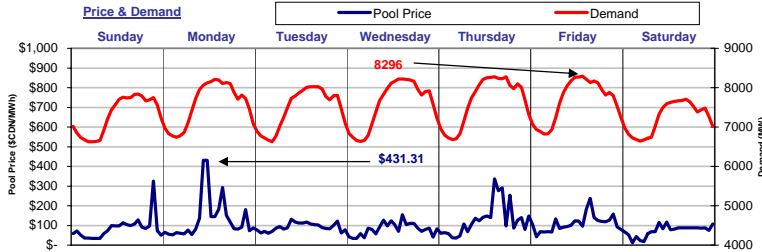


The Market Monitor

WATCHING THE MARKET : your fact source

Week Ending September 3, 2005

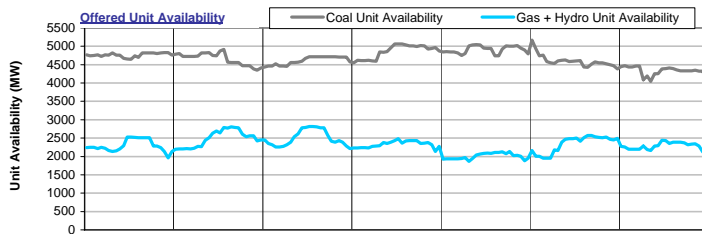
Weekly Highlights



For the week ending September 3, 2005, Pool Price averaged \$100.89/MWh and ranged from a minimum of \$10.78/MWh in HE03 on Saturday to a maximum of \$431.31/MWh in HE11 on Monday.

Demand reached a high of 8296 MW in HE14 on Friday and a low of 6623 MW in HE05 on Tuesday. Average demand for the week was 7499MW.

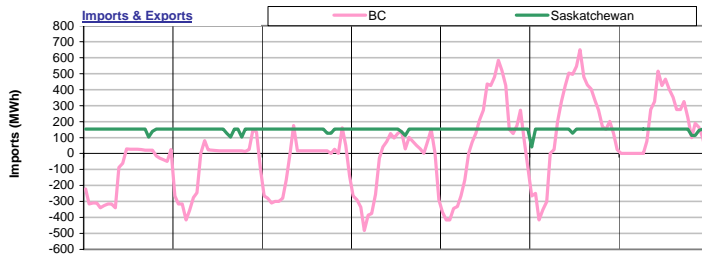
Pool Price and Demand were positively correlated last week with an R-squared value of 0.36.



Coal Unit Availability averaged 4676 MW last week. This is an equivalent availability of 80% (based on MCR).

Gas and Hydro Unit Availability averaged 2323MW last week, which is an equivalent of 41% (based on MCR).

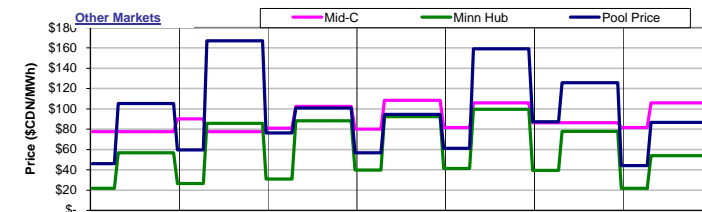
Availability numbers are based on MW offered into the energy merit order.



Alberta was a net importer from BC last week with total imports equal to 2,978MWh.

Alberta was a net importer from Saskatchewan last week with total imports equal to 25,186MWh.

Overall, Alberta imported 28,164MWh of electricity last week.

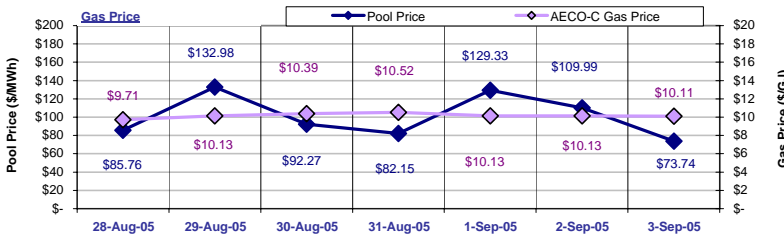


Pool Prices were generally higher than prices in Mid-C and higher than prices in Minn Hub last week.

Mid-C prices averaged \$97.79/MWh on-peak and \$82.63/MWh off-peak.

Minn Hub prices averaged \$83.02/MWh on-peak and \$31.59/MWh off-peak.

Prices in \$/MWh at an exchange rate of 1.2003.



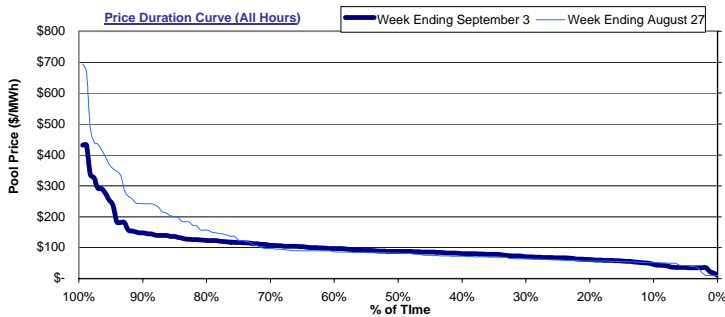
The average AECO-C Gas Price last week was \$10.16/GJ and ranged from a minimum of \$9.71/GJ to \$10.52/GJ.

Prevailing gas prices resulted in market heat rates ranging from a low of 7.29GJ/MWh to a high of 13.13GJ/MWh. The average market heat rate for the week was 9.94GJ/MWh.

Wholesale Market

Weekly Market Statistics

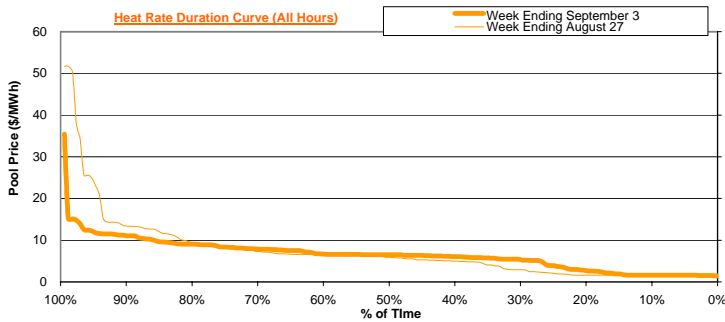
	Sunday 28-Aug	Monday 29-Aug	Tuesday 30-Aug	Wednesday 31-Aug	Thursday 1-Sep	Friday 2-Sep	Saturday 3-Sep	Average	Last Week	% Change	YTD
Pool Price											
Average	\$ 85.76	\$ 132.98	\$ 92.27	\$ 82.15	\$ 129.33	\$ 109.99	\$ 73.74	\$ 100.89	\$ 117.61	-14.2%	\$ 53.08
On-Peak	NA	\$ 167.21	\$ 100.96	\$ 94.61	\$ 159.31	\$ 125.70	\$ 86.80	\$ 122.43	\$ 154.57	-20.8%	\$ 63.10
Off-Peak	\$ 85.76	\$ 64.52	\$ 74.91	\$ 57.23	\$ 69.37	\$ 78.58	\$ 47.63	\$ 72.17	\$ 68.33	5.6%	\$ 36.97
COV	0.68	0.81	0.22	0.39	0.64	0.38	0.38	0.50	0.63	-20.6%	
Heat Rate											
Average	8.83	13.13	8.88	7.81	12.77	10.86	7.29	9.94	13.05	-23.9%	7.34
On-Peak	NA	16.51	9.72	9.00	15.73	12.41	8.58	11.99	15.19	-21.1%	8.75
Off-Peak	8.83	6.37	7.21	5.44	6.85	7.76	4.71	7.20	6.84	5.3%	5.52
Demand											
Average	7,302	7,580	7,467	7,581	7,663	7,669	7,229	7,499	7,419	1.1%	7,461
Minimum	6,628	6,743	6,623	6,632	6,683	6,820	6,645	6,682	6,621	0.9%	6,017
Maximum	7,836	8,212	8,028	8,220	8,277	8,296	7,711	8,083	8,013	0.9%	9,236
Coal Unit Availability											
Average	4,764	4,655	4,611	4,861	4,909	4,602	4,327	4,676	4,784		5,184
Utilization	82%	80%	79%	83%	84%	79%	74%	80%	82%	-1.9%	89%
Gas and Hydro Unit Availability											
Average	2,293	2,491	2,502	2,333	2,008	2,344	2,290	2,323	2,339		2,142
Utilization	48%	52%	53%	49%	42%	49%	48%	41%	41%	-0.3%	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 **September 3**, prices were at or below:

- \$20/MWh 1% of the time
- \$50/MWh 11% of the time
- \$100/MWh 63% of the time
- \$250/MWh 95% 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 **September 3**, implied market heat rates were at or below:

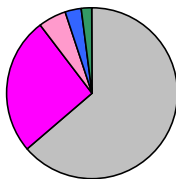
- 5.0 GJ/MWh 27% of the time
- 10.0 GJ/MWh 86% of the time
- 15.0 GJ/MWh 98% of the time
- 20.0 GJ/MWh 99% of the time

Market Share Statistics

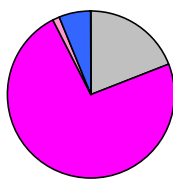
By Fuel Type:



Weekly Generation by Fuel Type

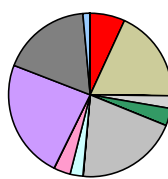


Weekly Price Setting by Fuel Type



By Submitting Customer:

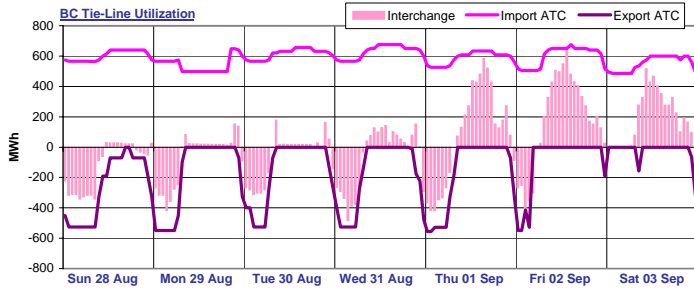
Weekly Price Setting by Submitting Customer



Last week, coal units were responsible for 63.6% of the generation in the province and set price 19.1% of the time. **Gas-cogen** units accounted for 26.1% of the generation and set price 73.4% of the time last week while **other gas** units made up 5.2% of generation and set price 1.3% of the time.

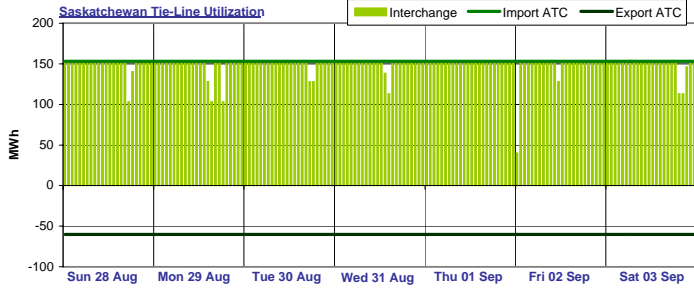
A total of 11 market participants set price last week. **One** market participants set price more than 20% of the time last week. The top price setter set price 22.5% of the time and the top five price setters set price a total of 79.9% of the time.

Interties

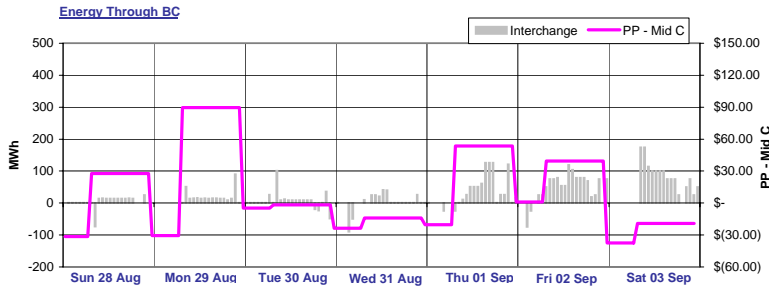


BC import capacity was 16% utilized last week while BC export capacity was 42% utilized. Energy was being imported into Alberta over the BC tie-line 62% of the time and exported out of Alberta over the BC tie-line 32% of the time last week. There was no activity on the BC tie-line 6% of the time last 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.



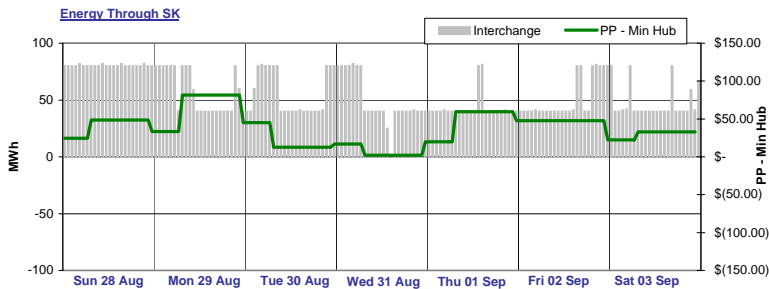
Saskatchewan import capacity was 96% utilized last week while Saskatchewan export capacity was 0% utilized. Energy was being imported into Alberta over the Saskatchewan tie-line 100% of the time and exported out of Alberta over the Saskatchewan tie-line 0% of the time last week. There was no activity on the Saskatchewan tie-line 0% of the time last week.



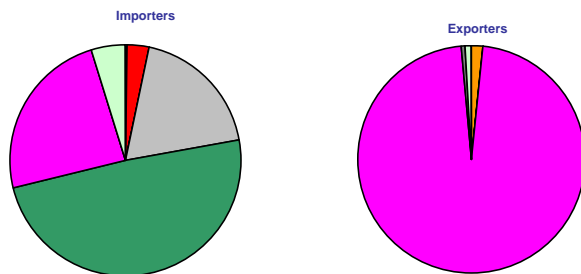
Last week, Alberta spot prices were mostly higher relative to prices in the Pacific Northwest as represented by Mid-C index prices, supporting import activity across the Alberta - BC interconnection.

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

Note: Platt's day-ahead strip used for both Mid-C and Min Hub "energy through" charts.



Tie-Line Market Shares

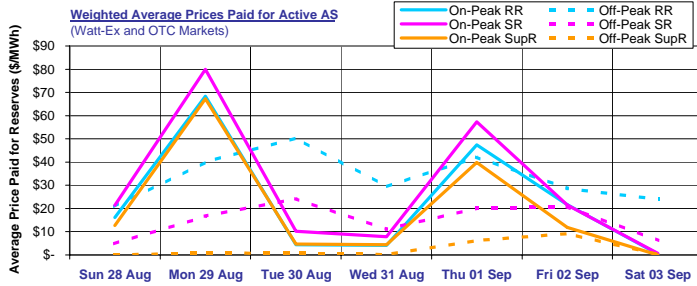


Last week, there were a total of 7 importers. The most active importer had a market share of 48.7% while the second most active importer had a market share of 24.3%.

There were a total of 4 exporters last week. The most active exporter had a market share of 97.1% while the next largest exporter had a market share of 1.6%.

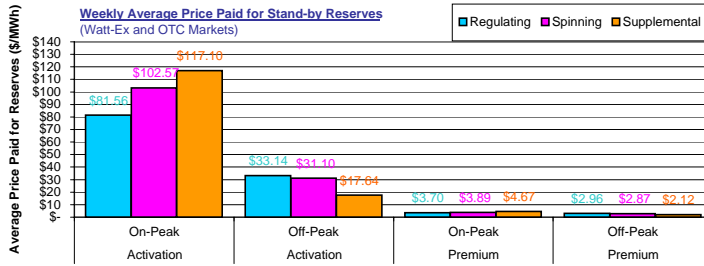
Note: Market shares are based on the combined activity on both interties.

Ancillary Services Market



Average on-peak prices paid for active ancillary services last week were \$23.20/MWh, \$28.83/MWh and \$20.45/MWh respectively for active regulating, spinning and supplemental reserves.

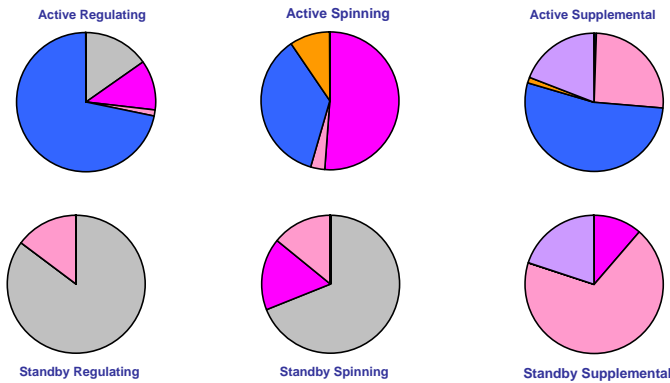
Active average off-peak prices were somewhat lower and averaged \$35.95/MWh, \$14.64/MWh and \$1.66/MWh for active regulating, spinning and supplemental reserves respectively.



Weekly average activation prices for stand-by reserves ranged from \$17.64/MWh for off-peak supplemental reserves to \$117.10/MWh for on-peak supplemental reserves.

Weekly average premium prices ranged from \$2.12/MWh for off-peak supplemental reserves up to \$4.67/MWh for on-peak supplemental reserves.

AS Market Shares by Fuel Type



Last week hydro units had the largest market share in the active regulating reserve market with 71.8%. In the active spinning reserve market, hydro units had the leading market share with 51.0% while in the active supplemental reserve market, hydro units dominated with a 53.3% market share.

Coal units dominated the standby regulating reserve market with a 85.1% market share. Leading market share in the standby spinning market was held by gas units with a 68.8% market share. In the standby supplemental reserve market, gas units had the leading market share with 68.6%.

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.