



## TC Energy Power Market update.

### Forward prices table (indicative as of September 6<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>\$131.63</b>	<b>\$160.56</b>	<b>\$73.76</b>	<b>\$3.80</b>	<b>34.63947</b>
<b>BoY</b>	<b>\$145.58</b>	<b>\$175.34</b>	<b>\$86.17</b>	<b>\$5.74</b>	<b>25.36237</b>
<b>October</b>	<b>\$149.50</b>	<b>\$181.75</b>	<b>\$85.00</b>	<b>\$5.02</b>	<b>29.78088</b>
<b>2023</b>	<b>\$106.78</b>	<b>\$127.86</b>	<b>\$64.62</b>	<b>\$5.31</b>	<b>20.10923</b>
<b>2024</b>	<b>\$79.00</b>	<b>\$101.50</b>	<b>\$34.00</b>	<b>\$4.77</b>	<b>16.56184</b>
<b>2025</b>	<b>\$73.00</b>	<b>\$92.63</b>	<b>\$33.75</b>	<b>\$4.79</b>	<b>15.24008</b>

All prices are indicative as of September 6<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 – August 2022

August 2022 settled at \$257.75/MWh, representing an 213% increase from August 2021's settle of \$82.26/MWh, and an 82% increase from last month's settle of \$141.55/MWh. The maximum pool price was \$993.98/MWh, compared to \$924.07/MWh in July. The average price between the on-peak and off-peak for August differed by \$255.19/MWh, resulting in on-peak and off-peak prices of \$342.81/MWh and \$87.62/MWh, respectively. August forwards traded between \$136 and \$146.76, 30 days preceding the month.

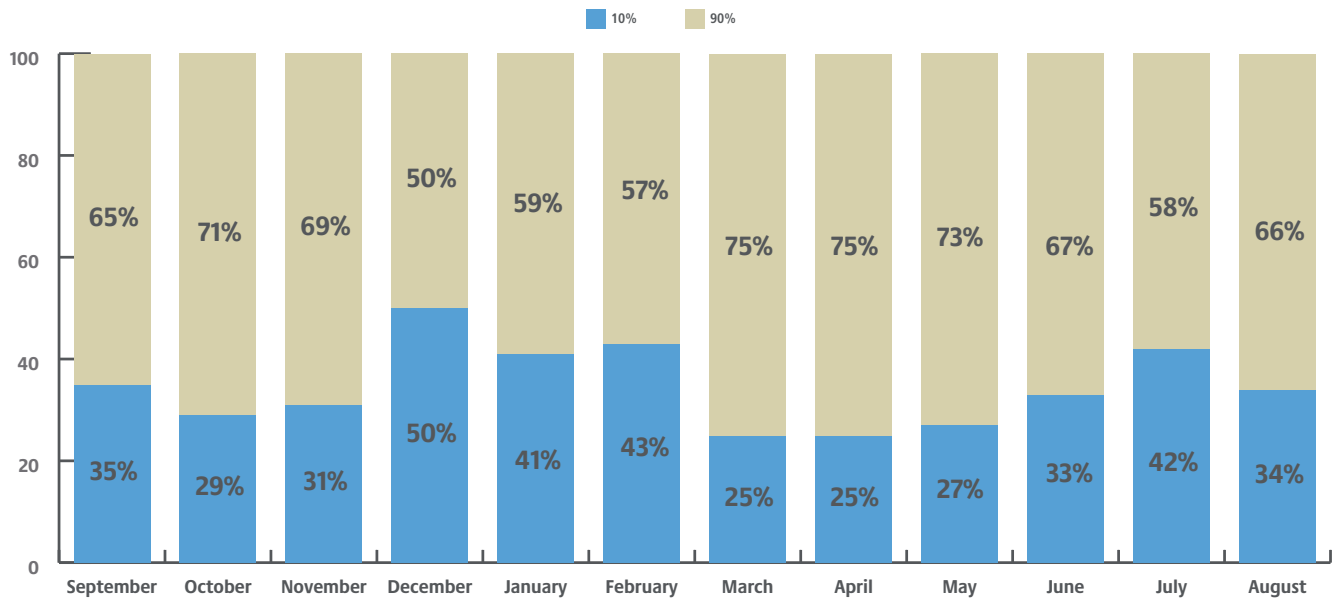
August 2022 had 25 triple digit daily settles, occurring on all days of the month except for August 1-4th, 9th, and the 28th, ranging from a 'low' of \$106.39/MWh on August 5th to a 'high' of \$561.95/MWh on August 31st. The month saw 335 hours settle above \$100/MWh, with the SMP peaking on August 30th HE 18 at \$993.98/MWh.

Since most days of the month settled in the triple digits, it is noteworthy to highlight that high temperatures in province drove a strong load profile for the month, and renewable generation remained low with the monthly average capacity factor for wind and solar at 20% and 24%, respectively. August 31st saw the highest daily average and on-peak price

settles of \$561.95/MWh and \$775.33/MWh, respectively, whereas August 22nd saw the highest daily off-peak price settle of \$199.71/MWh. On August 31st, 11 consecutive hours settled above \$900/MWh, which can be attributed to the fundamentals mentioned above, additionally the Travers outage decreased the solar maximum capability to 44.9%. On August 22nd, a sudden decrease of wind generation and importing activity during the off-peak sparked extreme volatility in the SMP, as prices ranged from \$33.36/MWh to \$531.52/MWh.

In comparison, August 27th saw the lowest average and on-peak price settles of \$33.47/MWh and \$30.45/MWh, respectively, whereas August 28th saw the lowest off-peak price settle of \$24.07/MWh. These low hourly settles on August 27th resulted from softer weekend load, averaging at 9,253 MW for the day (587 MW lower than the monthly average), uncharacteristically strong wind generation peaking just above 1,900 MW during the evening peak, and limited inertia activity. This trend continued into the following day, pushing the SMP to as low as \$0.99/MWh, as load bottomed to 8,139 MW.

### Hours contributing to monthly average price



The top 10% of high-priced hours for August averaged \$890.11/MWh, contributing 34% to the monthly settle, while the bottom 90% of hours averaged \$187.90/MWh.

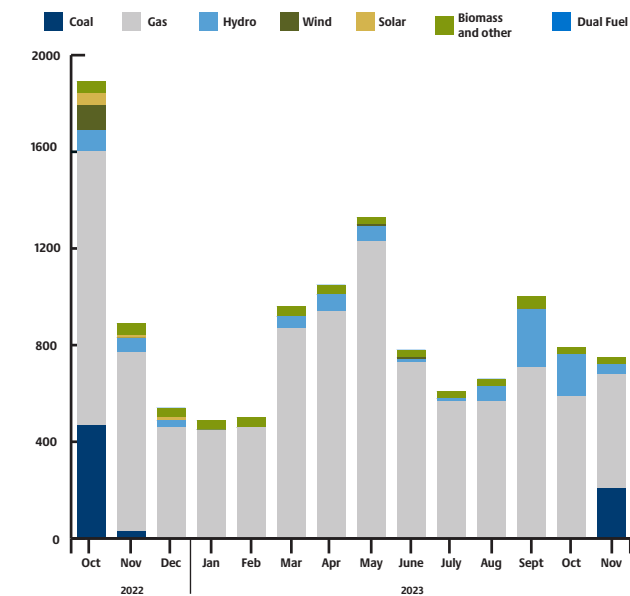
Average Alberta Internal Load (AIL) for the month was 9,840 MW, with hourly peak load hitting 11,202 MW on August 31st HE18. This represents a 5.8% increase from August 2021's average AIL of 9,297 MW and a 1.6% increase from its hourly peak load of 11,023 MW.

The weighted average temperature across the province for August was 19.29°C representing a 2.39°C increase from last August when the average was 16.90°C. August 2022 temperatures in Alberta ranged from a high of 35°C in Lethbridge and Medicine Hat on August 11th HE 17-19 to a low of 4°C seen in Fort McMurray on August 12th HE 7.

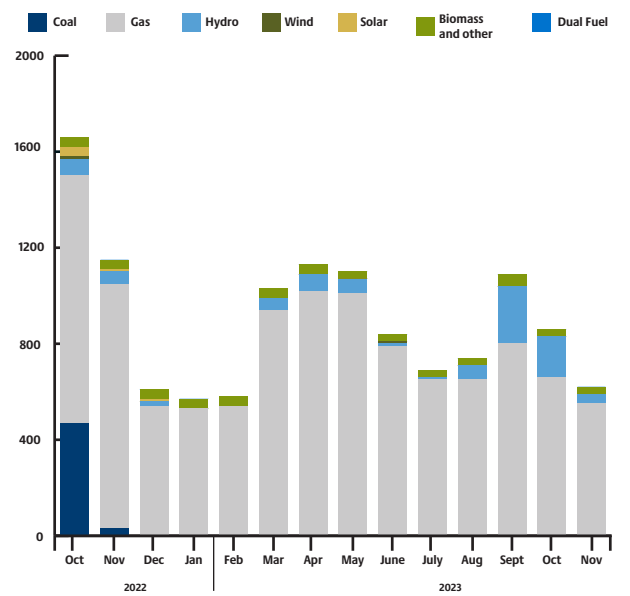
# Monthly outages

Since last month's outage report, there has been noteworthy changes in gas, coal, and wind. Gas outages increased by 100 MW in October 2022 and by 220 MW in May 2023, and decreased by 280 MW in November 2022, and by a range of 70-80 MW from December 2022-April 2023 and June 2023-October 2023. Coal outages saw one notable increase of 210 MW in November 2023. Wind outages increased by 90 MW in October 2022.

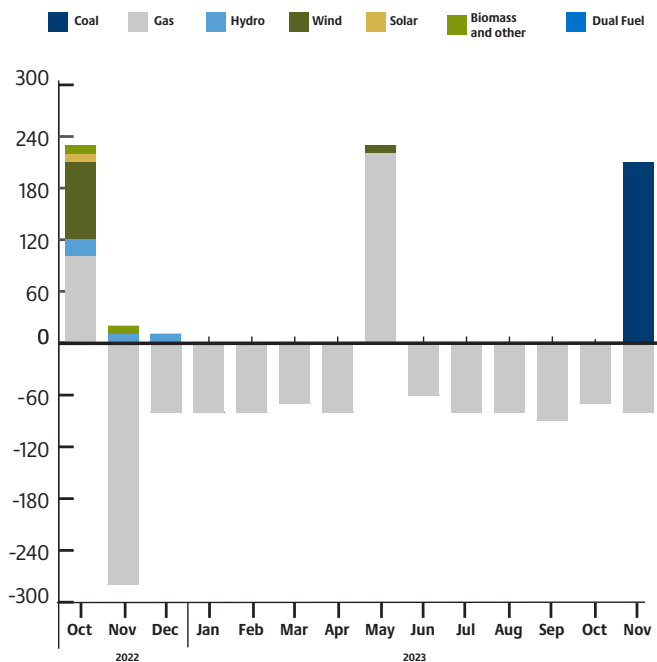
AESO monthly outages (as of September 2022)



AESO monthly outages (August 2022)



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

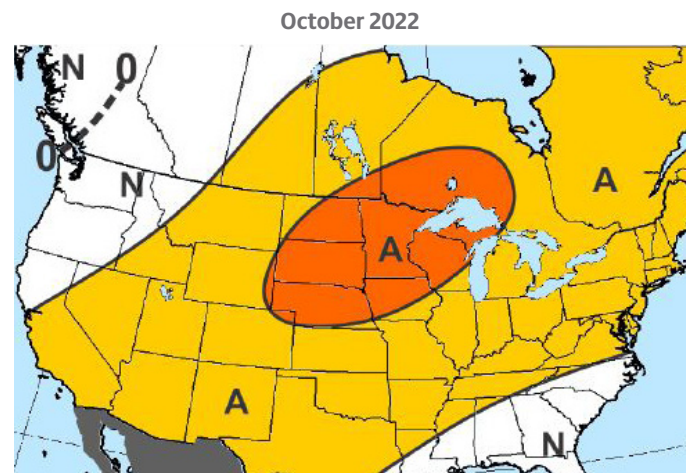
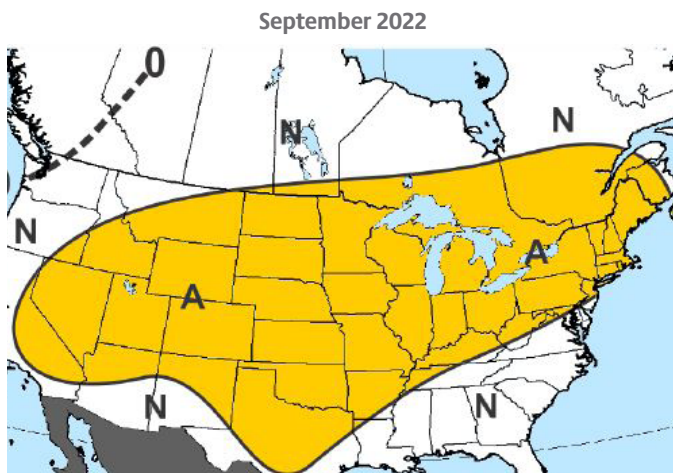


## Maxar's 30-60 day outlook

September remains similar to the past forecast. Forecast drivers include La Niña, warm west-tropical Pacific waters, +AMO (Atlantic Multidecadal Oscillation), -PDO (Pacific Decadal Oscillation), and the ongoing West/Texas drought. The drought may lead to hotter conditions for California and Texas, although it remains to be seen whether wetter conditions for Texas in the latter part of August would be enough to offset that influence. The tropics also remain a point of uncertainty as activity looks to pick up heading into the end of August. The CFS (Climate Forecast System) meanwhile shows a pattern more similar to our medium-range outlook with aboves from the West Coast to northern Plains and belows from the eastern Four Corners to the lower Midwest.

October also remains unchanged, continuing to show a broad coverage of aboves for most of the US with the warmest anomalies focused over the north-central US. The forecast is based on similar sea surface

temperature indicators as mentioned in the September. The -PDO in particular carries a modest warm GWHDD correlation for October. The CFS model supports a warm outlook but differs in the details, having warmer anomalies in the West and Northeast but less aboves in the Midwest and Texas.



## Contact us

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