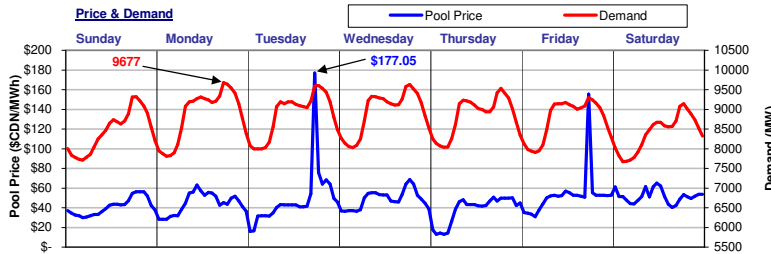


The Market Monitor

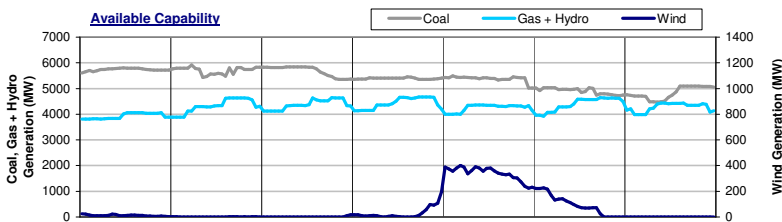
WATCHING THE MARKET : your fact source

Week Ending January 30, 2010

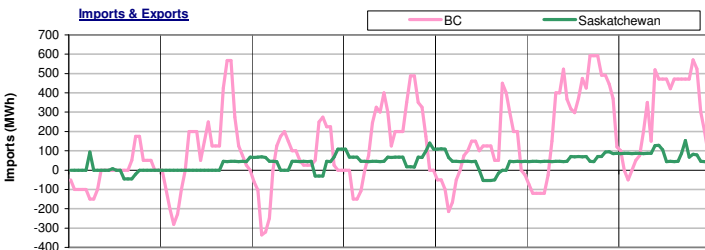
Weekly Highlights



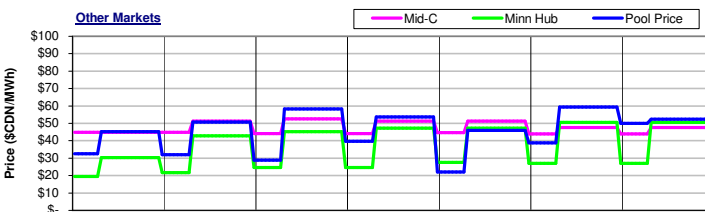
For the week ending January 30, 2010, **Pool Price** averaged \$46.57/MWh and ranged from a minimum of \$12.94/MWh in HE02 on Thursday to a maximum of \$177.05/MWh in HE18 on Tuesday. **Demand** reached a high of 9,677 MW in HE18 on Monday and a low of 7,667 MW in HE03 on Saturday. Average demand for the week was 8,727 MW. **Pool Price** and **Demand** were positively correlated last week with an R-squared value of 0.28.



Coal Unit Availability averaged 5375 MW last week. This is an equivalent availability of 89%. **Gas, Hydro and Other Unit Availability** averaged 4282 MW last week, which is an equivalent of 75%. **Wind Generation** averaged 68 MW last week. This is an equivalent availability of 12%. Availability numbers are based on MW offered into the energy merit order.

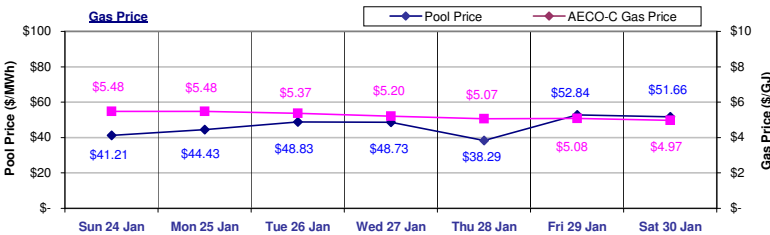


Alberta was a net importer from **BC** last week with total imports equal to 23,413 MWh. Alberta was a net importer from **Saskatchewan** last week with total imports equal to 6,811 MWh. Overall, Alberta imported 30,224 MWh of electricity last week.



Pool Prices were generally lower than prices in **Mid-C** and higher than prices in **Minn Hub** last week. **Mid-C** prices averaged \$50.30/MWh on-peak and \$44.38/MWh off-peak. **Minn Hub** prices averaged \$47.27/MWh on-peak and \$24.54/MWh off-peak.

Prices in \$/MWh at an exchange rate of 1.057.



The average **AECO-C Gas Price** last week was \$5.23/GJ and ranged from a minimum of \$4.97/GJ to \$5.48/GJ. Prevailing gas prices resulted in market heat rates ranging from a low of 7.52 GJ/MWh to a high of 10.41 GJ/MWh. The average market heat rate for the week was 8.92 GJ/MWh.

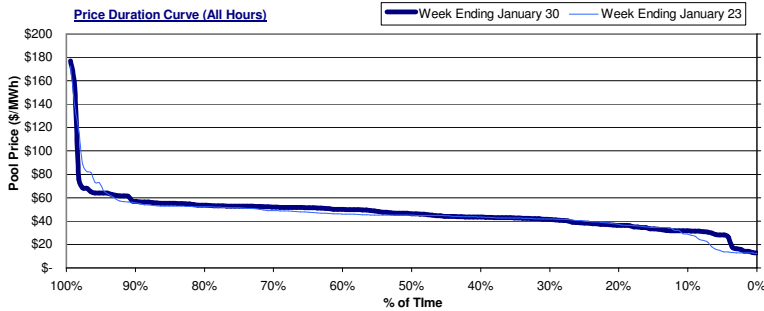


Alberta's Market Surveillance Administrator is in place to monitor the fair, efficient and openly competitive operation of all electricity markets within the province. The **Market Monitor** is a weekly publication by the MSA intended to educate industry participants and the public on market activities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

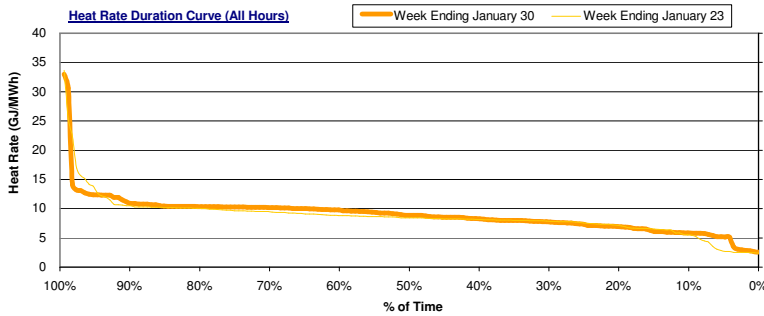
Weekly Market Statistics

	Sunday 24-Jan	Monday 25-Jan	Tuesday 26-Jan	Wednesday 27-Jan	Thursday 28-Jan	Friday 29-Jan	Saturday 30-Jan	Average	Last Week	% Change	YTD
Pool Price											
Average	\$ 41.21	\$ 44.43	\$ 48.83	\$ 48.73	\$ 38.29	\$ 52.84	\$ 51.66	\$ 46.57	\$ 45.48	2.4%	\$ 43.43
On-Peak	NA	\$ 50.73	\$ 58.24	\$ 53.70	\$ 46.02	\$ 59.36	\$ 52.43	\$ 53.41	\$ 53.38	0.1%	\$ 50.84
Off-Peak	\$ 41.21	\$ 31.84	\$ 30.01	\$ 38.79	\$ 22.83	\$ 39.79	\$ 50.12	\$ 37.44	\$ 34.95	7.1%	\$ 32.60
COV	0.21	0.24	0.63	0.19	0.35	0.44	0.13	0.31	0.34	-7.6%	
Heat Rate											
Average	7.52	8.11	9.10	9.37	7.56	10.41	10.39	8.92	8.64	3.3%	8.20
On-Peak	NA	9.26	10.85	10.33	9.08	11.69	10.55	10.29	10.14	1.5%	9.60
Off-Peak	7.52	5.81	5.59	7.46	4.51	7.84	10.08	7.10	6.63	7.0%	6.16
Demand											
Average	8,447	8,869	8,866	8,935	8,831	8,741	8,400	8,727	8,565	1.9%	8,545
Minimum	7,713	7,808	7,992	8,032	8,034	7,903	7,667	7,878	7,655	2.9%	7,282
Maximum	9,325	9,677	9,609	9,630	9,536	9,296	9,140	9,459	9,367	1.0%	9,799
Coal Unit Availability											
Average	5,738	5,705	5,684	5,392	5,378	4,904	4,828	5,375	5,497		5,398
AC/MC	95%	94%	94%	89%	89%	81%	80%	89%	91%	-2.0%	89%
Gas, Hydro and Other Unit Availability											
Average	3,930	4,324	4,380	4,431	4,248	4,391	4,273	4,282	3,922		4,002
AC/MC	69%	76%	77%	78%	74%	77%	75%	75%	69%	6.3%	70%



The price duration curves show the % of time that prices were at or below a certain value during the week. For the week ending **January 30**, prices were at or below:

\$20/MWh	4% of the time
\$50/MWh	60% of the time
\$100/MWh	98% 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 **January 30** implied market heat rates were at or below:

5.0 GJ/MWh	4% of the time
10.0 GJ/MWh	65% of the time
15.0 GJ/MWh	99% of the time
20.0 GJ/MWh	99% of the time

Market Share Statistics

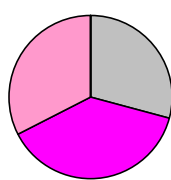
By Fuel Type:

Legend: Coal (grey), Gas - Cogen (magenta), Gas - Other (green), Hydro (blue), Other (red)

Weekly Generation by Fuel Type

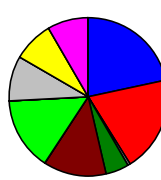


Weekly Price Setting by Fuel Type



By Submitting Customer:

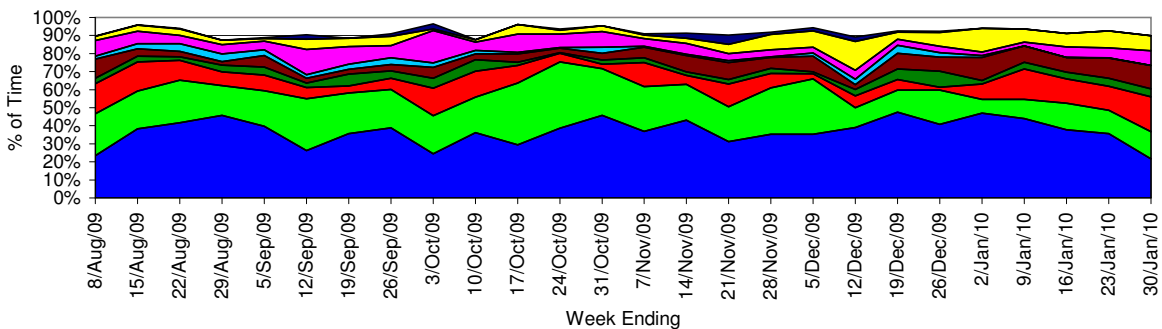
Weekly Price Setting by Submitting Customer



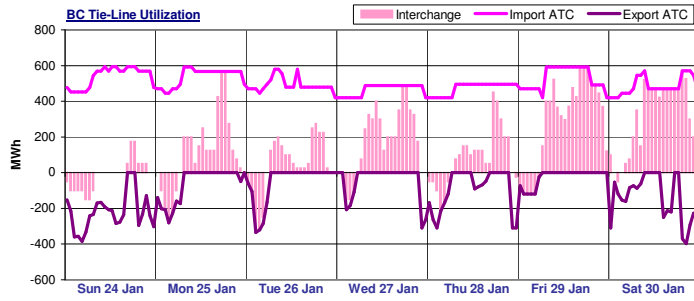
Last week, **coal units** were responsible for **62.8%** of the generation in the province and set price **29.1%** of the time. **Gas-cogen** units accounted for **27.6%** of the generation and set price **38.4%** of the time last week while **other gas** units made up **4.9%** of generation and set price **32.4%** of the time.

A total of **12** market participants set price last week. **One** market participants set price more than **20%** of the time last week. The top price setter set price **21.7%** of the time and the top five price setters set price a total of **78.0%** of the time.

Weekly Price Setting by Submitting Customer

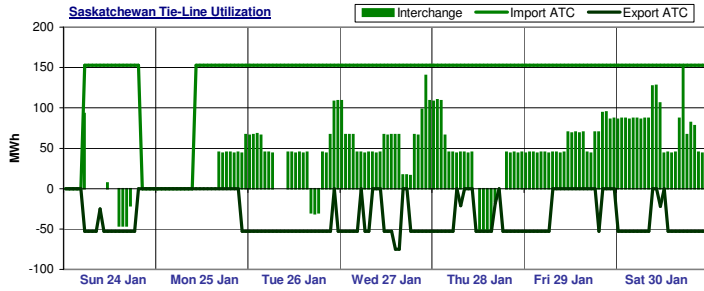


Interties

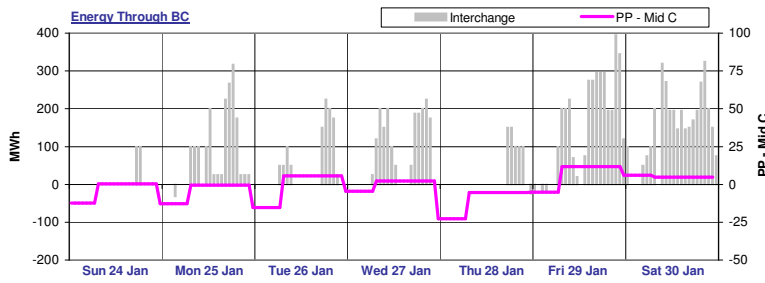


BC import capacity was 32% utilized last week while BC export capacity was 32% utilized. Energy was being imported into Alberta over the BC tie-line 64% of the time and exported out of Alberta over the BC tie-line 21% of the time last week. There was no activity on the BC tie-line 15% of the time last 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.



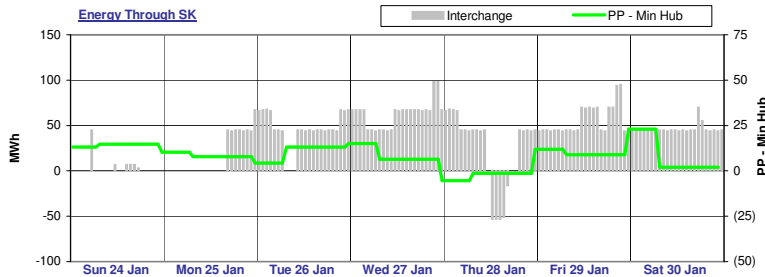
Saskatchewan import capacity was 35% utilized last week while Saskatchewan export capacity was 20% utilized. Energy was being imported into Alberta over the Saskatchewan tie-line 69% of the time and exported out of Alberta over the Saskatchewan tie-line 7% of the time last week. There was no activity on the Saskatchewan tie-line 24% of the time last week.



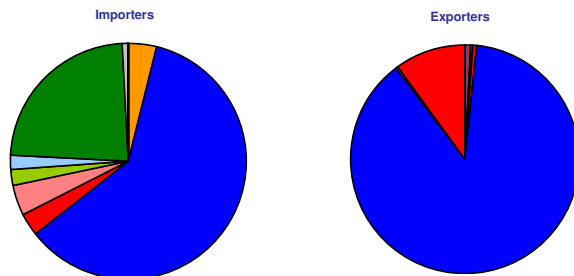
Last week, Alberta spot prices were mostly lower relative to prices in the Pacific Northwest as represented by Mid-C index prices.

Alberta prices were generally higher than prices in MISO as represented by spot prices at the Minnesota Hub.

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



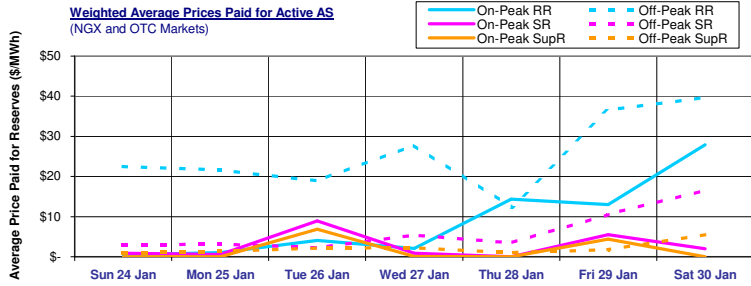
Tie-Line Market Shares



Last week, there were a total of 8 importers. The most active importer had a market share of 60.7% while the second most active importer had a market share of 23.4%. There were a total of 6 exporters last week. The most active exporter had a market share of 88.0% while the next largest exporter had a market share of 9.9%.

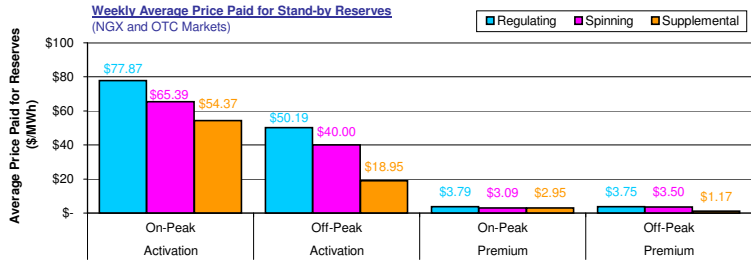
Note: Market shares are based on the combined activity on both interties.

Ancillary Services Market



Average on-peak prices paid for active ancillary services last week were **\$3.19/MWh**, **\$1.63/MWh** and **\$1.01/MWh** respectively for active **regulating**, **spinning** and **supplemental** reserves.

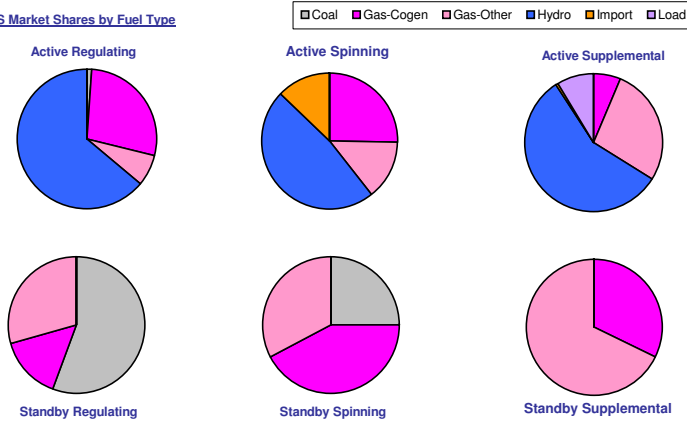
Active average off-peak prices were **higher** and averaged **\$18.30/MWh**, **\$3.19/MWh** and **\$1.02/MWh** for active **regulating**, **spinning** and **supplemental** reserves respectively.



Weekly average activation prices for stand-by reserves ranged from **\$18.95/MWh** for **off-peak supplemental** reserves to **\$77.87/MWh** for **on-peak regulating** reserves.

Weekly average premium prices ranged from **\$1.17/MWh** for **off-peak supplemental** reserves up to **\$3.79/MWh** for **on-peak regulating** reserves.

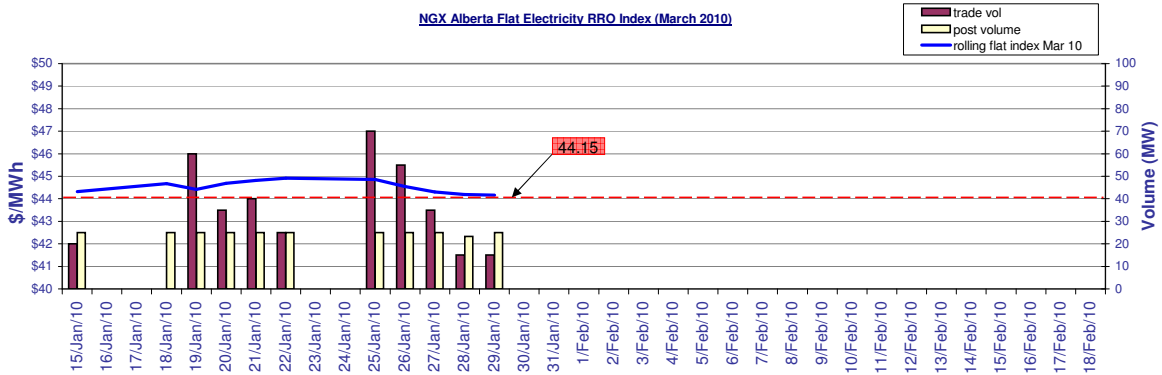
AS Market Shares by Fuel Type



Last week **hydro** units had the largest market share in the **active regulating** reserve market with **63.9%**. In the **active spinning** reserve market, **hydro** units had the leading market share with **47.9%** while in the **active supplemental** reserve market, **hydro** units dominated with a **57.0%** market share.

Coal units dominated the **standby regulating** reserve market with a **55.6%** market share. Leading market share in the **standby spinning** market was held by **coal** units with a **42.1%** market share. In the **standby supplemental** reserve market, **gas** units had the leading market share with **67.9%**.

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.