

M E N E R G Y I N S U R A N C E M U T U A L M E M B E R S R E P O R T

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Randy Martin, AEP; Gary Little, Progress Energy, Elected to IAC

Randall L. Martin, CPCU, of American Electric Power, Columbus, OH, and Gary Little, ARM, CPCU, of Progress Energy, Raleigh, NC, have been elected to the Company's Insurance Advisory Committee. Randy's appointment was approved at the January Board meeting; Gary's, at the May Board meeting.

Randy Martin

Randy Martin was promoted recently to managing director of AEP's risk and insurance management department. During his seven years with the company, he has had responsibility for a variety of risk and insurance areas, including public liability claims, European risk and insurance, captive oversight, and insurance analysis.

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EIM Membership Appoints New Auditing Firm, Reelects Four Directors at 2007 AGM

At the EIM 2007 Annual General Meeting, which was May 15 in Napa Valley, CA, the Membership approved the appointment of a new auditing firm for EIM and reelected four directors—**Trevor A. Carmichael**, barrister at law; **J. Barry Mitchell**, ComEd; **Michael W. O'Donnell**, NiSource Inc., and **Charles W. Shivery**, Northeast Utilities.

Voting by proxy, the EIM Members approved the appointment of Johnson Lambert & Co., LLP, as auditor of the Company. As explained in the proxy statement, "When we were in the process of moving our Bermuda subsidiary to South Carolina, we were introduced to JLCO and were impressed with their depth of knowledge of the insurance industry."

JLCO has been serving since late 2006 as auditors for Energy Insurance Services, the EIM subsidiary now operating from Greenville, SC.

"Since we would prefer to have the same auditor for both parent and subsidiary, we are making this recommendation to change," the proxy statement concluded.

Johnson Lambert & Co. was formed in the Washington, D.C., area in 1986. It now has offices in six East Coast cities that stretch from Vermont to Florida.

According to its Web page, the CPA and consulting firm's business strategy has been to focus aggressively on distinct industry niches: associations and other non-profits, employee benefit plans, and insurance, with a sub-specialty in captives.

"Our client service philosophy is simple. We provide experienced staff who understand our clients' businesses, deliver what we promise, and concentrate on what we do best," according to the Web site.

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The Dodsons Honored



Ruth Ann and Mark Dodson were presented a Steuben bowl and presentation stand at the May Board dinner in Napa Valley, CA, recognizing Mark's two years of serving as EIM chairman of the board. Mark's service dates are engraved on the stand. Chuck Shivery, the Company's newly elected chairman, made the presentation. In this photo are, from left, Chris Shivery, Mark, Ruth Ann, and Chuck.

Randy Martin, AEP; Gary Little, Progress Energy, Elected to IAC

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He began his career in insurance with Aetna Life & Casualty in 1979 as a commercial property analyst trainee. Between Aetna and AEP, Randy has worked for AIG, Marsh, Borden, Inc., and Willis in a variety of capacities.

Randy earned his bachelor's degree in business administration from the College of Business and Economics at West Virginia University in 1978. In 1997, he received his Chartered Property Casualty Underwriter designation.



Randy Martin

A native West Virginian, he is a life-long WVU sports fan. He is married to his high school sweetheart, Tammy. They have three grown children and four grandchildren. Randy and Tammy reside in Reynoldsburg, OH, where they are active in church and community. When time permits, Randy enjoys playing tennis and other sports with the kids, and fly fishing in the Allegheny Mountains.

Gary Little

Gary Little is manager, corporate insurance, Progress Energy Service Company, LLC, Raleigh, NC.

A native and life-long resident of North Carolina, Gary graduated from East Carolina University, Greenville, with a bachelor's degree in business administration. He earned his MBA degree through Campbell University in 1989. Gary also holds ARM and CPCU professional designations.



Gary Little

Gary began his career with Carolina Power & Light Co. (predecessor to Progress Energy) in 1978. He has worked in insurance, claims, and loss control before being named to his current position in 1994.

He is a member of the EEI Risk Management Committee, RIMS, and the NEIL IAC Executive Committee.

Gary and his wife Ruth have three sons and two grandchildren.

EIM Membership Appoints New Auditing Firm, Reelects Four Directors at 2007 AGM

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Trevor Carmichael



Barry Mitchell



Mike O'Donnell



Chuck Shivery

Trevor Carmichael, who is the Company's legal counsel in Barbados, has served on the EIM Board since its formation in June 1986. Trevor's firm is named Chancery Chambers.

Barry Mitchell, who is president of ComEd, Chicago, was appointed to the EIM Board in 2000 and elected to his first three-year term in 2001.

Mike O'Donnell is executive vice president and chief financial officer of NiSource, Merrillville, IN. Mike, who was first elected at the 2004 Annual General Meeting, is now beginning his second three-year term.

Chuck Shivery, who has been vice chairman of EIM for the past two years, now chairman, first joined the Board in April 1995 and served until April 2002. He left the industry in 2001 after a notable career at Constellation Energy Group. He then returned to the industry in late 2002, joining Northeast Utilities, and came back to the EIM Board in 2003, when he was appointed for a one-year term prior to being elected to a three-year term in 2004. Chuck is chairman, president, and CEO of Northeast Utilities.

Shivery Elected EIM Chairman; Hatfield New Vice Chairman



Chuck Shivery



Jim Hatfield

Charles W. Shivery, the CEO of Northeast Utilities, Berlin, CT, and **James R. Hatfield**, the CFO of OGE Energy Corp., Oklahoma City, have been elected EIM chairman of the board and EIM vice chairman of the board, respectively.

Chuck Shivery

Chuck is the chairman, president, and chief executive officer of Northeast Utilities. Previously, he held the position of president and chief executive officer of NU Enterprises, Inc., the unregulated subsidiary holding company of the NU system, where he was responsible for the strategic growth and performance of NU's competitive energy businesses.

Chuck joined Northeast Utilities in 2002, having retired earlier that year as co-president of the Constellation Energy Group, parent company of Baltimore Gas & Electric (BG&E) and other energy-related businesses. He held numerous senior management positions at Constellation including: chairman, president, and chief executive officer of Constellation Power Source; chairman and chief executive officer of Constellation Energy Source; president and director of Constellation Energy Solutions; director of Orion Power Holdings; and vice president, chief financial officer, and secretary of BG&E. He joined BG&E in 1972 after four years in the U.S. Navy.

Chuck serves on the Connecticut Governor's Council

on Economic Competitiveness and Technology. He is a director of the Connecticut Business and Industry Association, Connecticut Science Center, Connecticut Children's Medical Center, Edison Electric Institute, and Electric Power Research Institute.

A native of Maryland's Eastern Shore, Chuck holds a Bachelor of Arts degree and a Bachelor of Engineering Science degree from The Johns Hopkins University. He has an MBA from the University of Baltimore.

Jim Hatfield

A native of Bennington, NE, Jim received a bachelor's in accounting from Central Missouri State University, Maryville, MO, and an MBA, concentration in finance, from the University of Missouri, Kansas City.

From 1980-1993, Jim worked for Aquila Gas Pipeline Corporation, a subsidiary of UtiliCorp of San Antonio, TX. While at UtiliCorp, he held several positions, including vice president-investor relations and corporate secretary, the position he held prior to joining OG&E.

Jim joined OG&E in August 1994 as treasurer. He was elected vice president and treasurer on January 15, 1997, and senior vice president and chief financial officer on November 17, 1999.

Jim serves on the boards for The Beacon Club, All Sports Association, and St. Anthony Hospital Foundation.

He and his wife, Eileen, have three children.

Board Committees

EIM Board committee memberships for the administrative year 2007-2008 remain as they were in 2006-2007, with these exceptions:

Executive Committee—**Jim Hatfield** has joined the committee and is its new vice chairman. **Chuck Shivery** steps up as chairman.

Insurance Advisory Committee—**Gary Little** has joined the IAC.

Nominating Committee—**Jim Hatfield** has replaced **Chuck Shivery** as chairman.

Strategic Planning Committee—**Chuck Shivery** has become vice chairman.

Audit Committee

James R. Hatfield (chairman)
Charles W. Shivery (vice chairman)
Kimberly S. Greene
Allen L. Leverett
Michael W. O'Donnell
Dudley C. Reynolds

Claims Committee

Bruce R. Worthington (chairman)
Mark S. Dodson (vice Chairman)
David L. Hadler
J. Barry Mitchell
Dudley C. Reynolds

Executive Committee

Charles W. Shivery (chairman)
Jim Hatfield (vice chairman)
Mark S. Dodson
David L. Hadler
Bruce Worthington

Insurance Advisory Committee

George Schuitema (chairman)
Deborah S. Gaffney (vice chairman)
Robert W. Dillard
Jack R. Hadsall
Sandra K. Hart
Gary Y. Little
John E. Luley
Randall L. Martin

Robert J. Semet
Michael L. Wilson

Investment Committee

J. Barry Mitchell (chairman)
James R. Hatfield (vice chairman)
Mark S. Dodson
Allen L. Leverett
Richard H. Marsh

Nominating Committee

James R. Hatfield (chairman)
Kimberly S. Green
J. Barry Mitchell

Reinsurance Committee

Bruce R. Worthington (chairman)
David L. Hadler
Richard H. Marsh
J. Barry Mitchell

Strategic Planning Committee

Mark S. Dodson (chairman)
Charles W. Shivery (vice chairman)
David L. Hadler
Michael W. O'Donnell
J. Gary Meggs
William R. Powell
Dudley C. Reynolds
George Schuitema

Three New Members Join EIM

EIM has three new Members—Cascade Natural Gas Corporation, Seattle; RC Cape May Holdings, LLC, Woodlands, TX; and Spectra Energy Corp., Houston.

Connecticut Yankee Atomic Power Company, which completed the decommissioning of its nuclear plant, ceased being an EIM Member on March 1. Also, on Feb. 21, two EIM Members, Peoples Energy Corporation and WPS Resources Corp., merged and became Integrys Energy Group, Inc.

At year-end 2006, EIM had 174 Members. As of May 15, there were 175 Members.

Cascade Natural Gas

Cascade Natural Gas was formed in 1953 to serve smaller communities in the Pacific Northwest. The company's territory covers over 32,000 square miles and it serves approximately 220,000 customers in Washington and Oregon. The natural gas comes from production areas in the Rocky Mountains and Canada.

RC Cape May

Last year, Pepco Holdings' subsidiary, Atlantic City Electric Company, sold its B.L. England Generating Station, located in Cape May County, NJ, to RC Cape May Holdings, LLC, an affiliate of Rockland Capital Energy Investments. The England plant provides approximately 450 megawatts of generating capacity from three generating units, two of which burn coal and the third, oil.

Rockland Capital Energy Investments, a private energy investment company founded in 2003, focuses on the acquisition, development and optimization of companies and projects in the North American and European energy sectors. Rockland will be making investments in the plant to improve overall environmental performance.

Spectra Energy

On June 28, 2006, EIM Member Duke Energy announced plans to create two separate publicly traded companies by spinning off their natural gas business to Duke Energy shareholders, thereby forming a new company, Spectra Energy.

Spectra is one of the largest natural gas transportation systems in North America. The company has over 17,500 miles of transmission pipeline with 265 billion cubic feet of storage capacity in the United States and Canada. There are approximately 7,300 employees.

IAC Roundup

The completed evaluation forms from the 2007 Risk Managers Information Meeting show that the meeting was exceedingly well received. One hundred percent of the respondents indicated that the meeting exceeded or met their expectations.



Bob Dillard is chairing a task force to evaluate certain aspects of the RMIM, such as multiple attendees. Working with Bob are: **Sandi Hart, Mike Wilson, Bob Semet, and Debbie Gaffney.**



Lists of EIM Risk Manager Representatives are being prepared and assigned for the telephone calls the IAC members will be making this summer as they conduct the annual Membership Satisfaction Study. The survey is to be done by September 1.



The next meeting of the IAC will be on June 12 at the Grand Hyatt in Tampa.

Member Name Changes

Duke Energy Field Services to **DCP Midstream, LLC**

American Electric Power Company to
American Electric Power Service Corporation

NE Energy Inc. to **FirstLight Power Resources Inc.**

Enron Corp. to **Enron Creditors Recovery Corp.**

A Conversation with George Schuitema:

Following the annual Risk Managers Information Meeting in February, **George Schuitema** of Integrys Business Support, LLC in Chicago and vice chairman of EIM’s Insurance Advisory Committee became IAC chairman and **Debbie Gaffney** of Southern Company, Atlanta, became vice chairman.

Appointed to the IAC in January 1998 to complete an unexpired term of a member who had retired from his com-

Insurance and Pensions Department.

What do you enjoy most about your work?

While I enjoy the technical aspects, the most enjoyable part of my job revolves around the people I work with, both inside and outside the company. One must never lose sight of the fact that this is a people business and you are only as good as the people with whom you work. As my mentor told me



pany and thereby had left the IAC, George is the IAC’s most senior member in terms of service as well as years in the business. George is also a former chairman of the American Gas Association’s Risk Management Committee

A native of the Netherlands, George came to the United States with his family in 1951. He graduated in 1967 from Illinois Wesleyan University, Bloomington, with a bachelor’s in business administration. That is the same year he joined Peoples Gas Light and worked for them until November of 1981. He then was the Risk Manager for MidCon Corporation when it was spun-off from Peoples. He returned to Peoples in April of 1997, and he is currently with Integrys Energy Group following a recent merger.

How did you get into the risk management side of the business?

Since I had taken several insurance courses at Illinois Wesleyan, I was selected to fill an opening in Peoples’

while we were being acquired in 1986, remember this: “Your job does not love you back, only people have that capability.”

How has risk management evolved during these four decades?

Probably the foremost change has been in technology. I can remember when Peoples obtained its first computer, which was larger than my office, and programming was done via punch cards. Another major change has seen this function change from insurance buying to truly managing risks and finding other alternatives to manage these risks. This includes the utilization of captives, risk retention groups, finite insurance, weather insurance, and so on. Also, the role of women has increased dramatically.

With a 40-year perspective, how has the insurance industry evolved as it relates to utilities?

A major change has been in the consolidation of insurers and

New IAC Chairman

brokers, resulting in far fewer alternatives for the risk manager. One of the most significant developments for our industry was the creation of two industry mutuals—AEGIS and EIM. They are long-term stable and reliable insurers, which in the long run, provide the lowest cost alternative.

What is EIM’s strongest attribute?

EIM’s strength is fourfold. Its strongest attribute is its

Board committee and reports directly to the Board. This means the Board receives direct input from the Risk Managers representing the EIM Membership. The IAC is committed to keeping EIM as the premier company serving its Members. This is evidenced by their willingness to participate in any issue that comes from the Board, EIM staff, Risk Managers, or brokers.

On a personal note, it is an honor to serve, let alone lead,



Members and their commitment to EIM. The next is EIM’s board of directors which is comprised of senior utility executives with unparalleled expertise in the industry. The third is the stable and talented management and staff of EIM, and the fourth is the risk managers comprising the IAC with its direct reporting to the Board.

Based upon your long-working career, what advice would you give to someone just getting started?

First, be a good listener and pay attention to others; second, always remember you are working with people, not machines or robots; third, don’t be afraid to ask others for their opinions and help; and fourth and most important, live your faith at work as you would at home and in church.

Would you make a few comments about the IAC?

The importance of the IAC is reflected in the fact that it is a

this very talented and experienced professional group of Risk Managers, and I hope that I can live up to the standards set by my preceding chairmen.

Would you share a few personal insights?

As indicated earlier, I was born in Holland and came to the United States in 1951. I have a brother and a sister. I will have been married to my wife, Diane, for 37 years come October 31st. We have two children who are both married and one granddaughter. I am a sports nut and love to play golf. I umpired baseball for 37 years and coached boys and girls basketball for 22 years. I have taught second grade religious education at my parish for 23 years and am the current chairman of the parish finance committee. I should point out that as a result of being a lifelong Cub’s fan, I am assured of going to heaven because all Cub fans have been through hell on earth.

EIM'S Balance Sheet at March 31, 2007

(Unaudited and Expressed in Thousands of U.S. Dollars)

	3/31/07	3/31/06
ASSETS		
Investments	\$ 1,202,585	\$ 1,090,272
Cash and cash equivalents	19,327	11,679
Accrued interest	6,740	6,185
Deferred acquisition costs	1,178	1,351
Reinsurance paid in advance	54,707	56,279
Insurance balances receivable	5,126	1,143
Prepaid expenses	168	133
Reinsurance recoverable on unpaid losses	340,447	255,507
Investment in subsidiary	1,281	1,234
Property and equipment	960	1,182
Total Assets	<u>\$ 1,632,519</u>	<u>\$ 1,424,965</u>
LIABILITIES		
Reserve for losses and LAEs	\$ 787,947	\$ 701,870
Unearned premiums	88,469	90,595
Reinsurance balances payable	4,468	4,832
Deferred income tax	65,208	37,271
Policyholders' distribution payable	10,000	10,000
Accrued expenses	4,194	4,306
Income taxes payable	6,180	2,020
Total Liabilities	<u>\$ 966,466</u>	<u>\$ 850,894</u>
POLICYHOLDERS' SURPLUS		
Retained earnings	\$ 504,665	\$ 458,260
Accumulated other comprehensive income	161,388	115,811
Total Policyholders' Surplus	<u>666,053</u>	<u>574,071</u>
Total Liabilities and Policyholders' Surplus	<u>\$ 1,632,519</u>	<u>\$ 1,424,965</u>

Statement of Operations for the Period January 1, 2007 to March 31, 2007

(Unaudited and Expressed in Thousands of U.S. Dollars)

	3/31/07	3/31/06
UNDERWRITING INCOME		
Gross premiums earned	\$ 51,299	\$ 53,134
Reinsurance premium assumed	638	668
Reinsurance premium ceded	(23,635)	(22,646)
Net Premiums Earned	<u>28,302</u>	<u>31,156</u>
UNDERWRITING EXPENSES		
Losses and LAE incurred - direct	58,003	48,998
Losses and LAE incurred - assumed	(7,665)	650
Reinsurance recoverable	(49,603)	(27,213)
Net losses & LAE	<u>735</u>	<u>22,435</u>
Administrative expenses	3,947	3,345
Total Benefits and Expenses	<u>\$ 4,682</u>	<u>\$ 25,780</u>
Income from underwriting	23,620	5,376
Net investment income	11,554	9,503
Income before Policyholders' Distribution	35,174	14,879
Less: Policyholders' Distribution	<u>0</u>	<u>0</u>
Income before income taxes	35,174	14,879
Less: Income taxes	<u>10,842</u>	<u>3,867</u>
Net Income	<u>\$ 24,332</u>	<u>\$ 11,012</u>

13 Members Name New EIM Representatives

Thirteen EIM Members—ALLETE, Inc., Duluth; Cleco Corporation, Pineville, LA; Duke Energy Corporation, Charlotte; El Paso Electric, El Paso, TX; Enron Creditors Recovery Corp., Houston; Idaho Power Company, Boise; Intermountain Gas Company, Boise; National Fuel Gas Distribution Corporation, Williamsville, NY; NRG Energy, Princeton, NJ; ONEOK, Inc., Tulsa; PNM Resources, Albuquerque, NM; PPL Corp., Allentown, PA; and RC Cape May Holdings, LLC, Woodlands, TX—have appointed new EIM representatives. They are:

ALLETE



Mark Schober

Mark Alyn Schober, senior vice president and chief financial officer, is ALLETE's EIM Member Representative.

A native of Duluth, Mark graduated high school there in 1973 and received in 1977 a bachelor's degree in accounting from the University of Minnesota, Duluth. He earned his MBA in 1986, also from the University of Minnesota.

Mark joined ALLETE in January 1986, where he worked in a variety of accounting and auditing positions before being elected vice president and controller in April 2001. In February 2004, he was promoted to senior vice president and controller, and he has been in his current position since July 2006.

A CPA, Mark is a member of the Institute of Certified Management Accountants, the Minnesota Society of Certified Public Accountants, and the AICPA. He is a past president and treasurer of the Marshall School Board of Trustees, and serves on the board of directors and the finance committee of the Duluth Area Catholic Schools.

Cleco



Mike Joseph

Michael W. Joseph, manager, insurance, claims, and records, Cleco, is this Member's recently appointed Risk Manager Representative.

A native of Louisiana, Mike graduated in 1980 from the University of Louisiana, Monroe. He has a bachelor's degree in business administration.

Mike worked in the restaurant industry prior to joining Cleco in 1991 as an engineering assistant. From 1993 to 2001, he held various positions in supply chain, ebusiness, and special projects. In 2002, Mike was named manager of environmental, health, and safety, and he has worked in that capacity until he assumed the risk management responsibilities in late 2006.

Duke Energy



Mark Webster

Mark A. Webster, manager, liability and financial insurance, is Duke's recently named EIM Risk Manager Representative.

A native of Ohio, Mark received in 1994 a bachelor's degree in mechanical engineering from Ohio Northern University, Ada, OH. In 2002, he received a master's in business administration from The Citadel College of Graduate and Professional Studies, Charleston, SC.

Mark joined Duke in November 2006, having been previ-

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13 Members Name New EIM Representatives

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ously a vice president with Marsh USA, Charlotte, NC. He joined Marsh in January 2003.

Mark served over 10 years in the U.S. Navy submarine community and is currently in the U.S. Navy Reserve where he holds the rank of Lieutenant Commander.

He also has the ARM and CPCU professional designations.

El Paso



Steven Busser

Steven Busser, vice president – treasurer and chief risk officer, El Paso Electric, is now EIM Risk Manager Representative.

A native of Ohio, Steven is a 1994 graduate of the University of Texas at El Paso. He has a bachelor's degree in accounting.

From February 2003 until June 2006, Steven was vice president – regulatory affairs and treasurer. He has been in his current position since June 2006.

From 1987 to 1990, Steven served in the U.S. Army.

A CPA, he is a member of AICPA and is treasurer of Boys and Girls Club of El Paso Foundation Board.

Enron Creditors Recovery Corp.

Richard Lee Carson, vice president, accounting controls, is Enron Creditors Recovery Corp.'s new EIM Member Representative.

A native of Oklahoma City, Rick is a 1971 graduate of Oklahoma City University. He has a bachelor's degree in economics. In 1975, also from OCU, he received an MBA. Between 1977 and 1983, he did post-graduate studies in accounting. He is a CPA.

From 1971 to 1985, Rick worked for Gulf Oil Corporation, also based in Houston. He was division comptroller when he left. He joined Enron in 1987.

Rick is a member of AICPA.

Idaho Power



Timothy Tucker

Timothy James Tucker, property and casualty administrator, Idaho Power, is this Member's new EIM Risk Manager Representative.

A native of California, Timothy is a 1988 graduate of UCLA, with a bachelor's degree in political science.

From 1994 to 2000, Timothy was with Times Mirror Co. in California, where he was manager, risk management. For the next five years, prior to joining Idaho Power, he worked for Sunkist Growers, also in California. He left there in 2005.

Timothy has earned his ARM designation and has completed seven of the eight CPCU exams.

Intermountain Gas

Scott Madison, vice president, controller, and chief accounting officer, Intermountain Gas, is the company's new EIM Member Representative.

A native of Idaho, Scott is a 1987 graduate of the University of Idaho, Moscow.

From 1987 to 1997, he worked in the Arthur Andersen & Co. office in Boise. He was senior manager when he left to join Intermountain Gas.

A CPA, Scott is a member of AICPA and Idaho Society of CPAs.

National Fuel



Sarah Mugel

Sarah J. Mugel, assistant vice president and general counsel, National Fuel, has been named EIM Member Representative.

Sarah received her juris doctor from the Ohio State University College of Law in 1989. She received in 1986 a bachelor's in business administration, cum laude, from Bowling Green State University, Bowling Green, OH.

Sarah has been employed by National Fuel since January 1993, where she began as an attorney in the legal department. In September 2000, she was promoted to general manager of the human resources and payroll departments. In February 2005, she also became responsible for the risk management department. She has been an avp since April 2006 and general counsel since February 2007.

NRG



Bob Flexon

Robert Flexon, executive vice president and chief financial officer, is NRG's new EIM Member Representative. He has been in that position since March 2004.

A native of New Jersey, Bob graduated in 1980 from Villanova University, Villanova, PA. He has a bachelor's degree in accounting.

The CPA began his career with the former public accounting firm of Coopers & Lybrand. From there, Bob moved to Atlantic Richfield Company where he held a variety of management positions for 13 years. Prior to joining NRG, he was vice president, corporate development and work process and vice president, business analysis, and controller of Hercules, Inc., for four years.

ONEOK

John E. Manning, vice president, benefits and payroll, is ONEOK's new EIM Member Representative.

A native of Muskogee, OK, John received his bachelor's degree in 1985 from Northeastern State University, Muskogee. In 1989, he graduated with a master's in business administration from Phillips University, Enid, OK.

John joined ONEOK in 1990 where he has worked over the years in the utility division as well as the gas marketing company. He became the company's assistant treasurer in 1999 and moved to his current position in 2000.

A CPA, John is an audit committee member of the City of Owasso. He also is the head referee and on the board of the Owasso Soccer Club.

Mark Wayne Smith, vice president, treasury operations, is ONEOK's new EIM Risk Manager Representative.

A native of Tulsa, Mark graduated in 1986 from Oklahoma State University with a bachelor's degree in accounting. He completed the MBA program in 1990 at Phillips University, Enid, OK.

Mark has worked in a number of positions at ONEOK since 1987.

Mark is a member of FEI and AFP.

PNM



Charles Eldred

Charles Nelson Eldred, senior vice president and CFO, is this Member's new EIM Member Representative.

A 1974 graduate of Drake University, Des Moines, IA, Charles received his bachelor's in business administration in 1976 from the University of Georgia, Athens. He has a master's in business administration from Mercer University, Atlanta. In 2000, he completed the Nuclear Reactor Technology Program at MIT.

Joining PNM in January 2006 in his current position, Charles previously was vice president and CFO of Omaha Public Power District. He worked for the district from November 1999 to January 2006. He began his utility career in 1976 at Georgia Power Company where he worked in a variety of positions around the state. From Georgia Power, he moved to another Southern Company subsidiary, Southern Company Services, Atlanta, where he was manager of financing and capital markets.

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13 Members Name New EIM Representatives

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Charles is active in professional and civic organizations. Currently he is a member of ACCION New Mexico and the FM Global Advisory Board. He has served on the boards of United Way of the Midlands, Nebraska Humane Society, and Boy Scouts of America Mid-America Council.

PPL



Vijay Singh

Vijay Singh, Ph.D., vice president—risk management, is PPL's recently named EIM Member Representative.

A native of India, Vijay graduated, with honors, in 1975 from the University of Delhi. In 1982, he received a master's in business administration from the Asian Institute of Management, The Philippines. He received his doctorate in

financial economics in 1991 from The Ohio State University, Columbus.

Before joining PPL in 2002, Vijay worked at ConAgra Foods, Omaha, as vice president, risk control, and before that for Duke Energy, Cincinnati. Prior to joining Duke Energy in 1998, he taught finance at the Katz Graduate School of Business, University of Pittsburgh.

Vijay is a member of the board of trustees, Good Shepherd Hospital, Allentown.

RC Cape May Holdings

James Andrew Maiz, director, Rockland Capital Energy Investments, LLC, also based in Woodlands, TX, is RC Cape May's EIM Member Representative.

A native of New Jersey, Jim graduated from the University of South Florida, Tampa, in 1992. He received in 1997 his MBA from Tulane University, New Orleans.

Jim went to work for Shell Oil Company in Texas in 1992. He left in 2000 to join El Paso Corporation where he was a vice president. In 2003, he left El Paso and joined Rockland Capital.

MEMBERS REPORT

EIM's *Members Report* is published up to four times per year.

The Company's annual report is published in May.

Comments, questions, and suggested subjects from Members are sincerely welcomed.

Please send information to the EIM office in Tampa.

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