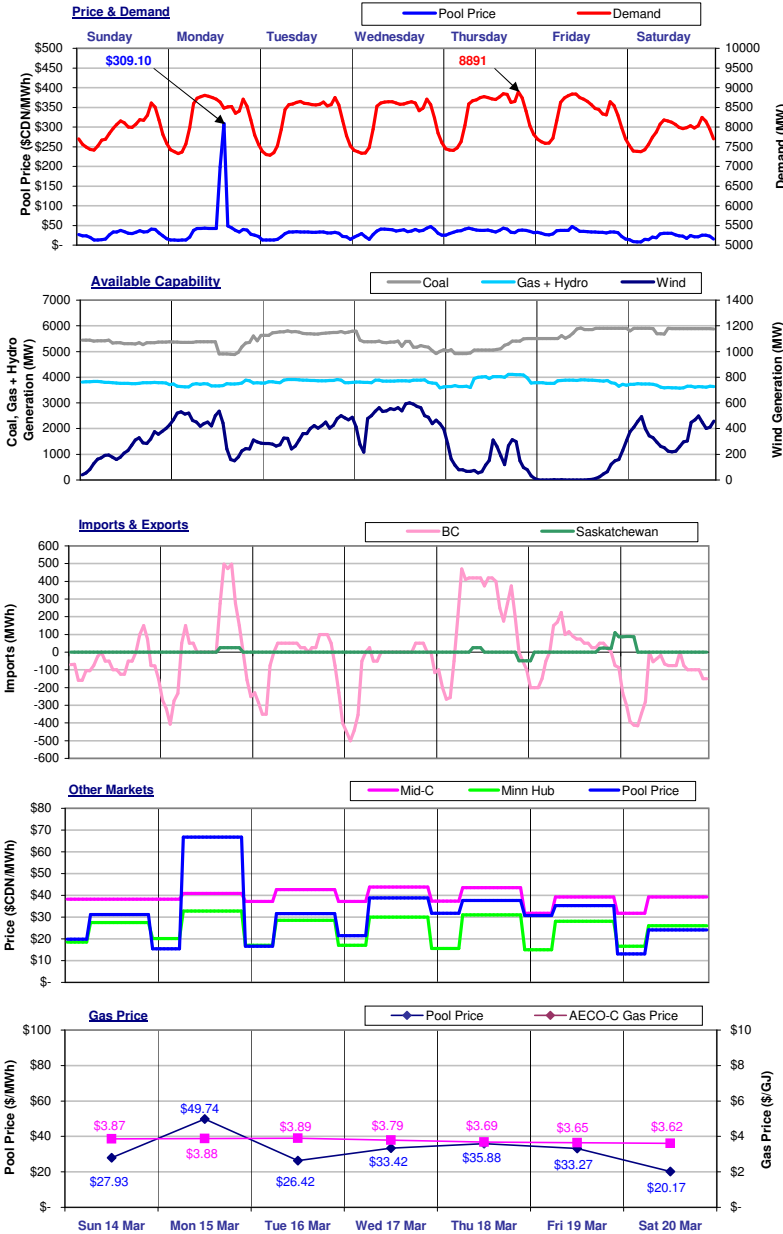


The Market Monitor

WATCHING THE MARKET : your fact source

Week Ending March 20, 2010

Weekly Highlights



For the week ending March 20, 2010, **Pool Price** averaged \$32.43/MWh and ranged from a minimum of \$8.09/MWh in HE05 on Saturday to a maximum of \$309.10/MWh in HE16 on Monday. **Demand** reached a high of 8,891 MW in HE21 on Thursday and a low of 7,288 MW in HE04 on Tuesday. Average demand for the week was 8,165 MW. **Pool Price** and **Demand** were positively correlated last week with an R-squared value of 0.13.

Coal Unit Availability averaged 5489 MW last week. This is an equivalent availability of 91%. **Gas, Hydro and Other Unit Availability** averaged 3795 MW last week, which is an equivalent of 67%. **Wind Generation** averaged 290 MW last week. This is an equivalent availability of 46%. 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 2,520 MWh. Alberta was a net importer from **Saskatchewan** last week with total imports equal to 1,789 MWh. Overall, Alberta exported 1,904 MWh 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 \$41.58/MWh on-peak and \$35.92/MWh off-peak. **Minn Hub** prices averaged \$29.42/MWh on-peak and \$17.14/MWh off-peak.

Prices in \$CDN at an exchange rate of 1.02.

The average **AECO-C Gas Price** last week was \$3.77/GJ and ranged from a minimum of \$3.62/GJ to \$3.89/GJ. Prevailing gas prices resulted in market heat rates ranging from a low of 5.58 GJ/MWh to a high of 12.82 GJ/MWh. The average market heat rate for the week was 8.58 GJ/MWh.

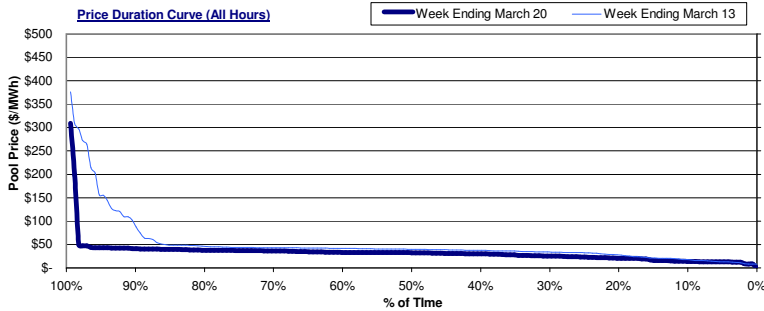


Alberta's Market Surveillance Administrator is in place to monitor the fair, efficient and openly competitive operation of all electricity markets within the province. The Market Monitor is a weekly publication by the MSA intended to educate industry participants and the public on market activities for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

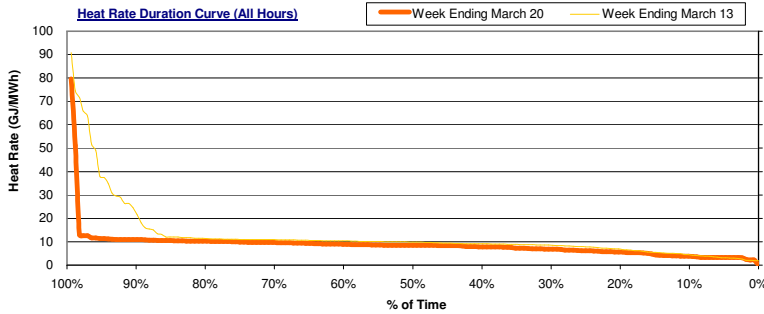
Weekly Market Statistics

	Sunday 14-Mar	Monday 15-Mar	Tuesday 16-Mar	Wednesday 17-Mar	Thursday 18-Mar	Friday 19-Mar	Saturday 20-Mar	Average	Last Week	% Change	YTD
Pool Price											
Average	\$ 27.93	\$ 49.74	\$ 26.42	\$ 33.42	\$ 35.88	\$ 33.27	\$ 20.17	\$ 32.43	\$ 50.78	-36.1%	\$ 42.78
On-Peak	NA	\$ 66.79	\$ 31.56	\$ 38.78	\$ 37.61	\$ 35.32	\$ 24.12	\$ 39.03	\$ 66.20	-41.0%	\$ 49.82
Off-Peak	\$ 27.93	\$ 15.64	\$ 16.15	\$ 22.69	\$ 32.43	\$ 29.18	\$ 12.27	\$ 23.57	\$ 30.23	-22.0%	\$ 32.35
COV	0.31	1.33	0.31	0.26	0.13	0.15	0.34	0.40	0.45	-9.1%	
Heat Rate											
Average	7.22	12.82	6.79	8.82	9.73	9.10	5.58	8.58	12.46	-31.2%	8.82
On-Peak	NA	17.21	8.11	10.23	10.20	9.66	6.67	10.35	16.29	-36.5%	10.27
Off-Peak	7.22	4.03	4.15	5.99	8.79	7.98	3.39	6.22	7.36	-15.5%	6.67
Demand											
Average	7,932	8,245	8,213	8,223	8,351	8,322	7,858	8,163	8,245	-1.0%	8,445
Minimum	7,414	7,326	7,288	7,332	7,406	7,589	7,372	7,390	7,458	-0.9%	7,282
Maximum	8,609	8,801	8,749	8,706	8,891	8,835	8,242	8,690	8,838	-1.7%	9,799
Coal Unit Availability											
Average	5,365	5,260	5,723	5,320	5,151	5,731	5,867	5,488	5,090	6.6%	5,360
AC/MC	89%	87%	95%	88%	85%	95%	97%	91%	84%	6.6%	89%
Gas, Hydro and Other Unit Availability											
Average	3,789	3,724	3,855	3,828	3,889	3,828	3,654	3,795	3,907	-2.0%	3,986
AC/MC	67%	66%	68%	68%	69%	68%	65%	67%	69%	-2.0%	70%



The price duration curves show the % of time that prices were at or below a certain value during the week. For the week ending **March 20**, prices were at or below:

\$20/MWh	17% of the time
\$50/MWh	98% of the time
\$100/MWh	98% of the time
\$250/MWh	99% 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 **March 20** implied market heat rates were at or below:

5.0 GJ/MWh	17% of the time
10.0 GJ/MWh	77% of the time
15.0 GJ/MWh	99% of the time
20.0 GJ/MWh	99% of the time

Market Share Statistics

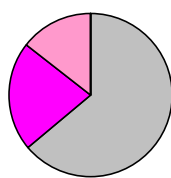
By Fuel Type:

Coal Gas - Cogen Gas - Other Hydro Other

Weekly Generation by Fuel Type

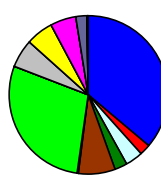


Weekly Price Setting by Fuel Type



By Submitting Customer:

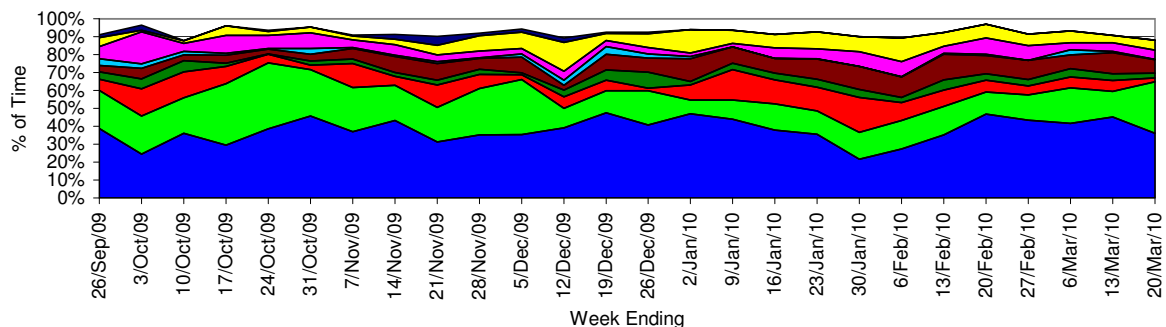
Weekly Price Setting by Submitting Customer



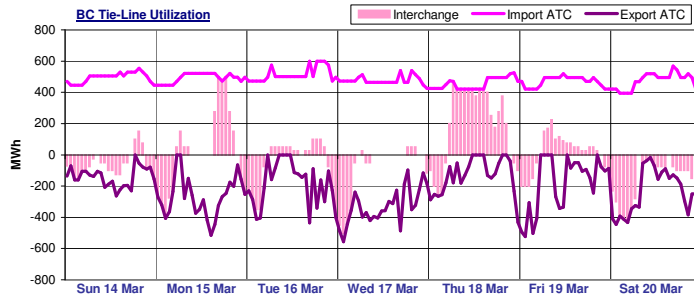
Last week, **coal units** were responsible for **63.2%** of the generation in the province and set price **63.9%** of the time. **Gas-cogen** units accounted for **25.4%** of the generation and set price **21.8%** of the time last week while **other gas** units made up **4.5%** of generation and set price **14.3%** of the time.

A total of **13** 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 **36.1%** of the time and the top five price setters set price a total of **83.6%** of the time.

Weekly Price Setting by Submitting Customer

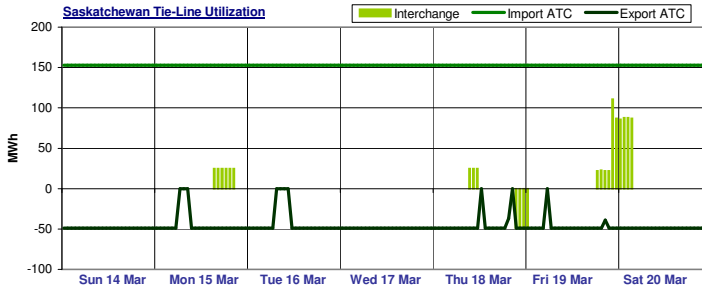


Interties

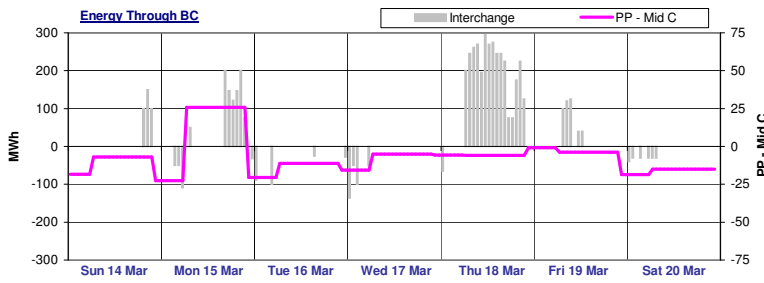


BC import capacity was 14% utilized last week while BC export capacity was 38% utilized. Energy was being imported into Alberta over the BC tie-line 37% of the time and exported out of Alberta over the BC tie-line 46% of the time last week. There was no activity on the BC tie-line 17% of the time last 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.



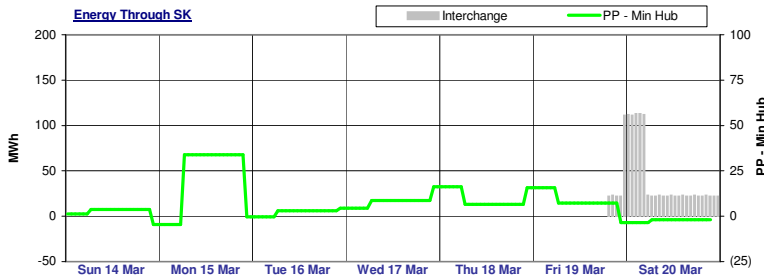
Saskatchewan import capacity was 6% utilized last week while Saskatchewan export capacity was 10% utilized. Energy was being imported into Alberta over the Saskatchewan tie-line 11% of the time and exported out of Alberta over the Saskatchewan tie-line 2% of the time last week. There was no activity on the Saskatchewan tie-line 86% of the time last week.



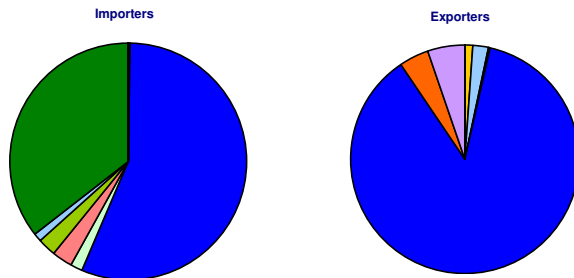
Last week, Alberta spot prices were mostly lower relative to prices in the Pacific Northwest as represented by Mid-C index prices.

Alberta prices were generally higher than prices in MISO as represented by spot prices at the Minnesota Hub.

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



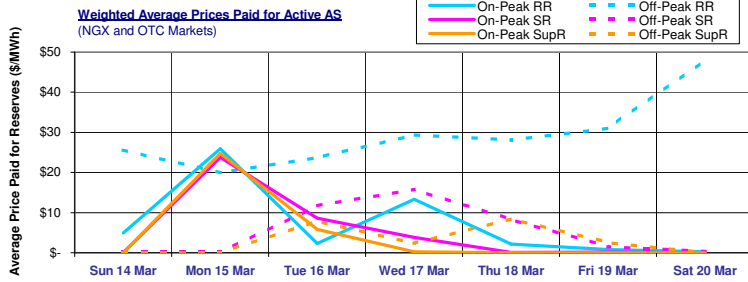
Tie-Line Market Shares



Last week, there were a total of 7 importers. The most active importer had a market share of 55.9% while the second most active importer had a market share of 35.5%. There were a total of 6 exporters last week. The most active exporter had a market share of 87.0% while the next largest exporter had a market share of 5.3%.

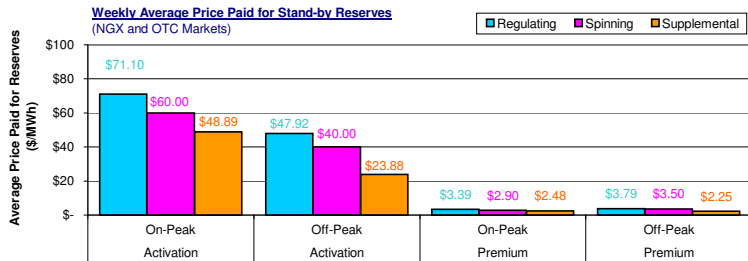
Note: Market shares are based on the combined activity on both interties.

Ancillary Services Market



Average on-peak prices paid for active ancillary services last week were \$7.18/MWh, \$5.35/MWh and \$4.47/MWh respectively for active **regulating**, **spinning** and **supplemental** reserves.

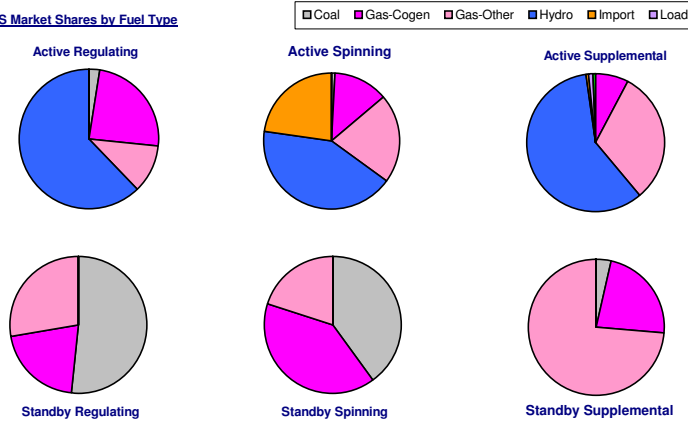
Active average off-peak prices were higher and averaged \$29.36/MWh, \$5.52/MWh and \$3.12/MWh for active **regulating**, **spinning** and **supplemental** reserves respectively.



Weekly average activation prices for stand-by reserves ranged from \$23.88/MWh for **off-peak supplemental** reserves to \$71.10/MWh for **on-peak regulating** reserves.

Weekly average premium prices ranged from \$2.25/MWh for **off-peak supplemental** reserves up to \$3.79/MWh for **on-peak spinning** reserves.

AS Market Shares by Fuel Type

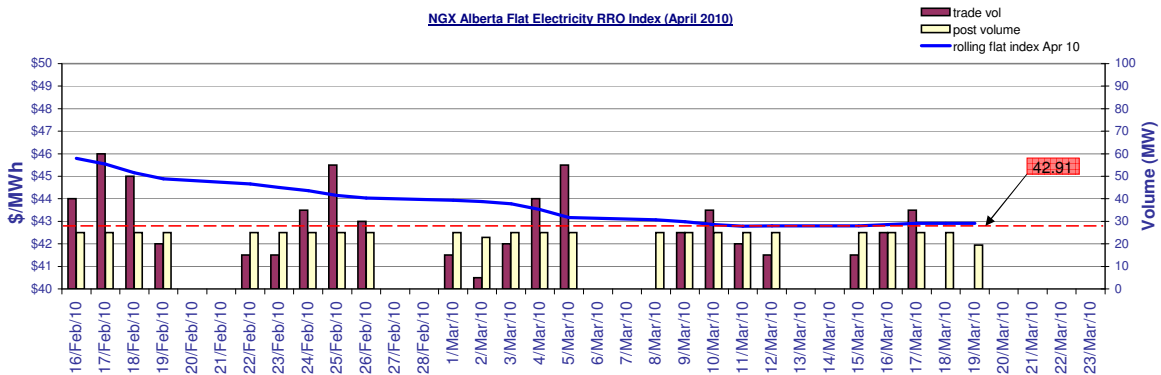


Last week **hydro** units had the largest market share in the **active regulating** reserve market with **62.2%**. In the **active spinning** reserve market, **hydro** units had the leading market share with **42.1%** while in the **active supplemental** reserve market, **hydro** units dominated with a **58.9%** market share.

Coal units dominated the **standby regulating** reserve market with a **51.6%** market share. Leading market share in the **standby spinning** market was held by **gas cogen** units with a **40.1%** market share. In the **standby supplemental** reserve market, **gas** units had the leading market share with **73.5%**.

RRO Procurement

NGX Alberta Flat Electricity RRO Index (April 2010)



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.