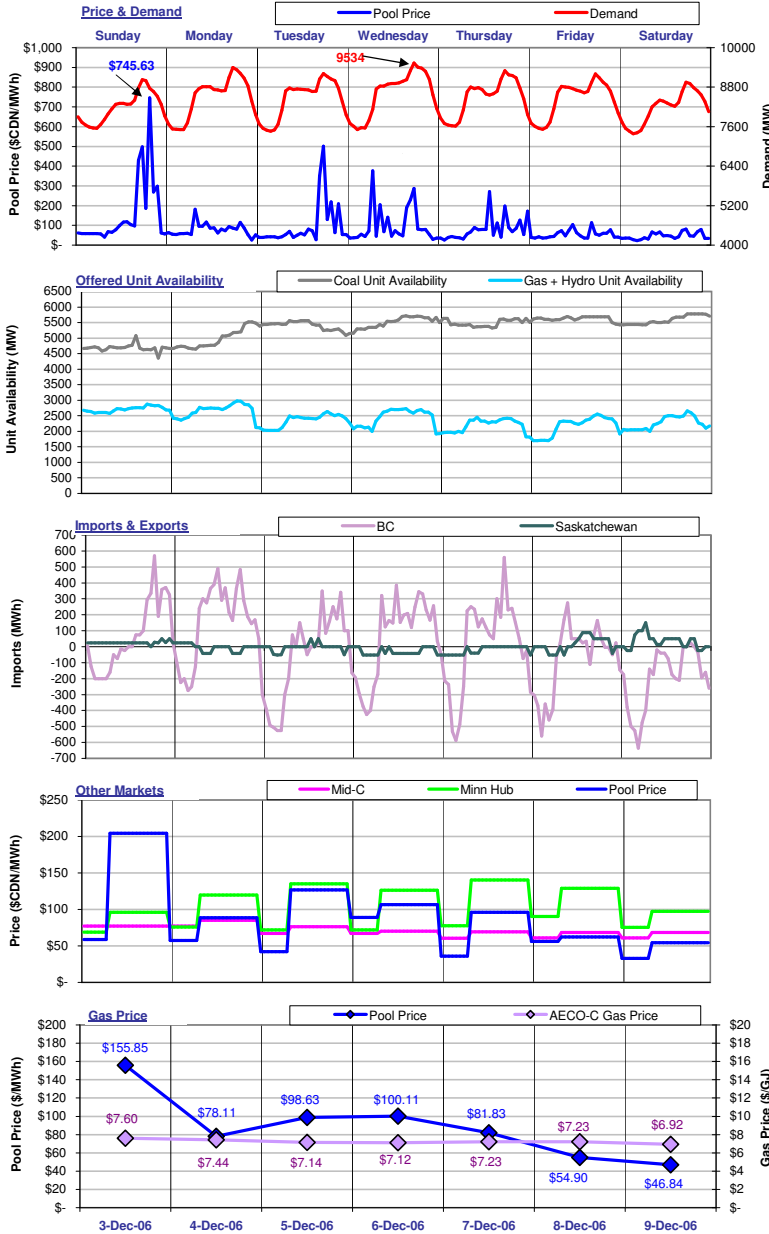


The Market Monitor

WATCHING THE MARKET : your fact source

Week Ending December 9, 2006

Weekly Highlights



For the week ending December 09, 2006, **Pool Price** averaged \$88.04/MWh and ranged from a minimum of \$23.00/MWh in HE05 on Saturday to a maximum of \$745.63/MWh in HE20 on Sunday. **Demand** reached a high of 9534 MW in HE18 on Wednesday and a low of 7381 MW in HE04 on Saturday. Average demand for the week was 8397 MW. **Pool Price** and **Demand** were positively correlated last week with an R-squared value of 0.13.

Coal Unit Availability averaged 5325 MW last week. This is an equivalent availability of 91% (based on MCR). **Gas and Hydro Unit Availability** averaged 2398 MW last week, which is an equivalent of 42% (based on MCR).

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

Alberta was a net exporter to **BC** last week with total exports equal to 1,577 MWh. Alberta was a net importer from Saskatchewan last week with total imports equal to 303 MWh. Overall, Alberta exported 1,274 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 \$72.93/MWh on-peak and \$67.36/MWh off-peak. **Minn Hub** prices averaged \$124.72/MWh on-peak and \$75.97/MWh off-peak.

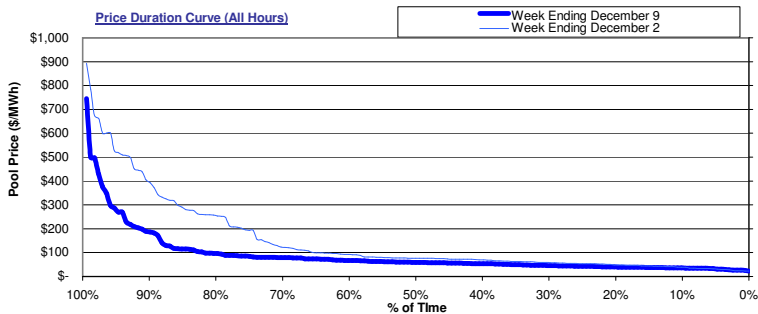
Prices in \$CDN at an exchange rate of 1.14538.

The average **AECO-C Gas Price** last week was \$7.24/GJ and ranged from a minimum of \$6.92/GJ to \$7.60/GJ. Prevailing gas prices resulted in market heat rates ranging from a low of 6.77 GJ/MWh to a high of 20.50 GJ/MWh. The average market heat rate for the week was 12.08 GJ/MWh.

Wholesale Market

Weekly Market Statistics

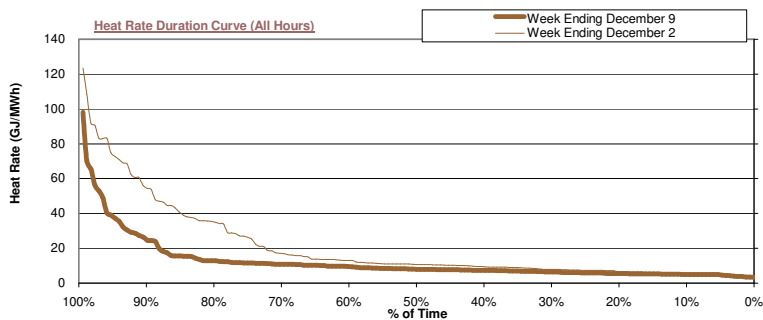
	Sunday 3-Dec	Monday 4-Dec	Tuesday 5-Dec	Wednesday 6-Dec	Thursday 7-Dec	Friday 8-Dec	Saturday 9-Dec	Average	Last Week	% Change	YTD
Pool Price											
Average	\$ 155.85	\$ 78.11	\$ 98.63	\$ 100.11	\$ 81.83	\$ 54.90	\$ 46.84	\$ 88.04	\$ 148.64	-40.8%	\$ 82.56
On-Peak	NA	\$ 88.76	\$ 126.84	\$ 106.74	\$ 96.24	\$ 62.50	\$ 54.29	\$ 89.23	\$ 205.08	-56.5%	\$ 107.86
Off-Peak	\$ 155.85	\$ 56.81	\$ 42.21	\$ 86.83	\$ 53.02	\$ 39.71	\$ 31.95	\$ 86.45	\$ 73.37	17.8%	\$ 44.61
COV	1.12	0.40	1.16	0.91	0.72	0.39	0.37	0.72	0.92	-21.1%	
Heat Rate											
Average	20.50	10.50	13.82	14.06	11.32	7.60	6.77	12.08	18.90	-36.1%	13.42
On-Peak	NA	11.93	17.78	14.99	13.31	8.65	7.84	12.42	26.00	-52.2%	17.53
Off-Peak	20.50	7.64	5.92	12.20	7.33	5.49	4.61	11.63	9.43	23.4%	7.25
Demand											
Average	8,184	8,482	8,433	8,607	8,474	8,435	8,167	8,397	8,625	-2.6%	7,901
Minimum	7,553	7,513	7,462	7,515	7,621	7,522	7,381	7,510	7,807	-3.8%	6,351
Maximum	9,028	9,400	9,214	9,534	9,295	9,199	8,953	9,232	9,418	-2.0%	9,661
Coal Unit Availability											
Average	4,686	4,987	5,396	5,512	5,484	5,623	5,590	5,325	5,449		5,255
Utilization	80%	85%	92%	94%	94%	96%	96%	91%	93%	-2.1%	90%
Gas and Hydro Unit Availability											
Average	2,708	2,648	2,354	2,435	2,197	2,173	2,272	2,398	2,508		2,155
Utilization	57%	56%	49%	51%	46%	46%	48%	50%	53%	-2.3%	45%



The price duration curves show the % of time that prices were at or below a certain value during the week.

For the week ending **December 09**, prices were at or below:

\$20/MWh **0%** of the time
 \$50/MWh **35%** of the time
 \$100/MWh **82%** of the time
 \$250/MWh **93%** of the time
 \$500/MWh **98%** of the time



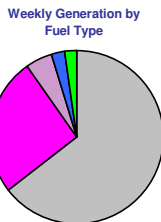
The heat rate duration curves show the % of time that the implied market heat rate was at or below a certain value during the week. For the week ending **December 09** implied market heat rates were at or below:

5.0 GJ/MWh **10%** of the time
 10.0 GJ/MWh **64%** of the time
 15.0 GJ/MWh **83%** of the time
 20.0 GJ/MWh **89%** of the time

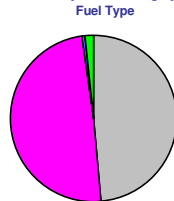
Market Share Statistics

By Fuel Type:

Coal Gas - Cogen Gas - Other Hydro Other

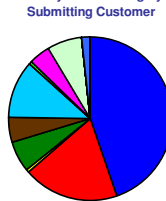


Weekly Price Setting by Fuel Type



By Submitting Customer:

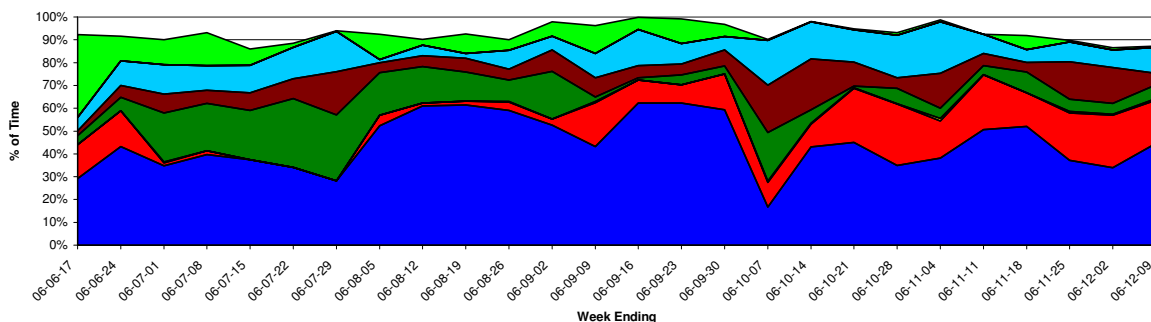
Weekly Price Setting by Submitting Customer



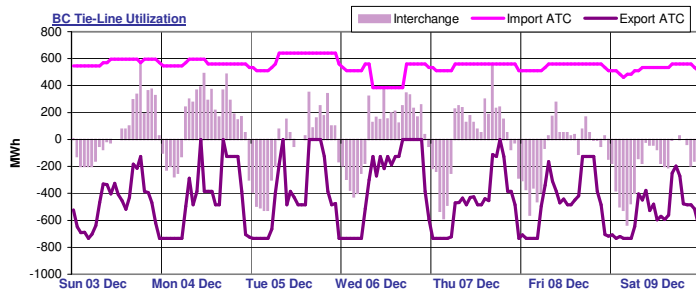
Last week, **coal units** were responsible for **64.4%** of the generation in the province and set price **48.7%** of the time. **Gas-cogen** units accounted for **26.0%** of the generation and set price **49.0%** of the time last week while **other gas** units made up **5.0%** of generation and set price **0.0%** of the time.

A total of **10** 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 **44.6%** of the time and the top five price setters set price a total of **87.8%** of the time.

Weekly Price Setting by Submitting Customer

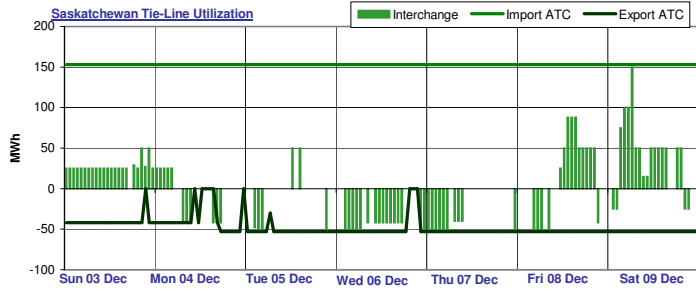


Interties

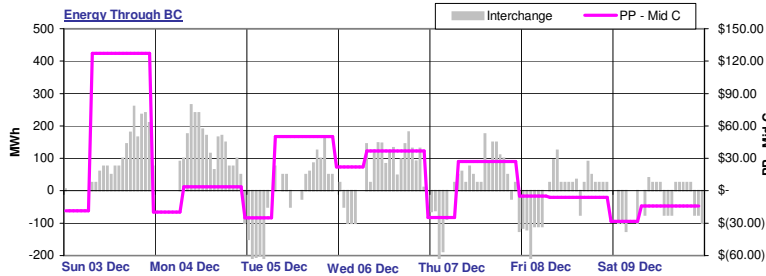


BC import capacity was 18% utilized last week while BC export capacity was 18% utilized. Energy was being imported into Alberta over the BC tie-line 51% of the time and exported out of Alberta over the BC tie-line 45% of the time last week. There was no activity on the BC tie-line 4% of the time last 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.



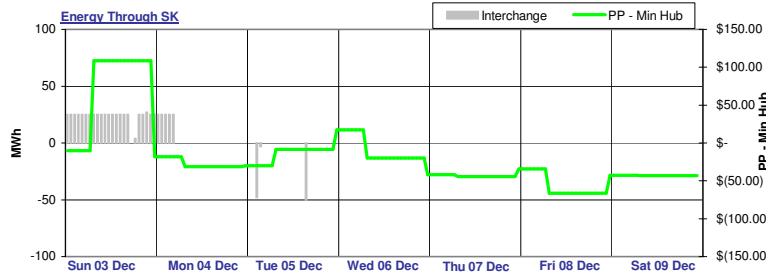
Saskatchewan import capacity was 9% utilized last week while Saskatchewan export capacity was 24% utilized. Energy was being imported into Alberta over the Saskatchewan tie-line 33% of the time and exported out of Alberta over the Saskatchewan tie-line 27% of the time last week. There was no activity on the Saskatchewan tie-line 40% of the time last week.



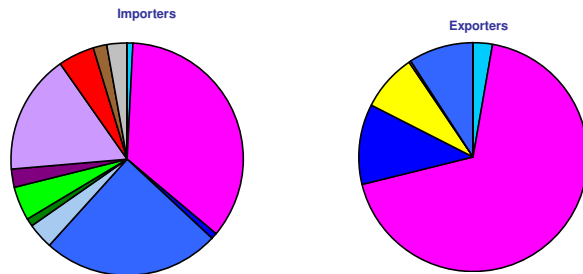
Last week, Alberta spot prices were mostly higher relative to prices in the Pacific Northwest as represented by Mid-C index prices, supporting import activity across the Alberta - BC interconnection.

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

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



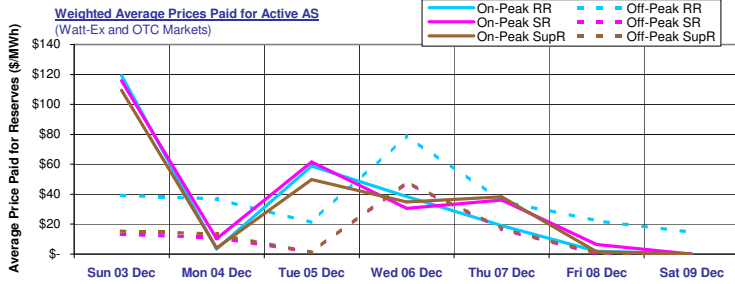
Tie-Line Market Shares



Last week, there were a total of 12 importers. The most active importer had a market share of 35.3% while the second most active importer had a market share of 24.8%. There were a total of 7 exporters last week. The most active exporter had a market share of 68.5% while the next largest exporter had a market share of 11.2%.

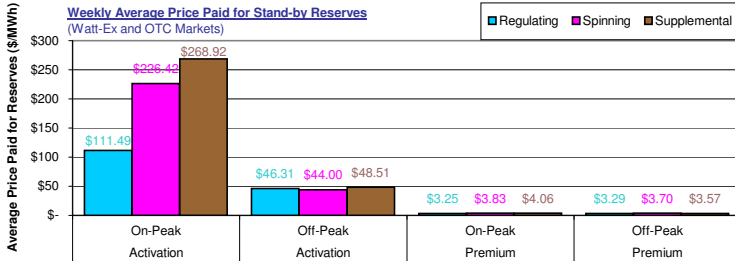
Note: Market shares are based on the combined activity on both interties.

Ancillary Services Market



Average on-peak prices paid for active ancillary services last week were **\$34.47/MWh**, **\$37.22/MWh** and **\$33.86/MWh** respectively for active **regulating**, **spinning** and **supplemental** reserves.

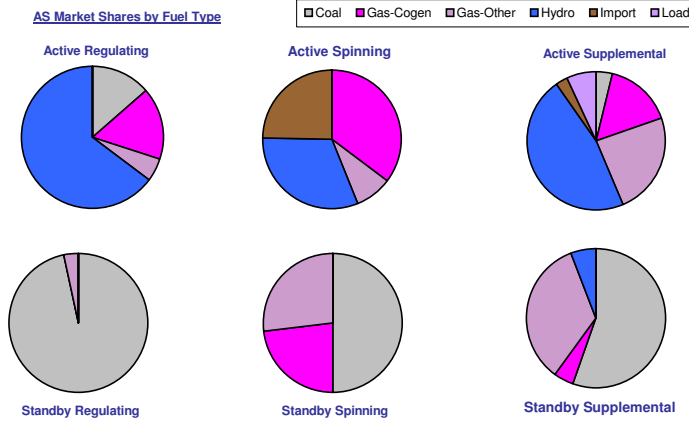
Active average off-peak prices were somewhat lower and averaged **\$35.46/MWh**, **\$12.76/MWh** and **\$13.67/MWh** for active **regulating**, **spinning** and **supplemental** reserves respectively.



Weekly average activation prices for stand-by reserves ranged from **\$44.00/MWh** for **off-peak spinning** reserves to **\$268.92/MWh** for **on-peak regulating** reserves.

Weekly average premium prices ranged from **\$3.25/MWh** for **on-peak regulating** reserves up to **\$4.06/MWh** for **on-peak spinning** reserves.

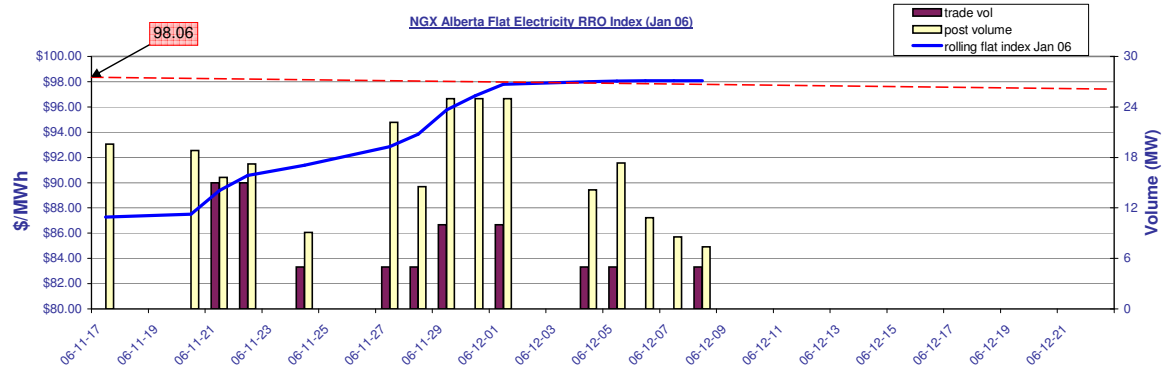
AS Market Shares by Fuel Type



Last week **hydro** units had the largest market share in the **active regulating** reserve market with **64.8%**. In the **active spinning** reserve market, **gas cogen** units had the leading market share with **35.2%** while in the **active supplemental** reserve market, **hydro** units dominated with a **46.9%** market share.

Coal units dominated the **standby regulating** reserve market with a **96.6%** market share. Leading market share in the **standby spinning** market was held by **coal** units with a **50.0%** market share. In the **standby supplemental** reserve market, **coal** units had the leading market share with **55.2%**.

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.