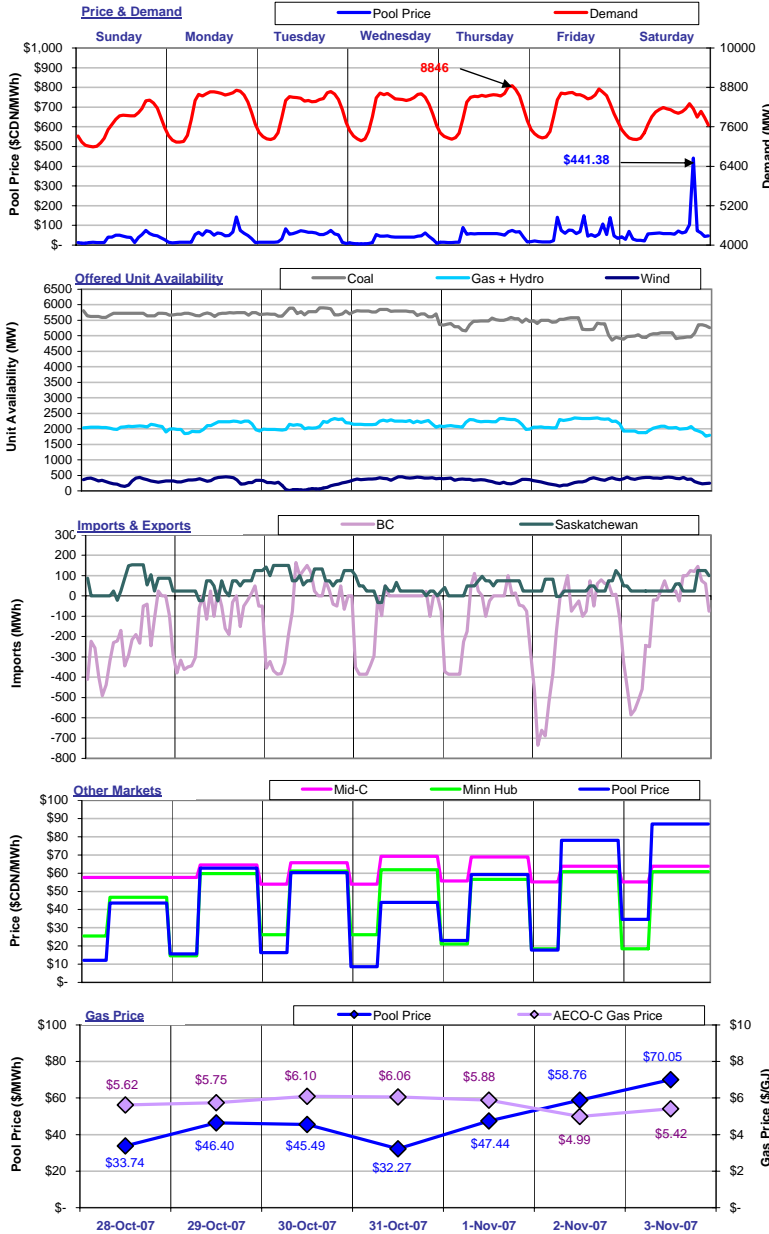


The Market Monitor

WATCHING THE MARKET : your fact source

Week Ending November 3, 2007

Weekly Highlights



For the week ending November 3, 2007, **Pool Price** averaged \$47.74/MWh and ranged from a minimum of \$6.95/MWh in HE05 on Wednesday to a maximum of \$441.38/MWh in HE20 on Saturday. **Demand** reached a high of 8846 MW in HE20 on Thursday and a low of 6991 MW in HE05 on Sunday. Average demand for the week was 8038 MW. **Pool Price** and **Demand** were positively correlated last week with an R-squared value of 0.24.

Coal Unit Availability averaged 5536 MW last week. This is an equivalent availability of 95% (based on MCR). **Gas and Hydro Unit Availability** averaged 2118 MW last week, which is an equivalent of 45% (based on MCR). **Wind Generation** averaged 317 MW last week. This is an equivalent availability of 72% (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 21,114MWh. Alberta was a net importer from Saskatchewan last week with total imports equal to 9,201 MWh. Overall, Alberta exported 11,913MWh 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 \$65.99/MWh on-peak and \$55.62/MWh off-peak. **Minn Hub** prices averaged \$60.19/MWh on-peak and \$21.56/MWh off-peak.

Prices in \$CDN at an exchange rate of 0.96259.

The average **AECO-C Gas Price** last week was \$5.69/GJ and ranged from a minimum of \$4.99/GJ to \$6.10/GJ. Prevailing gas prices resulted in market heat rates ranging from a low of 5.32GJ/MWh to a high of 12.93 GJ/MWh. The average market heat rate for the week was 8.52 GJ/MWh.

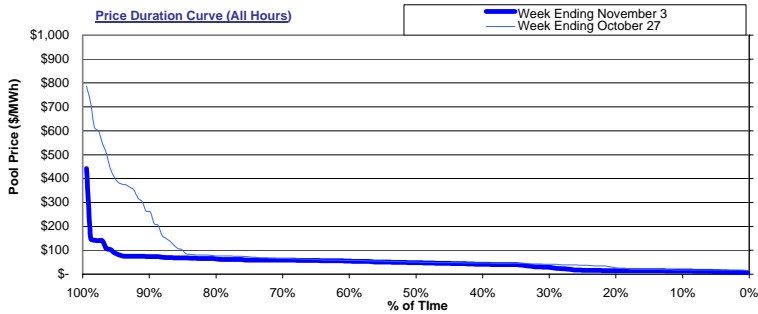


Alberta's Market Surveillance Administrator is in place to monitor the fair, efficient and openly competitive operation of all electricity markets within the province. The Market Monitor is a weekly publication by the MSA intended to educate industry participants and the public on market activities for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

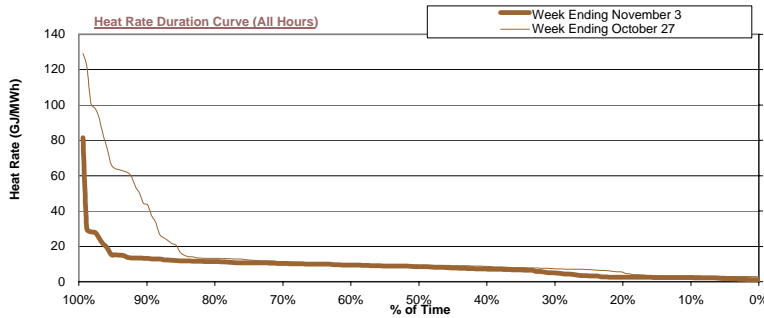
	Sunday 28-Oct	Monday 29-Oct	Tuesday 30-Oct	Wednesday 31-Oct	Thursday 1-Nov	Friday 2-Nov	Saturday 3-Nov	Average	Last Week	% Change	YTD
Pool Price											
Average	\$ 33.74	\$ 46.40	\$ 45.49	\$ 32.27	\$ 47.44	\$ 58.76	\$ 70.05	\$ 47.74	\$ 91.77	-48.0%	\$ 68.18
On-Peak	NA	\$ 62.70	\$ 60.35	\$ 43.98	\$ 59.29	\$ 78.06	\$ 86.93	\$ 65.22	\$ 125.68	-48.1%	\$ 88.26
Off-Peak	\$ 33.74	\$ 13.81	\$ 15.77	\$ 8.87	\$ 23.74	\$ 20.17	\$ 36.30	\$ 24.43	\$ 46.55	-47.5%	\$ 36.30
COV	0.56	0.66	0.55	0.55	0.49	0.69	1.16	0.67	0.71	-6.6%	
Heat Rate											
Average	6.01	8.07	7.46	5.32	8.07	11.77	12.93	8.52	16.52	-48.4%	11.14
On-Peak	NA	10.91	9.90	7.25	10.09	15.64	16.04	11.64	22.69	-48.7%	14.42
Off-Peak	6.01	2.40	2.59	1.46	4.04	4.04	6.70	4.36	8.30	-47.5%	5.93
Demand											
Average	7,691	8,153	8,114	8,122	8,188	8,178	7,822	8,038	7,995	0.5%	7,882
Minimum	6,991	7,132	7,217	7,175	7,226	7,259	7,212	7,173	7,140	0.5%	6,440
Maximum	8,412	8,713	8,679	8,628	8,846	8,749	8,307	8,619	8,612	0.1%	9,478
Coal Unit Availability											
Average	5,684	5,709	5,761	5,749	5,438	5,350	5,060	5,536	5,303	4.0%	5,182
Utilization	97%	98%	99%	98%	93%	92%	87%	95%	91%	4.0%	89%
Gas and Hydro Unit Availability											
Average	2,052	2,080	2,107	2,200	2,193	2,229	1,963	2,118	2,136	-10.0%	2,192
Utilization	53%	53%	54%	56%	56%	57%	50%	45%	55%	-10.0%	56%



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

For the week ending **November 3**, prices were at or below:

\$20/MWh	26% of the time
\$50/MWh	54% of the time
\$100/MWh	95% of the time
\$250/MWh	99% of the time
\$500/MWh	100% of the time



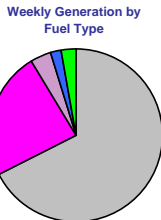
The heat rate duration curves show the % of time that the implied market heat rate was at or below a certain value during the week. For the week ending **November** implied market heat rates were at or below:

5.0 GJ/MWh	30% of the time
10.0 GJ/MWh	64% of the time
15.0 GJ/MWh	94% of the time
20.0 GJ/MWh	96% of the time

Market Share Statistics

By Fuel Type:

Coal Gas - Cogen Gas - Other Hydro Other



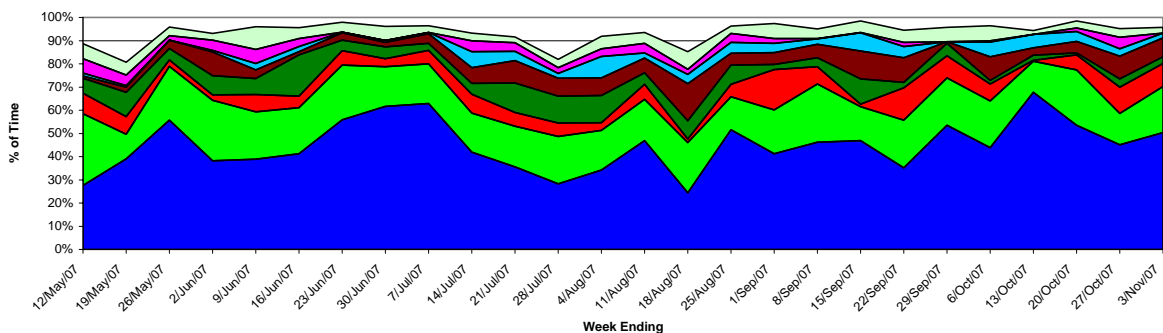
By Submitting Customer:



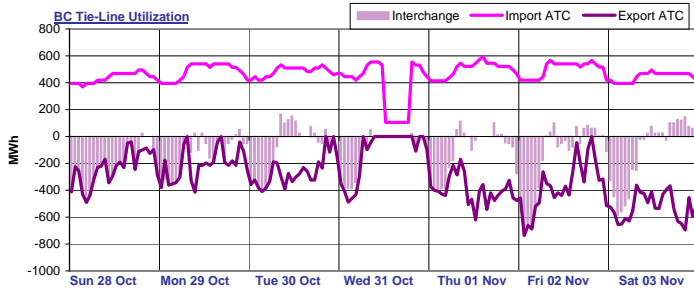
Last week, coal units were responsible for 67.5% of the generation in the province and set price 82.4% of the time. **Gas-cogen** units accounted for 23.8% of the generation and set price 16.5% of the time last week while **other gas** units made up 4.1% of generation and set price 1.1% of the time.

A total of 10 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 50.3% of the time and the top five price setters set price a total of 91.2% of the time.

Weekly Price Setting by Submitting Customer

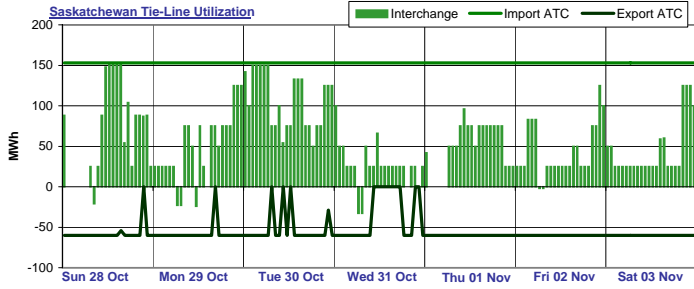


Interties

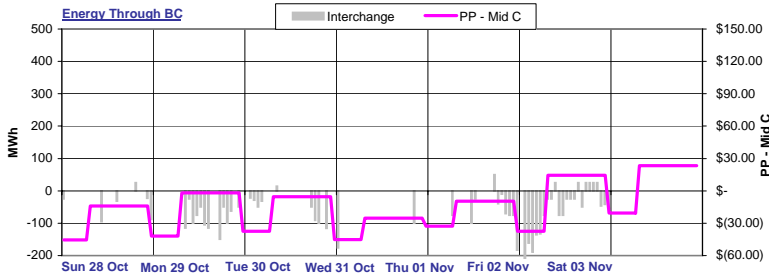


BC import capacity was 4% utilized last week while BC export capacity was 51% utilized. Energy was being imported into Alberta over the BC tie-line 26% of the time and exported out of Alberta over the BC tie-line 59% of the time last week. There was no activity on the BC tie-line 15% of the time last 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.



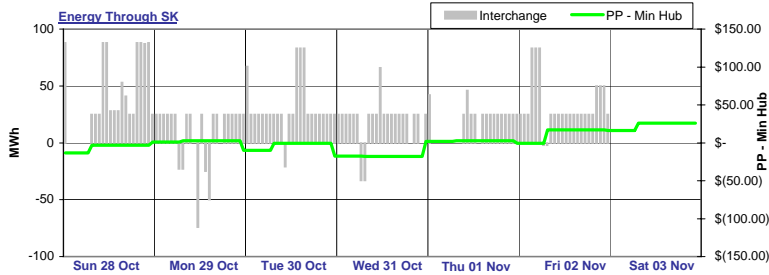
Saskatchewan import capacity was 38% utilized last week while Saskatchewan export capacity was 5% utilized. Energy was being imported into Alberta over the Saskatchewan tie-line 87% of the time and exported out of Alberta over the Saskatchewan tie-line 5% of the time last week. There was no activity on the Saskatchewan tie-line 8% of the time last week.



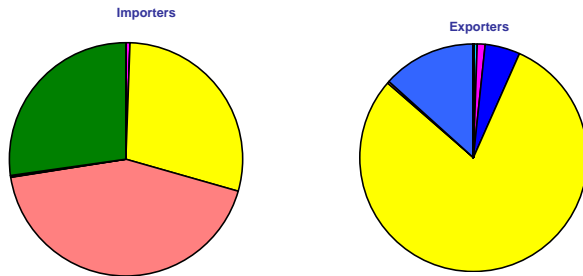
Last week, Alberta spot prices were mostly lower relative to prices in the Pacific Northwest as represented by Mid-C index prices, supporting export activity across the Alberta - BC interconnection.

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

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



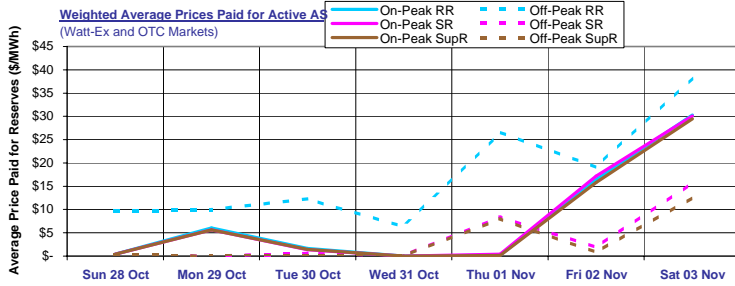
Tie-Line Market Shares



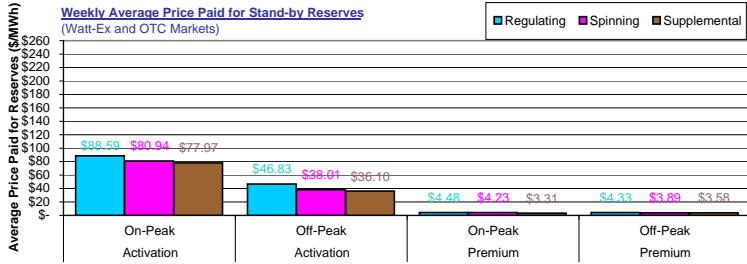
Last week, there were a total of 6 importers. The most active importer had a market share of 43.1% while the second most active importer had a market share of 28.7%. There were a total of 7 exporters last week. The most active exporter had a market share of 79.8% while the next largest exporter had a market share of 13.3%.

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

Ancillary Services Market

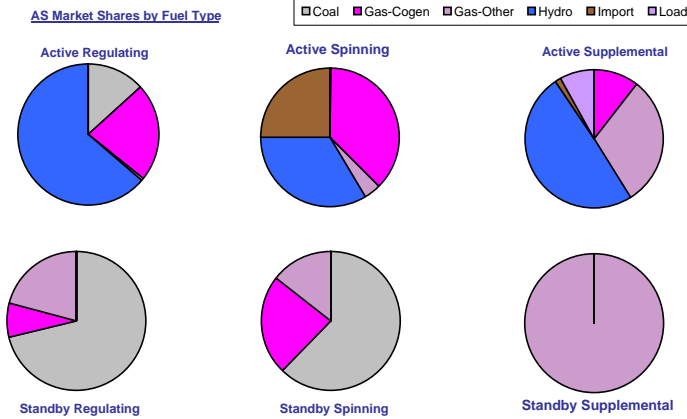


Average on-peak prices paid for active ancillary services last week were **\$7.71/MWh**, **\$7.71/MWh** and **\$7.56/MWh** respectively for active **regulating**, **spinning** and **supplemental** reserves. Active average off-peak prices were lower with the exception of off-peak regulating reserves and averaged **\$17.42/MWh**, **\$3.81/MWh** and **\$3.14/MWh** for active **regulating**, **spinning** and **supplemental** reserves respectively.



Weekly average activation prices for stand-by reserves ranged from **\$36.10/MWh** for off-peak supplemental reserves to **\$88.59/MWh** for on-peak regulating reserves. Weekly average premium prices ranged from **\$3.31/MWh** for on-peak supplemental reserves up to **\$4.48/MWh** for on-peak regulating reserves.

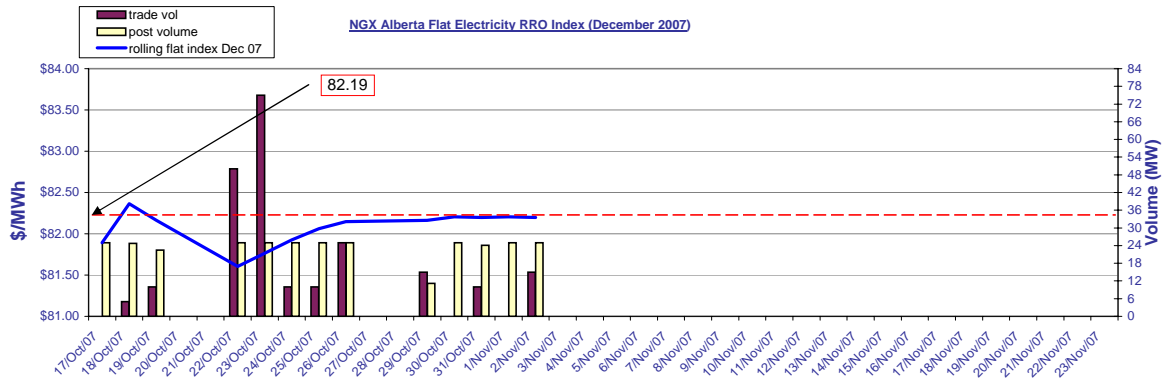
AS Market Shares by Fuel Type



Last week **hydro** units had the largest market share in the **active regulating** reserve market with **63.6%**. In the **active spinning** reserve market, **gas-cogen** units had the leading market share with **37.2%** while in the **active supplemental** reserve market, **hydro** units dominated with a **49.5%** market share.

Coal units dominated the **standby regulating** reserve market with a **71.2%** market share. Leading market share in the **standby spinning** market was held by **coal** units with a **62.2%** market share. In the **standby supplemental** reserve market, **gas** units had the leading market share with **100%**.

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 + 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)
- 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.