



TC Energy

POWER MARKET UPDATE

FORWARD PRICES TABLE (INDICATIVE AS OF JUNE 1ST, 2023)

	Flat 7x24 (\$/MWh)	AB - 7x16 On Peak (\$/MWh)	AB - 7x8 Off-Peak (\$/MWh)	AECO Gas (\$/GJ)	Heat Rate
BoM	\$155.67	\$200.97	\$65.07	\$1.61	96.59345
July	\$222.00	\$286.70	\$92.60	\$1.76	126.27268
BoY	\$184.33	\$229.09	\$94.93	\$2.81	65.51160
2024	\$93.87	\$111.12	\$59.53	\$3.43	27.38491
2025	\$75.25	\$89.02	\$47.75	\$3.90	19.29487
2026	\$73.50	\$87.50	\$45.50	\$3.68	19.98803

All prices are indicative as of June 1st, 2023. For Firm power price quotes please contact TC Energy’s Power Marketing team. See contacts on the last page.

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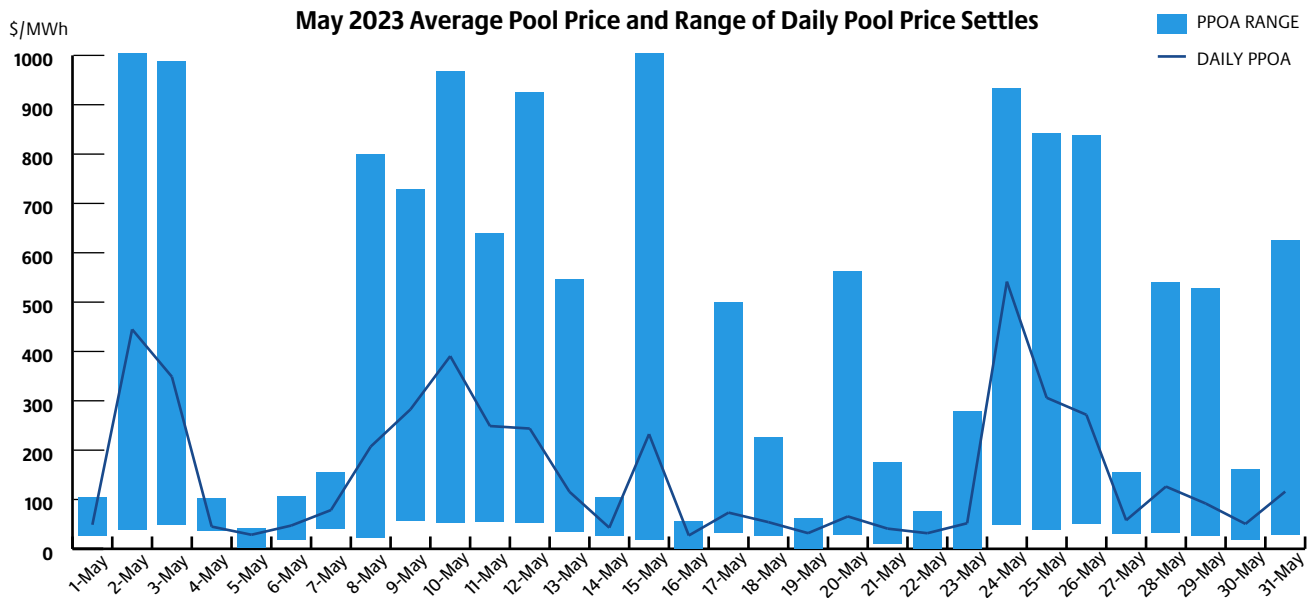
ALBERTA MARKET RECAP – MAY 2023

May 2023 settled at \$152.85/MWh, representing a 26% increase from May 2022’s settle of \$121.24/MWh and a 7% increase from last month’s settle of \$142.34/MWh. The maximum pool price was \$999.95/MWh for May, compared to the maximum pool price settle of \$912.38/MWh in April. The average price between the on-peak and off-peak for May differed by \$113.03/MWh, resulting in on-peak and off-peak prices of \$190.53/MWh and \$77.50/MWh, respectively. May forwards traded between \$114 and \$121, 31 days preceding the month.

May 24th saw the highest daily, on-peak and off-peak price settles of \$541.54/MWh, \$691.32/MWh, and \$241.99/MWh, respectively; on this day, all but four hours settled in the triple digits. Lower renewable generation was observed, with wind and solar capacity factors at 13% and 23%, respectively. Multiple thermal outages contributed to a 49%

coal availability factor and a 67% gas availability factor; together, these factors accounted for over 4,000 MW of outages in the province. Demand averaged at 8,914 MW and peaked at 9,461 MW, lower than the monthly averages. The province was a net importer all day, averaging over 500 MWh flows from all three interties (AB-SK, AB-BC, AB-MATL).

Conversely, May 16th saw the lowest daily average and on-peak price settles of \$27.03/MWh and \$28.33/MWh, respectively, whereas May 19th saw the lowest daily off-peak price settle of \$12.60/MWh. May 16th was one of the windiest and sunniest days in the month, contributing a wind and solar capacity factor of 47% and 32%, respectively. This renewable generation peaked during HE16, with a collective output of 3,000 MW, which contributed to a brief market oversupply and prices settling at \$0/MWh. Gas availability averaged at 65%, demand average and peaked at 9,161 MW and 9,734 MW, respectively. The province was net importer for the day, averaging close to 380 MWh flows from all three interties.

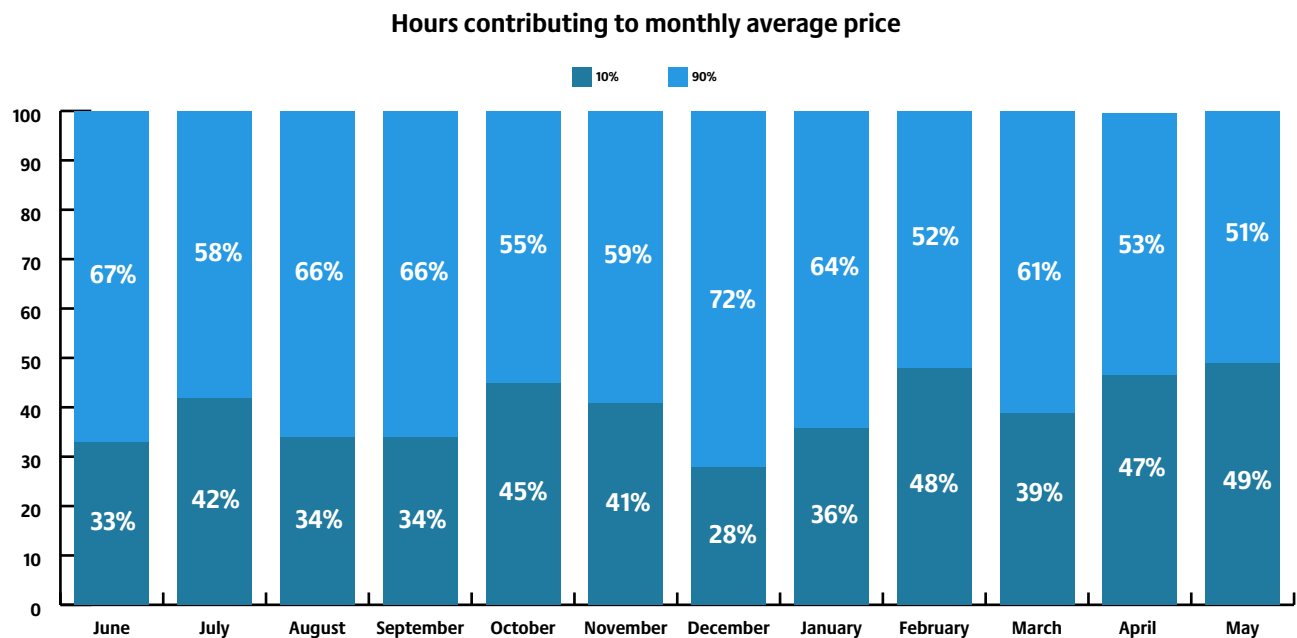


Average Alberta Internal Load (AIL) for the month was 9,053 MW, with hourly peak load hitting 10,344 MW on May 15th HE 17. This represents a 1.2% decrease from May 2022's average AIL of 9,161 MW and a 3.2% increase from its hourly peak load of 10,028 MW.

The weighted average temperature across the province for May was 15.68°C representing a 5.89°C increase from last May when the average was 9.79°C. May 2023 temperatures in Alberta ranged from a high of 32°C in

Fort McMurray on May 4th HE 17-19 to a low of 0°C seen in Fort McMurray on May 18th HE 6-7.

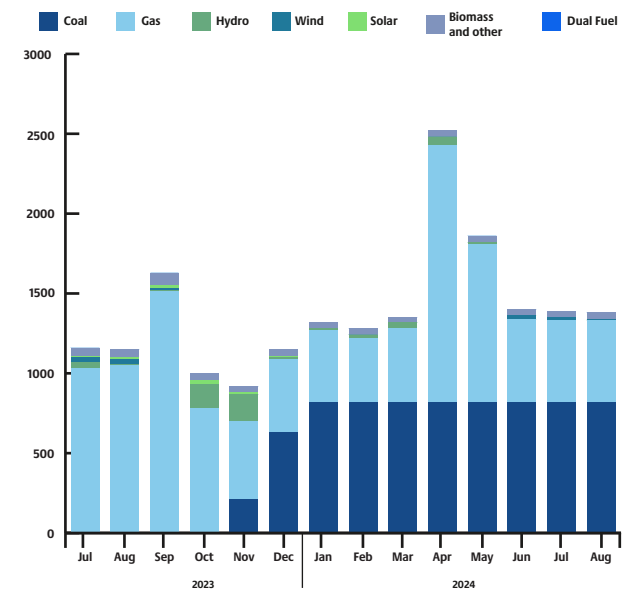
The top 10% of high-priced hours for May averaged \$735.96/MWh, contributing 49% to the monthly settle, while the bottom 90% of hours averaged \$87.48/MWh.



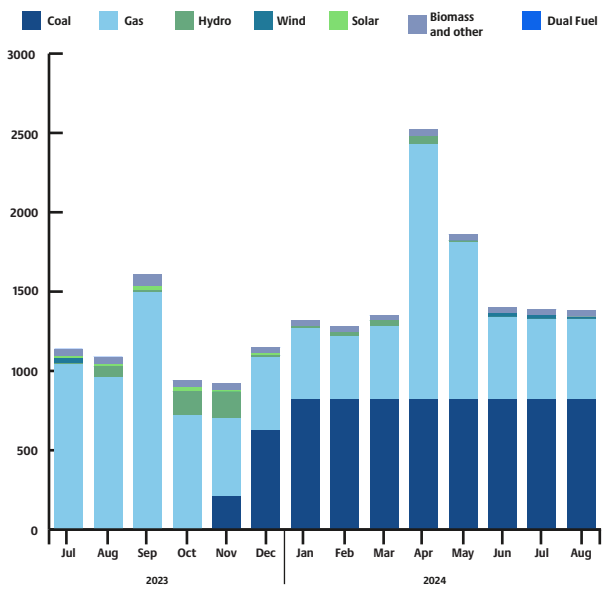
MONTHLY OUTAGES

Since last month's outage report, there have been noteworthy changes in gas and hydro outages. Gas outages increased by 90 MW in August 2023 and by 60 MW in October 2023. Hydro outages decreased by 60 MW in August 2023.

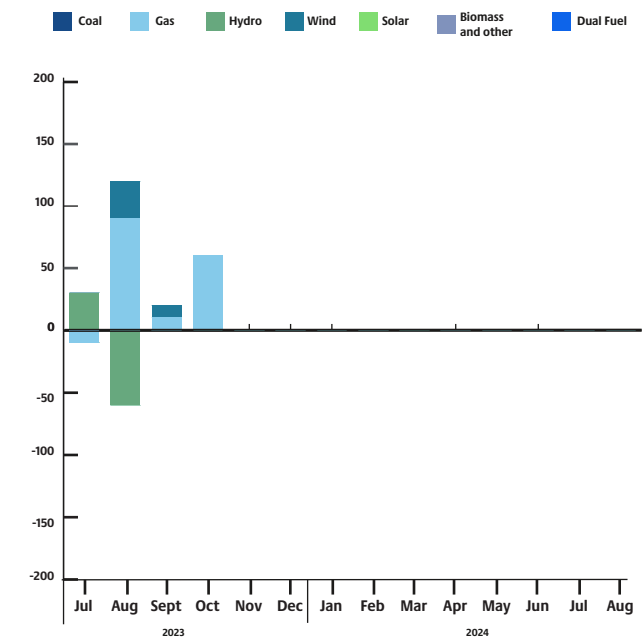
AESO monthly outages (as of June 2023)



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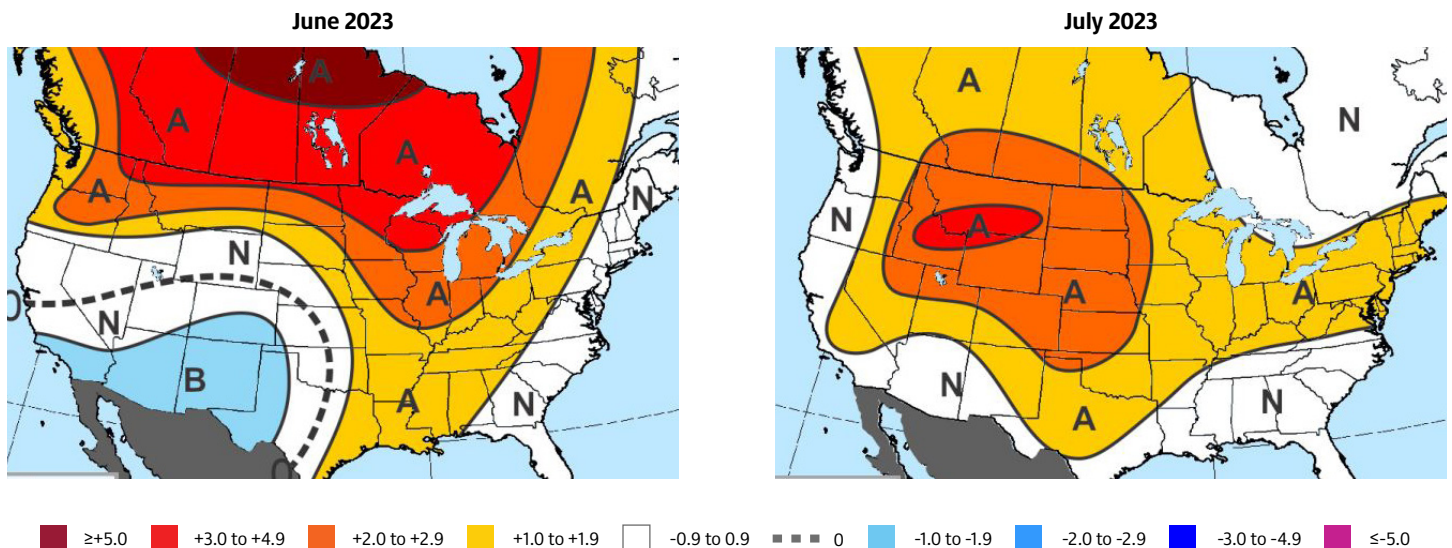
Month-over-month change in outages
(June 2023 over May 2023)



MAXAR'S 30-60 DAY OUTLOOK

Maxar's final pre-month outlook for June features above normal temperatures from the Northwest to the Midwest and Deep South while cooler than normal from Southern California to West Texas. Confidence is lower than usual at this stage as models have diverged greatly for the first half of the month, with a large 21 PWCCD (Population-Weighted Cooling Degree Days) difference between the cooler GFS (Global Forecast System) and warmer ECMWF (European Centre for Medium-Range Weather Forecast) from June 1-14. With Maxar's forecast leaning closer to the Euro, risks may be on the cooler side. Heading into the latter part, the forecast has some -NAO (North Atlantic Oscillation) leanings, although that signal does suggest cooler risks for the Northwest and Northeast. However, dry soils support a hotter outcome for the Midwest and East.

July remains unchanged with widespread aboves from the Interior West into the Plains, Midwest, and Northeast. The forecast is based on sea surface temperature indicators including +AMO (Atlantic Multidecadal Oscillation), warm west-tropical Pacific waters, and -PDO (Pacific Decadal Oscillation). El Niño continues to develop and poses a potential cooler risk to the forecast, especially if it leads to enhanced tropical activity in the western Pacific, but that is an unknown in this lead time. An average of the last 20 CFS (Climate Forecast System) monthly model runs is supportive of a broadly-hot pattern with widespread aboves from the Southwest to the Plains, Midwest, South, and Mid-Atlantic, hottest in the Southwest.



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