

1 15-20000808-8514545-9123474 (20:49)

2 PERSON 1: --transmission graphs PP and Smith.

3 MALLORY: Yeah, you can just – I don't think it's going to work very well today, 'cause
4 Maria – I don't know if you know Maria – she wrote the little query that you have to write to
5 grab the data –

6 PERSON 1: Mm hm.

7 MALLORY: And she doesn't have it, um, like it breaks. I don't know why it breaks. I
8 think it breaks because what it does is it goes out and just takes a picture of the web page.

9 PERSON 1: Mm hm.

10 MALLORY: And then it just dissects that data, and so it actually just downloads the
11 whole page and when the page changes format it screws it up, and I don't know if it changed
12 over the weekend again, or what the deal is, but that whole deal had stopped, um, stopped –
13 I haven't been able to use it in like the last four days. So, as far as like the pull in the interim
14 market

15 PERSON 1: Mm hm.

16 MALLORY: I've just been pasting information into that sheet.

17 PERSON 1: OK, so I just loaded this shit from ah, for the 8th and 9th.

18 MALLORY: Uh huh.

19 PERSON 1: [sneeze] Excuse me.

20 MALLORY: What you want – what you want to change – this is the thing that – did you
21 already – did you already change both the start and the end date?

22 PERSON 1: Yeah.

23 MALLORY: OK. Here's ah, um –

24 PERSON 1: I haven't saved it, though, I mean I –

25 MALLORY: Yeah, I wouldn't save it. The only thing you have to change is that end date
26 on sheet one.

27 PERSON 1: Uh huh.

28 MALLORY: So, on sheet one you go to the la – the end date and you change that, and
29 then it recalculates the one before it. Because the thing about end date is there's some sort of

1 little funky deal where the actual dates are 1/24th off.

2 PERSON 1: Mm hm.

3 MALLORY: So I had the formula in the – in the start date that was like – and the end

4 date minus –

5 PERSON 1: Oh, you had a y – in the sheet one you had a - ?

6 MALLORY: Yeah.

7 PERSON 1: Or in the other sheets you had that refer to that page, you had ah - ?

8 MALLORY: Everything refers to sheet one.

9 PERSON 1: But sheet one you had a formula in there?

10 MALLORY: Yeah.

11 PERSON 1: And I have a d – I don't have a formula in there now.

12 MALLORY: You can just close it. And when you reopen it, it'll be in there.

13 PERSON 1: 'Cause it's like, I get – was it 8/8/2000, hour one, then ending on 8/9/2000,

14 hour 24.

15 MALLORY: Oh you – that's what you put in there?

16 PERSON 1: Mm hm.

17 MALLORY: Yeah. I would just use the formula and then the – in the last date, like if you

18 wanted to pull in 8 – I gotta – I gotta redo this, ah, front page. I'm just going to put in the

19 front page that you just actually type in your, um, start date, I mean, your end date and it'll

20 calculate it, you know what I mean?

21 PERSON 1: All right, so let me close this thing while I got you on the phone. It's not very

22 easy for me yet.

23 *[break in recording]*

24 PERSON 1: You're right.

25 MALLORY: What?

26 PERSON 1: I said, you're right.

27 MALLORY: I know. Well the other one was all ready to roll, but then, um –

28 PERSON 1: Also *[inaudible]* this, you know that CA daY – CA trade sheet?

29 MALLORY: Uh huh.

1 PERSON 1: This couldn't be incorporated into that or would that be just too big?

2 MALLORY: It just – there is an unbelievable amount of data in that sheet that you're

3 opening.

4 PERSON 1: Mm hm.

5 MALLORY: Just 'cause there's 26 lines time 24 hours times 2 days and then you got, um,

6 three different markets and then for each line you have a price and each different market and

7 you have so – that's why there's so much crap in there.

8 PERSON 1: OK, well, I'm lookin' at this and I don't see a formula in here.

9 MALLORY: For sheet one?

10 PERSON 1: Right. I see 7/30/2000.

11 MALLORY: Um, if you click on the start date, though, you'll probably see a formula. Is

12 that right?

13 PERSON 1: Yeah.

14 MALLORY: Yeah. So you just have –

15 PERSON 1: ET minus 2 plus 1/24th.

16 MALLORY: Exactly. 'Cause it's – if you don't put the 1/24th in, then it gives you like, I

17 don't know. It gives you the twenty –

18 PERSON 1: So all you do is put in the end date then.

19 MALLORY: Right. And the end date – it's going to sh – it's not going to show you that

20 day, it's going to show you the pre- two previous days.

21 PERSON 1: So if I wanna get – let's see 12 the 9th.

22 MALLORY: So you want to get – if you wanted to get the 9th today, you put in –

23 PERSON 1: I have to put in the 10th then.

24 MALLORY: Yeah.

25 PERSON 1: OK.

26 MALLORY: But that's not actually going to run in the interim market, because of that

27 data pool.

28 PERSON 1: Because of the new [*break in recording*]

29 MALLORY: I don't know if something changed or why, but that was – that was broken

1 and I talked to Cooper about it and it's not his deal any more, it's Maria's.

2 PERSON 1: Mm hm.

3 MALLORY: I think she's out of town this week.

4 PERSON 1: He should have a what?

5 MALLORY: He should have what?

6 PERSON 1: He should have what this week?

7 MALLORY: No. She's out of town this week. Maria is. It's her deal now, so –

8 PERSON 1: So how do you – how do you load anyway, refresh worksheet?

9 MALLORY: You should go to end date or refresh workbook. And so it's going to graph.

10 If you had the *[inaudible]* –

11 PERSON 1: Is it going to come back and tell me that it doesn't work?

12 MALLORY: No, it'll – it'll run, but like if you went into that today and you tried to look

13 at the 9th, the 9th won't be in there until like three o'clock, 2:30.

14 PERSON 1: Mm hm.

15 MALLORY: 'Cause the data won't be in the database. It'll still run. It'll still work, but

16 there's just no date to be pulled in.

17 PERSON 1: We'll have all of the data for the 8th?

18 MALLORY: Yeah.

19 PERSON 1: Including interim and final and –

20 MALLORY: Yup.

21 PERSON 1: OK. So, it's just a question of, ah, it doesn't have anything for the 9th in there,

22 not even the path ratings or anything?

23 MALLORY: Um, it should have the path ratings. If you go to the graph, there should be

24 –

25 PERSON 1: So what – so what's missing? The only thing that's missing is the interim

26 congestion.

27 MALLORY: Yeah, everything's missing for the 9th, close, the interim congestion, day

28 ahead congestion, um –

29 PERSON 1: So how did you get that in there yesterday to do – to do all the –

1 MALLORY: I didn't actually look at the graphs yesterday because they were broken, but
2 what I did is I went to that sheet that says movement and this is the things are like that. So I
3 went to that movement sheet. And I'm going to organize these better if you guys are actually
4 going to use them. Um, like and I pasted in the flows and I pasted in – I pasted in the flows
5 on 26, and I pasted in the congestion price on 26, and I pasted in the UMCPs and that's all I
6 used to look at it. And so what I looked at was the diff – are you on that sheet?

7 PERSON 1: Yeah. So you – you – you paste it in, ah, path 26 flow –

8 MALLORY: Right.

9 PERSON 1: I guess I don't have any fucki – *[break in recording]* box to tell her anything.

10 MALLORY: Any what?

11 *[break in recording]*

12 MALLORY: I just go to the web page and pull that right off there.

13 PERSON 1: So, OK. You don't have a tool bar on there for – OK. So those three. Now,
14 the flow and the congestion and the UMCP.

15 MALLORY: Right. And the, um –

16 PERSON 1: And the cong point's still going to be twenty two fifty eight, you think?

17 MALLORY: That's what you kinda got to look at like, once you have the flows and the
18 congestion side by side, you can see the hours where there's congestion and you just have to
19 change your cong point accordingly.

20 PERSON 1: OK.

21 MALLORY: Because there was like a day last week where it was congesting at like twenty-
22 four fifty. So then you can pretty much assume that – you'll see like five hours where it
23 congestion at the exact same point.

24 PERSON 1: Right.

25 MALLORY: And then I just assume, OK, my best guess for that day is I gotta get it to
26 that point, at least. So, and then I look at it – so I look at that, um, difference column and I
27 say – I think it's called – no, it's not called difference, is it called 'room' or something?

28 PERSON 1: Path 26 room.

29 MALLORY: Yeah. That tells me like how much I think I need to congest it.

1 PERSON 1: OK.

2 MALLORY: And that's what I look at and like yesterday I saw, OK, I think I only need
3 120, so fuck, we can congest that, you know what I mean?

4 PERSON 1: Mm hm.

5 MALLORY: So I look at – I look at that and then I decide if I want to move anything.
6 But the actually the other thing I look at too is if it's already congested, you see that
7 'difference' column?

8 PERSON 1: Mm hm.

9 MALLORY: That's taking your UMCP minus your congestion. That's what NP 15's been
10 clearing. See what I'm saying?

11 PERSON 1: Mm hm.

12 MALLORY: And I think that for most hours of the day, that person's willing to have
13 NP15 clear at the exact same point, so if you see the pattern of like, 130, 130, 130, 240, 130,
14 well, then I figure, OK, congestion can be a lot higher on that 240 hour, because you can
15 drop NP down a lot.

16 PERSON 1: So the only problem is you're – you're assuming that they g – all the – the
17 weighting of the cong is going to be, ah, reducing the North price?

18 MALLORY: Right. And that, I mean, that's what's been happening, is it –

19 PERSON 1: Right, right, but you s – you know, I'm just thinking of – in terms of building
20 a – a model that we could use all the time, are we ever going to be –

21 MALLORY: This one was working great when the spin was –

22 PERSON 1: It's just going to have to have flexibility, because to – how are you ever going
23 to know how they're going to weight the cong.

24 MALLORY: You'll never know, but I think, I think the pattern you're seeing – and I
25 don't know why it's like this –

26 PERSON 1: Mm hm.

27 MALLORY: -- is that like, I think it's probably somebody was loading the North who's
28 saying, I'll turn on at X price, and they're so big that they're – they're actually setting it every
29 day at whatever price they're willing to buy for.

1 PERSON 1: Mm hm.

2 MALLORY: And they're not shaping it across hours. It's just set. And they're the ones
3 setting the cong, especially when there's all these 250 prices –

4 PERSON 1: Yeah.

5 MALLORY: -- you basically know the South can't go up, 'cause who the hell wants to buy
6 for more than 250.

7 PERSON 1: Mm hm.

8 MALLORY: Like all the load people in the South, they're just going to shut off over 250,
9 so you can't really – it won't go above that, I don't think. So, so you know it's going to
10 decrease the North every hour there's 250 at least.

11 PERSON 1: Right.

12 MALLORY: If it's not 250, then it gets a little different, like you might see the South go
13 up. So –

14 PERSON 1: OK.

15 MALLORY: Does all that make sense or is it kinda.

16 PERSON 1: Yeah, pretty much.

17 MALLORY: I mean, basically, I look at A) is it congested? If it is, like based on what NP
18 would clear, do I think it has room to move up enough to move load, and then B) if it's not
19 congested, how much room do I think that path has, and can we congest it?

20 PERSON 1: Yeah. I would see also a building in here a, ah, building here a little model that
21 would – would tier things for you.

22 MALLORY: Ah, tier – yeah, we definitely – that's gotta be something we need to work
23 out better too, because the trick yesterday that I discovered, is like, offer to send through
24 like, you know, if it's two bucks, send through, like 4 hun – or 500 megs at like 10 dollars,
25 just 'cause you want to get, um – I usually do 400, just 'cause you want to get it above that,
26 like 10, 11, 12 dollar hump and I want to make sure you have a lot of megs willing to do
27 that, but then after that, like, I said like 300 at 64, three f – and two fifty at 64.50, 200, so just
28 havin' it that tight is going to cut you down so you're really efficient, so. That make sense?

29 PERSON 1: Mm hm.

1 MALLORY: Has Smith picked up?

2 PERSON 1: Yep, I think he's on here.

3 MALLORY: Now there's –

4 PERSON 1: He's muted – you can't – can't hear him but he's listening.

5 MALLORY: OK

6 PERSON 1: He's on his little, ah, you know, whatchamacallit, Time Life Operator Wand.

7 MALLORY: *[laughs]*

8 SMITH: Hey Mal

9 MALLORY: What's goin' on Smithy?

10 SMITH: Hey! You slay the evil EnPower dragon?

11 MALLORY: Oh Christ. I won the game. It blew up.

12 SMITH: Well, not quite, there are still questions on Willamette.

13 MALLORY: Oh, is there? I passed Willamette off. I said screw Willamette.

14 *[laughter]*

15 MALLORY: I said *[inaudible]* you – you talk to Les about this and you guys work it out.

16 So, but I'll come in and help you if you guys need it, I mean –

17 PERSON 1: Well, we're ah, lucky with the transmission here today.

18 MALLORY: Ah, yeah, I just paste stuff into that sheet and just don't save it when you're

19 done. Cause it – it works really well, when that data pool that they set up is goin', but it's not

20 goin' right now.

21 SMITH: So you're – basically you're saying that when the, um, the difference of UMCT

22 and *[break]* and cong is *[inaudible]* –

23 PERSON 1: This is the – we should probably, Smith – the – the prices here aren't – aren't

24 exactly what he was lookin' at yesterday, so he's – he's talkin' from memory and it's not

25 jiving with the sheet 'cause the numbers aren't the same as what he – were there yesterday.

26 SMITH: But, like your example, like you'll see a pattern a 130, 130, then you'll see 250.

27 MALLORY: Exactly.

28 SMITH: Pickin out *[inaudible]* –

29 MALLORY: Yeah, well you ha – you're on the – on the – on the, ah –

1 SMITH: You look at that – you look at that – that’s a big difference all of sudden that
2 pops out on that one hour and you also see that the line is – is right at the limit.
3 MALLORY: Right –
4 PERSON 1: As we had them yesterday –
5 SMITH: And then y – is that – those the hour you pick on?
6 MALLORY: Right I – well, mostly I – I pick on –
7 PERSON 1: That’s what it looked like yesterday.
8 MALLORY: Yeah, basically that’s it. And mostly it’s just like, if the line’s not congested –
9 PERSON 1: Mm hm.
10 MALLORY: - then I just look if I can congest it, ‘cause then it’s worth m – the – ‘cause
11 those are going to be your shoulder hours anyways, and that’s when replacement is super
12 cheap, right?
13 PERSON 1: Right, right.
14 MALLORY: So, like those hours, if you can congest it, that’s a money-maker no matter
15 what, ‘cause you’re not losin’ any money to move it down that line.
16 SMITH: Right, right.
17 MALLORY: You’re actually just makin’ money, so if you –
18 SMITH: Like I was able to push, ah, I think 21 the other day.
19 MALLORY: Uh huh.
20 SMITH: I saw that it was like – the difference was – the cong was on – really on Path 15,
21 and then for like one little – it was 0, 26, 0, 26, 0, 26, 0 – in one hour it was two dollars just
22 stuck out there by itself, and that’s the one I picked on.
23 MALLORY: OK. Drove it way up?
24 SMITH: No, I didn’t, actually, it only went up like three more bucks.
25 MALLORY: OK. How many did you move through there?
26 SMITH: About a hundred, hundred and thirty.
27 MALLORY: Yeah, see if you – like on an hour when two bucks if you think about it,
28 they’re only makin’ two bucks – I mean, 2000 dollars. Like which isn’t that big of a deal, you
29 know what I mean?

1 SMITH: Right.

2 MALLORY: And the way we've seen cong movin' is it's like, if you figure, the UMCP in
3 NP has been stickin' around like 130, that's about as low as it'll go. One -- one'll -- like 115 to
4 130 and you figure your prices are like 220 and shit. It's like you have like 90 dollars of room
5 there, so I think it's worth it to send through 400 megs and cost yourself 80 bucks for the
6 possibility of like shootin' it up there. You know what I mean? So if I see two bucks, I'm
7 like, I'll move 400 megs -- that's like 12 dollars.

8 SMITH: Yeah.

9 MALLORY: Because even if you've -- I mean, you're makin' six times the amount if you
10 get it to 12 bucks.

11 SMITH: Yeah, but there was bid bad-ass ah, SP, I mean Path 15 cong too that day.

12 MALLORY: OK. Well, if it's on 26 though?

13 SMITH: Yeah.

14 MALLORY: I've -- I've never seen it on 26 and actually -- well, I've only seen it once
15 where it was on both paths --

16 SMITH: Yeah.

17 MALLORY: -- and there was no congestion, and I was monkeying with stuff, but
18 whenever it's been congested on Path 26, if I send shit through that line, it never has -- like
19 it's never congested path 15 as well.

20 SMITH: Oh, really? OK.

21 MALLORY: Yeah. So I think it's a pretty good gamble.

22 SMITH: But if 15's already there, and --

23 MALLORY: But if you can

24 SMITH: - you run the risk of the adding to the 15 and adding nothing to the 26 --

25 MALLORY: If 15's there, you don't even screw with it.

26 SMITH: OK.

27 MALLORY: Yeah.

28 SMITH: All right.

29 MALLORY: If the 15's there, don't even screw with it.

1 SMITH: Right, because you're just going to cost yourself on 15 and you might not get
2 anything on 26.

3 MALLORY: Right, and the – and the key thing is if it's already congested, just make sure
4 that, like, don't look at the congestion price, look at what NP would clear.

5 SMITH: Yeah.

6 MALLORY: Because like yesterday, there was an hour that was like \$59 and all the others
7 are like 112, and I think you – the way I used to look at that, I'm like, OK, I'm going to try
8 to send stuff through on that \$59 dollar hour. But if you look at the UMCP for that hour, it
9 was a lot lower. So like 59 bucks is bringing NP already down to like 111. And you're not
10 going to be able to change congestion, I don't think. See what I'm sayin'?

11 SMITH: Because there's someone that's hovering around 130 or whatever?

12 MALLORY: Yeah, 'cause it's – I mean, in NP, like either it's like PG&E – PG&E –

13 SMITH: You're saying if you push it much below that, they're willing to turn off and
14 counteract you.

15 MALLORY: and they're so huge that they're just going to cut them at that point. Like that
16 guy is probably like, PG&E willing to inc their load 3000 megs, or like Southern saying I'll
17 turn off all 4000 megs of gen.

18 SMITH: I gotcha. So when you see the big difference of like 130 and then up to 250, you
19 got a lot of room there.

20 MALLORY: Exactly. Because the big guy, you know – whoever the huge guy is that you –
21 you're not going to push through, is like down at 112 or 130. Y – y – you can –

22 SMITH: Yeah, you got a lot of room before you touch him. And he – and then he moves
23 his big stuff.

24 MALLORY: Right, I mean, if you shot through him, it might go through the roof, but
25 shooting through him, just it's not – I mean, you probably couldn't even do it, but it's not
26 worth the risk.

27 SMITH: Right, right, OK.

28 MALLORY: But getting to him, I've found, is pretty easy.

29 SMITH: Getting down to that 130.

1 MALLORY: Yeah.

2 SMITH: OK.

3 MALLORY: Or at least close, like yesterday we moved it from like 11 bucks to 85 bucks a
4 couple of hours, and we only moved like 148 megs. This part you'll actually like. I think you
5 might want to try it, is at least one hour try to do this. Um, you look at it and like I s – I
6 signed like a number yesterday, I was like OK, I know I can get this to 85 dollars, but I don't
7 want to move more than I have to, so I said, like I was willing to move 400 for 12 bucks.
8 That's just like the initial like, make sure you shoot it up to at least that amount.

9 SMITH: Yeah.

10 MALLORY: And then, after that it was like, I just had all my tiers right at one price level,
11 so it was like at 64 bucks I'll send 300 through. 64.50, I'll send 250 through. 65 I'll send 200
12 through, and 65.50 – you see what I'm saying? So like, your tiers are so close that you're
13 definitely going to get it to that point pretty much and then it just keeps cutting you down to
14 the point where the congestion would go away if you weren't there. And so yesterday, I had
15 that. And I was willing to move 300 at like 64 bucks and, but instead I only moved 140 at
16 like 65.50.

17 SMITH: Yeah.

18 MALLORY: So you like cut off – I mean you made yourself, I don't know how much that
19 would be – probably 20 grand, just by setting these fifty cent increments.

20 SMITH: All right.

21 MALLORY: Does that make sense? That was kind of screwy. Sometimes I just play with
22 it not fully understanding it, but I think that'll work pretty well.

23 PERSON 1: I got a vague picture now.

24 MALLORY: 'Cause if – if – if it – if congestion was going to fall below 65 – I mean, if –
25 if 300 megs gets it to 65 bucks, from that point on, basically it just keeps cutting it to the
26 point where it would drop below 65 bucks if you weren't there.

27 PERSON 1: Yeah, so –

28 [voice] OK.

29 PERSON 1: Cool.

1 SMITH: Groovy.

2 MALLORY: So how things going other than that? You guys all done with phase II?

3 PERSON 1: So, the – the – the hour ahead crapped out.

4 MALLORY: Did it really?

5 PERSON 1: Oh, yeah, it's – you know, I put in a ridiculous, ah, bid to buy 100 megawatts.

6 MALLORY: At what price?

7 PERSON 1: Well, it ended up – we ended up buyin' ah, like hour 11 –

8 MALLORY: Uh huh.

9 PERSON 1: Day ahead was 153 and hour ahead was 65.

10 MALLORY: That's a pretty sweet little buy.

11 PERSON 1: So we bought – I bought 100 megawatts all afternoon at about 60 – 60, 70

12 bucks. 65 bid. 65 to 100.

13 MALLORY: Wow. What'd you buy it in? In NP?

14 PERSON 1: NP.

15 MALLORY: OK. Cool

16 PERSON 1: And ah, hour 16 I could have bought 160 – for 162 bucks, I could have

17 bought 100.

18 MALLORY: NP might have even been cheaper.

19 PERSON 1: But I opted not to, because I was thinking maybe it's crapped, and there's just

20 going to be a surplus.

21 MALLORY: Oh.

22 PERSON 1: 'Cause they overshot their ah – ah, forecast, but there was – there was –

23 MALLORY: Even yesterday, buyin' 67s on that peak would have made you money, I

24 think, on average.

25 PERSON 1: Mm hm.

26 MALLORY: I bet the [inaudible] ex-poste averaged 67 bucks.

27 PERSON 1: [inaudible] had a hundred dollar hour ahead cong yesterday.

28 MALLORY: Right.

29 PERSON 1: You know, through here, so god, all you need is a little bit more of that to

1 bring that stuff down to really cheap –

2 MALLORY: Yeah.

3 PERSON 1: - you know, and then how – how low is ex-poste going to be on a – still hot, I

4 mean – how – how low is it going to be?

5 MALLORY: That's true.

6 PERSON 1: You know. Not *[inaudible]* probably not going to be 250 bucks. It may be --

7 may be 100 or 130 or something like that. Richter's bought maybe 80 bucks, worst case

8 scenario.

9 MALLORY: Yeah, I think that's a good buy still.

10 PERSON 1: Yeah.

11 MALLORY: I mean, your upside's so much bigger than your downside there –

12 PERSON 1: Yeah.

13 MALLORY: So – Cool.

14 PERSON 1: So, you know –

15 SMITH: *[inaudible]* I gotta go – see you later.

16 MALLORY: All right, see you Smith.

17 =====

18 SMITH: Enron, this is Smith.

19 Doug: Hey Smith. Doug here at the ISO.

20 SMITH: Hey what's goin' on Doug?

21 Doug: Well, I – I got a – it looks like a duplicate tag for a schedule here.

22 SMITH: Oh, well – whereat? COB or - ?

23 Doug: This is for Cob at Malin.

24 SMITH: COB at Malin.

25 Doug: Uh huh.

26 SMITH: Let me, ah – the man I need to talk to is Michael.

27 Doug: OK, great.

28 *[end of file]*