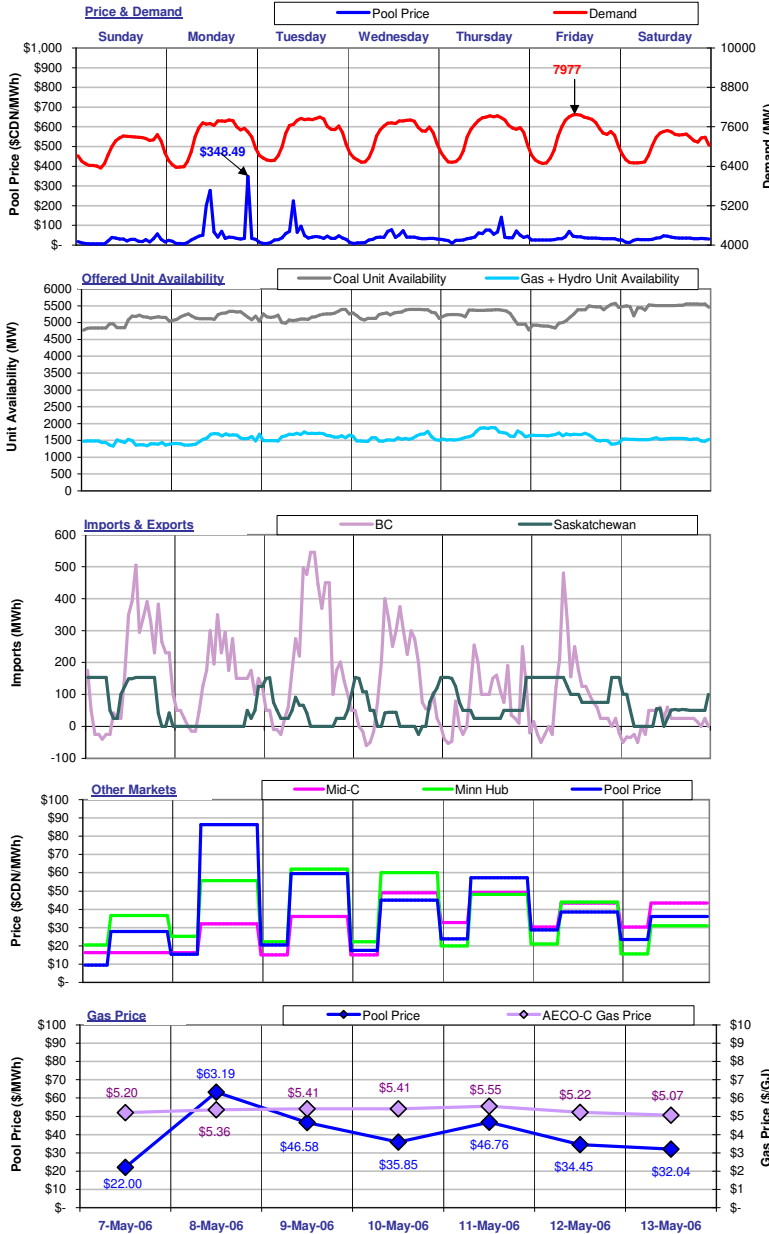


The Market Monitor

WATCHING THE MARKET : your fact source

Week Ending May 13, 2006

Weekly Highlights



For the week ending May 13, 2006, **Pool Price** averaged \$40.12/MWh and ranged from a minimum of \$6.94/MWh in HE07 on Sunday to a maximum of \$348.49/MWh in HE22 on Monday. **Demand** reached a high of 7977 MW in HE13 on Friday and a low of 6351 MW in HE07 on Sunday. Average demand for the week was 7243 MW. **Pool Price** and **Demand** were positively correlated last week with an R-squared value of 0.18.

Coal Unit Availability averaged 5226 MW last week. This is an equivalent availability of 89% (based on MCR). **Gas and Hydro Unit Availability** averaged 1568MW last week, which is an equivalent of 28% (based on MCR).

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

Alberta was a net importer from BC last week with total imports equal to 20,978MWh. Alberta was a net importer from Saskatchewan last week with total imports equal to 10,646MWh. Overall, Alberta imported 31,624MWh of electricity last week.

Pool Prices were generally higher than prices in **Mid-C** and higher than prices in **Minn Hub** last week. **Mid-C** prices averaged \$42.22/MWh on-peak and \$22.27/MWh off-peak. **Minn Hub** prices averaged \$50.16/MWh on-peak and \$20.94/MWh off-peak.

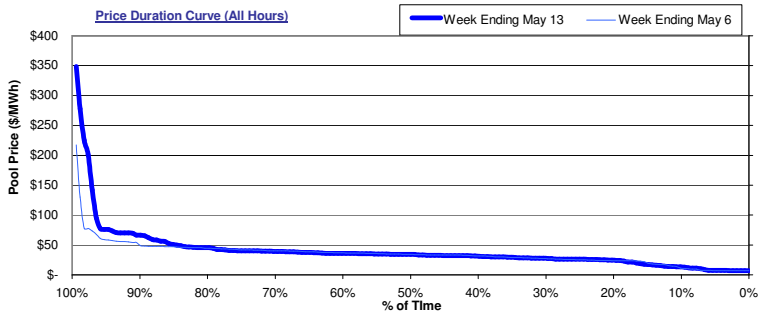
Prices in \$CDN at an exchange rate of 1.10593.

The average **AECO-C Gas Price** last week was \$5.31/GJ and ranged from a minimum of \$5.07/GJ to \$5.55/GJ. Prevailing gas prices resulted in market heat rates ranging from a low of 4.23 GJ/MWh to a high of 11.80 GJ/MWh. The average market heat rate for the week was 7.52 GJ/MWh.

Wholesale Market

Weekly Market Statistics

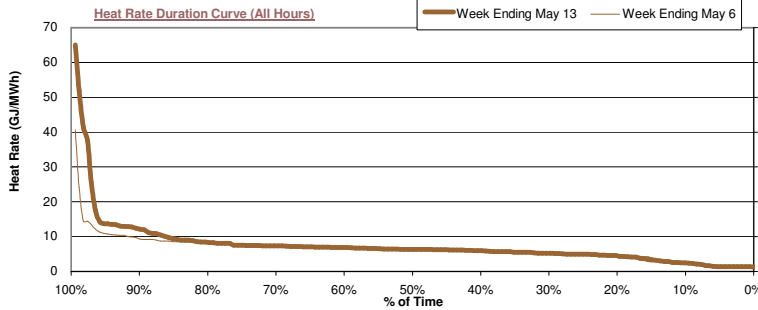
	Sunday 7-May	Monday 8-May	Tuesday 9-May	Wednesday 10-May	Thursday 11-May	Friday 12-May	Saturday 13-May	Average	Last Week	% Change	YTD
Pool Price											
Average	\$ 22.00	\$ 63.19	\$ 46.58	\$ 35.85	\$ 46.76	\$ 34.45	\$ 32.04	\$ 40.12	\$ 35.10	14.3%	\$ 51.88
On-Peak	NA	\$ 86.36	\$ 59.59	\$ 44.95	\$ 57.23	\$ 38.57	\$ 36.02	\$ 53.79	\$ 44.13	21.9%	\$ 64.58
Off-Peak	\$ 22.00	\$ 16.84	\$ 20.55	\$ 17.64	\$ 25.83	\$ 26.22	\$ 24.09	\$ 21.91	\$ 23.06	-5.0%	\$ 32.98
COV	0.57	1.37	0.92	0.52	0.58	0.28	0.25	0.64	0.52	23.6%	
Heat Rate											
Average	4.23	11.80	8.61	6.62	8.43	6.60	6.32	7.52	6.29	19.6%	7.66
On-Peak	NA	16.13	11.02	8.31	10.32	7.39	7.11	10.04	7.84	28.1%	9.54
Off-Peak	4.23	3.15	3.80	3.26	4.66	5.03	4.75	4.15	4.21	-1.4%	4.87
Demand											
Average	6,948	7,269	7,378	7,326	7,371	7,349	7,060	7,243	7,412	-2.3%	7,908
Minimum	6,351	6,370	6,569	6,523	6,523	6,482	6,499	6,474	6,636	-2.4%	6,351
Maximum	7,365	7,813	7,896	7,812	7,932	7,977	7,484	7,754	7,917	-2.1%	9,306
Coal Unit Availability											
Average	5,003	5,189	5,185	5,269	5,232	5,216	5,490	5,226	5,093		5,575
Utilization	86%	89%	89%	90%	90%	89%	94%	89%	87%	2.3%	95%
Gas and Hydro Unit Availability											
Average	1,426	1,546	1,627	1,558	1,680	1,602	1,535	1,568	1,778		1,978
Utilization	30%	32%	34%	33%	35%	34%	32%	28%	31%	-3.7%	35%



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

For the week ending **May 13**, prices were at or below:

\$20/MWh	17% of the time
\$50/MWh	85% of the time
\$100/MWh	96% of the time
\$250/MWh	98% 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 **May 13** implied market heat rates were at or below:

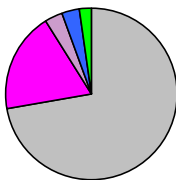
5.0 GJ/MWh	28% of the time
10.0 GJ/MWh	86% of the time
15.0 GJ/MWh	96% of the time
20.0 GJ/MWh	97% of the time

Market Share Statistics

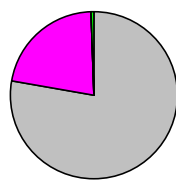
By Fuel Type:

Legend: Coal (Grey), Gas - Cogen (Pink), Gas - Other (Light Blue), Hydro (Dark Blue), Other (Green)

Weekly Generation by Fuel Type

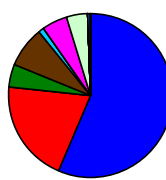


Weekly Price Setting by Fuel Type



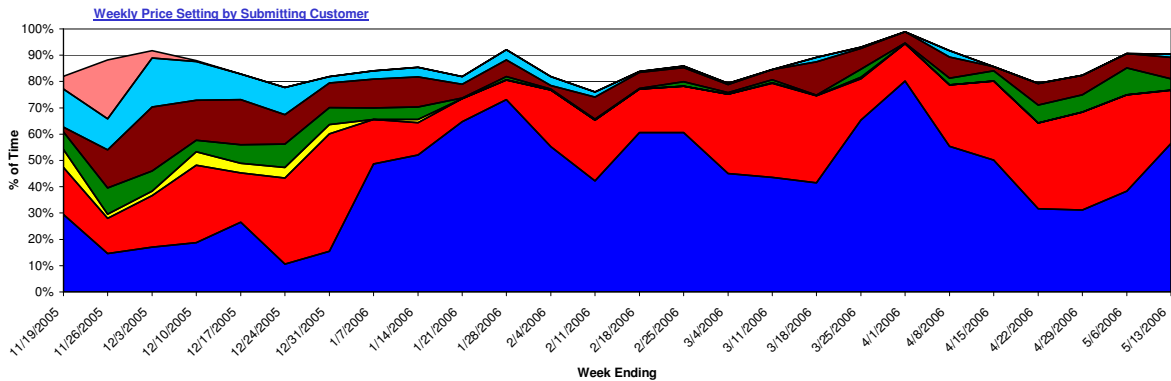
By Submitting Customer:

Weekly Price Setting by Submitting Customer

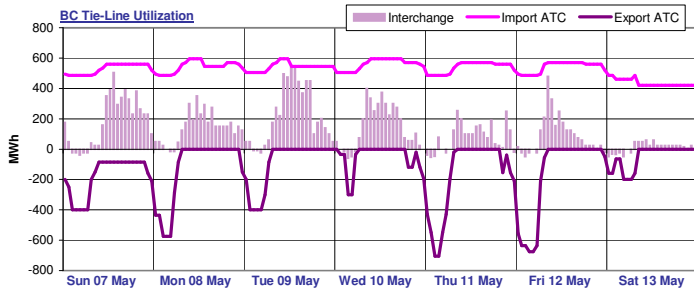


Last week, **coal units** were responsible for **72.2%** of the generation in the province and set price **77.9%** of the time. **Gas-cogen** units accounted for **19.0%** of the generation and set price **21.5%** of the time last week while **other gas** units made up **3.3%** of generation and set price **0.0%** of the time.

A total of **9** 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 **56.5%** of the time and the top five price setters set price a total of **94.1%** of the time.

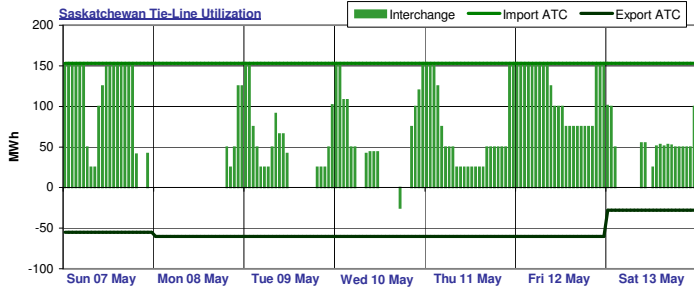


Interties

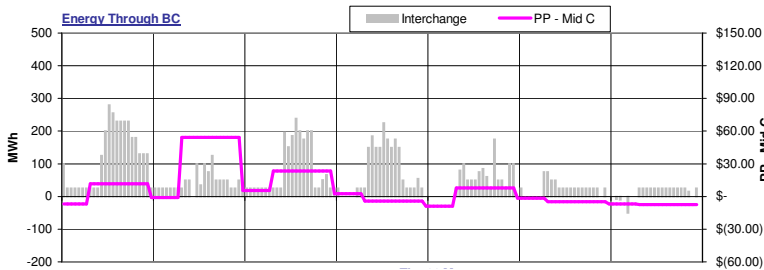


BC import capacity was 23% utilized last week while BC export capacity was 6% utilized. Energy was being imported into Alberta over the BC tie-line 76% of the time and exported out of Alberta over the BC tie-line 18% of the time last week. There was no activity on the BC tie-line 6% of the time last 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.



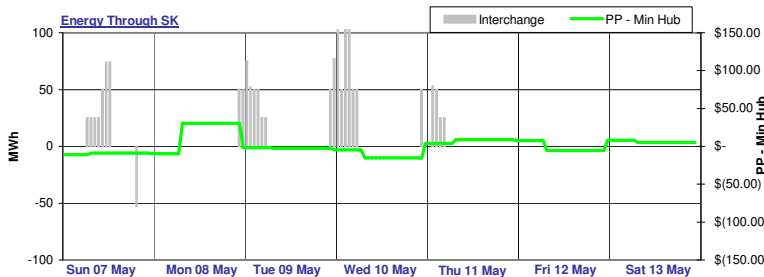
Saskatchewan import capacity was 42% utilized last week while Saskatchewan export capacity was 0% utilized. Energy was being imported into Alberta over the Saskatchewan tie-line 73% of the time and exported out of Alberta over the Saskatchewan tie-line 1% of the time last week. There was no activity on the Saskatchewan tie-line 27% of the time last week.



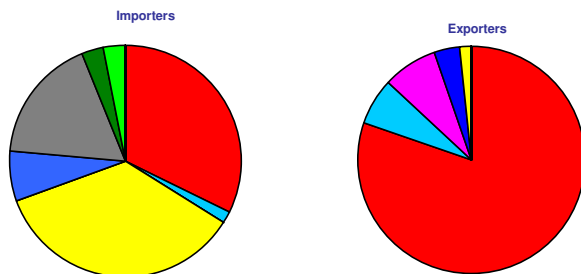
Last week, Alberta spot prices were mostly higher relative to prices in the Pacific Northwest as represented by Mid-C index prices, supporting import activity across the Alberta - BC interconnection.

Alberta prices were generally 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.



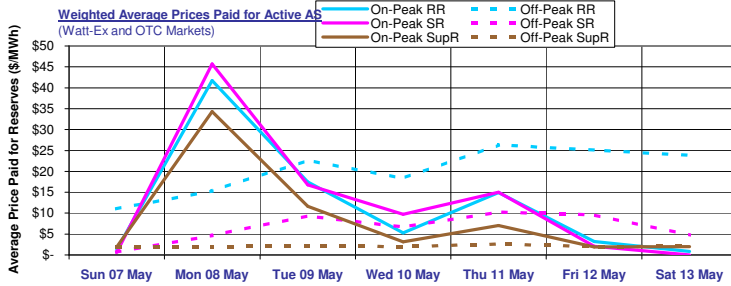
Tie-Line Market Shares



Last week, there were a total of 9 importers. The most active importer had a market share of 35.3% while the second most active importer had a market share of 32.2%. There were a total of 5 exporters last week. The most active exporter had a market share of 80.2% while the next largest exporter had a market share of 7.9%.

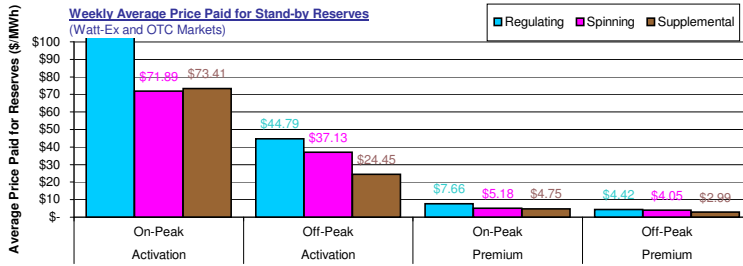
Note: Market shares are based on the combined activity on both interties.

Ancillary Services Market



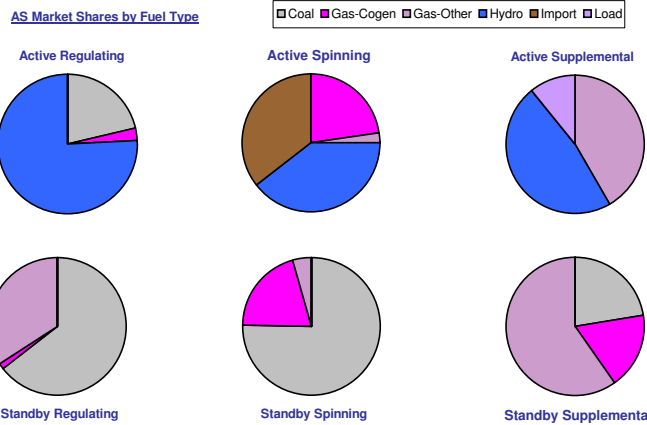
Average on-peak prices paid for active ancillary services last week were **\$11.95/MWh**, **\$13.10/MWh** and **\$9.03/MWh** respectively for active **regulating**, **spinning** and **supplemental** reserves.

Active average off-peak prices were somewhat lower and averaged **\$20.37/MWh**, **\$6.58/MWh** and **\$2.11/MWh** for active **regulating**, **spinning** and **supplemental** reserves respectively.



Weekly average activation prices for stand-by reserves ranged from **\$24.45/MWh** for **off-peak supplemental** reserves to **\$111.72/MWh** for **on-peak regulating** reserves.

Weekly average premium prices ranged from **\$2.99/MWh** for **off-peak supplemental** reserves up to **\$7.66/MWh** for **on-peak regulating** reserves.



Last week **hydro** units had the largest market share in the **active regulating** reserve market with **75.9%**. In the **active spinning** reserve market, **hydro** units had the leading market share with **39.4%** while in the **active supplemental** reserve market, **hydro** units dominated with a **47.4%** market share.

Coal units dominated the **standby regulating** reserve market with a **64.4%** market share. Leading market share in the **standby spinning** market was held by **coal** units with a **75.3%** market share. In the **standby supplemental** reserve market, **gas** units had the leading market share with **59.6%**.

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.