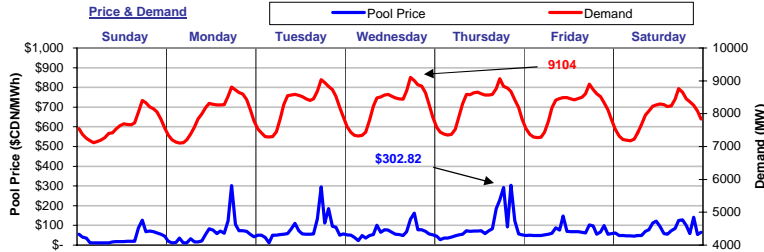


The Market Monitor

WATCHING THE MARKET : your fact source

Week Ending January 7, 2006

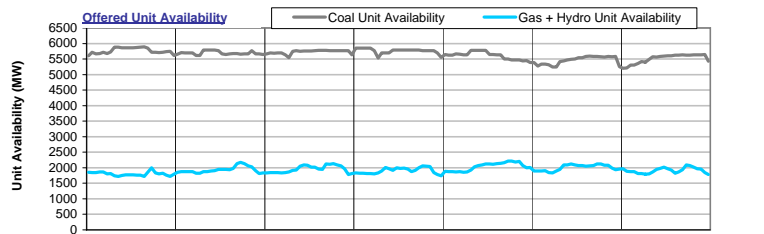
Weekly Highlights



For the week ending January 7, 2006, **Pool Price** averaged \$68.93/MWh and ranged from a minimum of \$10.94/MWh in HE08 on Sunday to a maximum of \$302.82/MWh in HE21 on Thursday.

Demand reached a high of 9104 MW in HE18 on Wednesday and a low of 7112 MW in HE04 on Monday. Average demand for the week was 8064MW.

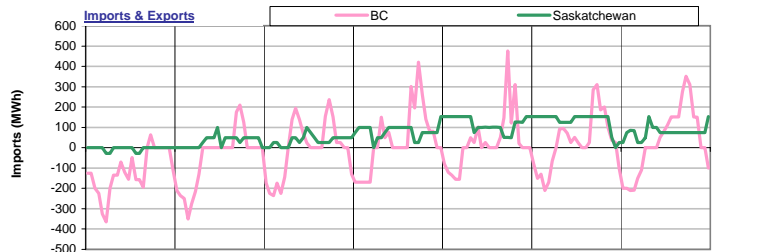
Pool Price and **Demand** were positively correlated last week with an R-squared value of 0.43.



Coal Unit Availability averaged 5648 MW last week. This is an equivalent availability of 97% (based on MCR).

Gas and Hydro Unit Availability averaged 1936MW last week, which is an equivalent of 34% (based on MCR).

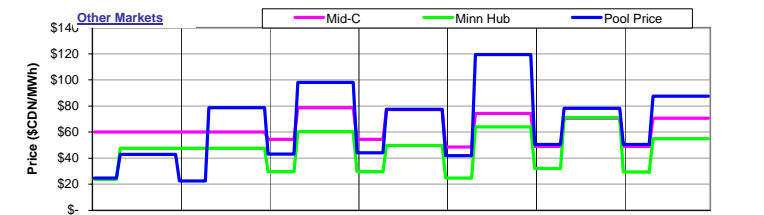
Availability numbers are based on MW offered into the energy merit order.



Alberta was a net exporter to BC last week with total exports equal to 1,096MWh.

Alberta was a net importer from Saskatchewan last week with total imports equal to 11,283MWh.

Overall, Alberta imported 10,187MWh of electricity last week.

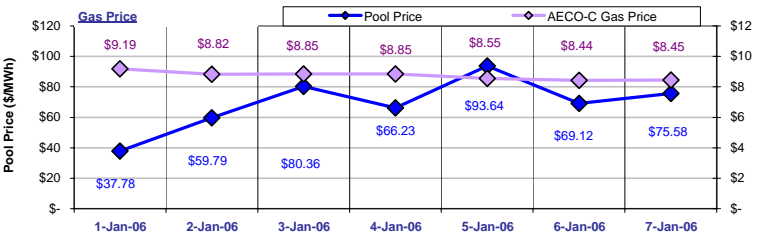


Pool Prices were generally higher than prices in **Mid-C** and higher than prices in **Minn Hub** last week.

Mid-C prices averaged \$72.00/MWh on-peak and \$53.71/MWh off-peak.

Minn Hub prices averaged \$57.96/MWh on-peak and \$31.00/MWh off-peak.

Prices in \$CDN at an exchange rate of 1.16408.



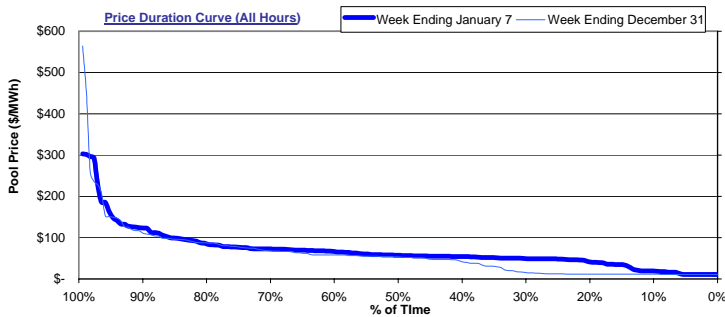
The average **AECO-C Gas Price** last week was \$8.74/GJ and ranged from a minimum of \$8.44/GJ to \$9.19/GJ.

Prevailing gas prices resulted in market heat rates ranging from a low of 4.11GJ/MWh to a high of 10.95GJ/MWh. The average market heat rate for the week was 7.93GJ/MWh.

Wholesale Market

Weekly Market Statistics

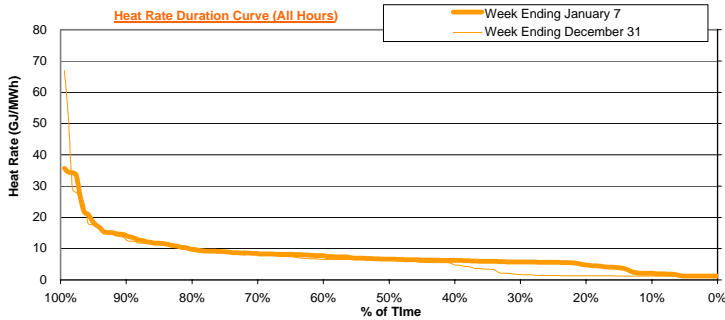
	Sunday 1-Jan	Monday 2-Jan	Tuesday 3-Jan	Wednesday 4-Jan	Thursday 5-Jan	Friday 6-Jan	Saturday 7-Jan	Average	Last Week	% Change	YTD
Pool Price											
Average	\$ 37.78	\$ 59.79	\$ 80.36	\$ 66.23	\$ 93.64	\$ 69.12	\$ 75.58	\$ 68.93	\$ 60.36	14.2%	\$ 68.93
On-Peak	NA	\$ 78.72	\$ 98.03	\$ 77.51	\$ 119.46	\$ 78.16	\$ 87.64	\$ 89.92	\$ 86.02	4.5%	\$ 89.92
Off-Peak	\$ 37.78	\$ 21.91	\$ 45.03	\$ 43.68	\$ 42.00	\$ 51.06	\$ 51.47	\$ 40.94	\$ 26.14	56.6%	\$ 41.85
COV	0.81	1.01	0.73	0.46	0.83	0.34	0.40	0.65	0.80	-18.1%	
Heat Rate											
Average	4.11	6.78	9.08	7.49	10.95	8.19	8.94	7.93	6.44	23.2%	7.93
On-Peak	NA	8.93	11.08	9.06	14.09	9.26	10.37	10.47	10.04	4.2%	10.47
Off-Peak	4.11	2.49	5.09	5.08	4.95	6.05	6.09	4.67	3.02	54.8%	4.67
Demand											
Average	7,644	7,966	8,223	8,245	8,258	8,144	7,965	8,064	7,822	3.1%	8,064
Minimum	7,120	7,112	7,294	7,326	7,348	7,272	7,180	7,236	7,071	2.3%	7,112
Maximum	8,404	8,812	9,038	9,104	9,063	8,898	8,765	8,869	8,561	3.6%	9,104
Coal Unit Availability											
Average	5,770	5,695	5,731	5,763	5,609	5,457	5,513	5,648	5,560	1.5%	5,648
Utilization	99%	98%	98%	99%	96%	93%	94%	97%	95%	1.5%	97%
Gas and Hydro Unit Availability											
Average	1,802	1,933	1,958	1,907	2,037	2,004	1,912	1,936	1,858	1.4%	1,936
Utilization	38%	41%	41%	40%	43%	42%	40%	34%	33%	1.4%	34%



The price duration curves show the % of time that prices were at or below a certain value during the week.

For the week ending **January 7**, prices were at or below:

- \$20/MWh 12% of the time
- \$50/MWh 30% of the time
- \$100/MWh 85% of the time
- \$250/MWh 97% of the time
- \$500/MWh 100% of the time

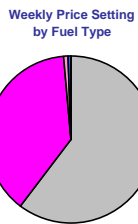
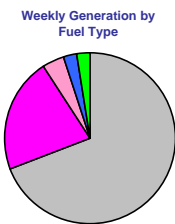


The heat rate duration curves show the % of time that the implied market heat rate was at or below a certain value during the week. For the week ending **January 7**, implied market heat rates were at or below:

- 5.0 GJ/MWh 21% of the time
- 10.0 GJ/MWh 81% of the time
- 15.0 GJ/MWh 92% of the time
- 20.0 GJ/MWh 96% of the time

Market Share Statistics

By Fuel Type:



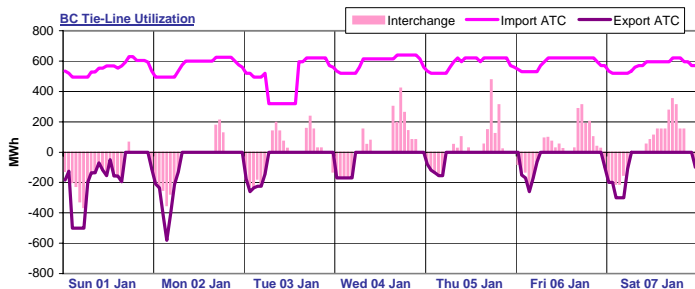
By Submitting Customer:



Last week, coal units were responsible for 69.1% of the generation in the province and set price 60.3% of the time. Gas-cogen units accounted for 21.8% of the generation and set price 38.4% of the time last week while other gas units made up 4.0% of generation and set price 0.7% of the time.

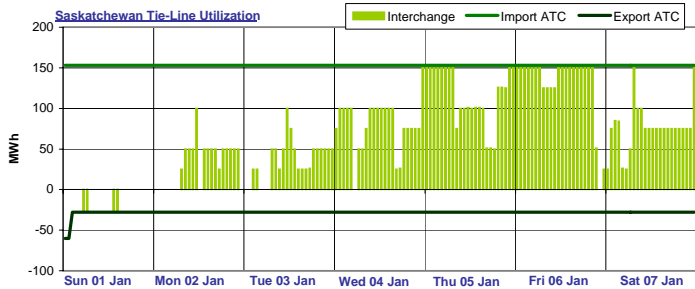
A total of 9 market participants set price last week. One market participants set price more than 20% of the time last week. The top price setter set price 30.4% of the time and the top five price setters set price a total of 85.1% of the time.

Interties

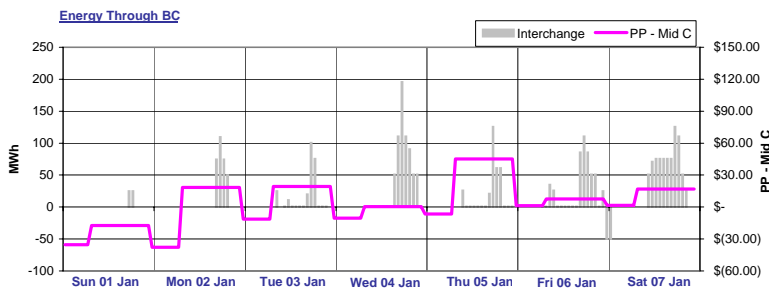


BC import capacity was 9% utilized last week while BC export capacity was 90% utilized. Energy was being imported into Alberta over the BC tie-line 47% of the time and exported out of Alberta over the BC tie-line 33% of the time last week. There was no activity on the BC tie-line 20% of the time last week.

Note: External reserve contract volumes have been subtracted from the BC import ATC as this capacity is not available to import energy into Alberta.



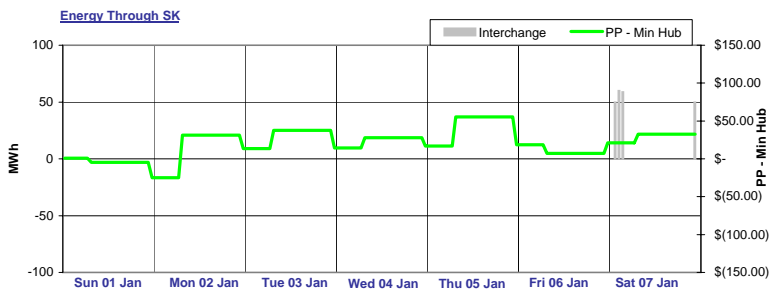
Saskatchewan import capacity was 44% utilized last week while Saskatchewan export capacity was 2% utilized. Energy was being imported into Alberta over the Saskatchewan tie-line 76% of the time and exported out of Alberta over the Saskatchewan tie-line 2% of the time last week. There was no activity on the Saskatchewan tie-line 21% of the time last week.



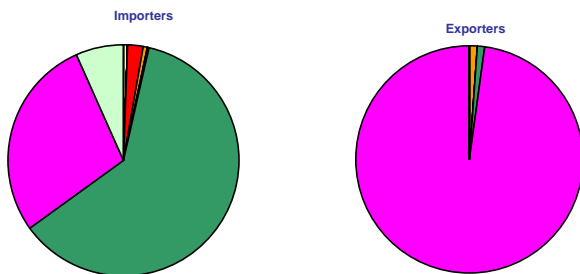
Last week, Alberta spot prices were mostly higher relative to prices in the Pacific Northwest as represented by Mid-C index prices, supporting import activity across the Alberta - BC interconnection.

Alberta prices were generally higher than prices in MAPP as represented by spot prices at the Minnesota Hub, which generally supported import activity across the Alberta - Saskatchewan interconnection.

Note: Platt's day-ahead strip for used in energy through BC and SK graphs for Mid C and Min Hub reference respectively.



Tie-Line Market Shares

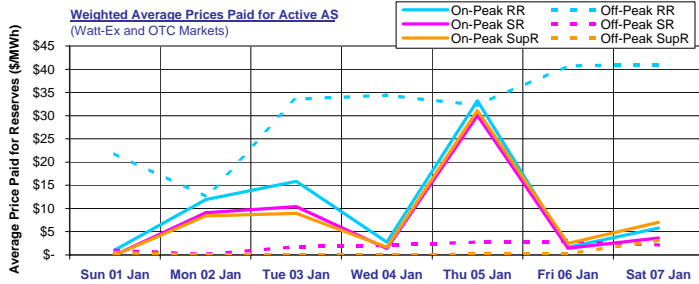


Last week, there were a total of 7 importers. The most active importer had a market share of 61.5% while the second most active importer had a market share of 28.2%.

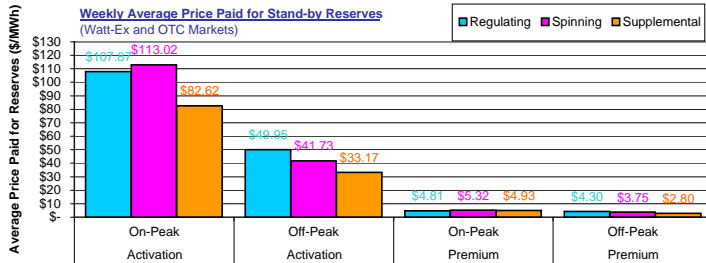
There were a total of 3 exporters last week. The most active exporter had a market share of 97.8% while the next largest exporter had a market share of 1.2%.

Note: Market shares are based on the combined activity on both interties.

Ancillary Services Market

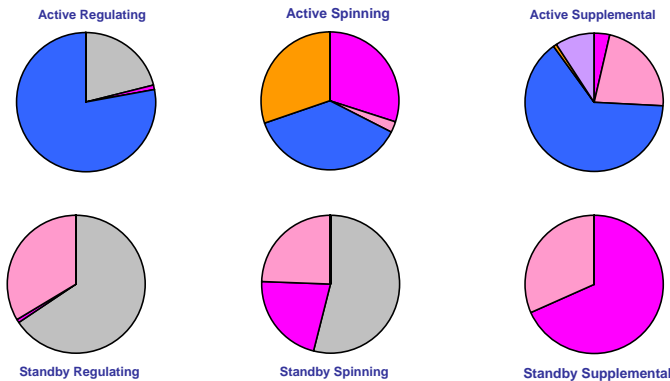


Average on-peak prices paid for active ancillary services last week were **\$10.27/MWh**, **\$8.19/MWh** and **\$8.73/MWh** respectively for active **regulating**, **spinning** and **supplemental** reserves.
Active average off-peak prices were somewhat lower and averaged **\$30.74/MWh**, **\$1.84/MWh** and **\$0.58/MWh** for active **regulating**, **spinning** and **supplemental** reserves respectively.



Weekly average activation prices for stand-by reserves ranged from **\$33.17/MWh** for **off-peak supplemental** reserves to **\$113.02/MWh** for **on-peak spinning** reserves.
Weekly average premium prices ranged from **\$2.80/MWh** for **off-peak supplemental** reserves up to **\$4.93/MWh** for **on-peak spinning** reserves.

AS Market Shares by Fuel Type



Last week **hydro** units had the largest market share in the **active regulating** reserve market with **77.7%**. In the **active spinning** reserve market, **hydro** units had the leading market share with **37.3%** while in the **active supplemental** reserve market, **hydro** units dominated with a **64.4%** market share.

Coal units dominated the **standby regulating** reserve market with a **65.5%** market share. Leading market share in the **standby spinning** market was held by coal units with a **53.8%** market share. In the **standby supplemental** reserve market, **gas-cogen** units had the leading market share with **68.3%**.

Glossary

- HE** Hour Ending
- On-Peak Hours** In Alberta: HE08 through HE23, Monday through Saturday (prevailing Mountain time)
In Mid-C: HE07 through HE22, Monday through Saturday (prevailing Pacific time)
In Minn Hub: HE08 through HE23, Monday through Sunday (prevailing Central time)
- Off-Peak Hours** In Alberta: HE01 through HE07 + HE24 (of the same day), Monday through Saturday + HE01 through HE24 Sundays + holidays (prevailing Mountain time)
In Mid-C: HE24 (of the previous day) through HE07 (of the day in question), Monday through Saturday + HE01 through HE24 Sundays + holidays (prevailing Pacific time)
In Minn Hub: HE24 (of the previous day) through HE07 (of the day in question), Monday through Sunday (prevailing Central time)
- COV** Coefficient of Variation
The standard deviation of a series of numbers divided by the mean of the same series of numbers. Used as a measure of volatility.
- ATC** Available Transfer Capacity
A measure of the maximum energy flow possible in one direction across an intertie.
- Market Heat Rate** The prevailing Pool price divided by the prevailing gas price.
- Sparksread** Sparksreads give an indication of the revenue available to cover costs after fuel costs have been paid. A positive spread indicates it is more economical to buy gas and generate electricity while a negative spread indicates it is more economical to buy electricity from the grid.