



AISCA Energy Aggregation – Portfolio & Market Update

Electricity

Contract Summary

Supplier – ENMAX Energy

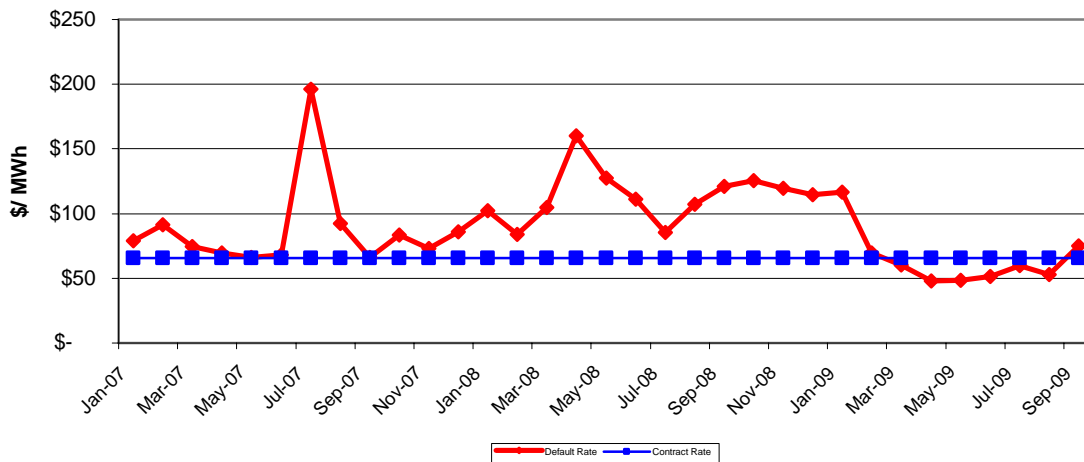
January 2007 – September 2009

\$65.49/ MWh; Shaped Block

September 2009 – December 2013

\$68.99/ MWh; Shaped Block

Default Rate vs Contract Rate



* Default rates are based on weighted average index prices for the aggregate AISCA profile. The finalized default rate varies by zone and according to the each school's individual profile. The figures here provide a proxy for quick comparative purposes.

- Declining natural gas prices have caused both Index and forward wholesale OTC trading prices to decline throughout 2009. However, Index prices have risen sharply in September due to higher priced exports setting market prices
- Blend & Extend rate that was secured in Q2 2009 took effect September 1st. AISCA members will continue to enjoy cost stability at an effective rate for an additional 2 years.
- AISCA and EAI will continue to review options that will help to further reduce or stabilize costs for the membership group. 2014 and 2015 are the next focus, and we will provide updates as they become more liquidly traded in early 2010.



Natural Gas

Contract Summary

Current Supplier: Direct Energy

December 2008 – November 2009
\$7.87/ GJ; Shaped Block

September 2009 – November 2010
\$6.85/ GJ Shaped Block (*Blend & Extend*)

Year	GCFR Regulated Rate (\$/GJ)*
2009 (YTD)	\$ 4.36
2008	\$ 7.78
2007	\$ 6.47
2006	\$ 7.57
2005	\$ 8.23

**The GCFR figures in the table above are averaged between the Atco North and South territories, and are not load shaped. The GCFR Regulated rate is based on AECO "C" Index pricing. Rates above reflect weighted average usage.*

- Natural gas reserves at theoretical maximum levels, causing **prompt** month prices in August & September to drop to 7 year lows
- Supply glut is due to "perfect storm" of 3 events: decline in industrial demand beginning in February as recession took hold, mild winter temperatures in Q1 09 and a colder-than average summer
- Prices beginning to rebound - \$2.85/ GJ increase in spot prices from September lows
- The wholesale OTC trading markets are re-establishing liquidity in the mid to long term. This should create further cost savings opportunities for AISCA's members beyond 2011 and may happen as early as March 2010 depending on storage levels, oil prices and currency markets.

Industry News

- Epcor's public spin-off, Capital Power, has recently re-entered the electricity retailing business. Their re-entry into the retailing business is good news for Alberta's commercial and industrial sector, as it provides additional competition and increased customer choice.
- Access Gas, a subsidiary of Niska Gas Storage (owner/ operator of the AECO hub in Alberta), has also entered the natural gas retail business in Alberta. Access Gas has operated as a retailer in British Columbia, Ontario and Quebec for several years, and is viewed as a competitive retailer
- The government plans to hold additional public consultation on the controversial Bill 50, a contentious piece of legislation that would pave the way for easing requirements to build additional electricity transmission infrastructure in Alberta. The provincial government and the Alberta Electricity System Operator claim the project is necessary to ensure that the grid is able to handle increasing demand over the coming years. However, opponents cite the massive costs (which will be borne by consumers) and lack of public awareness as reasons to re-visit plans.