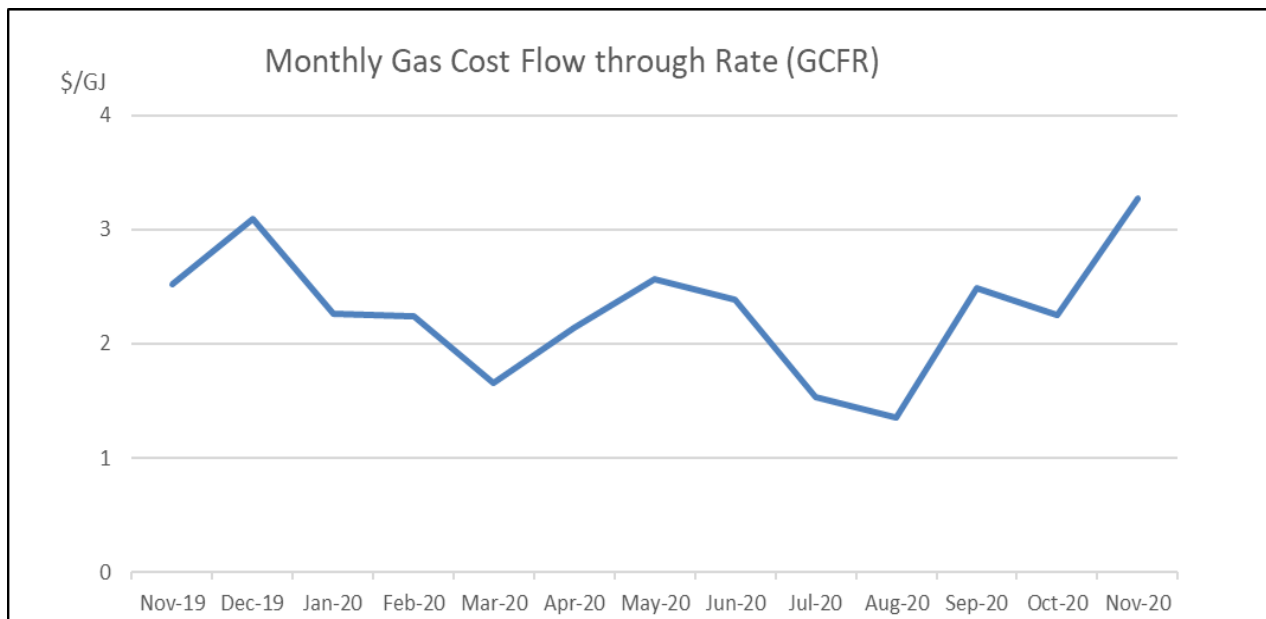
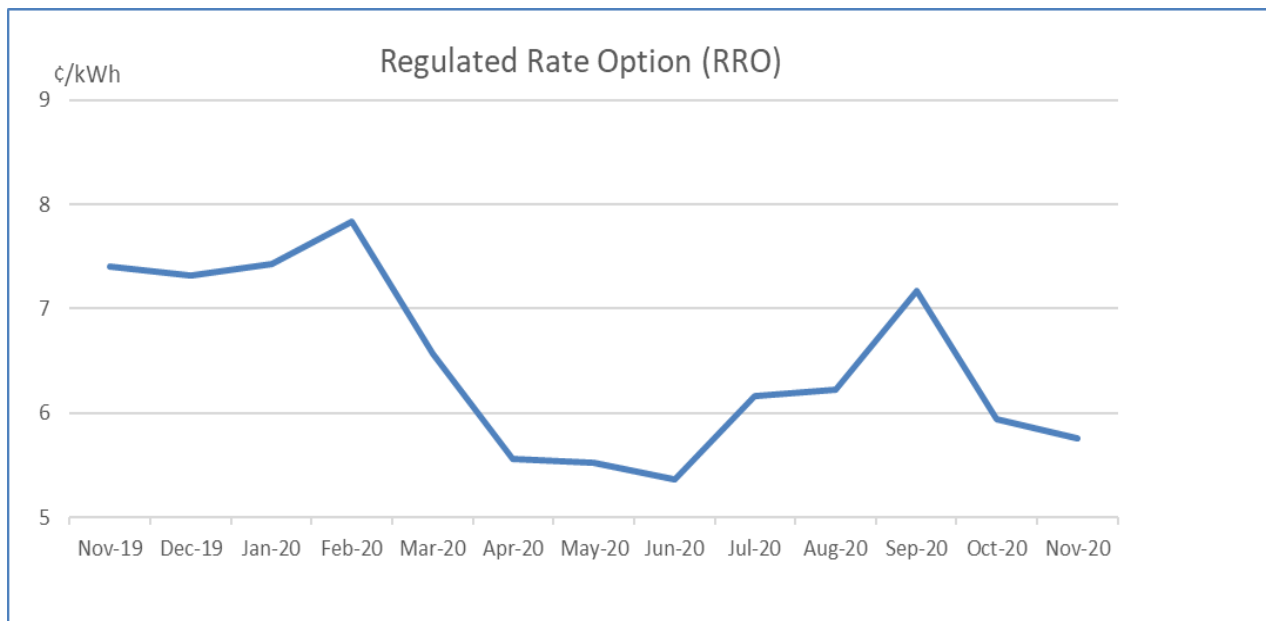


ENERGY PRICES AND MARKETS**Natural Gas**

The 2020 November gas cost flow-through rate (GCFR) was \$3.28 per gigajoule. Prices are forecast to remain relatively strong into 2021. Natural gas costs for The City thus far in 2020 are 1.5 per cent (\$110,000) higher relative to 2019.

**Electricity**

The ENMAX regulated rate option (RRO) price for 2020 November was 5.76 cents per kilowatt-hour. Electricity costs for The City thus far in 2020 are 3.2 per cent (\$2,000,000) lower relative to 2019, largely due to decreased transit electricity usage.

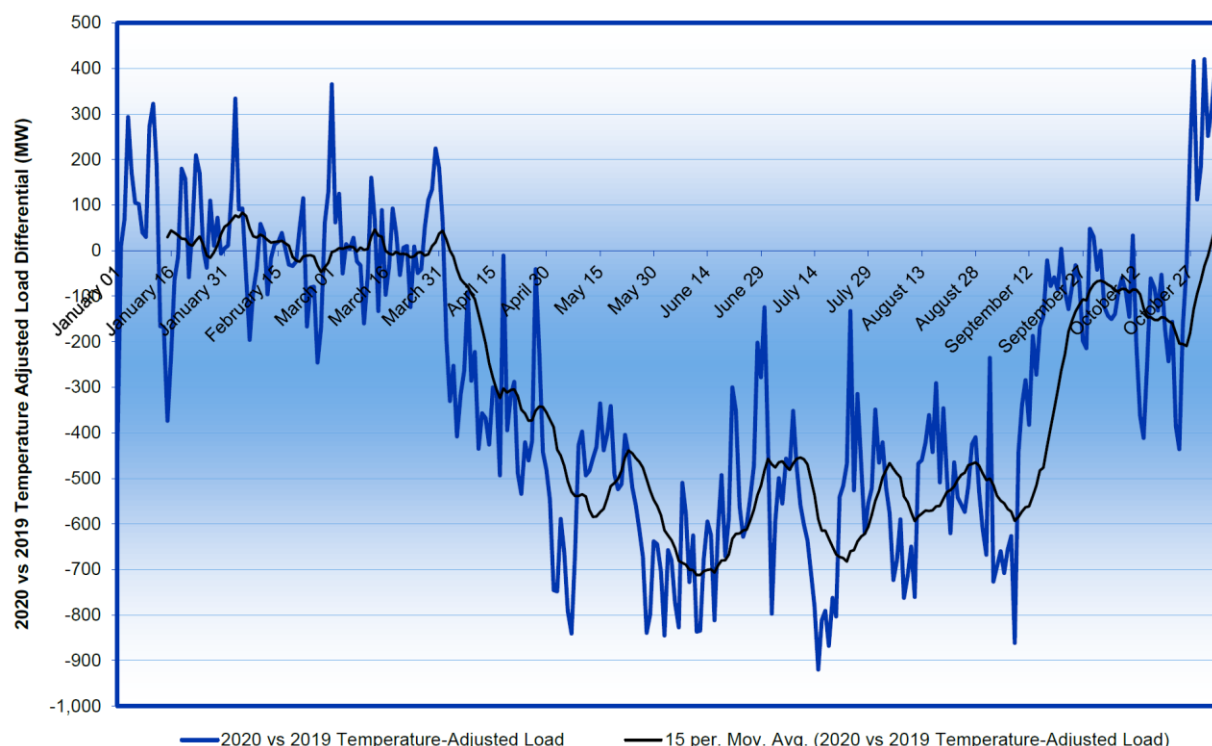


The month-to-date all-hours average power pool price for 2020 November 16 was 3.77 cents per kilowatt-hour. For reference, the all-hours average price for 2019 November was 5.62 cents per kilowatt-hour. Power pool prices are forecast to remain at approximately 5 cents per kilowatt-hour for the remainder of 2020.

UTILITIES AND INDUSTRY DEVELOPMENTS

Impact of COVID-19 and Low Oil Prices on Alberta Electricity demand

The daily temperature adjusted year over year Alberta Internal Load (“AIL”) differential has shown significant signs of improvement, actually moving into positive territory in November. The strong return in year over year load during the last few weeks is attributable to Alberta returning to some degree of normalcy, such as schools and business re-opening. Concurrently, large industrial facility outages, (due to oil production shut-ins, maintenance and operational issues) have been resolved. Electrical load is expected to continue to improve as recent corporate announcements suggest that various oil producers are restarting shut-in oil production and that most oil sand outages have been completed. If oil prices remain strong and Alberta is able to avoid another prolonged lockdown, electricity load growth may continue.

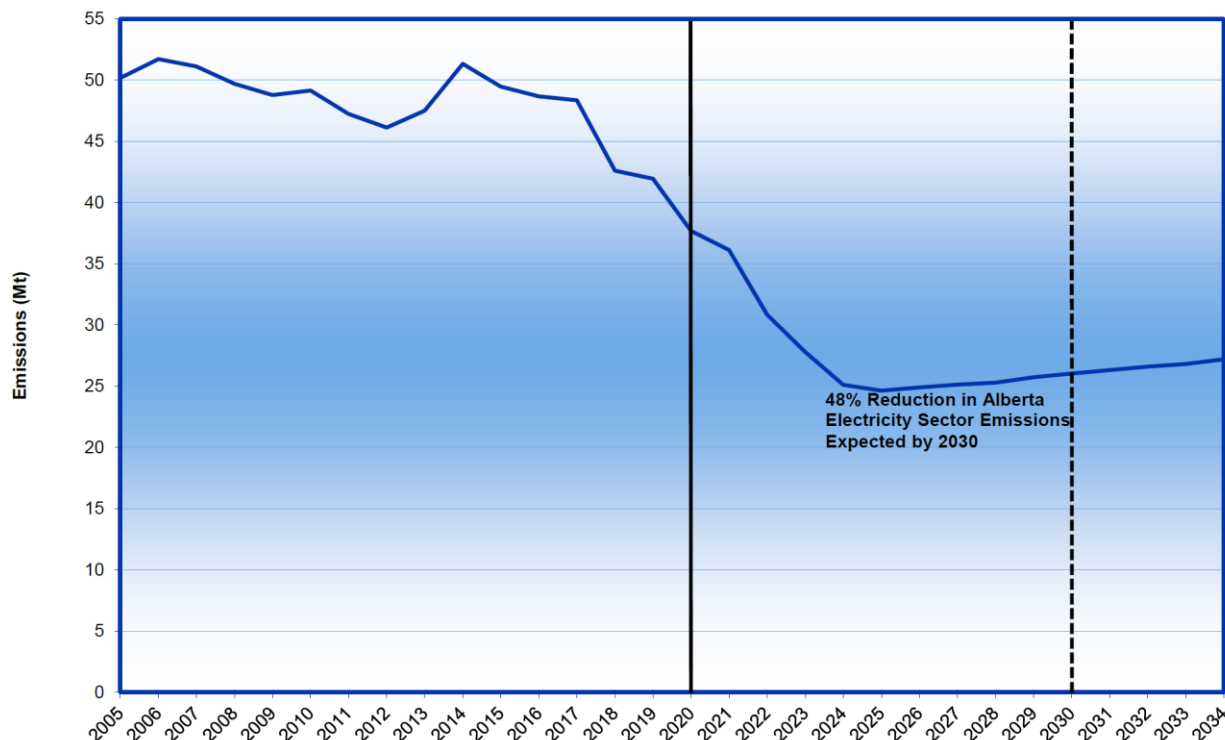


*Source – EDC Associates Q4-2020 update

Alberta electricity sector well positioned to meet Paris climate goal

Under Alberta's current carbon compliance policy, the province's electricity sector is expected to easily surpass Paris Accord expectations. It is forecast that 2030 emissions will be at an almost 50% reduction from 2005 levels. The sharp drop-off can be attributed to the Alberta government showing firm policy guidance by supporting an energy-only market design that rewards efficient resources and strong renewable energy growth. It is expected coal retirements will continue

due to the combination of low natural gas prices coupled with high carbon costs. The graph below shows the expected future reduction in Alberta electricity generation emissions.



ENMAX selling downtown District Energy center

On 2020 November 6 ENMAX announced it had reached a deal to sell the District Energy Centre to a U.K.-based clean energy company (Atlantica Sustainable) for \$27million. The District Energy Centre was built in 2010 at a cost of \$32 million, with funds from all three levels of government. The District Energy Centre generates 55 MW of thermal energy and connects to customers through a network of insulated underground pipes.

ATCO completes large off-grid solar project in northern Alberta

Canadian Utilities, an ATCO company, on 2020 November 18 announced the completion of Canada's largest (2800 kW) off-grid solar project. The solar project will provide 25 per cent of Fort Chipewyan electricity needs annually, reducing trucking and consumption of diesel fuel by approximately 800,000 litres per year. Fort Chipewyan is located about 150 kilometres away from the nearest tie-in to Alberta's electric grid, and is home to nearly 1,000 residents who rely solely on diesel-fueled generation for electricity. Each year, diesel is transported to the town by trucks on a winter ice road.

TELECOMMUNICATIONS DEVELOPMENTS

Canada parliament passes motion to review banning Huawei 5G technology

On 2020 November 18 Canada's parliament passed a motion (179-146), which called on the government within 30 days to officially ban Huawei 5G technology from being used in the country. The motion put forward by the Conservative opposition identified China as a threat to Canadian interests and values, and urged the government to draft a plan to "combat China's growing foreign operations" in Canada. The motion also called for the Trudeau government to come up with a plan to counter Chinese operations aimed at intimidating Chinese nationals living in Canada.

Canada's main allies in the intelligence-sharing FiveEyes group(United States, United Kingdom, Australia and New Zealand)have all already taken steps to ban Huawei 5G technology.