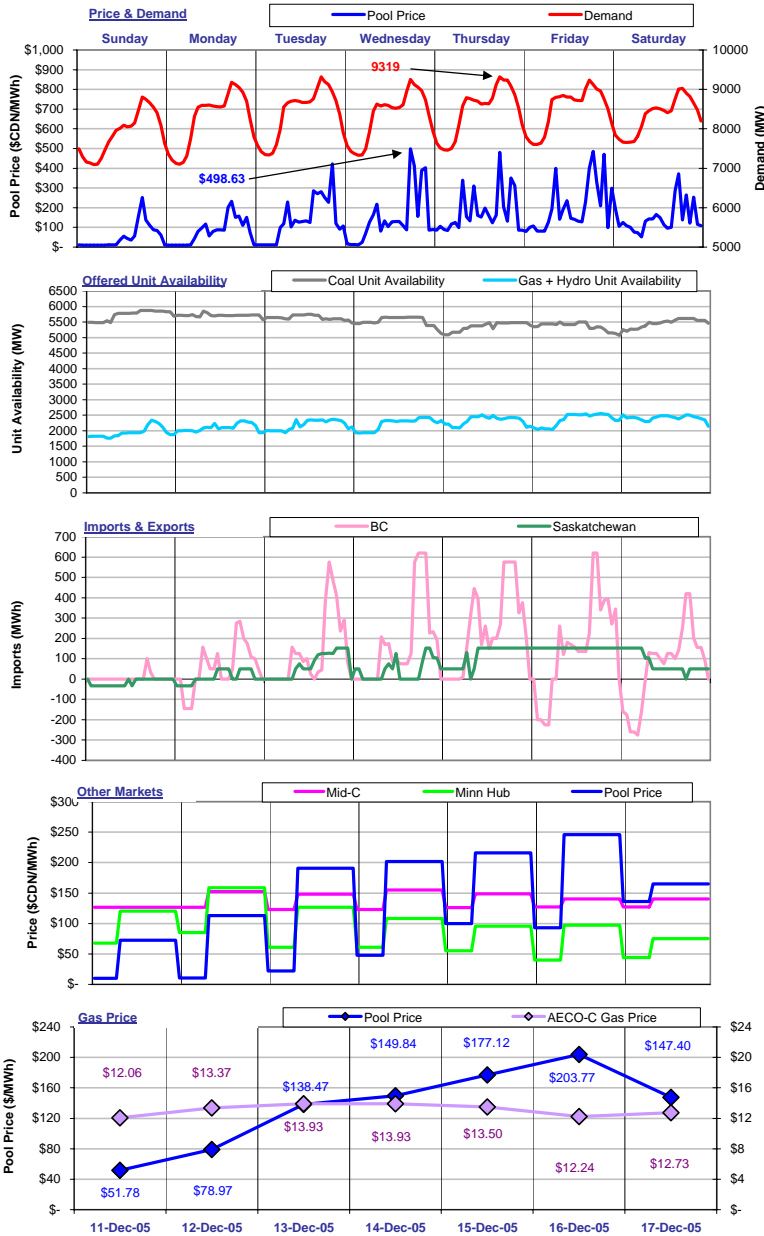


The Market Monitor

WATCHING THE MARKET : your fact source

Week Ending December 17, 2005

Weekly Highlights



For the week ending December 17, 2005, **Pool Price** averaged \$135.34/MWh and ranged from a minimum of \$9.64/MWh in HE08 on Sunday to a maximum of \$498.63/MWh in HE18 on Wednesday.

Demand reached a high of 9319 MW in HE18 on Thursday and a low of 7092 MW in HE05 on Sunday. Average demand for the week was 8304MW.

Pool Price and **Demand** were positively correlated last week with an R-squared value of 0.51.

Coal Unit Availability averaged 5541 MW last week. This is an equivalent availability of 95% (based on MCR). **Gas and Hydro Unit Availability** averaged 2223MW 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 importer from **BC** last week with total imports equal to 19,626MWh.

Alberta was a net importer from **Saskatchewan** last week with total imports equal to 10,843MWh.

Overall, Alberta imported 30,469MWh 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 \$147.41/MWh on-peak and \$125.56/MWh off-peak.

Minn Hub prices averaged \$110.27/MWh on-peak and \$59.22/MWh off-peak.

Prices in \$CDN at an exchange rate of 1.1589.

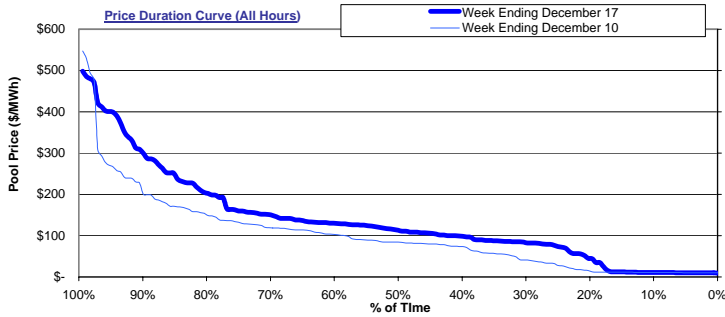
The average **AECO-C Gas Price** last week was \$13.11/GJ and ranged from a minimum of \$12.06/GJ to \$13.93/GJ.

Prevailing gas prices resulted in market heat rates ranging from a low of 4.29GJ/MWh to a high of 16.64GJ/MWh. The average market heat rate for the week was 10.32GJ/MWh.

Wholesale Market

Weekly Market Statistics

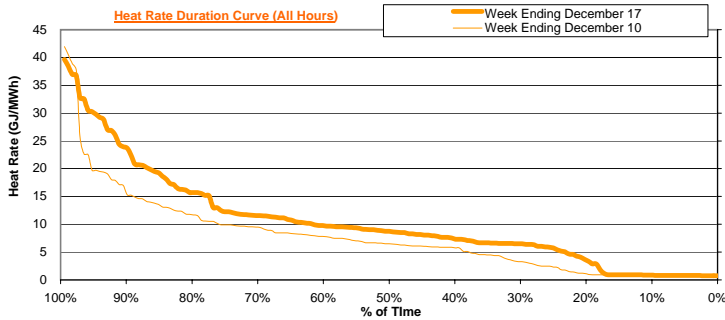
	Sunday 11-Dec	Monday 12-Dec	Tuesday 13-Dec	Wednesday 14-Dec	Thursday 15-Dec	Friday 16-Dec	Saturday 17-Dec	Average	Last Week	% Change	YTD
Pool Price											
Average	\$ 51.78	\$ 78.97	\$ 138.47	\$ 149.84	\$ 177.12	\$ 203.77	\$ 147.40	\$ 135.34	\$ 100.66	34.4%	\$ 69.86
On-Peak	NA	\$ 113.19	\$ 190.65	\$ 202.01	\$ 216.09	\$ 245.82	\$ 165.05	\$ 188.80	\$ 140.52	34.4%	\$ 85.75
Off-Peak	\$ 51.78	\$ 10.54	\$ 34.12	\$ 45.49	\$ 99.18	\$ 119.68	\$ 112.09	\$ 64.05	\$ 47.51	34.8%	\$ 44.61
COV	1.18	0.82	0.79	0.92	0.59	0.63	0.51	0.78	0.82	-5.8%	
Heat Rate											
Average	4.29	5.91	9.94	10.76	13.12	16.64	11.58	10.32	7.94	30.0%	8.53
On-Peak	NA	8.47	13.69	14.96	16.56	20.08	12.96	14.45	10.72	34.8%	10.47
Off-Peak	4.29	0.79	2.45	3.36	7.57	9.77	8.80	5.07	3.79	33.8%	5.45
Demand											
Average	7,883	8,243	8,391	8,330	8,462	8,502	8,320	8,304	8,391	-1.0%	7,547
Minimum	7,092	7,106	7,340	7,326	7,457	7,606	7,655	7,369	7,532	-2.2%	6,104
Maximum	8,807	9,180	9,318	9,257	9,319	9,237	9,024	9,163	9,227	-0.7%	9,580
Coal Unit Availability											
Average	5,718	5,715	5,641	5,529	5,361	5,356	5,465	5,541	5,667		5,167
Utilization	98%	98%	97%	95%	92%	92%	94%	95%	97%	-2.2%	88%
Gas and Hydro Unit Availability											
Average	1,949	2,101	2,191	2,226	2,326	2,359	2,411	2,223	2,163		2,113
Utilization	41%	44%	46%	47%	49%	50%	51%	39%	38%	1.1%	37%



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

For the week ending December 17, prices were at or below:

- \$20/MWh 17% of the time
- \$50/MWh 20% of the time
- \$100/MWh 42% of the time
- \$250/MWh 85% 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 December 17, implied market heat rates were at or below:

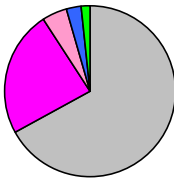
- 5.0 GJ/MWh 23% of the time
- 10.0 GJ/MWh 62% of the time
- 15.0 GJ/MWh 77% of the time
- 20.0 GJ/MWh 87% of the time

Market Share Statistics

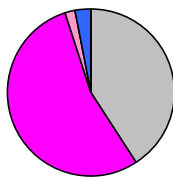
By Fuel Type:



Weekly Generation by Fuel Type



Weekly Price Setting by Fuel Type



By Submitting Customer:

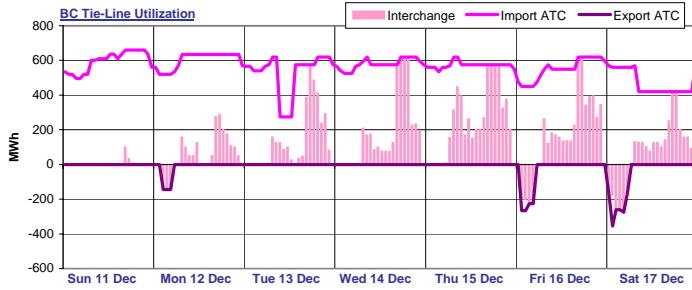
Weekly Price Setting by Submitting Customer



Last week, coal units were responsible for 66.9% of the generation in the province and set price 40.9% of the time. Gas-cogen units accounted for 23.9% of the generation and set price 54.2% of the time last week while other gas units made up 4.8% of generation and set price 2.0% of the time.

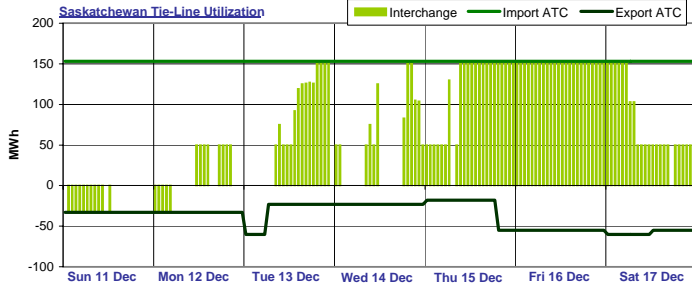
A total of 9 market participants set price last week. One market participants set price more than 20% of the time last week. The top price setter set price 26.5% of the time and the top five price setters set price a total of 80.2% of the time.

Interties

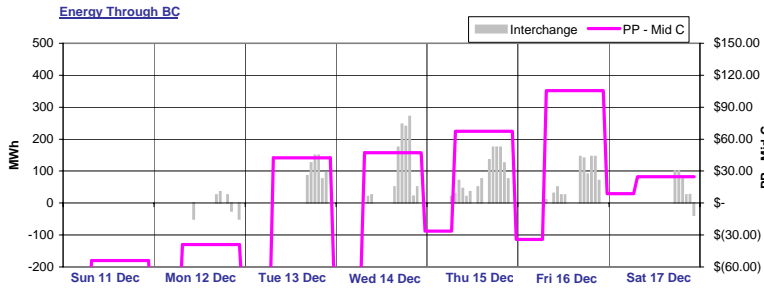


BC import capacity was 24% utilized last week while BC export capacity was 92% utilized. Energy was being imported into Alberta over the BC tie-line 57% of the time and exported out of Alberta over the BC tie-line 8% of the time last week. There was no activity on the BC tie-line 35% of the time last 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.



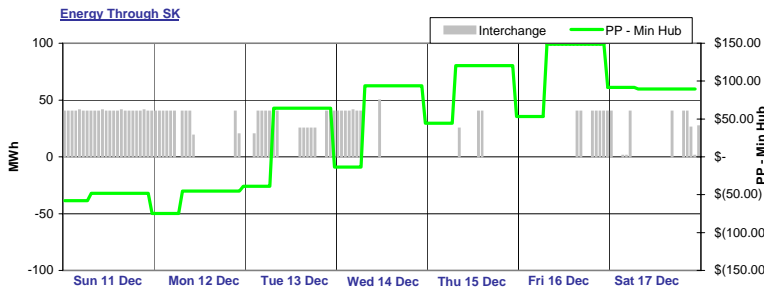
Saskatchewan import capacity was 44% utilized last week while Saskatchewan export capacity was 10% utilized. Energy was being imported into Alberta over the Saskatchewan tie-line 63% of the time and exported out of Alberta over the Saskatchewan tie-line 10% of the time last week. There was no activity on the Saskatchewan tie-line 28% of the time last week.



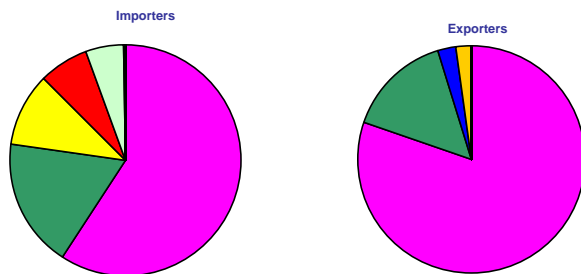
Last week, Alberta spot prices were mostly lower relative to prices in the Pacific Northwest as represented by Mid-C index prices, supporting export activity across the Alberta - BC interconnection.

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

Note: Platt's day-ahead strip used in energy through BC and SK graphs for Mid C and Min Hub reference respectively.



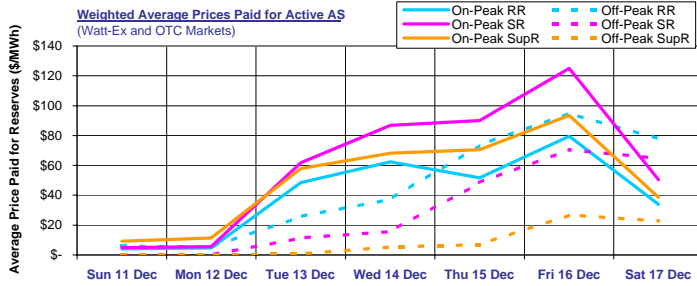
Tie-Line Market Shares



Last week, there were a total of 6 importers. The most active importer had a market share of 59.1% while the second most active importer had a market share of 18.1%. There were a total of 4 exporters last week. The most active exporter had a market share of 80.2% while the next largest exporter had a market share of 15.1%.

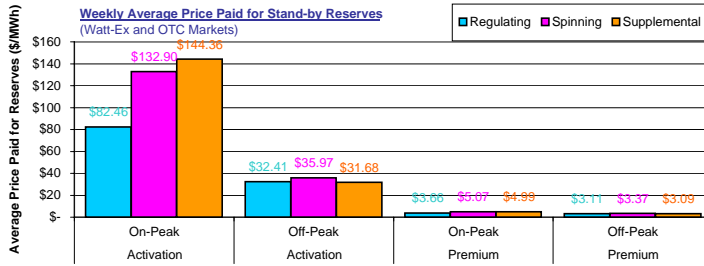
Note: Market shares are based on the combined activity on both interties.

Ancillary Services Market



Average on-peak prices paid for active ancillary services last week were \$40.68/MWh, \$61.80/MWh and \$50.62/MWh respectively for active **regulating**, **spinning** and **supplemental** reserves.

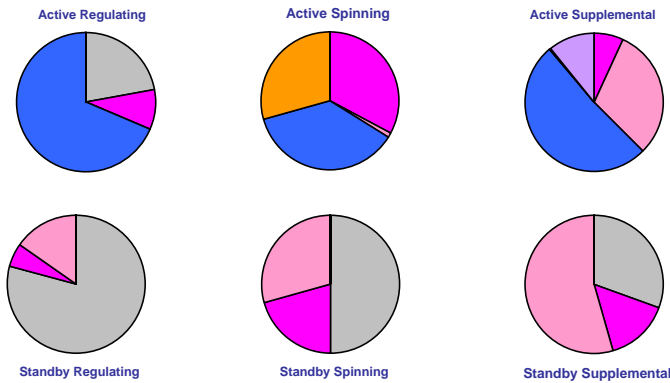
Active average off-peak prices were somewhat lower and averaged \$45.70/MWh, \$30.55/MWh and \$9.01/MWh for active **regulating**, **spinning** and **supplemental** reserves respectively.



Weekly average activation prices for stand-by reserves ranged from \$31.68/MWh for off-peak supplemental reserves to \$144.36/MWh for on-peak regulating reserves.

Weekly average premium prices ranged from \$3.09/MWh for off-peak supplemental reserves up to \$5.07/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 68.7%. In the **active spinning** reserve market, **hydro** units had the leading market share with 36.8% while in the **active supplemental** reserve market, **hydro** units dominated with a 51.4% market share.

Coal units dominated the **standby regulating** reserve market with a 79.1% market share. Leading market share in the **standby spinning** market was held by coal units with a 50.1% market share. In the **standby supplemental** reserve market, **gas-other** units had the leading market share with 54.5%.

Glossary

- HE** Hour Ending
- 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)
- COV** Coefficient of Variation
The standard deviation of a series of numbers divided by the mean of the same series of numbers. Used as a measure of volatility.
- ATC** Available Transfer Capacity
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.
- Sparksread** Sparksreads 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.