



TC Energy

POWER MARKET UPDATE

FORWARD PRICES TABLE (INDICATIVE AS OF JANUARY 2ND, 2024)

	Flat 7x24 (\$/MWh)	AB - 7x16 On Peak (\$/MWh)	AB - 7x8 Off-Peak (\$/MWh)	AECO Gas (\$/GJ)	Heat Rate
BoM	\$131.55	\$161.65	\$71.35	\$1.88	70.11176
February	\$122.00	\$137.00	\$62.00	\$1.89	64.61180
BoY	\$80.41	\$94.63	\$51.98	\$2.00	40.18290
2025	\$64.21	\$74.32	\$44.00	\$3.06	21.00906
2026	\$66.88	\$76.50	\$46.50	\$3.47	19.27655
2027	\$68.00	\$78.75	\$46.50	\$3.43	19.80313

All prices are indicative as of January 2nd, 2024. For Firm power price quotes please contact TC Energy's Power Marketing team. See contacts on the last page.

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ALBERTA MARKET RECAP – DECEMBER 2023

December 2023 settled at \$52.05/MWh, representing an 83% decrease from December 2022's settle of \$311.73/MWh and a 45% decrease from November's settle of \$93.82/MWh. The maximum pool price was \$584.78/MWh for December, compared to \$900.40/MWh in November. The average price between the on-peak and off-peak for December differed by \$24.34/MWh, resulting in on-peak and off-peak price settles of \$60.16/MWh and \$35.82/MWh, respectively. December forwards traded between \$125 and \$154, 30 days preceding the month.

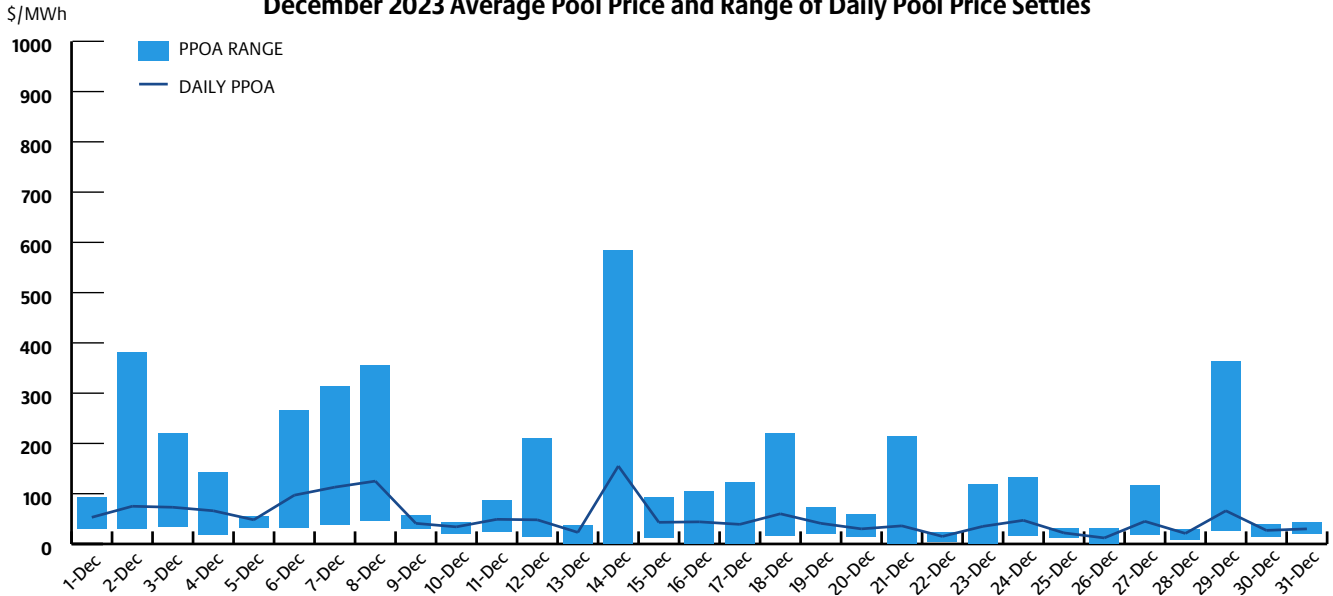
December 2023 had three triple digit daily settles, occurring on December 7th-8th, and 14th. These triple digit settles ranged from a 'low' of \$112.80/MWh on December 7th to a 'high' of \$155.17/MWh on December 14th. The month saw 68 hours settle above \$100/MWh, with the SMP peaking at \$674.52/MWh on December 14th during HE 18.

December 14th saw the highest daily average and on-peak price settles of \$155.17/MWh and \$226.87/MWh, respectively, whereas December 8th saw the highest daily off-peak price settle of \$93.92/MWh. On December 14th, average AIL

(Alberta Internal Load) was 10,516 MW, on par with the monthly average. Wind generation decreased in dramatic fashion from 2,945 MW during the off-peak to 297 MW by the evening peak; price settles during this period ranged from \$0/MWh to \$584.78/MWh. Solar generation was practically negligible, averaging at 2%, compared to the monthly average of 6%. Outages in the province contributed to gas and hydro availability factor of 74% and 49%, respectively. Alberta was a net exporter through HE 11, flowing out as much as 970 MW/h on the BC intertie, later switching to a moderate importer from HE 12 onwards, with flows varying from 52 MW to 523 MW on an hourly basis.

Conversely, December 26th saw the lowest daily average and on-peak price settles of \$11.89/MWh and \$14.79/MWh, respectively, whereas December 16th saw the lowest daily off-peak price settle of \$5.62/MWh. On December 26th, there were six \$0/MWh hourly settles. Average AIL was 10,219 MW, which was 299 MW lower than the monthly average. Wind generation smashed the previous month's generation record, peaking at 3,671 MW and averaging at 3,373 MW for the day (75% capacity factor), which was higher than November's single hour record. Solar generation capacity factor was 3% higher than monthly average, coming in at 9%. Alberta was a net exporter all day, with over 900 MW flowing out hourly, mostly from the BC intertie.

December 2023 Average Pool Price and Range of Daily Pool Price Settle



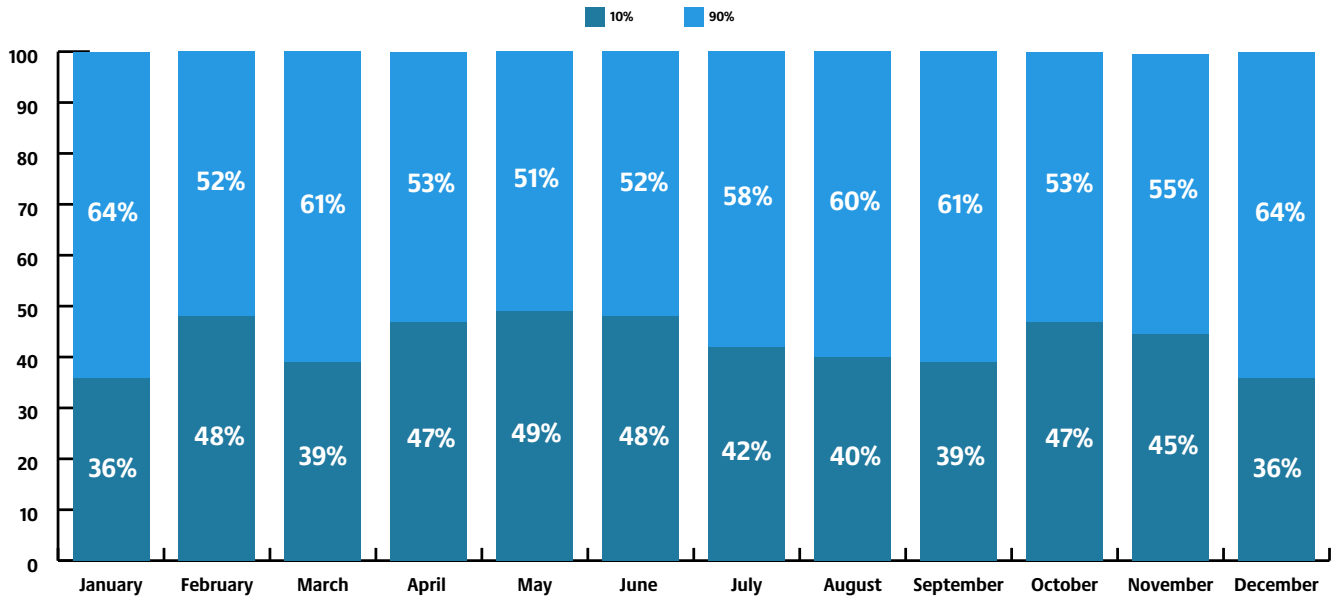
Average AIL for the month was 10,518 MW, with hourly peak load hitting 11,485 MW on December 19th HE 18. This represents a 2.2% decrease from December 2022's average AIL of 10,750 MW and a 5.8% decrease from its hourly peak load of 12,193 MW.

The weighted average temperature across the province for December was -2.11°C representing a 13.10°C increase from last December when the average was -15.21°C. December 2023 temperatures

in Alberta ranged from a high of 18°C in Medicine Hat on December 5th HE 14-16 to a low of -19°C in Fort McMurray on December 12th HE 3.

The top 10% of high-priced hours for December averaged \$192.45/MWh, contributing 36% to the monthly settle, while the bottom 90% of hours averaged \$37.00/MWh.

Hours contributing to monthly average price

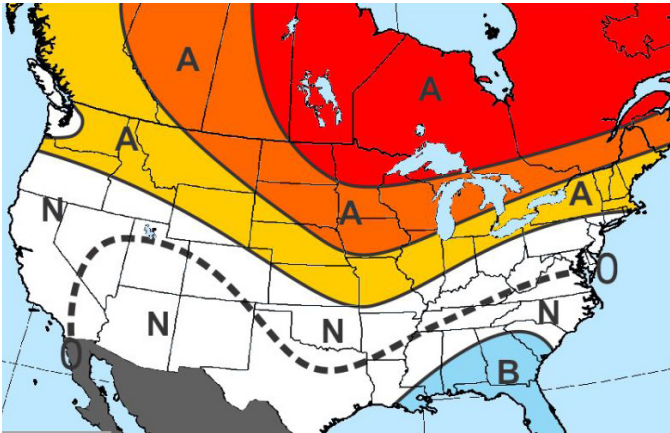


MAXAR'S 30-60 DAY OUTLOOK

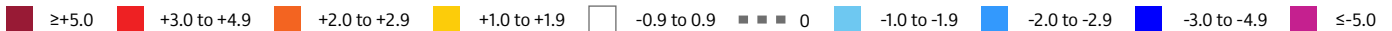
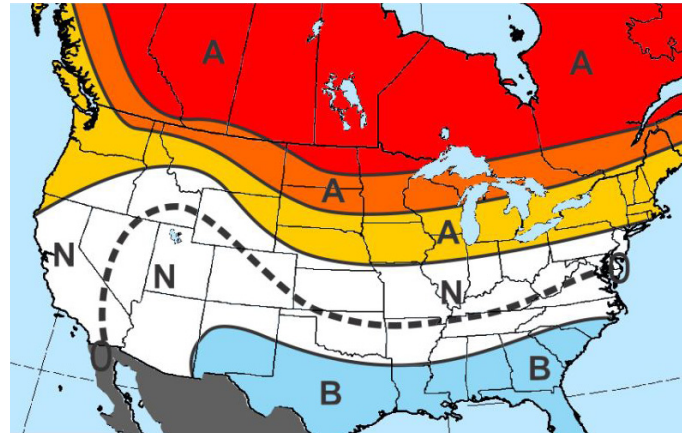
Maxar's final 30-day outlook for January undergoes some smaller, mixed changes compared to the previous outlook. The Southeast is a little cooler while the Midwest trends a little warmer. The strong El Niño remains the primary influence behind this forecast. Risks are mixed once again though: a stratospheric warming event is still anticipated early in the month, but it remains unclear as to whether it will durably translate downward and introduce a more blocking pattern. If it does, colder risks are noted. If blocking doesn't take shape, warmer MJO (Madden Julian Oscillation) phases could provide warmer opportunities during the latter part of the month. The ECMWF (European Centre for Medium-Range Weather Forecasts) weeklies support this forecast, but the CFS (Climate Forecast System) is warmer in the West and cooler East.

February's update holds steady from last week where above normal temperatures are contained to the Northern Tier and below anomalies loom along the Southern U.S., including Texas. This remains a pattern characteristic of the ongoing strong El Niño. However, there are some risks attached to the forecast compared to the monthly model depictions. Both ECMWF and CFS monthly models suggest a bit of a tilting of the pattern to allow more above normal readings to be from the West to Mid-Continent, which could push toward Texas, while the South to East are seasonal to below normal.

January 2024



February 2024



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