

TransCanada Power Market Update

March 2018

Forward Prices Table

	Flat 7x24 (\$/MWh)	AB - 6x16 On Peak (\$/MWh)	AB - Off-Peak (\$/MWh)	AECO Gas (\$/GJ)	Heat Rate
BOM	\$39.00	\$46.02	\$30.42	\$1.63	23.9
April	\$78.00	\$91.26	\$60.84	\$1.21	64.5
BOY	\$62.75	\$80.32	\$43.93	\$1.34	46.8
2019	\$57.50	\$74.75	\$40.25	\$1.56	36.9
2020	\$47.25	\$61.43	\$33.08	\$1.66	28.5

All prices are indicative as of indicative of March 2, 2018. For Firm power price quotes please contact TransCanada's Power Marketing team. See contacts on the last page.

Alberta Market Recap – February 2017

February was a quieter month in the Alberta electricity industry. Hourly spot prices stayed below \$100.00/MWh and no new AIL demand peak hours were created. There were only three hours that settled between \$50.00/MWh and \$100.00/MWh with the peak hour price reaching \$84.03/MWh on February 20, 2018 between 6 p.m. and 7 p.m. Overall, the month ended up settling at \$31.32/MWh which is close to a \$10.00/MWh decrease from last month's settle of \$40.83/MWh.

Alberta Internal Load (AIL) for the month averaged 10,470 MW ranging from a minimum demand of 9,338 to a maximum demand of 11,333. This month's peak demand was roughly 364 MW lower than last month's new winter peak record of 11,697 MW, but was 180 MW higher than last month's average AIL of 10,290 MW. When compared to February of last year, AIL has also increased from 9,929 MW.

February's temperatures varied quite a bit throughout the month with actuals reaching as cold as -18 degrees Celsius and reaching as warm as 9.7 degrees Celsius. Overall, Calgary's temperatures were below normal and we did see quite a few snowy days with February 8th, 2018 seeing close to 13 cm of snow within a 24-hour time period. Now, with less than 20 days of winter left, we will hopefully start to see temperatures slowly warm up and the days getting longer.

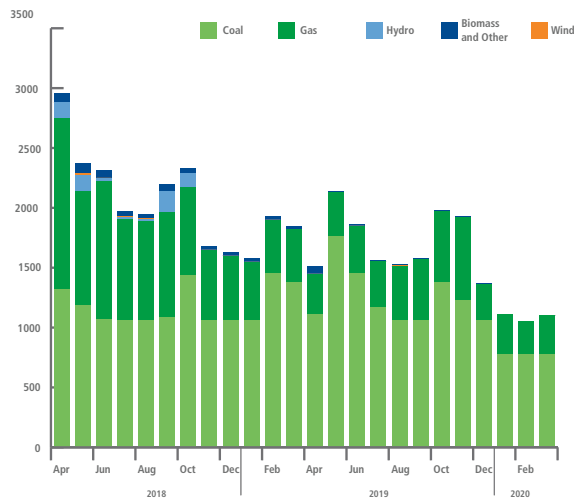
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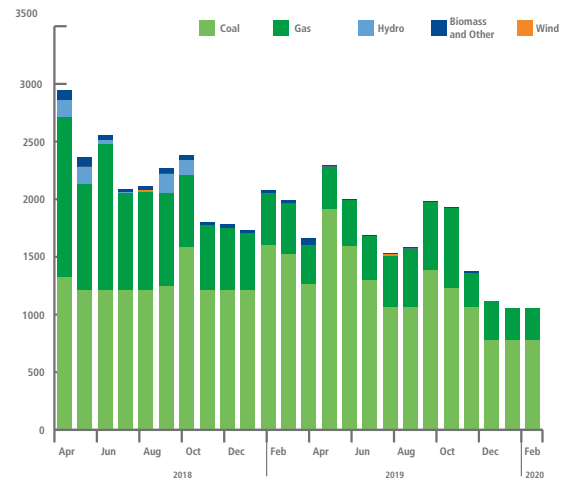
March 2018

Monthly Outages

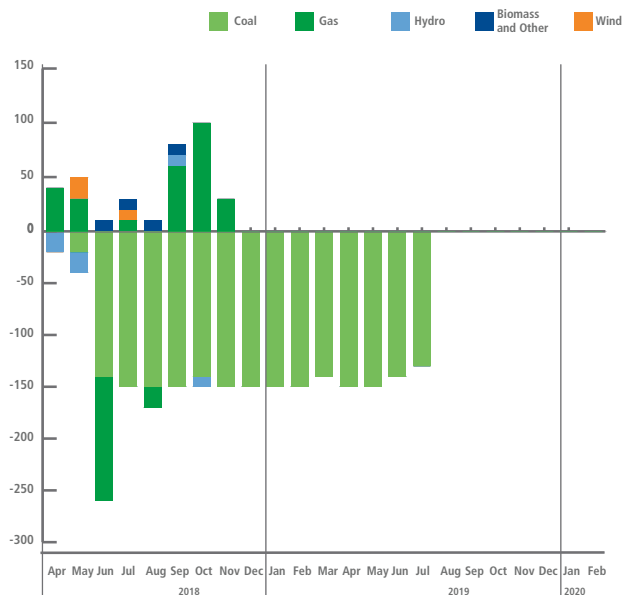
AESO Monthly Outages (as of March 1, 2018)



AESO Monthly Outages (as of February 5, 2018)



Month-over-Month Change in Outages
(February 2018 over January 2018)

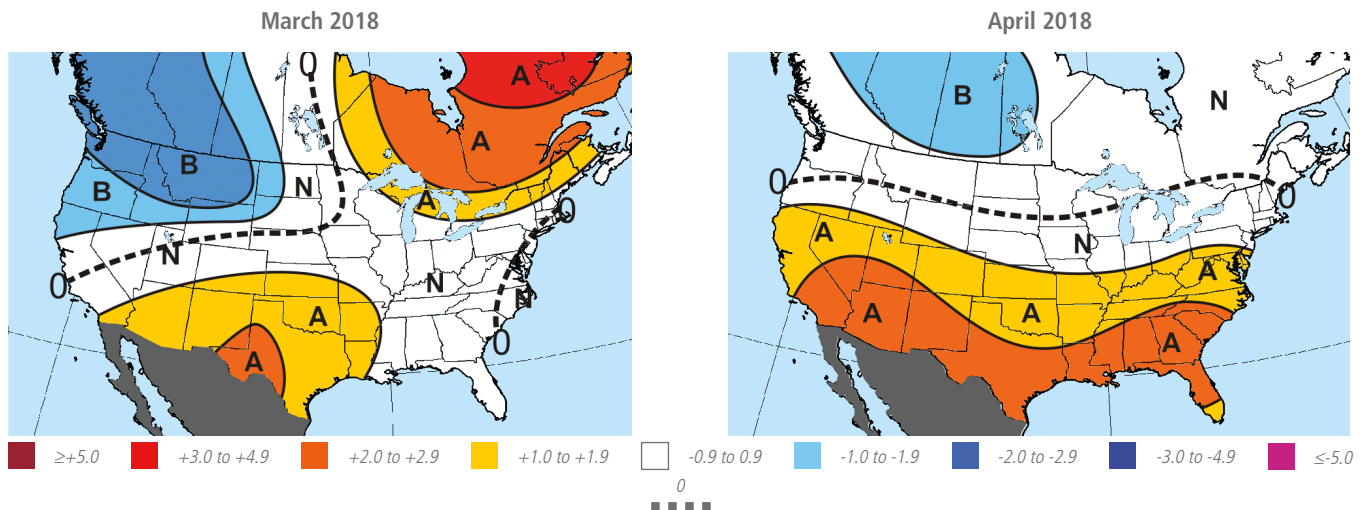


This month's outage report includes a surprising addition of 150 MW of coal which has been added into the generation mix starting June 2018 until July 2019. As well, there is approximately 100 MW of gas generation added for June of this year. Given this data, Alberta can expect to see more available supply for over a year starting mid-summer.

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MDA Weather Services 30-60 Day Outlook



February ended up being a frigid month for us as overall as we saw below normal temperatures throughout most of Alberta. Southern Alberta experienced -1.0 to -1.9 anomalies, central Alberta saw -2.0 to -2.9 anomalies and northern Alberta saw frigid -3.0 to -4.9 anomalies.

Since last month's report, it looks like cooler temperatures will persist in the mid to western Canadian provinces such as BC, AB and SK for the month of March. What once used to be near normal temperatures has now turned out to be below normal temps with anomalies ranging from -1.0 to -2.9 according to MDA Weather Services 30-60 Day Outlook.

April's outlook projects above normal temperatures across the southern half of the United States and close to near normal temperatures across the northern half of the United States and Canada. Alberta will still likely see slightly cooler temperatures than normal.

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