

1 32-20001204-9501896-9523208 (2:13)

2 PAUL: Yeah

3 [dialing]

4 P: It's 195, right?

5 [ringing]

6 STEVE: This is Steve.

7 PAUL: Hey, Steve.

8 STEVE: Hey, Paul.

9 PAUL: Hey, ah, can we write this us as a Q1 average trade? Is that good with you?

10 STEVE: Ah, I'd like to get on the monthly basis, if possible.

11 PAUL: You'd like – you'd like to get on the monthly basis?

12 STEVE: Yeah – does that cause a problem with it, or –

13 PAUL: Ah, no we can do it, it's just now we have to do three confirms.

14 STEVE: OK, well, it's –

15 PAUL: You – you tell me why. I mean, I'm sure it's legitimate.

16 STEVE: Well, ah, I mean, obviously, we – we'd like to get the prices to reflect the risk that
17 we have in each month, and we actually do have a lot more risk in January –

18 PAUL: OK.

19 STEVE: As far as we're right on the bubble, and –

20 PAUL: OK.

21 STEVE: -- you know, the second thing is is that I would like the potential to be able to
22 reverse out of these trades at some point.

23 PAUL: OK.

24 STEVE: And just book all this stuff as a trade, because I guess, for several reasons: One, it
25 reflects better on me – personal reason there.

26 PAUL: C – can you guys do that? Reverse it and book it as a trade?

27 STEVE: Yeah. Yeah.

28 PAUL: Oh, OK.

29 STEVE: I mean, we've done that – we've – fact um, you know, I've got um, quite a few,
30 but there's – I got a few under my belt.

1 PAUL: OK.

2 STEVE: And the second thing is is that we've taken a position regardless of how vali –

3 valid or invalid it is, that we don't share those margins on trades. So, you know, if a January's

4 275 and I buy back from you at 200 a couple weeks from now, all those margins stay with

5 the shareholders.

6 PAUL: OK.

7 STEVE: So, um –

8 PAUL: I gotcha.

9 STEVE: At lea – at least for now.

10 PAUL: So then, and it – that's fine. We can – those, ah –

11 STEVE: I guess if I did an average.

12 PAUL: Ah, ah, at the first reason, I could have said, all right we'll generate three confirms.

13 STEVE: OK.

14 PAUL: Two and three reason mean that – that's – yeah, that's – those are very, very good

15 reasons why, I think ah, I think you need to reflect it to be market and you wanted me to, ah,

16 trade out of it so –

17 STEVE: Yeah.

18 PAUL: And then, reflect the risk – I like that. That's my favorite.

19 STEVE: All right. There you go, man.

20 PAUL: All right, man.

21 STEVE: *[laughing]* All right, Paul. All right.

22 PAUL: Hey, ah, let's talk today with Tom and Mark about the, ah, the bilateral market.

23 STEVE: Will do.

24 PAUL: 'Cause we need to get you guys access to that. You can't – do not be selling into

25 California.

26 STEVE: OK.

27 PAUL: All right?

28 STEVE: All right, thanks Paul.

29 PAUL: Bye.

30 STEVE: Bye.