

AssetVal™

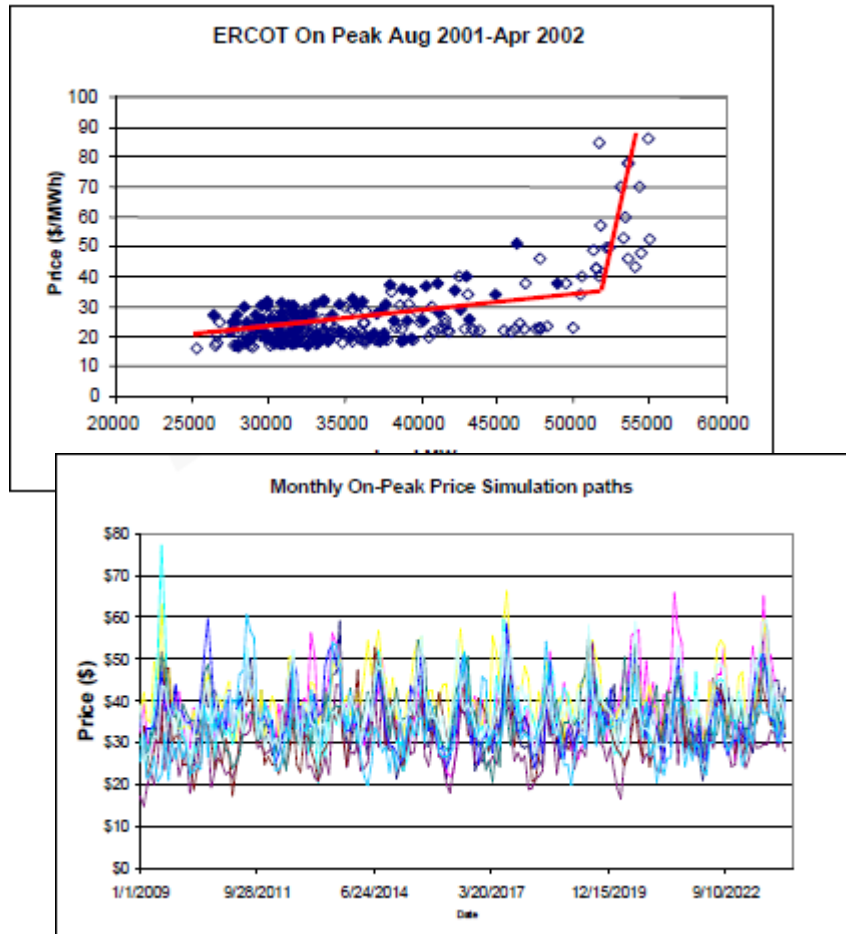
AssetVal™ is an asset valuation application that provides market and fundamental based assessment of generating and transmission assets integrated with risk analysis

AssetVal™ Advanced Analytics for Everyday Use

AssetVal™'s methodologies are accepted by the financial community **AssetVal** incorporates competitive market dynamics with current market data and system fundamentals to provides realistic valuations of generation and transmission assets.

AssetVal adds value by accurately capturing the daily and hourly volatility of electricity prices and determining the "market value" of assets. Ascend's highly accurate portrayal of electricity markets has enabled several prominent projects to be financed where traditional production cost models with volatility adders have failed. **AssetVal**'s proven ability to produce realistic simulations of electricity prices drives credible valuations and structuring of complex transactions.

AssetVal™ provides proven results **AssetVal** market assessments have been used in many independent market assessments and have consistently provided objective revenue numbers and have improved project finance ratings.



AssetVal™ components provide the most advanced market and fundamental based methodologies available **AssetVal** incorporates both market data and fundamental analytic components to simulate spot electricity prices to capture the following processes:

- Weather → Load → Price
- Unit outages → Reserve margin → Price
- Import/Export → Price
- Fuels → Supply stack → Price
- Seasonal hydro → Price
- Market forward curves
- Values unit flexibility and operating constraints
- Incorporates real business cycles

Unique Product Values

- Revenue and Earnings at Risk
- Impact of volatility in gas prices
- Value of hedging strategies
- Structuring complex deals
- Value of Firm Transmission Rights
- Value of duct firing and inlet chillers
- Value of ancillary service revenue
- Value of increased operating flexibility

ASCEND

ANALYTICS

Quantitative Solutions for Energy Risk

Boulder, CO | Berkeley, CA | Boston, MA | Bozeman, MT

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Asset Valuation Services

Competitive electricity markets are changing,

Ascend Analytics' Energy Advisors use models to capture the new dynamics

Some of the nation's largest asset divestitures and project financings have been supported by the experts at Ascend. Our team, using **AssetVal™**, continues to generate the advanced and highly regarded asset valuations. We balance the fundamentals of supply and demand with market-based methodologies to accurately capture the full value of electric generation. Our valuations also incorporate uncertainty in cash flows and risk return metrics including the Sharpe ratio.

Ascend's asset valuation methodologies reflect the current standard of the electricity market

Our energy advisors are able to blend the uncertainty of today's energy markets with the realities of energy supply and demand. We are able to capture the value of "flexibility" or "real option value" through simulation of gas and electric price.

Ascend Analytics' Energy Advisors have provided asset valuation services to the following clients:

AES	Columbia Energy	El Paso
Energetix	PG&E	Mosbacher Power
Xcel	ACES	PP&L Global
Sempra Energy	BC Hydro	Centennial Power

In addition, **AssetVal™** incorporates business cycles, simulation of unit dispatch, derivative instrument revenue, and new unit entry as key factors in simulating accurate prices

Ascend provides value to the asset financing process

- Experience in valuing deals that cannot be financed with production cost models
- Proven acceptance by S&P and Moody's
- Leverage achieved through more accurate and realistic price forecasts
- Investment decision analysis support
- Consistent with the supply and demand fundamentals of newly competitive electricity markets

Our staff has worked with the following financial institutions on asset financings:

ABN	Bank Of Tokyo	Chase Securities
Citibank	Credit Suisse First Bank	Lehman Brothers
Moody's	Morgan Stanley	Standard and Poor's

