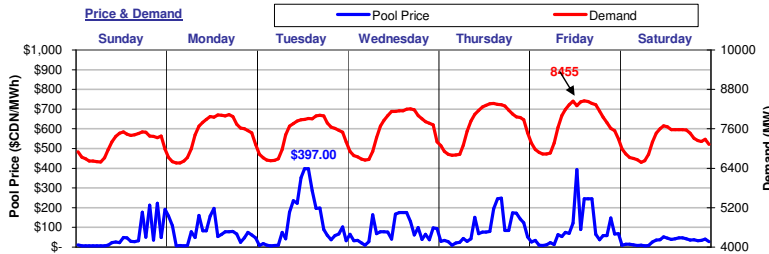


The Market Monitor

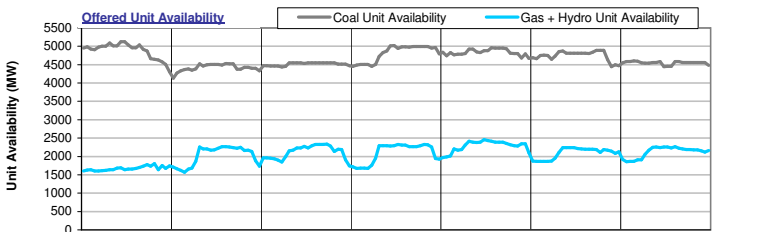
WATCHING THE MARKET : your fact source

Week Ending June 3, 2006

Weekly Highlights

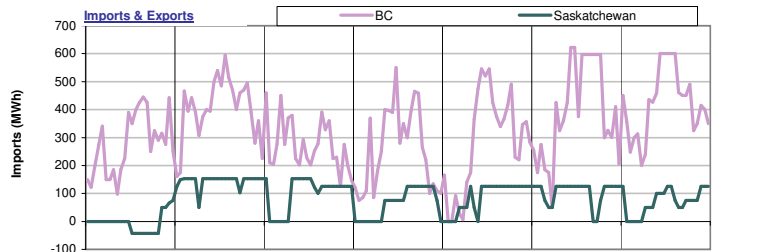


For the week ending June 3, 2006, **Pool Price** averaged \$79.13/MWh and ranged from a minimum of \$6.22/MWh in HE05 on Sunday to a maximum of \$397.00/MWh in HE13 on Tuesday. **Demand** reached a high of 8455 MW in HE15 on Friday and a low of 6564 MW in HE04 on Monday. Average demand for the week was 7471 MW. **Pool Price** and **Demand** were positively correlated last week with an R-squared value of 0.32.

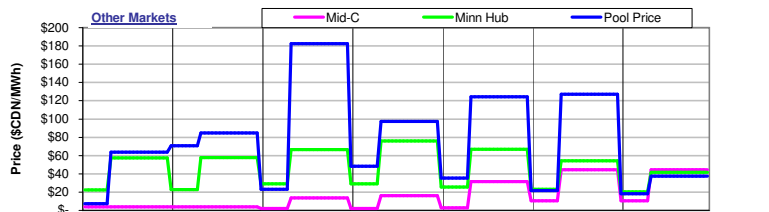


Coal Unit Availability averaged 4680 MW last week. This is an equivalent availability of 80% (based on MCR). **Gas and Hydro Unit Availability** averaged 2061 MW last week, which is an equivalent of 36% (based on MCR).

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

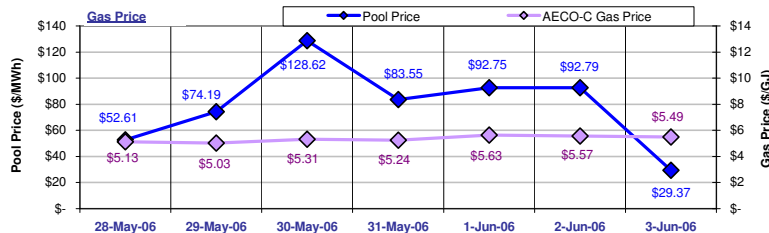


Alberta was a net importer from **BC** last week with total imports equal to 55,554 MWh. Alberta was a net importer from Saskatchewan last week with total imports equal to 13,578 MWh. Overall, Alberta imported 69,132 MWh of electricity last week.



Pool Prices were generally higher than prices in **Mid-C** and higher than prices in **Minn Hub** last week. **Mid-C** prices averaged \$25.74/MWh on-peak and \$5.18/MWh off peak. **Minn Hub** prices averaged \$60.55/MWh on-peak and \$24.57/MWh off-peak.

Prices in \$/MWh at an exchange rate of 1.10653.

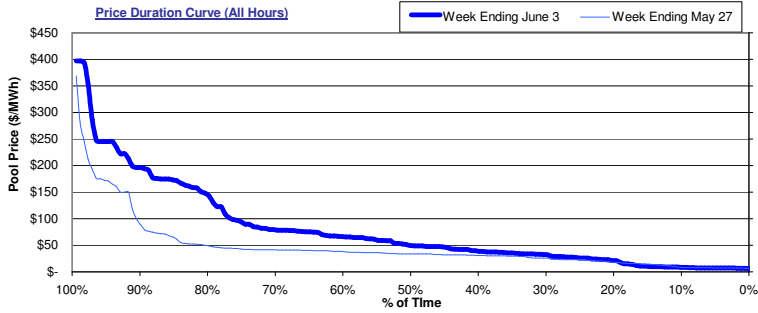


The average **AECO-C Gas Price** last week was \$5.34/GJ and ranged from a minimum of \$5.03/GJ to \$5.63/GJ. Prevailing gas prices resulted in market heat rates ranging from a low of 5.35 GJ/MWh to a high of 24.20 GJ/MWh. The average market heat rate for the week was 14.81 GJ/MWh.

Wholesale Market

Weekly Market Statistics

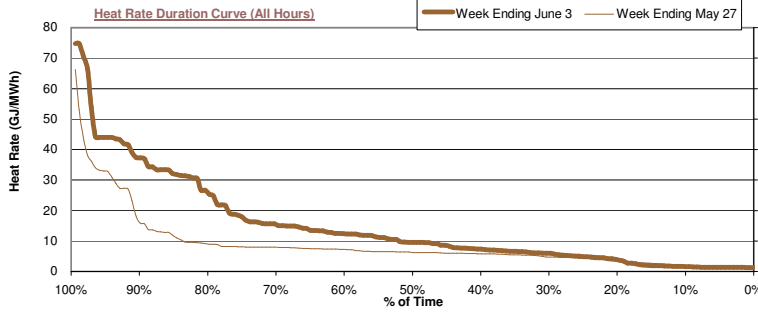
	Sunday 28-May	Monday 29-May	Tuesday 30-May	Wednesday 31-May	Thursday 1-Jun	Friday 2-Jun	Saturday 3-Jun	Average	Last Week	% Change	YTD
Pool Price											
Average	\$ 52.61	\$ 74.19	\$ 128.62	\$ 83.55	\$ 92.75	\$ 92.79	\$ 29.37	\$ 79.13	\$ 46.73	69.3%	\$ 54.29
On-Peak	NA	\$ 84.90	\$ 182.34	\$ 97.38	\$ 124.18	\$ 127.15	\$ 37.58	\$ 108.92	\$ 64.07	70.0%	\$ 69.23
Off-Peak	\$ 52.61	\$ 52.79	\$ 21.18	\$ 55.89	\$ 29.89	\$ 24.07	\$ 12.97	\$ 39.40	\$ 23.60	67.0%	\$ 32.48
COV	1.32	0.70	1.00	0.64	0.77	1.04	0.51	0.85	0.76	13.0%	
Heat Rate											
Average	10.26	14.76	24.20	15.95	16.46	16.67	5.35	14.81	9.00	64.6%	8.28
On-Peak	NA	16.89	34.31	18.59	22.04	22.85	6.85	20.25	12.31	64.5%	10.55
Off-Peak	10.26	10.50	3.99	10.67	5.31	4.33	2.36	7.55	4.58	64.8%	4.95
Demand											
Average	7,131	7,443	7,447	7,574	7,738	7,749	7,213	7,471	7,505	-0.5%	7,859
Minimum	6,593	6,564	6,629	6,653	6,799	6,832	6,585	6,665	6,725	-0.9%	6,351
Maximum	7,504	8,028	8,009	8,210	8,376	8,455	7,688	8,039	8,053	-0.2%	9,306
Coal Unit Availability											
Average	4,884	4,418	4,515	4,811	4,839	4,748	4,548	4,680	5,186		5,507
Utilization	84%	76%	77%	82%	83%	81%	78%	80%	89%	-8.7%	94%
Gas and Hydro Unit Availability											
Average	1,673	2,025	2,121	2,101	2,288	2,094	2,122	2,061	1,726		1,965
Utilization	35%	43%	45%	44%	48%	44%	45%	36%	30%	5.9%	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 **June 3**, prices were at or below:

- \$20/MWh 19% of the time
- \$50/MWh 50% of the time
- \$100/MWh 76% of the time
- \$250/MWh 96% of the time
- \$500/MWh 100% of the time



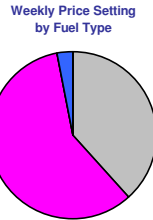
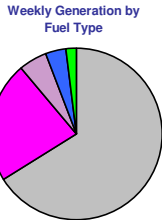
The heat rate duration curves show the % of time that the implied market heat rate was at or below a certain value during the week. For the week ending **June 3** implied market heat rates were at or below:

- 5.0 GJ/MWh 26% of the time
- 10.0 GJ/MWh 52% of the time
- 15.0 GJ/MWh 69% of the time
- 20.0 GJ/MWh 77% of the time

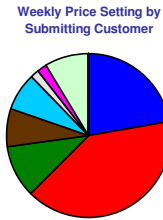
Market Share Statistics

By Fuel Type:

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

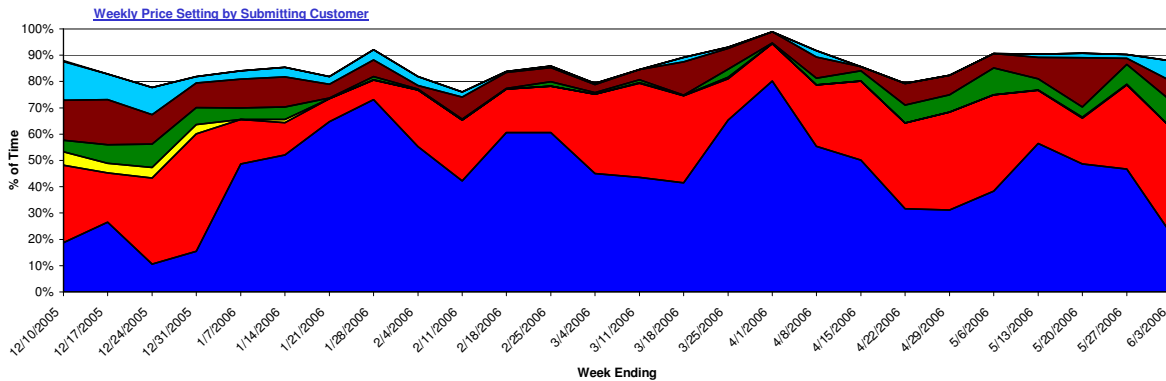


By Submitting Customer:

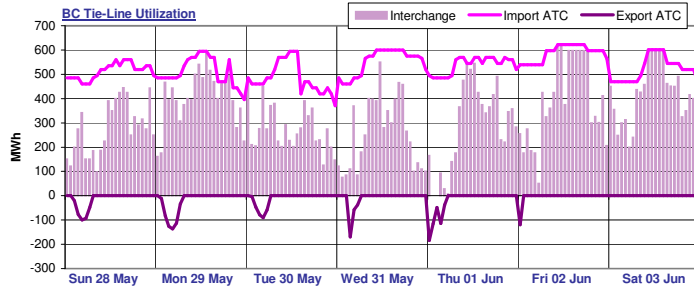


Last week, **coal units** were responsible for **66.0%** of the generation in the province and set price **38.2%** of the time. **Gas-cogen** units accounted for **22.9%** of the generation and set price **58.7%** of the time last week while **other gas** units made up **5.2%** of generation and set price **0.2%** 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 **40.3%** of the time and the top five price setters set price a total of **88.9%** of the time.

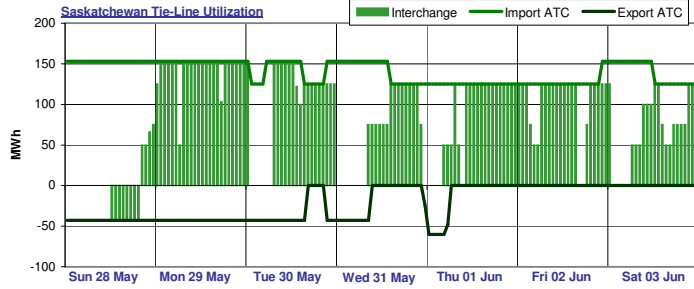


Interties

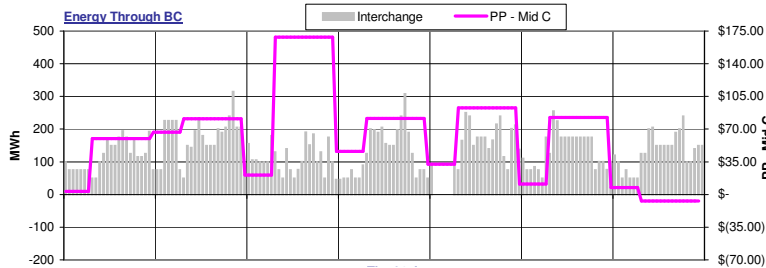


BC import capacity was 62% utilized last week while BC export capacity was 0% utilized. Energy was being imported into Alberta over the BC tie-line 99% of the time and exported out of Alberta over the BC tie-line 0% of the time last week. There was no activity on the BC tie-line 1% of the time last week.

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



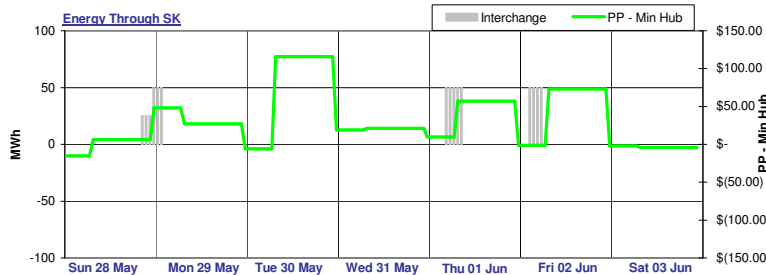
Saskatchewan import capacity was 60% utilized last week while Saskatchewan export capacity was 10% utilized. Energy was being imported into Alberta over the Saskatchewan tie-line 72% of the time and exported out of Alberta over the Saskatchewan tie-line 5% of the time last week. There was no activity on the Saskatchewan tie-line 23% of the time last week.



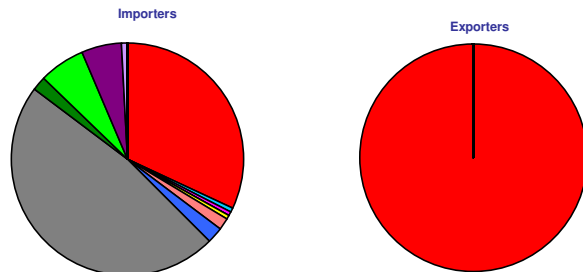
Last week, Alberta spot prices were mostly higher relative to prices in the Pacific Northwest as represented by Mid-C index prices, supporting import activity across the Alberta - BC interconnection.

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.



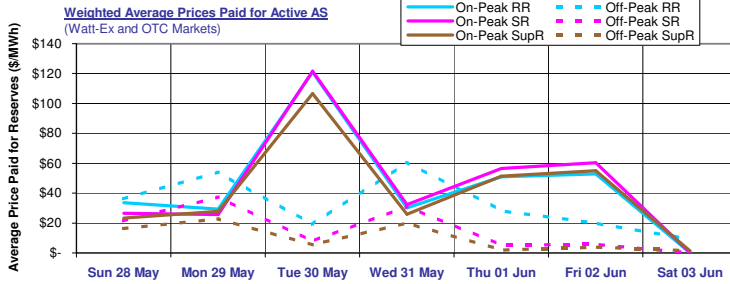
Tie-Line Market Shares



Last week, there were a total of 12 importers. The most active importer had a market share of 47.9% while the second most active importer had a market share of 31.8%. There were a total of 1 exporters last week. The most active exporter had a market share of 100.0% while the next largest exporter had a market share of 0.0%.

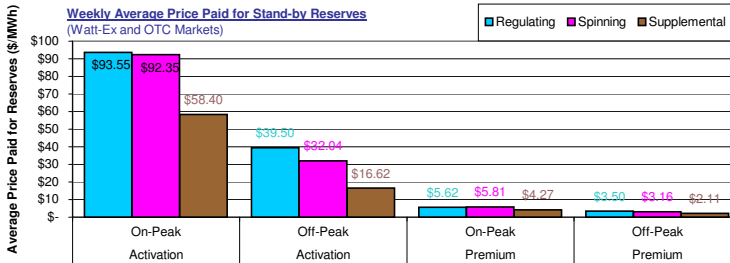
Note: Market shares are based on the combined activity on both interties.

Ancillary Services Market



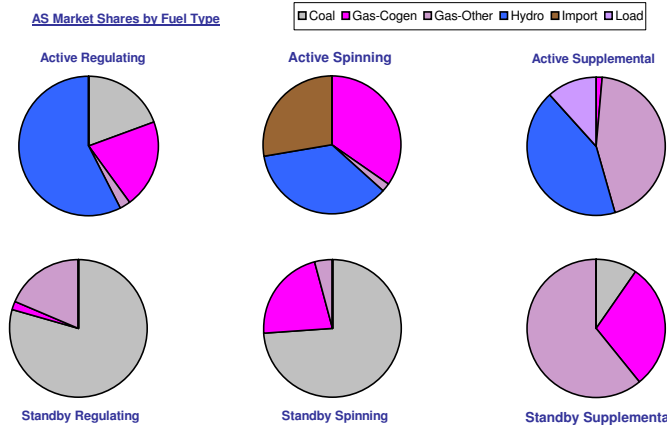
Average on-peak prices paid for active ancillary services last week were **\$45.31/MWh**, **\$47.25/MWh** and **\$42.61/MWh** respectively for active **regulating**, **spinning** and **supplemental** reserves.

Active average off-peak prices were somewhat lower and averaged **\$32.63/MWh**, **\$15.56/MWh** and **\$10.25/MWh** for active **regulating**, **spinning** and **supplemental** reserves respectively.



Weekly average activation prices for stand-by reserves ranged from **\$16.62/MWh** for **off-peak supplemental** reserves to **\$93.55/MWh** for **on-peak regulating** reserves.

Weekly average premium prices ranged from **\$2.11/MWh** for **off-peak supplemental** reserves up to **\$5.81/MWh** for **on-peak spinning** reserves.



Last week **hydro** units had the largest market share in the **active regulating** reserve market with **57.6%**. In the **active spinning** reserve market, **hydro** units had the leading market share with **35.5%** while in the **active supplemental** reserve market, **gas** units dominated with a **44.2%** market share.

Coal units dominated the **standby regulating** reserve market with a **79.4%** market share. Leading market share in the **standby spinning** market was held by **coal** units with a **73.9%** market share. In the **standby supplemental** reserve market, **gas** units had the leading market share with **60.7%**.

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.