

TC Energy
Power Market
update.

Forward prices table (indicative as of September 4, 2019)

	Flat 7x24 (\$/MWh)	AB - 7x16 On Peak (\$/MWh)	AB - 7x8 Off-Peak (\$/MWh)	AECO Gas (\$/GJ)	Heat Rate
BOM	\$55.50	\$67.25	\$31.00	\$0.98	56.63
October	\$54.50	\$66.40	\$32.25	\$1.68	32.44
BOY	\$60.80	\$73.77	\$35.25	\$1.86	32.69
2020	\$56.50	\$69.00	\$32.00	\$1.69	33.43
2021	\$58.50	\$73.75	\$28.00	\$1.76	33.24
2022	\$54.75	\$67.25	\$30.00	\$1.84	29.76

All prices are indicative as of September 4, 2019. For Firm power price quotes please contact TC Energy's Power Marketing team. See contacts on the last page.

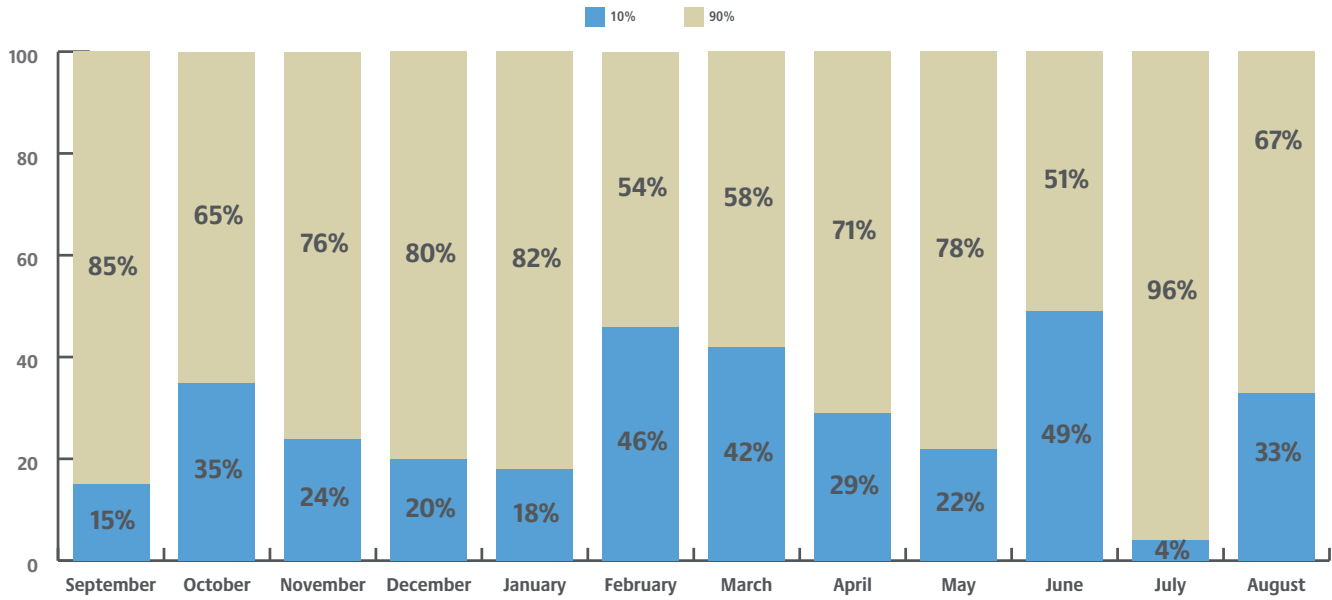
Alberta market recap – August 2019

August 2019 settled at \$45.40/MWh, representing a 34% decrease from August 2018's settle of \$68.80/MWh and an 11% increase from last month's settle of \$40.99/MWh. The average price between the on-peak and off-peak for August differed by \$21.38/MWh, resulting in on-peak and off-peak prices of \$52.53/MWh and \$21.38/MWh respectively.

Similar to July, there were only two influential pricing days in August; August 8th and 12th settling at \$126.14 and \$118.62 per MWh respectively. August 8th price drivers can be attributed to Sundance 4 and Keephills 3's outages, strong load, negligible wind generation, and Alberta being a net exporter all day, leaving several hours of the day settling in the triple digits. August 12th had a soft load pattern driven by cooler provincial temperatures, however a thin merit order due to multiple plant outages (Sheerness 1, Genesee 1, Mackay) left the System Marginal Price (SMP) reaching above \$900 on multiple occasions. The top 10% of high-priced hours averaged \$153.78/MWh, contributing 33% to the monthly settle while the bottom 90% of hours averaged \$33.79/MWh. With Alberta's hot summer temperatures not materializing yet again, July's anomaly weather continued into and throughout the month of August.

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Hours contributing to monthly average price



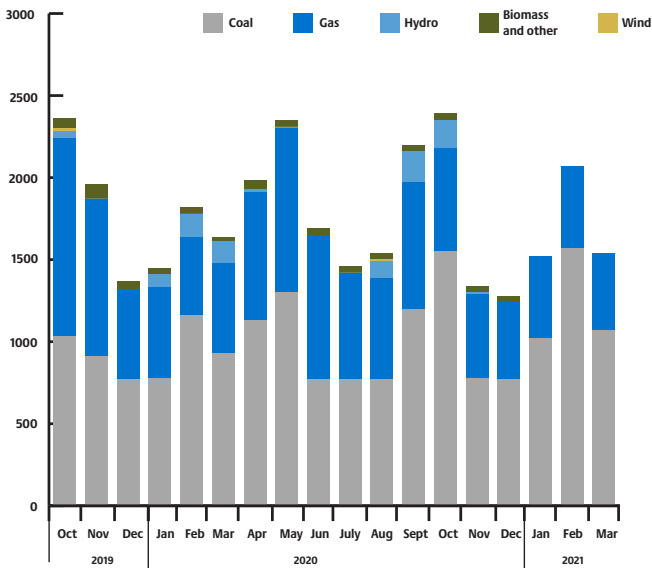
Average Alberta Internal Load (AIL) for the month was 9,443 MW, with peak load hitting 10,822 MW on August 2nd, 2019. This represents a 2% decrease from July 2018's average AIL of 9,649 MW and a 3% decrease from its peak load of 11,169 MW.

The weighted average temperature across the province for August was 15.2°C representing a 1.0°C decrease from last August when the average was 16.2°C. The entirety of Alberta's 2019 summer months saw a wide range in weighted average temperatures. August 2019 ranged from 5.5°C on August 27th to 28.1°C on August 21st, leaving all areas of the province feeling a cool month with limited hot summer weather. There were only two days of the month's weighted average that breached 25°C (August 2nd and 21st).

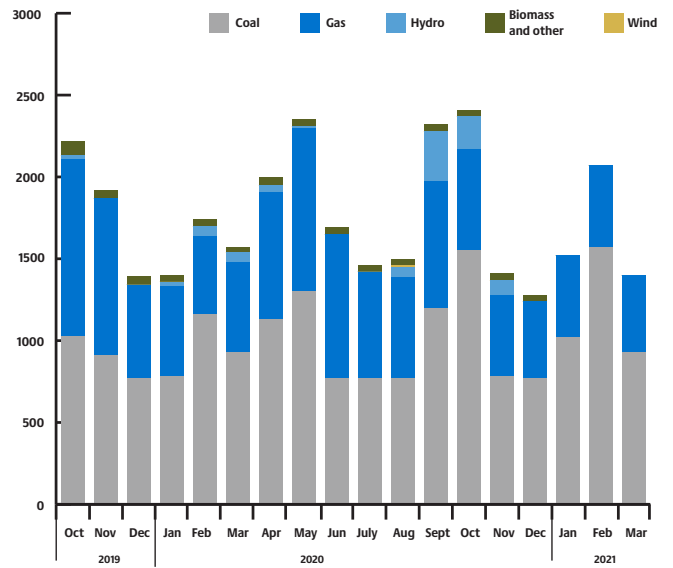
Monthly outages

Since last month's outage report there have been two noteworthy outage adjustments, one being an increase in gas outages of roughly 130 MW occurring October 2019 and an increase in coal outages just under 150 MW occurring March 2021 as well a sprinkling of hydro outages throughout 2020.

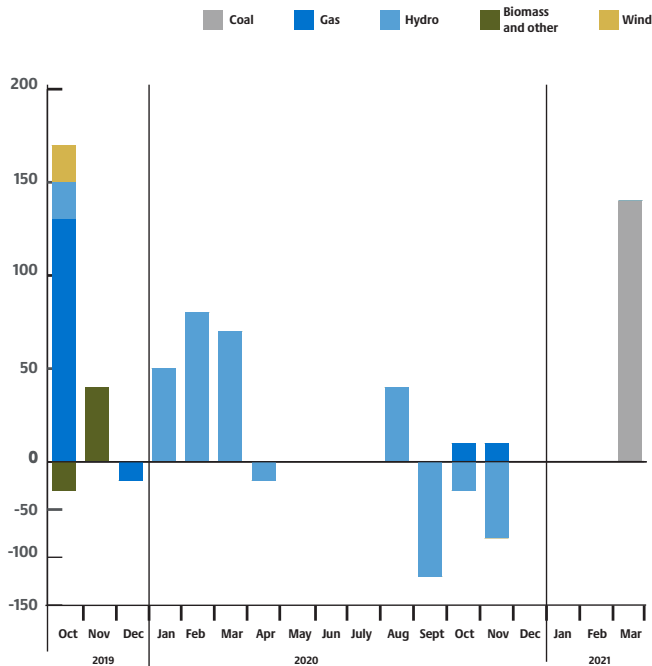
AESO monthly outages (as of September 2019)



AESO monthly outages (as of August 2019)



Month-over-month change in outages (Aug 2019 over Sep 2019)



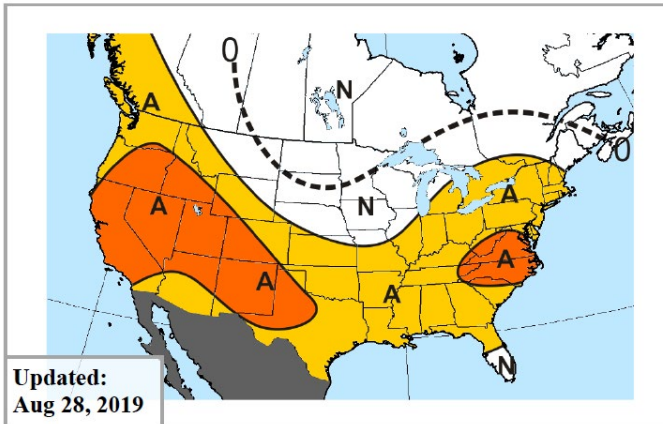
Radiant solutions 30-60 day outlook

August saw prevalent heat from the West to Texas, with West Texas heat in particular ramping up in the last few days of August with a top 5 hot August on record for locations including Phoenix, Las Vegas, San Francisco, San Antonio, and Houston, ranking summer 2019 the 6th hottest since 1950.

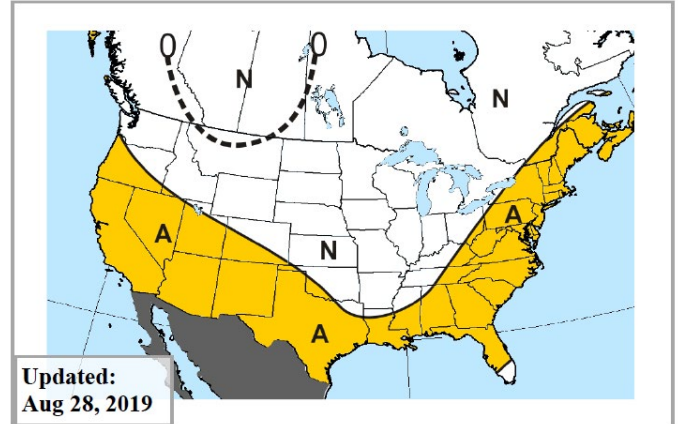
Radiant Solutions forecasts that September will undergo a mix of changes, trending warmer in the West and areas of the South while cooler trends are noted in the Midwest

and Northeast. The pattern remains a broadly warm one in general, but with the greatest coverage/intensity of “aboves” now focused over the west. Warmth in the East is expected to be focused in the latter half of the month, but those “aboves” come with declining normal. They currently indicate that Alberta will see a -0.9°F to 0.9°F departure from average 1981-2010 normal temperatures.

September 2019



October 2019



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