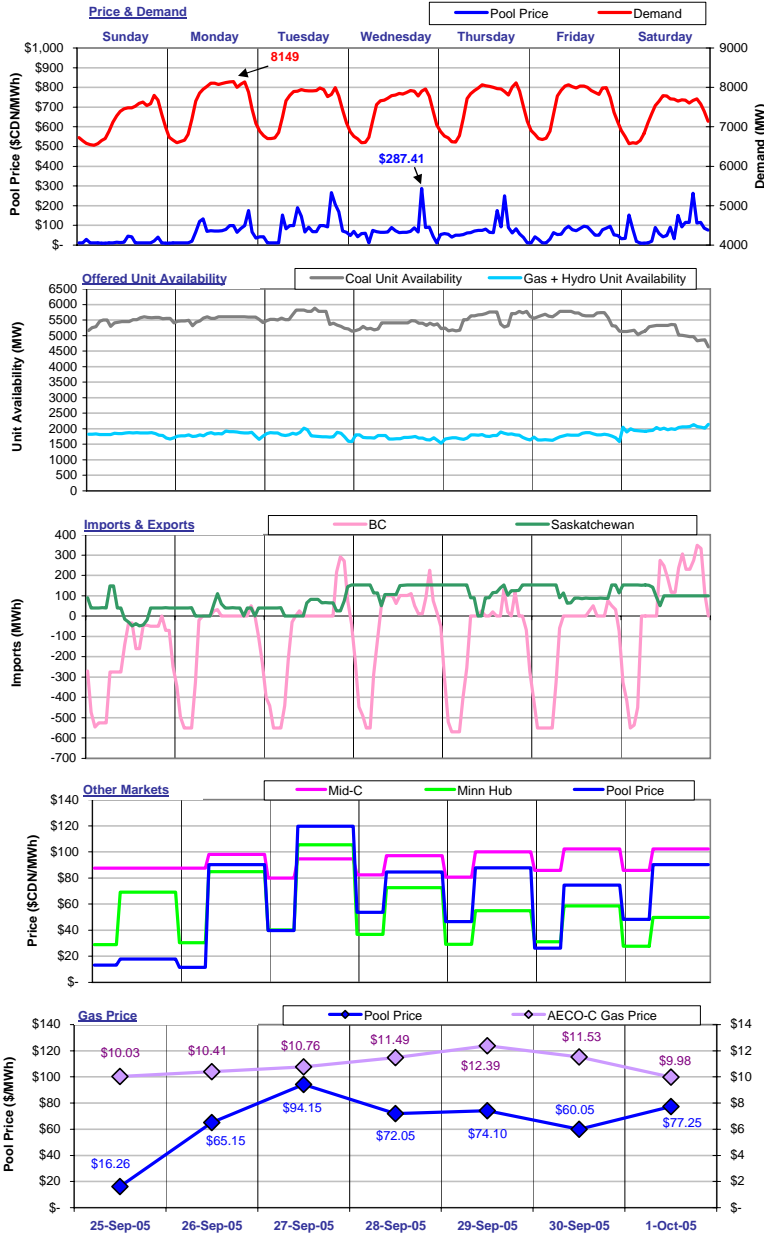


The Market Monitor

WATCHING THE MARKET : your fact source

Week Ending October 1, 2005

Weekly Highlights



For the week ending October 1, 2005, **Pool Price** averaged \$65.57/MWh and ranged from a minimum of \$8.98/MWh in HE01 on Monday to a maximum of \$287.41/MWh in HE20 on Wednesday.

Demand reached a high of 8149 MW in HE18 on Monday and a low of 6533 MW in HE05 on Sunday. Average demand for the week was 7454MW.

Pool Price and **Demand** were positively correlated last week with an R-squared value of 0.28.

Coal Unit Availability averaged 5454 MW last week. This is an equivalent availability of 93% (based on MCR).

Gas and Hydro Unit Availability averaged 1810MW last week, which is an equivalent of 32% (based on MCR).

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

Alberta was a net exporter to **BC** last week with total exports equal to 17,763MWh.

Alberta was a net importer from **Saskatchewan** last week with total imports equal to 14,381MWh.

Overall, Alberta exported 3,382MWh 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 \$99.11/MWh on-peak and \$84.21/MWh off-peak.

Minn Hub prices averaged \$71.03/MWh on-peak and \$32.05/MWh off-peak.

Prices in \$CDN at an exchange rate of 1.1708.

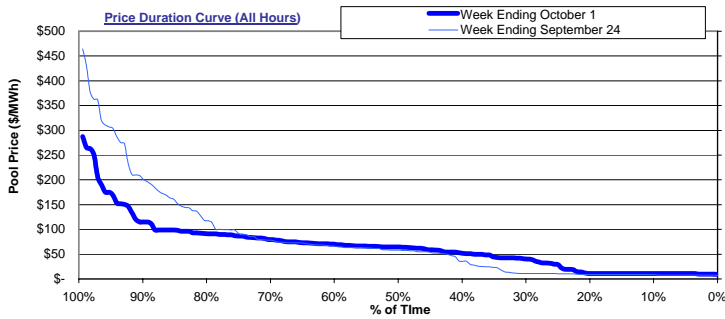
The average **AECO-C Gas Price** last week was \$10.94/GJ and ranged from a minimum of \$9.98/GJ to \$12.39/GJ.

Prevailing gas prices resulted in market heat rates ranging from a low of 1.62GJ/MWh to a high of 8.75GJ/MWh. The average market heat rate for the week was 5.97GJ/MWh.

Wholesale Market

Weekly Market Statistics

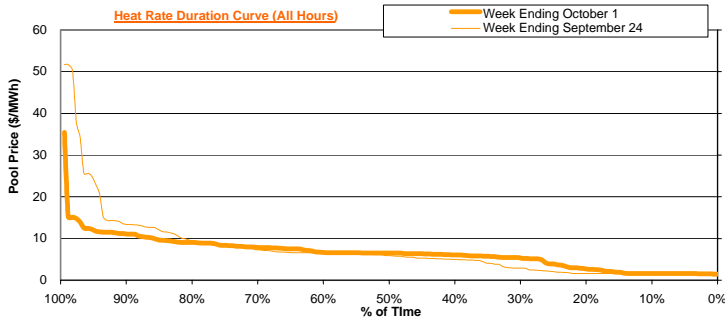
	Sunday 25-Sep	Monday 26-Sep	Tuesday 27-Sep	Wednesday 28-Sep	Thursday 29-Sep	Friday 30-Sep	Saturday 1-Oct	Average	Last Week	% Change	YTD
Pool Price											
Average	\$ 16.26	\$ 65.15	\$ 94.15	\$ 72.05	\$ 74.10	\$ 60.05	\$ 77.25	\$ 65.57	\$ 78.31	-16.3%	\$ 54.93
On-Peak	NA	\$ 90.32	\$ 119.58	\$ 84.56	\$ 87.86	\$ 74.58	\$ 90.15	\$ 91.17	\$ 125.57	-27.4%	\$ 66.92
Off-Peak	\$ 16.26	\$ 14.82	\$ 43.30	\$ 47.02	\$ 46.58	\$ 30.98	\$ 51.45	\$ 31.44	\$ 15.31	105.4%	\$ 36.33
COV	0.68	0.68	0.70	0.70	0.64	0.46	0.76	0.66	0.80	-18.0%	
Heat Rate											
Average	1.62	6.26	8.75	6.27	5.98	5.21	7.74	5.97	7.03	-15.0%	7.30
On-Peak	NA	8.67	11.11	7.36	7.09	6.47	9.03	8.29	11.38	-27.2%	8.86
Off-Peak	1.62	1.42	4.02	4.09	3.76	2.69	5.15	2.89	1.43	102.3%	5.30
Demand											
Average	7,155	7,593	7,524	7,454	7,563	7,572	7,317	7,454	7,224	3.2%	7,456
Minimum	6,533	6,600	6,702	6,600	6,612	6,680	6,575	6,615	6,423	3.0%	6,017
Maximum	7,798	8,149	7,992	7,963	8,119	8,069	7,790	7,983	7,758	2.9%	9,236
Coal Unit Availability											
Average	5,468	5,540	5,562	5,340	5,531	5,630	5,108	5,454	5,195		5,185
Utilization	94%	95%	95%	91%	95%	96%	87%	93%	89%	4.4%	89%
Gas and Hydro Unit Availability											
Average	1,822	1,823	1,803	1,707	1,755	1,750	2,008	1,810	1,826		2,118
Utilization	38%	38%	38%	36%	37%	37%	42%	32%	32%	-0.3%	37%



The price duration curves show the % of time that prices were at or below a certain value during the week.

For the week ending **October 1**, prices were at or below:

- \$20/MWh 24% of the time
- \$50/MWh 38% of the time
- \$100/MWh 88% 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 **October 1**, implied market heat rates were at or below:

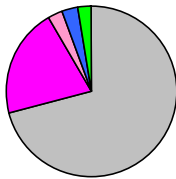
- 5.0 GJ/MWh 27% of the time
- 10.0 GJ/MWh 86% of the time
- 15.0 GJ/MWh 98% of the time
- 20.0 GJ/MWh 99% of the time

Market Share Statistics

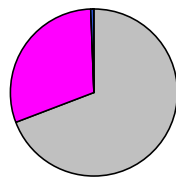
By Fuel Type:



Weekly Generation by Fuel Type



Weekly Price Setting by Fuel Type



By Submitting Customer:

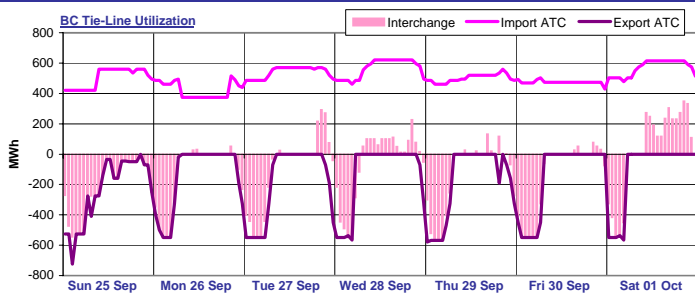
Weekly Price Setting by Submitting Customer



Last week, coal units were responsible for **70.8%** of the generation in the province and set price **69.1%** of the time. **Gas-cogen** units accounted for **20.9%** of the generation and set price **30.3%** of the time last week while **other gas** units made up **2.8%** of generation and set price **0.0%** of the time.

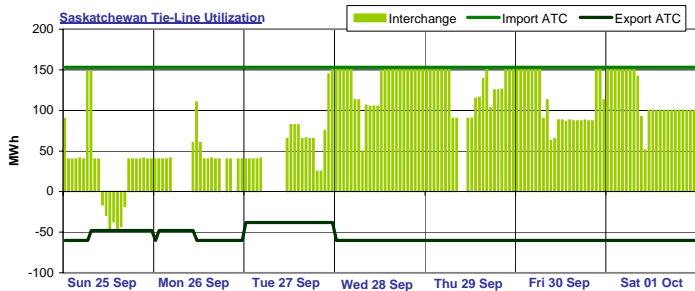
A total of **11** market participants set price last week. **Two** market participants set price more than 20% of the time last week. The top price setter set price **30.4%** of the time and the top five price setters set price a total of **89.4%** of the time.

Interties

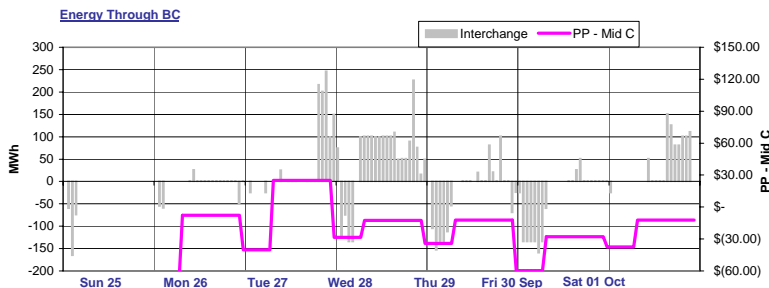


BC import capacity was 6% utilized last week while BC export capacity was 82% utilized. Energy was being imported into Alberta over the BC tie-line 45% of the time and exported out of Alberta over the BC tie-line 43% of the time last week. There was no activity on the BC tie-line 13% of the time last 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.



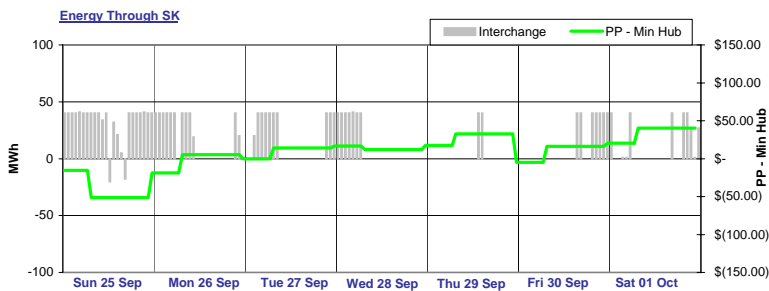
Saskatchewan import capacity was 57% utilized last week while Saskatchewan export capacity was 3% utilized. Energy was being imported into Alberta over the Saskatchewan tie-line 87% of the time and exported out of Alberta over the Saskatchewan tie-line 4% of the time last week. There was no activity on the Saskatchewan tie-line 9% of the time last week.



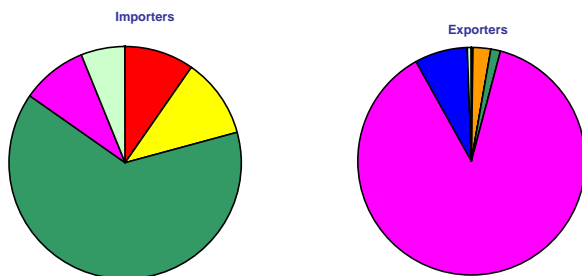
Last week, Alberta spot prices were mostly lower relative to prices in the Pacific Northwest as represented by Mid-C index prices, supporting export activity across the Alberta - BC interconnection.

Alberta prices were generally 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 for Mid C and Min Hub used in energy through graphs.



Tie-Line Market Shares

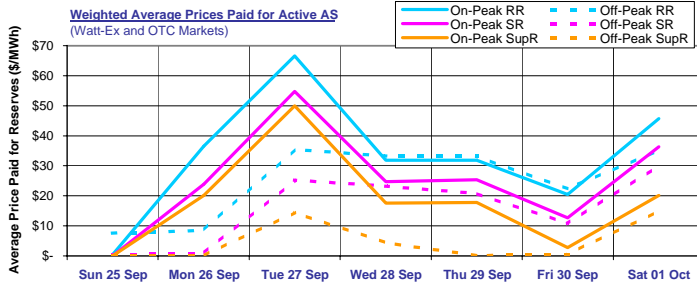


Last week, there were a total of 6 importers. The most active importer had a market share of 64.1% while the second most active importer had a market share of 11.0%.

There were a total of 6 exporters last week. The most active exporter had a market share of 87.9% while the next largest exporter had a market share of 7.4%.

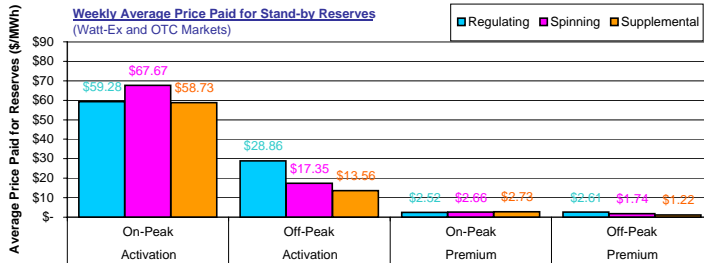
Note: Market shares are based on the combined activity on both interties.

Ancillary Services Market



Average on-peak prices paid for active ancillary services last week were \$33.35/MWh, \$25.38/MWh and \$18.35/MWh respectively for active **regulating**, **spinning** and **supplemental** reserves.

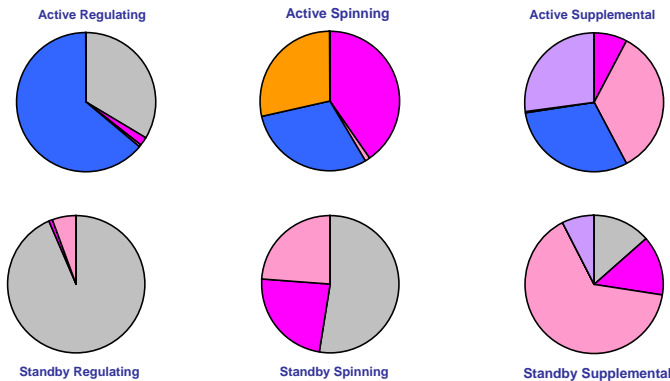
Active average off-peak prices were somewhat **higher** and averaged \$25.09/MWh, \$15.89/MWh and \$4.92/MWh for active **regulating**, **spinning** and **supplemental** reserves respectively.



Weekly average activation prices for stand-by reserves ranged from \$13.56/MWh for **off-peak supplemental** reserves to \$67.67/MWh for **on-peak spinning** reserves.

Weekly average premium prices ranged from \$1.22/MWh for **off-peak supplemental** reserves up to \$2.73/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 63.8%. In the **active spinning** reserve market, **gas-cogen** units had the leading market share with 40.2% while in the **active supplemental** reserve market, **gas-other** units dominated with a 34.6% market share.

Coal units dominated the **standby regulating** reserve market with a 93.6% market share. Leading market share in the **standby spinning** market was held by coal units with a 52.6% market share. In the **standby supplemental** reserve market, **gas-other** units had the leading market share with 65.0%.

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.