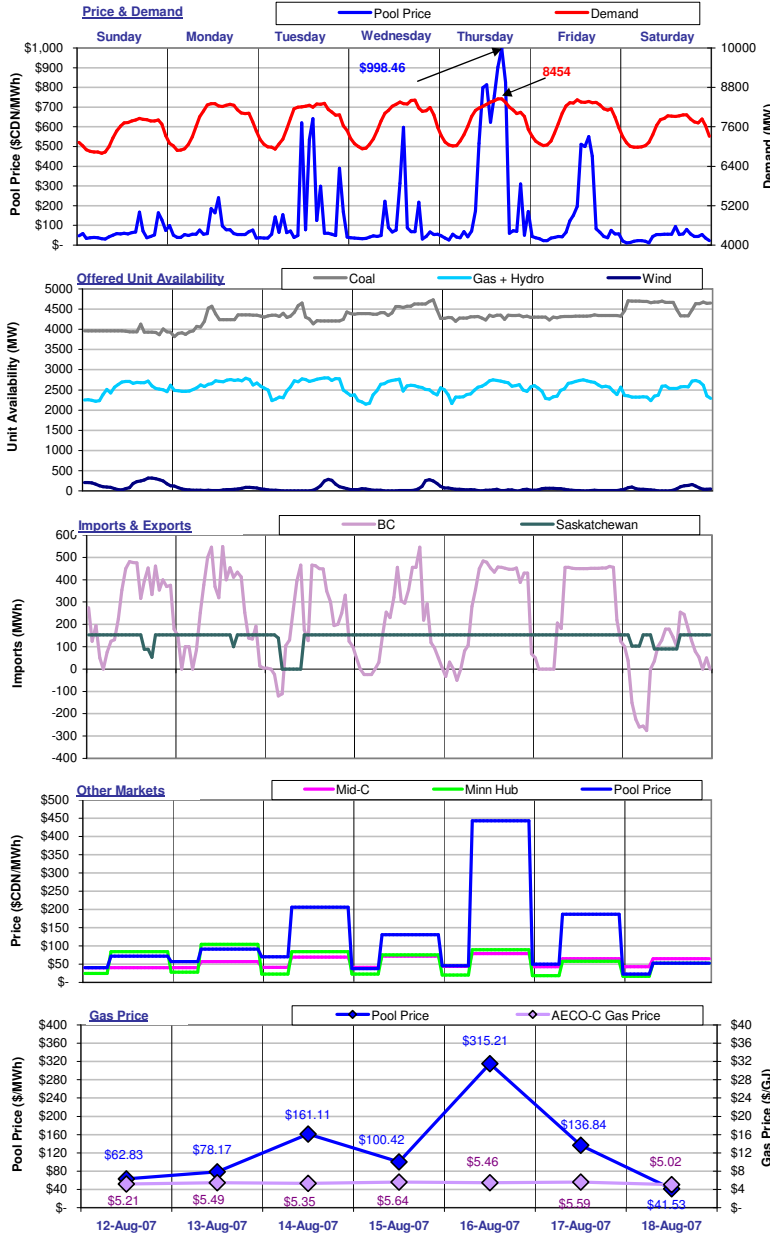


The Market Monitor

WATCHING THE MARKET : your fact source

Week Ending August 18, 2007

Weekly Highlights



For the week ending August 18, 2007, **Pool Price** averaged \$128.02/MWh and ranged from a minimum of \$11.99/MWh in HE08 on Saturday to a maximum of \$998.46/MWh in HE17 on Thursday.

Demand reached a high of 8454 MW in HE16 on Thursday and a low of 6800 MW in HE07 on Saturday. Average demand for the week was 7712 MW.

Pool Price and **Demand** were positively correlated last week with an R-squared value of 0.23.

Coal Unit Availability averaged 4314 MW last week. This is an equivalent availability of 74% (based on MCR).

Gas and Hydro Unit Availability averaged 2515 MW last week, which is an equivalent of 53% (based on MCR).

Wind Generation averaged 64 MW last week. This is an equivalent availability of 14% (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 38,012MWh.

Alberta was a net importer from Saskatchewan last week with total imports equal to 23,897 MWh.

Overall, Alberta imported 61,909MWh 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 \$67.80/MWh on-peak and \$41.93/MWh off-peak.

Minn Hub prices averaged \$77.51/MWh on-peak and \$21.68/MWh off-peak.

Prices in \$/CDN at an exchange rate of 1.05365.

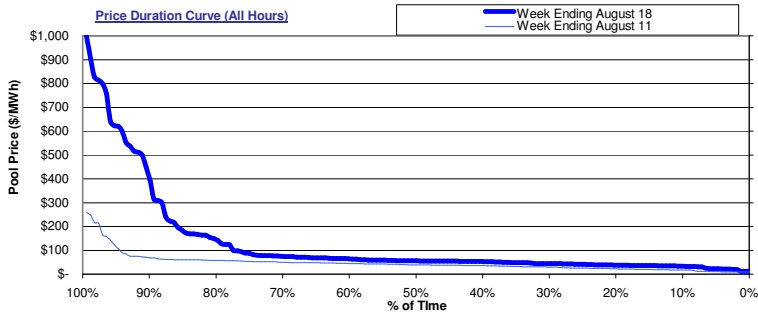
The average **AECO-C Gas Price** last week was \$5.39/GJ and ranged from a minimum of \$5.02/GJ to \$5.64/GJ.

Prevailing gas prices resulted in market heat rates ranging from a low of 8.27GJ/MWh to a high of 57.68GJ/MWh. The average market heat rate for the week was 23.53GJ/MWh.

Wholesale Market

Weekly Market Statistics

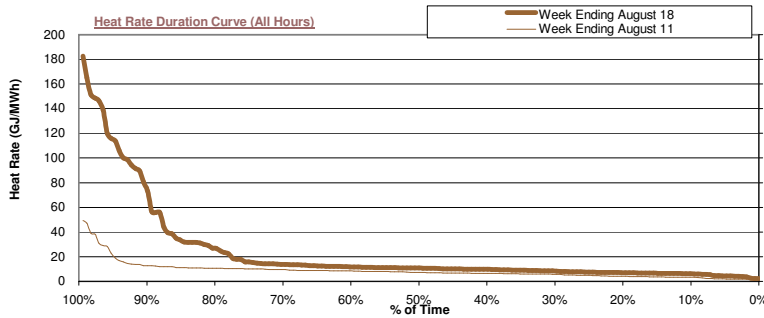
	Sunday 12-Aug	Monday 13-Aug	Tuesday 14-Aug	Wednesday 15-Aug	Thursday 16-Aug	Friday 17-Aug	Saturday 18-Aug	Average	Last Week	% Change	YTD
Pool Price											
Average	\$ 62.83	\$ 78.17	\$ 161.11	\$ 100.42	\$ 315.21	\$ 136.84	\$ 41.53	\$ 128.02	\$ 46.25	176.8%	\$ 72.62
On-Peak	NA	\$ 90.98	\$ 206.32	\$ 130.84	\$ 442.87	\$ 187.20	\$ 52.79	\$ 185.17	\$ 59.08	213.4%	\$ 94.34
Off-Peak	\$ 62.83	\$ 52.55	\$ 70.71	\$ 39.60	\$ 59.88	\$ 36.11	\$ 19.01	\$ 51.82	\$ 29.14	77.8%	\$ 37.63
COV	0.60	0.64	1.18	1.27	1.11	1.26	0.52	0.94	0.75	25.1%	
Heat Rate											
Average	12.07	14.25	30.14	17.81	57.68	24.49	8.27	23.53	9.41	150.0%	11.21
On-Peak	NA	16.58	38.60	23.21	81.04	33.51	10.51	33.91	11.95	183.6%	14.56
Off-Peak	12.07	9.58	13.23	7.02	10.96	6.46	3.79	9.69	6.02	60.9%	5.81
Demand											
Average	7,396	7,764	7,759	7,802	7,842	7,880	7,540	7,712	7,769	-0.7%	7,998
Minimum	6,800	6,887	6,919	6,928	7,022	7,033	6,982	6,939	6,974	-0.5%	6,653
Maximum	7,853	8,301	8,313	8,409	8,454	8,420	7,968	8,245	8,358	-1.3%	9,478
Coal Unit Availability											
Average	3,956	4,203	4,316	4,491	4,304	4,320	4,606	4,314	4,867		5,191
Utilization	68%	72%	74%	77%	74%	74%	79%	74%	83%	-9.5%	89%
Gas and Hydro Unit Availability											
Average	2,521	2,634	2,599	2,502	2,533	2,554	2,468	2,544	2,241	-3.7%	2,233
Utilization	64%	67%	66%	64%	65%	65%	63%	54%	57%		57%



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 18**, prices were at or below:

- \$20/MWh 2% of the time
- \$50/MWh 36% of the time
- \$100/MWh 77% of the time
- \$250/MWh 88% of the time
- \$500/MWh 91% of the time



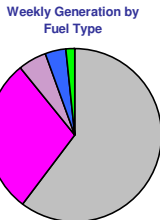
The heat rate duration curves show the % of time that the implied market heat rate was at or below a certain value during the week. For the week ending **August 18** implied market heat rates were at or below:

- 5.0 GJ/MWh 7% of the time
- 10.0 GJ/MWh 44% of the time
- 15.0 GJ/MWh 74% of the time
- 20.0 GJ/MWh 78% of the time

Market Share Statistics

By Fuel Type:

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

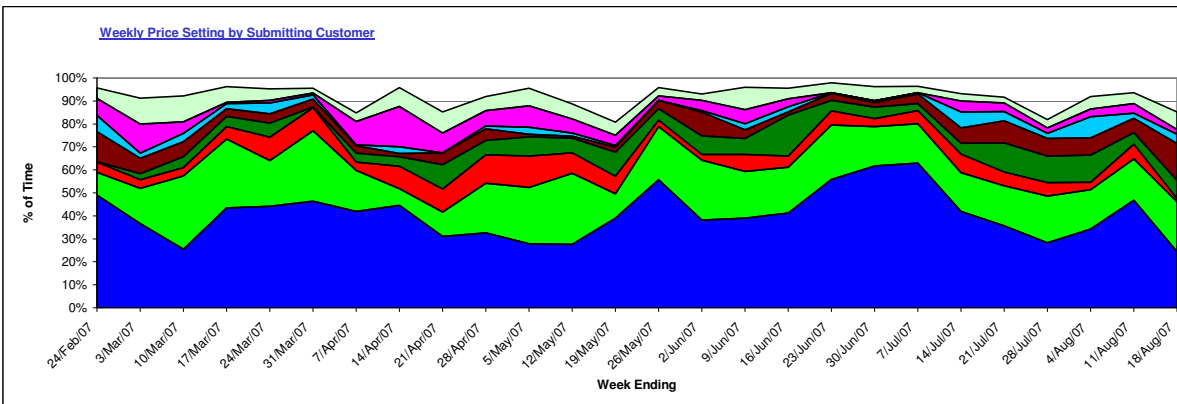


By Submitting Customer:

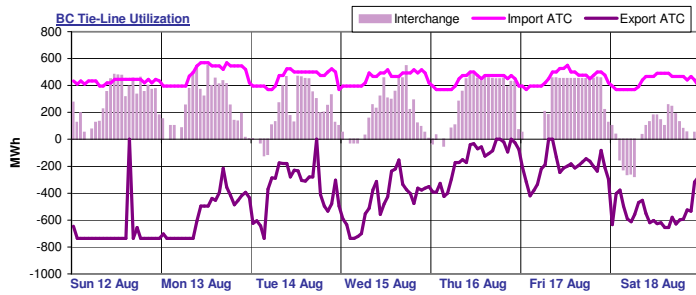


Last week, **coal units** were responsible for **60.2%** of the generation in the province and set price **30.7%** of the time. **Gas-cogen** units accounted for **29.0%** of the generation and set price **54.8%** of the time last week while **other gas** units made up **5.3%** of generation and set price **12.6%** of the time.

A total of **11** 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 **24.4%** of the time and the top five price setters set price a total of **81.3%** of the time.

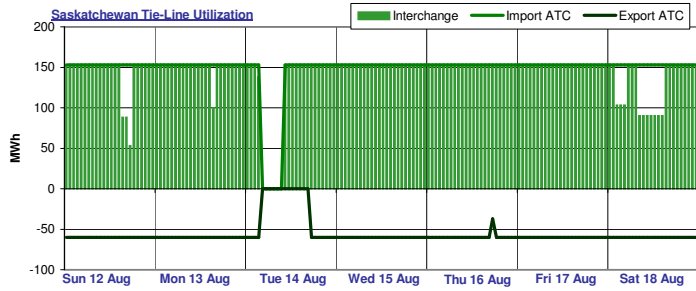


Interties

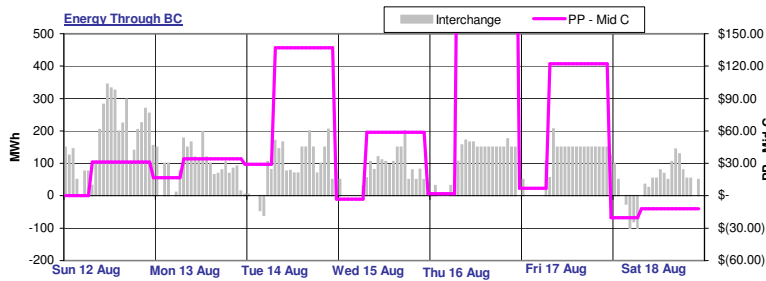


BC import capacity was 50% utilized last week while BC export capacity was 2% utilized. Energy was being imported into Alberta over the BC tie-line 83% of the time and exported out of Alberta over the BC tie-line 8% of the time last week. There was no activity on the BC tie-line 10% of the time last 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.



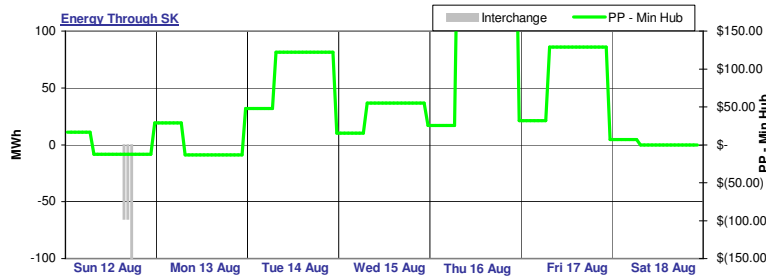
Saskatchewan import capacity was 97% utilized last week while Saskatchewan export capacity was 2% utilized. Energy was being imported into Alberta over the Saskatchewan tie-line 96% of the time and exported out of Alberta over the Saskatchewan tie-line 0% of the time last week. There was no activity on the Saskatchewan tie-line 4% of the time last week.



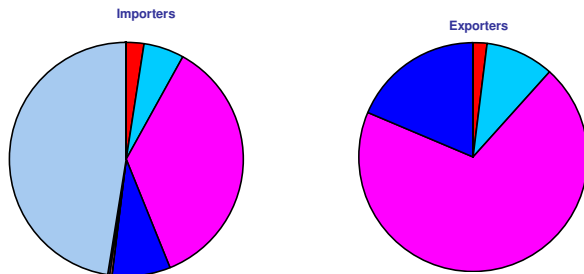
Last week, Alberta spot prices were mostly higher relative to prices in the Pacific Northwest as represented by Mid-C index prices, supporting import activity across the Alberta - BC interconnection.

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.



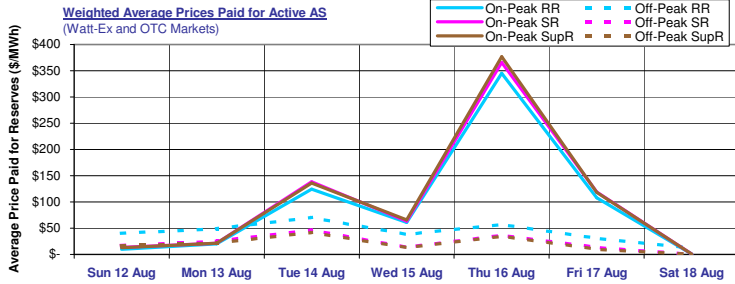
Tie-Line Market Shares



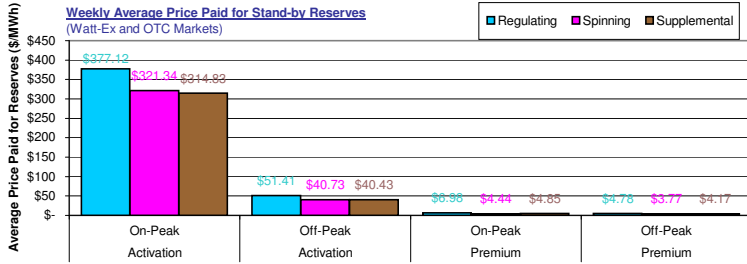
Last week, there were a total of 8 importers. The most active importer had a market share of 47.5% while the second most active importer had a market share of 35.8%. There were a total of 4 exporters last week. The most active exporter had a market share of 69.7% while the next largest exporter had a market share of 18.7%.

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

Ancillary Services Market

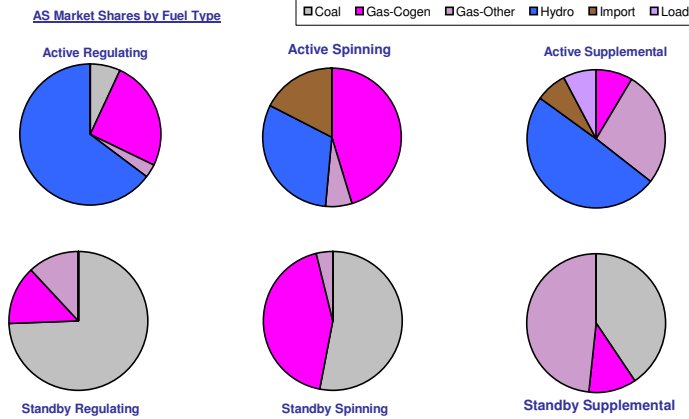


Average on-peak prices paid for active ancillary services last week were \$93.14/MWh, \$106.10/MWh and \$104.22/MWh respectively for active **regulating**, **spinning** and **supplemental** reserves.
Active average off-peak prices were lower and averaged \$38.27/MWh, \$19.65/MWh and \$17.13/MWh for active **regulating**, **spinning** and **supplemental** reserves respectively.



Weekly average activation prices for stand-by reserves ranged from \$40.43/MWh for off-peak supplemental reserves to \$377.12/MWh for on-peak regulating reserves.
Weekly average premium prices ranged from \$3.77/MWh for off-peak spinning reserves up to \$6.98/MWh for on-peak regulating reserves.

AS Market Shares by Fuel Type

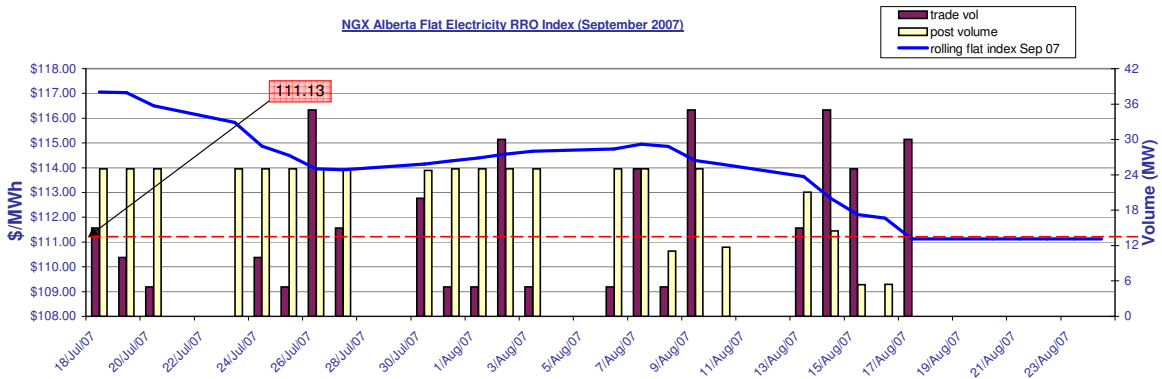


Last week **hydro** units had the largest market share in the **active regulating** reserve market with 64.8%. In the **active spinning** reserve market, **gas-cogen** units had the leading market share with 45.1% while in the **active supplemental** reserve market, **hydro** units dominated with a 49.5% market share.

Coal units dominated the **standby regulating** reserve market with a 74.5% market share. Leading market share in the **standby spinning** market was held by **coal** units with a 53.1% market share. In the **standby supplemental** reserve market, **gas-other** units had the leading market share with 48.4%.

RRO Procurement

NGX Alberta Flat Electricity RRO Index (September 2007)



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.