

TC Energy Power Market update.

Forward prices table (indicative as of June 4, 2021)

	Flat 7x24 (\$/MWh)	AB - 7x16 On Peak (\$/MWh)	AB - 7x8 Off-Peak (\$/MWh)	AECO Gas (\$/GJ)	Heat Rate
BOM	\$74.00	\$80.25	\$43.66	\$2.98	24.83221
BOY	\$80.75	\$98.50	\$42.08	\$2.99	27.00669
July	\$90.50	\$112.00	\$43.00	\$2.98	30.36913
2022	\$65.00	\$79.12	\$36.06	\$2.59	25.09653
2023	\$55.00	\$65.49	\$33.24	\$2.37	23.20675
2024	\$50.75	\$59.13	\$33.25	\$2.36	21.50424

All prices are indicative as of June 4, 2021. 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 – May 2021

May 2021 settled at \$85.38/MWh, representing a 224% increase from May 2020's settle of \$26.38/MWh and a 3% decrease from last month's settle of \$87.99/MWh. The average price between the on-peak and off-peak for May differed by \$50.61/MWh, resulting in on-peak and off-peak prices of \$102.25/MWh and \$51.65/MWh, respectively. May forwards traded between \$57.50 and \$60.50 per MWh.

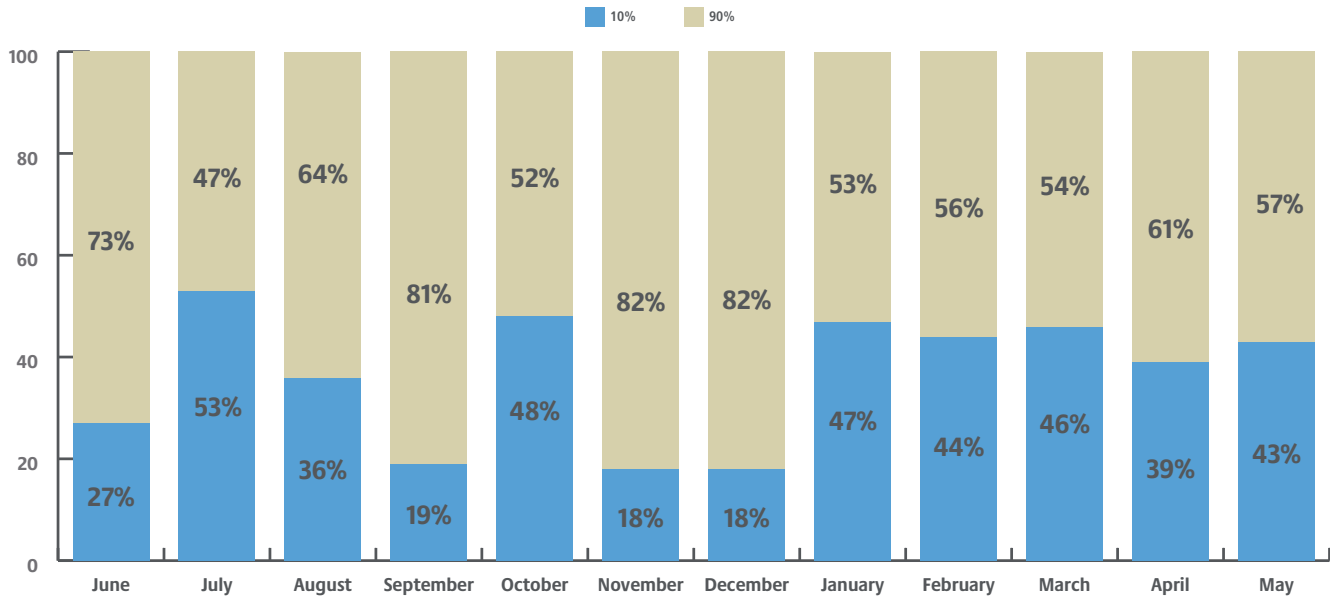
May 2021 had eight triple digit daily settles, occurring May 3rd, 5th, 13th-14th, 16th, 20th and 26th and 31st, ranging from a 'low' of \$103.88/MWh on May 16th to a 'high' of \$238.66/MWh on May 13th. The month saw 106 hours settle above \$100/MWh, with SMP peaking on May 13th HE (hour ending) 20 when it hit \$787.09.

May 13th saw the highest daily average and on-peak prices of \$238.66/MWh and \$328.62/MWh, respectively. These strong prices can be attributed to limited thermal supply due to Shepard's outage and multiple coal units running below their maximum capabilities. Furthermore,

declining wind generation variability and reduced import intertie capacity also put upward pressure on prices. Fourteen hours of the day settled in the triple digits; HE 11-24. May 11th witnessed the highest daily off-peak price settle of \$74.68/MWh, during which HE24 settled at \$278.05/MWh. This hourly price spike can be attributed to a combination of lesser importing activity, low wind generation and Battle River 4 tripping offline.

In comparison, May 28th saw the lowest average, on-peak and off-peak settles of \$34.46/MWh, \$33.84/MWh and \$35.69, respectively. These low hourly settles were the result of strong and consistent wind generation, averaging 1,380 MW for the day and peaking at 1,689 MW, along with a higher coal availability with the return of Keephills 2 from outage.

Hours contributing to monthly average price



The top 10% of high-priced hours for May averaged \$377.30/MWh, contributing 43% to the monthly settle while the bottom 90% of hours averaged \$54.11/MWh.

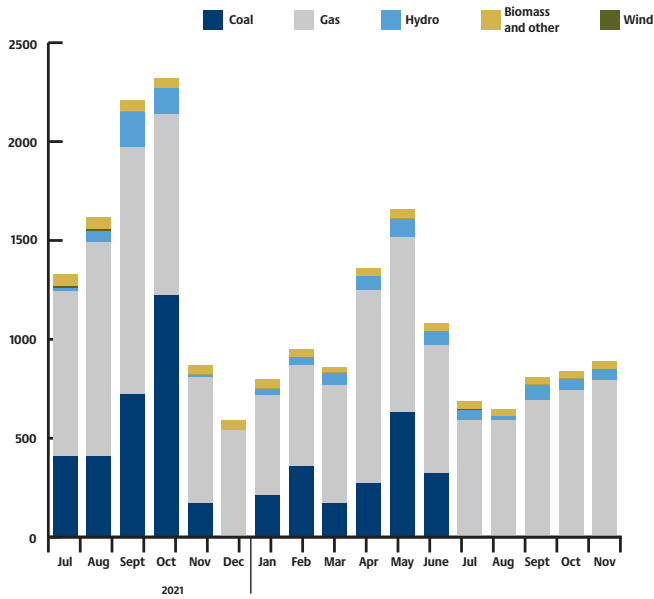
Average Alberta Internal Load (AIL) for the month was 8,961MW, with hourly peak load hitting 9,894MW on May 31st, 2021 HE17. This represents a 5% increase from May 2020's average AIL of 8,504MW and a 7.1% decrease from its hourly peak load of 9,239MW.

The weighted average temperature across the province for May was 10.03°C representing a 0.27°C decrease from last May when the average was 10.31°C. May 2021 temperatures in Alberta ranged from a high of 31°C in Medicine Hat on May 17th HE17 - HE18 to low of -7°C seen in Edmonton on May 3rd HE7.

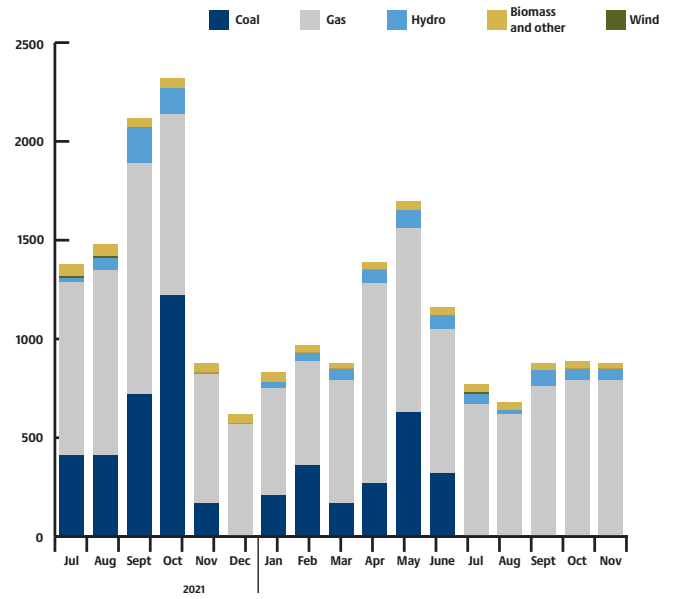
Monthly outages

Since last month's outage report, there have been noteworthy increases gas outages. Gas outages increased by 140MW in August 2021 and 80MW in September 2021.

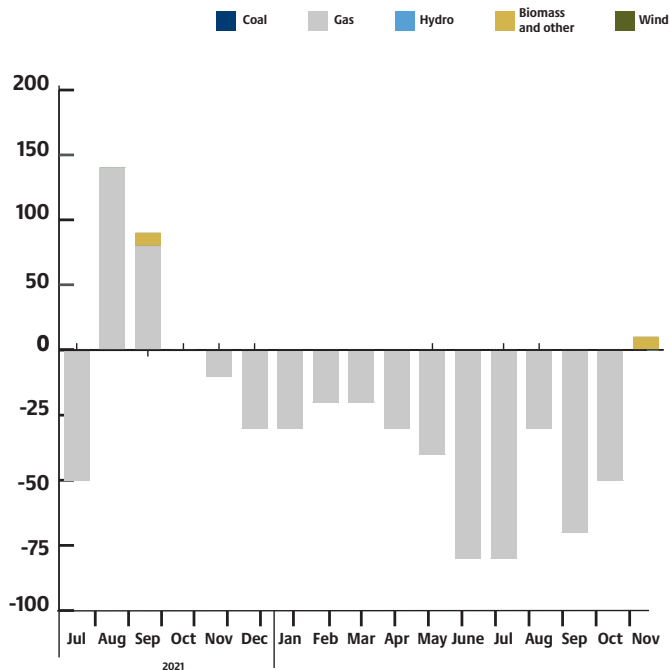
AESO monthly outages (as of June 2021)



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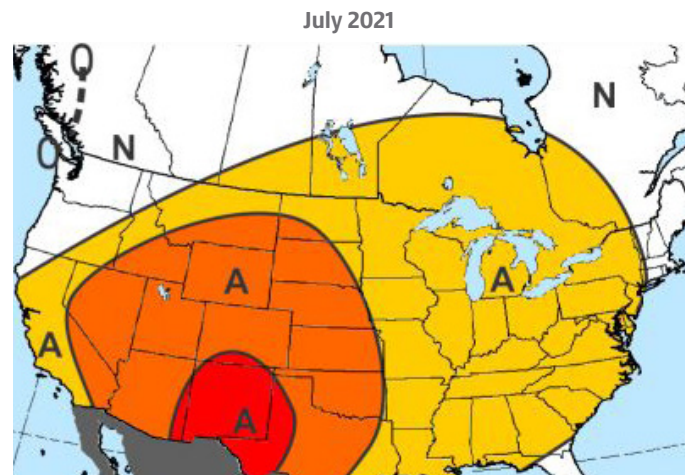
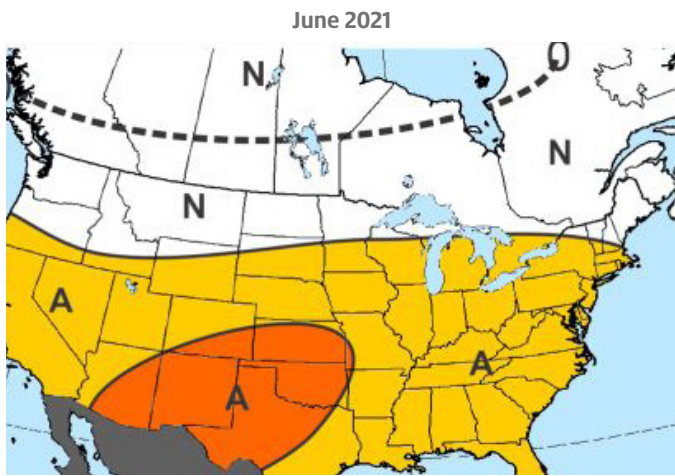
Month-over-month change in outages (June 2021 over May 2021)



Maxar’s 30-60 day outlook

Our final pre-month outlook for May undergoes warmer detail changes, with aboves spread across most of the US. These changes come as widespread above normal temperatures are now forecast early in the month, driven in part by the -GLAAM (Global Atmospheric Angular Momentum Index) and an expected resulting -PNA (Pacific/North American) pattern of troughing over the Northwest and ridging over the eastern half. There may also be some enhancement of heat in the Southwest due to the ongoing drought. The forecast loses 31 TDDs (Total Degree Days) versus last week—despite trending warmer, PWCDDs (Population-Weighted Cooling Degree Days) are lower than the previous outlook as the warmest anomalies are expected to be seen early in the month when PWCDDs are lower climatologically.

June remains unchanged, with a broad coverage of aboves across most of the US with the hottest anomalies favoring the Interior West to Plains. The forecast of 260 PWCDDs would rank 12th-hottest since 1950, though it is near the 10-year normal given the recent trend of hot Junes. Influences include the +AMO (Atlantic Multidecadal Oscillation) and warm west-tropical Pacific waters, which may continue to elicit a La Niña-like response even as ENSO (El Niño Southern Oscillation) trends to neutral. Near-record drought remains a hotter influence in the Southwest. The CFS (Climate Forecast System) supports broad aboves, and is additionally hotter in the Northeast and Northwest while cooler in the northern Rockies.



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