

2003 YEAR END REVIEW

MSA Stakeholder Meetings

April 6, 2004 Calgary

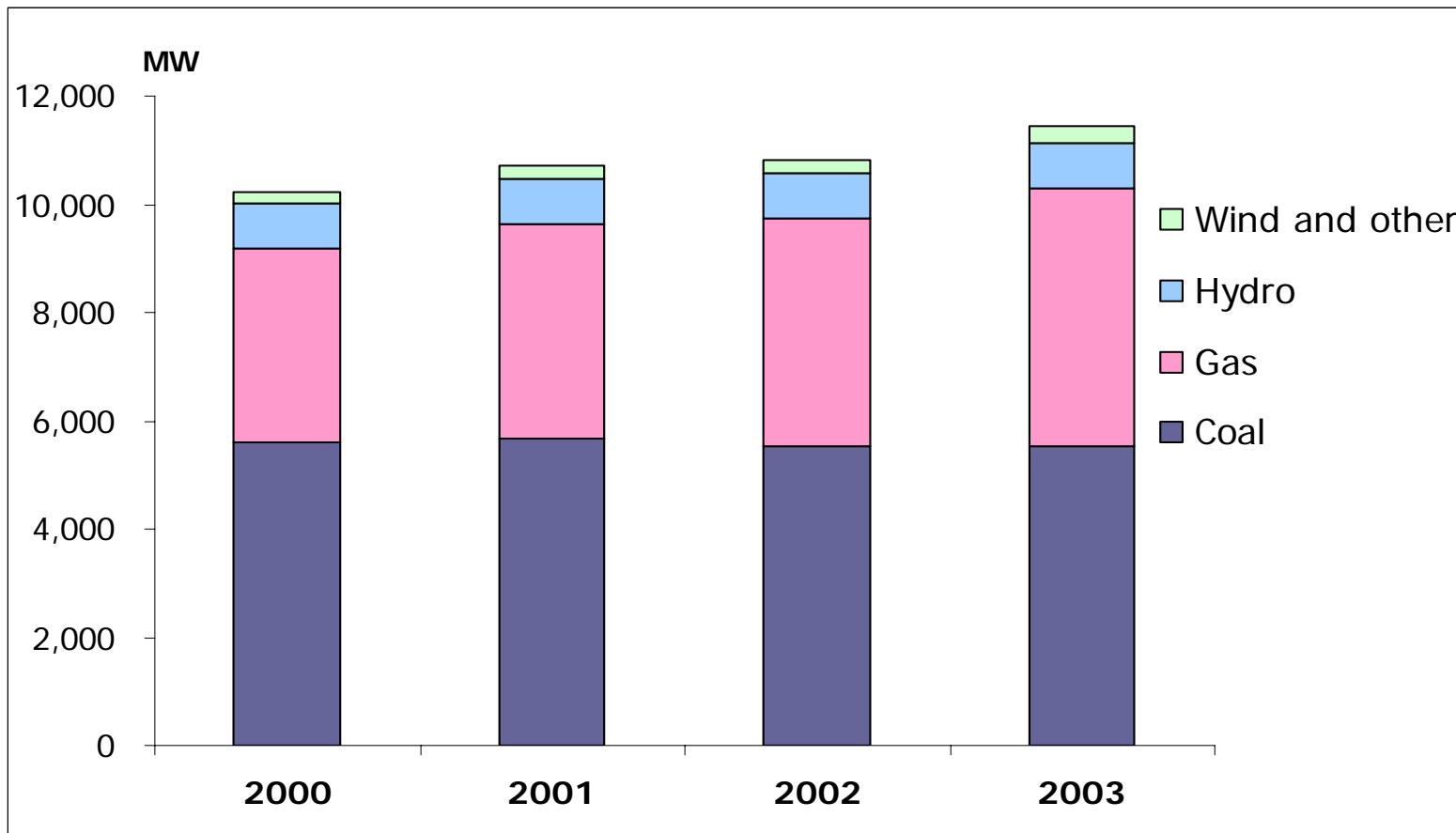
April 8, 2004 Edmonton

2003 YEAR END REVIEW

- **What signals come from the wholesale market?**
- **What has changed in the A/S market?**
- **Was the tie line effectively utilized?**
- **What is the effect of flow through pricing in the retail market?**

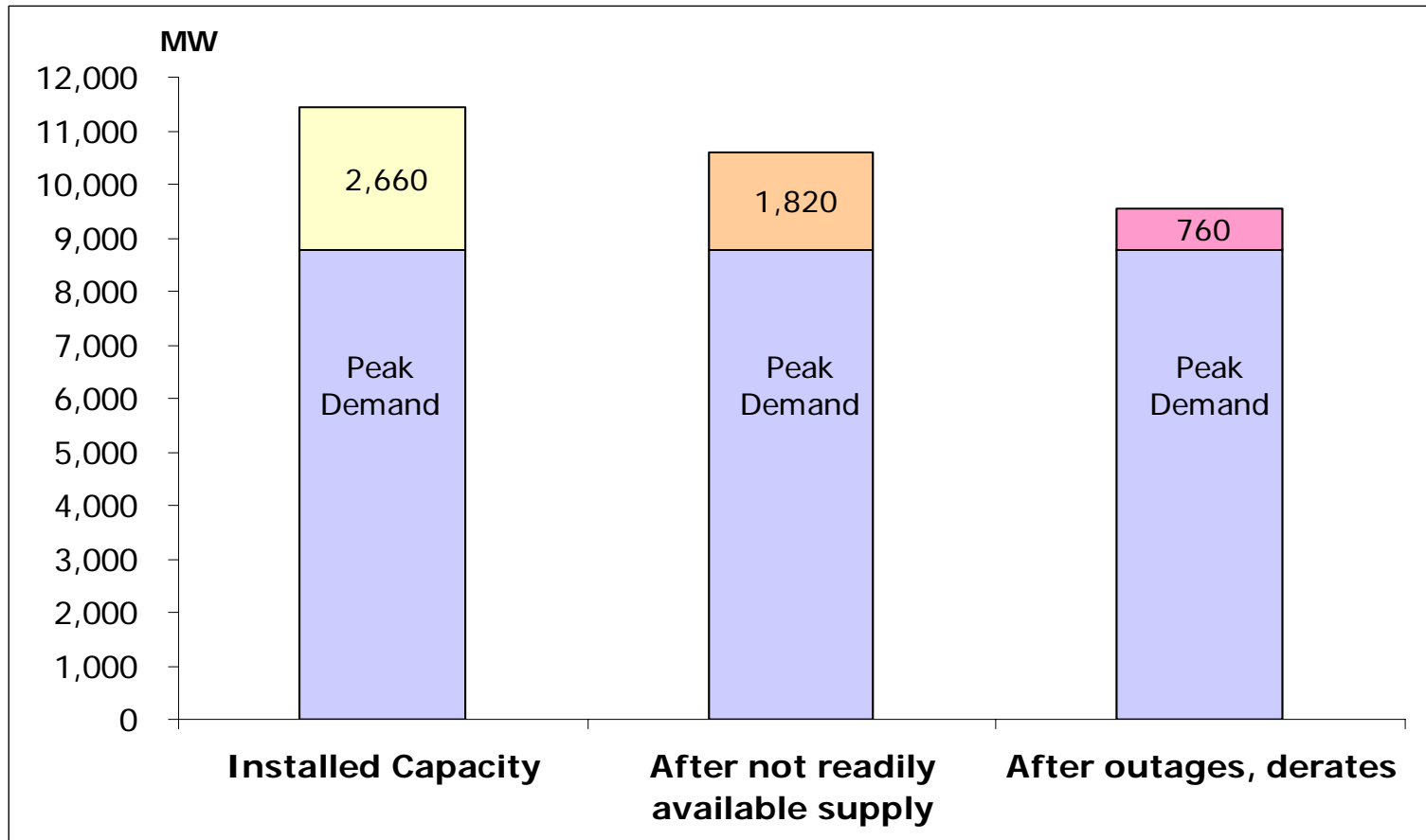
GENERATION CAPACITY

Alberta Supply Mix



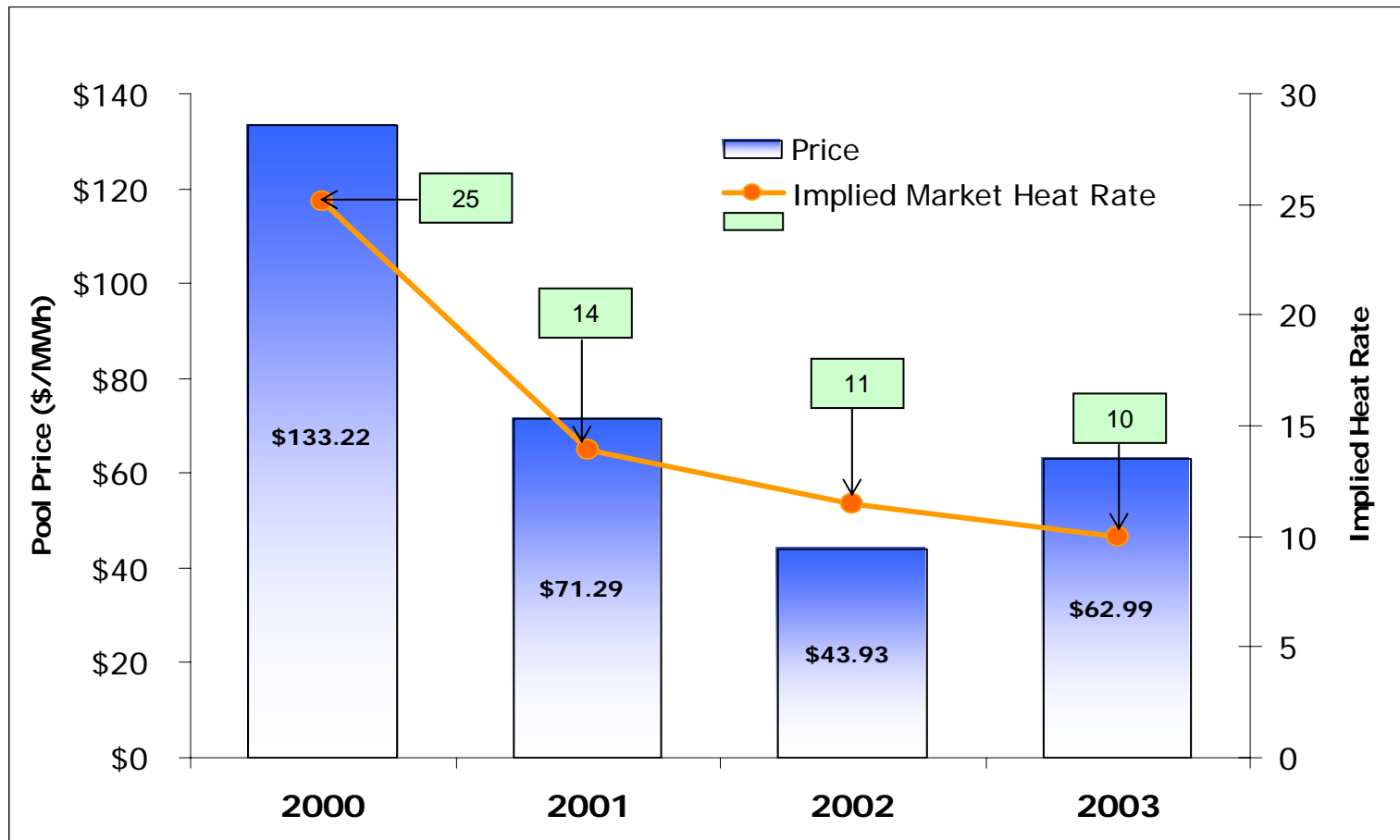
GENERATION CAPACITY

Available Generation Capacity vs. Peak Demand



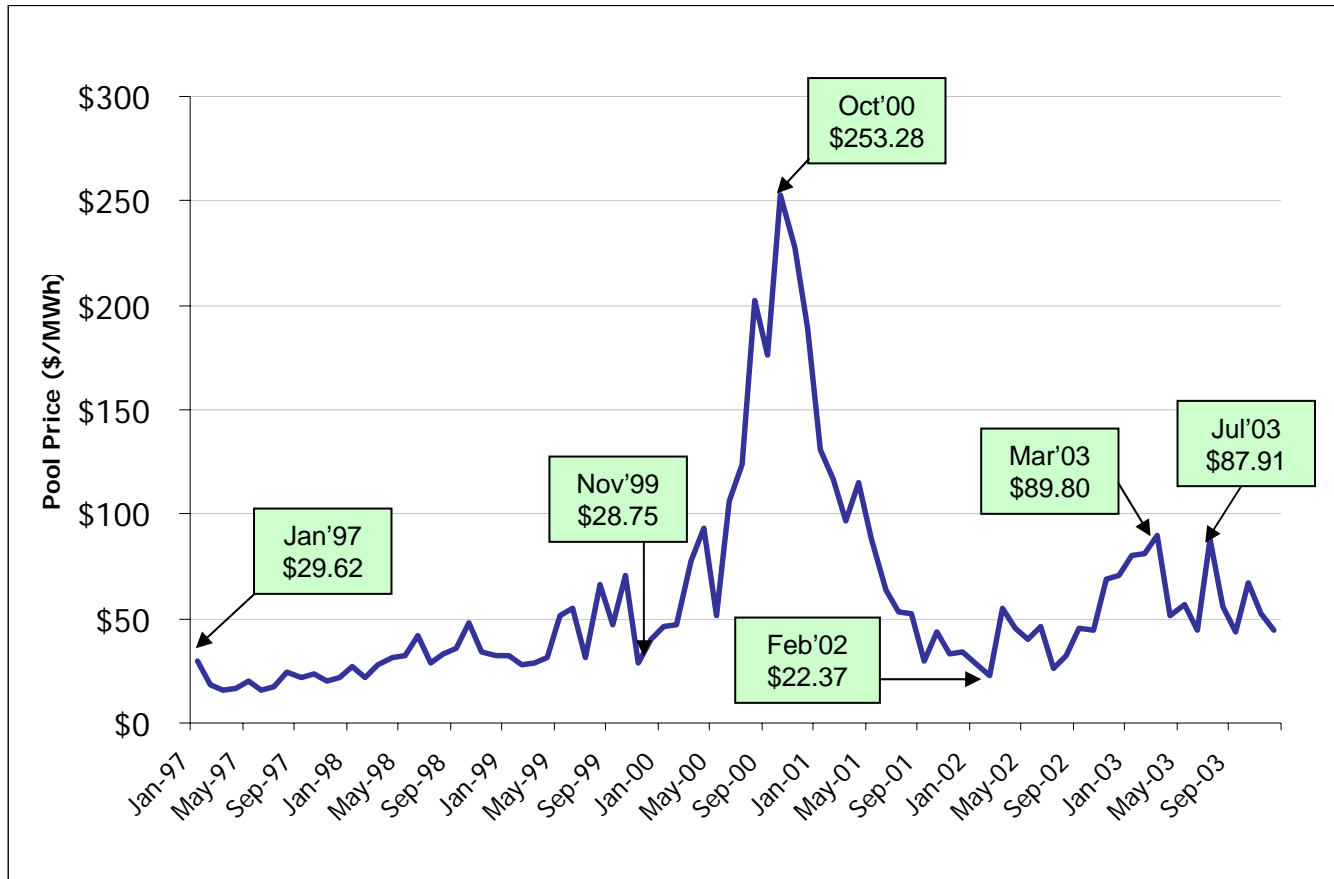
PRICES

Pool Price and Implied Market Heat Rate



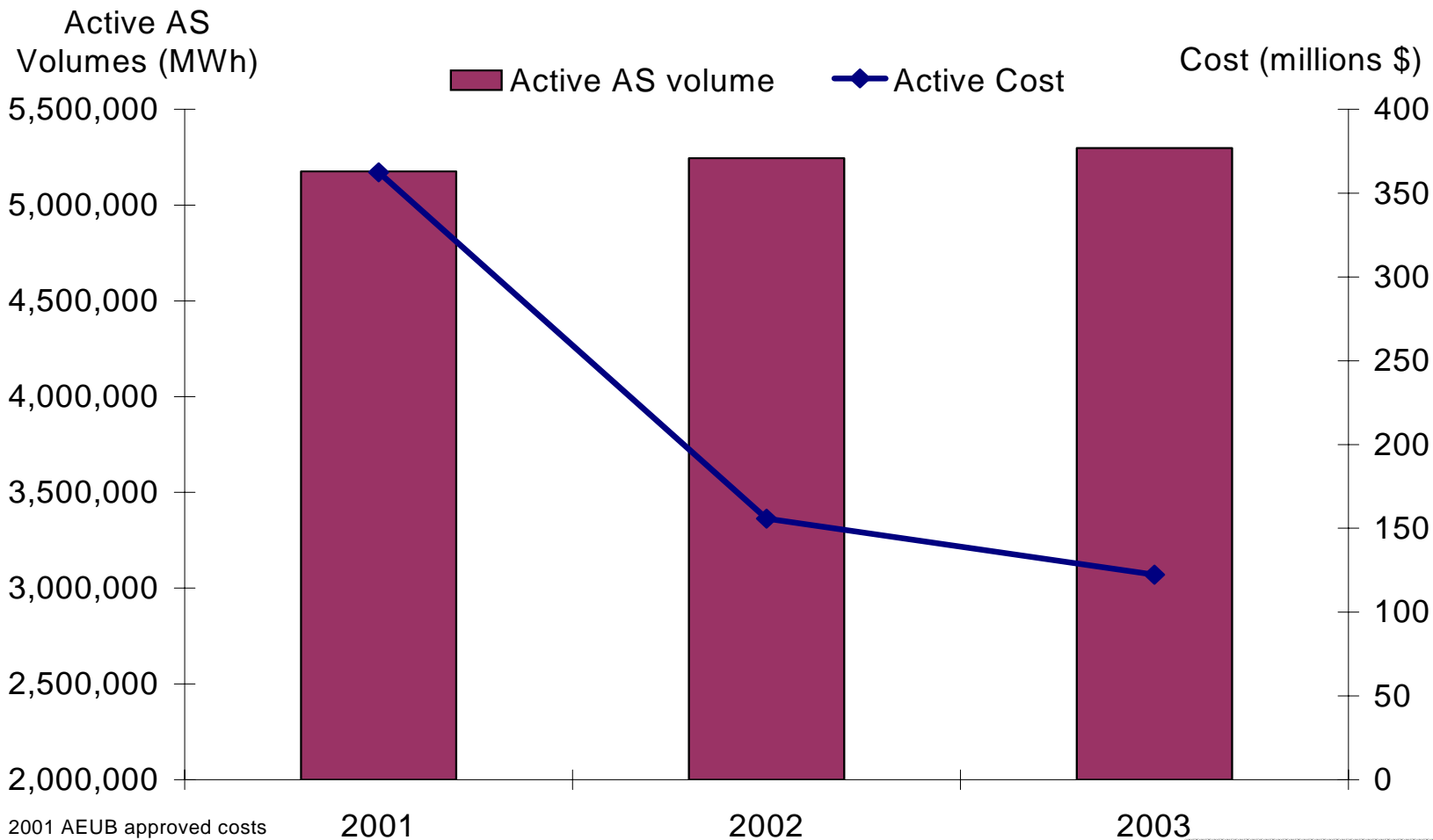
PRICES

Historical Monthly Average Pool Price



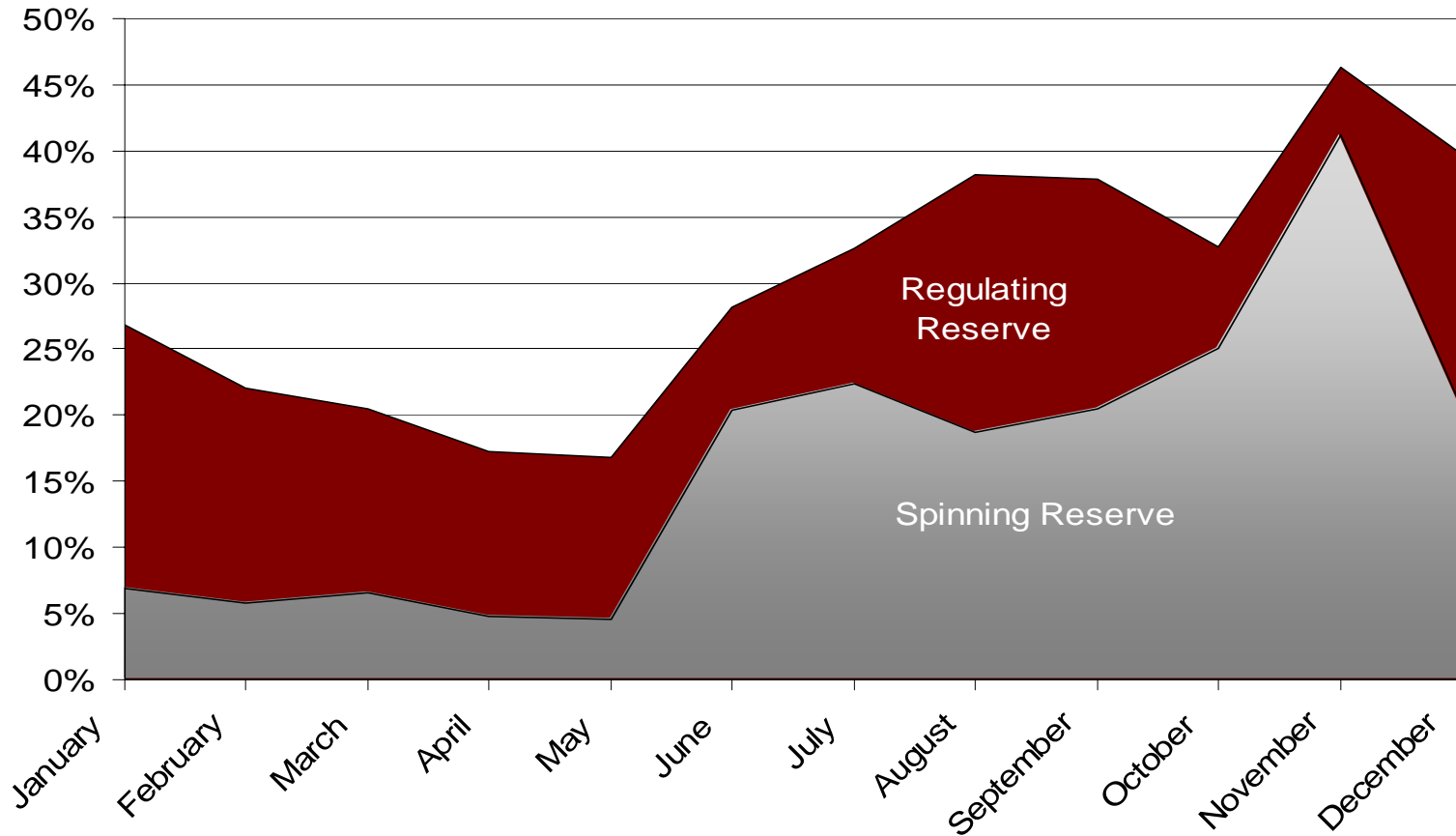
ACTIVE A/S VOLUME AND COST

2001 - 2003

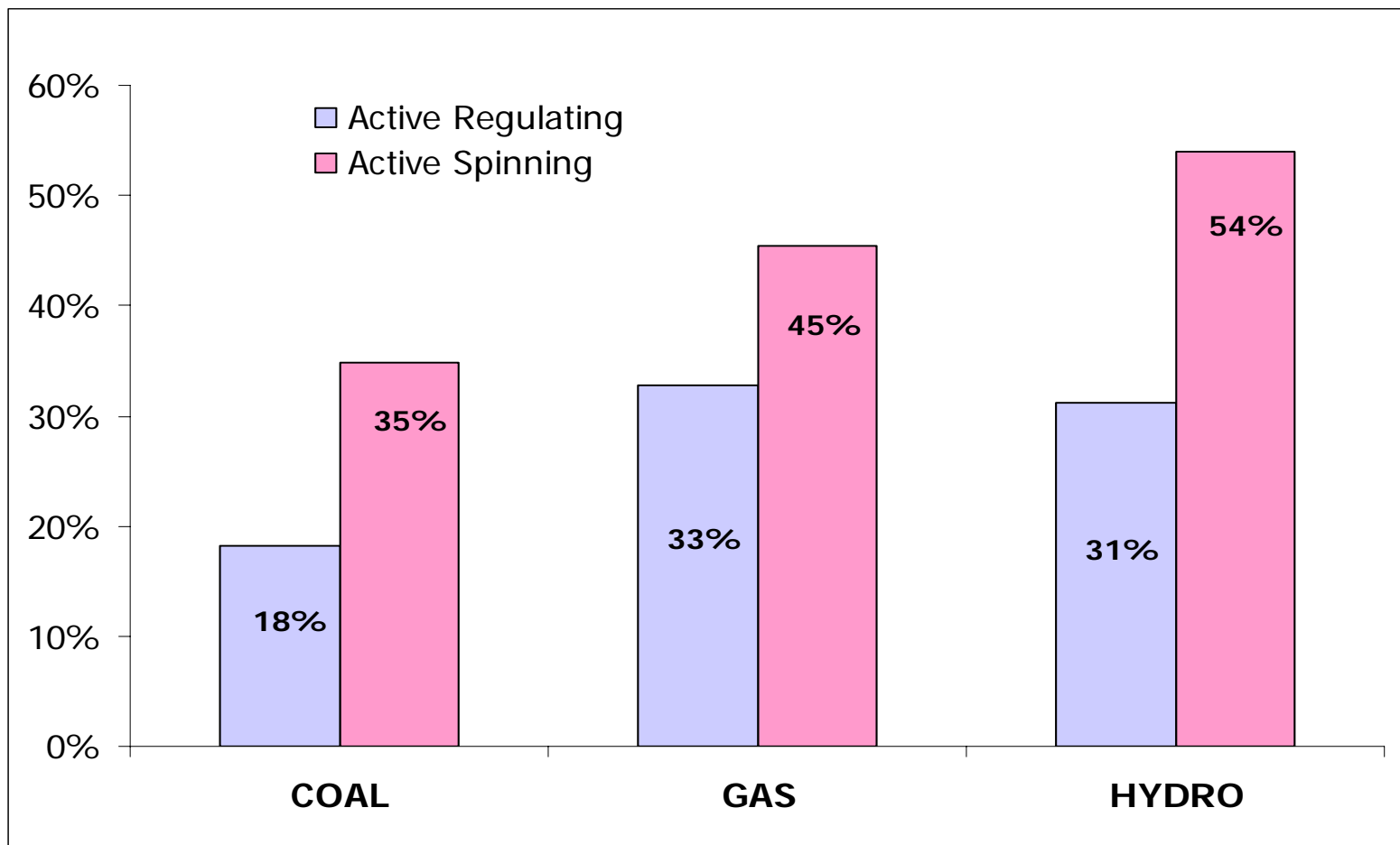


2001 AEUB approved costs
2002 Actual costs
2003 MSA calculated costs

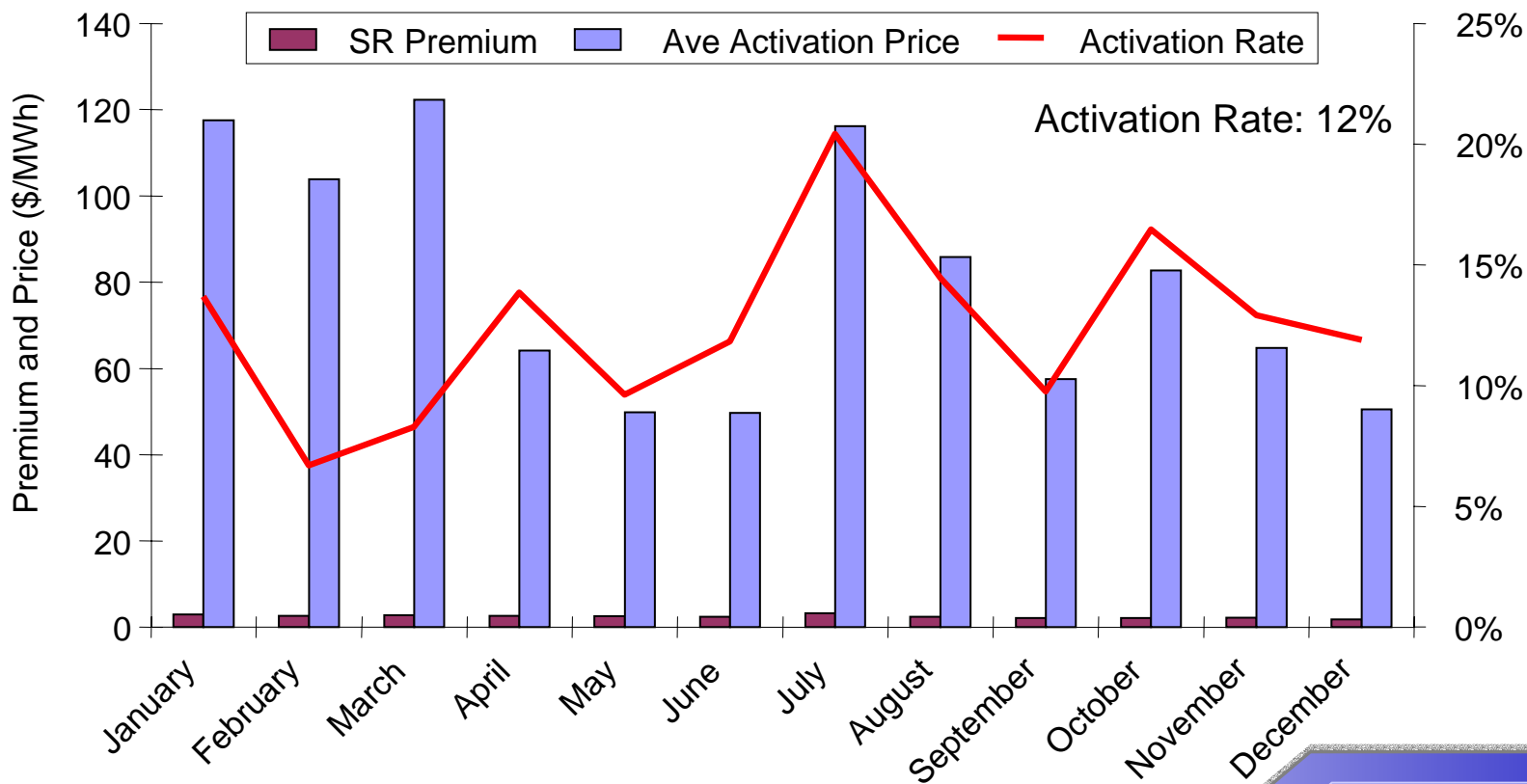
2003 ACTIVE REGULATING AND SPINNING RESERVE OTC PROCUREMENT



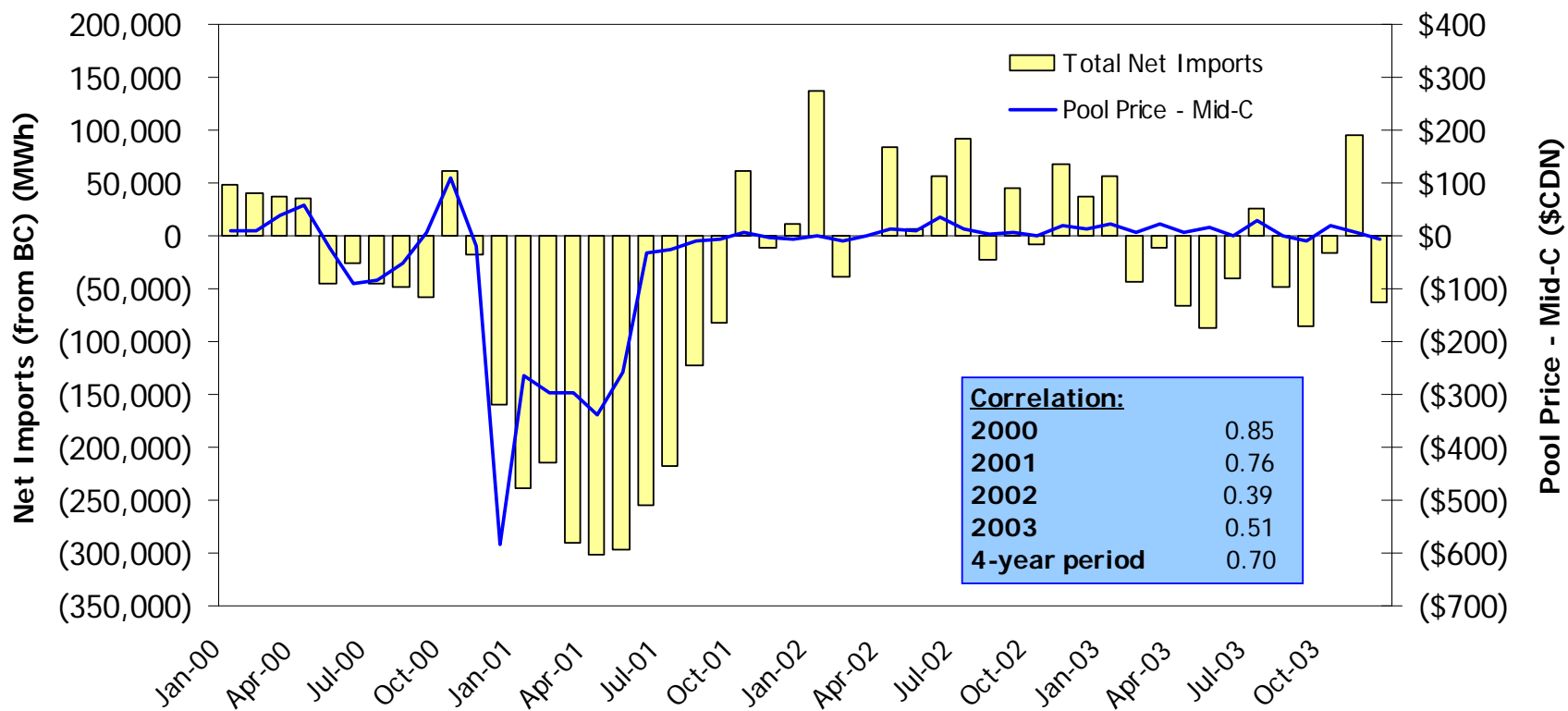
PERCENTAGE OF OUT OF THE MONEY ACTIVE RESERVES



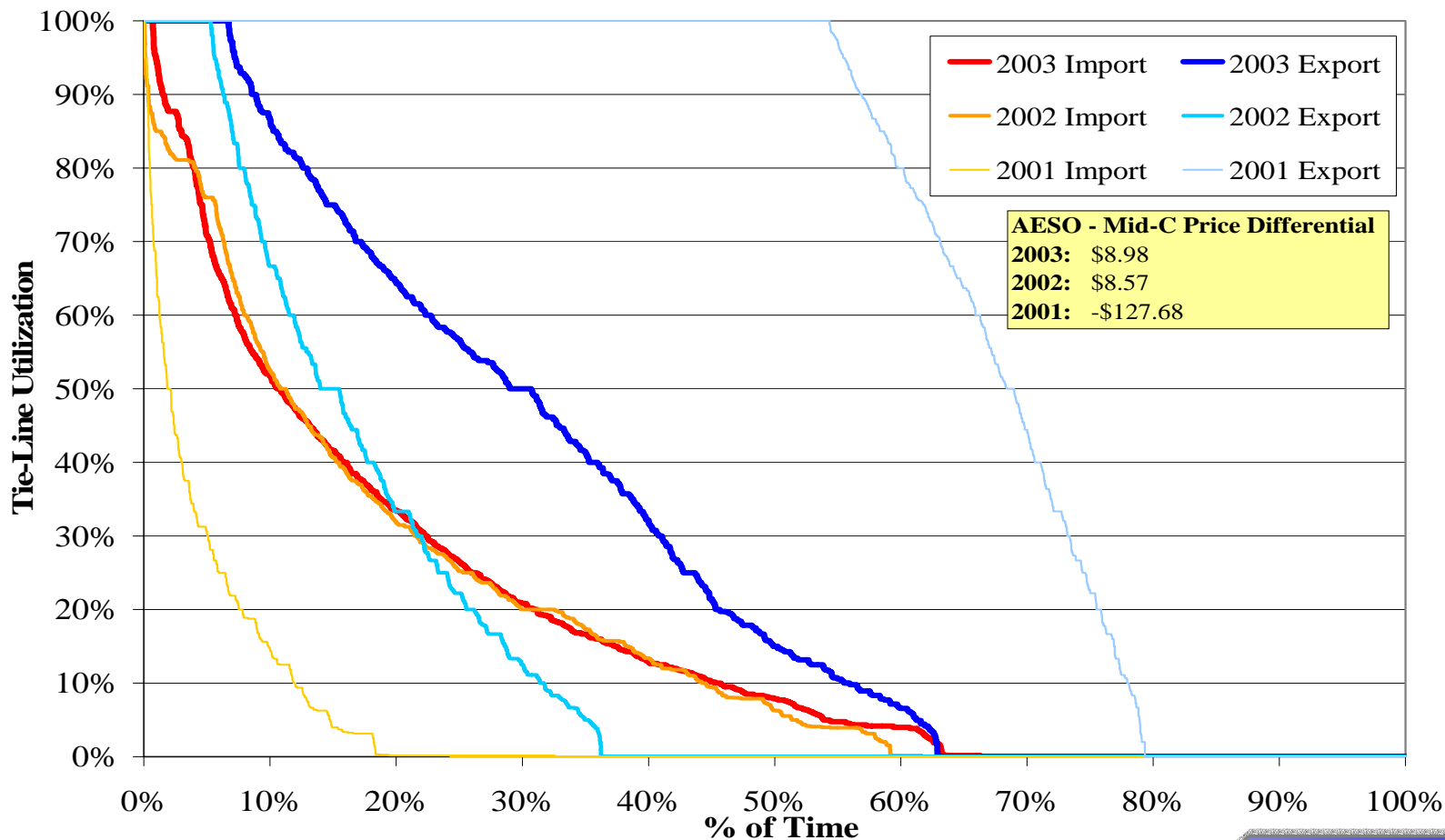
STANDBY SPINNING RESERVES: PREMIUM, ACTIVATION PRICE AND RATE



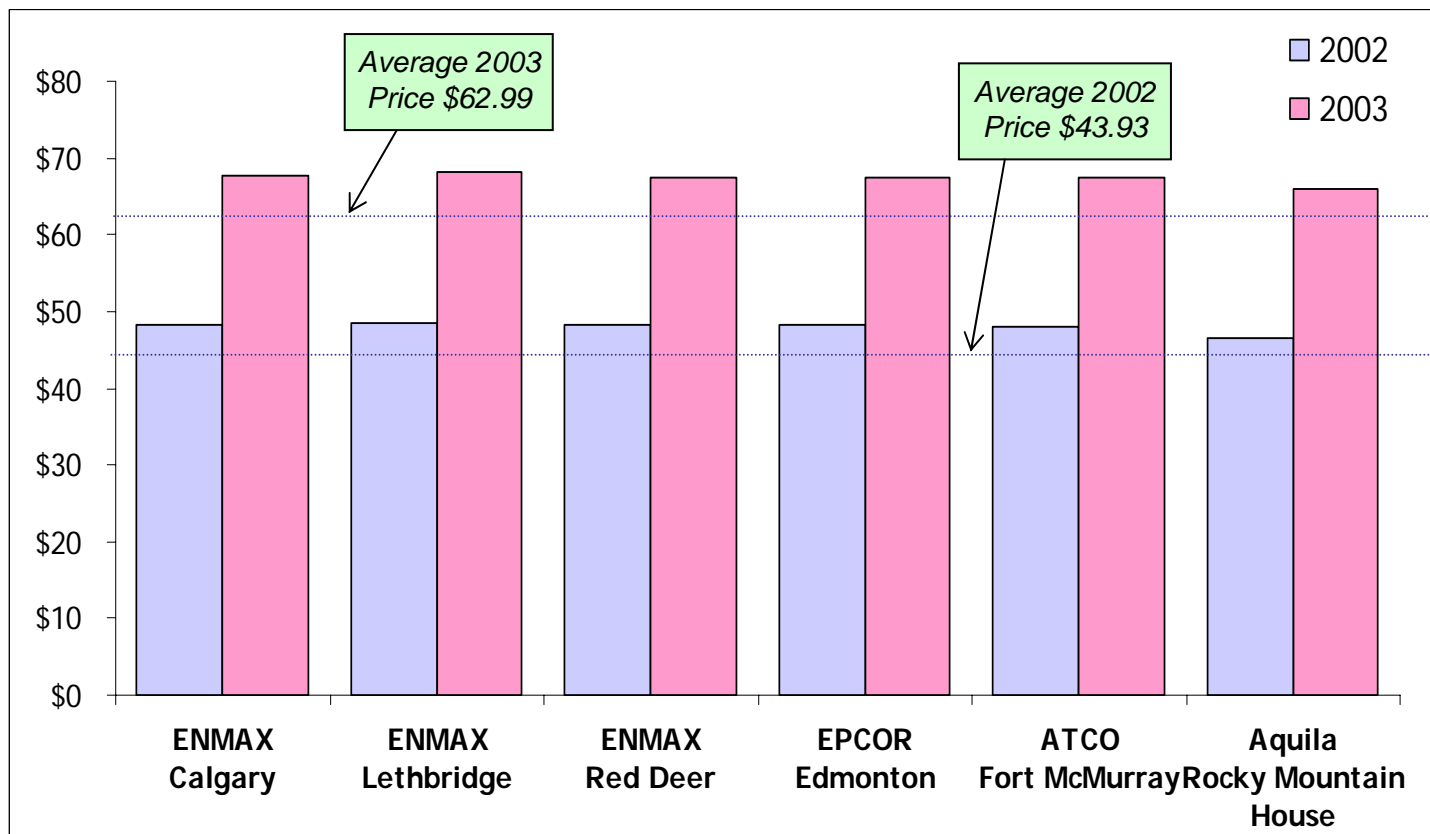
TOTAL MONTHLY NET IMPORTS AND MONTHLY AVG PRICE DIFFERENTIAL



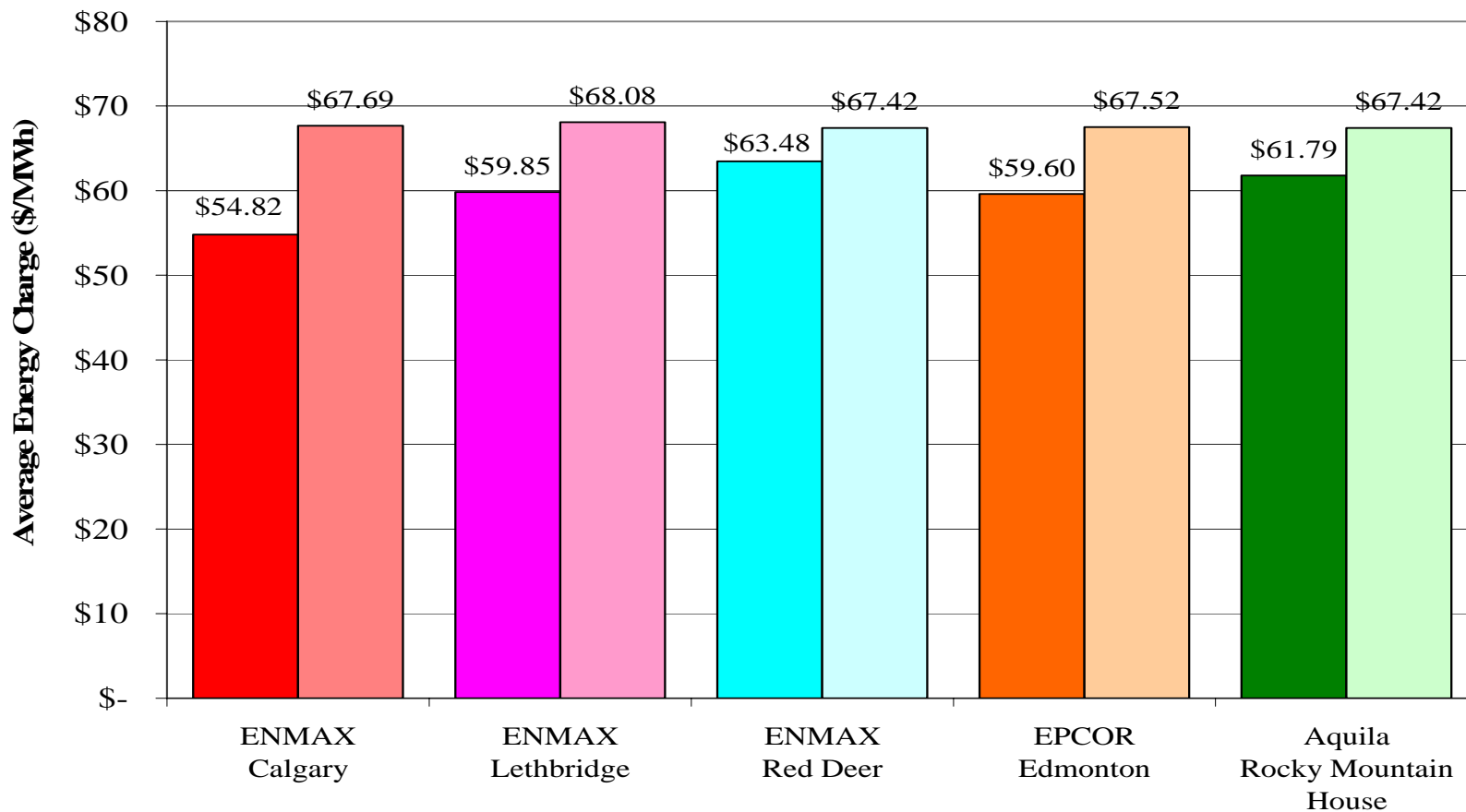
BC TIE-LINE UTILIZATION DURATION CURVES (2001-2003)



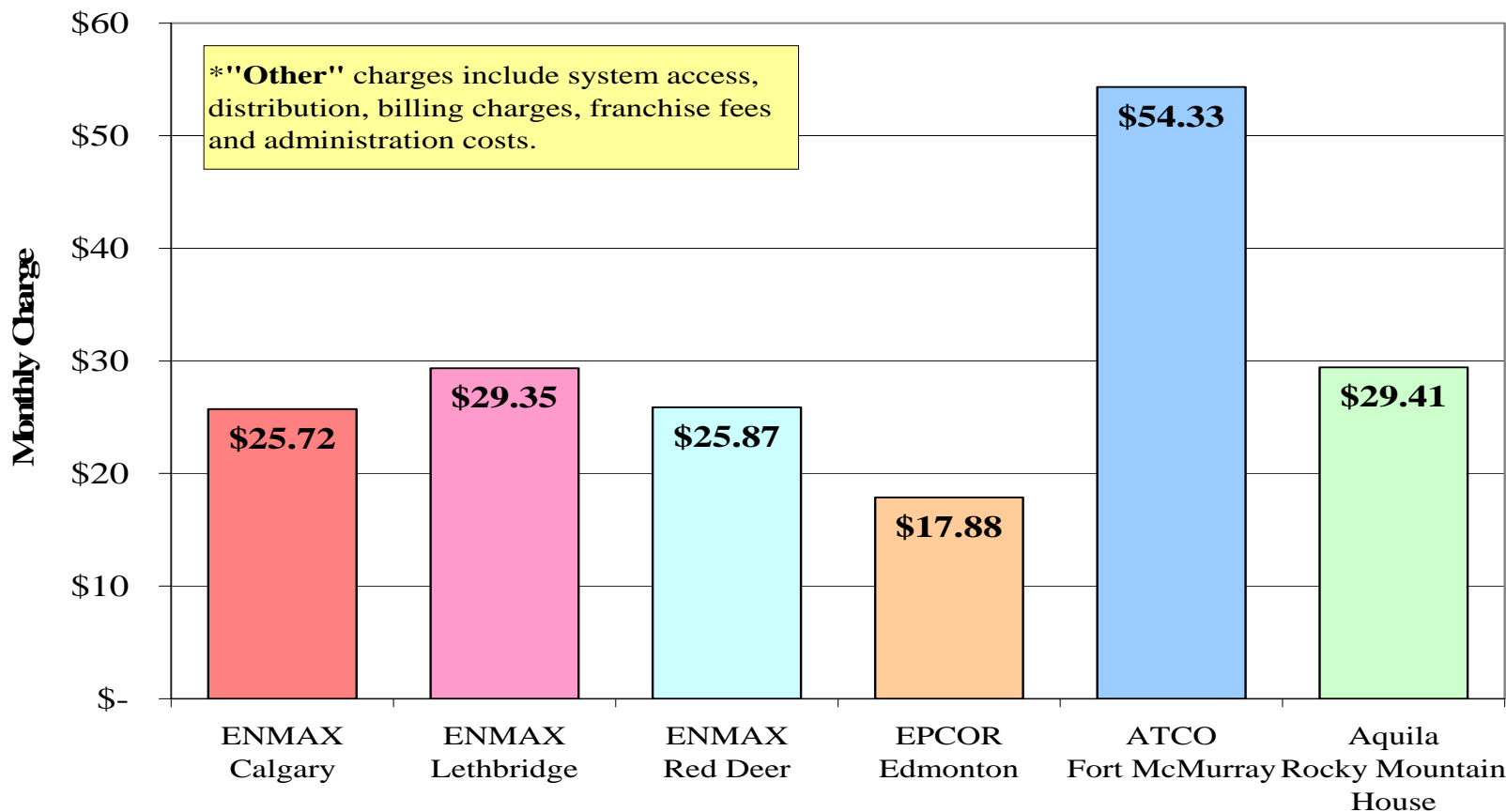
ANNUAL AVERAGE PROFILE- WEIGHTED POOL PRICE (2002-2003)



2003 AVERAGE ENERGY CHARGE: RRT AND POOL PRICE FLOW-THROUGH



COMPARISON OF OTHER MONTHLY CHARGES (31-day month)



CODE OF CONDUCT COMPLIANCE

- **Compliance plans approved for:**
 - **Battle River REA**
 - **Direct Energy**
 - **All others filing monthly compliance reports**
- **Compliance plan audits**
 - **Audit plans approved for 4 EPCOR companies and 2 ENMAX companies**
 - **Compliance period June – December 2003**

OTHER ACTIVITIES

- **Participated in the drafting of the EUA**
- **Established a stand alone Corporation**
- **Assisted REA's and Aquila to work through misunderstandings due to data handling**
- **Worked with LSA's to improve our retail metrics**
- **Developed a more thorough review of outage data**
- **Publication of Annual Report and Audited Financials**

EVENTS THAT MAY SHAPE 2004

- **MSA internal review of A/S market**
- **Direct Energy as new retailer**
- **New compliance plans**
- **AESO on going work on transmission**
- **Wholesale market review**
- **Information sharing consultations, workshops & rollout**