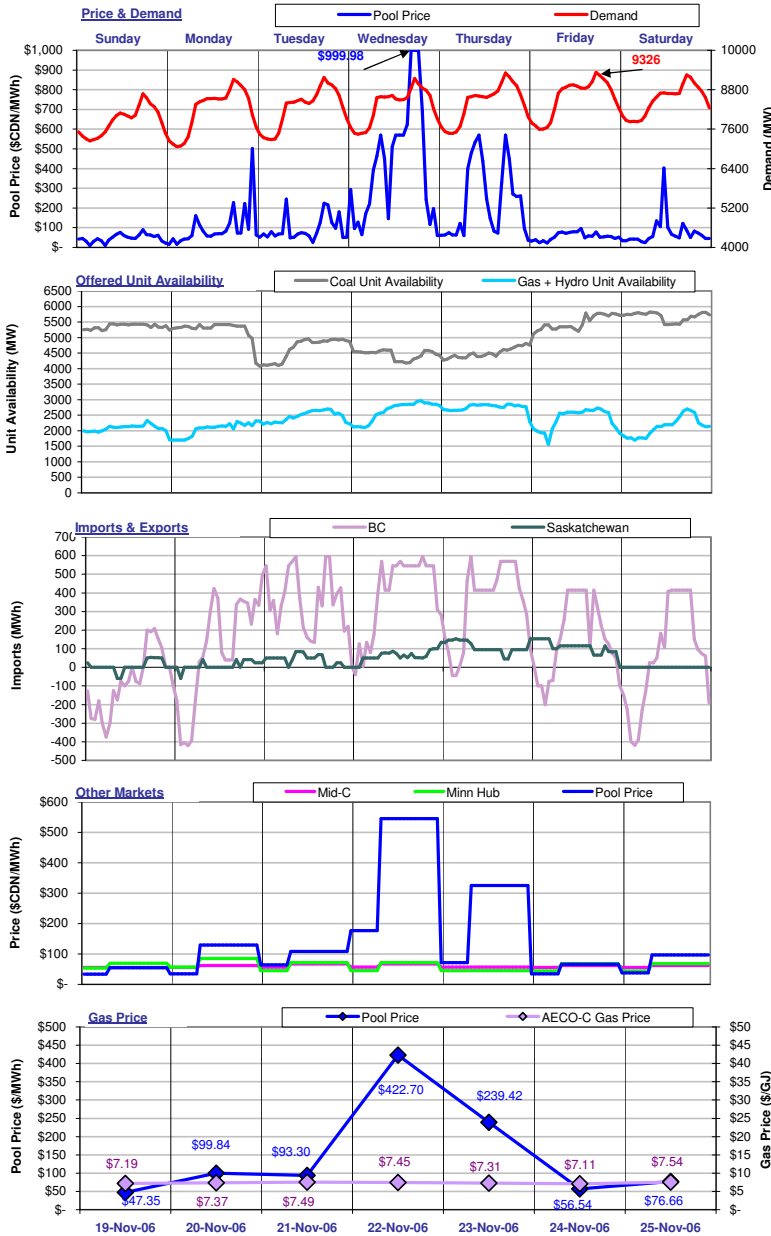


# The Market Monitor

WATCHING THE MARKET : your fact source

Week Ending November 25, 2006

## Weekly Highlights



For the week ending **November 25, 2006**, **Pool Price** averaged \$147.97/MWh and ranged from a minimum of \$10.06/MWh in HE08 on Sunday to a maximum of \$998.98/MWh in HE18 on Wednesday.

**Demand** reached a high of 9326 MW in HE18 on Friday and a low of 7070 MW in HE03 on Monday. Average demand for the week was 8288 MW.

**Pool Price** and **Demand** were positively correlated last week with an R-squared value of 0.13.

**Coal Unit Availability** averaged 5050 MW last week. This is an equivalent availability of 86% (based on MCR).

**Gas and Hydro Unit Availability** averaged 2354 MW last week, which is an equivalent of 42% (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 32,083MWh.

Alberta was a net importer from **Saskatchewan** last week with total imports equal to 8,039 MWh.

Overall, Alberta imported 40,122 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 \$62.92/MWh on-peak and \$56.44/MWh off-peak.

**Minn Hub** prices averaged \$68.49/MWh on-peak and \$47.85/MWh off-peak.

Prices in \$CDN at an exchange rate of 1.14728.

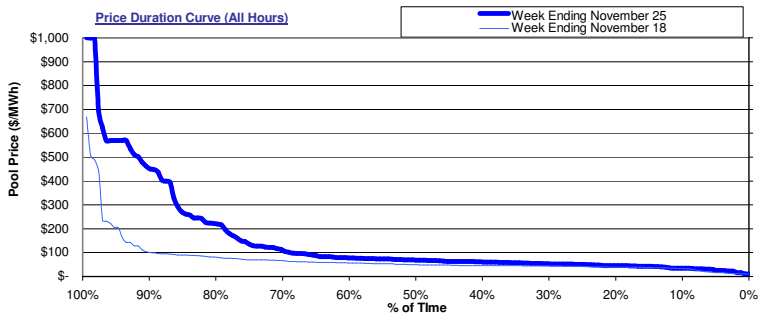
The average **AECO-C Gas Price** last week was \$7.35/GJ and ranged from a minimum of \$7.11/GJ to \$7.54/GJ.

Prevailing gas prices resulted in market heat rates ranging from a low of 6.58 GJ/MWh to a high of 56.77GJ/MWh. The average market heat rate for the week was 20.03 GJ/MWh.

# Wholesale Market

## Weekly Market Statistics

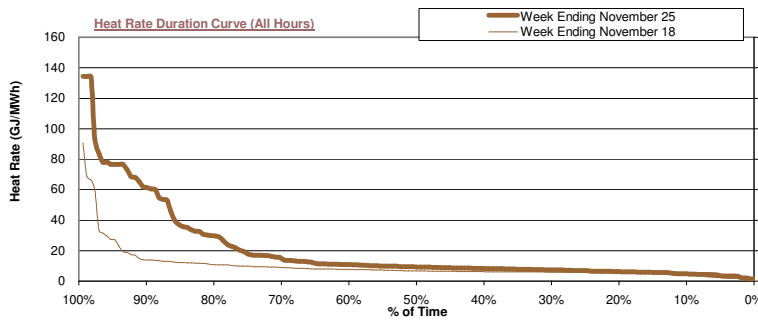
	Sunday 19-Nov	Monday 20-Nov	Tuesday 21-Nov	Wednesday 22-Nov	Thursday 23-Nov	Friday 24-Nov	Saturday 25-Nov	Average	Last Week	% Change	YTD
<b>Pool Price</b>											
Average	\$ 47.35	\$ 99.84	\$ 93.30	\$ 422.70	\$ 239.42	\$ 56.54	\$ 76.66	\$ 147.97	\$ 71.26	107.7%	\$ 81.03
On-Peak	NA	\$ 129.84	\$ 108.60	\$ 544.91	\$ 325.12	\$ 66.21	\$ 96.46	\$ 211.86	\$ 92.76	128.4%	\$ 106.18
Off-Peak	\$ 47.35	\$ 39.82	\$ 62.71	\$ 178.27	\$ 68.03	\$ 37.20	\$ 37.06	\$ 62.79	\$ 42.59	47.4%	\$ 43.53
COV	0.41	1.02	0.66	0.70	0.78	0.34	0.99	0.70	0.65	8.1%	
<b>Heat Rate</b>											
Average	6.58	13.54	12.45	56.77	32.76	7.95	10.17	20.03	9.76	105.3%	13.30
On-Peak	NA	17.61	14.49	73.18	44.49	9.31	12.80	28.65	12.70	125.6%	17.42
Off-Peak	6.58	5.40	8.37	23.94	9.31	5.23	4.92	8.55	5.84	46.4%	7.14
<b>Demand</b>											
Average	7,846	8,176	8,244	8,317	8,394	8,559	8,479	8,288	8,138	1.8%	7,875
Minimum	7,243	7,070	7,285	7,444	7,467	7,596	7,824	7,418	7,293	1.7%	6,351
Maximum	8,671	9,109	9,174	9,146	9,306	9,326	9,252	9,141	8,912	2.6%	9,326
<b>Coal Unit Availability</b>											
Average	5,356	5,228	4,665	4,446	4,505	5,480	5,673	5,050	5,332		5,249
Utilization	92%	90%	80%	76%	77%	94%	97%	86%	91%	-4.8%	90%
<b>Gas and Hydro Unit Availability</b>											
Average	2,077	2,060	2,458	2,637	2,749	2,365	2,133	2,354	2,207		2,142
Utilization	44%	43%	52%	55%	58%	50%	45%	49%	46%	3.1%	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 25**, prices were at or below:

\$20/MWh 2% of the time  
 \$50/MWh 24% of the time  
 \$100/MWh 68% of the time  
 \$250/MWh 83% of the time  
 \$500/MWh 91% of the time



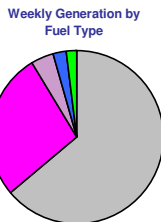
The heat rate duration curves show the % of time that the implied market heat rate was at or below a certain value during the week. For the week ending **November 25** implied market heat rates were at or below:

5.0 GJ/MWh 12% of the time  
 10.0 GJ/MWh 56% of the time  
 15.0 GJ/MWh 70% of the time  
 20.0 GJ/MWh 76% of the time

### Market Share Statistics

By Fuel Type:

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



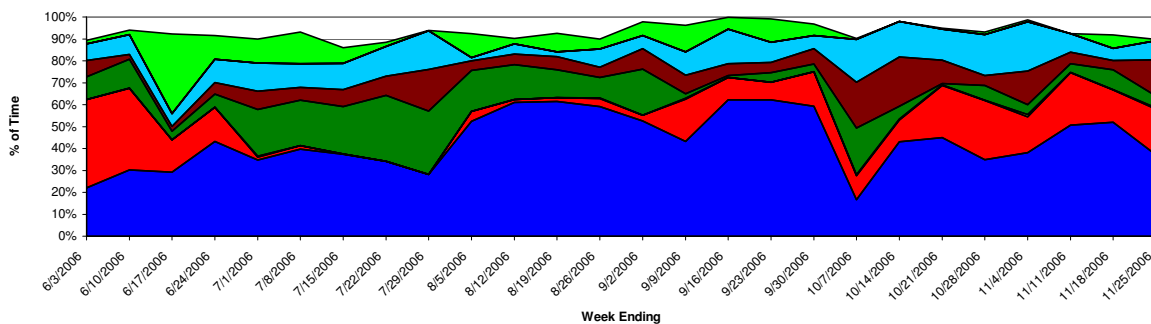
By Submitting Customer:



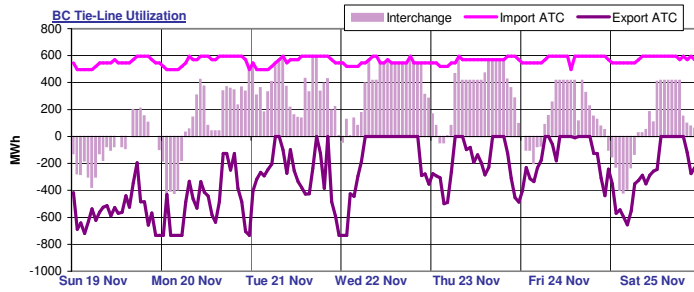
Last week, coal units were responsible for 64.0% of the generation in the province and set price 36.2% of the time. Gas-cogen units accounted for 27.5% of the generation and set price 60.7% of the time last week while other gas units made up 4.2% of generation and set price 1.7% of the time.

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 37.1% of the time and the top five price setters set price a total of 90.0% of the time.

### Weekly Price Setting by Submitting Customer

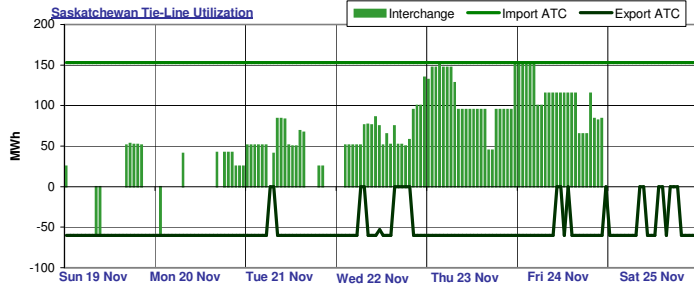


# Interties

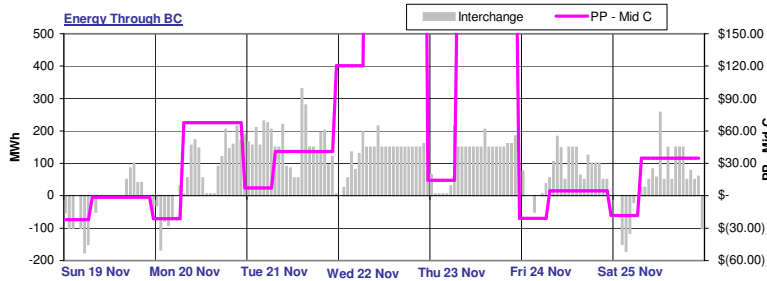


BC import capacity was 41% utilized last week while BC export capacity was 12% utilized. Energy was being imported into Alberta over the BC tie-line 74% of the time and exported out of Alberta over the BC tie-line 23% of the time last week. There was no activity on the BC tie-line 3% of the time last 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.



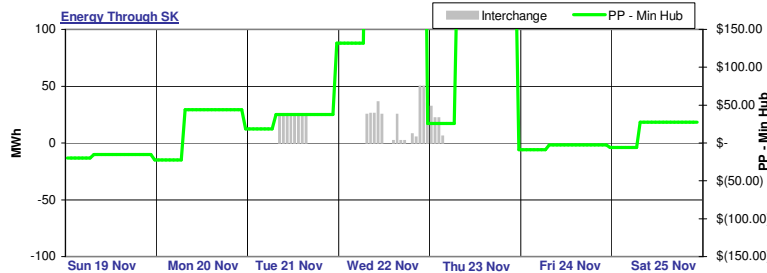
Saskatchewan import capacity was 32% utilized last week while Saskatchewan export capacity was 2% utilized. Energy was being imported into Alberta over the Saskatchewan tie-line 60% of the time and exported out of Alberta over the Saskatchewan tie-line 2% of the time last week. There was no activity on the Saskatchewan tie-line 39% of the time last week.



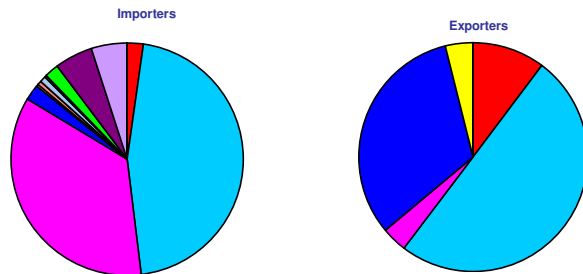
Last week, Alberta spot prices were mostly higher relative to prices in the Pacific Northwest as represented by Mid-C index prices, supporting import activity across the Alberta - BC interconnection.

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

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



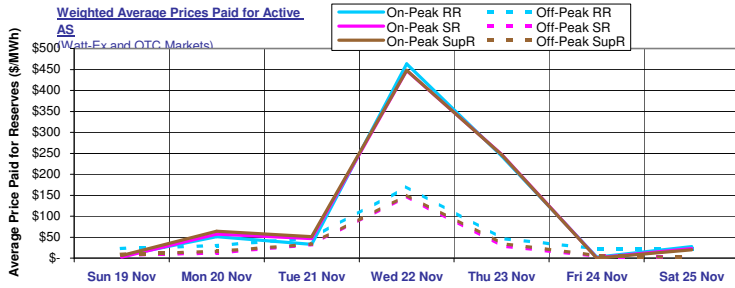
Tie-Line Market Shares



Last week, there were a total of 12 importers. The most active importer had a market share of 46.0% while the second most active importer had a market share of 35.5%. There were a total of 5 exporters last week. The most active exporter had a market share of 50.2% while the next largest exporter had a market share of 32.4%.

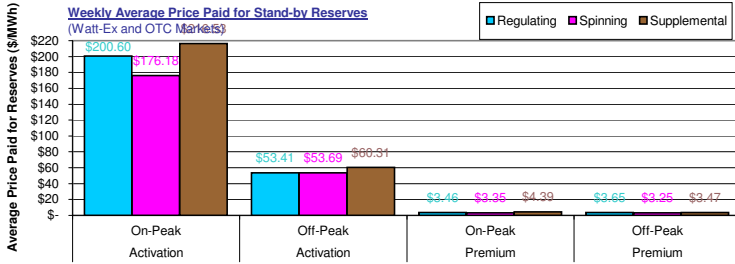
Note: Market shares are based on the combined activity on both interties.

# Ancillary Services Market



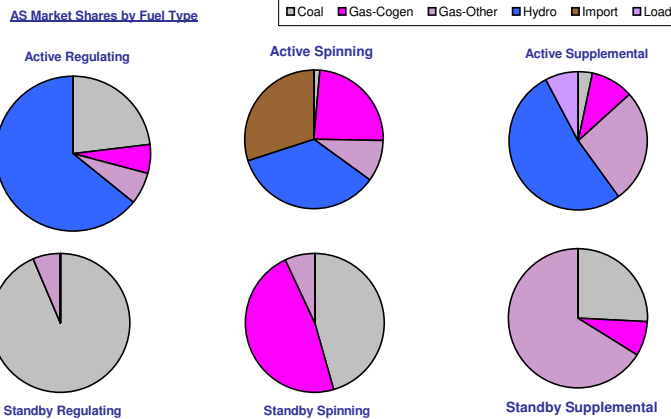
Average on-peak prices paid for active ancillary services last week were **\$116.85/MWh**, **\$120.12/MWh** and **\$121.88/MWh** respectively for active **regulating**, **spinning** and **supplemental** reserves.

Active average off-peak prices were somewhat **higher** and averaged **\$52.19/MWh**, **\$33.92/MWh** and **\$36.16/MWh** for active **regulating**, **spinning** and **supplemental** reserves respectively.



Weekly average activation prices for stand-by reserves ranged from **\$53.41/MWh** for **off-peak regulating** reserves to **\$216.53/MWh** for **on-peak regulating** reserves.

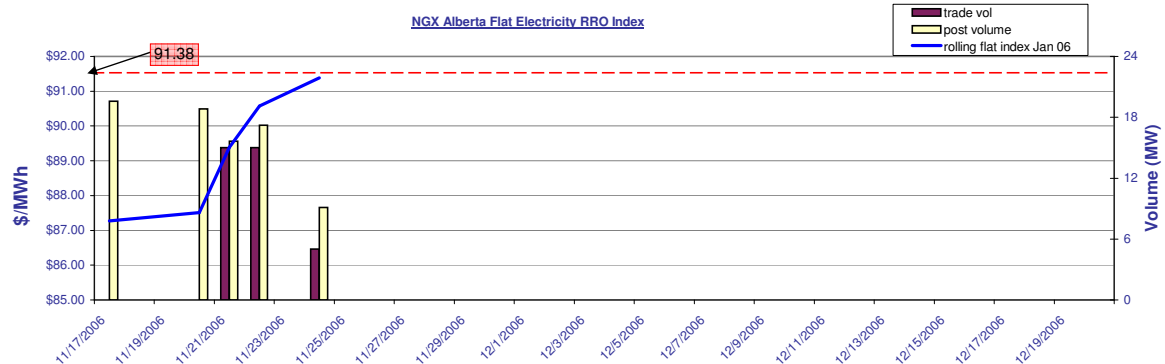
Weekly average premium prices ranged from **\$3.25/MWh** for **off-peak spinning** reserves up to **\$4.39/MWh** for **on-peak spinning** reserves.



Last week **hydro** units had the largest market share in the **active regulating** reserve market with **64.3%**. In the **active spinning** reserve market, **hydro** units had the leading market share with **35.0%** while in the **active supplemental** reserve market, **hydro** units dominated with a **52.1%** market share.

**Coal** units dominated the **standby regulating** reserve market with a **93.7%** market share. Leading market share in the **standby spinning** market was held by **gas-cogen** units with a **47.4%** market share. In the **standby supplemental** reserve market, **gas** units had the leading market share with **66.0%**.

# 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.