

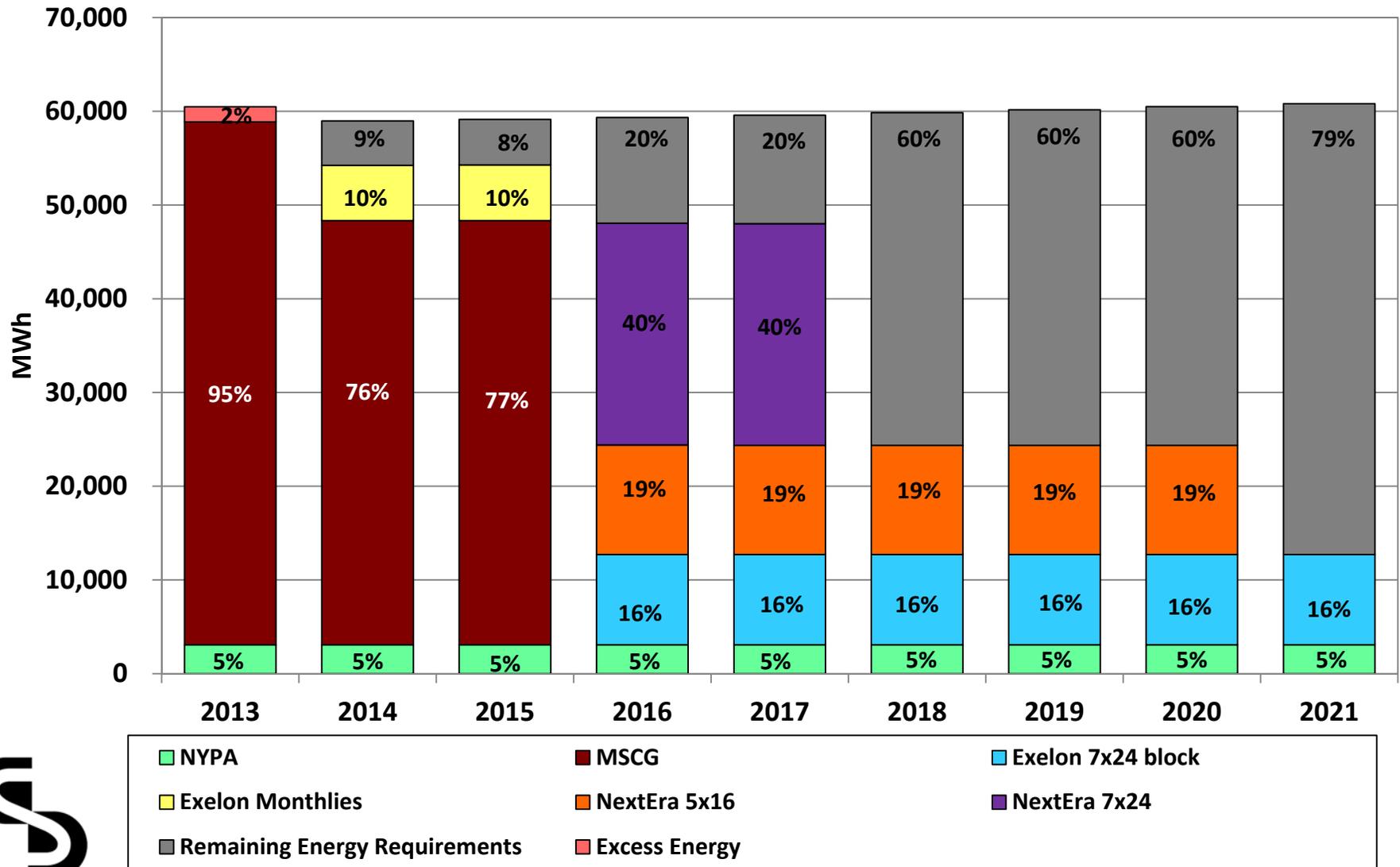
# **Borough of Perkasi**

## **Public Utility Committee Meeting**

**May 28<sup>th</sup>, 2013**



# Projected Energy Requirements and Purchases Current Portfolio



# Net Requirements Product - Description

Term: 1/1/2014-12/31/2015

- Product secures all electric requirements above NYPA and existing block power purchases
  - All remaining purchases are at a fixed price for 2014-2015
  - If NYPA generation and existing block power purchases exceed load in any hour, excess energy would be sold into the real-time market

## Product Advantages

- Low premium for fixed price, net requirements product compared to block power products
- Avoids commitment to load growth in block power purchases

## Product Disadvantages

- It is very likely that about 7% of Perkasio's annual load will be sold into the market as excess sales as a result of existing block power purchases  
(Excess sales will exist regardless)

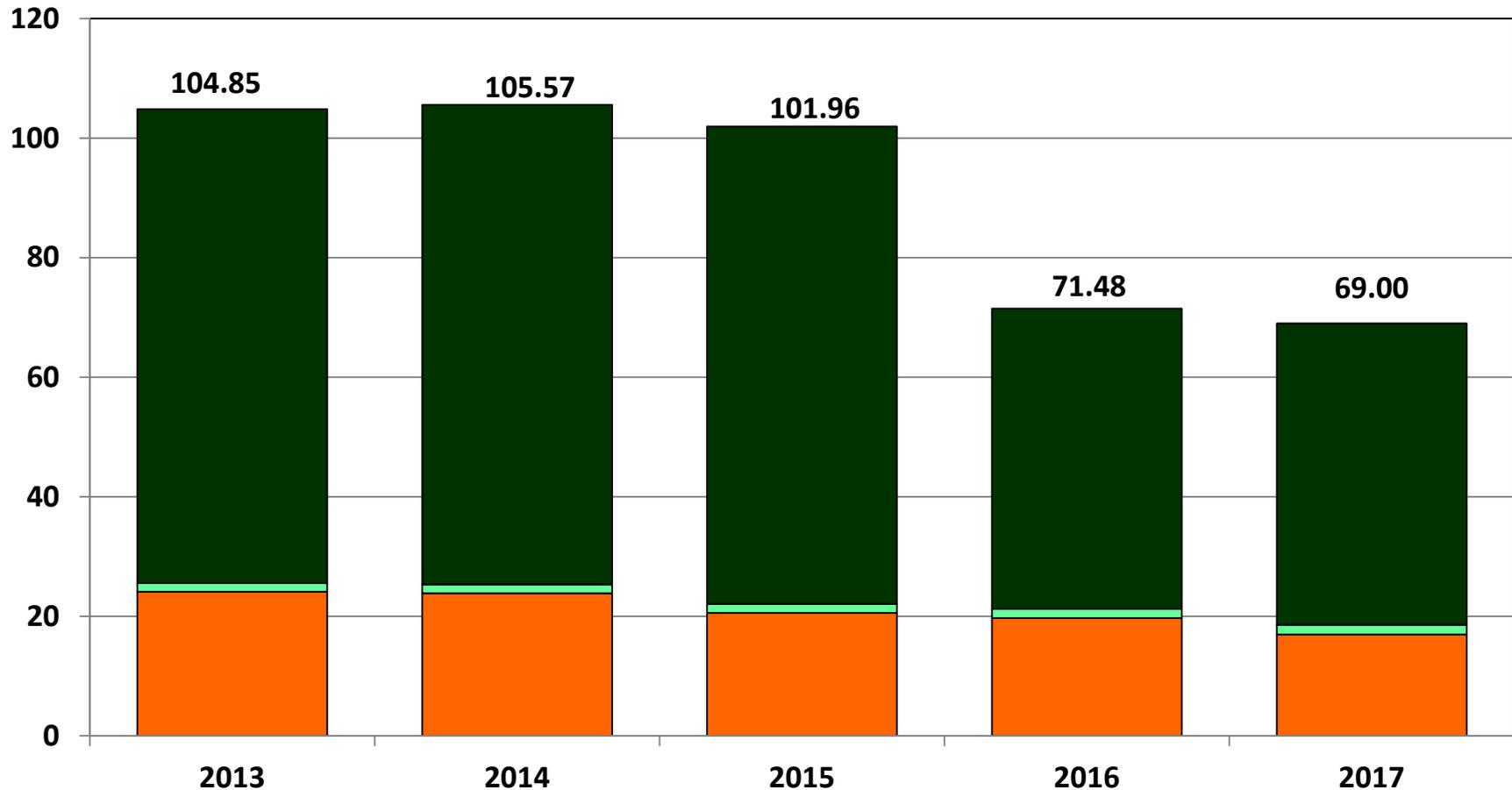
## Approximate Pricing

PPL Zone (\$/MWh)	PJM West Hub (\$/MWh)
\$46	\$45



# Estimated All-In Wholesale Power Costs

## (As of Dec 2012 including Fall 2012 Purchases)



■ PJM Costs   
 ■ NYPA   
 ■ Block/Market Purchases

1/ 2013-2017 All-in Rates based on projected costs

2/ Market Costs based on PPL Zone market price projections from PROMOD

3/ All-in Power Rates do not account for AMP sales of MSCG contract blocks past 2013

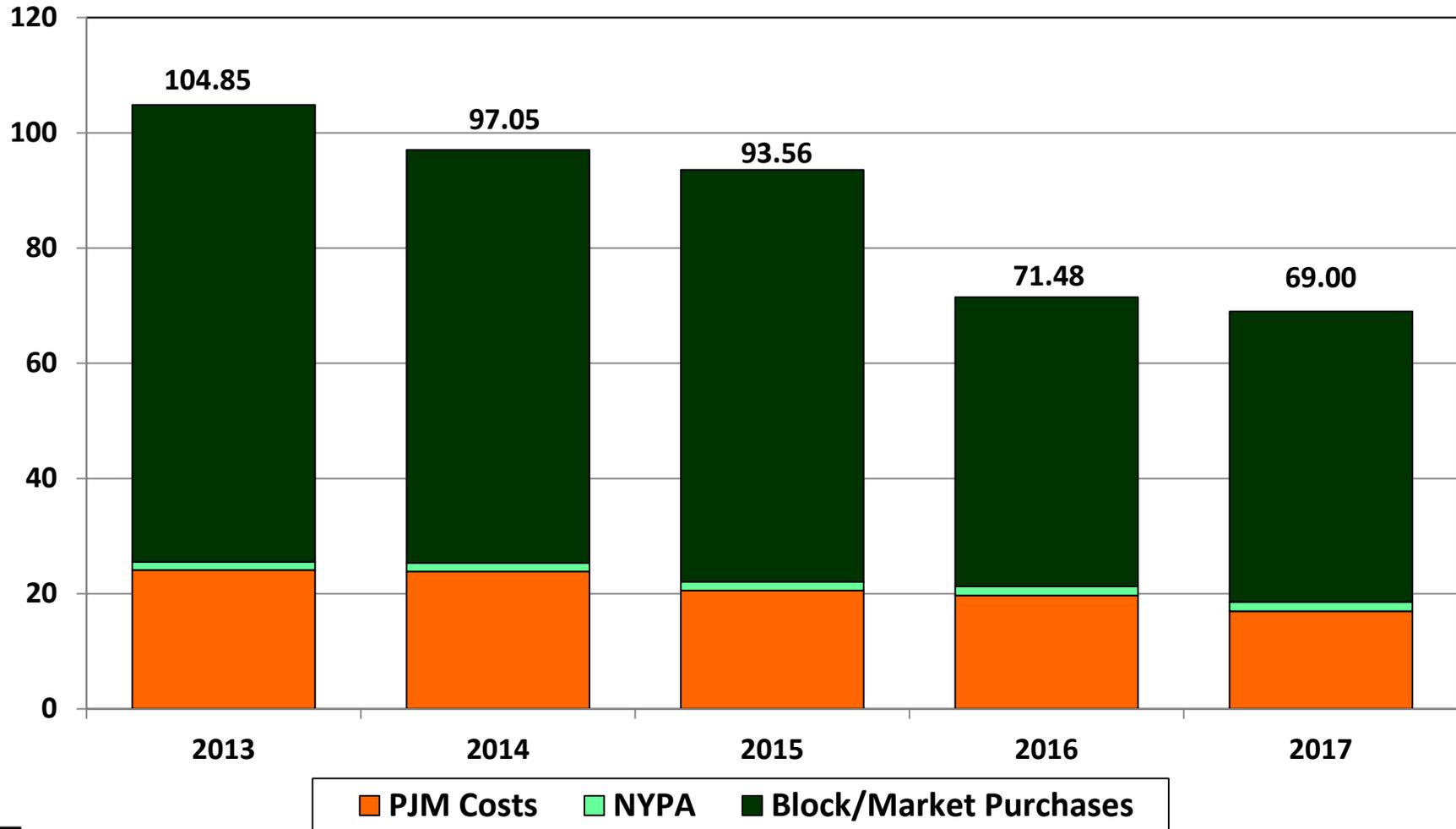
4/ All-in Power Rates include MSCG 5x16 contract blocks in 2014-2015

5/ New block purchases from November 2012 included

6/ Congestion costs (based on PROMOD market projections) added to blocks purchased at PJM West Hub



# Estimated All-In Wholesale Power Costs (Assuming Net Requirements Product)



GDS Associates, Inc.  
Engineers and Consultants

- 1/ 2013-2017 All-in Rates based on projected costs
- 2/ Market Costs based on PPL Zone market price projections from PROMOD
- 3/ All-in Power Rates do not account for AMP sales of MSCG contract blocks past 2013
- 4/ All-in Power Rates include write-off of MSCG 5x16 contract blocks in 2014-2015
- 5/ New block purchases from November 2012 included

6/ Congestion costs (based on PROMOD market projections) added to blocks purchased at PJM West Hub