Investor Presentation

Deutsche Bank High Yield Conference

October 2006

Conference Participants

Jeffrey Mayer

President, Chief Executive Officer, and Director

Steve Murray

Chief Operating Officer

Chaitu Parikh

Vice President and Chief Financial Officer

Recent Business Developments

mXenergy

- **MXenergy is a leading US marketer of natural gas and electricity to residential and small commercial customers**
- **On August 1, 2006, MXenergy closed on the acquisition of the assets of Shell Energy Services Company ("SESCo"), the wholly-owned U.S. retail gas marketing subsidiary of Shell Corporation**
  - **Purchase price of $146.6 million (includes $21.1 million of assumed LCs)**
- **MXenergy executed three financings in conjunction with the SESCo acquisition:**
  - **$190 million of Senior Unsecured Notes**
  - **Increased Revolving Credit Facility to $280 million**
  - **New Hedge Facility**

Combined Company Overview (LTM 6/30/06)

Residential Customer Equivalents ("RCEs")(1)	**714,000**
Sales	**$890.0 million**
Operational EBITDA(2)	**$62.6 million**
Service territories	**12 states plus Ontario**

Note: All data as of 6/30/2006

(1) A Residential Customer Equivalent ("RCE") is defined as a residential customer with a standard consumption of 100 MMBtu per year and a power RCE is defined as a residential customer with a standard consumption of 10 MWhrs/year. Represents gas and electricity serviced RCEs at period end.

(2) Operational EBITDA excludes the effect of any unrealized gain or loss on derivatives, as well as $3.3 million of EBITDA from Percent of Income Payment Plan accounts, $4.0 million in charges associated with purchase accounting related to mark-to-market adjustments on contracts acquired, and $0.9 million of non-cash stock compensation.

Key Drivers

- **Marketing**
  - **Contango market**
  - **Fixed / variable customer mix**
- **Customer attrition**
  - **Historical experience**
  - **Renewal rates**
  - **Commercial / residential mix**
- **Risk management**
  - **Policies & procedures**
  - **SocGen facility**
- **Commodity prices**
  - **Stable margins**
  - **Working capital / liquidity**

MXenergy Business Strategy

mXenergy

Offer an attractively priced, differentiated product	▪ capitalize on industry deregulation ▪ variable contracts with unique structures ▪ provide fixed price protection unavailable from most utilities
Maintain prudent risk management	▪ minimize risk positions through strict adherence to risk management policies ▪ seek stable long-term profits from customers ▪ no speculative trading
Sustain low cost operating structure	▪ lower overhead costs by foregoing costly brand-name advertising ▪ outsource certain marketing, customer service, systems and web-development functions
Pursue organic growth and opportunistic acquisitions	▪ expand customer base in existing markets ▪ pursue strategic acquisition targets conservatively
Maintain high customer service standards	▪ third party verification on all sales, remote call monitoring, and quality assurance ▪ strict adherence to FTC guidelines ▪ first rate call center handling customer inquiries, complaints and service requests
Leverage investment in information systems	▪ superior customer relationship management systems

Energy Marketer Value Proposition

	Fixed Price Contract	Variable Priced Contract
Commodity Pricing	▪ Commodity price is fixed for a specific period of time ▪ Typically inverse relationship between price and term (longer terms have lower price) ▪ Similar to "fixed rate mortgage"	▪ Price is set by MXE based on market ▪ Indexed to citygate price plus an adder
Customer Rationale	▪ Ability to budget energy costs ▪ Alternative provider to incumbent utility ▪ Potential to save in rising energy price environment ▪ Superior customer service relative to utility provider	▪ Unsure whether to lock in rates now ▪ Want alternative to incumbent utility provider ▪ Potential savings vs. current utility provider ▪ Superior customer service relative to utility provider
Hedging requirement	▪ YES	▪ NO

In contrast to incumbent utilities in most states, retailers offer competitively priced fixed and variable contracts providing customer choice

Strong Risk Management Philosophy
No proprietary traders, no speculative trading

- **MXenergy does not engage in speculative trading**
  - **No sales of options or sale of gas except to balance pre-existing long positions**
  - **Exposures > $5 million for 2+ days must be mitigated**

- **MXenergy seeks stable, long term profits from the energy retail, mid-market and small commercial businesses**

- **MXenergy seeks to be price and volume neutral through appropriate commodity hedging**

- **Risk management culture includes constant communication among all departments and emphasizes key tenets**
  - **Continuous reinforcement of policies and procedures**
  - **Honest critique/self appraisal and accountability**
  - **Constant review of risks to business**

- **VAR limit of $5 million, with historical peaks at less than $1.2 million**

- **Risk management policies are governed by the Risk Oversight Committee ("ROC")**

SESCO Acquisition Integration Update

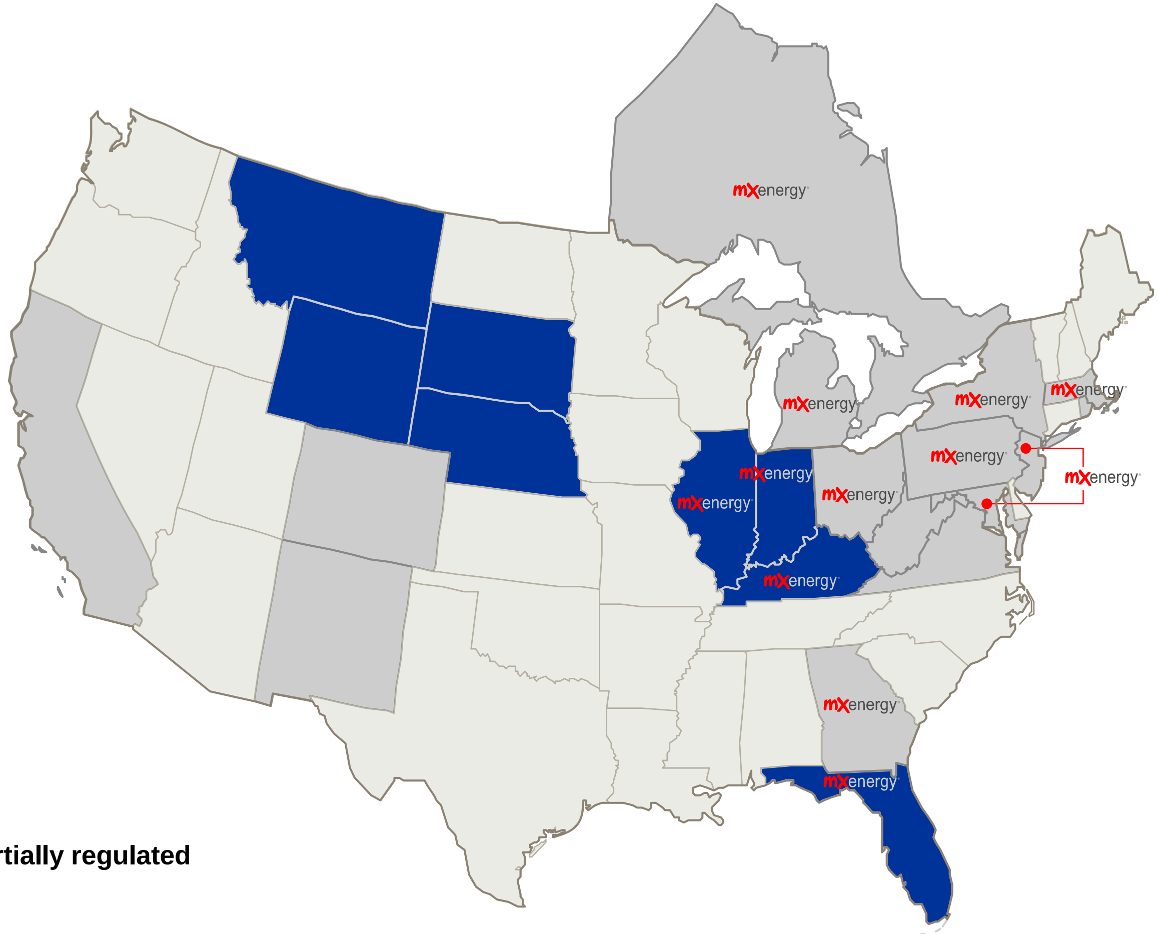
mxenergy

1. Integration steps completed	Status:
Customer accounts	▪ Customers notified ▪ Ohio accounts integrated
Human resources	▪ 58 of 71 employees hired ▪ SESCo CEO becomes MXE COO

2. Integration steps underway	Status:
IT and systems	▪ Move to Houston target 90 days ▪ Sungard risk management (December 2006)
Staffing	▪ Collections outsourced ▪ Move to Pennzoil building (November 2006) ▪ Accounting to Houston (December 2006)

3. Benefits realized	Status:
Commercial marketing	▪ Staff selling to other regions, SESCo best practices implemented and gaining traction

Increased Diversification of Gas Business



- Deregulated
- Pilot Phase/Partially regulated
- Regulated

MXenergy is diversified among Eastern states and Canada and has ample growth opportunities

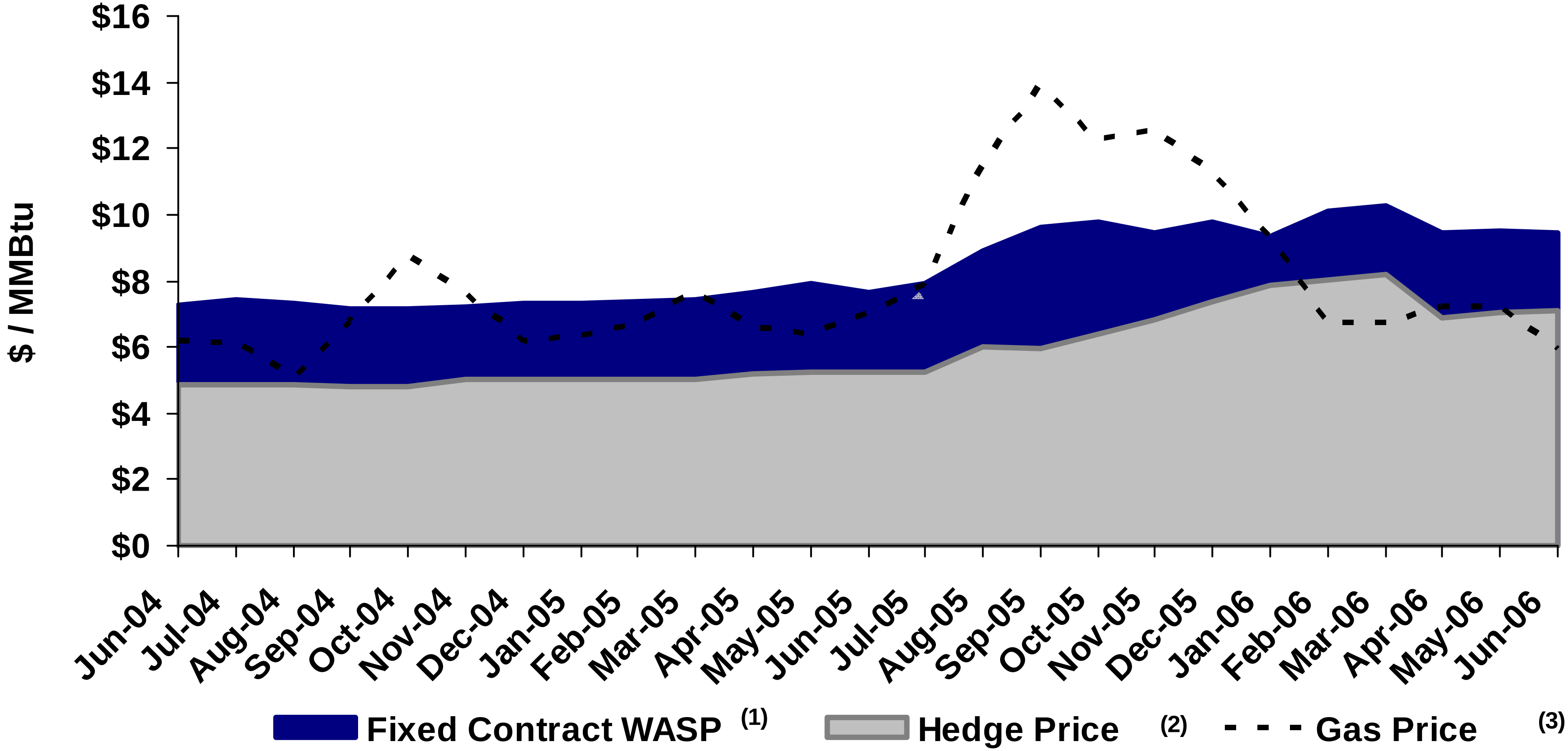
MXenergy Retail and Small Commercial Customer Overview

- **Attractive customer economics and payback period**
  - upfront acquisition marketing cost of ~$75 per RCE
  - residential and small commercial marketing costs recovered in under 1 year (annual gross margin per RCE ~ $125(1) to $160(2)
- **Long-standing, stable customer relationships with high renewal percentages (~ 90%)**
  - approximately 60% of customers have been with MXenergy for 2 or more years
- **Demonstrated ability to maintain customer margins throughout various gas price cycles**
- **Track record of growing customer base (RCEs) throughout various gas price cycles**
  - 19.6% CAGR since 2003
- **Bad debt expense associated with customer base has also historically been low at approximately 1% of total sales**

(1) Variable price contract

(2) Fixed price contract

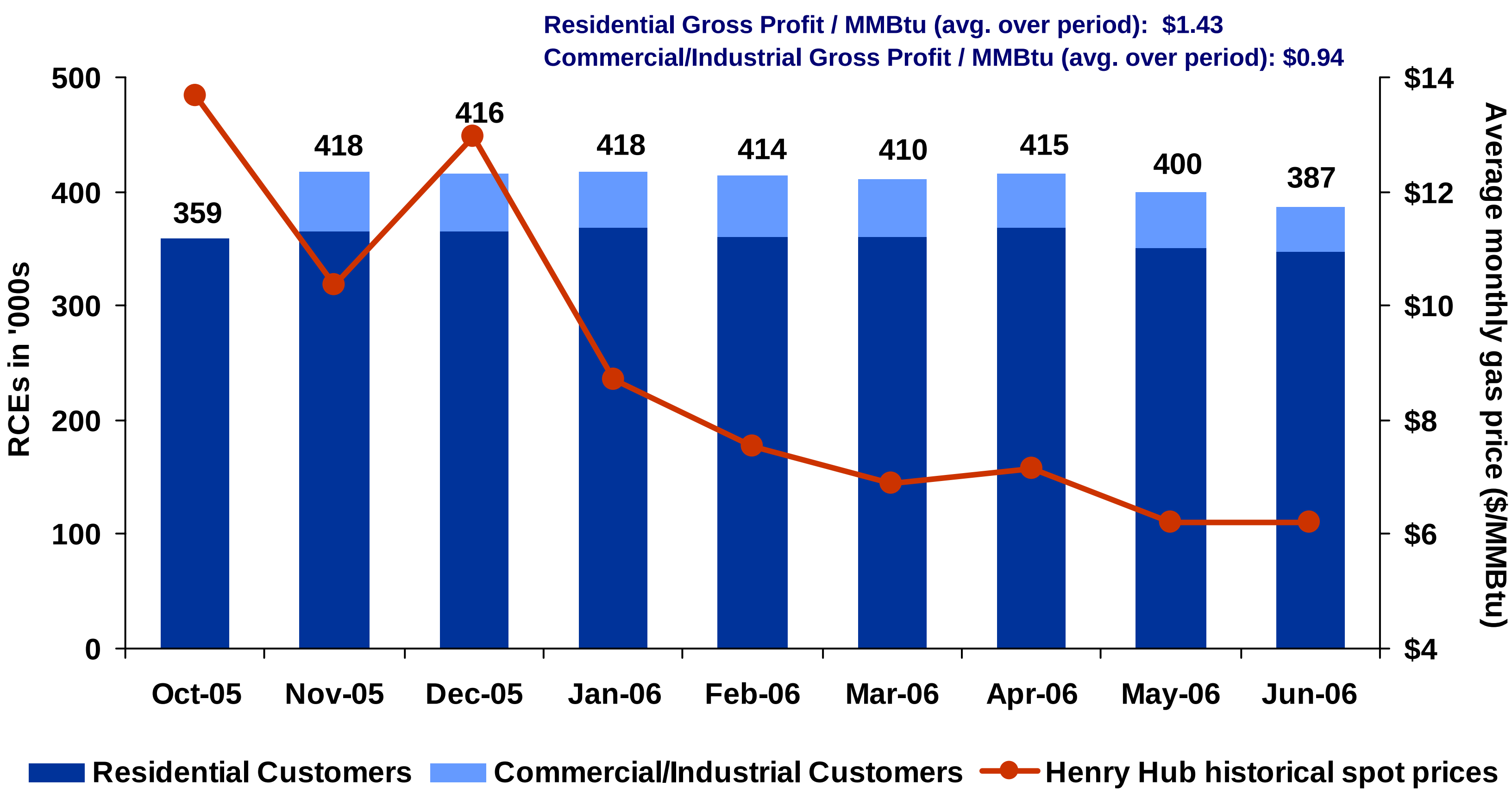
Fixed Contract Price Spread



MXenergy's weighted average price / hedge spread has remained constant despite increased volatility in underlying gas prices

(1) Weighted average sales price ("WASP").
(2) NYMEX only hedge price.
(3) NYMEX settle prices.

Stability Under Declining Gas Prices



Financial overview

Chaitu Parikh

Chief Financial Officer

Financial Overview

mXenergy

($ in thousands)

	Historical			Pro Forma
	2003	2004	2005	LTM 6/30/2006
RCEs				
MXenergy	**226,000**	**361,000**	**348,000**	**387,000**
SESCo (excl PIPP)	**350,000**	**402,000**	**382,000**	**327,000**
Total RCEs	**576,000**	**763,000**	**730,000**	**714,000**
Sales				
MXenergy	**$102,475**	**$185,659**	**$277,196**	**$362,561**
SESCo (excl PIPP)	**361,967**	**469,980**	**517,292**	**527,385**
Total	**$464,442**	**$655,639**	**$794,488**	**$889,946**
Capital expenditures				
MXenergy	**$4,653**	**$16,153**	**$8,296**	**$16,052**
SESCo	**5,759**	**1,501**	**–**	**–**
Total	**$10,412**	**$17,654**	**$8,296**	**$16,052**
EBITDA - Capex - Interest				**$17,857**
Less: Cash Taxes Estimated (@ 40%)				**$7,143**
Free Cash Flow Estimated				**$10,714**

Pro Forma Capitalization

($ in millions)

	Pro Forma 6/30/06	% of total capitalization	Multiple of LTM 6/30/06 PF EBITDA[1]
Cash and cash equivalents	$27.9		
ABL revolver	$0.0	0.0%	0.0x
Senior unsecured notes	185.3	74.1%	3.0x
Total debt	$185.3	74.1%	3.0x
Shareholder's equity	64.8	25.9%	1.0x
Total capitalization	$250.1	100.0%	4.0x

PF 2006 EBITDA / interest expense[2]	2.2x
(PF 2006 EBITDA – total capex) / interest expense[2]	1.6x

(1) LTM PF operational EBITDA of $62.6 million as of June 30, 2006.
(2) PF interest expense excludes approximately $2.2 million of SESCo revolving debt interest and $3.7 million of non-cash interest expense.

Net income to EBITDA and Adjusted EBITDA reconciliation

mxenergy

	Pro forma years ended June 30,	
	2006	2005
Net Income (loss)	$(52,763)	$(2,530)
Add:		
Interest expense, net	34,432	38,948
Income tax (benefit)	(36,635)	159
Depreciation and amortization	36,006	37,067
EBITDA	(18,960)	73,643
Subtract:		
Unrealized Gains (losses) from risk management activities	(79,897)	16,004
Add:		
Non-cash stock compensation	911	2,033
Adjusted EBITDA	61,848	59,672
Add:		
Purchase accounting adjustment (MTM on acquired contracts)	4,033	4,033
Subtract:		
PIPP accounts	3,273	4,117
Operational EBITDA	62,608	59,588

Key Business Highlights

mXenergy

- Consistent track record of customer, revenue and adjusted EBITDA growth
- Diverse and attractive customer base
  - over 710,000 RCEs across 12 states and Ontario
  - 41% variable price contracts and 59% fixed price contracts
  - residential, small and mid-market commercial customers
- Customer margins targeted to achieve payback within 1 year, with annuity flows thereafter
- Low cost marketing channels and low overhead costs
- Strong and experienced management team with extensive experience in physical energy supply
- Conservative and effective risk management and hedging policies
- Significant investment in information systems
- Ample sources of liquidity
  - ABL Facility
  - new hedging facility
- Attractive credit risk profile with 53% of receivables guaranteed by LDCs
- Strong third-party relationships with Local Distribution Companies ("LDCs") and state regulators