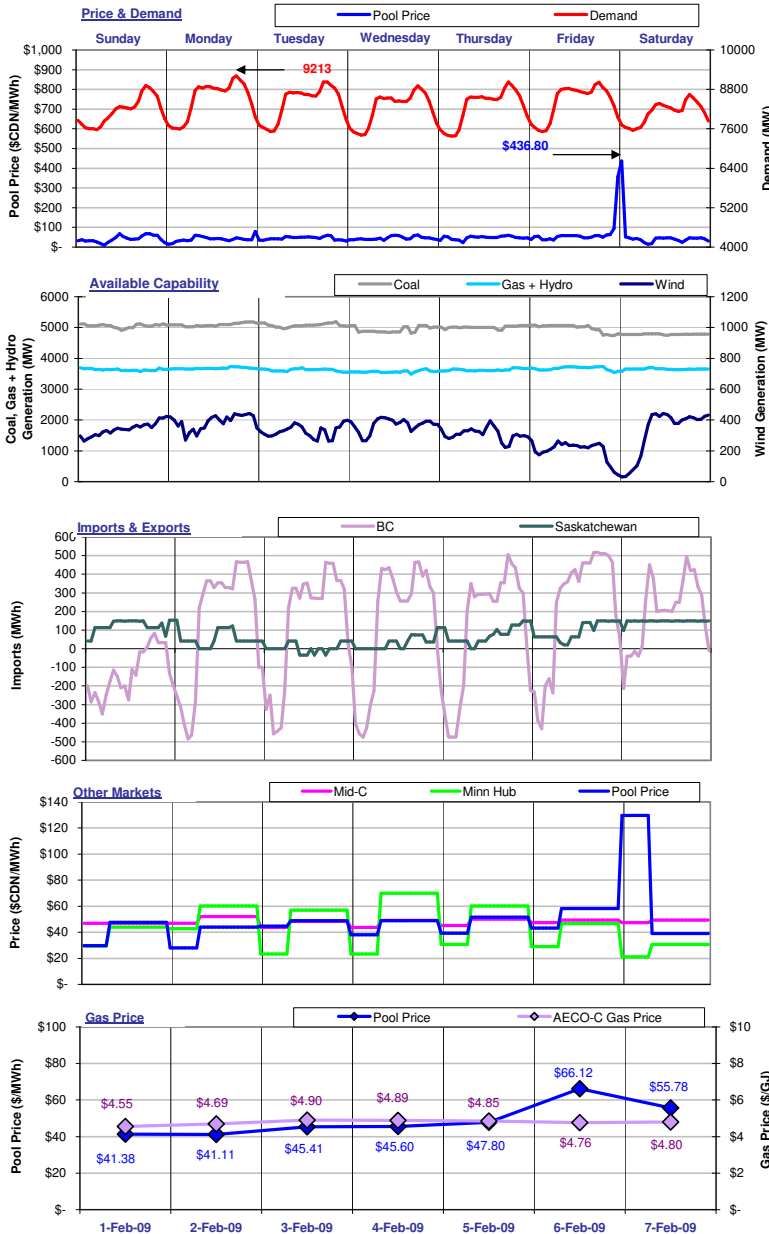


The Market Monitor

WATCHING THE MARKET : your fact source

Week Ending February 7, 2009

Weekly Highlights



For the week ending February 7, 2009, **Pool Price** averaged \$49.03/MWh and ranged from a minimum of \$10.12/MWh in HE08 on Sunday to a maximum of \$436.80/MWh in HE01 on Saturday. **Demand** reached a high of 9213 MW in HE19 on Monday and a low of 7379 MW in HE04 on Thursday. Average demand for the week was 8290 MW. **Pool Price** and **Demand** were positively correlated last week with an R-squared value of 0.00.

Coal Unit Availability averaged 4988 MW last week. This is an equivalent availability of 83%. **Gas, Hydro and Other Unit Availability** averaged 3637 MW last week, which is an equivalent of 70%. **Wind Generation** averaged 322 MW last week. This is an equivalent availability of 65%. Availability numbers are based on MW offered into the energy merit order.

Alberta was a net importer from BC last week with total imports equal to 19,475 MWh. Alberta was a net importer from Saskatchewan last week with total imports equal to 12,763 MWh. Overall, Alberta imported 32,238 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 \$49.73/MWh on-peak and \$45.96/MWh off-peak. **Minn Hub** prices averaged \$54.17/MWh on-peak and \$28.55/MWh off-peak.

Prices in \$/MWh at an exchange rate of 1.23005.

The average **AECO-C Gas Price** last week was \$4.78/GJ and ranged from a minimum of \$4.55/GJ to \$4.90/GJ. Prevailing gas prices resulted in market heat rates ranging from a low of 8.76 GJ/MWh to a high of 13.88 GJ/MWh. The average market heat rate for the week was 10.26 GJ/MWh.

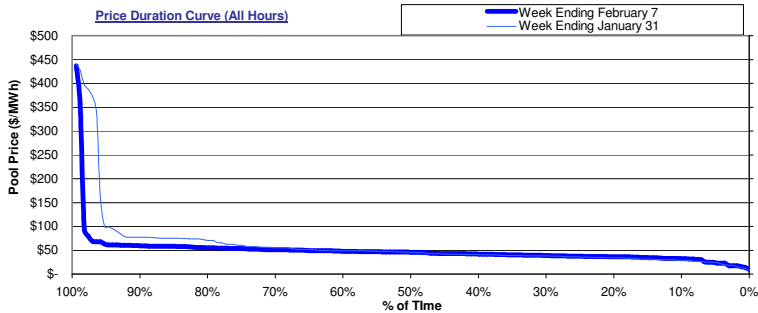


Alberta's Market Surveillance Administrator is in place to monitor the fair, efficient and openly competitive operation of all electricity markets within the province. The Market Monitor is a weekly publication by the MSA intended to educate industry participants and the public on market activities for the previous week. Any questions regarding the material in this publication should be directed to MSA staff. Our contact information is available on the MSA website: www.albertamsa.ca

Wholesale Market

Weekly Market Statistics

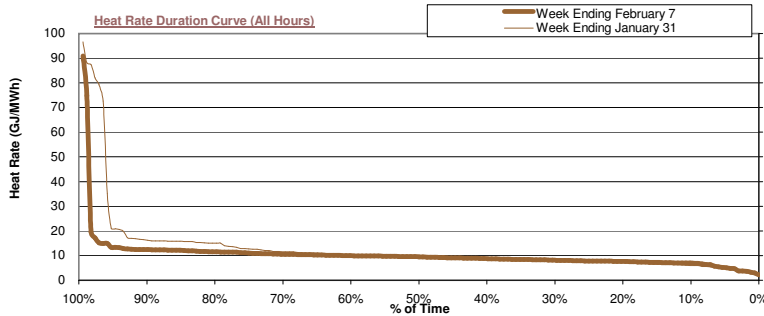
	Sunday 1-Feb	Monday 2-Feb	Tuesday 3-Feb	Wednesday 4-Feb	Thursday 5-Feb	Friday 6-Feb	Saturday 7-Feb	Average	Last Week	% Change	YTD
Pool Price											
Average	\$ 41.38	\$ 41.11	\$ 45.41	\$ 45.60	\$ 47.80	\$ 66.12	\$ 55.78	\$ 49.03	\$ 60.48	-18.9%	\$ 84.88
On-Peak	NA	\$ 44.04	\$ 48.87	\$ 48.93	\$ 51.59	\$ 58.13	\$ 39.12	\$ 48.45	\$ 59.87	-19.1%	\$ 104.10
Off-Peak	\$ 41.38	\$ 35.25	\$ 38.48	\$ 38.94	\$ 40.21	\$ 82.10	\$ 89.09	\$ 49.80	\$ 61.29	-18.7%	\$ 59.48
COV	0.40	0.32	0.18	0.18	0.18	0.95	1.47	0.53	0.77	-31.4%	
Heat Rate											
Average	9.09	8.76	9.27	9.32	9.86	13.88	11.61	10.26	12.24	-16.2%	15.81
On-Peak	NA	9.38	9.98	10.00	10.64	12.20	8.15	10.06	12.27	-18.0%	19.39
Off-Peak	9.09	7.51	7.86	7.96	8.29	17.24	18.55	10.52	12.20	-13.7%	11.08
Demand											
Average	8,141	8,499	8,383	8,230	8,275	8,410	8,088	8,290	8,470	-2.1%	8,414
Minimum	7,577	7,595	7,517	7,413	7,379	7,519	7,559	7,508	7,671	-2.1%	7,221
Maximum	8,915	9,213	9,028	8,912	9,023	9,013	8,642	8,964	9,159	-2.1%	9,753
Coal Unit Availability											
Average	5,054	5,095	5,074	4,933	5,006	4,977	4,779	4,988	4,862	2.1%	4,884
AC/MC	84%	85%	84%	82%	83%	83%	79%	83%	81%	2.1%	81%
Gas, Hydro and Other Unit Availability											
Average	3,633	3,678	3,622	3,571	3,627	3,674	3,651	3,637	3,749	-2.2%	3,792
AC/MC	70%	71%	69%	68%	70%	70%	70%	70%	72%	-2.2%	73%



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 7**, prices were at or below:

- \$20/MWh 3% of the time
- \$50/MWh 65% of the time
- \$100/MWh 98% of the time
- \$250/MWh 98% 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 **February 7** implied market heat rates were at or below:

- 5.0 GJ/MWh 5% of the time
- 10.0 GJ/MWh 62% of the time
- 15.0 GJ/MWh 97% of the time
- 20.0 GJ/MWh 99% of the time

Market Share Statistics

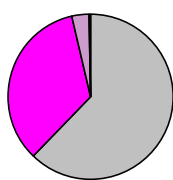
By Fuel Type:

Coal Gas - Cogen Gas - Other Hydro Other

Weekly Generation by Fuel Type



Weekly Price Setting by Fuel Type



By Submitting Customer:

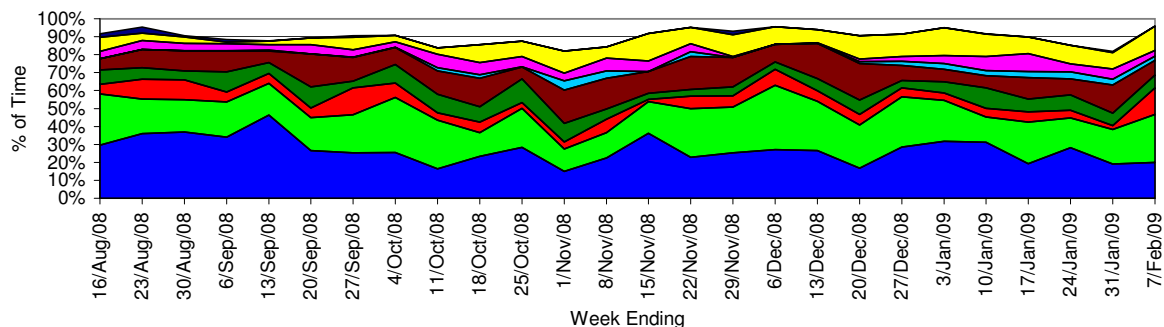
Weekly Price Setting by Submitting Customer



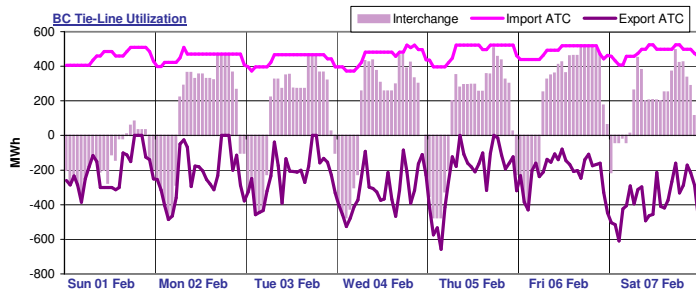
Last week, **coal units** were responsible for 63.5% of the generation in the province and set price 62.2% of the time. **Gas-cogen** units accounted for 27.1% of the generation and set price 34.3% of the time last week while **other gas** units made up 4.5% of generation and set price 3.3% of the time.

A total of 11 market participants set price last week. Two market participants set price more than 20% of the time last week. The top price setter set price 26.6% of the time and the top five price setters set price a total of 83.3% of the time.

Weekly Price Setting by Submitting Customer

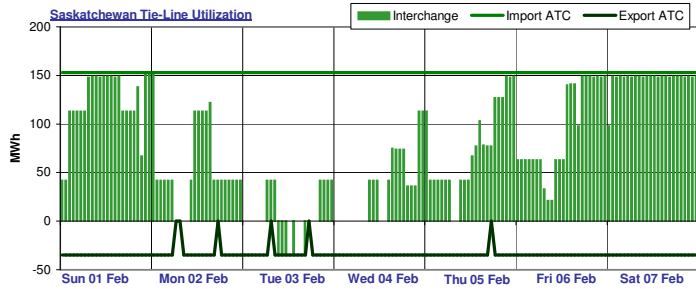


Interties

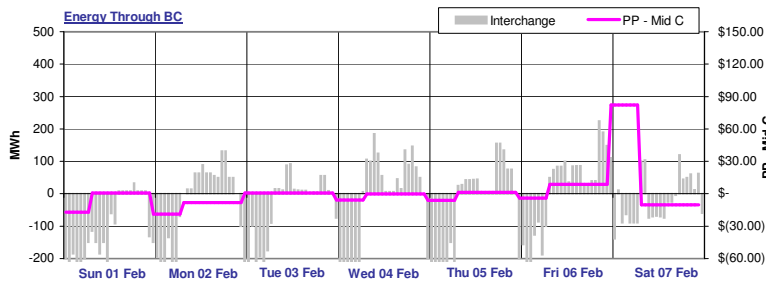


BC import capacity was 44% utilized last week while BC export capacity was 33% utilized. Energy was being imported into Alberta over the BC tie-line 64% of the time and exported out of Alberta over the BC tie-line 35% of the time last week. There was no activity on the BC tie-line 1% of the time last 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.



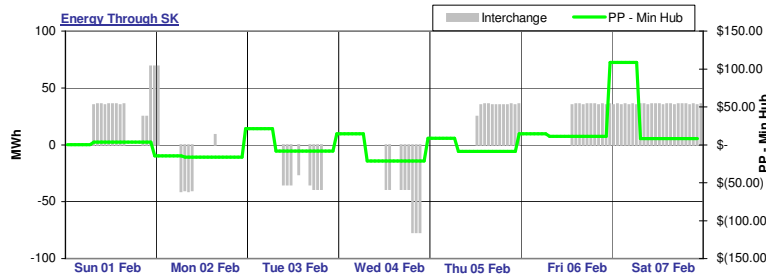
Saskatchewan import capacity was 53% utilized last week while Saskatchewan export capacity was 13% utilized. Energy was being imported into Alberta over the Saskatchewan tie-line 80% of the time and exported out of Alberta over the Saskatchewan tie-line 3% of the time last week. There was no activity on the Saskatchewan tie-line 17% of the time last week.



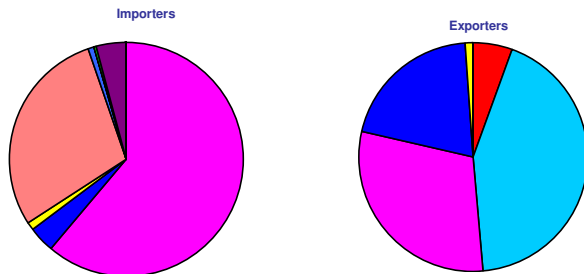
Last week, Alberta spot prices were mostly higher relative to prices in the Pacific Northwest as represented by Mid-C index prices, supporting import activity across the Alberta - BC interconnection.

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.



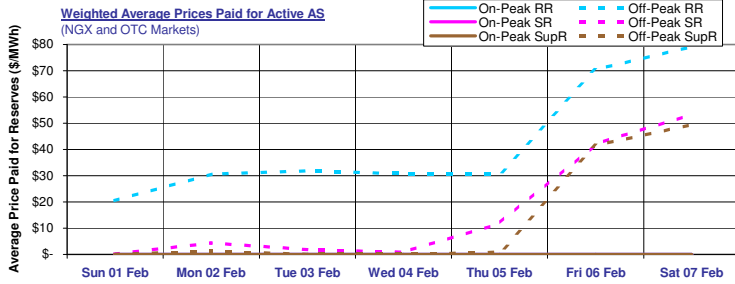
Tie-Line Market Shares



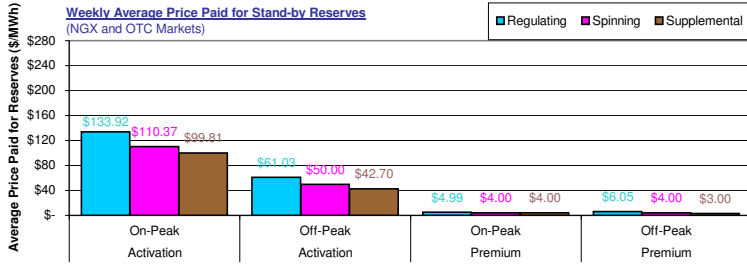
Last week, there were a total of 10 importers. The most active importer had a market share of 61.1% while the second most active importer had a market share of 28.9%. There were a total of 6 exporters last week. The most active exporter had a market share of 43.1% while the next largest exporter had a market share of 30.0%.

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

Ancillary Services Market

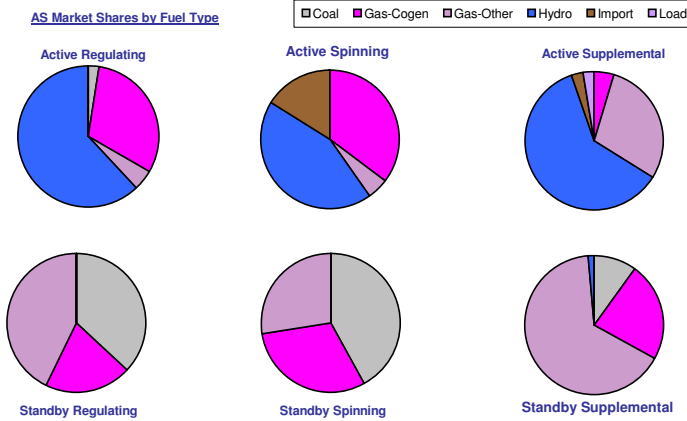


Average on-peak prices paid for active ancillary services last week were **\$0.00/MWh, \$0.00/MWh and \$0.00/MWh** respectively for active **regulating, spinning** and **supplemental** reserves. Active average off-peak prices were **higher** and averaged **\$42.48/MWh, \$16.25/MWh and \$13.18/MWh** for active **regulating, spinning** and **supplemental** reserves respectively.



Weekly average activation prices for stand-by reserves ranged from **\$42.70/MWh for off-peak supplemental** reserves to **\$133.92/MWh for on-peak regulating** reserves. Weekly average premium prices ranged from **\$3.00/MWh for off-peak supplemental** reserves up to **\$6.05/MWh for on-peak spinning** reserves.

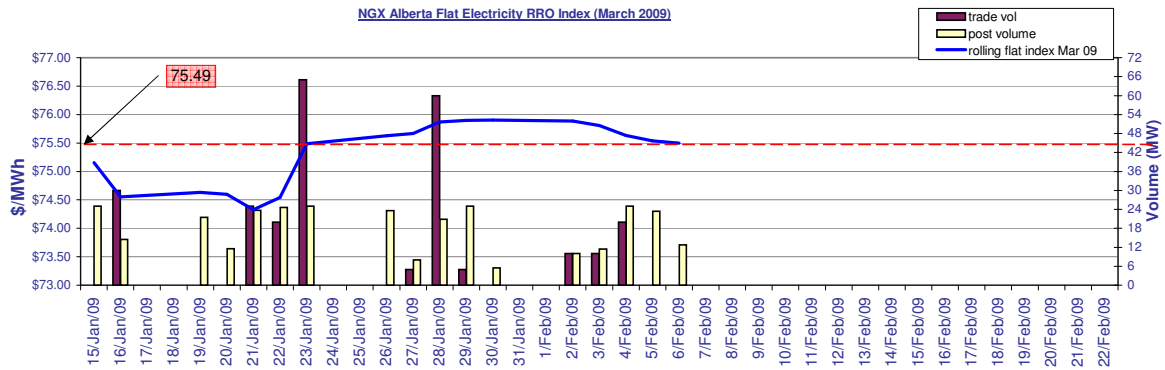
AS Market Shares by Fuel Type



Last week **hydro** units had the largest market share in the **active regulating** reserve market with **62.0%**. In the **active spinning** reserve market, **hydro** units had the leading market share with **43.6%** while in the **active supplemental** reserve market, **hydro** units dominated with a **60.9%** market share.

Gas units dominated the **standby regulating** reserve market with a **42.6%** market share. Leading market share in the **standby spinning** market was held by **coal** units with a **41.9%** market share. In the **standby supplemental** reserve market, **gas** units had the leading market share with **65.7%**.

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 (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.