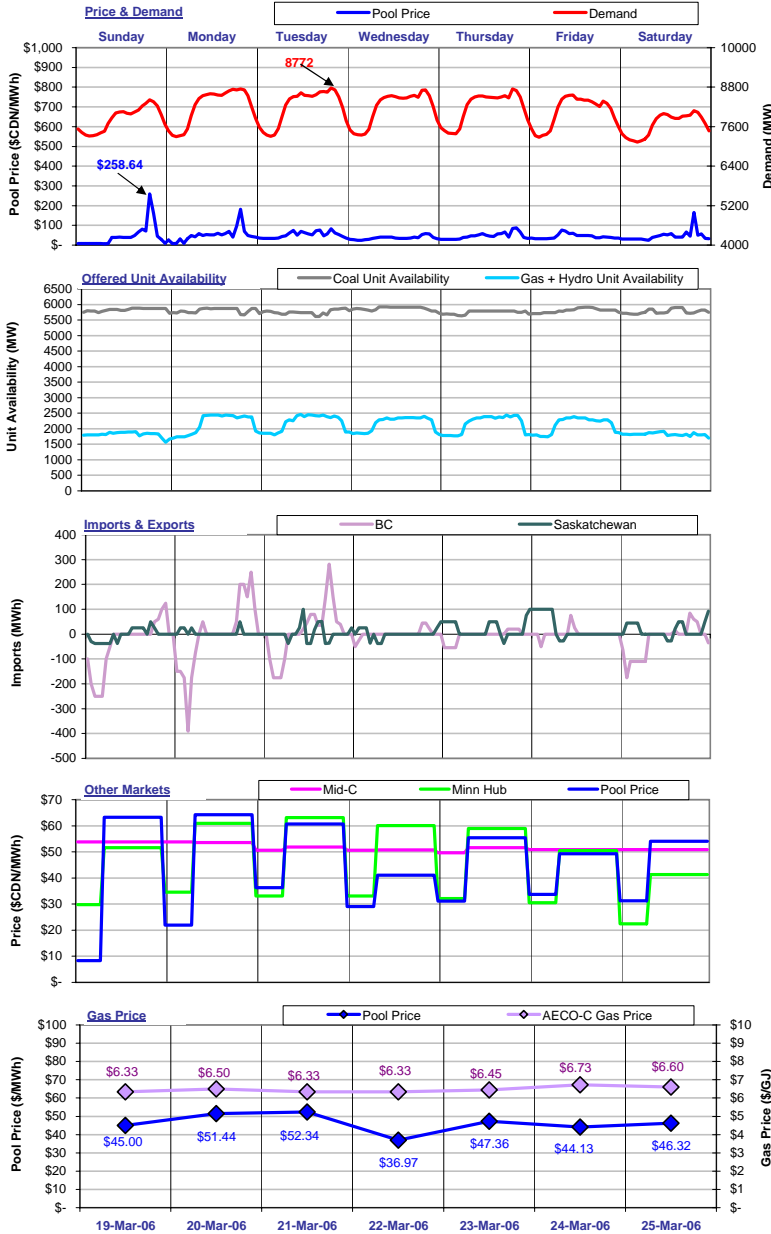


# The Market Monitor

WATCHING THE MARKET : your fact source

Week Ending March 25, 2006

## Weekly Highlights



For the week ending March 25, 2006, **Pool Price** averaged \$46.22/MWh and ranged from a minimum of \$6.81/MWh in HE08 on Sunday to a maximum of \$258.64/MWh in HE20 on Sunday. **Demand** reached a high of 8772 MW in HE20 on Tuesday and a low of 7135 MW in HE05 on Saturday. Average demand for the week was 8046 MW. **Pool Price** and **Demand** were positively correlated last week with an R-squared value of 0.27.

**Coal Unit Availability** averaged 5798 MW last week. This is an equivalent availability of 99% (based on MCR). **Gas and Hydro Unit Availability** averaged 2068MW 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 1,419MWh. Alberta was a net importer from Saskatchewan last week with total imports equal to 1,575MWh. Overall, Alberta imported 156MWh 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 \$51.58/MWh on-peak and \$51.44/MWh off-peak. **Minn Hub** prices averaged \$55.81/MWh on-peak and \$30.81/MWh off-peak.

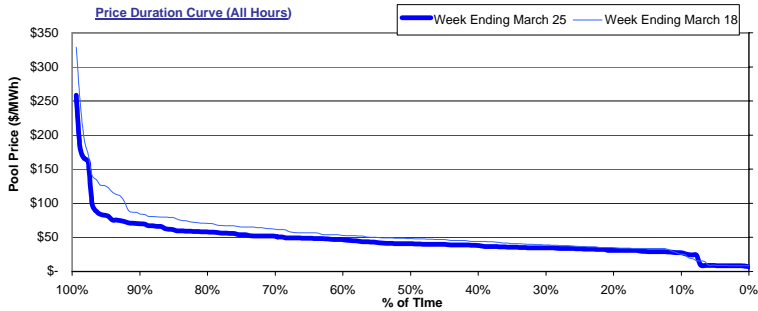
Prices in \$CDN at an exchange rate of 1.15952.

The average **AECO-C Gas Price** last week was \$6.47/GJ and ranged from a minimum of \$6.33/GJ to \$6.73/GJ. Prevailing gas prices resulted in market heat rates ranging from a low of 5.84GJ/MWh to a high of 8.27GJ/MWh. The average market heat rate for the week was 7.15GJ/MWh.

# Wholesale Market

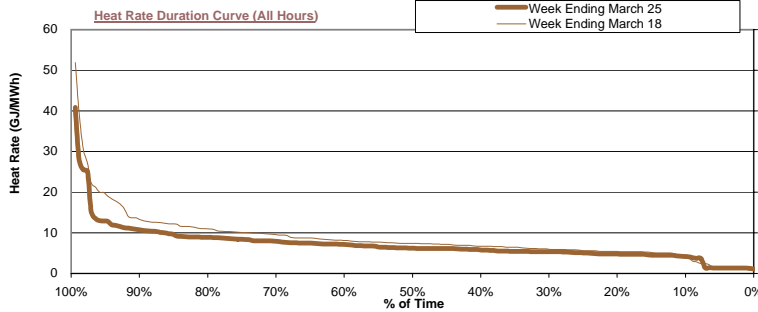
## Weekly Market Statistics

	Sunday 19-Mar	Monday 20-Mar	Tuesday 21-Mar	Wednesday 22-Mar	Thursday 23-Mar	Friday 24-Mar	Saturday 25-Mar	Average	Last Week	% Change	YTD
<b>Pool Price</b>											
Average	\$ 45.00	\$ 51.44	\$ 52.34	\$ 36.97	\$ 47.36	\$ 44.13	\$ 46.32	\$ 46.22	\$ 55.85	-17.2%	\$ 58.04
On-Peak	NA	\$ 64.29	\$ 60.68	\$ 41.04	\$ 55.38	\$ 49.30	\$ 54.04	\$ 54.12	\$ 61.58	-12.1%	\$ 71.37
Off-Peak	\$ 45.00	\$ 25.76	\$ 35.67	\$ 28.83	\$ 31.33	\$ 33.79	\$ 30.88	\$ 35.69	\$ 48.21	-26.0%	\$ 37.72
COV	1.27	0.67	0.29	0.24	0.35	0.27	0.60	0.53	0.50	5.1%	
<b>Heat Rate</b>											
Average	7.10	7.92	8.27	5.84	7.34	6.56	7.02	7.15	8.83	-19.1%	8.08
On-Peak	NA	9.90	9.58	6.36	8.53	7.32	8.19	8.31	9.50	-12.5%	9.93
Off-Peak	7.10	3.97	5.63	4.48	4.83	5.02	4.68	5.55	7.52	-26.2%	5.25
<b>Demand</b>											
Average	7,840	8,215	8,206	8,169	8,181	8,050	7,660	8,046	8,058	-0.2%	8,131
Minimum	7,316	7,297	7,305	7,345	7,382	7,279	7,135	7,294	7,317	-0.3%	7,059
Maximum	8,412	8,742	8,772	8,716	8,741	8,557	8,089	8,576	8,615	-0.5%	9,306
<b>Coal Unit Availability</b>											
Average	5,829	5,807	5,754	5,869	5,748	5,805	5,772	5,798	5,710	1.5%	5,744
Utilization	100%	99%	99%	100%	98%	99%	99%	99%	98%	1.5%	98%
<b>Gas and Hydro Unit Availability</b>											
Average	1,818	2,168	2,204	2,172	2,162	2,129	1,824	2,068	1,958	1.9%	2,038
Utilization	38%	46%	46%	46%	45%	45%	38%	36%	35%	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 March 25, prices were at or below:

- \$20/MWh 7% of the time
- \$50/MWh 68% of the time
- \$100/MWh 97% 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 March 25 implied market heat rates were at or below:

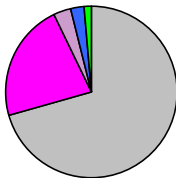
- 5.0 GJ/MWh 24% of the time
- 10.0 GJ/MWh 87% of the time
- 15.0 GJ/MWh 97% of the time
- 20.0 GJ/MWh 98% of the time

### Market Share Statistics

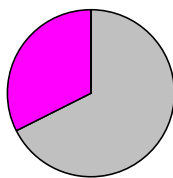
By Fuel Type:

Coal Gas - Cogen Gas - Other Hydro Other

Weekly Generation by Fuel Type

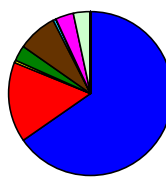


Weekly Price Setting by Fuel Type



By Submitting Customer:

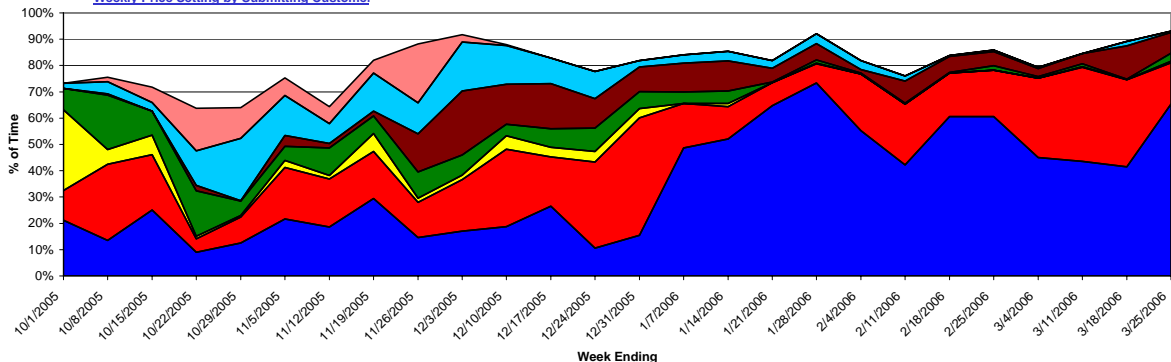
Weekly Price Setting by Submitting Customer



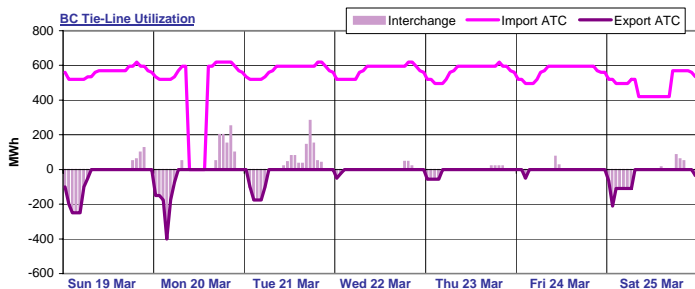
Last week, coal units were responsible for 70.6% of the generation in the province and set price 67.5% of the time. Gas-cogen units accounted for 22.0% of the generation and set price 32.5% of the time last week while other gas units made up 3.5% of generation and set price 0.0% of the time.

A total of 9 market participants set price last week. One market participant set price more than 20% of the time last week. The top price setter set price 65.3% of the time and the top five price setters set price a total of 95.8% of the time.

### Weekly Price Setting by Submitting Customer

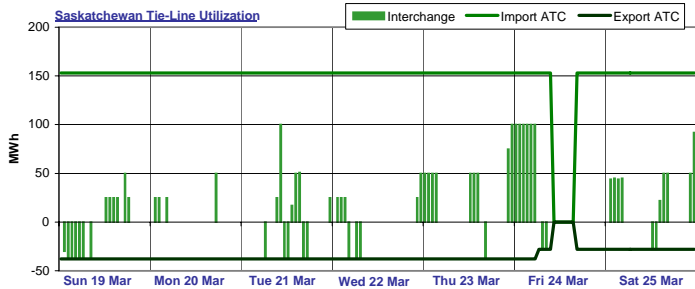


# Interties

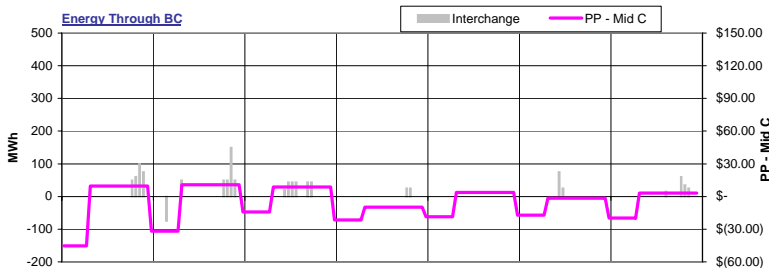


BC import capacity was 3% utilized last week while BC export capacity was 99% utilized. Energy was being imported into Alberta over the BC tie-line 21% of the time and exported out of Alberta over the BC tie-line 20% of the time last week. There was no activity on the BC tie-line 60% of the time last 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.



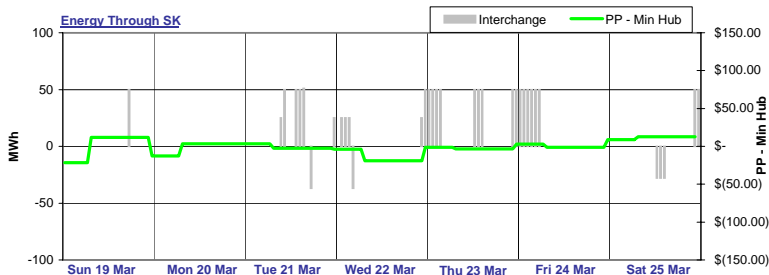
Saskatchewan import capacity was 9% utilized last week while Saskatchewan export capacity was 12% utilized. Energy was being imported into Alberta over the Saskatchewan tie-line 27% of the time and exported out of Alberta over the Saskatchewan tie-line 12% of the time last week. There was no activity on the Saskatchewan tie-line 61% of the time last week.



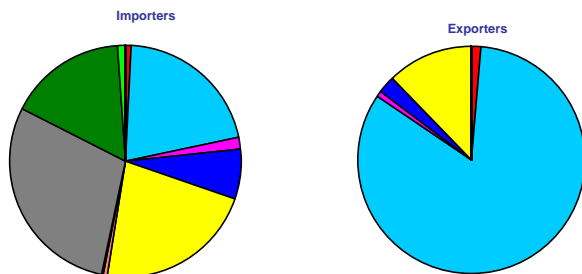
Last week, Alberta spot prices were mostly lower relative to prices in the Pacific Northwest as represented by Mid-C index prices, supporting export activity across the Alberta - BC interconnection.

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.



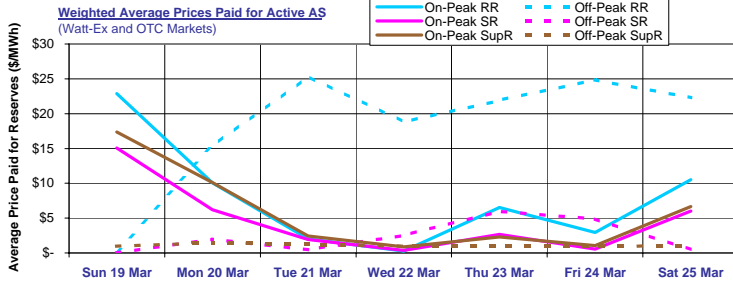
Tie-Line Market Shares



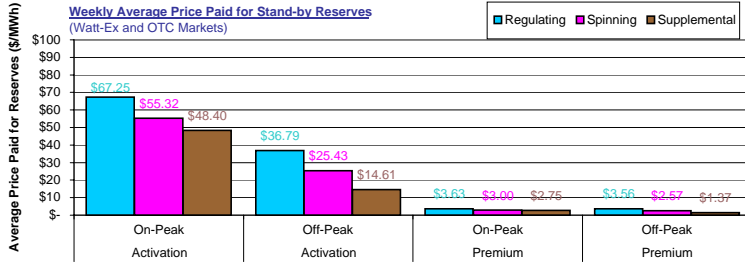
Last week, there were a total of 10 importers. The most active importer had a market share of 29.2% while the second most active importer had a market share of 22.1%. There were a total of 5 exporters last week. The most active exporter had a market share of 83.0% while the next largest exporter had a market share of 12.3%.

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

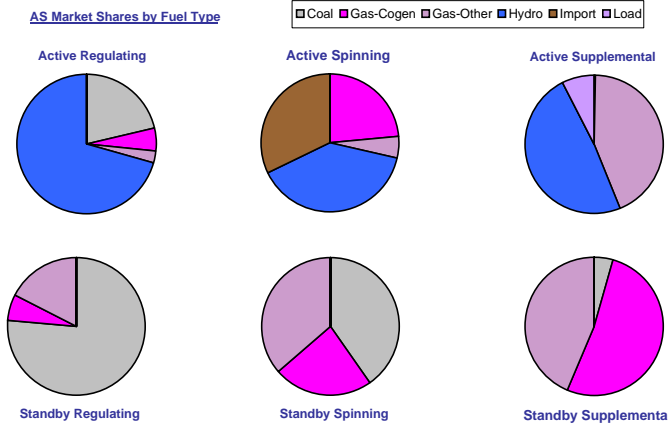
# Ancillary Services Market



Average on-peak prices paid for active ancillary services last week were \$4.28/MWh, \$3.97/MWh and \$5.75/MWh respectively for active regulating, spinning and supplemental reserves. Active average off-peak prices were somewhat lower and averaged \$28.27/MWh, \$7.00/MWh and \$3.47/MWh for active regulating, spinning and supplemental reserves respectively.



Weekly average activation prices for stand-by reserves ranged from \$14.61/MWh for off-peak supplemental reserves to \$67.25/MWh for on-peak regulating reserves. Weekly average premium prices ranged from \$1.37/MWh for off-peak supplemental reserves up to \$3.63/MWh for on-peak regulating reserves.



Last week hydro units had the largest market share in the active regulating reserve market with 70.5%. In the active spinning reserve market, hydro units had the leading market share with 39.1% while in the active supplemental reserve market, hydro units dominated with a 48.5% 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 40.4% market share. In the standby supplemental reserve market, gas cogen units had the leading market share with 51.8%.

# 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.