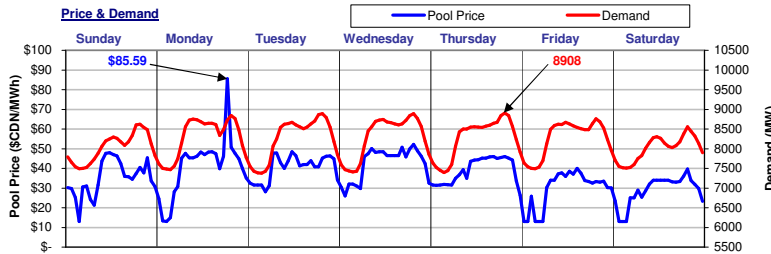


The Market Monitor

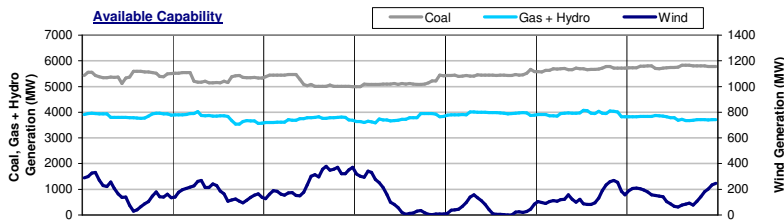
WATCHING THE MARKET : your fact source

Week Ending March 6, 2010

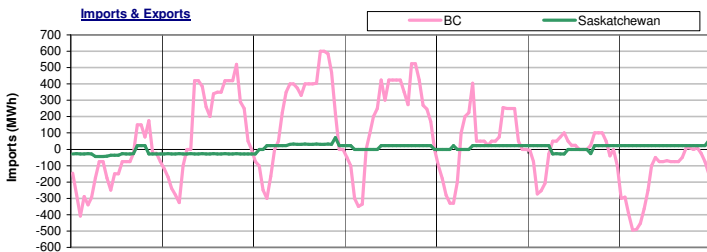
Weekly Highlights



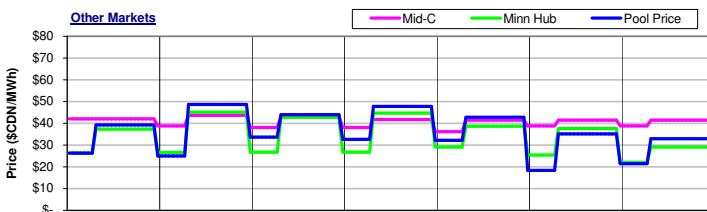
For the week ending March 6, 2010, **Pool Price** averaged \$36.69/MWh and ranged from a minimum of \$12.94/MWh in HE02 on Saturday to a maximum of \$85.59/MWh in HE19 on Monday. **Demand** reached a high of 8908 MW in HE20 on Thursday and a low of 7381 MW in HE04 on Tuesday. Average demand for the week was 8205 MW. **Pool Price** and **Demand** were positively correlated last week with an R-squared value of 0.58.



Coal Unit Availability averaged 5427 MW last week. This is an equivalent availability of 90%. **Gas, Hydro and Other Unit Availability** averaged 3829 MW last week, which is an equivalent of 68%. **Wind Generation** averaged 152 MW last week. This is an equivalent availability of 24%. Availability numbers are based on MW offered into the energy merit order.

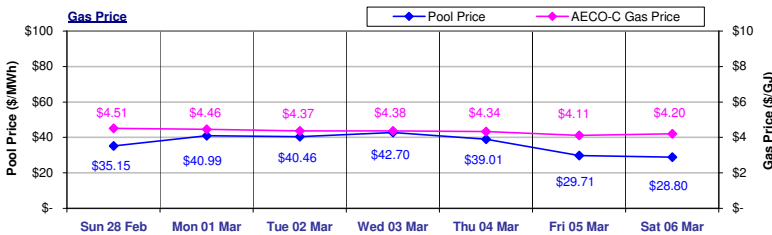


Alberta was a net importer from **BC** last week with total imports equal to 7932 MWh. Alberta was a net importer from **Saskatchewan** last week with total imports equal to 762 MWh. Overall, Alberta imported 8694 MWh of electricity last week.



Pool Prices were generally lower than prices in **Mid-C** and higher than prices in **Minn Hub** last week. **Mid-C** prices averaged \$42.16/MWh on-peak and \$38.70/MWh off-peak. **Minn Hub** prices averaged \$39.69/MWh on-peak and \$26.17/MWh off-peak.

Prices in \$/MWh at an exchange rate of 1.05.



The average **AECO-C Gas Price** last week was \$4.34/GJ and ranged from a minimum of \$4.11/GJ to \$4.51/GJ. Prevailing gas prices resulted in market heat rates ranging from a low of 6.85 GJ/MWh to a high of 9.76 GJ/MWh. The average market heat rate for the week was 8.44 GJ/MWh.

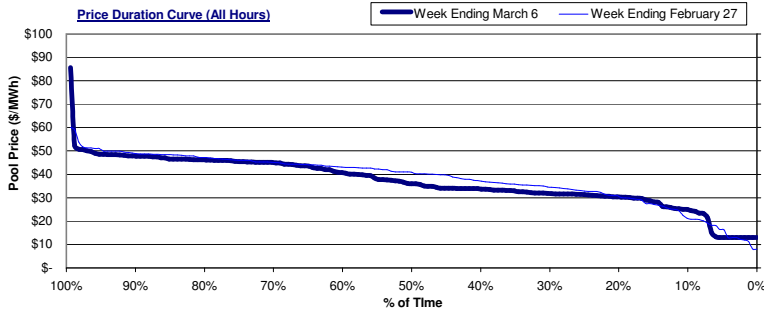


Alberta's Market Surveillance Administrator is in place to monitor the fair, efficient and openly competitive operation of all electricity markets within the province. The **Market Monitor** is a weekly publication by the MSA intended to educate industry participants and the public on market activities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

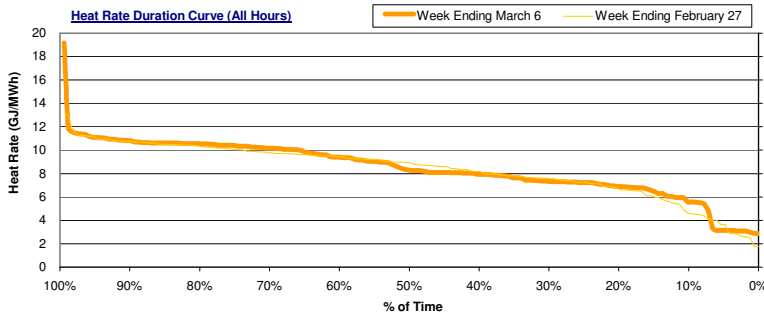
Weekly Market Statistics

	Sunday 28-Feb	Monday 1-Mar	Tuesday 2-Mar	Wednesday 3-Mar	Thursday 4-Mar	Friday 5-Mar	Saturday 6-Mar	Average	Last Week	% Change	YTD
Pool Price											
Average	\$ 35.15	\$ 40.99	\$ 40.46	\$ 42.70	\$ 39.01	\$ 29.71	\$ 28.80	\$ 36.69	\$ 38.12	-3.8%	\$ 43.03
On-Peak	NA	\$ 48.68	\$ 43.91	\$ 47.81	\$ 42.83	\$ 35.13	\$ 32.92	\$ 41.88	\$ 42.53	-1.5%	\$ 49.22
Off-Peak	\$ 35.15	\$ 25.61	\$ 33.55	\$ 32.48	\$ 31.37	\$ 18.87	\$ 20.57	\$ 29.76	\$ 32.24	-7.7%	\$ 33.59
COV	0.26	0.37	0.16	0.19	0.17	0.31	0.26	0.25	0.25	-1.2%	
Heat Rate											
Average	7.78	9.19	9.26	9.76	8.99	7.23	6.85	8.44	8.33	1.3%	8.52
On-Peak	NA	10.91	10.05	10.93	9.87	8.55	7.83	9.69	9.32	3.9%	9.74
Off-Peak	7.78	5.74	7.68	7.42	7.23	4.59	4.89	6.77	7.01	-3.4%	6.65
Demand											
Average	8,033	8,291	8,260	8,302	8,272	8,273	8,009	8,205	8,457	-3.0%	8,497
Minimum	7,490	7,467	7,381	7,409	7,394	7,490	7,512	7,449	7,686	-3.1%	7,282
Maximum	8,623	8,840	8,893	8,891	8,908	8,761	8,558	8,782	9,087	-3.4%	9,799
Coal Unit Availability											
Average	5,445	5,318	5,190	5,126	5,455	5,684	5,772	5,427	5,472		5,375
AC/MC	90%	88%	86%	85%	90%	94%	95%	90%	90%	-0.7%	89%
Gas, Hydro and Other Unit Availability											
Average	3,872	3,787	3,722	3,753	3,952	3,950	3,770	3,829	3,933		4,015
AC/MC	68%	67%	66%	66%	70%	70%	67%	68%	69%	-1.8%	71%



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 6**, prices were at or below:

\$20/MWh	7% of the time
\$50/MWh	96% of the time
\$100/MWh	100% of the time
\$250/MWh	100% 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 6** implied market heat rates were at or below:

5.0 GJ/MWh	8% of the time
10.0 GJ/MWh	66% of the time
15.0 GJ/MWh	99% of the time
20.0 GJ/MWh	100% of the time

Market Share Statistics

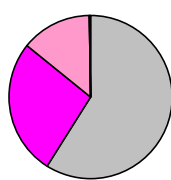
By Fuel Type:

Coal Gas - Cogen Gas - Other Hydro Other

Weekly Generation by Fuel Type

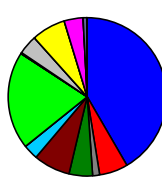


Weekly Price Setting by Fuel Type



By Submitting Customer:

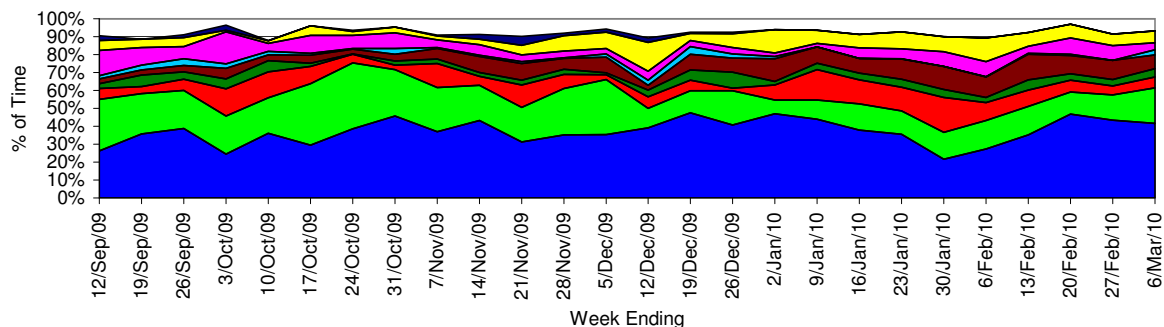
Weekly Price Setting by Submitting Customer



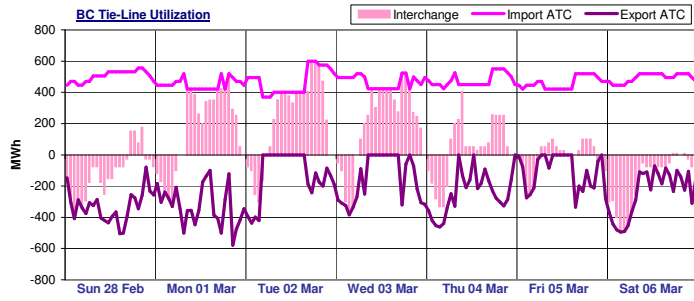
Last week, **coal units** were responsible for 64.1% of the generation in the province and set price 58.9% of the time. **Gas-cogen** units accounted for 25.7% of the generation and set price 27.1% of the time last week while **other gas** units made up 4.7% of generation and set price 13.8% of the time.

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 41.6% of the time and the top five price setters set price a total of 81.8% of the time.

Weekly Price Setting by Submitting Customer

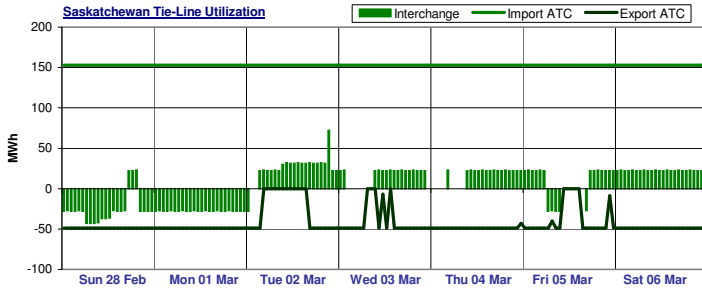


Interties

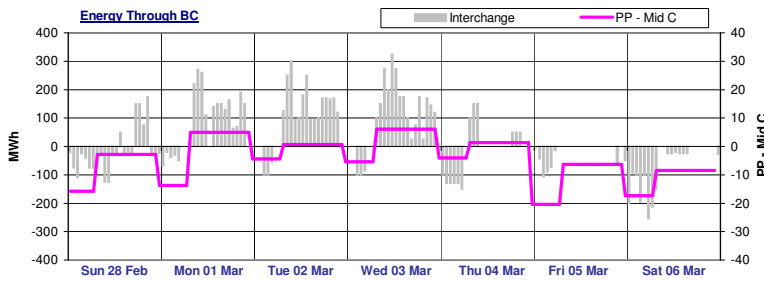


BC import capacity was 27% utilized last week while **BC export capacity** was 34% utilized. Energy was being imported into Alberta over the BC tie-line 49% of the time and exported out of Alberta over the BC tie-line 42% of the time last week. There was no activity on the BC tie-line 9% of the time 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.



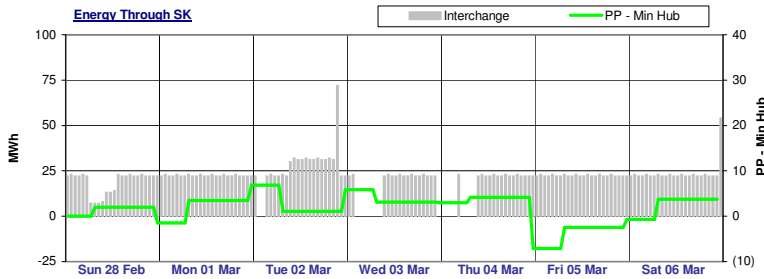
Saskatchewan import capacity was 13% utilized last week while **Saskatchewan export capacity** was 36% utilized. Energy was being imported into Alberta over the Saskatchewan tie-line 55% of the time and exported out of Alberta over the Saskatchewan tie-line 30% of the time last week. There was no activity on the Saskatchewan tie-line 14% of the time last week.



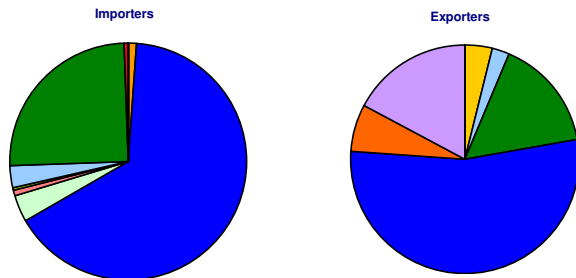
Last week, Alberta spot prices were mostly **lower** relative to prices in the Pacific Northwest as represented by **Mid-C** index prices.

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.



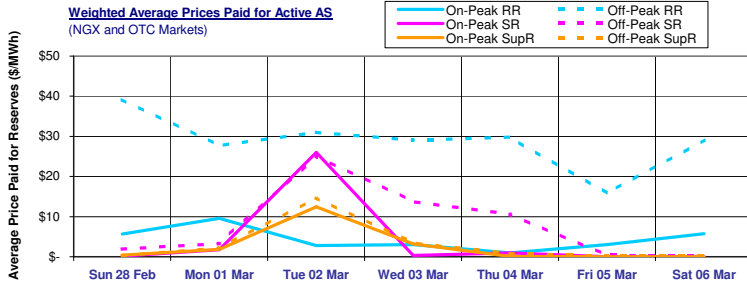
Tie-Line Market Shares



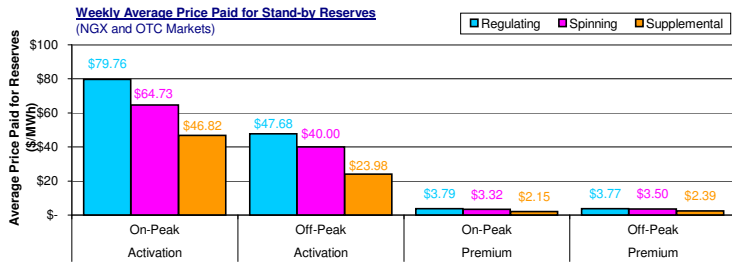
Last week, there were a total of 8 importers. The most active importer had a market share of 65.6% while the second most active importer had a market share of 24.8%. There were a total of 6 exporters last week. The most active exporter had a market share of 53.9% while the next largest exporter had a market share of 17.1%.

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

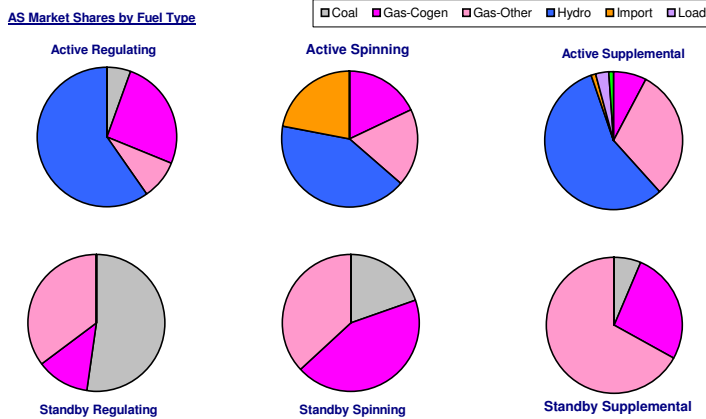
Ancillary Services Market



Average on-peak prices paid for active ancillary services last week were \$4.39/MWh, \$4.28/MWh and \$2.63/MWh respectively for active **regulating**, **spinning** and **supplemental** reserves.
Active average off-peak prices were higher and averaged \$28.55/MWh, \$7.89/MWh and \$3.13/MWh for active **regulating**, **spinning** and **supplemental** reserves respectively.



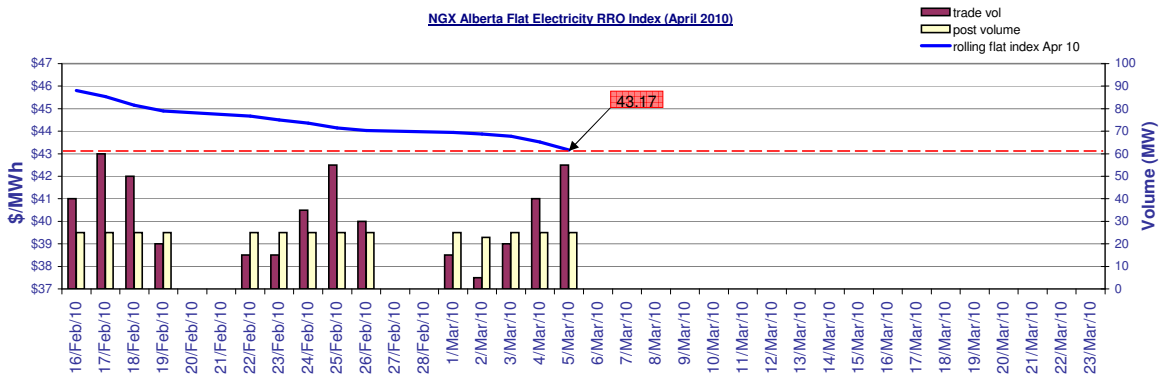
Weekly average activation prices for stand-by reserves ranged from \$23.98/MWh for **off-peak supplemental** reserves to \$79.76/MWh for **on-peak regulating** reserves.
Weekly average premium prices ranged from \$2.15/MWh for **off-peak supplemental** reserves up to \$3.79/MWh for **on-peak regulating** reserves.



Last week **hydro** units had the largest market share in the **active regulating** reserve market with **59.6%**. In the **active spinning** reserve market, **hydro** units had the leading market share with **41.9%** while in the **active supplemental** reserve market, **hydro** units dominated with a **56.4%** market share.

Coal units dominated the **standby regulating** reserve market with a **52.3%** market share. Leading market share in the **standby spinning** market was held by **gas cogen** units with a **43.4%** market share. In the **standby supplemental** reserve market, **gas** units had the leading market share with **67.1%**.

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.