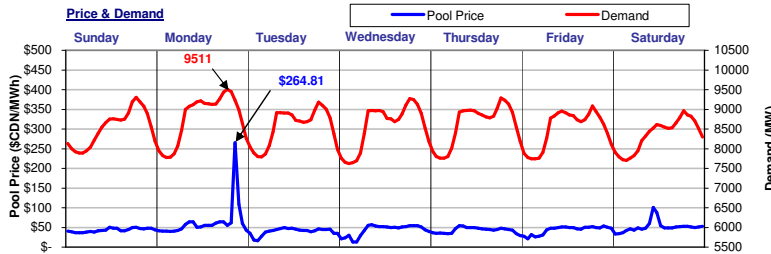


The Market Monitor

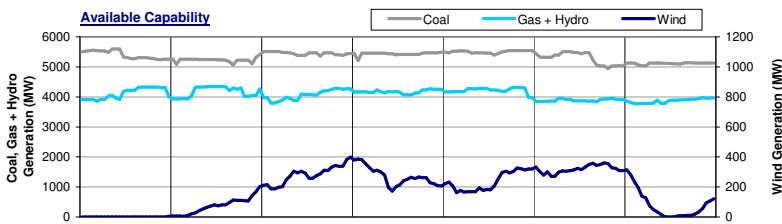
WATCHING THE MARKET : your fact source

Week Ending February 13, 2010

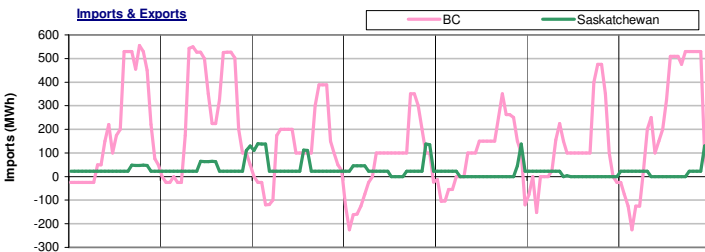
Weekly Highlights



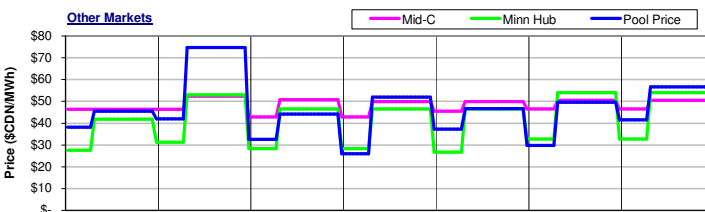
For the week ending February 13, 2010, **Pool Price** averaged \$47.03/MWh and ranged from a minimum of \$12.94/MWh in HE04 on Wednesday to a maximum of \$264.81/MWh in HE21 on Monday. **Demand** reached a high of 9,511 MW in HE19 on Monday and a low of 7,626 MW in HE03 on Wednesday. Average demand for the week was 8,559 MW. **Pool Price** and **Demand** were positively correlated last week with an R-squared value of 0.21.



Coal Unit Availability averaged 5344 MW last week. This is an equivalent availability of 88%. **Gas, Hydro and Other Unit Availability** averaged 4071 MW last week, which is an equivalent of 71%. **Wind Generation** averaged 180 MW last week. This is an equivalent availability of 32%. Availability numbers are based on MW offered into the energy merit order.

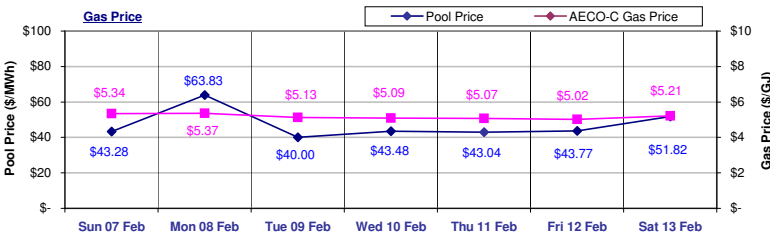


Alberta was a net importer from **BC** last week with total imports equal to 25,628 MWh. Alberta was a net importer from **Saskatchewan** last week with total imports equal to 4,476 MWh. Overall, Alberta imported 30,104 MWh of electricity last week.



Pool Prices were generally lower than prices in **Mid-C** and higher than prices in **Minn Hub** last week. **Mid-C** prices averaged \$50.67/MWh on-peak and \$43.29/MWh off-peak. **Minn Hub** prices averaged \$50.16/MWh on-peak and \$29.68/MWh off-peak.

Prices in \$/MWh at an exchange rate of 1.07.



The average **AECO-C Gas Price** last week was \$5.18/GJ and ranged from a minimum of \$5.02/GJ to \$5.37/GJ. Prevailing gas prices resulted in market heat rates ranging from a low of 7.80 GJ/MWh to a high of 11.89 GJ/MWh. The average market heat rate for the week was 9.07 GJ/MWh.

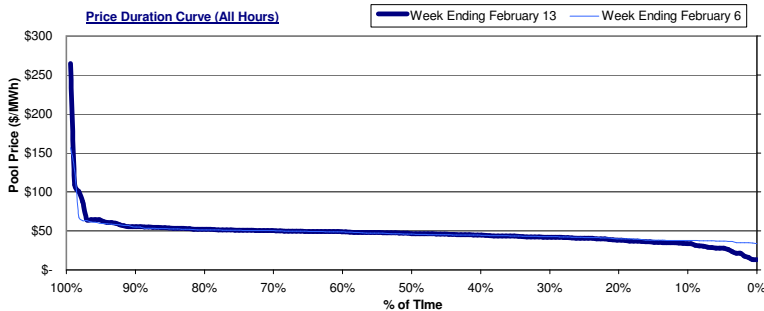


Alberta's Market Surveillance Administrator is in place to monitor the fair, efficient and openly competitive operation of all electricity markets within the province. The **Market Monitor** is a weekly publication by the MSA intended to educate industry participants and the public on market activities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

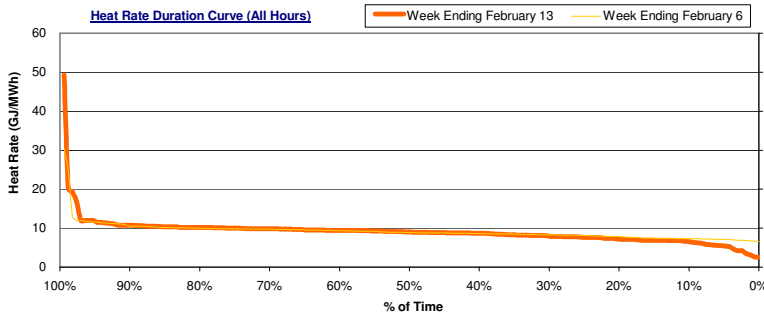
	Sunday 7-Feb	Monday 8-Feb	Tuesday 9-Feb	Wednesday 10-Feb	Thursday 11-Feb	Friday 12-Feb	Saturday 13-Feb	Average	Last Week	% Change	YTD
Pool Price											
Average	\$ 43.28	\$ 63.83	\$ 40.00	\$ 43.48	\$ 43.04	\$ 43.77	\$ 51.82	\$ 47.03	\$ 47.39	-0.8%	\$ 44.63
On-Peak	NA	\$ 74.75	\$ 44.24	\$ 51.92	\$ 46.63	\$ 49.59	\$ 56.60	\$ 53.96	\$ 51.86	4.0%	\$ 51.49
Off-Peak	\$ 43.28	\$ 41.97	\$ 31.50	\$ 26.61	\$ 35.87	\$ 32.12	\$ 42.25	\$ 37.79	\$ 41.43	-8.8%	\$ 34.49
COV	0.11	0.71	0.22	0.32	0.16	0.23	0.28	0.29	0.19	50.3%	
Heat Rate											
Average	8.11	11.89	7.80	8.53	8.50	8.72	9.94	9.07	9.18	-1.2%	8.50
On-Peak	NA	13.93	8.63	10.19	9.20	9.88	10.86	10.45	10.02	4.3%	9.80
Off-Peak	8.11	7.82	6.14	5.22	7.08	6.40	8.11	7.23	8.06	-10.2%	6.57
Demand											
Average	8,528	8,778	8,556	8,570	8,615	8,507	8,356	8,559	8,662	-1.2%	8,566
Minimum	7,888	7,780	7,789	7,626	7,758	7,740	7,705	7,755	7,845	-1.1%	7,282
Maximum	9,306	9,511	9,183	9,269	9,286	9,082	8,963	9,229	9,350	-1.3%	9,799
Coal Unit Availability											
Average	5,402	5,229	5,449	5,436	5,498	5,284	5,113	5,344	5,212	2.2%	5,360
AC/MC	89%	86%	90%	90%	91%	87%	84%	88%	86%	2.2%	89%
Gas, Hydro and Other Unit Availability											
Average	4,114	4,176	4,064	4,173	4,216	3,891	3,867	4,071	4,272	-3.5%	4,056
AC/MC	72%	73%	71%	73%	74%	68%	68%	71%	75%	-3.5%	71%



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

For the week ending **February 13**, prices were at or below:

\$20/MWh	2% of the time
\$50/MWh	69% of the time
\$100/MWh	98% of the time
\$250/MWh	99% 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 **February 13** implied market heat rates were at or below:

5.0 GJ/MWh	4% of the time
10.0 GJ/MWh	75% of the time
15.0 GJ/MWh	99% of the time
20.0 GJ/MWh	99% of the time

Market Share Statistics

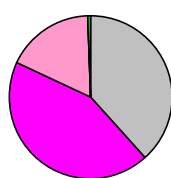
By Fuel Type:

Legend: Coal (Grey), Gas - Cogen (Pink), Gas - Other (Red), Hydro (Green), Other (Blue)

Weekly Generation by Fuel Type



Weekly Price Setting by Fuel Type



By Submitting Customer:

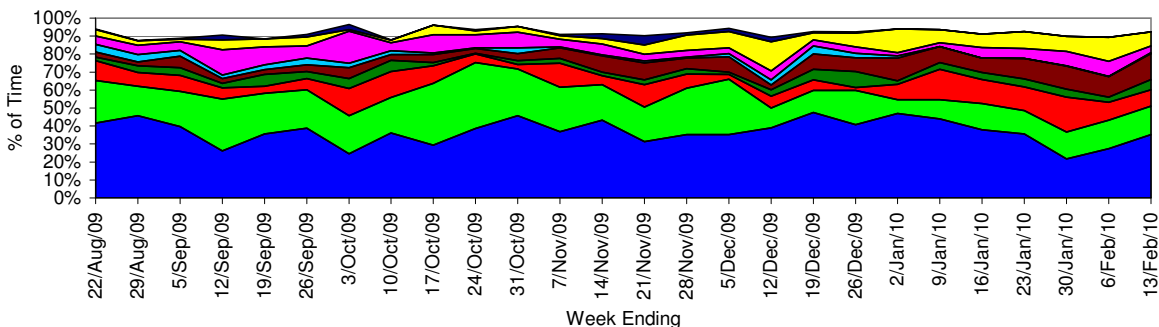
Weekly Price Setting by Submitting Customer



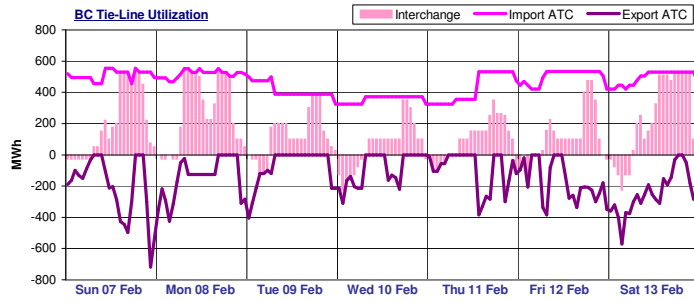
Last week, **coal units** were responsible for **62.8%** of the generation in the province and set price **38.4%** of the time. **Gas-cogen** units accounted for **26.4%** of the generation and set price **43.5%** of the time last week while **other gas** units made up **4.6%** of generation and set price **17.6%** of the time.

A total of **11** 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 **35.2%** of the time and the top five price setters set price a total of **82.1%** of the time.

Weekly Price Setting by Submitting Customer

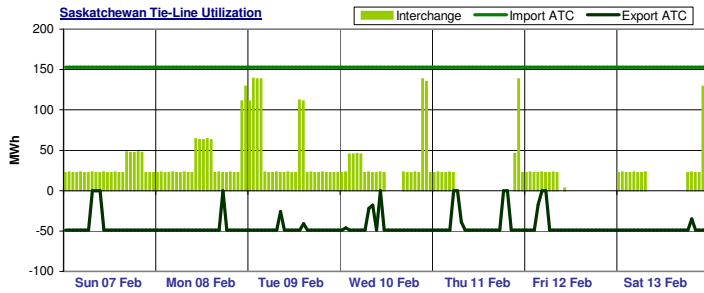


Interties

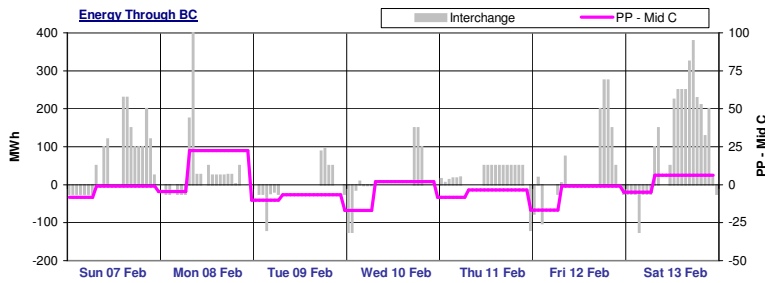


BC import capacity was 36% utilized last week while **BC export capacity** was 23% utilized. Energy was being imported into Alberta over the BC tie-line 69% of the time and exported out of Alberta over the BC tie-line 24% of the time last week. There was no activity on the BC tie-line 7% of the time 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.



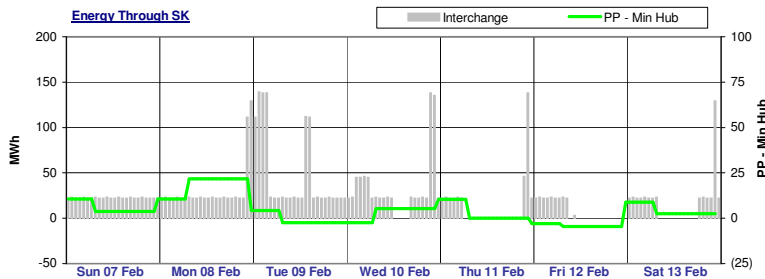
Saskatchewan import capacity was 17% utilized last week while **Saskatchewan export capacity** was 0% utilized. Energy was being imported into Alberta over the Saskatchewan tie-line 74% of the time and exported out of Alberta over the Saskatchewan tie-line 0% of the time last week. There was no activity on the Saskatchewan tie-line 26% of the time last week.



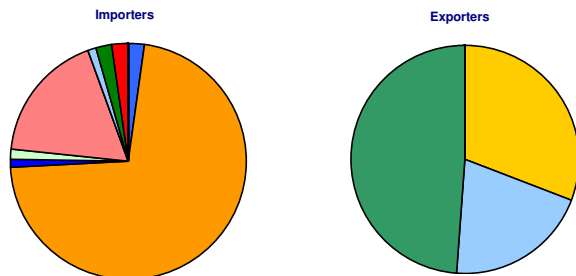
Last week, Alberta spot prices were mostly **lower** relative to prices in the Pacific Northwest as represented by **Mid-C** index prices.

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.



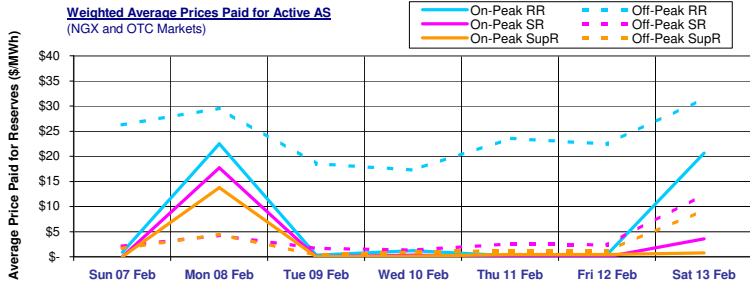
Tie-Line Market Shares



Last week, there were a total of 10 importers. The most active importer had a market share of 71.9% while the second most active importer had a market share of 17.6%. There were a total of 3 exporters last week. The most active exporter had a market share of 48.8% while the next largest exporter had a market share of 30.9%.

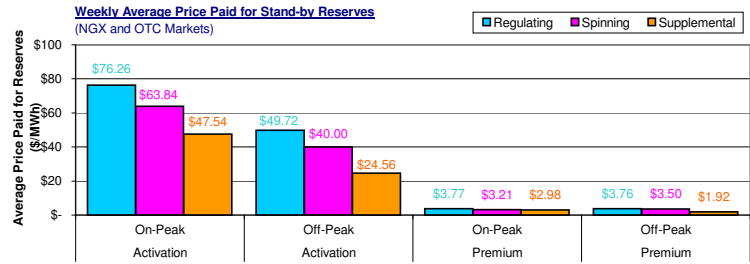
Note: Market shares are based on the combined activity on both interties.

Ancillary Services Market



Average on-peak prices paid for active ancillary services last week were **\$6.88/MWh**, **\$3.11/MWh** and **\$2.25/MWh** respectively for active **regulating**, **spinning** and **supplemental** reserves.

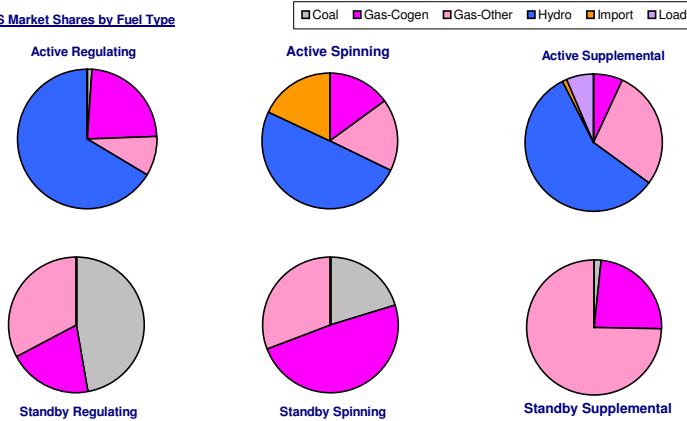
Active average off-peak prices were **higher** and averaged **\$24.03/MWh**, **\$3.77/MWh** and **\$2.70/MWh** for active **regulating**, **spinning** and **supplemental** reserves respectively.



Weekly average activation prices for stand-by reserves ranged from **\$25.56/MWh** for **off-peak supplemental** reserves to **\$76.26/MWh** for **on-peak regulating** reserves.

Weekly average premium prices ranged from **\$1.92/MWh** for **off-peak supplemental** reserves up to **\$3.77/MWh** for **on-peak regulating** reserves.

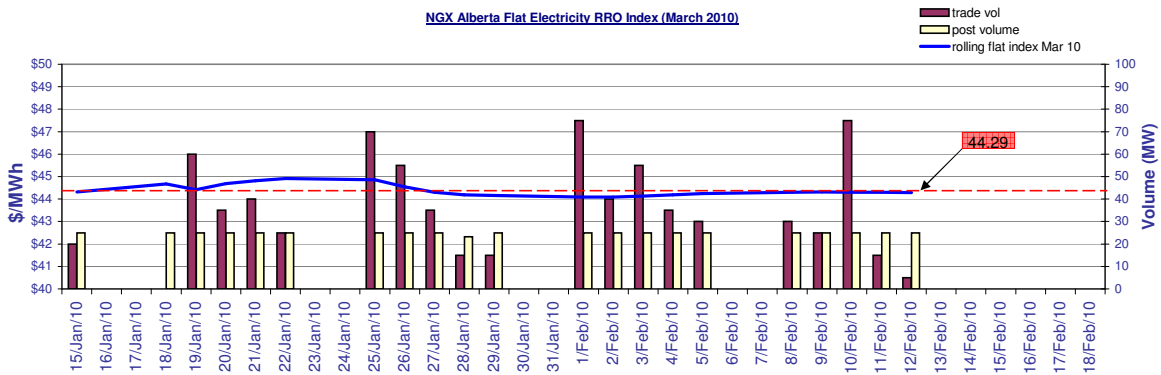
AS Market Shares by Fuel Type



Last week **hydro** units had the largest market share in the **active regulating** reserve market with **66.3%**. In the **active spinning** reserve market, **hydro** units had the leading market share with **49.7%** while in the **active supplemental** reserve market, **hydro** units dominated with a **57.7%** market share.

Coal units dominated the **standby regulating** reserve market with a **47.2%** market share. Leading market share in the **standby spinning** market was held by **gas cogen** units with a **48.8%** market share. In the **standby supplemental** reserve market, **gas** units had the leading market share with **74.9%**.

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.