

TC Energy Power Market update.

Forward prices table (indicative as of December 8, 2020)

	Flat 7x24 (\$/MWh)	AB - 7x16 On Peak (\$/MWh)	AB - 7x8 Off-Peak (\$/MWh)	AECO Gas (\$/GJ)	Heat Rate
BOM/BOY	\$53.74	\$58.33	\$42.22	2.25	23.88444
Jan	\$63.75	\$73.88	\$43.50	2.28	27.96053
2021	\$59.75	\$71.85	\$35.88	2.21	27.03620
2022	\$57.75	\$69.10	\$35.00	2.21	26.13122
2023	\$53.50	\$64.50	\$31.50	2.10	25.47619

All prices are indicative as of December 8, 2020. 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 – October 2020

November 2020 settled at \$38.44/MWh, representing a 32% decrease from November 2019's settle of \$56.15/MWh and a 37% decrease from last month's settle of \$61.26/MWh. The average price between the on-peak and off-peak for November differed by \$7.74/MWh, resulting in on-peak and off-peak prices of \$41.03/MWh and \$33.29/MWh, respectively.

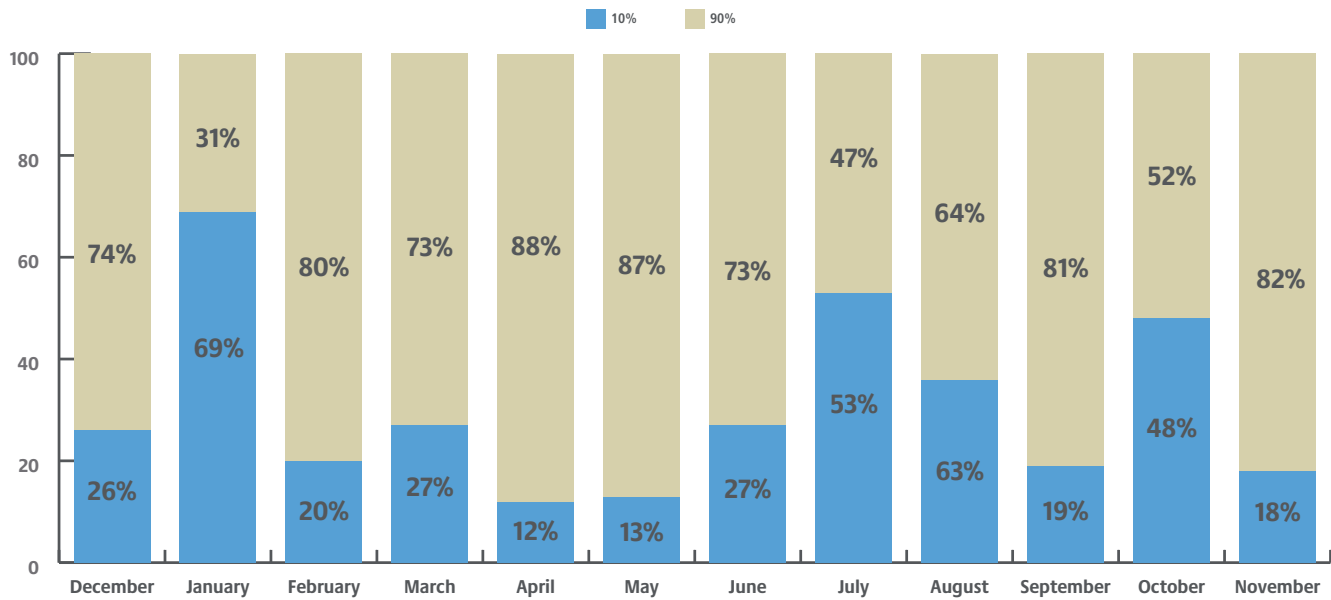
After temperature adjustments, November 2020 saw a 1.6% increase in AIL (Average Internal Load) compared to November 2019. This is the first time in 2020 AIL (weather adjusted) has been up, which can be taken as a positive sign that recovery from COVID-19 load destruction is currently underway.

November 2020 did not have any triple digit daily settles, with only fourteen hours of the month settling above \$100/MWh. SMP peaked on November 6th HE (hour ending) 18 when it hit \$488.15 and remained there for twenty-one minutes.

November 19th saw the highest daily average and on-peak price settles of \$65.90/MWh and \$79.57/MWh, respectively. These "highs" can be accredited to cold temperatures driving strong demand (including the monthly peak load which occurred HE18) and sparse to non-existent wind generation. Collectively, these effects left five of November's fourteen +\$100/MWh hourly settles to occur on November 19th.

In comparison, November 22nd saw the lowest average and on-peak settles of \$33.24/MWh and \$33.97/MWh, respectively. These low hourly settles were a result of healthy thermal baseload availability as well as strong wind generation, holding above 1200MW for the entirety of the afternoon and evening.

Hours contributing to monthly average price



The top 10% of high-priced hours for November averaged \$71.10/MWh, contributing 18% to the monthly settle while the bottom 90% of hours averaged \$34.82/MWh.

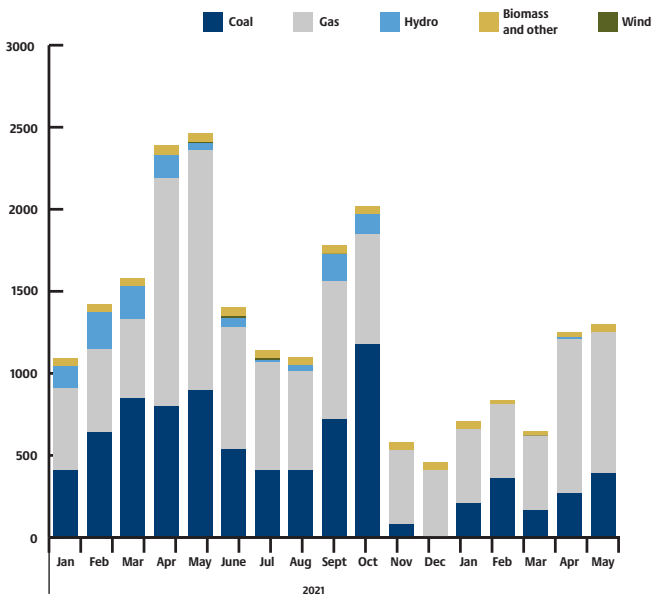
Average Alberta Internal Load (AIL) for the month was 10,068MW, with hourly peak load hitting 11,136MW on November 19th, 2020 HE18. This represents a 1.6% increase from November 2019's average AIL of 9,913MW and a 0.7% increase from its hourly peak load of 11,062MW.

The weighted average temperature across the province for November was -3.27°C representing a 0.48°C increase from last November when the average was -3.74°C. November 2020 temperatures in Alberta ranged from a low of -25°C seen in Fort McMurray on November 22nd HE 3 and HE 5, to a high of 23°C in Calgary and Medicine Hat for multiple afternoon hours on November 2nd.

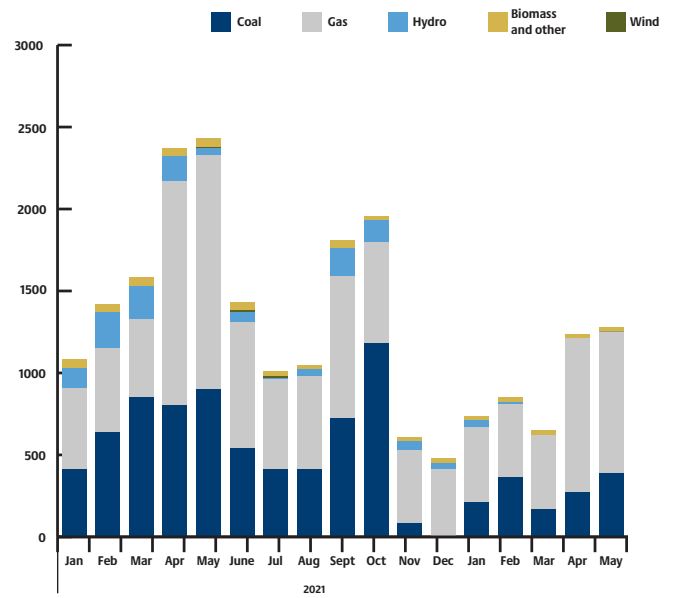
Monthly outages

Since last month's outage report, there have been noteworthy changes in gas and hydro outages. The gas outages include increases of 110MW and 50MW during July 2021 and October 2021, respectively, while the hydro outages are comprised of decreases of 50MW in November 2021 and 40MW in December 2021 & January 2022.

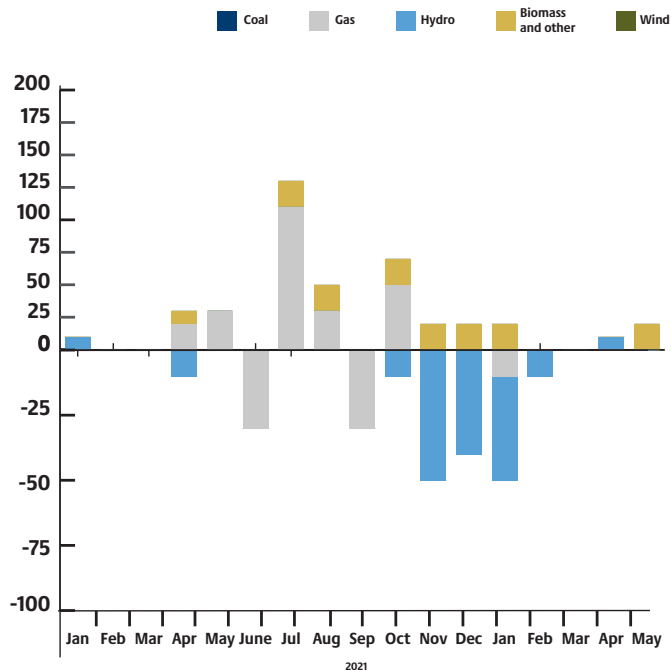
AESO monthly outages (as of December 2020)



AESO monthly outages (as of November 2020)



Month-over-month change in outages
(November 2020 over December 2020)



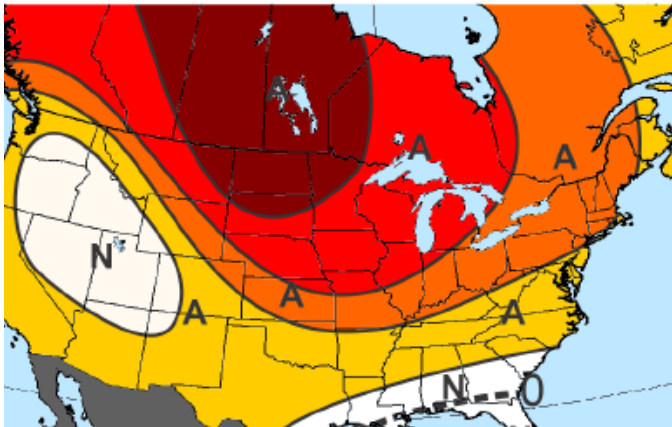
Maxar's 30-60 day outlook

The last week of November saw some warmer trends take place in the South and East, but the big picture remained the same with widespread aboves seen across the eastern 2/3 of the US. The warmest anomalies were in the Rockies, Plains, Upper Midwest, and Southeast, a Top 5 warm November on record for Chicago and Atlanta. The 30/60 Day forecasts did not capture this anomalously-warm month, suggesting more West-based warmth.

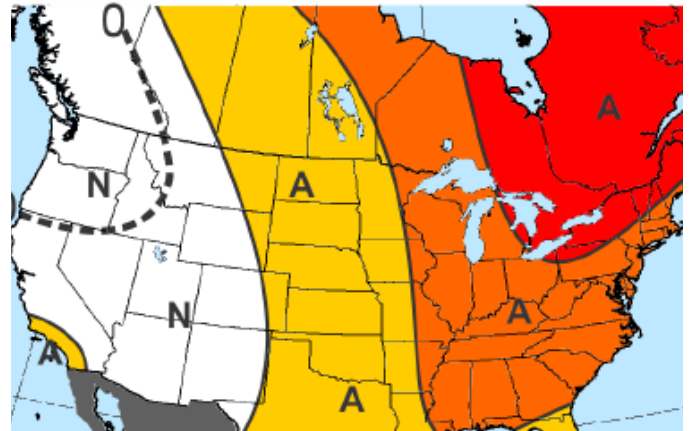
Maxar's final 30-Day look at December underwent a mix of changes, trending warmer in the West and Central US while colder trends were noted in the South and Mid-Atlantic. The overall picture is not typical of a La Nina,

instead gleaming influence from an early-month +PNA (Pacific/North American) pattern and an expected steady +AO (Arctic Oscillation). The stratospheric polar vortex is expected to be strong early on but may weaken by mid-month. This may allow other subseasonal forcing such as the MJO (Madden-Julian Oscillation) to gain more influence. If the MJO is a standing wave in Phases 3-4 as expected, this favors a continued warm response into the latter part of the month. Maxar currently indicates that Alberta will see a +3.0°F to +5.0°F departure from average 1981-2010 normal temperatures in the month of December.

December 2020



January 2021



Industry News

November 2020 was one of the windiest months on record in Alberta from a generation perspective, with only three days of the month coming in below 600MW for average daily wind generation.

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