

TC Energy Power Market update.

Forward prices table (indicative as of September 2, 2021)

	Flat 7x24 (\$/MWh)	AB - 7x16 On Peak (\$/MWh)	AB - 7x8 Off-Peak (\$/MWh)	AECO Gas (\$/GJ)	Heat Rate
BOM	\$79.50	\$97.50	\$43.50	\$2.25	35.33333
BOY	\$83.50	\$101.50	\$47.13	\$4.44	18.80631
Oct	\$86.75	\$104.88	\$47.50	\$4.16	20.85337
2022	\$75.25	\$91.79	\$42.11	\$3.27	23.01223
2023	\$63.25	\$77.31	\$35.11	\$2.78	22.75180
2024	\$53.00	\$62.50	\$34.00	\$2.60	20.38462

All prices are indicative as of September 2, 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 – August 2021

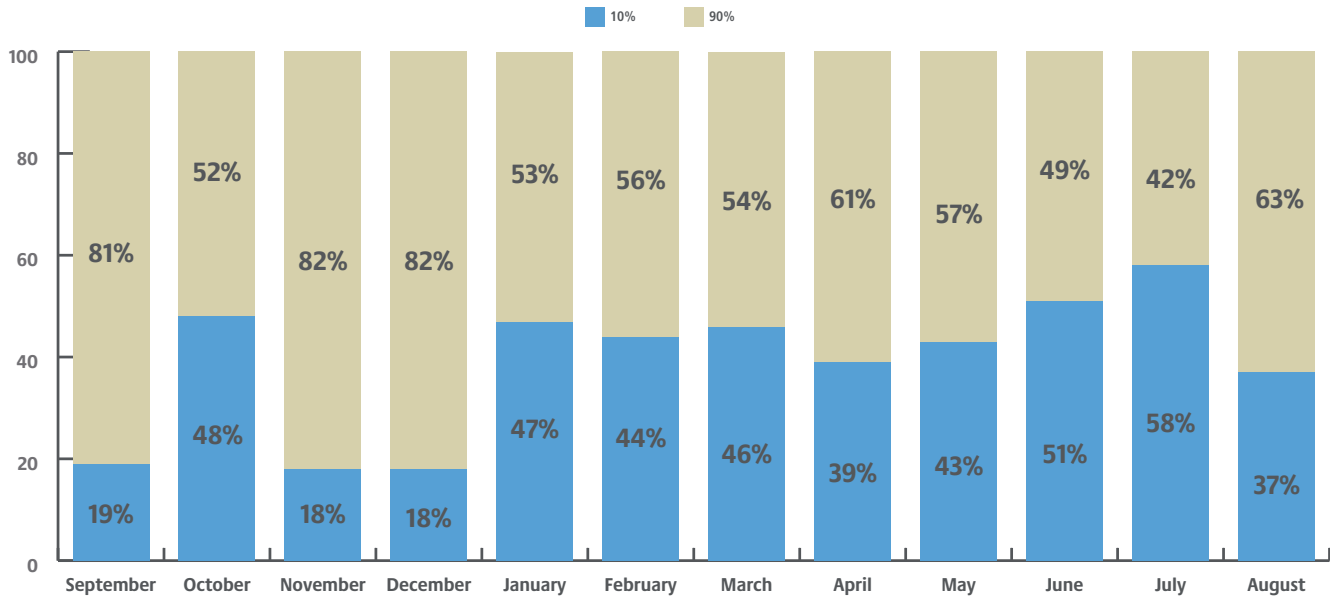
August 2021 settled at \$82.86/MWh, representing a 102% increase from August 2020's settle of \$41.05/MWh and a 33% decrease from last month's settle of \$124.10/MWh. The average price between the on-peak and off-peak for August differed by \$38/MWh, resulting in on-peak and off-peak prices of \$94.93/MWh and \$56.92/MWh, respectively. August forwards traded between \$98.75 and \$120.50 per MWh.

August 2021 had six triple digit daily settles, occurring August 3rd-5th, August 12th-13th, and August 30th, ranging from a 'low' of \$142.53/MWh on August 12th to a 'high' of \$248.04/MWh on August 5th. The month saw 94 hours settle above \$100/MWh, with the SMP peaking on August 4th HE (hour ending) 18 when it hit \$938.21.

August 5th saw the highest daily average and on-peak prices of \$248.04/MWh and \$335.19/MWh, respectively. Hot temperatures in the province provided support for a peak load of 10,778 MW on this day. Furthermore, thermal fleet outages and derates totaling close to 3,500 MW, minimal wind generation and strong ATC (Available Transfer Capability) import constraints all contributed as factors for this strong pricing event. August 16th saw the highest daily off-peak price of \$100.86. The main market factor appears to be rapidly decreasing wind generation, dropping from 1,400 MW at the beginning of the off-peak to 108 MW by the end.

In comparison, August 22nd saw the lowest average and on-peak settles at \$37.21/MWh and \$32.08/MWh, respectively, whereas August 11th saw the lowest off-peak settle of \$29.58/MWh. These low hourly settles were a result of robust wind generation reaching 1,329 MWs on August 11th and 1,165 MWs on August 22nd, along with a weak demand profile averaging 8,685 MW on August 11th and 8,976 MW on August 22nd.

Hours contributing to monthly average price



The top 10% of high-priced hours for August averaged \$308.88/MWh, contributing 37% to the monthly settle, while the bottom 90% of hours averaged \$57.65/MWh.

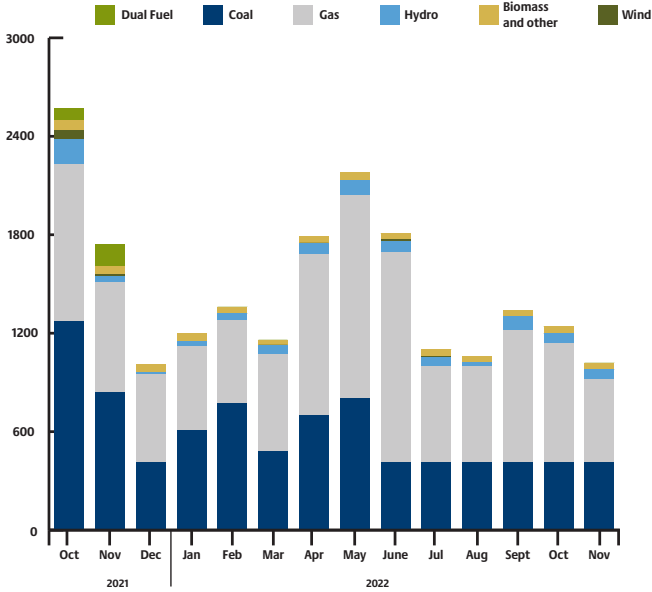
Average Alberta Internal Load (AIL) for the month was 9,297 MW, with hourly peak load hitting 11,023 MW on August 3rd, HE17. This represents a 3.6% increase from August 2020's average AIL of 8,971 MW and a 5.7% increase from its hourly peak load of 10,430 MW.

The weighted average temperature across the province for August was 16.9°C representing a 0.14°C decrease from last August when the average was 17.03°C. August 2021 temperatures in Alberta ranged from a high of 37°C in Medicine Hat on August 1st HE 16-18 to a low of 2°C seen in Fort McMurray on August 21st HE 5-7, Red Deer on August 18th HE 7, and Grand Prairie on August 24th HE 7-9.

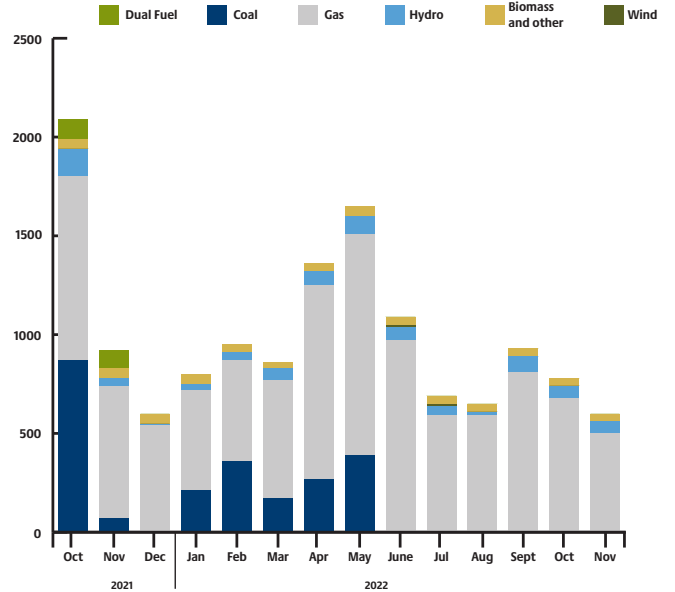
Monthly outages

Since last month's outage report, there have been noteworthy increase in both coal and gas outages. Gas outages increased by 120 MW and 310 MW in May 2022 and June 2022, respectively. Coal outages also saw a monthly increase of 410 MW through November 2022.

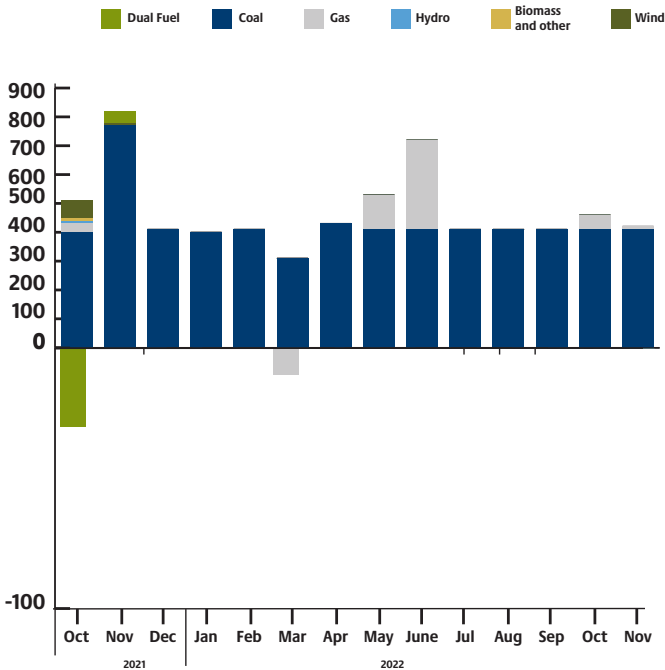
AESO monthly outages (as of September 2021)



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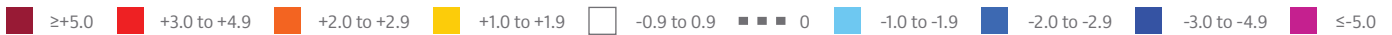
Month-over-month change in outages (September 2021 over August 2021)



Maxar's 30-60 day outlook

Maxar's final 30 Day outlook for September undergoes warmer changes versus the previous with widespread aboves forecast from the West to Midwest, while near normal temperatures remain favored in the South and East. The forecast of 205 PWCDDs (Population-Weighted Cooling Degree Days) would rank 9th-highest since 1950. The forecast for the first half of the month features a broad coverage of aboves, being warmest relative to normal in the drought-afflicted West. Aboves are forecast to become more central US-based heading into the latter part of the month. Tropical activity in the Atlantic and western Pacific remain an unknown influence in this lead time, limiting confidence.

No changes are made to the October outlook, continuing to favor above normal temperatures from the Southwest to north-central and near normal temperatures in the South and East. The forecast is based on influences from warm sea surface temperatures in the Atlantic (+AMO) and west-tropical Pacific as well as the redeveloping La Niña. That said, La Niña does correlate warmer in the mid-continent which may be a risk to the forecast. A composite of the last 20 runs of the CFS model shows good agreement with our forecast in shape, but with greater intensity of aboves in the West and some coverage of aboves into the Northeast.



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