

TC Energy Power Market update.

Forward prices table (indicative as of November 1st, 2022)

	Flat 7x24 (\$/MWh)	AB - 7x16 On Peak (\$/MWh)	AB - 7x8 Off-Peak (\$/MWh)	AECO Gas (\$/GJ)	Heat Rate
BoM	\$200.00	\$239.61	\$120.78	\$5.33	37.52345
BoY	\$205.59	\$246.92	\$122.92	\$5.48	37.51642
December	\$211.00	\$254.00	\$125.00	\$5.62	37.54448
2023	\$122.36	\$147.74	\$67.73	\$4.32	28.32407
2024	\$82.75	\$107.13	\$34.00	\$4.01	20.63591
2025	\$76.75	\$98.25	\$33.75	\$4.15	18.49398

All prices are indicative as of November 1st, 2022. 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 2022

October 2022 settled at \$142.34/MWh, representing an 48% increase from October 2021's settle of \$96.35/MWh, and an 47% decrease from last month's settle of \$266.39/MWh. The maximum pool price was \$976.60/MWh, compared to \$999.99/MWh in September. The average price between the on-peak and off-peak for October differed by \$58.53/MWh, resulting in on-peak and off-peak prices of \$161.85/MWh and \$103.32/MWh, respectively. October forwards traded between \$149.50 and \$200, 30 days preceding the month.

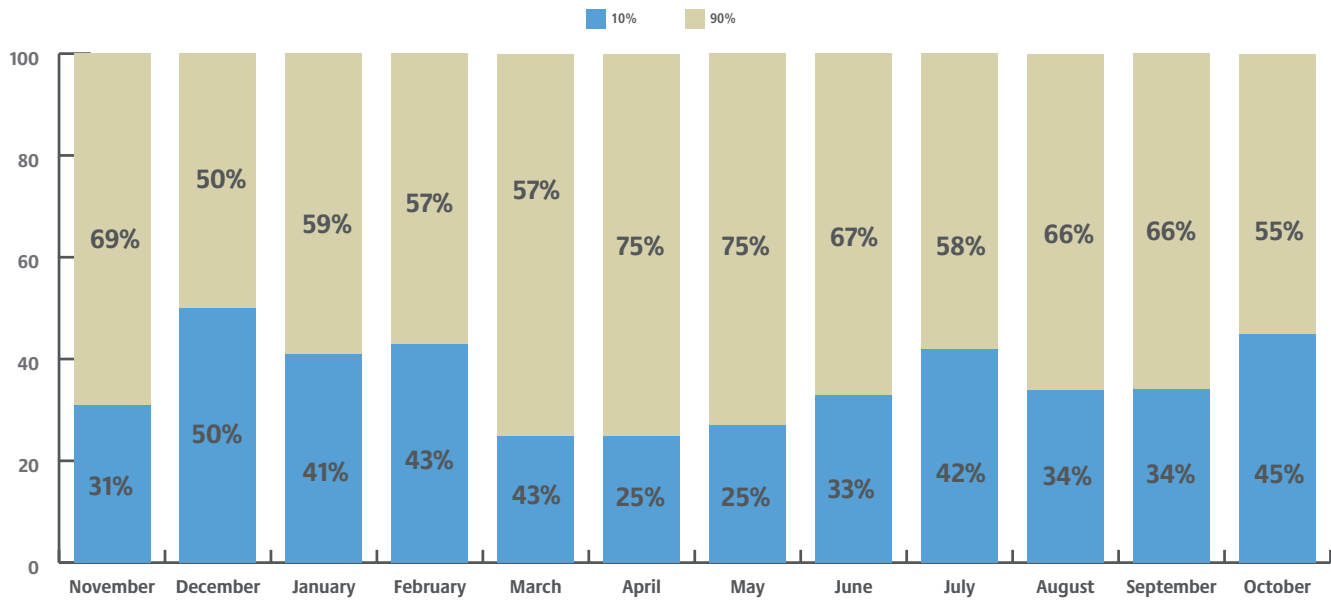
October 2022 had 15 triple digit daily settles, occurring on October 1st-7th 13th-14th, 16th-18th, and 31st, ranging from a 'low' of \$101.99/MWh on October 20th to a 'high' of \$501.78/MWh on October 3rd. The month saw 225 hours settle above \$100/MWh, with the SMP peaking on October 6th HE 8, when it reached \$976.60/MWh. A breakdown of the influential factors that contributed to these high-priced days are as follows.

Half of October days settled in the triple digits, including the first seven days of the month, which overlapped with the Path 1 Intertie outage. This BC/MATL intertie outage islanded the province and prevented the flow of imports through

October 6th HE 20. Wind generation during this period was also lower than average for the month, with its capacity factor at 11% for the first week of October, compared to 29% for the entire month. Lastly, thermal availability was lower due to multiple large thermal outages, such as Genesee 3. October 3rd saw the highest daily average, on-peak, and off-peak price settles of \$501.78/MWh, \$580.07/MWh, and \$345.21/MWh, respectively.

The latter half of October saw lower settles, as even the triple digits settles were in the low- to mid-\$100s. The completion of the intertie outage and its subsequent flood of imports, along with increased wind generation and softer load created bearish fundamentals in the province for several consecutive days. Double digit prices settles were observed from October 8th-12th and October 22nd-30th. October 24th saw the lowest average and on-peak price settles of \$36.73/MWh and \$34.15/MWh, respectively, whereas October 28th saw the lowest off-peak price settle of \$29.15/MWh. On these days, wind generation capacity factor was at 55% and 62%, respectively.

Hours contributing to monthly average price



The top 10% of high-priced hours for October averaged \$624.31/MWh, contributing 55% to the monthly settle, while the bottom 90% of hours averaged \$87.12/MWh.

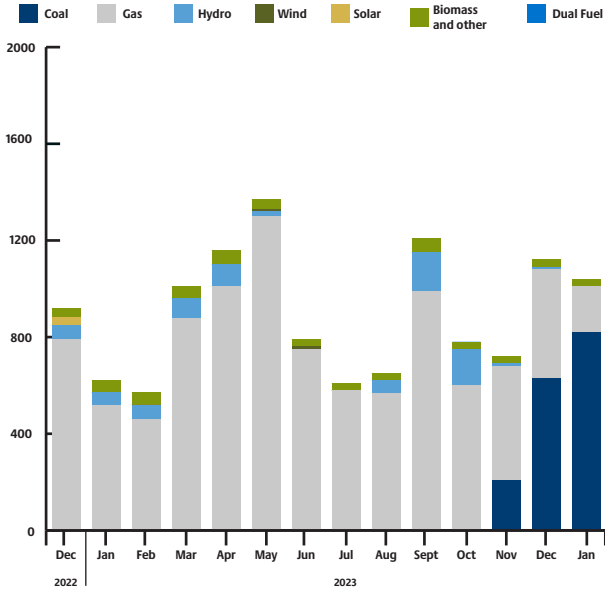
Average Alberta Internal Load (AIL) for the month was 9,468 MW, with hourly peak load hitting 10,155 MW on October 17th HE 16. This represents a 0.2% increase from October 2021's average AIL of 9,453 MW and an 1% decrease from its hourly peak load of 10,256 MW.

The weighted average temperature across the province for October was 7.98°C representing a 2.93°C increase from last October when the average was 5.05°C. October 2022 temperatures in Alberta ranged from a high of 26°C in Lethbridge and Medicine Hat on October 19th HE 16-17 to a low of -8°C seen in Red Deer on October 26th HE 5 and in Edmonton on October 26th HE 4.

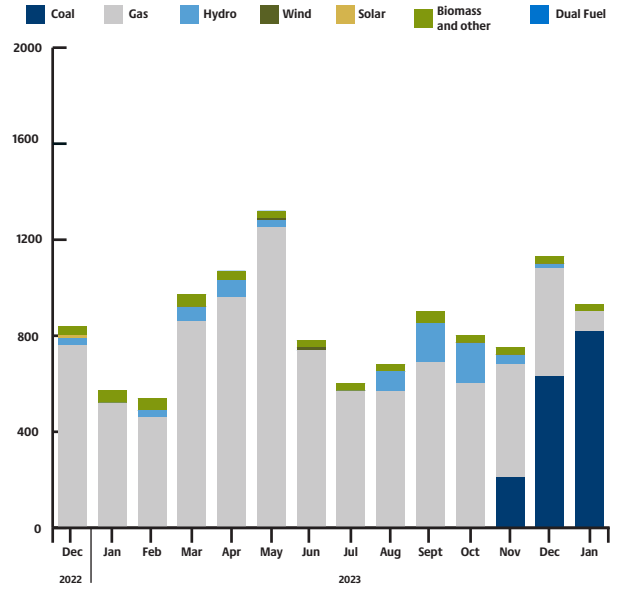
Monthly outages

Since last month's outage report, there has been noteworthy changes in gas. Gas outages increased by 300 MW in September 2023 and by 110 MW in January 2024.

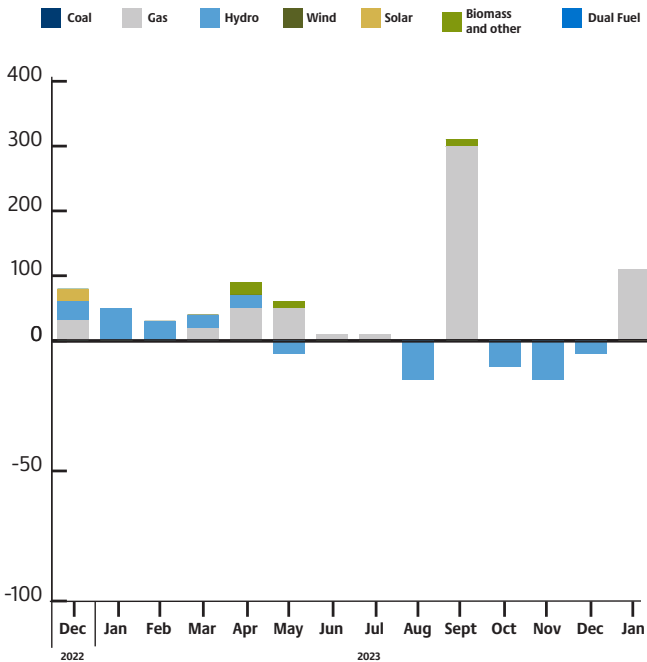
AESO monthly outages (as of November 2022)



AESO monthly outages (October 2022)



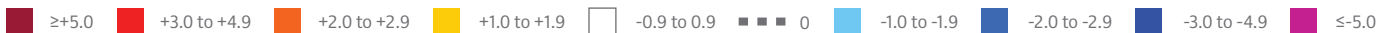
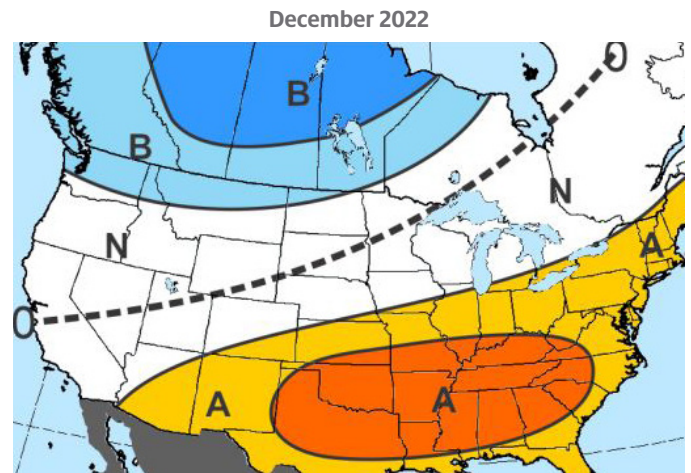
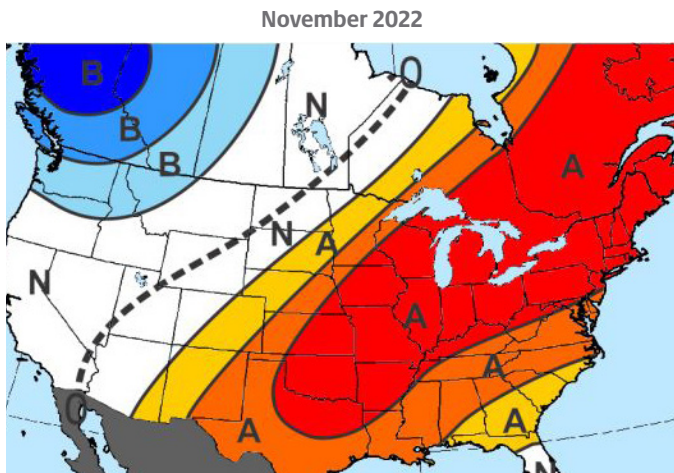
Month-over-month change in outages (November 2022 over October 2022)



Maxar's 30-60 day outlook

Maxar's final 30-Day outlook for November undergoes a mix of changes, trending much warmer across the eastern half and colder in the West. The net result yields a total of 495 GWHDDs (Gas-Weighted Heating Degree Days), ranking 8th-warmest since 1950. The first half of the month is expected to feature widespread above to much above normal temperatures across the Eastern half and belows in the West, transitioning from a +EPO (Eastern Pacific Oscillation) to a -PNA (Pacific/North American). Warmth remains favored across the eastern half in the latter part of the month as well, influenced by longer-term oceanic signals such as -PDO (Pacific Decadal Oscillation) and +AMO (Atlantic Multidecadal Oscillation). The Euro weeklies model suggests further warm risk—when added to our 15-day forecast, it yields a monthly total of 478 GWHDDs.

December remains unchanged with aboves from Texas to the Midwest, South, and East while belows are restricted to the Northwest and Canada. This is a pattern fairly typical of La Niña and -PDO. Risks would be colder were Arctic blocking to develop, as occurred in December La Niñas of 2000 (1068 GWHDDs) and 2010 (943 GWHDDs). That said, the anticipation is for a lack of blocking per influences from the +QBO and warm west-tropical Pacific waters. A composite of the 20 most recent CFS (Climate Forecast Model) models is warmer than our outlook, projecting aboves for almost the entire US with the warmest anomalies focused over the Central US.



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