Friday, and the day preceding a holiday.

Trading Months: The current year and the next four years. Contracts for each new calendar year will be added following the termination of trading in the December contract of the current year.

Minimum Price Fluctuation: $0.01 (1¢) per ton ($15.50 per contract).

Last Trading Day: Trading terminates on the fourth to last business day of the month prior to the delivery month.

Delivery: Delivery shall be made F.O.B. buyer's barge at seller's delivery facility on the Ohio River between Mileposts 306 and 317, or on the Big Sandy River, with all duties, entitlements, taxes, fees, and other charges imposed prior to delivery paid by the seller. There will be a discount of $0.10 (10¢) per ton below the final settlement price for any delivery to a terminal on the Big Sandy River.

Contract Delivery Unit: The seller shall deliver 1,550 tons of coal per contract. A loading tolerance of 60 tons or 2%, whichever is greater, over the total number of contracts delivered is permitted.

Heat Content: Minimum of 12,000 Btus per pound, gross calorific value, with an analysis tolerance of 250 Btus per pound below.

Ash Content: Maximum of 13.50% by weight with no analysis tolerance.

Sulfur Content: Maximum of 1.00%, with analysis tolerance of 0.050% above.

Moisture Content: Maximum of 10.00%, with no analysis tolerance.

Volatile Matter: Minimum of 30.00%, with no analysis tolerance.

Hardness/Grindability: Minimum 41 Hardgrove Index with three point analysis tolerance below. Hardness measures how difficult it is to pulverize coal for injection into the boiler flame.

Size: Three inches topsize, nominal, with a maximum of 55% passing one-quarter-inch-square wire cloth sieve or smaller, to be determined on the basis of the primary cutter of the mechanical sampling system.

Exchange of Futures for Physicals (EFP): The buyer or seller may exchange a futures position for a physical position of equal quantity/quality by submitting a notice to the Exchange. EFPs may be used either to initiate or liquidate a futures position. The EFP deadline is 10:00 AM (New York time) on the first business day following termination of trading.

Margin Requirements: Margins are required for open futures positions.

Trading Symbol: QL

APPENDIX D:

Long-term Contract Excel spreadsheet

APPENDIX E:

Short-term futures actual contract analysis spreadsheet

APPENDIX F:

Short-term futures generic analysis spreadsheet

APPENDIX G:

Short-term Call Option actual contract analysis spreadsheet

SUMMARY OF SAVINGS VERSUS (COSTS) OF SCE&G LONG TERM CONTRACTS VERSES FUTURES

CONTRACT	CONTRACT START DATE		ESTIMATED SAVINGS OR (COSTS)
Supplier A	8/1/2003	$	1,395,000.00
Supplier B	10/1/2003	$	594,000.00
Supplier C	8/1/2003	$	1,323,000.00
Supplier D	1/1/2004	$	(437,400.00)
Supplier E	1/1/2004	$	615,600.00
Supplier F	9/1/2003	$	1,390,000.00
Supplier G	1/1/2004	$	3,080,015.40
Supplier H	4/1/2004	$	(2,199,600.00)
Supplier I	4/1/2004	$	(1,140,600.00)
Supplier J	1/1/2004	$	(408,000.00)
Supplier A	1/1/2004	$	135,000.00
Supplier A	1/1/2005	$	17,437,500.00
Supplier J	1/1/2005	$	1,333,500.00
Supplier K	1/1/2005	$	1,569,000.00
Supplier L	12/1/2004	$	(310,500.00)
Supplier M	1/1/2005	$	5,463,000.00
Supplier D	1/1/2005	$	17,152,500.00
Supplier N	1/1/2005	$	12,303,000.00
Supplier O	1/1/2005	$	23,002,500.00
Supplier P	3/1/2005	$	(501,250.00)
Supplier Q	1/1/2007	$	(1,952,494.20)
Supplier R	1/1/2007	$	5,040,000.00
Supplier G	1/1/2007	$	(4,343,000.00)
Supplier S	1/1/2007	$	262,500.00
Supplier A	1/1/2008	$	20,159,955.40
Supplier J	1/1/2008	$	(10,968,000.00)
Supplier T	1/1/2008	$	8,049,000.00
Supplier U	1/1/2009	$	5,047,200.00
Supplier K	1/1/2009	$	13,548,000.00
Supplier K	1/1/2009	$	7,878,000.00
Supplier V	1/1/2009	$	(5,299,875.00)
Supplier W	1/1/2009	$	(1,791,000.00)
Supplier Q	1/1/2009	$	4,759,977.60
Supplier X	6/1/2008	$	26,287,200.00
TOTAL SAVINGS OR (COSTS)		$	148,473,729.20

CONTRACT WORK SHEET 22-Jul-03

Assume contract was a future rather than a purchase contract- note that buying a future and buying a swap is basically mathematically similar

CONTRACT	Date of Info	START DATE	END DATE
Supplier A	**7/22/2003**	8/1/2003	7/31/2009

DATA FOR FUTURES FROM UPI SHEET 11/3/03

Purchase Futures Option two months prior to contract start date is optimal, but data not available, assume purchase futures starting on 11/3/03, 1st data data available

TOTAL CONTRACT SAVINGS (COST) $ 1,395,000.00

		Tons per month	Actual Contract Price $/ton	Future Price $/ton	Cost of future per ton	Contract Price Minus Future Price Price per ton	Total monthly savings or (cost) to ratepayers
2003	AUG	30,000	$ 32.90	$ 34.85	$ 0.05	$ 2.00	$ 60,000.00
	SEPT	30,000	$ 32.90	$ 34.85	$ 0.05	$ 2.00	$ 60,000.00
	OCT	30,000	$ 32.90	$ 34.85	$ 0.05	$ 2.00	$ 60,000.00
	NOV	30,000	$ 32.90	$ 34.85	$ 0.05	$ 2.00	$ 60,000.00
	DEC	30,000	$ 32.90	$ 34.25	$ 0.05	$ 1.40	$ 42,000.00
2004	JAN	30,000	$ 32.90	$ 34.40	$ 0.05	$ 1.55	$ 46,500.00
	FEB	30,000	$ 32.90	$ 34.40	$ 0.05	$ 1.55	$ 46,500.00
	MAR	30,000	$ 32.90	$ 34.40	$ 0.05	$ 1.55	$ 46,500.00
	APR	30,000	$ 32.90	$ 34.50	$ 0.05	$ 1.65	$ 49,500.00
	MAY	30,000	$ 32.90	$ 34.50	$ 0.05	$ 1.65	$ 49,500.00
	JUNE	30,000	$ 32.90	$ 34.50	$ 0.05	$ 1.65	$ 49,500.00
	JULY	30,000	$ 32.90	$ 34.65	$ 0.05	$ 1.80	$ 54,000.00
	AUG	30,000	$ 32.90	$ 34.65	$ 0.05	$ 1.80	$ 54,000.00
	SEPT	30,000	$ 32.90	$ 34.65	$ 0.05	$ 1.80	$ 54,000.00
	OCT	30,000	$ 32.90	$ 34.85	$ 0.05	$ 2.00	$ 60,000.00
	NOV	30,000	$ 32.90	$ 34.85	$ 0.05	$ 2.00	$ 60,000.00
	DEC	30,000	$ 32.90	$ 34.85	$ 0.05	$ 2.00	$ 60,000.00
2005	JAN	30,000	$ 32.90	$ 35.15	$ 0.05	$ 2.30	$ 69,000.00
	FEB	30,000	$ 32.90	$ 35.15	$ 0.05	$ 2.30	$ 69,000.00
	MAR	30,000	$ 32.90	$ 35.15	$ 0.05	$ 2.30	$ 69,000.00
	APR	30,000	$ 32.90	$ 35.15	$ 0.05	$ 2.30	$ 69,000.00
	MAY	30,000	$ 32.90	$ 35.15	$ 0.05	$ 2.30	$ 69,000.00
	JUNE	30,000	$ 32.90	$ 35.15	$ 0.05	$ 2.30	$ 69,000.00
	JULY	30,000	$ 32.90	$ 35.15	$ 0.05	$ 2.30	$ 69,000.00
	AUG						

	SEPT
	OCT
	NOV
	DEC
2006	JAN
	FEB
	MAR
	APR
	MAY
	JUNE
	JULY
	AUG
	SEPT
	OCT
	NOV
	DEC

CONTRACT	Date of Info	START DATE	END DATE
Supplier B	7/22/2003	10/1/2003	9/30/2006

DATA FOR FUTURES FROM UPI SHEET 11/3/03

Purchase Futures Option two months prior to contract start date is optimal, but data not available, assume purchase futures starting on 11/3/03, 1st data data available

TOTAL CONTRACT SAVINGS (COST) $ 594,000.00

		Tons per month	Actual Contract Price $/ton	Future Price $/ton	Cost of future per ton	Contract Price Minus Future Price Price per ton	Total monthly savings or (cost) to ratepayers
2003	AUG				$ 0.05	$ 0.05	$ -
	SEPT				$ 0.05	$ 0.05	$ -
	OCT	11,000	$ 32.90	$ 34.85	$ 0.05	$ 2.00	$ 22,000.00
	NOV	11,000	$ 32.90	$ 34.85	$ 0.05	$ 2.00	$ 22,000.00
	DEC	11,000	$ 32.90	$ 34.25	$ 0.05	$ 1.40	$ 15,400.00
2004	JAN	11,000	$ 32.90	$ 34.40	$ 0.05	$ 1.55	$ 17,050.00
	FEB	11,000	$ 32.90	$ 34.40	$ 0.05	$ 1.55	$ 17,050.00
	MAR	11,000	$ 32.90	$ 34.40	$ 0.05	$ 1.55	$ 17,050.00
	APR	11,000	$ 32.90	$ 34.50	$ 0.05	$ 1.65	$ 18,150.00
	MAY	11,000	$ 32.90	$ 34.50	$ 0.05	$ 1.65	$ 18,150.00
	JUNE	11,000	$ 32.90	$ 34.50	$ 0.05	$ 1.65	$ 18,150.00
	JULY	11,000	$ 32.90	$ 34.65	$ 0.05	$ 1.80	$ 19,800.00
	AUG	11,000	$ 32.90	$ 34.65	$ 0.05	$ 1.80	$ 19,800.00
	SEPT	11,000	$ 32.90	$ 34.65	$ 0.05	$ 1.80	$ 19,800.00
	OCT	11,000	$ 32.90	$ 34.85	$ 0.05	$ 2.00	$ 22,000.00
	NOV	11,000	$ 32.90	$ 34.85	$ 0.05	$ 2.00	$ 22,000.00
	DEC	11,000	$ 32.90	$ 34.85	$ 0.05	$ 2.00	$ 22,000.00
2005	JAN	11,000	$ 32.90	$ 35.15	$ 0.05	$ 2.30	$ 25,300.00
	FEB	11,000	$ 32.90	$ 35.15	$ 0.05	$ 2.30	$ 25,300.00
	MAR	11,000	$ 32.90	$ 35.15	$ 0.05	$ 2.30	$ 25,300.00
	APR	11,000	$ 32.90	$ 35.15	$ 0.05	$ 2.30	$ 25,300.00
	MAY	11,000	$ 32.90	$ 35.15	$ 0.05	$ 2.30	$ 25,300.00
	JUNE	11,000	$ 32.90	$ 35.15	$ 0.05	$ 2.30	$ 25,300.00
	JULY	11,000	$ 32.90	$ 35.15	$ 0.05	$ 2.30	$ 25,300.00
	AUG	11,000	$ 32.90	$ 35.15	$ 0.05	$ 2.30	$ 25,300.00

Coal Hedging Analysis
January 15, 2010

Appendix D
July 22, 03
Page 4 of 9

	SEPT	11,000	$	32.90	$	35.15	$	0.05	$	2.30	$	25,300.00
	OCT	11,000	$	32.90	$	35.15	$	0.05	$	2.30	$	25,300.00
	NOV	11,000	$	32.90	$	35.15	$	0.05	$	2.30	$	25,300.00
	DEC	11,000	$	32.90	$	35.15	$	0.05	$	2.30	$	25,300.00
2006	JAN	11,000	$	32.90	NA						$	-
	FEB	11,000	$	32.90	NA						$	-
	MAR	11,000	$	32.90	NA						$	-
	APR	11,000	$	32.90	NA						$	-
	MAY	11,000	$	32.90	NA						$	-
	JUNE	11,000	$	32.90	NA						$	-
	JULY	11,000	$	32.90	NA						$	-
	AUG	11,000	$	32.90	NA						$	-
	SEPT	11,000	$	32.90	NA						$	-
	OCT											
	NOV											
	DEC											

Coal Hedging Analysis
January 15, 2010

Appendix D
July 22, 03
Page 5 of 9

CONTRACT	Date of Info	START DATE	END DATE
Supplier C	**7/22/2003**	8/1/2003	7/31/2008

DATA FOR FUTURES FROM UPI SHEET 11/3/03
Purchase Futures Option two months prior to contract start date is optimal, but data not available, assume purchase futures starting on 11/3/03, 1st data data available

TOTAL CONTRACT SAVINGS (COST) $ 1,323,000.00

		Tons per month	Actual Contract Price $/ton	Future Price $/ton	Cost of future per ton	Contract Price Minus Future Price Price per ton	Total monthly savings or (cost) to ratepayers
2003	AUG	30,000	$ 33.00	$ 34.85	$ 0.05	$ 1.90	$ 57,000.00
	SEPT	30,000	$ 33.00	$ 34.85	$ 0.05	$ 1.90	$ 57,000.00
	OCT	30,000	$ 33.00	$ 34.85	$ 0.05	$ 1.90	$ 57,000.00
	NOV	30,000	$ 33.00	$ 34.85	$ 0.05	$ 1.90	$ 57,000.00
	DEC	30,000	$ 33.00	$ 34.25	$ 0.05	$ 1.30	$ 39,000.00
2004	JAN	30,000	$ 33.00	$ 34.40	$ 0.05	$ 1.45	$ 43,500.00
	FEB	30,000	$ 33.00	$ 34.40	$ 0.05	$ 1.45	$ 43,500.00
	MAR	30,000	$ 33.00	$ 34.40	$ 0.05	$ 1.45	$ 43,500.00
	APR	30,000	$ 33.00	$ 34.50	$ 0.05	$ 1.55	$ 46,500.00
	MAY	30,000	$ 33.00	$ 34.50	$ 0.05	$ 1.55	$ 46,500.00
	JUNE	30,000	$ 33.00	$ 34.50	$ 0.05	$ 1.55	$ 46,500.00
	JULY	30,000	$ 33.00	$ 34.65	$ 0.05	$ 1.70	$ 51,000.00
	AUG	30,000	$ 33.50	$ 34.65	$ 0.05	$ 1.20	$ 36,000.00
	SEPT	30,000	$ 33.50	$ 34.65	$ 0.05	$ 1.20	$ 36,000.00
	OCT	30,000	$ 33.50	$ 34.85	$ 0.05	$ 1.40	$ 42,000.00
	NOV	30,000	$ 33.50	$ 34.85	$ 0.05	$ 1.40	$ 42,000.00
	DEC	30,000	$ 33.50	$ 34.85	$ 0.05	$ 1.40	$ 42,000.00
2005	JAN	30,000	$ 33.50	$ 35.15	$ 0.05	$ 1.70	$ 51,000.00
	FEB	30,000	$ 33.50	$ 35.15	$ 0.05	$ 1.70	$ 51,000.00
	MAR	30,000	$ 33.50	$ 35.15	$ 0.05	$ 1.70	$ 51,000.00
	APR	30,000	$ 33.50	$ 35.15	$ 0.05	$ 1.70	$ 51,000.00
	MAY	30,000	$ 33.50	$ 35.15	$ 0.05	$ 1.70	$ 51,000.00
	JUNE	30,000	$ 33.50	$ 35.15	$ 0.05	$ 1.70	$ 51,000.00
	JULY	30,000	$ 33.50	$ 35.15	$ 0.05	$ 1.70	$ 51,000.00
	AUG	30,000	$ 34.00	$ 35.15	$ 0.05	$ 1.20	$ 36,000.00

	SEPT	30,000	$	34.00	$	35.15	$	0.05	$	1.20	$	36,000.00
	OCT	30,000	$	34.00	$	35.15	$	0.05	$	1.20	$	36,000.00
	NOV	30,000	$	34.00	$	35.15	$	0.05	$	1.20	$	36,000.00
	DEC	30,000	$	34.00	$	35.15	$	0.05	$	1.20	$	36,000.00
2006	JAN		$	34.00	NA						$	-

CONTRACT	Date of Info	START DATE	END DATE
Supplier D	7/22/2003	1/1/2004	12/31/2004

DATA FOR FUTURES FROM UPI SHEET 11/3/03

Purchase Futures Option two months prior to contract start date is optimal, but data not available, assume purchase futures starting on 11/3/03, 1st data data available

TOTAL CONTRACT SAVINGS (COST) $ (437,400.00)

		Tons per month	Actual Contract Price $/ton	Future Price $/ton	Cost of future per ton	Contract Price Minus Future Price Price per ton	Total monthly savings or (cost) to ratepayers
2003	AUG	-			$ 0.05	$ 0.05	$ -
	SEPT	-			$ 0.05	$ 0.05	$ -
	OCT	-			$ 0.05	$ 0.05	$ -
	NOV	-			$ 0.05	$ 0.05	$ -
	DEC	-			$ 0.05	$ 0.05	$ -
2004	JAN	27,000	$ 36.00	$ 34.40	$ 0.05	$ (1.55)	$ (41,850.00)
	FEB	27,000	$ 36.00	$ 34.40	$ 0.05	$ (1.55)	$ (41,850.00)
	MAR	27,000	$ 36.00	$ 34.40	$ 0.05	$ (1.55)	$ (41,850.00)
	APR	27,000	$ 36.00	$ 34.50	$ 0.05	$ (1.45)	$ (39,150.00)
	MAY	27,000	$ 36.00	$ 34.50	$ 0.05	$ (1.45)	$ (39,150.00)
	JUNE	27,000	$ 36.00	$ 34.50	$ 0.05	$ (1.45)	$ (39,150.00)
	JULY	27,000	$ 36.00	$ 34.65	$ 0.05	$ (1.30)	$ (35,100.00)
	AUG	27,000	$ 36.00	$ 34.65	$ 0.05	$ (1.30)	$ (35,100.00)
	SEPT	27,000	$ 36.00	$ 34.65	$ 0.05	$ (1.30)	$ (35,100.00)
	OCT	27,000	$ 36.00	$ 34.85	$ 0.05	$ (1.10)	$ (29,700.00)
	NOV	27,000	$ 36.00	$ 34.85	$ 0.05	$ (1.10)	$ (29,700.00)
	DEC	27,000	$ 36.00	$ 34.85	$ 0.05	$ (1.10)	$ (29,700.00)
2005	JAN	-			$ 0.05	$ 0.05	$ -
	FEB	-			$ 0.05	$ 0.05	$ -
	MAR	-			$ 0.05	$ 0.05	$ -
	APR	-			$ 0.05	$ 0.05	$ -
	MAY	-			$ 0.05	$ 0.05	$ -

CONTRACT	Date of Info	START DATE	END DATE
Supplier E	7/22/2003	1/1/2004	12/31/2004

DATA FOR FUTURES FROM UPI SHEET 11/3/03

Purchase Futures Option two months prior to contract start date is optimal, but data not available, assume purchase futures starting on 11/3/03, 1st data data available

TOTAL CONTRACT SAVINGS (COST) $ 615,600.00

		Tons per month	Actual Contract Price $/ton	Future Price $/ton	Cost of future per ton	Contract Price Minus Future Price Price per ton	Total monthly savings or (cost) to ratepayers
2003	AUG	-			$ 0.05	$ 0.05	$ -
	SEPT	-			$ 0.05	$ 0.05	$ -
	OCT	-			$ 0.05	$ 0.05	$ -
	NOV	-			$ 0.05	$ 0.05	$ -
	DEC	-			$ 0.05	$ 0.05	$ -
2004	JAN	27,000	$ 32.75	$ 34.40	$ 0.05	$ 1.70	$ 45,900.00
	FEB	27,000	$ 32.75	$ 34.40	$ 0.05	$ 1.70	$ 45,900.00
	MAR	27,000	$ 32.75	$ 34.40	$ 0.05	$ 1.70	$ 45,900.00
	APR	27,000	$ 32.75	$ 34.50	$ 0.05	$ 1.80	$ 48,600.00
	MAY	27,000	$ 32.75	$ 34.50	$ 0.05	$ 1.80	$ 48,600.00
	JUNE	27,000	$ 32.75	$ 34.50	$ 0.05	$ 1.80	$ 48,600.00
	JULY	27,000	$ 32.75	$ 34.65	$ 0.05	$ 1.95	$ 52,650.00
	AUG	27,000	$ 32.75	$ 34.65	$ 0.05	$ 1.95	$ 52,650.00
	SEPT	27,000	$ 32.75	$ 34.65	$ 0.05	$ 1.95	$ 52,650.00
	OCT	27,000	$ 32.75	$ 34.85	$ 0.05	$ 2.15	$ 58,050.00
	NOV	27,000	$ 32.75	$ 34.85	$ 0.05	$ 2.15	$ 58,050.00
	DEC	27,000	$ 32.75	$ 34.85	$ 0.05	$ 2.15	$ 58,050.00
2005	JAN	-			$ 0.05	$ 0.05	$ -
	FEB	-			$ 0.05	$ 0.05	$ -
	MAR	-			$ 0.05	$ 0.05	$ -
	APR	-			$ 0.05	$ 0.05	$ -
	MAY	-			$ 0.05	$ 0.05	$ -
	JUNE	-			$ 0.05	$ 0.05	$ -

CONTRACT WORK SHEET 22-Oct-03

Assume contract was a future rather than a purchase contract- note that buying a future and buying a swap is basically mathematically similar

CONTRACT	Date of Info	START DATE	END DATE
Supplier F	10/22/2003	9/1/2003	8/31/2006

DATA FOR FUTURES FROM UPI SHEET 11/3/03

Purchase Futures Option two months prior to contract start date is optimal, but data not available, assume purchase futures starting on 11/3/03, 1st data data available

TOTAL CONTRACT SAVINGS (COST) $ 1,390,000.00

		Tons per month	Actual Contract Price $/ton	Future Price $/ton	Cost of future per ton	Contract Price Minus Future Price Price per ton	Total monthly savings or (cost) to ratepayers
2003	AUG					$ -	$ -
	SEPT	25,000	$ 32.50	$ 34.85	$ 0.05	$ 2.40	$ 60,000.00
	OCT	25,000	$ 32.50	$ 34.85	$ 0.05	$ 2.40	$ 60,000.00
	NOV	25,000	$ 32.50	$ 34.85	$ 0.05	$ 2.40	$ 60,000.00
	DEC	25,000	$ 32.50	$ 34.25	$ 0.05	$ 1.80	$ 45,000.00
2004	JAN	25,000	$ 32.50	$ 34.40	$ 0.05	$ 1.95	$ 48,750.00
	FEB	25,000	$ 32.50	$ 34.40	$ 0.05	$ 1.95	$ 48,750.00
	MAR	25,000	$ 32.50	$ 34.40	$ 0.05	$ 1.95	$ 48,750.00
	APR	25,000	$ 32.50	$ 34.50	$ 0.05	$ 2.05	$ 51,250.00
	MAY	25,000	$ 32.50	$ 34.50	$ 0.05	$ 2.05	$ 51,250.00
	JUNE	25,000	$ 32.50	$ 34.50	$ 0.05	$ 2.05	$ 51,250.00
	JULY	25,000	$ 32.50	$ 34.65	$ 0.05	$ 2.20	$ 55,000.00
	AUG	25,000	$ 32.50	$ 34.65	$ 0.05	$ 2.20	$ 55,000.00
	SEPT	25,000	$ 33.10	$ 34.65	$ 0.05	$ 1.60	$ 40,000.00
	OCT	25,000	$ 33.10	$ 34.85	$ 0.05	$ 1.80	$ 45,000.00
	NOV	25,000	$ 33.10	$ 34.85	$ 0.05	$ 1.80	$ 45,000.00
	DEC	25,000	$ 33.10	$ 34.85	$ 0.05	$ 1.80	$ 45,000.00
2005	JAN	25,000	$ 33.10	$ 35.15	$ 0.05	$ 2.10	$ 52,500.00
	FEB	25,000	$ 33.10	$ 35.15	$ 0.05	$ 2.10	$ 52,500.00
	MAR	25,000	$ 33.10	$ 35.15	$ 0.05	$ 2.10	$ 52,500.00
	APR	25,000	$ 33.10	$ 35.15	$ 0.05	$ 2.10	$ 52,500.00
	MAY	25,000	$ 33.10	$ 35.15	$ 0.05	$ 2.10	$ 52,500.00
	JUNE	25,000	$ 33.10	$ 35.15	$ 0.05	$ 2.10	$ 52,500.00
	JULY	25,000	$ 33.10	$ 35.15	$ 0.05	$ 2.10	$ 52,500.00
	AUG	25,000	$ 33.10	$ 35.15	$ 0.05	$ 2.10	$ 52,500.00
	SEPT	25,000	$ 33.60	$ 35.15	$ 0.05	$ 1.60	$ 40,000.00
	OCT	25,000	$ 33.60	$ 35.15	$ 0.05	$ 1.60	$ 40,000.00
	NOV	25,000	$ 33.60	$ 35.15	$ 0.05	$ 1.60	$ 40,000.00
	DEC	25,000	$ 33.60	$ 35.15	$ 0.05	$ 1.60	$ 40,000.00

CONTRACT	Date of Info	START DATE	END DATE
Supplier G	10/22/2003	1/1/2004	12/31/2006

DATA FOR FUTURES FROM UPI SHEET 11/3/03

Purchase Futures Option two months prior to contract start date is optimal, but data not available, assume purchase futures starting on 11/3/03, 1st data data available

TOTAL CONTRACT SAVINGS (COST) $ 3,080,015.40

		Tons per month	Actual Contract Price $/ton	Future Price $/ton	Cost of future per ton	Contract Price Minus Future Price Price per ton	Total monthly savings or (cost) to ratepayers
2003	AUG					$ -	$ -
	SEPT			$ 34.85	$ 0.05	$ 34.90	$ -
	OCT			$ 34.85	$ 0.05	$ 34.90	$ -
	NOV			$ 34.85	$ 0.05	$ 34.90	$ -
	DEC			$ 34.25	$ 0.05	$ 34.30	$ -
2004	JAN	66,667	$ 33.00	$ 34.40	$ 0.05	$ 1.45	$ 96,667.15
	FEB	66,667	$ 33.00	$ 34.40	$ 0.05	$ 1.45	$ 96,667.15
	MAR	66,667	$ 33.00	$ 34.40	$ 0.05	$ 1.45	$ 96,667.15
	APR	66,667	$ 33.00	$ 34.50	$ 0.05	$ 1.55	$ 103,333.85
	MAY	66,667	$ 33.00	$ 34.50	$ 0.05	$ 1.55	$ 103,333.85
	JUNE	66,667	$ 33.00	$ 34.50	$ 0.05	$ 1.55	$ 103,333.85
	JULY	66,667	$ 33.00	$ 34.65	$ 0.05	$ 1.70	$ 113,333.90
	AUG	66,667	$ 33.00	$ 34.65	$ 0.05	$ 1.70	$ 113,333.90
	SEPT	66,667	$ 33.00	$ 34.65	$ 0.05	$ 1.70	$ 113,333.90
	OCT	66,667	$ 33.00	$ 34.85	$ 0.05	$ 1.90	$ 126,667.30
	NOV	66,667	$ 33.00	$ 34.85	$ 0.05	$ 1.90	$ 126,667.30
	DEC	66,667	$ 33.00	$ 34.85	$ 0.05	$ 1.90	$ 126,667.30
2005	JAN	66,667	$ 33.00	$ 35.15	$ 0.05	$ 2.20	$ 146,667.40
	FEB	66,667	$ 33.00	$ 35.15	$ 0.05	$ 2.20	$ 146,667.40
	MAR	66,667	$ 33.00	$ 35.15	$ 0.05	$ 2.20	$ 146,667.40
	APR	66,667	$ 33.00	$ 35.15	$ 0.05	$ 2.20	$ 146,667.40
	MAY	66,667	$ 33.00	$ 35.15	$ 0.05	$ 2.20	$ 146,667.40
	JUNE	66,667	$ 33.00	$ 35.15	$ 0.05	$ 2.20	$ 146,667.40
	JULY	66,667	$ 33.00	$ 35.15	$ 0.05	$ 2.20	$ 146,667.40
	AUG	66,667	$ 33.00	$ 35.15	$ 0.05	$ 2.20	$ 146,667.40
	SEPT	66,667	$ 33.00	$ 35.15	$ 0.05	$ 2.20	$ 146,667.40
	OCT	66,667	$ 33.00	$ 35.15	$ 0.05	$ 2.20	$ 146,667.40
	NOV	66,667	$ 33.00	$ 35.15	$ 0.05	$ 2.20	$ 146,667.40
	DEC	66,667	$ 33.00	$ 35.15	$ 0.05	$ 2.20	$ 146,667.40

CONTRACT WORK SHEET 18-Feb-04

Assume contract was a future rather than a purchase contract- note that buying a future and buying a swap is basically mathematically similar

CONTRACT	Date of Info	START DATE	END DATE
Supplier H	**1/31/2005**	4/1/2004	12/31/2006

DATA FOR FUTURES FROM UPI SHEET 2/1/04

TOTAL CONTRACT SAVINGS (COST) $ (2,199,600.00)

		Tons per month	Actual Contract Price $/ton	Future Price $/ton	Cost of future per ton	Contract Price Minus Future Price Price per ton	Total monthly savings or (cost) to ratepayers
2004	JAN				$ 0.05	$ 42.55	$ -
	FEB				$ 0.05	$ 0.05	$ -
	MAR				$ 0.05	$ 0.05	$ -
	APR	20,000	$ 46.50	$ 44.88	$ 0.05	$ (1.57)	$ (31,400.00)
	MAY	20,000	$ 46.50	$ 44.88	$ 0.05	$ (1.57)	$ (31,400.00)
	JUNE	20,000	$ 46.50	$ 44.88	$ 0.05	$ (1.57)	$ (31,400.00)
	JULY	20,000	$ 46.50	$ 44.88	$ 0.05	$ (1.57)	$ (31,400.00)
	AUG	20,000	$ 46.50	$ 44.88	$ 0.05	$ (1.57)	$ (31,400.00)
	SEPT	20,000	$ 46.50	$ 44.88	$ 0.05	$ (1.57)	$ (31,400.00)
	OCT	20,000	$ 46.50	$ 44.88	$ 0.05	$ (1.57)	$ (31,400.00)
	NOV	20,000	$ 46.50	$ 44.88	$ 0.05	$ (1.57)	$ (31,400.00)
	DEC	20,000	$ 46.50	$ 44.88	$ 0.05	$ (1.57)	$ (31,400.00)
2005	JAN	30,000	$ 46.50	$ 42.50	$ 0.05	$ (3.95)	$ (118,500.00)
	FEB	30,000	$ 46.50	$ 42.50	$ 0.05	$ (3.95)	$ (118,500.00)
	MAR	30,000	$ 46.50	$ 42.50	$ 0.05	$ (3.95)	$ (118,500.00)
	APR	30,000	$ 46.50	$ 41.00	$ 0.05	$ (5.45)	$ (163,500.00)
	MAY	30,000	$ 46.50	$ 41.00	$ 0.05	$ (5.45)	$ (163,500.00)
	JUNE	30,000	$ 46.50	$ 41.00	$ 0.05	$ (5.45)	$ (163,500.00)
	JULY	30,000	$ 46.50	$ 40.50	$ 0.05	$ (5.95)	$ (178,500.00)
	AUG	30,000	$ 46.50	$ 40.50	$ 0.05	$ (5.95)	$ (178,500.00)
	SEPT	30,000	$ 46.50	$ 40.50	$ 0.05	$ (5.95)	$ (178,500.00)
	OCT	30,000	$ 46.50	$ 40.50	$ 0.05	$ (5.95)	$ (178,500.00)
	NOV	30,000	$ 46.50	$ 40.50	$ 0.05	$ (5.95)	$ (178,500.00)
	DEC	30,000	$ 46.50	$ 40.50	$ 0.05	$ (5.95)	$ (178,500.00)

CONTRACT	Date of Info	START DATE	END DATE
Supplier I	1/31/2005	4/1/2004	3/31/2006

DATA FOR FUTURES FROM UPI SHEET 2/1/04

TOTAL CONTRACT SAVINGS (COST) $ (1,140,600.00)

		Tons per month	Actual Contract Price $/ton	Future Price $/ton	Cost of future per ton	Contract Price Minus Future Price Price per ton	Total monthly savings or (cost) to ratepayers
2004	JAN				$ 0.05	$ 42.55	$ -
	FEB				$ 0.05	$ 0.05	$ -
	MAR				$ 0.05	$ 0.05	$ -
	APR	20,000	$ 45.50	$ 44.88	$ 0.05	$ (0.57)	$ (11,400.00)
	MAY	20,000	$ 45.50	$ 44.88	$ 0.05	$ (0.57)	$ (11,400.00)
	JUNE	20,000	$ 45.50	$ 44.88	$ 0.05	$ (0.57)	$ (11,400.00)
	JULY	20,000	$ 45.50	$ 44.88	$ 0.05	$ (0.57)	$ (11,400.00)
	AUG	20,000	$ 45.50	$ 44.88	$ 0.05	$ (0.57)	$ (11,400.00)
	SEPT	20,000	$ 45.50	$ 44.88	$ 0.05	$ (0.57)	$ (11,400.00)
	OCT	20,000	$ 45.50	$ 44.88	$ 0.05	$ (0.57)	$ (11,400.00)
	NOV	20,000	$ 45.50	$ 44.88	$ 0.05	$ (0.57)	$ (11,400.00)
	DEC	20,000	$ 45.50	$ 44.88	$ 0.05	$ (0.57)	$ (11,400.00)
2005	JAN	20,000	$ 45.50	$ 42.50	$ 0.05	$ (2.95)	$ (59,000.00)
	FEB	20,000	$ 45.50	$ 42.50	$ 0.05	$ (2.95)	$ (59,000.00)
	MAR	20,000	$ 45.50	$ 42.50	$ 0.05	$ (2.95)	$ (59,000.00)
	APR	20,000	$ 45.50	$ 41.00	$ 0.05	$ (4.45)	$ (89,000.00)
	MAY	20,000	$ 45.50	$ 41.00	$ 0.05	$ (4.45)	$ (89,000.00)
	JUNE	20,000	$ 45.50	$ 41.00	$ 0.05	$ (4.45)	$ (89,000.00)
	JULY	20,000	$ 45.50	$ 40.50	$ 0.05	$ (4.95)	$ (99,000.00)
	AUG	20,000	$ 45.50	$ 40.50	$ 0.05	$ (4.95)	$ (99,000.00)
	SEPT	20,000	$ 45.50	$ 40.50	$ 0.05	$ (4.95)	$ (99,000.00)
	OCT	20,000	$ 45.50	$ 40.50	$ 0.05	$ (4.95)	$ (99,000.00)
	NOV	20,000	$ 45.50	$ 40.50	$ 0.05	$ (4.95)	$ (99,000.00)
	DEC	20,000	$ 45.50	$ 40.50	$ 0.05	$ (4.95)	$ (99,000.00)

CONTRACT	Date of Info	START DATE	END DATE
Supplier J	**1/31/2005**	1/1/2004	12/31/2004

DATA FOR FUTURES FROM UPI SHEET 11/3/03

Purchase Futures Option two months prior to contract start date is optimal, but data not available, assume purchase futures starting on 11/3/03, 1st data data available

TOTAL CONTRACT SAVINGS (COST) $ (408,000.00)

		Tons per month	Actual Contract Price $/ton	Future Price $/ton	Cost of future per ton	Contract Price Minus Future Price Price per ton	Total monthly savings or (cost) to ratepayers
2004	JAN	20,000	$ 36.20	$ 34.25	$ 0.05	$ (1.90)	$ (38,000.00)
	FEB	20,000	$ 36.20	$ 34.25	$ 0.05	$ (1.90)	$ (38,000.00)
	MAR	20,000	$ 36.20	$ 34.25	$ 0.05	$ (1.90)	$ (38,000.00)
	APR	20,000	$ 36.20	$ 34.40	$ 0.05	$ (1.75)	$ (35,000.00)
	MAY	20,000	$ 36.20	$ 34.40	$ 0.05	$ (1.75)	$ (35,000.00)
	JUNE	20,000	$ 36.20	$ 34.40	$ 0.05	$ (1.75)	$ (35,000.00)
	JULY	20,000	$ 36.20	$ 34.50	$ 0.05	$ (1.65)	$ (33,000.00)
	AUG	20,000	$ 36.20	$ 34.50	$ 0.05	$ (1.65)	$ (33,000.00)
	SEPT	20,000	$ 36.20	$ 34.50	$ 0.05	$ (1.65)	$ (33,000.00)
	OCT	20,000	$ 36.20	$ 34.65	$ 0.05	$ (1.50)	$ (30,000.00)
	NOV	20,000	$ 36.20	$ 34.65	$ 0.05	$ (1.50)	$ (30,000.00)
	DEC	20,000	$ 36.20	$ 34.65	$ 0.05	$ (1.50)	$ (30,000.00)
2005	JAN						
	FEB						
	MAR						
	APR						
	MAY						
	JUNE						
	JULY						
	AUG						
	SEPT						
	OCT						
	NOV						
	DEC						

CONTRACT WORK SHEET 31-Jan-05

Assume contract was a future rather than a purchase contract- note that buying a future and buying a swap is basically mathematically similar

CONTRACT	Date of Info	START DATE	END DATE
Supplier A	**1/31/2005**	1/1/2004	12/31/2005

DATA FOR FUTURES FROM UPI SHEET 11/3/03

Purchase Futures Option two months prior to contract start date is optimal, but data not available, assume purchase futures starting on 11/3/03, 1st data data available

TOTAL CONTRACT SAVINGS (COST) $ 135,000.00

		Tons per month	Actual Contract Price $/ton	Future Price $/ton	Cost of future per ton	Contract Price Minus Future Price Price per ton	Total monthly savings or (cost) to ratepayers
2004	JAN	50,000	$ 34.70	$ 34.25	$ 0.05	$ (0.40)	$ (20,000.00)
	FEB	50,000	$ 34.70	$ 34.25	$ 0.05	$ (0.40)	$ (20,000.00)
	MAR	50,000	$ 34.70	$ 34.25	$ 0.05	$ (0.40)	$ (20,000.00)
	APR	50,000	$ 34.70	$ 34.40	$ 0.05	$ (0.25)	$ (12,500.00)
	MAY	50,000	$ 34.70	$ 34.40	$ 0.05	$ (0.25)	$ (12,500.00)
	JUNE	50,000	$ 34.70	$ 34.40	$ 0.05	$ (0.25)	$ (12,500.00)
	JULY	50,000	$ 34.70	$ 34.50	$ 0.05	$ (0.15)	$ (7,500.00)
	AUG	50,000	$ 34.70	$ 34.50	$ 0.05	$ (0.15)	$ (7,500.00)
	SEPT	50,000	$ 34.70	$ 34.50	$ 0.05	$ (0.15)	$ (7,500.00)
	OCT	50,000	$ 34.70	$ 34.65	$ 0.05	$ -	$ -
	NOV	50,000	$ 34.70	$ 34.65	$ 0.05	$ -	$ -
	DEC	50,000	$ 34.70	$ 34.65	$ 0.05	$ -	$ -
2005	JAN	50,000	$ 34.70	$ 34.85	$ 0.05	$ 0.20	$ 10,000.00
	FEB	50,000	$ 34.70	$ 34.85	$ 0.05	$ 0.20	$ 10,000.00
	MAR	50,000	$ 34.70	$ 34.85	$ 0.05	$ 0.20	$ 10,000.00
	APR	50,000	$ 34.70	$ 35.15	$ 0.05	$ 0.50	$ 25,000.00
	MAY	50,000	$ 34.70	$ 35.15	$ 0.05	$ 0.50	$ 25,000.00
	JUNE	50,000	$ 34.70	$ 35.15	$ 0.05	$ 0.50	$ 25,000.00
	JULY	50,000	$ 34.70	$ 35.15	$ 0.05	$ 0.50	$ 25,000.00
	AUG	50,000	$ 34.70	$ 35.15	$ 0.05	$ 0.50	$ 25,000.00
	SEPT	50,000	$ 34.70	$ 35.15	$ 0.05	$ 0.50	$ 25,000.00
	OCT	50,000	$ 34.70	$ 35.15	$ 0.05	$ 0.50	$ 25,000.00
	NOV	50,000	$ 34.70	$ 35.15	$ 0.05	$ 0.50	$ 25,000.00
	DEC	50,000	$ 34.70	$ 35.15	$ 0.05	$ 0.50	$ 25,000.00

CONTRACT	Date of Info	START DATE	END DATE
Supplier A	1/31/2005	1/1/2005	12/31/2008

DATA FOR FUTURES FROM UPI SHEET 11/1/04

TOTAL CONTRACT SAVINGS (COST) $ 17,437,500.00

		Tons per month	Actual Contract Price $/ton	Future Price $/ton	Cost of future per ton	Contract Price Minus Future Price Price per ton	Total monthly savings or (cost) to ratepayers
2004	JAN				$ 0.05	$ 0.05	$ -
	FEB				$ 0.05	$ 0.05	$ -
	MAR				$ 0.05	$ 0.05	$ -
	APR				$ 0.05	$ 0.05	$ -
	MAY				$ 0.05	$ 0.05	$ -
	JUNE				$ 0.05	$ 0.05	$ -
	JULY				$ 0.05	$ 0.05	$ -
	AUG				$ 0.05	$ 0.05	$ -
	SEPT				$ 0.05	$ 0.05	$ -
	OCT				$ 0.05	$ 0.05	$ -
	NOV				$ 0.05	$ 0.05	$ -
	DEC				$ 0.05	$ 0.05	$ -
2005	JAN	50,000	$ 45.50	$ 61.25	$ 0.05	$ 15.80	$ 790,000.00
	FEB	50,000	$ 45.50	$ 61.25	$ 0.05	$ 15.80	$ 790,000.00
	MAR	50,000	$ 45.50	$ 61.25	$ 0.05	$ 15.80	$ 790,000.00
	APR	50,000	$ 45.50	$ 58.75	$ 0.05	$ 13.30	$ 665,000.00
	MAY	50,000	$ 45.50	$ 58.75	$ 0.05	$ 13.30	$ 665,000.00
	JUNE	50,000	$ 45.50	$ 58.75	$ 0.05	$ 13.30	$ 665,000.00
	JULY	50,000	$ 45.50	$ 57.75	$ 0.05	$ 12.30	$ 615,000.00
	AUG	50,000	$ 45.50	$ 57.75	$ 0.05	$ 12.30	$ 615,000.00
	SEPT	50,000	$ 45.50	$ 57.75	$ 0.05	$ 12.30	$ 615,000.00
	OCT	50,000	$ 45.50	$ 56.50	$ 0.05	$ 11.05	$ 552,500.00
	NOV	50,000	$ 45.50	$ 56.50	$ 0.05	$ 11.05	$ 552,500.00
	DEC	50,000	$ 45.50	$ 56.50	$ 0.05	$ 11.05	$ 552,500.00
2006	JAN	100,000	$ 45.50	$ 54.50	$ 0.05	$ 9.05	$ 905,000.00
	FEB	100,000	$ 45.50	$ 54.50	$ 0.05	$ 9.05	$ 905,000.00

	MAR	100,000	$	45.50	$	54.50	$	0.05	$	9.05	$ 905,000.00
	APR	100,000	$	45.50	$	51.00	$	0.05	$	5.55	$ 555,000.00
	MAY	100,000	$	45.50	$	51.00	$	0.05	$	5.55	$ 555,000.00
	JUNE	100,000	$	45.50	$	51.00	$	0.05	$	5.55	$ 555,000.00
	JULY	100,000	$	45.50	$	51.00	$	0.05	$	5.55	$ 555,000.00
	AUG	100,000	$	45.50	$	51.00	$	0.05	$	5.55	$ 555,000.00
	SEPT	100,000	$	45.50	$	51.00	$	0.05	$	5.55	$ 555,000.00
	OCT	100,000	$	45.50	$	51.00	$	0.05	$	5.55	$ 555,000.00
	NOV	100,000	$	45.50	$	51.00	$	0.05	$	5.55	$ 555,000.00
	DEC	100,000	$	45.50	$	51.00	$	0.05	$	5.55	$ 555,000.00
2007	JAN	100,000	$	45.50	$	47.00	$	0.05	$	1.55	$ 155,000.00
	FEB	100,000	$	45.50	$	47.00	$	0.05	$	1.55	$ 155,000.00
	MAR	100,000	$	45.50	$	47.00	$	0.05	$	1.55	$ 155,000.00
	APR	100,000	$	45.50	$	47.00	$	0.05	$	1.55	$ 155,000.00
	MAY	100,000	$	45.50	$	47.00	$	0.05	$	1.55	$ 155,000.00
	JUNE	100,000	$	45.50	$	47.00	$	0.05	$	1.55	$ 155,000.00
	JULY	100,000	$	45.50	$	47.00	$	0.05	$	1.55	$ 155,000.00
	AUG	100,000	$	45.50	$	47.00	$	0.05	$	1.55	$ 155,000.00
	SEPT	100,000	$	45.50	$	47.00	$	0.05	$	1.55	$ 155,000.00
	OCT	100,000	$	45.50	$	47.00	$	0.05	$	1.55	$ 155,000.00
	NOV	100,000	$	45.50	$	47.00	$	0.05	$	1.55	$ 155,000.00
	DEC	100,000	$	45.50	$	47.00	$	0.05	$	1.55	$ 155,000.00
2008	JAN	100,000	$	45.50							
	FEB	100,000	$	45.50							
	MAR	100,000	$	45.50							
	APR	100,000	$	45.50							
	MAY	100,000	$	45.50							
	JUNE	100,000	$	45.50							
	JULY	100,000	$	45.50							
	AUG	100,000	$	45.50							
	SEPT	100,000	$	45.50							
	OCT	100,000	$	45.50							
	NOV	100,000	$	45.50							
	DEC	100,000	$	45.50							

CONTRACT	Date of Info	START DATE	END DATE
Supplier J	1/31/2005	1/1/2005	12/31/2007

DATA FOR FUTURES FROM UPI SHEET 11/1/04

TOTAL CONTRACT SAVINGS (COST) $ 1,333,500.00

		Tons per month	Actual Contract Price $/ton	Future Price $/ton	Cost of future per ton	Contract Price Minus Future Price Price per ton	Total monthly savings or (cost) to ratepayers
2004	JAN				$ 0.05	$ 0.05	$ -
	FEB				$ 0.05	$ 0.05	$ -
	MAR				$ 0.05	$ 0.05	$ -
	APR				$ 0.05	$ 0.05	$ -
	MAY				$ 0.05	$ 0.05	$ -
	JUNE				$ 0.05	$ 0.05	$ -
	JULY				$ 0.05	$ 0.05	$ -
	AUG				$ 0.05	$ 0.05	$ -
	SEPT				$ 0.05	$ 0.05	$ -
	OCT				$ 0.05	$ 0.05	$ -
	NOV				$ 0.05	$ 0.05	$ -
	DEC				$ 0.05	$ 0.05	$ -
2005	JAN	70,000	$ 52.00	$ 61.25	$ 0.05	$ 9.30	$ 651,000.00
	FEB	70,000	$ 52.00	$ 61.25	$ 0.05	$ 9.30	$ 651,000.00
	MAR	70,000	$ 52.00	$ 61.25	$ 0.05	$ 9.30	$ 651,000.00
	APR	70,000	$ 52.00	$ 58.75	$ 0.05	$ 6.80	$ 476,000.00
	MAY	70,000	$ 52.00	$ 58.75	$ 0.05	$ 6.80	$ 476,000.00
	JUNE	70,000	$ 52.00	$ 58.75	$ 0.05	$ 6.80	$ 476,000.00
	JULY	70,000	$ 52.00	$ 57.75	$ 0.05	$ 5.80	$ 406,000.00
	AUG	70,000	$ 52.00	$ 57.75	$ 0.05	$ 5.80	$ 406,000.00
	SEPT	70,000	$ 52.00	$ 57.75	$ 0.05	$ 5.80	$ 406,000.00
	OCT	70,000	$ 52.00	$ 56.50	$ 0.05	$ 4.55	$ 318,500.00
	NOV	70,000	$ 52.00	$ 56.50	$ 0.05	$ 4.55	$ 318,500.00
	DEC	70,000	$ 52.00	$ 56.50	$ 0.05	$ 4.55	$ 318,500.00
2006	JAN	70,000	$ 52.00	$ 54.50	$ 0.05	$ 2.55	$ 178,500.00
	FEB	70,000	$ 52.00	$ 54.50	$ 0.05	$ 2.55	$ 178,500.00

	MAR	70,000	$	52.00	$	54.50	$	0.05	$	2.55	$	178,500.00
	APR	70,000	$	52.00	$	51.00	$	0.05	$	(0.95)	$	(66,500.00)
	MAY	70,000	$	52.00	$	51.00	$	0.05	$	(0.95)	$	(66,500.00)
	JUNE	70,000	$	52.00	$	51.00	$	0.05	$	(0.95)	$	(66,500.00)
	JULY	70,000	$	52.00	$	51.00	$	0.05	$	(0.95)	$	(66,500.00)
	AUG	70,000	$	52.00	$	51.00	$	0.05	$	(0.95)	$	(66,500.00)
	SEPT	70,000	$	52.00	$	51.00	$	0.05	$	(0.95)	$	(66,500.00)
	OCT	70,000	$	52.00	$	51.00	$	0.05	$	(0.95)	$	(66,500.00)
	NOV	70,000	$	52.00	$	51.00	$	0.05	$	(0.95)	$	(66,500.00)
	DEC	70,000	$	52.00	$	51.00	$	0.05	$	(0.95)	$	(66,500.00)
2007	JAN	70,000	$	52.00	$	47.00	$	0.05	$	(4.95)	$	(346,500.00)
	FEB	70,000	$	52.00	$	47.00	$	0.05	$	(4.95)	$	(346,500.00)
	MAR	70,000	$	52.00	$	47.00	$	0.05	$	(4.95)	$	(346,500.00)
	APR	70,000	$	52.00	$	47.00	$	0.05	$	(4.95)	$	(346,500.00)
	MAY	70,000	$	52.00	$	47.00	$	0.05	$	(4.95)	$	(346,500.00)
	JUNE	70,000	$	52.00	$	47.00	$	0.05	$	(4.95)	$	(346,500.00)
	JULY	70,000	$	52.00	$	47.00	$	0.05	$	(4.95)	$	(346,500.00)
	AUG	70,000	$	52.00	$	47.00	$	0.05	$	(4.95)	$	(346,500.00)
	SEPT	70,000	$	52.00	$	47.00	$	0.05	$	(4.95)	$	(346,500.00)
	OCT	70,000	$	52.00	$	47.00	$	0.05	$	(4.95)	$	(346,500.00)
	NOV	70,000	$	52.00	$	47.00	$	0.05	$	(4.95)	$	(346,500.00)
	DEC	70,000	$	52.00	$	47.00	$	0.05	$	(4.95)	$	(346,500.00)
2008	JAN											
	FEB											

CONTRACT	Date of Info	START DATE	END DATE
Supplier K	1/31/2005	1/1/2005	12/31/2006

DATA FOR FUTURES FROM UPI SHEET 11/1/04

TOTAL CONTRACT SAVINGS (COST) $ 1,569,000.00

		Tons per month	Actual Contract Price $/ton	Future Price $/ton	Cost of future per ton	Contract Price Minus Future Price Price per ton	Total monthly savings or (cost) to ratepayers
2004	JAN				$ 0.05	$ 0.05	$ -
	FEB				$ 0.05	$ 0.05	$ -
	MAR				$ 0.05	$ 0.05	$ -
	APR				$ 0.05	$ 0.05	$ -
	MAY				$ 0.05	$ 0.05	$ -
	JUNE				$ 0.05	$ 0.05	$ -
	JULY				$ 0.05	$ 0.05	$ -
	AUG				$ 0.05	$ 0.05	$ -
	SEPT				$ 0.05	$ 0.05	$ -
	OCT				$ 0.05	$ 0.05	$ -
	NOV				$ 0.05	$ 0.05	$ -
	DEC				$ 0.05	$ 0.05	$ -
2005	JAN	20,000	$ 52.00	$ 61.25	$ 0.05	$ 9.30	$ 186,000.00
	FEB	20,000	$ 52.00	$ 61.25	$ 0.05	$ 9.30	$ 186,000.00
	MAR	20,000	$ 52.00	$ 61.25	$ 0.05	$ 9.30	$ 186,000.00
	APR	20,000	$ 52.00	$ 58.75	$ 0.05	$ 6.80	$ 136,000.00
	MAY	20,000	$ 52.00	$ 58.75	$ 0.05	$ 6.80	$ 136,000.00
	JUNE	20,000	$ 52.00	$ 58.75	$ 0.05	$ 6.80	$ 136,000.00
	JULY	20,000	$ 52.00	$ 57.75	$ 0.05	$ 5.80	$ 116,000.00
	AUG	20,000	$ 52.00	$ 57.75	$ 0.05	$ 5.80	$ 116,000.00
	SEPT	20,000	$ 52.00	$ 57.75	$ 0.05	$ 5.80	$ 116,000.00
	OCT	20,000	$ 52.00	$ 56.50	$ 0.05	$ 4.55	$ 91,000.00
	NOV	20,000	$ 52.00	$ 56.50	$ 0.05	$ 4.55	$ 91,000.00
	DEC	20,000	$ 52.00	$ 56.50	$ 0.05	$ 4.55	$ 91,000.00
2006	JAN	20,000	$ 52.00	$ 54.50	$ 0.05	$ 2.55	$ 51,000.00
	FEB	20,000	$ 52.00	$ 54.50	$ 0.05	$ 2.55	$ 51,000.00

	MAR	20,000	$	52.00	$	54.50	$	0.05	$	2.55	$	51,000.00
	APR	20,000	$	52.00	$	51.00	$	0.05	$	(0.95)	$	(19,000.00)
	MAY	20,000	$	52.00	$	51.00	$	0.05	$	(0.95)	$	(19,000.00)
	JUNE	20,000	$	52.00	$	51.00	$	0.05	$	(0.95)	$	(19,000.00)
	JULY	20,000	$	52.00	$	51.00	$	0.05	$	(0.95)	$	(19,000.00)
	AUG	20,000	$	52.00	$	51.00	$	0.05	$	(0.95)	$	(19,000.00)
	SEPT	20,000	$	52.00	$	51.00	$	0.05	$	(0.95)	$	(19,000.00)
	OCT	20,000	$	52.00	$	51.00	$	0.05	$	(0.95)	$	(19,000.00)
	NOV	20,000	$	52.00	$	51.00	$	0.05	$	(0.95)	$	(19,000.00)
	DEC	20,000	$	52.00	$	51.00	$	0.05	$	(0.95)	$	(19,000.00)
2007	JAN				$	47.00	$	0.05	$	47.05	$	-
	FEB				$	47.00	$	0.05	$	47.05	$	-
	MAR				$	47.00	$	0.05	$	47.05	$	-
	APR				$	47.00	$	0.05	$	47.05	$	-
	MAY				$	47.00	$	0.05	$	47.05	$	-
	JUNE				$	47.00	$	0.05	$	47.05	$	-
	JULY				$	47.00	$	0.05	$	47.05	$	-
	AUG				$	47.00	$	0.05	$	47.05	$	-
	SEPT				$	47.00	$	0.05	$	47.05	$	-
	OCT				$	47.00	$	0.05	$	47.05	$	-
	NOV				$	47.00	$	0.05	$	47.05	$	-
	DEC				$	47.00	$	0.05	$	47.05	$	-
2008	JAN											
	FEB											

CONTRACT	Date of Info	START DATE	END DATE
Supplier L	1/31/2005	12/1/2004	11/30/2007

DATA FOR FUTURES FROM UPI SHEET 10/1/04

TOTAL CONTRACT SAVINGS (COST) $ (310,500.00)

		Tons per month	Actual Contract Price $/ton	Future Price $/ton	Cost of future per ton	Contract Price Minus Future Price Price per ton	Total monthly savings or (cost) to ratepayers
2004	JAN				$ 0.05	$ 0.05	$ -
	FEB				$ 0.05	$ 0.05	$ -
	MAR				$ 0.05	$ 0.05	$ -
	APR				$ 0.05	$ 0.05	$ -
	MAY				$ 0.05	$ 0.05	$ -
	JUNE				$ 0.05	$ 0.05	$ -
	JULY				$ 0.05	$ 0.05	$ -
	AUG				$ 0.05	$ 0.05	$ -
	SEPT				$ 0.05	$ 0.05	$ -
	OCT				$ 0.05	$ 0.05	$ -
	NOV				$ 0.05	$ 0.05	$ -
	DEC	54,000	$ 53.00	$ 65.25	$ 0.05	$ 12.30	$ 664,200.00
2005	JAN	54,000	$ 53.00	$ 62.00	$ 0.05	$ 9.05	$ 488,700.00
	FEB	54,000	$ 53.00	$ 62.00	$ 0.05	$ 9.05	$ 488,700.00
	MAR	54,000	$ 53.00	$ 62.00	$ 0.05	$ 9.05	$ 488,700.00
	APR	54,000	$ 53.00	$ 59.90	$ 0.05	$ 6.95	$ 375,300.00
	MAY	54,000	$ 53.00	$ 59.90	$ 0.05	$ 6.95	$ 375,300.00
	JUNE	54,000	$ 53.00	$ 59.90	$ 0.05	$ 6.95	$ 375,300.00
	JULY	54,000	$ 53.00	$ 57.75	$ 0.05	$ 4.80	$ 259,200.00
	AUG	54,000	$ 53.00	$ 57.75	$ 0.05	$ 4.80	$ 259,200.00
	SEPT	54,000	$ 53.00	$ 57.75	$ 0.05	$ 4.80	$ 259,200.00
	OCT	54,000	$ 53.00	$ 55.75	$ 0.05	$ 2.80	$ 151,200.00
	NOV	54,000	$ 53.00	$ 55.75	$ 0.05	$ 2.80	$ 151,200.00
	DEC	54,000	$ 53.00	$ 55.75	$ 0.05	$ 2.80	$ 151,200.00
2006	JAN	54,000	$ 53.00	$ 51.00	$ 0.05	$ (1.95)	$ (105,300.00)
	FEB	54,000	$ 53.00	$ 51.00	$ 0.05	$ (1.95)	$ (105,300.00)

	MAR	54,000	$	53.00	$	51.00	$	0.05	$	(1.95)	$	(105,300.00)
	APR	54,000	$	53.00	$	51.00	$	0.05	$	(1.95)	$	(105,300.00)
	MAY	54,000	$	53.00	$	51.00	$	0.05	$	(1.95)	$	(105,300.00)
	JUNE	54,000	$	53.00	$	51.00	$	0.05	$	(1.95)	$	(105,300.00)
	JULY	54,000	$	53.00	$	51.00	$	0.05	$	(1.95)	$	(105,300.00)
	AUG	54,000	$	53.00	$	51.00	$	0.05	$	(1.95)	$	(105,300.00)
	SEPT	54,000	$	53.00	$	51.00	$	0.05	$	(1.95)	$	(105,300.00)
	OCT	54,000	$	53.00	$	51.00	$	0.05	$	(1.95)	$	(105,300.00)
	NOV	54,000	$	53.00	$	51.00	$	0.05	$	(1.95)	$	(105,300.00)
	DEC	54,000	$	53.00	$	51.00	$	0.05	$	(1.95)	$	(105,300.00)
2007	JAN	54,000	$	53.00	$	47.00	$	0.05	$	(5.95)	$	(321,300.00)
	FEB	54,000	$	53.00	$	47.00	$	0.05	$	(5.95)	$	(321,300.00)
	MAR	54,000	$	53.00	$	47.00	$	0.05	$	(5.95)	$	(321,300.00)
	APR	54,000	$	53.00	$	47.00	$	0.05	$	(5.95)	$	(321,300.00)
	MAY	54,000	$	53.00	$	47.00	$	0.05	$	(5.95)	$	(321,300.00)
	JUNE	54,000	$	53.00	$	47.00	$	0.05	$	(5.95)	$	(321,300.00)
	JULY	54,000	$	53.00	$	47.00	$	0.05	$	(5.95)	$	(321,300.00)
	AUG	54,000	$	53.00	$	47.00	$	0.05	$	(5.95)	$	(321,300.00)
	SEPT	54,000	$	53.00	$	47.00	$	0.05	$	(5.95)	$	(321,300.00)
	OCT	54,000	$	53.00	$	47.00	$	0.05	$	(5.95)	$	(321,300.00)
	NOV	54,000	$	53.00	$	47.00	$	0.05	$	(5.95)	$	(321,300.00)
	DEC											

CONTRACT	Date of Info	START DATE	END DATE
Supplier M	1/31/2005	1/1/2005	12/31/2008

DATA FOR FUTURES FROM UPI SHEET 11/1/04

TOTAL CONTRACT SAVINGS (COST) $ 5,463,000.00

		Tons per month	Actual Contract Price $/ton	Future Price $/ton	Cost of future per ton	Contract Price Minus Future Price Price per ton	Total monthly savings or (cost) to ratepayers
2004	JAN				$ 0.05	$ 0.05	$ -
	FEB				$ 0.05	$ 0.05	$ -
	MAR				$ 0.05	$ 0.05	$ -
	APR				$ 0.05	$ 0.05	$ -
	MAY				$ 0.05	$ 0.05	$ -
	JUNE				$ 0.05	$ 0.05	$ -
	JULY				$ 0.05	$ 0.05	$ -
	AUG				$ 0.05	$ 0.05	$ -
	SEPT				$ 0.05	$ 0.05	$ -
	OCT				$ 0.05	$ 0.05	$ -
	NOV				$ 0.05	$ 0.05	$ -
	DEC				$ 0.05	$ 0.05	$ -
2005	JAN	60,000	$ 50.00	$ 61.25	$ 0.05	$ 11.30	$ 678,000.00
	FEB	60,000	$ 50.00	$ 61.25	$ 0.05	$ 11.30	$ 678,000.00
	MAR	60,000	$ 50.00	$ 61.25	$ 0.05	$ 11.30	$ 678,000.00
	APR	60,000	$ 50.00	$ 58.75	$ 0.05	$ 8.80	$ 528,000.00
	MAY	60,000	$ 50.00	$ 58.75	$ 0.05	$ 8.80	$ 528,000.00
	JUNE	60,000	$ 50.00	$ 58.75	$ 0.05	$ 8.80	$ 528,000.00
	JULY	60,000	$ 50.00	$ 57.75	$ 0.05	$ 7.80	$ 468,000.00
	AUG	60,000	$ 50.00	$ 57.75	$ 0.05	$ 7.80	$ 468,000.00
	SEPT	60,000	$ 50.00	$ 57.75	$ 0.05	$ 7.80	$ 468,000.00
	OCT	60,000	$ 50.00	$ 56.50	$ 0.05	$ 6.55	$ 393,000.00
	NOV	60,000	$ 50.00	$ 56.50	$ 0.05	$ 6.55	$ 393,000.00
	DEC	60,000	$ 50.00	$ 56.50	$ 0.05	$ 6.55	$ 393,000.00
2006	JAN	60,000	$ 50.00	$ 54.50	$ 0.05	$ 4.55	$ 273,000.00
	FEB	60,000	$ 50.00	$ 54.50	$ 0.05	$ 4.55	$ 273,000.00

	MAR	60,000	$	50.00	$	54.50	$	0.05	$	4.55	$	273,000.00
	APR	60,000	$	50.00	$	51.00	$	0.05	$	1.05	$	63,000.00
	MAY	60,000	$	50.00	$	51.00	$	0.05	$	1.05	$	63,000.00
	JUNE	60,000	$	50.00	$	51.00	$	0.05	$	1.05	$	63,000.00
	JULY	60,000	$	50.00	$	51.00	$	0.05	$	1.05	$	63,000.00
	AUG	60,000	$	50.00	$	51.00	$	0.05	$	1.05	$	63,000.00
	SEPT	60,000	$	50.00	$	51.00	$	0.05	$	1.05	$	63,000.00
	OCT	60,000	$	50.00	$	51.00	$	0.05	$	1.05	$	63,000.00
	NOV	60,000	$	50.00	$	51.00	$	0.05	$	1.05	$	63,000.00
	DEC	60,000	$	50.00	$	51.00	$	0.05	$	1.05	$	63,000.00
2007	JAN	60,000	$	50.00	$	47.00	$	0.05	$	(2.95)	$	(177,000.00)
	FEB	60,000	$	50.00	$	47.00	$	0.05	$	(2.95)	$	(177,000.00)
	MAR	60,000	$	50.00	$	47.00	$	0.05	$	(2.95)	$	(177,000.00)
	APR	60,000	$	50.00	$	47.00	$	0.05	$	(2.95)	$	(177,000.00)
	MAY	60,000	$	50.00	$	47.00	$	0.05	$	(2.95)	$	(177,000.00)
	JUNE	60,000	$	50.00	$	47.00	$	0.05	$	(2.95)	$	(177,000.00)
	JULY	60,000	$	50.00	$	47.00	$	0.05	$	(2.95)	$	(177,000.00)
	AUG	60,000	$	50.00	$	47.00	$	0.05	$	(2.95)	$	(177,000.00)
	SEPT	60,000	$	50.00	$	47.00	$	0.05	$	(2.95)	$	(177,000.00)
	OCT	60,000	$	50.00	$	47.00	$	0.05	$	(2.95)	$	(177,000.00)
	NOV	60,000	$	50.00	$	47.00	$	0.05	$	(2.95)	$	(177,000.00)
	DEC	60,000	$	50.00	$	47.00	$	0.05	$	(2.95)	$	(177,000.00)

CONTRACT	Date of Info	START DATE	END DATE
Supplier D	1/31/2005	1/1/2005	12/31/2008

DATA FOR FUTURES FROM UPI SHEET 11/1/04

TOTAL CONTRACT SAVINGS (COST) $ 17,152,500.00

		Tons per month	Actual Contract Price $/ton	Future Price $/ton	Cost of future per ton	Contract Price Minus Future Price Price per ton	Total monthly savings or (cost) to ratepayers
2004	JAN				$ 0.05	$ 0.05	$ -
	FEB				$ 0.05	$ 0.05	$ -
	MAR				$ 0.05	$ 0.05	$ -
	APR				$ 0.05	$ 0.05	$ -
	MAY				$ 0.05	$ 0.05	$ -
	JUNE				$ 0.05	$ 0.05	$ -
	JULY				$ 0.05	$ 0.05	$ -
	AUG				$ 0.05	$ 0.05	$ -
	SEPT				$ 0.05	$ 0.05	$ -
	OCT				$ 0.05	$ 0.05	$ -
	NOV				$ 0.05	$ 0.05	$ -
	DEC				$ 0.05	$ 0.05	$ -
2005	JAN	50,000	$ 43.00	$ 61.25	$ 0.05	$ 18.30	$ 915,000.00
	FEB	50,000	$ 43.00	$ 61.25	$ 0.05	$ 18.30	$ 915,000.00
	MAR	50,000	$ 43.00	$ 61.25	$ 0.05	$ 18.30	$ 915,000.00
	APR	50,000	$ 43.00	$ 58.75	$ 0.05	$ 15.80	$ 790,000.00
	MAY	50,000	$ 43.00	$ 58.75	$ 0.05	$ 15.80	$ 790,000.00
	JUNE	50,000	$ 43.00	$ 58.75	$ 0.05	$ 15.80	$ 790,000.00
	JULY	50,000	$ 43.00	$ 57.75	$ 0.05	$ 14.80	$ 740,000.00
	AUG	50,000	$ 43.00	$ 57.75	$ 0.05	$ 14.80	$ 740,000.00
	SEPT	50,000	$ 43.00	$ 57.75	$ 0.05	$ 14.80	$ 740,000.00
	OCT	50,000	$ 43.00	$ 56.50	$ 0.05	$ 13.55	$ 677,500.00
	NOV	50,000	$ 43.00	$ 56.50	$ 0.05	$ 13.55	$ 677,500.00
	DEC	50,000	$ 43.00	$ 56.50	$ 0.05	$ 13.55	$ 677,500.00
2006	JAN	50,000	$ 43.00	$ 54.50	$ 0.05	$ 11.55	$ 577,500.00
	FEB	50,000	$ 43.00	$ 54.50	$ 0.05	$ 11.55	$ 577,500.00

Coal Hedging Analysis
January 15, 2010

Appendix D
Jan 31, 05
Page 14 of 18

	MAR	50,000	$	43.00	$	54.50	$	0.05	$	11.55	$ 577,500.00
	APR	50,000	$	43.00	$	51.00	$	0.05	$	8.05	$ 402,500.00
	MAY	50,000	$	43.00	$	51.00	$	0.05	$	8.05	$ 402,500.00
	JUNE	50,000	$	43.00	$	51.00	$	0.05	$	8.05	$ 402,500.00
	JULY	50,000	$	43.00	$	51.00	$	0.05	$	8.05	$ 402,500.00
	AUG	50,000	$	43.00	$	51.00	$	0.05	$	8.05	$ 402,500.00
	SEPT	50,000	$	43.00	$	51.00	$	0.05	$	8.05	$ 402,500.00
	OCT	50,000	$	43.00	$	51.00	$	0.05	$	8.05	$ 402,500.00
	NOV	50,000	$	43.00	$	51.00	$	0.05	$	8.05	$ 402,500.00
	DEC	50,000	$	43.00	$	51.00	$	0.05	$	8.05	$ 402,500.00
2007	JAN	50,000	$	43.00	$	47.00	$	0.05	$	4.05	$ 202,500.00
	FEB	50,000	$	43.00	$	47.00	$	0.05	$	4.05	$ 202,500.00
	MAR	50,000	$	43.00	$	47.00	$	0.05	$	4.05	$ 202,500.00
	APR	50,000	$	43.00	$	47.00	$	0.05	$	4.05	$ 202,500.00
	MAY	50,000	$	43.00	$	47.00	$	0.05	$	4.05	$ 202,500.00
	JUNE	50,000	$	43.00	$	47.00	$	0.05	$	4.05	$ 202,500.00
	JULY	50,000	$	43.00	$	47.00	$	0.05	$	4.05	$ 202,500.00
	AUG	50,000	$	43.00	$	47.00	$	0.05	$	4.05	$ 202,500.00
	SEPT	50,000	$	43.00	$	47.00	$	0.05	$	4.05	$ 202,500.00
	OCT	50,000	$	43.00	$	47.00	$	0.05	$	4.05	$ 202,500.00
	NOV	50,000	$	43.00	$	47.00	$	0.05	$	4.05	$ 202,500.00
	DEC	50,000	$	43.00	$	47.00	$	0.05	$	4.05	$ 202,500.00

CONTRACT	Date of Info	START DATE	END DATE
Supplier N	1/31/2005	1/1/2005	12/31/2008

DATA FOR FUTURES FROM UPI SHEET 11/1/04

TOTAL CONTRACT SAVINGS (COST) $ 12,303,000.00

		Tons per month	Actual Contract Price $/ton	Future Price $/ton	Cost of future per ton	Contract Price Minus Future Price Price per ton	Total monthly savings or (cost) to ratepayers
2004	JAN				$ 0.05	$ 0.05	$ -
	FEB				$ 0.05	$ 0.05	$ -
	MAR				$ 0.05	$ 0.05	$ -
	APR				$ 0.05	$ 0.05	$ -
	MAY				$ 0.05	$ 0.05	$ -
	JUNE				$ 0.05	$ 0.05	$ -
	JULY				$ 0.05	$ 0.05	$ -
	AUG				$ 0.05	$ 0.05	$ -
	SEPT				$ 0.05	$ 0.05	$ -
	OCT				$ 0.05	$ 0.05	$ -
	NOV				$ 0.05	$ 0.05	$ -
	DEC				$ 0.05	$ 0.05	$ -
2005	JAN	60,000	$ 46.75	$ 61.25	$ 0.05	$ 14.55	$ 873,000.00
	FEB	60,000	$ 46.75	$ 61.25	$ 0.05	$ 14.55	$ 873,000.00
	MAR	60,000	$ 46.75	$ 61.25	$ 0.05	$ 14.55	$ 873,000.00
	APR	60,000	$ 46.75	$ 58.75	$ 0.05	$ 12.05	$ 723,000.00
	MAY	60,000	$ 46.75	$ 58.75	$ 0.05	$ 12.05	$ 723,000.00
	JUNE	60,000	$ 46.75	$ 58.75	$ 0.05	$ 12.05	$ 723,000.00
	JULY	60,000	$ 46.75	$ 57.75	$ 0.05	$ 11.05	$ 663,000.00
	AUG	60,000	$ 46.75	$ 57.75	$ 0.05	$ 11.05	$ 663,000.00
	SEPT	60,000	$ 46.75	$ 57.75	$ 0.05	$ 11.05	$ 663,000.00
	OCT	60,000	$ 46.75	$ 56.50	$ 0.05	$ 9.80	$ 588,000.00
	NOV	60,000	$ 46.75	$ 56.50	$ 0.05	$ 9.80	$ 588,000.00
	DEC	60,000	$ 46.75	$ 56.50	$ 0.05	$ 9.80	$ 588,000.00
2006	JAN	60,000	$ 46.75	$ 54.50	$ 0.05	$ 7.80	$ 468,000.00
	FEB	60,000	$ 46.75	$ 54.50	$ 0.05	$ 7.80	$ 468,000.00

	MAR	60,000	$	46.75	$	54.50	$	0.05	$	7.80	$ 468,000.00
	APR	60,000	$	46.75	$	51.00	$	0.05	$	4.30	$ 258,000.00
	MAY	60,000	$	46.75	$	51.00	$	0.05	$	4.30	$ 258,000.00
	JUNE	60,000	$	46.75	$	51.00	$	0.05	$	4.30	$ 258,000.00
	JULY	60,000	$	46.75	$	51.00	$	0.05	$	4.30	$ 258,000.00
	AUG	60,000	$	46.75	$	51.00	$	0.05	$	4.30	$ 258,000.00
	SEPT	60,000	$	46.75	$	51.00	$	0.05	$	4.30	$ 258,000.00
	OCT	60,000	$	46.75	$	51.00	$	0.05	$	4.30	$ 258,000.00
	NOV	60,000	$	46.75	$	51.00	$	0.05	$	4.30	$ 258,000.00
	DEC	60,000	$	46.75	$	51.00	$	0.05	$	4.30	$ 258,000.00
2007	JAN	60,000	$	46.75	$	47.00	$	0.05	$	0.30	$ 18,000.00
	FEB	60,000	$	46.75	$	47.00	$	0.05	$	0.30	$ 18,000.00
	MAR	60,000	$	46.75	$	47.00	$	0.05	$	0.30	$ 18,000.00
	APR	60,000	$	46.75	$	47.00	$	0.05	$	0.30	$ 18,000.00
	MAY	60,000	$	46.75	$	47.00	$	0.05	$	0.30	$ 18,000.00
	JUNE	60,000	$	46.75	$	47.00	$	0.05	$	0.30	$ 18,000.00
	JULY	60,000	$	46.75	$	47.00	$	0.05	$	0.30	$ 18,000.00
	AUG	60,000	$	46.75	$	47.00	$	0.05	$	0.30	$ 18,000.00
	SEPT	60,000	$	46.75	$	47.00	$	0.05	$	0.30	$ 18,000.00
	OCT	60,000	$	46.75	$	47.00	$	0.05	$	0.30	$ 18,000.00
	NOV	60,000	$	46.75	$	47.00	$	0.05	$	0.30	$ 18,000.00
	DEC	60,000	$	46.75	$	47.00	$	0.05	$	0.30	$ 18,000.00

CONTRACT	Date of Info	START DATE	END DATE
Supplier O	1/31/2005	1/1/2005	12/31/2008

DATA FOR FUTURES FROM UPI SHEET 11/1/04

TOTAL CONTRACT SAVINGS (COST) $ 23,002,500.00

		Tons per month	Actual Contract Price $/ton	Future Price $/ton	Cost of future per ton	Contract Price Minus Future Price Price per ton	Total monthly savings or (cost) to ratepayers
2004	JAN				$ 0.05	$ 0.05	$ -
	FEB				$ 0.05	$ 0.05	$ -
	MAR				$ 0.05	$ 0.05	$ -
	APR				$ 0.05	$ 0.05	$ -
	MAY				$ 0.05	$ 0.05	$ -
	JUNE				$ 0.05	$ 0.05	$ -
	JULY				$ 0.05	$ 0.05	$ -
	AUG				$ 0.05	$ 0.05	$ -
	SEPT				$ 0.05	$ 0.05	$ -
	OCT				$ 0.05	$ 0.05	$ -
	NOV				$ 0.05	$ 0.05	$ -
	DEC				$ 0.05	$ 0.05	$ -
2005	JAN	50,000	$ 39.75	$ 61.25	$ 0.05	$ 21.55	$ 1,077,500.00
	FEB	50,000	$ 39.75	$ 61.25	$ 0.05	$ 21.55	$ 1,077,500.00
	MAR	50,000	$ 39.75	$ 61.25	$ 0.05	$ 21.55	$ 1,077,500.00
	APR	50,000	$ 39.75	$ 58.75	$ 0.05	$ 19.05	$ 952,500.00
	MAY	50,000	$ 39.75	$ 58.75	$ 0.05	$ 19.05	$ 952,500.00
	JUNE	50,000	$ 39.75	$ 58.75	$ 0.05	$ 19.05	$ 952,500.00
	JULY	50,000	$ 39.75	$ 57.75	$ 0.05	$ 18.05	$ 902,500.00
	AUG	50,000	$ 39.75	$ 57.75	$ 0.05	$ 18.05	$ 902,500.00
	SEPT	50,000	$ 39.75	$ 57.75	$ 0.05	$ 18.05	$ 902,500.00
	OCT	50,000	$ 39.75	$ 56.50	$ 0.05	$ 16.80	$ 840,000.00
	NOV	50,000	$ 39.75	$ 56.50	$ 0.05	$ 16.80	$ 840,000.00
	DEC	50,000	$ 39.75	$ 56.50	$ 0.05	$ 16.80	$ 840,000.00
2006	JAN	50,000	$ 39.75	$ 54.50	$ 0.05	$ 14.80	$ 740,000.00
	FEB	50,000	$ 39.75	$ 54.50	$ 0.05	$ 14.80	$ 740,000.00

	MAR	50,000	$	39.75	$	54.50	$	0.05	$	14.80	$	740,000.00
	APR	50,000	$	39.75	$	51.00	$	0.05	$	11.30	$	565,000.00
	MAY	50,000	$	39.75	$	51.00	$	0.05	$	11.30	$	565,000.00
	JUNE	50,000	$	39.75	$	51.00	$	0.05	$	11.30	$	565,000.00
	JULY	50,000	$	39.75	$	51.00	$	0.05	$	11.30	$	565,000.00
	AUG	50,000	$	39.75	$	51.00	$	0.05	$	11.30	$	565,000.00
	SEPT	50,000	$	39.75	$	51.00	$	0.05	$	11.30	$	565,000.00
	OCT	50,000	$	39.75	$	51.00	$	0.05	$	11.30	$	565,000.00
	NOV	50,000	$	39.75	$	51.00	$	0.05	$	11.30	$	565,000.00
	DEC	50,000	$	39.75	$	51.00	$	0.05	$	11.30	$	565,000.00
2007	JAN	50,000	$	39.75	$	47.00	$	0.05	$	7.30	$	365,000.00
	FEB	50,000	$	39.75	$	47.00	$	0.05	$	7.30	$	365,000.00
	MAR	50,000	$	39.75	$	47.00	$	0.05	$	7.30	$	365,000.00
	APR	50,000	$	39.75	$	47.00	$	0.05	$	7.30	$	365,000.00
	MAY	50,000	$	39.75	$	47.00	$	0.05	$	7.30	$	365,000.00
	JUNE	50,000	$	39.75	$	47.00	$	0.05	$	7.30	$	365,000.00
	JULY	50,000	$	39.75	$	47.00	$	0.05	$	7.30	$	365,000.00
	AUG	50,000	$	39.75	$	47.00	$	0.05	$	7.30	$	365,000.00
	SEPT	50,000	$	39.75	$	47.00	$	0.05	$	7.30	$	365,000.00
	OCT	50,000	$	39.75	$	47.00	$	0.05	$	7.30	$	365,000.00
	NOV	50,000	$	39.75	$	47.00	$	0.05	$	7.30	$	365,000.00
	DEC	50,000	$	39.75	$	47.00	$	0.05	$	7.30	$	365,000.00

CONTRACT WORK SHEET 17-Jun-05

Assume contract was a future rather than a purchase contract- note that buying a future and buying a swap is basically mathematically similar

CONTRACT	Date of Info	START DATE	END DATE
Supplier P	**6/17/2005**	3/1/2005	12/31/2007

DATA FOR FUTURES FROM UPI SHEET 1/3/05

TOTAL CONTRACT SAVINGS (COST) $ (501,250.00)

		Tons per month	Actual Contract Price $/ton	Future Price $/ton	Cost of future per ton	Contract Price Minus Future Price Price per ton	Total monthly savings or (cost) to ratepayers
2003	AUG				$ 0.05	$ 0.05	$ -
	SEPT				$ 0.05	$ 0.05	$ -
	OCT				$ 0.05	$ 0.05	$ -
	NOV				$ 0.05	$ 0.05	$ -
	DEC				$ 0.05	$ 0.05	$ -
2004	JAN				$ 0.05	$ 0.05	$ -
	FEB				$ 0.05	$ 0.05	$ -
	MAR				$ 0.05	$ 0.05	$ -
	APR				$ 0.05	$ 0.05	$ -
	MAY				$ 0.05	$ 0.05	$ -
	JUNE				$ 0.05	$ 0.05	$ -
	JULY				$ 0.05	$ 0.05	$ -
	AUG				$ 0.05	$ 0.05	$ -
	SEPT				$ 0.05	$ 0.05	$ -
	OCT				$ 0.05	$ 0.05	$ -
	NOV				$ 0.05	$ 0.05	$ -
	DEC				$ 0.05	$ 0.05	$ -
2005	JAN				$ 0.05	$ 0.05	$ -
	FEB				$ 0.05	$ 0.05	$ -
	MAR	25,000	$ 52.00	$ 56.50	$ 0.05	$ 4.55	$ 113,750.00
	APR	25,000	$ 52.00	$ 57.50	$ 0.05	$ 5.55	$ 138,750.00
	MAY	25,000	$ 52.00	$ 57.50	$ 0.05	$ 5.55	$ 138,750.00
	JUNE	25,000	$ 52.00	$ 57.50	$ 0.05	$ 5.55	$ 138,750.00
	JULY	25,000	$ 52.00	$ 57.00	$ 0.05	$ 5.05	$ 126,250.00
	AUG	25,000	$ 52.00	$ 57.00	$ 0.05	$ 5.05	$ 126,250.00
	SEPT	25,000	$ 52.00	$ 57.00	$ 0.05	$ 5.05	$ 126,250.00
	OCT	25,000	$ 52.00	$ 56.00	$ 0.05	$ 4.05	$ 101,250.00
	NOV	25,000	$ 52.00	$ 56.00	$ 0.05	$ 4.05	$ 101,250.00

Coal Hedging Analysis
January 15, 2010

Appendix D
June 17, 05
Page 2 of 2

	DEC	25,000	$	52.00	$	56.00	$	0.05	$	4.05	$ 101,250.00
2006	JAN	25,000	$	52.00	$	53.75	$	0.05	$	1.80	$ 45,000.00
	FEB	25,000	$	52.00	$	53.75	$	0.05	$	1.80	$ 45,000.00
	MAR	25,000	$	52.00	$	53.75	$	0.05	$	1.80	$ 45,000.00
	APR	25,000	$	52.00	$	51.50	$	0.05	$	(0.45)	$ (11,250.00)
	MAY	25,000	$	52.00	$	51.50	$	0.05	$	(0.45)	$ (11,250.00)
	JUNE	25,000	$	52.00	$	51.50	$	0.05	$	(0.45)	$ (11,250.00)
	JULY	25,000	$	52.00	$	50.25	$	0.05	$	(1.70)	$ (42,500.00)
	AUG	25,000	$	52.00	$	50.25	$	0.05	$	(1.70)	$ (42,500.00)
	SEPT	25,000	$	52.00	$	50.25	$	0.05	$	(1.70)	$ (42,500.00)
	OCT	25,000	$	52.00	$	50.25	$	0.05	$	(1.70)	$ (42,500.00)
	NOV	25,000	$	52.00	$	50.25	$	0.05	$	(1.70)	$ (42,500.00)
	DEC	25,000	$	52.00	$	50.25	$	0.05	$	(1.70)	$ (42,500.00)
2007	JAN	25,000	$	52.00	$	46.75	$	0.05	$	(5.20)	$ (130,000.00)
	FEB	25,000	$	52.00	$	46.75	$	0.05	$	(5.20)	$ (130,000.00)
	MAR	25,000	$	52.00	$	46.75	$	0.05	$	(5.20)	$ (130,000.00)
	APR	25,000	$	52.00	$	46.75	$	0.05	$	(5.20)	$ (130,000.00)
	MAY	25,000	$	52.00	$	46.75	$	0.05	$	(5.20)	$ (130,000.00)
	JUNE	25,000	$	52.00	$	46.75	$	0.05	$	(5.20)	$ (130,000.00)
	JULY	25,000	$	52.00	$	46.75	$	0.05	$	(5.20)	$ (130,000.00)
	AUG	25,000	$	52.00	$	46.75	$	0.05	$	(5.20)	$ (130,000.00)
	SEPT	25,000	$	52.00	$	46.75	$	0.05	$	(5.20)	$ (130,000.00)
	OCT	25,000	$	52.00	$	46.75	$	0.05	$	(5.20)	$ (130,000.00)
	NOV	25,000	$	52.00	$	46.75	$	0.05	$	(5.20)	$ (130,000.00)
	DEC	25,000	$	52.00	$	46.75	$	0.05	$	(5.20)	$ (130,000.00)

CONTRACT WORK SHEET 1/1/2006 to Jan 2008

Assume contract was a future rather than a purchase contract- note that buying a future and buying a swap is basically mathematically similar

CONTRACT	Date of Info	START DATE	END DATE
Supplier Q		1/1/2007	12/31/2008

DATA FOR FUTURES FROM UPI SHEET 1/3 8/1/2006

TOTAL CONTRACT SAVINGS (COST) $ (1,952,494.20)

		Tons per month	Actual Contract Price $/ton	Future Price $/ton	Cost of future per ton	Contract Price Minus Future Price Price per ton	Total monthly savings or (cost) to ratepayers
	DEC					$ -	$ -
2006	JAN					$ -	$ -
	FEB					$ -	$ -
	MAR					$ -	$ -
	APR					$ -	$ -
	MAY					$ -	$ -
	JUNE					$ -	$ -
	JULY					$ -	$ -
	AUG					$ -	$ -
	SEPT					$ -	$ -
	OCT					$ -	$ -
	NOV					$ -	$ -
	DEC					$ -	$ -
2007	JAN	50,000	$ 52.00	$ 50.75	$ 0.05	$ (1.20)	$ (60,000.00)
	FEB	50,000	$ 52.00	$ 50.75	$ 0.05	$ (1.20)	$ (60,000.00)
	MAR	50,000	$ 52.00	$ 50.75	$ 0.05	$ (1.20)	$ (60,000.00)
	APR	50,000	$ 52.00	$ 50.75	$ 0.05	$ (1.20)	$ (60,000.00)
	MAY	50,000	$ 52.00	$ 50.75	$ 0.05	$ (1.20)	$ (60,000.00)
	JUNE	50,000	$ 52.00	$ 50.75	$ 0.05	$ (1.20)	$ (60,000.00)
	JULY	50,000	$ 52.00	$ 50.75	$ 0.05	$ (1.20)	$ (60,000.00)
	AUG	50,000	$ 52.00	$ 50.75	$ 0.05	$ (1.20)	$ (60,000.00)
	SEPT	50,000	$ 52.00	$ 50.75	$ 0.05	$ (1.20)	$ (60,000.00)
	OCT	50,000	$ 52.00	$ 50.75	$ 0.05	$ (1.20)	$ (60,000.00)
	NOV	50,000	$ 52.00	$ 50.75	$ 0.05	$ (1.20)	$ (60,000.00)
	DEC	50,000	$ 52.00	$ 50.75	$ 0.05	$ (1.20)	$ (60,000.00)
2008	JAN	70,833	$ 52.50	$ 51.00	$ 0.05	$ (1.45)	$ (102,707.85)
	FEB	70,833	$ 52.50	$ 51.00	$ 0.05	$ (1.45)	$ (102,707.85)
	MAR	70,833	$ 52.50	$ 51.00	$ 0.05	$ (1.45)	$ (102,707.85)

Coal Hedging Analysis
January 15, 2010

Appendix D
Jan 06 to Jan 08
Page 2 of 8

APR	70,833	$	52.50	$	51.00	$	0.05	$	(1.45)	$	(102,707.85)
MAY	70,833	$	52.50	$	51.00	$	0.05	$	(1.45)	$	(102,707.85)
JUNE	70,833	$	52.50	$	51.00	$	0.05	$	(1.45)	$	(102,707.85)
JULY	70,833	$	52.50	$	51.00	$	0.05	$	(1.45)	$	(102,707.85)
AUG	70,833	$	52.50	$	51.00	$	0.05	$	(1.45)	$	(102,707.85)
SEPT	70,833	$	52.50	$	51.00	$	0.05	$	(1.45)	$	(102,707.85)
OCT	70,833	$	52.50	$	51.00	$	0.05	$	(1.45)	$	(102,707.85)
NOV	70,833	$	52.50	$	51.00	$	0.05	$	(1.45)	$	(102,707.85)
DEC	70,833	$	52.50	$	51.00	$	0.05	$	(1.45)	$	(102,707.85)

CONTRACT	Date of Info	START DATE	END DATE
Supplier R		1/1/2007	12/31/2010

DATA FOR FUTURES FROM UPI SHEET 1/3 1/13/2006

TOTAL CONTRACT SAVINGS (COST) $ 5,040,000.00

		Tons per month	Actual Contract Price $/ton	Future Price $/ton	Cost of future per ton	Contract Price Minus Future Price Price per ton	Total monthly savings or (cost) to ratepayers
	DEC					$ -	$ -
2006	JAN					$ -	$ -
	FEB					$ -	$ -
	MAR					$ -	$ -
	APR					$ -	$ -
	MAY					$ -	$ -
	JUNE					$ -	$ -
	JULY					$ -	$ -
	AUG					$ -	$ -
	SEPT					$ -	$ -
	OCT					$ -	$ -
	NOV					$ -	$ -
	DEC					$ -	$ -
2007	JAN	25,000	$ 51.00	$ 56.65	$ 0.05	$ 5.70	$ 142,500.00
	FEB	25,000	$ 51.00	$ 56.65	$ 0.05	$ 5.70	$ 142,500.00
	MAR	25,000	$ 51.00	$ 56.65	$ 0.05	$ 5.70	$ 142,500.00
	APR	25,000	$ 51.00	$ 56.65	$ 0.05	$ 5.70	$ 142,500.00
	MAY	25,000	$ 51.00	$ 56.65	$ 0.05	$ 5.70	$ 142,500.00
	JUNE	25,000	$ 51.00	$ 56.65	$ 0.05	$ 5.70	$ 142,500.00
	JULY	25,000	$ 51.00	$ 56.65	$ 0.05	$ 5.70	$ 142,500.00
	AUG	25,000	$ 51.00	$ 56.65	$ 0.05	$ 5.70	$ 142,500.00
	SEPT	25,000	$ 51.00	$ 56.65	$ 0.05	$ 5.70	$ 142,500.00
	OCT	25,000	$ 51.00	$ 56.65	$ 0.05	$ 5.70	$ 142,500.00
	NOV	25,000	$ 51.00	$ 56.65	$ 0.05	$ 5.70	$ 142,500.00
	DEC	25,000	$ 51.00	$ 56.65	$ 0.05	$ 5.70	$ 142,500.00
2008	JAN	25,000	$ 50.00	$ 55.75	$ 0.05	$ 5.80	$ 145,000.00
	FEB	25,000	$ 50.00	$ 55.75	$ 0.05	$ 5.80	$ 145,000.00
	MAR	25,000	$ 50.00	$ 55.75	$ 0.05	$ 5.80	$ 145,000.00

Coal Hedging Analysis
January 15, 2010

Appendix D
Jan 06 to Jan 08
Page 4 of 8

	APR	25,000	$	50.00	$	55.75	$	0.05	$	5.80	$ 145,000.00
	MAY	25,000	$	50.00	$	55.75	$	0.05	$	5.80	$ 145,000.00
	JUNE	25,000	$	50.00	$	55.75	$	0.05	$	5.80	$ 145,000.00
	JULY	25,000	$	50.00	$	55.75	$	0.05	$	5.80	$ 145,000.00
	AUG	25,000	$	50.00	$	55.75	$	0.05	$	5.80	$ 145,000.00
	SEPT	25,000	$	50.00	$	55.75	$	0.05	$	5.80	$ 145,000.00
	OCT	25,000	$	50.00	$	55.75	$	0.05	$	5.80	$ 145,000.00
	NOV	25,000	$	50.00	$	55.75	$	0.05	$	5.80	$ 145,000.00
	DEC	25,000	$	50.00	$	55.75	$	0.05	$	5.80	$ 145,000.00
2009	JAN	25,000	$	50.00	$	55.25	$	0.05	$	5.30	$ 132,500.00
	FEB	25,000	$	50.00	$	55.25	$	0.05	$	5.30	$ 132,500.00
	MAR	25,000	$	50.00	$	55.25	$	0.05	$	5.30	$ 132,500.00
	APR	25,000	$	50.00	$	55.25	$	0.05	$	5.30	$ 132,500.00
	MAY	25,000	$	50.00	$	55.25	$	0.05	$	5.30	$ 132,500.00
	JUNE	25,000	$	50.00	$	55.25	$	0.05	$	5.30	$ 132,500.00
	JULY	25,000	$	50.00	$	55.25	$	0.05	$	5.30	$ 132,500.00
	AUG	25,000	$	50.00	$	55.25	$	0.05	$	5.30	$ 132,500.00
	SEPT	25,000	$	50.00	$	55.25	$	0.05	$	5.30	$ 132,500.00
	OCT	25,000	$	50.00	$	55.25	$	0.05	$	5.30	$ 132,500.00
	NOV	25,000	$	50.00	$	55.25	$	0.05	$	5.30	$ 132,500.00
	DEC	25,000	$	50.00	$	55.25	$	0.05	$	5.30	$ 132,500.00

CONTRACT	Date of Info	START DATE	END DATE
Supplier G		1/1/2007	12/31/2009

DATA FOR FUTURES FROM UPI SHEET 1/3 11/1/2006

TOTAL CONTRACT SAVINGS (COST) $ (4,343,000.00)

		Tons per month	Actual Contract Price $/ton	Future Price $/ton	Cost of future per ton	Contract Price Minus Future Price Price per ton	Total monthly savings or (cost) to ratepayers
	DEC					$ -	$ -
2006	JAN					$ -	$ -
	FEB					$ -	$ -
	MAR					$ -	$ -
	APR					$ -	$ -
	MAY					$ -	$ -
	JUNE					$ -	$ -
	JULY					$ -	$ -
	AUG					$ -	$ -
	SEPT					$ -	$ -
	OCT					$ -	$ -
	NOV					$ -	$ -
	DEC					$ -	$ -
2007	JAN	50,000	$ 47.31	$ 45.65	$ 0.05	$ (1.61)	$ (80,500.00)
	FEB	50,000	$ 47.31	$ 45.75	$ 0.05	$ (1.51)	$ (75,500.00)
	MAR	50,000	$ 47.31	$ 45.75	$ 0.05	$ (1.51)	$ (75,500.00)
	APR	50,000	$ 47.31	$ 46.25	$ 0.05	$ (1.01)	$ (50,500.00)
	MAY	50,000	$ 47.31	$ 46.25	$ 0.05	$ (1.01)	$ (50,500.00)
	JUNE	50,000	$ 47.31	$ 46.25	$ 0.05	$ (1.01)	$ (50,500.00)
	JULY	50,000	$ 47.31	$ 46.75	$ 0.05	$ (0.51)	$ (25,500.00)
	AUG	50,000	$ 47.31	$ 46.75	$ 0.05	$ (0.51)	$ (25,500.00)
	SEPT	50,000	$ 47.31	$ 46.75	$ 0.05	$ (0.51)	$ (25,500.00)
	OCT	50,000	$ 47.31	$ 47.00	$ 0.05	$ (0.26)	$ (13,000.00)
	NOV	50,000	$ 47.31	$ 47.00	$ 0.05	$ (0.26)	$ (13,000.00)
	DEC	50,000	$ 47.31	$ 47.00	$ 0.05	$ (0.26)	$ (13,000.00)
2008	JAN	50,000	$ 51.31	$ 47.50	$ 0.05	$ (3.76)	$ (188,000.00)
	FEB	50,000	$ 51.31	$ 47.50	$ 0.05	$ (3.76)	$ (188,000.00)
	MAR	50,000	$ 51.31	$ 47.50	$ 0.05	$ (3.76)	$ (188,000.00)

Coal Hedging Analysis
January 15, 2010

Appendix D
Jan 06 to Jan 08
Page 6 of 8

	APR	50,000	$	51.31	$	47.65	$	0.05	$	(3.61)	$	(180,500.00)
	MAY	50,000	$	51.31	$	47.65	$	0.05	$	(3.61)	$	(180,500.00)
	JUNE	50,000	$	51.31	$	47.65	$	0.05	$	(3.61)	$	(180,500.00)
	JULY	50,000	$	51.31	$	47.65	$	0.05	$	(3.61)	$	(180,500.00)
	AUG	50,000	$	51.31	$	47.65	$	0.05	$	(3.61)	$	(180,500.00)
	SEPT	50,000	$	51.31	$	47.65	$	0.05	$	(3.61)	$	(180,500.00)
	OCT	50,000	$	51.31	$	47.65	$	0.05	$	(3.61)	$	(180,500.00)
	NOV	50,000	$	51.31	$	47.65	$	0.05	$	(3.61)	$	(180,500.00)
	DEC	50,000	$	51.31	$	47.65	$	0.05	$	(3.61)	$	(180,500.00)
2009	JAN	50,000	$	51.31	$	48.50	$	0.05	$	(2.76)	$	(138,000.00)
	FEB	50,000	$	51.31	$	48.50	$	0.05	$	(2.76)	$	(138,000.00)
	MAR	50,000	$	51.31	$	48.50	$	0.05	$	(2.76)	$	(138,000.00)
	APR	50,000	$	51.31	$	48.50	$	0.05	$	(2.76)	$	(138,000.00)
	MAY	50,000	$	51.31	$	48.50	$	0.05	$	(2.76)	$	(138,000.00)
	JUNE	50,000	$	51.31	$	48.50	$	0.05	$	(2.76)	$	(138,000.00)
	JULY	50,000	$	51.31	$	48.50	$	0.05	$	(2.76)	$	(138,000.00)
	AUG	50,000	$	51.31	$	48.50	$	0.05	$	(2.76)	$	(138,000.00)
	SEPT	50,000	$	51.31	$	48.50	$	0.05	$	(2.76)	$	(138,000.00)
	OCT	50,000	$	51.31	$	48.50	$	0.05	$	(2.76)	$	(138,000.00)
	NOV	50,000	$	51.31	$	48.50	$	0.05	$	(2.76)	$	(138,000.00)
	DEC	50,000	$	51.31	$	48.50	$	0.05	$	(2.76)	$	(138,000.00)

CONTRACT	Date of Info	START DATE	END DATE
Supplier S		1/1/2007	5/31/2009

DATA FOR FUTURES FROM UPI SHEE 9/7/2006

TOTAL CONTRACT SAVINGS (COST) $ 262,500.00

		Tons per month	Actual Contract Price $/ton	Future Price $/ton	Cost of future per ton	Contract Price Minus Future Price Price per ton	Total monthly savings or (cost) to ratepayers
	DEC					$ -	$ -
2006	JAN					$ -	$ -
	FEB					$ -	$ -
	MAR					$ -	$ -
	APR					$ -	$ -
	MAY					$ -	$ -
	JUNE					$ -	$ -
	JULY					$ -	$ -
	AUG					$ -	$ -
	SEPT					$ -	$ -
	OCT					$ -	$ -
	NOV					$ -	$ -
	DEC					$ -	$ -
2007	JAN	25,000	$ 48.60	$ 48.15	$ 0.05	$ (0.40)	$ (10,000.00)
	FEB	25,000	$ 48.60	$ 48.15	$ 0.05	$ (0.40)	$ (10,000.00)
	MAR	25,000	$ 48.60	$ 48.15	$ 0.05	$ (0.40)	$ (10,000.00)
	APR	25,000	$ 48.60	$ 48.15	$ 0.05	$ (0.40)	$ (10,000.00)
	MAY	25,000	$ 48.60	$ 48.15	$ 0.05	$ (0.40)	$ (10,000.00)
	JUNE	25,000	$ 48.60	$ 48.15	$ 0.05	$ (0.40)	$ (10,000.00)
	JULY	25,000	$ 48.60	$ 48.15	$ 0.05	$ (0.40)	$ (10,000.00)
	AUG	25,000	$ 48.60	$ 48.15	$ 0.05	$ (0.40)	$ (10,000.00)
	SEPT	25,000	$ 48.60	$ 48.15	$ 0.05	$ (0.40)	$ (10,000.00)
	OCT	25,000	$ 48.60	$ 48.15	$ 0.05	$ (0.40)	$ (10,000.00)
	NOV	25,000	$ 48.60	$ 48.15	$ 0.05	$ (0.40)	$ (10,000.00)
	DEC	25,000	$ 48.60	$ 48.15	$ 0.05	$ (0.40)	$ (10,000.00)
2008	JAN	25,000	$ 48.60	$ 49.20	$ 0.05	$ 0.65	$ 16,250.00
	FEB	25,000	$ 48.60	$ 49.20	$ 0.05	$ 0.65	$ 16,250.00
	MAR	25,000	$ 48.60	$ 49.20	$ 0.05	$ 0.65	$ 16,250.00

Coal Hedging Analysis
January 15, 2010

Appendix D
Jan 06 to Jan 08
Page 8 of 8

	APR	25,000	$	48.60	$	49.20	$	0.05	$	0.65	$	16,250.00
	MAY	25,000	$	48.60	$	49.20	$	0.05	$	0.65	$	16,250.00
	JUNE	25,000	$	48.60	$	49.20	$	0.05	$	0.65	$	16,250.00
	JULY	25,000	$	48.60	$	49.20	$	0.05	$	0.65	$	16,250.00
	AUG	25,000	$	48.60	$	49.20	$	0.05	$	0.65	$	16,250.00
	SEPT	25,000	$	48.60	$	49.20	$	0.05	$	0.65	$	16,250.00
	OCT	25,000	$	48.60	$	49.20	$	0.05	$	0.65	$	16,250.00
	NOV	25,000	$	48.60	$	49.20	$	0.05	$	0.65	$	16,250.00
	DEC	25,000	$	48.60	$	49.20	$	0.05	$	0.65	$	16,250.00
2009	JAN	25,000	$	48.60	$	50.05	$	0.05	$	1.50	$	37,500.00
	FEB	25,000	$	48.60	$	50.05	$	0.05	$	1.50	$	37,500.00
	MAR	25,000	$	48.60	$	50.05	$	0.05	$	1.50	$	37,500.00
	APR	25,000	$	48.60	$	50.05	$	0.05	$	1.50	$	37,500.00
	MAY	25,000	$	48.60	$	50.05	$	0.05	$	1.50	$	37,500.00
	JUNE											
	JULY											
	AUG											
	SEPT											
	OCT											
	NOV											
	DEC											

CONTRACT WORK SHEET 1-Jan-08

Assume contract was a future rather than a purchase contract- note that buying a future and buying a swap is basically mathematically similar

CONTRACT	Date of Info	START DATE	END DATE
Supplier A	**1/1/2008**	1/1/2008	12/31/011

DATA FOR FUTURES FROM UPI SHEET 1 11/2/2007 and 2/1/08 effective 3/1/08

TOTAL CONTRACT SAVINGS (COST) $ 20,159,955.40

		Tons per month	Actual Contract Price $/ton	Future Price $/ton	Cost of future per ton	Contract Price Minus Future Price Price per ton	Total monthly savings or (cost) to ratepayers
	DEC					$ -	$ -
2008	JAN	100,000	$ 64.50	$ 54.00	$ 0.05	$ (10.45)	$ (1,045,000.00)
	FEB	100,000	$ 64.50	$ 54.50	$ 0.05	$ (9.95)	$ (995,000.00)
	MAR	100,000	$ 64.50	$ 77.00	$ 0.05	$ 12.55	$ 1,255,000.00
	APR	100,000	$ 64.50	$ 77.00	$ 0.05	$ 12.55	$ 1,255,000.00
	MAY	100,000	$ 64.50	$ 77.00	$ 0.05	$ 12.55	$ 1,255,000.00
	JUNE	100,000	$ 64.50	$ 77.00	$ 0.05	$ 12.55	$ 1,255,000.00
	JULY	100,000	$ 64.50	$ 75.00	$ 0.05	$ 10.55	$ 1,055,000.00
	AUG	100,000	$ 64.50	$ 75.00	$ 0.05	$ 10.55	$ 1,055,000.00
	SEPT	100,000	$ 64.50	$ 75.00	$ 0.05	$ 10.55	$ 1,055,000.00
	OCT	100,000	$ 64.50	$ 74.00	$ 0.05	$ 9.55	$ 955,000.00
	NOV	100,000	$ 64.50	$ 74.00	$ 0.05	$ 9.55	$ 955,000.00
	DEC	100,000	$ 64.50	$ 74.00	$ 0.05	$ 9.55	$ 955,000.00
2009	JAN	83,333	$ 64.50	$ 71.25	$ 0.05	$ 6.80	$ 566,664.40
	FEB	83,333	$ 64.50	$ 71.25	$ 0.05	$ 6.80	$ 566,664.40
	MAR	83,333	$ 64.50	$ 71.25	$ 0.05	$ 6.80	$ 566,664.40
	APR	83,333	$ 64.50	$ 71.25	$ 0.05	$ 6.80	$ 566,664.40
	MAY	83,333	$ 64.50	$ 71.25	$ 0.05	$ 6.80	$ 566,664.40
	JUNE	83,333	$ 64.50	$ 71.25	$ 0.05	$ 6.80	$ 566,664.40
	JULY	83,333	$ 64.50	$ 71.25	$ 0.05	$ 6.80	$ 566,664.40
	AUG	83,333	$ 64.50	$ 71.25	$ 0.05	$ 6.80	$ 566,664.40
	SEPT	83,333	$ 64.50	$ 71.25	$ 0.05	$ 6.80	$ 566,664.40
	OCT	83,333	$ 64.50	$ 71.25	$ 0.05	$ 6.80	$ 566,664.40
	NOV	83,333	$ 64.50	$ 71.25	$ 0.05	$ 6.80	$ 566,664.40
	DEC	83,333	$ 64.50	$ 71.25	$ 0.05	$ 6.80	$ 566,664.40
2010	JAN	83,333	$ 64.50	$ 68.25	$ 0.05	$ 3.80	$ 316,665.40
	FEB	83,333	$ 64.50	$ 68.25	$ 0.05	$ 3.80	$ 316,665.40
	MAR	83,333	$ 64.50	$ 68.25	$ 0.05	$ 3.80	$ 316,665.40
	APR	83,333	$ 64.50	$ 68.25	$ 0.05	$ 3.80	$ 316,665.40
	MAY	83,333	$ 64.50	$ 68.25	$ 0.05	$ 3.80	$ 316,665.40

Coal Hedging Analysis
January 15, 2010

Jan 1 08

	JUNE	83,333	$	64.50	$	68.25	$	0.05	$	3.80	$	316,665.40
	JULY	83,333	$	64.50	$	68.25	$	0.05	$	3.80	$	316,665.40
	AUG	83,333	$	64.50	$	68.25	$	0.05	$	3.80	$	316,665.40
	SEPT	83,333	$	64.50	$	68.25	$	0.05	$	3.80	$	316,665.40
	OCT	83,333	$	64.50	$	68.25	$	0.05	$	3.80	$	316,665.40
	NOV	83,333	$	64.50	$	68.25	$	0.05	$	3.80	$	316,665.40
	DEC	83,333	$	64.50	$	68.25	$	0.05	$	3.80	$	316,665.40
2011	JAN	83,333	$	64.50	$	65.00	$	0.05	$	0.55	$	45,833.15
	FEB	83,333	$	64.50	$	65.00	$	0.05	$	0.55	$	45,833.15
	MAR	83,333	$	64.50	$	65.00	$	0.05	$	0.55	$	45,833.15
	APR	83,333	$	64.50	$	65.00	$	0.05	$	0.55	$	45,833.15
	MAY	83,333	$	64.50	$	65.00	$	0.05	$	0.55	$	45,833.15
	JUNE	83,333	$	64.50	$	65.00	$	0.05	$	0.55	$	45,833.15
	JULY	83,333	$	64.50	$	65.00	$	0.05	$	0.55	$	45,833.15
	AUG	83,333	$	64.50	$	65.00	$	0.05	$	0.55	$	45,833.15
	SEPT	83,333	$	64.50	$	65.00	$	0.05	$	0.55	$	45,833.15
	OCT	83,333	$	64.50	$	65.00	$	0.05	$	0.55	$	45,833.15
	NOV	83,333	$	64.50	$	65.00	$	0.05	$	0.55	$	45,833.15
	DEC	83,333	$	64.50	$	65.00	$	0.05	$	0.55	$	45,833.15

CONTRACT	Date of Info	START DATE	END DATE
Supplier J	1/1/2008	1/1/2008	12/31/2008

DATA FOR FUTURES FROM UPI SHEET 1/: 2/12/2007

TOTAL CONTRACT SAVINGS (COST) $ (10,968,000.00)

		Tons per month	Actual Contract Price $/ton	Future Price $/ton	Cost of future per ton	Contract Price Minus Future Price Price per ton	Total monthly savings or (cost) to ratepayers
2008	JAN	100,000	$ 50.00	$ 40.81	$ 0.05	$ (9.14)	$ (914,000.00)
	FEB	100,000	$ 50.00	$ 40.81	$ 0.05	$ (9.14)	$ (914,000.00)
	MAR	100,000	$ 50.00	$ 40.81	$ 0.05	$ (9.14)	$ (914,000.00)
	APR	100,000	$ 50.00	$ 40.81	$ 0.05	$ (9.14)	$ (914,000.00)
	MAY	100,000	$ 50.00	$ 40.81	$ 0.05	$ (9.14)	$ (914,000.00)
	JUNE	100,000	$ 50.00	$ 40.81	$ 0.05	$ (9.14)	$ (914,000.00)
	JULY	100,000	$ 50.00	$ 40.81	$ 0.05	$ (9.14)	$ (914,000.00)
	AUG	100,000	$ 50.00	$ 40.81	$ 0.05	$ (9.14)	$ (914,000.00)
	SEPT	100,000	$ 50.00	$ 40.81	$ 0.05	$ (9.14)	$ (914,000.00)
	OCT	100,000	$ 50.00	$ 40.81	$ 0.05	$ (9.14)	$ (914,000.00)
	NOV	100,000	$ 50.00	$ 40.81	$ 0.05	$ (9.14)	$ (914,000.00)
	DEC	100,000	$ 50.00	$ 40.81	$ 0.05	$ (9.14)	$ (914,000.00)
2009	JAN						
	FEB						
	MAR						
	APR						
	MAY						
	JUNE						
	JULY						
	AUG						
	SEPT						
	OCT						
	NOV						
	DEC						

CONTRACT	Date of Info	START DATE	END DATE
Supplier T	**1/1/2008**	1/1/2008	12/31/2001

DATA FOR FUTURES FROM UPI SHEET 1, 11/2/2007

TOTAL CONTRACT SAVINGS (COST) $ 8,049,000.00

		Tons per month	Actual Contract Price $/ton	Future Price $/ton	Cost of future per ton	Contract Price Minus Future Price Price per ton	Total monthly savings or (cost) to ratepayers
2008	JAN	30,000	$ 47.00	$ 54.00	$ 0.05	$ 7.05	$ 211,500.00
	FEB	30,000	$ 47.00	$ 54.50	$ 0.05	$ 7.55	$ 226,500.00
	MAR	30,000	$ 47.00	$ 54.50	$ 0.05	$ 7.55	$ 226,500.00
	APR	30,000	$ 47.00	$ 54.80	$ 0.05	$ 7.85	$ 235,500.00
	MAY	30,000	$ 47.00	$ 54.80	$ 0.05	$ 7.85	$ 235,500.00
	JUNE	30,000	$ 47.00	$ 54.80	$ 0.05	$ 7.85	$ 235,500.00
	JULY	30,000	$ 47.00	$ 55.10	$ 0.05	$ 8.15	$ 244,500.00
	AUG	30,000	$ 47.00	$ 55.10	$ 0.05	$ 8.15	$ 244,500.00
	SEPT	30,000	$ 47.00	$ 55.10	$ 0.05	$ 8.15	$ 244,500.00
	OCT	30,000	$ 47.00	$ 55.40	$ 0.05	$ 8.45	$ 253,500.00
	NOV	30,000	$ 47.00	$ 55.40	$ 0.05	$ 8.45	$ 253,500.00
	DEC	30,000	$ 47.00	$ 55.40	$ 0.05	$ 8.45	$ 253,500.00
2009	JAN	30,000	$ 48.00	$ 55.40	$ 0.05	$ 7.45	$ 223,500.00
	FEB	30,000	$ 48.00	$ 55.40	$ 0.05	$ 7.45	$ 223,500.00
	MAR	30,000	$ 48.00	$ 55.40	$ 0.05	$ 7.45	$ 223,500.00
	APR	30,000	$ 48.00	$ 55.40	$ 0.05	$ 7.45	$ 223,500.00
	MAY	30,000	$ 48.00	$ 55.40	$ 0.05	$ 7.45	$ 223,500.00
	JUNE	30,000	$ 48.00	$ 55.40	$ 0.05	$ 7.45	$ 223,500.00
	JULY	30,000	$ 48.00	$ 55.40	$ 0.05	$ 7.45	$ 223,500.00
	AUG	30,000	$ 48.00	$ 55.40	$ 0.05	$ 7.45	$ 223,500.00
	SEPT	30,000	$ 48.00	$ 55.40	$ 0.05	$ 7.45	$ 223,500.00
	OCT	30,000	$ 48.00	$ 55.40	$ 0.05	$ 7.45	$ 223,500.00
	NOV	30,000	$ 48.00	$ 55.40	$ 0.05	$ 7.45	$ 223,500.00
	DEC	30,000	$ 48.00	$ 55.40	$ 0.05	$ 7.45	$ 223,500.00
2010	JAN	30,000	$ 49.00	$ 55.90	$ 0.05	$ 6.95	$ 208,500.00
	FEB	30,000	$ 49.00	$ 55.90	$ 0.05	$ 6.95	$ 208,500.00
	MAR	30,000	$ 49.00	$ 55.90	$ 0.05	$ 6.95	$ 208,500.00
	APR	30,000	$ 49.00	$ 55.90	$ 0.05	$ 6.95	$ 208,500.00
	MAY	30,000	$ 49.00	$ 55.90	$ 0.05	$ 6.95	$ 208,500.00

Coal Hedging Analysis
January 15, 2010

Appendix D
Jan 1 08
Page 6 of 6

JUNE	30,000	$	49.00	$	55.90	$	0.05	$	6.95	$ 208,500.00
JULY	30,000	$	49.00	$	55.90	$	0.05	$	6.95	$ 208,500.00
AUG	30,000	$	49.00	$	55.90	$	0.05	$	6.95	$ 208,500.00
SEPT	30,000	$	49.00	$	55.90	$	0.05	$	6.95	$ 208,500.00
OCT	30,000	$	49.00	$	55.90	$	0.05	$	6.95	$ 208,500.00
NOV	30,000	$	49.00	$	55.90	$	0.05	$	6.95	$ 208,500.00
DEC	30,000	$	49.00	$	55.90	$	0.05	$	6.95	$ 208,500.00

CONTRACT WORK SHEET 1-Jan-09

Assume contract was a future rather than a purchase contract- note that buying a future and buying a swap is basically mathematically similar

CONTRACT	Date of Info	START DATE	END DATE
Supplier U	1/1/2009	1/1/2009	12/31/2011

DATA FOR FUTURES FROM UPI SHEET 9/23/2008

TOTAL CONTRACT SAVINGS (COST) $ 5,047,200.00

		Tons per month	Actual Contract Price $/ton	Future Price $/ton	Cost of future per ton	Contract Price Minus Future Price Price per ton	Total monthly savings or (cost) to ratepayers
2009	JAN	20,000	$ 104.00	$ 115.38	$ 0.05	$ 11.43	$ 228,600.00
	FEB	20,000	$ 104.00	$ 115.38	$ 0.05	$ 11.43	$ 228,600.00
	MAR	20,000	$ 104.00	$ 115.38	$ 0.05	$ 11.43	$ 228,600.00
	APR	20,000	$ 104.00	$ 115.38	$ 0.05	$ 11.43	$ 228,600.00
	MAY	20,000	$ 104.00	$ 115.38	$ 0.05	$ 11.43	$ 228,600.00
	JUNE	20,000	$ 104.00	$ 115.38	$ 0.05	$ 11.43	$ 228,600.00
	JULY	20,000	$ 104.00	$ 115.38	$ 0.05	$ 11.43	$ 228,600.00
	AUG	20,000	$ 104.00	$ 115.38	$ 0.05	$ 11.43	$ 228,600.00
	SEPT	20,000	$ 104.00	$ 115.38	$ 0.05	$ 11.43	$ 228,600.00
	OCT	20,000	$ 104.00	$ 115.38	$ 0.05	$ 11.43	$ 228,600.00
	NOV	20,000	$ 104.00	$ 115.38	$ 0.05	$ 11.43	$ 228,600.00
	DEC	20,000	$ 104.00	$ 115.38	$ 0.05	$ 11.43	$ 228,600.00
2010	JAN	20,000	$ 104.00	$ 110.00	$ 0.05	$ 6.05	$ 121,000.00
	FEB	20,000	$ 104.00	$ 110.00	$ 0.05	$ 6.05	$ 121,000.00
	MAR	20,000	$ 104.00	$ 110.00	$ 0.05	$ 6.05	$ 121,000.00
	APR	20,000	$ 104.00	$ 110.00	$ 0.05	$ 6.05	$ 121,000.00
	MAY	20,000	$ 104.00	$ 110.00	$ 0.05	$ 6.05	$ 121,000.00
	JUNE	20,000	$ 104.00	$ 110.00	$ 0.05	$ 6.05	$ 121,000.00
	JULY	20,000	$ 104.00	$ 110.00	$ 0.05	$ 6.05	$ 121,000.00
	AUG	20,000	$ 104.00	$ 110.00	$ 0.05	$ 6.05	$ 121,000.00
	SEPT	20,000	$ 104.00	$ 110.00	$ 0.05	$ 6.05	$ 121,000.00
	OCT	20,000	$ 104.00	$ 110.00	$ 0.05	$ 6.05	$ 121,000.00
	NOV	20,000	$ 104.00	$ 110.00	$ 0.05	$ 6.05	$ 121,000.00
	DEC	20,000	$ 104.00	$ 110.00	$ 0.05	$ 6.05	$ 121,000.00
2011	JAN	20,000	$ 104.00	$ 107.50	$ 0.05	$ 3.55	$ 71,000.00
	FEB	20,000	$ 104.00	$ 107.50	$ 0.05	$ 3.55	$ 71,000.00
	MAR	20,000	$ 104.00	$ 107.50	$ 0.05	$ 3.55	$ 71,000.00
	APR	20,000	$ 104.00	$ 107.50	$ 0.05	$ 3.55	$ 71,000.00

MAY	20,000	$	104.00	$	107.50	$	0.05	$	3.55	$	71,000.00
JUNE	20,000	$	104.00	$	107.50	$	0.05	$	3.55	$	71,000.00
JULY	20,000	$	104.00	$	107.50	$	0.05	$	3.55	$	71,000.00
AUG	20,000	$	104.00	$	107.50	$	0.05	$	3.55	$	71,000.00
SEPT	20,000	$	104.00	$	107.50	$	0.05	$	3.55	$	71,000.00
OCT	20,000	$	104.00	$	107.50	$	0.05	$	3.55	$	71,000.00
NOV	20,000	$	104.00	$	107.50	$	0.05	$	3.55	$	71,000.00
DEC	20,000	$	104.00	$	107.50	$	0.05	$	3.55	$	71,000.00

CONTRACT	Date of Info	START DATE	END DATE
Supplier K	1/1/2009	1/1/2009	12/31/2011

DATA FOR FUTURES FROM UPI SHEET : 7/1/2008

TOTAL CONTRACT SAVINGS (COST) $ 13,548,000.00

		Tons per month	Actual Contract Price $/ton	Future Price $/ton	Cost of future per ton	Contract Price Minus Future Price Price per ton	Total monthly savings or (cost) to ratepayers
2009	JAN	10,000	$ 107.00	$ 152.00	$ 0.05	$ 45.05	$ 450,500.00
	FEB	10,000	$ 107.00	$ 152.00	$ 0.05	$ 45.05	$ 450,500.00
	MAR	10,000	$ 107.00	$ 152.00	$ 0.05	$ 45.05	$ 450,500.00
	APR	10,000	$ 107.00	$ 149.00	$ 0.05	$ 42.05	$ 420,500.00
	MAY	10,000	$ 107.00	$ 149.00	$ 0.05	$ 42.05	$ 420,500.00
	JUNE	10,000	$ 107.00	$ 149.00	$ 0.05	$ 42.05	$ 420,500.00
	JULY	10,000	$ 107.00	$ 147.50	$ 0.05	$ 40.55	$ 405,500.00
	AUG	10,000	$ 107.00	$ 147.50	$ 0.05	$ 40.55	$ 405,500.00
	SEPT	10,000	$ 107.00	$ 147.50	$ 0.05	$ 40.55	$ 405,500.00
	OCT	10,000	$ 107.00	$ 146.50	$ 0.05	$ 39.55	$ 395,500.00
	NOV	10,000	$ 107.00	$ 146.50	$ 0.05	$ 39.55	$ 395,500.00
	DEC	10,000	$ 107.00	$ 146.50	$ 0.05	$ 39.55	$ 395,500.00
2010	JAN	10,000	$ 107.00	$ 145.00	$ 0.05	$ 38.05	$ 380,500.00
	FEB	10,000	$ 107.00	$ 145.00	$ 0.05	$ 38.05	$ 380,500.00
	MAR	10,000	$ 107.00	$ 145.00	$ 0.05	$ 38.05	$ 380,500.00
	APR	10,000	$ 107.00	$ 145.00	$ 0.05	$ 38.05	$ 380,500.00
	MAY	10,000	$ 107.00	$ 145.00	$ 0.05	$ 38.05	$ 380,500.00
	JUNE	10,000	$ 107.00	$ 145.00	$ 0.05	$ 38.05	$ 380,500.00
	JULY	10,000	$ 107.00	$ 145.00	$ 0.05	$ 38.05	$ 380,500.00
	AUG	10,000	$ 107.00	$ 145.00	$ 0.05	$ 38.05	$ 380,500.00
	SEPT	10,000	$ 107.00	$ 145.00	$ 0.05	$ 38.05	$ 380,500.00
	OCT	10,000	$ 107.00	$ 145.00	$ 0.05	$ 38.05	$ 380,500.00
	NOV	10,000	$ 107.00	$ 145.00	$ 0.05	$ 38.05	$ 380,500.00
	DEC	10,000	$ 107.00	$ 145.00	$ 0.05	$ 38.05	$ 380,500.00
2011	JAN	10,000	$ 107.00	$ 140.00	$ 0.05	$ 33.05	$ 330,500.00
	FEB	10,000	$ 107.00	$ 140.00	$ 0.05	$ 33.05	$ 330,500.00
	MAR	10,000	$ 107.00	$ 140.00	$ 0.05	$ 33.05	$ 330,500.00
	APR	10,000	$ 107.00	$ 140.00	$ 0.05	$ 33.05	$ 330,500.00

MAY	10,000	$	107.00	$	140.00	$	0.05	$	33.05	$	330,500.00
JUNE	10,000	$	107.00	$	140.00	$	0.05	$	33.05	$	330,500.00
JULY	10,000	$	107.00	$	140.00	$	0.05	$	33.05	$	330,500.00
AUG	10,000	$	107.00	$	140.00	$	0.05	$	33.05	$	330,500.00
SEPT	10,000	$	107.00	$	140.00	$	0.05	$	33.05	$	330,500.00
OCT	10,000	$	107.00	$	140.00	$	0.05	$	33.05	$	330,500.00
NOV	10,000	$	107.00	$	140.00	$	0.05	$	33.05	$	330,500.00
DEC	10,000	$	107.00	$	140.00	$	0.05	$	33.05	$	330,500.00

CONTRACT	Date of Info	START DATE	END DATE
Supplier K	1/1/2009	1/1/2009	12/31/2011

DATA FOR FUTURES FROM UPI SHEET : 6/18/2008

TOTAL CONTRACT SAVINGS (COST) $ 7,878,000.00

		Tons per month	Actual Contract Price $/ton	Future Price $/ton	Cost of future per ton	Contract Price Minus Future Price Price per ton	Total monthly savings or (cost) to ratepayers
2009	JAN	10,000	$ 105.00	$ 132.50	$ 0.05	$ 27.55	$ 275,500.00
	FEB	10,000	$ 105.00	$ 132.50	$ 0.05	$ 27.55	$ 275,500.00
	MAR	10,000	$ 105.00	$ 132.50	$ 0.05	$ 27.55	$ 275,500.00
	APR	10,000	$ 105.00	$ 130.50	$ 0.05	$ 25.55	$ 255,500.00
	MAY	10,000	$ 105.00	$ 130.50	$ 0.05	$ 25.55	$ 255,500.00
	JUNE	10,000	$ 105.00	$ 130.50	$ 0.05	$ 25.55	$ 255,500.00
	JULY	10,000	$ 105.00	$ 129.00	$ 0.05	$ 24.05	$ 240,500.00
	AUG	10,000	$ 105.00	$ 129.00	$ 0.05	$ 24.05	$ 240,500.00
	SEPT	10,000	$ 105.00	$ 129.00	$ 0.05	$ 24.05	$ 240,500.00
	OCT	10,000	$ 105.00	$ 130.00	$ 0.05	$ 25.05	$ 250,500.00
	NOV	10,000	$ 105.00	$ 130.00	$ 0.05	$ 25.05	$ 250,500.00
	DEC	10,000	$ 105.00	$ 130.00	$ 0.05	$ 25.05	$ 250,500.00
2010	JAN	10,000	$ 105.00	$ 127.00	$ 0.05	$ 22.05	$ 220,500.00
	FEB	10,000	$ 105.00	$ 127.00	$ 0.05	$ 22.05	$ 220,500.00
	MAR	10,000	$ 105.00	$ 127.00	$ 0.05	$ 22.05	$ 220,500.00
	APR	10,000	$ 105.00	$ 127.00	$ 0.05	$ 22.05	$ 220,500.00
	MAY	10,000	$ 105.00	$ 127.00	$ 0.05	$ 22.05	$ 220,500.00
	JUNE	10,000	$ 105.00	$ 127.00	$ 0.05	$ 22.05	$ 220,500.00
	JULY	10,000	$ 105.00	$ 127.00	$ 0.05	$ 22.05	$ 220,500.00
	AUG	10,000	$ 105.00	$ 127.00	$ 0.05	$ 22.05	$ 220,500.00
	SEPT	10,000	$ 105.00	$ 127.00	$ 0.05	$ 22.05	$ 220,500.00
	OCT	10,000	$ 105.00	$ 127.00	$ 0.05	$ 22.05	$ 220,500.00
	NOV	10,000	$ 105.00	$ 127.00	$ 0.05	$ 22.05	$ 220,500.00
	DEC	10,000	$ 105.00	$ 127.00	$ 0.05	$ 22.05	$ 220,500.00
2011	JAN	10,000	$ 105.00	$ 123.00	$ 0.05	$ 18.05	$ 180,500.00
	FEB	10,000	$ 105.00	$ 123.00	$ 0.05	$ 18.05	$ 180,500.00
	MAR	10,000	$ 105.00	$ 123.00	$ 0.05	$ 18.05	$ 180,500.00
	APR	10,000	$ 105.00	$ 123.00	$ 0.05	$ 18.05	$ 180,500.00

MAY	10,000	$	105.00	$	123.00	$	0.05	$	18.05	$	180,500.00
JUNE	10,000	$	105.00	$	123.00	$	0.05	$	18.05	$	180,500.00
JULY	10,000	$	105.00	$	123.00	$	0.05	$	18.05	$	180,500.00
AUG	10,000	$	105.00	$	123.00	$	0.05	$	18.05	$	180,500.00
SEPT	10,000	$	105.00	$	123.00	$	0.05	$	18.05	$	180,500.00
OCT	10,000	$	105.00	$	123.00	$	0.05	$	18.05	$	180,500.00
NOV	10,000	$	105.00	$	123.00	$	0.05	$	18.05	$	180,500.00
DEC	10,000	$	105.00	$	123.00	$	0.05	$	18.05	$	180,500.00

CONTRACT	Date of Info	START DATE	END DATE
Supplier V	1/1/2009	1/1/2009	12/31/2011

DATA FOR FUTURES FROM UPI SHE 10/1/2008

TOTAL CONTRACT SAVINGS (COST) $ (5,299,875.00)

		Tons per month	Actual Contract Price $/ton	Future Price $/ton	Cost of future per ton	Contract Price Minus Future Price Price per ton	Total monthly savings or (cost) to ratepayers
2009	JAN	52,500	$ 112.50	$ 127.00	$ 0.05	$ 14.55	$ 763,875.00
	FEB	52,500	$ 112.50	$ 127.00	$ 0.05	$ 14.55	$ 763,875.00
	MAR	52,500	$ 112.50	$ 127.00	$ 0.05	$ 14.55	$ 763,875.00
	APR	52,500	$ 112.50	$ 119.00	$ 0.05	$ 6.55	$ 343,875.00
	MAY	52,500	$ 112.50	$ 119.00	$ 0.05	$ 6.55	$ 343,875.00
	JUNE	52,500	$ 112.50	$ 119.00	$ 0.05	$ 6.55	$ 343,875.00
	JULY	52,500	$ 112.50	$ 114.00	$ 0.05	$ 1.55	$ 81,375.00
	AUG	52,500	$ 112.50	$ 114.00	$ 0.05	$ 1.55	$ 81,375.00
	SEPT	52,500	$ 112.50	$ 114.00	$ 0.05	$ 1.55	$ 81,375.00
	OCT	52,500	$ 112.50	$ 109.00	$ 0.05	$ (3.45)	$ (181,125.00)
	NOV	52,500	$ 112.50	$ 109.00	$ 0.05	$ (3.45)	$ (181,125.00)
	DEC	52,500	$ 112.50	$ 109.00	$ 0.05	$ (3.45)	$ (181,125.00)
2010	JAN	52,500	$ 112.50	$ 107.50	$ 0.05	$ (4.95)	$ (259,875.00)
	FEB	52,500	$ 112.50	$ 107.50	$ 0.05	$ (4.95)	$ (259,875.00)
	MAR	52,500	$ 112.50	$ 107.50	$ 0.05	$ (4.95)	$ (259,875.00)
	APR	52,500	$ 112.50	$ 106.75	$ 0.05	$ (5.70)	$ (299,250.00)
	MAY	52,500	$ 112.50	$ 106.75	$ 0.05	$ (5.70)	$ (299,250.00)
	JUNE	52,500	$ 112.50	$ 106.75	$ 0.05	$ (5.70)	$ (299,250.00)
	JULY	52,500	$ 112.50	$ 106.75	$ 0.05	$ (5.70)	$ (299,250.00)
	AUG	52,500	$ 112.50	$ 106.75	$ 0.05	$ (5.70)	$ (299,250.00)
	SEPT	52,500	$ 112.50	$ 106.75	$ 0.05	$ (5.70)	$ (299,250.00)
	OCT	52,500	$ 112.50	$ 106.75	$ 0.05	$ (5.70)	$ (299,250.00)
	NOV	52,500	$ 112.50	$ 106.75	$ 0.05	$ (5.70)	$ (299,250.00)
	DEC	52,500	$ 112.50	$ 106.75	$ 0.05	$ (5.70)	$ (299,250.00)
2011	JAN	52,500	$ 112.50	$ 104.75	$ 0.05	$ (7.70)	$ (404,250.00)
	FEB	52,500	$ 112.50	$ 104.75	$ 0.05	$ (7.70)	$ (404,250.00)
	MAR	52,500	$ 112.50	$ 104.75	$ 0.05	$ (7.70)	$ (404,250.00)
	APR	52,500	$ 112.50	$ 104.75	$ 0.05	$ (7.70)	$ (404,250.00)

MAY	52,500	$	112.50	$	104.75	$	0.05	$	(7.70)	$	(404,250.00)
JUNE	52,500	$	112.50	$	104.75	$	0.05	$	(7.70)	$	(404,250.00)
JULY	52,500	$	112.50	$	104.75	$	0.05	$	(7.70)	$	(404,250.00)
AUG	52,500	$	112.50	$	104.75	$	0.05	$	(7.70)	$	(404,250.00)
SEPT	52,500	$	112.50	$	104.75	$	0.05	$	(7.70)	$	(404,250.00)
OCT	52,500	$	112.50	$	104.75	$	0.05	$	(7.70)	$	(404,250.00)
NOV	52,500	$	112.50	$	104.75	$	0.05	$	(7.70)	$	(404,250.00)
DEC	52,500	$	112.50	$	104.75	$	0.05	$	(7.70)	$	(404,250.00)

CONTRACT	Date of Info	START DATE	END DATE
Supplier W	1/1/2009	1/1/2009	12/31/2011

DATA FOR FUTURES FROM UPI SHE 9/23/2008

TOTAL CONTRACT SAVINGS (COST) $ (1,791,000.00)

		Tons per month	Actual Contract Price $/ton	Future Price $/ton	Cost of future per ton	Contract Price Minus Future Price Price per ton	Total monthly savings or (cost) to ratepayers
2009	JAN	25,000	$ 113.00	$ 115.38	$ 0.05	$ 2.43	$ 60,750.00
	FEB	25,000	$ 113.00	$ 115.38	$ 0.05	$ 2.43	$ 60,750.00
	MAR	25,000	$ 113.00	$ 115.38	$ 0.05	$ 2.43	$ 60,750.00
	APR	25,000	$ 113.00	$ 115.38	$ 0.05	$ 2.43	$ 60,750.00
	MAY	25,000	$ 113.00	$ 115.38	$ 0.05	$ 2.43	$ 60,750.00
	JUNE	25,000	$ 113.00	$ 115.38	$ 0.05	$ 2.43	$ 60,750.00
	JULY	25,000	$ 113.00	$ 115.38	$ 0.05	$ 2.43	$ 60,750.00
	AUG	25,000	$ 113.00	$ 115.38	$ 0.05	$ 2.43	$ 60,750.00
	SEPT	25,000	$ 113.00	$ 115.38	$ 0.05	$ 2.43	$ 60,750.00
	OCT	25,000	$ 113.00	$ 115.38	$ 0.05	$ 2.43	$ 60,750.00
	NOV	25,000	$ 113.00	$ 115.38	$ 0.05	$ 2.43	$ 60,750.00
	DEC	25,000	$ 113.00	$ 115.38	$ 0.05	$ 2.43	$ 60,750.00
2010	JAN	25,000	$ 113.00	$ 110.00	$ 0.05	$ (2.95)	$ (73,750.00)
	FEB	25,000	$ 113.00	$ 110.00	$ 0.05	$ (2.95)	$ (73,750.00)
	MAR	25,000	$ 113.00	$ 110.00	$ 0.05	$ (2.95)	$ (73,750.00)
	APR	25,000	$ 113.00	$ 110.00	$ 0.05	$ (2.95)	$ (73,750.00)
	MAY	25,000	$ 113.00	$ 110.00	$ 0.05	$ (2.95)	$ (73,750.00)
	JUNE	25,000	$ 113.00	$ 110.00	$ 0.05	$ (2.95)	$ (73,750.00)
	JULY	25,000	$ 113.00	$ 110.00	$ 0.05	$ (2.95)	$ (73,750.00)
	AUG	25,000	$ 113.00	$ 110.00	$ 0.05	$ (2.95)	$ (73,750.00)
	SEPT	25,000	$ 113.00	$ 110.00	$ 0.05	$ (2.95)	$ (73,750.00)
	OCT	25,000	$ 113.00	$ 110.00	$ 0.05	$ (2.95)	$ (73,750.00)
	NOV	25,000	$ 113.00	$ 110.00	$ 0.05	$ (2.95)	$ (73,750.00)
	DEC	25,000	$ 113.00	$ 110.00	$ 0.05	$ (2.95)	$ (73,750.00)
2011	JAN	25,000	$ 113.00	$ 107.50	$ 0.05	$ (5.45)	$ (136,250.00)
	FEB	25,000	$ 113.00	$ 107.50	$ 0.05	$ (5.45)	$ (136,250.00)
	MAR	25,000	$ 113.00	$ 107.50	$ 0.05	$ (5.45)	$ (136,250.00)
	APR	25,000	$ 113.00	$ 107.50	$ 0.05	$ (5.45)	$ (136,250.00)

Coal Hedging Analysis
January 15, 2010

Appendix D
Jan 1, 09
Page 10 of 14

MAY	25,000	$	113.00	$	107.50	$ 0.05	$	(5.45)	$	(136,250.00)
JUNE	25,000	$	113.00	$	107.50	$ 0.05	$	(5.45)	$	(136,250.00)
JULY	25,000	$	113.00	$	107.50	$ 0.05	$	(5.45)	$	(136,250.00)
AUG	25,000	$	113.00	$	107.50	$ 0.05	$	(5.45)	$	(136,250.00)
SEPT	25,000	$	113.00	$	107.50	$ 0.05	$	(5.45)	$	(136,250.00)
OCT	25,000	$	113.00	$	107.50	$ 0.05	$	(5.45)	$	(136,250.00)
NOV	25,000	$	113.00	$	107.50	$ 0.05	$	(5.45)	$	(136,250.00)
DEC	25,000	$	113.00	$	107.50	$ 0.05	$	(5.45)	$	(136,250.00)

Coal Hedging Analysis
January 15, 2010

CONTRACT	Date of Info	START DATE	END DATE
Supplier Q	**1/1/2009**	1/1/2009	12/31/2010

DATA FOR FUTURES FROM UPI SHE 2/1/2008

TOTAL CONTRACT SAVINGS (COST) $ 4,759,977.60

		Tons per month	Actual Contract Price $/ton	Future Price $/ton	Cost of future per ton	Contract Price Minus Future Price Price per ton	Total monthly savings or (cost) to ratepayers
2009	JAN	70,833	$ 67.00	$ 71.25	$ 0.05	$ 4.30	$ 304,581.90
	FEB	70,833	$ 67.00	$ 71.25	$ 0.05	$ 4.30	$ 304,581.90
	MAR	70,833	$ 67.00	$ 71.25	$ 0.05	$ 4.30	$ 304,581.90
	APR	70,833	$ 67.00	$ 71.25	$ 0.05	$ 4.30	$ 304,581.90
	MAY	70,833	$ 67.00	$ 71.25	$ 0.05	$ 4.30	$ 304,581.90
	JUNE	70,833	$ 67.00	$ 71.25	$ 0.05	$ 4.30	$ 304,581.90
	JULY	70,833	$ 67.00	$ 71.25	$ 0.05	$ 4.30	$ 304,581.90
	AUG	70,833	$ 67.00	$ 71.25	$ 0.05	$ 4.30	$ 304,581.90
	SEPT	70,833	$ 67.00	$ 71.25	$ 0.05	$ 4.30	$ 304,581.90
	OCT	70,833	$ 67.00	$ 71.25	$ 0.05	$ 4.30	$ 304,581.90
	NOV	70,833	$ 67.00	$ 71.25	$ 0.05	$ 4.30	$ 304,581.90
	DEC	70,833	$ 67.00	$ 71.25	$ 0.05	$ 4.30	$ 304,581.90
2010	JAN	70,833	$ 67.00	$ 68.25	$ 0.05	$ 1.30	$ 92,082.90
	FEB	70,833	$ 67.00	$ 68.25	$ 0.05	$ 1.30	$ 92,082.90
	MAR	70,833	$ 67.00	$ 68.25	$ 0.05	$ 1.30	$ 92,082.90
	APR	70,833	$ 67.00	$ 68.25	$ 0.05	$ 1.30	$ 92,082.90
	MAY	70,833	$ 67.00	$ 68.25	$ 0.05	$ 1.30	$ 92,082.90
	JUNE	70,833	$ 67.00	$ 68.25	$ 0.05	$ 1.30	$ 92,082.90
	JULY	70,833	$ 67.00	$ 68.25	$ 0.05	$ 1.30	$ 92,082.90
	AUG	70,833	$ 67.00	$ 68.25	$ 0.05	$ 1.30	$ 92,082.90
	SEPT	70,833	$ 67.00	$ 68.25	$ 0.05	$ 1.30	$ 92,082.90
	OCT	70,833	$ 67.00	$ 68.25	$ 0.05	$ 1.30	$ 92,082.90
	NOV	70,833	$ 67.00	$ 68.25	$ 0.05	$ 1.30	$ 92,082.90
	DEC	70,833	$ 67.00	$ 68.25	$ 0.05	$ 1.30	$ 92,082.90

Coal Hedging Analysis
January 15, 2010

CONTRACT	Date of Info	START DATE	END DATE
Supplier X	**1/1/2009**	6/1/2008	5/31/2011

DATA FOR FUTURES FROM UPI SHE 3/3/2008

TOTAL CONTRACT SAVINGS (COST) **$ 26,287,200.00**

		Tons per month	Actual Contract Price $/ton	Future Price $/ton	Cost of future per ton	Contract Price Minus Future Price Price per ton	Total monthly savings or (cost) to ratepayers
2008	JAN						
	FEB						
	MAR						
	APR						
	MAY						
	JUNE	54,000	$ 69.50	$ 89.00	$ 0.05	$ 19.55	$ 1,055,700.00
	JULY	54,000	$ 69.50	$ 90.00	$ 0.05	$ 20.55	$ 1,109,700.00
	AUG	54,000	$ 69.50	$ 90.00	$ 0.05	$ 20.55	$ 1,109,700.00
	SEPT	54,000	$ 69.50	$ 90.00	$ 0.05	$ 20.55	$ 1,109,700.00
	OCT	54,000	$ 69.50	$ 90.00	$ 0.05	$ 20.55	$ 1,109,700.00
	NOV	54,000	$ 69.50	$ 90.00	$ 0.05	$ 20.55	$ 1,109,700.00
	DEC	54,000	$ 69.50	$ 90.00	$ 0.05	$ 20.55	$ 1,109,700.00
2009	JAN	54,000	$ 69.50	$ 86.00	$ 0.05	$ 16.55	$ 893,700.00
	FEB	54,000	$ 69.50	$ 86.00	$ 0.05	$ 16.55	$ 893,700.00
	MAR	54,000	$ 69.50	$ 86.00	$ 0.05	$ 16.55	$ 893,700.00
	APR	54,000	$ 69.50	$ 86.00	$ 0.05	$ 16.55	$ 893,700.00
	MAY	54,000	$ 69.50	$ 86.00	$ 0.05	$ 16.55	$ 893,700.00
	JUNE	54,000	$ 69.50	$ 86.00	$ 0.05	$ 16.55	$ 893,700.00
	JULY	54,000	$ 69.50	$ 86.00	$ 0.05	$ 16.55	$ 893,700.00
	AUG	54,000	$ 69.50	$ 86.00	$ 0.05	$ 16.55	$ 893,700.00
	SEPT	54,000	$ 69.50	$ 86.00	$ 0.05	$ 16.55	$ 893,700.00
	OCT	54,000	$ 69.50	$ 86.00	$ 0.05	$ 16.55	$ 893,700.00
	NOV	54,000	$ 69.50	$ 86.00	$ 0.05	$ 16.55	$ 893,700.00
	DEC	54,000	$ 69.50	$ 86.00	$ 0.05	$ 16.55	$ 893,700.00
2010	JAN	54,000	$ 69.50	$ 78.00	$ 0.05	$ 8.55	$ 461,700.00
	FEB	54,000	$ 69.50	$ 78.00	$ 0.05	$ 8.55	$ 461,700.00
	MAR	54,000	$ 69.50	$ 78.00	$ 0.05	$ 8.55	$ 461,700.00
	APR	54,000	$ 69.50	$ 78.00	$ 0.05	$ 8.55	$ 461,700.00

Coal Hedging Analysis
January 15, 2010

Appendix D
Jan 1, 09
Page 14 of 14

	MAY	54,000	$	69.50	$	78.00	$	0.05	$	8.55	$	461,700.00
	JUNE	54,000	$	69.50	$	78.00	$	0.05	$	8.55	$	461,700.00
	JULY	54,000	$	69.50	$	78.00	$	0.05	$	8.55	$	461,700.00
	AUG	54,000	$	69.50	$	78.00	$	0.05	$	8.55	$	461,700.00
	SEPT	54,000	$	69.50	$	78.00	$	0.05	$	8.55	$	461,700.00
	OCT	54,000	$	69.50	$	78.00	$	0.05	$	8.55	$	461,700.00
	NOV	54,000	$	69.50	$	78.00	$	0.05	$	8.55	$	461,700.00
	DEC	54,000	$	69.50	$	78.00	$	0.05	$	8.55	$	461,700.00
2011	JAN	54,000	$	69.50	$	78.00	$	0.05	$	8.55	$	461,700.00
	FEB	54,000	$	69.50	$	78.00	$	0.05	$	8.55	$	461,700.00
	MAR	54,000	$	69.50	$	78.00	$	0.05	$	8.55	$	461,700.00
	APR	54,000	$	69.50	$	78.00	$	0.05	$	8.55	$	461,700.00
	MAY	54,000	$	69.50	$	78.00	$	0.05	$	8.55	$	461,700.00
	JUNE											
	JULY											
	AUG											
	SEPT											
	OCT											
	NOV											
	DEC											

Coal Hedging Analysis
January 15, 2010

Appendix E
Summary

CONTRACT YEAR	TOTAL SAVINGS OR COST USING SPOT MARKET VERSES USING FUTURES FOR SPOT PURCHASES	
2004	$	2,272,639.04
2005	$	834,825.00
2006	$	20,977,900.00
2007	$	(459,694.70)
2008	$	4,472,508.00

South Carolina Electric & Gas Company
Spot Coal Purchases
2004

Bid	Supplier	Coal	Delivery Month(s)	Tonnage Per Month Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec
Jan-04	Supplier A	$37.00	**Jan-04**	10,000											
Jan-04	Supplier B	$38.00	**Jan-04**	20,000											
Feb-04	Supplier A	$36.00	**Feb-04**		10,000										
Feb-04	Supplier A	$41.00	**Mar-04**			10,000	0			0			0		
Jan-04	Supplier C	$39.75	**Feb/March**		25,000	25,000	0			0			0		
Feb-04	Supplier D	$49.50	**March**			20,000	0			0			0		
Mar-04	Supplier E	$50.00	**March**			20,000	0			0			0		
Jan-04	Supplier F	$33.00	**March**			20,000	0			0			0		
Mar-04	Supplier G	$54.00	**March**			10,000	0			0			0		
Mar-04	Supplier H	$54.00	**pril thru Dec 04**				11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000
Apr-04	Supplier E	$53.00	**May**					50,000		0			0		
Apr-04	Supplier I	$52.05	**April**				10,000			0			0		
Apr-04	Supplier J	$48.00	**April**				1,177			0			0		
May-04	Supplier K	$52.00	**May**					9,000		0			0		
May-04	Supplier L	$45.50	**May, June**					25,000	25,000	0			0		
May-04	Supplier M	$46.00	May					10,000		0			0		
May-04	Supplier G	$53.50	**June**						10,000	0			0		
Jun-04	Supplier E	$53.00	**July,August**								20,000		0		
Jul-04	Supplier A	$48.50	**August**								10,000		0		
Jul-04	Supplier N	$36.00	**August**								10,000		0		
Aug-04	Supplier M	$37.50	**August**								22,000		0		
Aug-04	Supplier M	$30.00	**August**								6,000		0		
Aug-04	Supplier M	$52.00	**August**								10,000		0		
Aug-04	Supplier O	$54.50	**August**								9,000		0		
Aug-04	Supplier P	$55.00	**September**									20,000	0		
Aug-04	Supplier D	$50.50	**September**									10,000	0		

Coal Hedging Analysis
January 15, 2010

Appendix E
2004
Page 2 of 4

Sep-04	Supplier L	$50.00	**September**									10,000	0		
Sep-04	Supplier Q	$53.00	**October**										10,000		
Nov-04	Supplier G	$54.00	**November**											11,820	11,280
Nov-04	Supplier R	$56.00	**November**											10,000	
Nov-04	Supplier S	$73.00	**November**											23,000	
Dec 04	Supplier T	$55.00	**December**												10,000
Dec-04	Supplier U	$70.87	**December**												50,000

Coal Hedging Analysis
January 15, 2010

Appendix E
2004
Page 3 of 4

		Futures Price from UPI Futures Price Sheet												Savings or Costs
Bid	Supplier	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	
Jan-04	Supplier A	$ 38.10	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 11,000.00
Jan-04	Supplier B	$ 38.10												$ 2,000.00
Feb-04	Supplier A		$ 44.88											$ 88,800.00
Feb-04	Supplier A			$ 44.88										$ 38,800.00
Jan-04	Supplier C		$ 38.10	$ 38.20										$ (80,000.00)
Feb-04	Supplier D			$ 44.88										$ (92,400.00)
Mar-04	Supplier E			$ 52.75										$ 55,000.00
Jan-04	Supplier F			$ 38.20										$ 104,000.00
Mar-04	Supplier G			$ 52.75										$ (12,500.00)
Mar-04	Supplier H				$ 52.75	$ 53.00	$ 53.00	$ 55.25	$ 55.25	$ 55.25	$ 55.25	$ 55.25	$ 55.25	$ 46,750.00
Apr-04	Supplier E					$ 54.75								$ 87,500.00
Apr-04	Supplier I				$ 54.75									$ 27,000.00
Apr-04	Supplier J				$ 54.75									$ 7,943.74
May-04	Supplier K					$ 54.00								$ 18,000.00
May-04	Supplier L					$ 54.00	$ 54.00							$ 425,000.00
May-04	Supplier M					$ 54.00								$ 80,000.00
May-04	Supplier G						$ 54.00							$ 5,000.00
Jun-04	Supplier E							$ 57.00	$ 57.50					$ 90,000.00
Jul-04	Supplier A								$ 57.00					$ 85,000.00
Jul-04	Supplier N								$ 57.00					$ 210,000.00
Aug-04	Supplier M								$ 59.75					$ 489,500.00
Aug-04	Supplier M								$ 59.75					$ 178,500.00
Aug-04	Supplier M								$ 59.75					$ 77,500.00
Aug-04	Supplier O								$ 59.75					$ 47,250.00
Aug-04	Supplier P									$ 59.75				$ 95,000.00
Aug-04	Supplier D									$ 59.75				$ 92,500.00

Coal Hedging Analysis
January 15, 2010

Appendix E
2004
Page 4 of 4

Sep-04	Supplier L	$ 63.75				$ 137,500.00
Sep-04	Supplier Q		$ 63.75			$ 107,500.00
Nov-04	Supplier G			$ 64.00	$ 64.00	$ 230,995.30
Nov-04	Supplier R			$ 64.00		$ 80,000.00
Nov-04	Supplier S			$ 64.00		$ (207,000.00)
Dec 04	Supplier T				$ 64.00	$ 90,000.00
Dec-04	Supplier U				$ 64.00	$ (343,500.00)
			TOTAL SAVINGS OR COSTS			$ 2,272,639

Coal Hedging Analysis
January 15, 2010

Appendix E
2005
Page 1 of 2

South Carolina Electric & Gas Company
Spot Coal Purchases
2005

Bid	Supplier	Coal	Delivery Month(s)	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec
				Tonnage Per Month											
Jan-05	Supplier A	$53.50	**Jan-05**	20,000											
Jan-05	Supplier B	$55.00	**Feb 05**		20,000										
Feb-05	Supplier B	$54.00	**Feb 05**		20,000										
Jan-05	Supplier A	$54.00	**Feb-June 05**		10,000	10,000	10,000	10,000	10,000						
Feb-05	Supplier E	$54.25	**Mar 05**			30,000									
Feb-05	Supplier V	$54.87	**Feb 05**		10,000										
Mar-05	Supplier B	$56.00	**Mar 05**			10,000									
Mar-05	Supplier B	$56.00	**Mar 05**			10,000									
Mar-05	Supplier B	$56.00	**Mar 05**			10,000									
Jun-05	Supplier T	$54.00	**June 05**						20,000						
Jun-05	Supplier I	$56.00	**June 05**						20,000	10,000					
Jun-05	Supplier W	$54.55	**June 05**						10,000						
May-27	Supplier X	$52.00	**July 05**							10,000					
Jul-05	Supplier Y	$54.00	**July-Sept**							2,000	20,000	20,000			
Aug-05	Supplier Z	$47.00	**August**								800				
Aug-05	Supplier Z	$67.25	**August**								6,000				
Oct-05	Supplier A	$55.00	**Nov-05 thru Jan06**											18,000	18,000
Oct-05	Supplier E	$46.00	**October**										1,700		
Nov-05	Supplier O	$39.00	**Dec 05 / Jan 06**												9,000

Coal Hedging Analysis
January 15, 2010

Appendix E
2005

South (

		Futures Price from UPI Futures Price Sheet												Savings or Costs
Bid	Supplier	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	
Jan-05	Supplier A	$ 56.00												$ 50,000.00
Jan-05	Supplier B		$ 56.00											$ 20,000.00
Feb-05	Supplier B		$ 56.00											$ 40,000.00
Jan-05	Supplier A		$ 56.00	$ 56.50	$ 57.50	$ 57.50	$ 57.50							$ 150,000.00
Feb-05	Supplier E			$ 56.50										$ 67,500.00
Feb-05	Supplier V		$ 56.50											$ 16,300.00
Mar-05	Supplier B			$ 59.75										$ 37,500.00
Mar-05	Supplier B			$ 59.75										$ 37,500.00
Mar-05	Supplier B			$ 59.75										$ 37,500.00
Jun-05	Supplier T						$ 56.50							$ 50,000.00
Jun-05	Supplier I						$ 56.50	$ 56.50						$ 15,000.00
Jun-05	Supplier W						$ 56.50							$ 19,500.00
May-27	Supplier X							$ 63.50						$ 115,000.00
Jul-05	Supplier Y							$ 54.00	$ 54.00	$ 54.00				$ -
Aug-05	Supplier Z								$ 55.75					$ 7,000.00
Aug-05	Supplier Z								$ 55.75					$ (69,000.00)
Oct-05	Supplier A											$ 56.75	$ 56.75	$ 63,000.00
Oct-05	Supplier E										$ 56.75			$ 18,275.00
Nov-05	Supplier O												$ 56.75	$ 159,750.00
										TOTAL SAVINGS OR (COSTS)				$ 834,825.00

South Carolina Electric & Gas Company
Spot Coal Purchases
2006

Bid	Supplier	Coal	Tonnage Per Month											
			Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec
Nov-05	Supplier O	$39.00	9,000											
Oct-05	Supplier A	$55.00	9,000											
Jan-06	Supplier E	$55.00	20,000	20,000	20,000	20,000	20,000	20,000						
Jan-06	Supplier F	$29.00	10,000	10,000	10,000	10,000	10,000	10,000						
Feb-06	Supplier AA	$40.65		20,000										
Feb-06	Supplier F	$43.75		7,500										
Feb-06	Supplier BB	$40.00		100										
Apr-06	Supplier AA	$42.75					10,000	10,000						
Apr-06	Supplier F	$28.00					10,000	10,000	10,000	10,000				
Apr-06	Supplier F	$51.00					10,000	10,000						
Jun-06	Supplier CC	$49.90						10,000						
Jun-06	Supplier DD	$51.50							10,000					
Aug-06	Supplier P	$52.00										30,000		
Jul-06	Supplier EE	$47.00								10,000				
Aug-06	Supplier FF	$50.00										10,000		
Oct-o6	Supplier GG	$51.00									10,000			
Sep-06	Supplier AA	$49.30									10,000			
Aug-06	Supplier HH	$50.50										30,000		
Sep-06	Supplier C	$49.05										10,000		
Sep-06	Supplier C	$49.05										10,000		
Sep-06	Supplier AA	$48.25										22,000		
Sep-06	Supplier FFF	$51.05									10,000			
Oct-06	Supplier JJ	48.55											20,000	20,000
Oct-06	Supplier X	$47.75										66,666	66,666	66,666
Nov-06	Supplier F	$26.50											10,000	10,000

Coal Hedging Analysis
January 15, 2010

Appendix E
2006
Page 2 of 2

South Carolina Elec
Spot Coal Pu
2006

Futures Price from UPI Futures Price Sheet

Bid	Supplier	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Savings or cost
Nov-05	Supplier O	$ 57.00												$ 162,000.00
Oct-05	Supplier A	$ 58.00												$ 27,000.00
Jan-06	Supplier E	$ 57.75	$ 57.75	$ 57.75	$ 57.75	$ 57.75	$ 57.75							$ 5,830,000.00
Jan-06	Supplier F	$ 57.75	$ 57.75	$ 57.75	$ 57.75	$ 57.75	$ 57.75							$ 3,175,000.00
Feb-06	Supplier AA		$ 57.75											$ 1,155,000.00
Feb-06	Supplier F		$ 57.75											$ 433,125.00
Feb-06	Supplier BB		$ 57.75											$ 5,775.00
Apr-06	Supplier AA		$ 57.75											$ -
Apr-06	Supplier F					$ 52.25	$ 52.25	$ 52.25	$ 52.25					$ 2,090,000.00
Apr-06	Supplier F					$ 52.25	$ 52.25							$ 1,045,000.00
Jun-06	Supplier CC						$ 50.75							$ 507,500.00
Jun-06	Supplier DD							$ 50.75						$ 507,500.00
Aug-06	Supplier P										$ 51.50			$ 1,545,000.00
Jul-06	Supplier EE								$ 49.50					$ 495,000.00
Aug-06	Supplier FF										$ 51.50			$ 515,000.00
Oct-o6	Supplier GG									$ 48.50				$ 485,000.00
Sep-06	Supplier AA									$ 48.50				$ 485,000.00
Aug-06	Supplier HH										$ 51.50			$ 1,545,000.00
Sep-06	Supplier C										$ 48.50			$ 485,000.00
Sep-06	Supplier C										$ 48.50			$ 485,000.00
Sep-06	Supplier AA										$ 48.50			$ 1,067,000.00
Sep-06	Supplier FFF									$ 48.50				$ 485,000.00
Oct-06	Supplier JJ											$ 48.00	$ 48.00	$ 949,000.00
Oct-06	Supplier X										$ 48.00	$ 48.00	$ 48.00	$ 6,416,602.50
Nov-06	Supplier F											$ 45.50	$ 45.50	$ 645,000.00
										TOTAL SAVINGS OR (COSTS)				$ 20,977,900.00

South Carolina Electric & Gas Company
Spot Coal Purchases
2007

Bid	Supplier	Coal	Tonnage Per Month											
			Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec
Jul-06	Supplier EE	$47.00	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Nov-06	Supplier KK	$43.05	10,000	10,000	10,000									
Nov-06	Supplier F	$26.50	10,000											
Nov-06	Supplier LL	$40.80	20,000											
Nov-06	Supplier MM	$44.50	20,000	20,000	20,000									
Dec-06	Supplier NN	$41.05	20,000											
Dec-06	Supplier JJ	$40.55	20,000											
Dec-06	Supplier AA	$47.15	20,000	20,000					33,333	33,333	33,333	33,333	33,333	33,333
Feb-07	Supplier OO	$39.00		200										
Apr-07	Supplier F	$39.75				10,000								
Apr-07	Supplier C	$43.00					10,000	10,000						
Sept 07	Supplier PP	$44.00										7,500		

Coal Hedging Analysis
January 15, 2010

Appendix E
2007
Page 2 of 2

Futures Price from UPI Futures Price Sheet

Bid	Supplier	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Savings or cost
Jul-06	Supplier EE	$ 46.75	$ 46.75	$ 46.75	$ 46.75	$ 46.75	$ 46.75	$ 46.75	$ 46.75	$ 46.75	$ 46.75	$ 46.75	$ 46.75	$ (60,000.00)
Nov-06	Supplier KK	$ 45.65	$ 45.75	$ 45.75										$ 80,000.00
Nov-06	Supplier F	$ 45.65												$ 191,500.00
Nov-06	Supplier LL	$ 45.65												$ 97,000.00
Nov-06	Supplier MM	$ 45.65	$ 45.75	$ 45.75										$ 73,000.00
Dec-06	Supplier NN	$ 40.55												$ (10,000.00)
Dec-06	Supplier JJ	$ 40.55												$ -
Dec-06	Supplier AA	$ 40.55	$ 40.75					$ 44.25	$ 44.25	$ 44.25	$ 44.75	$ 44.75	$ 44.75	$ (789,994.70)
Feb-07	Supplier OO		$ 36.75											$ (450.00)
Apr-07	Supplier F				$ 40.75									$ 10,000.00
Apr-07	Supplier C					$ 40.75	$ 41.00							$ (42,500.00)
Sept 07	Supplier PP										$ 42.90			$ (8,250.00)
										TOTAL SAVINGS OR (COSTS)				$ (459,694.70)

Coal Hedging Analysis
January 15, 2010

Appendix E
2008
Page 1 of 4

South Carolina Electric & Gas Company
Spot Coal Purchases
2008

Bid	Supplier	Coal	Delivery Month(s)	Tonnage Per Month											
				Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec
Apr 07	Supplier C	$45.50	**Jan - Dec**	40,000	40,000	40,000	40,000	40,000	40,000	20,000	20,000	20,000	20,000	20,000	20,000
Apr 08	Supplier QQ	$88.05	**May**					10,000							
Apr 08	Supplier RR	$86.05	**May**					10,000							
May 08	Supplier SS	$98.00	**Jul-Dec**							10,000	10,000	10,000	10,000	10,000	10,000
May 08	Supplier A	$105.00	**Jun**						10,000						
May 08	Supplier TT	$100.00	**Jun**						10,000						
Jun 08	Supplier E	$128.00	**Jun**						10,000						
Jun 08	Supplier A	$125.00	**Jun**						10,000						
Jun 08	Supplier PP	$144.00	**Jul**							7,500					
Jul 08	Supplier UU	$120.00	**Jul**							4,500					
Jul 08	Supplier VV	$147.05	**Jul**							10,000					
Jul 08	Supplier WW	$141.00	**Jul**							20,000					
Jul 08	Supplier XX	$140.05	**Jul**							10,000					
Jul -08	Supplier YY	$140.00	**Aug-Sep**								20,000	20,000			
Jul 08	Supplier JJ	$141.05	**Jul**							10,000					
Jul 08	Supplier V	$140.00	**Jul**							10,000					
Jul 08	Supplier JJ	$141.05	**Aug**								10,000				
Jul 08	Supplier KK	$141.05	**Aug**								10,000				
Jul 08	Supplier ZZ	$141.05	**Aug**								10,000				
Jul 08	Supplier JJ	$140.05	**Aug**								10,000				
Jul 08	Supplier AAA	$141.05	**Aug**								20,000				
Jul 08	Supplier BBB	$138.50	**Jul**							10,000					
Jul 08	Supplier JJ	$141.55	**Jul**							10,000					
Jul 08	Supplier C	132.5	**Jul**							20,000					
Aug 08	Supplier GG	$150.00	**aug**								30,000				
Aug 08	Supplier CCC	$146.50	**Aug**								10,000				

Coal Hedging Analysis
January 15, 2010

Appendix E
2008
Page 2 of 4

"Aug 08	Supplier QQ	$135.00	**Sep-Dec**							10,000	10,000	10,000	30,000	30,000	30,000
Aug 08	Supplier DDD	$138.00	**Sep**									10,000			
Sep 08	Supplier GG	$122.00	**Sep**									20,000			
Sep 08	Supplier JJ	$121.05	**Sep**									10,000			
Sep 08	Supplier JJ	$121.05	**Sep**									10,000			
Sep 08	Supplier QQ	$112.00	**Oct-Dec**										10,000	10,000	10,000
Sep 08	Supplier DDD	$121.00	**Oct-Dec**										16,666	16,666	16,666
Sep 08	Supplier JJ	$121.05	**Sep**										10,000		
Sep 08	Supplier C	$126.50	**Oct-Dec**										20,000	20,000	20,000
Sep 08	Supplier WW	$131.00	**Oct**										30,000		
Sep 08	Supplier EEE	$147.00	**Oct**										20,000		
Sep 08	Supplier V	$131.00	**Oct-Dec**										20,000	20,000	20,000
Oct 08	Supplier KK	$145.05	**Oct**										10,000		
Oct 08	Supplier FFF	$145.05	**Oct**										10,000		
Oct 08	Supplier GGG	$140.00	**Oct**										10,000		
Oct 08	Supplier HHH	$125.75	**Nov-Dec**											20,000	20,000
Oct 08	Supplier TT	$110.00	**Oct**										10,000		
Oct 08	Supplier HHH	$103.00	**Dec**												20,000
Oct 08	Supplier NN	$104.05	**Nov**											10,000	
Oct 08	Supplier NN	$104.05	**Dec**												10,000
Nov-08	Supplier C	$85.00	**Nov-Dec**											30,000	30,000
Nov-08	Supplier C	$78.00	**Dec**												50,000
Nov-08	Supplier WW	$79.50	**Dec**												20,000

Coal Hedging Analysis
January 15, 2010

Appendix E
2008
Page 3 of 4

South Car
Spot

Futures Price from UPI Futures Price Sheet

Bid	Supplier	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Savings or cost
Apr 07	Supplier C	$ 45.25	$ 45.25	$ 45.25	$ 45.25	$ 45.25	$ 45.25	$ 45.25	$ 45.25	$ 45.25	$ 45.25	$ 45.25	$ 45.25	$ (90,000.00)
Apr 08	Supplier QQ					$ 83.75								$ (43,000.00)
Apr 08	Supplier RR					$ 83.75								$ (23,000.00)
May 08	Supplier SS							$ 103.50	$ 103.50	$ 103.50	$ 102.00	$ 102.00	$ 102.00	$ 285,000.00
May 08	Supplier A						$ 104.00							$ (10,000.00)
May 08	Supplier TT						$ 104.00							$ 40,000.00
Jun 08	Supplier E						$ 110.00							$ (180,000.00)
Jun 08	Supplier A						$ 110.00							$ (150,000.00)
Jun 08	Supplier PP							$ 110.00						$ (255,000.00)
Jul 08	Supplier UU							$ 161.00						$ 184,500.00
Jul 08	Supplier VV							$ 161.00						$ 139,500.00
Jul 08	Supplier WW							$ 161.00						$ 400,000.00
Jul 08	Supplier XX							$ 161.00						$ 209,500.00
Jul -08	Supplier YY								$ 161.00	$ 161.00				$ 840,000.00
Jul 08	Supplier JJ							$ 161.00						$ 199,500.00
Jul 08	Supplier V							$ 161.00						$ 210,000.00
Jul 08	Supplier JJ								$ 161.00					$ 199,500.00
Jul 08	Supplier KK								$ 161.00					$ 199,500.00
Jul 08	Supplier ZZ								$ 161.00					$ 199,500.00
Jul 08	Supplier JJ								$ 161.00					$ 209,500.00
Jul 08	Supplier AAA								$ 161.00					$ 399,000.00
Jul 08	Supplier BBB							$ 161.00						$ 225,000.00
Jul 08	Supplier JJ							$ 161.00						$ 194,500.00
Jul 08	Supplier C							$ 161.00						$ 570,000.00
Aug 08	Supplier GG								$ 152.00					$ 60,000.00
Aug 08	Supplier CCC								$ 152.00					$ 55,000.00

Coal Hedging Analysis
January 15, 2010

Appendix E
2008
Page 4 of 4

"Aug 08	Supplier QQ	$ 152.00	$ 152.00	$ 149.25	$ 149.25	$ 149.25	$ 272,500.00
Aug 08	Supplier DDD		$ 152.00				$ 140,000.00
Sep 08	Supplier GG		$ 119.00				$ (60,000.00)
Sep 08	Supplier JJ		$ 119.00				$ (20,500.00)
Sep 08	Supplier JJ		$ 119.00				$ (20,500.00)
Sep 08	Supplier QQ			$ 119.00	$ 116.00	$ 116.00	$ 150,000.00
Sep 08	Supplier DDD			$ 119.00	$ 116.00	$ 116.00	$ (199,992.00)
Sep 08	Supplier JJ		$ 119.00				$ (1,210,500.00)
Sep 08	Supplier C			$ 119.00	$ 116.00	$ 116.00	$ (570,000.00)
Sep 08	Supplier WW			$ 119.00			$ (360,000.00)
Sep 08	Supplier EEE			$ 119.00			$ (560,000.00)
Sep 08	Supplier V			$ 119.00	$ 116.00	$ 116.00	$ (840,000.00)
Oct 08	Supplier KK			$ 148.00			$ 29,500.00
Oct 08	Supplier FFF			$ 148.00			$ 29,500.00
Oct 08	Supplier GGG			$ 148.00			$ 80,000.00
Oct 08	Supplier HHH				$ 150.00	$ 141.00	$ 790,000.00
Oct 08	Supplier TT			$ 148.00			$ 380,000.00
Oct 08	Supplier HHH					$ 141.00	$ 760,000.00
Oct 08	Supplier NN				$ 150.00		$ 459,500.00
Oct 08	Supplier NN					$ 141.00	$ 369,500.00
Nov-08	Supplier C				$ 87.50	$ 87.50	$ 150,000.00
Nov-08	Supplier C					$ 87.50	$ 475,000.00
Nov-08	Supplier WW					$ 87.50	$ 160,000.00
			TOTAL SAVINGS OR (COSTS)				$ 4,472,508.00

Coal Hedging Analysis
January 15, 2010

DERIVATIVE ANALYSIS USING FICTIONAL FORWARD LOOKING ANALYSIS

						Assume Buying Futures- Current Month Price Less Futures Price (positive value indicates futures saved money)			Assume Buying Call Option - Current Month Price Less Call option and $2.00 Call Option premium (positive value indicates call option saved money)		
Year	Month	Last week of Prior Month Actual Price per Ton for Following Month	6 Month Spot price per Ton	9 Month Spot Price per Ton	12 Month Spot Price per Ton	Assume Bought 6 Month Future	Assume Bought 9 Month Future	Assume Bought a 12 month Future	Assume Bought 6 Month Call option	Assume Bought 9 Month Future	Assume Bought a 12 month Future
2004	Jan	37.8	$ 38.50	$ 39.00	$ 39.20	$ 17.50	$ 24.00	$ 21.55	$ 15.50	$ 22.00	$ 19.55
	Feb	44	$ 44.85	$ 44.88	$ 42.50	$ 11.65	$ 20.12	$ 12.00	$ 9.65	$ 18.12	$ 10.00
	March	52	$ 55.25	$ 55.25	$ 52.00	$ 3.25	$ 8.25	$ 5.00	$ 1.25	$ 6.25	$ 3.00
	April	55	$ 55.00	$ 55.00	$ 50.50	$ 8.00	$ 5.75	$ 8.75	$ 6.00	$ 3.75	$ 6.75
	May	54	$ 54.00	$ 50.00	$ 47.00	$ 11.00	$ 4.50	$ 12.75	$ 9.00	$ 2.50	$ 10.75
	June	56	$ 58.00	$ 55.00	$ 52.25	$ 5.50	$ 2.00	$ 9.75	$ 3.50	$ -	$ 7.75
	July	56.5	$ 58.25	$ 58.25	$ 56.25	$ 2.50	$ 1.00	$ 0.25	$ 0.50	$ (1.00)	$ (1.75)
	Aug	58.5	$ 60.00	$ 57.50	$ 56.25	$ (5.50)	$ 2.25	$ (1.50)	$ (7.50)	$ 0.25	$ (3.50)
	Sept	63	$ 61.50	$ 58.00	$ 56.00	$ (4.50)	$ 4.00	$ (1.00)	$ (6.50)	$ 2.00	$ (3.00)
	Oct	65	$ 62.00	$ 59.90	$ 57.75	$ (2.75)	$ (3.40)	$ (3.75)	$ (4.75)	$ (5.40)	$ (5.75)
	Nov	63.5	$ 58.75	$ 57.75	$ 56.50	$ 1.00	$ (3.00)	$ -	$ (1.00)	$ (5.00)	$ (2.00)
	Dec	60.75	$ 58.75	$ 58.25	$ 57.75	$ 3.25	$ (3.25)	$ (1.00)	$ 1.25	$ (5.25)	$ (3.00)
2005	Jan	54.5	$ 57.50	$ 57.00	$ 56.00	$ (1.00)	$ (3.00)	$ 0.75	$ (3.00)	$ (5.00)	$ (1.25)
	Feb	57	$ 57.50	$ 56.50	$ 55.00	$ (2.75)	$ -	$ 2.75	$ (4.75)	$ (2.00)	$ 0.75
	March	59.25	$ 60.25	$ 59.75	$ 58.25	$ (5.25)	$ (3.00)	$ (0.50)	$ (7.25)	$ (5.00)	$ (2.50)
	April	59.75	$ 61.00	$ 61.50	$ 61.50	$ (7.00)	$ (4.75)	$ (4.50)	$ (9.00)	$ (6.75)	$ (6.50)
	May	62	$ 63.50	$ 62.50	$ 61.50	$ (7.00)	$ (4.75)	$ (9.75)	$ (9.00)	$ (6.75)	$ (11.75)
	June	56.5	$ 57.50	$ 57.75	$ 56.75	$ (0.75)	$ -	$ (4.50)	$ (2.75)	$ (2.00)	$ (6.50)

Coal Hedging Analysis
January 15, 2010

Appendix F
Page 2 of 3

	July	54.75	$	54.50	$	54.75	$	54.25	$	2.25	$	2.25	$	(4.00)	$	0.25	$	0.25	$	(6.00)
	Aug	55	$	57.00	$	56.25	$	55.65	$	0.75	$	(4.50)	$	(4.90)	$	(1.25)	$	(6.50)	$	(6.90)
	Sept	54	$	60.00	$	59.75	$	59.50	$	(2.25)	$	(7.50)	$	(8.00)	$	(4.25)	$	(9.50)	$	(10.00)
	Oct	56.5	$	58.00	$	58.00	$	57.25	$	(1.00)	$	(7.75)	$	(8.25)	$	(3.00)	$	(9.75)	$	(10.25)
	Nov	56.75	$	56.50	$	56.10	$	56.00	$	(4.75)	$	(5.35)	$	(7.25)	$	(6.75)	$	(7.35)	$	(9.25)
	Dec	56.75	$	57.00	$	56.75	$	56.75	$	(4.75)	$	(5.25)	$	(10.75)	$	(6.75)	$	(7.25)	$	(12.75)
2006	Jan	57.75	$	57.75	$	57.75	$	57.75	$	(7.50)	$	(8.75)	$	(17.00)	$	(9.50)	$	(10.75)	$	(19.00)
	Feb	57.75	$	58.35	$	58.35	$	58.00	$	(7.60)	$	(9.60)	$	(18.50)	$	(9.60)	$	(11.60)	$	(20.50)
	March	57	x		x		x													
	April	51.75	$	52.75	$	52.75	$	52.00	$	(3.75)	$	(12.00)	$	(12.75)	$	(5.75)	$	(14.00)	$	(14.75)
	May	52.25	$	52.75	$	52.00	$	51.75	$	(4.00)	$	(12.50)	$	(11.35)	$	(6.00)	$	(14.50)	$	(13.35)
	June	50.25	$	50.75	$	49.60	$	49.60	$	(4.75)	$	(15.10)	$	(8.10)	$	(6.75)	$	(17.10)	$	(10.10)
	July	50.75	$	48.25	$	46.75	$	46.75	$	(7.50)	$	(7.50)	$	(5.25)	$	(9.50)	$	(9.50)	$	(7.25)
	Aug	51.5	$	51.25	$	50.75	$	50.50	$	(11.75)	$	(10.35)	$	(8.75)	$	(13.75)	$	(12.35)	$	(10.75)
	Sept	49	$	48.50	$	48.10	$	48.00	$	(14.00)	$	(6.60)	$	(6.15)	$	(16.00)	$	(8.60)	$	(8.15)
	Oct	48.75	$	47.00	$	47.00	$	47.50	$	(7.75)	$	(5.50)	$	(4.65)	$	(9.75)	$	(7.50)	$	(6.65)
	Nov	46	$	46.25	$	46.75	$	47.00	$	(5.85)	$	(5.00)	$	(1.00)	$	(7.85)	$	(7.00)	$	(3.00)
	Dec	40.75	$	42.50	$	44.25	$	44.75	$	(1.00)	$	(2.40)	$	6.75	$	(3.00)	$	(4.40)	$	4.75
2007	Jan	39.5	$	40.00	$	41.00	$	42.00	$	1.50	$	1.85	$	10.50	$	(0.50)	$	(0.15)	$	8.50
	Feb	34.5	$	37.75	$	38.25	$	39.75	$	4.00	$	7.75	$	10.50	$	2.00	$	5.75	$	8.50
	March	39.25	$	40.50	$	41.75	$	42.75	$	1.35	$	9.75	$	17.25	$	(0.65)	$	7.75	$	15.25
	April	40.4	$	42.50	$	43.50	$	44.50	$	0.35	$	9.00	$	45.00	$	(1.65)	$	7.00	$	43.00
	May	41.5	$	44.25	$	45.25	$	46.25	$	1.75	$	5.00	$	36.75	$	(0.25)	$	3.00	$	34.75
	June	41.5	$	44.00	$	45.60	$	46.75	$	7.50	$	14.40	$	49.25	$	5.50	$	12.40	$	47.25
	July	41.75	$	43.85	$	45.40	$	46.60	$	8.65	$	44.10	$	64.40	$	6.65	$	42.10	$	62.40
	Aug	41.85	$	45.00	$	46.00	$	47.00	$	5.25	$	37.00	$	107.00	$	3.25	$	35.00	$	105.00
	Sept	42.85	$	44.90	$	46.15	$	47.40	$	15.10	$	49.85	$	92.60	$	13.10	$	47.85	$	90.60
	Oct	46	$	48.10	$	50.10	$	51.35	$	41.40	$	60.90	$	83.65	$	39.40	$	58.90	$	81.65
	Nov	51.5	$	54.80	$	55.10	$	55.40	$	28.20	$	98.90	$	92.60	$	26.20	$	96.90	$	90.60
	Dec	52.5	$	56.50	$	56.60	$	56.60	$	39.50	$	83.40	$	39.40	$	37.50	$	81.40	$	37.40
2008	Jan	50.25	$	56.25	$	57.00	$	57.75	$	54.75	$	78.00	$	17.25	$	52.75	$	76.00	$	15.25
	Feb	60	$	75.00	$	74.00	$	72.00	$	79.00	$	74.00	$	(19.00)	$	77.00	$	72.00	$	(21.00)
	March	89.5	$	90.00	$	90.00	$	88.50	$	50.00	$	6.00	$	(34.75)	$	48.00	$	4.00	$	(36.75)

Coal Hedging Analysis
January 15, 2010

	April	83	$ 83.75	$ 83.75	$ 81.75	$ 51.25	$ (8.75)	$ (26.75)	$ 49.25	$ (10.75)	$ (28.75)
	May	96	$ 102.00	$ 97.75	$ 95.50	$ 46.00	$ (44.75)	$ (46.25)	$ 44.00	$ (46.75)	$ (48.25)
	June	111	$ 111.00	$ 108.00	$ 107.00	$ (15.00)	$ (54.25)	$ (66.50)	$ (17.00)	$ (56.25)	$ (68.50)
	July	154	$ 161.00	$ 152.00	$ 149.00	$ (86.00)	$ (97.00)	$ (103.00)	$ (88.00)	$ (99.00)	$ (105.00)
	Aug	140	$ 134.00	$ 129.00	$ 124.00	$ (81.00)	$ (79.75)	$ (76.50)	$ (83.00)	$ (81.75)	$ (78.50)
	Sept	135	$ 112.00	$ 110.00	$ 108.00	$ (58.25)	$ (69.50)	$ (61.00)	$ (60.25)	$ (71.50)	$ (63.00)
	Oct	148	$ 127.00	$ 119.00	$ 114.00	$ (72.00)	$ (73.00)	$ (66.00)	$ (74.00)	$ (75.00)	$ (68.00)
	Nov	96	$ 85.25	$ 85.00	$ 84.75	$ (36.00)	$ (37.50)		$ (38.00)	$ (39.50)	
	Dec	75	$ 64.00	$ 63.25	$ 63.25	$ (23.50)	$ (16.25)		$ (25.50)	$ (18.25)	
2009	Jan	53	$ 58.25	$ 59.75	$ 61.00	$ (12.25)	$ (11.75)		$ (14.25)	$ (13.75)	
	Feb	53.75	$ 57.00	$ 58.50	$ 63.25	$ (9.50)			$ (11.50)		
	March	55	$ 53.25	$ 53.50	$ 55.50	$ (6.25)			$ (8.25)		
	April	49.25	$ 48.00	$ 49.50	$ 54.50	$ -			$ (2.00)		
	May	40.5	$ 43.75	$ 47.65	$ 51.65						
	June	46	$ 48.75	$ 53.50	$ 58.25						
	July	47.5	$ 47.25	$ 52.00	$ 55.25						
	Aug	47	$ 49.75	$ 53.75	$ 58.15						
	Sept	48	estimate								
	Cost (Savings) per Ton Coal Using Derivative					$ 0.35	$ (0.18)	$ (1.44)	$ 2.32	$ 1.79	$ 0.53
	Total # of Months Data					64	61	58	64	61	58
	Total # of Months Derivative Increased Costs					34	34	33	41	41	36

Spot Coal Purchases Compared to Call Options

CONTRACT YEAR	TOTAL SAVINGS USING CURRENT PRACTICE VERSES (BENEFITS) OF USING CALL OPTIONS FOR SPOT MARKET PURCHASES	
2004	$	3,199,072.03
2005	$	629,300.00
2006	$	3,921,560.00
2007	$	(1,504,496.60)
2008	$	(119,956.00)
	$	6,125,479.43

South Carolina Electric & Gas Company
Spot Coal Purchases Compared to Call Options
2004

Bid	Supplier	Coal	Delivery Month(s)	Tonnage Per Month Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Option Premium
Jan-04	Supplier A	$37.00	Jan-04	10,000												$ 2.00
Jan-04	Supplier B	$38.00	Jan-04	20,000												$ 2.00
Feb-04	Supplier A	$36.00	Feb-04		10,000											$ 2.00
Feb-04	Supplier A	$41.00	Mar-04			10,000	0			0			0			$ 2.00
Jan-04	Supplier C	$39.75	Feb/March		25,000	25,000	0			0			0			$ 2.00
Feb-04	Supplier D	$49.50	March			20,000	0			0			0			$ 2.00
Mar-04	Supplier E	$50.00	March			20,000	0			0			0			$ 2.00
Jan-04	Supplier F	$33.00	March			20,000	0			0			0			$ 2.00
Mar-04	Supplier G	$54.00	March			10,000	0			0			0			$ 2.00
Mar-04	Supplier H	$54.00	April thru Dec 04				11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	$ 2.00
Apr-04	Supplier E	$53.00	May					50,000		0			0			$ 2.00
Apr-04	Supplier I	$52.05	April				10,000			0			0			$ 2.00
Apr-04	Supplier J	$48.00	April				1,177			0			0			$ 2.00
May-04	Supplier K	$52.00	May					9,000		0			0			$ 2.00
May-04	Supplier L	$45.50	May, June					25,000	25,000	0			0			$ 2.00
May-04	Supplier M	$46.00	May					10,000		0			0			$ 2.00
May-04	Supplier G	$53.50	June						10,000	0			0			$ 2.00
Jun-04	Supplier E	$53.00	July,August								20,000		0			$ 2.00
Jul-04	Supplier A	$48.50	August								10,000		0			$ 2.00
Jul-04	Supplier N	$36.00	August								10,000		0			$ 2.00
Aug-04	Supplier M	$37.50	August								22,000		0			$ 2.00
Aug-04	Supplier M	$30.00	August								6,000		0			$ 2.00
Aug-04	Supplier M	$52.00	August								10,000		0			$ 2.00
Aug-04	Supplier O	$54.50	August								9,000		0			$ 2.00
Aug-04	Supplier P	$55.00	September									20,000	0			$ 2.00
Aug-04	Supplier D	$50.50	September									10,000	0			$ 2.00
Sep-04	Supplier L	$50.00	September									10,000	0			$ 2.00
Sep-04	Supplier Q	$53.00	October										10,000			$ 2.00
Nov-04	Supplier G	$54.00	November											11,820	11,280	$ 2.00
Nov-04	Supplier R	$56.00	November											10,000		$ 2.00
Nov-04	Supplier S	$73.00	November											23,000		$ 2.00
Dec 04	Supplier T	$55.00	December												10,000	$ 2.00
Dec-04	Supplier U	$70.87	December												50,000	$ 2.00

Futures Price from UPI Futures Price Sheet Which Establishes Call Option Strike Price

Bid	Supplier	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec
Jan-04	Supplier A	$ 38.10											
Jan-04	Supplier B	$ 38.10											
Feb-04	Supplier A		$ 44.88										
Feb-04	Supplier A			$ 44.88									
Jan-04	Supplier C		$ 38.10	$ 38.20									
Feb-04	Supplier D			$ 44.88									
Mar-04	Supplier E			$ 52.75									
Jan-04	Supplier F			$ 38.20									
Mar-04	Supplier G			$ 52.75									
Mar-04	Supplier H				$ 52.75	$ 53.00	$ 53.00	$ 55.25	$ 55.25	$ 55.25	$ 55.25	$ 55.25	$ 55.25
Apr-04	Supplier E					$ 54.75							
Apr-04	Supplier I				$ 54.75								
Apr-04	Supplier J				$ 54.75								
May-04	Supplier K					$ 54.00							
May-04	Supplier L					$ 54.00	$ 54.00						
May-04	Supplier M					$ 54.00							
May-04	Supplier G						$ 54.00						
Jun-04	Supplier E							$ 57.00	$ 57.50				
Jul-04	Supplier A								$ 57.00				
Jul-04	Supplier N								$ 57.00				
Aug-04	Supplier M								$ 59.75				
Aug-04	Supplier M								$ 59.75				
Aug-04	Supplier M								$ 59.75				
Aug-04	Supplier O								$ 59.75				
Aug-04	Supplier P									$ 59.75			
Aug-04	Supplier D									$ 59.75			
Sep-04	Supplier L									$ 63.75			
Sep-04	Supplier Q										$ 63.75		
Nov-04	Supplier G											$ 64.00	$ 64.00
Nov-04	Supplier R											$ 64.00	
Nov-04	Supplier S											$ 64.00	
Dec 04	Supplier T												$ 64.00
Dec-04	Supplier U												$ 64.00

Actual Monthly Spot Market Price

Bid	Supplier	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec
Jan-04	Supplier A	$ 37.80	$ 44.00	$ 52.00	$ 55.00	$ 54.00	$ 56.00	$ 56.50	$ 58.50	$ 63.00	$ 65.00	$ 63.50	$ 60.75
Jan-04	Supplier B	$ 37.80	$ 44.00	$ 52.00	$ 55.00	$ 54.00	$ 56.00	$ 56.50	$ 58.50	$ 63.00	$ 65.00	$ 63.50	$ 60.75
Feb-04	Supplier A	$ 37.80	$ 44.00	$ 52.00	$ 55.00	$ 54.00	$ 56.00	$ 56.50	$ 58.50	$ 63.00	$ 65.00	$ 63.50	$ 60.75
Feb-04	Supplier A	$ 37.80	$ 44.00	$ 52.00	$ 55.00	$ 54.00	$ 56.00	$ 56.50	$ 58.50	$ 63.00	$ 65.00	$ 63.50	$ 60.75
Jan-04	Supplier C	$ 37.80	$ 44.00	$ 52.00	$ 55.00	$ 54.00	$ 56.00	$ 56.50	$ 58.50	$ 63.00	$ 65.00	$ 63.50	$ 60.75
Feb-04	Supplier D	$ 37.80	$ 44.00	$ 52.00	$ 55.00	$ 54.00	$ 56.00	$ 56.50	$ 58.50	$ 63.00	$ 65.00	$ 63.50	$ 60.75
Mar-04	Supplier E	$ 37.80	$ 44.00	$ 52.00	$ 55.00	$ 54.00	$ 56.00	$ 56.50	$ 58.50	$ 63.00	$ 65.00	$ 63.50	$ 60.75
Jan-04	Supplier F	$ 37.80	$ 44.00	$ 52.00	$ 55.00	$ 54.00	$ 56.00	$ 56.50	$ 58.50	$ 63.00	$ 65.00	$ 63.50	$ 60.75
Mar-04	Supplier G	$ 37.80	$ 44.00	$ 52.00	$ 55.00	$ 54.00	$ 56.00	$ 56.50	$ 58.50	$ 63.00	$ 65.00	$ 63.50	$ 60.75
Mar-04	Supplier H	$ 37.80	$ 44.00	$ 52.00	$ 55.00	$ 54.00	$ 56.00	$ 56.50	$ 58.50	$ 63.00	$ 65.00	$ 63.50	$ 60.75
Apr-04	Supplier E	$ 37.80	$ 44.00	$ 52.00	$ 55.00	$ 54.00	$ 56.00	$ 56.50	$ 58.50	$ 63.00	$ 65.00	$ 63.50	$ 60.75
Apr-04	Supplier I	$ 37.80	$ 44.00	$ 52.00	$ 55.00	$ 54.00	$ 56.00	$ 56.50	$ 58.50	$ 63.00	$ 65.00	$ 63.50	$ 60.75
Apr-04	Supplier J	$ 37.80	$ 44.00	$ 52.00	$ 55.00	$ 54.00	$ 56.00	$ 56.50	$ 58.50	$ 63.00	$ 65.00	$ 63.50	$ 60.75
May-04	Supplier K	$ 37.80	$ 44.00	$ 52.00	$ 55.00	$ 54.00	$ 56.00	$ 56.50	$ 58.50	$ 63.00	$ 65.00	$ 63.50	$ 60.75
May-04	Supplier L	$ 37.80	$ 44.00	$ 52.00	$ 55.00	$ 54.00	$ 56.00	$ 56.50	$ 58.50	$ 63.00	$ 65.00	$ 63.50	$ 60.75
May-04	Supplier M	$ 37.80	$ 44.00	$ 52.00	$ 55.00	$ 54.00	$ 56.00	$ 56.50	$ 58.50	$ 63.00	$ 65.00	$ 63.50	$ 60.75
May-04	Supplier G	$ 37.80	$ 44.00	$ 52.00	$ 55.00	$ 54.00	$ 56.00	$ 56.50	$ 58.50	$ 63.00	$ 65.00	$ 63.50	$ 60.75
Jun-04	Supplier E	$ 37.80	$ 44.00	$ 52.00	$ 55.00	$ 54.00	$ 56.00	$ 56.50	$ 58.50	$ 63.00	$ 65.00	$ 63.50	$ 60.75
Jul-04	Supplier A	$ 37.80	$ 44.00	$ 52.00	$ 55.00	$ 54.00	$ 56.00	$ 56.50	$ 58.50	$ 63.00	$ 65.00	$ 63.50	$ 60.75
Jul-04	Supplier N	$ 37.80	$ 44.00	$ 52.00	$ 55.00	$ 54.00	$ 56.00	$ 56.50	$ 58.50	$ 63.00	$ 65.00	$ 63.50	$ 60.75
Aug-04	Supplier M	$ 37.80	$ 44.00	$ 52.00	$ 55.00	$ 54.00	$ 56.00	$ 56.50	$ 58.50	$ 63.00	$ 65.00	$ 63.50	$ 60.75
Aug-04	Supplier M	$ 37.80	$ 44.00	$ 52.00	$ 55.00	$ 54.00	$ 56.00	$ 56.50	$ 58.50	$ 63.00	$ 65.00	$ 63.50	$ 60.75
Aug-04	Supplier M	$ 37.80	$ 44.00	$ 52.00	$ 55.00	$ 54.00	$ 56.00	$ 56.50	$ 58.50	$ 63.00	$ 65.00	$ 63.50	$ 60.75
Aug-04	Supplier O	$ 37.80	$ 44.00	$ 52.00	$ 55.00	$ 54.00	$ 56.00	$ 56.50	$ 58.50	$ 63.00	$ 65.00	$ 63.50	$ 60.75
Aug-04	Supplier P	$ 37.80	$ 44.00	$ 52.00	$ 55.00	$ 54.00	$ 56.00	$ 56.50	$ 58.50	$ 63.00	$ 65.00	$ 63.50	$ 60.75
Aug-04	Supplier D	$ 37.80	$ 44.00	$ 52.00	$ 55.00	$ 54.00	$ 56.00	$ 56.50	$ 58.50	$ 63.00	$ 65.00	$ 63.50	$ 60.75
Sep-04	Supplier L	$ 37.80	$ 44.00	$ 52.00	$ 55.00	$ 54.00	$ 56.00	$ 56.50	$ 58.50	$ 63.00	$ 65.00	$ 63.50	$ 60.75
Sep-04	Supplier Q	$ 37.80	$ 44.00	$ 52.00	$ 55.00	$ 54.00	$ 56.00	$ 56.50	$ 58.50	$ 63.00	$ 65.00	$ 63.50	$ 60.75
Nov-04	Supplier G	$ 37.80	$ 44.00	$ 52.00	$ 55.00	$ 54.00	$ 56.00	$ 56.50	$ 58.50	$ 63.00	$ 65.00	$ 63.50	$ 60.75
Nov-04	Supplier R	$ 37.80	$ 44.00	$ 52.00	$ 55.00	$ 54.00	$ 56.00	$ 56.50	$ 58.50	$ 63.00	$ 65.00	$ 63.50	$ 60.75
Nov-04	Supplier S	$ 37.80	$ 44.00	$ 52.00	$ 55.00	$ 54.00	$ 56.00	$ 56.50	$ 58.50	$ 63.00	$ 65.00	$ 63.50	$ 60.75
Dec 04	Supplier T	$ 37.80	$ 44.00	$ 52.00	$ 55.00	$ 54.00	$ 56.00	$ 56.50	$ 58.50	$ 63.00	$ 65.00	$ 63.50	$ 60.75
Dec-04	Supplier U	$ 37.80	$ 44.00	$ 52.00	$ 55.00	$ 54.00	$ 56.00	$ 56.50	$ 58.50	$ 63.00	$ 65.00	$ 63.50	$ 60.75

Exercise Call Option?

Bid	Supplier	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec
Jan-04	Supplier A	no	-	-	-	-	-	-	-	-	-	-	-
Jan-04	Supplier B	no	-	-	-	-	-	-	-	-	-	-	-
Feb-04	Supplier A	-	no	-	-	-	-	-	-	-	-	-	-
Feb-04	Supplier A	-	-	yes	-	-	-	-	-	-	-	-	-
Jan-04	Supplier C	-	yes	yes	-	-	-	-	-	-	-	-	-
Feb-04	Supplier D	-	-	yes	-	-	-	-	-	-	-	-	-
Mar-04	Supplier E	-	-	no	-	-	-	-	-	-	-	-	-
Jan-04	Supplier F	-	-	yes	-	-	-	-	-	-	-	-	-
Mar-04	Supplier G	-	-	no	-	-	-	-	-	-	-	-	-
Mar-04	Supplier H	-	-	-	yes	yes	yes	yes	yes	yes	yes	yes	yes
Apr-04	Supplier E	-	-	-	-	no	-	-	-	-	-	-	-
Apr-04	Supplier I	-	-	-	yes	-	-	-	-	-	-	-	-
Apr-04	Supplier J	-	-	-	yes	-	-	-	-	-	-	-	-
May-04	Supplier K	-	-	-	-	yes	-	-	-	-	-	-	-
May-04	Supplier L	-	-	-	-	yes	yes	-	-	-	-	-	-
May-04	Supplier M	-	-	-	-	yes	-	-	-	-	-	-	-
May-04	Supplier G	-	-	-	-	-	yes	-	-	-	-	-	-
Jun-04	Supplier E	-	-	-	-	-	-	no	yes	-	-	-	-
Jul-04	Supplier A	-	-	-	-	-	-	-	yes	-	-	-	-
Jul-04	Supplier N	-	-	-	-	-	-	-	yes	-	-	-	-
Aug-04	Supplier M	-	-	-	-	-	-	-	no	-	-	-	-
Aug-04	Supplier M	-	-	-	-	-	-	-	no	-	-	-	-
Aug-04	Supplier M	-	-	-	-	-	-	-	no	-	-	-	-
Aug-04	Supplier O	-	-	-	-	-	-	-	no	-	-	-	-
Aug-04	Supplier P	-	-	-	-	-	-	-	-	yes	-	-	-
Aug-04	Supplier D	-	-	-	-	-	-	-	-	yes	-	-	-
Sep-04	Supplier L	-	-	-	-	-	-	-	-	no	-	-	-
Sep-04	Supplier Q	-	-	-	-	-	-	-	-	-	yes	-	-
Nov-04	Supplier G	-	-	-	-	-	-	-	-	-	-	no	no
Nov-04	Supplier R	-	-	-	-	-	-	-	-	-	-	no	-
Nov-04	Supplier S	-	-	-	-	-	-	-	-	-	-	no	-
Dec 04	Supplier T	-	-	-	-	-	-	-	-	-	-	-	no
Dec-04	Supplier U	-	-	-	-	-	-	-	-	-	-	-	no

Savings or (Cost) if Call Not Exercised

Bid	Supplier	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec
Jan-04	Supplier A	$ (28,000.00)	-	-	-	-	-	-	-	-	-	-	-
Jan-04	Supplier B	$ (36,000.00)	-	-	-	-	-	-	-	-	-	-	-
Feb-04	Supplier A	-	$ (100,000.00)	-	-	-	-	-	-	-	-	-	-
Feb-04	Supplier A	-	-	-	-	-	-	-	-	-	-	-	-
Jan-04	Supplier C	-	-	-	-	-	-	-	-	-	-	-	-
Feb-04	Supplier D	-	-	-	-	-	-	-	-	-	-	-	-
Mar-04	Supplier E	-	-	$ (80,000.00)	-	-	-	-	-	-	-	-	-
Jan-04	Supplier F	-	-	-	-	-	-	-	-	-	-	-	-
Mar-04	Supplier G	-	-	$ -	-	-	-	-	-	-	-	-	-
Mar-04	Supplier H	-	-	-	-	-	-	-	-	-	-	-	-
Apr-04	Supplier E	-	-	-	-	$ (150,000.00)	-	-	-	-	-	-	-
Apr-04	Supplier I	-	-	-	-	-	-	-	-	-	-	-	-
Apr-04	Supplier J	-	-	-	-	-	-	-	-	-	-	-	-
May-04	Supplier K	-	-	-	-	-	-	-	-	-	-	-	-
May-04	Supplier L	-	-	-	-	-	-	-	-	-	-	-	-
May-04	Supplier M	-	-	-	-	-	-	-	-	-	-	-	-
May-04	Supplier G	-	-	-	-	-	-	-	-	-	-	-	-
Jun-04	Supplier E	-	-	-	-	-	-	$ -	-	-	-	-	-
Jul-04	Supplier A	-	-	-	-	-	-	-	-	-	-	-	-
Jul-04	Supplier N	-	-	-	-	-	-	-	-	-	-	-	-
Aug-04	Supplier M	-	-	-	-	-	-	-	$ (506,000.00)	-	-	-	-
Aug-04	Supplier M	-	-	-	-	-	-	-	$ (183,000.00)	-	-	-	-
Aug-04	Supplier M	-	-	-	-	-	-	-	$ (85,000.00)	-	-	-	-
Aug-04	Supplier O	-	-	-	-	-	-	-	$ (54,000.00)	-	-	-	-
Aug-04	Supplier P	-	-	-	-	-	-	-	-	-	-	-	-
Aug-04	Supplier D	-	-	-	-	-	-	-	-	-	-	-	-
Sep-04	Supplier L	-	-	-	-	-	-	-	-	$ (150,000.00)	-	-	-
Sep-04	Supplier Q	-	-	-	-	-	-	-	-	-	-	-	-
Nov-04	Supplier G	-	-	-	-	-	-	-	-	-	-	$ (135,924.60)	$ (98,700.00)
Nov-04	Supplier R	-	-	-	-	-	-	-	-	-	-	$ (95,000.00)	-
Nov-04	Supplier S	-	-	-	-	-	-	-	-	-	-	$ 172,500.00	-
Dec 04	Supplier T	-	-	-	-	-	-	-	-	-	-	-	$ (77,500.00)
Dec-04	Supplier U	-	-	-	-	-	-	-	-	-	-	-	$ 406,000.00

Savings or (Costs) if Call Is Exercised

Bid	Supplier	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total Savings or (Costs)
Jan-04	Supplier A	-	-	-	-	-	-	-	-	-	-	-	-	$ (28,000.00)
Jan-04	Supplier B	-	-	-	-	-	-	-	-	-	-	-	-	$ (36,000.00)
Feb-04	Supplier A	-	-	-	-	-	-	-	-	-	-	-	-	$ (100,000.00)
Feb-04	Supplier A	-	-	$ (58,800.00)	-	-	-	-	-	-	-	-	-	$ (58,800.00)
Jan-04	Supplier C	-	$ (8,750.00)	$ (11,250.00)	-	-	-	-	-	-	-	-	-	$ (20,000.00)
Feb-04	Supplier D	-	-	$ 52,400.00	-	-	-	-	-	-	-	-	-	$ 52,400.00
Mar-04	Supplier E	-	-	-	-	-	-	-	-	-	-	-	-	$ (80,000.00)
Jan-04	Supplier F	-	-	$ (144,000.00)	-	-	-	-	-	-	-	-	-	$ (144,000.00)
Mar-04	Supplier G	-	-	-	-	-	-	-	-	-	-	-	-	$ -
Mar-04	Supplier H	-	-	-	$ (8,250.00)	$ (11,000.00)	$ (11,000.00)	$ (35,750.00)	$ (35,750.00)	$ (35,750.00)	$ (35,750.00)	$ (35,750.00)	$ (35,750.00)	$ (244,750.00)
Apr-04	Supplier E	-	-	-	-	-	-	-	-	-	-	-	-	$ (150,000.00)
Apr-04	Supplier I	-	-	-	$ (47,000.00)	-	-	-	-	-	-	-	-	$ (47,000.00)
Apr-04	Supplier J	-	-	-	$ (10,297.44)	-	-	-	-	-	-	-	-	$ (10,297.44)
May-04	Supplier K	-	-	-	-	$ (36,000.00)	-	-	-	-	-	-	-	$ (36,000.00)
May-04	Supplier L	-	-	-	-	$ (262,500.00)	$ (262,500.00)	-	-	-	-	-	-	$ (525,000.00)
May-04	Supplier M	-	-	-	-	$ (100,000.00)	-	-	-	-	-	-	-	$ (100,000.00)
May-04	Supplier G	-	-	-	-	-	$ (25,000.00)	-	-	-	-	-	-	$ (25,000.00)
Jun-04	Supplier E	-	-	-	-	-	-	-	$ (130,000.00)	-	-	-	-	$ (130,000.00)
Jul-04	Supplier A	-	-	-	-	-	-	-	$ (105,000.00)	-	-	-	-	$ (105,000.00)
Jul-04	Supplier N	-	-	-	-	-	-	-	$ (230,000.00)	-	-	-	-	$ (230,000.00)
Aug-04	Supplier M	-	-	-	-	-	-	-	-	-	-	-	-	$ (506,000.00)
Aug-04	Supplier M	-	-	-	-	-	-	-	-	-	-	-	-	$ (183,000.00)
Aug-04	Supplier M	-	-	-	-	-	-	-	-	-	-	-	-	$ (85,000.00)
Aug-04	Supplier O	-	-	-	-	-	-	-	-	-	-	-	-	$ (54,000.00)
Aug-04	Supplier P	-	-	-	-	-	-	-	-	$ (135,000.00)	-	-	-	$ (135,000.00)
Aug-04	Supplier D	-	-	-	-	-	-	-	-	$ (112,500.00)	-	-	-	$ (112,500.00)
Sep-04	Supplier L	-	-	-	-	-	-	-	-	-	-	-	-	$ (150,000.00)
Sep-04	Supplier Q	-	-	-	-	-	-	-	-	-	$ (127,500.00)	-	-	$ (127,500.00)
Nov-04	Supplier G	-	-	-	-	-	-	-	-	-	-	-	-	$ (234,624.60)
Nov-04	Supplier R	-	-	-	-	-	-	-	-	-	-	-	-	$ (95,000.00)
Nov-04	Supplier S	-	-	-	-	-	-	-	-	-	-	-	-	$ 172,500.00
Dec 04	Supplier T	-	-	-	-	-	-	-	-	-	-	-	-	$ (77,500.00)
Dec-04	Supplier U	-	-	-	-	-	-	-	-	-	-	-	-	$ 406,000.00
													TOTAL SAVINGS OR COSTS	$ (3,199,072)

South Carolina Electric & Gas Company
Spot Coal Purchases Compared to Call Options
2005

Bid	Supplier	Coal	Delivery Month(s)	Tonnage Per Month												Option Premium
				Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	
Dec-04	Supplier CCC	$73.62	Feb-05		50,000											$ 2.00
Jan-05	Supplier A	$53.50	Jan-05	20,000												$ 2.00
Jan-05	Supplier B	$55.00	Feb 05		20,000											$ 2.00
Feb-05	Supplier B	$54.00	Feb 05		20,000											$ 2.00
Jan-05	Supplier A	$54.00	Feb-June 05		10,000	10,000	10,000	10,000	10,000							$ 2.00
Feb-05	Supplier E	$54.25	Mar 05			30,000										$ 2.00
Feb-05	Supplier V	$54.87	Feb 05		10,000											$ 2.00
Mar-05	Supplier B	$56.00	Mar 05			10,000										$ 2.00
Mar-05	Supplier B	$56.00	Mar 05			10,000										$ 2.00
Mar-05	Supplier B	$56.00	Mar 05			10,000										$ 2.00
Jun-05	Supplier T	$54.00	June 05						20,000							$ 2.00
Jun-05	Supplier I	$56.00	June 05						20,000	10,000						$ 2.00
Jun-05	Supplier W	$54.55	June 05						10,000							$ 2.00
May-27	Supplier X	$52.00	July 05							10,000						$ 2.00
Jul-05	Supplier Y	$54.00	July-Sept							2,000	20,000	20,000				$ 2.00
Aug-05	Supplier Z	$47.00	August								800					$ 2.00
Aug-05	Supplier Z	$67.25	August								6,000					$ 2.00
Oct-05	Supplier A	$55.00	Nov-05 thru Jan06											18,000	18,000	$ 2.00
Oct-05	Supplier E	$46.00	October										1,700			$ 2.00
Nov-05	Supplier O	$39.00	Dec 05 / Jan 06												9,000	$ 2.00

Futures Price from UPI Futures Price Sheet

Bid	Supplier	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec
Dec-04	Supplier CCC		$ 59.25										
Jan-05	Supplier A	$ 56.00											
Jan-05	Supplier B		$ 56.00										
Feb-05	Supplier B		$ 56.00										
Jan-05	Supplier A		$ 56.00	$ 56.50	$ 57.50	$ 57.50	$ 57.50						
Feb-05	Supplier E			$ 56.50									
Feb-05	Supplier V		$ 56.50										
Mar-05	Supplier B			$ 59.75									
Mar-05	Supplier B			$ 59.75									
Mar-05	Supplier B			$ 59.75									
Jun-05	Supplier T						$ 56.50						
Jun-05	Supplier I						$ 56.50	$ 56.50					
Jun-05	Supplier W						$ 56.50						
May-27	Supplier X							$ 63.50					
Jul-05	Supplier Y							$ 54.00	$ 54.00	$ 54.00			
Aug-05	Supplier Z								$ 55.75				
Aug-05	Supplier Z								$ 55.75				
Oct-05	Supplier A											$ 56.75	$ 56.75
Oct-05	Supplier E										$ 56.75		
Nov-05	Supplier O												$ 56.75

Actual Monthly Spot Market Price

Bid	Supplier	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec
		$ 54.50	$ 57.00	$ 59.25	$ 59.75	$ 62.00	$ 56.50	$ 54.75	$ 55.00	$ 54.00	$ 56.50	$ 56.75	$ 56.75
Dec-04	Supplier CCC	$ 54.50	$ 57.00	$ 59.25	$ 59.75	$ 62.00	$ 56.50	$ 54.75	$ 55.00	$ 54.00	$ 56.50	$ 56.75	$ 56.75
Jan-05	Supplier A	$ 54.50	$ 57.00	$ 59.25	$ 59.75	$ 62.00	$ 56.50	$ 54.75	$ 55.00	$ 54.00	$ 56.50	$ 56.75	$ 56.75
Jan-05	Supplier B	$ 54.50	$ 57.00	$ 59.25	$ 59.75	$ 62.00	$ 56.50	$ 54.75	$ 55.00	$ 54.00	$ 56.50	$ 56.75	$ 56.75
Feb-05	Supplier B	$ 54.50	$ 57.00	$ 59.25	$ 59.75	$ 62.00	$ 56.50	$ 54.75	$ 55.00	$ 54.00	$ 56.50	$ 56.75	$ 56.75
Jan-05	Supplier A	$ 54.50	$ 57.00	$ 59.25	$ 59.75	$ 62.00	$ 56.50	$ 54.75	$ 55.00	$ 54.00	$ 56.50	$ 56.75	$ 56.75
Feb-05	Supplier E	$ 54.50	$ 57.00	$ 59.25	$ 59.75	$ 62.00	$ 56.50	$ 54.75	$ 55.00	$ 54.00	$ 56.50	$ 56.75	$ 56.75
Feb-05	Supplier V	$ 54.50	$ 57.00	$ 59.25	$ 59.75	$ 62.00	$ 56.50	$ 54.75	$ 55.00	$ 54.00	$ 56.50	$ 56.75	$ 56.75
Mar-05	Supplier B	$ 54.50	$ 57.00	$ 59.25	$ 59.75	$ 62.00	$ 56.50	$ 54.75	$ 55.00	$ 54.00	$ 56.50	$ 56.75	$ 56.75
Mar-05	Supplier B	$ 54.50	$ 57.00	$ 59.25	$ 59.75	$ 62.00	$ 56.50	$ 54.75	$ 55.00	$ 54.00	$ 56.50	$ 56.75	$ 56.75
Mar-05	Supplier B	$ 54.50	$ 57.00	$ 59.25	$ 59.75	$ 62.00	$ 56.50	$ 54.75	$ 55.00	$ 54.00	$ 56.50	$ 56.75	$ 56.75
Jun-05	Supplier T	$ 54.50	$ 57.00	$ 59.25	$ 59.75	$ 62.00	$ 56.50	$ 54.75	$ 55.00	$ 54.00	$ 56.50	$ 56.75	$ 56.75
Jun-05	Supplier I	$ 54.50	$ 57.00	$ 59.25	$ 59.75	$ 62.00	$ 56.50	$ 54.75	$ 55.00	$ 54.00	$ 56.50	$ 56.75	$ 56.75
Jun-05	Supplier W	$ 54.50	$ 57.00	$ 59.25	$ 59.75	$ 62.00	$ 56.50	$ 54.75	$ 55.00	$ 54.00	$ 56.50	$ 56.75	$ 56.75
May-27	Supplier X	$ 54.50	$ 57.00	$ 59.25	$ 59.75	$ 62.00	$ 56.50	$ 54.75	$ 55.00	$ 54.00	$ 56.50	$ 56.75	$ 56.75
Jul-05	Supplier Y	$ 54.50	$ 57.00	$ 59.25	$ 59.75	$ 62.00	$ 56.50	$ 54.75	$ 55.00	$ 54.00	$ 56.50	$ 56.75	$ 56.75
Aug-05	Supplier Z	$ 54.50	$ 57.00	$ 59.25	$ 59.75	$ 62.00	$ 56.50	$ 54.75	$ 55.00	$ 54.00	$ 56.50	$ 56.75	$ 56.75
Aug-05	Supplier Z	$ 54.50	$ 57.00	$ 59.25	$ 59.75	$ 62.00	$ 56.50	$ 54.75	$ 55.00	$ 54.00	$ 56.50	$ 56.75	$ 56.75
Oct-05	Supplier A	$ 54.50	$ 57.00	$ 59.25	$ 59.75	$ 62.00	$ 56.50	$ 54.75	$ 55.00	$ 54.00	$ 56.50	$ 56.75	$ 56.75
Oct-05	Supplier E	$ 54.50	$ 57.00	$ 59.25	$ 59.75	$ 62.00	$ 56.50	$ 54.75	$ 55.00	$ 54.00	$ 56.50	$ 56.75	$ 56.75
Nov-05	Supplier O	$ 54.50	$ 57.00	$ 59.25	$ 59.75	$ 62.00	$ 56.50	$ 54.75	$ 55.00	$ 54.00	$ 56.50	$ 56.75	$ 56.75
		$ 54.50	$ 57.00	$ 59.25	$ 59.75	$ 62.00	$ 56.50	$ 54.75	$ 55.00	$ 54.00	$ 56.50	$ 56.75	$ 56.75

Exercise Call Option?

Bid	Supplier	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec
		-	-	-	-	-	-	-	-	-	-	-	-
Dec-04	Supplier CCC	-	no	-	-	-	-	-	-	-	-	-	-
Jan-05	Supplier A	no	-	-	-	-	-	-	-	-	-	-	-
Jan-05	Supplier B	-	yes	-	-	-	-	-	-	-	-	-	-
Feb-05	Supplier B	-	yes	-	-	-	-	-	-	-	-	-	-
Jan-05	Supplier A	-	yes	yes	yes	yes	no	-	-	-	-	-	-
Feb-05	Supplier E	-	-	yes	-	-	-	-	-	-	-	-	-
Feb-05	Supplier V	-	yes	-	-	-	-	-	-	-	-	-	-
Mar-05	Supplier B	-	-	no	-	-	-	-	-	-	-	-	-
Mar-05	Supplier B	-	-	no	-	-	-	-	-	-	-	-	-
Mar-05	Supplier B	-	-	no	-	-	-	-	-	-	-	-	-
Jun-05	Supplier T	-	-	-	-	-	yes	-	-	-	-	-	-
Jun-05	Supplier I	-	-	-	-	-	yes	no	-	-	-	-	-
Jun-05	Supplier W	-	-	-	-	-	yes	-	-	-	-	-	-
May-27	Supplier X	-	-	-	-	-	-	no	-	-	-	-	-
Jul-05	Supplier Y	-	-	-	-	-	-	yes	yes	yes	-	-	-
Aug-05	Supplier Z	-	-	-	-	-	-	-	no	-	-	-	-
Aug-05	Supplier Z	-	-	-	-	-	-	-	no	-	-	-	-
Oct-05	Supplier A	-	-	-	-	-	-	-	-	-	-	yes	yes
Oct-05	Supplier E	-	-	-	-	-	-	-	-	-	no	-	-
Nov-05	Supplier O	-	-	-	-	-	-	-	-	-	-	-	yes
		-	-	-	-	-	-	-	-	-	-	-	-

Savings or (Cost) if Call Not Exercised

Bid	Supplier	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec
		-	-	-	-	-	-	-	-	-	-	-	-
Dec-04	Supplier CCC	-	$ 731,000.00	-	-	-	-	-	-	-	-	-	-
Jan-05	Supplier A	$ (60,000.00)	-	-	-	-	-	-	-	-	-	-	-
Jan-05	Supplier B	-	-	-	-	-	-	-	-	-	-	-	-
Feb-05	Supplier B	-	-	-	-	-	-	-	-	-	-	-	-
Jan-05	Supplier A	-	-	-	-	-	$ (45,000.00)	-	-	-	-	-	-
Feb-05	Supplier E	-	-	-	-	-	-	-	-	-	-	-	-
Feb-05	Supplier V	-	-	-	-	-	-	-	-	-	-	-	-
Mar-05	Supplier B	-	-	$ (52,500.00)	-	-	-	-	-	-	-	-	-
Mar-05	Supplier B	-	-	$ (52,500.00)	-	-	-	-	-	-	-	-	-
Mar-05	Supplier B	-	-	$ (52,500.00)	-	-	-	-	-	-	-	-	-
Jun-05	Supplier T	-	-	-	-	-	-	-	-	-	-	-	-
Jun-05	Supplier I	-	-	-	-	-	-	$ (7,500.00)	-	-	-	-	-
Jun-05	Supplier W	-	-	-	-	-	-	-	-	-	-	-	-
May-27	Supplier X	-	-	-	-	-	-	$ (47,500.00)	-	-	-	-	-
Jul-05	Supplier Y	-	-	-	-	-	-	-	-	-	-	-	-
Aug-05	Supplier Z	-	-	-	-	-	-	-	$ (8,000.00)	-	-	-	-
Aug-05	Supplier Z	-	-	-	-	-	-	-	$ 61,500.00	-	-	-	-
Oct-05	Supplier A	-	-	-	-	-	-	-	-	-	-	-	-
Oct-05	Supplier E	-	-	-	-	-	-	-	-	-	$ (21,250.00)	-	-
Nov-05	Supplier O	-	-	-	-	-	-	-	-	-	-	-	-

Savings or (Costs) if Call Is Exercised

Bid	Supplier	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Savings or (Costs)
		-	-	-	-	-	-	-	-	-	-	-	-	$ -
Dec-04	Supplier CCC	-	-	-	-	-	-	-	-	-	-	-	-	$ 731,000.00
Jan-05	Supplier A	-	-	-	-	-	-	-	-	-	-	-	-	$ (60,000.00)
Jan-05	Supplier B	-	$ (60,000.00)	-	-	-	-	-	-	-	-	-	-	$ (60,000.00)
Feb-05	Supplier B	-	$ (80,000.00)	-	-	-	-	-	-	-	-	-	-	$ (80,000.00)
Jan-05	Supplier A	-	$ (40,000.00)	$ (45,000.00)	$ (55,000.00)	$ (55,000.00)	-	-	-	-	-	-	-	$ (240,000.00)
Feb-05	Supplier E	-	-	$ (127,500.00)	-	-	-	-	-	-	-	-	-	$ (127,500.00)
Feb-05	Supplier V	-	$ (36,300.00)	-	-	-	-	-	-	-	-	-	-	$ (36,300.00)
Mar-05	Supplier B	-	-	-	-	-	-	-	-	-	-	-	-	$ (52,500.00)
Mar-05	Supplier B	-	-	-	-	-	-	-	-	-	-	-	-	$ (52,500.00)
Mar-05	Supplier B	-	-	-	-	-	-	-	-	-	-	-	-	$ (52,500.00)
Jun-05	Supplier T	-	-	-	-	$	(90,000.00)	-	-	-	-	-	-	$ (90,000.00)
Jun-05	Supplier I	-	-	-	-	$	(50,000.00)	-	-	-	-	-	-	$ (57,500.00)
Jun-05	Supplier W	-	-	-	-	$	(39,500.00)	-	-	-	-	-	-	$ (39,500.00)
May-27	Supplier X	-	-	-	-	-	-	-	-	-	-	-	-	$ (47,500.00)
Jul-05	Supplier Y	-	-	-	-	-	$	(4,000.00)	$ (40,000.00)	$ (40,000.00)	-	-	-	$ (84,000.00)
Aug-05	Supplier Z	-	-	-	-	-	-	-	-	-	-	-	-	$ (8,000.00)
Aug-05	Supplier Z	-	-	-	-	-	-	-	-	-	-	-	-	$ 61,500.00
Oct-05	Supplier A	-	-	-	-	-	-	-	-	-	-	$ (67,500.00)	$ (67,500.00)	$ (135,000.00)
Oct-05	Supplier E	-	-	-	-	-	-	-	-	-	-	-	-	$ (21,250.00)
Nov-05	Supplier O	-	-	-	-	-	-	-	-	-	-	-	$ (177,750.00)	$ (177,750.00)
							TOTAL SAVINGS OR COSTS							$ (629,300)

South Carolina Electric & Gas Company
Spot Coal Purchases Compared to Call Options
2006

Bid	Supplier	Coal	Tonnage Per Month												Option Prermium
			Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	
Nov-05	Supplier O	$39.00	9,000												$ 2.00
Oct-05	Supplier A	$55.00	9,000												$ 2.00
Jan-06	Supplier E	$55.00	20,000	20,000	20,000	20,000	20,000	20,000							$ 2.00
Jan-06	Supplier F	$29.00	10,000	10,000	10,000	10,000	10,000	10,000							$ 2.00
Feb-06	Supplier AA	$40.65		20,000											$ 2.00
Feb-06	Supplier F	$43.75		7,500											$ 2.00
Feb-06	Supplier BB	$40.00		100											$ 2.00
Apr-06	Supplier AA	$42.75					10,000	10,000							$ 2.00
Apr-06	Supplier F	$28.00					10,000	10,000	10,000	10,000					$ 2.00
Apr-06	Supplier F	$51.00					10,000	10,000							$ 2.00
Jun-06	Supplier CC	$49.90						10,000							$ 2.00
Jun-06	Supplier DD	$51.50							10,000						$ 2.00
Aug-06	Supplier P	$52.00										30,000			$ 2.00
Jul-06	Supplier EE	$47.00								10,000					$ 2.00
Aug-06	Supplier FF	$50.00										10,000			$ 2.00
Oct-o6	Supplier GG	$51.00									10,000				$ 2.00
Sep-06	Supplier AA	$49.30									10,000				$ 2.00
Aug-06	Supplier HH	$50.50										30,000			$ 2.00
Sep-06	Supplier C	$49.05										10,000			$ 2.00
Sep-06	Supplier C	$49.05										10,000			$ 2.00
Sep-06	Supplier AA	$48.25										22,000			$ 2.00
Sep-06	Supplier FFF	$51.05									10,000				$ 2.00
Oct-06	Supplier JJ	48.55											20,000	20,000	$ 2.00
Oct-06	Supplier X	$47.75										66,666	66,666	66,666	$ 2.00
Nov-06	Supplier F	$26.50											10,000	10,000	$ 2.00

Futures Price from UPI Futures Price Sheet

Bid	Supplier	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec
Nov-05	Supplier O	$ 57.00											
Oct-05	Supplier A	$ 58.00											
Jan-06	Supplier E	$ 57.75	$ 57.75	$ 57.75	$ 57.75	$ 57.75	$ 57.75						
Jan-06	Supplier F	$ 57.75	$ 57.75	$ 57.75	$ 57.75	$ 57.75	$ 57.75						
Feb-06	Supplier AA		$ 57.75										
Feb-06	Supplier F		$ 57.75										
Feb-06	Supplier BB		$ 57.75										
Apr-06	Supplier AA		$ 57.75										
Apr-06	Supplier F					$ 52.25	$ 52.25	$ 52.25	$ 52.25				
Apr-06	Supplier F					$ 52.25	$ 52.25						
Jun-06	Supplier CC						$ 50.75						
Jun-06	Supplier DD							$ 50.75					
Aug-06	Supplier P										$ 51.50		
Jul-06	Supplier EE								$ 49.50				
Aug-06	Supplier FF										$ 51.50		
Oct-o6	Supplier GG									$ 48.50			
Sep-06	Supplier AA									$ 48.50			
Aug-06	Supplier HH										$ 51.50		
Sep-06	Supplier C										$ 48.50		
Sep-06	Supplier C										$ 48.50		
Sep-06	Supplier AA										$ 48.50		
Sep-06	Supplier FFF									$ 48.50			
Oct-06	Supplier JJ											$ 48.00	$ 48.00
Oct-06	Supplier X										$ 48.00	$ 48.00	$ 48.00
Nov-06	Supplier F											$ 45.50	$ 45.50

Actual Monthly Spot Market Price

Bid	Supplier	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec
Nov-05	Supplier O	$ 57.75	$ 57.75	$ 58.00	$ 55.00	$ 52.00	$ 50.25	$ 50.50	$ 51.50	$ 49.00	$ 48.75	$ 46.00	$ 40.75
Oct-05	Supplier A	$ 57.75	$ 57.75	$ 58.00	$ 55.00	$ 52.00	$ 50.25	$ 50.50	$ 51.50	$ 49.00	$ 48.75	$ 46.00	$ 40.75
Jan-06	Supplier E	$ 57.75	$ 57.75	$ 58.00	$ 55.00	$ 52.00	$ 50.25	$ 50.50	$ 51.50	$ 49.00	$ 48.75	$ 46.00	$ 40.75
Jan-06	Supplier F	$ 57.75	$ 57.75	$ 58.00	$ 55.00	$ 52.00	$ 50.25	$ 50.50	$ 51.50	$ 49.00	$ 48.75	$ 46.00	$ 40.75
Feb-06	Supplier AA	$ 57.75	$ 57.75	$ 58.00	$ 55.00	$ 52.00	$ 50.25	$ 50.50	$ 51.50	$ 49.00	$ 48.75	$ 46.00	$ 40.75
Feb-06	Supplier F	$ 57.75	$ 57.75	$ 58.00	$ 55.00	$ 52.00	$ 50.25	$ 50.50	$ 51.50	$ 49.00	$ 48.75	$ 46.00	$ 40.75
Feb-06	Supplier BB	$ 57.75	$ 57.75	$ 58.00	$ 55.00	$ 52.00	$ 50.25	$ 50.50	$ 51.50	$ 49.00	$ 48.75	$ 46.00	$ 40.75
Apr-06	Supplier AA	$ 57.75	$ 57.75	$ 58.00	$ 55.00	$ 52.00	$ 50.25	$ 50.50	$ 51.50	$ 49.00	$ 48.75	$ 46.00	$ 40.75
Apr-06	Supplier F	$ 57.75	$ 57.75	$ 58.00	$ 55.00	$ 52.00	$ 50.25	$ 50.50	$ 51.50	$ 49.00	$ 48.75	$ 46.00	$ 40.75
Apr-06	Supplier F	$ 57.75	$ 57.75	$ 58.00	$ 55.00	$ 52.00	$ 50.25	$ 50.50	$ 51.50	$ 49.00	$ 48.75	$ 46.00	$ 40.75
Jun-06	Supplier CC	$ 57.75	$ 57.75	$ 58.00	$ 55.00	$ 52.00	$ 50.25	$ 50.50	$ 51.50	$ 49.00	$ 48.75	$ 46.00	$ 40.75
Jun-06	Supplier DD	$ 57.75	$ 57.75	$ 58.00	$ 55.00	$ 52.00	$ 50.25	$ 50.50	$ 51.50	$ 49.00	$ 48.75	$ 46.00	$ 40.75
Aug-06	Supplier P	$ 57.75	$ 57.75	$ 58.00	$ 55.00	$ 52.00	$ 50.25	$ 50.50	$ 51.50	$ 49.00	$ 48.75	$ 46.00	$ 40.75
Jul-06	Supplier EE	$ 57.75	$ 57.75	$ 58.00	$ 55.00	$ 52.00	$ 50.25	$ 50.50	$ 51.50	$ 49.00	$ 48.75	$ 46.00	$ 40.75
Aug-06	Supplier FF	$ 57.75	$ 57.75	$ 58.00	$ 55.00	$ 52.00	$ 50.25	$ 50.50	$ 51.50	$ 49.00	$ 48.75	$ 46.00	$ 40.75
Oct-o6	Supplier GG	$ 57.75	$ 57.75	$ 58.00	$ 55.00	$ 52.00	$ 50.25	$ 50.50	$ 51.50	$ 49.00	$ 48.75	$ 46.00	$ 40.75
Sep-06	Supplier AA	$ 57.75	$ 57.75	$ 58.00	$ 55.00	$ 52.00	$ 50.25	$ 50.50	$ 51.50	$ 49.00	$ 48.75	$ 46.00	$ 40.75
Aug-06	Supplier HH	$ 57.75	$ 57.75	$ 58.00	$ 55.00	$ 52.00	$ 50.25	$ 50.50	$ 51.50	$ 49.00	$ 48.75	$ 46.00	$ 40.75
Sep-06	Supplier C	$ 57.75	$ 57.75	$ 58.00	$ 55.00	$ 52.00	$ 50.25	$ 50.50	$ 51.50	$ 49.00	$ 48.75	$ 46.00	$ 40.75
Sep-06	Supplier C	$ 57.75	$ 57.75	$ 58.00	$ 55.00	$ 52.00	$ 50.25	$ 50.50	$ 51.50	$ 49.00	$ 48.75	$ 46.00	$ 40.75
Sep-06	Supplier AA	$ 57.75	$ 57.75	$ 58.00	$ 55.00	$ 52.00	$ 50.25	$ 50.50	$ 51.50	$ 49.00	$ 48.75	$ 46.00	$ 40.75
Sep-06	Supplier FFF	$ 57.75	$ 57.75	$ 58.00	$ 55.00	$ 52.00	$ 50.25	$ 50.50	$ 51.50	$ 49.00	$ 48.75	$ 46.00	$ 40.75
Oct-06	Supplier JJ	$ 57.75	$ 57.75	$ 58.00	$ 55.00	$ 52.00	$ 50.25	$ 50.50	$ 51.50	$ 49.00	$ 48.75	$ 46.00	$ 40.75
Oct-06	Supplier X	$ 57.75	$ 57.75	$ 58.00	$ 55.00	$ 52.00	$ 50.25	$ 50.50	$ 51.50	$ 49.00	$ 48.75	$ 46.00	$ 40.75
Nov-06	Supplier F	$ 57.75	$ 57.75	$ 58.00	$ 55.00	$ 52.00	$ 50.25	$ 50.50	$ 51.50	$ 49.00	$ 48.75	$ 46.00	$ 40.75

Exercise Call Option?

Bid	Supplier	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec
Nov-05	Supplier O	yes	-	-	-	-	-	-	-	-	-	-	-
Oct-05	Supplier A	no	-	-	-	-	-	-	-	-	-	-	-
Jan-06	Supplier E	yes	yes	yes	no	no	no	-	-	-	-	-	-
Jan-06	Supplier F	yes	yes	yes	no	no	no	-	-	-	-	-	-
Feb-06	Supplier AA	-	yes	-	-	-	-	-	-	-	-	-	-
Feb-06	Supplier F	-	yes	-	-	-	-	-	-	-	-	-	-
Feb-06	Supplier BB	-	yes	-	-	-	-	-	-	-	-	-	-
Apr-06	Supplier AA	-	yes	-	-	-	-	-	-	-	-	-	-
Apr-06	Supplier F	-	-	-	-	no	no	no	no	-	-	-	-
Apr-06	Supplier F	-	-	-	-	no	no	-	-	-	-	-	-
Jun-06	Supplier CC	-	-	-	-	-	no	-	-	-	-	-	-
Jun-06	Supplier DD	-	-	-	-	-	-	no	-	-	-	-	-
Aug-06	Supplier P	-	-	-	-	-	-	-	-	-	no	-	-
Jul-06	Supplier EE	-	-	-	-	-	-	-	yes	-	-	-	-
Aug-06	Supplier FF	-	-	-	-	-	-	-	-	-	no	-	-
Oct-o6	Supplier GG	-	-	-	-	-	-	-	-	yes	-	-	-
Sep-06	Supplier AA	-	-	-	-	-	-	-	-	yes	-	-	-
Aug-06	Supplier HH	-	-	-	-	-	-	-	-	-	no	-	-
Sep-06	Supplier C	-	-	-	-	-	-	-	-	-	yes	-	-
Sep-06	Supplier C	-	-	-	-	-	-	-	-	-	yes	-	-
Sep-06	Supplier AA	-	-	-	-	-	-	-	-	-	yes	-	-
Sep-06	Supplier FFF	-	-	-	-	-	-	-	-	yes	-	-	-
Oct-06	Supplier JJ	-	-	-	-	-	-	-	-	-	-	no	no
Oct-06	Supplier X	-	-	-	-	-	-	-	-	-	yes	no	no
Nov-06	Supplier F	-	-	-	-	-	-	-	-	-	-	yes	no

Savings or (Cost) if Call Not Exercised

Bid	Supplier	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec
Nov-05	Supplier O	-	-	-	-	-	-	-	-	-	-	-	-
Oct-05	Supplier A	$ (42,750.00)	-	-	-	-	-	-	-	-	-	-	-
Jan-06	Supplier E	-	-	-	$ (40,000.00)	$ 20,000.00	$ 55,000.00	-	-	-	-	-	-
Jan-06	Supplier F	-	-	-	$ (280,000.00)	$ (250,000.00)	$ (232,500.00)	-	-	-	-	-	-
Feb-06	Supplier AA	-	-	-	-	-	-	-	-	-	-	-	-
Feb-06	Supplier F	-	-	-	-	-	-	-	-	-	-	-	-
Feb-06	Supplier BB	-	-	-	-	-	-	-	-	-	-	-	-
Apr-06	Supplier AA	-	-	-	-	-	-	-	-	-	-	-	-
Apr-06	Supplier F	-	-	-	$ (260,000.00)	$ (242,500.00)	$ (245,000.00)	$ (255,000.00)	-	-	-	-	-
Apr-06	Supplier F	-	-	-	$ (30,000.00)	$ (12,500.00)	-	-	-	-	-	-	-
Jun-06	Supplier CC	-	-	-	-	$ (23,500.00)	-	-	-	-	-	-	-
Jun-06	Supplier DD	-	-	-	-	-	$ (10,000.00)	-	-	-	-	-	-
Aug-06	Supplier P	-	-	-	-	-	-	-	-	$ 37,500.00	-	-	-
Jul-06	Supplier EE	-	-	-	-	-	-	-	-	-	-	-	-
Aug-06	Supplier FF	-	-	-	-	-	-	-	-	$ (7,500.00)	-	-	-
Oct-o6	Supplier GG	-	-	-	-	-	-	-	-	-	-	-	-
Sep-06	Supplier AA	-	-	-	-	-	-	-	-	-	-	-	-
Aug-06	Supplier HH	-	-	-	-	-	-	-	-	$ (7,500.00)	-	-	-
Sep-06	Supplier C	-	-	-	-	-	-	-	-	-	-	-	-
Sep-06	Supplier C	-	-	-	-	-	-	-	-	-	-	-	-
Sep-06	Supplier AA	-	-	-	-	-	-	-	-	-	-	-	-
Sep-06	Supplier FFF	-	-	-	-	-	-	-	-	-	-	-	-
Oct-06	Supplier JJ	-	-	-	-	-	-	-	-	-	$ 11,000.00	$ 116,000.00	
Oct-06	Supplier X	-	-	-	-	-	-	-	-	-	$ (16,666.50)	$ 333,330.00	
Nov-06	Supplier F	-	-	-	-	-	-	-	-	-	-	$ (162,500.00)	

Bid	Supplier
Nov-05	Supplier O
Oct-05	Supplier A
Jan-06	Supplier E
Jan-06	Supplier F
Feb-06	Supplier AA
Feb-06	Supplier F
Feb-06	Supplier BB
Apr-06	Supplier AA
Apr-06	Supplier F
Apr-06	Supplier F
Jun-06	Supplier CC
Jun-06	Supplier DD
Aug-06	Supplier P
Jul-06	Supplier EE
Aug-06	Supplier FF
Oct-o6	Supplier GG
Sep-06	Supplier AA
Aug-06	Supplier HH
Sep-06	Supplier C
Sep-06	Supplier C
Sep-06	Supplier AA
Sep-06	Supplier FFF
Oct-06	Supplier JJ
Oct-06	Supplier X
Nov-06	Supplier F

Savings or (Costs) if Call Is Exercised

Bid	Supplier	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Savings or (Costs)
Nov-05	Supplier O	$ (180,000.00)	-	-	-	-	-	-	-	-	-	-	-	$ (180,000.00)
Oct-05	Supplier A	-	-	-	-	-	-	-	-	-	-	-	-	$ (42,750.00)
Jan-06	Supplier E	$ (95,000.00)	$ (95,000.00)	$ (95,000.00)	-	-	-	-	-	-	-	-	-	$ (250,000.00)
Jan-06	Supplier F	$ (307,500.00)	$ (307,500.00)	$ (307,500.00)	-	-	-	-	-	-	-	-	-	$ (1,685,000.00)
Feb-06	Supplier AA	-	$ (382,000.00)	-	-	-	-	-	-	-	-	-	-	$ (382,000.00)
Feb-06	Supplier F	-	$ (120,000.00)	-	-	-	-	-	-	-	-	-	-	$ (120,000.00)
Feb-06	Supplier BB	-	$ (1,975.00)	-	-	-	-	-	-	-	-	-	-	$ (1,975.00)
Apr-06	Supplier AA	-	$ -	-	-	-	-	-	-	-	-	-	-	$ -
Apr-06	Supplier F	-	-	-	-	-	-	-	-	-	-	-	-	$ (1,002,500.00)
Apr-06	Supplier F	-	-	-	-	-	-	-	-	-	-	-	-	$ (42,500.00)
Jun-06	Supplier CC	-	-	-	-	-	-	-	-	-	-	-	-	$ (23,500.00)
Jun-06	Supplier DD	-	-	-	-	-	-	-	-	-	-	-	-	$ (10,000.00)
Aug-06	Supplier P	-	-	-	-	-	-	-	-	-	-	-	-	$ 37,500.00
Jul-06	Supplier EE	-	-	-	-	-	-	-	$ (45,000.00)	-	-	-	-	$ (45,000.00)
Aug-06	Supplier FF	-	-	-	-	-	-	-	-	-	-	-	-	$ (7,500.00)
Oct-o6	Supplier GG	-	-	-	-	-	-	-	-	$ 5,000.00	-	-	-	$ 5,000.00
Sep-06	Supplier AA	-	-	-	-	-	-	-	-	$ (12,000.00)	-	-	-	$ (12,000.00)
Aug-06	Supplier HH	-	-	-	-	-	-	-	-	-	-	-	-	$ (7,500.00)
Sep-06	Supplier C	-	-	-	-	-	-	-	-	-	$ (14,500.00)	-	-	$ (14,500.00)
Sep-06	Supplier C	-	-	-	-	-	-	-	-	-	$ (14,500.00)	-	-	$ (14,500.00)
Sep-06	Supplier AA	-	-	-	-	-	-	-	-	-	$ (49,500.00)	-	-	$ (49,500.00)
Sep-06	Supplier FFF	-	-	-	-	-	-	-	-	$ 5,500.00	-	-	-	$ 5,500.00
Oct-06	Supplier JJ	-	-	-	-	-	-	-	-	-	-	-	-	$ 127,000.00
Oct-06	Supplier X	-	-	-	-	-	-	-	-	-	$ (149,998.50)	-	-	$ 166,665.00
Nov-06	Supplier F	-	-	-	-	-	-	-	-	-	-	$ (210,000.00)	-	$ (372,500.00)
	TOTAL SAVINGS OR COSTS													$ (3,921,560)

South Carolina Electric & Gas Company
Spot Coal Purchases Compared to Call Options
2007

Bid	Supplier	Coal	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Option Prermium
			Tonnage Per Month												
Jul-06	Supplier EE	$47.00	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	$ 2.00
Nov-06	Supplier KK	$43.05	10,000	10,000	10,000										$ 2.00
Nov-06	Supplier F	$26.50	10,000												$ 2.00
Nov-06	Supplier LL	$40.80	20,000												$ 2.00
Nov-06	Supplier MM	$44.50	20,000	20,000	20,000										$ 2.00
Dec-06	Supplier NN	$41.05	20,000												$ 2.00
Dec-06	Supplier JJ	$40.55	20,000												$ 2.00
Dec-06	Supplier AA	$47.15	20,000	20,000					33,333	33,333	33,333	33,333	33,333	33,333	$ 2.00
Feb-07	Supplier OO	$39.00		200											$ 2.00
Apr-07	Supplier F	$39.75				10,000									$ 2.00
Apr-07	Supplier C	$43.00					10,000	10,000							$ 2.00
Sept 07	Supplier PP	$44.00										7,500			$ 2.00

Futures Price from UPI Futures Price Sheet

Bid	Supplier	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec
Jul-06	Supplier EE	$ 46.75	$ 46.75	$ 46.75	$ 46.75	$ 46.75	$ 46.75	$ 46.75	$ 46.75	$ 46.75	$ 46.75	$ 46.75	$ 46.75
Nov-06	Supplier KK	$ 45.65	$ 45.75	$ 45.75									
Nov-06	Supplier F	$ 45.65											
Nov-06	Supplier LL	$ 45.65											
Nov-06	Supplier MM	$ 45.65	$ 45.75	$ 45.75									
Dec-06	Supplier NN	$ 40.55											
Dec-06	Supplier JJ	$ 40.55											
Dec-06	Supplier AA	$ 40.55	$ 40.75					$ 44.25	$ 44.25	$ 44.25	$ 44.75	$ 44.75	$ 44.75
Feb-07	Supplier OO		$ 36.75										
Apr-07	Supplier F				$ 40.75								
Apr-07	Supplier C					$ 40.75	$ 41.00						
Sept 07	Supplier PP										$ 42.90		

Actual Monthly Spot Market Price

Bid	Supplier	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec
Jul-06	Supplier EE	$ 39.50	$ 34.50	$ 39.25	$ 40.40	$ 41.50	$ 41.50	$ 41.75	$ 41.85	$ 42.85	$ 46.00	$ 51.50	$ 52.50
Nov-06	Supplier KK	$ 39.50	$ 34.50	$ 39.25	$ 40.40	$ 41.50	$ 41.50	$ 41.75	$ 41.85	$ 42.85	$ 46.00	$ 51.50	$ 52.50
Nov-06	Supplier F	$ 39.50	$ 34.50	$ 39.25	$ 40.40	$ 41.50	$ 41.50	$ 41.75	$ 41.85	$ 42.85	$ 46.00	$ 51.50	$ 52.50
Nov-06	Supplier LL	$ 39.50	$ 34.50	$ 39.25	$ 40.40	$ 41.50	$ 41.50	$ 41.75	$ 41.85	$ 42.85	$ 46.00	$ 51.50	$ 52.50
Nov-06	Supplier MM	$ 39.50	$ 34.50	$ 39.25	$ 40.40	$ 41.50	$ 41.50	$ 41.75	$ 41.85	$ 42.85	$ 46.00	$ 51.50	$ 52.50
Dec-06	Supplier NN	$ 39.50	$ 34.50	$ 39.25	$ 40.40	$ 41.50	$ 41.50	$ 41.75	$ 41.85	$ 42.85	$ 46.00	$ 51.50	$ 52.50
Dec-06	Supplier JJ	$ 39.50	$ 34.50	$ 39.25	$ 40.40	$ 41.50	$ 41.50	$ 41.75	$ 41.85	$ 42.85	$ 46.00	$ 51.50	$ 52.50
Dec-06	Supplier AA	$ 39.50	$ 34.50	$ 39.25	$ 40.40	$ 41.50	$ 41.50	$ 41.75	$ 41.85	$ 42.85	$ 46.00	$ 51.50	$ 52.50
Feb-07	Supplier OO	$ 39.50	$ 34.50	$ 39.25	$ 40.40	$ 41.50	$ 41.50	$ 41.75	$ 41.85	$ 42.85	$ 46.00	$ 51.50	$ 52.50
Apr-07	Supplier F	$ 39.50	$ 34.50	$ 39.25	$ 40.40	$ 41.50	$ 41.50	$ 41.75	$ 41.85	$ 42.85	$ 46.00	$ 51.50	$ 52.50
Apr-07	Supplier C	$ 39.50	$ 34.50	$ 39.25	$ 40.40	$ 41.50	$ 41.50	$ 41.75	$ 41.85	$ 42.85	$ 46.00	$ 51.50	$ 52.50
Sept 07	Supplier PP	$ 39.50	$ 34.50	$ 39.25	$ 40.40	$ 41.50	$ 41.50	$ 41.75	$ 41.85	$ 42.85	$ 46.00	$ 51.50	$ 52.50

Exercise Call Option?

Bid	Supplier	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec
		-	-	-	-	-	-	-	-	-	-	-	-
Jul-06	Supplier EE	no	no	no	no	no	no	no	no	no	no	yes	yes
Nov-06	Supplier KK	no	no	no	-	-	-	-	-	-	-	-	-
Nov-06	Supplier F	no	-	-	-	-	-	-	-	-	-	-	-
Nov-06	Supplier LL	no	-	-	-	-	-	-	-	-	-	-	-
Nov-06	Supplier MM	no	no	no	-	-	-	-	-	-	-	-	-
Dec-06	Supplier NN	no	-	-	-	-	-	-	-	-	-	-	-
Dec-06	Supplier JJ	no	-	-	-	-	-	-	-	-	-	-	-
Dec-06	Supplier AA	no	no	-	-	-	-	no	no	no	yes	yes	yes
Feb-07	Supplier OO	-	no	-	-	-	-	-	-	-	-	-	-
Apr-07	Supplier F	-	-	-	no	-	-	-	-	-	-	-	-
Apr-07	Supplier C	-	-	-	-	yes	yes	-	-	-	-	-	-
Sept 07	Supplier PP	-	-	-	-	-	-	-	-	-	yes	-	-

Savings or (Cost) if Call Not Exercised

Bid	Supplier	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec
		-	-	-	-	-	-	-	-	-	-	-	-
Jul-06	Supplier EE	$ 110,000.00	$ 210,000.00	$ 115,000.00	$ 92,000.00	$ 70,000.00	$ 70,000.00	$ 65,000.00	$ 63,000.00	$ 43,000.00	$ (20,000.00)	-	-
Nov-06	Supplier KK	$ 15,500.00	$ 65,500.00	$ -	-	-	-	-	-	-	-	-	-
Nov-06	Supplier F	$ -	-	-	-	-	-	-	-	-	-	-	-
Nov-06	Supplier LL	$ -	-	-	-	-	-	-	-	-	-	-	-
Nov-06	Supplier MM	$ 60,000.00	$ 160,000.00	$ -	-	-	-	-	-	-	-	-	-
Dec-06	Supplier NN	$ -	-	-	-	-	-	-	-	-	-	-	-
Dec-06	Supplier JJ	$ -	-	-	-	-	-	-	-	-	-	-	-
Dec-06	Supplier AA	$ 113,000.00	$ -	-	-	-	-	$ 113,332.20	$ 109,998.90	$ 76,665.90	-	-	-
Feb-07	Supplier OO	-	$ -	-	-	-	-	-	-	-	-	-	-
Apr-07	Supplier F	-	-	-	$ -	-	-	-	-	-	-	-	-
Apr-07	Supplier C	-	-	-	-	-	-	-	-	-	-	-	-
Sept 07	Supplier PP	-	-	-	-	-	-	-	-	-	-	-	-

Bid	Supplier
Jul-06	Supplier EE
Nov-06	Supplier KK
Nov-06	Supplier F
Nov-06	Supplier LL
Nov-06	Supplier MM
Dec-06	Supplier NN
Dec-06	Supplier JJ
Dec-06	Supplier AA
Feb-07	Supplier OO
Apr-07	Supplier F
Apr-07	Supplier C
Sept 07	Supplier PP

Savings or (Costs) if Call Is Exercised

Bid	Supplier	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Savings or (Costs)
		-	-	-	-	-	-	-	-	-	-	-	-	$ -
Jul-06	Supplier EE	-	-	-	-	-	-	-	-	-	$ (35,000.00)	$ (35,000.00)	$ (35,000.00)	$ 748,000.00
Nov-06	Supplier KK	-	-	-	-	-	-	-	-	-	-	-	-	$ 81,000.00
Nov-06	Supplier F	-	-	-	-	-	-	-	-	-	-	-	-	$ -
Nov-06	Supplier LL	-	-	-	-	-	-	-	-	-	-	-	-	$ -
Nov-06	Supplier MM	-	-	-	-	-	-	-	-	-	-	-	-	$ 220,000.00
Dec-06	Supplier NN	-	-	-	-	-	-	-	-	-	-	-	-	$ -
Dec-06	Supplier JJ	-	-	-	-	-	-	-	-	-	-	-	-	$ -
Dec-06	Supplier AA	-	-	-	-	-	-	-	-	-	$ 13,333.20	$ 13,333.20	$ 13,333.20	$ 452,996.60
Feb-07	Supplier OO	-	-	-	-	-	-	-	-	-	-	-	-	$ -
Apr-07	Supplier F	-	-	-	-	-	-	-	-	-	-	-	-	$ -
Apr-07	Supplier C	-	-	-	-	$ 2,500.00	$ -	-	-	-	-	-	-	$ 2,500.00
Sept 07	Supplier PP	-	-	-	-	-	-	-	-	-	$ (6,750.00)	-	-	
											TOTAL SAVINGS OR COSTS			$ 1,504,497

South Carolina Electric & Gas Company
Spot Coal Purchases Compared to Call Options
2008

Bid	Supplier	Coal	Delivery Month(s)	Tonnage Per Month Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Option Premium
Apr 07	Supplier C	$45.50	**Jan - Dec**	40,000	40,000	40,000	40,000	40,000	40,000	20,000	20,000	20,000	20,000	20,000	20,000	$ 2.00
Apr 08	Supplier QQ	$88.05	**May**					10,000								$ 2.00
Apr 08	Supplier RR	$86.05	**May**					10,000								$ 2.00
May 08	Supplier SS	$98.00	**Jul-Dec**							10,000	10,000	10,000	10,000	10,000	10,000	$ 2.00
May 08	Supplier A	$105.00	**Jun**						10,000							$ 2.00
May 08	Supplier TT	$100.00	**Jun**						10,000							$ 2.00
Jun 08	Supplier E	$128.00	**Jun**						10,000							$ 2.00
Jun 08	Supplier A	$125.00	**Jun**						10,000							$ 2.00
Jun 08	Supplier PP	$144.00	**Jul**							7,500						$ 2.00
Jul 08	Supplier UU	$120.00	**Jul**							4,500						$ 2.00
Jul 08	Supplier VV	$147.05	**Jul**							10,000						$ 2.00
Jul 08	Supplier WW	$141.00	**Jul**							20,000						$ 2.00
Jul 08	Supplier XX	$140.05	**Jul**							10,000						$ 2.00
Jul -08	Supplier YY	$140.00	**Aug-Sep**								20,000	20,000				$ 2.00
Jul 08	Supplier JJ	$141.05	**Jul**							10,000						$ 2.00
Jul 08	Supplier V	$140.00	**Jul**							10,000						$ 2.00
Jul 08	Supplier JJ	$141.05	**Aug**								10,000					$ 2.00
Jul 08	Supplier KK	$141.05	**Aug**								10,000					$ 2.00
Jul 08	Supplier ZZ	$141.05	**Aug**								10,000					$ 2.00
Jul 08	Supplier JJ	$140.05	**Aug**								10,000					$ 2.00
Jul 08	Supplier AAA	$141.05	**Aug**								20,000					$ 2.00
Jul 08	Supplier BBB	$138.50	**Jul**							10,000						$ 2.00
Jul 08	Supplier JJ	$141.55	**Jul**							10,000						$ 2.00
Jul 08	Supplier C	132.5	**Jul**							20,000						$ 2.00
Aug 08	Supplier GG	$150.00	**aug**								30,000					$ 2.00
Aug 08	Supplier CCC	$146.50	**Aug**								10,000					$ 2.00
"Aug 08	Supplier QQ	$135.00	**Sep-Dec**							10,000	10,000	10,000	30,000	30,000	30,000	$ 2.00
Aug 08	Supplier DDD	$138.00	**Sep**									10,000				$ 2.00
Sep 08	Supplier GG	$122.00	**Sep**									20,000				$ 2.00
Sep 08	Supplier JJ	$121.05	**Sep**									10,000				$ 2.00
Sep 08	Supplier JJ	$121.05	**Sep**									10,000				$ 2.00
Sep 08	Supplier QQ	$112.00	**Oct-Dec**										10,000	10,000	10,000	$ 2.00
Sep 08	Supplier DDD	$121.00	**Oct-Dec**										16,666	16,666	16,666	$ 2.00
Sep 08	Supplier JJ	$121.05	**Sep**										10,000			$ 2.00
Sep 08	Supplier C	$126.50	**Oct-Dec**										20,000	20,000	20,000	$ 2.00
Sep 08	Supplier WW	$131.00	**Oct**										30,000			$ 2.00
Sep 08	Supplier EEE	$147.00	**Oct**										20,000			$ 2.00
Sep 08	Supplier V	$131.00	**Oct-Dec**										20,000	20,000	20,000	$ 2.00
Oct 08	Supplier KK	$145.05	**Oct**										10,000			$ 2.00

Oct 08	Supplier FFF	$145.05	**Oct**										10,000			$	2.00
Oct 08	Supplier GGG	$140.00	**Oct**										10,000			$	2.00
Oct 08	Supplier HHH	$125.75	**Nov-Dec**											20,000	20,000	$	2.00
Oct 08	Supplier TT	$110.00	**Oct**										10,000			$	2.00
Oct 08	Supplier HHH	$103.00	**Dec**												20,000	$	2.00
Oct 08	Supplier NN	$104.05	**Nov**											10,000		$	2.00
Oct 08	Supplier NN	$104.05	**Dec**												10,000	$	2.00
Nov-08	Supplier C	$85.00	**Nov-Dec**											30,000	30,000	$	2.00
Nov-08	Supplier C	$78.00	**Dec**												50,000	$	2.00
Nov-08	Supplier WW	$79.50	**Dec**												20,000	$	2.00

Futures Price from UPI Futures Price Sheet

Bid	Supplier	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec
Apr 07	Supplier C	$ 45.25	$ 45.25	$ 45.25	$ 45.25	$ 45.25	$ 45.25	$ 45.25	$ 45.25	$ 45.25	$ 45.25	$ 45.25	$ 45.25
Apr 08	Supplier QQ					$ 83.75							
Apr 08	Supplier RR					$ 83.75							
May 08	Supplier SS							$ 103.50	$ 103.50	$ 103.50	$ 102.00	$ 102.00	$ 102.00
May 08	Supplier A						$ 104.00						
May 08	Supplier TT						$ 104.00						
Jun 08	Supplier E						$ 110.00						
Jun 08	Supplier A						$ 110.00						
Jun 08	Supplier PP							$ 110.00					
Jul 08	Supplier UU							$ 161.00					
Jul 08	Supplier VV							$ 161.00					
Jul 08	Supplier WW							$ 161.00					
Jul 08	Supplier XX							$ 161.00					
Jul -08	Supplier YY								$ 161.00	$ 161.00			
Jul 08	Supplier JJ							$ 161.00					
Jul 08	Supplier V							$ 161.00					
Jul 08	Supplier JJ								$ 161.00				
Jul 08	Supplier KK								$ 161.00				
Jul 08	Supplier ZZ								$ 161.00				
Jul 08	Supplier JJ								$ 161.00				
Jul 08	Supplier AAA								$ 161.00				
Jul 08	Supplier BBB							$ 161.00					
Jul 08	Supplier JJ							$ 161.00					
Jul 08	Supplier C							$ 161.00					
Aug 08	Supplier GG								$ 152.00				
Aug 08	Supplier CCC								$ 152.00				
"Aug 08	Supplier QQ								$ 152.00	$ 152.00	$ 149.25	$ 149.25	$ 149.25
Aug 08	Supplier DDD									$ 152.00			
Sep 08	Supplier GG									$ 119.00			
Sep 08	Supplier JJ									$ 119.00			
Sep 08	Supplier JJ									$ 119.00			
Sep 08	Supplier QQ										$ 119.00	$ 116.00	$ 116.00
Sep 08	Supplier DDD										$ 119.00	$ 116.00	$ 116.00
Sep 08	Supplier JJ									$ 119.00			
Sep 08	Supplier C										$ 119.00	$ 116.00	$ 116.00
Sep 08	Supplier WW										$ 119.00		
Sep 08	Supplier EEE										$ 119.00		
Sep 08	Supplier V										$ 119.00	$ 116.00	$ 116.00
Oct 08	Supplier KK										$ 148.00		

Oct 08	Supplier FFF	$ 148.00		
Oct 08	Supplier GGG	$ 148.00		
Oct 08	Supplier HHH		$ 150.00	$ 141.00
Oct 08	Supplier TT	$ 148.00		
Oct 08	Supplier HHH			$ 141.00
Oct 08	Supplier NN		$ 150.00	
Oct 08	Supplier NN			$ 141.00
Nov-08	Supplier C		$ 87.50	$ 87.50
Nov-08	Supplier C			$ 87.50
Nov-08	Supplier WW			$ 87.50

Actual Monthly Spot Market Price

Bid	Supplier	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec
Apr 07	Supplier C	$ 50.25	$ 75.00	$ 89.50	$ 86.00	$ 96.00	$ 111.00	$ 154.00	$ 156.00	$ 135.00	$ 148.00	$ 96.50	$ 75.50
Apr 08	Supplier QQ	$ 50.25	$ 75.00	$ 89.50	$ 86.00	$ 96.00	$ 111.00	$ 154.00	$ 156.00	$ 135.00	$ 148.00	$ 96.50	$ 75.50
Apr 08	Supplier RR	$ 50.25	$ 75.00	$ 89.50	$ 86.00	$ 96.00	$ 111.00	$ 154.00	$ 156.00	$ 135.00	$ 148.00	$ 96.50	$ 75.50
May 08	Supplier SS	$ 50.25	$ 75.00	$ 89.50	$ 86.00	$ 96.00	$ 111.00	$ 154.00	$ 156.00	$ 135.00	$ 148.00	$ 96.50	$ 75.50
May 08	Supplier A	$ 50.25	$ 75.00	$ 89.50	$ 86.00	$ 96.00	$ 111.00	$ 154.00	$ 156.00	$ 135.00	$ 148.00	$ 96.50	$ 75.50
May 08	Supplier TT	$ 50.25	$ 75.00	$ 89.50	$ 86.00	$ 96.00	$ 111.00	$ 154.00	$ 156.00	$ 135.00	$ 148.00	$ 96.50	$ 75.50
Jun 08	Supplier E	$ 50.25	$ 75.00	$ 89.50	$ 86.00	$ 96.00	$ 111.00	$ 154.00	$ 156.00	$ 135.00	$ 148.00	$ 96.50	$ 75.50
Jun 08	Supplier A	$ 50.25	$ 75.00	$ 89.50	$ 86.00	$ 96.00	$ 111.00	$ 154.00	$ 156.00	$ 135.00	$ 148.00	$ 96.50	$ 75.50
Jun 08	Supplier PP	$ 50.25	$ 75.00	$ 89.50	$ 86.00	$ 96.00	$ 111.00	$ 154.00	$ 156.00	$ 135.00	$ 148.00	$ 96.50	$ 75.50
Jul 08	Supplier UU	$ 50.25	$ 75.00	$ 89.50	$ 86.00	$ 96.00	$ 111.00	$ 154.00	$ 156.00	$ 135.00	$ 148.00	$ 96.50	$ 75.50
Jul 08	Supplier VV	$ 50.25	$ 75.00	$ 89.50	$ 86.00	$ 96.00	$ 111.00	$ 154.00	$ 156.00	$ 135.00	$ 148.00	$ 96.50	$ 75.50
Jul 08	Supplier WW	$ 50.25	$ 75.00	$ 89.50	$ 86.00	$ 96.00	$ 111.00	$ 154.00	$ 156.00	$ 135.00	$ 148.00	$ 96.50	$ 75.50
Jul 08	Supplier XX	$ 50.25	$ 75.00	$ 89.50	$ 86.00	$ 96.00	$ 111.00	$ 154.00	$ 156.00	$ 135.00	$ 148.00	$ 96.50	$ 75.50
Jul -08	Supplier YY	$ 50.25	$ 75.00	$ 89.50	$ 86.00	$ 96.00	$ 111.00	$ 154.00	$ 156.00	$ 135.00	$ 148.00	$ 96.50	$ 75.50
Jul 08	Supplier JJ	$ 50.25	$ 75.00	$ 89.50	$ 86.00	$ 96.00	$ 111.00	$ 154.00	$ 156.00	$ 135.00	$ 148.00	$ 96.50	$ 75.50
Jul 08	Supplier V	$ 50.25	$ 75.00	$ 89.50	$ 86.00	$ 96.00	$ 111.00	$ 154.00	$ 156.00	$ 135.00	$ 148.00	$ 96.50	$ 75.50
Jul 08	Supplier JJ	$ 50.25	$ 75.00	$ 89.50	$ 86.00	$ 96.00	$ 111.00	$ 154.00	$ 156.00	$ 135.00	$ 148.00	$ 96.50	$ 75.50
Jul 08	Supplier KK	$ 50.25	$ 75.00	$ 89.50	$ 86.00	$ 96.00	$ 111.00	$ 154.00	$ 156.00	$ 135.00	$ 148.00	$ 96.50	$ 75.50
Jul 08	Supplier ZZ	$ 50.25	$ 75.00	$ 89.50	$ 86.00	$ 96.00	$ 111.00	$ 154.00	$ 156.00	$ 135.00	$ 148.00	$ 96.50	$ 75.50
Jul 08	Supplier JJ	$ 50.25	$ 75.00	$ 89.50	$ 86.00	$ 96.00	$ 111.00	$ 154.00	$ 156.00	$ 135.00	$ 148.00	$ 96.50	$ 75.50
Jul 08	Supplier AAA	$ 50.25	$ 75.00	$ 89.50	$ 86.00	$ 96.00	$ 111.00	$ 154.00	$ 156.00	$ 135.00	$ 148.00	$ 96.50	$ 75.50
Jul 08	Supplier BBB	$ 50.25	$ 75.00	$ 89.50	$ 86.00	$ 96.00	$ 111.00	$ 154.00	$ 156.00	$ 135.00	$ 148.00	$ 96.50	$ 75.50
Jul 08	Supplier JJ	$ 50.25	$ 75.00	$ 89.50	$ 86.00	$ 96.00	$ 111.00	$ 154.00	$ 156.00	$ 135.00	$ 148.00	$ 96.50	$ 75.50
Jul 08	Supplier C	$ 50.25	$ 75.00	$ 89.50	$ 86.00	$ 96.00	$ 111.00	$ 154.00	$ 156.00	$ 135.00	$ 148.00	$ 96.50	$ 75.50
Aug 08	Supplier GG	$ 50.25	$ 75.00	$ 89.50	$ 86.00	$ 96.00	$ 111.00	$ 154.00	$ 156.00	$ 135.00	$ 148.00	$ 96.50	$ 75.50
Aug 08	Supplier CCC	$ 50.25	$ 75.00	$ 89.50	$ 86.00	$ 96.00	$ 111.00	$ 154.00	$ 156.00	$ 135.00	$ 148.00	$ 96.50	$ 75.50
"Aug 08	Supplier QQ	$ 50.25	$ 75.00	$ 89.50	$ 86.00	$ 96.00	$ 111.00	$ 154.00	$ 156.00	$ 135.00	$ 148.00	$ 96.50	$ 75.50
Aug 08	Supplier DDD	$ 50.25	$ 75.00	$ 89.50	$ 86.00	$ 96.00	$ 111.00	$ 154.00	$ 156.00	$ 135.00	$ 148.00	$ 96.50	$ 75.50
Sep 08	Supplier GG	$ 50.25	$ 75.00	$ 89.50	$ 86.00	$ 96.00	$ 111.00	$ 154.00	$ 156.00	$ 135.00	$ 148.00	$ 96.50	$ 75.50
Sep 08	Supplier JJ	$ 50.25	$ 75.00	$ 89.50	$ 86.00	$ 96.00	$ 111.00	$ 154.00	$ 156.00	$ 135.00	$ 148.00	$ 96.50	$ 75.50
Sep 08	Supplier JJ	$ 50.25	$ 75.00	$ 89.50	$ 86.00	$ 96.00	$ 111.00	$ 154.00	$ 156.00	$ 135.00	$ 148.00	$ 96.50	$ 75.50
Sep 08	Supplier QQ	$ 50.25	$ 75.00	$ 89.50	$ 86.00	$ 96.00	$ 111.00	$ 154.00	$ 156.00	$ 135.00	$ 148.00	$ 96.50	$ 75.50
Sep 08	Supplier DDD	$ 50.25	$ 75.00	$ 89.50	$ 86.00	$ 96.00	$ 111.00	$ 154.00	$ 156.00	$ 135.00	$ 148.00	$ 96.50	$ 75.50
Sep 08	Supplier JJ	$ 50.25	$ 75.00	$ 89.50	$ 86.00	$ 96.00	$ 111.00	$ 154.00	$ 156.00	$ 135.00	$ 148.00	$ 96.50	$ 75.50
Sep 08	Supplier C	$ 50.25	$ 75.00	$ 89.50	$ 86.00	$ 96.00	$ 111.00	$ 154.00	$ 156.00	$ 135.00	$ 148.00	$ 96.50	$ 75.50
Sep 08	Supplier WW	$ 50.25	$ 75.00	$ 89.50	$ 86.00	$ 96.00	$ 111.00	$ 154.00	$ 156.00	$ 135.00	$ 148.00	$ 96.50	$ 75.50
Sep 08	Supplier EEE	$ 50.25	$ 75.00	$ 89.50	$ 86.00	$ 96.00	$ 111.00	$ 154.00	$ 156.00	$ 135.00	$ 148.00	$ 96.50	$ 75.50
Sep 08	Supplier V	$ 50.25	$ 75.00	$ 89.50	$ 86.00	$ 96.00	$ 111.00	$ 154.00	$ 156.00	$ 135.00	$ 148.00	$ 96.50	$ 75.50
Oct 08	Supplier KK	$ 50.25	$ 75.00	$ 89.50	$ 86.00	$ 96.00	$ 111.00	$ 154.00	$ 156.00	$ 135.00	$ 148.00	$ 96.50	$ 75.50

Oct 08	Supplier FFF	$ 50.25	$ 75.00	$ 89.50	$ 86.00	$ 96.00	$ 111.00	$ 154.00	$ 156.00	$ 135.00	$ 148.00	$ 96.50	$ 75.50
Oct 08	Supplier GGG	$ 50.25	$ 75.00	$ 89.50	$ 86.00	$ 96.00	$ 111.00	$ 154.00	$ 156.00	$ 135.00	$ 148.00	$ 96.50	$ 75.50
Oct 08	Supplier HHH	$ 50.25	$ 75.00	$ 89.50	$ 86.00	$ 96.00	$ 111.00	$ 154.00	$ 156.00	$ 135.00	$ 148.00	$ 96.50	$ 75.50
Oct 08	Supplier TT	$ 50.25	$ 75.00	$ 89.50	$ 86.00	$ 96.00	$ 111.00	$ 154.00	$ 156.00	$ 135.00	$ 148.00	$ 96.50	$ 75.50
Oct 08	Supplier HHH	$ 50.25	$ 75.00	$ 89.50	$ 86.00	$ 96.00	$ 111.00	$ 154.00	$ 156.00	$ 135.00	$ 148.00	$ 96.50	$ 75.50
Oct 08	Supplier NN	$ 50.25	$ 75.00	$ 89.50	$ 86.00	$ 96.00	$ 111.00	$ 154.00	$ 156.00	$ 135.00	$ 148.00	$ 96.50	$ 75.50
Oct 08	Supplier NN	$ 50.25	$ 75.00	$ 89.50	$ 86.00	$ 96.00	$ 111.00	$ 154.00	$ 156.00	$ 135.00	$ 148.00	$ 96.50	$ 75.50
Nov-08	Supplier C	$ 50.25	$ 75.00	$ 89.50	$ 86.00	$ 96.00	$ 111.00	$ 154.00	$ 156.00	$ 135.00	$ 148.00	$ 96.50	$ 75.50
Nov-08	Supplier C	$ 50.25	$ 75.00	$ 89.50	$ 86.00	$ 96.00	$ 111.00	$ 154.00	$ 156.00	$ 135.00	$ 148.00	$ 96.50	$ 75.50
Nov-08	Supplier WW	$ 50.25	$ 75.00	$ 89.50	$ 86.00	$ 96.00	$ 111.00	$ 154.00	$ 156.00	$ 135.00	$ 148.00	$ 96.50	$ 75.50

Exercise Call Option?

Bid	Supplier	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec
Apr 07	Supplier C	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Apr 08	Supplier QQ	-	-	-	-	yes	-	-	-	-	-	-	-
Apr 08	Supplier RR	-	-	-	-	yes	-	-	-	-	-	-	-
May 08	Supplier SS	-	-	-	-	-	-	yes	yes	yes	yes	no	no
May 08	Supplier A	-	-	-	-	-	yes	-	-	-	-	-	-
May 08	Supplier TT	-	-	-	-	-	yes	-	-	-	-	-	-
Jun 08	Supplier E	-	-	-	-	-	yes	-	-	-	-	-	-
Jun 08	Supplier A	-	-	-	-	-	yes	-	-	-	-	-	-
Jun 08	Supplier PP	-	-	-	-	-	-	yes	-	-	-	-	-
Jul 08	Supplier UU	-	-	-	-	-	-	no	-	-	-	-	-
Jul 08	Supplier VV	-	-	-	-	-	-	no	-	-	-	-	-
Jul 08	Supplier WW	-	-	-	-	-	-	no	-	-	-	-	-
Jul 08	Supplier XX	-	-	-	-	-	-	no	-	-	-	-	-
Jul -08	Supplier YY	-	-	-	-	-	-	-	no	no	-	-	-
Jul 08	Supplier JJ	-	-	-	-	-	-	no	-	-	-	-	-
Jul 08	Supplier V	-	-	-	-	-	-	no	-	-	-	-	-
Jul 08	Supplier JJ	-	-	-	-	-	-	-	no	-	-	-	-
Jul 08	Supplier KK	-	-	-	-	-	-	-	no	-	-	-	-
Jul 08	Supplier ZZ	-	-	-	-	-	-	-	no	-	-	-	-
Jul 08	Supplier JJ	-	-	-	-	-	-	-	no	-	-	-	-
Jul 08	Supplier AAA	-	-	-	-	-	-	-	no	-	-	-	-
Jul 08	Supplier BBB	-	-	-	-	-	-	no	-	-	-	-	-
Jul 08	Supplier JJ	-	-	-	-	-	-	no	-	-	-	-	-
Jul 08	Supplier C	-	-	-	-	-	-	no	-	-	-	-	-
Aug 08	Supplier GG	-	-	-	-	-	-	-	yes	-	-	-	-
Aug 08	Supplier CCC	-	-	-	-	-	-	-	yes	-	-	-	-
"Aug 08	Supplier QQ	-	-	-	-	-	-	-	yes	no	no	no	no
Aug 08	Supplier DDD	-	-	-	-	-	-	-	-	no	-	-	-
Sep 08	Supplier GG	-	-	-	-	-	-	-	-	yes	-	-	-
Sep 08	Supplier JJ	-	-	-	-	-	-	-	-	yes	-	-	-
Sep 08	Supplier JJ	-	-	-	-	-	-	-	-	yes	-	-	-
Sep 08	Supplier QQ	-	-	-	-	-	-	-	-	-	yes	no	no
Sep 08	Supplier DDD	-	-	-	-	-	-	-	-	-	yes	no	no
Sep 08	Supplier JJ	-	-	-	-	-	-	-	-	yes	-	-	-
Sep 08	Supplier C	-	-	-	-	-	-	-	-	-	yes	no	no
Sep 08	Supplier WW	-	-	-	-	-	-	-	-	-	yes	-	-
Sep 08	Supplier EEE	-	-	-	-	-	-	-	-	-	yes	-	-
Sep 08	Supplier V	-	-	-	-	-	-	-	-	-	yes	no	no
Oct 08	Supplier KK	-	-	-	-	-	-	-	-	-	yes	-	-

Oct 08	Supplier FFF	-	-	-	-	-	-	-	-	-	yes	-	-
Oct 08	Supplier GGG	-	-	-	-	-	-	-	-	-	yes	-	-
Oct 08	Supplier HHH	-	-	-	-	-	-	-	-	-	-	no	no
Oct 08	Supplier TT	-	-	-	-	-	-	-	-	-	yes	-	-
Oct 08	Supplier HHH	-	-	-	-	-	-	-	-	-	-	-	no
Oct 08	Supplier NN	-	-	-	-	-	-	-	-	-	-	no	-
Oct 08	Supplier NN	-	-	-	-	-	-	-	-	-	-	-	no
Nov-08	Supplier C	-	-	-	-	-	-	-	-	-	-	yes	no
Nov-08	Supplier C	-	-	-	-	-	-	-	-	-	-	-	no
Nov-08	Supplier WW	-	-	-	-	-	-	-	-	-	-	-	no

Savings or (Cost) if Call Not Exercised

Bid	Supplier	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec
Apr 07	Supplier C	-	-	-	-	-	-	-	-	-	-	-	-
Apr 08	Supplier QQ	-	-	-	-	-	-	-	-	-	-	-	-
Apr 08	Supplier RR	-	-	-	-	-	-	-	-	-	-	-	-
May 08	Supplier SS	-	-	-	-	-	-	-	-	-	-	$ (5,000.00)	$ 205,000.00
May 08	Supplier A	-	-	-	-	-	-	-	-	-	-	-	-
May 08	Supplier TT	-	-	-	-	-	-	-	-	-	-	-	-
Jun 08	Supplier E	-	-	-	-	-	-	-	-	-	-	-	-
Jun 08	Supplier A	-	-	-	-	-	-	-	-	-	-	-	-
Jun 08	Supplier PP	-	-	-	-	-	-	-	-	-	-	-	-
Jul 08	Supplier UU	-	-	-	-	-	-	$ (162,000.00)	-	-	-	-	-
Jul 08	Supplier VV	-	-	-	-	-	-	$ (89,500.00)	-	-	-	-	-
Jul 08	Supplier WW	-	-	-	-	-	-	$ (300,000.00)	-	-	-	-	-
Jul 08	Supplier XX	-	-	-	-	-	-	$ (159,500.00)	-	-	-	-	-
Jul -08	Supplier YY	-	-	-	-	-	-	-	$ (360,000.00)	$ 60,000.00	-	-	-
Jul 08	Supplier JJ	-	-	-	-	-	-	$ (149,500.00)	-	-	-	-	-
Jul 08	Supplier V	-	-	-	-	-	-	$ (160,000.00)	-	-	-	-	-
Jul 08	Supplier JJ	-	-	-	-	-	-	-	$ (169,500.00)	-	-	-	-
Jul 08	Supplier KK	-	-	-	-	-	-	-	$ (169,500.00)	-	-	-	-
Jul 08	Supplier ZZ	-	-	-	-	-	-	-	$ (169,500.00)	-	-	-	-
Jul 08	Supplier JJ	-	-	-	-	-	-	-	$ (179,500.00)	-	-	-	-
Jul 08	Supplier AAA	-	-	-	-	-	-	-	$ (339,000.00)	-	-	-	-
Jul 08	Supplier BBB	-	-	-	-	-	-	$ (175,000.00)	-	-	-	-	-
Jul 08	Supplier JJ	-	-	-	-	-	-	$ (144,500.00)	-	-	-	-	-
Jul 08	Supplier C	-	-	-	-	-	-	$ (470,000.00)	-	-	-	-	-
Aug 08	Supplier GG	-	-	-	-	-	-	-	-	-	-	-	-
Aug 08	Supplier CCC	-	-	-	-	-	-	-	-	-	-	-	-
"Aug 08	Supplier QQ	-	-	-	-	-	-	-	-	$ (20,000.00)	$ (450,000.00)	$ 1,095,000.00	$ 1,725,000.00
Aug 08	Supplier DDD	-	-	-	-	-	-	-	-	$ 10,000.00	-	-	-
Sep 08	Supplier GG	-	-	-	-	-	-	-	-	-	-	-	-
Sep 08	Supplier JJ	-	-	-	-	-	-	-	-	-	-	-	-
Sep 08	Supplier JJ	-	-	-	-	-	-	-	-	-	-	-	-
Sep 08	Supplier QQ	-	-	-	-	-	-	-	-	-	-	$ 135,000.00	$ 345,000.00
Sep 08	Supplier DDD	-	-	-	-	-	-	-	-	-	-	$ 374,985.00	$ 724,971.00
Sep 08	Supplier JJ	-	-	-	-	-	-	-	-	-	-	-	-
Sep 08	Supplier C	-	-	-	-	-	-	-	-	-	-	$ 560,000.00	$ 980,000.00
Sep 08	Supplier WW	-	-	-	-	-	-	-	-	-	-	-	-
Sep 08	Supplier EEE	-	-	-	-	-	-	-	-	-	-	-	-
Sep 08	Supplier V	-	-	-	-	-	-	-	-	-	-	$ 650,000.00	$ 1,070,000.00
Oct 08	Supplier KK	-	-	-	-	-	-	-	-	-	-	-	-

Oct 08	Supplier FFF	-	-	-	-	-	-	-	-	-	-	-		-	
Oct 08	Supplier GGG	-	-	-	-	-	-	-	-	-	-	-		-	
Oct 08	Supplier HHH	-	-	-	-	-	-	-	-	-	-	$	545,000.00	$	965,000.00
Oct 08	Supplier TT	-	-	-	-	-	-	-	-	-	-	-		-	
Oct 08	Supplier HHH	-	-	-	-	-	-	-	-	-	-	-		$	510,000.00
Oct 08	Supplier NN	-	-	-	-	-	-	-	-	-	-	$	55,500.00	-	
Oct 08	Supplier NN	-	-	-	-	-	-	-	-	-	-	-		$	265,500.00
Nov-08	Supplier C	-	-	-	-	-	-	-	-	-	-	-		$	225,000.00
Nov-08	Supplier C	-	-	-	-	-	-	-	-	-	-	-		$	25,000.00
Nov-08	Supplier WW	-	-	-	-	-	-	-	-	-	-	-		$	40,000.00

Savings or (Cost) if Call Is Exercised

Bid	Supplier	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Savings or (Costs)
Apr 07	Supplier C	$ (70,000.00)	$ (70,000.00)	$ (70,000.00)	$ (70,000.00)	$ (70,000.00)	$ (70,000.00)	$ (35,000.00)	$ (35,000.00)	$ (35,000.00)	$ (35,000.00)	$ (35,000.00)	$ (35,000.00)	$ (630,000.00)
Apr 08	Supplier QQ	-	-	-	-	$ 23,000.00	-	-	-	-	-	-	-	$ 23,000.00
Apr 08	Supplier RR	-	-	-	-	$ 3,000.00	-	-	-	-	-	-	-	$ 3,000.00
May 08	Supplier SS	-	-	-	-	-	-	$ (75,000.00)	$ (75,000.00)	$ (75,000.00)	$ (60,000.00)	-	-	$ (85,000.00)
May 08	Supplier A	-	-	-	-	-	$ (10,000.00)	-	-	-	-	-	-	$ (10,000.00)
May 08	Supplier TT	-	-	-	-	-	$ (60,000.00)	-	-	-	-	-	-	$ (60,000.00)
Jun 08	Supplier E	-	-	-	-	-	$ 160,000.00	-	-	-	-	-	-	$ 160,000.00
Jun 08	Supplier A	-	-	-	-	-	$ 130,000.00	-	-	-	-	-	-	$ 130,000.00
Jun 08	Supplier PP	-	-	-	-	-	-	$ 240,000.00	-	-	-	-	-	$ 240,000.00
Jul 08	Supplier UU	-	-	-	-	-	-	-	-	-	-	-	-	$ (162,000.00)
Jul 08	Supplier VV	-	-	-	-	-	-	-	-	-	-	-	-	$ (89,500.00)
Jul 08	Supplier WW	-	-	-	-	-	-	-	-	-	-	-	-	$ (300,000.00)
Jul 08	Supplier XX	-	-	-	-	-	-	-	-	-	-	-	-	$ (159,500.00)
Jul -08	Supplier YY	-	-	-	-	-	-	-	-	-	-	-	-	$ (300,000.00)
Jul 08	Supplier JJ	-	-	-	-	-	-	-	-	-	-	-	-	$ (149,500.00)
Jul 08	Supplier V	-	-	-	-	-	-	-	-	-	-	-	-	$ (160,000.00)
Jul 08	Supplier JJ	-	-	-	-	-	-	-	-	-	-	-	-	$ (169,500.00)
Jul 08	Supplier KK	-	-	-	-	-	-	-	-	-	-	-	-	$ (169,500.00)
Jul 08	Supplier ZZ	-	-	-	-	-	-	-	-	-	-	-	-	$ (169,500.00)
Jul 08	Supplier JJ	-	-	-	-	-	-	-	-	-	-	-	-	$ (179,500.00)
Jul 08	Supplier AAA	-	-	-	-	-	-	-	-	-	-	-	-	$ (339,000.00)
Jul 08	Supplier BBB	-	-	-	-	-	-	-	-	-	-	-	-	$ (175,000.00)
Jul 08	Supplier JJ	-	-	-	-	-	-	-	-	-	-	-	-	$ (144,500.00)
Jul 08	Supplier C	-	-	-	-	-	-	-	-	-	-	-	-	$ (470,000.00)
Aug 08	Supplier GG	-	-	-	-	-	-	-	$ (120,000.00)	-	-	-	-	$ (120,000.00)
Aug 08	Supplier CCC	-	-	-	-	-	-	-	$ (75,000.00)	-	-	-	-	$ (75,000.00)
"Aug 08	Supplier QQ	-	-	-	-	-	-	-	$ (190,000.00)	-	-	-	-	$ 2,160,000.00
Aug 08	Supplier DDD	-	-	-	-	-	-	-	-	-	-	-	-	$ 10,000.00
Sep 08	Supplier GG	-	-	-	-	-	-	-	-	$ 20,000.00	-	-	-	$ 20,000.00
Sep 08	Supplier JJ	-	-	-	-	-	-	-	-	$ 500.00	-	-	-	$ 500.00
Sep 08	Supplier JJ	-	-	-	-	-	-	-	-	$ 500.00	-	-	-	$ 500.00
Sep 08	Supplier QQ	-	-	-	-	-	-	-	-	-	$ (90,000.00)	-	-	$ 390,000.00
Sep 08	Supplier DDD	-	-	-	-	-	-	-	-	-	$ -	-	-	$ 1,099,956.00
Sep 08	Supplier JJ	-	-	-	-	-	-	-	-	$ -	-	-	-	$ -
Sep 08	Supplier C	-	-	-	-	-	-	-	-	-	$ 110,000.00	-	-	$ 1,650,000.00
Sep 08	Supplier WW	-	-	-	-	-	-	-	-	-	$ 300,000.00	-	-	$ 300,000.00
Sep 08	Supplier EEE	-	-	-	-	-	-	-	-	-	$ 520,000.00	-	-	$ 520,000.00
Sep 08	Supplier V	-	-	-	-	-	-	-	-	-	$ 200,000.00	-	-	$ 1,920,000.00
Oct 08	Supplier KK	-	-	-	-	-	-	-	-	-	$ (49,500.00)	-	-	$ (49,500.00)

Oct 08	Supplier FFF	-	-	-	-	-	-	-	-	-	$	(49,500.00)	-	-	$ (49,500.00)
Oct 08	Supplier GGG	-	-	-	-	-	-	-	-	-	$	(100,000.00)	-	-	$ (100,000.00)
Oct 08	Supplier HHH	-	-	-	-	-	-	-	-	-	-		-	-	$ 1,510,000.00
Oct 08	Supplier TT	-	-	-	-	-	-	-	-	-	$	(400,000.00)	-	-	$ (400,000.00)
Oct 08	Supplier HHH	-	-	-	-	-	-	-	-	-	-		-	-	$ 510,000.00
Oct 08	Supplier NN	-	-	-	-	-	-	-	-	-	-		-	-	$ 55,500.00
Oct 08	Supplier NN	-	-	-	-	-	-	-	-	-	-		-	-	$ 265,500.00
Nov-08	Supplier C	-	-	-	-	-	-	-	-	-	-		$	(135,000.00) -	$ 90,000.00
Nov-08	Supplier C	-	-	-	-	-	-	-	-	-	-		-	-	$ 25,000.00
Nov-08	Supplier WW	-	-	-	-	-	-	-	-	-	-		-	-	$ 40,000.00
														TOTAL SAVINGS OR COSTS	$ 119,956

Coal Hedging Analysis
January 15, 2010

Appendix G
Table
Page 1 of 1

TABLE

Date Price Bid	Delivery Month(s)	Tonnage Per Month		Option Prermium	Futures Price from UPI Futures Price Sheet Which Establishes Call Option Strike Price		Actual Monthly Spot Market Price		Exercise Call Option?	
		Feb	March		Feb	Mar	Feb	Mar	Feb	Mar
Jan-04	Feb/March	25,000	25,000	$ 2.00	$ 38.10	$ 38.20	$ 40.00	$ 45.00	NO	NO
Feb-04	March		20,000	$ 2.00		$ 44.88	$ 40.00	$ 45.00	na	YES
Jan-04	March		20,000	$ 2.00		$ 38.20	$ 40.00	$ 45.00	na	YES