

Electricity Market Review and Outlook

For the week ended August 27, '10

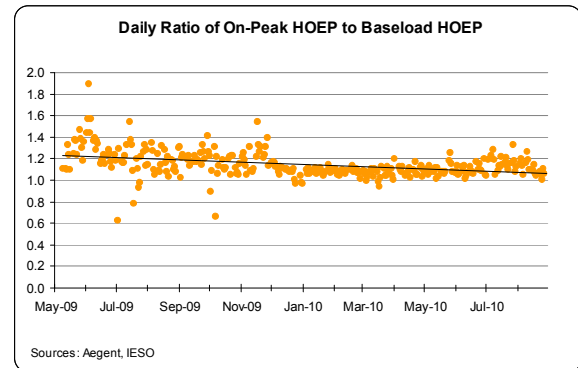
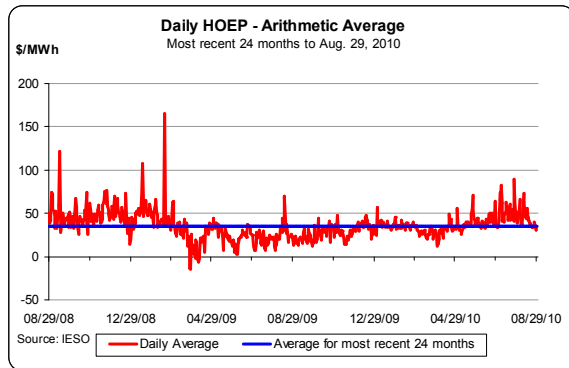
Looking Ahead

For **September 2010**, the baseload and on-peak prices are roughly \$38/MWh and \$44/MWh, respectively.

For the **fourth quarter of 2010**, the baseload and on-peak prices are approximately \$36/MWh and \$40/MWh, respectively.

For the **rest of 2010**, the baseload and on-peak prices are about \$36/MWh and \$41/MWh, respectively.

Average Hourly Ontario Energy Price (HOEP)



Average HOEP (\$ / MWh)		
Period	Arithmetic	Weighted
May '02 - Apr '03 Annual Average	58.55	61.69
May '03 - Apr '04 Annual Average	48.18	50.36
May '04 - Apr '05 Annual Average	51.24	53.04
May '05 - Apr '06 Annual Average	65.60	69.10
May '06 - Apr '07 Annual Average	47.06	49.35
May '07 - Apr '08 Annual Average	47.41	49.92
May '08 - Apr '09 Annual Average	44.61	47.17
September '09	20.76	22.10
October	29.22	30.33
November	26.54	27.59
December	35.05	35.98
January '10	37.40	38.25
February	35.90	36.43
March	28.22	28.76
April	30.83	31.71
May	38.77	40.39
June	40.36	41.58
July	50.83	54.29
August (to date)	44.28	

Arithmetic average for most recent 24 months to Aug. 29, '10: \$35.58/MWh

Average from Jan. 1 to Aug. 24, '10:
- \$38.37/MWh (arithmetic)
- \$40.14/MWh (weighted)

Note: Weighted average based on Ontario's demand

Source: Independent Electricity System Operator (IESO)

In its weekly market update for the period ended Aug. 24, '10, IESO reported that Hourly Uplift Settlement Charges have averaged \$1.78/MWh (arithmetic) and \$1.84/MWh (weighted) since the beginning of calendar year 2010.

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Market news

– IESO Releases New 18-Month Outlook and Expects to Phase Out Coal-Fired Generation by 2014

On August 23, 2010, the Independent Electricity System Operator (IESO) released its latest 18-Month Outlook on electricity supply and demand in Ontario.

Highlights include the anticipation of 3,400 MW of new generation to become operational during the outlook's period. Slightly over a third of the new generation will come from new wind-turbines while roughly 45% will come from refurbished nuclear generation at Bruce A Nuclear Station. Gas-fired generation will make up the remainder of the new generation capacity. When combined with expectations for adequate transmission in the outlook period, IESO expects that four more coal-fired units are to be deregistered by the end of 2010 and coal's share in the generation mix is on schedule to be eliminated by 2014.

For more information, please go to

http://www.ieso.com/imoweb/pubs/marketReports/18MonthOutlook_2010aug.pdf

*** New item since previous week's report*

About Aegent

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