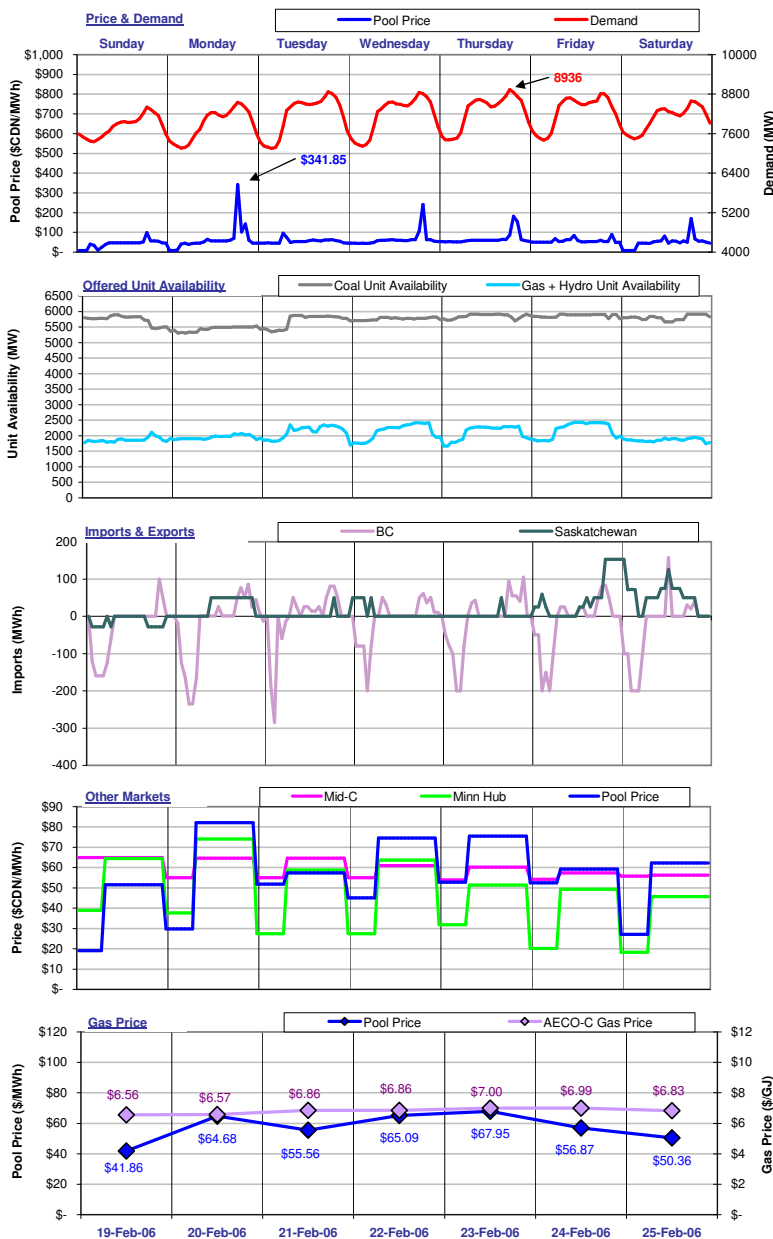


The Market Monitor

WATCHING THE MARKET : your fact source

Week Ending February 25, 2006

Weekly Highlights



For the week ending February 25, 2006, Pool Price averaged \$57.48/MWh and ranged from a minimum of \$7.83/MWh in HE01 on Saturday to a maximum of \$341.85/MWh in HE19 on Monday. Demand reached a high of 8936 MW in HE19 on Thursday and a low of 7152 MW in HE04 on Tuesday. Average demand for the week was 8088MW. Pool Price and Demand were positively correlated last week with an R-squared value of 0.21.

Coal Unit Availability averaged 5735 MW last week. This is an equivalent availability of 98% (based on MCR). Gas and Hydro Unit Availability averaged 2335MW last week, which is an equivalent of 36% (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 2,833MWh. Alberta was a net importer from Saskatchewan last week with total imports equal to 3,111MWh. Overall, Alberta imported 278MWh of electricity last week.

Pool Prices were generally lower than prices in Mid-C and higher than prices in Minn Hub last week. Mid-C prices averaged \$60.65/MWh on-peak and \$56.27/MWh off-peak. Minn Hub prices averaged \$57.15/MWh on-peak and \$28.82/MWh off-peak.

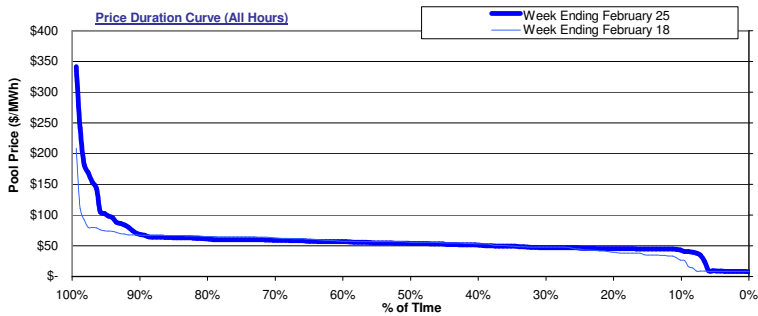
Prices in \$CDN at an exchange rate of 1.15237.

The average AECO-C Gas Price last week was \$6.81/GJ and ranged from a minimum of \$6.56/GJ to \$7.00/GJ. Prevailing gas prices resulted in market heat rates ranging from a low of 6.38GJ/MWh to a high of 9.85GJ/MWh. The average market heat rate for the week was 8.43GJ/MWh.

Wholesale Market

Weekly Market Statistics

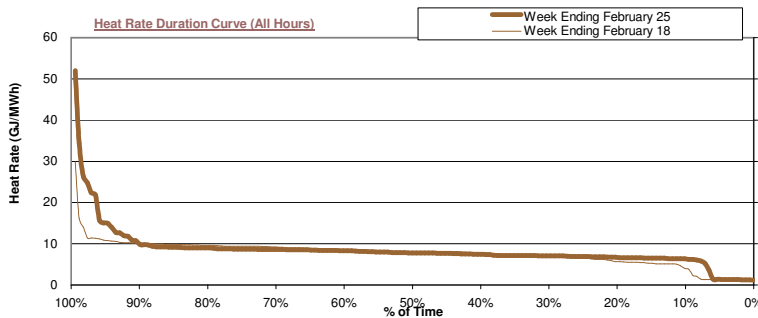
	Sunday 19-Feb	Monday 20-Feb	Tuesday 21-Feb	Wednesday 22-Feb	Thursday 23-Feb	Friday 24-Feb	Saturday 25-Feb	Average	Last Week	% Change	YTD
Pool Price											
Average	\$ 41.86	\$ 64.68	\$ 55.56	\$ 65.09	\$ 67.95	\$ 56.87	\$ 50.36	\$ 57.48	\$ 52.62	9.2%	\$ 64.07
On-Peak	NA	\$ 82.09	\$ 57.44	\$ 74.54	\$ 75.47	\$ 59.32	\$ 62.29	\$ 68.52	\$ 63.67	7.6%	\$ 80.41
Off-Peak	\$ 41.86	\$ 29.87	\$ 51.81	\$ 46.18	\$ 52.91	\$ 51.96	\$ 26.51	\$ 42.76	\$ 37.88	12.9%	\$ 40.28
COV	0.47	1.01	0.21	0.61	0.47	0.18	0.63	0.51	0.36	41.8%	
Heat Rate											
Average	6.38	9.85	8.10	9.49	9.71	8.13	7.37	8.43	7.75	8.9%	8.37
On-Peak	NA	12.49	8.37	10.65	11.00	8.49	9.12	10.02	9.29	7.8%	10.51
Off-Peak	6.38	4.55	7.55	6.61	7.69	7.43	3.88	6.32	5.59	13.0%	5.27
Demand											
Average	7,826	7,885	8,150	8,167	8,266	8,258	8,061	8,088	8,247	-1.9%	8,168
Minimum	7,359	7,160	7,152	7,223	7,411	7,406	7,443	7,308	7,442	-1.8%	7,059
Maximum	8,410	8,553	8,876	8,851	8,936	8,818	8,591	8,719	8,916	-2.2%	9,306
Coal Unit Availability											
Average	5,719	5,440	5,702	5,766	5,847	5,866	5,805	5,735	5,842		5,732
Utilization	98%	93%	98%	99%	100%	100%	99%	98%	100%	-1.8%	98%
Gas and Hydro Unit Availability											
Average	1,870	1,952	2,118	2,142	2,102	2,200	1,865	2,035	2,146		2,056
Utilization	39%	41%	44%	45%	44%	46%	39%	36%	38%	-1.9%	36%



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 25**, prices were at or below:

\$20/MWh	6% of the time
\$50/MWh	38% of the time
\$100/MWh	95% of the time
\$250/MWh	99% of the time
\$500/MWh	100% of the time



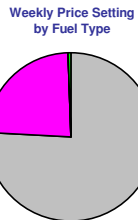
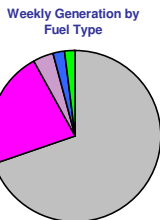
The heat rate duration curves show the % of time that the implied market heat rate was at or below a certain value during the week. For the week ending **February 25** implied market heat rates were at or below:

5.0 GJ/MWh	7% of the time
10.0 GJ/MWh	90% of the time
15.0 GJ/MWh	95% of the time
20.0 GJ/MWh	96% of the time

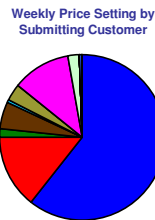
Market Share Statistics

By Fuel Type:

■ Coal
 ■ Gas - Cogen
 ■ Gas - Other
 ■ Hydro
 ■ Other

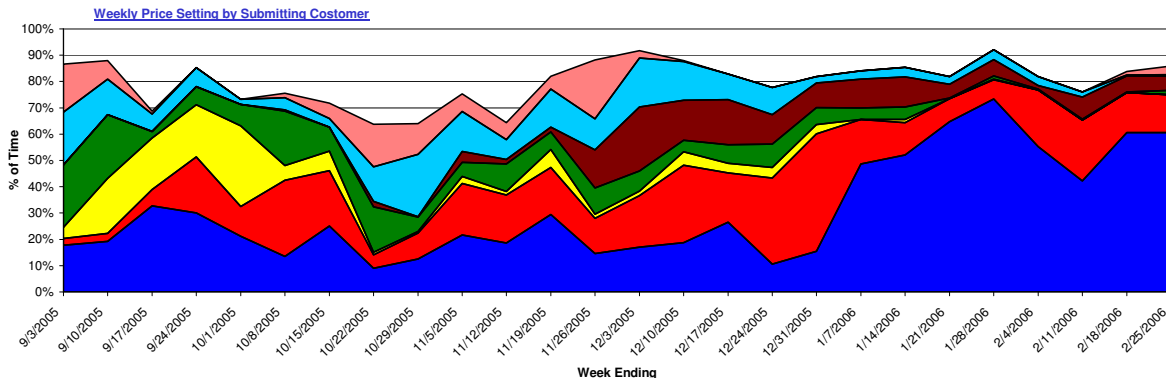


By Submitting Customer:

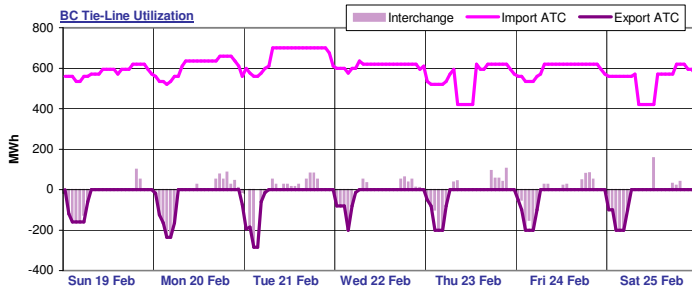


Last week, **coal units** were responsible for **69.7%** of the generation in the province and set price **75.9%** of the time. **Gas-cogen** units accounted for **22.2%** of the generation and set price **23.4%** of the time last week while **other gas** units made up **3.8%** of generation and set price **0%** of the time.

A total of **11** 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 **60.6%** of the time and the top five price setters set price a total of **95.0%** of the time.

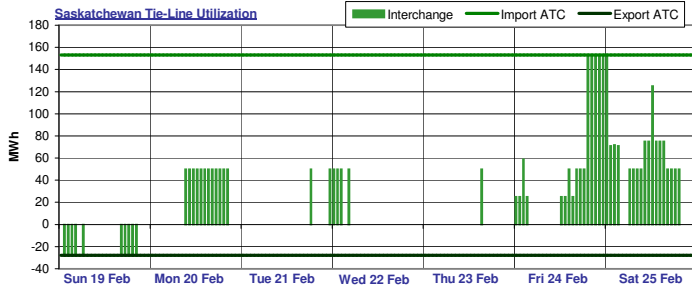


Interties

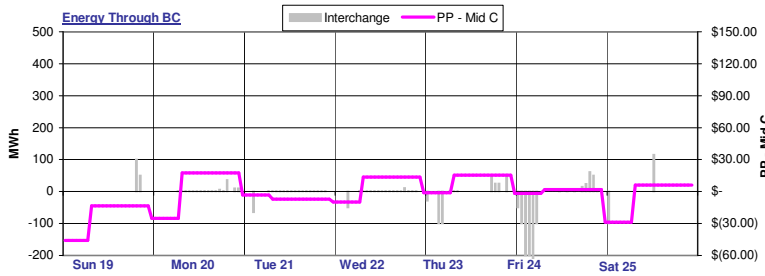


BC import capacity was 2% utilized last week while BC export capacity was 88% utilized. Energy was being imported into Alberta over the BC tie-line 45% of the time and exported out of Alberta over the BC tie-line 24% of the time last week. There was no activity on the BC tie-line 32% of the time last 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.



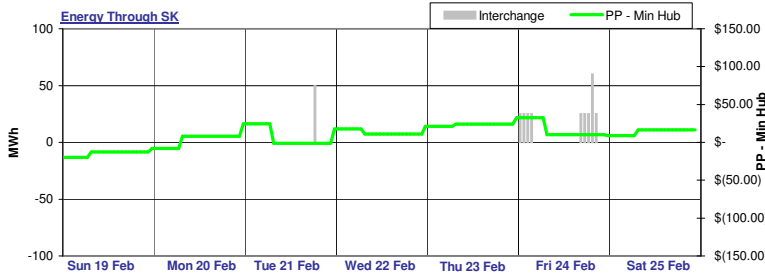
Saskatchewan import capacity was 13% utilized last week while Saskatchewan export capacity was 6% utilized. Energy was being imported into Alberta over the Saskatchewan tie-line 32% of the time and exported out of Alberta over the Saskatchewan tie-line 6% of the time last week. There was no activity on the Saskatchewan tie-line 63% of the time last week.



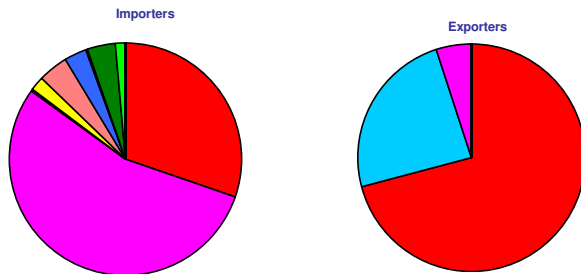
Last week, Alberta spot prices were mostly lower relative to prices in the Pacific Northwest as represented by Mid-C index prices, supporting export activity across the Alberta - BC interconnection.

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 prices used in energy through BC and SK graphs.



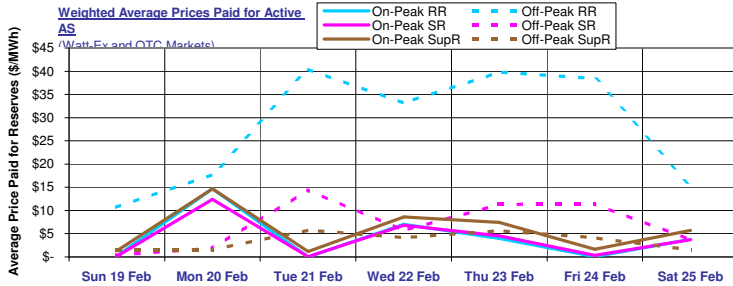
Tie-Line Market Shares



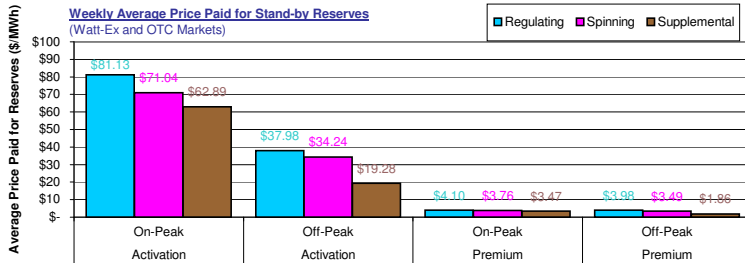
Last week, there were a total of 9 importers. The most active importer had a market share of 54.6% while the second most active importer had a market share of 30.3%. There were a total of 3 exporters last week. The most active exporter had a market share of 71.0% while the next largest exporter had a market share of 24.0%.

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

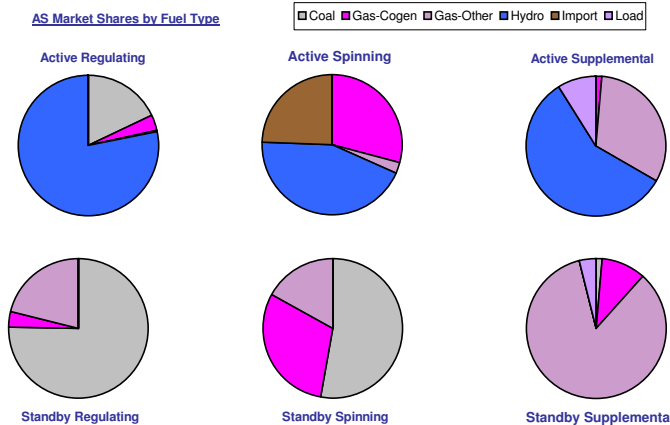
Ancillary Services Market



Average on-peak prices paid for active ancillary services last week were **\$4.25/MWh**, **\$4.00/MWh** and **\$5.79/MWh** respectively for active **regulating**, **spinning** and **supplemental** reserves. Active average off-peak prices were somewhat **higher** and averaged **\$27.96/MWh**, **\$6.96/MWh** and **\$3.46/MWh** for active **regulating**, **spinning** and **supplemental** reserves respectively.



Weekly average activation prices for stand-by reserves ranged from **\$19.28/MWh** for **off-peak supplemental** reserves to **\$81.13/MWh** for **on-peak regulating** reserves. Weekly average premium prices ranged from **\$1.86/MWh** for **off-peak supplemental** reserves up to **\$4.10/MWh** for **on-peak regulating** reserves.



Last week **hydro** units had the largest market share in the **active regulating** reserve market with **78.2%**. In the **active spinning** reserve market, **hydro** units had the leading market share with **44.0%** while in the **active supplemental** reserve market, **hydro** units dominated with a **57.7%** market share.

Coal units dominated the **standby regulating** reserve market with a **75.3%** market share. Leading market share in the **standby spinning** market was held by **coal** units with a **52.7%** market share. In the **standby supplemental** reserve market, **gas** units had the leading market share with **84.4%**.

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.