

November 21, 2003

To all interested parties:

Re: Market Surveillance Administrator 2004 Budget

The Market Surveillance Administrator (MSA) has received approval for its 2004 budget in the amount of \$2,139,738 which based upon the AESO estimated volumes for 2004 equates to \$0.0192/MWh on the 2004 trading charge.

For 2003 the MSA costs were being covered by the Power Pool for the January to May period and at that time the MSA represented about \$0.01/MWh of the trading charge. For the period June to December 2003 the MSA budget for its new stand alone corporation had an impact of the equivalent of \$0.02/MWh on the trading charge. However, as at June 2003 the Alberta Electric System Operator (AESO) elected not to increase their trading charge and as a result the AESO under collected by about \$0.01/MWh during that period. This under collection for seven months will result in the AESO having to add \$0.005/MWh to the trading charge for the entire 2004 so as to recover their under collection.

Yours truly,

“Original signed by Wayne Silk”

W.W. (Wayne) Silk
Vice President &
Chief Operating Officer