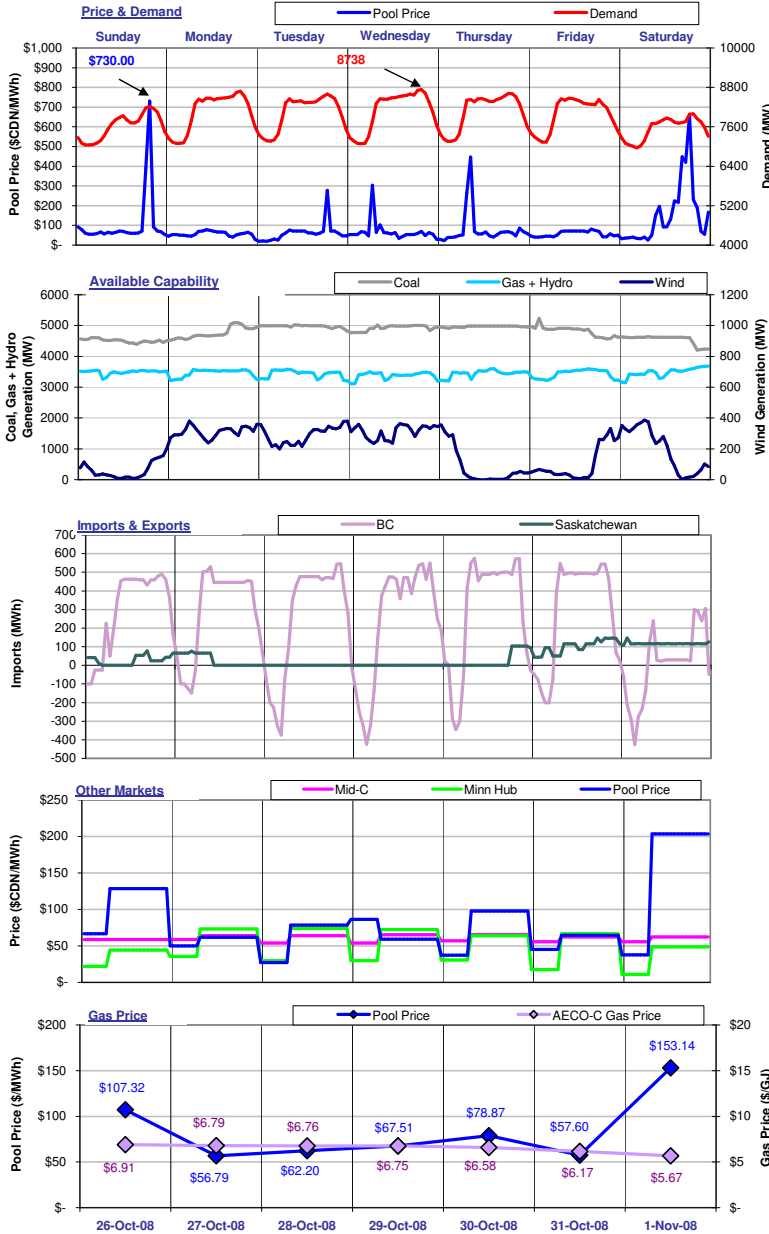


The Market Monitor

WATCHING THE MARKET : your fact source

Week Ending November 1, 2008

Weekly Highlights



For the week ending **November 1, 2008**, **Pool Price** averaged **\$83.35/MWh** and ranged from a minimum of **\$19.72/MWh** in **HE01** on **Tuesday** to a maximum of **\$730.00/MWh** in **HE20** on **Sunday**. **Demand** reached a high of **8738 MW** in **HE20** on **Wednesday** and a low of **6957 MW** in **HE05** on **Saturday**. Average demand for the week was **7915 MW**. **Pool Price** and **Demand** were **positively correlated** last week with an R-squared value of **0.01**.

Coal Unit Availability averaged **4786 MW** last week. This is an equivalent availability of **80%**. **Gas, Hydro and Other Unit Availability** averaged **3445 MW** last week, which is an equivalent of **66%**. **Wind Generation** averaged **192 MW** last week. This is an equivalent availability of **39%**. 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 **39,904 MWh**. Alberta was a net importer from **Saskatchewan** last week with total imports equal to **7,142 MWh**. Overall, Alberta imported **47,046 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 **\$63.92/MWh** on-peak and **\$56.28/MWh** off-peak. **Minn Hub** prices averaged **\$66.52/MWh** on-peak and **\$25.20/MWh** off-peak.

Prices in \$CDN at an exchange rate of 1.2783.

The average **AECO-C Gas Price** last week was **\$6.52/GJ** and ranged from a minimum of **\$5.67/GJ** to **\$6.91/GJ**. Prevailing gas prices resulted in market heat rates ranging from a low of **8.37 GJ/MWh** to a high of **26.99 GJ/MWh**. The average market heat rate for the week was **13.05 GJ/MWh**.

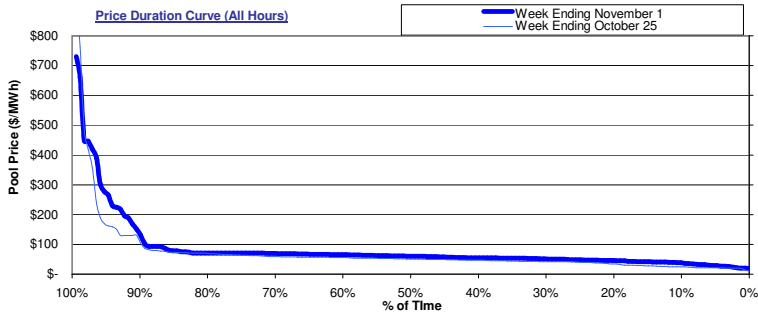


Alberta's Market Surveillance Administrator is in place to monitor the fair, efficient and openly competitive operation of all electricity markets within the province. The **Market Monitor** is a weekly publication by the MSA intended to educate industry participants and the public on market activities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

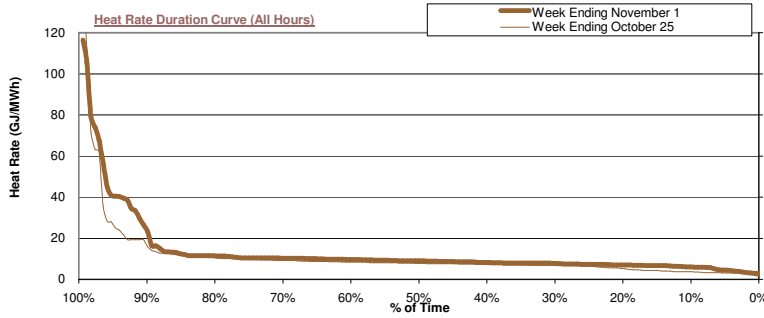
	Sunday 26-Oct	Monday 27-Oct	Tuesday 28-Oct	Wednesday 29-Oct	Thursday 30-Oct	Friday 31-Oct	Saturday 1-Nov	Average	Last Week	% Change	YTD
Pool Price											
Average	\$ 107.32	\$ 56.79	\$ 62.20	\$ 67.51	\$ 78.87	\$ 57.60	\$ 153.14	\$ 83.35	\$ 71.64	16.3%	\$ 89.65
On-Peak	NA	\$ 61.89	\$ 78.36	\$ 59.29	\$ 97.78	\$ 64.27	\$ 203.52	\$ 94.18	\$ 93.98	0.2%	\$ 118.21
Off-Peak	\$ 107.32	\$ 46.58	\$ 29.87	\$ 83.95	\$ 41.05	\$ 44.26	\$ 52.40	\$ 68.90	\$ 41.85	64.6%	\$ 47.05
COV	1.38	0.21	0.80	0.77	1.15	0.24	1.04	0.80	0.69	16.1%	
Heat Rate											
Average	15.52	8.37	9.20	10.00	11.98	9.33	26.99	13.05	10.44	25.0%	11.21
On-Peak	NA	9.12	11.59	8.78	14.85	10.41	35.86	15.10	13.47	12.1%	14.78
Off-Peak	15.52	6.86	4.42	12.43	6.24	7.17	9.23	10.32	6.40	61.2%	5.88
Demand											
Average	7,622	8,062	8,035	8,096	8,070	7,978	7,545	7,915	7,788	1.6%	7,902
Minimum	7,048	7,099	7,167	7,085	7,159	7,132	6,957	7,092	6,943	2.2%	6,411
Maximum	8,219	8,688	8,601	8,738	8,615	8,474	7,998	8,476	8,354	1.5%	9,710
Coal Unit Availability											
Average	4,510	4,758	4,975	4,923	4,968	4,820	4,546	4,786	4,893		5,070
AC/MC	75%	79%	83%	82%	83%	80%	76%	80%	81%	-1.8%	84%
Gas, Hydro and Other Unit Availability											
Average	3,492	3,458	3,432	3,378	3,448	3,428	3,482	3,445	3,200		3,543
AC/MC	66%	66%	65%	64%	66%	65%	66%	66%	61%	4.7%	67%



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 1**, prices were at or below:

\$20/MWh **0%** of the time
 \$50/MWh **27%** of the time
 \$100/MWh **89%** of the time
 \$250/MWh **94%** of the time
 \$500/MWh **98%** of the time



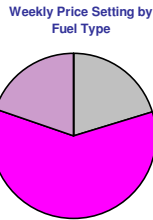
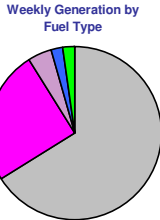
The heat rate duration curves show the % of time that the implied market heat rate was at or below a certain value during the week. For the week ending **November 1** implied market heat rates were at or below:

5.0 GJ/MWh **7%** of the time
 10.0 GJ/MWh **64%** of the time
 15.0 GJ/MWh **88%** of the time
 20.0 GJ/MWh **90%** of the time

Market Share Statistics

By Fuel Type:

Legend: Coal (Grey), Gas - Cogen (Pink), Gas - Other (Light Blue), Hydro (Dark Blue), Other (Green)



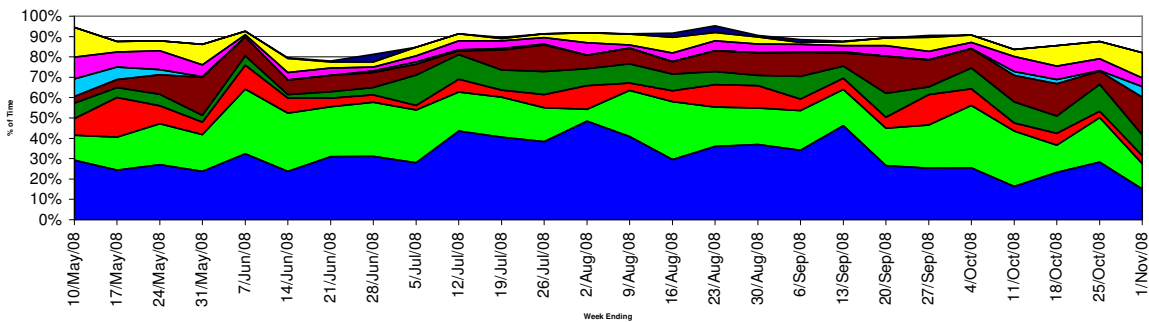
By Submitting Customer:



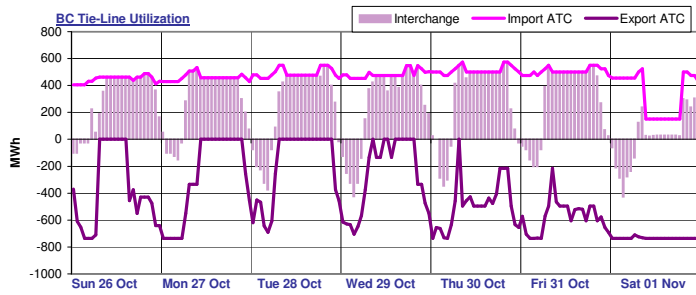
Last week, **coal units** were responsible for **66.1%** of the generation in the province and set price **20.2%** of the time. **Gas-cogen** units accounted for **25.1%** of the generation and set price **60.2%** of the time last week while **other gas** units made up **4.2%** of generation and set price **19.5%** of the time.

A total of **12** market participants set price last week. **No** market participants set price more than 20% of the time last week. The top price setter set price **18.5%** of the time and the top five price setters set price a total of **71.4%** of the time.

Weekly Price Setting by Submitting Customer

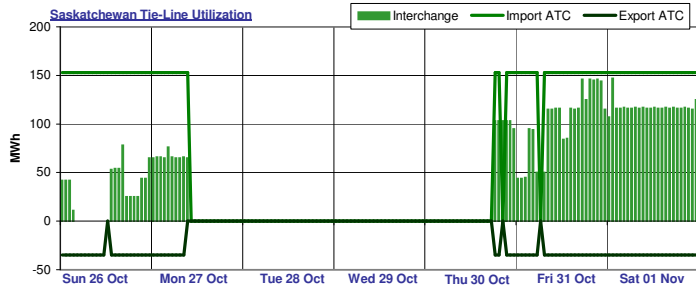


Interties

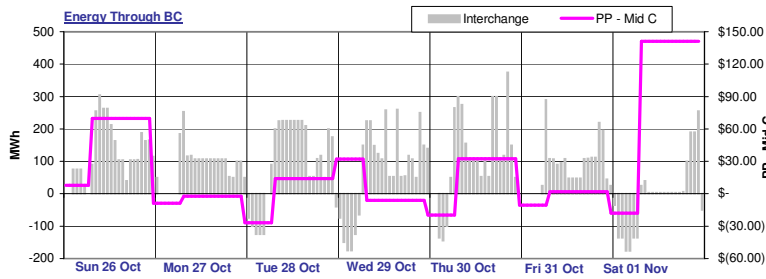


BC import capacity was 58% utilized last week while BC export capacity was 9% utilized. Energy was being imported into Alberta over the BC tie-line 74% of the time and exported out of Alberta over the BC tie-line 25% of the time last week. There was no activity on the BC tie-line 1% of the time last 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.



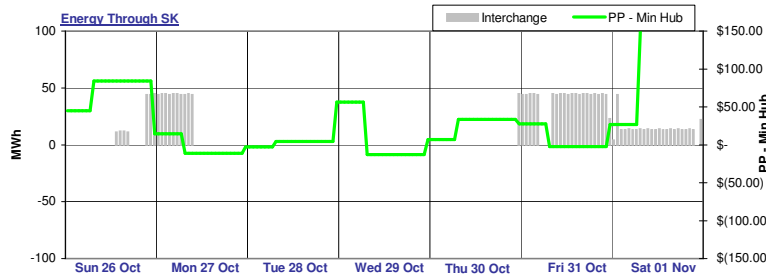
Saskatchewan import capacity was 53% utilized last week while Saskatchewan export capacity was 0% utilized. Energy was being imported into Alberta over the Saskatchewan tie-line 47% of the time and exported out of Alberta over the Saskatchewan tie-line 0% of the time last week. There was no activity on the Saskatchewan tie-line 53% of the time last week.



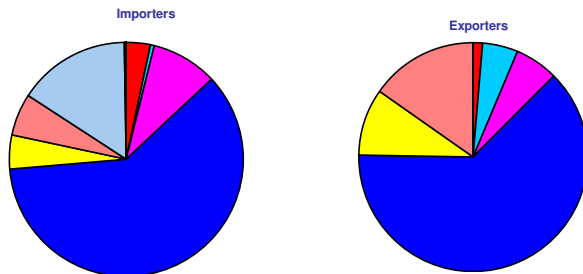
Last week, Alberta spot prices were mostly higher relative to prices in the Pacific Northwest as represented by Mid-C index prices, supporting import activity across the Alberta - BC interconnection.

Alberta prices were generally 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.



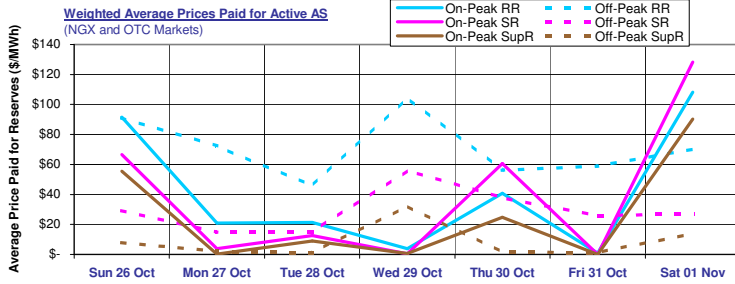
Tie-Line Market Shares



Last week, there were a total of 9 importers. The most active importer had a market share of 60.5% while the second most active importer had a market share of 15.6%. There were a total of 6 exporters last week. The most active exporter had a market share of 62.8% while the next largest exporter had a market share of 15.2%.

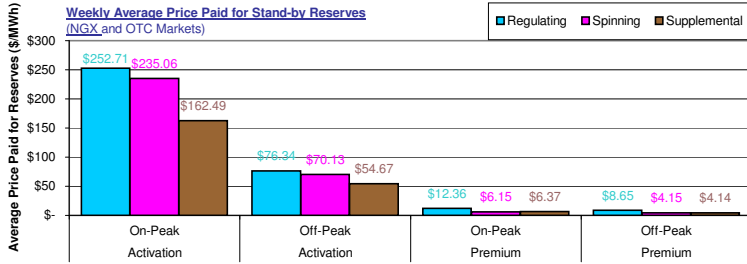
Note: Market shares are based on the combined activity on both interties.

Ancillary Services Market



Average on-peak prices paid for active ancillary services last week were **\$40.87/MWh**, **\$37.80/MWh** and **\$24.86/MWh** respectively for active **regulating**, **spinning** and **supplemental** reserves.

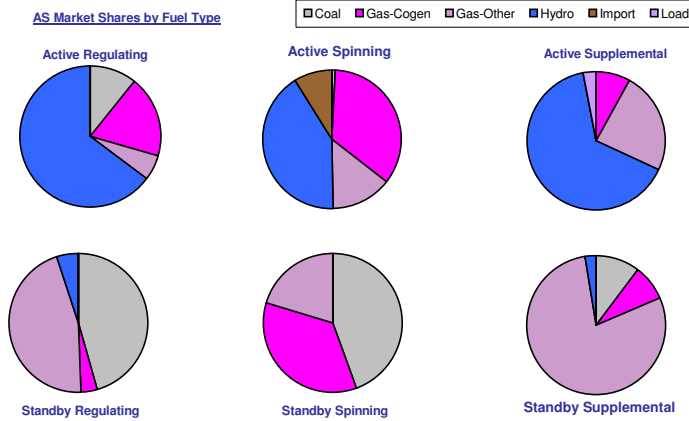
Active average off-peak prices were **higher** and averaged **\$71.16/MWh**, **\$29.41/MWh** and **\$9.00/MWh** for active **regulating**, **spinning** and **supplemental** reserves respectively.



Weekly average activation prices for stand-by reserves ranged from **\$54.67/MWh** for **off-peak supplemental** reserves to **\$252.71/MWh** for **on-peak regulating** reserves.

Weekly average premium prices ranged from **\$4.14/MWh** for **off-peak supplemental** reserves up to **\$12.36/MWh** for **on-peak regulating** reserves.

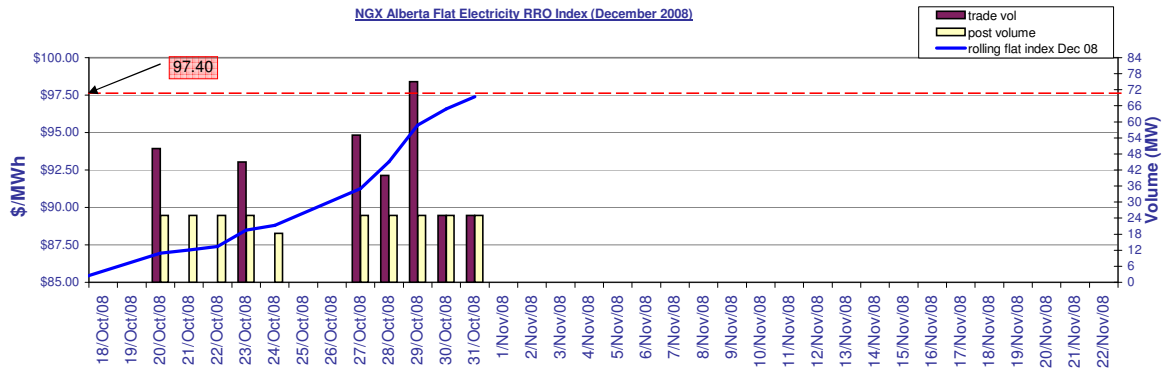
AS Market Shares by Fuel Type



Last week **hydro** units had the largest market share in the **active regulating** reserve market with **64.6%**. In the **active spinning** reserve market, **hydro** units had the leading market share with **41.3%** while in the **active supplemental** reserve market, **hydro** units dominated with a **64.9%** market share.

Coal units dominated the **standby regulating** reserve market with a **45.6%** market share. Leading market share in the **standby spinning** market was held by **coal** units with a **44.4%** market share. In the **standby supplemental** reserve market, **gas** units had the leading market share with **78.8%**.

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 (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.