

## **Market information inadvertently shared between AEPEP and AEP Operating Companies**

**February 26, 2007**

The overall VaR increased by \$176,000 to \$1.3 million. The Fixed Gas position lengthened by 1.5 million mmBtus, with most of this occurring in the prompt month and May-Nov 07 positions. This position lengthening increased the Fixed Gas risk concentration by \$162,000. The ERCOT Peak power position shortened (increased short) by 108,000 MWhs and its prices inclined by an average of \$0.55. The ERCOT Peak power hedge benefit decreased by \$202,000. These increases were partially offset by the \$181,000 decrease in the ERCOT Off peak power risk concentration. The largest risks in the portfolio are HHNYMEX May 07 (48%), HHNYMEX Apr-Oct 08+ (43%), and ERCOT Off Peak Mar-Apr 08 (29%). The largest hedges in the portfolio are HHNYMEX Sep 07 (40%), ERCOT May 07 (33%), and ERCOT Jan-Feb 08 (23%)."