



TC Energy
Power Market
update.

Forward prices table (indicative as of August 9, 2019)

	Flat 7x24 (\$/MWh)	AB - 7x16 On Peak (\$/MWh)	AB - 7x8 Off-Peak (\$/MWh)	AECO Gas (\$/GJ)	Heat Rate
BOM	\$60.00	\$70.00	\$30.00	\$1.30	46.15
September	\$57.00	\$70.50	\$31.00	\$1.22	46.72
BOY	\$59.75	\$69.00	\$29.00	\$1.59	37.58
2020	\$57.75	\$73.00	\$38.00	\$1.57	36.78
2021	\$59.00	\$77.50	\$36.00	\$1.71	34.50
2022	\$55.00	\$70.00	\$36.50	\$1.73	31.79

All prices are indicative as of August 9, 2019. For Firm power price quotes please contact TC Energy's Power Marketing team. See contacts on the last page.

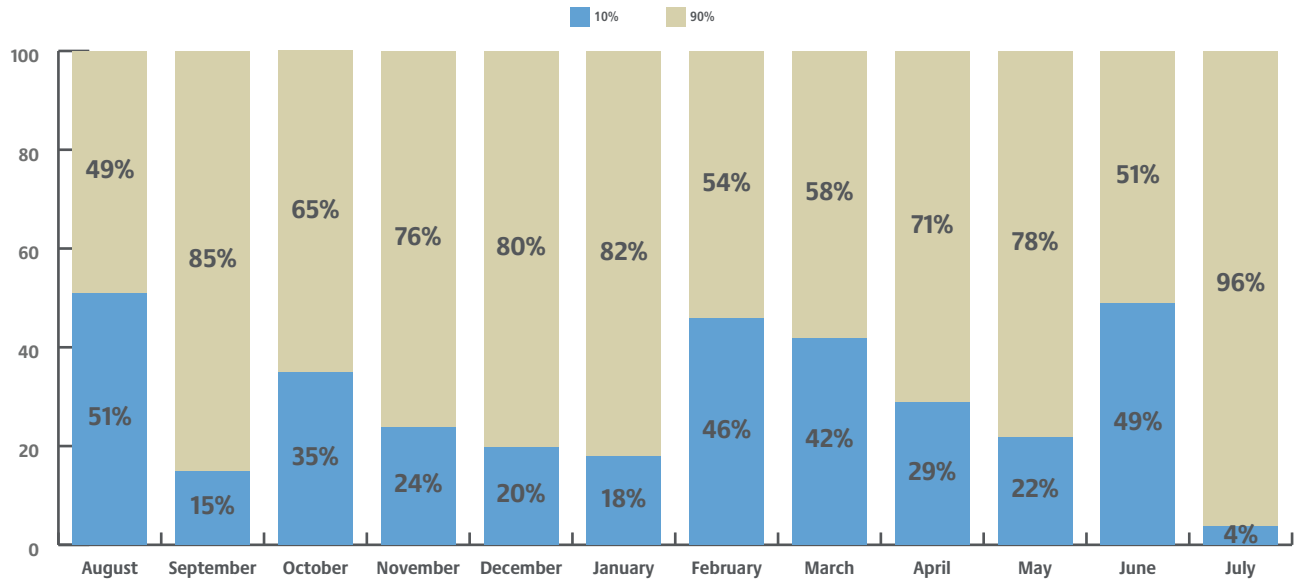
Alberta market recap – July 2019

July 2019 settled at \$40.99/MWh, representing a 30% decrease from July 2018's settle of \$58.46/MWh and an 23% decrease from last month's settle of \$53.52/MWh. The average price between the on-peak and off-peak for July differed by \$17.79/MWh, resulting in on-peak and off-peak prices of \$46.92/MWh and \$29.13/MWh respectively.

There were only two influential days in July for pricing; July 15th and 23rd settling at \$109.24 and \$148.14 per MWh respectively. July 15th price drivers can be attributed to Genesee 3's outage, strong load and forecasted wind generation that did not materialize. July 23rd had similar wind conditions as well as temperatures reaching 30°C across the province. The top 10% of high-priced hours averaged \$127.29/MWh, contributing 4% to the monthly settle while the bottom 90% of hours averaged \$31.46/MWh. This month can be viewed as more of an anomaly to previous summer months as Alberta's hot summer temperatures did not materialize which most likely was a predominant driver in having less than normal unplanned plant outages.

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Hours contributing to monthly average price



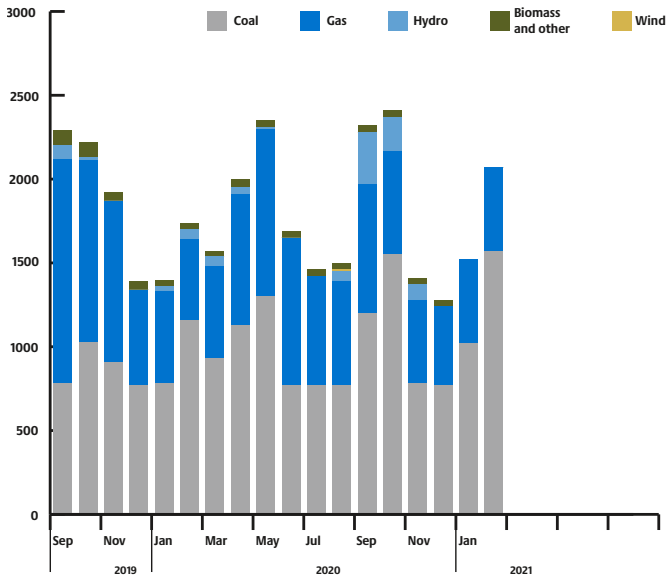
Average Alberta Internal Load (AIL) for the month was 9,486 MW, with peak load hitting 10,760 MW on July 23rd, 2019. This represents a 1% decrease from July 2018's average AIL of 9,556 MW and a 3% decrease from its peak load of 11,099 MW.

The weighted average temperature across the province for July was 16.5°C representing a 1.1°C decrease from last July when the average was 17.6° C. Similar to June 2019, July saw a wide range in weighted average temperatures from 7.9° C on July 2nd to 29.2° C on July 23rd leaving most areas in the province feeling a cooler than usual July.

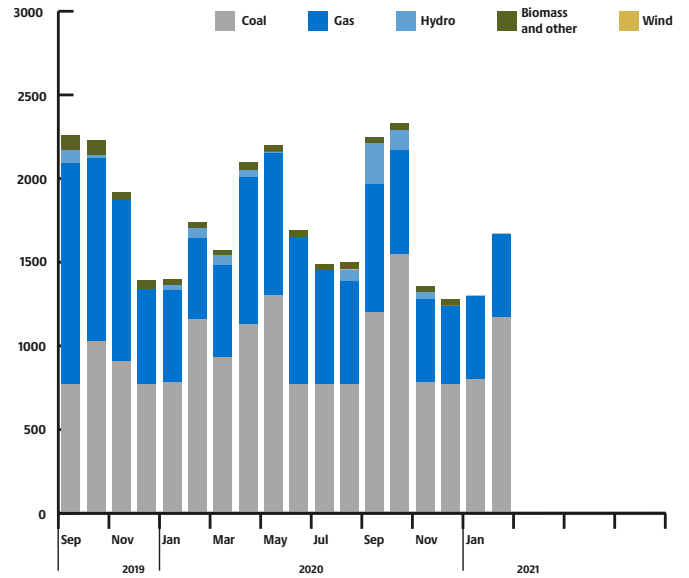
Monthly outages

Since last month's outage report there has been small adjustment to gas outages over April and May of 2020 as well as a larger increase to coal outages occurring in January and February of 2021.

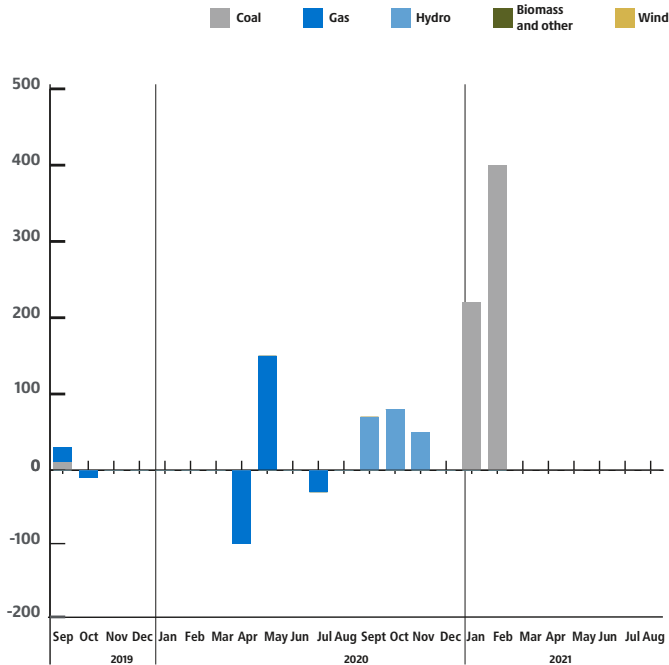
AESO monthly outages (as of August 2019)



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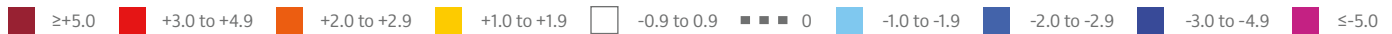
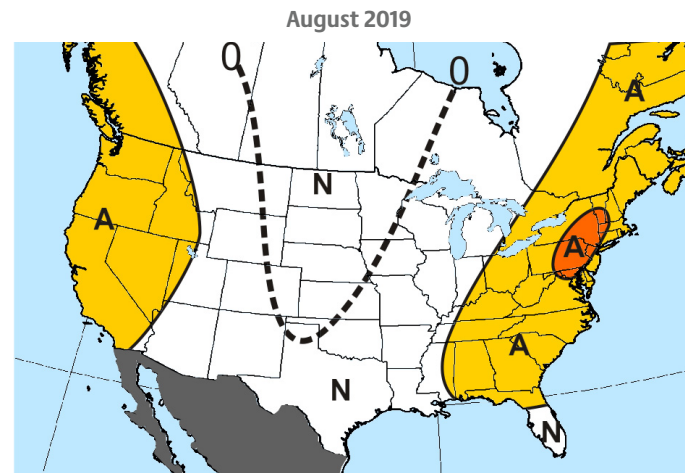
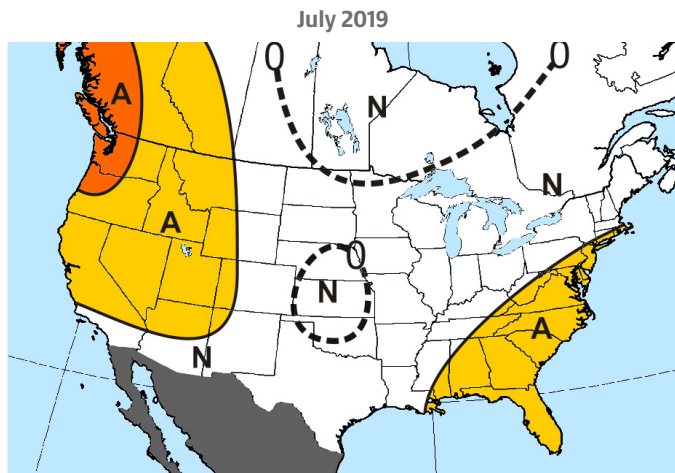
Month-over-month change in outages (July 2019 over August 2019)



Radiant solutions 30-60 day outlook

July 2019 clinched the 5th hottest month on record. Temperatures were above normal across the Midwest and East. Above normal temperatures were also seen in the Southwest, while temperatures were below normal in the Mid-South. Radiant Solutions Outlook for July had forecasts that were too cool in the Midwest and East and too hot along the West Coast.

Radiant Solutions forecasts a broad coverage of “aboves” from the West to Texas and across portions of the Midwest and East while “bellows” are confined to the northern Rockies and Plains throughout August. They currently indicate that Alberta will see a -5°F to -8°F departure from average 1981-2010 normal temperatures.



Industry news

It was announced at the end of July after a 90-day review that the provincial government has cancelled plans to change the province’s power market to an energy and capacity market and that it will remain an energy only market. The government released a statement that this decision was a result of overwhelming stakeholder support, that the energy-only market has a proven track record of providing affordable electricity in Alberta as well as providing a reliable supply of electricity within the province. They went on to say the current energy only market is already established and understood by investors, which offers greater certainty regarding its future performance.

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