

Pricing Events – April 2008

June 5, 2008

MPWG



Agenda

1. Overview
2. Detail Discussion
 - High-price hours
 - Low-price hours
 - Negative MCP
 - MCP Volatility
 - Operating reserve activations
 - Emergency control actions
 - Market demand response programs
 - Uplifts
 - Administered Pricing
3. Wrap Up

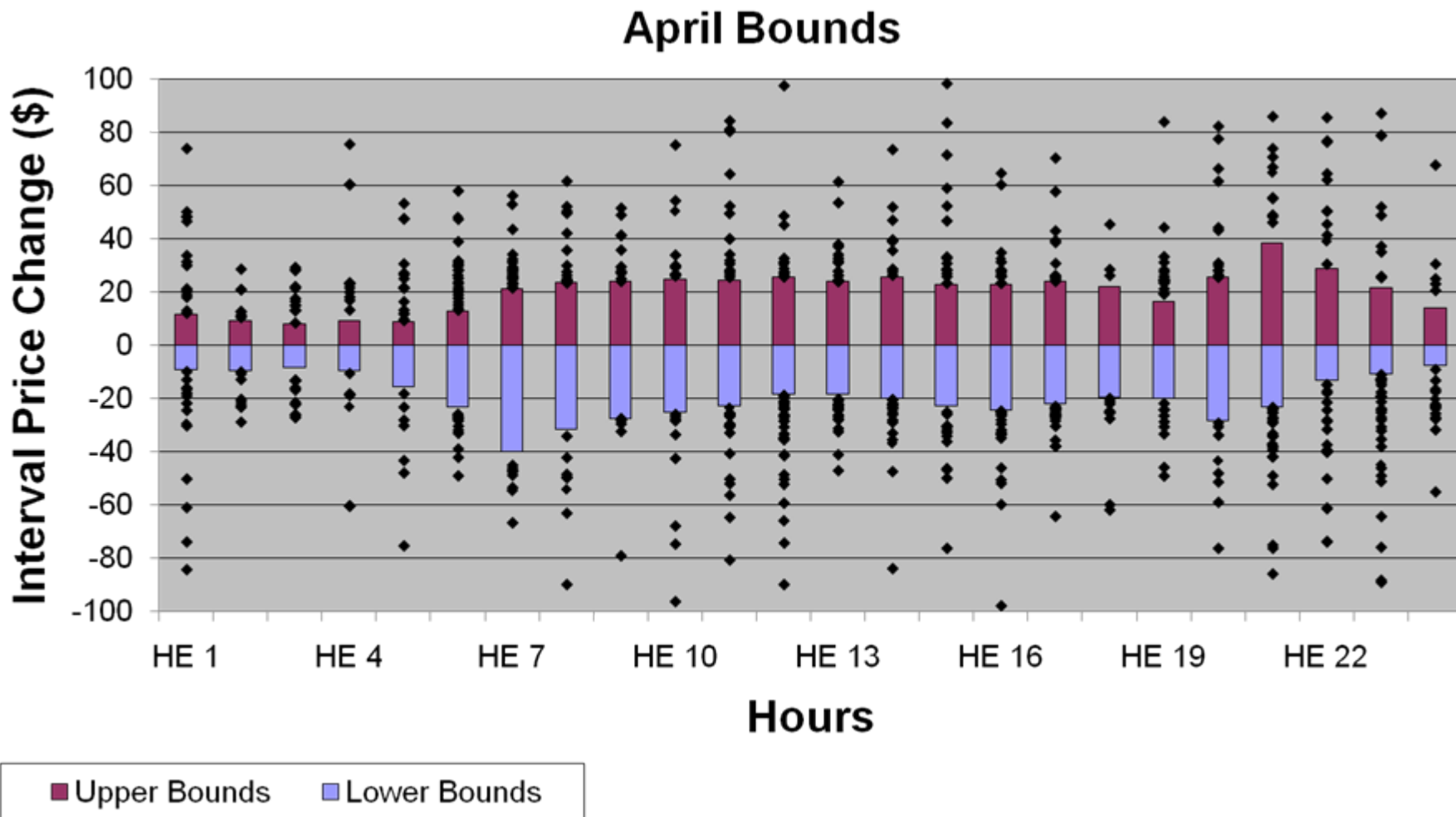
- April Summary
 - Average Hourly Market Demand: 19,295 MW
 - Average Hourly Ontario Demand: 16,001 MW
 - Average HOEP: \$48.98/MWh
- Highlights
 - Highest monthly imports 1,305 GWh (previous highest 1,245 GWh November 04)
 - Highest monthly exports 2,372 GWh (previous highest 2,021 GWh January 08)
 - Highest 2008 hourly imports Apr 11 hr 16 of 3,610 MWh (previous 2008 highest 3,152 MWh March 7 hr 17)
 - Negative HOEP on April 25 during hour 4 (-\$0.12 /MWh)
 - Total wind generation for April was 109 GWh
 - Wind capacity factor for April was 33%

- There was 1 hour in April in which the HOEP was above \$200
- April 22, hour 12 HOEP was \$204.56
 - Combination of the following factors:
 - Heavy Demand
 - Derate
 - Failed Imports
 - Self Scheduling less than forecast

- There were 84 hours in April where the HOEP was below \$20
 - The average of these 84 HOEP values was \$7.54
- There was 1 hour in April where the HOEP was negative (\$-0.12)

- April 25, 2008, the 5 minute MCP was negative during hour 4 for intervals 1 to 6
 - Excess base load generation in off peak hours
 - Clockwise loop flow restricted exports to NY
- April 28, 2008, the 5 minute MCP was negative during hour 4 for intervals 2 to 5
 - Excess base load generation in off peak hours
 - Light demand

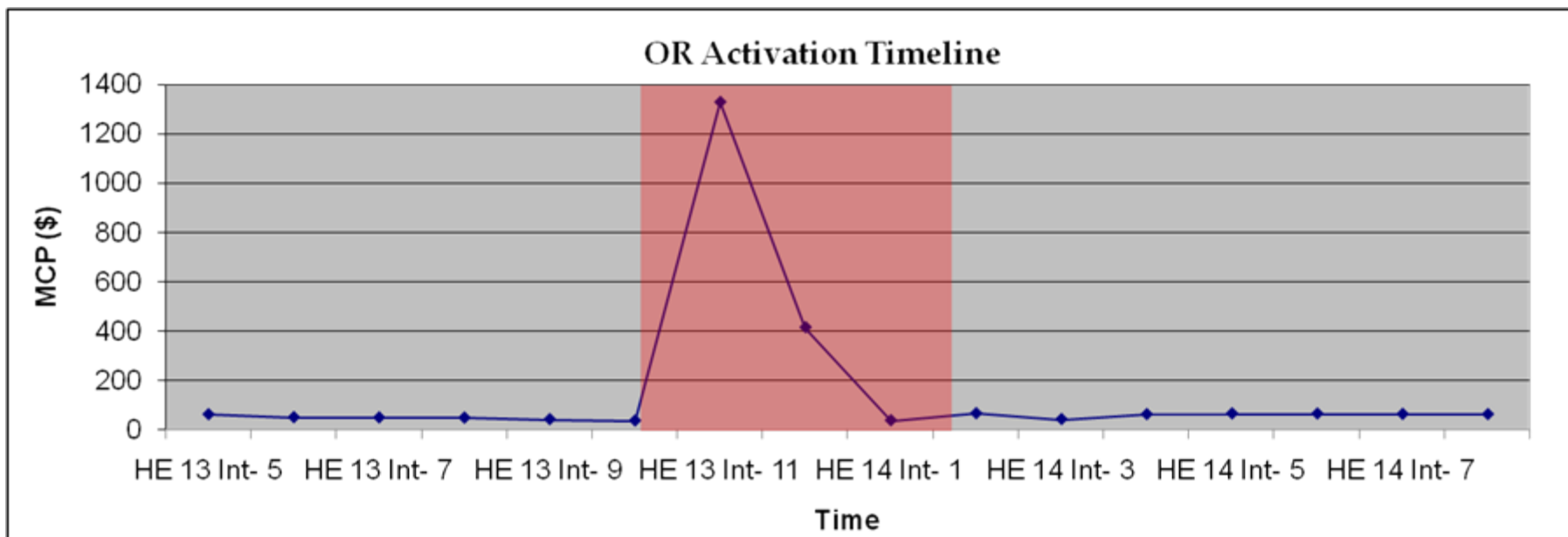
- The following slides show MCP volatilities as measured by interval to interval price changes
- Hourly upper and lower bounds based on historic values were applied to current data to flag significant interval to interval fluctuations
- The bounds, which represent 95% of historic interval to interval changes, were created based on the past 4 years of April MCP data
- The number of significant interval to interval price fluctuations for April 2008 are represented by those points that lie outside these bounds



- In April 2008 there were 694 interval to interval changes that fell outside the bounds of the benchmark
- This represented 8.03% of the total number of interval to interval changes for the month, indicating this month experienced volatility slightly higher than recent values
 - December 2007 – 1.97%
 - January 2008 – 4.55%
 - February 2008 – 12.34%
 - March 2008 – 6.01%

April Operating Reserve Activations

- 30 hours with OR activations
- Largest Reserve activation occurred on April 28 at 12:48
 - 973 MW of OR was activated
 - Resulting from a unit runback
 - OR was activated for 23 minutes



- There were no Emergency Control Actions reported for April

- There were no IESO Demand Response Programs activated in April

- Uplifts were greater than the HOEP during 9 hours, including:
 - April 23, during hours 1, 2 and 4.
 - April 25, during hours 1 to 4 inclusively
 - April 28, hour 4
 - April 30, hour 2

- In April there were 5 events where Administered Pricing was required
 - Inaccurate input of data accounted for 7 intervals
 - Planned outages accounted for 8 intervals

- There was 1 hour in April where the HOEP was above \$200
- There were 84 hours in April where HOEP was less than \$20
- There were 30 OR activations in April