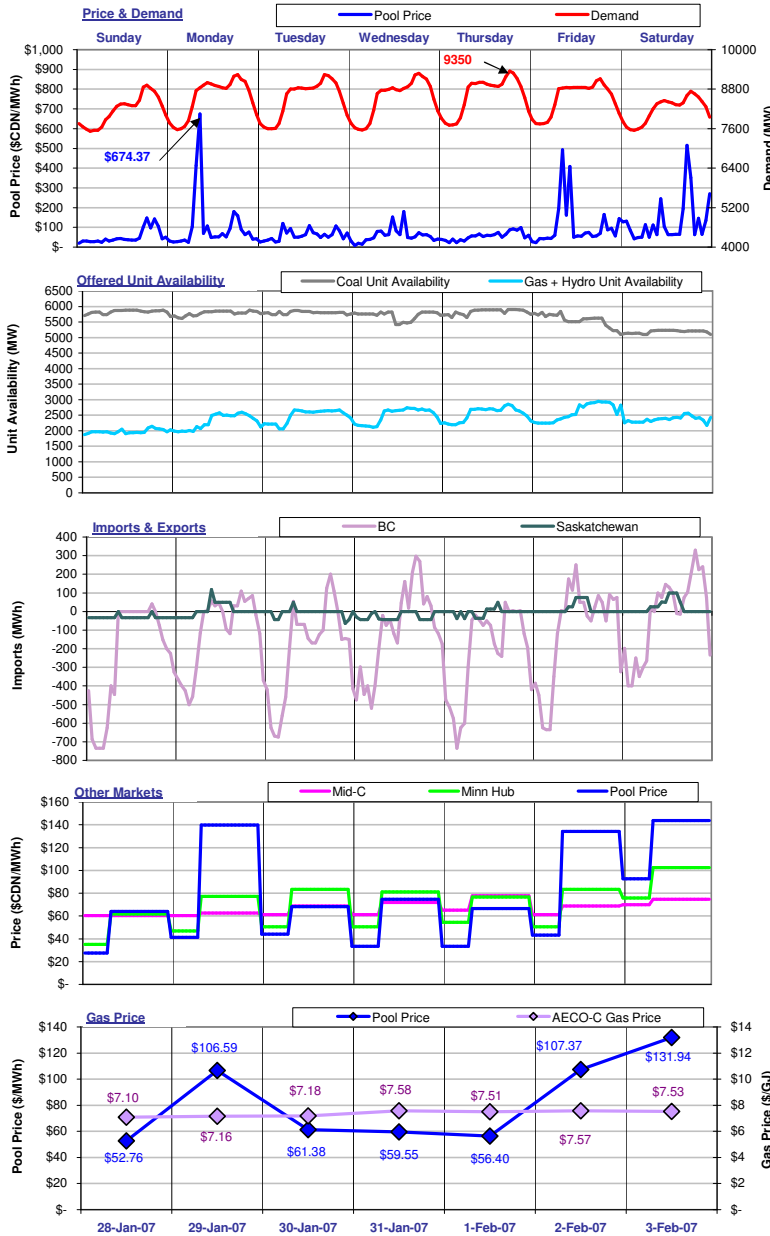


The Market Monitor

WATCHING THE MARKET : your fact source

Week Ending February 3, 2007

Weekly Highlights



For the week ending February 3, 2007, **Pool Price** averaged \$88.28/MWh and ranged from a minimum of \$8.67/MWh in HE02 on Wednesday to a maximum of \$674.37/MWh in HE9 on Monday. **Demand** reached a high of 9350 MW in HE19 on Thursday and a low of 7520 MW in HE04 on Sunday. Average demand for the week was 8434 MW. **Pool Price** and **Demand** were positively correlated last week with an R-squared value of 0.07.

Coal Unit Availability averaged 5670 MW last week. This is an equivalent availability of 97% (based on MCR). **Gas and Hydro Unit Availability** averaged 2392 MW last week, which is an equivalent of 42% (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 24,427 MWh. Alberta was a net exporter to Saskatchewan last week with total exports equal to 484 MWh. Overall, Alberta exported 24,911 MWh 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 \$70.73/MWh on-peak and \$62.79/MWh off-peak. **Minn Hub** prices averaged \$83.97/MWh on-peak and \$52.01/MWh off-peak.

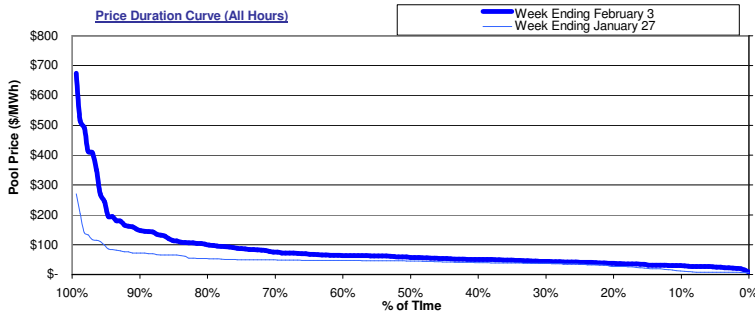
Prices in \$CDN at an exchange rate of 1.2339.

The average **AECO-C Gas Price** last week was \$7.38/GJ and ranged from a minimum of \$7.10/GJ to \$7.58/GJ. Prevailing gas prices resulted in market heat rates ranging from a low of 7.43 GJ/MWh to a high of 17.51 GJ/MWh. The average market heat rate for the week was 11.13 GJ/MWh.

Wholesale Market

Weekly Market Statistics

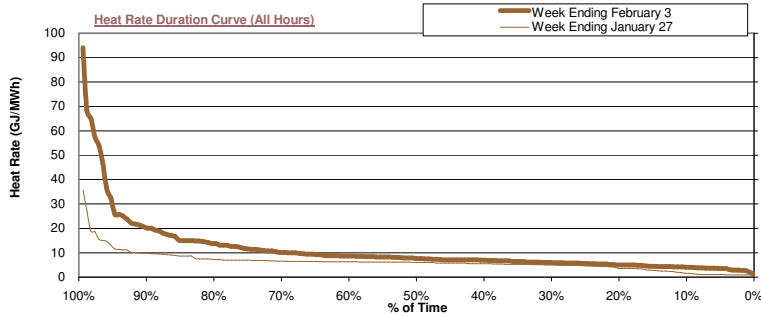
	Sunday 28-Jan	Monday 29-Jan	Tuesday 30-Jan	Wednesday 31-Jan	Thursday 1-Feb	Friday 2-Feb	Saturday 3-Feb	Average	Last Week	% Change	YTD
Pool Price											
Average	\$ 52.76	\$ 106.59	\$ 61.38	\$ 59.55	\$ 56.40	\$ 107.37	\$ 131.94	\$ 82.28	\$ 45.98	79.0%	\$ 64.08
On-Peak	NA	\$ 139.79	\$ 68.16	\$ 74.53	\$ 66.61	\$ 134.23	\$ 143.62	\$ 104.49	\$ 55.55	88.1%	\$ 77.51
Off-Peak	\$ 52.76	\$ 40.20	\$ 47.82	\$ 29.59	\$ 35.98	\$ 53.66	\$ 108.58	\$ 52.68	\$ 33.22	58.6%	\$ 42.81
COV	0.70	1.37	0.43	0.65	0.37	1.08	0.86	0.78	0.58	35.1%	
Heat Rate											
Average	7.43	14.88	8.55	7.85	7.51	14.18	17.51	11.13	6.54	70.3%	9.64
On-Peak	NA	19.51	9.49	9.83	8.87	17.72	19.06	14.08	7.90	78.3%	11.66
Off-Peak	7.43	5.61	6.66	3.90	4.79	7.08	14.41	7.20	4.72	52.3%	6.44
Demand											
Average	8,158	8,540	8,501	8,517	8,626	8,527	8,166	8,434	8,253	2.2%	8,298
Minimum	7,520	7,573	7,598	7,558	7,707	7,742	7,545	7,606	7,368	3.2%	7,029
Maximum	8,919	9,240	9,237	9,281	9,350	9,117	8,732	9,125	8,988	1.5%	9,466
Coal Unit Availability											
Average	5,824	5,782	5,800	5,707	5,830	5,565	5,184	5,670	5,711		5,529
Utilization	100%	99%	99%	98%	100%	95%	89%	97%	98%	-0.7%	95%
Gas and Hydro Unit Availability											
Average	1,978	2,296	2,478	2,479	2,546	2,597	2,369	2,392	2,085		2,325
Utilization	42%	49%	53%	53%	54%	55%	50%	51%	44%	6.5%	49%



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

For the week ending **February 03**, prices were at or below:

- \$20/MWh 1% of the time
- \$50/MWh 38% of the time
- \$100/MWh 80% of the time
- \$250/MWh 95% of the time
- \$500/MWh 98% 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.

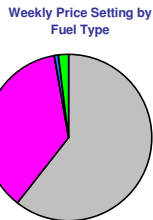
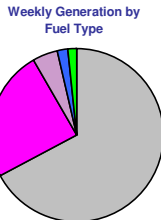
For the week ending **February 03** implied market heat rates were at or below:

- 5.0 GJ/MWh 20% of the time
- 10.0 GJ/MWh 70% of the time
- 15.0 GJ/MWh 85% of the time
- 20.0 GJ/MWh 89% of the time

Market Share Statistics

By Fuel Type:

Legend: Coal (Grey), Gas - Cogen (Pink), Gas - Other (Light Blue), Hydro (Dark Blue), Other (Green)



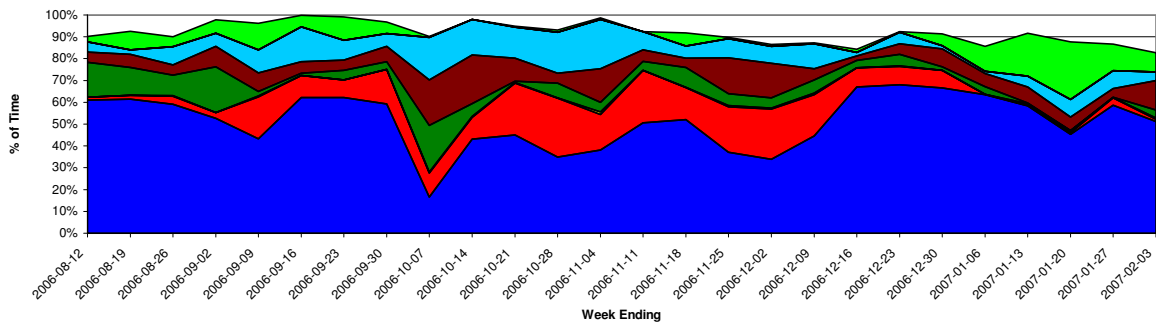
By Submitting Customer:



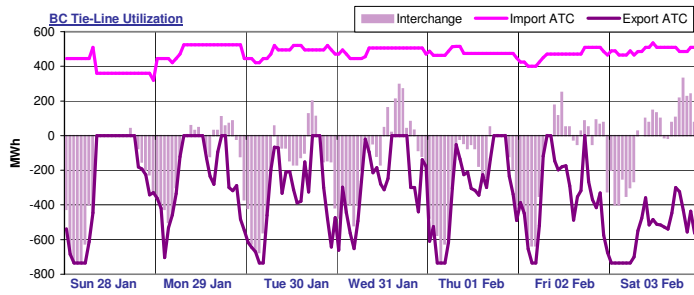
Last week, **coal units** were responsible for **67.1%** of the generation in the province and set price **64.0%** of the time. **Gas-cogen** units accounted for **24.6%** of the generation and set price **38.7%** of the time last week while **other gas** units made up **4.6%** of generation and set price **0.1%** of the time.

A total of **10** 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 **51.2%** of the time and the top five price setters set price a total of **88.7%** of the time.

Weekly Price Setting by Submitting Customer

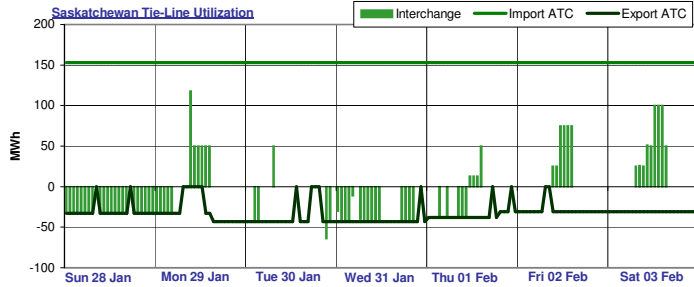


Interties

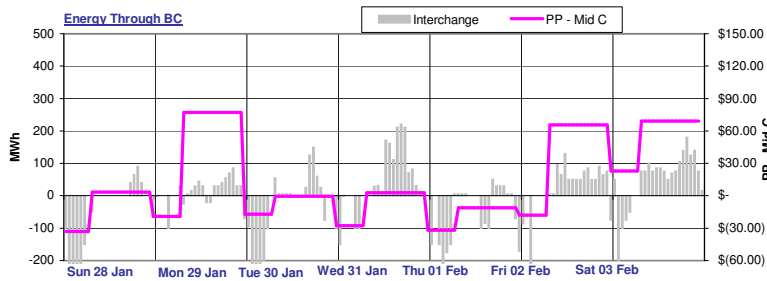


BC import capacity was 8% utilized last week while BC export capacity was 53% utilized. Energy was being imported into Alberta over the BC tie-line 31% of the time and exported out of Alberta over the BC tie-line 59% of the time last week. There was no activity on the BC tie-line 10% of the time last 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.



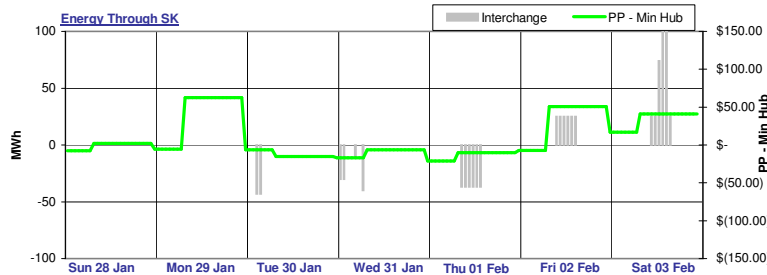
Saskatchewan import capacity was 6% utilized last week while Saskatchewan export capacity was 35% utilized. Energy was being imported into Alberta over the Saskatchewan tie-line 15% of the time and exported out of Alberta over the Saskatchewan tie-line 30% of the time last week. There was no activity on the Saskatchewan tie-line 54% of the time last week.



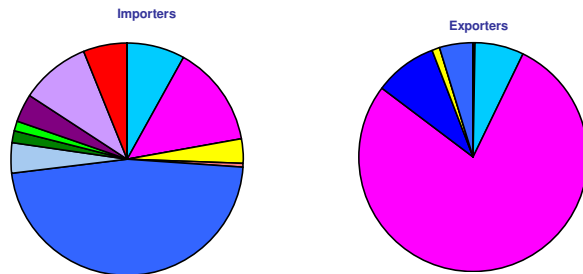
Last week, Alberta spot prices were mostly higher relative to prices in the Pacific Northwest as represented by Mid-C index prices, supporting import activity across the Alberta - BC interconnection.

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

Note: Platt's day-ahead strip prices used in energy through BC and SK graphs.



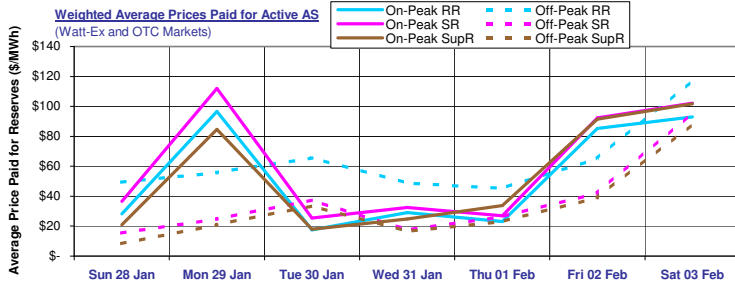
Tie-Line Market Shares



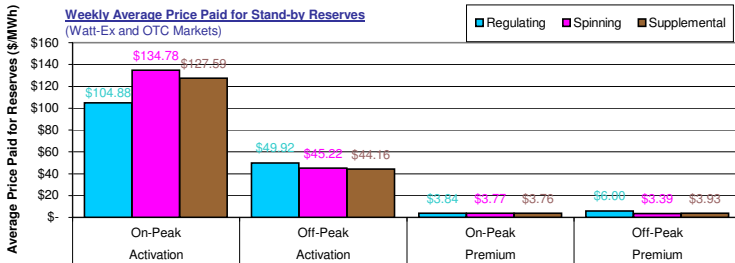
Last week, there were a total of 11 importers. The most active importer had a market share of 47.0% while the second most active importer had a market share of 14.1%. There were a total of 7 exporters last week. The most active exporter had a market share of 78.0% while the next largest exporter had a market share of 9.0%.

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

Ancillary Services Market

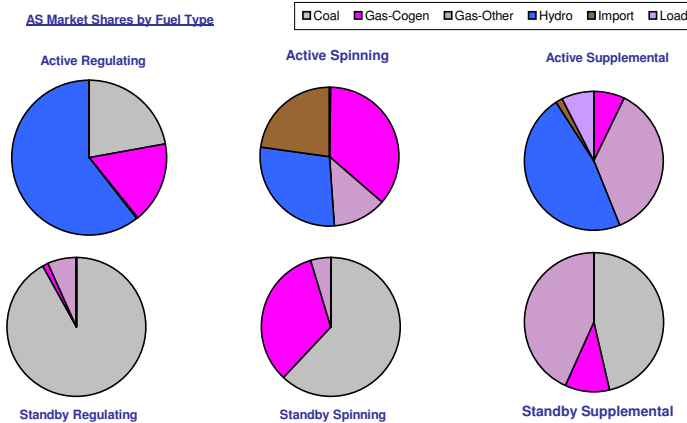


Average on-peak prices paid for active ancillary services last week were **\$53.37/MWh**, **\$60.32/MWh** and **\$55.63/MWh** respectively for active **regulating**, **spinning** and **supplemental** reserves.
Active average off-peak prices were somewhat **higher** and averaged **\$65.38/MWh**, **\$37.26/MWh** and **\$33.00/MWh** for active **regulating**, **spinning** and **supplemental** reserves respectively.



Weekly average activation prices for stand-by reserves ranged from **\$44.16/MWh** for **off-peak supplemental** reserves to **\$134.78/MWh** for **on-peak spinning** reserves.
Weekly average premium prices ranged from **\$3.39/MWh** for **off-peak spinning** reserves up to **\$6.00/MWh** for **on-peak spinning** reserves.

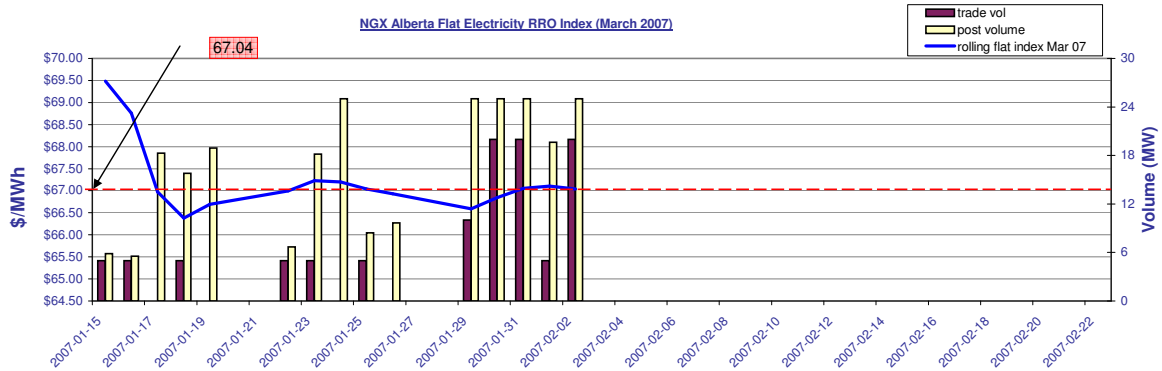
AS Market Shares by Fuel Type



Last week **hydro** units had the largest market share in the **active regulating** reserve market with **60.7%**. In the **active spinning** reserve market, **gas-cogen** units had the leading market share with **36.0%** while in the **active supplemental** reserve market, **hydro** units dominated with a **47.1%** market share.

Coal units dominated the **standby regulating** reserve market with a **92.0%** market share. Leading market share in the **standby spinning** market was held by **coal** units with a **62.0%** market share. In the **standby supplemental** reserve market, **coal** units had the leading market share with **46.4%**.

RRO Procurement



Glossary

- 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)
- ATC**
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.
- Sparks spread**
Sparks spreads 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.