TC Energy

POWER MARKET UPDATE

FORWARD PRICES TABLE (INDICATIVE AS OF JUNE 3RD, 2024)

	Flat 7x24 ($/MWh)	AB - 7x16 On Peak ($/MWh)	AB – 7x8 Off-Peak ($/MWh)	AECO Gas ($/GJ)	Heat Rate
BoM	$51.50	$60.25	$34.00	$1.72	30.02915
July	$61.00	$71.95	$39.10	$1.16	52.78186
BoY	$60.60	$70.00	$41.80	$1.73	35.07756
2025	$54.93	$62.62	$39.54	$2.89	18.98984
2026	$54.49	$62.64	$38.20	$3.27	16.65342
2027	$57.75	$67.78	$37.70	$3.36	17.16655

All prices are indicative as of June 3rd, 2024 For Firm power price quotes please contact TC Energy's Power Marketing team. See contacts on the last page.

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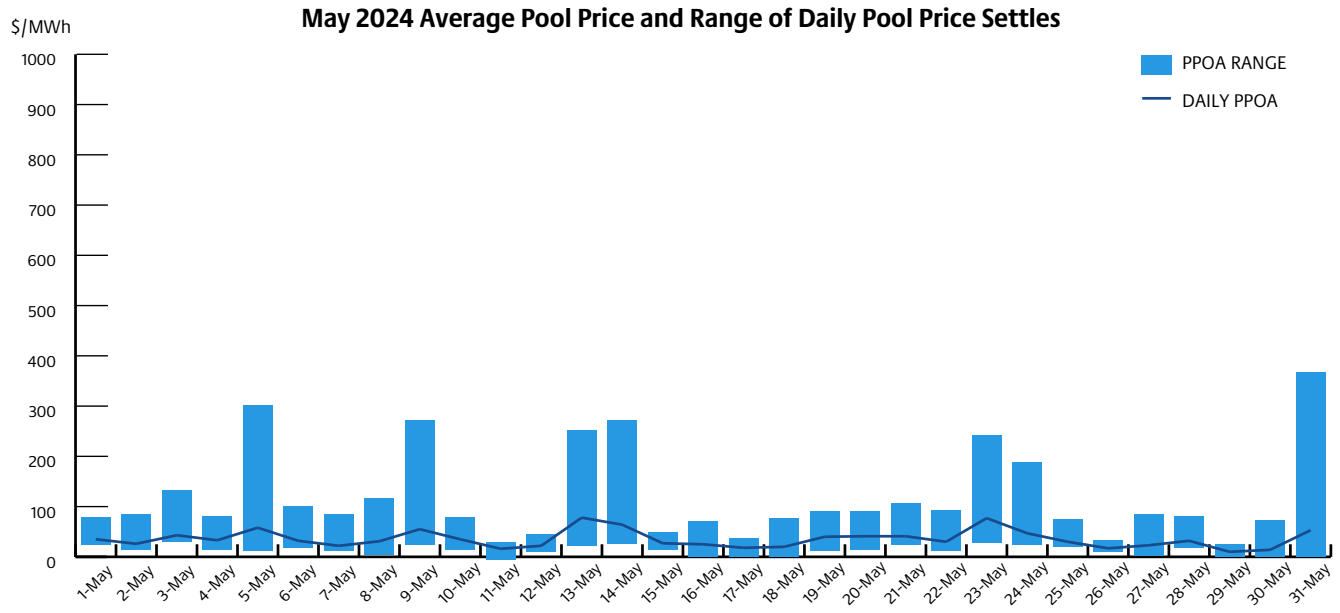
ALBERTA MARKET RECAP — MAY 2024

May 2024 settled at $35.37/MWh, representing a 77% decrease from May 2023's settle of $152.85/MWh and 48% decrease from April's settle of $68.61/MWh. The maximum pool price was $366.68/MWh in May, compared to $999.99/MWh in April. The average price between the on-peak and off-peak for May differed by $4.18/MWh, resulting in on-peak and off-peak price settles of $36.76/MWh and $32.58/MWh, respectively. May forwards settled between $46.25 and $54.75, 30 days preceding the month.

May 2024 did not have any triple digit daily settles, with only 33 hours of the month settling about $100/MWh. The SMP peaked on May 31st during HE23, reaching $464.10/MWh and remaining there for 3 minutes. May 31st ended up settling at $52.53/MWh, observing five hours at $0/MWh and three hours settling at about $246/MWh.

May 13th saw the highest daily average and off-peak price settles of $78.41/MWh and $94.60/MWh, respectively, whereas May 23rd saw the highest on-peak price settle of $87.42/MWh. On May 13th, pool price ranged from $21.73/MWh to $230.20/MWh. Alberta Internal Load (AIL) averaged 9,240 MW and peaked at 9,745 MW, relatively lower than the monthly averages by 56 MW and 345 MW, respectively. Renewables underperformed, as daily average wind generation was 663 MW, compared to the monthly average of 1,437 MW, whereas average solar capacity was 321 MW compared to the monthly average of 416 MW. Daily gas availability factor was 69%, as the major contributor to the approximately 4,000 MW of outages in the province. The province was a net importer of power for the entire day, with an average of 325 MW/h collectively flowing out to the BC, SK and MATL interties.

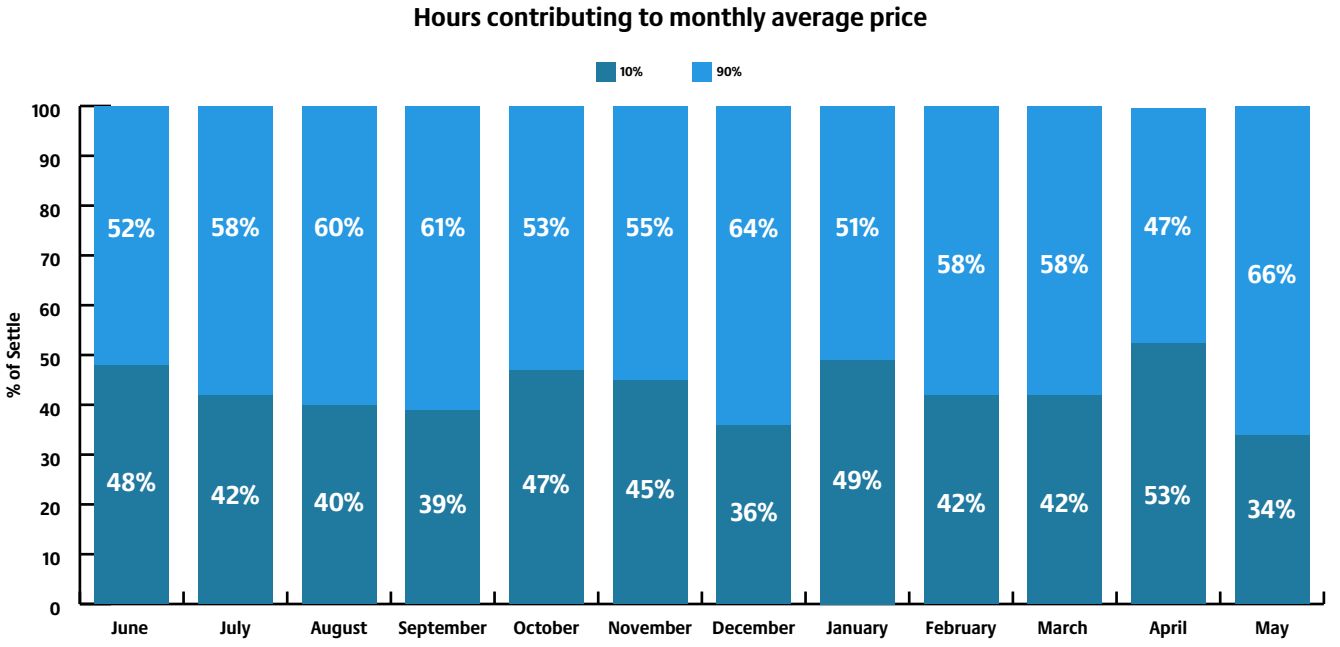
May 29th saw the lowest daily average and on-peak price settles of $9.94/MWh and $8.90/MWh, respectively, whereas May 11th saw the lowest off-peak price settle of $3.41/MWh. On May 29th, AIL averaged 9,483 MW, which was 187 MW higher than the monthly average and reached the monthly peak of 10,090 MW. Several thermal outages were observed, which contributed to coal and gas availability factors of 26% and 70%, respectively. Despite these bullish fundamentals, an abundance of renewable generation was sufficient to keep prices suppressed in the single digits for majority of the day. Daily average wind and solar generation averaged 2,522 MW and 460 MW, respectively. Imports were observed from the MATL intertie through the entire day, averaging 108 MW/h during the on-peak and 66 MW/h during the off-peak, while exports flowed on the AB and SK intertie collectively averaging 124 MW/h during the on-peak and 115 MW/h during the off-peak.



Average AIL for the month was 9,296 MW, with hourly peak load hitting 10,090 MW on May 29th HE 16. This represents a 2.7% increase from May 2023's average AIL of 9,053 MW and a 2.5% decrease from its hourly peak load of 10,344 MW.

The weighted average temperature across the province for May was 10.24°C representing a 5.44°C decrease from last May when the average was 15.68°C. May 2024 temperatures in Alberta ranged from a high of 28°C in Fort McMurray on May 10th HE 18-19 to a low of -5°C in Edmonton on May 4th HE 6-7.

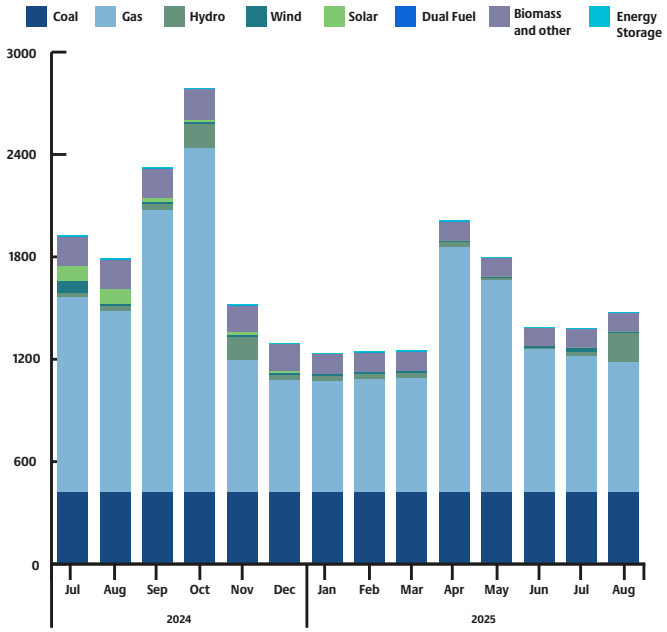
The top 10% of high-priced hours for May averaged $121.07/MWh, contributing 34% to the monthly settle, while the bottom 90% of hours averaged $25.90/MWh.



MONTHLY OUTAGES

Since last month's outage report, there have been noteworthy changes in gas outages, as well as biomass and other outages. Gas outages increased consistently by 240 MW to 375 MW from July 2024 through October 2024 and by approximately 195 MW from November 2024 through August 2025.

AESO monthly outages (as of June 2024)



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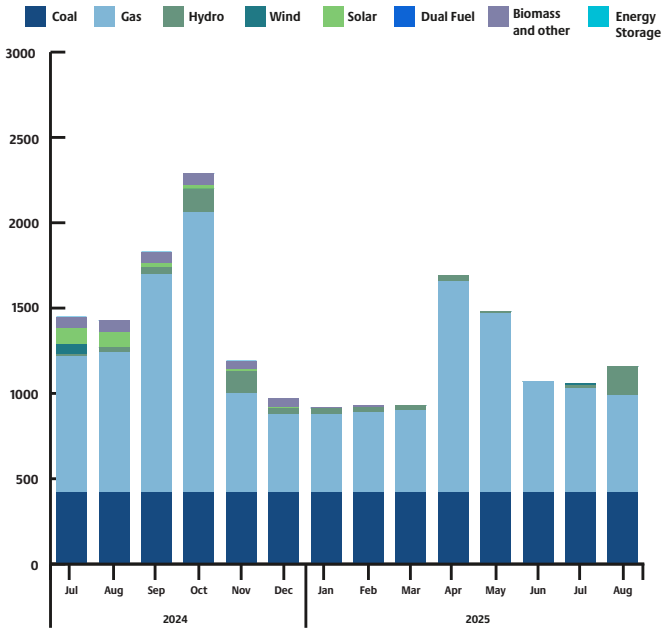
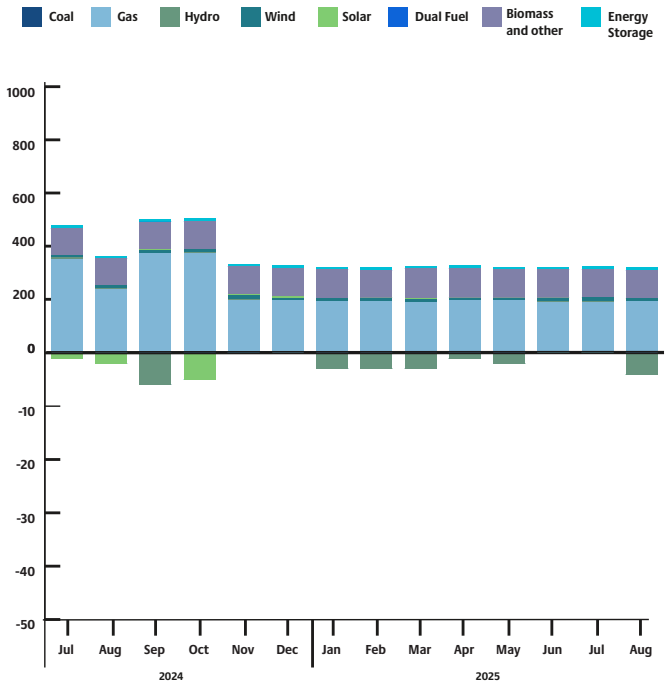


Month-over-month change in outages (June 2024 over May 2024)

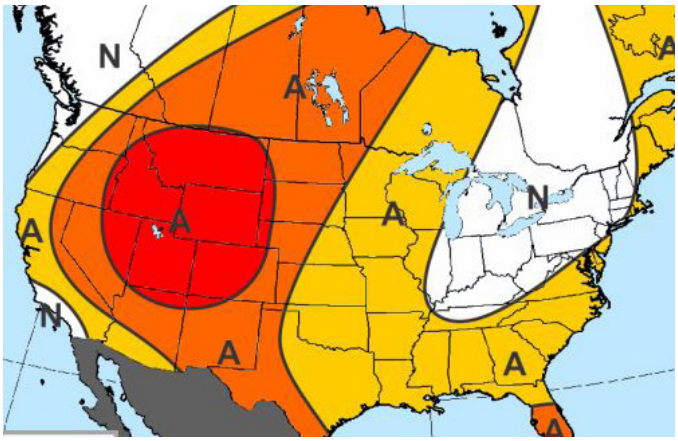


MAXAR'S 30-60 DAY OUTLOOK

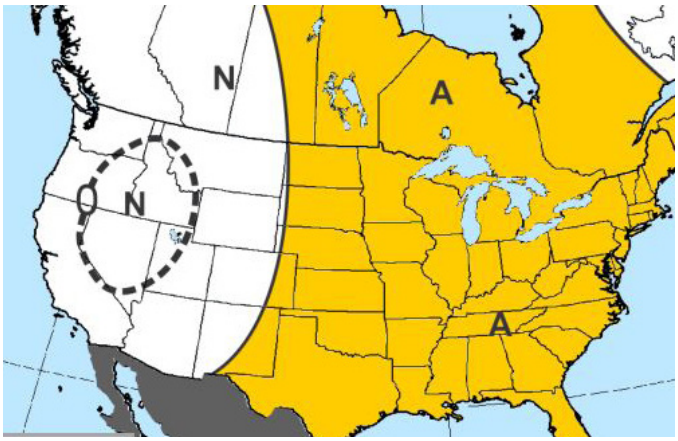
Maxar's final 30-day outlook for June undergoes significant warm changes in the West while more minor detail changes are noted in the eastern half. The bump up to 280 PWCDDs (Population-Weighted Heating Degree Days) ranks 5th-hottest since 1950. The hotter changes in the West are based on the current 6-15 Day forecast which features a strong ridge building over the West and bringing widespread aboves and much aboves. The focus for aboves then looks to shift more toward the Central and Southern US in the latter part of the month based on sea surface temperature analogs. That said, risks are additionally hotter in the West and Northeast based on the MJO (Madden-Julian Oscillation) being phases 8-1, while cooler risks are possible in the Midwest

July remains unchanged with aboves across the Eastern Half and near normal in the West. The forecast of 385 PWCDDs would rank 12th-hottest since 1950 but cooler than five of the last six years. 10-year climatology supports aboves in the West, going against Maxar's outlook based on sea surface temperature analogs. It is also worth noting that hot Junes in the West have tended to progress into hot Julys—of the Top 10 hottest Junes in the Mountain EIA region per PWCDDs, nine ended up above the 30-year normal for Mountain EIA PWCDDs in July including six in the Top 10. The CFS (Climate Forecast System) is additionally hotter than our outlook in the Plains, Midwest, and West, but cooler in Texas.

June 2024



July 2024



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