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Genesee PPA Capacity to be Offered for Sale

December 16, 2005

The Balancing Pool is inviting expressions of interest for the proposed sale of the Genesee Power Purchase Arrangement (PPA) or Strip Contracts developed from the PPA, representing 762 MWs of coal-fired generation capacity.

The Genesee PPA gives the Balancing Pool the right to dispatch and sell the energy and ancillary services associated with this station. The Genesee Strip Contracts will provide buyers the dispatch offer rights, with the Balancing Pool providing an aggregation function to coordinate the offer rights, dispatch and settlement.

The capacity of the Genesee coal-fired generating station will be offered as follows:

Either:

- Strip contracts in 25 MW increments of energy capacity up to 600 MW (with offer rights for those strips 100 MW or greater);
- Two strips of 81 MW of capacity that can be sold as either energy or ancillary services (including offer rights) ; and
- Choice of terms of: 3 years, 5 years, 10 years, and to end of term for all strip contracts.

Or:

- The entire 762 MW Genesee PPA for the full term to December 31, 2020.

The Balancing Pool will establish reserve prices for all capacity offered for sale.

“Based on the results of the recent Sheerness PPA auction, we expect a high level of interest in the Genesee PPA auction”, said Gary Reynolds, President and CEO. “We are continuing to offer choice to prospective buyers in both term and size of contracted capacity, which allows buyers to tailor their bids to their specific needs. This will result in maximizing the sale value for the ultimate benefit of Alberta’s electricity consumers”.

Parties interested in participating in the sale process should submit the following information to the Balancing Pool by January 16, 2006:

- The entity or consortium that would be interested in purchasing the Genesee PPA or PPA based Strip Contracts.
- The name, address, telephone number and e-mail for the contact person at the entity or consortium.

A Confidentiality Agreement will be distributed to interested parties and, upon receipt of the signed Confidentiality Agreement, a Confidential Information Memorandum (“CIM”) and electronic Data Room will be provided.

The sale process is being conducted through an open solicitation process and the timeline will be as follows:

January 16 th , 2006	Distribution of CIM and Data Room
February 1 st -15 th , 2006	Genesee Plant Site Visits (proposed)
February 15 th , 2006	Credit Review & Pre-Qualification
February 21 st , 2006	Submission of Participation Agreement & Initial Bid Deposit
March 1 st , 2006	Submission of Indicative Bids
March 10 th , 2006	Submission of Final Bids
April 1 st , 2006 or: May 1 st , 2006	Transfer of Control of Strips Transfer of Control of PPA

Parties interested in the sale process should contact the Balancing Pool for further information as follows:

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