

1 20-20000811-13451835-14054306 (20:24)

2 LES: Enron, Les speaking.

3 JIM: Hey Les. Jim *[inaudible]*

4 LES: Hi.

5 JIM: How's it goin'?

6 LES: It's goin' just peachy.

7 JIM: Hey, good. I'm here at, ah, Harbor Co-gen.

8 LES: OK.

9 JIM: I'm ah – just got a couple –

10 LES: They're really pissed off at me right now.

11 JIM: Are they?

12 LES: I don't know.

13 JIM: No, actually, I mean, the feedback I got was, ah *[inaudible]* –

14 LES: *[They didn't hang you?]*?

15 JIM: -- was very good.

16 LES: Oh, good.

17 JIM: Yeah, they were – they were - they're quite happy. I mean, I d – you know, I was – I
18 was probing them to try to find if there's any issues.

19 LES: Right.

20 JIM: And they said, well, weekends are a little rocky and I said yeah, we recognize that and
21 we're getting that sorted out. Um, you know, just in terms of the information.

22 LES: Right.

23 JIM: But other than that, no, no, they're they're really happy. They mentioned you
24 specifically a couple times – Les is real good.

25 LES: *[inaudible]* be there.

26 *[both laugh]*

27 JIM: No, no, actually, I'm – I'm serious. They did – the guys I talked to and then they also
28 men – the one guy that I just spoke to said, you know, is Jesse one of the really smart guys
29 over there and I said, well, you know, I – I don't know Jesse that well. Why? Well, he – really

1 – he – every time he calls, you know, or we call him, he knows exactly what's goin' on.

2 LES: [*laughs*]

3 JIM: So, you know –

4 LES: He's ah, yeah, definitely one of the good guys.

5 JIM: Yeah, so Jesse has got a pretty good reputation here for – for havin' the answers. Um,

6 I wanted to ask you a question. One of their –

7 LES: Sure.

8 JIM: One of the questions that's goin' on here and I guess you and Chris have opposite

9 views maybe –

10 LES: Mm hm.

11 JIM: -- but I want to understand the issues on the supplemental market.

12 LES: Uh huh.

13 JIM: Um, you bid that in, what – hour ahead?

14 LES: That's correct.

15 JIM: OK, so that's hour ahead. So let's – so say day-ahead we got, ah, awarded 50.

16 LES: Mm hm.

17 JIM: And so you, ah, also put in ah, day-ahead for ah, spin, right?

18 LES: Mm hm.

19 JIM: And we don't get it.

20 LES: Right.

21 JIM: And so then, what you're doing is in hour-ahead you're puttin' in 25 on

22 supplementals.

23 LES: Right. Exactly.

24 JIM: OK, and you've bid in – is it like spin – you bid in a capacity and a -- ?

25 LES: No, it um, supplemental energy, um, you have to have it in by quarter after the hour

26 for, um – right now I'm looking at the clock, it's like, ah, 12 to 1500 OK?

27 JIM: Mm hm.

28 LES: Ah, so we're rampin' it into the hour ending 1600 right now.

29 JIM: Mm hm.

1 LES: Does that make sense?

2 JIM: Say it one more time I was writin' down.

3 LES: OK, we're ramping into hour ending 1600 right now and in eleven minutes it'll cross

4 the top. We'll be in hour ending 16.

5 JIM: That's right.

6 LES: OK. We have 15 minutes -- um, you have till quarter after the hour to put -- to bid in

7 supplemental energy bids, so we have till 15:15 to bid in supplemental energy for the 1700 e

8 -- hour ending 1700 hour.

9 JIM: OK, so you gotta be 45 minutes ahead of the hour.

10 LES: Exactly.

11 JIM: OK.

12 LES: Now, where Chris and I disagree -- and that's absolutely correct, we disagree -- is that

13 Chris says that you can run uninstructed --

14 JIM: Mm hm.

15 LES: -- and then just when, if you get dispatched for supplemental, fine -- you're already

16 there, life's wonderful.

17 JIM: Yeah.

18 LES: Um, that's what Chris, you know -- letter of the law, ah, that's a gray area and yeah,

19 you could probably do that until ten minute ah, settlements come along --

20 JIM: Mm hm.

21 LES: -- but I think that's a bad practice. One it sets a bad precedent that they can do that,

22 and two, it's -- it's a gray area --

23 JIM: Mm hm.

24 LES: -- that they're gettin' away with, probably.

25 JIM: OK, so it's similar to our -- to that other, ah, scheme we were runnin' where, you

26 know, you ah, you -- you've been awarded, um -- you've been awarded spin and so if you've

27 got the ability you run full out, and then if you get exercise you ramp down and then ramp

28 back up --

29 LES: Yeah [*inaudible*]

1 JIM: -- it's that sort of same deal.

2 LES: It's that sort of thing -- same deal, and I -- ah, the ram -- the ramp up and down and

3 spin I think is a very bad idea too.

4 JIM: Yeah, yeah. I *[inaudible]*

5 LES: 'Cause the ISO's going to read your meter and they're going to say, well you're already

6 at full load. OK, you ramp down and ramp back up.

7 JIM: Right.

8 LES: They're going to say, "gaming!"

9 JIM: Mm hm.

10 LES: And I think that's really dangerous politically *[inaudible]* right now.

11 JIM: I agree. I totally agree.

12 LES: So --

13 JIM: I told those guys here, you know, that, you know, the practice that we're not *[break in*

14 *recording]*

15 LES: Right.

16 JIM: OK, so -- so I guess the question is -- is so you just put in an energy payment and you

17 just either get exercised or not on -- on supplementals.

18 LES: Right.

19 JIM: So, it's just like day -- it's similar to day-ahead PX, right?

20 LES: Right. We're off -- we're -- think about it as a trading commodity. We are giving the

21 ISO a call option that we submit an energy price -- ah, what I always do with, um, Harbor,

22 and I need to change this now, is 70 bucks is what I used as their cost basis.

23 JIM: Mm hm.

24 LES: But that's up now. I would guess like like 93.

25 JIM: Yeah. Yep.

26 LES: So, I would put that ah, 93 dollar cost basis in and --

27 JIM: Mm hm.

28 LES: -- saying, OK, we are willing to give you 25 megawatts South Path 15 at 93 dollars.

29 JIM: Right.

1 LES: That's – that's the price of the call option.
2 JIM: Yeah.
3 LES: Now, if they exercise us and say, yeah, we want your energy, the minimum we can get
4 for the energy is 93 dollars.
5 JIM: OK.
6 LES: That's our price floor.
7 JIM: Yup.
8 LES: Likewise – but, we are in the market – we're at 93 dollars will get – that's the
9 minimum, *or* we'll get the simple average of the ten minute incremental beeps for the hour.
10 JIM: Mm hm.
11 LES: In other words, for six increments you just take whatever the average is –
12 JIM: You get the inc – inc [*inaudible*] –
13 LES: You get the inc's price and whichever's higher is what you receive for your energy on
14 supplementals.
15 JIM: OK.
16 LES: Now, I often do the same thing on decrementals when they're awarded light load. If
17 they're awarded 75 megs, light load, um, I dec 'em by 25 megs and I use that at same exact
18 cost structure, only backwards. I say, if it's less than 93 bucks –
19 JIM: Mm hm.
20 LES: -- I agree to b – I'll back off 25 megs and let the ISO fill my 25 megawatt schedule at
21 ex-poste which is um, going to be cheaper. Now, in that case, we get the simple average of
22 the decremetal price –
23 JIM: Mm hm.
24 LES: -- for supps, so --
25 JIM: OK. I get it, so the
26 LES: Or if I have [*inaudible*] [*laughs*]
27 JIM: -- fundamental difference – the fundamental difference is is that, ah, Chris thinks you
28 can if you're – if you're not getting exercised or awarded – whichever y – what do you call it
29 exerci – if you're not getting exercised for your supplemental –

1 LES: Right, right.

2 JIM: Chris says, yeah, you can go up and run in the ex-poste and you think it's probably a
3 bad practice to do that.

4 LES: I definitely think it's bad practice, but –

5 JIM: OK.

6 LES: -- um, you know, that's – legally, um, Chris is correct. Um, that right now, that's a –
7 it's a gray area, but I think you could get away with it.

8 JIM: Mm hm.

9 LES: But I think, um, ah, that it – that it's, ah – the ISO's taking a very dim view of
10 uninstructed deviations and I think it's –

11 JIM: Yeah.

12 LES: -- um, I think it's going to end up bitin' people that do that.

13 JIM: Mm. Mm hm.

14 LES: And so, um –

15 JIM: OK.

16 LES: -- that's my opinion.

17 JIM: OK.

18 LES: So.

19 JIM: I guess what I gotta figure out is I gotta talk to Chris and sort of figure out what our
20 company line's going to be to these guys –

21 LES: Right.

22 JIM: Whether we condone it or not, or whether we're going to say, hey, y – you – you
23 know, technically we think you can do it, and if you want to do it, go ahead, but we're not
24 condoning it –

25 LES: Right.

26 JIM: -- you know, sort of thing, 'cause they're a little confused with the –

27 LES: Right. And – and, you know, they are absolutely correct. Chris and I disagree on that.

28 JIM: OK.

29 LES: And um, you know, um, and I disagree, so, I mean, you know, it's just *[laughs]*

1 JIM: No. It's two different views, I mean, it's not – obviously, all the ISO rules and regs
2 aren't clear-cut, as to what you can do and then a – then after that, what's really ethical to do.

3 LES: Right.

4 JIM: You know, what meets the intent of what they're trying to do, just 'cause you can get
5 through a little loop hole, doesn't mean you should.

6 LES: Well, and specifically with what's goin' on now, I – I – I just, ah, I think the ISO's
7 going to be under a lot of political pressure to scrutinize very closely what's goin' on.

8 JIM: Gaining opportunity.

9 LES: Yeah, exactly.

10 JIM: Yeah.

11 LES: Um, trying to double-collect for, ah, you know – I can see the headlines now, you
12 know: "Enron sponsored plan [*break in recording*]"

13 JIM: Mm.

14 LES: You know [*inaudible*] – you know –

15 JIM: [*laughing*]

16 LES: -- that they were doin' this or that, or, you know, what else, I mean –

17 JIM: Right.

18 LES: Ah –

19 JIM: So really, by – by your standards, then, it should, ah, I mean the fundamental question
20 is then, 'cause these guys keep seein', you know, X-Post prices high, but the w – they're not
21 – they're not being exercised for some reason.

22 LES: Right, well, then the other game to play, um – the other game to play then is, be really
23 aggressive with their unit and um, at the tie points, um, we've done a lot of – I've done a lot
24 of business for people who are just horribly aggressive. But they'll say, OK, on
25 supplementals you're allowed to bid minus 500 to 500 dollars.

26 JIM: Mm hm.

27 LES: OK?

28 JIM: Mm hm.

29 LES: Um, now I've done a lot of business with people, back when the cap was 750, that

1 said, I want to be bid in at seven – minus 750. In other words, I'm a price taker all the way
2 down to payin' you astronomical prices to get energy.

3 JIM: Right. Right.

4 LES: Now, that is a game, you know it – and –

5 JIM: Dangerous one, isn't it?

6 LES: Well, yeah, it's – because when you do that, then again, you're a price taker –

7 JIM: Mm hm.

8 LES: -- um, at whatever the simple average of the incremental price, you know, clears that.

9 JIM: Mm hm.

10 LES: Now, if Harbor really wants to be exercised.

11 JIM: Mm hm.

12 LES: That's a game I would suggest, down to like zero.

13 JIM: Mm hm.

14 LES: Or a dollar or a penny or something like that as a end-zone generator. Now, you
15 know, again, there were being real aggressive with – um, with their megawatts –

16 JIM: Yeah.

17 LES: -- and, you know, it's like, OK, at that point then who if you end up you know,
18 getting zero for your energy –

19 JIM: Right.

20 LES: Um, who takes the hit?

21 JIM: Yeah. That's the – that's a good point. I mean, it's gotta be laid out very clearly to 'em
22 what the risks are doing –

23 LES: Right.

24 JIM: Hey w – I mean why wouldn't we be getting exercised if you know we got a 90 dollar
25 price and the ex-poste is runnin' at 500? Or whatever – 250?

26 LES: Um, somebody – somebody undercut you bid-wise, ah, the ISO doesn't need the
27 energy in South Path –

28 JIM: Mm hm

29 LES: -- in that particular zone. Um, most likely it's you got undercut by somebody else. I

1 mean, you've got Duke Energy and Di – and ah, Dynegy just down the road, right?

2 JIM: Right.

3 LES: And they're settin' there goin', OK, yeah, I'll – I'll sell for a d – a dollar, or –

4 JIM: Right.

5 LES: I'll sell for zero, or,

6 JIM: Right.

7 LES: -- you know – it's a competitive auction also. I mean, the ISO's going to dispatch,
8 when they start goin' through the supp stack, they go first with the minus 500s, um, then
9 work their way up and where you get zero prices is if they start through the minus 500 stack
10 and never get beyond that, then you get a zero price.

11 JIM: Mm hm. Mm hm.

12 LES: So, um, it's a combination of things. Um, most likely the bid price, ah, go – Dynegy
13 or somebody else in South Path has got 500 megs at, ah – they're offering it at – at zero
14 price just to get exercised –

15 JIM: Right.

16 LES: -- and they're, you know, on a day like today, they're sure that the price is going to be
17 250 on the inc side, so they're willing to take that risk.

18 JIM: Right.

19 LES: That's one and most likely scenario. Um, the ISO – the other one is, again, back to
20 price, um, the ISO needs 600 megs South Path.

21 JIM: Mm hm.

22 LES: Um, the first guy they come to has 400 megs at 75 bucks, so they buy that. Next guy
23 they come to has, you know, a hundred megs at 80 bucks, so they –

24 JIM: Yeah.

25 LES: -- they pick him up. Then they don't need it any more.

26 JIM: Yeah.

27 LES: And again, that goes back to the auction

28 JIM: Right.

29 LES: So –

1 JIM: OK. All right, well, I guess, ah, is – is Chris gone on vacation for a while? Is that
2 what's goin' on?

3 LES: Yeah, he's gone till – he's all – out all next week and the next w – to the following
4 Wednesday, I believe, he's out of here.

5 JIM: Geez! Who authorized that?

6 LES: Pretty sweet deal, huh?

7 JIM: Ah, I didn't see that approval request come across my desk!

8 LES: *[laughs]* Well, there you go.

9 JIM: Yeah. OK I – got some good info, so I think what I need to do is, I'll – I guess Chris
10 is answering his message machine, so I'll leave a message for him and just –

11 LES: Sure.

12 JIM: -- sort of try to come to -- back to these guys with sort of a -- you know, this is our
13 view, you know -- some people think it's all right, other people think it's not, you know, it's
14 sort of your call, or -- I just want to talk to Chris and -- so that -- hit 'em with -- hit 'em with
15 one view, so --

16 LES: Right. Oh, yeah, absolutely. Ah, I was on the phone and telling 'em, you know, they
17 were -- I was on with, ah,

18 JIM: Tom *[inaudible]*

19 LES: Tom and um, Ron.

20 JIM: Mm hm.

21 LES: And, you know, I gave 'em my view that, ah, you know, it's -- it's a bad -- you know,
22 it's --

23 JIM: Bad practice.

24 LES: Shouldn't do it. And then Chris got on -- I mean, and contradicted me.
25 *[they laugh]*

26 LES: Quite effectively and well, I'm like well, you know, that's w -- that's one version of it.
27 Um, I don't agree with that version.

28 JIM: OK.

29 LES: I didn't tell -- you know, I didn't tell the customer that, but -- *[inaudible]* Chris

1 [inaudible] –

2 JIM: Well, that – I mean, that's – that's a fair enough thing and that's actually what I'm
3 going to go tell 'em right now is we've got sort of two different views and here's sort of the
4 issue and – and we're going to come back with you with a [break in recording] unified, you
5 know –

6 LES: Right.

7 JIM: -- what our real position is.

8 LES: Right.

9 JIM: 'Cause it's not clear. It's a loop hole –

10 LES: But --

11 JIM: -- technically you could get through, but some people feel it's – it's against the intent
12 of the ISO regs and questionable practice.

13 LES: And especially right now with ah, the scrutiny –

14 JIM: Yeah.

15 LES: -- that ah, is going on. Um, I would really, um, be scared of doin' it, just because, you
16 know, there's going to be a lot. They're going to be looking for – they're going to be looking
17 for a scapegoat, um, and they're going to be looking to hang somebody for all the things that
18 didn't go well, so –

19 JIM: Yeah. Yeah. Right. People taking advantage of the system.

20 LES: Oh, yeah, it's like, oh – OK, we need to find an Enron, or – I mean –

21 JIM: Right.

22 LES: An evil marketer that, you know, is doin' all this nonsense to our system, and causin'
23 high prices and instability or whatever.

24 JIM: Yeah, I know.

25 LES: You know all the rhetoric.

26 JIM: I think that's – yeah, I think that's a good explanation of what's goin' on.

27 LES: So, I – I –

28 JIM: Tryin' to think of a – a – OK, say – assume we take your line and say, you know, we
29 think it's a bad practice and they agree, you know, so what's our – what's our strategy goin'

1 forward if – if we think that’s the view. Do we stop bidding supplemental if we’re never
2 gettin’ awarded and exercised, or are we getting awarded –

3 LES: Well, I think – I think the -- yeah, I think we’ve been gettin’ awarded right along.
4 Today we – ah, we had a really choppy schedule for today; we have some ancillaries that
5 were in there and when – then we also had, ah, some supplementals to fill in the missing
6 piece in the schedule.

7 JIM: Mm hm.

8 LES: I think the thing to do is, um, get aggressive on the supplementals. Um, if we think i –
9 I mean, Monday’s going to be a good example. I think it’s going to be really hot. Today’s,
10 you know, Stage 2 emergency.

11 JIM: Mm hm.

12 LES: Um, I think, let’s get aggressive on the pricing. Um –

13 JIM: Mm hm.

14 LES: You know, um, are we willing to throw a 50 dollar bid out there on the supplement –
15 ah, are we –

16 JIM: Mm hm.

17 LES: -- are 25, or 75, or –

18 JIM: Right.

19 LES: -- at 93 bucks, you know, that’s a tough, tough unit to move –

20 JIM: Yeah.

21 LES: -- unless they’re, you know –

22 JIM: OK.

23 LES: -- screaming for power like they are now –

24 JIM: Right.

25 LES: -- Stage 2.

26 JIM: And then the other – the other, ah – if we don’t bid supplementals is just to let them
27 run uninstructed.

28 LES: Right.

29 JIM: Without a – without a supplemental –

1 LES: Right.

2 JIM: -- bid.

3 LES: Now, in that case, um, you know, the ISO hates that, because that's what you see as

4 the frequency excursion. That's why they go into ten minute settlements and all that kind of

5 stuff, but if you don't have a supplemental in it and then I have a lot less problem,

6 JIM: Yeah.

7 LES: -- um, runnin' uninstructed.

8 JIM: I gotcha.

9 LES: Um, but if you want to do one and not the other, that's fine. But, again, then -- then

10 you're exposed to whatever ex-poste is.

11 JIM: Mm hm.

12 LES: You don't have that price floor.

13 JIM: Right.

14 LES: So --

15 JIM: Yup. That's right. OK, well, I'll just lay it out to 'em --

16 LES: Sure.

17 JIM: -- and sort of you know tell them that, ah, you know, it's -- it's one of these grey areas

18 *[break in recording]* back with a -- with a recommendation, but you know, we got two guys who

19 understand the market very well, and they've got a different opinion on what it means to do

20 that, so --

21 LES: I think that's fair and I think they'll understand that.

22 JIM: Yeah. OK. Um, let me see if I got anything else you could ask. There's this 10 percent

23 or 10 megawatts, whichever is greater, tolerance? Ah --

24 LES: Right. That's what they --

25 JIM: -- you know, to run, I guess that's uninstructed deviation.

26 LES: During an emergency, right.

27 JIM: During an emergency. What is that -- is that 10 percent based on what? You're sort of

28 --

29 LES: Pre-scheduled.

1 JIM: Pre-scheduled amount.
2 LES: Right.
3 JIM: So, if you, ah, pre-scheduled 50 with the PX, then –
4 LES: It'd be five plus or minus.
5 JIM: In the ex-poste.
6 LES: Well, if you scheduled 50 with whoever –
7 JIM: Mm hm.
8 LES: And you band, then, if they're in emergency is 5 megs –
9 JIM: Mm hm.
10 LES: Either way. If you do 80, of course, it's 8, you know, plus or minus.
11 JIM: Right.
12 LES: And the way – the ISO's saying we need that in place to prevent the frequency
13 excursions we've seen and such, with, you know, um Harbor's the smallest unit, it probably
14 doesn't cost them a whole lot of problem, but you got guys out there with 500 megawatt
15 units.
16 JIM: Yeah.
17 LES: Chasin' the ex-poste.
18 JIM: Yeah.
19 LES: Now, you try to run on a transmission system with this 500 megawatt unit and going
20 up and down all over the place –
21 JIM: Basically, you're saying that big units don't run uninstructed.
22 LES: I think, to some extent they do. I think Dynegy and – I keep pickin' at Dynegy and
23 southern, um, Williams –
24 JIM: Those are the big ones, yeah.
25 LES: You know, I – I guarantee that they don't sell all their stuff in a day-ahead market –
26 JIM: Yeah.
27 LES: -- and they, you know, run up and down chasin' ex-poste, I – I know for a fact Duke
28 does it.
29 JIM: Mm hm.

1 LES: Um, because I've been on the phone with their guys before, and –

2 JIM: Mm hm.

3 LES: -- you know, they're sayin' well, I'm chasin' ex-poste, I'm runnin' my unit up, runnin'
4 it down.

5 JIM: OK, so the bottom line is is that they, ah – so give me the scenario. So, they – they
6 awarded 50 day-ahead.

7 LES: Mm hm.

8 JIM: And it's only in emergency, so if they run greater than 55, ah, uninstructed. You know,
9 if they run greater than 55 and so 5 of it's uninstructed –

10 LES: Mm hm.

11 JIM: -- or th – or I guess they get 10 megawatts [*inaudible*]

12 LES: Well, if they're not in an emergency, they're good to go.

13 JIM: OK.

14 LES: I mean, they can run, um – I'm puttin' ah – Tom told me last night – or Ron, I guess
15 it was, told me today that the units are actually good for 80 megs.

16 JIM: Mm hm.

17 LES: So, um, I'm going to go ahead and – we didn't get anything awarded ancillary service
18 for tomorrow – excuse me –

19 JIM: OK.

20 LES: Um, now, we do ha – we did get a – we did get a, um, decent award in the day-ahead
21 where we got 50 megs, 11 through 22 at some pretty decent prices –

22 JIM: Mm hm.

23 LES: So, my thought is just to bid in an additional 30 in the supplemental market and ah,
24 do that.

25 JIM: Mm.

26 LES: Um, now, I'm going to do that as a batch right now. If they don't want to do that and
27 just go ex-poste for those, you know, we need to know that.

28 JIM: Yeah. Let me ah – let' me talk to 'em. OK. So, on the – it's – it's ten percent or ten
29 megawatts, whichever is greater, right?

1 LES: Now, I didn't ha – I didn't know about the ten megawatt language, but is that – that
2 could be.

3 JIM: I thought the *[inaudible]*

4 LES: I know it's – I r – I remember reading the 10 percent.

5 JIM: OK.

6 LES: So, I'd have to look at that again.

7 JIM: OK, it only applies during a stage emergency.

8 LES: Right.

9 JIM: And based on – the ten percent's based on your day-ahead scheduled quantity.

10 LES: Or your schedule. I mean it could be an hour-ahead schedule too. If you agree to sell
11 50 megawatts to Williams, you know, in the hour ahead market, that's fine.

12 JIM: Yeah.

13 LES: I mean they don't have a problem with that.

14 JIM: OK, it's not based on *[inaudible]* it's based on what you've actually pre-scheduled.

15 LES: Right.

16 JIM: OK.

17 LES: That's the way I understand it, but I'd have to review that to be absolutely sw – r – lift
18 my hand and swear to it, so –

19 JIM: Yeah, I'll – I'll –

20 LES: I think that's it. The other things that they were interested in seeing on a daily basis
21 was sort of that break-even stuff that I was sendin' out for a while – what the break-even
22 costs are.

23 LES: OK.

24 JIM: And I can work with you on trying to get it sorted out.

25 LES: Yeah, I – yeah, we need to get something a little bit better, because I'm just ball –
26 guessing and then in this little simple sheet I'm sending out just pretty much what they got
27 awarded.

28 JIM: I'll show you how to d—you know, I –

29 LES: So –

1 JIM: -- Greg probably hasn't had time to integrate --
2 LES: Right.
3 JIM: -- you know, the model that I build that for you -- and -- and, you know --
4 LES: No, not yet.
5 JIM: -- go through some stuff, and so -- I mean, I can show you how to just work it. It's
6 very simple -- and put it out. I mean, I kind of pull myself out of the day-to-day sending of
7 stuff, 'cause they were
8 LES: Right.
9 JIM: -- calling me, and then it was me, you Chris and
10 LES: Right.
11 JIM: real time, and they're callin' eight guys gettin' eight different answers --
12 LES: *[laughing]*
13 JIM: So, I'm trying to pull myself out of the day-to-day stuff so I don't confuse and --
14 LES: Sure.
15 JIM: -- contradict what you guys are sayin', but Monday we'll work on -- on gettin' that
16 done. But that's it. Otherwise, ah, you know, they're very happy from what I can tell and
17 talkin' to 'em and -- and talkin' to you guys, ah, you know, I d -- the ah, the Black Hills, the
18 70% owners, ah, asset managers here, he's quite happy with the agreement. He thinks -- he
19 said 5% he thinks, in his opinion, is more than fair. Um, so, you know, it's the mission guy
20 who -- who's got some concerns about how much more meg *[break in recording]* -- you know,
21 he sort of always looks at what the other guy's making rather than how much he's making.
22 LES: Right.
23 JIM: But the indec guy or the ah, Black Hills guy is like, hey, you know, what? You make a
24 million dollars in a -- in a month, that means we made 20, you know, and I'm -- *[laughs]*
25 LES: Yeah.
26 JIM: That's the way I look at it. And he goes is you know, ah, we ah, you know, we want
27 the contract like that, so --
28 LES: Well, it's an incentive for us to step on this thing as much as we can.
29 JIM: Absolutely. So -- OK. Well, good. So pass on the good word if there's anybody to pass

1 it on to and I will, ah, I'll come back Monday and we'll [*break in recording*] message actually for
2 Chris right now. Can you transfer me to his extension --

3 LES: Ah --

4 JIM: -- or should I just call back?

5 LES: Yeah, I can do it, but I just gotta figure out what his extension is.

6 JIM: 38 ah, 22.

7 LES: 3822. OK, yeah, hold on.

8 JIM: All right, Les, have a good one.

9 LES: You bet.

10