



INFORMATION SUMMARY

JULY 2006



**SERC Reliability Corporation
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SERC Reliability Corporation



This pamphlet presents historical and projected seasonal peak-hour demand, annual net energy for load, capacity resource and other information for the SERC Reliability Corporation (SERC) region and each of its five subregions. The intent is to concisely summarize data that are useful to SERC members and those interested in the organization. SERC's annual reliability report provides detailed information beyond that which can be readily summarized here. A list of SERC members and other commonly used reference items are included to enhance the usefulness of this publication.

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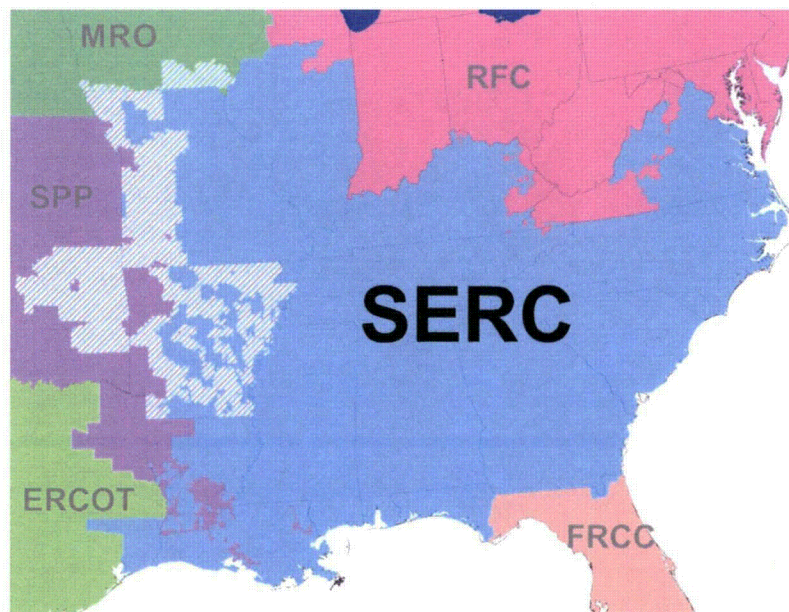
About the Region

SERC is one of 8 North American Electric Reliability Council (NERC) regional reliability organizations (RRO). SERC is responsible for promoting, coordinating and ensuring the reliability and adequacy of members' bulk power systems in the southeastern and central United States. This coordination assures that the planning and operation of individual systems do not adversely affect other systems and that opportunities for improved system performance are identified.

SERC was established with the signing of the SERC Agreement on January 14, 1970, by 22 electric systems. Because of the geographic size of the region and the diversity among its members, the region was divided into subregions .

SERC, which covers an area of approximately 560,000 square miles in sixteen states, is currently geographically divided into five subregions that are identified as Southern, TVA, VACAR, Entergy, and Gateway.

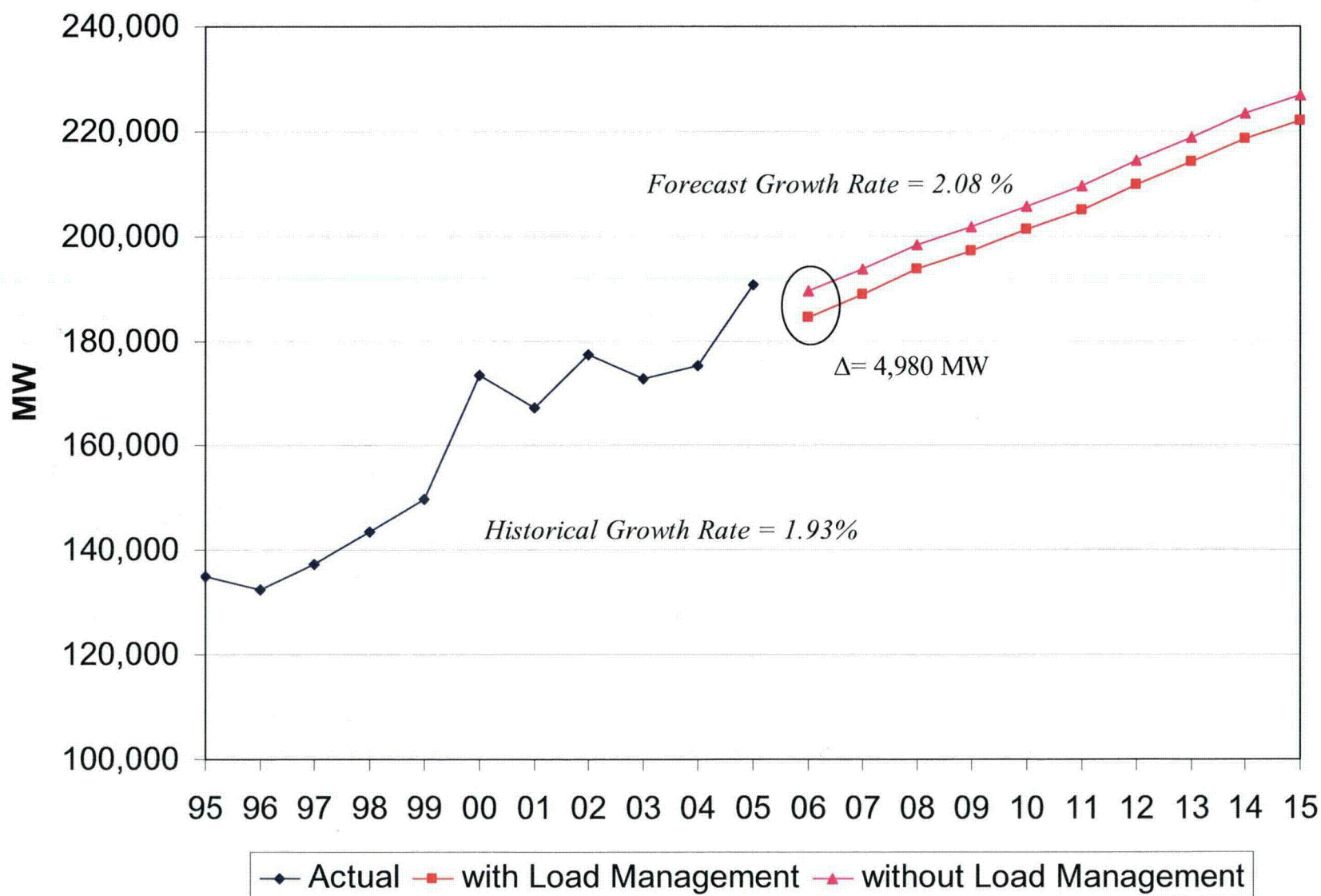
SERC membership is comprised of investor-owned utilities, municipal, cooperative, state and federal systems, merchant electricity generators and power marketers.



SERC Reliability Corporation

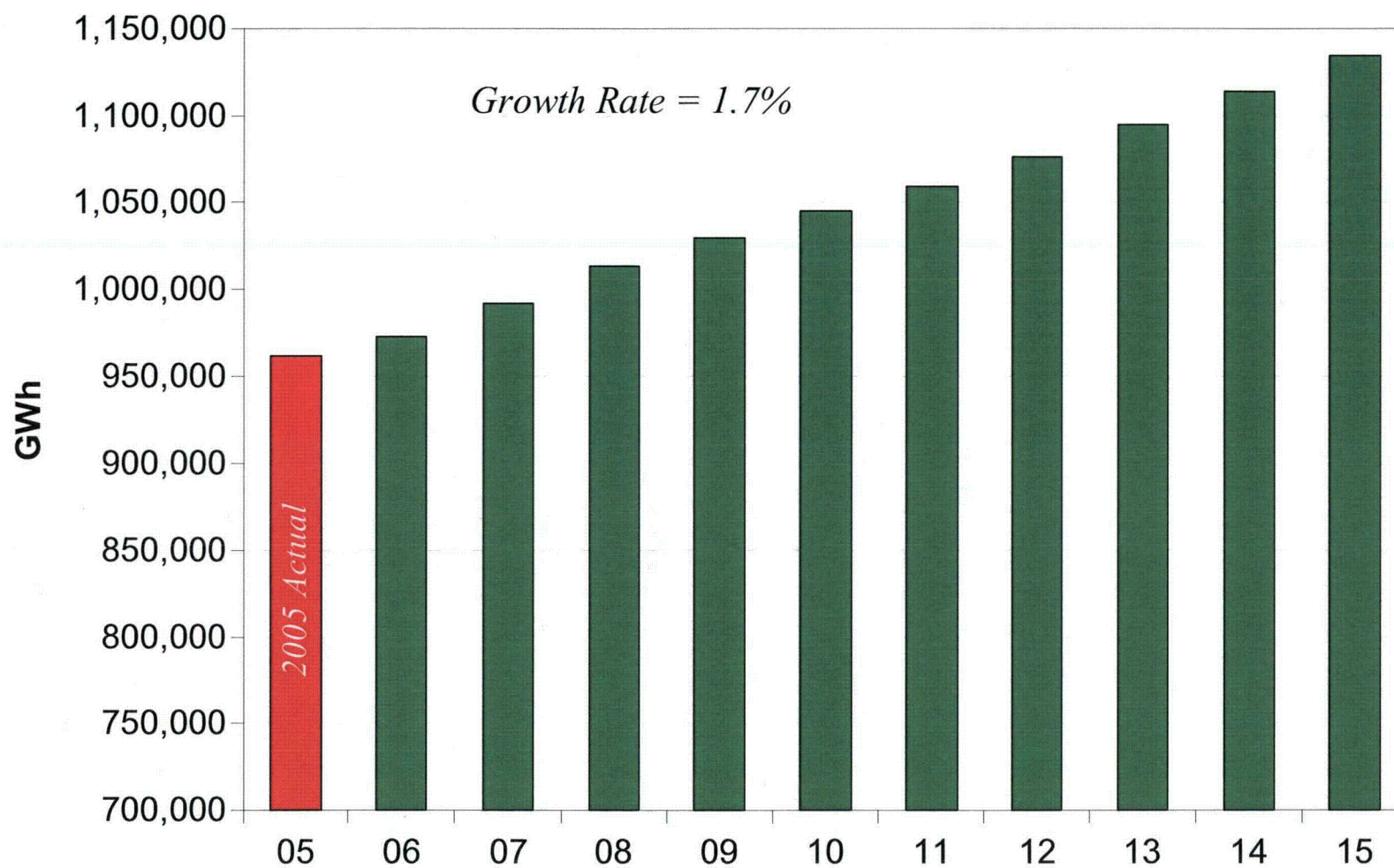


Actual / Projected Peak Demand
(SERC Region)



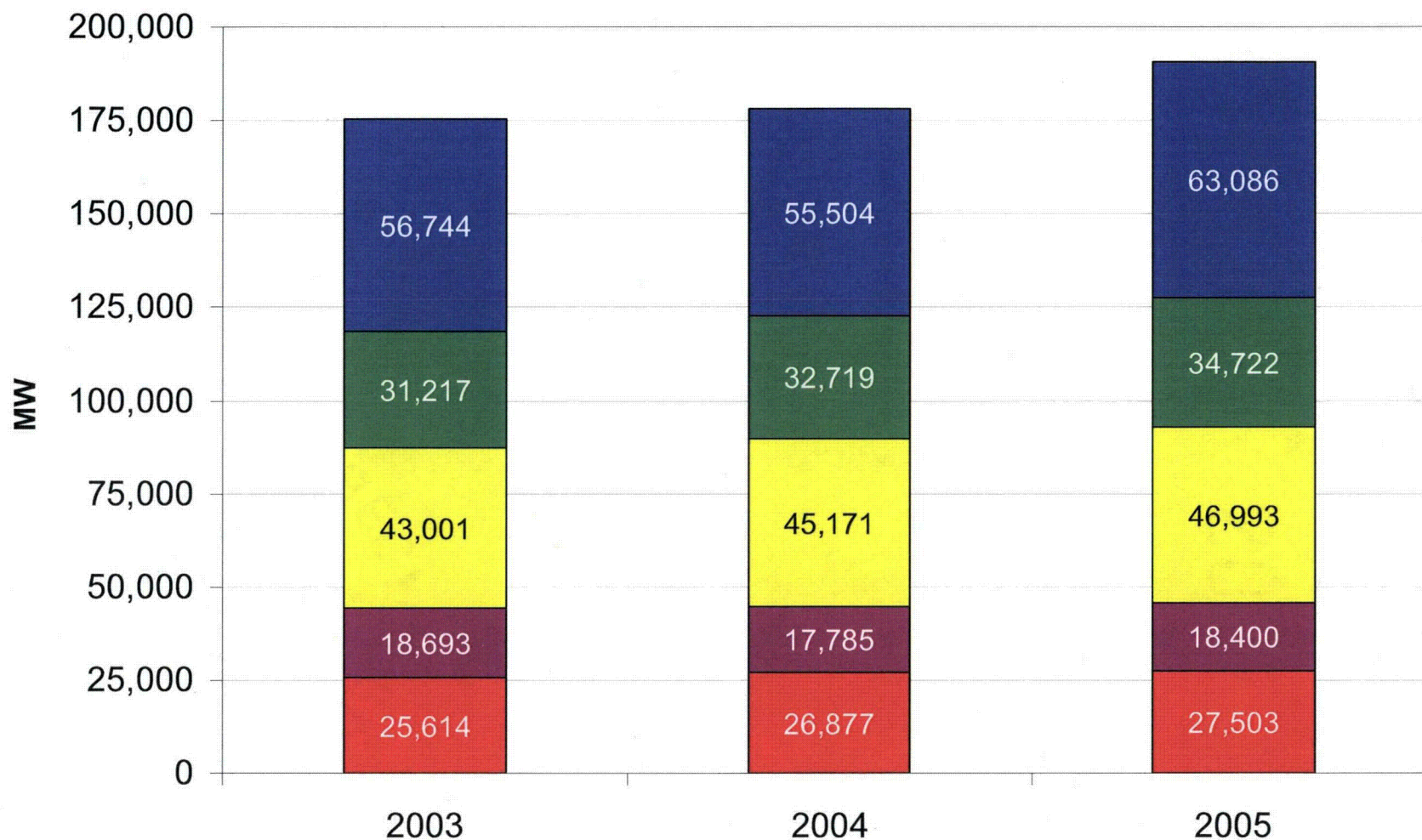


Actual / Projected Net Energy
(SERC Region)





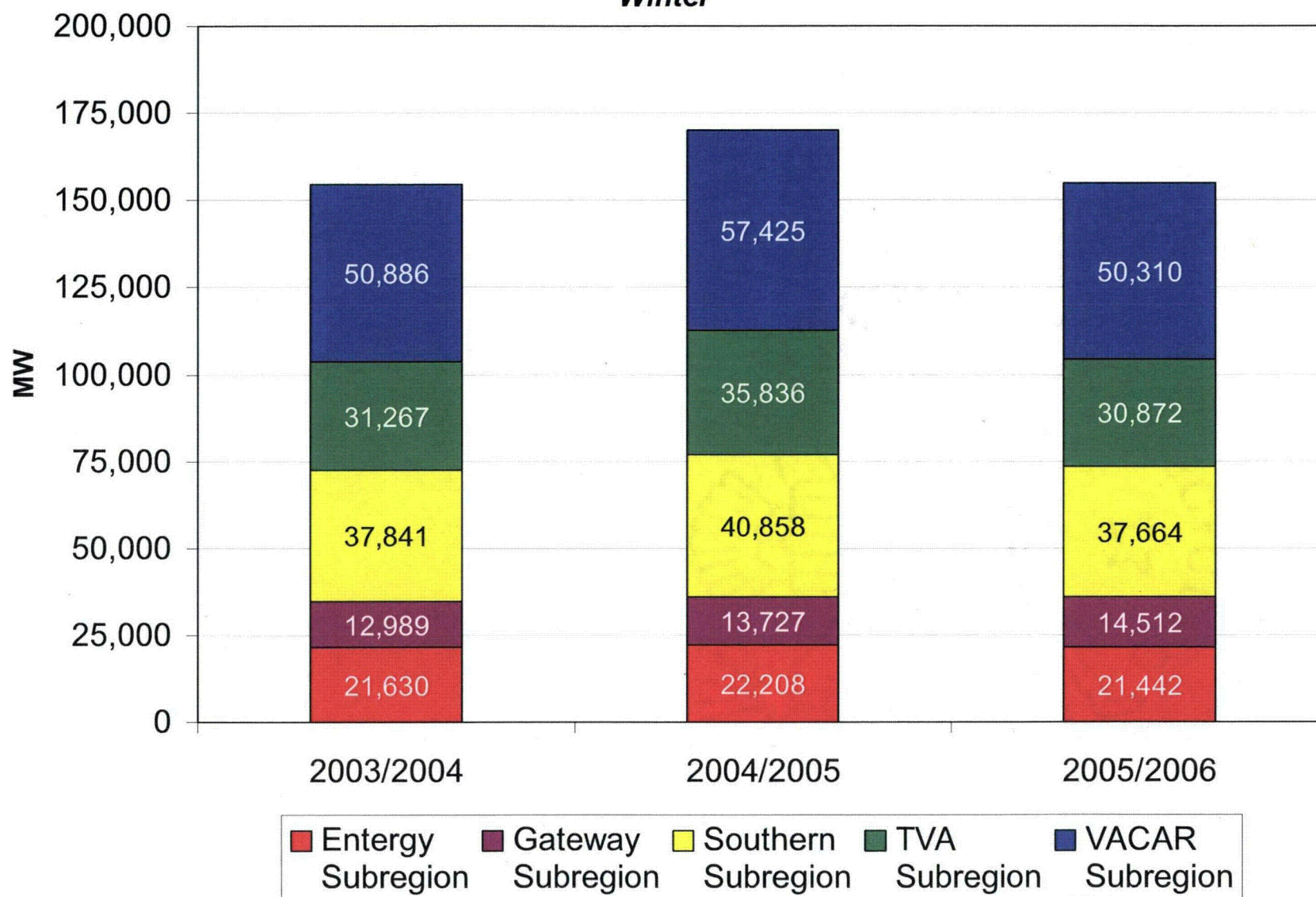
Actual Peak Demand
(SERC Subregions)
Summer



■ Entergy Subregion ■ Gateway Subregion ■ Southern Subregion ■ TVA Subregion ■ VACAR Subregion

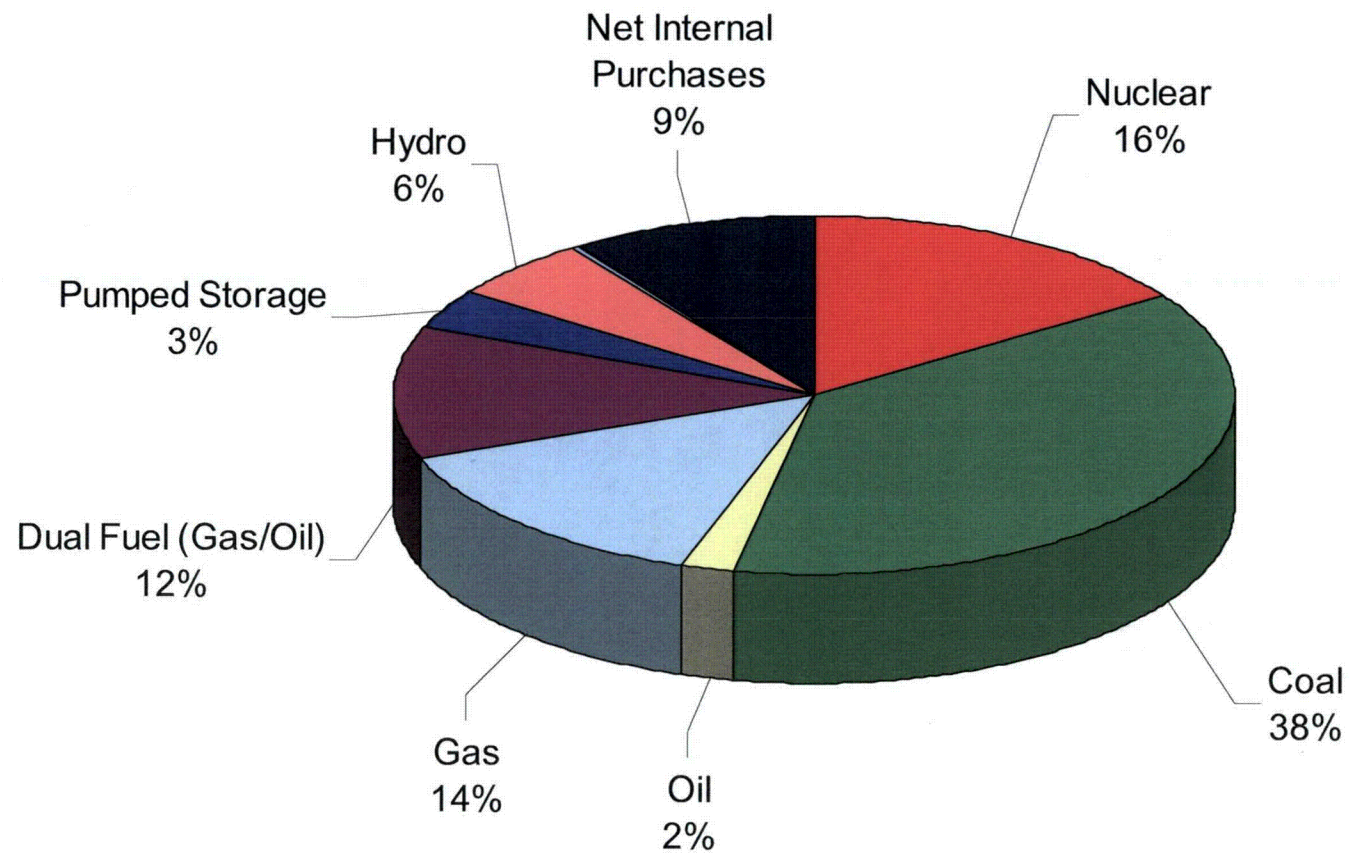


Actual Peak Demand
(SERC Subregions)
Winter



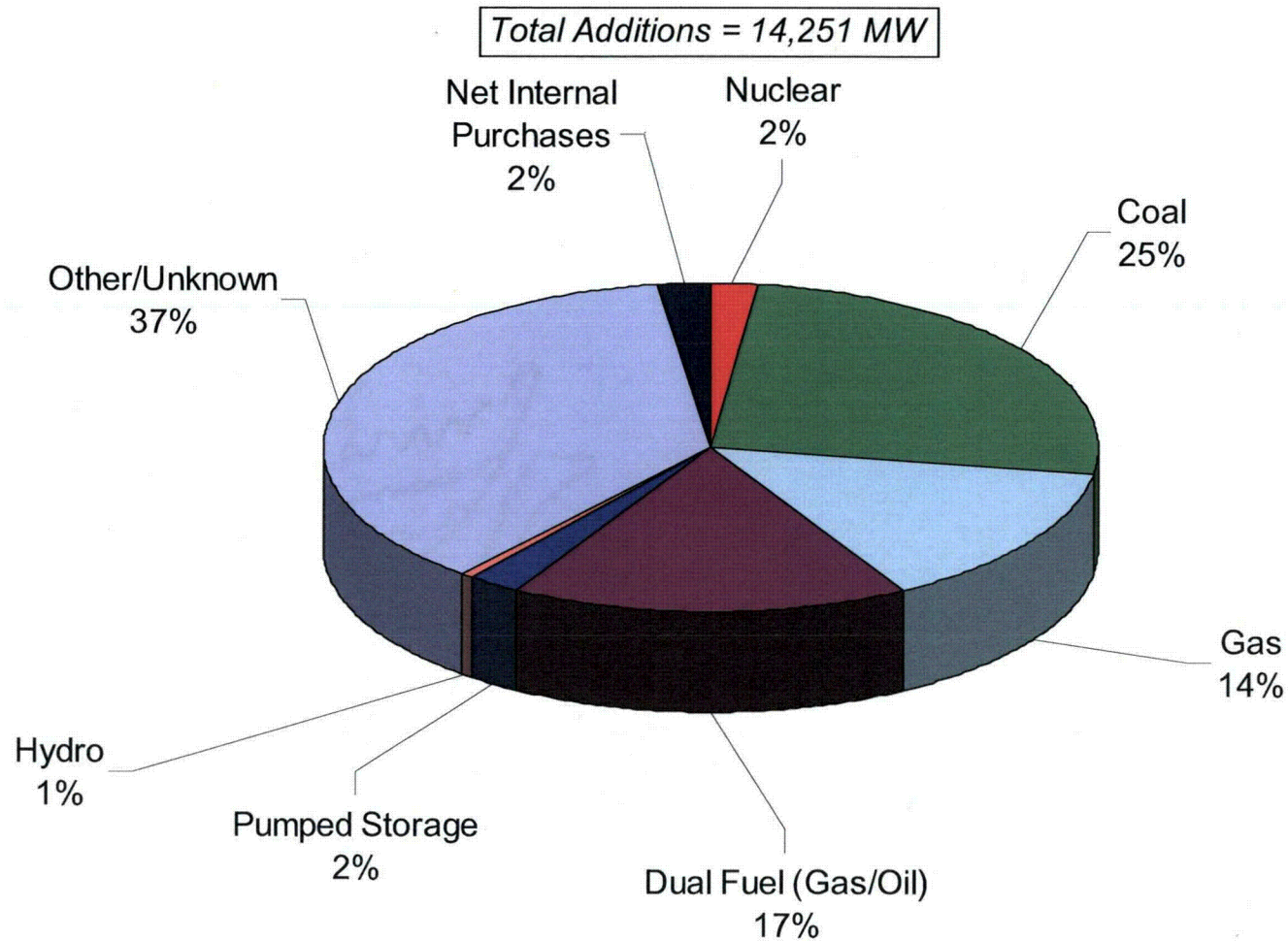


Region Capacity Breakdown by Fuel Type - 2006





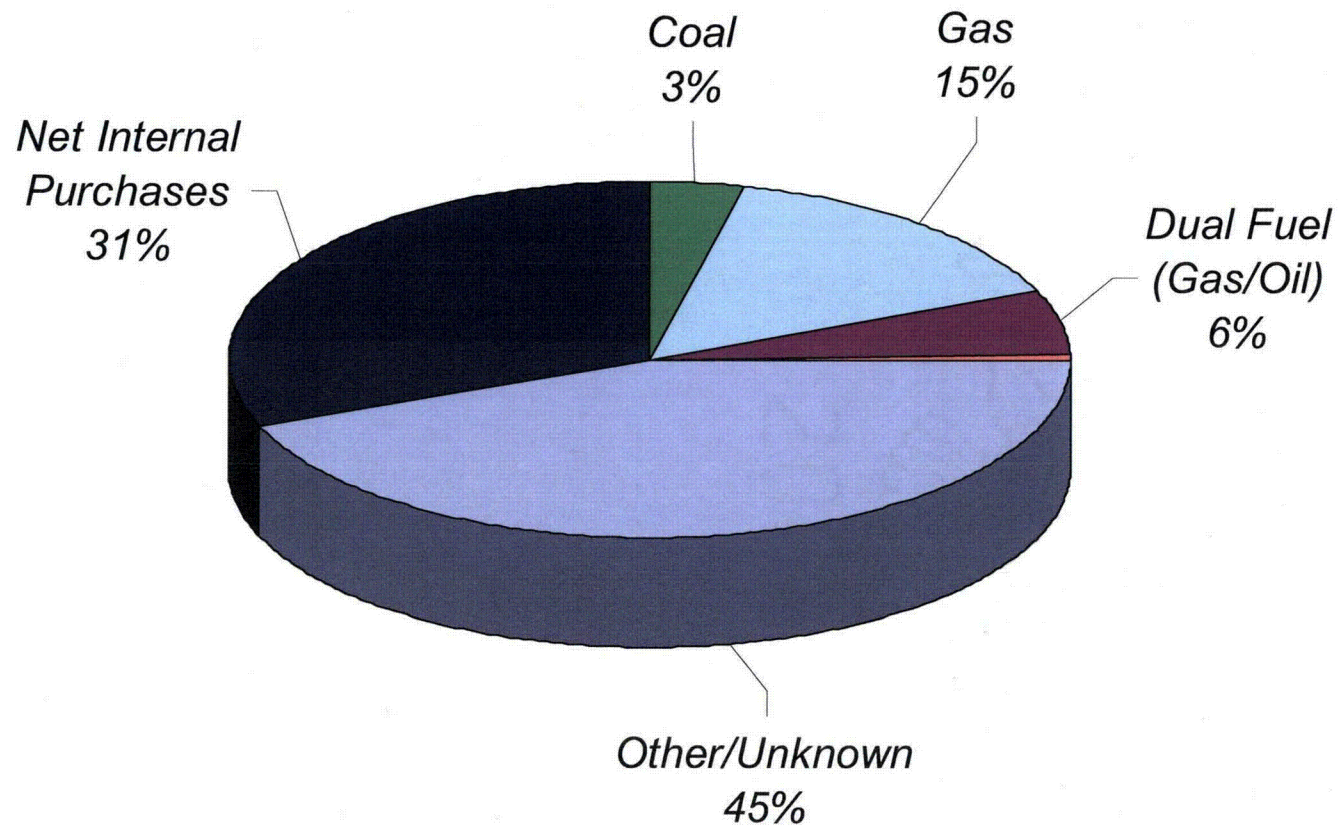
Region Capacity Additions, Breakdown by Fuel Type - 2006—2010





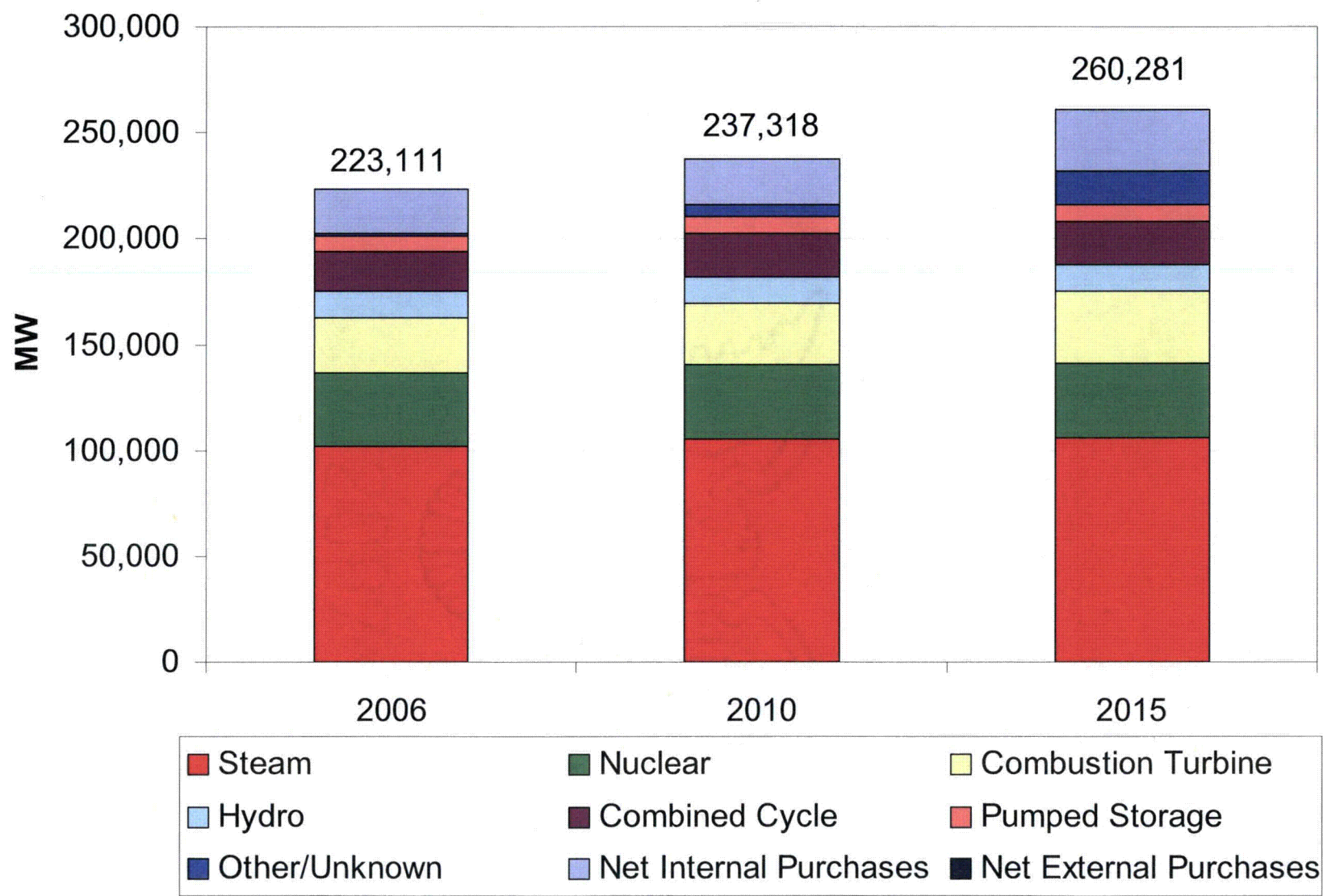
Region Capacity Additions, Breakdown by Fuel Type - 2011-2015

Total Additions = 23,373 MW





Region Capacity Mix





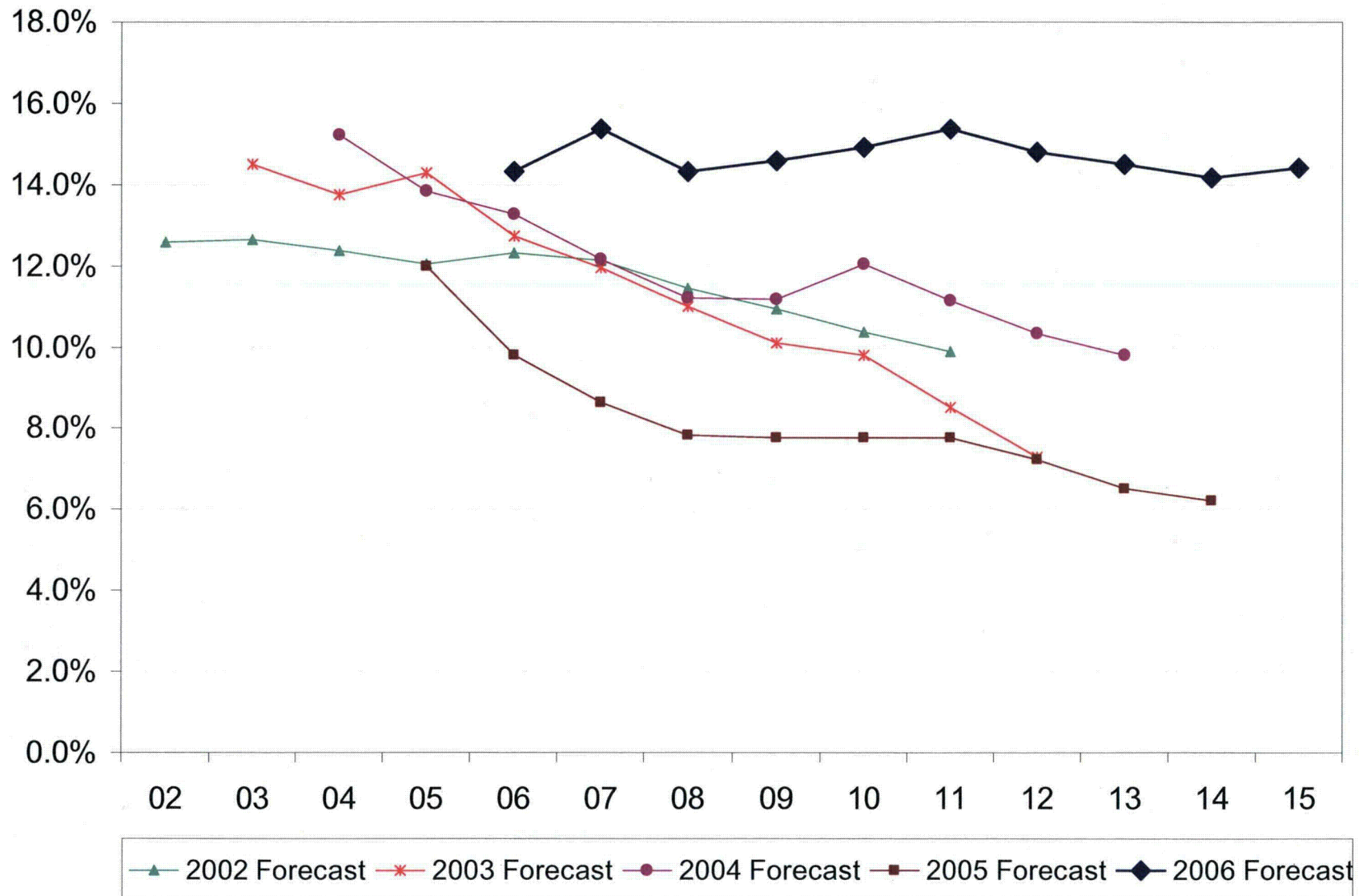
SERC Capacity Margins and Generation Development

There has been significant merchant generation development in SERC since 1998. Much of this merchant generation has not been contracted to serve load within the SERC region and its deliverability is not assured. For these reasons, only merchant generation contracted to serve SERC load is included in SERC's firm capacity and related margins. As of December 31, 2005, total generation (including uncommitted merchant generation) connected to the transmission system in SERC was 248,390 MW, with an additional 1,617 MW planned to be connected by July 1, 2006. Of that total, approximately 221,500 MW were committed to serving load within SERC for summer 2006. Uncommitted generation within SERC totals 33,500 MW, more than four times greater than any other NERC region.

Over the period covered by the 2006 survey, generation capacity additions totaled 36,760 (31,475 without new members) MW versus 27,600 MW projected in 2005 Survey. This increase reverses a trend that began in 2002. Early surveys had forecast ever-increasing planned generation additions that far exceeded projected demand growth. The pinnacle of those extreme generation additions was reported in the 2002 survey. More recent surveys have shown downward trends in generation development, indicative of a correction in the generation development market. The uptick in the 2006 survey indicates another correction in the marketplace due to fuel prices and to preserve proposed generation additions at a level in line with the forecast demand growth over the next several years.

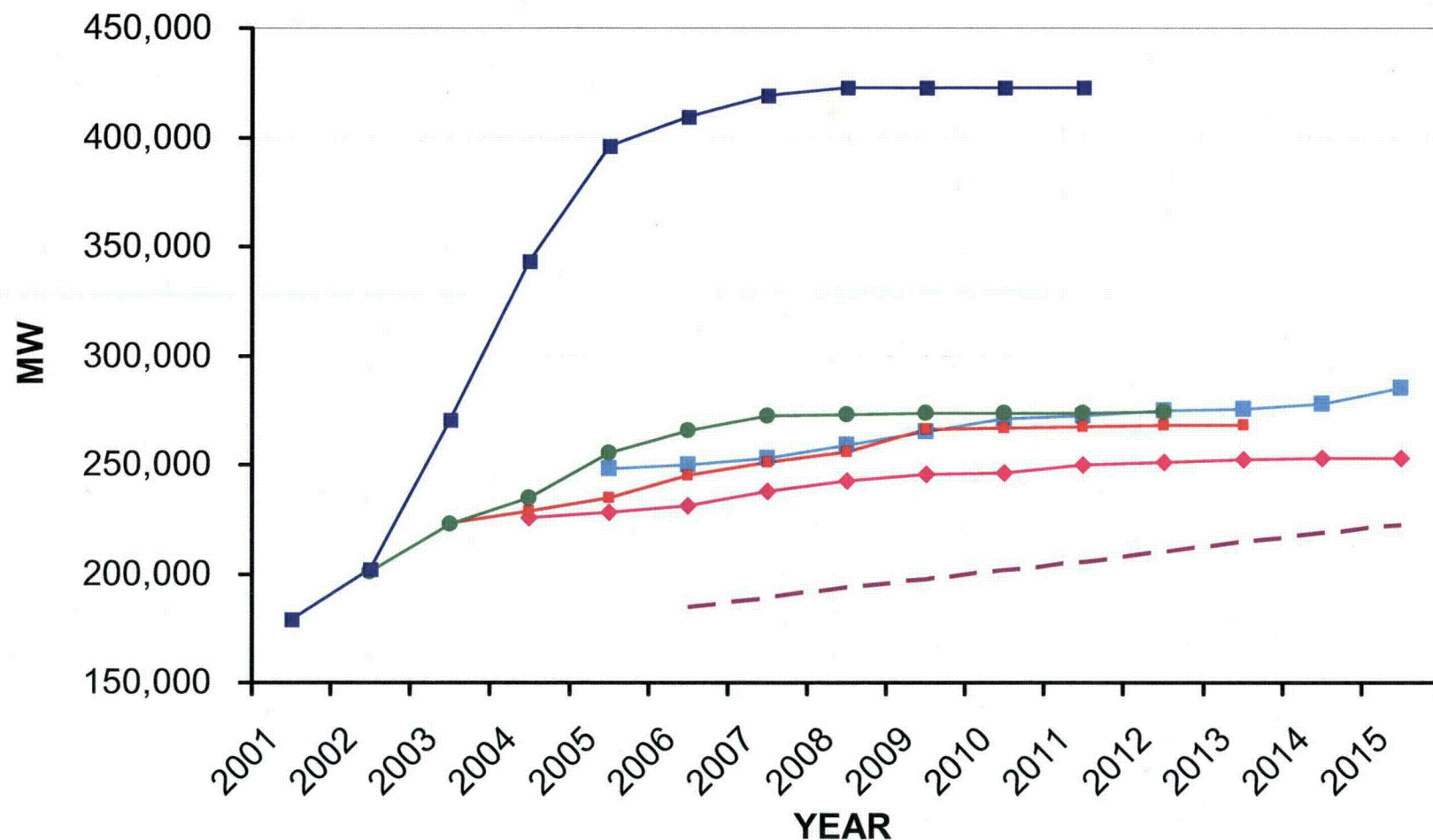


SERC Region Projected Firm Capacity Margins
(Excludes non-contracted merchant capacity)



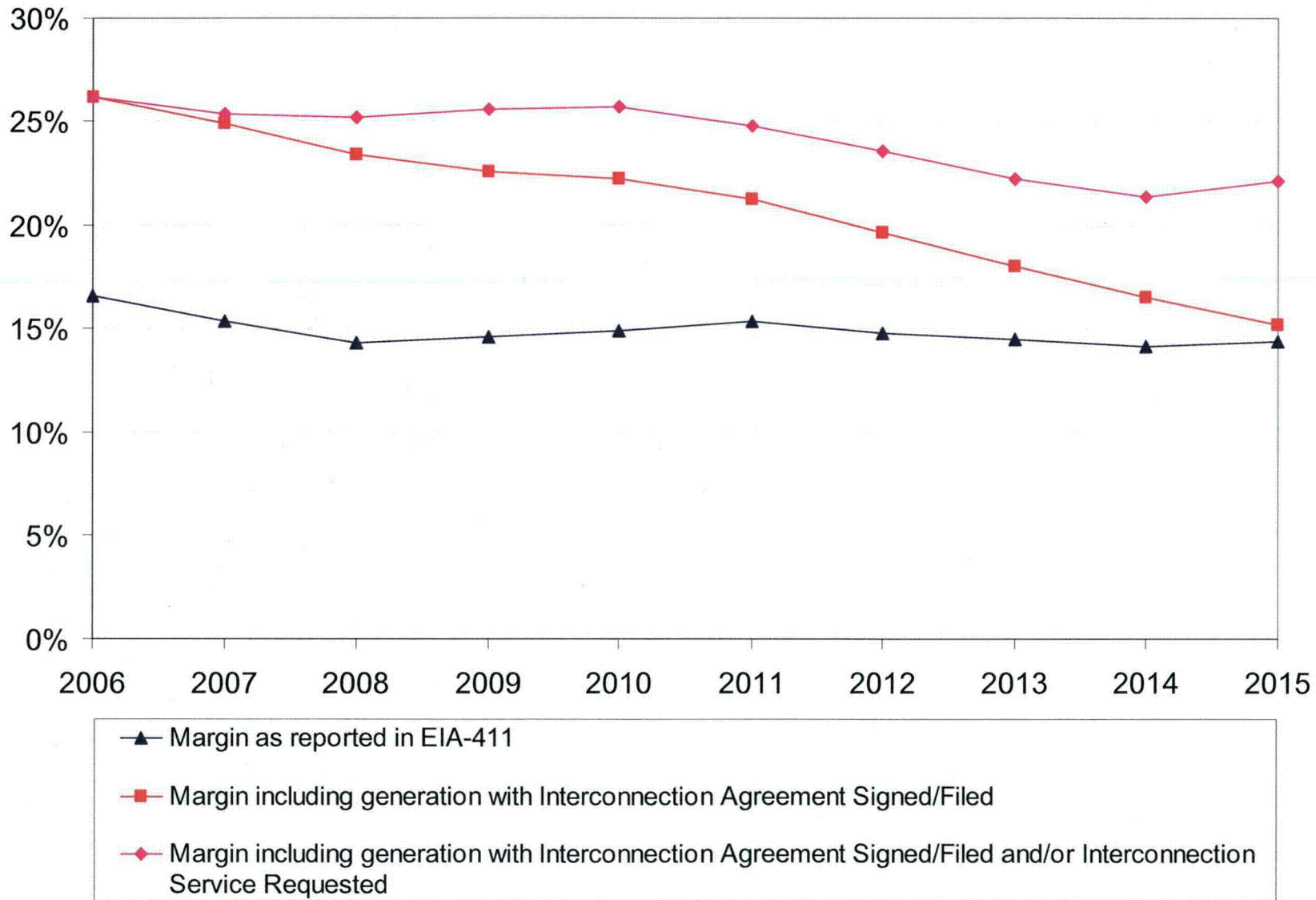


SERC Generation Development





Effects of Generation Development on SERC Capacity Margins



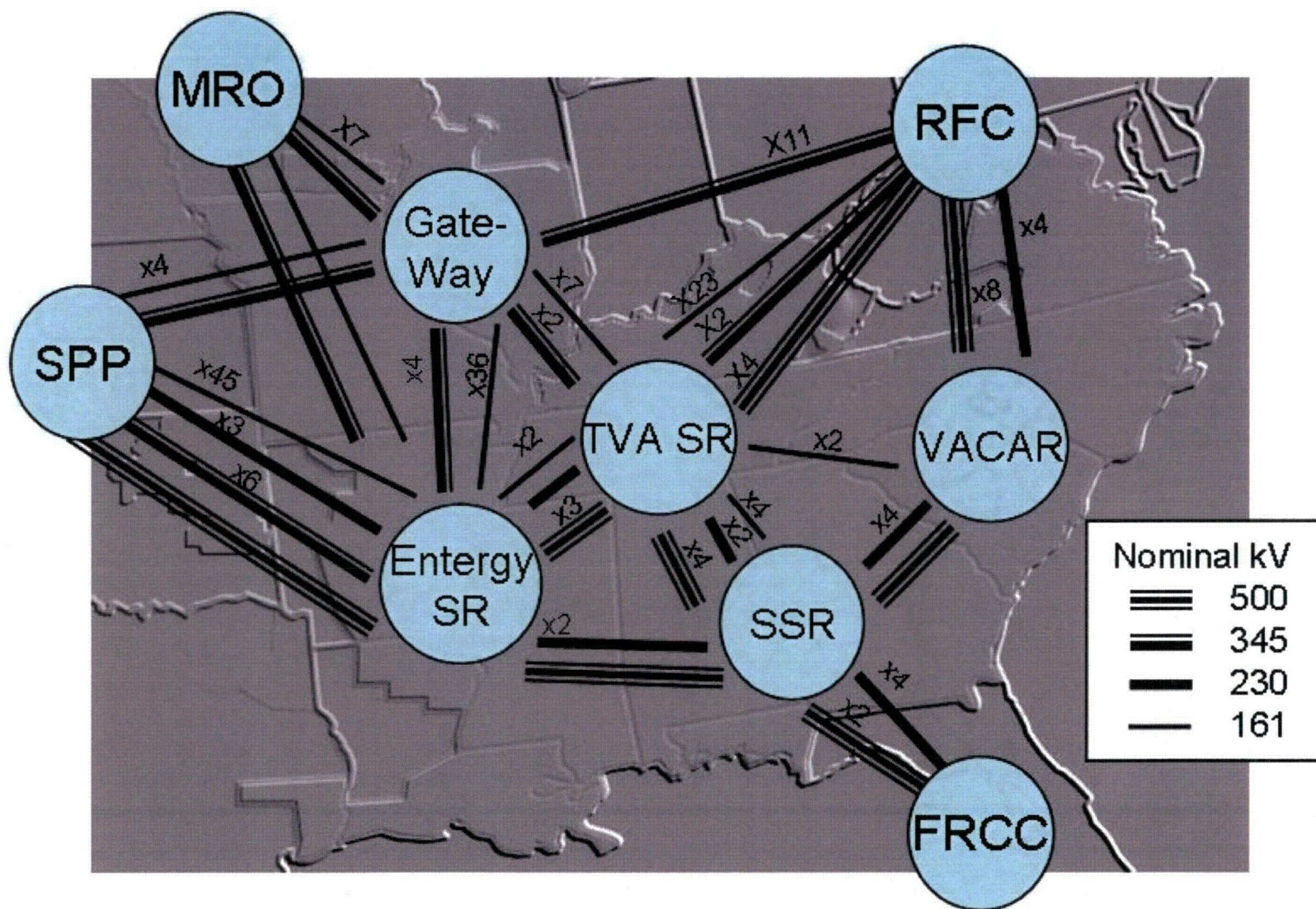


SERC Transmission Expansion and Improvements

SERC systems have developed a robust transmission system with more than 100 transmission connections to its neighbors to the north and west. Additionally, numerous interconnections exist between SERC subregions and members. SERC members invested more than \$1.25 billion in new transmission lines and system upgrades in 2005. Planned transmission additions include 387 miles of 161 kV lines, 1,624 miles of 230 kV lines, 270 miles of 345 kV lines and 345 miles of 500 kV lines in the next ten years, with planned investments of over \$6.75 billion in the next five years. The planned transmission expansion (line additions) at 230 kV and above in SERC represents more than 20 percent of all transmission expansion in the U.S. over the next ten years. It is important to note that this transmission expansion is only a subset of the total transmission expenditures, which also includes 100 kV and above equipment as well as transmission-level substation projects.

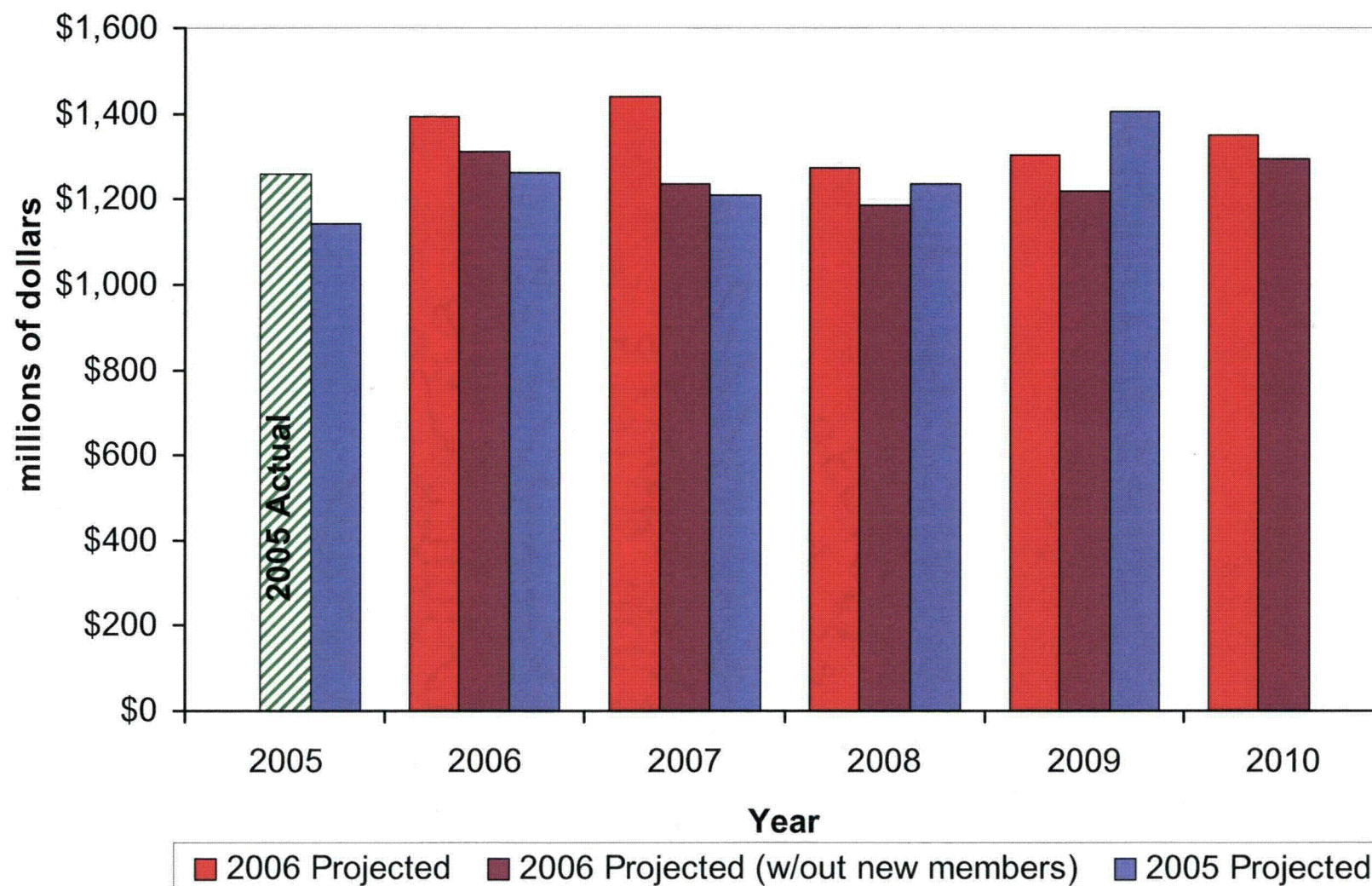


SERC Inter- and Intra-Regional Interconnections





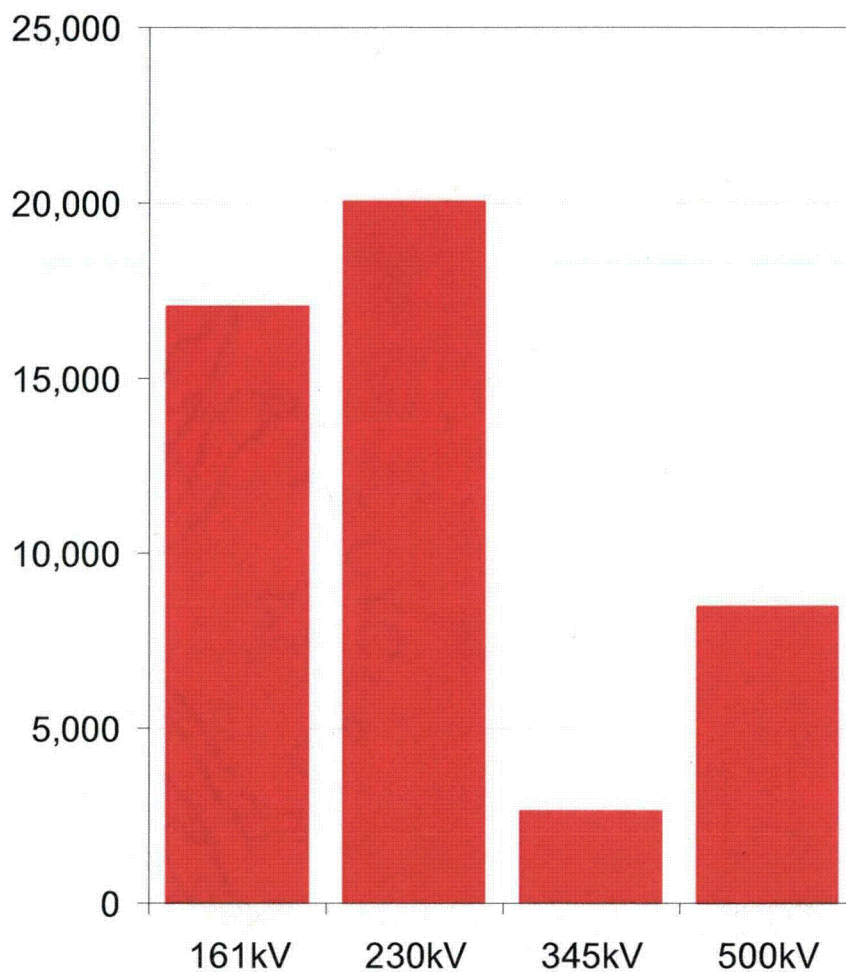
SERC Total Transmission Expenditures



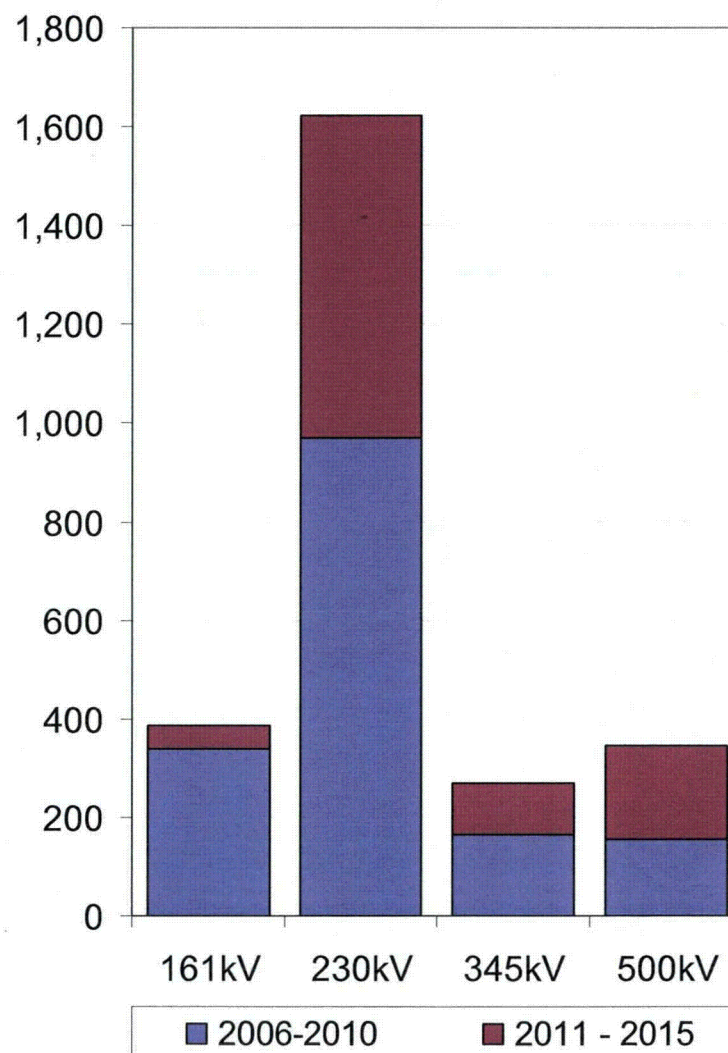


SERC Transmission Mileage
(161kV and above)

Existing



Additions





SERC Membership

(As of July 1, 2006)

Investor-Owned Utilities (19)

Alabama Power Company (S)
Alcoa Power Generating, Inc. (T,V)
Ameren Services Company (G)
Dominion Virginia Power (V)
Duke Energy Carolinas (V)
Electric Energy, Inc. (G)
Entergy Arkansas, Inc. (E)
Entergy Gulf States, Inc. (E)
Entergy Louisiana, LLC (E)
Entergy Mississippi, Inc. (E)
Entergy New Orleans, Inc. (E)
Florida Power & Light Company
Georgia Power Company (S)
Gulf Power Company (S)
Mississippi Power Company (S)
Progress Energy Carolinas (V)
Savannah Electric & Power Company** (S)
South Carolina Electric & Gas Company (V)
Tampa Electric Company

Merchant Electricity Generators (3)

Cogentrix Energy, Inc.
Constellation Energy Control and Dispatch
Duke Energy Americas, LLC

Municipals (7)

Alabama Municipal Electric Authority (S)
City of Columbia, MO (G)
Fayetteville Public Works Commission (V)
Illinois Municipal Electric Agency (G)
Municipal Electric Authority of Georgia (S)
N. Carolina Eastern Municipal Power Agency (V)
North Carolina Municipal Power Agency #1 (V)

Federal/State Systems (3)

South Carolina Public Service Authority (V)
Southeastern Power Administration (S) (T) (V)
Tennessee Valley Authority (T)

Marketers (9)

ACES Power Marketing
Cargill Power Markets, LLC
CLECO Corporation
Constellation Energy Commodities Group
Coral Power
DTE Energy Trading, Inc.
PPL EnergyPlus, LLC
Tenaska Power Services Company
The Energy Authority

Cooperatives (13)

Alabama Electric Cooperative, Inc. (S)
Associated Electric Cooperative, Inc. (E)
Big Rivers Electric Corporation (T)
East Kentucky Power Cooperative (T)
Georgia Transmission Corporation (S)
Louisiana Generating, LLC (E)
N. Carolina Electric Membership Corporation (V)
Oglethorpe Power Corporation (S)
Old Dominion Electric Cooperative (V)
South Mississippi Electric Power Association (S)
Southern Illinois Power Cooperative (G)
Soyland Power Cooperative, Inc. (G)
Western Carolina Energy, LLC (V)

RTO / ISO (2)

Midwest ISO
PJM Interconnection, LLC

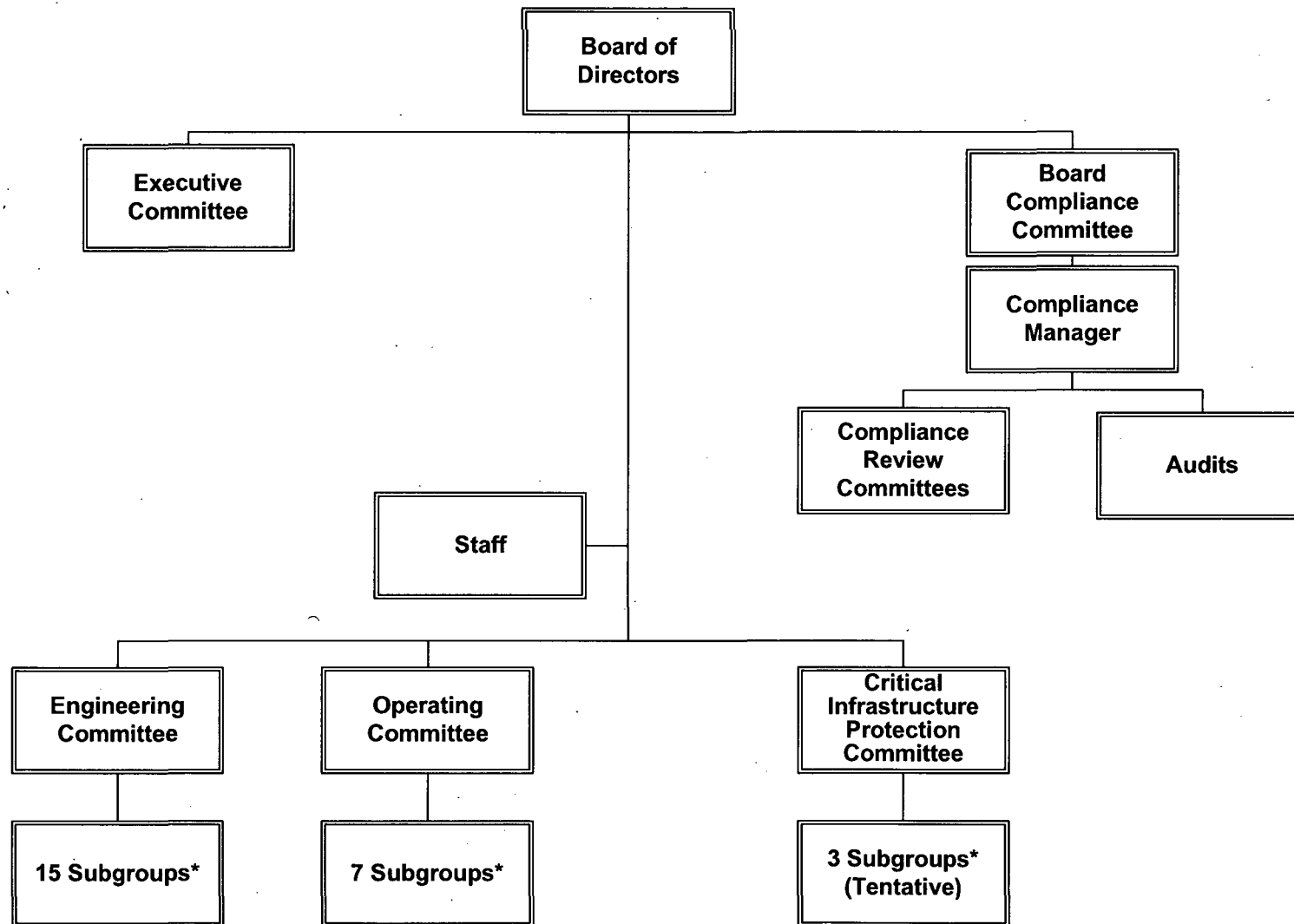
Subregional Affiliation

(E) - Entergy Subregion
(G) - Gateway Subregion
(S) - Southern Subregion
(T) - TVA Subregion
(V) - VACAR Subregion

** Savannah Electric & Power Company merged with Georgia Power Company, effective July 1, 2006.



Organizational Chart



* For a current list of subgroups, visit <http://www.serc1.org/Pages/Committees.aspx>



SERC Standing Committee Officers

Board of Directors

Chairman

Charles White, *South Carolina Electric & Gas Co.*

Vice Chairman

William Ball, *Southern Company Services, Inc.*

Secretary-Treasurer

Terry Blackwell, *South Carolina Public Service Authority*

Engineering Committee

Chairman

Tim Ponseti, *Tennessee Valley Authority*

Vice Chairman

Ed Pfeiffer, *Ameren Services Corp.*

Operating Committee

Chairman

J. Sam Holeman, *Duke Energy Carolinas*

Vice Chairman

Jim Griffith, *Southern Company Services, Inc.*

Critical Infrastructure Protection Committee

Chairman

Carl Eng, *Dominion Virginia Power*

Vice Chairman

Mike Hagee, *Duke Energy Carolinas*