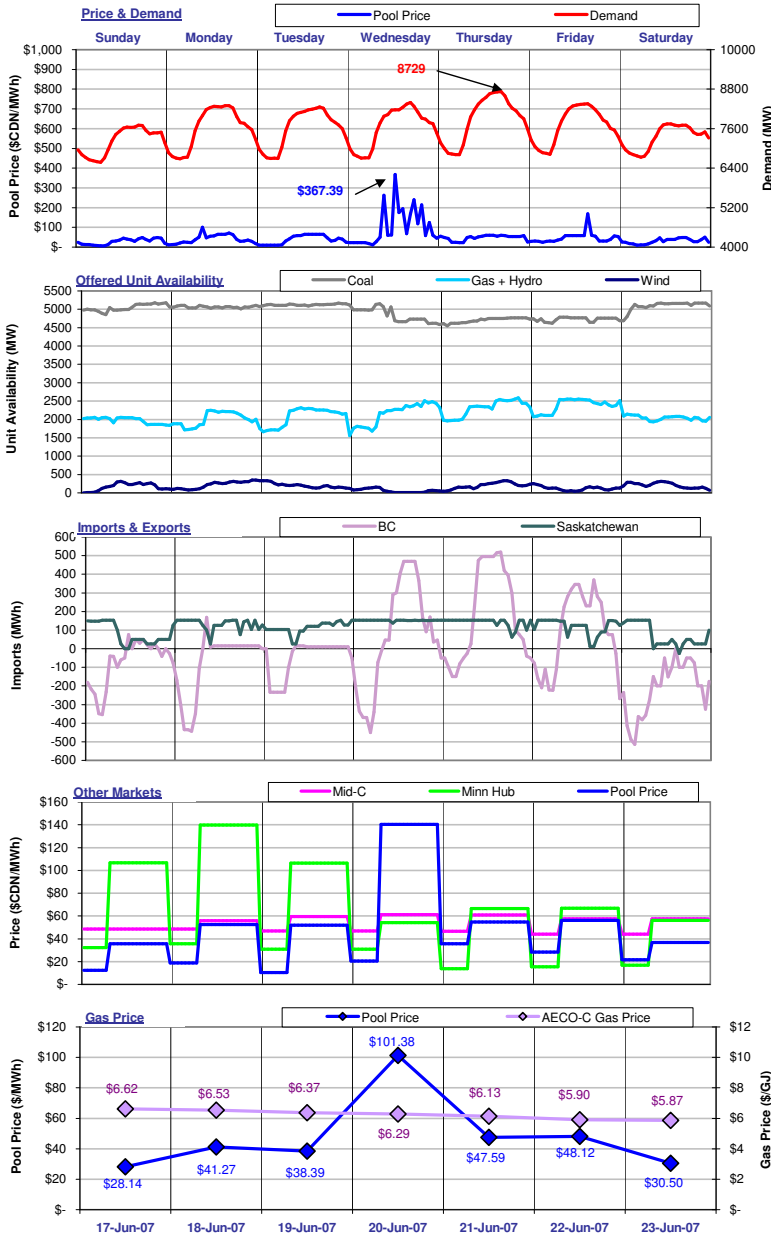


The Market Monitor

WATCHING THE MARKET : your fact source

Week Ending June 23, 2007

Weekly Highlights



For the week ending June 23, 2007, **Pool Price** averaged \$47.91/MWh and ranged from a minimum of \$6.14/MWh in HE08 on Sunday to a maximum of \$367.39/MWh in HE13 on Wednesday. **Demand** reached a high of 8729 MW in HE17 on Thursday and a low of 6576 MW in HE07 on Sunday. Average demand for the week was 7574 MW. **Pool Price** and **Demand** were positively correlated last week with an R-squared value of 0.28.

Coal Unit Availability averaged 4942 MW last week. This is an equivalent availability of 85% (based on MCR). **Gas and Hydro Unit Availability** averaged 2117 MW last week, which is an equivalent of 40% (based on MCR). **Wind Generation** averaged 168 MW last week. This is an equivalent availability of 38% (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 1,799 MWh. Alberta was a net importer from Saskatchewan last week with total imports equal to 19,379 MWh. Overall, Alberta imported 17,580 MWh of electricity last week.

Pool Prices were generally lower than prices in Mid-C and lower than prices in Minn Hub last week. **Mid-C** prices averaged \$58.75/MWh on-peak and \$46.55/MWh off-peak. **Minn Hub** prices averaged \$81.70/MWh on-peak and \$25.07/MWh off-peak.

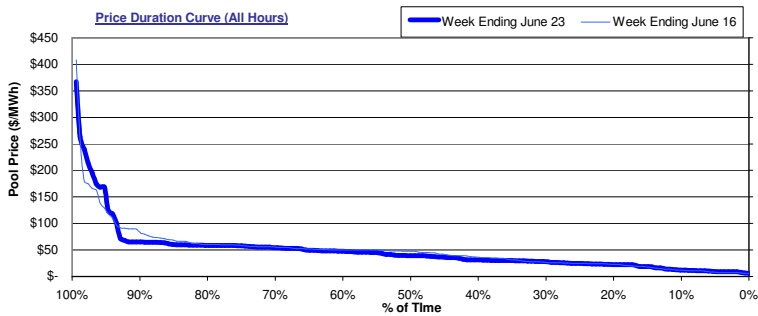
Prices in \$CDN at an exchange rate of 1.0683.

The average **AECO-C Gas Price** last week was \$6.24/GJ and ranged from a minimum of \$5.87/GJ to \$6.62/GJ. Prevailing gas prices resulted in market heat rates ranging from a low of 4.25 GJ/MWh to a high of 16.12 GJ/MWh. The average market heat rate for the week was 7.69 GJ/MWh.

Wholesale Market

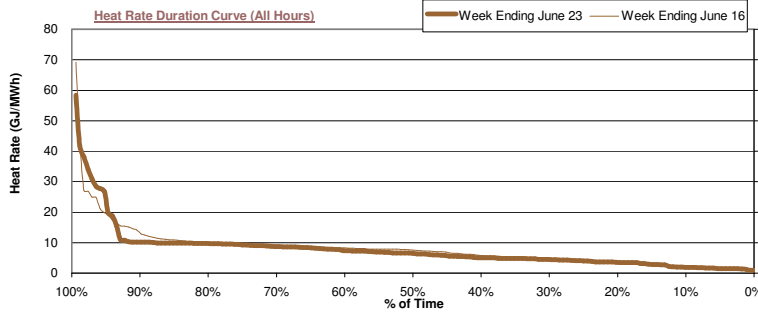
Weekly Market Statistics

	Sunday 17-Jun	Monday 18-Jun	Tuesday 19-Jun	Wednesday 20-Jun	Thursday 21-Jun	Friday 22-Jun	Saturday 23-Jun	Average	Last Week	% Change	YTD
Pool Price											
Average	\$ 28.14	\$ 41.27	\$ 38.39	\$ 101.38	\$ 47.59	\$ 48.12	\$ 30.50	\$ 47.91	\$ 49.67	-3.5%	\$ 57.06
On-Peak	NA	\$ 52.57	\$ 51.98	\$ 140.42	\$ 54.78	\$ 56.22	\$ 36.80	\$ 65.46	\$ 63.68	2.8%	\$ 72.54
Off-Peak	\$ 28.14	\$ 18.68	\$ 11.23	\$ 23.31	\$ 33.21	\$ 31.91	\$ 17.88	\$ 24.51	\$ 30.99	-20.9%	\$ 34.05
COV	0.53	0.55	0.59	0.95	0.28	0.60	0.42	0.56	0.71	-20.8%	
Heat Rate											
Average	4.25	6.32	6.03	16.12	7.76	8.16	5.20	7.69	7.95	-3.3%	8.27
On-Peak	NA	8.05	8.16	22.33	8.93	9.53	6.27	10.55	10.16	3.8%	10.51
Off-Peak	4.25	2.86	1.76	3.71	5.41	5.41	3.05	3.88	5.00	-22.4%	4.93
Demand											
Average	7,223	7,623	7,610	7,650	7,885	7,702	7,327	7,574	7,503	1.0%	7,974
Minimum	6,576	6,682	6,694	6,701	6,808	6,817	6,731	6,716	6,666	0.7%	6,602
Maximum	7,706	8,296	8,264	8,396	8,729	8,361	7,748	8,214	8,090	1.5%	9,478
Coal Unit Availability											
Average	5,045	5,066	5,125	4,831	4,703	4,731	5,097	4,942	4,932		5,313
Utilization	86%	87%	88%	83%	81%	81%	87%	85%	84%	0.2%	91%
Gas and Hydro Unit Availability											
Average	1,977	2,005	2,068	2,172	2,307	2,384	2,043	2,137	2,047	1.9%	2,193
Utilization	42%	43%	44%	46%	49%	51%	43%	45%	44%	1.9%	47%



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 23**, prices were at or below:

- \$20/MWh 16% of the time
- \$50/MWh 65% of the time
- \$100/MWh 93% of the time
- \$250/MWh 98% of the time
- \$500/MWh 100% of the time



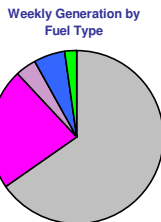
The heat rate duration curves show the % of time that the implied market heat rate was at or below a certain value during the week. For the week ending **June 23** implied market heat rates were at or below:

- 5.0 GJ/MWh 38% of the time
- 10.0 GJ/MWh 88% of the time
- 15.0 GJ/MWh 93% of the time
- 20.0 GJ/MWh 95% of the time

Market Share Statistics

By Fuel Type:

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



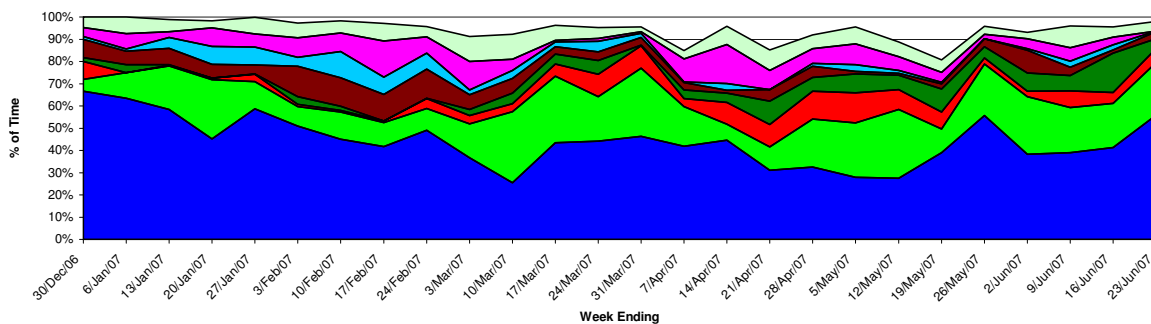
By Submitting Customer:



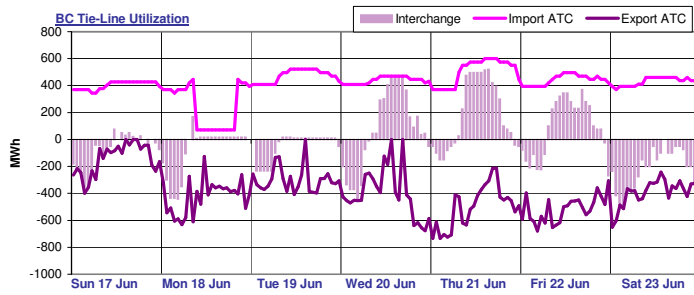
Last week, **coal units** were responsible for 65.4% of the generation in the province and set price 70.7% of the time. **Gas-cogen** units accounted for 22.6% of the generation and set price 27.4% of the time last week while **other gas** units made up 4.0% of generation and set price 1.9% of the time.

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 55.9% of the time and the top five price setters set price a total of 94.6% of the time.

Weekly Price Setting by Submitting Customer

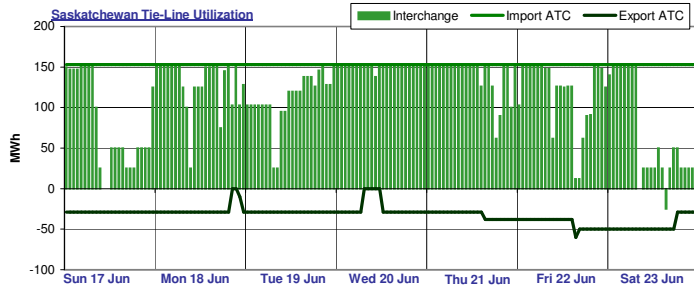


Interties

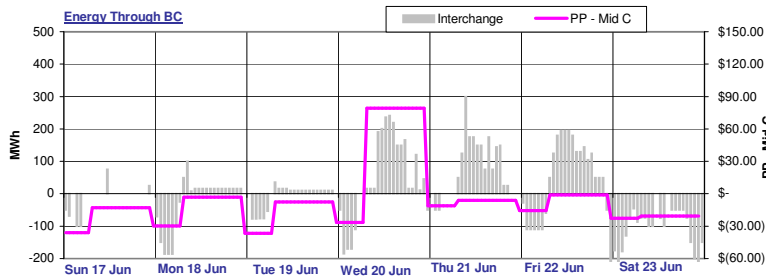


BC import capacity was 17% utilized last week while BC export capacity was 26% utilized. Energy was being imported into Alberta over the BC tie-line 48% of the time and exported out of Alberta over the BC tie-line 47% of the time last week. There was no activity on the BC tie-line 5% of the time last 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.



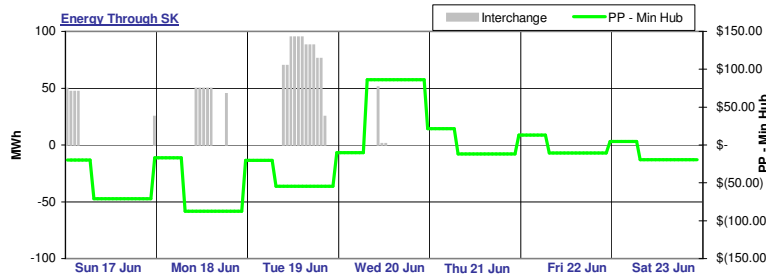
Saskatchewan import capacity was 76% utilized last week while Saskatchewan export capacity was 2% utilized. Energy was being imported into Alberta over the Saskatchewan tie-line 98% of the time and exported out of Alberta over the Saskatchewan tie-line 1% of the time last week. There was no activity on the Saskatchewan tie-line 2% of the time last week.



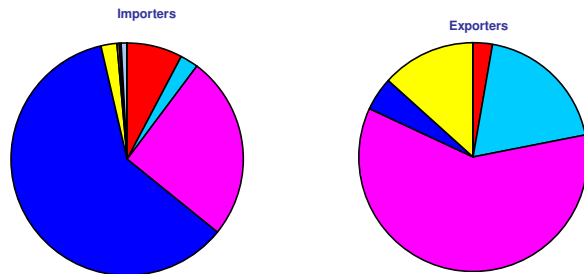
Last week, Alberta spot prices were mostly lower relative to prices in the Pacific Northwest as represented by Mid-C index prices, supporting export activity across the Alberta - BC interconnection.

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.



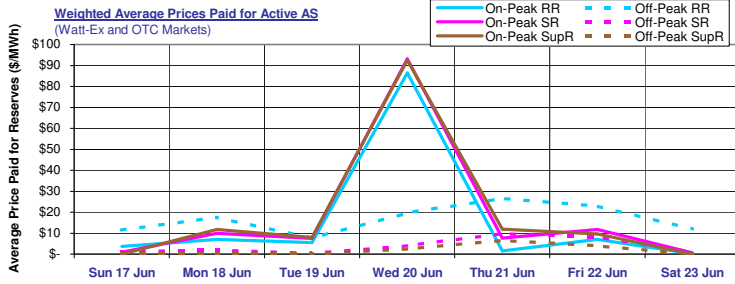
Tie-Line Market Shares



Last week, there were a total of 8 importers. The most active importer had a market share of 60.7% while the second most active importer had a market share of 25.5%. There were a total of 5 exporters last week. The most active exporter had a market share of 60.1% while the next largest exporter had a market share of 19.1%.

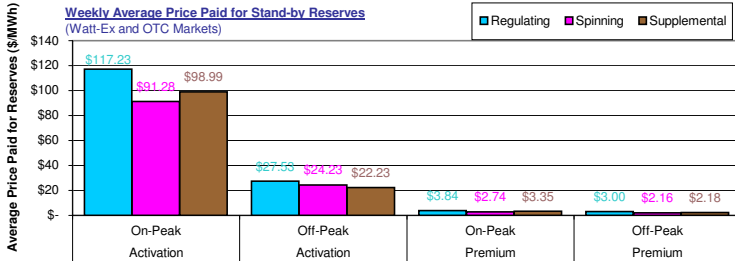
Note: Market shares are based on the combined activity on both interties.

Ancillary Services Market



Average on-peak prices paid for active ancillary services last week were **\$15.20/MWh**, **\$19.08/MWh** and **\$19.81/MWh** respectively for active **regulating**, **spinning** and **supplemental** reserves.

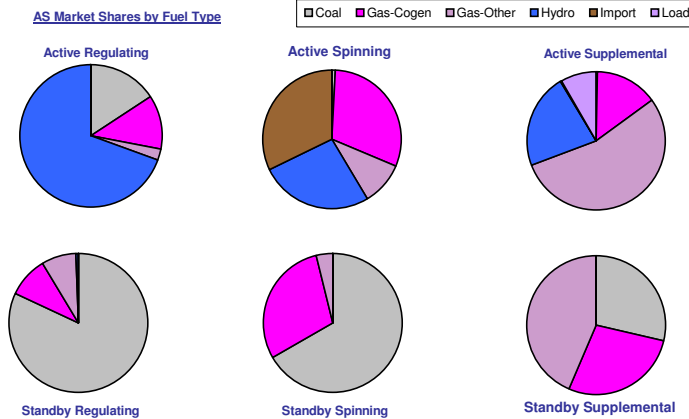
Active average off-peak prices were **lower** with the exception of off-peak regulating and averaged **\$16.85/MWh**, **\$3.78/MWh** and **\$1.88/MWh** for active **regulating**, **spinning** and **supplemental** reserves respectively.



Weekly average activation prices for stand-by reserves ranged from **\$22.23/MWh** for **off-peak supplemental** reserves to **\$117.23/MWh** for **on-peak regulating** reserves.

Weekly average premium prices ranged from **\$2.16/MWh** for **off-peak spinning** reserves up to **\$3.84/MWh** for **on-peak regulating** reserves.

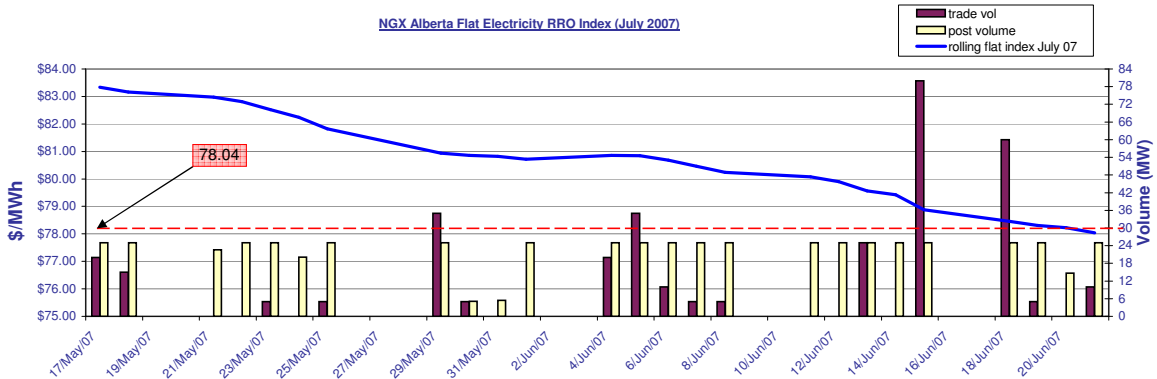
AS Market Shares by Fuel Type



Last week **hydro** units had the largest market share in the **active regulating** reserve market with **69.4%**. In the **active spinning** reserve market, **import** units had the leading market share with **32.1%** while in the **active supplemental** reserve market, **gas** units dominated with a **54.0%** market share.

Coal units dominated the **standby regulating** reserve market with a **82%** market share. Leading market share in the **standby spinning** market was held by **coal** units with a **66.8%** market share. In the **standby supplemental** reserve market, **gas** units had the leading market share with **43.5%**.

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.