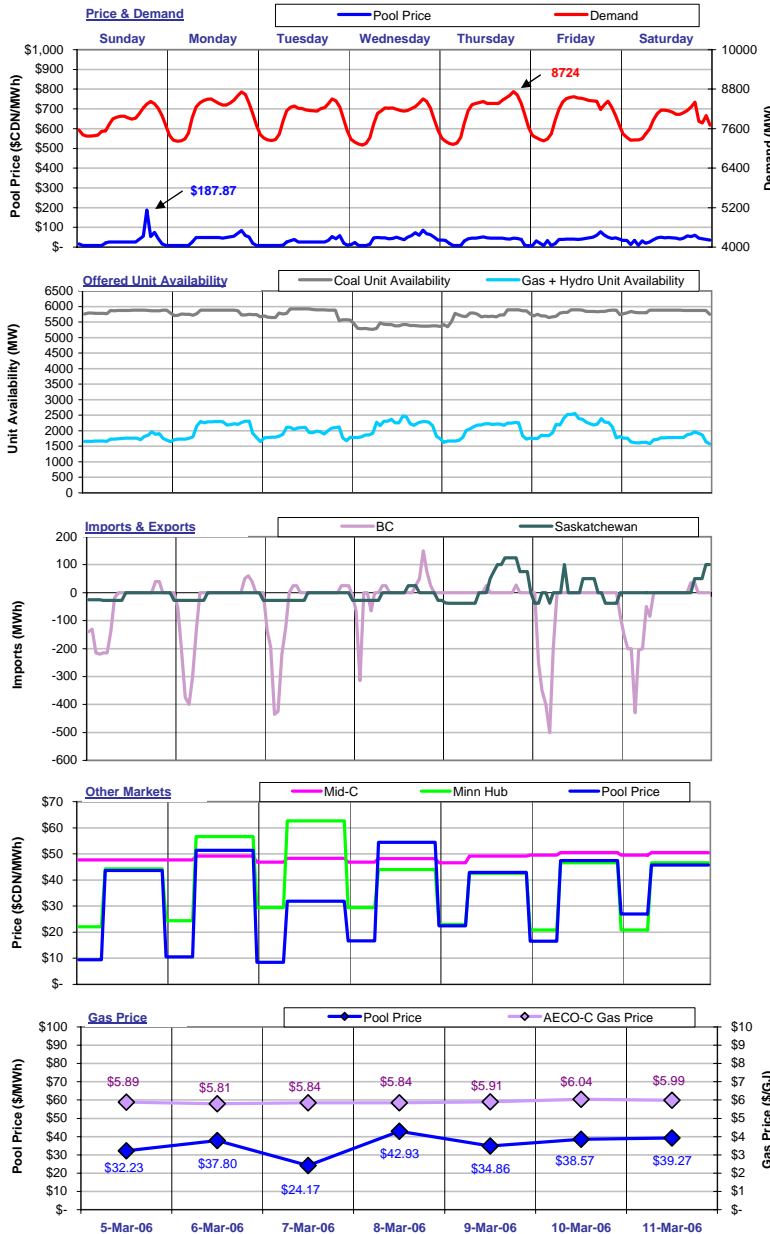


The Market Monitor

WATCHING THE MARKET : your fact source

Week Ending March 11, 2006

Weekly Highlights



For the week ending March 11, 2006, **Pool Price** averaged \$35.69/MWh and ranged from a minimum of \$6.22/MWh in HE24 on Thursday to a maximum of \$187.87/MWh in HE19 on Sunday. **Demand** reached a high of 8724 MW in HE20 on Thursday and a low of 7101 MW in HE04 on Wednesday. Average demand for the week was 7962 MW. **Pool Price** and **Demand** were positively correlated last week with an R-squared value of 0.47.

Coal Unit Availability averaged 5739 MW last week. This is an equivalent availability of 98% (based on MCR). **Gas and Hydro Unit Availability** averaged 1971MW last week, which is an equivalent of 35% (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 7,192MWh. Alberta was a net importer from Saskatchewan last week with total imports equal to 28MWh. Overall, Alberta imported 7,164MWh of electricity last week.

Pool Prices were generally lower than prices in **Mid-C** and lower than prices in **Minn Hub** last week. **Mid-C** prices averaged \$49.32/MWh on-peak and \$47.79/MWh off-peak. **Minn Hub** prices averaged \$49.87/MWh on-peak and \$24.30/MWh off-peak.

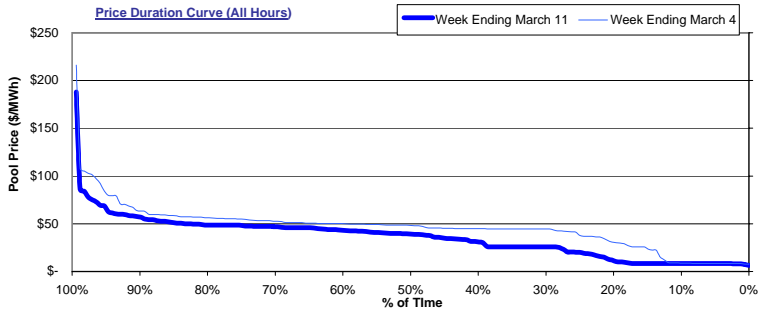
Prices in \$CDN at an exchange rate of 1.13355.

The average **AECO-C Gas Price** last week was \$5.90/GJ and ranged from a minimum of \$5.81/GJ to \$6.04/GJ. Prevailing gas prices resulted in market heat rates ranging from a low of 4.14GJ/MWh to a high of 7.35GJ/MWh. The average market heat rate for the week was 6.04GJ/MWh.

Wholesale Market

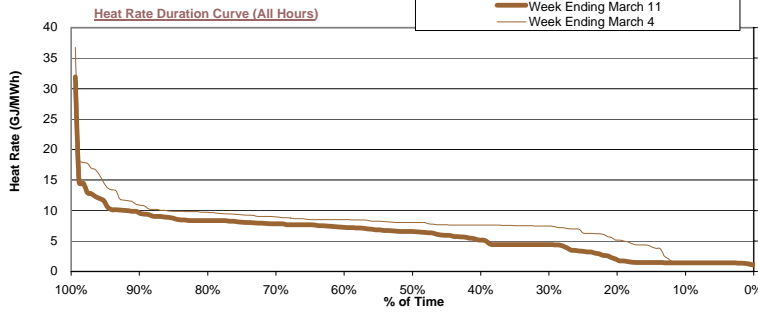
Weekly Market Statistics

	Sunday 5-Mar	Monday 6-Mar	Tuesday 7-Mar	Wednesday 8-Mar	Thursday 9-Mar	Friday 10-Mar	Saturday 11-Mar	Average	Last Week	% Change	YTD
Pool Price											
Average	\$ 32.23	\$ 37.80	\$ 24.17	\$ 42.93	\$ 34.86	\$ 38.57	\$ 39.27	\$ 35.69	\$ 46.16	-22.7%	\$ 59.44
On-Peak	NA	\$ 51.41	\$ 31.91	\$ 54.42	\$ 42.91	\$ 47.41	\$ 45.75	\$ 45.63	\$ 51.83	-12.0%	\$ 74.07
Off-Peak	\$ 32.23	\$ 10.58	\$ 8.69	\$ 19.96	\$ 18.77	\$ 20.87	\$ 26.32	\$ 22.43	\$ 38.60	-41.9%	\$ 37.58
COV	1.16	0.60	0.59	0.49	0.44	0.44	0.33	0.58	0.45	29.6%	
Heat Rate											
Average	5.48	6.51	4.14	7.35	5.90	6.38	6.56	6.04	7.29	-17.1%	8.11
On-Peak	NA	8.86	5.46	9.21	7.18	7.85	7.64	7.70	8.76	-12.2%	10.11
Off-Peak	5.48	1.82	1.49	3.38	3.15	3.45	4.40	3.79	6.55	-42.1%	5.13
Demand											
Average	7,838	8,093	7,955	7,912	8,048	8,075	7,817	7,962	8,155	-2.4%	8,146
Minimum	7,371	7,217	7,242	7,101	7,122	7,228	7,246	7,218	7,391	-2.3%	7,059
Maximum	8,424	8,719	8,504	8,501	8,724	8,572	8,404	8,550	8,758	-2.4%	9,306
Coal Unit Availability											
Average	5,842	5,798	5,791	5,369	5,725	5,801	5,848	5,739	5,827		5,742
Utilization	100%	99%	99%	92%	98%	99%	100%	98%	100%	-1.5%	98%
Gas and Hydro Unit Availability											
Average	1,744	2,071	1,945	2,129	2,011	2,153	1,743	1,971	2,013		2,043
Utilization	37%	43%	41%	45%	42%	45%	37%	35%	36%	-0.7%	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 4**, prices were at or below:

- \$20/MWh 25% of the time
- \$50/MWh 83% of the time
- \$100/MWh 99% of the time
- \$250/MWh 100% of the time
- \$500/MWh 100% of the time



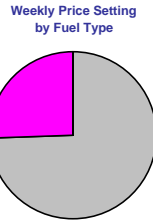
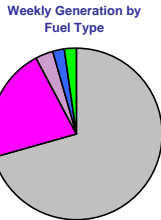
The heat rate duration curves show the % of time that the implied market heat rate was at or below a certain value during the week. For the week ending **February 4** implied market heat rates were at or below:

- 5.0 GJ/MWh 39% of the time
- 10.0 GJ/MWh 92% of the time
- 15.0 GJ/MWh 99% of the time
- 20.0 GJ/MWh 99% of the time

Market Share Statistics

By Fuel Type:

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

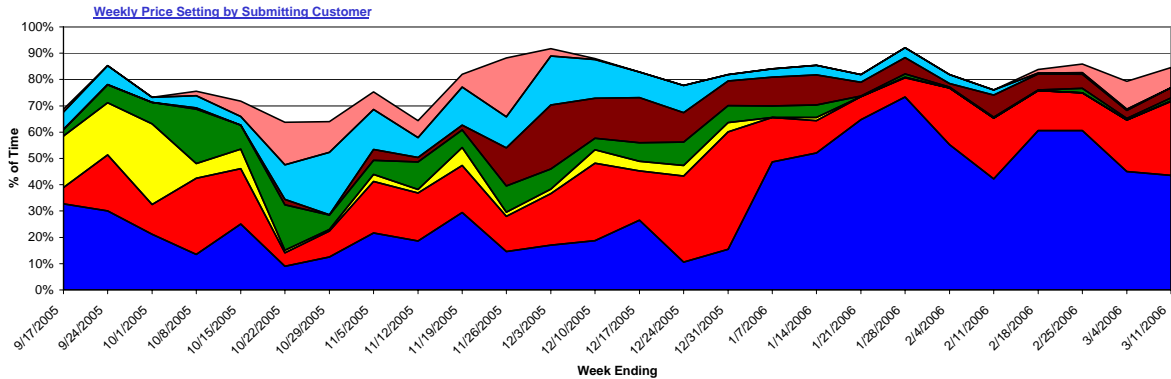


By Submitting Customer:

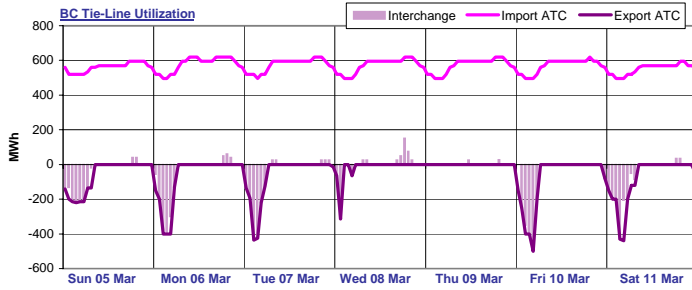


Last week, coal units were responsible for 70.5% of the generation in the province and set price 74.4% of the time. Gas-cogen units accounted for 22.8% of the generation and set price 25.5% of the time last week while other gas units made up 3.4% of generation and set price 0.1% of the time.

A total of 10 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 43.5% of the time and the top five price setters set price a total of 93.8% of the time.

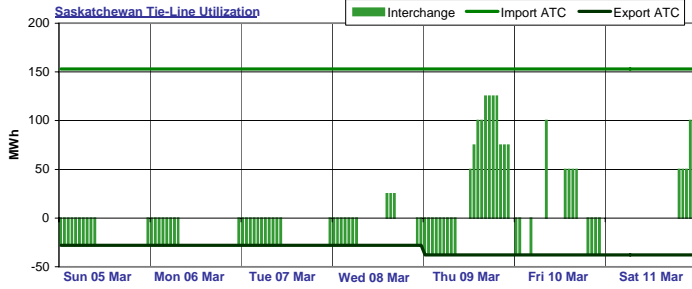


Interties

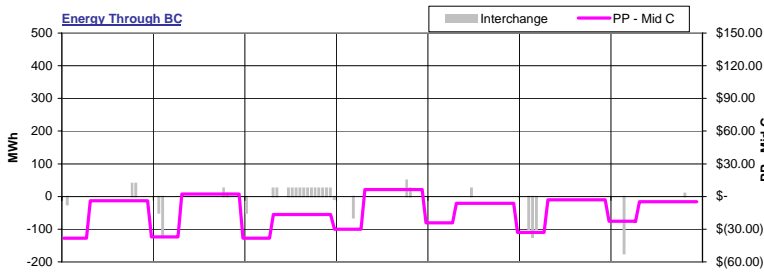


BC import capacity was 1% utilized last week while BC export capacity was 86% utilized. Energy was being imported into Alberta over the BC tie-line 13% of the time and exported out of Alberta over the BC tie-line 23% of the time last week. There was no activity on the BC tie-line 65% of the time last 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.



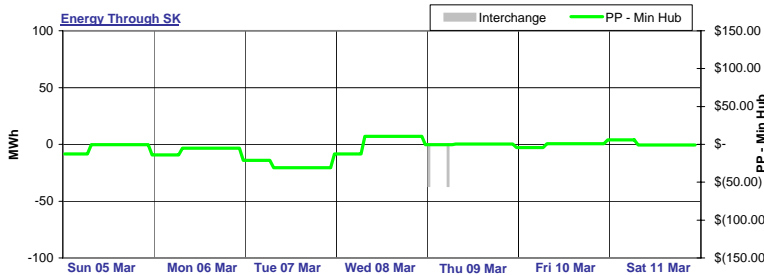
Saskatchewan import capacity was 7% utilized last week while Saskatchewan export capacity was 34% utilized. Energy was being imported into Alberta over the Saskatchewan tie-line 14% of the time and exported out of Alberta over the Saskatchewan tie-line 34% of the time last week. There was no activity on the Saskatchewan tie-line 52% of the time last week.



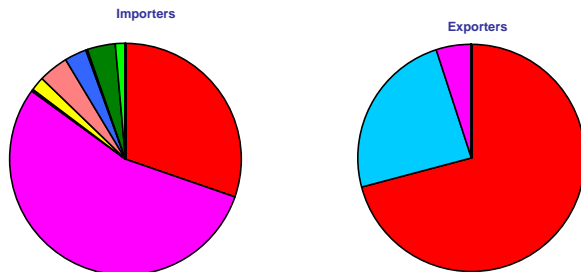
Last week, Alberta spot prices were mostly lower relative to prices in the Pacific Northwest as represented by Mid-C index prices, supporting export activity across the Alberta - BC interconnection.

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

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



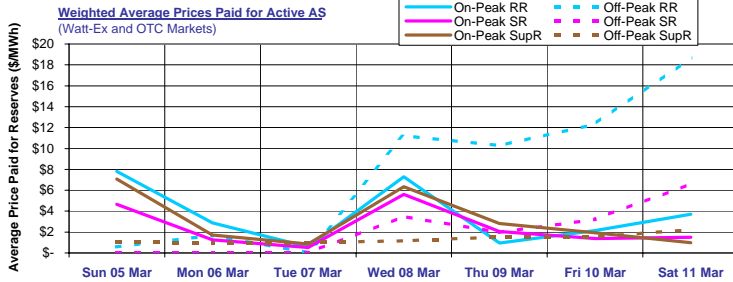
Tie-Line Market Shares



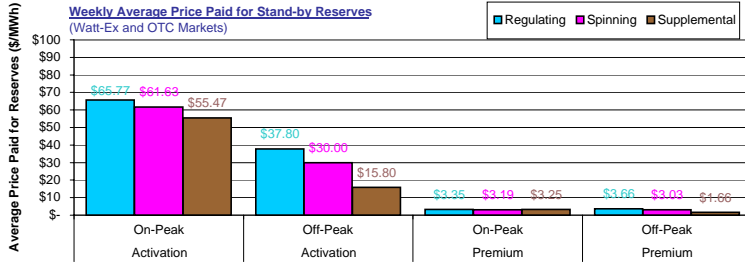
Last week, there were a total of 9 importers. The most active importer had a market share of 54.6% while the second most active importer had a market share of 30.3%. There were a total of 3 exporters last week. The most active exporter had a market share of 71.0% while the next largest exporter had a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

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

Ancillary Services Market

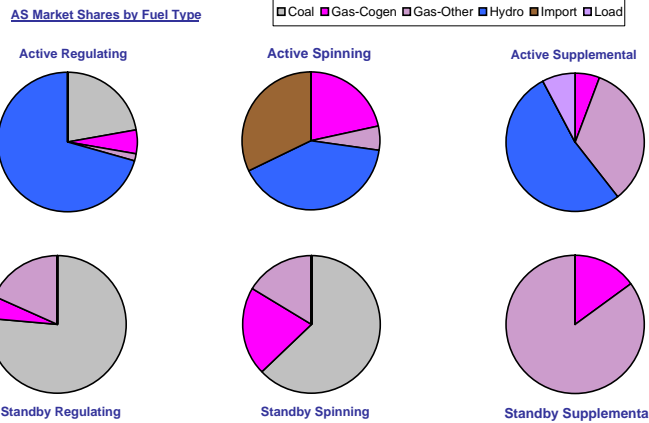


Average on-peak prices paid for active ancillary services last week were **\$3.64/MWh**, **\$2.41/MWh** and **\$3.08/MWh** respectively for active **regulating**, **spinning** and **supplemental** reserves. Active average off-peak prices were somewhat **higher** and averaged **\$7.93/MWh**, **\$2.19/MWh** and **\$1.35/MWh** for active **regulating**, **spinning** and **supplemental** reserves respectively.



Weekly average activation prices for stand-by reserves ranged from **\$15.80/MWh** for **off-peak supplemental** reserves to **\$65.77/MWh** for **on-peak regulating** reserves.

Weekly average premium prices ranged from **\$1.66/MWh** for **off-peak supplemental** reserves up to **\$3.66/MWh** for **on-peak spinning** reserves.



Last week **hydro** units had the largest market share in the **active regulating** reserve market with **70.6%**. In the **active spinning** reserve market, **hydro** units had the leading market share with **40.8%** while in the **active supplemental** reserve market, **hydro** units dominated with a **52.9%** market share.

Coal units dominated the **standby regulating** reserve market with a **76.4%** market share. Leading market share in the **standby spinning** market was held by coal units with a **62.9%** market share. In the **standby supplemental** reserve market, gas units had the leading market share with **85.0%**.

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.