

# POWER MARKET UPDATE



## FORWARD PRICES TABLE (INDICATIVE AS OF APRIL 1<sup>ST</sup>, 2024)

	Flat 7x24 (\$/MWh)	AB - 7x16 On Peak (\$/MWh)	AB - 7x8 Off-Peak (\$/MWh)	AECO Gas (\$/GJ)	Heat Rate
<b>BoM</b>	\$78.00	\$88.50	\$57.00	\$1.72	45.48105
<b>May</b>	\$54.75	\$63.75	\$36.75	\$1.56	35.11191
<b>BoY</b>	\$64.10	\$74.12	\$44.03	\$2.01	31.90483
<b>2025</b>	\$56.25	\$63.37	\$42.00	\$3.15	17.85318
<b>2026</b>	\$55.75	\$63.01	\$41.25	\$3.54	15.74948
<b>2027</b>	\$60.00	\$69.63	\$40.75	\$3.53	16.98081

All prices are indicative as of April 1<sup>st</sup>, 2024 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 – MARCH 2024

March 2024 settled at \$63.13/MWh, representing a 64% decrease from March 2023's settle of \$174.63/MWh and a 22% decrease from February's settle of \$80.75/MWh. The maximum pool price was \$923.05/MWh for March, compared to \$868.30/MWh in February. The average price between the on-peak and off-peak for March differed by \$21.30/MWh, resulting in on-peak and off-peak price settles of \$70.17/MWh and \$48.88/MWh, respectively. March forwards settled between \$63 and \$78.50, 30 days preceding the month.

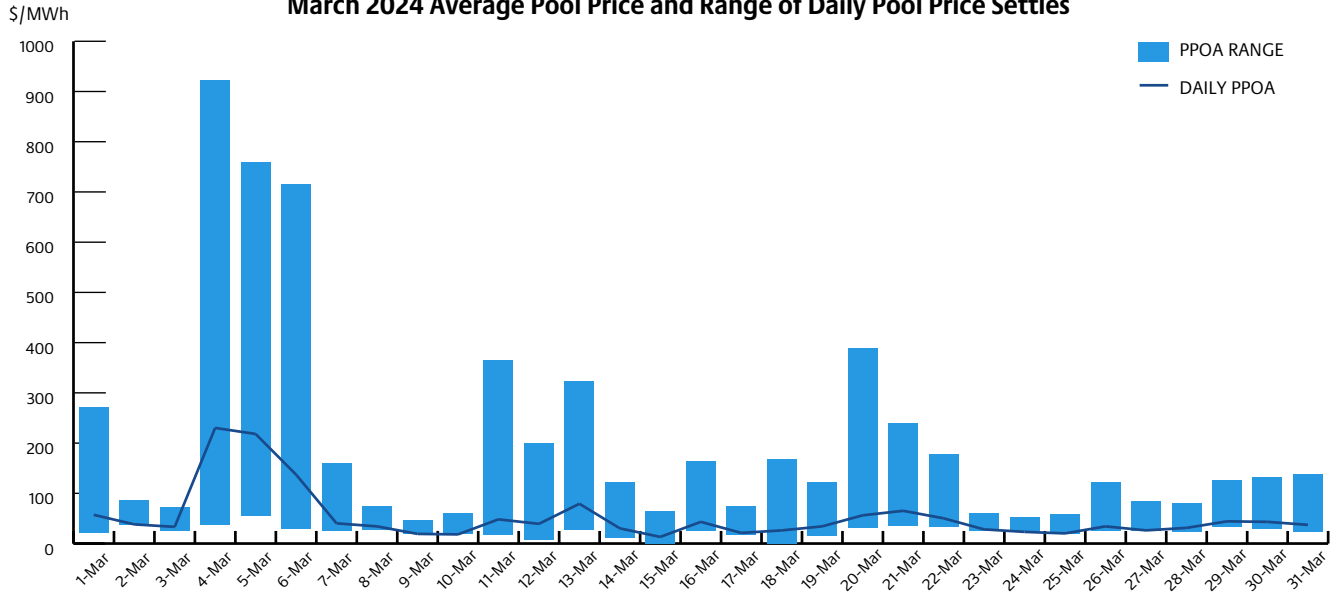
March 2024 had three triple digit daily settles, occurring on March 4th – 6th, coming in at \$241.18/MWh, \$229.15/MWh, and \$147.87/MWh, respectively. The month saw 81 hours settle above \$100/MWh, with the SMP peaking at \$936.37/MWh on March 6th during HE 9.

March 4th saw the highest daily average and on-peak price settles of \$241.18/MWh and \$333.74/MWh, respectively, whereas March 5th saw the highest daily off-peak price settle of \$146.46/MWh. On March 4th, price settles were in the \$30-\$40/MWh range during the morning and early afternoon hours. However, as the evening peak approached, prices escalated to triple-digit levels and even spiking as high as over \$900/MWh for a couple of hours (HE 19-20). The Alberta Internal Load (AIL) averaged 10,969 MW, which was 662 MW higher than the monthly average. Wind generation dropped sharply by over 1,300 MW, mainly during the evening peak hours. During the same period, solar generation began ramping down from its

1,060 MW peak, further limiting the available supply in the province. Several thermal unit outages reduced gas and coal availability to 24% and 76%, respectively, contributing to over 4,000 MW of total outages in the province. Alberta shifted from being a net exporter during off-peak hours to a moderate net importer during on-peak hours, averaging 265 MW/h of inflows collectively from the BC, SK, and MATL interties.

March 15th saw the lowest daily average and off-peak price settles of \$24.31/MWh and \$12.21/MWh, respectively, whereas March 17th saw the lowest daily on-peak price settle of \$26.85/MWh. On the 15th, AIL averaged 10,062 MW, which was 245 MW lower than the monthly average. Wind generation peaked at 3,330 MW during the early morning hours, but steadily decreased towards 500 MW by the end of day, resulting in a 44% capacity factor - higher than the 29% monthly average. Solar generation performed slightly above par, about 2% higher than the monthly average of 21%. Thermal generation outages in the province resulted in 71% gas availability factor. Alberta was net exporter for the entire day, with majority of the outbound flows going through the BC intertie, averaging 460 MW/h during the on-peak and 766 MW/h during the off-peak.

### March 2024 Average Pool Price and Range of Daily Pool Price Settles



Average AIL for the month was 10,307 MW, with hourly peak load hitting 11,404 MW on March 4th HE 10. This represents a 0.8% increase from March 2023's average AIL of 10,226 MW and a 3.1% increase from its hourly peak load of 11,062 MW.

The weighted average temperature across the province for March was -4.89°C representing a 2.68°C increase from last March when the average was -7.57°C. March 2024

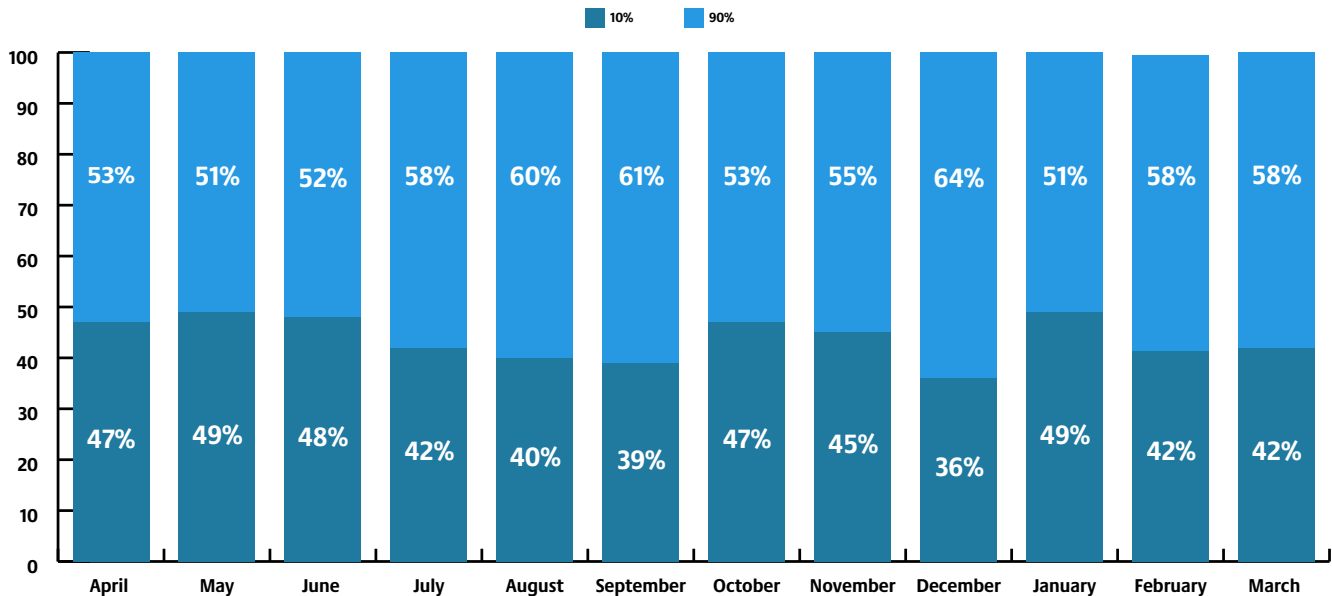
temperatures in Alberta ranged from a high of 21°C in Grand Prairie on March 17th HE 17 to a low of -34°C in Edmonton on March 6th HE 4-7.

The top 10% of high-priced hours for March averaged \$265.26/MWh, contributing 42% to the monthly settle, while the bottom 90% of hours averaged \$40.77/MWh.

## REGULATORY NEWS

At the IPPSA (Independent Power Producers of Alberta) Conference in March, the provincial government announced several short-term measures and long-term objectives to improve affordability and grid reliability. To achieve these policy objectives, the AESO (Alberta Electricity System Operator) has introduced two interim regulations – Market Power Mitigation Regulation and Supply Cushion Regulation. These short-term regulations are designed to address the withholding capabilities of large gas generators and as a bridge to the Restructured Energy Market. In addition, the AESO announced that it would be re-designing the electricity market structure in Alberta with the goal to implement these long-term regulations by 2027. While the province will maintain an energy-only market model, new market elements may be introduced (e.g. negative pricing, administratively scarcity pricing, additional ancillary services, etc.)

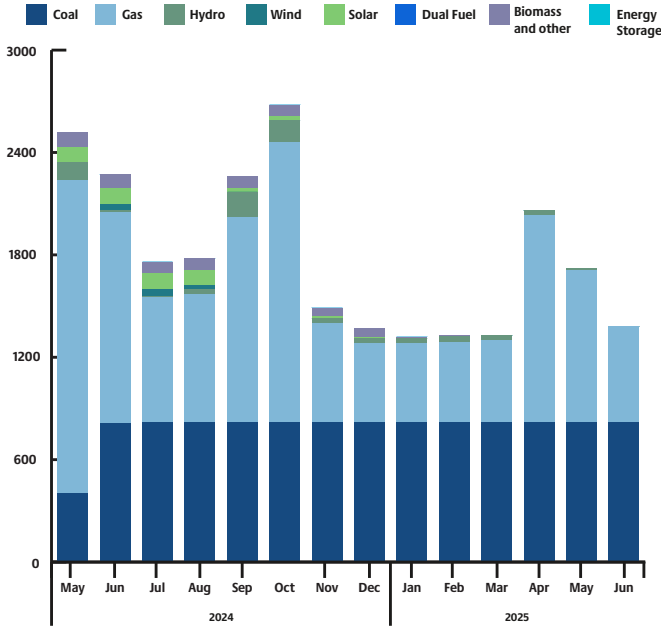
### Hours contributing to monthly average price



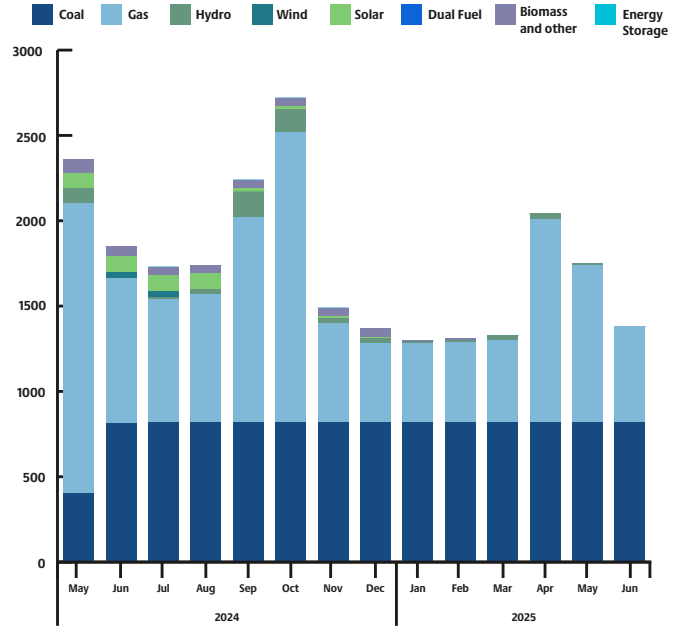
# MONTHLY OUTAGES

Since last month's outage report, there have been noteworthy changes in gas outages. Gas outages increased by 140 MW in May 2024 and 390 MW in June 2024.

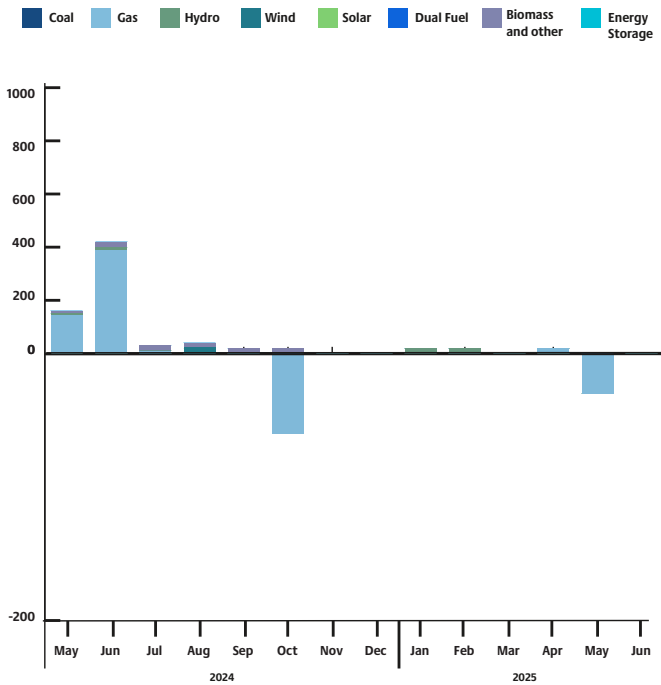
AESO monthly outages (as of April 2024)



AESO monthly outages (as of March 2024)



Month-over-month change in outages (April 2024 over March 2024)

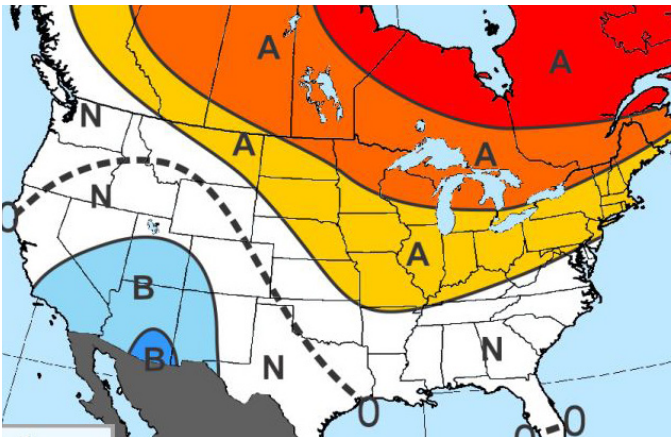


# MAXAR'S 30-60 DAY OUTLOOK

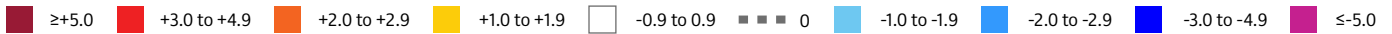
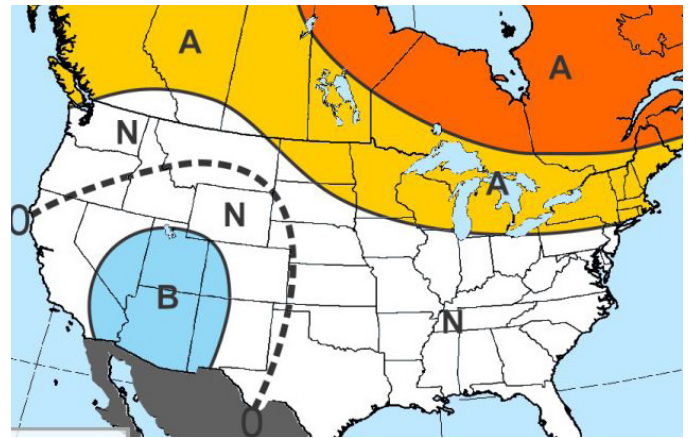
Maxar's final monthly outlook for April trends warmer in the South and the Interior Northeast while cooler in the West. The resulting 325 GWHDDs (Gas-Weighted Heating Degree Days) remains below the 10-year and 30-year normals and is in line with last year's 327 GWHDDs. The first half of the month features generally above normal temperatures in the Midwest and Northeast and belows in the Southwest. Similar themes are expected to persist into the latter half as well, favored by the weakening El Niño which maintains its influence, as well as the MJO (Madden Julian Oscillation) which looks to be a standing wave in the Indian Ocean (phases 2-3). That said, some colder variability is possible, as is often the case during the shoulder months.

May remains unchanged, favoring aboves in the upper Midwest and Northeast and belows in the Southwest. The forecast yields 275 TDDs (Total Degree Days), which is slightly higher than the 10-year (271) and 30-year (272) normals and higher than last year (244). Forecast influences include the waning El Niño and the +AMO (Atlantic Multidecadal Oscillation). The small subset of Mays following strong El Niño winters in a +AMO (2016, 2010, and 1958) yields a cooler 119 PWCDDs (Population-Weighted Heating Degree Days) with a range from 102 (1958) to 142 (2010). The CFS (Climate Forecast System) model paints a similar picture to our forecast with aboves along the northern tier and on the cool side of normal in the Southwest, although warmer in the details in general.

April 2024



May 2024



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