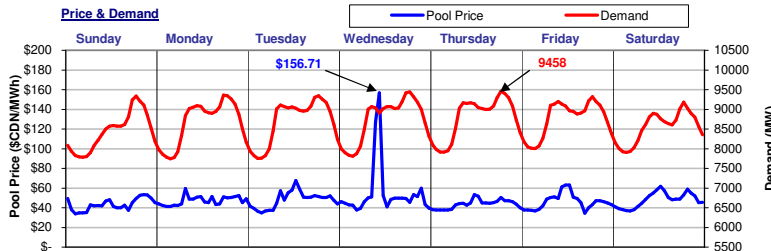


The Market Monitor

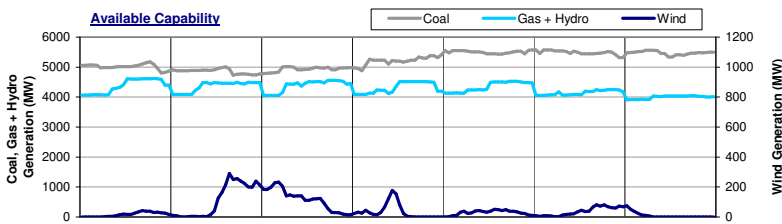
WATCHING THE MARKET : your fact source

Week Ending February 6, 2010

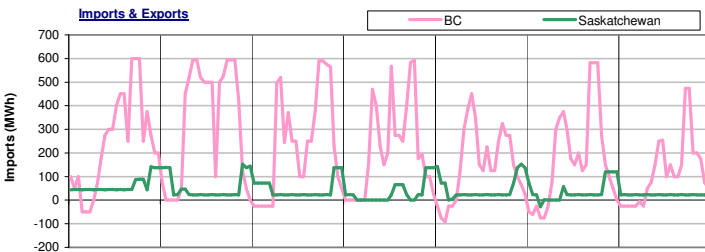
Weekly Highlights



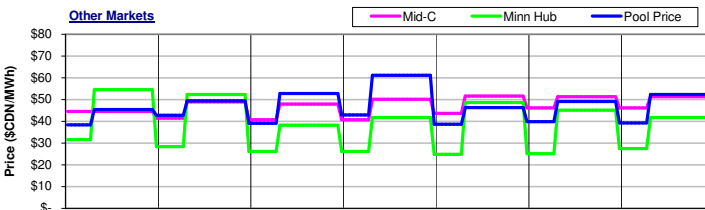
For the week ending February 6, 2010, **Pool Price** averaged \$47.39/MWh and ranged from a minimum of \$33.84/MWh in HE03 on Sunday to a maximum of \$156.71/MWh in HE11 on Wednesday. **Demand** reached a high of 9,458 MW in HE19 on Thursday and a low of 7,741 MW in HE04 on Monday. Average demand for the week was 8,662 MW. **Pool Price** and **Demand** were positively correlated last week with an R-squared value of 0.16.



Coal Unit Availability averaged 5212 MW last week. This is an equivalent availability of 86%. **Gas, Hydro and Other Unit Availability** averaged 4272 MW last week, which is an equivalent of 75%. **Wind Generation** averaged 51 MW last week. This is an equivalent availability of 9%. Availability numbers are based on MW offered into the energy merit order.

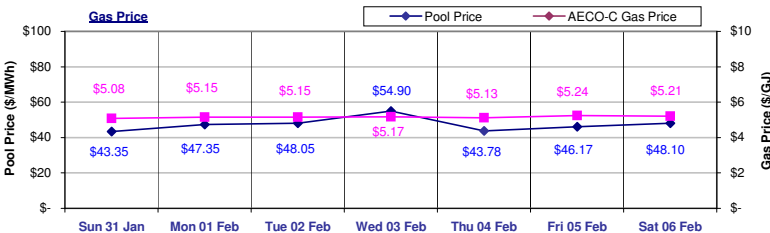


Alberta was a net importer from **BC** last week with total imports equal to 35,248 MWh. Alberta was a net importer from **Saskatchewan** last week with total imports equal to 7,205 MWh. Overall, Alberta imported 42,453 MWh of electricity last week.



Pool Prices were generally lower than prices in **Mid-C** and higher than prices in **Minn Hub** last week. **Mid-C** prices averaged \$50.24/MWh on-peak and \$43.35/MWh off-peak. **Minn Hub** prices averaged \$44.67/MWh on-peak and \$27.13/MWh off-peak.

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



The average **AECO-C Gas Price** last week was \$5.16/GJ and ranged from a minimum of \$5.08/GJ to \$5.24/GJ. Prevailing gas prices resulted in market heat rates ranging from a low of 8.54 GJ/MWh to a high of 10.61 GJ/MWh. The average market heat rate for the week was 9.18 GJ/MWh.

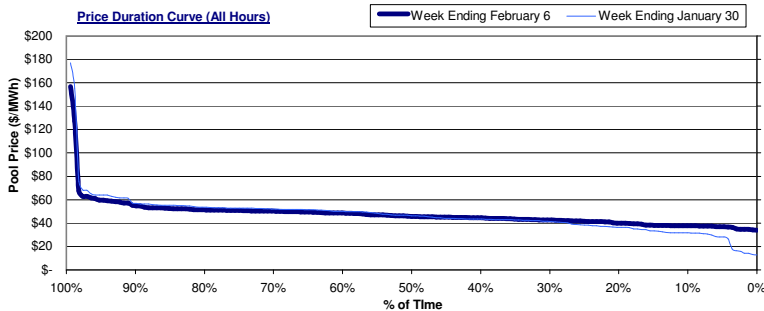


Alberta's Market Surveillance Administrator is in place to monitor the fair, efficient and openly competitive operation of all electricity markets within the province. The **Market Monitor** is a weekly publication by the MSA intended to educate industry participants and the public on market activities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

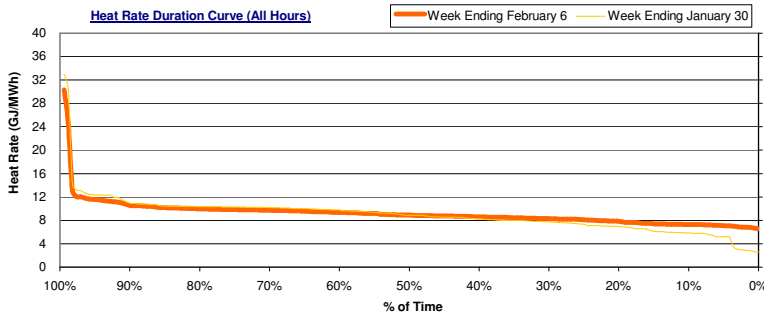
	Sunday 31-Jan	Monday 1-Feb	Tuesday 2-Feb	Wednesday 3-Feb	Thursday 4-Feb	Friday 5-Feb	Saturday 6-Feb	Average	Last Week	% Change	YTD
Pool Price											
Average	\$ 43.35	\$ 47.35	\$ 48.05	\$ 54.90	\$ 43.78	\$ 46.17	\$ 48.10	\$ 47.39	\$ 46.57	1.8%	\$ 44.18
On-Peak	NA	\$ 49.35	\$ 52.83	\$ 61.17	\$ 46.31	\$ 49.14	\$ 52.34	\$ 51.86	\$ 53.41	-2.9%	\$ 51.03
Off-Peak	\$ 43.35	\$ 43.34	\$ 38.49	\$ 42.36	\$ 38.74	\$ 40.24	\$ 39.61	\$ 41.43	\$ 37.44	10.6%	\$ 34.16
COV	0.14	0.10	0.17	0.50	0.10	0.17	0.16	0.19	0.31	-38.8%	
Heat Rate											
Average	8.54	9.19	9.33	10.61	8.54	8.80	9.23	9.18	8.92	2.9%	8.39
On-Peak	NA	9.58	10.26	11.82	9.03	9.37	10.05	10.02	10.29	-2.7%	9.69
Off-Peak	8.54	8.42	7.48	8.19	7.56	7.67	7.60	8.06	7.10	13.6%	6.48
Demand											
Average	8,436	8,663	8,696	8,739	8,790	8,765	8,545	8,662	8,727	-0.7%	8,567
Minimum	7,784	7,741	7,754	7,810	7,913	8,004	7,906	7,845	7,878	-0.4%	7,282
Maximum	9,340	9,358	9,343	9,445	9,458	9,321	9,183	9,350	9,459	-1.2%	9,799
Coal Unit Availability											
Average	5,018	4,860	4,931	5,210	5,504	5,484	5,475	5,212	5,375		5,363
AC/MC	83%	80%	81%	86%	91%	91%	90%	86%	89%	-2.7%	89%
Gas, Hydro and Other Unit Availability											
Average	4,365	4,359	4,384	4,311	4,346	4,144	3,996	4,272	4,282		4,053
AC/MC	76%	76%	77%	75%	76%	73%	70%	75%	75%	-0.2%	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 6**, prices were at or below:

\$20/MWh	0% of the time
\$50/MWh	68% 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 **February 6** implied market heat rates were at or below:

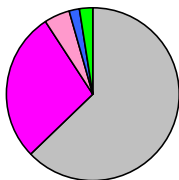
5.0 GJ/MWh	0% of the time
10.0 GJ/MWh	82% of the time
15.0 GJ/MWh	99% of the time
20.0 GJ/MWh	99% of the time

Market Share Statistics

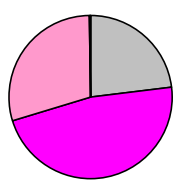
By Fuel Type:

Coal Gas - Cogen Gas - Other Hydro Other

Weekly Generation by Fuel Type

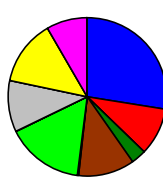


Weekly Price Setting by Fuel Type



By Submitting Customer:

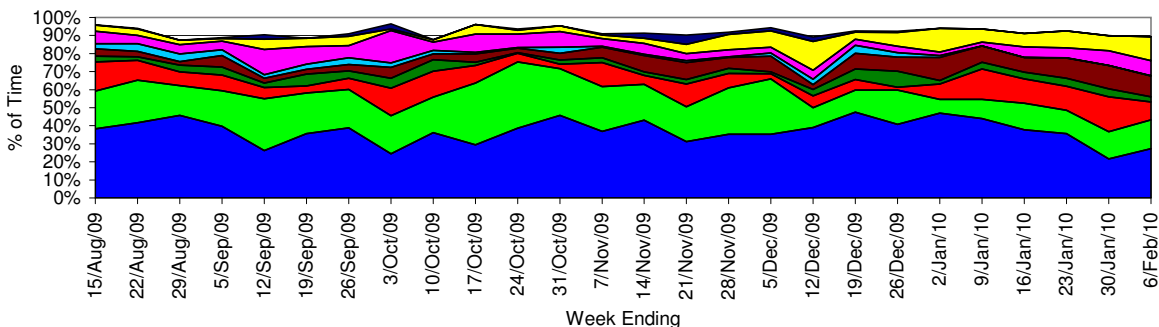
Weekly Price Setting by Submitting Customer



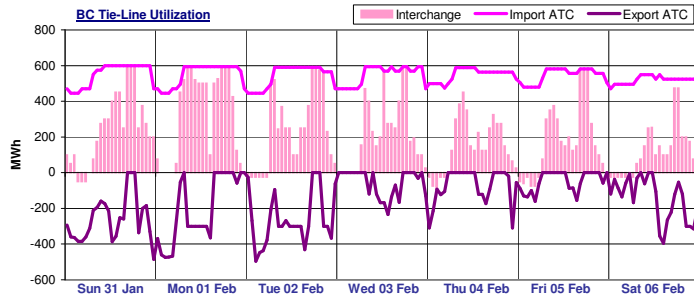
Last week, **coal units** were responsible for **62.7%** of the generation in the province and set price **23.1%** of the time. **Gas-cogen** units accounted for **28.0%** of the generation and set price **47.2%** of the time last week while **other gas** units made up **5.0%** of generation and set price **29.5%** of the time.

A total of **9** 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 **27.4%** of the time and the top five price setters set price a total of **78.6%** of the time.

Weekly Price Setting by Submitting Customer

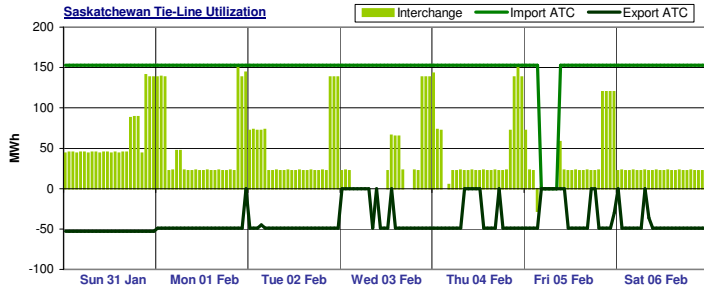


Interties

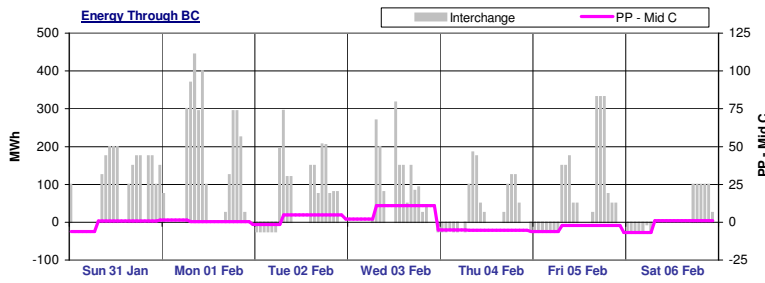


BC import capacity was 38% utilized last week while BC export capacity was 9% utilized. Energy was being imported into Alberta over the BC tie-line 76% of the time and exported out of Alberta over the BC tie-line 16% of the time last week. There was no activity on the BC tie-line 8% of the time last 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.



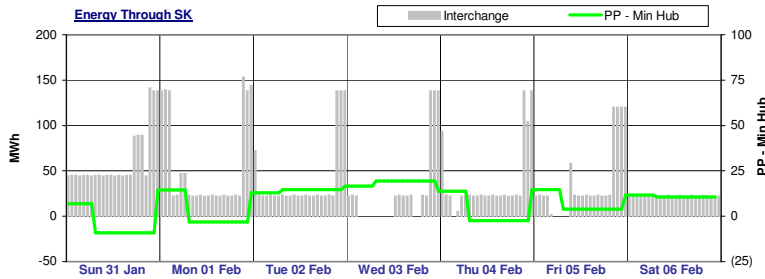
Saskatchewan import capacity was 31% utilized last week while Saskatchewan export capacity was 4% utilized. Energy was being imported into Alberta over the Saskatchewan tie-line 90% of the time and exported out of Alberta over the Saskatchewan tie-line 1% of the time last week. There was no activity on the Saskatchewan tie-line 10% of the time last week.



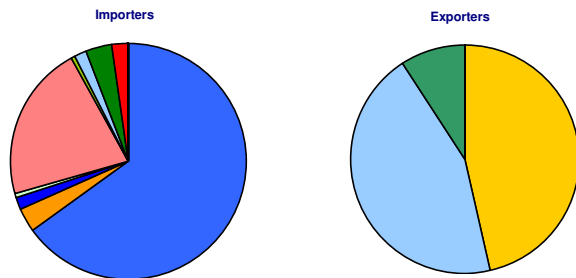
Last week, Alberta spot prices were mostly lower relative to prices in the Pacific Northwest as represented by Mid-C index prices.

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.



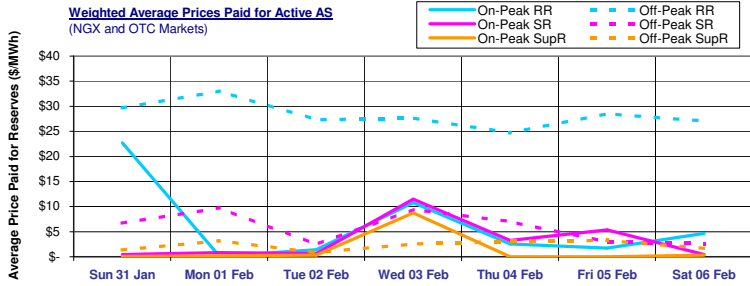
Tie-Line Market Shares



Last week, there were a total of 9 importers. The most active importer had a market share of 65.1% while the second most active importer had a market share of 21.5%. There were a total of 3 exporters last week. The most active exporter had a market share of 46.3% while the next largest exporter had a market share of 44.4%.

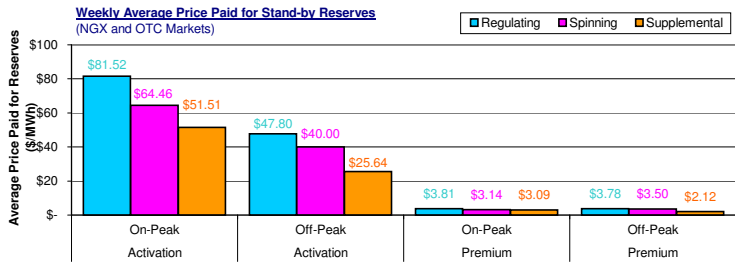
Note: Market shares are based on the combined activity on both interties.

Ancillary Services Market



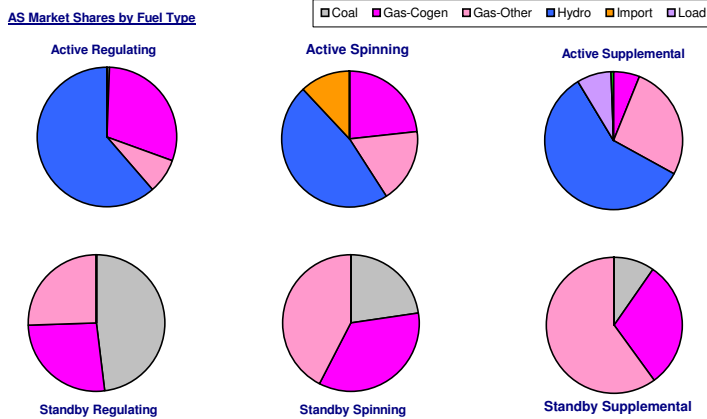
Average on-peak prices paid for active ancillary services last week were **\$6.19/MWh**, **\$3.20/MWh** and **\$1.35/MWh** respectively for active **regulating**, **spinning** and **supplemental** reserves.

Active average off-peak prices were **higher** and averaged **\$28.27/MWh**, **\$5.84/MWh** and **\$2.28/MWh** for active **regulating**, **spinning** and **supplemental** reserves respectively.



Weekly average activation prices for stand-by reserves ranged from **\$25.64/MWh** for **off-peak supplemental** reserves to **\$81.52/MWh** for **on-peak regulating** reserves.

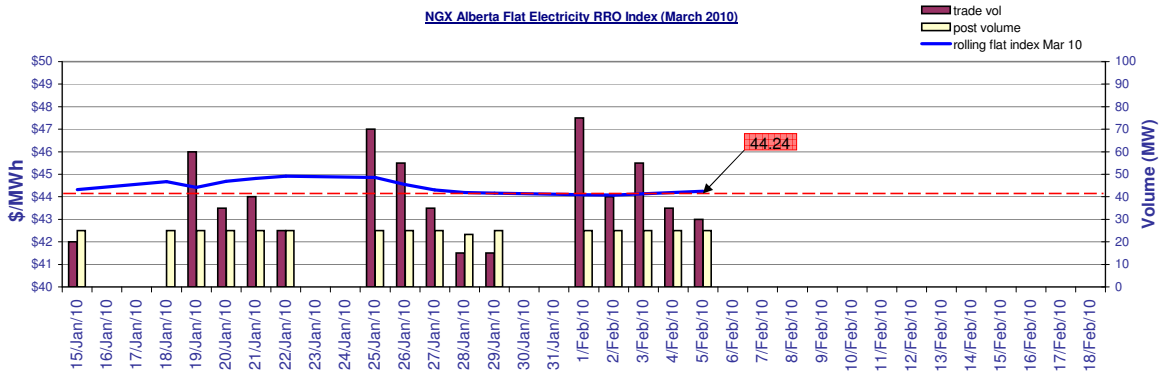
Weekly average premium prices ranged from **\$2.12/MWh** for **off-peak supplemental** reserves up to **\$3.81/MWh** for **on-peak regulating** reserves.



Last week **hydro** units had the largest market share in the **active regulating** reserve market with **61.4%**. In the **active spinning** reserve market, **hydro** units had the leading market share with **47.3%** while in the **active supplemental** reserve market, **hydro** units dominated with a **58.4%** market share.

Coal units dominated the **standby regulating** reserve market with a **48.1%** market share. Leading market share in the **standby spinning** market was held by **gas** units with a **42.6%** market share. In the **standby supplemental** reserve market, **gas** units had the leading market share with **59.9%**.

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.