

TransCanada Power Market Update

March 2019

Forward Prices Table

	Flat 7x24 (\$/MWh)	AB - 7x16 On Peak (\$/MWh)	AB – 7x8 Off-Peak (\$/MWh)	AECO Gas (\$/GJ)	Heat Rate
BOM	\$45.00	\$51.75	\$34.65	\$2.15	20.93
April	\$52.00	\$63.44	\$33.80	\$1.39	37.41
BOY	\$54.92	\$69.75	\$39.54	\$1.41	38.95
2020	\$52.00	\$63.44	\$36.92	\$1.61	32.30
2021	\$47.75	\$56.35	\$33.90	\$1.67	28.59
2022	\$43.00	\$47.73	\$30.53	\$1.76	24.43

All prices are indicative as of indicative of March 12, 2018. For Firm power price quotes please contact TransCanada's Power Marketing team. See contacts on the last page.

Alberta Market Recap – February 2019

February 2019 settled at \$109.36/MWh, representing a 250% increase from February 2018 settle of \$31.32/MWh and a 190% increase from last month's settle of \$37.83/MWh. The average price between the on-peak and off-peak for February differed by \$58/MWh, with the on-peak and off-peak at \$128.73/MWh and \$70.61/MWh respectively.

February 2019 marks as the highest monthly settle since July 2014 which settled at \$122.54/MWh and the highest February since 2011 which settled at \$122.45/MWh. Influencing February 2019's high settle, were eight days in the month over \$100/MWh including Feb 3rd and Feb 4th settling at \$453.06/MWh and \$484.18/MWh, respectively.

Due to the numerous price spikes into the triple digits, the top 10% of high priced hours averaged \$504.04/MWh contributing 46% to the flat month settle, while the bottom 90% averaged \$65.65/MWh. The large influence that the top 10% of hours had on the overall month, shows how tight supply and extreme temperatures can cause volatile hours in the AB power market and greatly impact average monthly settles.

Understandably, the influence and magnitude of the top 10% of hours in February was underestimated prior to the month start. In January 2019, the Feb-19 flat product traded on screen between \$47/MWh and \$55/MWh representing an approximate 100% discount to how the month settled.

Average Alberta Internal Load (AIL) for the month was 10,689 MW, with peak load hitting 11,471 MW on February 12, 2019. This represents a 2% increase from January's 2018's average AIL of 10,470 MW and a 1% increase from its peak load of 11,333 MW.

The weighted average temperature across the province for February averaged -20.5°C representing a 7°C decrease from last February when the average was -13.38° C.. For Calgary, the average temperature for the month came in at -18°C marking as the coldest February since 1979 when the temperature averaged -16.7°C.

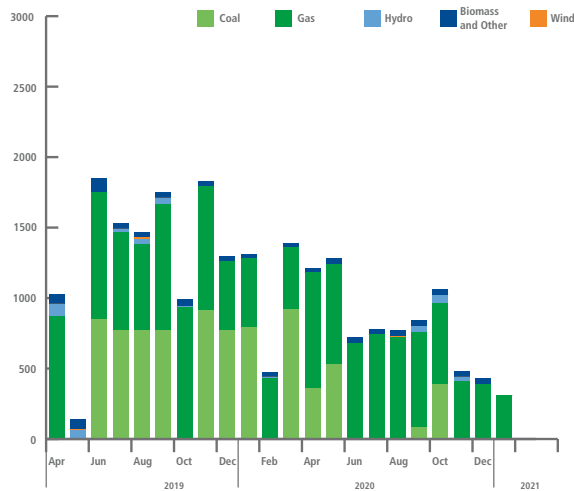
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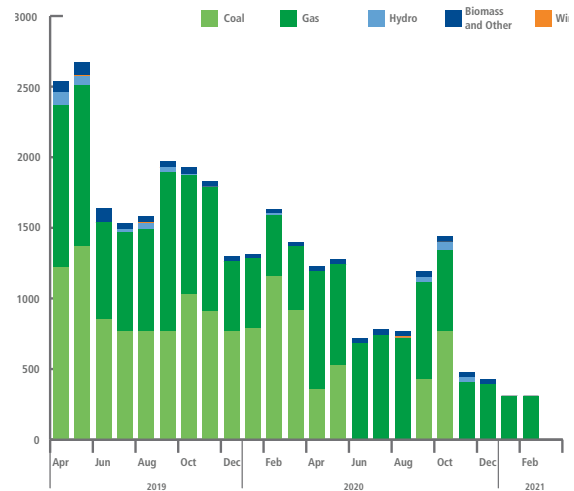
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Monthly Outages

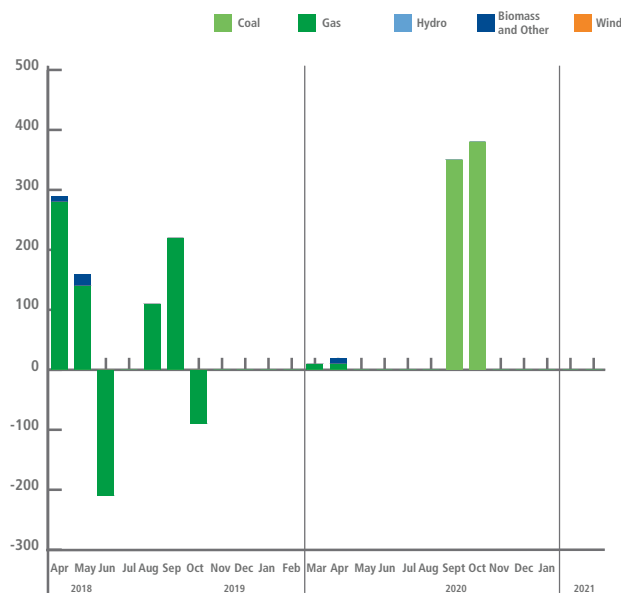
AESO Monthly Outages (as of February 2019)



AESO Monthly Outages (as of March 2019)



Month-over-Month Change in Outages
(February 2019 over March 2019)



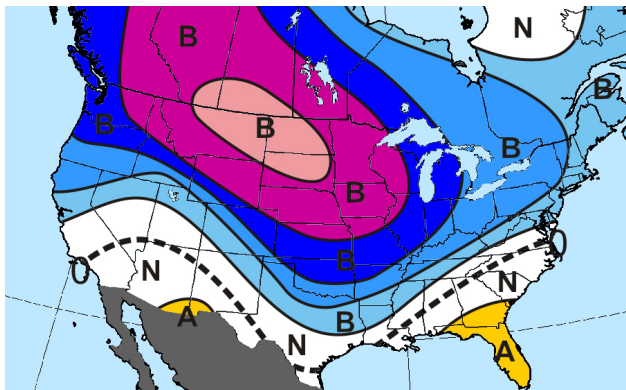
There are minimal changes in the AESO's monthly outage schedule from last month's report. Noteworthy is the increase in gas outages for April and May 2019 of 280 MW and 140 MW respectively and a decrease in June 2019 by 210 MW.

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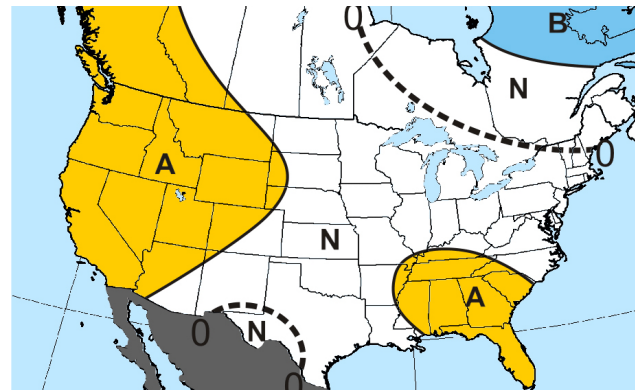
March 2019

Radiant Solutions 30-60 Day Outlook

March 2019



April 2019



February 2019 unfolded with extreme cold anomalies especially in the front end of the month in the Rockies and across the Canadian prairies. From February 1st-14th daily temperatures in Alberta averaged -25°C , including the third, fourth and fifth of February averaging -29°C . South of the border, temperatures followed suit with below normal temperature anomalies across the Midwest and Plains. Meanwhile, in the far south near the Gulf Coast warm temperature anomalies were recorded.

Radiant Solutions Outlook for March 2019 forecasts continued extreme cold anomalies $< -5.0^{\circ}\text{C}$ as indicated by the purple areas on the weather map above. Despite the cold front gripping most of North America, according to Global News we will see a dramatic shift near the end of March to lead us into a mild spring.

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