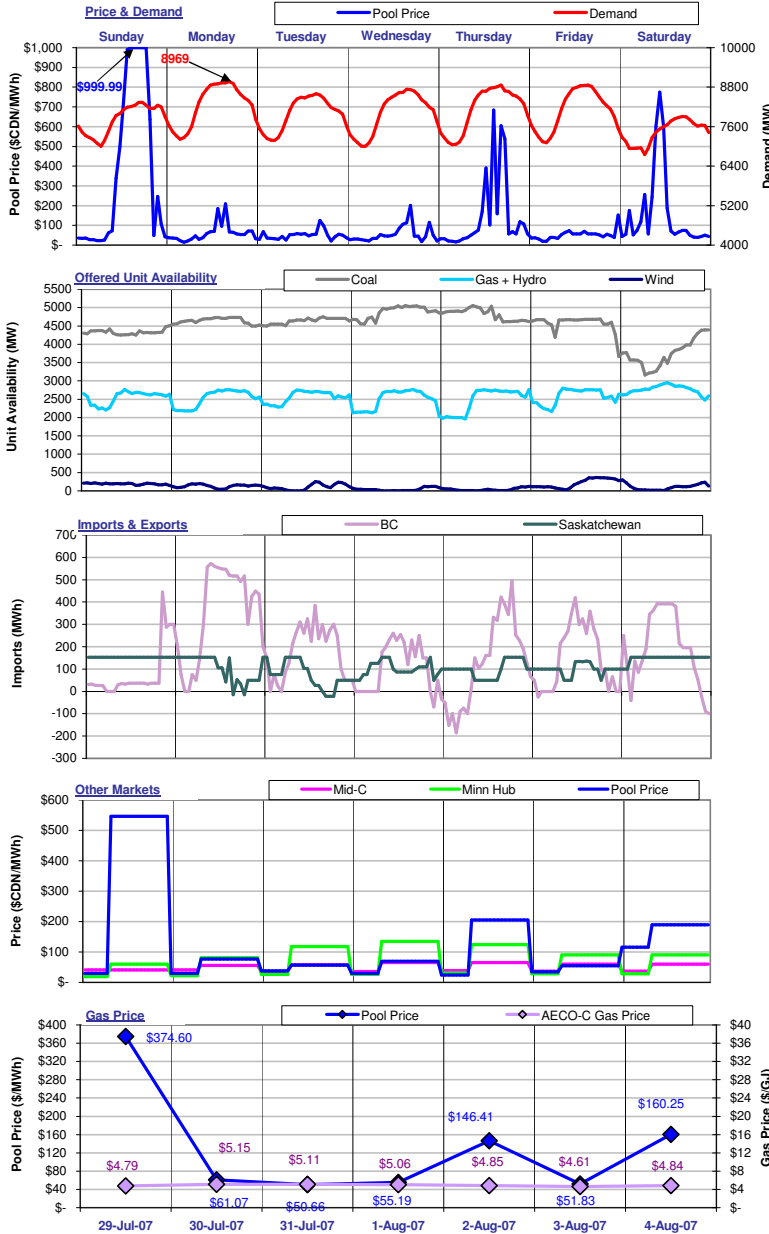


The Market Monitor

WATCHING THE MARKET : your fact source

Week Ending August 4, 2007

Weekly Highlights



For the week ending August 4, 2007, **Pool Price** averaged \$128.57/MWh and ranged from a minimum of \$15/MWh in HE05 on Monday to a maximum of \$999.99/MWh in HE15 on Sunday. **Demand** reached a high of 8969 MW in HE17 on Monday and a low of 6752 MW in HE07 on Saturday. Average demand for the week was 7963 MW. **Pool Price** and **Demand** were positively correlated last week with an R-squared value of 0.03.

Coal Unit Availability averaged 4518 MW last week. This is an equivalent availability of 77% (based on MCR). **Gas and Hydro Unit Availability** averaged 2536 MW last week, which is an equivalent of 51% (based on MCR). **Wind Generation** averaged 117 MW last week. This is an equivalent availability of 26% (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 28,641 MWh. Alberta was a net importer from Saskatchewan last week with total imports equal to 18,674 MWh. Overall, Alberta imported 47,315 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 \$60.55/MWh on-peak and \$38.12/MWh off-peak. **Minn Hub** prices averaged \$106.79/MWh on-peak and \$25.64/MWh off-peak.

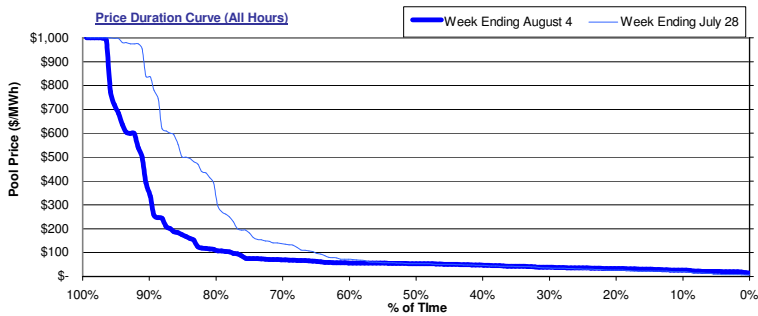
Prices in \$/MWh at an exchange rate of 1.06473.

The average **AECO-C Gas Price** last week was \$4.92/GJ and ranged from a minimum of \$4.61/GJ to \$5.15/GJ. Prevailing gas prices resulted in market heat rates ranging from a low of 9.91 GJ/MWh to a high of 78.15 GJ/MWh. The average market heat rate for the week was 26.48 GJ/MWh.

Wholesale Market

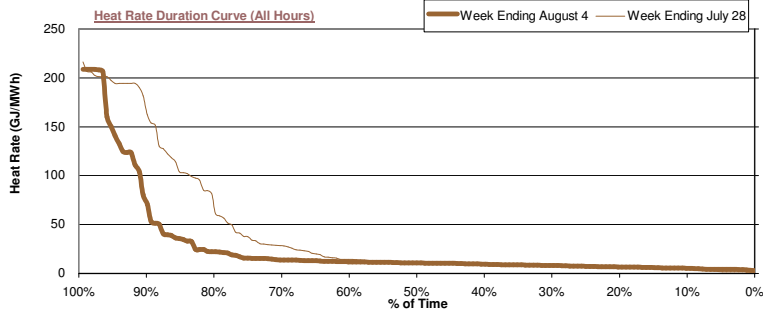
Weekly Market Statistics

	Sunday 29-Jul	Monday 30-Jul	Tuesday 31-Jul	Wednesday 1-Aug	Thursday 2-Aug	Friday 3-Aug	Saturday 4-Aug	Average	Last Week	% Change	YTD
Pool Price											
Average	\$ 374.60	\$ 61.07	\$ 50.66	\$ 55.19	\$ 146.41	\$ 51.83	\$ 160.25	\$ 128.57	\$ 200.77	-36.0%	\$ 71.68
On-Peak	NA	\$ 77.31	\$ 56.65	\$ 69.10	\$ 205.11	\$ 54.39	\$ 189.16	\$ 108.62	\$ 323.44	-66.4%	\$ 92.54
Off-Peak	\$ 374.60	\$ 28.58	\$ 38.69	\$ 27.37	\$ 29.02	\$ 46.72	\$ 102.43	\$ 155.18	\$ 37.22	316.9%	\$ 37.65
COV	1.11	0.76	0.44	0.76	1.34	0.49	1.27	0.88	1.09	-18.9%	
Heat Rate											
Average	78.15	11.86	9.91	10.90	30.19	11.24	33.13	26.48	41.71	-36.5%	10.92
On-Peak	NA	15.02	11.08	13.65	42.29	11.80	39.11	22.16	67.23	-67.0%	14.09
Off-Peak	78.15	5.55	7.57	5.41	5.98	10.13	21.18	32.25	7.69	319.7%	5.73
Demand											
Average	7,816	8,259	7,995	8,014	8,119	8,104	7,438	7,963	8,140	-2.2%	7,974
Minimum	7,004	7,223	7,183	7,002	7,058	7,116	6,752	7,048	7,197	-2.1%	6,653
Maximum	8,336	8,969	8,603	8,732	8,859	8,859	7,908	8,609	8,828	-2.5%	9,478
Coal Unit Availability											
Average	4,331	4,642	4,636	4,876	4,817	4,569	3,753	4,518	4,728		5,230
Utilization	74%	79%	79%	83%	82%	78%	64%	77%	81%	-3.6%	90%
Gas and Hydro Unit Availability											
Average	2,549	2,523	2,561	2,485	2,478	2,574	2,763	2,562	2,390		2,223
Utilization	53%	53%	53%	52%	52%	54%	58%	51%	48%	3.4%	44%



The price duration curves show the % of time that prices were at or below a certain value during the week. For the week ending **August 4**, prices were at or below:

- \$20/MWh 3% of the time
- \$50/MWh 43% of the time
- \$100/MWh 77% of the time
- \$250/MWh 89% of the time
- \$500/MWh 91% of the time



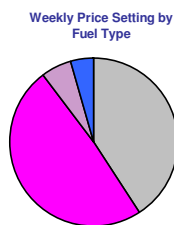
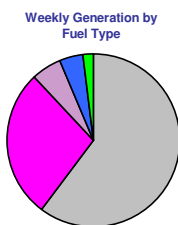
The heat rate duration curves show the % of time that the implied market heat rate was at or below a certain value during the week. For the week ending **August 4**, the implied market heat rate was at or below:

- 5.0 GJ/MWh 10% of the time
- 10.0 GJ/MWh 43% of the time
- 15.0 GJ/MWh 72% of the time
- 20.0 GJ/MWh 78% of the time

Market Share Statistics

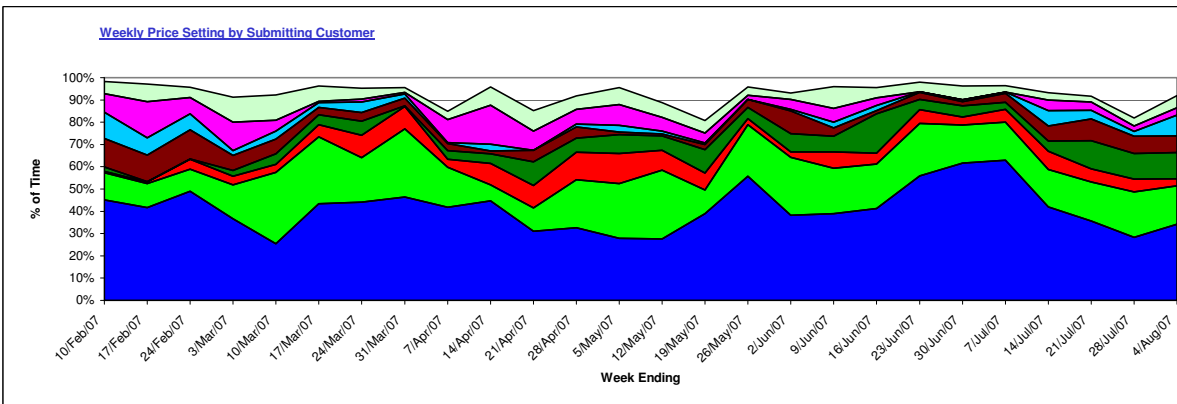
By Fuel Type:

By Submitting Customer:

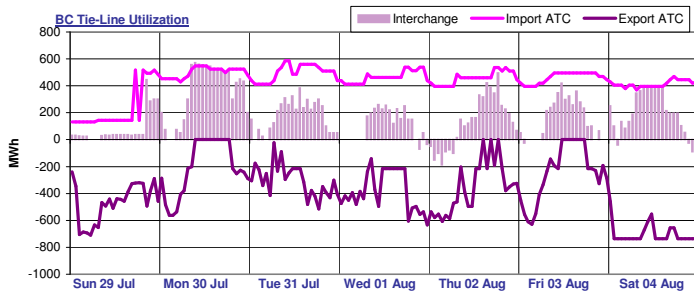


Last week, **coal units** were responsible for **60.3%** of the generation in the province and set price **40.8%** of the time. **Gas-cogen** units accounted for **27.8%** of the generation and set price **48.9%** of the time last week while **other gas** units made up **5.5%** of generation and set 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 **34.3%** of the time and the top five price setters set price a total of **79.9%** of the time.

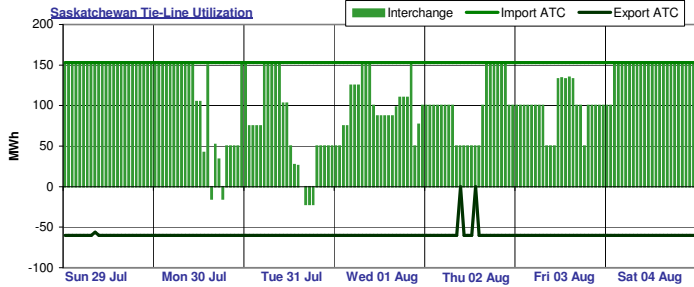


Interties

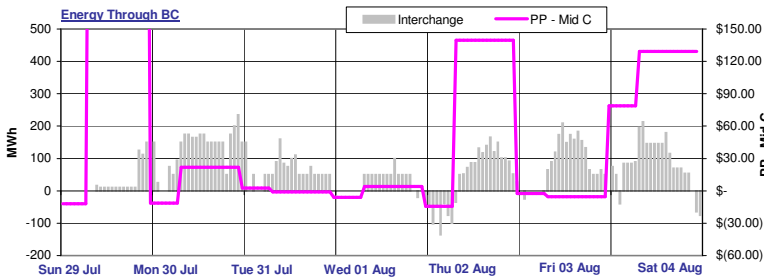


BC import capacity was 39% utilized last week while BC export capacity was 2% utilized. Energy was being imported into Alberta over the BC tie-line 79% of the time and exported out of Alberta over the BC tie-line 8% of the time last week. There was no activity on the BC tie-line 13% of the time last 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.



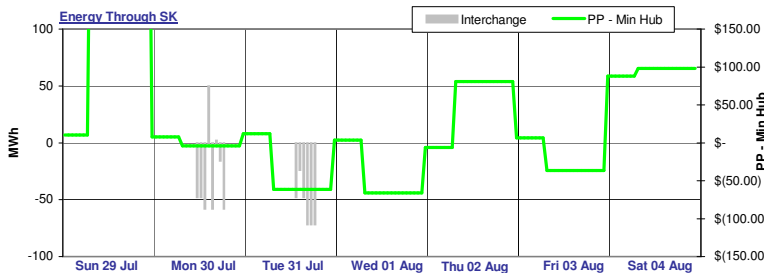
Saskatchewan import capacity was 76% utilized last week while Saskatchewan export capacity was 9% utilized. Energy was being imported into Alberta over the Saskatchewan tie-line 96% of the time and exported out of Alberta over the Saskatchewan tie-line 3% of the time last week. There was no activity on the Saskatchewan tie-line 1% of the time last week.



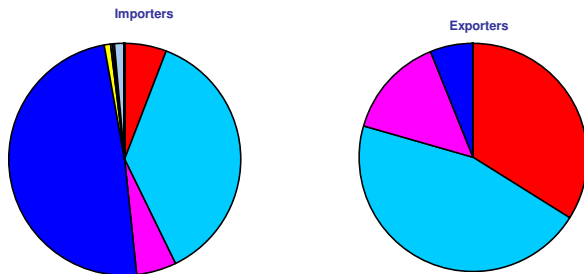
Last week, Alberta spot prices were mostly higher relative to prices in the Pacific Northwest as represented by Mid-C index prices, supporting import activity across the Alberta - BC interconnection.

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

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



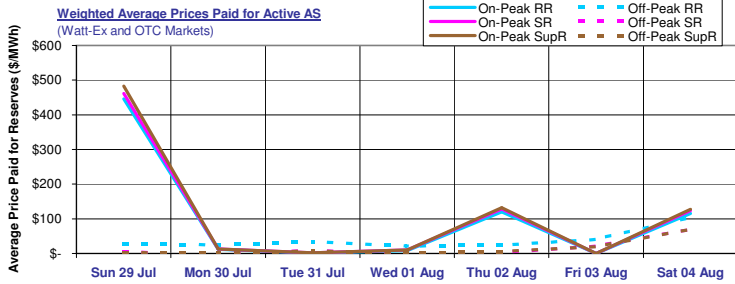
Tie-Line Market Shares



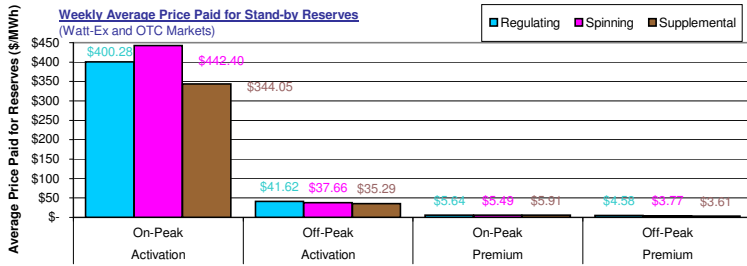
Last week, there were a total of 9 importers. The most active importer had a market share of 48.7% while the second most active importer had a market share of 36.9%. There were a total of 4 exporters last week. The most active exporter had a market share of 45.3% while the next largest exporter had a market share of 34.0%.

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

Ancillary Services Market

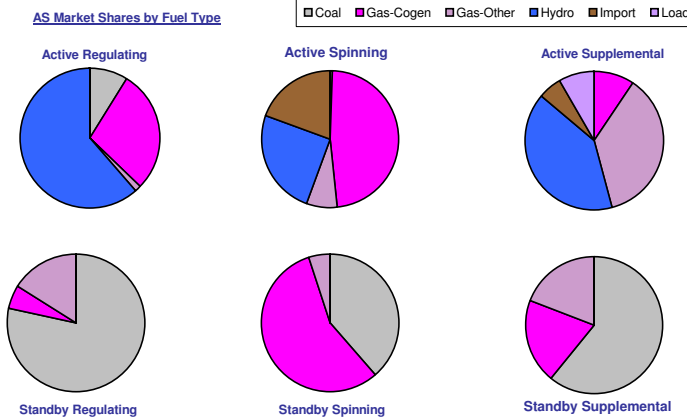


Average on-peak prices paid for active ancillary services last week were \$267.22/MWh, \$275.85/MWh and \$274.20/MWh respectively for active **regulating**, **spinning** and **supplemental** reserves.
Active average off-peak prices were lower and averaged \$31.33/MWh, \$9.37/MWh and \$8.12/MWh for active **regulating**, **spinning** and **supplemental** reserves respectively.



Weekly average activation prices for stand-by reserves ranged from \$35.29/MWh for **off-peak supplemental** reserves to \$442.40/MWh for **on-peak spinning** reserves.
Weekly average premium prices ranged from \$3.61/MWh for **off-peak supplemental** reserves up to \$5.91/MWh for **on-peak spinning** reserves.

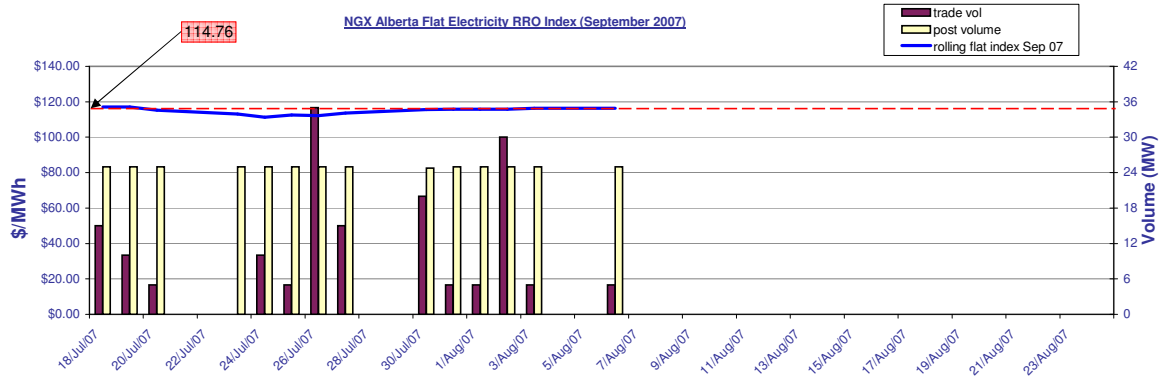
AS Market Shares by Fuel Type



Last week **hydro** units had the largest market share in the **active regulating** reserve market with **61.3%**. In the **active spinning** reserve market, **gas cogen** units had the leading market share with **48.0%** while in the **active supplemental** reserve market, **hydro** units dominated with a **40.1%** market share.

Coal units dominated the **standby regulating** reserve market with a **78.3%** market share. Leading market share in the **standby spinning** market was held by **gas cogen** units with a **56.3%** market share. In the **standby supplemental** reserve market, **coal** units had the leading market share with **61.0%**.

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.