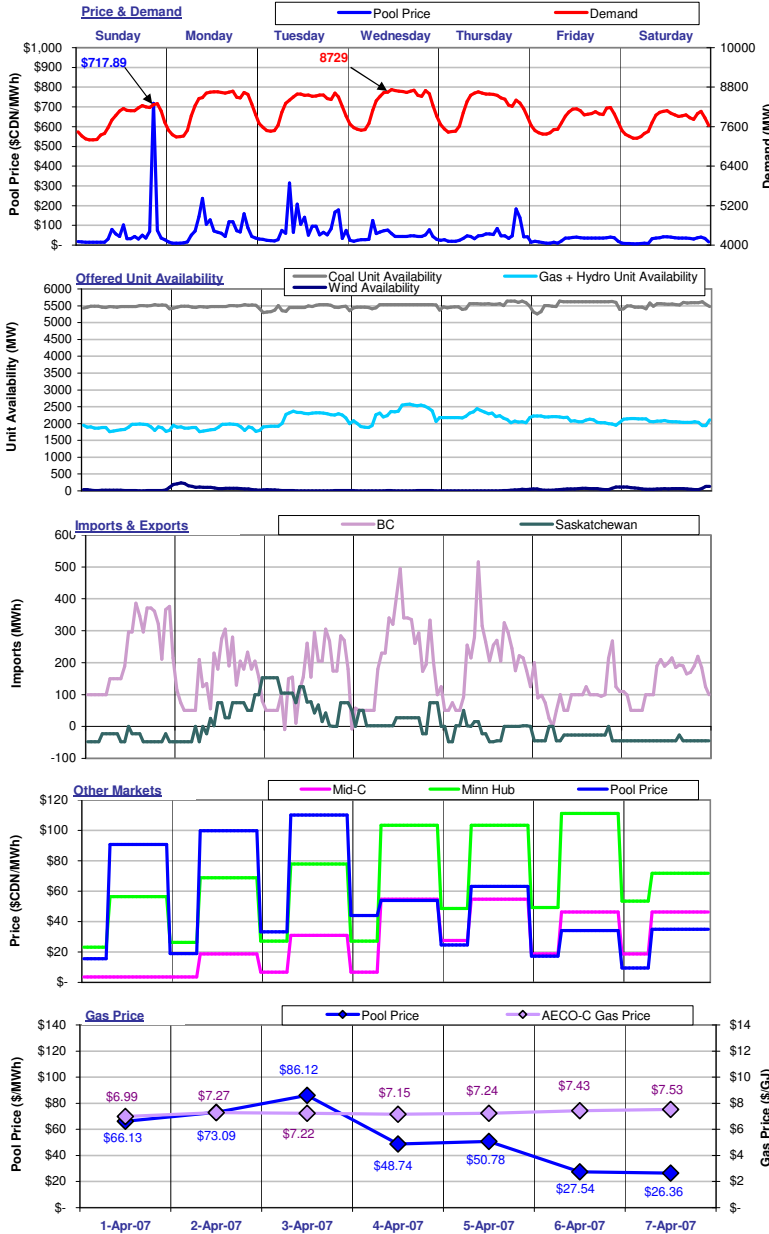


The Market Monitor

WATCHING THE MARKET : your fact source

Week Ending April 7, 2007

Weekly Highlights



For the week ending April 07, 2007, **Pool Price** averaged \$54.11/MWh and ranged from a minimum of \$7.08/MWh in HE05 on Saturday to a maximum of \$717.89/MWh in HE21 on Sunday. **Demand** reached a high of 8729 MW in HE12 on Wednesday and a low of 7195 MW in HE05 on Sunday. Average demand for the week was 8038 MW. **Pool Price** and **Demand** were positively correlated last week with an R-squared value of 0.18.

Coal Unit Availability averaged 5502 MW last week. This is an equivalent availability of 94% (based on MCR). **Gas and Hydro Unit Availability** averaged 2041 MW last week, which is an equivalent of 36% (based on MCR).

For Coal, and Gas & Hydro availability the numbers are based on MW offered into the energy merit order. In the case of wind the numbers reported are actual generation.

Alberta was a net importer from BC last week with total imports equal to 29,025MWh. Alberta was a net importer from Saskatchewan last week with total imports equal to 204 MWh. Overall, Alberta imported 29,229 MWh of electricity last week.

Pool Prices were generally higher than prices in Mid-C and lower than prices in Minn Hub last week. **Mid-C** prices averaged \$41.96/MWh on-peak and \$12.17/MWh off-peak. **Minn Hub** prices averaged \$89.40/MWh on-peak and \$36.44/MWh off-peak.

Prices in \$CDN at an exchange rate of 1.15451.

The average **AECO-C Gas Price** last week was \$7.26/GJ and ranged from a minimum of \$6.99/GJ to \$7.53/GJ. Prevailing gas prices resulted in market heat rates ranging from a low of 3.50GJ/MWh to a high of 11.93GJ/MWh. The average market heat rate for the week was 7.50 GJ/MWh.

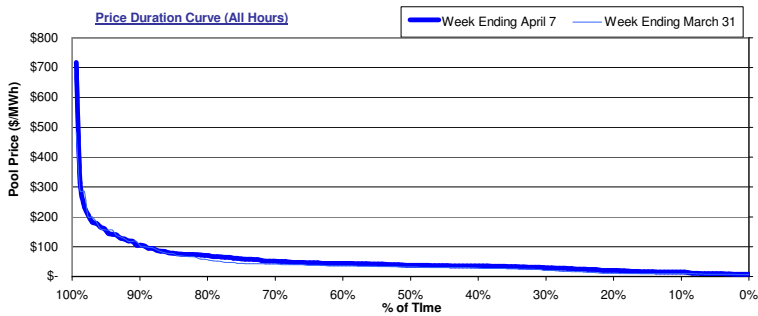


Alberta's Market Surveillance Administrator is in place to monitor the fair, efficient and openly competitive operation of all electricity markets within the province. The Market Monitor is a weekly publication by the MSA intended to educate industry participants and the public on market activities for 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

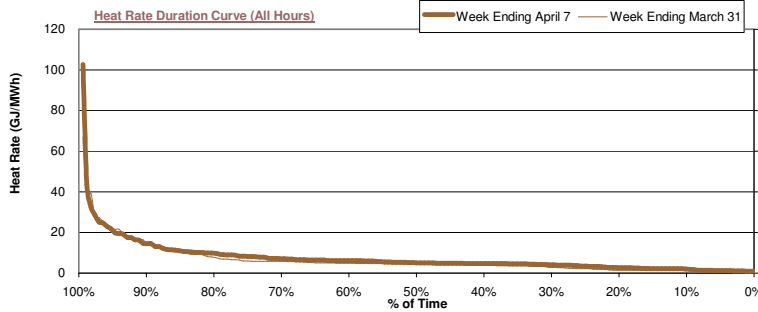
| | Sunday 1-Apr | Monday 2-Apr | Tuesday 3-Apr | Wednesday 4-Apr | Thursday 5-Apr | Friday 6-Apr | Saturday 7-Apr | Average | Last Week | % Change | YTD |
|--|-----------------|-----------------|------------------|--------------------|-------------------|-----------------|-------------------|----------|--------------|----------|----------|
| Pool Price | | | | | | | | | | | |
| Average | \$ 66.13 | \$ 73.09 | \$ 86.12 | \$ 48.74 | \$ 50.78 | \$ 27.54 | \$ 26.36 | \$ 54.11 | \$ 46.54 | 16.3% | \$ 62.62 |
| On-Peak | NA | \$ 99.72 | \$ 110.08 | \$ 53.92 | \$ 63.11 | \$ 34.04 | \$ 34.98 | \$ 65.98 | \$ 65.52 | 0.7% | \$ 75.07 |
| Off-Peak | \$ 66.13 | \$ 19.83 | \$ 38.20 | \$ 38.37 | \$ 26.12 | \$ 14.53 | \$ 9.11 | \$ 38.28 | \$ 21.24 | 80.3% | \$ 43.34 |
| COV | 2.13 | 0.78 | 0.82 | 0.48 | 0.74 | 0.42 | 0.53 | 0.84 | 0.67 | 26.2% | |
| Heat Rate | | | | | | | | | | | |
| Average | 9.45 | 10.05 | 11.93 | 6.82 | 7.02 | 3.71 | 3.50 | 7.50 | 6.70 | 11.9% | 8.92 |
| On-Peak | NA | 13.72 | 15.25 | 7.54 | 8.72 | 4.58 | 4.64 | 9.07 | 9.43 | -3.8% | 10.69 |
| Off-Peak | 9.45 | 2.73 | 5.29 | 5.37 | 3.61 | 1.95 | 1.21 | 5.39 | 3.06 | 76.1% | 6.17 |
| Demand | | | | | | | | | | | |
| Average | 7,803 | 8,208 | 8,216 | 8,295 | 8,185 | 7,825 | 7,737 | 8,038 | 7,868 | 2.2% | 7,856 |
| Minimum | 7,195 | 7,290 | 7,460 | 7,489 | 7,437 | 7,376 | 7,248 | 7,356 | 7,115 | 3.4% | 6,440 |
| Maximum | 8,295 | 8,677 | 8,621 | 8,729 | 8,662 | 8,186 | 8,085 | 8,465 | 8,355 | 1.3% | 9,478 |
| Coal Unit Availability | | | | | | | | | | | |
| Average | 5,480 | 5,480 | 5,440 | 5,503 | 5,535 | 5,547 | 5,529 | 5,502 | 5,166 | | 5,431 |
| Utilization | 94% | 94% | 93% | 94% | 95% | 95% | 95% | 94% | 88% | 5.8% | 93% |
| Gas and Hydro Unit Availability | | | | | | | | | | | |
| Average | 1,876 | 1,876 | 2,190 | 2,279 | 2,201 | 2,112 | 2,073 | 2,087 | 2,046 | | 2,308 |
| Utilization | 40% | 40% | 47% | 48% | 47% | 45% | 44% | 44% | 44% | 0.9% | 49% |



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 07, prices were at or below:

| | |
|-----------|-----------------|
| \$20/MWh | 20% of the time |
| \$50/MWh | 68% of the time |
| \$100/MWh | 89% of the time |
| \$250/MWh | 98% of the time |
| \$500/MWh | 99% of the time |



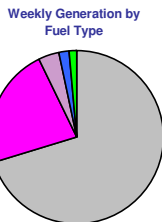
The heat rate duration curves show the % of time that the implied market heat rate was at or below a certain value during the week. For the week ending April 07 implied market heat rates were at or below:

| | |
|-------------|-----------------|
| 5.0 GJ/MWh | 48% of the time |
| 10.0 GJ/MWh | 82% of the time |
| 15.0 GJ/MWh | 91% of the time |
| 20.0 GJ/MWh | 95% of the time |

Market Share Statistics

By Fuel Type:

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



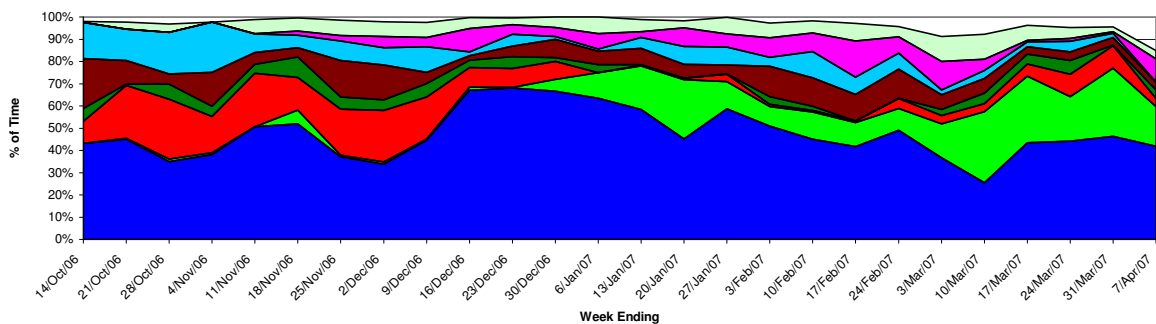
By Submitting Customer:



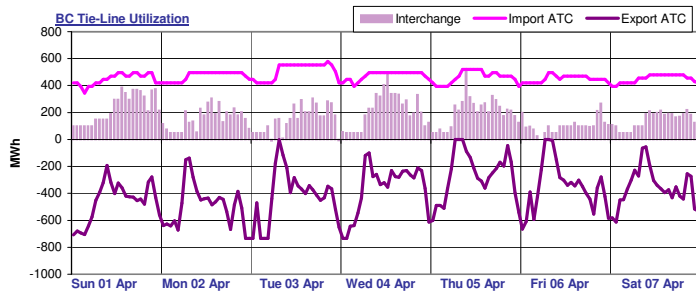
Last week, coal units were responsible for 70.2% of the generation in the province and set price 66.6% of the time. Gas-cogen units accounted for 22.7% of the generation and set price 27.1% of the time last week while other gas units made up 3.7% of generation and set price 5.9% of the time.

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 41.9% of the time and the top five price setters set price a total of 85.1% of the time.

Weekly Price Setting by Submitting Customer

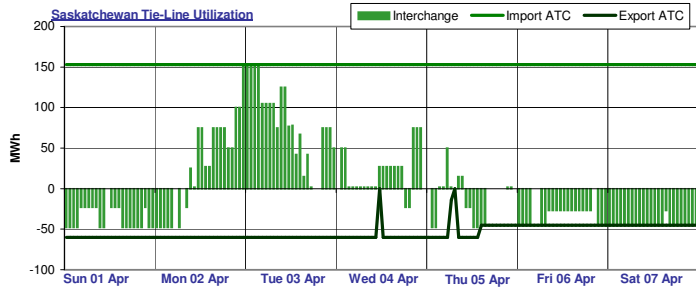


Interties

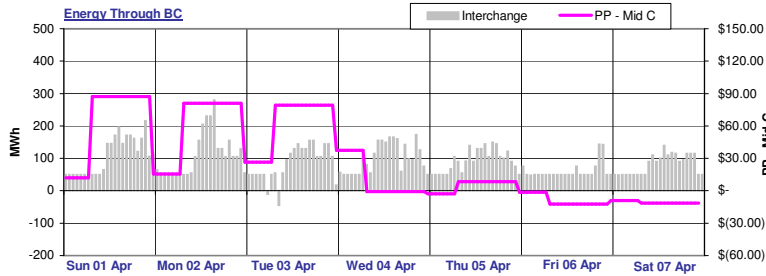


BC import capacity was 37% utilized last week while BC export capacity was 1% utilized. Energy was being imported into Alberta over the BC tie-line 98% of the time and exported out of Alberta over the BC tie-line 1% of the time last week. There was no activity on the BC tie-line 1% of the time last week.

Note: External reserve contract volumes have been subtracted from the BC import ATC as this capacity is not available to import energy into Alberta.



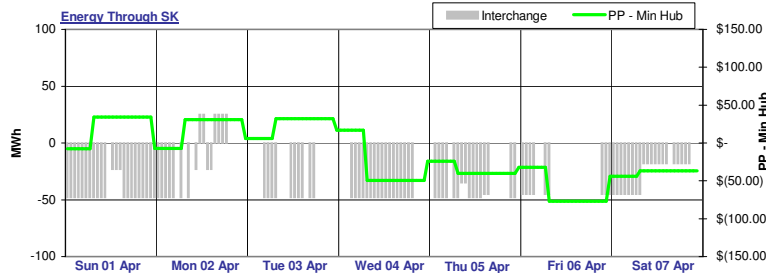
Saskatchewan import capacity was 22% utilized last week while Saskatchewan export capacity was 62% utilized. Energy was being imported into Alberta over the Saskatchewan tie-line 39% of the time and exported out of Alberta over the Saskatchewan tie-line 51% of the time last week. There was no activity on the Saskatchewan tie-line 11% of the time last week.



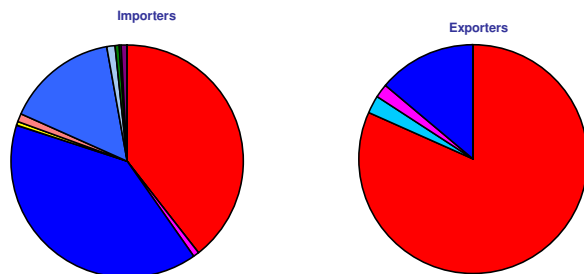
Last week, Alberta spot prices were mostly higher relative to prices in the Pacific Northwest as represented by Mid-C index prices, supporting import activity across the Alberta - BC interconnection.

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

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



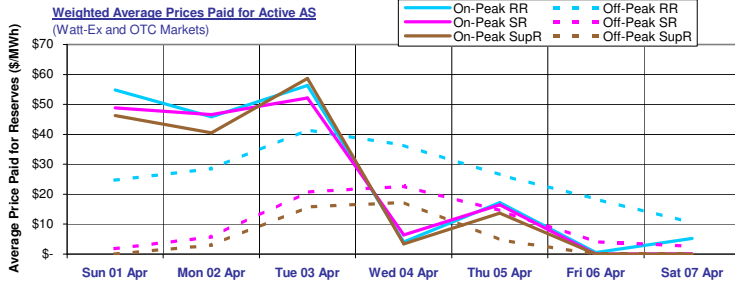
Tie-Line Market Shares



Last week, there were a total of 10 importers. The most active importer had a market share of 39.8% while the second most active importer had a market share of 39.5%. There were a total of 4 exporters last week. The most active exporter had a market share of 81.7% while the next largest exporter had a market share of 14.0%.

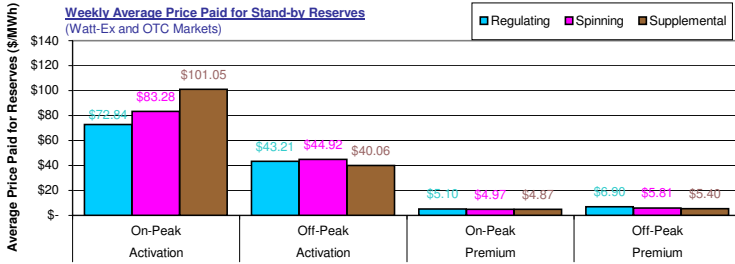
Note: Market shares are based on the combined activity on both interties.

Ancillary Services Market



Average on-peak prices paid for active ancillary services last week were **\$18.71/MWh**, **\$18.25/MWh** and **\$17.48/MWh** respectively for active **regulating**, **spinning** and **supplemental** reserves.

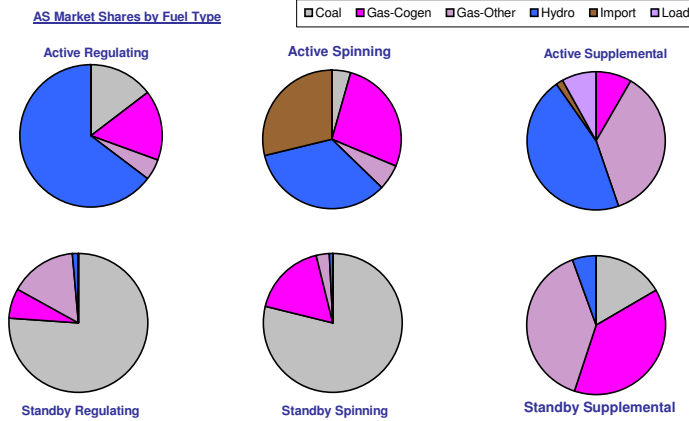
Active average off-peak prices were **lower** on average with the exception of regulating reserve, average prices were **\$24.93/MWh**, **\$10.64/MWh** and **\$5.97/MWh** for active **regulating**, **spinning** and **supplemental** reserves respectively.



Weekly average activation prices for stand-by reserves ranged from **\$40.06/MWh** for **off-peak supplemental** reserves to **\$101.06/MWh** for **on-peak supplemental** reserves.

Weekly average premium prices ranged from **\$4.87/MWh** for **on-peak supplemental** reserves up to **\$6.90/MWh** for **on-peak regulating** reserves.

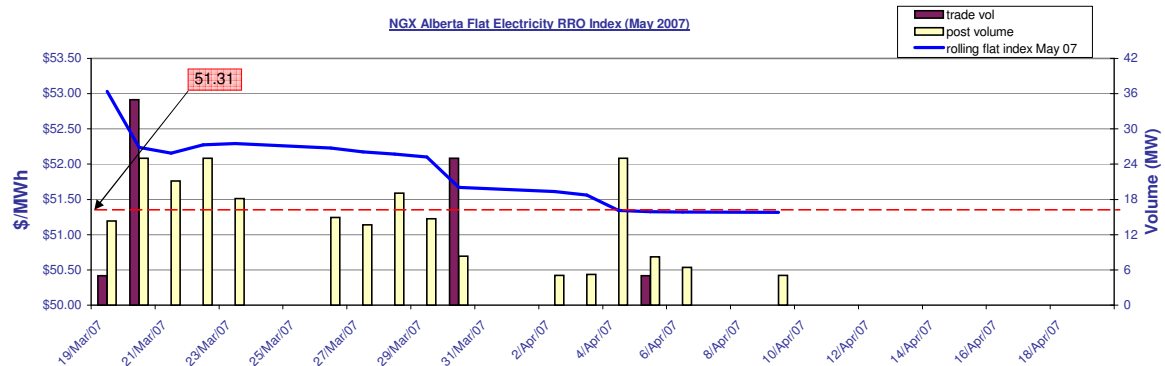
AS Market Shares by Fuel Type



Last week **hydro** units had the largest market share in the **active regulating** reserve market with **64.7%**. In the **active spinning** reserve market, **hydro** units had the leading market share with **33.7%** while in the **active supplemental** reserve market, **hydro** units dominated with a **45.5%** market share.

Coal units dominated the **standby regulating** reserve market with a **76.1%** market share. Leading market share in the **standby spinning** market was held by **coal** units with a **79.0%** market share. In the **standby supplemental** reserve market, **gas** units had the leading market share with **39.3%**.

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 + 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)
- 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.