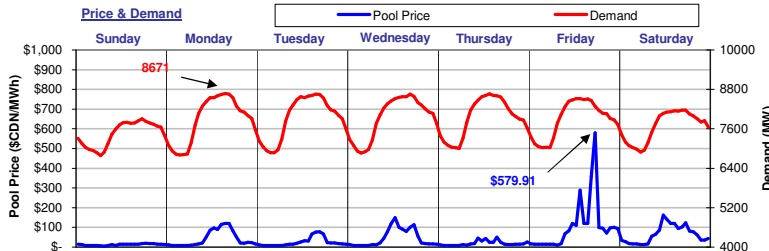


# The Market Monitor

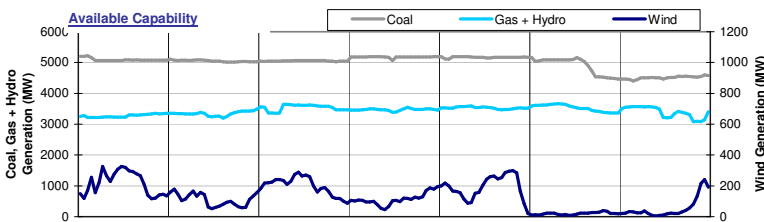
WATCHING THE MARKET : your fact source

Week Ending June 28, 2008

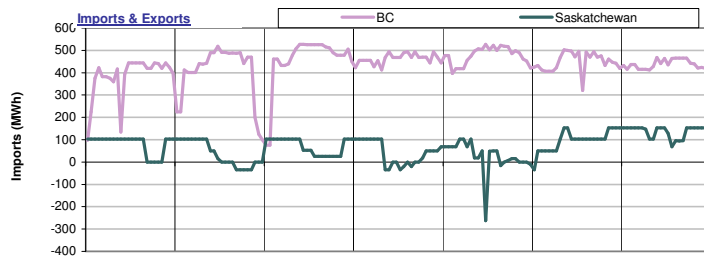
## Weekly Highlights



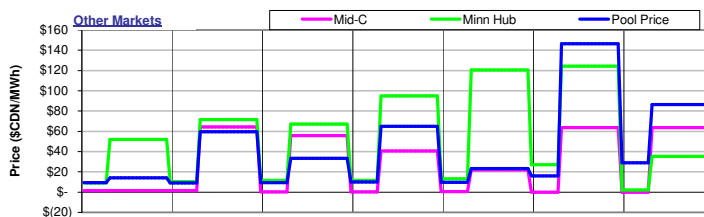
For the week ending June 28, 2008, **Pool Price** averaged \$45.34/MWh and ranged from a minimum of \$5.49/MWh in HE08 on Sunday to a maximum of \$579.91/MWh in HE18 on Friday. **Demand** reached a high of 8671 MW in HE16 on Monday and a low of 6783 MW in HE07 on Sunday. Average demand for the week was 7817 MW. **Pool Price** and **Demand** were positively correlated last week with an R-squared value of 0.21.



**Coal Unit Availability** averaged 4992 MW last week. This is an equivalent availability of 83%. **Gas, Hydro and Other Unit Availability** averaged 3439 MW last week, which is an equivalent of 71%. **Wind Generation** averaged 130 MW last week. This is an equivalent availability of 26%. Availability numbers are based on MW offered into the energy merit order.

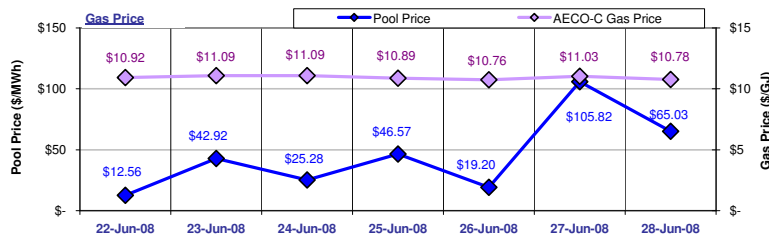


Alberta was a net importer from **BC** last week with total imports equal to 73,604 MWh. Alberta was a net importer from Saskatchewan last week with total imports equal to 11,719 MWh. Overall, Alberta imported 85,323 MWh of electricity last week.



**Pool Prices** were generally higher than prices in **Mid-C** and lower than prices in **Minn Hub** last week. **Mid-C** prices averaged \$51.57/MWh on-peak and \$0.56/MWh off peak. **Minn Hub** prices averaged \$85.60/MWh on-peak and \$12.10/MWh off-peak.

Prices in \$/CDN at an exchange rate of 1.01707.

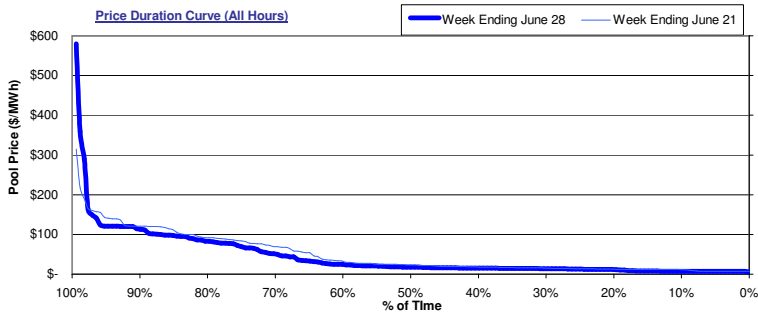


The average **AECO-C Gas Price** last week was \$10.94/GJ and ranged from a minimum of \$10.76/GJ to \$11.09/GJ. Prevailing gas prices resulted in market heat rates ranging from a low of 1.15 GJ/MWh to a high of 9.59 GJ/MWh. The average market heat rate for the week was 4.14 GJ/MWh.

# Wholesale Market

## Weekly Market Statistics

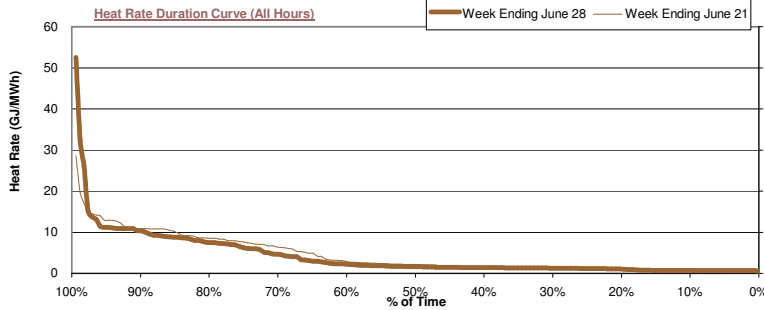
	Sunday 22-Jun	Monday 23-Jun	Tuesday 24-Jun	Wednesday 25-Jun	Thursday 26-Jun	Friday 27-Jun	Saturday 28-Jun	Average	Last Week	% Change	YTD
<b>Pool Price</b>											
Average	\$ 12.56	\$ 42.92	\$ 25.28	\$ 46.57	\$ 19.20	\$ 105.82	\$ 65.03	\$ 45.34	\$ 49.22	-7.9%	\$ 90.94
On-Peak	NA	\$ 59.64	\$ 33.40	\$ 64.93	\$ 23.18	\$ 146.46	\$ 86.30	\$ 68.98	\$ 72.47	-4.8%	\$ 116.43
Off-Peak	\$ 12.56	\$ 9.50	\$ 9.03	\$ 9.86	\$ 11.24	\$ 24.54	\$ 22.48	\$ 13.81	\$ 18.21	-24.2%	\$ 52.77
COV	0.32	0.96	0.89	0.96	0.65	1.25	0.70	0.82	0.88	-7.2%	
<b>Heat Rate</b>											
Average	1.15	3.87	2.28	4.28	1.78	9.59	6.03	4.14	4.53	-8.6%	10.59
On-Peak	NA	5.38	3.01	5.96	2.15	13.28	8.01	6.30	6.65	-5.3%	13.55
Off-Peak	1.15	0.86	0.81	0.91	1.04	2.22	2.09	1.26	1.71	-26.0%	6.14
<b>Demand</b>											
Average	7,452	7,886	7,931	7,937	7,940	7,898	7,674	7,817	7,618	2.6%	7,957
Minimum	6,783	6,804	6,869	6,864	7,003	7,029	6,894	6,892	6,691	3.0%	6,411
Maximum	7,907	8,671	8,654	8,652	8,670	8,521	8,171	8,464	8,237	2.8%	9,710
<b>Coal Unit Availability</b>											
Average	5,091	5,051	5,051	5,175	5,169	4,896	4,511	4,992	4,778		5,096
AC/MC	85%	84%	84%	86%	86%	82%	75%	83%	80%	3.6%	85%
<b>Gas, Hydro and Other Unit Availability</b>											
Average	3,274	3,343	3,537	3,471	3,530	3,528	3,389	3,439	3,256		3,595
AC/MC	67%	69%	73%	71%	73%	73%	70%	71%	67%	3.7%	74%



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 28**, prices were at or below:

\$20/MWh	54% of the time
\$50/MWh	70% of the time
\$100/MWh	86% of the time
\$250/MWh	98% of the time
\$500/MWh	99% of the time



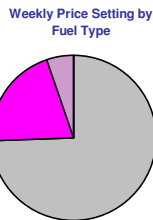
The heat rate duration curves show the % of time that the implied market heat rate was at or below a certain value during the week. For the week ending **June 28** implied market heat rates were at or below:

5.0 GJ/MWh	71% of the time
10.0 GJ/MWh	89% of the time
15.0 GJ/MWh	98% of the time
20.0 GJ/MWh	98% of the time

### Market Share Statistics

By Fuel Type:

■ Coal 
 ■ Gas - Cogen 
 ■ Gas - Other 
 ■ Hydro 
 ■ Other



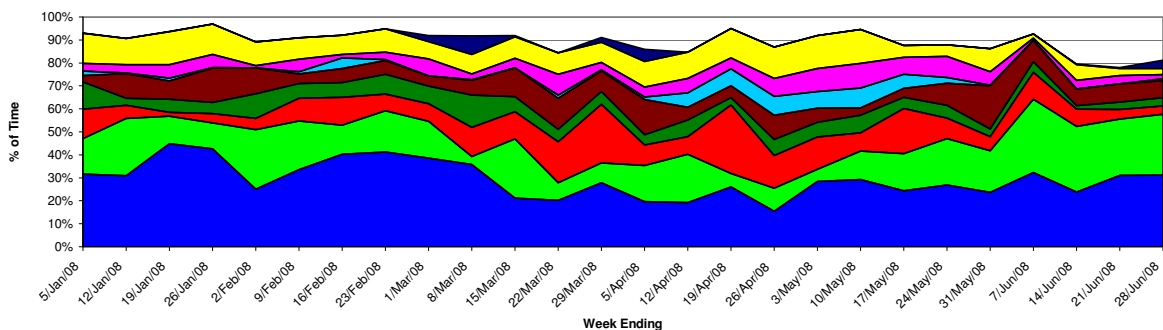
By Submitting Customer:



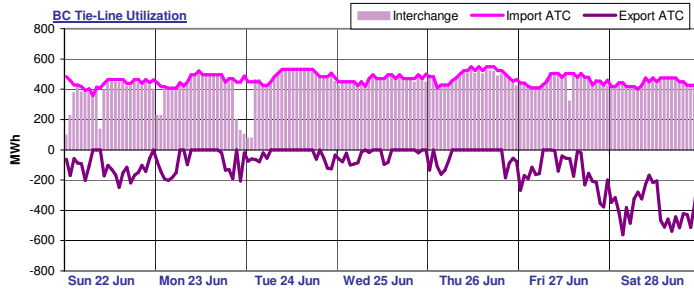
Last week, **coal units** were responsible for **65.2%** of the generation in the province and set price **74.6%** of the time. **Gas-cogen** units accounted for **23.2%** of the generation and set price **20.2%** of the time last week while **other gas** units made up **3.4%** of generation and set price **5.3%** 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 **31.1%** of the time and the top five price setters set price a total of **82.9%** of the time.

### Weekly Price Setting by Submitting Customer

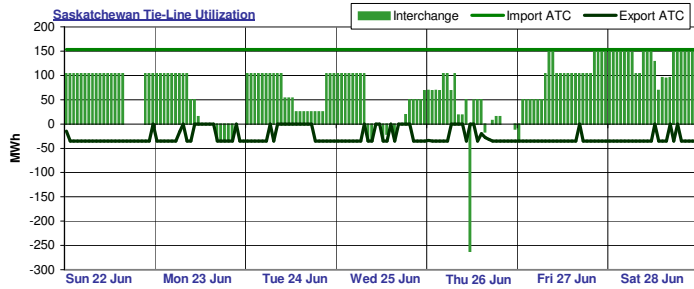


# Interties

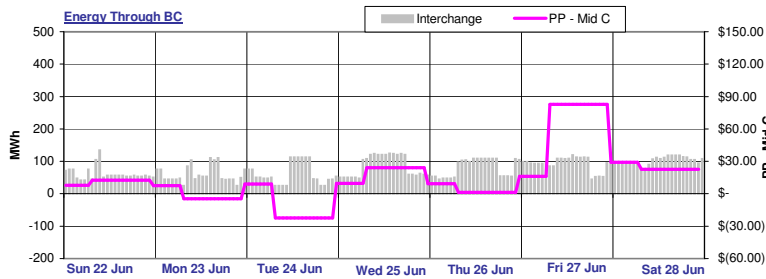


BC import capacity was 94% utilized last week while BC export capacity was 0% utilized. Energy was being imported into Alberta over the BC tie-line 100% of the time and exported out of Alberta over the BC tie-line 0% of the time last week. There was no activity on the BC tie-line 0% of the time last 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.



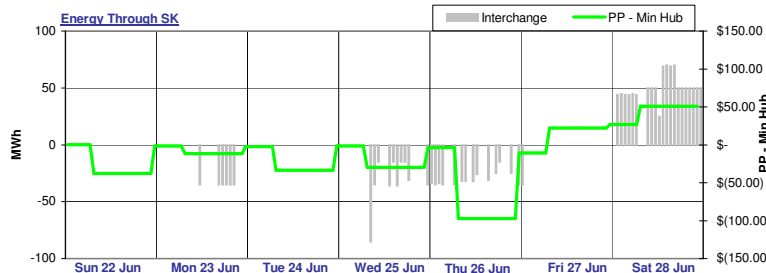
Saskatchewan import capacity was 50% utilized last week while Saskatchewan export capacity was 15% utilized. Energy was being imported into Alberta over the Saskatchewan tie-line 79% of the time and exported out of Alberta over the Saskatchewan tie-line 8% of the time last week. There was no activity on the Saskatchewan tie-line 13% of the time last week.



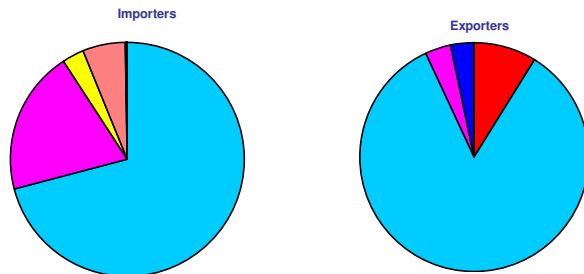
Last week, Alberta spot prices were mostly higher relative to prices in the Pacific Northwest as represented by Mid-C index prices, supporting import activity across the Alberta - BC interconnection.

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

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



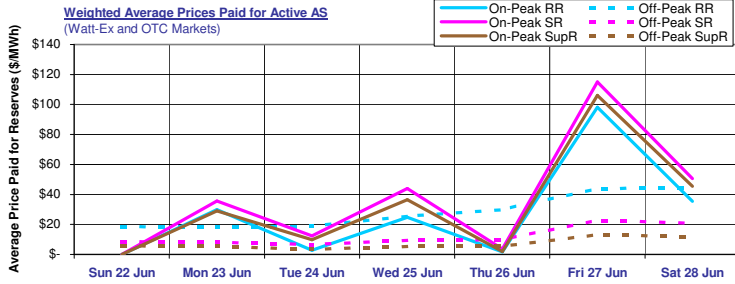
## Tie-Line Market Shares



Last week, there were a total of 5 importers. The most active importer had a market share of 70.9% while the second most active importer had a market share of 19.8%. There were a total of 4 exporters last week. The most active exporter had a market share of 84.4% while the next largest exporter had a market share of 8.8%.

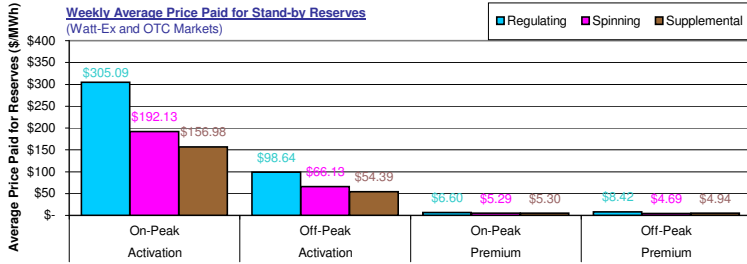
Note: Market shares are based on the combined activity on both interties.

# Ancillary Services Market



Average on-peak prices paid for active ancillary services last week were **\$108.75/MWh**, **\$109.47/MWh** and **\$112.25/MWh** respectively for active **regulating**, **spinning** and **supplemental** reserves.

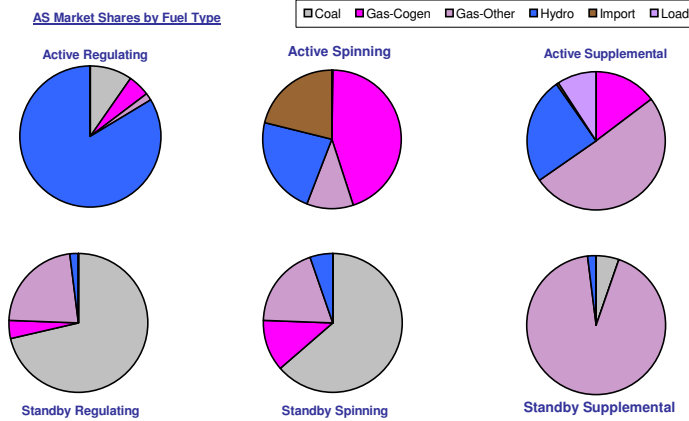
Active average off-peak prices were **lower** and averaged **\$49.93/MWh**, **\$8.68/MWh** and **\$4.99/MWh** for active **regulating**, **spinning** and **supplemental** reserves respectively.



Weekly average activation prices for stand-by reserves ranged from **\$54.39/MWh** for **off-peak supplemental** reserves to **\$305.09/MWh** for **on-peak regulating** reserves.

Weekly average premium prices ranged from **\$4.69/MWh** for **off-peak spinning** reserves up to **\$8.42/MWh** for **on-peak spinning** reserves.

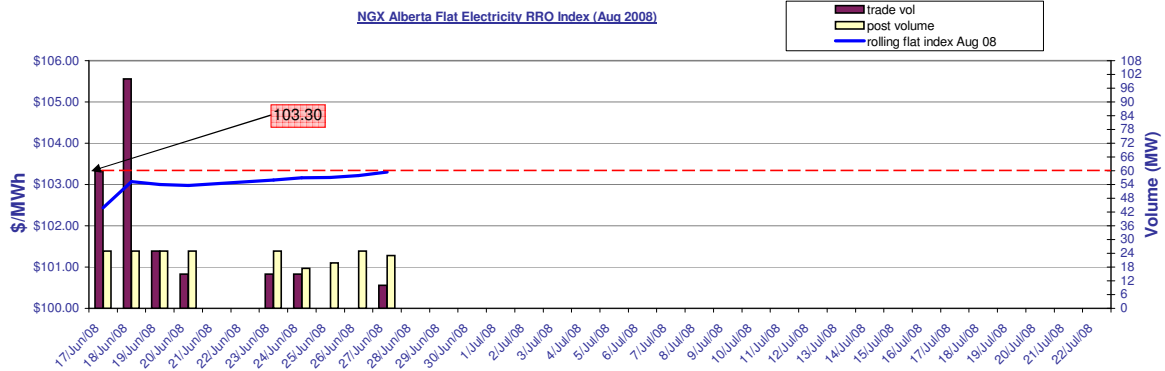
AS Market Shares by Fuel Type



Last week **hydro** units had the largest market share in the **active regulating** reserve market with **83.5%**. In the **active spinning** reserve market, **gas-cogen** units had the leading market share with **44.8%** while in the **active supplemental** reserve market, **gas** units dominated with a **50.7%** market share.

**Gas** units dominated the **standby regulating** reserve market with a **71.5%** market share. Leading market share in the **standby spinning** market was held by **coal** units with a **63.5%** market share. In the **standby supplemental** reserve market, **gas** units had the leading market share with **92.7%**.

# 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 + 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)
- 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.