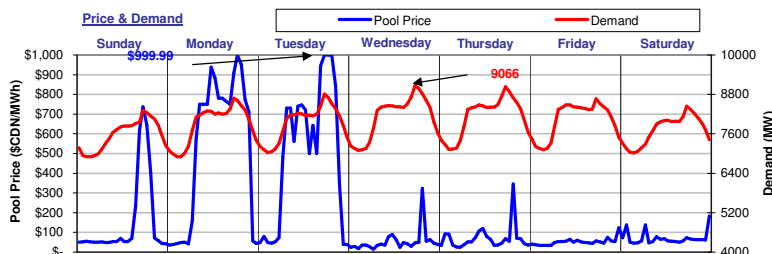


The Market Monitor

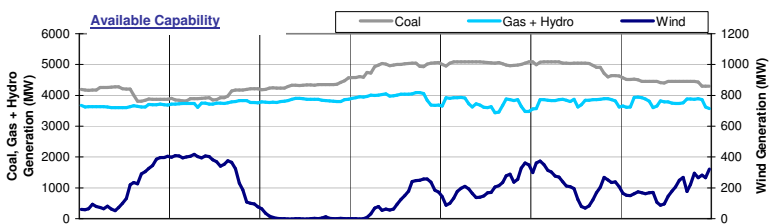
WATCHING THE MARKET : your fact source

Week Ending November 8, 2008

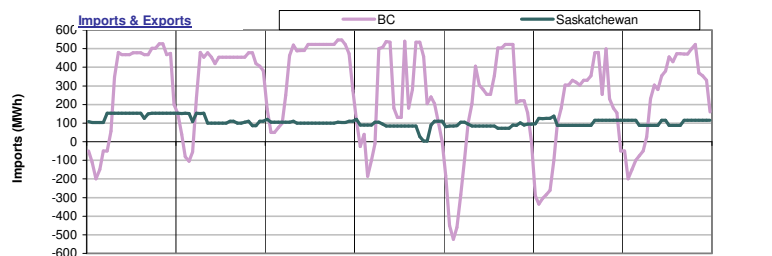
Weekly Highlights



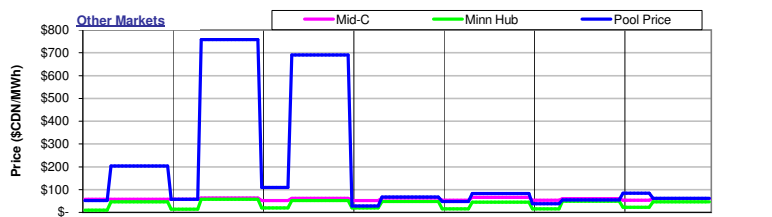
For the week ending **November 8, 2008**, **Pool Price** averaged \$203.05/MWh and ranged from a minimum of \$14.56/MWh in HE07 on **Wednesday** to a maximum of \$999.99/MWh in HE18 on **Tuesday**. **Demand** reached a high of 9066 MW in HE18 on **Wednesday** and a low of 6900 MW in HE03 on **Sunday**. Average demand for the week was 7912 MW. **Pool Price** and **Demand** were positively correlated last week with an R-squared value of 0.13.



Coal Unit Availability averaged 4534 MW last week. This is an equivalent availability of 76%. **Gas, Hydro and Other Unit Availability** averaged 3784 MW last week, which is an equivalent of 72%. **Wind Generation** averaged 180 MW last week. This is an equivalent availability of 36%. Availability numbers are based on MW offered into the energy merit order.

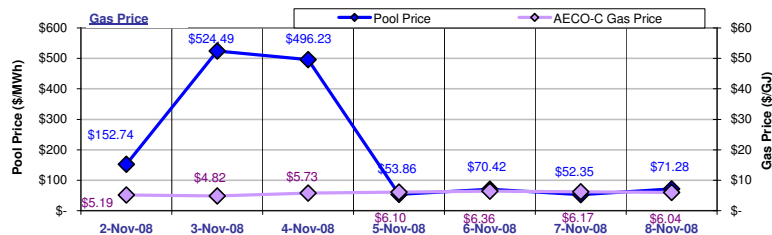


Alberta was a net importer from **BC** last week with total imports equal to 43,851 MWh. Alberta was a net importer from **Saskatchewan** last week with total imports equal to 17,773 MWh. Overall, Alberta imported 61,624 MWh of electricity last week.



Pool Prices were generally higher than prices in **Mid-C** and higher than prices in **Minn Hub** last week. **Mid-C** prices averaged \$62.62/MWh on-peak and \$54.47/MWh off-peak. **Minn Hub** prices averaged \$49.65/MWh on-peak and \$16.47/MWh off-peak.

Prices in \$CDN at an exchange rate of 1.21344.



The average **AECO-C Gas Price** last week was \$5.77/GJ and ranged from a minimum of \$4.82/GJ to \$6.36/GJ. Prevailing gas prices resulted in market heat rates ranging from a low of 8.49 GJ/MWh to a high of 108.86 GJ/MWh. The average market heat rate for the week was 37.87 GJ/MWh.

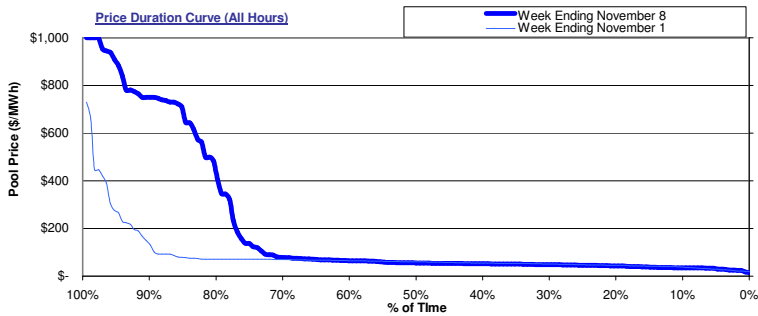


Alberta's Market Surveillance Administrator is in place to monitor the fair, efficient and openly competitive operation of all electricity markets within the province. The **Market Monitor** is a weekly publication by the MSA intended to educate industry participants and the public on market activities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

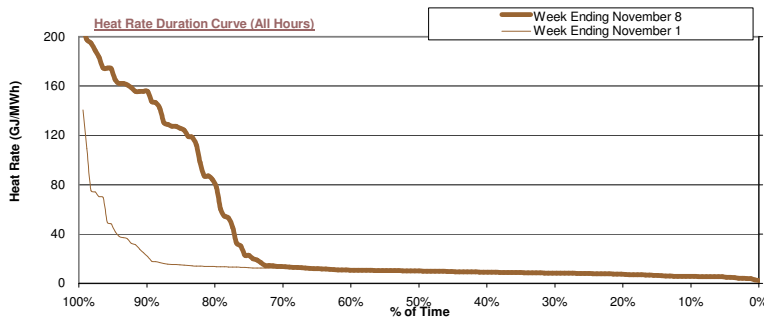
	Sunday 2-Nov	Monday 3-Nov	Tuesday 4-Nov	Wednesday 5-Nov	Thursday 6-Nov	Friday 7-Nov	Saturday 8-Nov	Average	Last Week	% Change	YTD
Pool Price											
Average	\$ 152.74	\$ 524.49	\$ 496.23	\$ 53.86	\$ 70.42	\$ 52.35	\$ 71.28	\$ 203.05	\$ 83.35	143.6%	\$ 92.18
On-Peak	NA	\$ 757.82	\$ 690.00	\$ 66.84	\$ 82.18	\$ 54.37	\$ 61.19	\$ 285.40	\$ 94.18	203.0%	\$ 121.94
Off-Peak	\$ 152.74	\$ 57.82	\$ 108.70	\$ 27.90	\$ 46.90	\$ 48.30	\$ 91.45	\$ 93.25	\$ 68.90	35.4%	\$ 47.69
COV	1.40	0.72	0.73	1.11	0.91	0.35	0.47	0.81	0.80	1.8%	
Heat Rate											
Average	29.41	108.86	86.59	8.83	11.07	8.49	11.80	37.87	13.05	190.1%	11.60
On-Peak	NA	157.30	120.41	10.96	12.91	8.82	10.13	53.42	15.10	253.7%	15.34
Off-Peak	29.41	12.00	18.97	4.58	7.37	7.83	15.14	17.13	10.32	65.9%	6.00
Demand											
Average	7,569	7,890	7,932	8,121	8,127	8,025	7,722	7,912	7,915	0.0%	7,902
Minimum	6,900	6,905	7,025	7,098	7,124	7,118	7,018	7,027	7,092	-0.9%	6,411
Maximum	8,309	8,681	8,816	9,066	9,033	8,661	8,440	8,715	8,476	2.8%	9,710
Coal Unit Availability											
Average	4,075	3,988	4,321	4,913	5,042	4,954	4,443	4,534	4,786	-4.2%	5,058
AC/MC	68%	66%	72%	82%	84%	82%	74%	76%	80%		84%
Gas, Hydro and Other Unit Availability											
Average	3,645	3,749	3,834	3,960	3,725	3,803	3,775	3,784	3,445	6.5%	3,548
AC/MC	69%	71%	73%	75%	71%	72%	72%	72%	66%		68%



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 8**, prices were at or below:

\$20/MWh	1% of the time
\$50/MWh	33% of the time
\$100/MWh	73% of the time
\$250/MWh	77% of the time
\$500/MWh	82% of the time



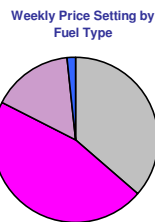
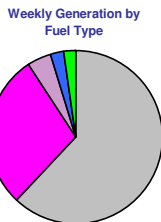
The heat rate duration curves show the % of time that the implied market heat rate was at or below a certain value during the week. For the week ending **November 8** implied market heat rates were at or below:

5.0 GJ/MWh	5% of the time
10.0 GJ/MWh	50% of the time
15.0 GJ/MWh	73% of the time
20.0 GJ/MWh	75% of the time

Market Share Statistics

By Fuel Type:

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



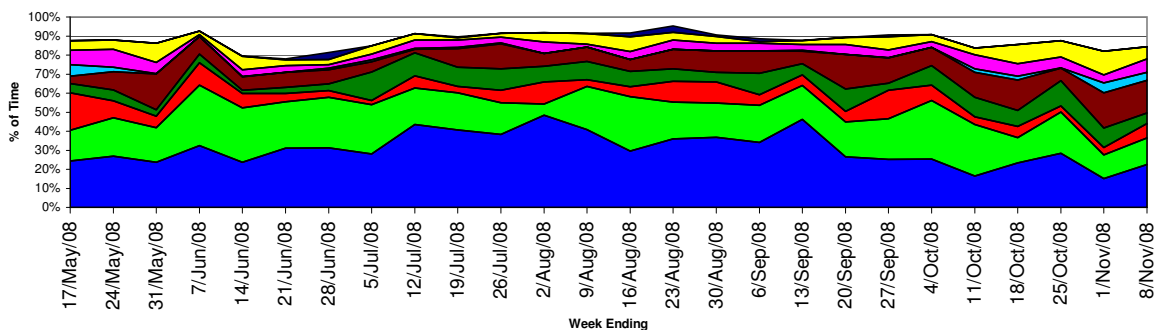
By Submitting Customer:



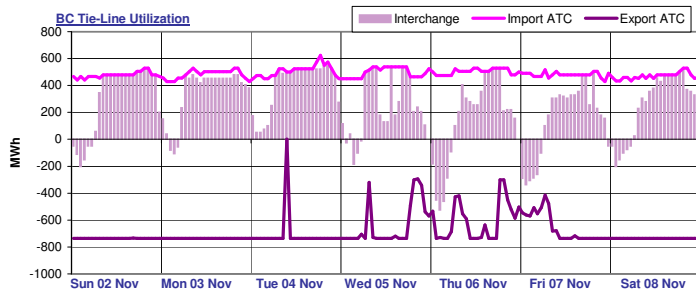
Last week, **coal units** were responsible for **61.9%** of the generation in the province and set price **36.4%** of the time. **Gas-cogen** units accounted for **28.9%** of the generation and set price **46.1%** of the time last week while **other gas** units made up **4.5%** of generation and set price **16.0%** of the time.

A total of **12** 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 **22.5%** of the time and the top five price setters set price a total of **68.2%** of the time.

Weekly Price Setting by Submitting Customer

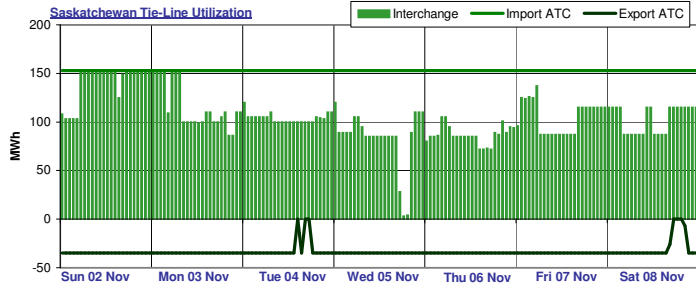


Interties

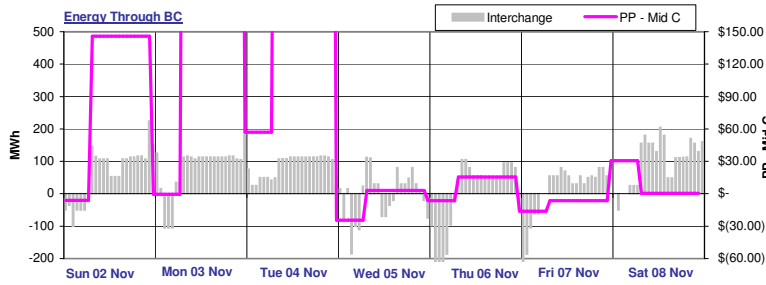


BC import capacity was 60% utilized last week while BC export capacity was 6% utilized. Energy was being imported into Alberta over the BC tie-line 80% of the time and exported out of Alberta over the BC tie-line 19% of the time last week. There was no activity on the BC tie-line 1% of the time last 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.



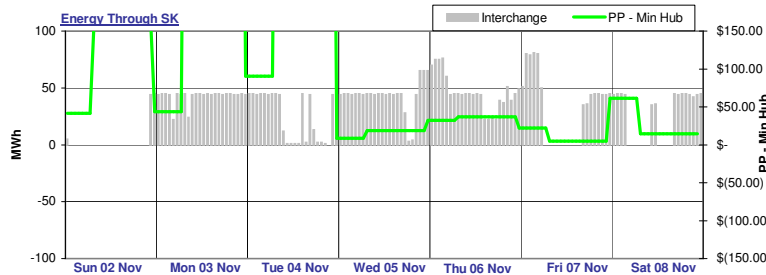
Saskatchewan import capacity was 70% utilized last week while Saskatchewan export capacity was 2% utilized. Energy was being imported into Alberta over the Saskatchewan tie-line 100% of the time and exported out of Alberta over the Saskatchewan tie-line 0% of the time last week. There was no activity on the Saskatchewan tie-line 0% of the time last week.



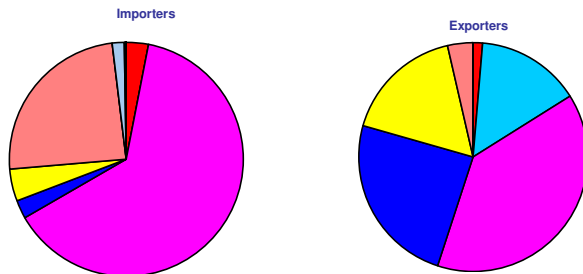
Last week, Alberta spot prices were mostly higher relative to prices in the Pacific Northwest as represented by Mid-C index prices, supporting import activity across the Alberta - BC interconnection.

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.



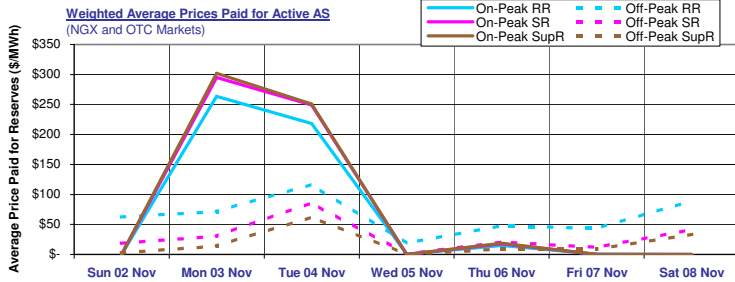
Tie-Line Market Shares



Last week, there were a total of 8 importers. The most active importer had a market share of 63.6% while the second most active importer had a market share of 24.3%. There were a total of 6 exporters last week. The most active exporter had a market share of 38.8% while the next largest exporter had a market share of 24.5%.

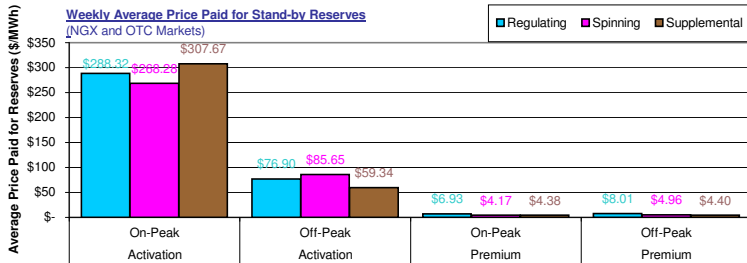
Note: Market shares are based on the combined activity on both interties.

Ancillary Services Market



Average on-peak prices paid for active ancillary services last week were **\$189.08/MWh**, **\$212.51/MWh** and **\$214.88/MWh** respectively for active **regulating**, **spinning** and **supplemental** reserves.

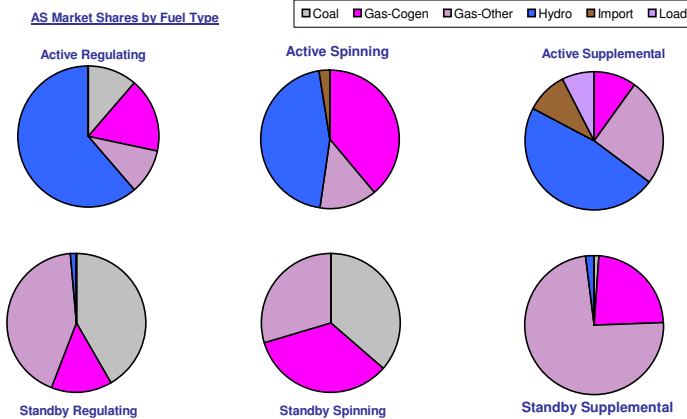
Active average off-peak prices were **lower** and averaged **\$67.96/MWh**, **\$31.10/MWh** and **\$18.73/MWh** for active **regulating**, **spinning** and **supplemental** reserves respectively.



Weekly average activation prices for stand-by reserves ranged from **\$59.34/MWh** for **off-peak supplemental** reserves to **\$307.67/MWh** for **on-peak regulating** reserves.

Weekly average premium prices ranged from **\$4.17/MWh** for **on-peak spinning** reserves up to **\$8.01/MWh** for **off-peak spinning** reserves.

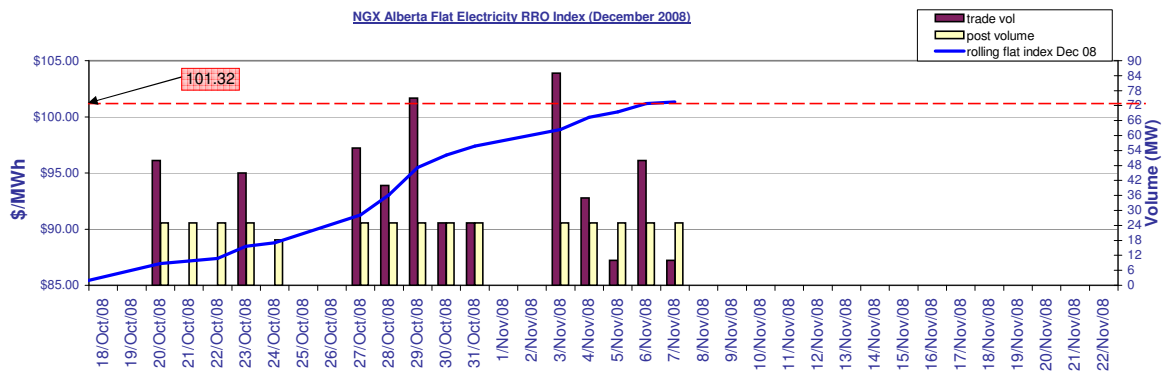
AS Market Shares by Fuel Type



Last week **hydro** units had the largest market share in the **active regulating** reserve market with **61.5%**. In the **active spinning** reserve market, **hydro** units had the leading market share with **45.4%** while in the **active supplemental** reserve market, **hydro** units dominated with a **47.3%** market share.

Gas units dominated the **standby regulating** reserve market with a **42.9%** market share. Leading market share in the **standby spinning** market was held by **coal** units with a **36.4%** market share. In the **standby supplemental** reserve market, **gas** units had the leading market share with **73.6%**.

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.