

End of Planning Period Portfolio Netting

FTRSTF

November 25, 2014

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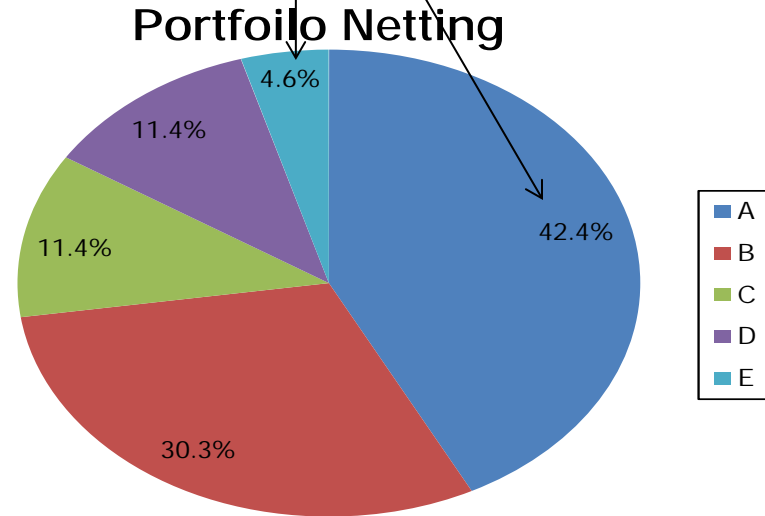


Monitoring Analytics

Portfolio Netting (Current) Uplift Share

Participant Portfolios				Portfolio Netting (Current)		
Participant	Positive TA	Negative TA	Net TA	Uplift Percent Netting	Uplift Charge Net	Payout Netting
A	\$ 280,000,000	\$ (1,000,000)	\$ 279,000,000	42.4%	\$ 42,420,556	\$ 236,579,444
B	\$ 200,000,000	\$ (1,000,000)	\$ 199,000,000	30.3%	\$ 30,256,956	\$ 168,743,044
C	\$ 75,000,000	\$ (300,000)	\$ 74,700,000	11.4%	\$ 11,357,762	\$ 63,342,238
D	\$ 85,000,000	\$ (10,000,000)	\$ 75,000,000	11.4%	\$ 11,403,375	\$ 63,596,625
E	\$ 280,000,000	\$ (250,000,000)	\$ 30,000,000	4.6%	\$ 4,561,350	\$ 25,438,650

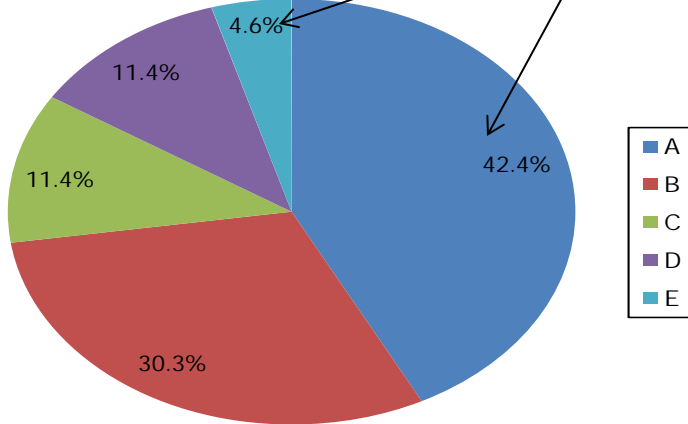
- **With netting, equal positive target allocations do not pay the same EOPP FTR Uplift charge**



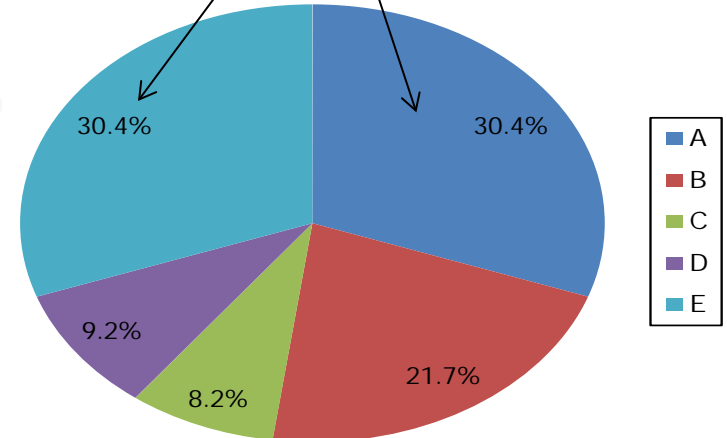
No Portfolio Netting (Proposed) Uplift Share

Participant Portfolios				Portfolio Netting (Current)			No Portfolio Netting (Proposed)		
Participant	Positive TA	Negative TA	Net TA	Uplift Percent Netting	Uplift Charge Net	Payout Netting	Percent No Netting	Uplift Charge No Net	Payout No Net
A	\$ 280,000,000	\$ (1,000,000)	\$ 279,000,000	42.4%	\$ 42,420,556	\$ 236,579,444	30.4%	\$ 30,434,783	\$ 248,565,217
B	\$ 200,000,000	\$ (1,000,000)	\$ 199,000,000	30.3%	\$ 30,256,956	\$ 168,743,044	21.7%	\$ 21,739,130	\$ 177,260,870
C	\$ 75,000,000	\$ (300,000)	\$ 74,700,000	11.4%	\$ 11,357,762	\$ 63,342,238	8.2%	\$ 8,152,174	\$ 66,547,826
D	\$ 85,000,000	\$ (10,000,000)	\$ 75,000,000	11.4%	\$ 11,403,375	\$ 63,596,625	9.2%	\$ 9,239,130	\$ 65,760,870
E	\$ 280,000,000	\$ (250,000,000)	\$ 30,000,000	4.6%	\$ 4,561,350	\$ 25,438,650	30.4%	\$ 30,434,783	\$ (434,783)

Portfolio Netting



No Portfolio Netting



Summary

- **Under current portfolio netting rules, participants with the same positive target allocations do not face the same EOPP uplift charge**
 - **Negative target allocations offset positive target allocation positions in the portfolio**
- **Under the proposed portfolio rules, participants with the same positive target allocations will face the same EOPP uplift charge**
 - **Negative target allocations would not offset positive target allocation positions in the portfolio**
- **The proposed rules would treat all FTRs equally, regardless of portfolio construction**

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