

SUNGARD

Q2

APRIL - JUNE 2008 ISSUE



SUNGARD ENERGY NEWSLETTER

Integrated solutions for streamlining energy transactions and managing risk.

FROM THE PRESIDENT



In the inaugural edition of this newsletter, I focused on the steps we've taken within SunGard Energy Solutions to help you gain better value from the products and services we provide to you. Integrating our people, processes, and products is just one element of the changes undertaken to support your success.

In the second quarter, we executed on several new initiatives to bring all of you closer together and facilitate the sharing of best practices and experience...

PRODUCT UPDATES



GAS SOLUTIONS

FERC Issues Order 712
GTM Version 3.1 Released

ETRM SOLUTIONS

SES Unveils ZaiNet Real Time
New Integrated Hedge Accounting Module for ZaiNet

DATA MANAGEMENT SOLUTIONS

New Data Toolkit for Commodity Markets Launched

FUELS MANAGEMENT SOLUTIONS

Energy Softworx in the Field

ENERGY RISK 2008 Data Management House of the Year

Houston - June 11, 2008 - SunGard's FAME Energy received the 2008 *Data Management House of the Year* award given by Energy Risk at the 2008 Annual Energy Risk USA Conference.

SunGard's FAME Energy was chosen from a select group of highly competitive energy trading and risk management (ETRM) companies. The ability of SunGard's FAME Energy to deliver effective and fast data solutions with a rich diversity of features has set it apart, particularly over the past 12 months.

Energy Risk Awards 2008
Data Management House of the Year





SUNGARD ENERGY SUMMIT - 2008

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In the second quarter, we executed on several new initiatives to bring all of you closer together and facilitate the sharing of best practices and experience. In mid-May, the first SunGard Energy Summit for Europe provided the forum for much active networking as well as industry keynotes, product updates, and a day of training. Just a few weeks later, the new SES User Group held its first face-to-face meeting in Houston with very positive feedback.

I would like to personally recognize and thank the council members of the SES User Group for their commitment in launching the first user-led user group for SES. Their commitment on your behalf will yield the most value if you participate in the user group. Please join me in thanking council members: Paul Mertens, Ameren; Jolene McDougall, Cargill; Jody Gallagher, Iberdrola Renewables; Liz Patrick, Progress Energy; Vince Tennariello, PSEG; Mike Dowlin, SUEZ Energy North America; Rob Cooper, USG Co.; and Chris Lettau, Washington Gas Energy Services.

Best Regards,

Matt Mandalinci
President, SunGard Energy Solutions

PRODUCT UPDATES

GAS SOLUTIONS

FERC Issues Order 712

On June 19 the FERC issued Order 712. In this order, the Commission is making changes to the natural gas capacity release market to increase competition in the secondary market and to improve efficiency in the program. The order removes the rate cap on secondary capacity release for all releases less than 1 year. Additionally, it facilitates asset management arrangements (AMAs) by permitting tying and by relaxing bidding requirements associated with AMAs.

Over the next 4 weeks, SunGard Energy will conduct web seminars with customers and industry participants to discuss the impact of Order 712 and the opportunities it creates in the marketplace. Look for more information on these web seminars in the coming weeks.

GAS SOLUTIONS (continued)

Announcing the release of GTM 3.1

With two customers now in production and a third underway, SunGard's Gas Transaction Management (GTM) is gathering momentum as THE solution for advanced physical gas marketing and operations. In May, SunGard released for general availability the 3.1 release of GTM. This new release includes a number of enhancements spanning GTM from deal entry through settlements. Among the enhancements are the following:

- Enhanced price and quantity models for deals and contracts
- Added the ability to override fuel and/or transport rates by nomination for more transportation flexibility
- Further enhancements to GTM's hourly capability in contracts, operations, inventory and accounting
- Improved inventory and imbalance management with enhanced penalty and charge calculations and enhanced imbalance cash outs
- New deal confirmation and invoicing capabilities allow modification of the reporting templates to create statements with their own look and feel
- An expanded standard report library system-wide with new reports for deals and contracts, operations, inventory, and accounting

In addition, the release contains extensive fixes that put GTM on a solid foundation for future enhancements.

FUELS MANAGEMENT SOLUTIONS

Energy Softworx in the Field

Over the last few months ESW staff has spent considerable time in the field meeting with customers at numerous industry events including the Eastern Fuels Buyers Conference in Orlando May 7-9 and CoalTrans Asia in Bali June 1-3.

Discussions and demonstrations include new and/or enhanced functionality available with the 7.73 release of Fuelworx such as:

- Allowances for \$0 charge adjustments
- Cancellation of shipments with "QPA and Approved" on invoices
- Introduction of Standard Fuel Definitions (SFD default if no FQRs) plus SFD's are "dated-based"
- Estimated quality on shipments
- Ability to import shipment times
- Ability to divert a shipment after QPA is posted
- Completely revised form security (form, base data, report attribute level)
- Performance tuning on various reports,
- Quality Hierarchy, allowing negative within process (not at end)
- Introduction of Generating Unit Groups (for Report Groupings)

Additionally, ESW achieved a key milestone during Q2 with the availability of Budgetworx which includes an embedded data mart.

SunGard's Winning Strategies Web Seminar Series highlights successful, results-driven business strategies based on the utilization of new technologies in pursuit of improved business performance.

Through subject matter experts, real world examples and case histories, participants can learn how to bridge the gap between strategic objectives, the need for results, and day-to-day realities.



UPCOMING WEB SEMINARS

To learn more about our upcoming Web Seminars please visit our web site at:
www.sungard.com/energy

For a recorded version of our previously conducted web seminars or for additional information please email:
energy-marketing@sungard.com

ENERGY TRADING & RISK MANAGEMENT SOLUTIONS

New Integrated Hedge Accounting Module for ZaiNet

In several recent surveys by The Economist and others, executives have cited regulatory risk as the most significant threat to their business. While hedging mitigates economic risk, it can create accounting/audit risks which are components of regulatory risk. To help ZaiNet customers properly account for hedging transactions, SunGard has fully integrated into ZaiNet the robust hedge accounting system (HAS) delivered and proven in Entegrate. Tight integration of the HAS module with ZaiNet's trading and risk management components provides customers with the following benefits:

- Better visibility into hedging impacts for better hedge decision-making
- Greater operational efficiency from streamlined processes and elimination of redundant data inputs
- Timely, reconcilable, and fully auditable information supports FAS 133, IAS 39, and Sarbanes-Oxley compliance

To deliver these benefits, the SES hedge accounting module employs user-defined rules to automate the process for maintaining compliance with regulatory requirements. User-defined rules drive the automatic classification and bucketing of hedges and hedged items. After being classified and bucketed, hedges can be matched manually, automatically or via a combination of both. Subsequent to the match date, the HAS retrospectively calculates hedges using either cash flow or fair value methodology for hedge effectiveness as required by the standards boards.

The system will alert users whenever hedges become ineffective. Matched trades can be de-designated whenever market conditions cause ineffectiveness to occur within a reporting period. After de-designation, the appropriate accounting entries are recorded and the unused portion of de-designated trades becomes available to match to another transaction. The following list summarizes key functions of the integrated HAS module in ZaiNet.

- Tracks fair value and asset valuations based on the SunGard risk engine
- Differentiates intrinsic value from time value for option valuation
- Supports compliance for cash flow and fair value hedge calculations
- Automatically documents each hedging relationship based on pre-defined rules
- Discloses OCI and earnings for the designated accounting period
- Provides retrospective hedge effectiveness calculations for several algorithms
- Allows for trade de-designation
- Produces standard operational and accounting reports
- Allows users to query deals by any deal criteria

Use of the proven Entegrate HAS module for the tightly integrated ZaiNet HAS module illustrates how SES is reusing components to deliver new functionality faster. ZaiNet customers will want to take a closer look at moving away from spreadsheets or manually interfaced hedge accounting packages to enhance hedging capability and regulatory reporting.

SunGard Energy Unveils ZaiNet Real Time

SunGard is pleased to announce availability of its Energy Real Time Dashboard, a component of ZaiNet Real Time, for multi-commodity energy trading and risk management. ZaiNet helps energy organizations manage complex portfolios of energy commodity contracts and derivative transactions, streamline operations across the enterprise, and sharpen decision-making.

SunGard's Energy Real Time Dashboard builds on real-time operational business intelligence (BI) technology to facilitate views of each transaction as it flows through the underlying operational applications and systems to give traders the most current view of how the business is performing at any given moment in time.

It helps users make Just-in-Time decisions to change the outcome of transactions that may still be in flight and not yet completed. By gaining immediate and streaming updates to forecasts, real-time market data and projected performance metrics, traders can more effectively manage their energy positions and maximize reward to risk ratios.

ZaiNet Real Time continuously monitors key trading, risk and operational metrics:

- Alerts notify traders and schedulers of exception conditions as they occur, reducing exposures
- Dashboard displays with quick, sophisticated visualization capabilities, provide users the ability to instantly drill down to details to discover root cause
- Users can rapidly develop “what-if” scenarios to optimize choices, adjust trading strategies, and immediately take action to respond to changing market conditions

Positions can easily be viewed at a glance. The ability to view correlated data from existing energy trading systems and external data sources through a robust real-time streaming dashboard, brings real-time visibility and control into a range of trading activities including risk, position, profit & loss, Mark to Market (MtM), stress testing, audit, Value at Risk (VaR), back office, settlement, accounting and credit. In addition to powerful visualizations provided by its real-time dashboards, better limit management provides better protection. ZaiNet Real Time includes limits monitoring and messaging:

- **ZaiNet Real Time Limits Monitor** provides a real time view of current exposures against defined limits. Limits are available in real-time cubes for quick analysis. Presenting updated information and alerts in real time helps traders and managers to actively manage the contract positions of an energy portfolio to mitigate risk and increase profitability for the overall business.
- **ZaiNet Real Time Message Center** allows users to generate messages and alerts for real-time delivery to the desktop of other users within ZaiNet, keeping everyone on the team updated in real time.

DATA MANAGEMENT SOLUTIONS

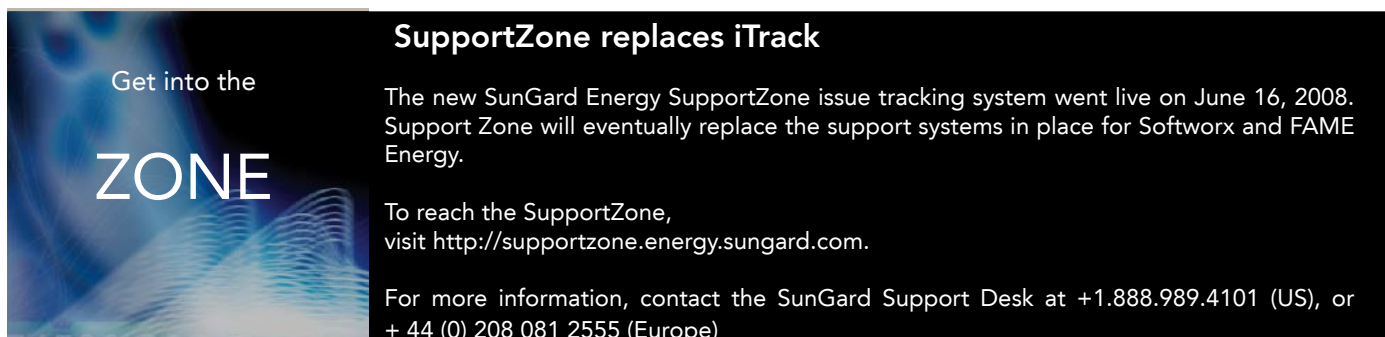
New Data Toolkit for Commodity Markets Launched

SunGard’s FAME EnergyServer Data Management Toolkit (EnergyServer DMT) combines the performance of the EnergyServer time-series database with new data management tools. To support commodity portfolio trading decisions, energy organizations rely on data from a variety of sources. SunGard’s FAME EnergyServer DMT addresses the decision support requirement by helping users to consolidate and store custom and external data, acquire segmented market data, maintain existing processes for data sourcing, processing and analysis, perform Q&A, and export data.

Employing a browser interface, the FAME EnergyServer DMT provides a data management framework for aggregating energy data from multiple sources and leveraging the information across an enterprise to support trading decisions.

The solution provides data managers with the tools to create custom datasets to feed specific applications, validate the quality and completeness of data, schedule the flow of data to applications, and manage custom data without the need for custom solutions.

Designed to help empower energy organizations to take control of their data management processes and achieve integration throughout their enterprise, SunGard’s FAME EnergyServer DMT solution has been implemented by a major national utility in Europe.



Get into the
ZONE

SupportZone replaces iTrack

The new SunGard Energy SupportZone issue tracking system went live on June 16, 2008. Support Zone will eventually replace the support systems in place for Softworx and FAME Energy.

To reach the SupportZone,
visit <http://supportzone.energy.sungard.com>.

For more information, contact the SunGard Support Desk at +1.888.989.4101 (US), or + 44 (0) 208 081 2555 (Europe)



Update: SES Worldwide User Group

In early April, SunGard's Energy Solutions software users joined together to create a SunGard energy user group - a new, independent, user-run organization to provide SunGard users an opportunity for sharing information and resources. One of many objectives for this group: learn from other users' knowledge and experience. A membership drive, initiated over six weeks by the User Group Customer Council (its governing body), has resulted in more than 130 SES customer representatives becoming members!

The Inaugural User Group Meeting, sponsored by SUEZ Energy North America, was held June 11-12 in Houston, Texas with 34 members participating. Paul Mertens of Ameren Energy Fuels & Services and Mike Dowlin of SUEZ, jointly chaired the meeting.

In addition to lively breakout sessions, a critical outcome of this meeting was establishing "communities of interest" groups (CIGs) and identifying group leaders. CIGs are intended to provide a consistent means for User Group customer companies to work with SunGard directly, providing ideas and assistance on topics of interest, future developments and solution enhancements.

We invite you to peruse the User Group information Web site at www.sesusergroup.com to learn more, and hope that you join this user-driven organization. The member registration form can be found on our website at www.sesusergroup.com. Or, email this organization at: contactus@sesusergroup.com

HIGHLIGHTS SUNGARD ENERGY SUMMIT EUROPE - 2008

More than 40 customers, 15 of which utilize FAME Energy solutions and services, joined SES for the first-ever Energy Summit Europe held in Lisbon, Portugal, May 13-16.

The Energy Summit provided numerous sessions delivered by industry experts on "hot data topics" such as bringing greater transparency to energy markets, converting data into a strategic asset, bootstrapping curves from the market, MiFiD and its potential impact on energy markets, an overview of the summer weather forecast for Europe, and an update from ICE Data regarding the increased demand in market data across different asset classes.

Popular networking events such as "Birds of a Feather" roundtables provided opportunities for customers to have candid discussions with peers, colleagues and SunGard representatives on topics such as the impact of market regulation on cross border trading and dealing with exploding data requirements.

And, a user case history delivered by Energias de Portugal (EDP), provided insight into their experience deploying a new data management strategy for

converting data into valuable business information to aid strategic decision making and reduce operational risk using FAME Energy Server DMT.

The Summit concluded with a full day of specialized training and deep dives for ZaiNet, Analytics and FAME Energy solutions. Currently we are scouting locations for the spring Energy Summit Europe 2009. Stay tuned for details.



SUNGARD ENERGY SUMMIT, EUROPE

Lisbon, Portugal

www.sungard.com/energy

ABOUT SUNGARD ENERGY SOLUTIONS

SunGard's energy solutions help energy companies, industrials and financial services, to efficiently compete in global energy markets by streamlining and integrating the trading, risk management and operations of physical commodities and their associated financial instruments.

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