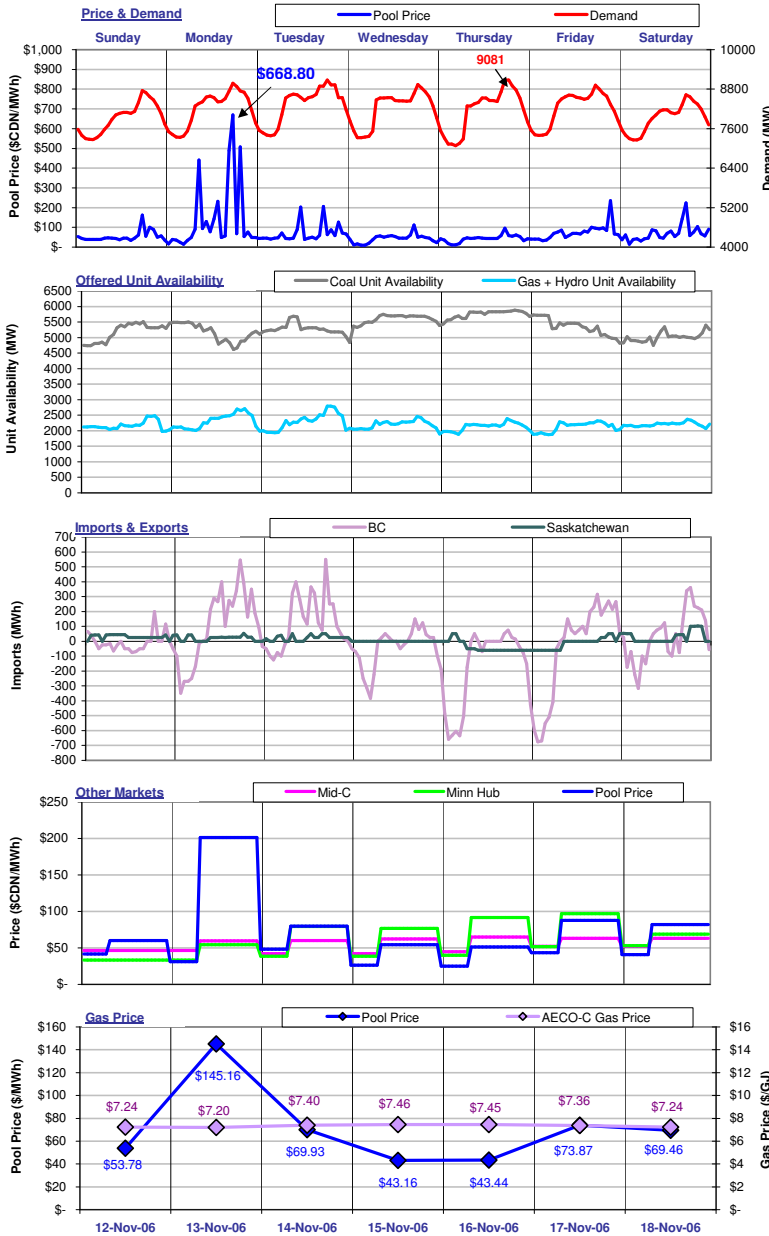


The Market Monitor

WATCHING THE MARKET : your fact source

Week Ending November 18, 2006

Weekly Highlights



For the week ending **November 18, 2006**, **Pool Price** averaged **\$71.26/MWh** and ranged from a minimum of **\$10.06/MWh** in HE05 on **Wednesday** to a maximum of **\$668.80/MWh** in HE18 on **Monday**. **Demand** reached a high of **9081 MW** in HE18 on **Thursday** and a low of **7085 MW** in HE05 on **Thursday**. Average demand for the week was **8138 MW**. **Pool Price** and **Demand** were **positively correlated** last week with an R-squared value of **0.14**.

Coal Unit Availability averaged **5332 MW** last week. This is an equivalent availability of **91%** (based on MCR). **Gas and Hydro Unit Availability** averaged **2207 MW** last week, which is an equivalent of **39%** (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 **480MWh**. Alberta was a net **importer** from **Saskatchewan** last week with total imports equal to **1,173 MWh**. Overall, Alberta **imported 693 MWh** of electricity last week.

Pool Prices were generally **higher** than prices in **Mid-C** and **higher** than prices in **Minn Hub** last week. **Mid-C** prices averaged **\$62.20/MWh** on-peak and **\$46.66/MWh** off-peak. **Minn Hub** prices averaged **\$78.05/MWh** on-peak and **\$41.21/MWh** off-peak.

Prices in \$CDN at an exchange rate of 1.13254.

The average **AECO-C Gas Price** last week was **\$7.33/GJ** and ranged from a minimum of **\$7.20/GJ** to **\$7.46/GJ**. Prevailing gas prices resulted in market heat rates ranging from a low of **5.79 GJ/MWh** to a high of **20.17GJ/MWh**. The average market heat rate for the week was **9.76 GJ/MWh**.

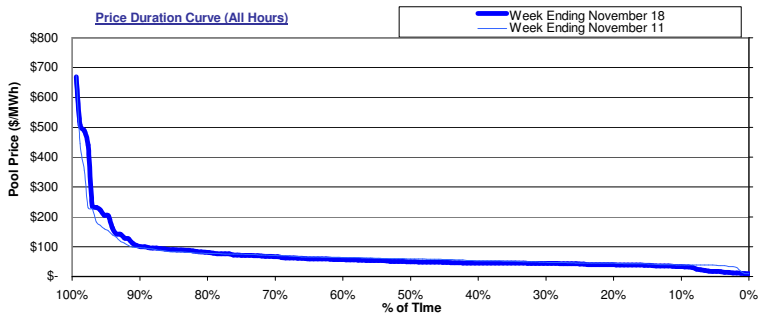


Alberta's Market Surveillance Administrator is in place to monitor the fair, efficient and openly competitive operation of all electricity markets within the province. The Market Monitor is a weekly publication by the MSA intended to educate industry participants and the public on market activities for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

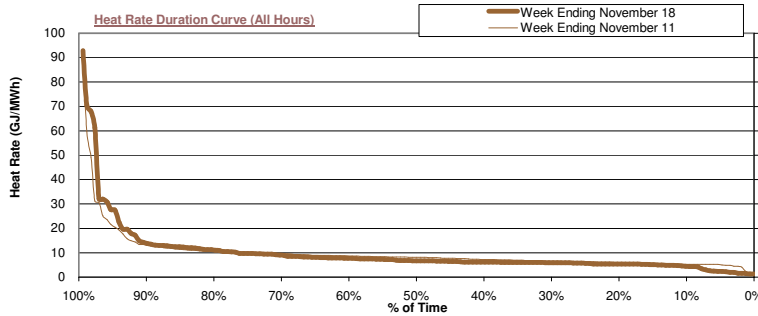
	Sunday 12-Nov	Monday 13-Nov	Tuesday 14-Nov	Wednesday 15-Nov	Thursday 16-Nov	Friday 17-Nov	Saturday 18-Nov	Average	Last Week	% Change	YTD
Pool Price											
Average	\$ 53.78	\$ 145.16	\$ 69.93	\$ 43.16	\$ 43.44	\$ 73.87	\$ 69.46	\$ 71.26	\$ 71.92	-0.9%	\$ 79.58
On-Peak	NA	\$ 201.35	\$ 79.63	\$ 54.34	\$ 51.47	\$ 87.78	\$ 81.97	\$ 92.76	\$ 85.10	9.0%	\$ 103.89
Off-Peak	\$ 53.78	\$ 32.78	\$ 50.52	\$ 20.79	\$ 27.38	\$ 46.04	\$ 44.43	\$ 42.59	\$ 54.35	-21.6%	\$ 43.01
COV	0.52	1.27	0.66	0.51	0.41	0.54	0.61	0.65	0.67	-3.7%	
Heat Rate											
Average	7.43	20.17	9.45	5.79	5.83	10.04	9.60	9.76	10.26	-4.9%	13.12
On-Peak	NA	27.98	10.77	7.28	6.91	11.93	11.33	12.70	12.16	4.4%	17.12
Off-Peak	7.43	4.56	6.83	2.79	3.68	6.26	6.14	5.84	7.73	-24.5%	7.09
Demand											
Average	7,922	8,207	8,332	8,210	8,141	8,228	7,923	8,138	8,169	-0.4%	7,866
Minimum	7,268	7,331	7,385	7,330	7,085	7,397	7,253	7,293	7,284	0.1%	6,351
Maximum	8,753	8,977	9,078	8,944	9,081	8,922	8,626	8,912	8,977	-0.7%	9,306
Coal Unit Availability											
Average	5,181	5,147	5,279	5,598	5,752	5,344	5,023	5,332	5,152		5,253
Utilization	89%	88%	90%	96%	99%	91%	86%	91%	88%	3.1%	90%
Gas and Hydro Unit Availability											
Average	2,170	2,310	2,302	2,200	2,138	2,123	2,204	2,207	2,437	-4.8%	2,137
Utilization	46%	49%	48%	46%	45%	45%	46%	46%	51%	-4.8%	45%



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 18**, prices were at or below:

\$20/MWh **7%** of the time
 \$50/MWh **51%** of the time
 \$100/MWh **89%** of the time
 \$250/MWh **97%** of the time
 \$500/MWh **98%** 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 18** implied market heat rates were at or below:

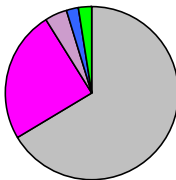
5.0 GJ/MWh **14%** of the time
 10.0 GJ/MWh **77%** of the time
 15.0 GJ/MWh **92%** of the time
 20.0 GJ/MWh **94%** of the time

Market Share Statistics

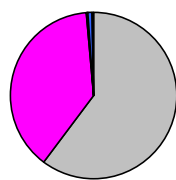
By Fuel Type:

■ Coal ■ Gas - Cogen ■ Gas - Other ■ Hydro ■ Other

Weekly Generation by Fuel Type

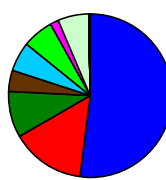


Weekly Price Setting by Fuel Type



By Submitting Customer:

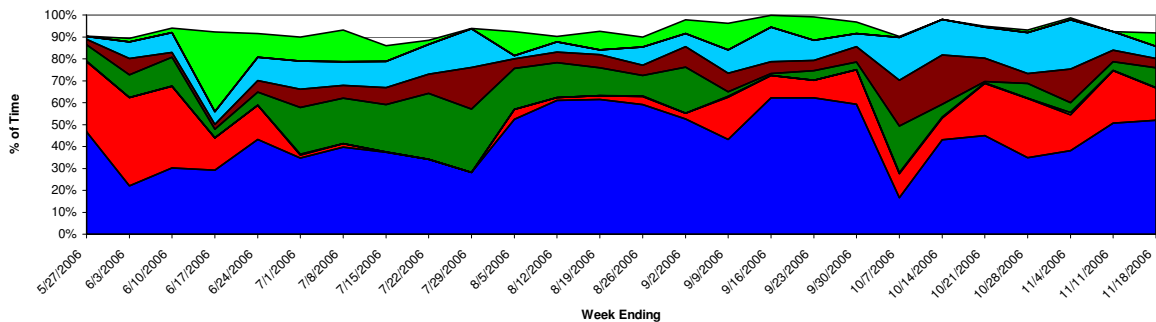
Weekly Price Setting by Submitting Customer



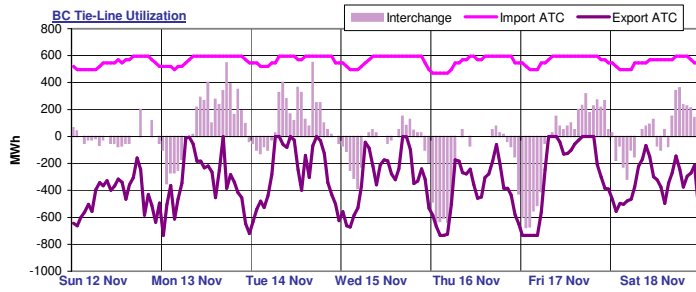
Last week, **coal units** were responsible for **66.4%** of the generation in the province and set price **60.3%** of the time. **Gas-cogen** units accounted for **24.7%** of the generation and set price **38.4%** of the time last week while **other gas** units made up **4.1%** of generation and set price **0.1%** 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 **52.0%** of the time and the top five price setters set price a total of **87.9%** of the time.

Weekly Price Setting by Submitting Customer

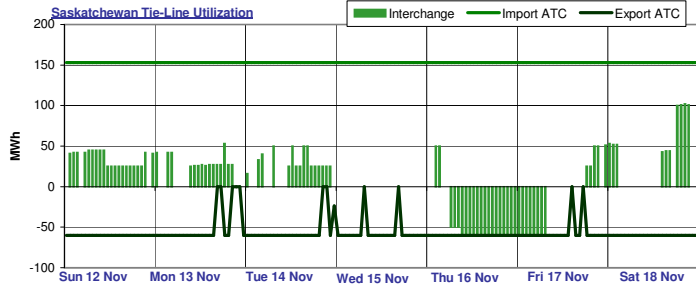


Interties

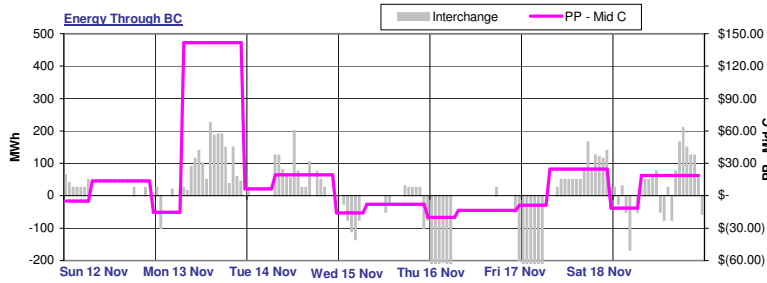


BC import capacity was 13% utilized last week while BC export capacity was 17% utilized. Energy was being imported into Alberta over the BC tie-line 47% of the time and exported out of Alberta over the BC tie-line 40% of the time last week. There was no activity on the BC tie-line 13% of the time last 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.



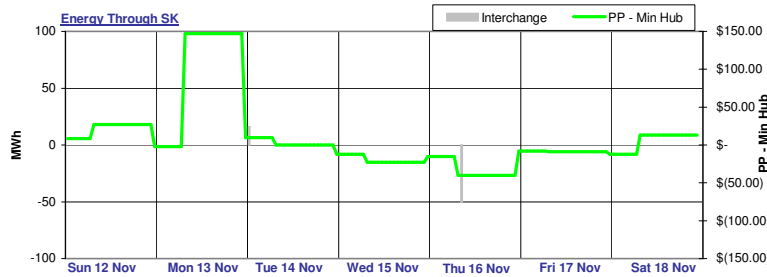
Saskatchewan import capacity was 11% utilized last week while Saskatchewan export capacity was 16% utilized. Energy was being imported into Alberta over the Saskatchewan tie-line 41% of the time and exported out of Alberta over the Saskatchewan tie-line 15% of the time last week. There was no activity on the Saskatchewan tie-line 43% of the time last week.



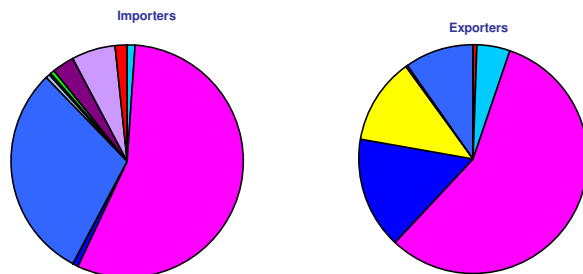
Last week, Alberta spot prices were mostly higher relative to prices in the Pacific Northwest as represented by Mid-C index prices, supporting import activity across the Alberta - BC interconnection.

Alberta prices were generally lower than prices in MAPP as represented by spot prices at the Minnesota Hub, which generally supported export activity across the Alberta - Saskatchewan interconnection.

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



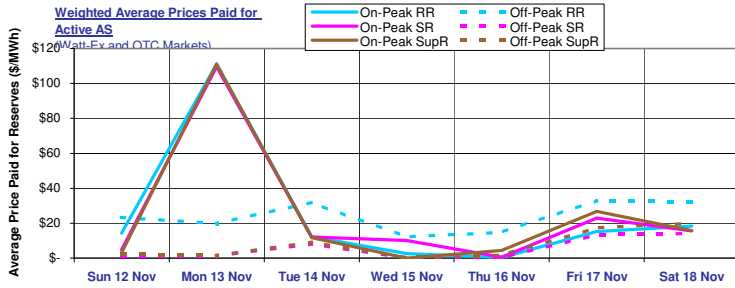
Tie-Line Market Shares



Last week, there were a total of 10 importers. The most active importer had a market share of 49.2% while the second most active importer had a market share of 26.4%. There were a total of 7 exporters last week. The most active exporter had a market share of 56.6% while the next largest exporter had a market share of 16.0%.

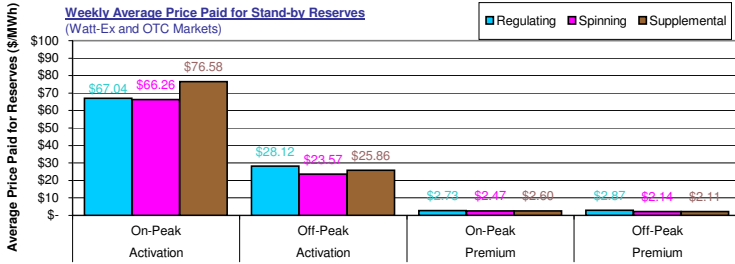
Note: Market shares are based on the combined activity on both interties.

Ancillary Services Market



Average on-peak prices paid for active ancillary services last week were **\$24.76/MWh**, **\$25.30/MWh** and **\$24.98/MWh** respectively for active **regulating**, **spinning** and **supplemental** reserves.

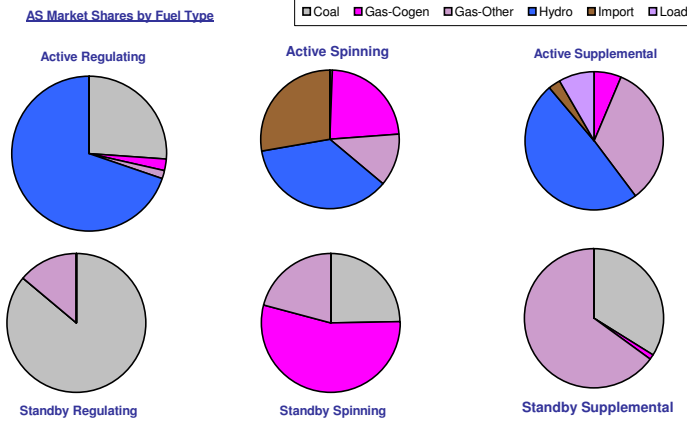
Active average off-peak prices were somewhat lower and averaged **\$23.97/MWh**, **\$5.49/MWh** and **\$7.50/MWh** for active **regulating**, **spinning** and **supplemental** reserves respectively.



Weekly average activation prices for stand-by reserves ranged from **\$23.57/MWh** for **off-peak spinning** reserves to **\$76.58/MWh** for **on-peak regulating** reserves.

Weekly average premium prices ranged from **\$2.11/MWh** for **off-peak supplemental** reserves up to **\$2.87/MWh** for **on-peak spinning** reserves.

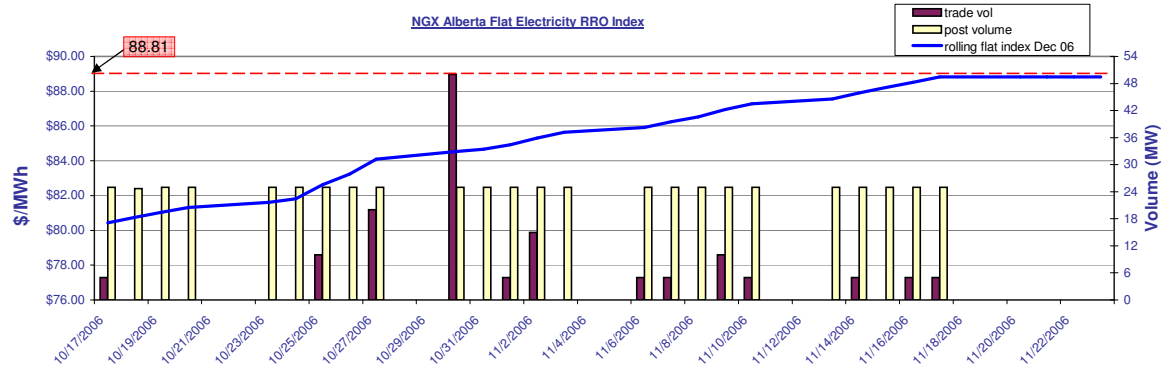
AS Market Shares by Fuel Type



Last week **hydro** units had the largest market share in the **active regulating** reserve market with **69.8%**. In the **active spinning** reserve market, **hydro** units had the leading market share with **36.1%** while in the **active supplemental** reserve market, **hydro** units dominated with a **49.2%** market share.

Coal units dominated the **standby regulating** reserve market with a **86.2%** market share. Leading market share in the **standby spinning** market was held by **gas-cogen** units with a **54.2%** market share. In the **standby supplemental** reserve market, **gas** units had the leading market share with **65.1%**.

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.