

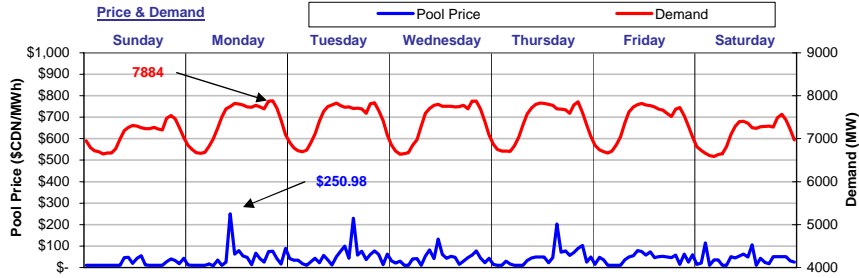


# The Market Monitor

WATCHING THE MARKET : your fact source

Week Ending April 2, 2005

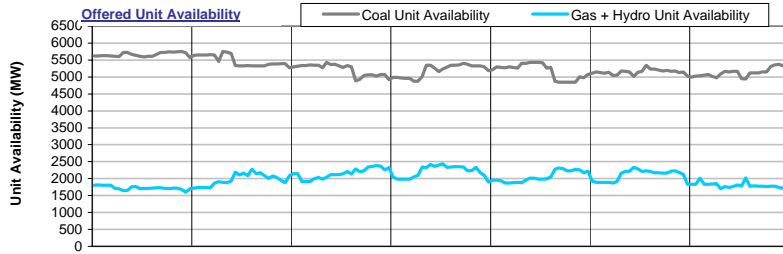
## Weekly Highlights



For the week ending April 2, 2005, **Pool Price** averaged \$42.21/MWh and ranged from a minimum of \$8.91/MWh in HE07 on Monday to a maximum of \$250.98/MWh in HE11 on Monday.

**Demand** reached a high of 7884 MW in HE21 on Monday and a low of 6588 MW in HE05 on Saturday. Average demand for the week was 7312MW.

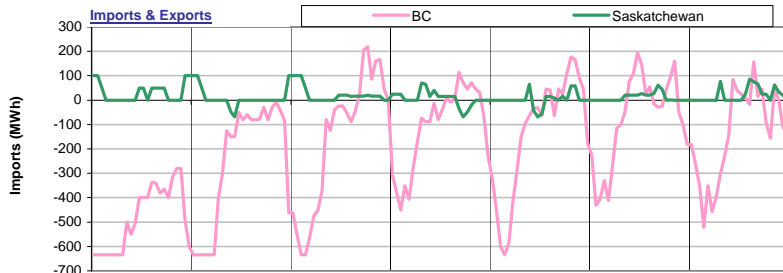
**Pool Price** and **Demand** were positively correlated last week with an R-squared value of 0.24.



**Coal Unit Availability** averaged 5284 MW last week. This is an equivalent availability of 90% (based on MCR).

**Gas and Hydro Unit Availability** averaged 2005MW last week, which is an equivalent of 35% (based on MCR).

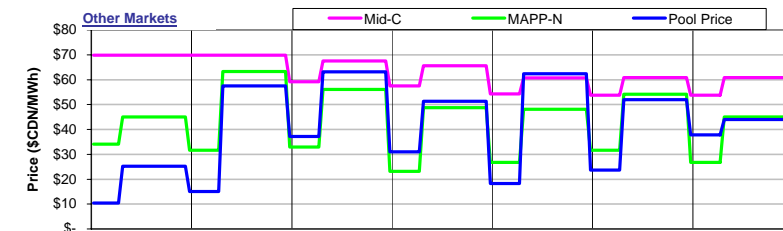
Availability numbers are based on MW offered into the energy merit order.



Alberta was a net exporter to **BC** last week with total exports equal to 32.443MWh.

Alberta was a net importer from **Saskatchewan** last week with total imports equal to 2560MWh.

Overall, Alberta exported 29,883MWh of electricity last week.

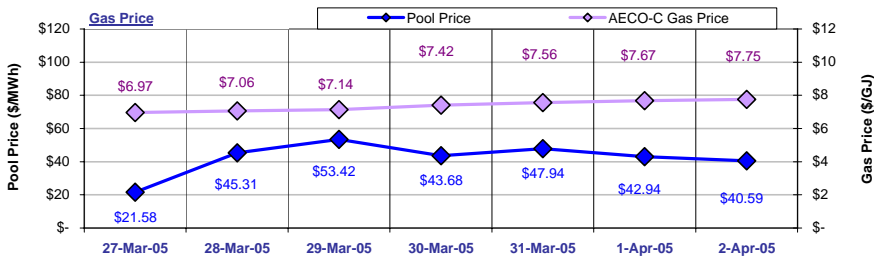


**Pool Prices** were generally lower than prices in **Mid-C** and lower than prices in **MAPP-N** last week.

**Mid-C** prices averaged \$64.21/MWh on-peak and \$59.73/MWh off-peak.

**MAPP-N** prices averaged \$52.58/MWh on-peak and \$29.58/MWh off-peak.

Prices in \$/MWh at an exchange rate of 1.2181.



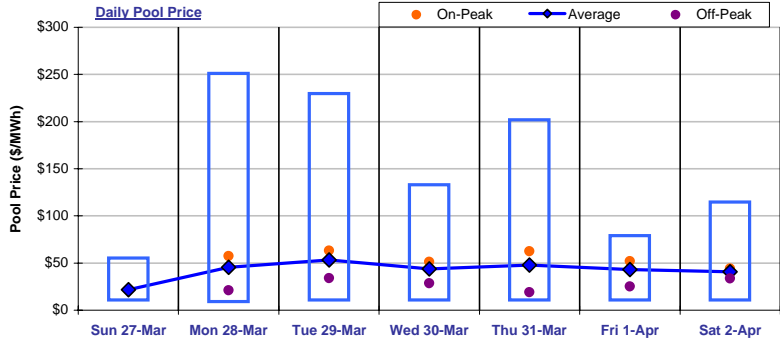
The average **AECO-C Gas Price** last week was \$7.37/GJ and ranged from a minimum of \$6.97/GJ to \$7.75/GJ.

Prevailing gas prices resulted in market heat rates ranging from a low of 3.09GJ/MWh to a high of 7.48GJ/MWh. The average market heat rate for the week was 5.72GJ/MWh.

# Wholesale Market

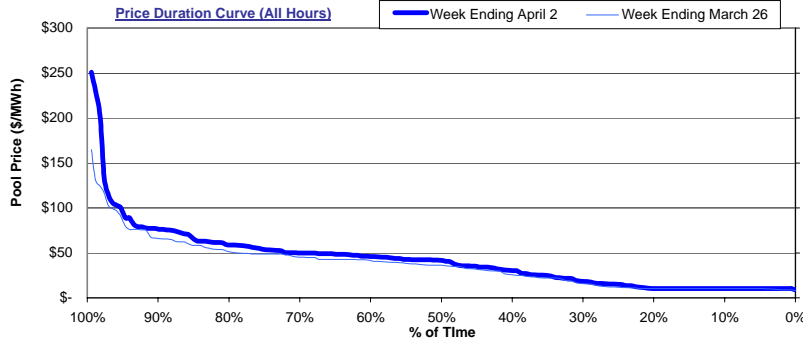
## Weekly Market Statistics

	Sunday 27-Mar	Monday 28-Mar	Tuesday 29-Mar	Wednesday 30-Mar	Thursday 31-Mar	Friday 1-Apr	Saturday 2-Apr	Average	Last Week	% Change	YTD
<b>Pool Price</b>											
Average	\$ 21.58	\$ 45.31	\$ 53.42	\$ 43.68	\$ 47.94	\$ 42.94	\$ 40.59	\$ 42.21	\$ 36.65	15.2%	\$ 45.91
On-Peak	NA	\$ 57.50	\$ 63.20	\$ 51.26	\$ 62.39	\$ 51.94	\$ 44.03	\$ 55.05	\$ 35.53	55.0%	\$ 50.51
Off-Peak	\$ 21.58	\$ 20.93	\$ 33.86	\$ 28.52	\$ 19.05	\$ 24.95	\$ 33.70	\$ 25.08	\$ 38.16	-34.3%	\$ 37.06
COV	0.72	1.13	0.83	0.62	0.88	0.51	0.66	0.76	0.59	29.6%	
<b>Demand</b>											
Average	7,090	7,405	7,418	7,404	7,398	7,372	7,099	7,312	7,552	-3.2%	7,500
Minimum	6,643	6,662	6,698	6,641	6,708	6,670	6,588	6,659	6,903	-3.5%	6,017
Maximum	7,541	7,884	7,840	7,878	7,859	7,824	7,572	7,771	8,070	-3.7%	9,236
<b>Coal Unit Availability</b>											
Average	5,663	5,474	5,212	5,191	5,173	5,150	5,127	5,284	5,581	-5.1%	5,392
Utilization	97%	94%	89%	89%	89%	88%	88%	90%	96%	-5.1%	92%
<b>Gas and Hydro Unit Availability</b>											
Average	1,725	1,975	2,154	2,214	2,063	2,101	1,805	2,005	2,156	-2.7%	2,338
Utilization	36%	41%	45%	47%	43%	44%	38%	35%	38%	-2.7%	41%



The Daily Pool Price graph plots the daily range in hourly Pool price (defined by the blue box) along with the daily average and daily on and off-peak prices. The on-peak Pool price for the week was \$55.05/MWh while the off-peak Pool price for the week was \$25.08/MWh.

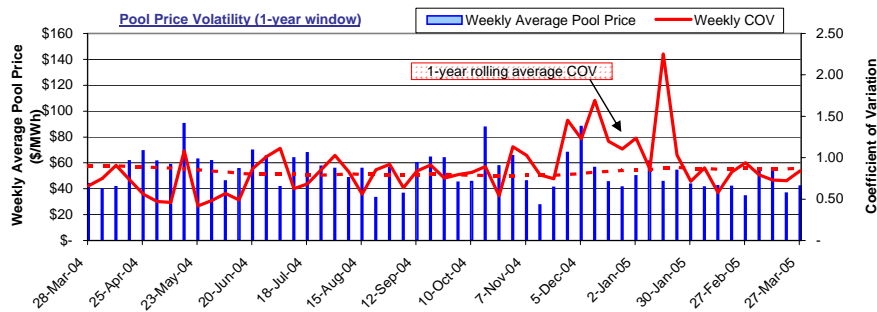
Note: Sundays and most statutory holidays are defined as off-peak.



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

For the week ending April 2, prices were at or below:

- \$20/MWh 31% of the time
- \$50/MWh 70% of the time
- \$100/MWh 95% of the time
- \$250/MWh 99% of the time
- \$500/MWh 100% of the time



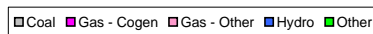
The chart plots average weekly Pool Price and the Coefficient of Variation (COV) of hourly Pool prices for the week. The COV is a standard statistical measure of volatility.

Pool price volatility increased for the week ending April 2 from the previous week.

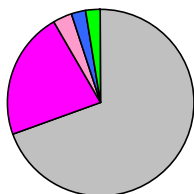
Pool price volatility also moved below the 1-year rolling average COV value.

## Market Share Statistics

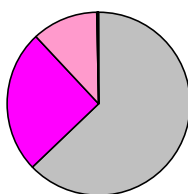
By Fuel Type:



Weekly Generation by Fuel Type

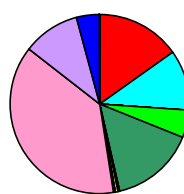


Weekly Price Setting by Fuel Type



By Submitting Customer:

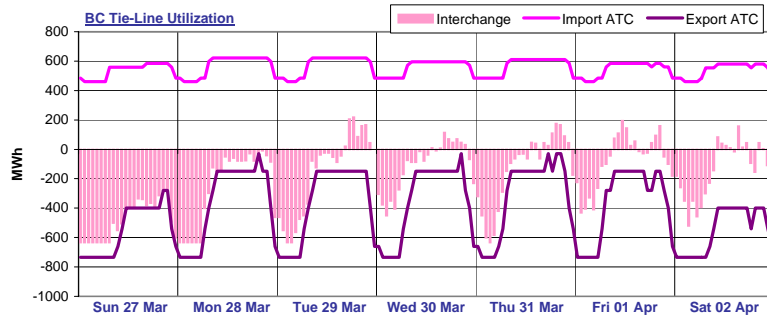
Weekly Price Setting by Submitting Customer



Last week, coal units were responsible for 69.6% of the generation in the province and set price 62.8% of the time. Gas-cogen units accounted for 22.0% of the generation and set price 25.1% of the time last week while other gas units made up 3.4% of generation and set price 11.8% of the time.

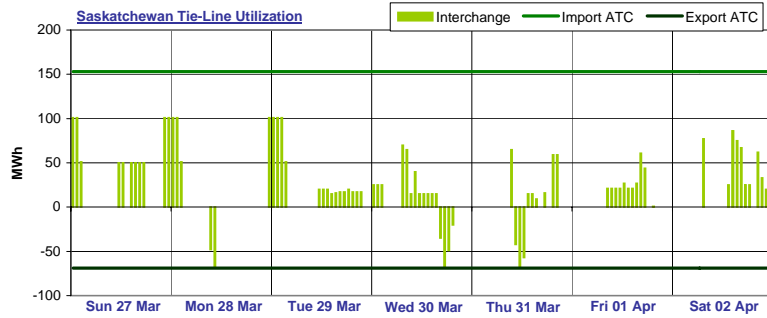
A total of 11 market participants set price last week. One market participants set price more than 20% of the time last week. The top price setter set price 38.1% of the time and the top five price setters set price a total of 89.9% of the time.

# Interties



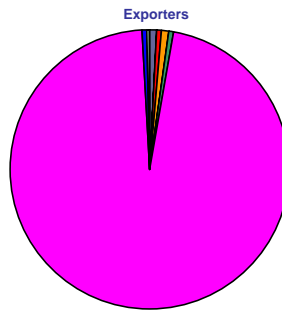
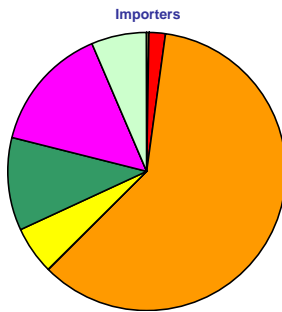
BC import capacity was 3% utilized last week while BC export capacity was 41% utilized. Energy was being imported into Alberta over the BC tie-line 25% of the time and exported out of Alberta over the BC tie-line 74% of the time last week. There was no activity on the BC tie-line 1% of the time last 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 12% utilized last week while Saskatchewan export capacity was 4% utilized. Energy was being imported into Alberta over the Saskatchewan tie-line 42% of the time and exported out of Alberta over the Saskatchewan tie-line 5% of the time last week. There was no activity on the Saskatchewan tie-line 53% of the time last week.

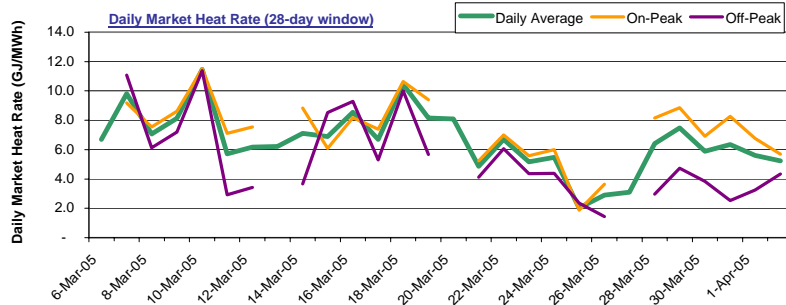
### Tie-Line Market Shares



Last week, there were a total of 7 importers. The most active importer had a market share of 60.4% while the second most active importer had a market share of 14.9%. There were a total of 7 exporters last week. The most active exporter had a market share of 93.3% while the next largest exporter had a market share of 0.8%.

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

# Market Heat Rates



Over the past 28 days, the daily Market Heat Rate averaged 6.6 GJ/MWh and ranged from a low of 2.0 GJ/MWh to a high of 11.5 GJ/MWh.

The daily On-Peak Market Heat Rate for the last 28 days averaged 7.3 GJ/MWh while the daily Off-Peak Market Heat Rate averaged 5.4 GJ/MWh.

### Sparksreads

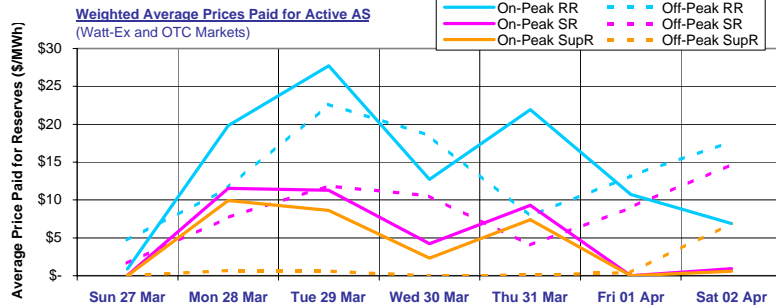
Date	AECO-C Gas Price (\$/GJ)	Daily Average			On-Peak			Off-Peak		
		Pool Price (\$/MWh)	Sparksread (\$/MWh)	Sparksread (\$/MWh)	Pool Price (\$/MWh)	Sparksread (\$/MWh)	Sparksread (\$/MWh)	Pool Price (\$/MWh)	Sparksread (\$/MWh)	Sparksread (\$/MWh)
			HR=7.5	HR=10.0		HR=7.5	HR=10.0		HR=7.5	HR=10.0
Sun 27 Mar	\$ 6.97	\$ 21.58	(30.72)	(48.15)	\$ NA	NA	NA	\$ 21.58	(30.72)	(48.15)
Mon 28 Mar	\$ 7.06	\$ 45.31	(7.61)	(25.25)	\$ 57.50	4.57	(13.07)	\$ 20.93	(31.99)	(49.63)
Tue 29 Mar	\$ 7.14	\$ 53.42	(0.14)	(17.99)	\$ 63.20	9.64	(8.22)	\$ 33.86	(19.70)	(37.55)
Wed 30 Mar	\$ 7.42	\$ 43.68	(11.95)	(30.49)	\$ 51.26	(4.37)	(22.91)	\$ 28.52	(27.12)	(45.66)
Thu 31 Mar	\$ 7.56	\$ 47.94	(8.74)	(27.63)	\$ 62.39	5.71	(13.19)	\$ 19.05	(37.63)	(56.52)
Fri 01 Apr	\$ 7.67	\$ 42.94	(14.60)	(33.78)	\$ 51.94	(5.61)	(24.79)	\$ 24.95	(32.60)	(51.78)
Sat 02 Apr	\$ 7.75	\$ 40.59	(17.54)	(36.92)	\$ 44.03	(14.10)	(33.47)	\$ 33.70	(24.43)	(43.80)

Daily average sparksreads last week were all negative for a heat rate of 7.5 GJ/MWh and all negative for a heat rate of 10.0 GJ/MWh.

On-peak sparksreads last week were mostly negative for a heat rate of 7.5 GJ/MWh and all negative for a heat rate of 10.0 GJ/MWh.

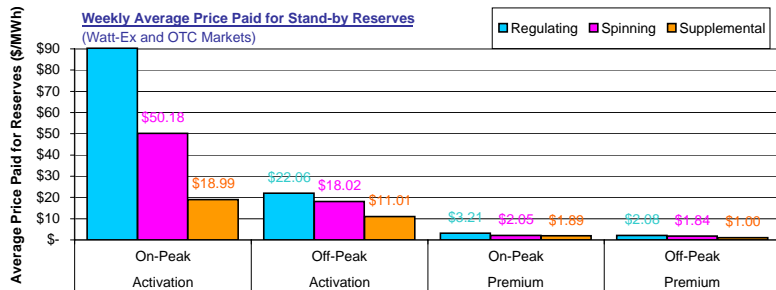
Off-peak sparksreads last week were all negative for a heat rate of 7.5 GJ/MWh and all negative for a heat rate of 10.0 GJ/MWh.

# Ancillary Services Market



Average on-peak prices paid for active ancillary services last week were \$14.44/MWh, \$5.47/MWh and \$4.23/MWh respectively for active **regulating**, **spinning** and **supplemental** reserves.

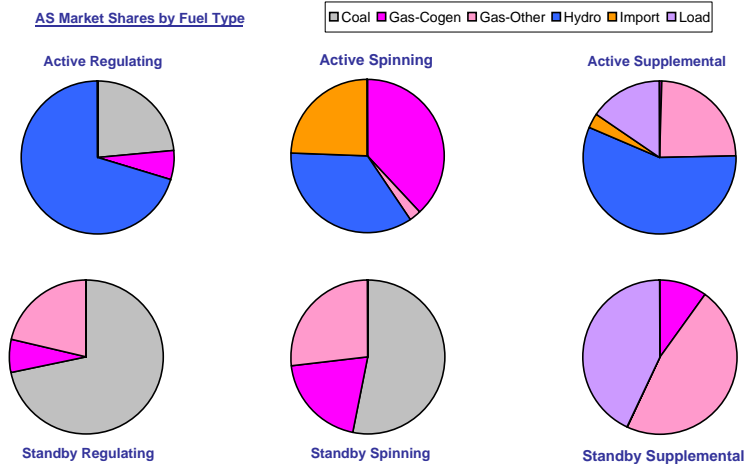
Active average off-peak prices were somewhat lower and averaged \$13.66/MWh, \$8.55/MWh and \$1.23/MWh for active **regulating**, **spinning** and **supplemental** reserves respectively.



Weekly average activation prices for stand-by reserves ranged from \$5.46/MWh for **off-peak supplemental** reserves to \$41.16/MWh for **on-peak regulating** reserves.

Weekly average premium prices ranged from \$1.04/MWh for **off-peak supplemental** reserves up to \$2.23/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 70.3%. In the **active spinning** reserve market, **gas cogen** units had the leading market share with 38.0% while in the **active supplemental** reserve market, **hydro** units dominated with a 56.4% market share.

Coal units dominated the **standby regulating** reserve market with a 71.7% market share. Leading market share in the **standby spinning** market was held by coal units with a 53.0% market share. In the **standby supplemental** reserve market, **gas** units had the leading market share with 47.0%.

## Glossary

<b>HE</b>	Hour Ending
<b>On-Peak Hours</b>	In Alberta: HE08 through HE23, Monday through Saturday (prevailing Mountain time) In Mid-C: HE07 through HE22, Monday through Saturday (prevailing Pacific time) In MAPP-N: HE08 through HE23, Monday through Sunday (prevailing Central time)
<b>Off-Peak Hours</b>	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 MAPP-N: HE24 (of the previous day) through HE07 (of the day in question), Monday through Sunday (prevailing Central time)
<b>COV</b>	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.
<b>ATC</b>	Available Transfer Capacity A measure of the maximum energy flow possible in one direction across an intertie.
<b>Market Heat Rate</b>	The prevailing Pool price divided by the prevailing gas price.
<b>Sparks spread</b>	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.