



***Providing Customer Value Beyond the
Price***

for

GasMart



May 21, 2008

How EMS helps optimize your spend

■ Natural Gas Cost Components

Hedging Risk Management

- Commodity (NYMEX – Henry Hub in LA) ~ 80%

- Transportation from Producing Region to Citygate ("basis") ~ 10%

Strategic Sourcing

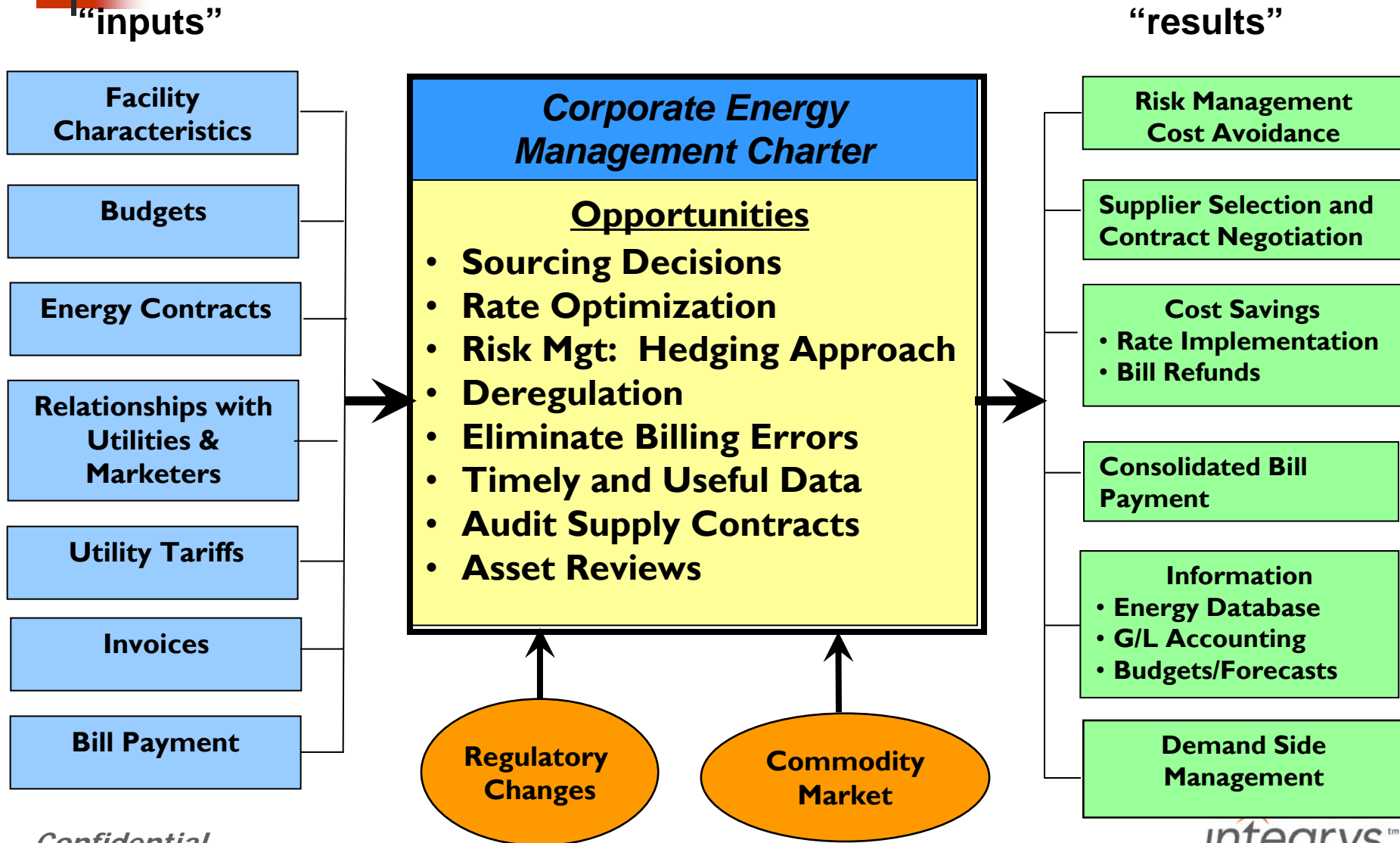
- Utility Distribution and Fixed Fees ~ 10%

Rate & Tariff Optimization



A Comprehensive Program Approach

Efficient Management of your Energy Category





Customer Benefits

- ✓ Typically see a 3.X :1 return on investment
- ✓ Centrally-controlled and strategically orchestrated energy management
- ✓ Creates central, single point of contact for energy issues
- ✓ Immediately upgrades in-house energy expertise
- ✓ Provides best practices for energy procurement
- ✓ Improved reporting, budgeting, access to critical information and market forecasting
- ✓ Allows you to focus on your competencies and running your business!

Customer Benefits

Why Integrys Energy Services?

Two industry models:

I. Consulting Firm: “Industry Observer”

1. Gathers information from market participants
2. Conduct analysis
3. Summarizes, offers recommendations

II. Integrys Energy: “Market Participant”

Our business is Energy = Greater depth, understanding, “view from within”

Operate generation assets / Provide physical supply / 1st Tier Market Maker - Trader

Involved in Regional Markets – Understand regulatory climate, relationships with over 50 local Utilities in North America

Financial capability: Swaps / Creditworthiness

We are a source of information for “Industry Observer” Consulting Firms

Consulting Depth beyond the typical consultant