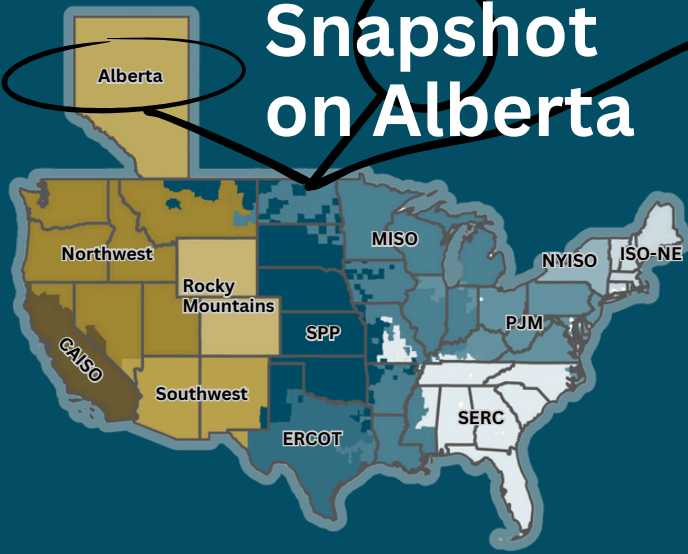


# Electricity Market Price Forecasts

## Snapshot on Alberta



### Key Trends

- + Alberta's TIER carbon market and carbon price levels, open access energy-only market, and interconnection speeds and cost allocation policies have spurred fast growth in wind and solar adoption—over 7 GW are installed today, and more is under construction.
- + Investments in combined cycle gas generation (both coal plant repowers and new greenfield investment) and cogeneration are going to materially impact energy prices in the near term and put pressure on existing coal to gas units to retire.
- + Net Zero 2050 goals will require incremental wind and solar investments, supported by energy storage. Carbon capture on new and existing gas will also likely play a role in the supply mix that enables a low emissions power sector in the long run.

### Resource Mix in 2035

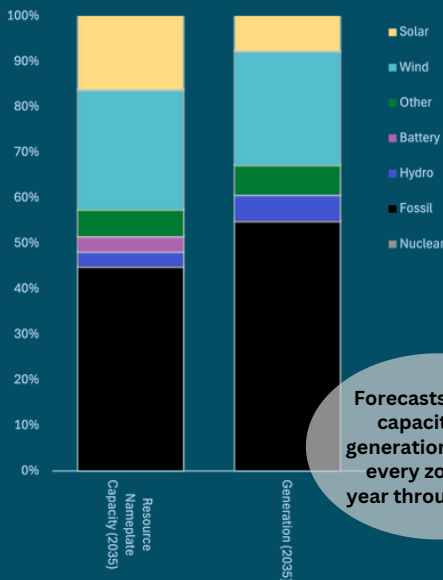
Clean energy as a percentage of total Alberta generation grows significantly and reaches 40% of generation by 2035. Cogeneration and combined cycle become a larger share with large investments in efficient production, countered by increasing wind volumes. In the long run, the gas fired fleet is required primarily for reliability and flexibility services when wind and solar are not available.

~5%  
energy demand  
by 2035

~5%  
peak load by  
2035

### Hourly Day-Ahead Energy Prices

Escalating carbon prices combined with a reduction of the High Performance Benchmark (HPB) result in increased costs for gas and translate to higher prices. Solar penetration starts to materially impact midday pricing once ~2GW are installed, beginning to show in 2023 data and very present by 2045. Carbon pricing paired with depressed midday prices creates opportunities for storage to cycle once or twice a day, leading to investment in storage.



Forecasts include capacity and generation data for every zone and year through 2050.

