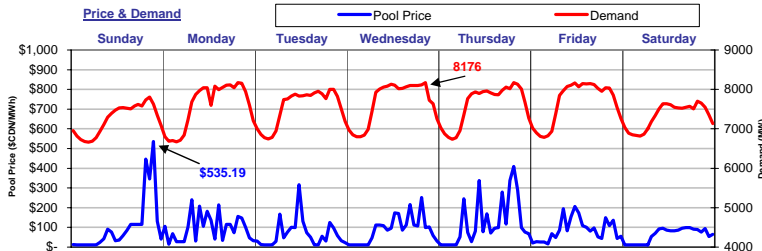


The Market Monitor

WATCHING THE MARKET : your fact source

Week Ending October 8, 2005

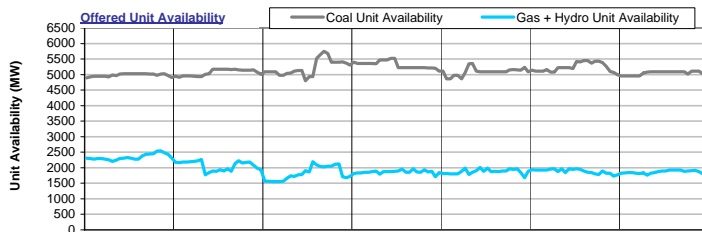
Weekly Highlights



For the week ending October 8, 2005, **Pool Price** averaged \$90.78/MWh and ranged from a minimum of \$10.78/MWh in HE05 on Wednesday to a maximum of \$535.19/MWh in HE22 on Sunday.

Demand reached a high of 8176 MW in HE21 on Wednesday and a low of 6660 MW in HE05 on Sunday. Average demand for the week was 7527MW.

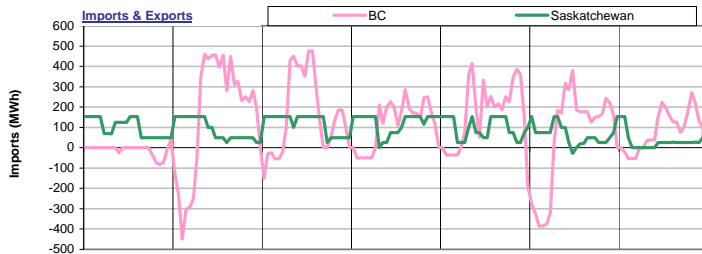
Pool Price and **Demand** were positively correlated last week with an R-squared value of 0.29.



Coal Unit Availability averaged 5137 MW last week. This is an equivalent availability of 88% (based on MCR).

Gas and Hydro Unit Availability averaged 1960MW last week, which is an equivalent of 35% (based on MCR).

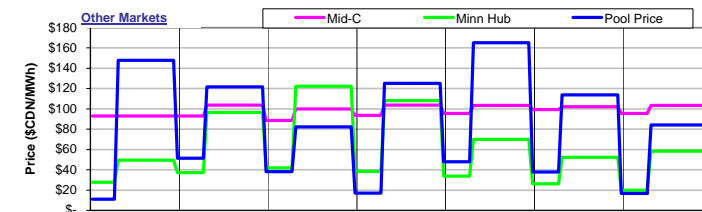
Availability numbers are based on MW offered into the energy merit order.



Alberta was a net importer from **BC** last week with total imports equal to 17,132MWh.

Alberta was a net importer from **Saskatchewan** last week with total imports equal to 15,119MWh.

Overall, Alberta imported 32,251MWh of electricity last week.

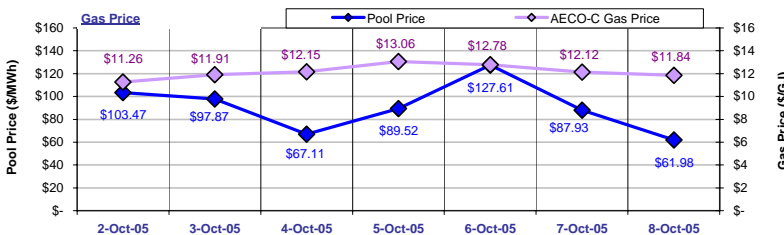


Pool Prices were generally lower than prices in **Mid-C** and higher than prices in **Minn Hub** last week.

Mid-C prices averaged \$102.67/MWh on-peak and \$94.07/MWh off-peak.

Minn Hub prices averaged \$84.58/MWh on-peak and \$32.13/MWh off-peak.

Prices in \$CDN at an exchange rate of 1.164.



The average **AECO-C Gas Price** last week was \$12.16/GJ and ranged from a minimum of \$11.26/GJ to \$13.06/GJ.

Prevailing gas prices resulted in market heat rates ranging from a low of 5.23GJ/MWh to a high of 9.98GJ/MWh. The average market heat rate for the week was 7.46GJ/MWh.

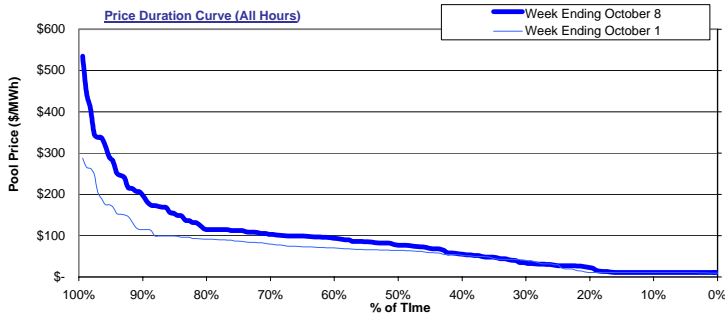


Alberta's Market Surveillance Administrator is in place to monitor the fair, efficient and openly competitive operation of all electricity markets within the province. The Market Monitor is a weekly publication by the MSA intended to educate industry participants and the public on market activities for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

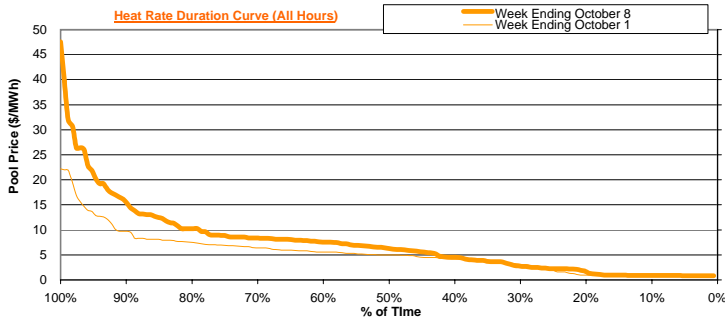
	Sunday 2-Oct	Monday 3-Oct	Tuesday 4-Oct	Wednesday 5-Oct	Thursday 6-Oct	Friday 7-Oct	Saturday 8-Oct	Average	Last Week	% Change	YTD
Pool Price											
Average	\$ 103.47	\$ 97.87	\$ 67.11	\$ 89.52	\$ 127.61	\$ 87.93	\$ 61.98	\$ 90.78	\$ 65.57	38.5%	\$ 55.82
On-Peak	NA	\$ 121.55	\$ 82.14	\$ 125.27	\$ 165.12	\$ 113.81	\$ 84.16	\$ 115.34	\$ 91.17	26.5%	\$ 68.13
Off-Peak	\$ 103.47	\$ 50.52	\$ 37.04	\$ 18.01	\$ 52.59	\$ 36.17	\$ 17.63	\$ 58.04	\$ 31.44	84.6%	\$ 36.55
COV	1.35	0.69	1.03	0.74	0.95	0.64	0.58	0.85	0.66	29.5%	
Heat Rate											
Average	9.19	8.22	5.52	6.85	9.98	7.25	5.23	7.46	5.97	24.9%	7.35
On-Peak	NA	10.20	6.76	9.59	12.92	9.39	7.11	9.33	7.42	25.7%	8.93
Off-Peak	9.19	4.24	3.05	1.38	4.11	2.98	1.49	4.98	2.59	92.5%	5.32
Demand											
Average	7,250	7,596	7,545	7,680	7,620	7,673	7,325	7,527	7,454	1.0%	7,445
Minimum	6,660	6,669	6,746	6,797	6,737	6,782	6,815	6,744	6,615	2.0%	6,017
Maximum	7,809	8,169	8,002	8,176	8,173	8,166	7,699	8,028	7,983	0.6%	9,236
Coal Unit Availability											
Average	4,984	5,067	5,220	5,313	5,090	5,235	5,049	5,137	5,454		5,184
Utilization	85%	87%	89%	91%	87%	90%	86%	88%	93%	-5.4%	89%
Gas and Hydro Unit Availability											
Average	2,344	2,065	1,816	1,865	1,878	1,888	1,864	1,960	1,810		2,114
Utilization	49%	43%	38%	39%	39%	40%	39%	35%	32%	2.6%	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 8**, prices were at or below:

- \$20/MWh 19% of the time
- \$50/MWh 37% of the time
- \$100/MWh 67% of the time
- \$250/MWh 93% of the time
- \$500/MWh 99% of the time

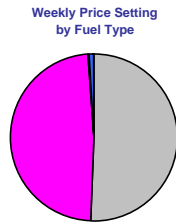
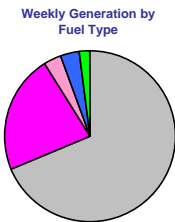


The heat rate duration curves show the % of time that the implied market heat rate was at or below a certain value during the week. For the week ending **October 8**, implied market heat rates were at or below:

- 5.0 GJ/MWh 42% of the time
- 10.0 GJ/MWh 79% of the time
- 15.0 GJ/MWh 89% of the time
- 20.0 GJ/MWh 94% of the time

Market Share Statistics

By Fuel Type:



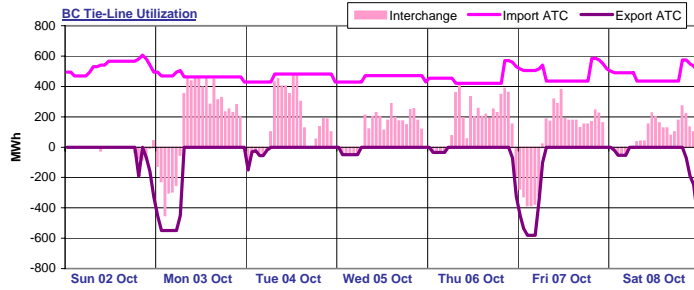
By Submitting Customer:



Last week, coal units were responsible for 68.7% of the generation in the province and set price 50.4% of the time. Gas-cogen units accounted for 22.4% of the generation and set price 48.5% of the time last week while other gas units made up 3.4% of generation and set price 0.3% of the time.

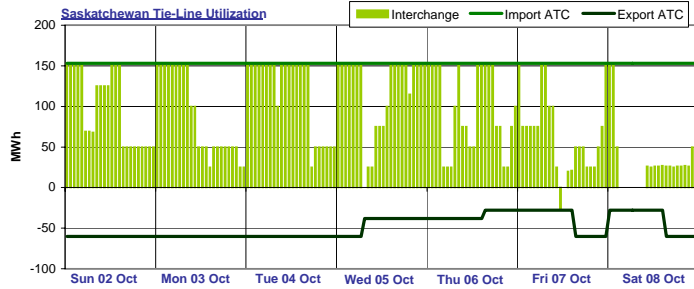
A total of 12 market participants set price last week. Two market participants set price more than 20% of the time last week. The top price setter set price 29.0% of the time and the top five price setters set price a total of 85.6% of the time.

Interties

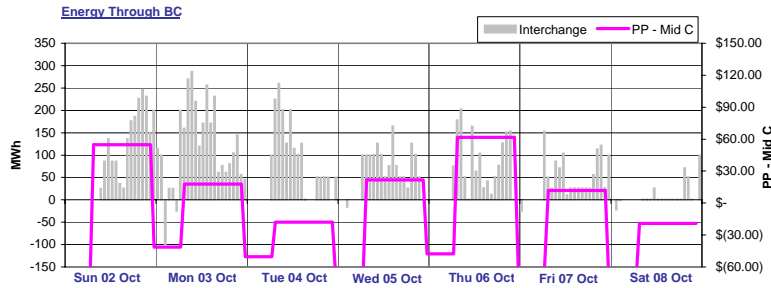


BC import capacity was 29% utilized last week while BC export capacity was 67% utilized. Energy was being imported into Alberta over the BC tie-line 58% of the time and exported out of Alberta over the BC tie-line 24% of the time last week. There was no activity on the BC tie-line 18% of the time last 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.



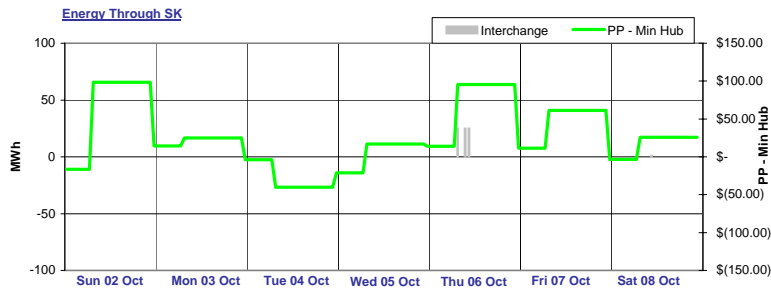
Saskatchewan import capacity was 59% utilized last week while Saskatchewan export capacity was 1% utilized. Energy was being imported into Alberta over the Saskatchewan tie-line 94% of the time and exported out of Alberta over the Saskatchewan tie-line 1% of the time last week. There was no activity on the Saskatchewan tie-line 5% of the time last week.



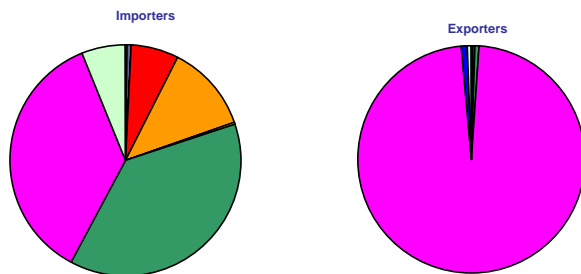
Last week, Alberta spot prices were mostly lower relative to prices in the Pacific Northwest as represented by Mid-C index prices, supporting export activity across the Alberta - BC interconnection.

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 used in energy through BC and SK graphs.



Tie-Line Market Shares

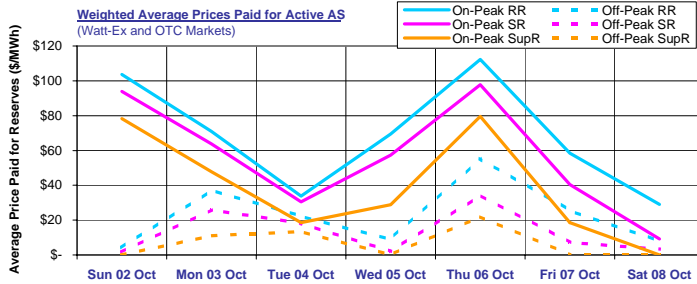


Last week, there were a total of 8 importers. The most active importer had a market share of 37.9% while the second most active importer had a market share of 35.9%.

There were a total of 6 exporters last week. The most active exporter had a market share of 97.5% while the next largest exporter had a market share of 0.7%.

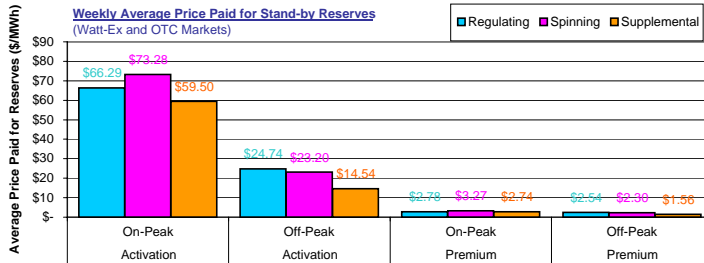
Note: Market shares are based on the combined activity on both interties.

Ancillary Services Market



Average on-peak prices paid for active ancillary services last week were **\$68.26/MWh**, **\$56.14/MWh** and **\$38.81/MWh** respectively for active **regulating**, **spinning** and **supplemental** reserves.

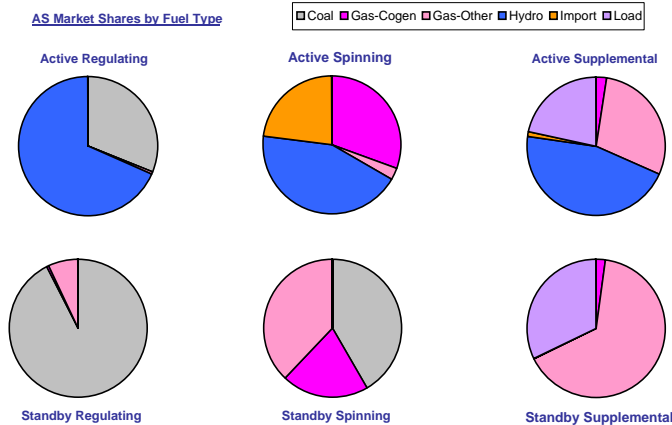
Active average off-peak prices were somewhat **higher** and averaged **\$23.11/MWh**, **\$13.22/MWh** and **\$6.65/MWh** for active **regulating**, **spinning** and **supplemental** reserves respectively.



Weekly average activation prices for stand-by reserves ranged from **\$14.54/MWh** for **off-peak supplemental** reserves to **\$73.28/MWh** for **on-peak spinning** reserves.

Weekly average premium prices ranged from **\$1.56/MWh** for **off-peak supplemental** reserves up to **\$3.27/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 **68.3%**. In the **active spinning** reserve market, **hydro** units had the leading market share with **43.4%** while in the **active supplemental** reserve market, **hydro** units dominated with a **45.6%** market share.

Coal units dominated the **standby regulating** reserve market with a **92.4%** market share. Leading market share in the **standby spinning** market was held by coal units with a **41.6%** market share. In the **standby supplemental** reserve market, gas units had the leading market share with **65.5%**.

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.