

Lexecon Workpapers Guide

On October 28, 2002, Staff made a three part data request in regards to the Lexecon Spot Gas Transactions Database and analysis. At this time, Lexecon is providing a response to two parts of the data request (Section I), an explanation of why it is unable to provide a response to the third part of the data request (Section II), and a revised version of its affidavit with an explanation for the changes (Section III).

Section I

Lexecon is submitting electronic workpapers organized into the following seven directories:

- 1) FERC Series
 - Readme-FERC Series.pdf
 - Gas per FERC 20020813 Report.csv
 - Gas per FERC 20020813 Report.xls
- 2) Published Indices
 - Readme-Published Indices.pdf
 - Gas Indices.xls
- 3) Spot Gas Transactions Database-Input Datasets
 - Readme-Spot Gas Transactions Database-Input Datasets.pdf
 - Lexicon Data Ver 2 wo Names.xls (*Coral*)
 - FERC request _ Market_Sales transaction detail_sent09192002.xls (*Duke*)
 - FERC request _ Supply_Purchase Transaction Detail_sent09192002.xls (*Duke*)
 - REV NonAffiliatePurchasesRequest.xls (*Dynegy*)
 - Mirant Gas Sales to CA 102000 to 062001.xls (*Mirant*)
 - Mirant Purchases 102000-062001 -- totals.xls (*Mirant*)
 - Revised Lexecon Data.xls (*Reliant*)
 - Fuel Spot Sales & Purchases Ver2 (Sent to Lexecon).xls (*Williams*)
 - Volume percentages Lexecon workproduct.xls
- 4) Spot Gas Transactions Database-Aggregated Datasets
 - Readme-Spot Gas Transactions Database-Aggregated Datasets.pdf
 - sgtd.sas7bdat
 - nftd.sas7bdat
 - indices.sas7bdat
- 5) Spot Gas Transactions Database-Programs
 - Readme-Spot Gas Transactions Database-Programs.pdf
 - data readin.sas
 - analysis.sas
- 6) Spot Gas Transactions Database-Output
 - Readme-Spot Gas Transactions Database-Output.pdf
 - analysis.lst
 - Table 1.xls
 - Table 2.xls
 - Table 2-No Coral.xls
 - Table 2-No Duke.xls
 - Table 2-No Dynegy.xls
 - Table 2-No Mirant.xls
 - Table 2-No Reliant.xls
 - Table 2-No Williams.xls
 - Table 2-No Sales.xls

Table 2-No Indexed Transactions.xls
Figures 1-6.pdf

- 7) Revised Affidavit
Readme-Revised Affidavit.pdf
REVISED Affidavit of David Reishus and Patrick Wang--BLACK-LINED.pdf
REVISED Affidavit of David Reishus and Patrick Wang.pdf

Each directory contains a Readme file that provides more details on the directory's contents and how to recreate Lexecon's analytical process.

Section II

Lexecon is unable to respond to the following section of the Staff's request:

- “(2) . . . For each spot transaction priced based upon an index, identify the index used and indicate separately any discount or adder from the index price.”

Lexecon requested that each company provide enough information to identify whether an index was used or not, but it did not request further details on how such an index (or indices) contributed to the final transaction price, nor was such information necessary for Lexecon's particular analysis. As can be seen in the company data provided with Lexecon's workpapers, some companies did include some information—such as index name—beyond Lexecon's basic request. However, this information was not provided consistently from all companies, and for those companies that did provide some information, Lexecon did not discuss how to interpret these additional details with company staff. Therefore, Lexecon is unable to provide these details with the data it currently has in its possession.

Section III

Lexecon is submitting a revised version of its affidavit. Since the original October 15, 2002 submission, Lexecon has discovered that the NGI Malin and NGI PG&E Citygate series were mislabelled in the source Excel document. Specifically, the Malin series was labeled as “Citygate”, and the Citygate series was labeled as “Malin”. With this corrected, the measures of how well the published indices capture the level and movement in observed arm's-length natural gas spot transactions prices improve. The revised affidavit (including figures) and all the Lexecon workpapers incorporate this correction.