Direct Energy Business

Ontario and Alberta Electricity Pricing Report

April 28, 2017

Spot Price

HOEP Weekly Summary

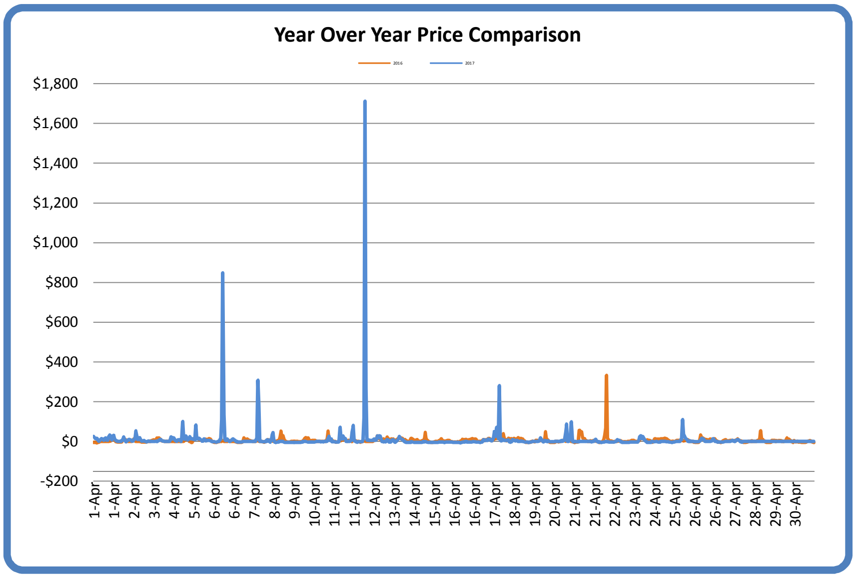
Since the last report, temperatures averaged 1.8°C above normal, ranging from 1.1°C below normal (April 25th) to 7.5°C above normal (April 27th). Short term forecasts call for highs from plus 9°C to plus 20°C. Settled prices for the week averaged $2.25/MWh flat, ranging from an hourly low of negative $4.11/MWh (April 23rd) to a high of $110.18/MWh (April 25th).

Near-term forwards decreased over the week on lower power, gas settles. Prompt month gas last settled at $3.14 USD/mm, dropping by two pennies over the week. Working gas in storage showed a net injection of 74 Bcf for the week which was within expectations. Total gas in storage currently sits at 2,189 Bcf, which is 358 Bcf lower than levels at this time last year and 299 Bcf above the 5-year average. Canadian east storage is 42% full, 5% below last year's levels.

Total outages in the province (all generators) as of April 28th at 10:00 AM MST were forecasted to sum to 8,400 MW. Of that, approximately 37% is due to unavailable nuclear generation, 11% is due to hydro outages and 52% is due to Oil & Gas outages. Darlington-G1, Darlington-G2, PickeringB-G5 and Bruce B-G5 all remained offline over the week. Darlington-G3 went offline April 25th. Over the upcoming week, outages are forecasted to range between 6,300 MW to 9,300 MW.

ONTARIO: Weekly Spot Price (HOEP) Analysis ($/MWh)

	On-Peak	Off-Peak	Flat
Current Week Average	$4.61	$0.10	$2.25
4/21/2017 to 4/27/2017			
Last Week Average	$11.38	-$1.58	$4.59
4/14/2017 to 4/20/2017			
Change	*(6.77)*	*1.68*	*(2.35)*
YTD 2017	$24.90	$14.04	$19.18
2016 (Full Year)	$20.23	$10.27	$14.90
Change	*4.67*	*3.77*	*4.28*



AESO Pool Price Weekly Summary

Over the week, temperatures averaged 2.8°C below normal, ranging from 7.3°C below normal (April 25th) to a high of 0.9°C above normal (April 21st). Settled prices for the week averaged $24.16/MWh flat, ranging from an hourly low of $17.26/MWh (April 21st) to a high of $48.90/MWh (April 24th). Short term forecasts call for highs ranging from 12°C to plus 19°C.

Calendar forwards continued to increase on TransAlta's early coal plant retirement, mothballing, and unit conversions effective January 2018. Prompt month gas last settled at $3.14 USD/mm, dropping by 2 pennies over the week. Working gas in storage showed a net injection of 74 Bcf for the week which was within expectations. Total gas in storage currently sits at 2,189 Bcf, which is 358 Bcf lower than levels at this time last year and 299 Bcf above the 5-year average. Canadian west storage is 65% full, 15% below last year's levels.

As of April 28th at 9:00 AM MST, four coal units were offline; Battle River #3 (149 MW), Battle River #4 (155 MW), Keephills #2 (395 MW) and HR Milner #6 (144 MW). Total coal-fired generation is running at 72% of capacity. Wind generation was strong last week averaging 636 MW. Next week, wind generation is expected to be moderate, averaging 500 MW.

ALBERTA: Weekly Spot Price Analysis ($/MWh)

	On-Peak	Off-Peak	Flat
Current Week Average	$26.21	$20.04	$24.16
4/21/2017 to 4/27/2017			
Last Week Average	$19.32	$16.27	$18.30
4/14/2017 to 4/20/2017			
Change	*$6.90*	*$3.77*	*$5.86*
YTD 2017	$23.42	$18.31	$21.72
2016 (Full Year)	$19.73	$15.37	$18.28
Change	*$3.69*	*$2.93*	*$3.44*