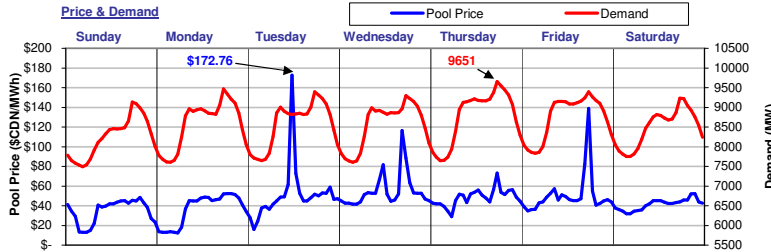


The Market Monitor

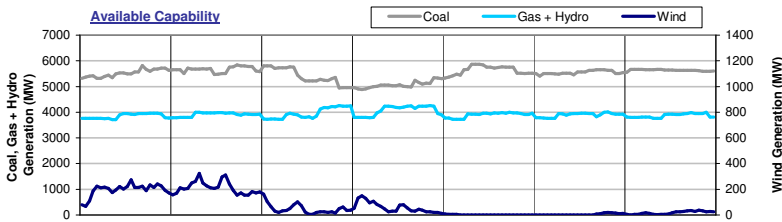
WATCHING THE MARKET : your fact source

Week Ending January 23, 2010

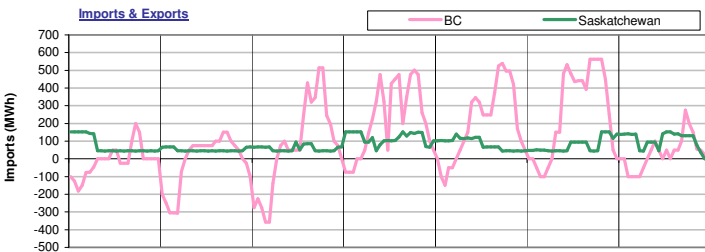
Weekly Highlights



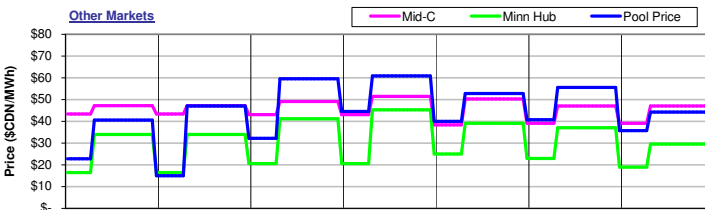
For the week ending January 23, 2010, **Pool Price** averaged \$45.48/MWh and ranged from a minimum of \$12.39/MWh in HE06 on Monday to a maximum of \$172.76/MWh in HE12 on Tuesday. **Demand** reached a high of 9,651 MW in HE18 on Thursday and a low of 7,493 MW in HE05 on Sunday. Average demand for the week was 8,565 MW. **Pool Price** and **Demand** were positively correlated last week with an R-squared value of 0.31.



Coal Unit Availability averaged 5497 MW last week. This is an equivalent availability of 91%. **Gas, Hydro and Other Unit Availability** averaged 3922 MW last week, which is an equivalent of 69%. **Wind Generation** averaged 77 MW last week. This is an equivalent availability of 14%. Availability numbers are based on MW offered into the energy merit order.

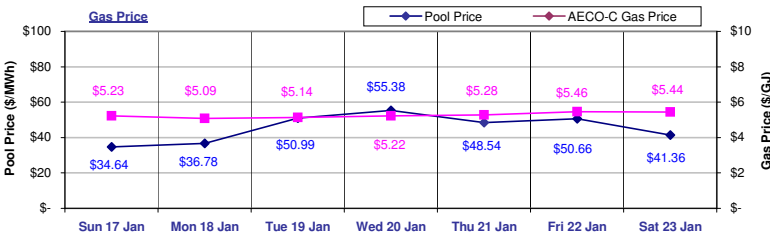


Alberta was a net importer from BC last week with total imports equal to 18,264 MWh. Alberta was a net importer from Saskatchewan last week with total imports equal to 13,578 MWh. Overall, Alberta imported 31,842 MWh of electricity last week.



Pool Prices were generally lower than prices in **Mid-C** and higher than prices in **Minn Hub** last week. **Mid-C** prices averaged \$48.68/MWh on-peak and \$41.38/MWh off-peak. **Minn Hub** prices averaged \$37.67/MWh on-peak and \$20.13/MWh off-peak.

Prices in \$CDN at an exchange rate of 1.029.



The average **AECO-C Gas Price** last week was \$5.26/GJ and ranged from a minimum of \$5.09/GJ to \$5.46/GJ. Prevailing gas prices resulted in market heat rates ranging from a low of 6.62 GJ/MWh to a high of 10.61 GJ/MWh. The average market heat rate for the week was 8.64 GJ/MWh.

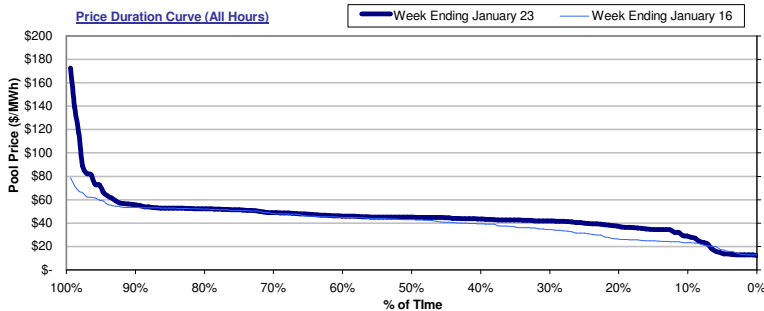


Alberta's Market Surveillance Administrator is in place to monitor the fair, efficient and openly competitive operation of all electricity markets within the province. The **Market Monitor** is a weekly publication by the MSA intended to educate industry participants and the public on market activities 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

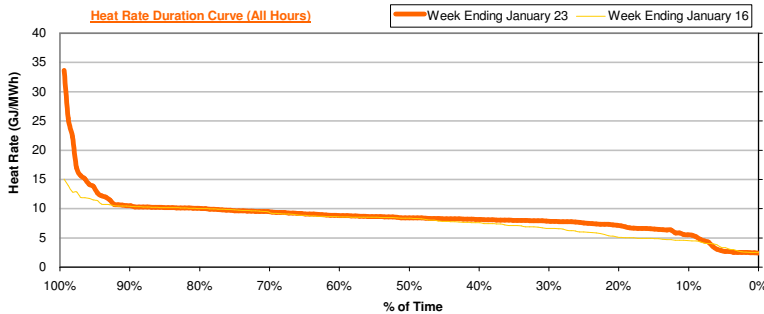
Weekly Market Statistics

	Sunday 17-Jan	Monday 18-Jan	Tuesday 19-Jan	Wednesday 20-Jan	Thursday 21-Jan	Friday 22-Jan	Saturday 23-Jan	Average	Last Week	% Change	YTD
Pool Price											
Average	\$ 34.64	\$ 36.78	\$ 50.99	\$ 55.38	\$ 48.54	\$ 50.66	\$ 41.36	\$ 45.48	\$ 40.41	12.5%	\$ 42.48
On-Peak	NA	\$ 46.99	\$ 59.59	\$ 60.95	\$ 52.84	\$ 55.64	\$ 44.26	\$ 53.38	\$ 47.84	11.6%	\$ 50.06
Off-Peak	\$ 34.64	\$ 16.36	\$ 33.81	\$ 44.24	\$ 39.92	\$ 40.71	\$ 35.56	\$ 34.95	\$ 30.51	14.6%	\$ 31.45
COV	0.34	0.43	0.56	0.32	0.18	0.41	0.14	0.34	0.28	20.9%	
Heat Rate											
Average	6.62	7.23	9.93	10.61	9.20	9.28	7.60	8.64	7.80	10.7%	8.00
On-Peak	NA	9.23	11.60	11.68	10.02	10.20	8.13	10.14	9.22	10.1%	9.42
Off-Peak	6.62	3.21	6.58	8.48	7.57	7.46	6.53	6.63	5.92	12.1%	5.92
Demand											
Average	8,242	8,578	8,570	8,561	8,775	8,743	8,485	8,565	8,276	3.5%	8,489
Minimum	7,493	7,605	7,644	7,606	7,649	7,836	7,751	7,655	7,367	3.9%	7,282
Maximum	9,131	9,465	9,396	9,298	9,651	9,397	9,234	9,367	9,144	2.4%	9,799
Coal Unit Availability											
Average	5,521	5,667	5,402	5,068	5,640	5,546	5,636	5,497	5,220	4.6%	5,405
AC/MC	91%	94%	89%	84%	93%	92%	93%	91%	86%		89%
Gas, Hydro and Other Unit Availability											
Average	3,848	3,913	3,959	4,071	3,899	3,896	3,869	3,922	3,827	1.7%	3,917
AC/MC	67%	69%	69%	71%	68%	68%	68%	69%	67%		69%



The price duration curves show the % of time that prices were at or below a certain value during the week. For the week ending **January 23**, prices were at or below:

\$20/MWh	7% of the time
\$50/MWh	72% of the time
\$100/MWh	98% of the time
\$250/MWh	100% 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 **January 23** implied market heat rates were at or below:

5.0 GJ/MWh	9% of the time
10.0 GJ/MWh	80% of the time
15.0 GJ/MWh	96% of the time
20.0 GJ/MWh	98% of the time

Market Share Statistics

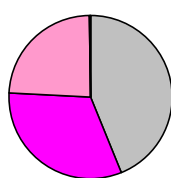
By Fuel Type:

Coal Gas - Cogen Gas - Other Hydro Other

Weekly Generation by Fuel Type



Weekly Price Setting by Fuel Type



By Submitting Customer:

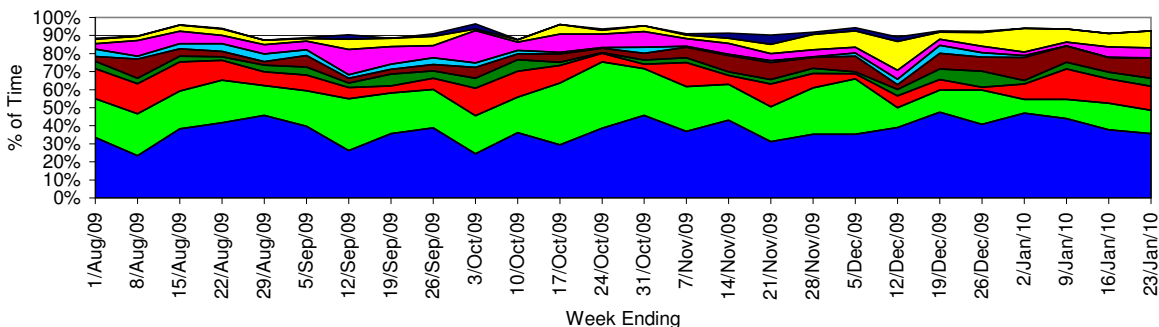
Weekly Price Setting by Submitting Customer



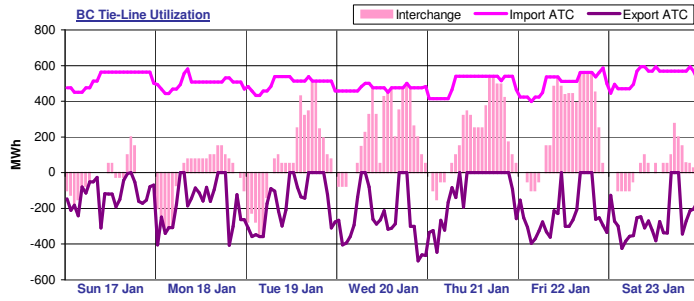
Last week, **coal units** were responsible for **64.5%** of the generation in the province and set price **43.8%** of the time. **Gas-cogen** units accounted for **25.4%** of the generation and set price **32.0%** of the time last week while **other gas** units made up **5.1%** of generation and set price **24.0%** of the time.

A total of **13** 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 **35.6%** of the time and the top five price setters set price a total of **82.5%** of the time.

Weekly Price Setting by Submitting Customer

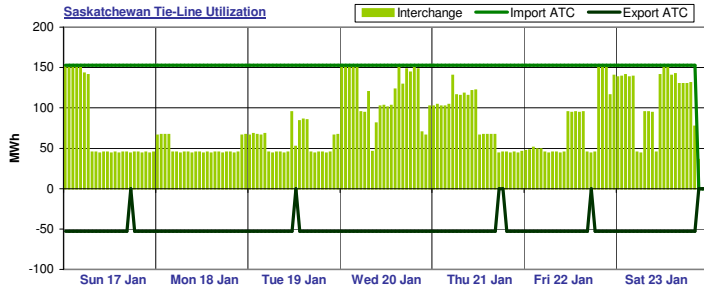


Interties

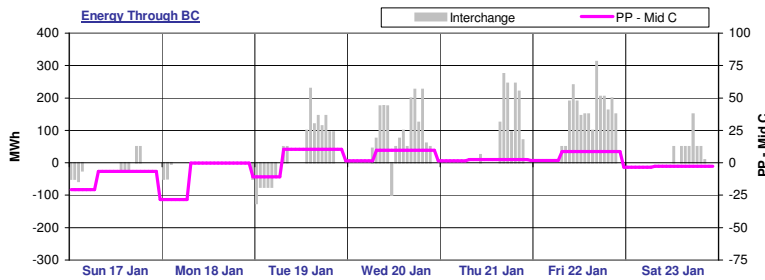


BC import capacity was 28% utilized last week while BC export capacity was 17% utilized. Energy was being imported into Alberta over the BC tie-line 60% of the time and exported out of Alberta over the BC tie-line 24% of the time last week. There was no activity on the BC tie-line 16% of the time last 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.



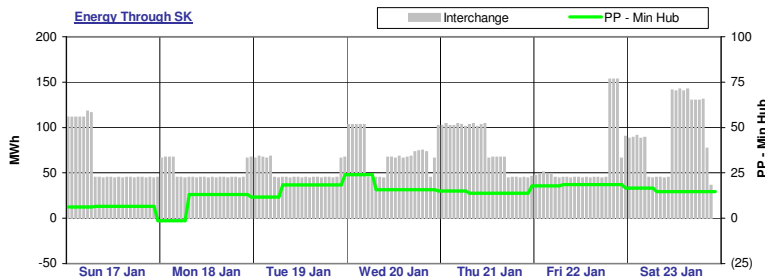
Saskatchewan import capacity was 54% utilized last week while Saskatchewan export capacity was 0% utilized. Energy was being imported into Alberta over the Saskatchewan tie-line 99% of the time and exported out of Alberta over the Saskatchewan tie-line 0% of the time last week. There was no activity on the Saskatchewan tie-line 1% of the time last week.



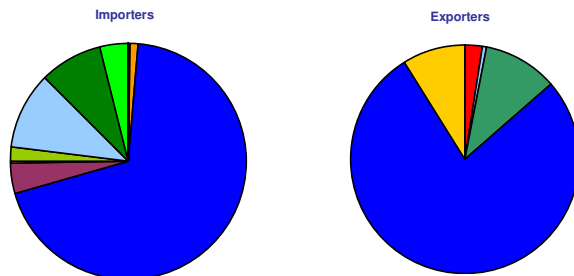
Last week, Alberta spot prices were mostly lower relative to prices in the Pacific Northwest as represented by Mid-C index prices.

Alberta prices were generally higher than prices in MISO as represented by spot prices at the Minnesota Hub.

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



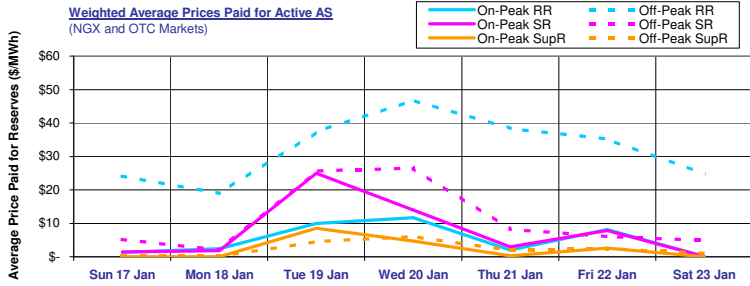
Tie-Line Market Shares



Last week, there were a total of 9 importers. The most active importer had a market share of 68.9% while the second most active importer had a market share of 10.6%. There were a total of 5 exporters last week. The most active exporter had a market share of 77.5% while the next largest exporter had a market share of 10.5%.

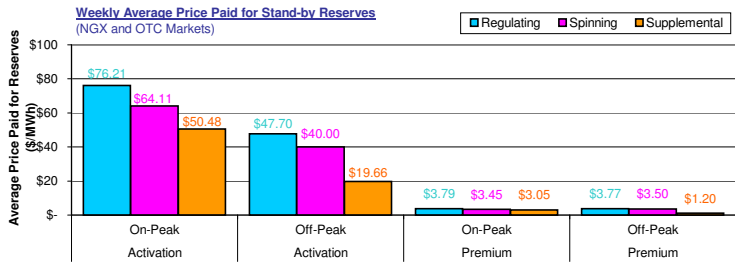
Note: Market shares are based on the combined activity on both interties.

Ancillary Services Market



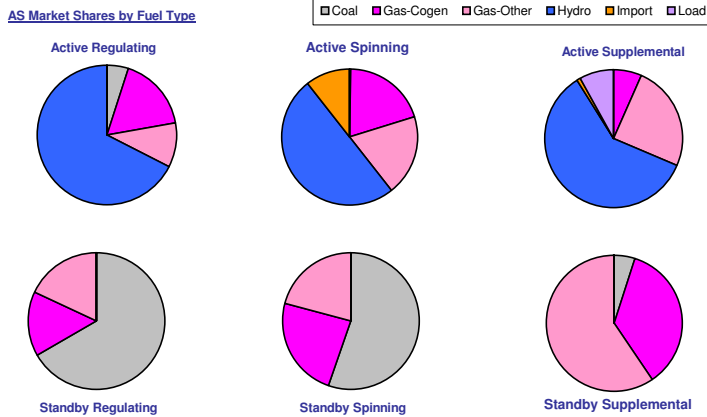
Average on-peak prices paid for active ancillary services last week were \$5.12/MWh, \$7.71/MWh and \$2.34/MWh respectively for active **regulating**, **spinning** and **supplemental** reserves.

Active average off-peak prices were higher and averaged \$32.46/MWh, \$11.32/MWh and \$2.34/MWh for active **regulating**, **spinning** and **supplemental** reserves respectively.



Weekly average activation prices for stand-by reserves ranged from \$19.66/MWh for **off-peak supplemental** reserves to \$76.21/MWh for **on-peak regulating** reserves.

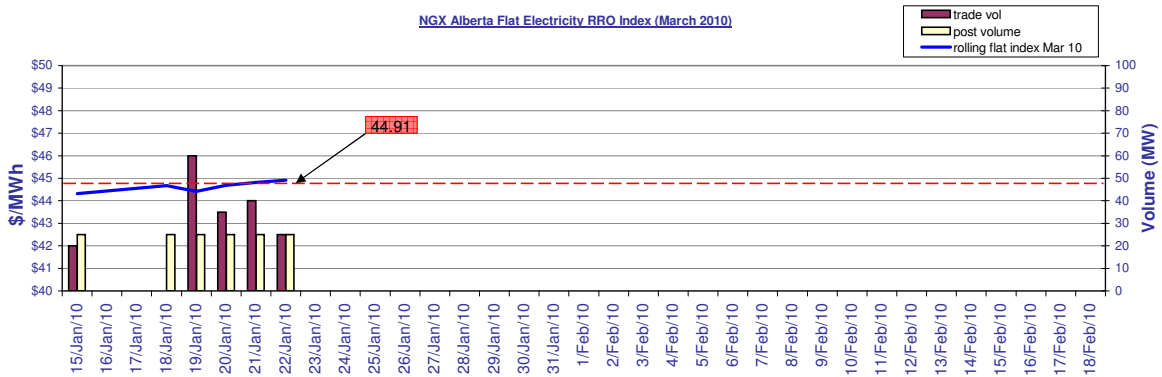
Weekly average premium prices ranged from \$1.20/MWh for **off-peak supplemental** reserves up to \$3.79/MWh for **on-peak regulating** reserves.



Last week **hydro** units had the largest market share in the **active regulating** reserve market with **67.5%**. In the **active spinning** reserve market, **hydro** units had the leading market share with **50.1%** while in the **active supplemental** reserve market, **hydro** units dominated with a **59.8%** market share.

Coal units dominated the **standby regulating** reserve market with a **66.5%** market share. Leading market share in the **standby spinning** market was held by **coal** units with a **55.1%** market share. In the **standby supplemental** reserve market, **gas** units had the leading market share with **59.4%**.

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 (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.