

## TC Energy Power Market update.

### Forward prices table (indicative as of September 30<sup>th</sup>, 2022)

	Flat 7x24 (\$/MWh)	AB - 7x16 On Peak (\$/MWh)	AB - 7x8 Off-Peak (\$/MWh)	AECO Gas (\$/GJ)	Heat Rate
<b>BoM</b>	<b>\$192.00</b>	<b>\$240.50</b>	<b>\$95.00</b>	<b>\$4.38</b>	<b>43.86767</b>
<b>BoY</b>	<b>\$175.08</b>	<b>\$213.17</b>	<b>\$99.01</b>	<b>\$5.28</b>	<b>33.18926</b>
<b>November</b>	<b>\$157.25</b>	<b>\$193.53</b>	<b>\$85.00</b>	<b>\$5.52</b>	<b>28.50229</b>
<b>2023</b>	<b>\$113.32</b>	<b>\$136.12</b>	<b>\$67.73</b>	<b>\$4.67</b>	<b>24.25047</b>
<b>2024</b>	<b>\$82.25</b>	<b>\$106.38</b>	<b>\$34.00</b>	<b>\$4.29</b>	<b>19.15330</b>
<b>2025</b>	<b>\$76.00</b>	<b>\$97.13</b>	<b>\$33.75</b>	<b>\$4.44</b>	<b>17.12059</b>

All prices are indicative as of September 30<sup>th</sup>, 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 – September 2022

September 2022 settled at \$266.39/MWh, representing an 182% increase from September 2021's settle of \$94.45/MWh, and an 3% increase from last month's settle of \$257.75/MWh. The maximum pool price was \$999.99/MWh, compared to \$993.98/MWh in August. The average price between the on-peak and off-peak for September differed by \$184.81/MWh, resulting in on-peak and off-peak prices of \$327.99/MWh and \$143.19/MWh, respectively. September forwards traded between \$125.75 and \$147, 30 days preceding the month.

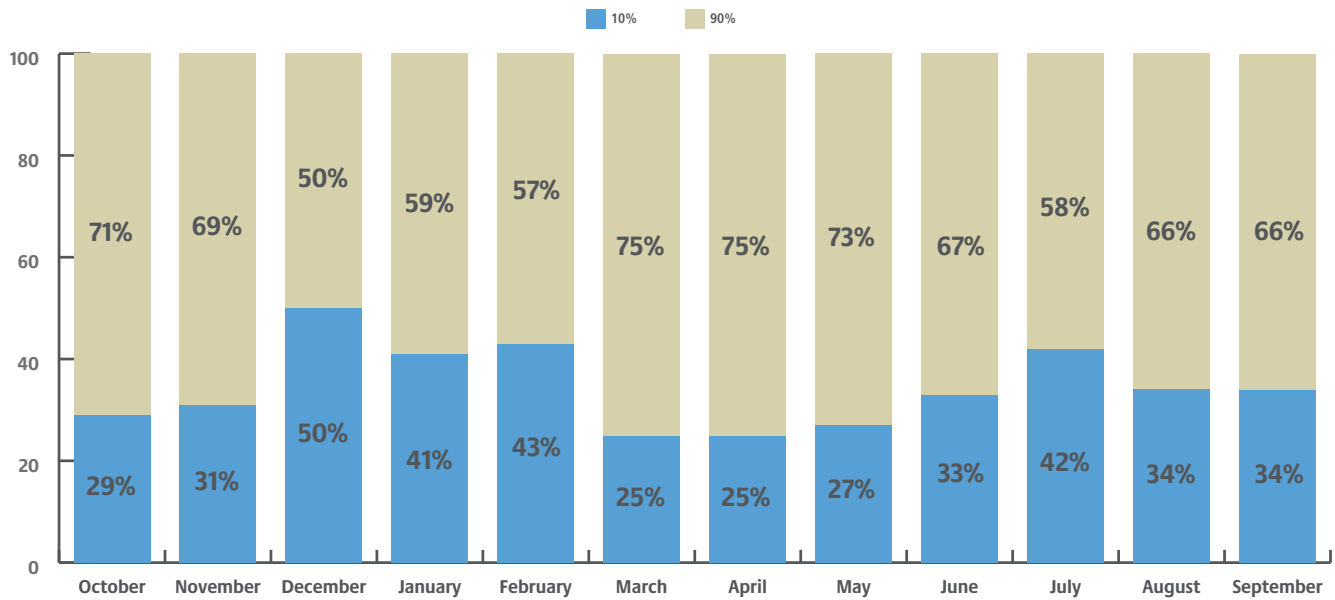
September 2022 had 27 triple digit daily settles, occurring on all days of the month except for September 5<sup>th</sup>, 11<sup>th</sup>, and 23<sup>rd</sup>, ranging from a 'low' of \$106.39/MWh on September 29<sup>th</sup> to a 'high' of \$761.72/MWh on September 14<sup>th</sup>. The month saw 369 hours settle above \$100/MWh, with the SMP peaking on September 27<sup>th</sup> HE 19-21 and September 28<sup>th</sup> HE 16-17, when it reached the market cap of \$999.99/MWh.

Most days in September settled in the triple digits, similarly to August, which were driven by comparable fundamentals from the previous month along with lower thermal availability and intertie outages. The heat wave observed in the summer continued into September, which

contributed to the robust load profile for the month, reaching a peak demand of 10,754 MW or 8.3% higher than the previous year. Renewable generation remained low, as the monthly average capacity factor for wind and solar came in at approximately 28% and 18%, respectively. Gas availability was approximately 71% for the month compared to 77% in August. Lastly, all three interties saw considerable constraints throughout the month, and the BC/MATL went on outage at the end of the month, limiting majority of the imports that flow into the province.

September 14<sup>th</sup> saw the highest daily average, on-peak and off-peak price settles of \$761.72/MWh, \$786.66/MWh, and \$711.84/MWh, respectively. These prices were a result of the fundamentals previously mentioned and a Shepard derate during the day (~400 MW), which put further upward pressure on prices. Conversely, September 23<sup>rd</sup> saw the lowest average and on-peak price settles of \$60.03/MWh and \$61.76/MWh, respectively, whereas September 11<sup>th</sup> saw the lowest off-peak price settle of \$33.73/MWh. These lower prices were a result of softer load and higher than average wind generation, peaking above 1,800 MW.

### Hours contributing to monthly average price



The top 10% of high-priced hours for September averaged \$897.35/MWh, contributing 34% to the monthly settle, while the bottom 90% of hours averaged \$196.28/MWh.

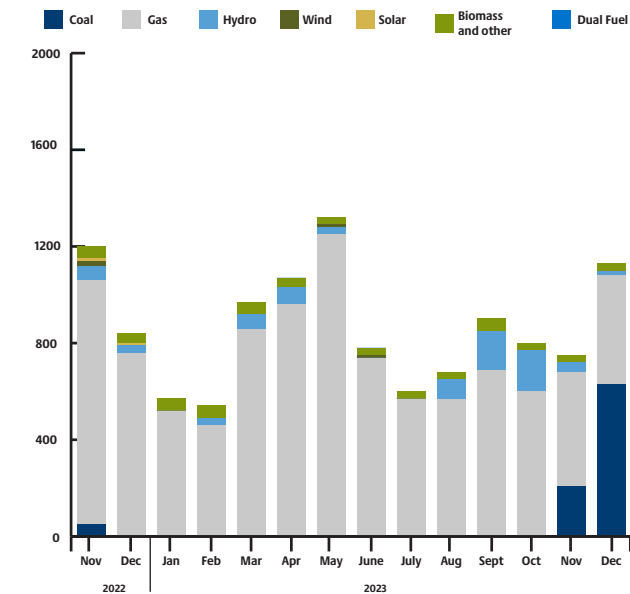
Average Alberta Internal Load (AIL) for the month was 9,382 MW, with hourly peak load hitting 10,754 MW on September 2<sup>nd</sup> HE 18. This represents a 4.1% increase from September 2021's average AIL of 9,015 MW and an 8.3% increase from its hourly peak load of 9,927 MW.

The weighted average temperature across the province for September was 14.25°C representing a 1.52°C increase from last September when the average was 12.74°C. September 2022 temperatures in Alberta ranged from a high of 38°C in Medicine Hat on September 3<sup>rd</sup> HE 17-18 to a low of -3°C seen in Lethbridge on September 21<sup>st</sup> HE 3.

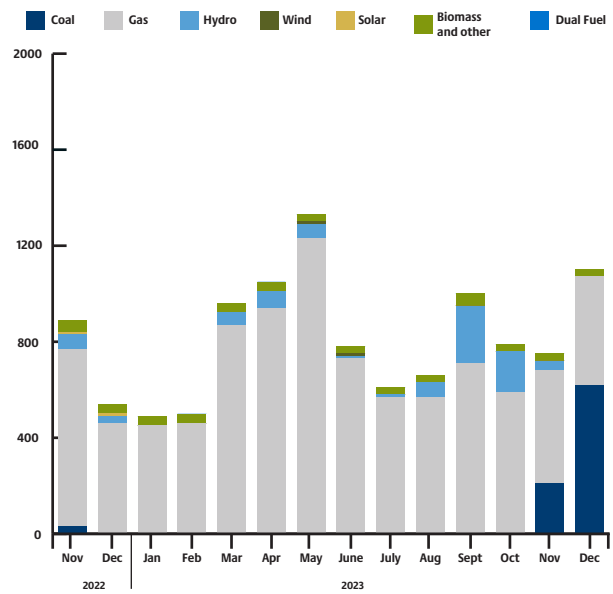
# Monthly outages

Since last month's outage report, there has been noteworthy changes in gas. Gas outages increased by 270 MW in November 2022 and by 300 MW in December 2022.

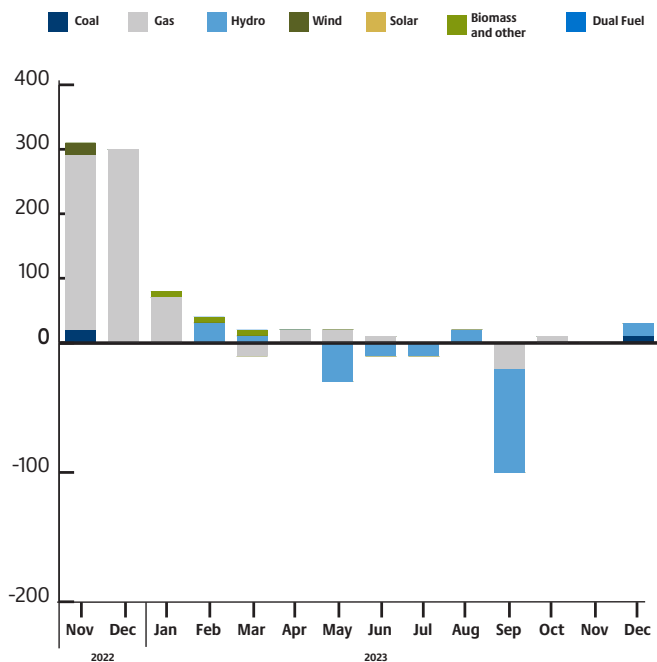
AESO monthly outages (as of October 2022)



AESO monthly outages (September 2022)



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

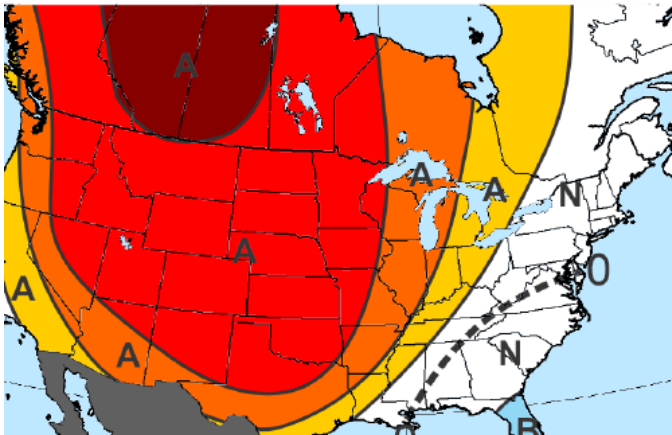


## Maxar's 30-60 day outlook

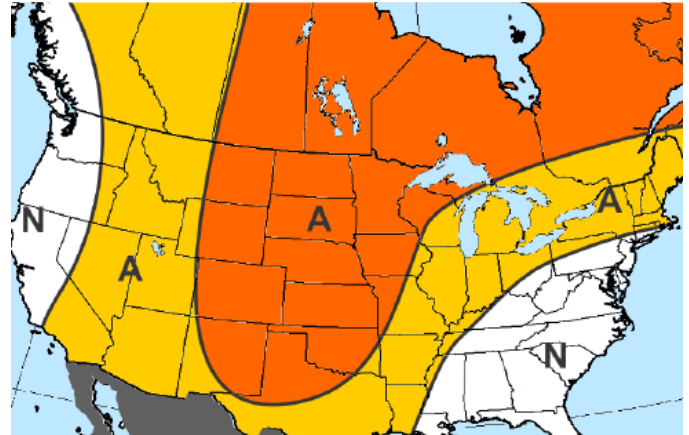
Maxar's pre-month view for October undergoes some significant warmer changes across the western 2/3 of the US while trending cooler in the South and East. The result is a forecast of 225 GWHDDs (Gas-Weighted Heating Degree Days), ranking 7th-warmest since 1950 but still cooler than last year's 2nd-ranked 187. The changes come amid what is expected to be a very warm first half of the month in the western and central US amid a +WPO (Western Pacific Oscillation) pattern with mild Pacific flow. Heading into the latter part of the month, a similar pattern is expected to persist, favored by long term signals including the -PDO (Pacific Decadal Oscillation) and La Niña. Confidence is limited by uncertainty surrounding the Atlantic and West Pacific tropics.

November remains unchanged with widespread above normal temperatures from the Interior West to the Plains, Midwest, and Northeast. The warmest anomalies are focused over the Rockies and Plains. The forecast derives influences from sea surface temperature indicators including La Niña, the Atlantic +AMO (Atlantic Multidecadal Oscillation), North Pacific -PDO, and warm western-tropical Pacific waters, with the +AMO in particular carrying a close correlation to the expected pattern. A composite of the 20 most recent CFS (Climate Forecast System) model runs agrees with a generally warm outlook but has greater coverage and intensity of aboves than our forecast in the West.

October 2022



November 2022



## Contact us

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