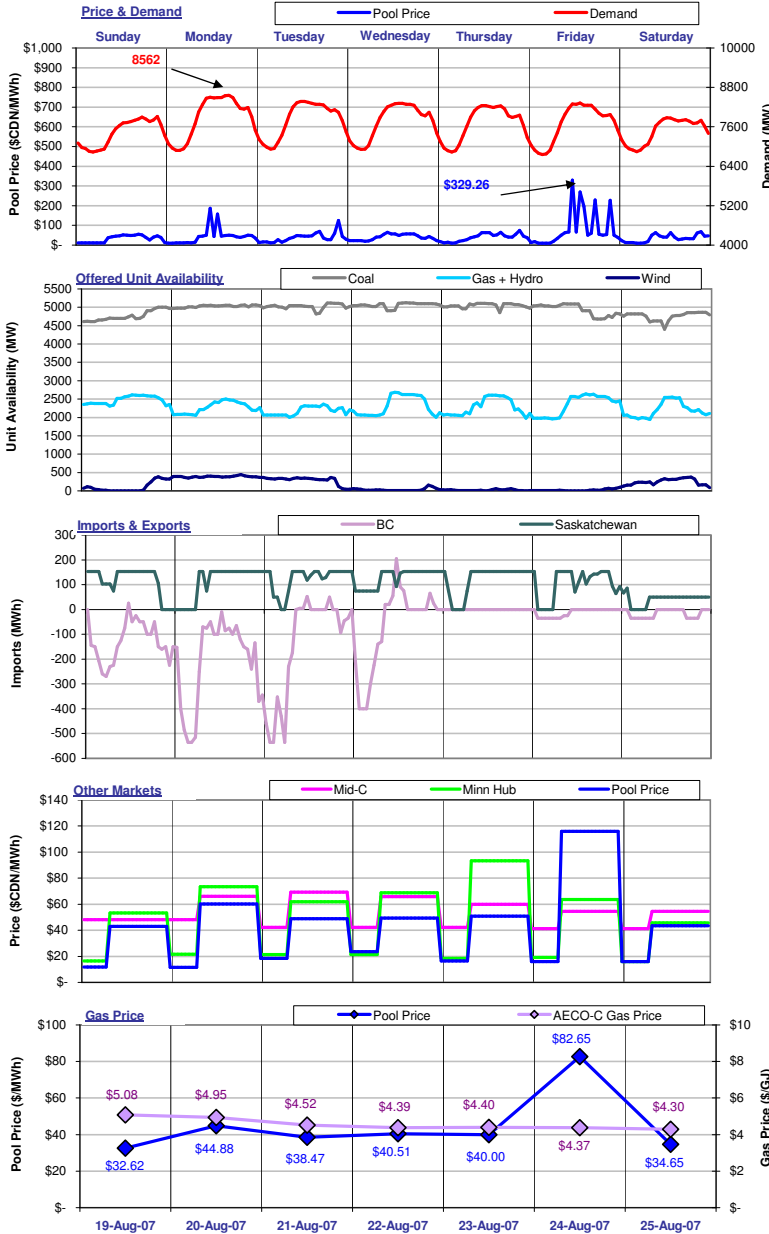


The Market Monitor

WATCHING THE MARKET : your fact source

Week Ending August 25, 2007

Weekly Highlights



For the week ending August 25, 2007, Pool Price averaged \$44.82/MWh and ranged from a minimum of \$9.51/MWh in HE05 on Saturday to a maximum of \$329.26/MWh in HE12 on Friday. Demand reached a high of 8562 MW in HE17 on Monday and a low of 6758 MW in HE04 on Friday. Average demand for the week was 7682 MW. Pool Price and Demand were positively correlated last week with an R-squared value of 0.28.

Coal Unit Availability averaged 4945 MW last week. This is an equivalent availability of 85% (based on MCR). Gas and Hydro Unit Availability averaged 2295 MW last week, which is an equivalent of 48% (based on MCR). Wind Generation averaged 158 MW last week. This is an equivalent availability of 36% (based on MCR). Availability numbers are based on MW offered into the energy merit order.

Alberta was a net exporter from BC last week with total exports equal to 13,836MWh. Alberta was a net importer from Saskatchewan last week with total imports equal to 17,889 MWh. Overall, Alberta imported 4,053MWh 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 \$61.65/MWh on-peak and \$43.72/MWh off-peak. Minn Hub prices averaged \$67.79/MWh on-peak and \$19.19/MWh off-peak.

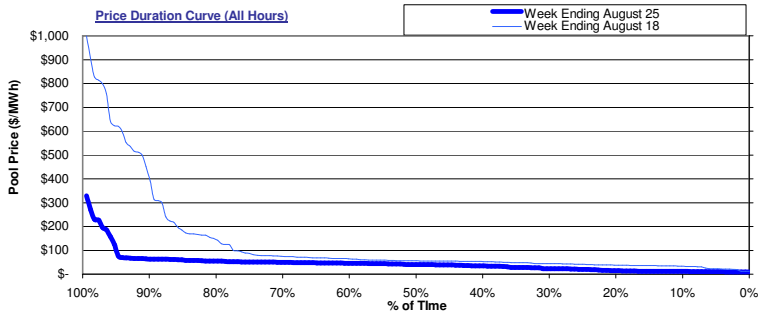
Prices in \$CDN at an exchange rate of 1.06047.

The average AECO-C Gas Price last week was \$4.57/GJ and ranged from a minimum of \$4.30/GJ to \$5.08/GJ. Prevailing gas prices resulted in market heat rates ranging from a low of 6.42 GJ/MWh to a high of 18.90 GJ/MWh. The average market heat rate for the week was 9.90 GJ/MWh.

Wholesale Market

Weekly Market Statistics

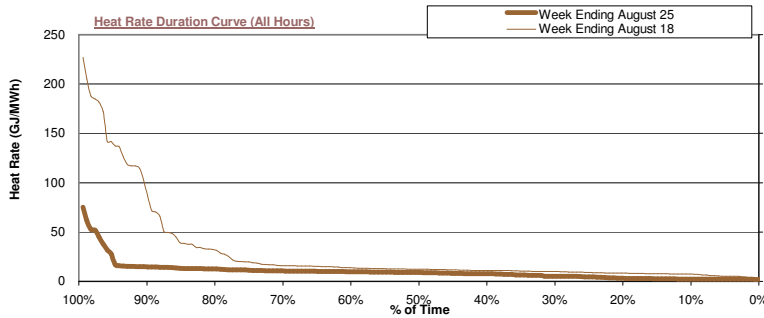
	Sunday 19-Aug	Monday 20-Aug	Tuesday 21-Aug	Wednesday 22-Aug	Thursday 23-Aug	Friday 24-Aug	Saturday 25-Aug	Average	Last Week	% Change	YTD
Pool Price											
Average	\$ 32.62	\$ 44.88	\$ 38.47	\$ 40.51	\$ 40.00	\$ 82.65	\$ 34.65	\$ 44.82	\$ 128.02	-65.0%	\$ 71.80
On-Peak	NA	\$ 60.11	\$ 48.91	\$ 49.27	\$ 50.93	\$ 115.86	\$ 43.49	\$ 61.43	\$ 185.17	-66.8%	\$ 93.37
Off-Peak	\$ 32.62	\$ 14.42	\$ 17.58	\$ 22.99	\$ 18.13	\$ 16.23	\$ 16.98	\$ 22.69	\$ 51.82	-56.2%	\$ 37.10
COV	0.53	0.95	0.65	0.37	0.48	1.12	0.54	0.66	0.94	-29.4%	
Heat Rate											
Average	6.42	9.08	8.52	9.24	9.09	18.90	8.06	9.90	23.53	-57.9%	11.18
On-Peak	NA	12.15	10.83	11.24	11.58	26.50	10.12	13.74	33.91	-59.5%	14.54
Off-Peak	6.42	2.92	3.89	5.24	4.12	3.71	3.95	4.79	9.69	-50.6%	5.78
Demand											
Average	7,424	7,894	7,819	7,768	7,707	7,691	7,472	7,682	7,712	-0.4%	7,916
Minimum	6,834	6,879	6,923	6,910	6,839	6,758	6,844	6,855	6,939	-1.2%	6,440
Maximum	7,918	8,562	8,378	8,318	8,244	8,324	7,873	8,231	8,245	-0.2%	9,478
Coal Unit Availability											
Average	4,765	5,030	5,022	5,060	5,047	4,934	4,757	4,945	4,314		5,184
Utilization	82%	86%	86%	87%	86%	84%	81%	85%	74%	10.8%	89%
Gas and Hydro Unit Availability											
Average	2,471	2,270	2,178	2,320	2,287	2,338	2,202	2,295	2,515		2,199
Utilization	63%	58%	56%	59%	59%	60%	56%	48%	64%	-15.9%	56%



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 25**, prices were at or below:

\$20/MWh	26% of the time
\$50/MWh	71% of the time
\$100/MWh	95% of the time
\$250/MWh	98% of the time
\$500/MWh	100% of the time



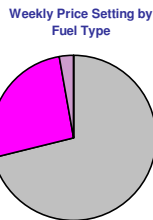
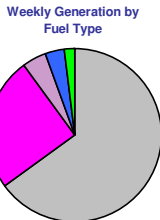
The heat rate duration curves show the % of time that the implied market heat rate was at or below a certain value during the week. For the week ending **August 25** implied market heat rates were at or below:

5.0 GJ/MWh	27% of the time
10.0 GJ/MWh	63% of the time
15.0 GJ/MWh	92% of the time
20.0 GJ/MWh	95% of the time

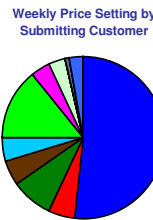
Market Share Statistics

By Fuel Type:

■ Coal
 ■ Gas - Cogen
 ■ Gas - Other
 ■ Hydro
 ■ Other

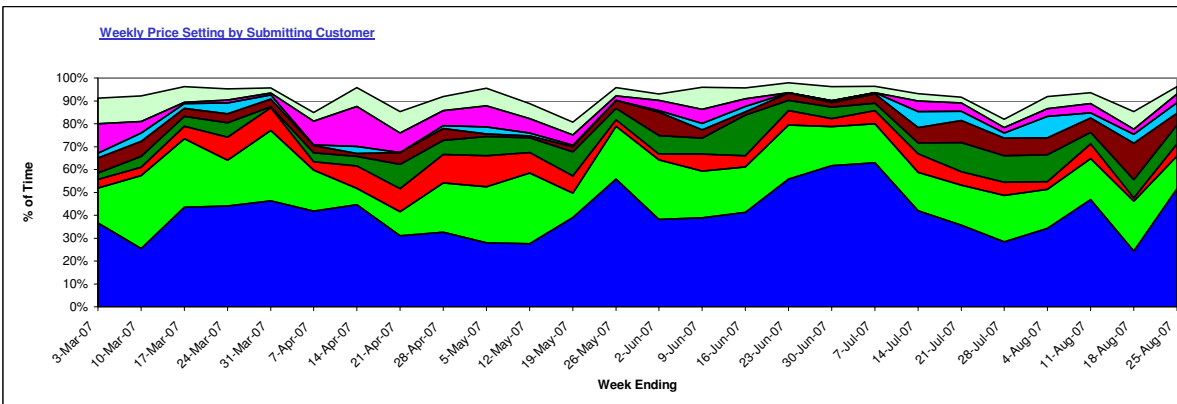


By Submitting Customer:

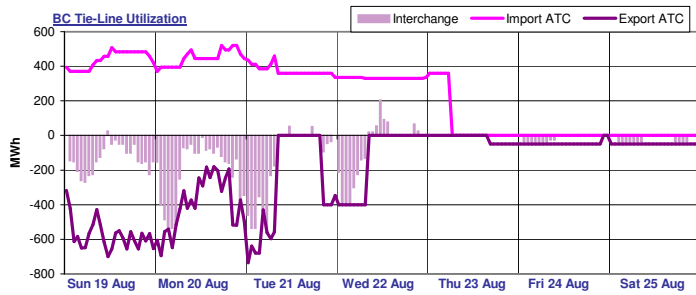


Last week, **coal units** were responsible for **65.1%** of the generation in the province and set price **71.1%** of the time. **Gas-cogen** units accounted for **24.8%** of the generation and set price **26.1%** of the time last week while **other gas** units made up **4.5%** of generation and set price **2.8%** 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 **51.6%** of the time and the top five price setters set price a total of **84.6%** of the time.

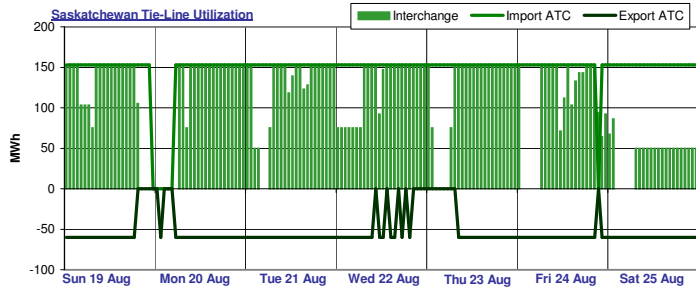


Interties

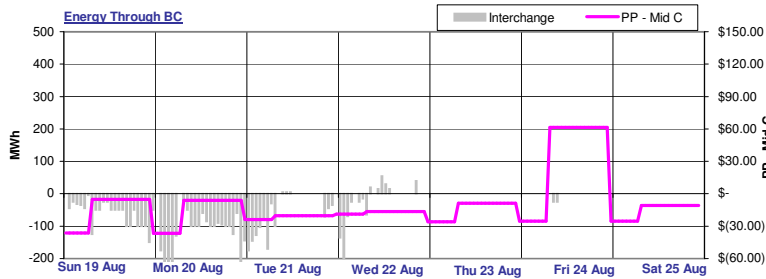


BC import capacity was 4% utilized last week while **BC export capacity** was 38% utilized. Energy was being imported into Alberta over the BC tie-line 8% of the time and exported out of Alberta over the BC tie-line 51% of the time last week. There was no activity on the BC tie-line 42% of the time last 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.



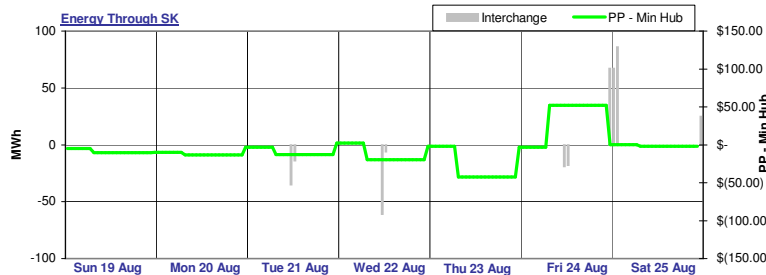
Saskatchewan import capacity was 73% utilized last week while **Saskatchewan export capacity** was 2% utilized. Energy was being imported into Alberta over the Saskatchewan tie-line 85% of the time and exported out of Alberta over the Saskatchewan tie-line 0% of the time last week. There was no activity on the Saskatchewan tie-line 15% of the time last week.



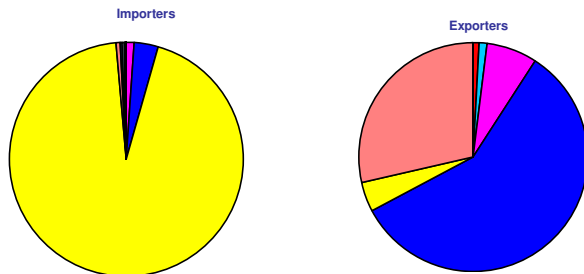
Last week, Alberta spot prices were mostly **lower** relative to prices in the Pacific Northwest as represented by **Mid-C** index prices, supporting **export** activity across the Alberta - BC interconnection.

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.



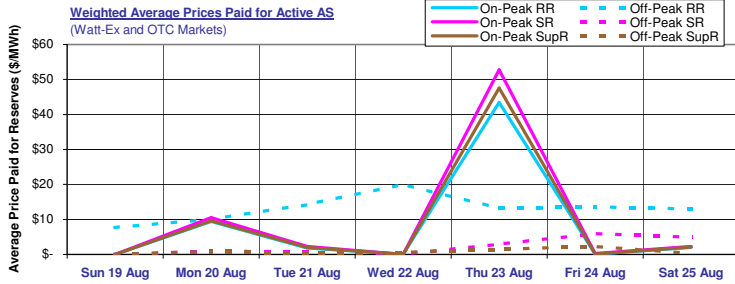
Tie-Line Market Shares



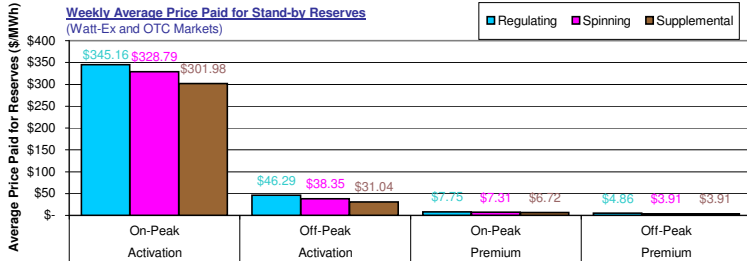
Last week, there were a total of 8 importers. The most active importer had a market share of 94.2% while the second most active importer had a market share of 33.5%. There were a total of 6 exporters last week. The most active exporter had a market share of 58.2% while the next largest exporter had a market share of 28.7%.

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

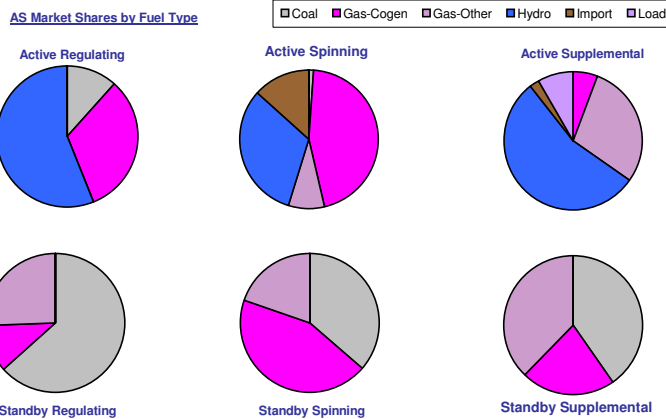
Ancillary Services Market



Average on-peak prices paid for active ancillary services last week were **\$7.73/MWh**, **\$9.53/MWh** and **\$8.54/MWh** respectively for active **regulating**, **spinning** and **supplemental** reserves. Active average off-peak prices were **lower** with the exception of off-peak regulating reserves and averaged **\$13.87/MWh**, **\$2.11/MWh** and **\$0.96/MWh** for active **regulating**, **spinning** and **supplemental** reserves respectively.



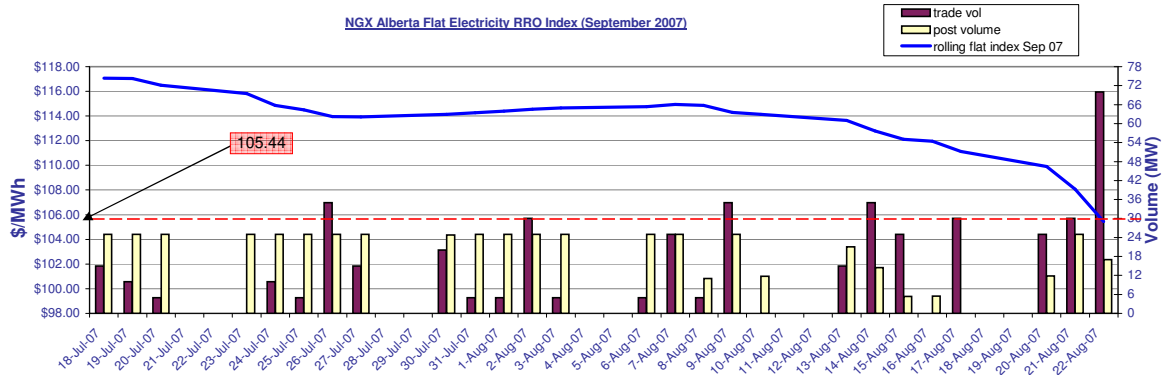
Weekly average activation prices for stand-by reserves ranged from **\$31.04/MWh** for **off-peak supplemental** reserves to **\$345.16/MWh** for **on-peak regulating** reserves. Weekly average premium prices ranged from **\$3.91/MWh** for **off-peak spinning** reserves up to **\$7.75/MWh** for **on-peak regulating** reserves.



Last week **hydro** units had the largest market share in the **active regulating** reserve market with **56.1%**. In the **active spinning** reserve market, **gas-cogen** units had the leading market share with **45.3%** while in the **active supplemental** reserve market, **hydro** units dominated with a **54.7%** market share.

Coal units dominated the **standby regulating** reserve market with a **63.4%** market share. Leading market share in the **standby spinning** market was held by **gas-cogen** units with a **43.9%** market share. In the **standby supplemental** reserve market, **coal** units had the leading market share with **40.3%**.

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.