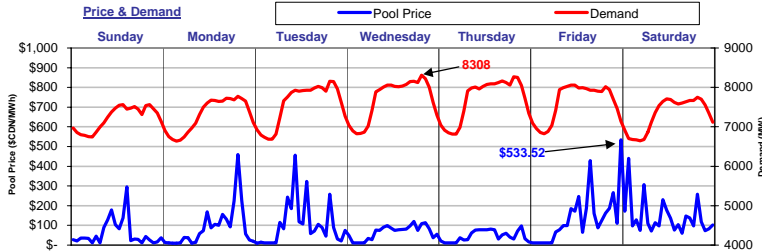


The Market Monitor

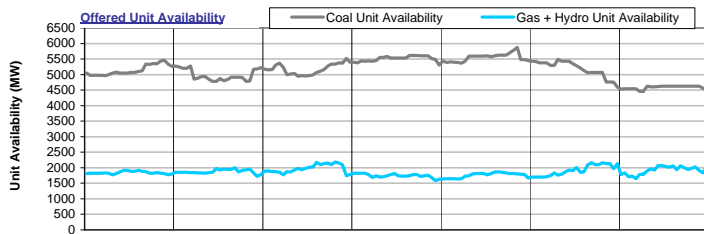
WATCHING THE MARKET : your fact source

Week Ending October 15, 2005

Weekly Highlights

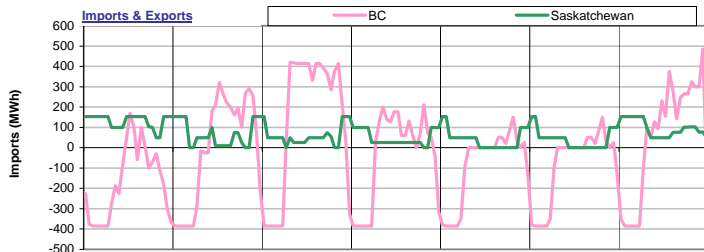


For the week ending October 15, 2005, **Pool Price** averaged \$92.86/MWh and ranged from a minimum of \$9.51/MWh in HE04 on Monday to a maximum of \$533.52/MWh in HE24 on Friday. **Demand** reached a high of 8308 MW in HE20 on Wednesday and a low of 6641 MW in HE04 on Monday. Average demand for the week was 7493MW. **Pool Price** and **Demand** were positively correlated last week with an R-squared value of 0.08.



Coal Unit Availability averaged 5161 MW last week. This is an equivalent availability of 88% (based on MCR). Gas and Hydro Unit Availability averaged 1862MW last week, which is an equivalent of 33% (based on MCR).

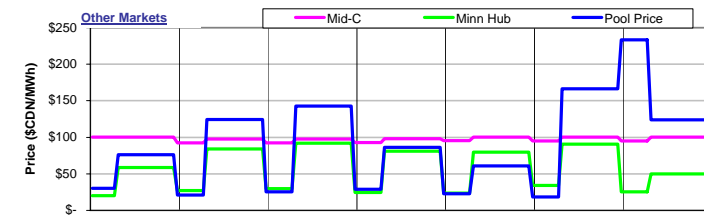
Availability numbers are based on MW offered into the energy merit order.



Alberta was a net exporter to BC last week with total exports equal to 4,910MWh.

Alberta was a net importer from Saskatchewan last week with total imports equal to 11,615MWh.

Overall, Alberta imported 6,705MWh of electricity last week.

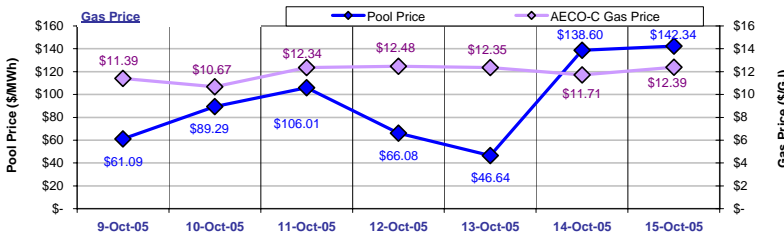


Pool Prices were generally lower than prices in Mid-C and higher than prices in Minn Hub last week.

Mid-C prices averaged \$99.02/MWh on-peak and \$94.79/MWh off-peak.

Minn Hub prices averaged \$79.57/MWh on-peak and \$26.34/MWh off-peak.

Prices in \$/MWh at an exchange rate of 1.1744.



The average AECO-C Gas Price last week was \$11.91/GJ and ranged from a minimum of \$10.67/GJ to \$12.48/GJ.

Prevailing gas prices resulted in market heat rates ranging from a low of 3.78GJ/MWh to a high of 11.83GJ/MWh. The average market heat rate for the week was 7.82GJ/MWh.

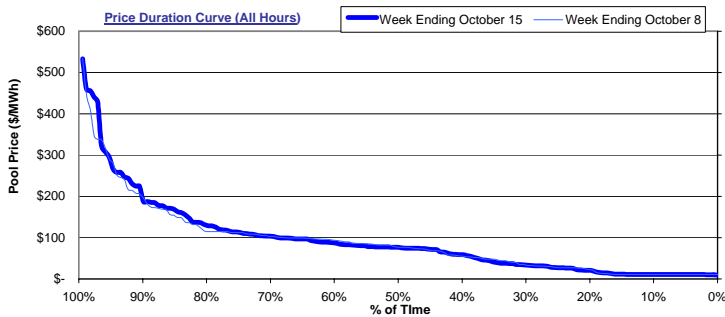


Alberta's Market Surveillance Administrator is in place to monitor the fair, efficient and openly competitive operation of all electricity markets within the province. The Market Monitor is a weekly publication by the MSA intended to educate industry participants and the public on market activities for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

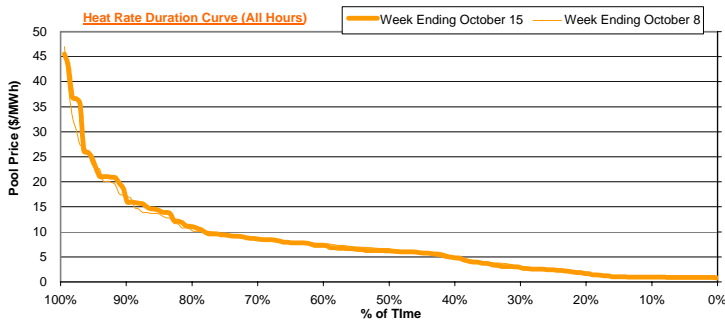
	Sunday 9-Oct	Monday 10-Oct	Tuesday 11-Oct	Wednesday 12-Oct	Thursday 13-Oct	Friday 14-Oct	Saturday 15-Oct	Average	Last Week	% Change	YTD
Pool Price											
Average	\$ 61.09	\$ 89.29	\$ 106.01	\$ 66.08	\$ 46.64	\$ 138.60	\$ 142.34	\$ 92.86	\$ 90.78	2.3%	\$ 56.72
On-Peak	NA	\$ 124.49	\$ 142.85	\$ 86.04	\$ 60.95	\$ 166.31	\$ 123.84	\$ 117.41	\$ 115.34	1.8%	\$ 69.33
Off-Peak	\$ 61.09	\$ 18.89	\$ 32.32	\$ 26.15	\$ 18.01	\$ 83.17	\$ 179.35	\$ 60.13	\$ 58.04	3.6%	\$ 37.12
COV	1.10	1.16	1.07	0.52	0.60	0.95	0.62	0.86	0.85	0.5%	
Heat Rate											
Average	5.36	8.37	8.59	5.29	3.78	11.83	11.49	7.82	7.46	4.7%	7.37
On-Peak	NA	11.67	11.57	6.89	4.94	14.20	10.00	9.88	9.66	2.2%	8.98
Off-Peak	5.36	1.77	2.62	2.09	1.46	7.10	14.48	5.07	5.02	0.9%	5.30
Demand											
Average	7,223	7,297	7,576	7,703	7,712	7,626	7,312	7,493	7,527	-0.5%	7,445
Minimum	6,741	6,641	6,687	6,825	6,816	6,825	6,646	6,740	6,744	-0.1%	6,017
Maximum	7,564	7,777	8,154	8,308	8,273	8,060	7,754	7,984	8,028	-0.5%	9,236
Coal Unit Availability											
Average	5,141	4,980	5,176	5,511	5,550	5,187	4,581	5,161	5,137		5,183
Utilization	88%	85%	89%	94%	95%	89%	78%	88%	88%	0.4%	89%
Gas and Hydro Unit Availability											
Average	1,841	1,878	1,974	1,745	1,761	1,920	1,919	1,862	1,960		2,108
Utilization	39%	39%	41%	37%	37%	40%	40%	33%	35%	-1.7%	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 15**, prices were at or below:

- \$20/MWh 20% of the time
- \$50/MWh 38% of the time
- \$100/MWh 68% of the time
- \$250/MWh 93% of the time
- \$500/MWh 99% 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 15**, implied market heat rates were at or below:

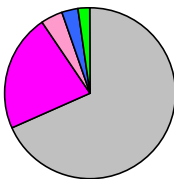
- 5.0 GJ/MWh 41% of the time
- 10.0 GJ/MWh 79% of the time
- 15.0 GJ/MWh 87% of the time
- 20.0 GJ/MWh 92% of the time

Market Share Statistics

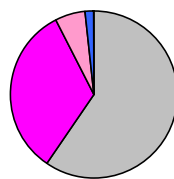
By Fuel Type:



Weekly Generation by Fuel Type

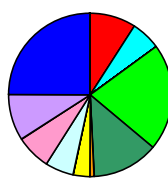


Weekly Price Setting by Fuel Type



By Submitting Customer:

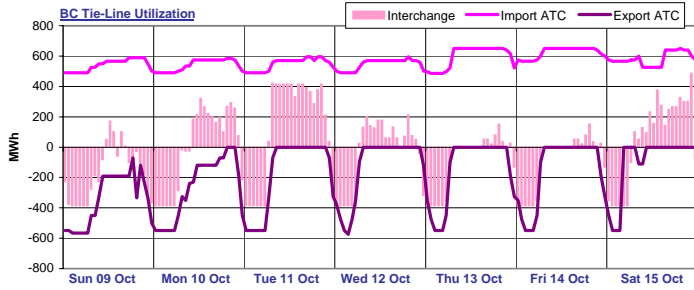
Weekly Price Setting by Submitting Customer



Last week, coal units were responsible for 68.3% of the generation in the province and set price 59.4% of the time. Gas-cogen units accounted for 22.3% of the generation and set price 33.2% of the time last week while other gas units made up 4.1% of generation and set price 5.6% of the time.

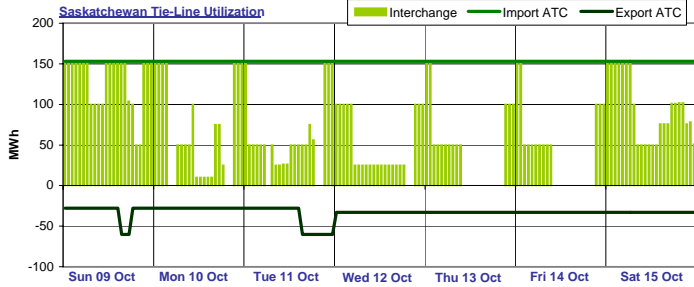
A total of 10 market participants set price last week. Two market participants set price more than 20% of the time last week. The top price setter set price 25.0% of the time and the top five price setters set price a total of 77.7% of the time.

Interties

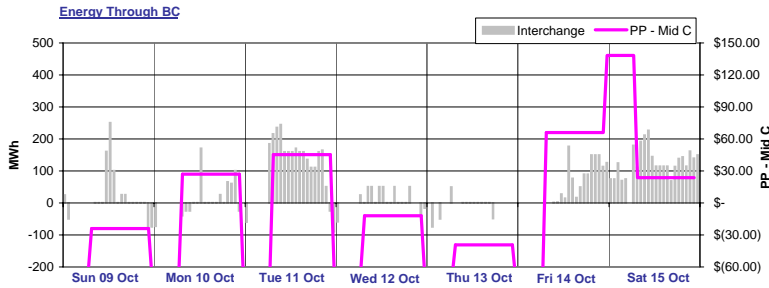


BC import capacity was 16% utilized last week while BC export capacity was 52% utilized. Energy was being imported into Alberta over the BC tie-line 55% of the time and exported out of Alberta over the BC tie-line 41% of the time last week. There was no activity on the BC tie-line 4% of the time last 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.



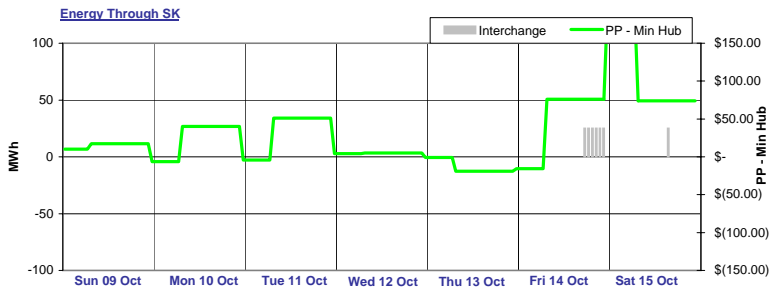
Saskatchewan import capacity was 45% utilized last week while Saskatchewan export capacity was 0% utilized. Energy was being imported into Alberta over the Saskatchewan tie-line 82% of the time and exported out of Alberta over the Saskatchewan tie-line 0% of the time last week. There was no activity on the Saskatchewan tie-line 18% of the time last week.



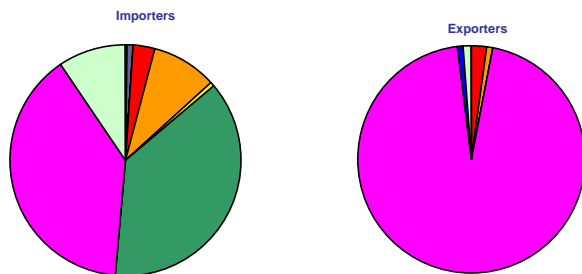
Last week, Alberta spot prices were mostly lower relative to prices in the Pacific Northwest as represented by Mid-C index prices, supporting export activity across the Alberta - BC interconnection.

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



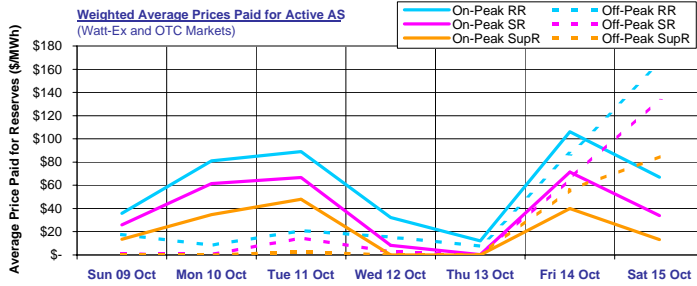
Tie-Line Market Shares



Last week, there were a total of 8 importers. The most active importer had a market share of 39.4% while the second most active importer had a market share of 37.4%. There were a total of 5 exporters last week. The most active exporter had a market share of 95.0% while the next largest exporter had a market share of 2.4%.

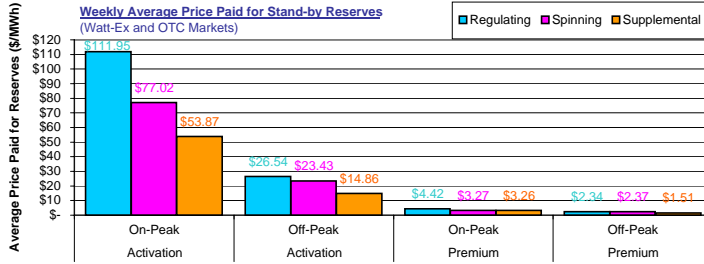
Note: Market shares are based on the combined activity on both interties.

Ancillary Services Market



Average on-peak prices paid for active ancillary services last week were \$68.49/MWh, \$44.17/MWh and \$25.36/MWh respectively for active **regulating**, **spinning** and **supplemental** reserves.

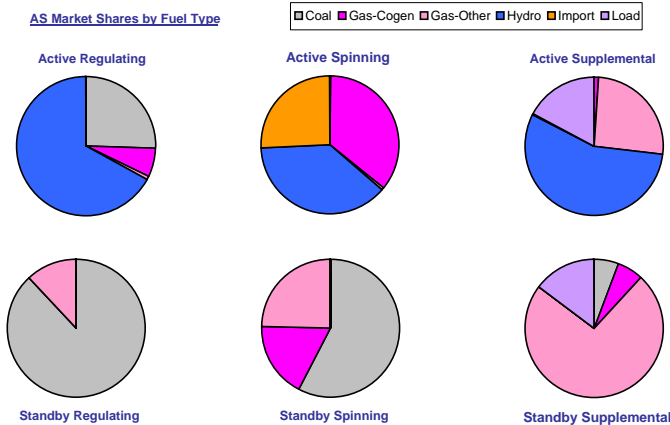
Active average off-peak prices were somewhat **higher** and averaged \$48.73/MWh, \$31.50/MWh and \$18.06/MWh for active **regulating**, **spinning** and **supplemental** reserves respectively.



Weekly average activation prices for stand-by reserves ranged from \$14.86/MWh for **off-peak supplemental** reserves to \$111.95/MWh for **on-peak regulating** reserves.

Weekly average premium prices ranged from \$1.51/MWh for **off-peak supplemental** reserves up to \$4.42/MWh for **off-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 66.9%. In the **active spinning** reserve market, **hydro** units had the leading market share with 37.8% while in the **active supplemental** reserve market, **hydro** units dominated with a 55.6% market share.

Coal units dominated the **standby regulating** reserve market with a 88.2% market share. Leading market share in the **standby spinning** market was held by coal units with a 57.4% market share. In the **standby supplemental** reserve market, gas units had the leading market share with 73.6%.

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.