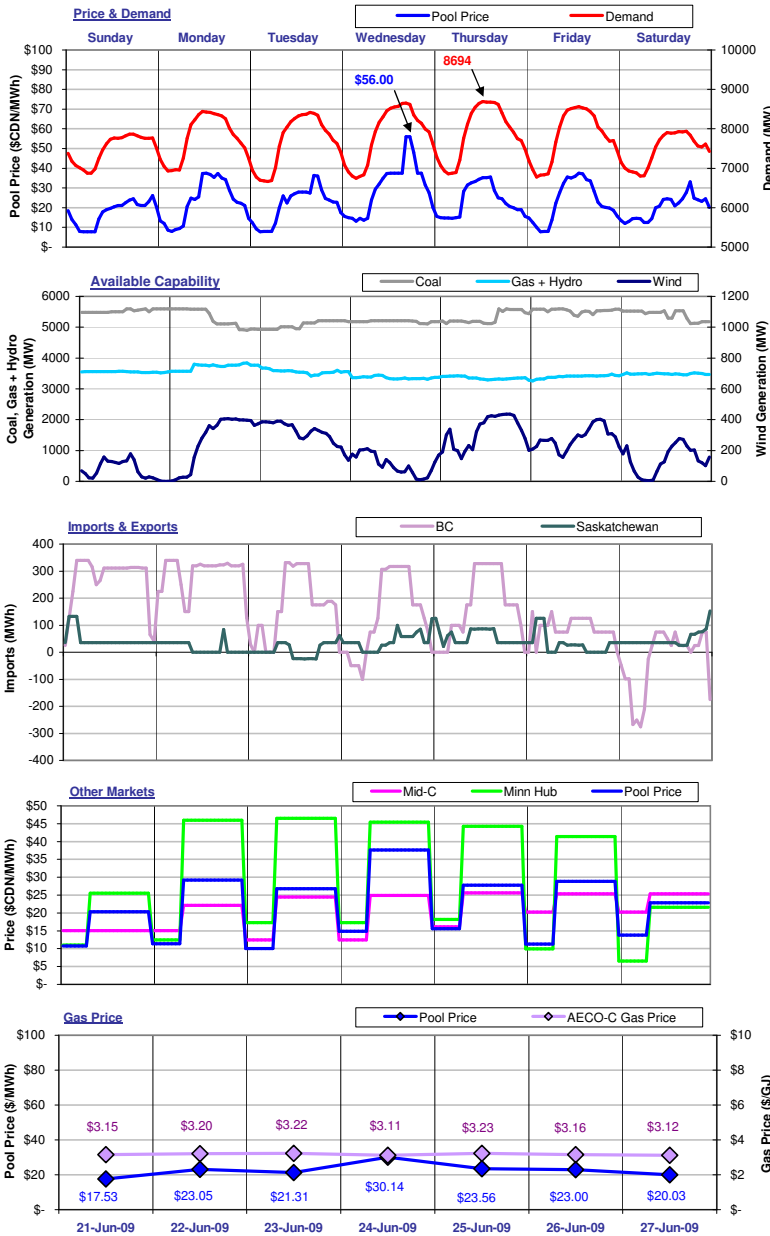


The Market Monitor

WATCHING THE MARKET : your fact source

Week Ending June 27, 2009

Weekly Highlights



For the week ending June 27, 2009, **Pool Price** averaged \$22.66/MWh and ranged from a minimum of \$7.85/MWh in HE04 on Friday to a maximum of \$56.00/MWh in HE17 on Wednesday. **Demand** reached a high of 8694 MW in HE13 on Thursday and a low of 6664 MW in HE05 on Tuesday. Average demand for the week was 7705 MW. **Pool Price** and **Demand** were positively correlated last week with an R-squared value of 0.82.

Coal Unit Availability averaged 5332 MW last week. This is an equivalent availability of 89%. **Gas, Hydro and Other Unit Availability** averaged 3490 MW last week, which is an equivalent of 65%. **Wind Generation** averaged 216 MW last week. This is an equivalent availability of 43%. 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 26,213 MWh. Alberta was a net importer from **Saskatchewan** last week with total imports equal to 6,013 MWh. Overall, Alberta imported 32,226 MWh of electricity last week.

Pool Prices were generally higher than prices in **Mid-C** and lower than prices in **Minn Hub** last week. **Mid-C** prices averaged \$24.63/MWh on-peak and \$15.94/MWh off-peak. **Minn Hub** prices averaged \$40.86/MWh on-peak and \$13.25/MWh off-peak.

Prices in \$CDN at an exchange rate of 1.13492.

The average **AECO-C Gas Price** last week was \$3.17/GJ and ranged from a minimum of \$3.11/GJ to \$3.23/GJ. Prevailing gas prices resulted in market heat rates ranging from a low of 5.57 GJ/MWh to a high of 9.69 GJ/MWh. The average market heat rate for the week was 7.15 GJ/MWh.

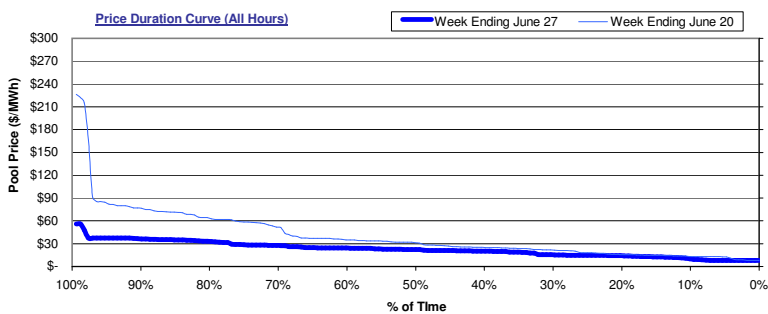


Alberta's Market Surveillance Administrator is in place to monitor the fair, efficient and openly competitive operation of all electricity markets within the province. The **Market Monitor** is a weekly publication by the MSA intended to educate industry participants and the public on market activities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

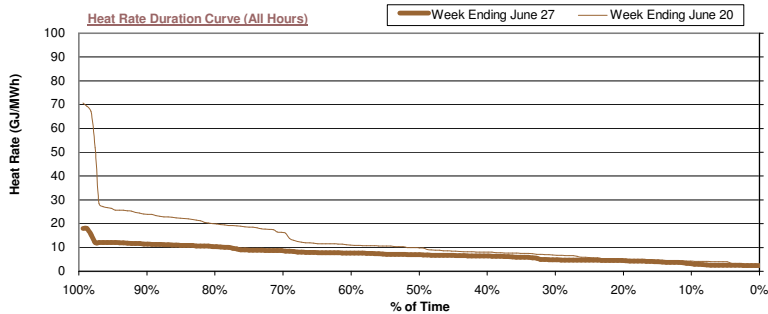
	Sunday 21-Jun	Monday 22-Jun	Tuesday 23-Jun	Wednesday 24-Jun	Thursday 25-Jun	Friday 26-Jun	Saturday 27-Jun	Average	Last Week	% Change	YTD
Pool Price											
Average	\$ 17.53	\$ 23.05	\$ 21.31	\$ 30.14	\$ 23.56	\$ 23.00	\$ 20.03	\$ 22.66	\$ 40.52	-44.1%	\$ 47.95
On-Peak	NA	\$ 29.25	\$ 26.76	\$ 37.64	\$ 27.81	\$ 28.84	\$ 22.88	\$ 28.86	\$ 53.94	-46.5%	\$ 58.34
Off-Peak	\$ 17.53	\$ 10.66	\$ 10.40	\$ 15.16	\$ 15.05	\$ 11.32	\$ 14.32	\$ 14.39	\$ 22.62	-36.4%	\$ 33.29
COV	0.34	0.46	0.42	0.43	0.34	0.45	0.29	0.39	0.64	-38.6%	
Heat Rate											
Average	5.57	7.20	6.61	9.69	7.30	7.29	6.41	7.15	13.36	-46.5%	12.04
On-Peak	NA	9.13	8.30	12.10	8.61	9.14	7.32	9.10	17.26	-47.3%	14.65
Off-Peak	5.57	3.33	3.23	4.87	4.66	3.59	4.58	4.55	8.15	-44.1%	8.36
Demand											
Average	7,486	7,768	7,679	7,854	7,892	7,798	7,459	7,705	7,887	-2.3%	7,958
Minimum	6,872	6,931	6,664	6,749	6,862	6,776	6,802	6,808	6,909	-1.5%	6,454
Maximum	7,869	8,439	8,415	8,651	8,694	8,560	7,938	8,367	8,563	-2.3%	9,753
Coal Unit Availability											
Average	5,532	5,281	5,086	5,188	5,311	5,534	5,393	5,332	5,191		5,015
AC/MC	92%	88%	85%	86%	88%	92%	90%	89%	86%	2.3%	83%
Gas, Hydro and Other Unit Availability											
Average	3,550	3,723	3,556	3,362	3,353	3,398	3,486	3,490	3,563		3,589
AC/MC	67%	70%	67%	63%	63%	64%	65%	65%	67%	-1.4%	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 June 27, prices were at or below:

- \$20/MWh 39% of the time
- \$50/MWh 98% of the time
- \$100/MWh 100% of the time
- \$250/MWh 100% of the time
- \$500/MWh 100% of the time



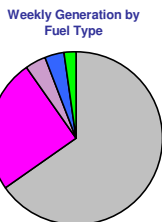
The heat rate duration curves show the % of time that the implied market heat rate was at or below a certain value during the week. For the week ending June 27 implied market heat rates were at or below:

- 5.0 GJ/MWh 33% of the time
- 10.0 GJ/MWh 78% of the time
- 15.0 GJ/MWh 98% of the time
- 20.0 GJ/MWh 100% of the time

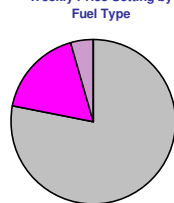
Market Share Statistics

By Fuel Type:

Coal Gas - Cogen Gas - Other Hydro Other

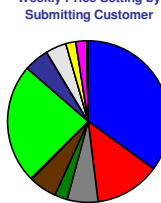


Weekly Price Setting by Fuel Type



By Submitting Customer:

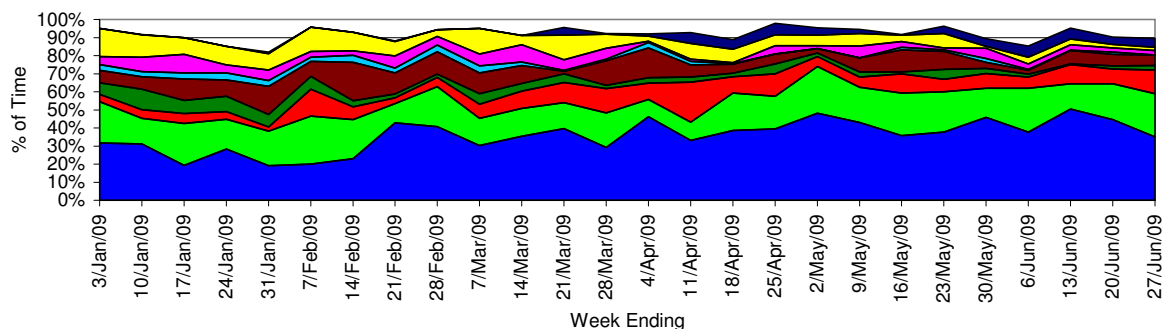
Weekly Price Setting by Submitting Customer



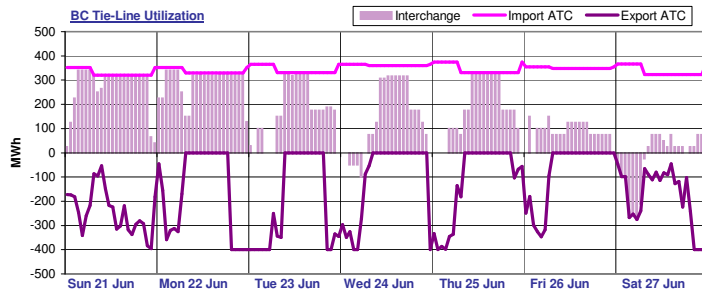
Last week, coal units were responsible for 65.2% of the generation in the province and set price 78.1% of the time. Gas-cogen units accounted for 25.0% of the generation and set price 17.6% of the time last week while other gas units made up 4.0% of generation and set price 4.3% of the time.

A total of 12 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 35.0% of the time and the top five price setters set price a total of 83.7% of the time.

Weekly Price Setting by Submitting Customer

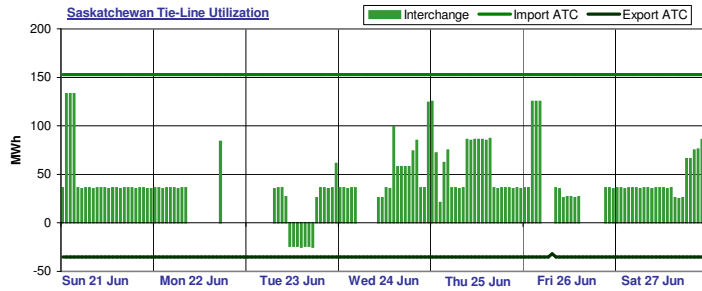


Interties

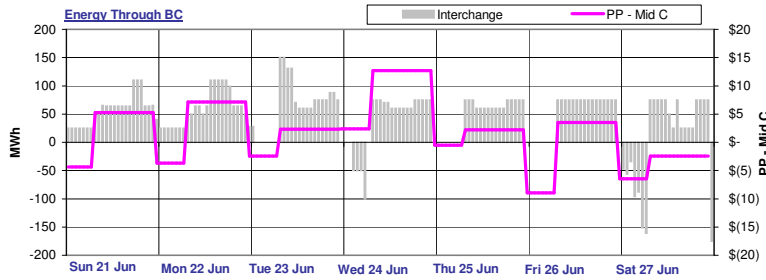


BC import capacity was 50% utilized last week while BC export capacity was 13% utilized. Energy was being imported into Alberta over the BC tie-line 82% of the time and exported out of Alberta over the BC tie-line 8% of the time last week. There was no activity on the BC tie-line 11% of the time last 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.



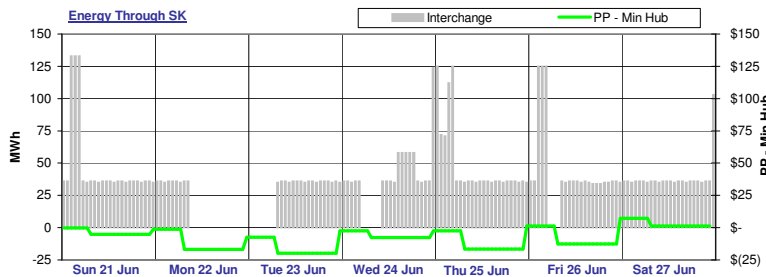
Saskatchewan import capacity was 27% utilized last week while Saskatchewan export capacity was 15% utilized. Energy was being imported into Alberta over the Saskatchewan tie-line 75% of the time and exported out of Alberta over the Saskatchewan tie-line 4% of the time last week. There was no activity on the Saskatchewan tie-line 21% of the time last week.



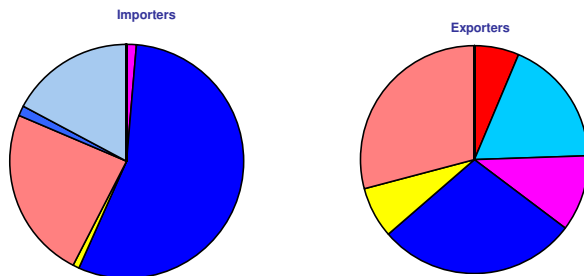
Last week, Alberta spot prices were mostly higher relative to prices in the Pacific Northwest as represented by Mid-C index prices, supporting import activity across the Alberta - BC interconnection.

Alberta prices were generally lower than prices in MAPP as represented by spot prices at the Minnesota Hub.

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



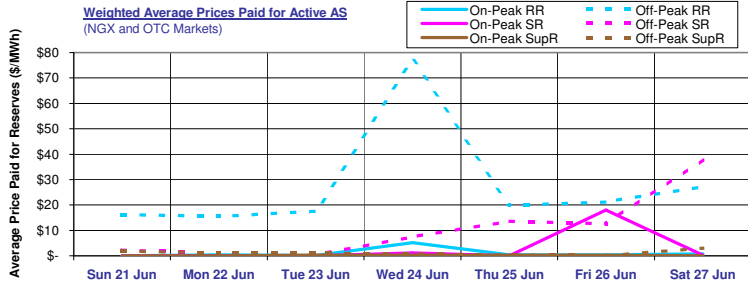
Tie-Line Market Shares



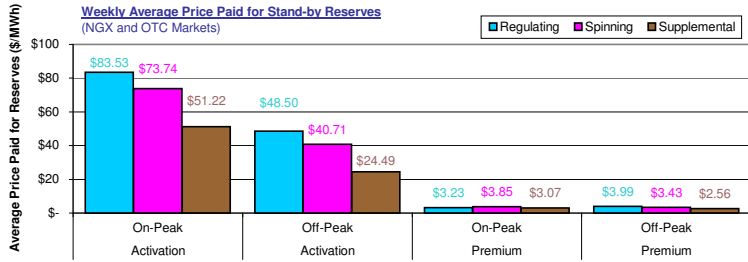
Last week, there were a total of 6 importers. The most active importer had a market share of 55.5% while the second most active importer had a market share of 24.1%. There were a total of 6 exporters last week. The most active exporter had a market share of 29.1% while the next largest exporter had a market share of 28.4%.

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

Ancillary Services Market

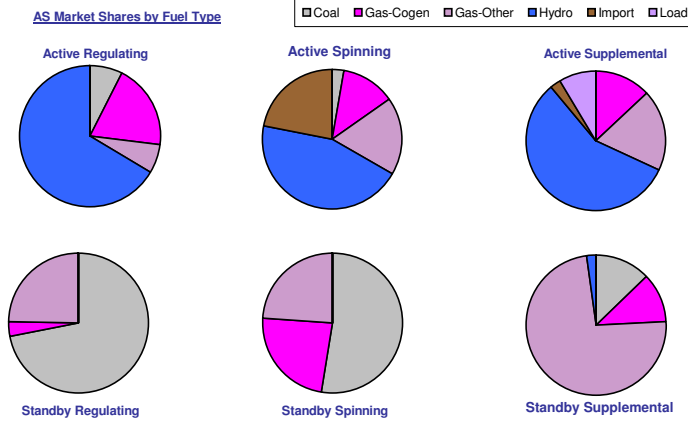


Average on-peak prices paid for active ancillary services last week were **\$1.18/MWh**, **\$0.24/MWh** and **\$0.14/MWh** respectively for active **regulating**, **spinning** and **supplemental** reserves. Active average off-peak prices were **higher** and averaged **\$27.97/MWh**, **\$10.75/MWh** and **\$1.14/MWh** for active **regulating**, **spinning** and **supplemental** reserves respectively.



Weekly average activation prices for stand-by reserves ranged from **\$24.49/MWh** for **off-peak supplemental** reserves to **\$83.53/MWh** for **on-peak regulating** reserves. Weekly average premium prices ranged from **\$2.56/MWh** for **off-peak supplemental** reserves up to **\$3.99/MWh** for **on-peak spinning** reserves.

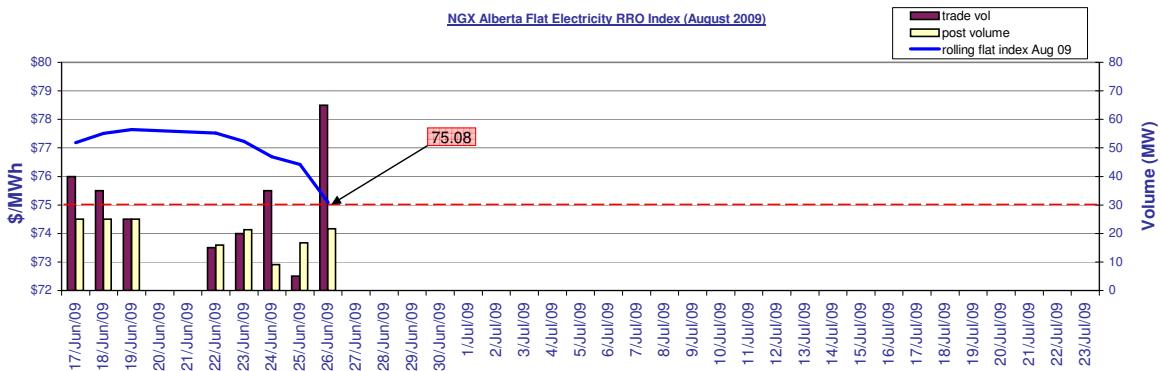
AS Market Shares by Fuel Type



Last week **hydro** units had the largest market share in the **active regulating** reserve market with **66.3%**. In the **active spinning** reserve market, **hydro** units had the leading market share with **44.8%** while in the **active supplemental** reserve market, **hydro** units dominated with a **57.1%** market share.

Coal units dominated the **standby regulating** reserve market with a **71.9%** market share. Leading market share in the **standby spinning** market was held by **coal** units with a **52.6%** market share. In the **standby supplemental** reserve market, **gas** units had the leading market share with **73.7%**.

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.