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The Structure Group's nMarket™ product successfully supports The Energy Authority® during recent Midwest market testing

HOUSTON (August 11, 2004) – The Structure Group's nMarket™ Midwest software successfully supported The Energy Authority (TEA) through the Midwest Independent System Operator's (MISO) recent Day-in-the-Life Basic market trials, which included elements of the day-ahead and real-time energy markets, the financial transmission rights market and market settlements.

The MISO-led market trials provided market participants the opportunity to test business processes and systems in a controlled and scripted environment prior to the scheduled market go-live date. During the trials, TEA verified it could successfully operate within the parameters handed down by the MISO, according to Bill Clarke, RTO Implementation Manager for The Energy Authority.

"The first round was a success," Clarke said. "nMarket™ Midwest is our cornerstone tool for use in trading, scheduling and settlement in the new Regional Transmission Organization (RTO)."

The Energy Authority is a nonprofit energy marketing organization providing risk management and wholesale energy trading services to its public power members and resource management partners.

"Effectively communicating with MISO is an integral component of the services we provide to public power systems, especially those in the MISO footprint," Clarke said. nMarket™ Midwest reduced the complexity of TEA's integration efforts with MISO by allowing us to focus on internal system integration and other pertinent areas of operation rather than diagnosing how to communicate with MISO, he reported.

The Midwest market will include day-ahead and real-time energy, virtual offers and bids, demand bids, financial transmission rights, internal bilateral and external transactions. Locational marginal pricing (LMP) will be utilized to manage transmission congestion and allocate losses. Both the day-ahead and real-time energy markets will be settled hourly.

"nMarket's automation capability is essential compared to doing things manually," Clarke said. "I don't know how you'd function in an RTO without nMarket." For example, the software's automated settlement functions give TEA a tool for comparing MISO's settlement statements and TEA's own "shadow" statements to check for inconsistencies, he said.

Another added benefit of the software, says Clarke, is knowing nMarket adheres to current MISO business rules. The Structure Group makes changes to the software program as the market evolves. Therefore, TEA doesn't have to invest information technology resources to keep up with market changes, Clarke said.

"Day-in-the-Life Basic was a success for our clients because we were able to translate our knowledge of wholesale energy markets into our nMarket™ software," Structure's Midwest product marketing manager Seth Trout said. "More importantly, we were able to constantly adapt our software and support in reaction to an emerging market such that our clients were able to fully test their interaction with the MISO's systems."

The MISO is expected to administer several more phases of market trials throughout the year. Day-in-the-Life Enhanced is currently scheduled for late summer and will include additional functionality and more complex business testing. The unscripted portion of market trials is anticipated in early fall leading up to the final trials. Structure's nMarket™ product will fully support the MISO's bid-based market and the estimation and verification of settlements.

A third release of the product will be made available in support of an anticipated March 2005 market launch.

About The Energy Authority

The Energy Authority is a non-profit energy marketing organization formed for public power by public power. TEA is headquartered in Jacksonville, Florida, and its members and resource management partners collectively own more than 18,500 MW of generation and purchased power assets in five NERC Reliability Regions. The company provides comprehensive resource management and optimization services to publicly owned utilities, including trading and marketing physical power and natural gas, energy risk assessment and management services, credit risk management, contract management, back-office services and more. For more information, visit www.teainc.org or send an e-mail to khaws@teainc.org. "The Energy Authority" and "TEA" are registered trademarks of The Energy Authority, Inc.

About The Structure Group

The Structure Group is a leading provider of energy trading business solutions and consulting services to market participants in North America and Europe. Established in 1998, Structure has experience working with organizations in all stages of the energy value chain. Structure introduced nMarket™ in 2000. The product assists energy organizations with the bidding, scheduling, dispatch and settlement of energy trades and ancillary services in regional power markets. Power marketers who participate in the California, ERCOT, Midwest, New England, New York, PJM and Ontario markets are currently using the product. For more information about The Structure Group, visit www.thestructuregroup.com or contact us directly at media@scgo.com.

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