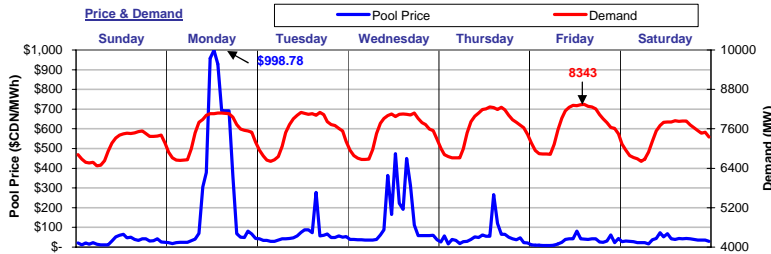


The Market Monitor

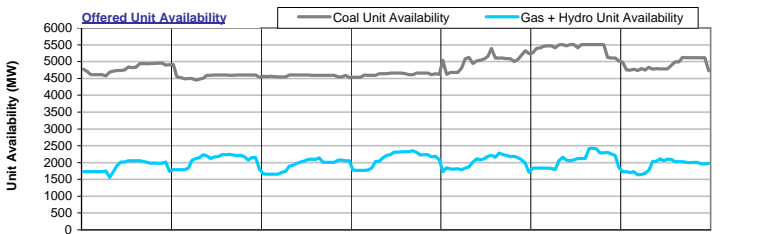
WATCHING THE MARKET : your fact source

Week Ending June 24, 2006

Weekly Highlights

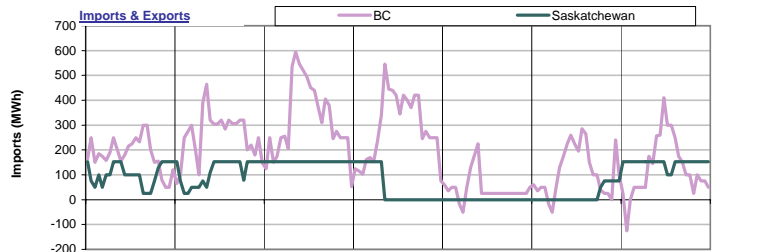


For the week ending June 24, 2006, **Pool Price** averaged \$88.51/MWh and ranged from a minimum of \$8.06/MWh in HE05 on Friday to a maximum of \$998.78/MWh in HE13 on Monday. **Demand** reached a high of 8343 MW in HE15 on Friday and a low of 6471 MW in HE06 on Sunday. Average demand for the week was 7481 MW. **Pool Price** and **Demand** were positively correlated last week with an R-squared value of 0.14.

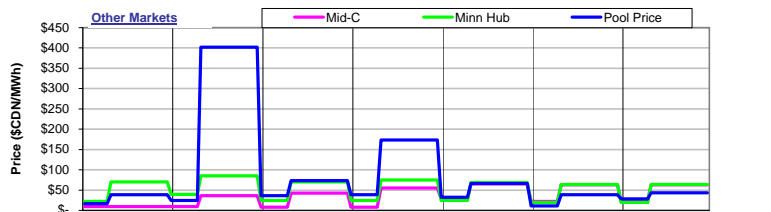


Coal Unit Availability averaged 4843 MW last week. This is an equivalent availability of 83% (based on MCR). **Gas and Hydro Unit Availability** averaged 2004 MW last week, which is an equivalent of 35% (based on MCR).

Availability numbers are based on MW offered into the energy merit order.

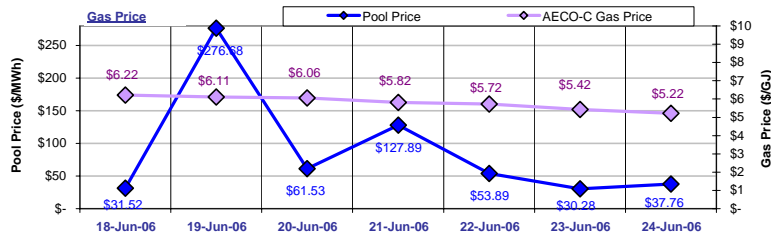


Alberta was a net importer from **BC** last week with total imports equal to 32,231 MWh. Alberta was a net importer from Saskatchewan last week with total imports equal to 14,093 MWh. Overall, Alberta imported 46,324 MWh of electricity last week.



Pool Prices were generally higher than prices in **Mid-C** and higher than prices in **Minn Hub** last week. **Mid-C** prices averaged \$54.39/MWh on-peak and \$15.45/MWh off-peak. **Minn Hub** prices averaged \$71.14/MWh on-peak and \$24.90/MWh off-peak.

Prices in \$CDN at an exchange rate of 1.2339.

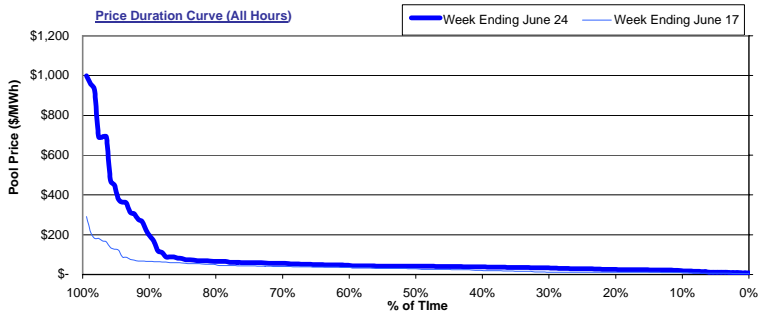


The average **AECO-C Gas Price** last week was \$5.80/GJ and ranged from a minimum of \$5.22/GJ to \$6.22/GJ. Prevailing gas prices resulted in market heat rates ranging from a low of 5.07 GJ/MWh to a high of 45.30 GJ/MWh. The average market heat rate for the week was 14.96 GJ/MWh.

Wholesale Market

Weekly Market Statistics

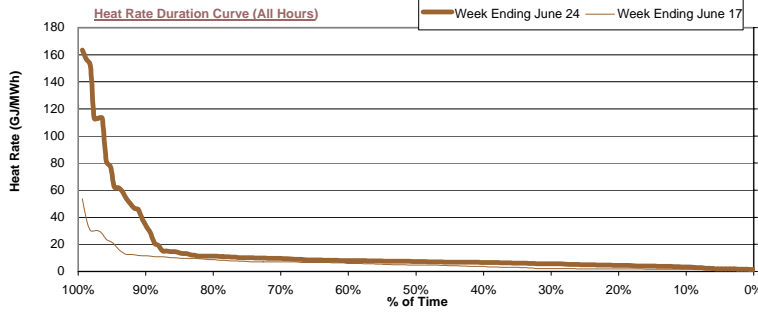
	Sunday 18-Jun	Monday 19-Jun	Tuesday 20-Jun	Wednesday 21-Jun	Thursday 22-Jun	Friday 23-Jun	Saturday 24-Jun	Average	Last Week	% Change	YTD
Pool Price											
Average	\$ 31.52	\$ 276.68	\$ 61.53	\$ 127.89	\$ 53.89	\$ 30.28	\$ 37.76	\$ 88.51	\$ 36.54	142.2%	\$ 54.58
On-Peak	NA	\$ 401.64	\$ 73.61	\$ 173.32	\$ 65.90	\$ 38.58	\$ 43.27	\$ 132.72	\$ 52.01	155.2%	\$ 70.69
Off-Peak	\$ 31.52	\$ 26.76	\$ 37.37	\$ 37.04	\$ 29.86	\$ 13.68	\$ 26.74	\$ 29.55	\$ 15.91	85.8%	\$ 31.25
COV	0.51	1.25	0.79	1.07	0.93	0.62	0.35	0.79	0.72	9.1%	
Heat Rate											
Average	5.07	45.30	10.15	21.97	9.42	5.58	7.24	14.96	6.42	132.9%	8.47
On-Peak	NA	65.76	12.14	29.77	11.52	7.11	8.30	22.43	9.05	147.8%	10.97
Off-Peak	5.07	4.38	6.16	6.36	5.22	2.52	5.13	5.00	2.92	71.3%	4.85
Demand											
Average	7,111	7,494	7,526	7,529	7,629	7,707	7,372	7,481	7,473	0.1%	7,811
Minimum	6,471	6,644	6,607	6,664	6,715	6,825	6,612	6,648	6,650	0.0%	6,351
Maximum	7,533	8,085	8,103	8,078	8,262	8,343	7,849	8,036	8,045	-0.1%	9,306
Coal Unit Availability											
Average	4,794	4,577	4,578	4,621	5,027	5,402	4,905	4,843	5,105		5,432
Utilization	82%	78%	78%	79%	86%	93%	84%	83%	87%	-4.5%	93%
Gas and Hydro Unit Availability											
Average	1,887	2,080	1,929	2,113	2,017	2,084	1,919	2,004	1,810		1,965
Utilization	40%	44%	41%	44%	42%	44%	40%	35%	32%	3.4%	35%



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 24**, prices were at or below:

\$20/MWh	10% of the time
\$50/MWh	64% of the time
\$100/MWh	88% of the time
\$250/MWh	90% of the time
\$500/MWh	96% 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 24** implied market heat rates were at or below:

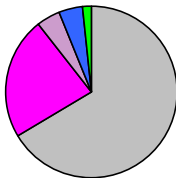
5.0 GJ/MWh	25% of the time
10.0 GJ/MWh	74% of the time
15.0 GJ/MWh	87% of the time
20.0 GJ/MWh	89% of the time

Market Share Statistics

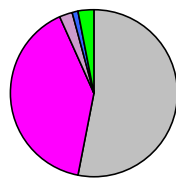
By Fuel Type:

Coal Gas - Cogen Gas - Other Hydro Other

Weekly Generation by Fuel Type

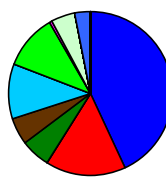


Weekly Price Setting by Fuel Type



By Submitting Customer:

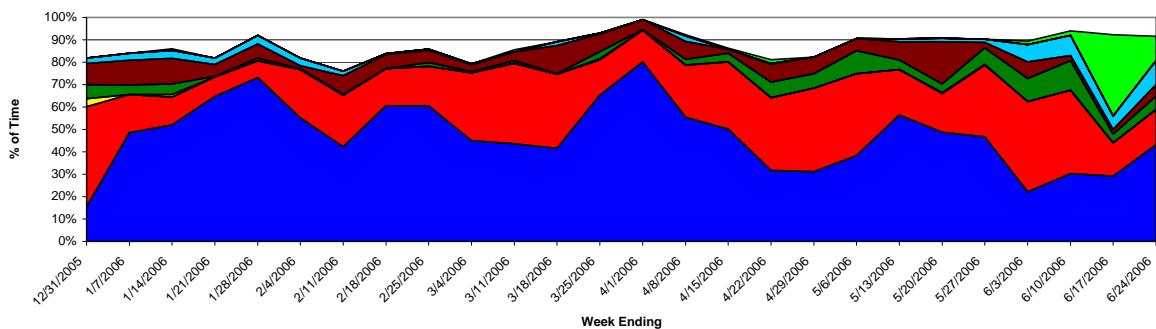
Weekly Price Setting by Submitting Customer



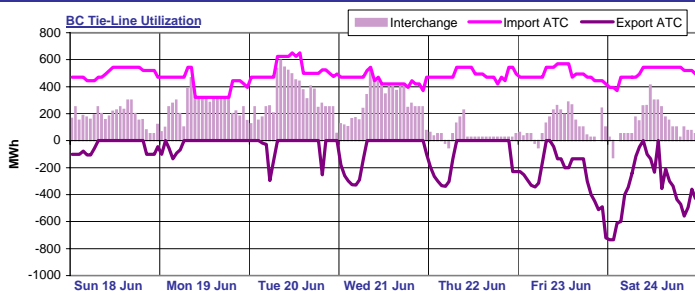
Last week, coal units were responsible for 66.3% of the generation in the province and set price 53.1% of the time. Gas-cogen units accounted for 23.0% of the generation and set price 40.3% of the time last week while other gas units made up 4.6% of generation and set price 2.5% of the time.

A total of 10 market participants set price last week. One market participant set price more than 20% of the time last week. The top price setter set price 43.1% of the time and the top five price setters set price a total of 86.3% of the time.

Weekly Price Setting by Submitting Customer

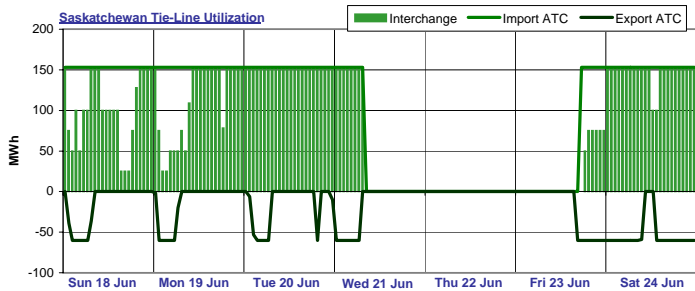


Interties

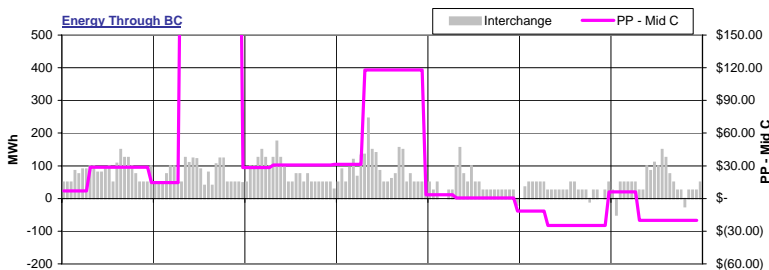


BC import capacity was 41% utilized last week while BC export capacity was 1% utilized. Energy was being imported into Alberta over the BC tie-line 96% of the time and exported out of Alberta over the BC tie-line 3% of the time last week. There was no activity on the BC tie-line 1% of the time last week.

Note: External reserve contract volumes have been subtracted from the BC import ATC as this capacity is not available to import energy into Alberta.



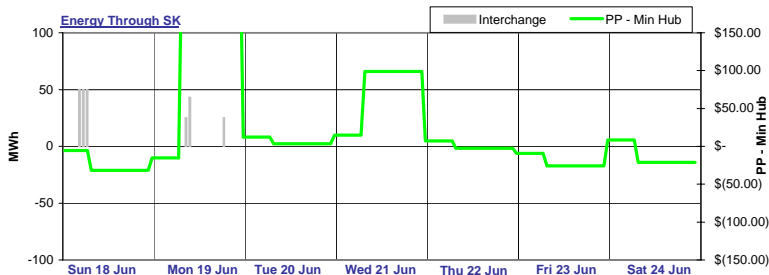
Saskatchewan import capacity was 83% utilized last week while Saskatchewan export capacity was 0% utilized. Energy was being imported into Alberta over the Saskatchewan tie-line 65% of the time and exported out of Alberta over the Saskatchewan tie-line 0% of the time last week. There was no activity on the Saskatchewan tie-line 35% of the time last week.



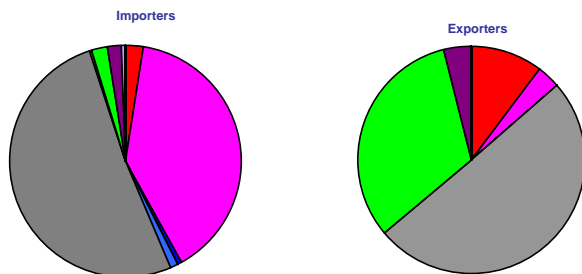
Last week, Alberta spot prices were mostly higher relative to prices in the Pacific Northwest as represented by Mid-C index prices, supporting import activity across the Alberta - BC interconnection.

Alberta prices were generally higher than prices in MAPP as represented by spot prices at the Minnesota Hub, which generally supported import activity across the Alberta - Saskatchewan interconnection.

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



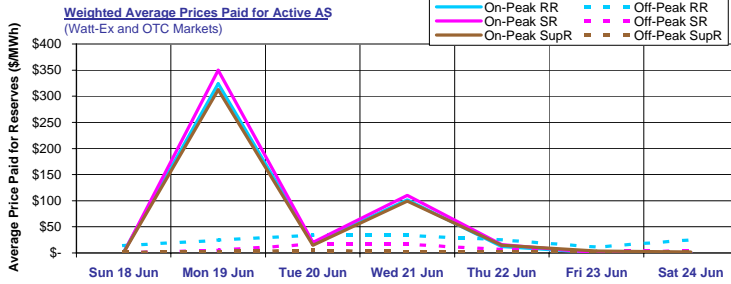
Tie-Line Market Shares



Last week, there were a total of 11 importers. The most active importer had a market share of 51.3% while the second most active importer had a market share of 39.6%. There were a total of 5 exporters last week. The most active exporter had a market share of 50.2% while the next largest exporter had a market share of 32.4%.

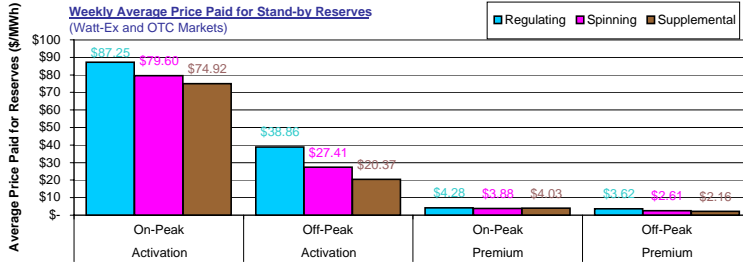
Note: Market shares are based on the combined activity on both interties.

Ancillary Services Market



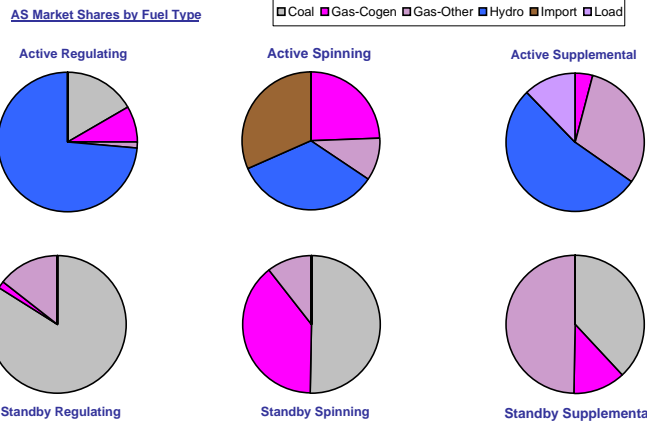
Average on-peak prices paid for active ancillary services last week were \$65.84/MWh, \$72.44/MWh and \$65.01/MWh respectively for active **regulating**, **spinning** and **supplemental** reserves.

Active average off-peak prices were somewhat higher and averaged \$24.16/MWh, \$7.33/MWh and \$2.36/MWh for active **regulating**, **spinning** and **supplemental** reserves respectively.



Weekly average activation prices for stand-by reserves ranged from \$20.37/MWh for **off-peak supplemental** reserves to \$87.25/MWh for **on-peak regulating** reserves.

Weekly average premium prices ranged from \$2.16/MWh for **off-peak supplemental** reserves up to \$4.28/MWh for **on-peak regulating** reserves.



Last week **hydro** units had the largest market share in the **active regulating** reserve market with 73.7%. In the **active spinning** reserve market, **hydro** units had the leading market share with 34.0% while in the **active supplemental** reserve market, **hydro** units dominated with a 53.1% market share.

Coal units dominated the **standby regulating** reserve market with a 83.9% market share. Leading market share in the **standby spinning** market was held by coal units with a 50.2% market share. In the **standby supplemental** reserve market, gas units had the leading market share with 49.7%.

Glossary

HE	Hour Ending
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 + holidays (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)
COV	Coefficient of Variation The standard deviation of a series of numbers divided by the mean of the same series of numbers. Used as a measure of volatility.
ATC	Available Transfer Capacity 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.
Sparksread	Sparksreads 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.