



TC Energy Power Market update.

Forward prices table (indicative as of June 30th, 2022)

| | Flat 7x24 (\$/MWh) | AB - 7x16 On Peak (\$/MWh) | AB - 7x8 Off-Peak (\$/MWh) | AECO Gas (\$/GJ) | Heat Rate |
|---------------|-----------------------|-------------------------------|-------------------------------|---------------------|-----------------|
| BOM | \$125.00 | \$147.00 | \$81.00 | \$4.61 | 27.11497 |
| BOY | \$124.65 | \$141.88 | \$90.22 | \$4.55 | 27.39560 |
| August | \$135.00 | \$157.38 | \$90.25 | \$4.13 | 32.68765 |
| 2023 | \$95.25 | \$111.12 | \$63.56 | \$4.37 | 21.79634 |
| 2024 | \$69.00 | \$86.50 | \$34.00 | \$4.06 | 16.99507 |
| 2025 | \$65.00 | \$80.63 | \$33.75 | \$4.11 | 15.81509 |

All prices are indicative as of June 30th, 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 – June 2022

June 2022 settled at \$129.08/MWh, representing an 8% decrease from June 2021's settle of \$140.80/MWh, and a 6% increase from last month's settle of \$121.24/MWh. The maximum pool price was \$736.14/MWh, compared to \$737.63/MWh in May. The average price between the on-peak and off-peak for June differed by \$70.75/MWh, resulting in on-peak and off-peak prices of \$152.67/MWh and \$81.92/MWh, respectively. June forwards traded between \$100 and \$115.83, 30 days preceding the month.

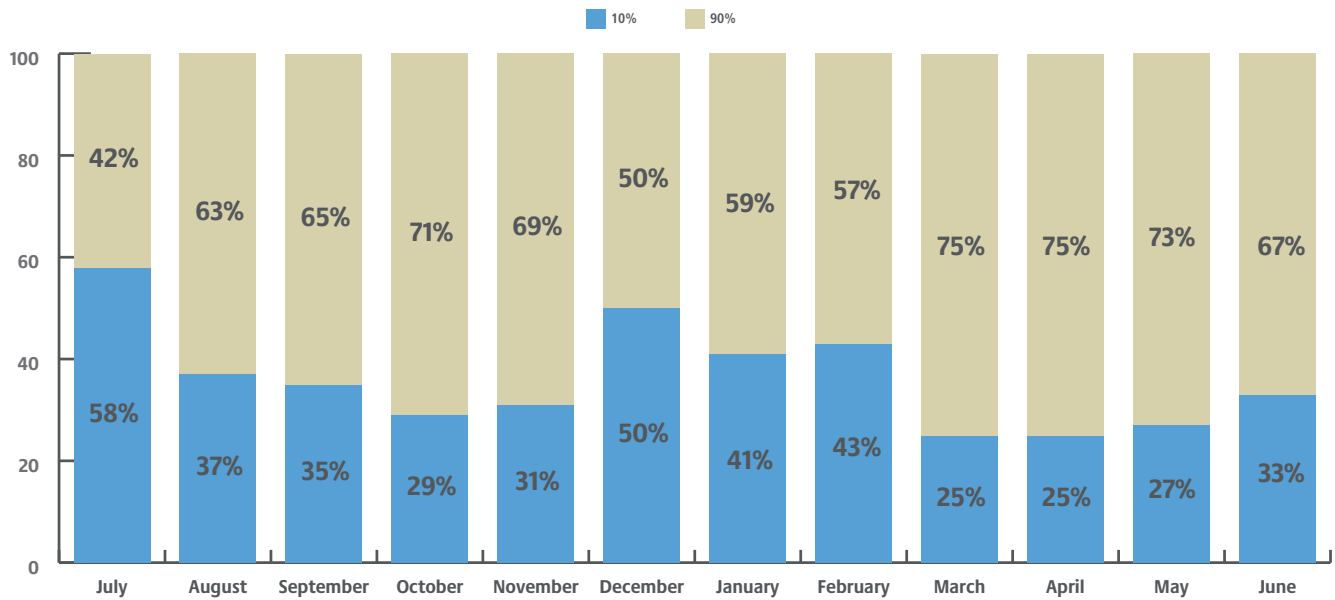
June 2022 had 15 triple digit daily settles, occurring on June 1st-3rd, 6th-8th, 13th, 15th-17th, 21st, 23rd, 27th, and 30th, ranging from a 'low' of \$100.40/MWh on June 13th to a 'high' of \$367.37/MWh on June 16th. The month saw 301 hours settle above \$100/MWh, with the SMP peaking on June 16th HE 13 at \$873.67/MWh.

June 16th saw the highest daily average and on-peak price settles of \$367.37/MWh and \$466.27/MWh, respectively, whereas June 23rd saw the highest daily off-peak price settle of \$207.21/MWh. On June 16th, power prices settled in the triple digit range from HE 6 through HE 22. Main market factors for these prices were load peaking at 9,767 MW

during HE 17, several thermal outages resulting in an average gas availability factor of 70 %, minimal wind generation during the day and average daily capacity factor of 22%. Furthermore, there was a SK intertie outage and constraints of the BC/MATL import intertie, limiting flow of imports into the province. On June 23rd, a sudden and robust decrease of wind generation coupled with several major thermal units offline, maintained prices above \$100/MWh for nearly all off-peak hours, despite a load bottom of 8,598 MW and a fully booked import intertie.

In comparison, June 24th saw the lowest average and on-peak price settles of \$66.98/MWh and \$71.62/MWh, respectively, whereas June 14th saw the lowest daily off-peak price settle of \$30.68/MWh. These low hourly settles resulted from a robust wind generation profile and strong importing activity from all three interties. During the on-peak hours, wind generation averaged over 1,100 MWh and ATC flows averaged around 710 MWh. On June 14th, the province experienced a supply surplus during HE 3 through HE 6, as the SMP was pushed to \$0/MWh. An excess of wind generation and packed imports from BC and MATL during the load bottom put sufficient downward price pressure for the SMP to reach its minimum price level.

Hours contributing to monthly average price



The top 10% of high-priced hours for June averaged \$428.09/MWh, contributing 33% to the monthly settle, while the bottom 90% of hours averaged \$95.86/MWh.

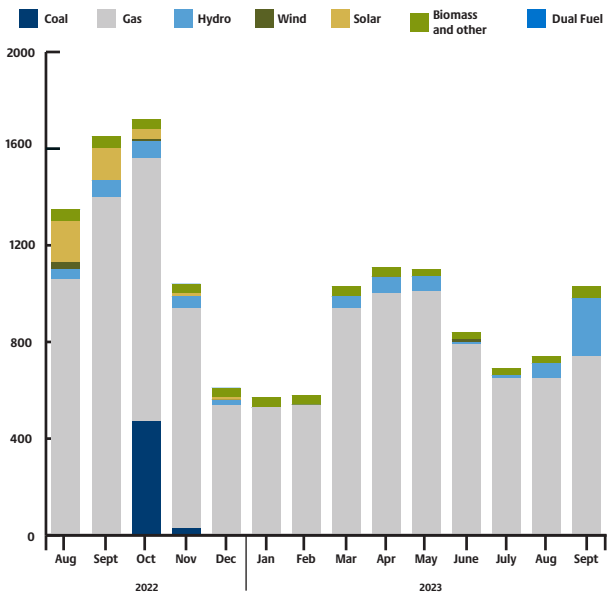
Average Alberta Internal Load (AIL) for the month was 9,265 MW, with hourly peak load hitting 10,294 MW on June 22nd HE 17. This represents a 4% decrease from June 2021's average AIL of 9,653 MW and a 12.2% decrease from its hourly peak load of 11,721 MW.

The weighted average temperature across the province for June was 15.10°C representing a 3.18°C decrease from last June when the average was 18.28°C. June 2022 temperatures in Alberta ranged from a high of 29°C in Medicine Hat on June 17th HE 17-19 to a low of 1°C seen in Edmonton on June 2nd HE 6.

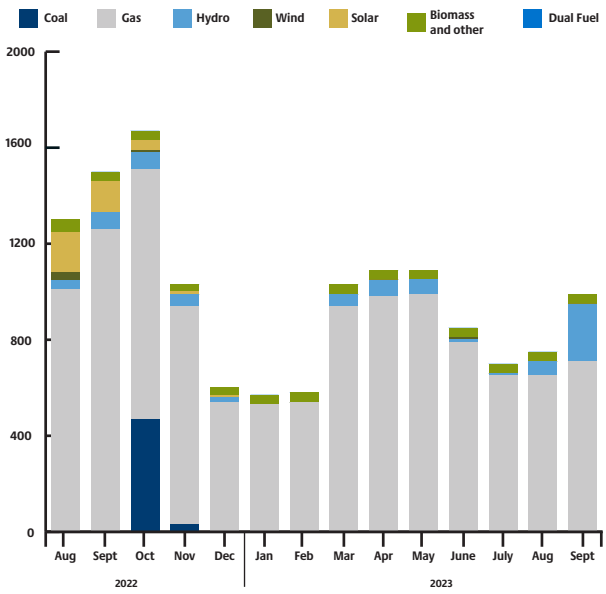
Monthly outages

Since last month's outage report, there has been noteworthy changes in gas. Gas outage increased by 50 MW in August and October 2022 and by 140 MW in September 2022.

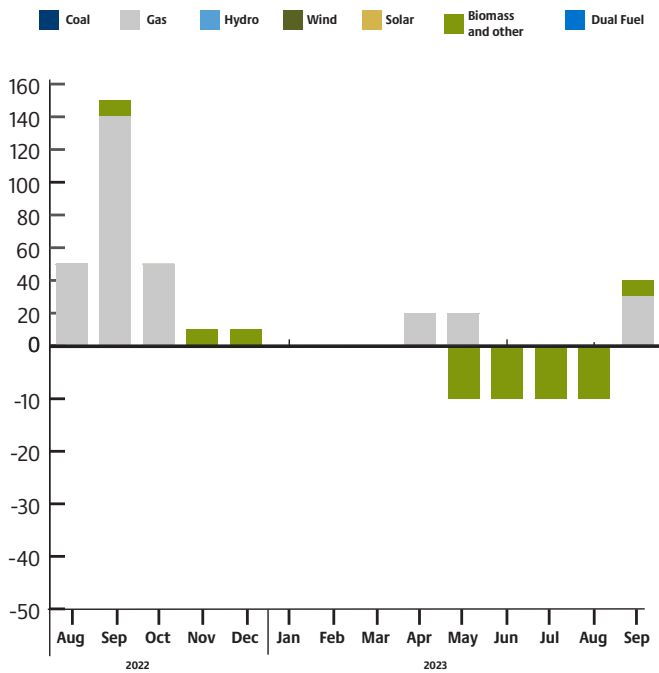
AESO monthly outages (as of July 2022)



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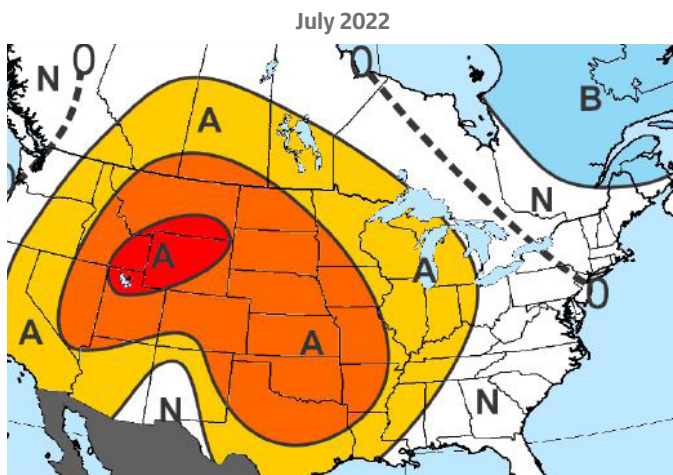
Month-over-month change in outages (July 2022 over June 2022)



Maxar's 30-60 day outlook

A mix of changes is noted in Maxar's final outlook for July, with greater intensity of aboves forecast for the West and Central US while now leaning slightly cooler than normal in the Northeast. The resulting forecast of 383 PWCCDs (Population-Weighted Cooling Degrees Days) would tie for 9th-highest since 1950. The start of the month features a strengthening ridge that builds over the Central US before shifting westward. Heat then remains favored in these areas for the latter part of the month given long term signals such as +AMO (Atlantic Multidecadal Oscillation), -PDO (Pacific Decadal Oscillation), and the lingering La Niña. Drought also remains a hotter influence for the West and Texas, although the Southwest monsoon may counter this influence at times.

August remains unchanged with aboves from the northern Rockies to the Upper Midwest and East as well as California. The forecast is based on analogs featuring sea surface temperature indicators including warm Atlantic (+AMO) and west-tropical Pacific waters, the lingering La Niña, and -PDO. Hotter risks remain in California and Texas due to the ongoing drought. Of the Top 10 hottest Jun-Jul periods on record (current is forecast to rank #6), six were followed by a Top 10 hot August. One of the two examples of a cooler August on that list was 2017 (299 PWCCDs), during which energy from Pacific tropical activity acted to alter the jet stream pattern over the US.



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