TC Energy

POWER MARKET UPDATE

FORWARD PRICES TABLE (INDICATIVE AS OF JULY 2ND, 2024)

	Flat 7x24 ($/MWh)	AB - 7x16 On Peak ($/MWh)	AB – 7x8 Off-Peak ($/MWh)	AECO Gas ($/GJ)	Heat Rate
BoM	$68.90	$79.30	$48.00	$1.72	40.17493
July	$72.75	$89.15	$40.00	$0.68	106.90669
BoY	$63.00	$72.70	$43.65	$1.51	41.72738
2025	$51.24	$57.66	$38.39	$2.76	18.56387
2026	$51.24	$58.24	$37.25	$3.12	16.40572
2027	$54.75	$63.88	$36.50	$3.18	17.22402

All prices are indicative as of July 2nd, 2024 For Firm power price quotes please contact TC Energy's Power Marketing team. See contacts on the last page.

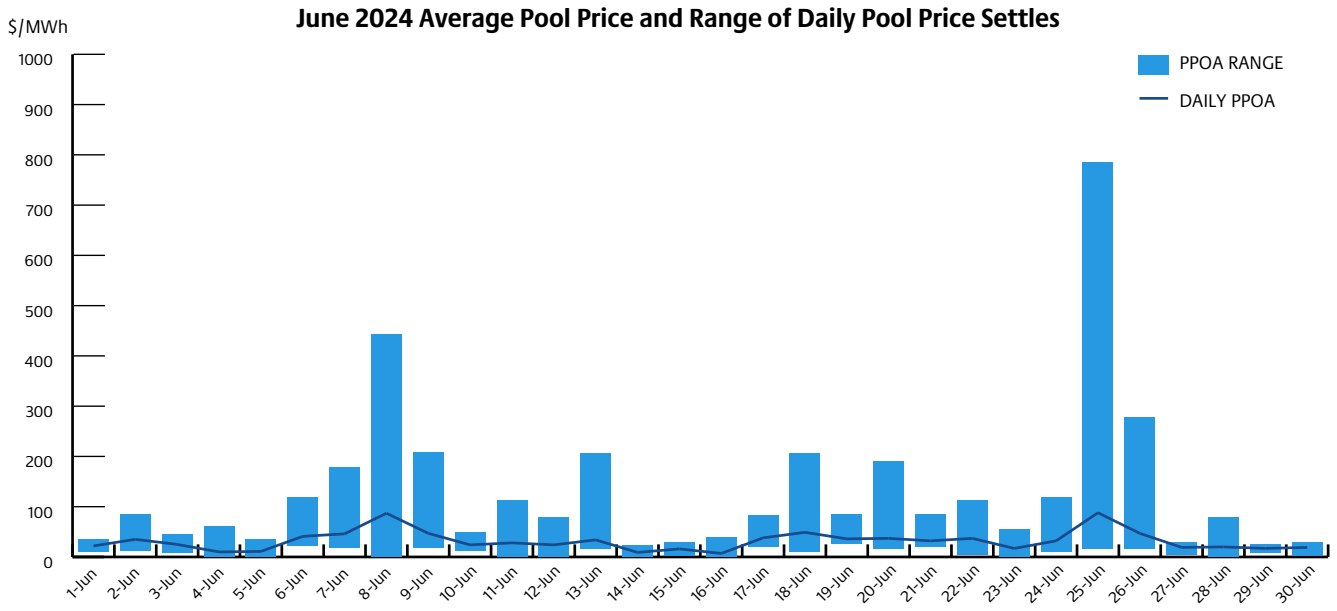
[1]FORWARD-LOOKING INFORMATION This publication contains certain information that is forward looking and is intended to provide useful and timely information to Alberta power market participants. All information is from sources deemed reliable and is subject to errors and omissions which we believe to be correct, however, assume no responsibility for. The words "anticipate", "forecast", "expect", "believe", "may", "should", "estimate", "plan" or other similar words are used to identify such forward-looking information. All forward-looking statements reflect TC Energy's beliefs and assumptions based on information available at the time of this publication and are not guarantees of future performance. By their nature, forward-looking statements are subject to various assumptions, risks and uncertainties which could cause actual outcomes to differ materially from the anticipated results or expectations expressed or implied in such statements. Readers are cautioned against placing undue reliance on forward-looking information and not to use future-oriented information or financial outlooks for anything other than their intended purpose. TC Energy undertakes no obligation to update or revise any forward-looking information except as required by law.

ALBERTA MARKET RECAP — JUNE 2024

June 2024 settled at $31.85/MWh, representing an 83% decrease from June 2023's settle of $184.41/MWh and 10% decrease from May's settle of $35.37/MWh. The maximum pool price was $785.38/MWh in June, compared to $366.68/MWh in May. The average price between the on-peak and off-peak for June differed by $4.44/MWh, resulting in on-peak and off-peak price settles of $33.33/MWh and $28.89/MWh, respectively. June forwards settled between $49.75 and $53.75, 31 days preceding the month. June 2024 did not have any triple digit daily settles, with 28 hours of the month settling above $100/MWh. The SMP peaked on June 25th during HE21, reaching $999.99/MWh and remaining there for 30 minutes.

June 25th saw the highest daily average and on-peak price settle of $87.54/MWh and $118.49/MWh, respectively, whereas June 8th saw the highest off-peak price settle of $173.12/MWh. On June 25th, the pool price ranges from $15.52/MWh to $785.38/MWh. Alberta Internal Load (AIL) averaged 9,967 MW, about 382 MW higher than the monthly average – while peaking at 10,534 MW, about 148 MW lower than the monthly peak. Average daily wind generation slightly underperformed, at 1,214 MW relative to the monthly average of 1,406 MW, whereas average daily solar generation overperformed, at 662 MW, relative to the monthly average of 530 MW. The drastic decrease in renewable generation during the evening peak was a major driver for the price spike observed. Daily gas availability factor was 75.5%, contributing to over 3,500 MW of outages in the province. The province was minor net exporter during the on-peak, with an average of 187 MW/h collectively flowing from the BC, MATL and SK interties.

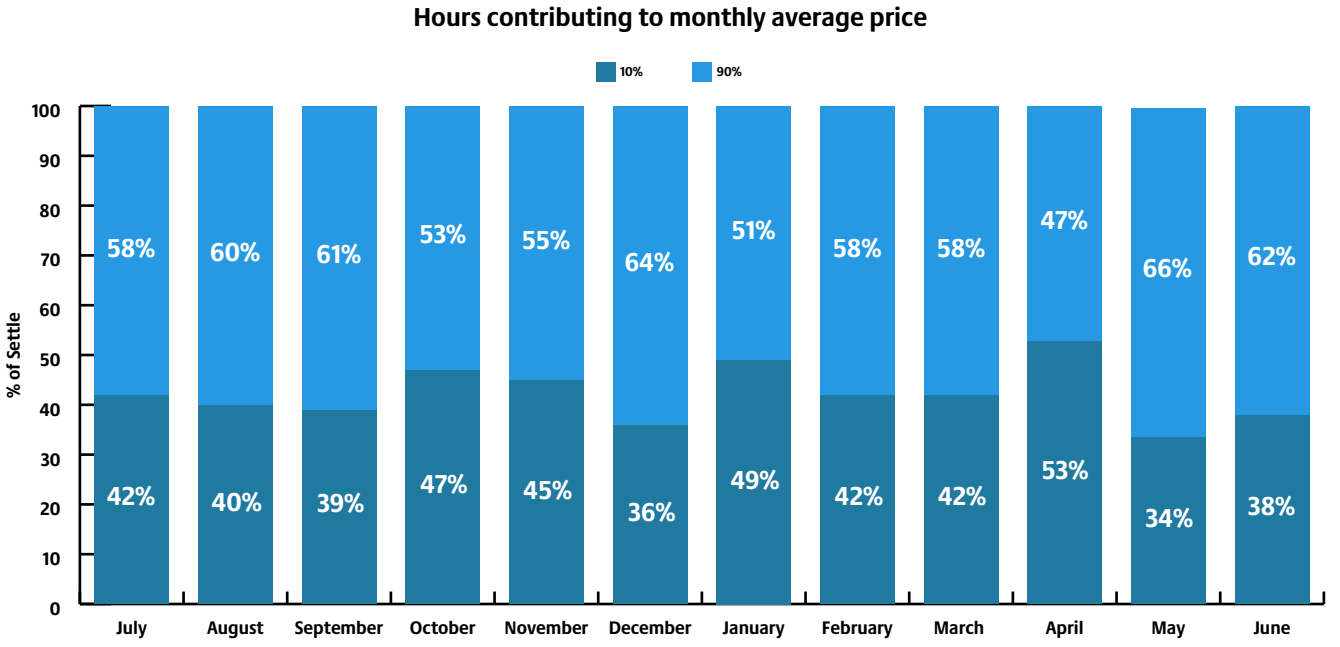
June 16th saw the lowest daily average and on-peak price settles of $6.57/MWh and $7.55/MWh, respectively, whereas June 4th saw the lowest off-peak price settle of $2.22/MWh. On June 16th, the pool settled at $0/MWh for 15 hours of the day, enabling a Supply Surplus in effect from 01:00 to 17:12. On this Sunday, AIL averaged 9,184 MW, about 401 MW lower than the monthly average and peaked at 9,484 MW, about 1,198 MW lower than the monthly peak. Wind generation outperformed the monthly average, by about 576 MW, maintain its generation above 2,300 MW for majority of the day, whereas daily average solar generation underperformed relative to the monthly average, by 328 MW. Daily gas availability factor was 78.7%, contributing to approximately 3,000 MW of outages. The province was a net exporter for the entire day, with most flows out of the AB-BC intertie – an average of 392 MW/h during the on-peak and 454 MW/h during the off-peak.



Average AIL for the month was 9,585 MW, with hourly peak load hitting 10,682 MW on June 24th HE 17. This represents a 1.4% increase from June 2023's average AIL of 9,449 MW and a 4.6% decrease from its hourly peak load of 11,199 MW.

The weighted average temperature across the province for June was 13.64°C representing a 3.38°C decrease from last June when the average was 17.02°C. June 2024 temperatures in Alberta ranged from a high of 32°C in Medicine Hat on June 23rd HE 16-17 to a low of 0°C in Edmonton on June 18th HE 6-7 and in Fort McMurray on June 7th HE 9-11.

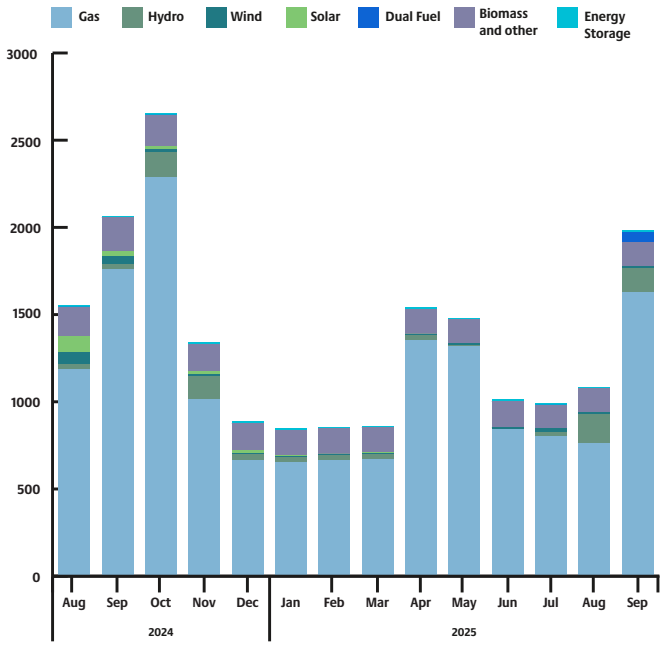
The top 10% of high-priced hours for June averaged $121.05/MWh, contributing 38% to the monthly settle, while the bottom 90% of hours averaged $21.94/MWh.



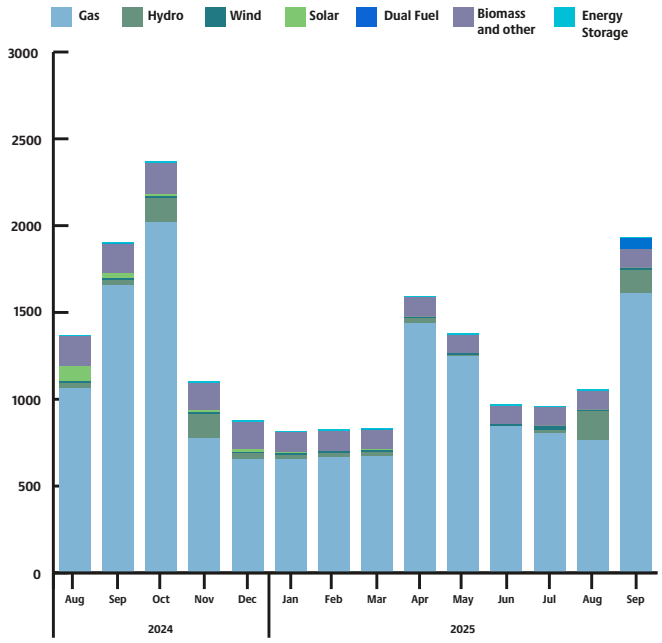
MONTHLY OUTAGES

Since last month's outage report, there have been noteworthy changes in gas outages. Gas outages increased consistently by 126 MW in August 2024, 104 MW in September 2024, 272 MW in October 2024, and 237 MW in November 2024. Notice of Retirement of Genesee #2 is effective July 1, 2024 – marking the removal of the last Coal unit in the province.

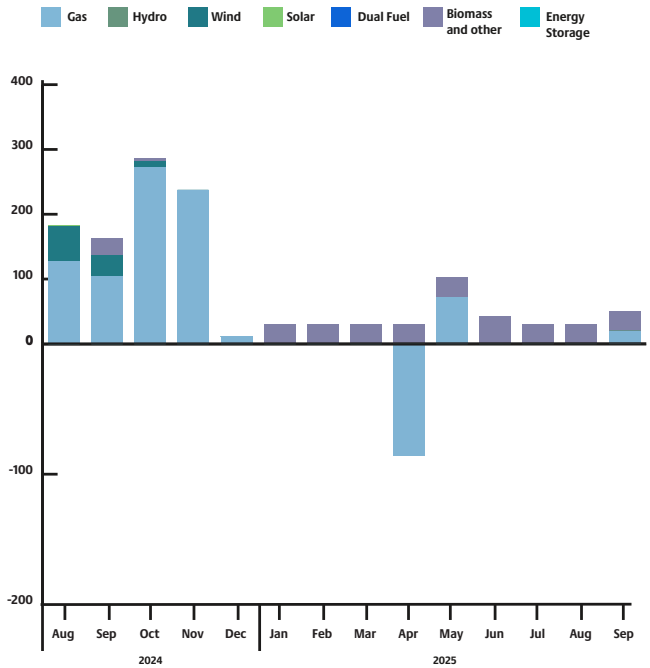
AESO monthly outages (as of July 2024)



AESO monthly outages (as of June 2024)



Month-over-month change in outages (July 2024 over June 2024)

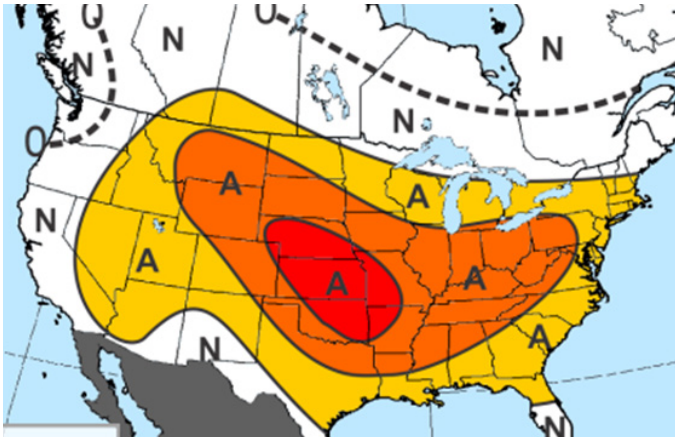


MAXAR'S 30-60 DAY OUTLOOK

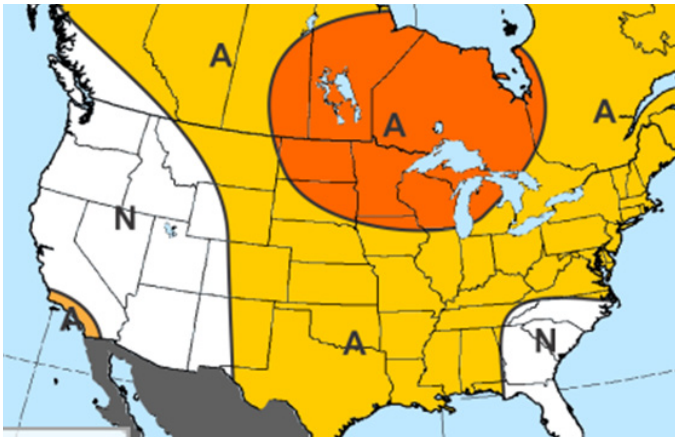
Maxar's final 30-day outlook for July increases the intensity of above normal temperatures from the Interior West to Central, South, and Mid-Atlantic while maintaining near normal temperatures for the West Coast and allowing for some monsoon influence in the lower Southwest. The resulting 410 PWCDDs (Population-Weighted Cooling Degree Days) would be the 4th-hottest month since 1950. The hotter changes are a result of a very hot medium-range forecast, with the expectation that a hot pattern continues thereafter as seasonal indicators such as +AMO (Atlantic Multidecadal Oscillation) and the developing La Niña are favorable for heat. The ECMWF (European Centre for Medium-Range Weather Forecasts) weeklies are additionally hotter while the CFS (Climate Forecast System) weeklies are much cooler, yielding 452 and 349 PWCDDS respectively.

August remains unchanged with aboves for most of the eastern 2/3 of the US aside from the Southeast, including hotter anomalies focused over the north-central US. The forecast of 360 PWCDDs would rank 11th-hottest since 1950. The forecast gleans support from the ongoing +AMO, -PDO (Pacific Decadal Oscillation), and developing La Niña. Recent Augusts have generally been hotter in the West, a potential risk, although the monsoon may curb that risk as it is often more active during La Niña. The tropics remain a point of uncertainty as an expected highly-active Atlantic hurricane season may be ramping up during August. The CFS is hotter than Maxar's outlook in the West but cooler in Texas.

July 2024



August 2024



≥+5.0 | +3.0 to +4.9 | +2.0 to +2.9 | +1.0 to +1.9 | -0.9 to 0.9 | 0 | -1.0 to -1.9 | -2.0 to -2.9 | -3.0 to -4.9 | ≤-5.0

CONTACT US

Steve Quehl
Manager, Trading & Marketing
403-920-5661
steven_quehl@tcenergy.com

Kevin Gongora
Power and Emissions Marketer
403-477-4928
kevin_gongora@tcenergy.com