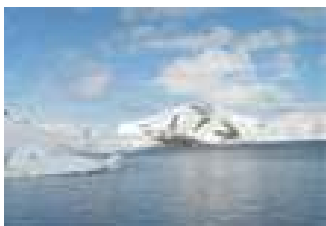


# WEEKLY MARKET UPDATE

## Gas Market Update

### Greenland, Antarctica Ice Sheets Shrink Fast

New satellite information shows that ice sheets in Greenland and Western Antarctica continue to shrink faster than scientists thought and in some places are already in runaway melt mode. British scientists for the first time calculated changes in the height of the vulnerable but massive ice sheets and found them especially bad at their edges. That's where warmer water eats away from below. In some parts of Antarctica, ice sheets have been losing several metres a year in thickness since 2003, according to a paper published online in the journal Nature. Some of those areas are about a kilometre thick, so they've still got plenty of ice to burn through. But the drop in thickness is speeding up. In parts of Antarctica, the yearly rate of thinning from 2003 to 2007 is 50-per-cent higher than it was from 1995 to 2003. These new measurements, based on 50 million laser readings from a NASA satellite, confirm what some of the more pessimistic scientists thought: The melting along the crucial edges of the two major ice sheets is accelerating and is in a self-feeding loop. The more the ice melts, the more water surrounds and eats away at the remaining ice. "To some extent it's a runaway effect. The question is how far will it run?" said the study's lead author, Hamish Pritchard of the British Antarctic Survey. "It's more widespread than we previously thought." The study doesn't answer the crucial question of how much this worsening melt will add to projections of sea-level rise from man-made global warming. Some scientists have previously estimated that steady melting of the two ice sheets will add about a metre, maybe more, to sea levels by the end of the century. But the ice sheets are so big it would probably take hundreds of years for them to completely disappear. The key problem is not heat in the air, but the water near the ice sheets, Mr. Pritchard said. The water is not just warmer but its circulation is also adding to the melt. (Source: The Globe And Mail Website)



## Renewable Energy Update

### Climate Change Spurs Power Sector Expectations



Climate change is powering increased expectations on the electricity sector to reduce Canada's carbon footprint, and stakeholders including provincial and federal government's need to position

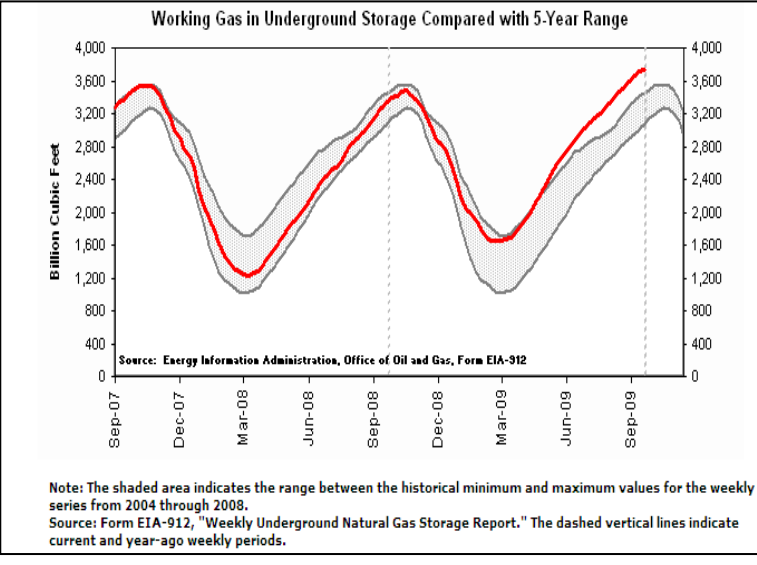
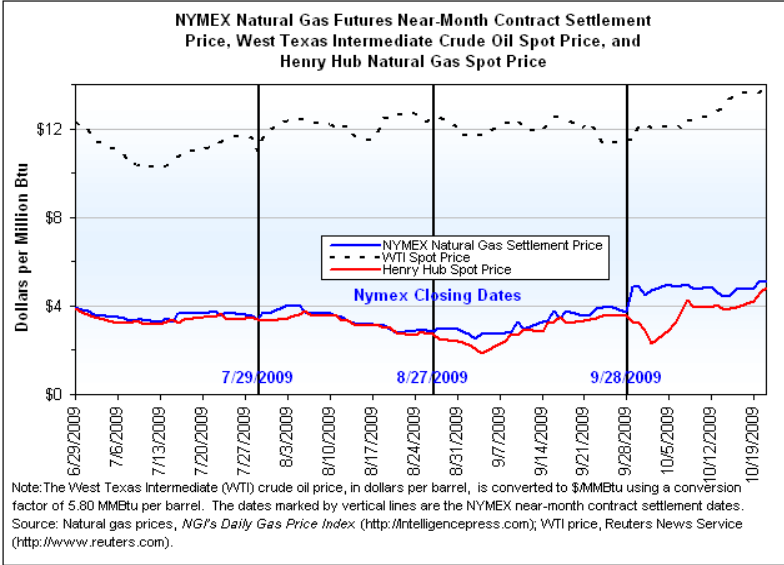
themselves to ensure it happens in a realistic, sustainable fashion, experts told an industry audience recently in a conference. Pierre Guimont, President of the Canadian Electricity Association, stated that investments of approximately \$237 billion in transmission and distribution networks across the country will be required by 2030 to meet expected demands. Guimont, who was speaking at a Canadian Energy Research Institute conference, looked to both the provinces and Ottawa to re-visit outdated policies and ensure that any changes are broadly based. As well as the massive projected investment in the national grids, the federal government requires the electricity sector to reduce emissions by 30 percent below 2006 levels by 2020, a more ambitious plan than south of the border where legislators are looking at reducing emissions by 15 percent below 2005 levels during the same period. (Source: Calgary Herald)

### Fed Keeps Lid On Atomic Energy Canada Sale Report

The federal government has refused to release details of a recent report it commissioned on the best way to break up and sell Atomic Energy Canada Ltd. (AECL). Natural Resources Minister, Lisa Raitt announced last spring that the government was prepared to break up AECL, a Crown corporation into two parts. One part would include the business responsible for selling and building CANDU reactors. The other part would cover AECL's research function, centred around the Chalk River Laboratory in eastern Ontario, home to the National Research Universal (NRU) reactor. (Source: Calgary Herald)

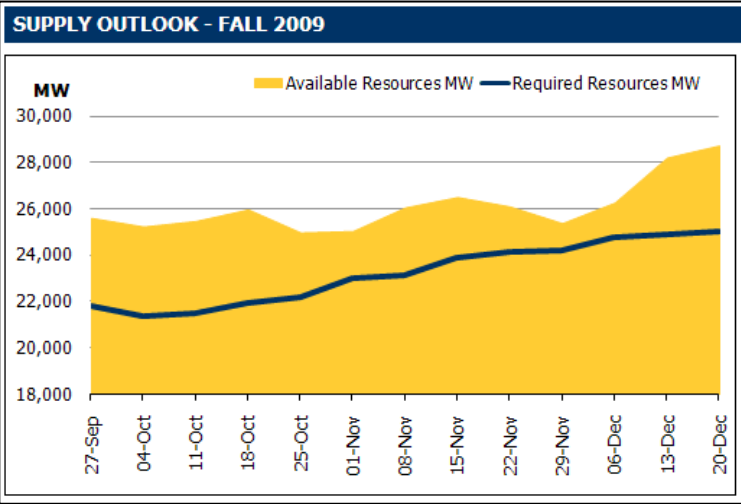


# WEEKLY MARKET UPDATE



Prices at the NYMEX for natural gas delivery contracts through October 2010 increased by roughly 7% during the report week ending October 21. The price of the November contract increased about 15%. The other remaining 11 contracts on the 12-month futures strip (November 2009 through October 2010) gained about 5 to 7%. (Source: EIA Website)

According to EIA estimates, working gas in storage was 3,734 Bcf as of Friday, October 16, 2009. This represents a net increase of 18 Bcf from the previous week. Stocks were 397 Bcf higher than last year at this time and 432 Bcf above the 5-year average of 3,302 Bcf. (Source: EIA Website)



**AVAILABLE GENERATION DURING FALL PEAK (Week of December 13)**

Total Installed Resources	35,454 MW
Outages or other reductions in capacity	8,075 MW
Demand Response	823 MW
Total Available Resources	28,202 MW

