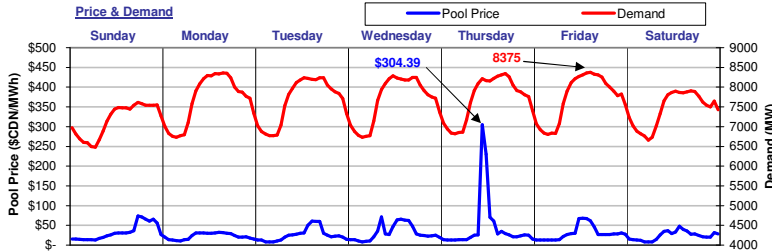


The Market Monitor

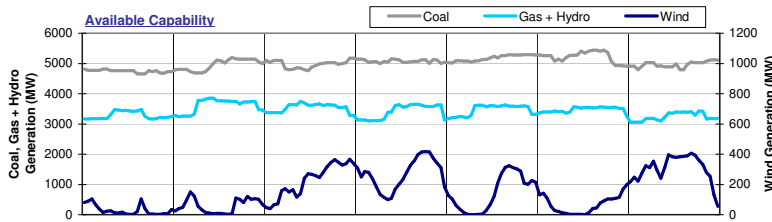
WATCHING THE MARKET : your fact source

Week Ending May 30, 2009

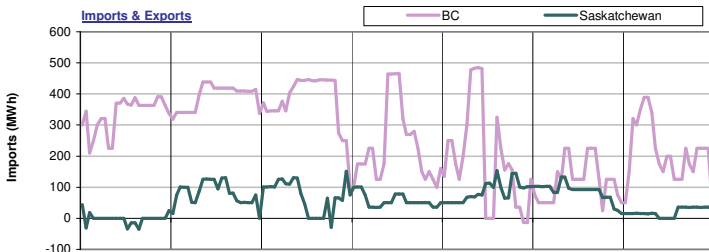
Weekly Highlights



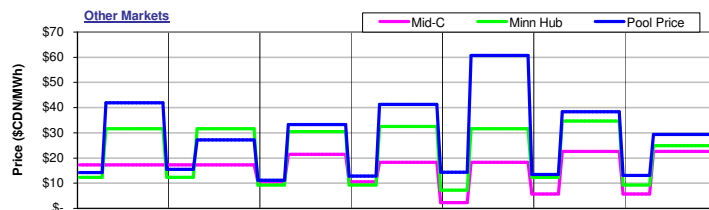
For the week ending May 30, 2008, **Pool Price** averaged \$30.50/MWh and ranged from a minimum of \$7.85/MWh in HE7 on Saturday to a maximum of \$304.39/MWh in HE11 on Thursday. **Demand** reached a high of 8375 MW in HE15 on Friday and a low of 6481 MW in HE07 on Sunday. Average demand for the week was 7583 MW. **Pool Price** and **Demand** were positively correlated last week with an R-squared value of 0.19.



Coal Unit Availability averaged 5018 MW last week. This is an equivalent availability of 83%. **Gas, Hydro and Other Unit Availability** averaged 3432 MW last week, which is an equivalent of 64%. **Wind Generation** averaged 157 MW last week. This is an equivalent availability of 32%. Availability numbers are based on MW offered into the energy merit order.

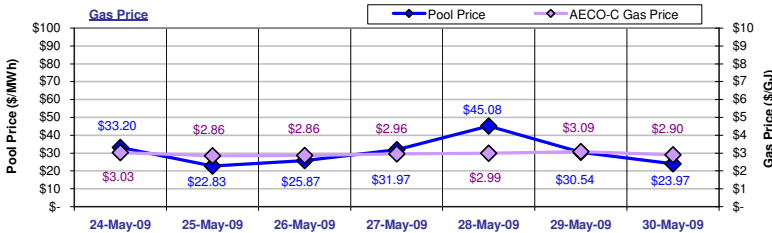


Alberta was a net importer from **BC** last week with total imports equal to 44,953 MWh. Alberta was a net importer from Saskatchewan last week with total imports equal to 9,583 MWh. Overall, Alberta imported 54,176 MWh of electricity last week.



Pool Prices were generally higher than prices in **Mid-C** and higher than prices in **Minn Hub** last week. **Mid-C** prices averaged \$20.10/MWh on-peak and \$9.91/MWh off peak. **Minn Hub** prices averaged \$30.98/MWh on-peak and \$10.28/MWh off-peak.

Prices in \$CDN at an exchange rate of 1.1199.



The average **AECO-C Gas Price** last week was \$2.95/GJ and ranged from a minimum of \$2.86/GJ to \$3.09/GJ. Prevailing gas prices resulted in market heat rates ranging from a low of 7.99 GJ/MWh to a high of 15.07 GJ/MWh. The average market heat rate for the week was 10.29 GJ/MWh.

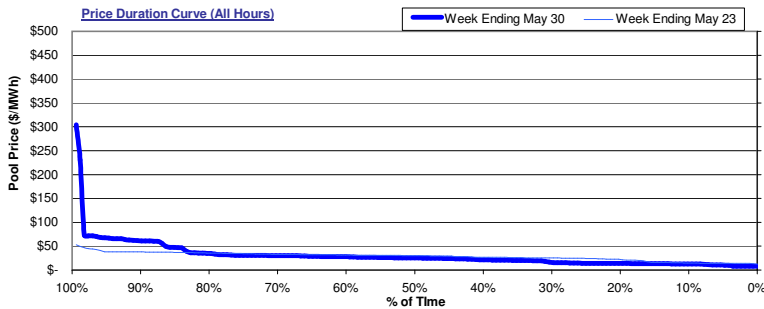


Alberta's Market Surveillance Administrator is in place to monitor the fair, efficient and openly competitive operation of all electricity markets within the province. The **Market Monitor** is a weekly publication by the MSA intended to educate industry participants and the public on market activities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

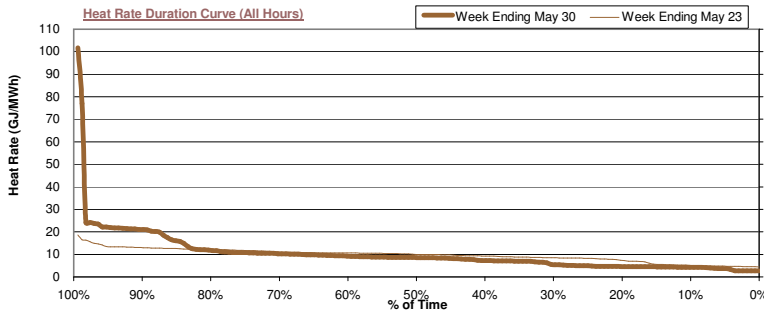
	Sunday 24-May	Monday 25-May	Tuesday 26-May	Wednesday 27-May	Thursday 28-May	Friday 29-May	Saturday 30-May	Average	Last Week	% Change	YTD
Pool Price											
Average	\$ 33.20	\$ 22.83	\$ 25.87	\$ 31.97	\$ 45.08	\$ 30.54	\$ 23.97	\$ 30.50	\$ 28.57	6.7%	\$ 50.80
On-Peak	NA	\$ 27.17	\$ 33.27	\$ 41.24	\$ 60.74	\$ 38.35	\$ 29.32	\$ 38.35	\$ 31.27	22.6%	\$ 60.90
Off-Peak	\$ 33.20	\$ 14.14	\$ 11.07	\$ 13.44	\$ 13.77	\$ 14.93	\$ 13.27	\$ 20.03	\$ 24.97	-19.8%	\$ 36.68
COV	0.62	0.33	0.63	0.63	1.57	0.60	0.46	0.69	0.26	169.3%	
Heat Rate											
Average	10.97	7.99	9.04	10.80	15.07	9.90	8.27	10.29	8.11	26.9%	12.18
On-Peak	NA	9.51	11.63	13.93	20.31	12.43	10.11	12.99	9.10	42.7%	14.61
Off-Peak	10.97	4.95	3.87	4.54	4.60	4.84	4.58	6.70	6.80	-1.5%	8.80
Demand											
Average	7,174	7,691	7,658	7,675	7,707	7,732	7,441	7,583	7,447	1.8%	8,007
Minimum	6,481	6,732	6,771	6,733	6,822	6,800	6,661	6,714	6,723	-0.1%	6,454
Maximum	7,618	8,359	8,238	8,283	8,341	8,375	7,903	8,160	7,930	2.9%	9,753
Coal Unit Availability											
Average	4,748	4,959	4,972	5,080	5,176	5,226	4,968	5,018	4,653	6.1%	4,971
AC/MC	79%	83%	83%	85%	86%	87%	83%	83%	77%	6.1%	83%
Gas, Hydro and Other Unit Availability											
Average	3,282	3,615	3,539	3,409	3,464	3,476	3,241	3,432	3,388	-0.4%	3,594
AC/MC	62%	68%	66%	64%	65%	65%	61%	64%	65%	-0.4%	69%



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

For the week ending **May 30**, prices were at or below:

\$20/MWh	35% of the time
\$50/MWh	86% of the time
\$100/MWh	98% of the time
\$250/MWh	99% of the time
\$500/MWh	100% of the time



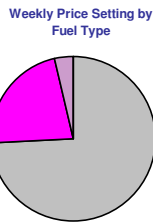
The heat rate duration curves show the % of time that the implied market heat rate was at or below a certain value during the week. For the week ending **May 30** implied market heat rates were at or below:

5.0 GJ/MWh	27% of the time
10.0 GJ/MWh	67% of the time
15.0 GJ/MWh	85% of the time
20.0 GJ/MWh	88% of the time

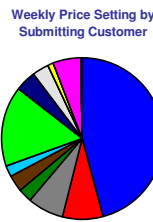
Market Share Statistics

By Fuel Type:

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



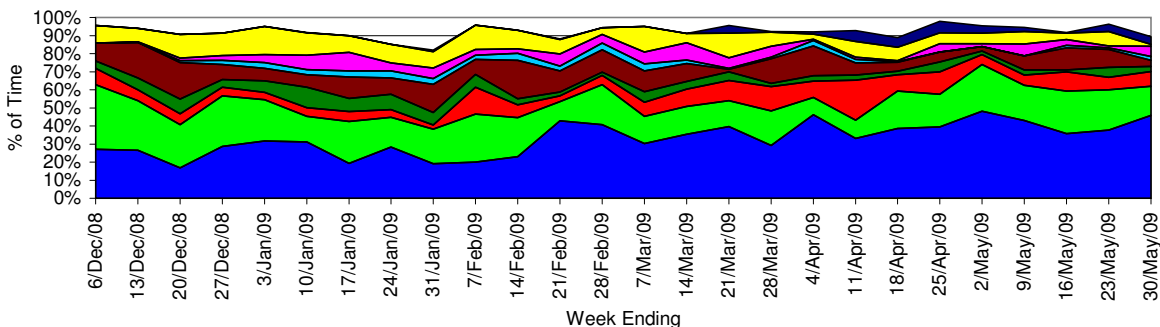
By Submitting Customer:



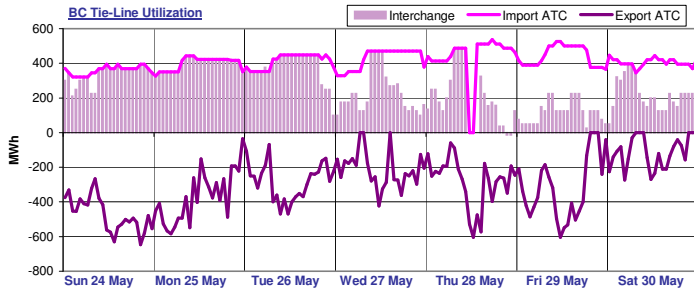
Last week, **coal units** were responsible for 64.5% of the generation in the province and set price 74.1% of the time. **Gas-cogen** units accounted for 25.2% of the generation and set price 22.2% of the time last week while **other gas** units made up 4.9% of generation and set price 3.5% of the time.

A total of 13 market participants set price last week. **One** market participant set price more than 20% of the time last week. The top price setter set price 45.8% 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

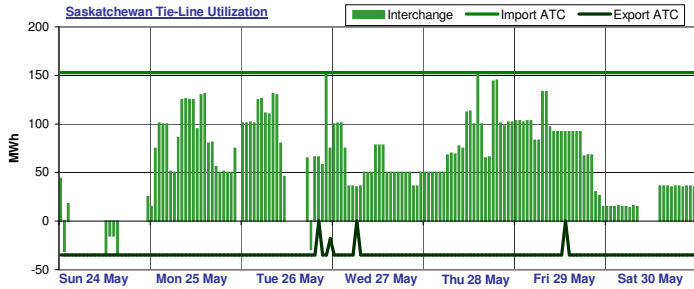


Interties

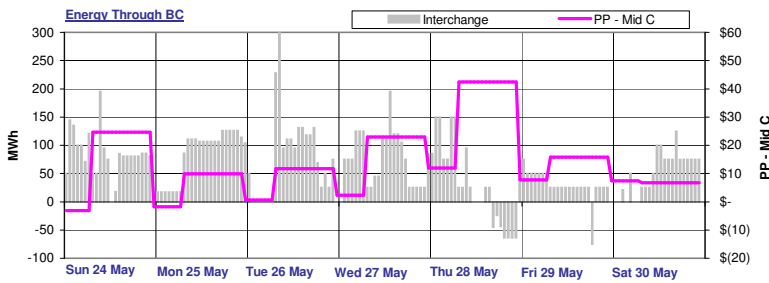


BC import capacity was 67% utilized last week while BC export capacity was 2% utilized. Energy was being imported into Alberta over the BC tie-line 97% of the time and exported out of Alberta over the BC tie-line 1% of the time last week. There was no activity on the BC tie-line 2% of the time last week.

Note: External reserve contract volumes have been subtracted from the BC import ATC as this capacity is not available to import energy into Alberta.



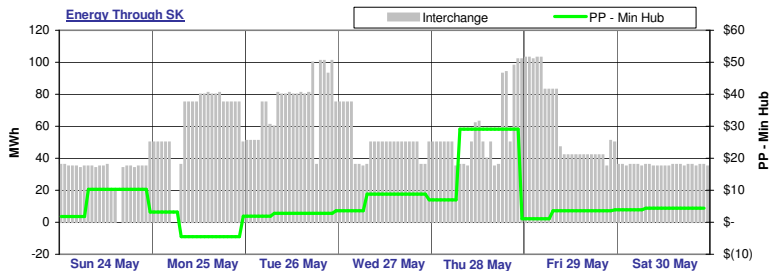
Saskatchewan import capacity was 54% utilized last week while Saskatchewan export capacity was 73% utilized. Energy was being imported into Alberta over the Saskatchewan tie-line 80% of the time and exported out of Alberta over the Saskatchewan tie-line 4% of the time last week. There was no activity on the Saskatchewan tie-line 16% of the time last week.



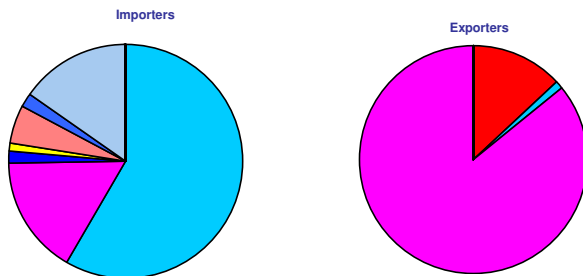
Last week, Alberta spot prices were mostly higher relative to prices in the Pacific Northwest as represented by Mid-C index prices, supporting import activity across the Alberta - BC interconnection.

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.



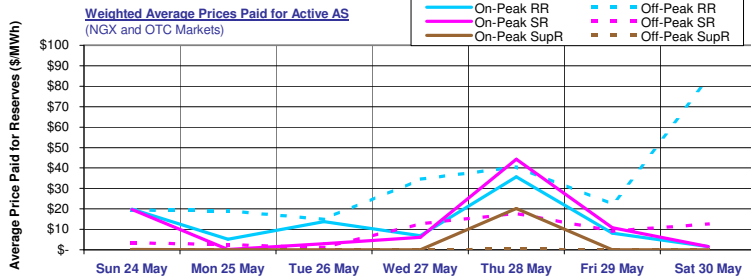
Tie-Line Market Shares



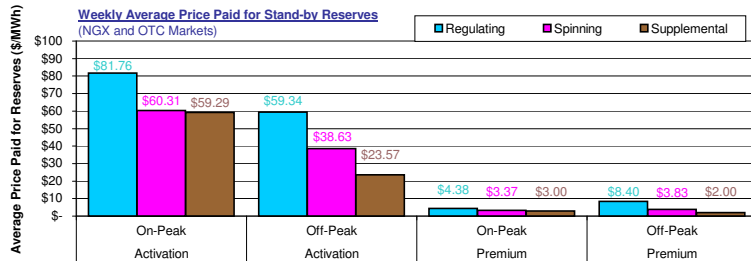
Last week, there were a total of 8 importers. The most active importer had a market share of 58.2% while the second most active importer had a market share of 16.5%. There were a total of 3 exporters last week. The most active exporter had a market share of 85.8% while the next largest exporter had a market share of 13.0%.

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

Ancillary Services Market

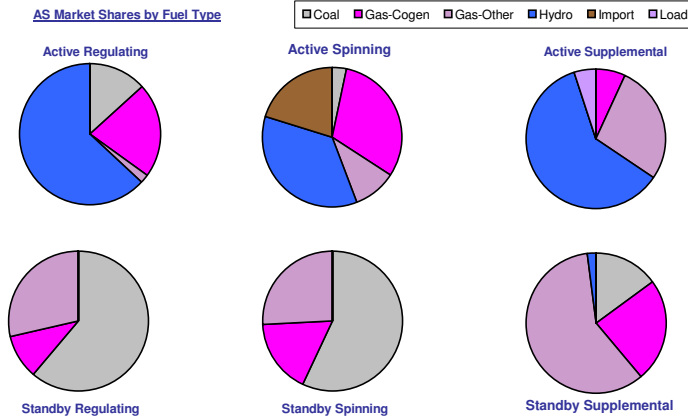


Average on-peak prices paid for active ancillary services last week were **\$13.02/MWh**, **\$12.32/MWh** and **\$2.97/MWh** respectively for active **regulating**, **spinning** and **supplemental** reserves.
Active average off-peak prices were **higher** and averaged **\$33.02/MWh**, **\$8.48/MWh** and **\$0.03/MWh** for active **regulating**, **spinning** and **supplemental** reserves respectively.



Weekly average activation prices for stand-by reserves ranged from **\$23.57/MWh** for **off-peak supplemental** reserves to **\$81.76/MWh** for **on-peak regulating** reserves.
Weekly average premium prices ranged from **\$2.00/MWh** for **off-peak supplemental** reserves up to **\$8.40/MWh** for **on-peak spinning** reserves.

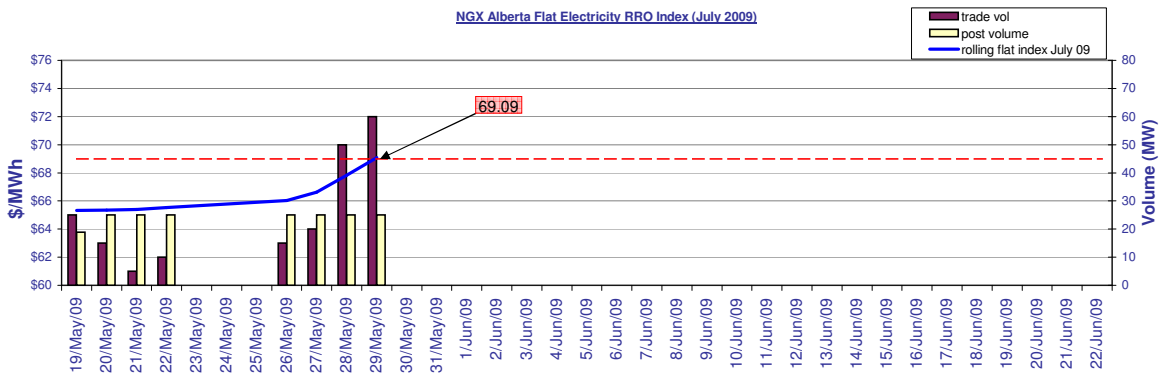
AS Market Shares by Fuel Type



Last week **hydro** units had the largest market share in the **active regulating** reserve market with **63.0%**. In the **active spinning** reserve market, **hydro** units had the leading market share with **35.5%** while in the **active supplemental** reserve market, **hydro** units dominated with a **60.5%** market share.

Coal units dominated the **standby regulating** reserve market with a **61.2%** market share. Leading market share in the **standby spinning** market was held by **coal** units with a **56.9%** market share. In the **standby supplemental** reserve market, **gas** units had the leading market share with **59.0%**.

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.