TC Energy

POWER MARKET UPDATE

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

	Flat 7x24 ($/MWh)	AB - 7x16 On Peak ($/MWh)	AB – 7x8 Off-Peak ($/MWh)	AECO Gas ($/GJ)	Heat Rate
BoM	$125.51	$149.04	$70.00	$2.62	47.90458
January 2024	$133.50	$160.93	$78.65	$2.45	54.53877
2024	$89.96	$106.73	$56.85	$2.39	37.61970
2025	$66.00	$76.49	$45.00	$3.43	19.26895
2026	$67.50	$77.50	$47.50	$3.67	18.37585
2027	$68.50	$79.00	$47.50	$3.60	19.04100

All prices are indicative as of December 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 — NOVEMBER 2023

November 2023 settled at $93.82/MWh, representing a 50% decrease from November 2022's settle of $186.84/MWh and a 6% decrease from October's settle of $99.34/MWh. The maximum pool price was $900.40/MWh for November, compared to $901.25/MWh in October. The average price between the on-peak and off-peak for November differed by $35.53/MWh, resulting in on-peak and off-peak price settles of $105.69/MWh and $70.16/MWh, respectively. November forwards traded between $118 and $131.75, 30 days preceding the month.

November 2023 had nine triple digit daily settles, occurring on November 1st-2nd, 6th, 12th, 15th, 22nd-23rd, 26th and 30th. These triple digit settles ranged from a 'low' of $106.34/MWh on November 26th to a 'high' of $325.35/MWh on November 23rd. The month saw 144 hours settle above $100/MWh, with the SMP peaking at $999.99/MWh on November 12th during HE 18.

November 23rd saw the highest daily average and on-peak price settles of $352.35/MWh and $470.12/MWh, respectively, whereas November 1st saw the highest daily off-peak price settle of $270.08/MWh. On November 23rd, average AIL (Alberta Internal Load) was 10,397 MW, which was 136 MW above the monthly average. Wind capacity factor was the lowest for the month, averaging less than 4% for the day, compared to the monthly average of 39%. Solar capacity factor was third lowest for the month, averaging 2%, compared to the monthly average of 9%. Outages in the province contributed to gas and hydro availability factors of 75% and 60%, respectively. Alberta was a net importer during the day, with an average of 375 MW/h flowing in from the BC and MATL interties during the on-peak; the SK intertie was on outage.

Conversely, November 11th saw the lowest daily average and on-peak price settles of $28.82/MWh and $29.20/MWh, respectively, whereas November 21st saw the lowest daily off-peak price settle of $18.56/MWh. On November 11th, average AIL was 10,093 MW, which was 168 MW lower than the monthly average. Alberta set a record for highest net wind generation, peaking at 3,366 MW, and average capacity factor of 72% for the day, just above 3,000 MW/h. Solar generation capacity factor was close to the monthly average, coming in at 10%. Alberta was a net exporter, with an average of 592 MW/h flowing out on the BC and SK interties during the on-peak and an average of 147 MW/h flowing in from the MATL intertie.

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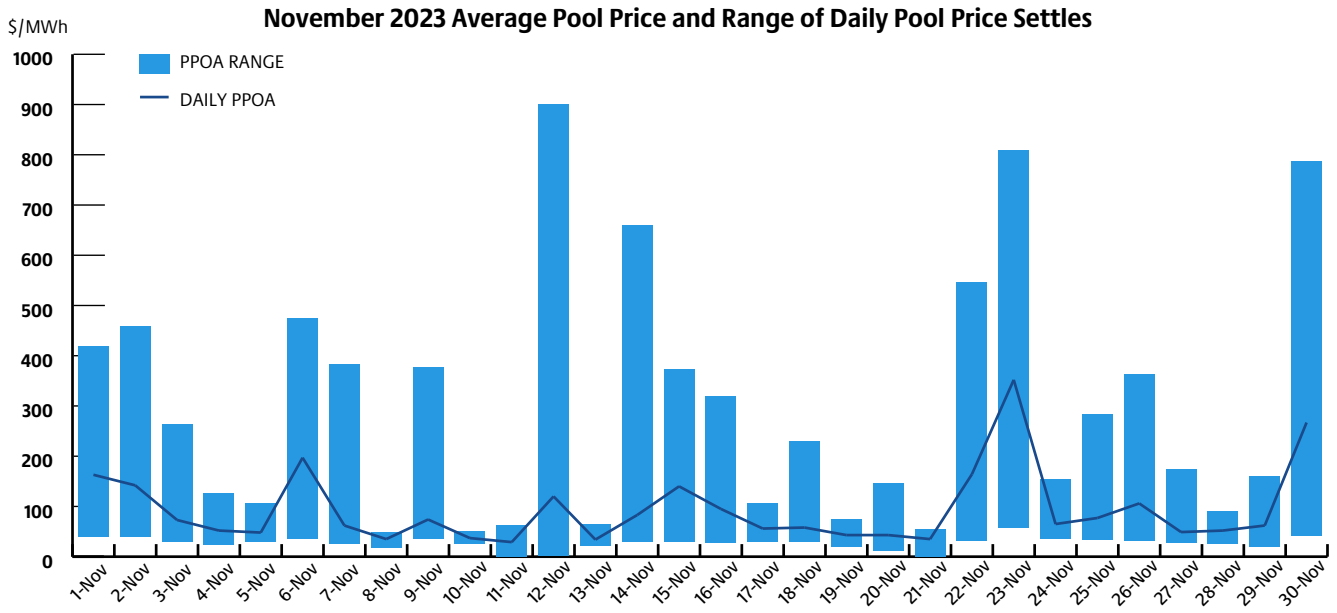
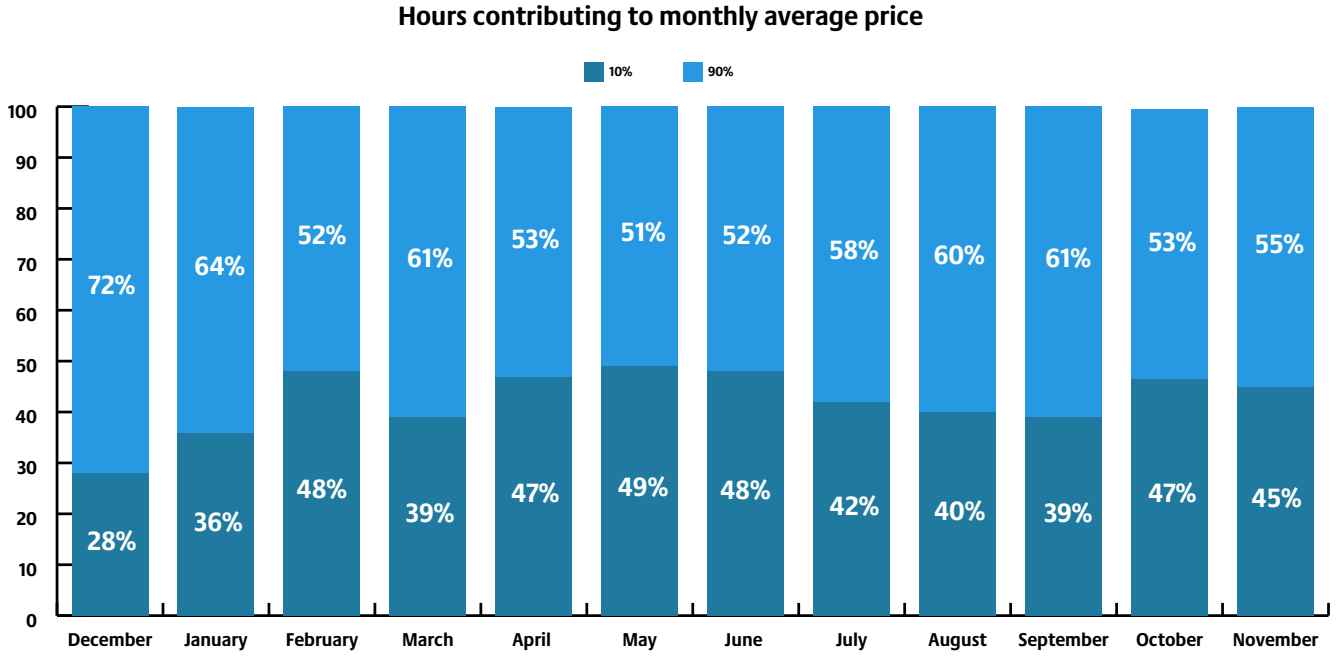


Average AIL for the month was 10,262 MW, with hourly peak load hitting 11,273 MW on November 21st HE 18. This represents a 0.7% decrease from November 2022's average AIL of 10,336 MW and a 3.2% decrease from its hourly peak load of 11,642 MW.

The weighted average temperature across the province for November was -0.01°C representing a 6.49°C increase from last November when the average was -6.50°C. November 2023 temperatures in Alberta ranged from a high of 16°C in Lethbridge on November 13th HE 14 to a low of -18°C in Fort McMurray on November 26th HE 1.

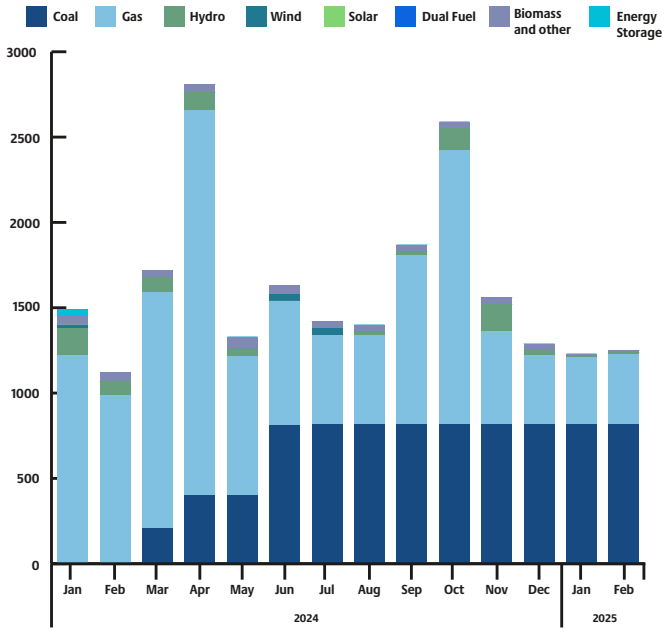
The top 10% of high-priced hours for November averaged $422.47/MWh, contributing 45% to the monthly settle, while the bottom 90% of hours averaged $57.35/MWh.



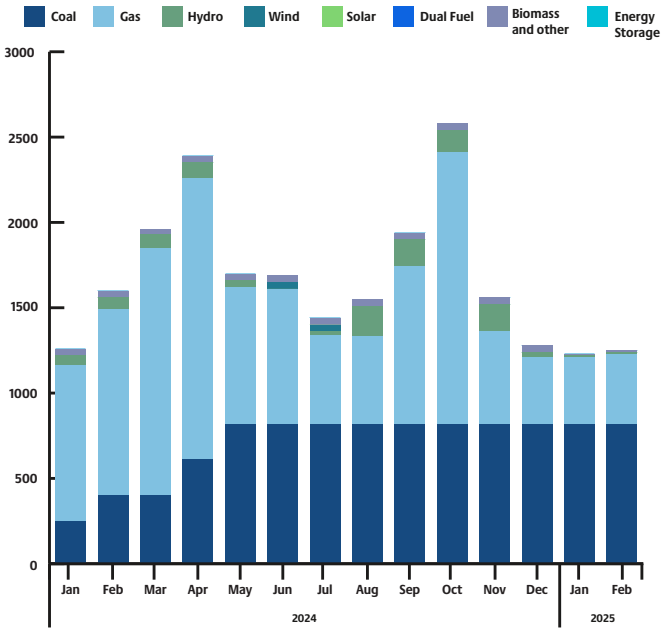
MONTHLY OUTAGES

Since last month's outage report, there have been noteworthy changes in coal, gas, and hydro outages. Coal outages decreased every month from January 2024 to May 2024, varying from 190 MW to 420 MW. Gas outages increased by 310 MW in January 2024 and 610 MW in April 2024, while decreasing by 100 MW in February 2024. Hydro outage increased by 100 MW in January 2024 and decreased by 160 MW and 140 MW in August 2024 and September 2024, respectively.

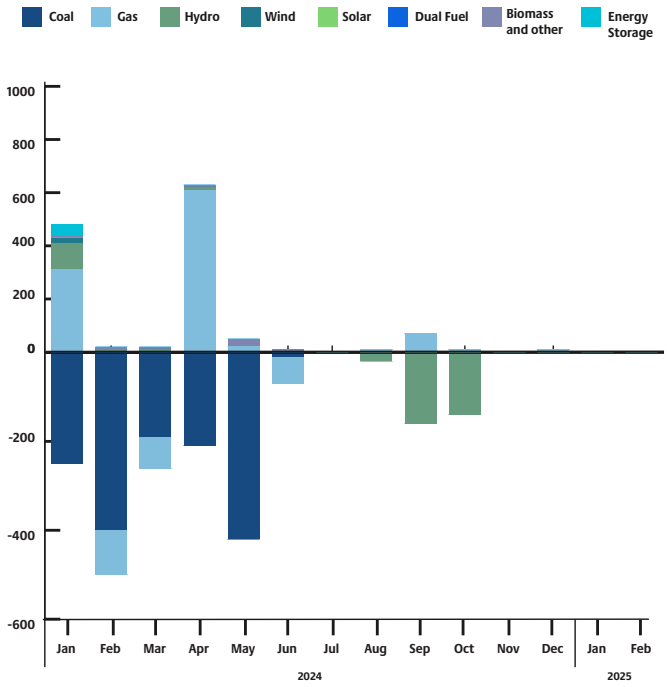
AESO monthly outages (as of December 2023)



AESO monthly outages (as of November 2023)



Month-over-month change in outages (December 2023 over November 2023)

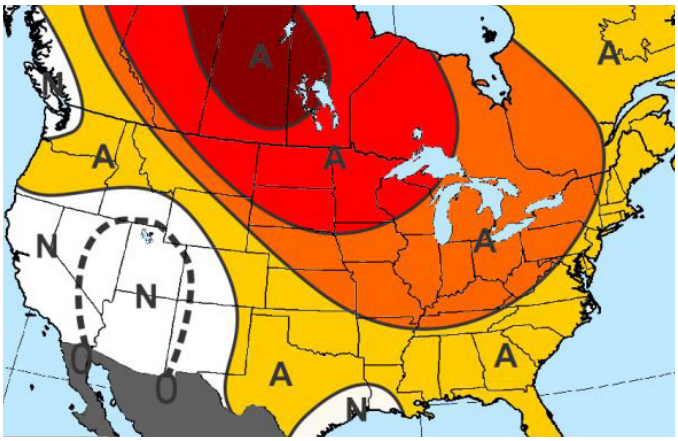


MAXAR'S 30-60 DAY OUTLOOK

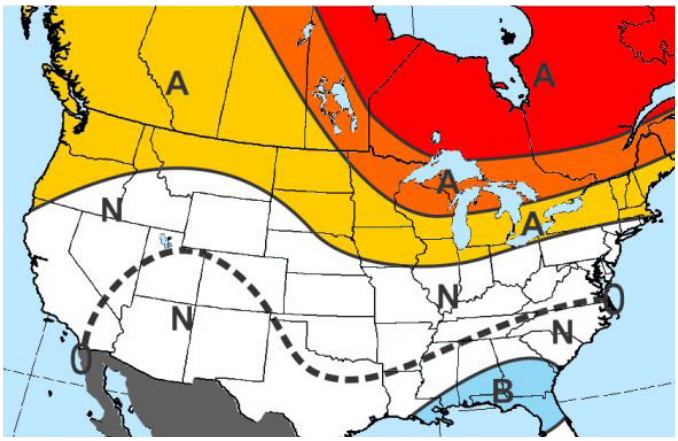
Maxar's final 30-day outlook for December undergoes warm changes with greater intensity of aboves from western Canada to the Midwest while belows are eliminated from the Interior West. The net result yields 780 GWHDDs (Gas-Weighted Heating Degrees Days), which would rank 14th-warmest since 1950. Warm changes are a result of what looks to be an anomalously-warm start to the month—the Dec 1-13 period covered by our 1-15 Day forecast ranks 6th-warmest since 1950 per GWHDDs. The latter part of the month is expected to remain warmer than normal with a typical El Niño response. Cold risks stem from a projected weaker stratospheric polar vortex, but it remains to be seen whether that will translate to a –AO (Atlantic Oscillation).

January remains unchanged with aboves across the Northern Tier and belows in the Southeast. The forecast of 910 GWHDDs is below the 10- year and 30-year normals but much colder than 2023's 3rd-ranked warm January. The pattern being projected is one typical of El Niño, and while the ongoing strong El Niño is not as firmly coupled with the atmosphere as other past strong events have been at this time, cooling waters in the mid-latitudes and rising GLAAM (Global Atmospheric Angular Momentum) suggest that the signal's influence should continue to increase. A composite of the 20 most recent CFS (Climate Forecast Model) model runs is much warmer with broad coverage of aboves for most of the US except the Southeast and New England.

December 2023



January 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

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