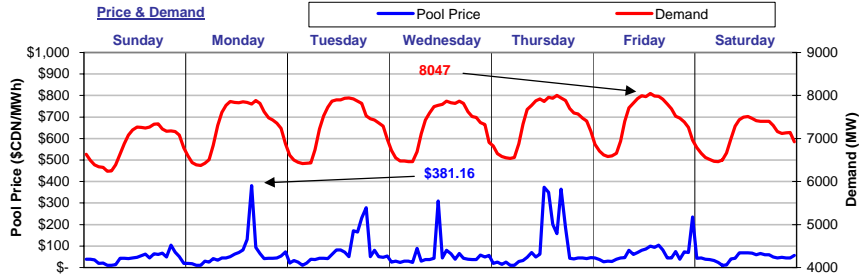


# The Market Monitor

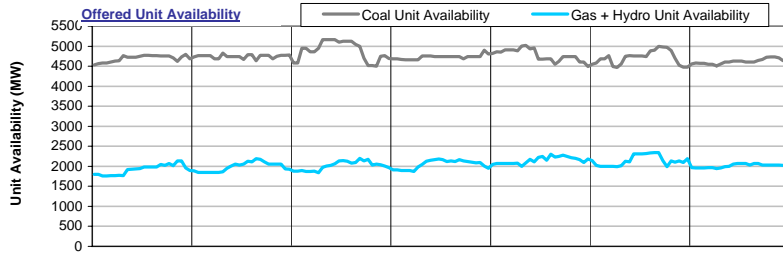
WATCHING THE MARKET : your fact source

Week Ending June 18, 2005

## Weekly Highlights

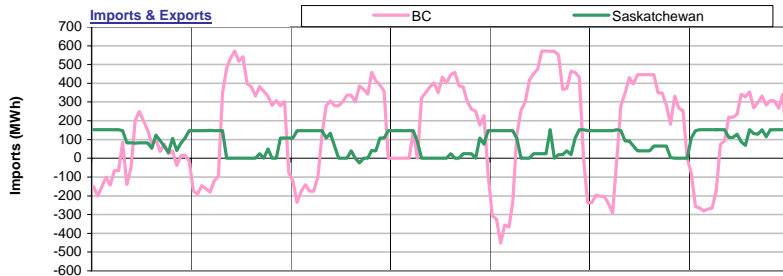


For the week ending June 18, 2005, **Pool Price** averaged \$63.83/MWh and ranged from a minimum of \$10.51/MWh in HE07 on Saturday to a maximum of \$381.16/MWh in HE16 on Monday. **Demand** reached a high of 8047 MW in HE14 on Friday and a low of 6243 MW in HE06 on Sunday. Average demand for the week was 7231MW. **Pool Price** and **Demand** were positively correlated last week with an R-squared value of 0.23.

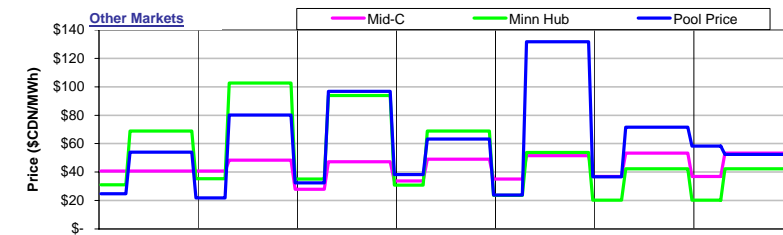


**Coal Unit Availability** averaged 4738 MW last week. This is an equivalent availability of 81% (based on MCR). **Gas and Hydro Unit Availability** averaged 2040MW last week, which is an equivalent of 36% (based on MCR).

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

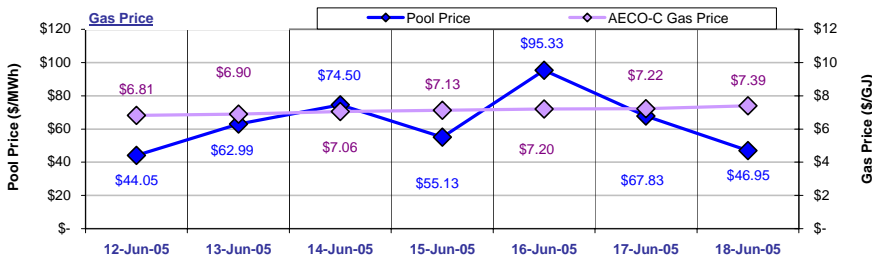


Alberta was a net importer from **BC** last week with total imports equal to 26,796MWh. Alberta was a net importer from **Saskatchewan** last week with total imports equal to 14,513MWh. Overall, Alberta imported 41,309MWh of electricity last week.



**Pool Prices** were generally higher than prices in **Mid-C** and higher than prices in **Minn Hub** last week. **Mid-C** prices averaged \$50.47/MWh on-peak and \$35.97/MWh off-peak. **Minn Hub** prices averaged \$67.33/MWh on-peak and \$28.09/MWh off-peak.

Prices in \$CDN at an exchange rate of 1.2527.

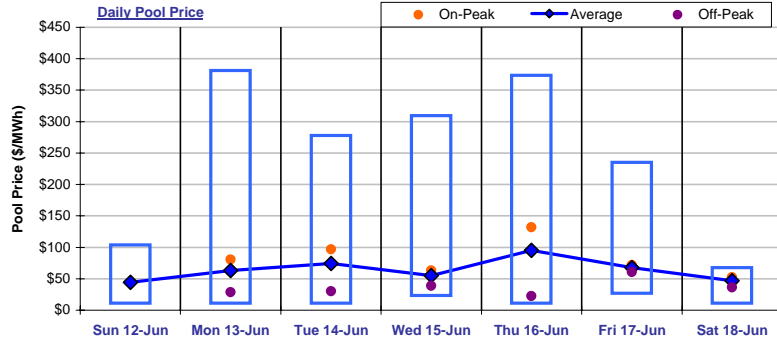


The average **AECO-C Gas Price** last week was \$7.10/GJ and ranged from a minimum of \$6.81/GJ to \$7.39/GJ. Prevailing gas prices resulted in market heat rates ranging from a low of 6.35GJ/MWh to a high of 13.25GJ/MWh. The average market heat rate for the week was 8.98GJ/MWh.

# Wholesale Market

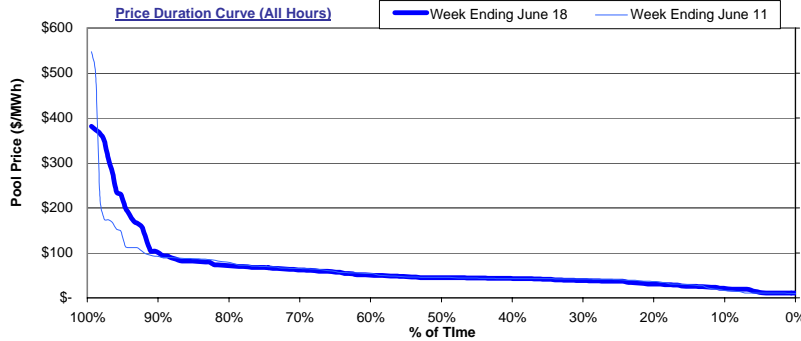
## Weekly Market Statistics

	Sunday 12-Jun	Monday 13-Jun	Tuesday 14-Jun	Wednesday 15-Jun	Thursday 16-Jun	Friday 17-Jun	Saturday 18-Jun	Average	Last Week	% Change	YTD
<b>Pool Price</b>											
Average	\$ 44.05	\$ 62.99	\$ 74.50	\$ 55.13	\$ 95.33	\$ 67.83	\$ 46.95	\$ <b>63.83</b>	\$ <b>60.38</b>	<b>5.7%</b>	\$ <b>48.65</b>
On-Peak	NA	\$ 80.19	\$ 96.76	\$ 63.35	\$ 131.70	\$ 71.56	\$ 52.46	\$ <b>82.67</b>	\$ <b>73.24</b>	<b>12.9%</b>	\$ <b>56.44</b>
Off-Peak	\$ 44.05	\$ 28.59	\$ 29.98	\$ 38.70	\$ 22.58	\$ 60.36	\$ 35.93	\$ <b>38.70</b>	\$ <b>43.22</b>	<b>-10.5%</b>	\$ <b>35.92</b>
COV	0.50	1.16	0.91	1.03	1.21	0.63	0.35	<b>0.83</b>	<b>0.65</b>	<b>26.9%</b>	
<b>Demand</b>											
Average	6,882	7,291	7,303	7,280	7,403	7,409	7,051	<b>7,231</b>	<b>7,118</b>	<b>1.6%</b>	<b>7,467</b>
Minimum	6,243	6,374	6,419	6,461	6,539	6,583	6,462	<b>6,440</b>	<b>6,315</b>	<b>2.0%</b>	<b>6,017</b>
Maximum	7,340	7,887	7,946	7,867	8,000	8,047	7,514	<b>7,800</b>	<b>7,684</b>	<b>1.5%</b>	<b>9,236</b>
<b>Coal Unit Availability</b>											
Average	4,695	4,746	4,890	4,729	4,775	4,712	4,620	<b>4,738</b>	<b>4,581</b>		<b>5,237</b>
Utilization	80%	81%	84%	81%	82%	81%	79%	<b>81%</b>	<b>78%</b>	<b>2.7%</b>	<b>90%</b>
<b>Gas and Hydro Unit Availability</b>											
Average	1,921	1,989	2,015	2,050	2,151	2,145	2,012	<b>2,040</b>	<b>1,988</b>		<b>2,162</b>
Utilization	40%	42%	42%	43%	45%	45%	42%	<b>36%</b>	<b>35%</b>	<b>0.9%</b>	<b>38%</b>



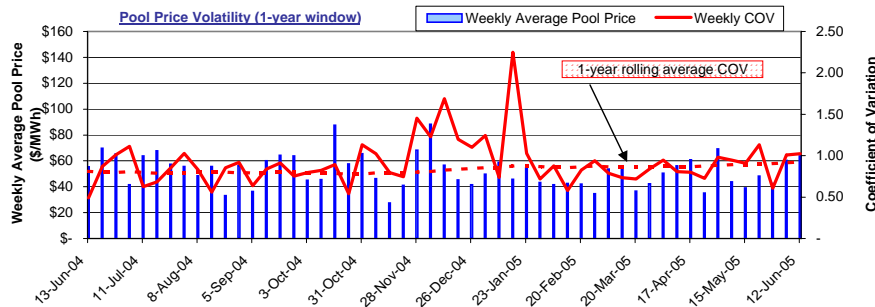
The Daily Pool Price graph plots the daily range in hourly Pool price (defined by the blue box) along with the daily average and daily on and off-peak prices. The **on-peak Pool price** for the week was **\$82.67/MWh** while the **off-peak Pool price** for the week was **\$38.70/MWh**.

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 **June 18**, prices were at or below:  
 \$20/MWh 9% of the time  
 \$50/MWh 59% of the time  
 \$100/MWh 90% of the time  
 \$250/MWh 96% 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 **June 18** from the previous week.

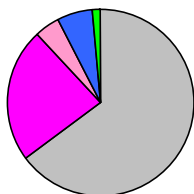
Pool price volatility also moved **above** the 1-year rolling average COV value.

### Market Share Statistics

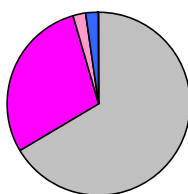
By Fuel Type:



Weekly Generation by Fuel Type

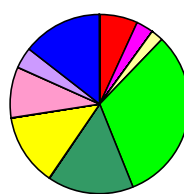


Weekly Price Setting by Fuel Type



By Submitting Customer:

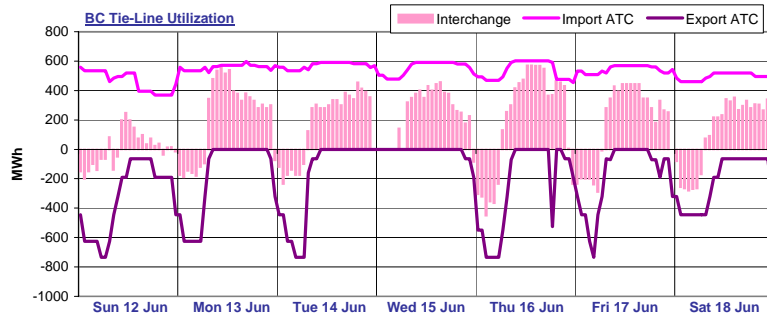
Weekly Price Setting by Submitting Customer



Last week, coal units were responsible for **64.6%** of the generation in the province and set price **66.4%** of the time. **Gas-cogen** units accounted for **23.4%** of the generation and set price **29.4%** of the time last week while **other gas** units made up **4.4%** of generation and set price **2.1%** of the time.

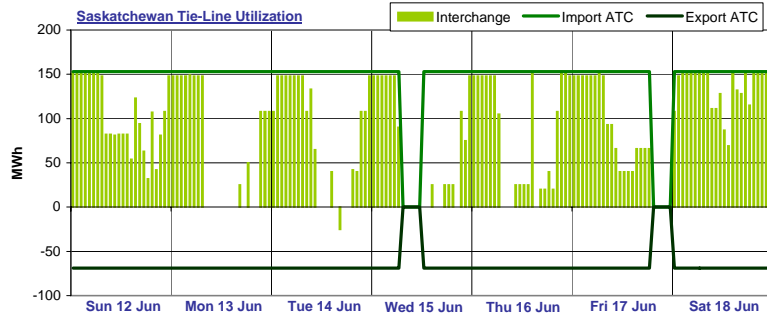
A total of **10** market participants set price last week. One market participants set price more than **20%** of the time last week. The top price setter set price **31.8%** of the time and the top five price setters set price a total of **83.9%** of the time.

# Interties



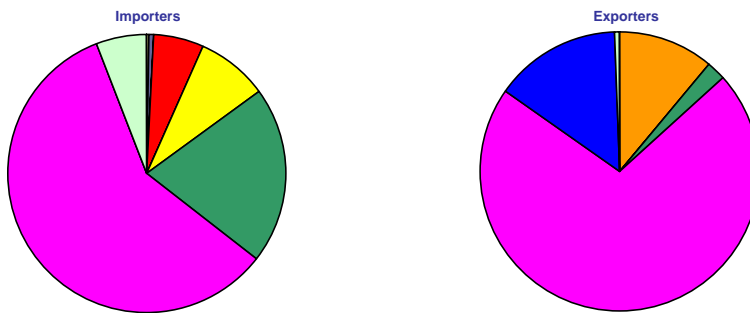
BC import capacity was 38% utilized last week while BC export capacity was 18% utilized. Energy was being imported into Alberta over the BC tie-line 67% of the time and exported out of Alberta over the BC tie-line 29% of the time last week. There was no activity on the BC tie-line 5% of the time last 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 0% utilized. Energy was being imported into Alberta over the Saskatchewan tie-line 79% 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 21% of the time last week.

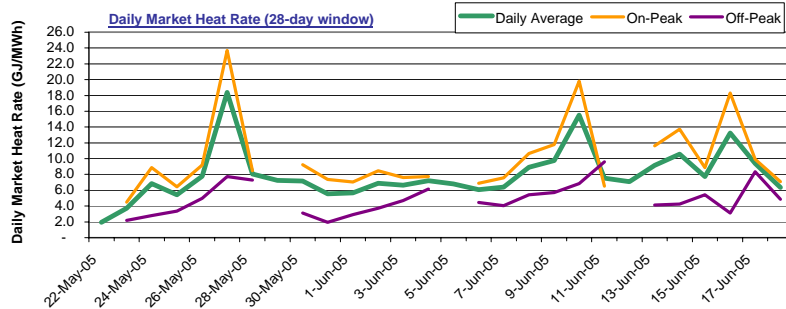
## Tie-Line Market Shares



Last week, there were a total of 8 importers. The most active importer had a market share of 58.5% while the second most active importer had a market share of 20.6%. There were a total of 5 exporters last week. The most active exporter had a market share of 71.5% while the next largest exporter had a market share of 14.7%.

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 8.0 GJ/MWh and ranged from a low of 1.9 GJ/MWh to a high of 18.4 GJ/MWh.

The daily On-Peak Market Heat Rate for the last 28 days averaged 10.1 GJ/MWh while the daily Off-Peak Market Heat Rate averaged 4.9 GJ/MWh.

## Sparksreads

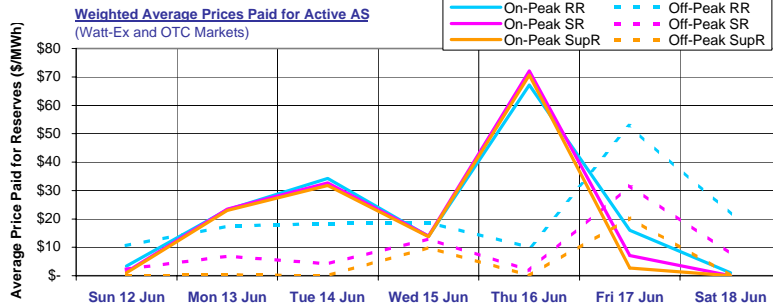
Date	AECO-C Gas Price (\$/GJ)	Daily Average			On-Peak			Off-Peak				
		Pool Price (\$/MWh)	Sparksread (\$/MWh)	HR=7.5	HR=10.0	Pool Price (\$/MWh)	Sparksread (\$/MWh)	HR=7.5	HR=10.0	Pool Price (\$/MWh)	Sparksread (\$/MWh)	HR=7.5
Sun 12 Jun	\$ 6.81	\$ 48.20	(2.87)	(19.90)	NA	NA	NA	\$ 48.20	(2.87)	(19.90)		
Mon 13 Jun	\$ 6.90	\$ 62.99	11.27	(5.97)	\$ 80.19	28.46	11.22	\$ 28.59	(23.13)	(40.37)		
Tue 14 Jun	\$ 7.06	\$ 74.50	21.58	3.94	\$ 96.76	43.84	26.20	\$ 29.98	(22.94)	(40.58)		
Wed 15 Jun	\$ 7.13	\$ 55.13	1.63	(16.21)	\$ 63.35	9.85	(7.99)	\$ 38.70	(14.80)	(32.64)		
Thu 16 Jun	\$ 7.20	\$ 95.33	41.36	23.36	\$ 131.70	77.73	59.74	\$ 22.58	(31.40)	(49.39)		
Fri 17 Jun	\$ 7.22	\$ 67.83	13.68	(4.37)	\$ 71.56	17.41	(0.64)	\$ 60.36	6.21	(11.84)		
Sat 18 Jun	\$ 7.39	\$ 46.95	(8.49)	(26.97)	\$ 52.46	(2.98)	(21.46)	\$ 35.93	(19.51)	(37.99)		

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

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

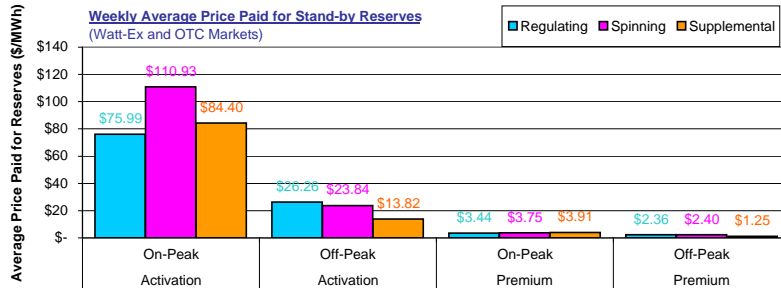
Off-peak sparksreads last week were mostly negative for a heat rate of 7.5 GJ/MWh and all negative for a heat rate of 10.0 GJ/MWh.

# Ancillary Services Market



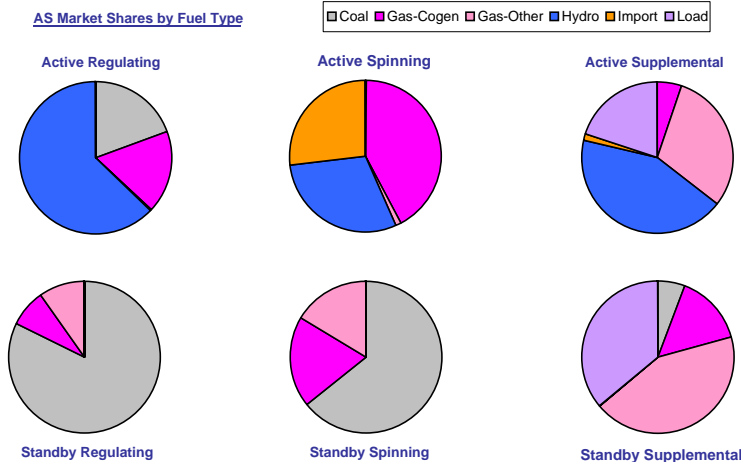
Average on-peak prices paid for active ancillary services last week were \$22.56/MWh, \$22.17/MWh and \$21.05/MWh respectively for active regulating, spinning and supplemental reserves.

Active average off-peak prices were somewhat lower and averaged \$22.67/MWh, \$9.21/MWh and \$3.21/MWh for active regulating, spinning and supplemental reserves respectively.



Weekly average activation prices for stand-by reserves ranged from \$13.82/MWh for off-peak supplemental reserves to \$110.93/MWh for on-peak spinning reserves. Weekly average premium prices ranged from \$1.25/MWh for off-peak supplemental reserves up to \$3.91/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 62.9%. In the active spinning reserve market, gas-cogen units had the leading market share with 41.9% while in the active supplemental reserve market, hydro units dominated with a 43.3% market share.

Coal units dominated the standby regulating reserve market with a 82.2% market share. Leading market share in the standby spinning market was held by coal units with a 64.2% market share. In the standby supplemental reserve market, gas units had the leading market share with 43.2%.

## 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 Minn Hub: 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 Minn Hub: 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.