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Dynegy Inc. Financial Guidance Call Transcript

Question-and-Answer Session

Operator

Thank you. (Operator Instructions) Your first question comes from Daniel Eggers - Credit Suisse.

Daniel Eggers - Credit Suisse

Just for some clarification on some of the sensitivities to the guidance range this year, would \$8 gas equate to effectively a midpoint EBITDA guidance of the \$915 million, and then if we thought the \$825 to \$1 billion, would that be \$1 plus or minus on gas? Is that the right way to think about the number you gave?

Holli C. Nichols

I think that's right, Dan. The \$8 gas, if you then just take that to a midpoint, that is the \$915 of EBITDA. And then you would want to stress natural gas and a heat rate off of that midpoint as you think about the range.

Bruce A. Williamson

I think, Dan, you also have to, though, take into account with, you know, gas prices having come off, we've also seen coal prices come off, so the open amount of coal, for example, for next year on the Northeast fleet, we would anticipate getting some pickup there.

And I guess, Lynn, you're here, you might comment. I mean, if we re-ran things today, we would still come back at about the same midpoint, correct?

Lynn A. Lednicky

Yes. We've got a number of things that offset within the portfolio, so even though commodity prices are down if you look at gas, heat rates have moved around. We see some impact on coal. So we would still be in the middle of the range if we re-ran things today.

Daniel Eggers - Credit Suisse

So in today's world, even in a \$6-ish forward curve, the plusses would offset the minus on the gas side as you're looking at it?

Lynn A. Lednicky

Well, you would be always at the midpoint, but it wouldn't be accurate to, for example, say gas is down roughly \$2, therefore we should take the midpoint down by, you know, \$120 or \$140 million.

Holli C. Nichols

I think it's fair to say, Dan, we're still very comfortably within the range that we've put out today for our EBITDA estimate.

Daniel Eggers - Credit Suisse

So you would say that if things held as they were today, you would be within the \$825 to \$1 billion, but probably closer to \$825 than anything else?

Lynn A. Lednicky

We're probably still closer to the midpoint, but certainly well comfortable within the range.

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