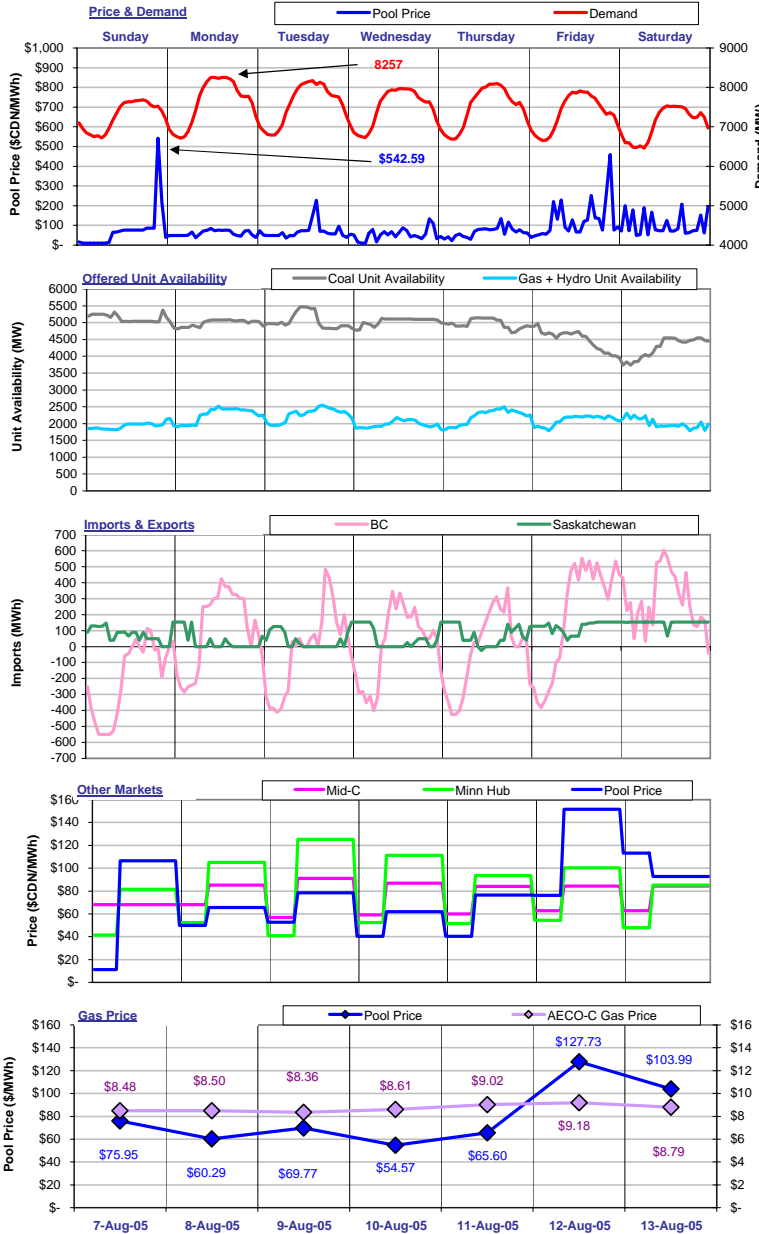


The Market Monitor

WATCHING THE MARKET : your fact source

Week Ending August 13, 2005

Weekly Highlights



For the week ending August 13, 2005, **Pool Price** averaged \$79.70/MWh and ranged from a minimum of \$10.51/MWh in HE05 on Wednesday to a maximum of \$542.59/MWh in HE22 on Sunday. **Demand** reached a high of 8257 MW in HE16 on Monday and a low of 6464 MW in HE07 on Saturday. Average demand for the week was 7410MW. **Pool Price** and **Demand** were positively correlated last week with an R-squared value of 0.02.

Coal Unit Availability averaged 4844 MW last week. This is an equivalent availability of 83% (based on MCR). **Gas and Hydro Unit Availability** averaged 2108MW last week, which is an equivalent of 37% (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 8,795MWh. Alberta was a net importer from **Saskatchewan** last week with total imports equal to 13,203MWh. Overall, Alberta imported 21,998MWh of electricity last week.

Pool Prices were generally higher than prices in **Mid-C** and lower than prices in **Minn Hub** last week. **Mid-C** prices averaged \$85.95/MWh on-peak and \$62.46/MWh off-peak. **Minn Hub** prices averaged \$103.43/MWh on-peak and \$48.76/MWh off-peak.

Prices in \$CDN at an exchange rate of 1.2163

The average **AECO-C Gas Price** last week was \$8.70/GJ and ranged from a minimum of \$8.36/GJ to \$9.18/GJ. Prevailing gas prices resulted in market heat rates ranging from a low of 6.34GJ/MWh to a high of 13.91GJ/MWh. The average market heat rate for the week was 9.11GJ/MWh.

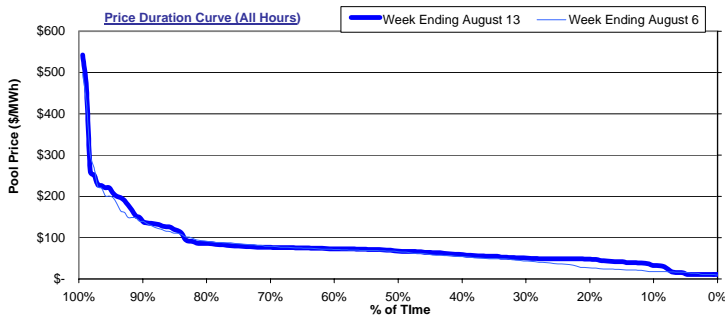


Alberta's Market Surveillance Administrator is in place to monitor the fair, efficient and openly competitive operation of all electricity markets within the province. The Market Monitor is a weekly publication by the MSA intended to educate industry participants and the public on market activities for the [previous](#) week. Any questions regarding the material in this publication should be directed to MSA staff. Our contact information is available on the MSA website: www.albertamsa.ca

Wholesale Market

Weekly Market Statistics

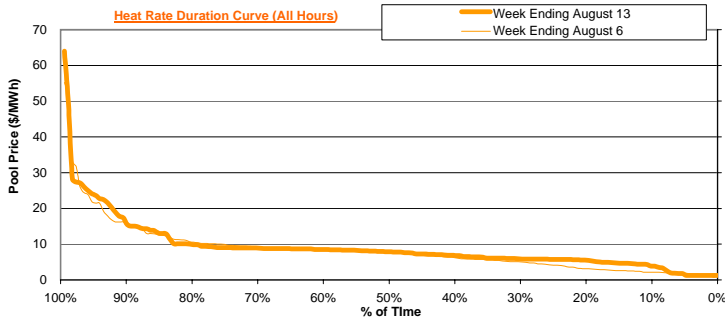
	Sunday 7-Aug	Monday 8-Aug	Tuesday 9-Aug	Wednesday 10-Aug	Thursday 11-Aug	Friday 12-Aug	Saturday 13-Aug	Average	Last Week	% Change	YTD
Pool Price											
Average	\$ 75.95	\$ 60.29	\$ 69.77	\$ 54.57	\$ 65.60	\$ 127.73	\$ 103.99	\$ 79.70	\$ 74.14	7.5%	\$ 48.90
On-Peak	NA	\$ 65.45	\$ 78.43	\$ 62.03	\$ 76.37	\$ 151.68	\$ 92.76	\$ 87.79	\$ 91.29	-3.8%	\$ 57.76
Off-Peak	\$ 75.95	\$ 49.98	\$ 52.44	\$ 39.66	\$ 44.05	\$ 79.84	\$ 126.45	\$ 68.92	\$ 51.26	34.4%	\$ 34.41
COV	1.45	0.24	0.58	0.54	0.41	0.75	0.54	0.64	0.77	-16.3%	
Heat Rate											
Average	8.96	7.09	8.35	6.34	7.27	13.91	11.83	9.11	9.26	-1.6%	7.02
On-Peak	NA	7.70	9.39	7.21	8.47	16.52	10.56	9.97	10.40	-4.1%	8.35
Off-Peak	8.96	5.88	6.28	4.61	4.88	8.70	14.39	7.96	5.94	34.0%	5.32
Demand											
Average	7,271	7,628	7,576	7,483	7,484	7,351	7,077	7,410	7,545	-1.8%	7,461
Minimum	6,716	6,715	6,793	6,726	6,687	6,656	6,464	6,680	6,728	-0.7%	6,017
Maximum	7,689	8,257	8,172	7,969	8,103	7,914	7,532	7,948	8,152	-2.5%	9,236
Coal Unit Availability											
Average	5,118	4,993	5,048	5,037	4,965	4,492	4,256	4,844	5,038		5,220
Utilization	88%	85%	86%	86%	85%	77%	73%	83%	86%	-3.3%	89%
Gas and Hydro Unit Availability											
Average	1,935	2,263	2,268	1,977	2,212	2,096	2,007	2,108	2,174		2,133
Utilization	41%	48%	48%	42%	46%	44%	42%	37%	38%	-1.2%	38%



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 13, prices were at or below:

- \$20/MWh 7% of the time
- \$50/MWh 29% of the time
- \$100/MWh 83% of the time
- \$250/MWh 97% of the time
- \$500/MWh 99% 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 13, implied market heat rates were at or below:

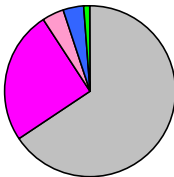
- 5.0 GJ/MWh 18% of the time
- 10.0 GJ/MWh 80% of the time
- 15.0 GJ/MWh 89% of the time
- 20.0 GJ/MWh 92% of the time

Market Share Statistics

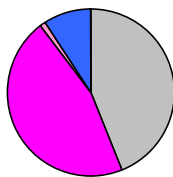
By Fuel Type:



Weekly Generation by Fuel Type

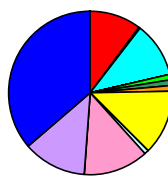


Weekly Price Setting by Fuel Type



By Submitting Customer:

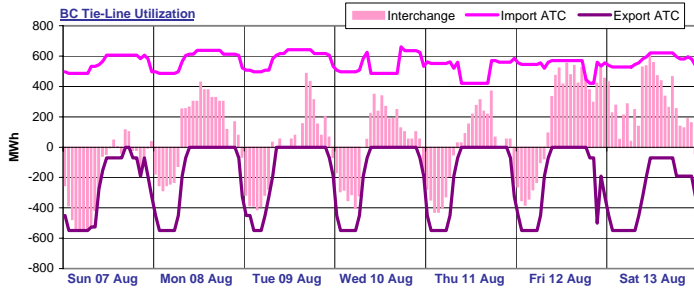
Weekly Price Setting by Submitting Customer



Last week, coal units were responsible for 65.5% of the generation in the province and set price 44.0% of the time. Gas-cogen units accounted for 25.3% of the generation and set price 45.7% of the time last week while other gas units made up 4.2% of generation and set price 1.1% of the time.

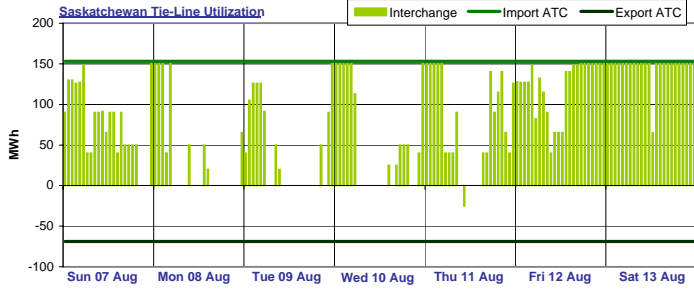
A total of 12 market participants set price last week. One market participants set price more than 20% of the time last week. The top price setter set price 22.5% of the time and the top five price setters set price a total of 79.9% of the time.

Interties

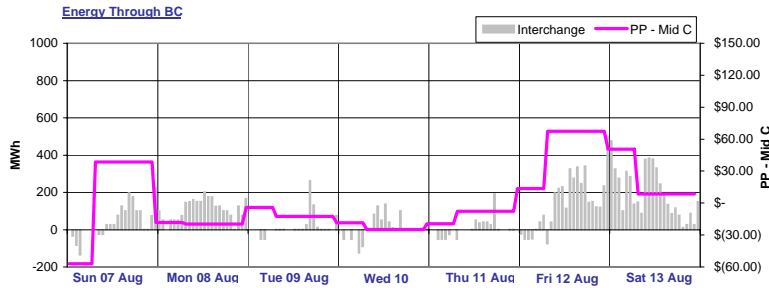


BC import capacity was 27% utilized last week while BC export capacity was 35% utilized. Energy was being imported into Alberta over the BC tie-line 61% of the time and exported out of Alberta over the BC tie-line 36% of the time last week. There was no activity on the BC tie-line 3% of the time last 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.



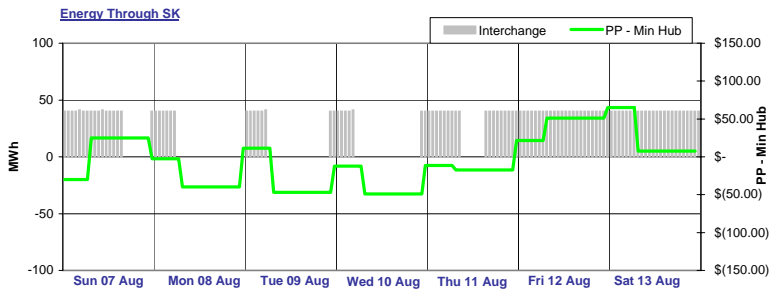
Saskatchewan import capacity was 51% utilized last week while Saskatchewan export capacity was 0% utilized. Energy was being imported into Alberta over the Saskatchewan tie-line 71% of the time and exported out of Alberta over the Saskatchewan tie-line 1% of the time last week. There was no activity on the Saskatchewan tie-line 28% of the time last week.



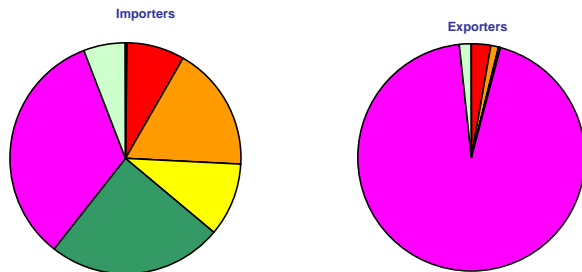
Last week, Alberta spot prices were mostly higher relative to prices in the Pacific Northwest as represented by Mid-C index prices, supporting import activity across the Alberta - BC interconnection.

Alberta prices were generally lower than prices in MAPP as represented by spot prices at the Minnesota Hub, which generally supported export activity across the Alberta - Saskatchewan interconnection.

Note: Platt's day-ahead strip for Mid-C used in energy through BC graph; Platt's day-ahead strip for Min Hub used in energy through SK graph.



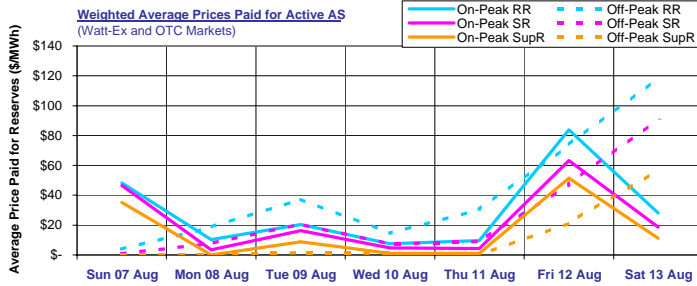
Tie-Line Market Shares



Last week, there were a total of 7 importers. The most active importer had a market share of 33.5% while the second most active importer had a market share of 24.3%. There were a total of 5 exporters last week. The most active exporter had a market share of 94.3% while the next largest exporter had a market share of 2.7%.

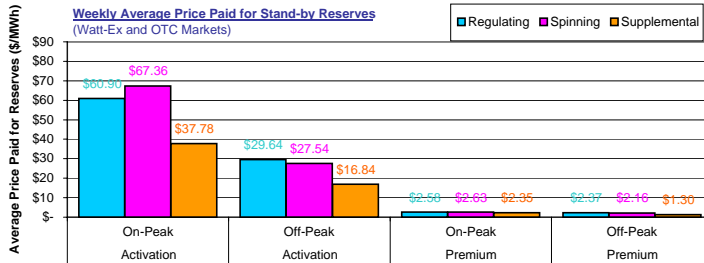
Note: Market shares are based on the combined activity on both interties.

Ancillary Services Market



Average on-peak prices paid for active ancillary services last week were \$29.65/MWh, \$22.74/MWh and \$15.20/MWh respectively for active **regulating**, **spinning** and **supplemental** reserves.

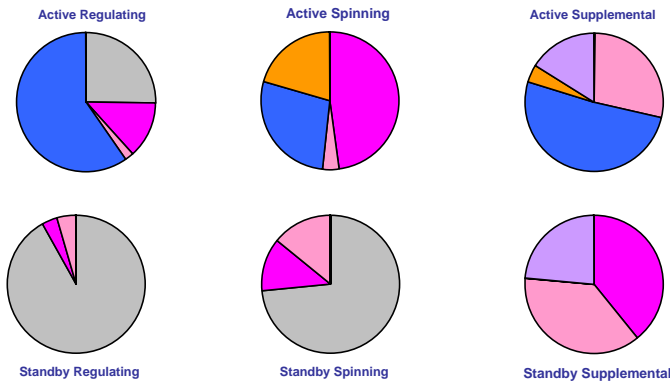
Active average off-peak prices were somewhat **higher** and averaged \$46.58/MWh, \$28.22/MWh and \$11.42/MWh for active **regulating**, **spinning** and **supplemental** reserves respectively.



Weekly average activation prices for stand-by reserves ranged from \$16.84/MWh for **off-peak supplemental** reserves to \$67.36/MWh for **on-peak spinning** reserves.

Weekly average premium prices ranged from \$1.30/MWh for **off-peak supplemental** reserves up to \$2.63/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 59.7%. In the **active spinning** reserve market, **hydro** units had the leading market share with 47.9% while in the **active supplemental** reserve market, **hydro** units dominated with a 51.2% market share.

Coal units dominated the **standby regulating** reserve market with a 92.0% market share. Leading market share in the **standby spinning** market was held by **gas** units with a 73.4% market share. In the **standby supplemental** reserve market, **gas-cogen** units had the leading market share with 39.2%.

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.