

NEWS & REGULATORY UPDATES

- ▶ Canadian Utilities has broken ground on its Yellowhead Pipeline project, the 235 kilometer pipeline will run from Peer, AB to Fort Saskatchewan delivering 1.1 billion cubic feet of natural gas per day to the Industrial Heartland
- ▶ The federal government is investing nearly \$270 million in loans and grants to help New Brunswick modernize energy facilities that officials say are key to Ottawa's plan to double the capacity of Canada's electrical grid by 2050
- ▶ Cold Lake First Nations filed an application for judicial review in Federal Court challenging Ottawa's decision to designate the Pacific Link pipeline as a project of national interest, citing the government failed it's duty to consult before advancing the project
- ▶ President Trump announced a deal to import diesel fuel from Russia to help lower high domestic fuel prices, a move critics say may conflict with existing US sanctions law
- ▶ NGTL is reporting that FT is 100% and IT is 0% in USJR

MARKET COMMENTARY

Oil - WTI settled yesterday at \$94.14 US/Bbl, up 5.86 from last Wednesday's \$88.28 US/Bbl settle (the lowest since the end of August), settling higher each of the last 5 days, including reaching \$95.99 US/Bbl this morning. In the Middle East, Iran stepped up tanker attacks in Hormuz, trimming transits from about 80% of pre-war levels, and the Houthis kept attacking Saudi infrastructure, sending dated Brent above \$120 US/Bbl, while Saudi Arabia hit a war-time production record and plans to add 1.2 MMb/d of East-West pipeline capacity within weeks. In Russia and Ukraine, Russian crude exports slipped to 3.5 MMb/d on Black Sea tanker attacks, diesel exports remain 0.7-0.8 MMb/d below pre-ban levels as Ukrainian drones keep hitting refineries, and a Trump-announced energy ceasefire was not honored by either side. In the US, Hurricane Isaias shut in about 1.4 MMb/d of Gulf oil and 0.5 MMb/d of refining capacity, prompting emergency crude loans of up to 4 MMb to Exxon and BP before production restarted, commercial crude stocks drew 3.2 MMb (4.0 MMb including the SPR) as exports jumped 1.2 MMb/d, and production sits just shy of 14 MMb/d. Baker Hughes shows a rise of 1 rig in Canada and a rise of 6 rigs in US this past week. In Asia, China plans to resume refined fuel exports and is bidding for more spot crude for arrival next month. Globally, the IEA trimmed its 2027 demand outlook by 0.6 MMb/d while flagging diesel tightness into 2027. Tanker freight rates hit record highs. In Canada, WCS differentials for the first half of next year have widened by roughly \$1.75 US/Bbl as heavy barrels pile up on the US Gulf Coast. CalRock October Index Settles show: WCS -\$24.85 US/Bbl (\$0.09 wider week-over-week), SW at -\$0.96 US/Bbl (+\$1.52) and condensate (ENB) at +\$5.16 US/Bbl (up \$0.17). TSX closed yesterday at 35,983.98, up 942.12 points (2.69%) from last Wednesday's 35,041.86.

Gas - The November prompt month settled last Wednesday at \$3.203 US/MMbtu and settled yesterday at \$3.283 US/MMbtu, up \$0.080 on thru yesterday but down 10 cents this morning at \$3.18 US/MMbtu. Topsy-turvy week with prices tumbling on Thursday on storage data, rising Friday to a two-week high as Hurricane Isaias shut in Gulf production, then fell back Monday as shut-ins eased. Yesterday's jump to \$3.283 was one of the best settles since June, driven by a surge in global LNG prices as LNG export flows recovered and today back down. In the end a 3-4 cent move. Isaias shut in up to 59% of Gulf gas production at its worst (~1.2-1.3 Bcf/d), falling to about 25% by Monday, with a net supply loss of ~5-10 Bcf). US production is running ~108-110 Bcf/d, and LNG feedgas climbed to 19.7 Bcf/d with Cove Point back from 23 days of maintenance. With demand expected at 70-75 Bcf/d, end-of-season storage is projected at ~3.8-3.9 Tcf by October 30, though builds could linger into November. The winter outlook stays soft: December is forecast to be the fourth-warmest since 1950, and hydro continues to displace gas power in the US Pacific. Globally, European gas prices are at their highest since 2022, while Europe built ~59 Bcf vs. a ~39 Bcf average and demand remains well below normal. In Ontario, Enbridge restricted interruptible storage injections at Dawn, where inventories are at a five-year seasonal high of roughly 292 Bcf. On NGTL, balances tightened enough for a 0.2 Bcf/d storage draw on Sunday, exports recovered to ~8.0 Bcf/d and Alberta demand rose to ~6.4 Bcf/d. LNG Canada continues to run at ~1.4-1.6 Bcf/d with flaring warnings extended through most of October, and WCSB production has slipped to ~18.7 Bcf/d. GTN and Great Lakes maintenance this weekend and Monday is expected to pull exports lower and lift injections. Baker Hughes shows -1 rig in the US and +4 rigs in Canada this past week. NYMEX futures sit at \$3.283 US/MMbtu (+\$0.080) for the prompt (Nov26) and \$3.261 US/MMbtu (+\$0.050) for Cal27, while prompt-month global prices stand at Dutch TTF \$28.66 US/MMbtu (+\$3.64), British NBP \$28.73 US/MMbtu (+\$3.69), and Asian JKM \$26.27 US/MMbtu (+\$0.39). AECO next-day cash is at \$1.90 CAD/GJ, up \$0.45 from last week, with AECO basis at -\$1.925 US/MMbtu (-\$0.075) for the prompt (Nov26), -\$1.968 US/MMbtu (-\$0.073) for Nov-Dec26, -\$1.848 US/MMbtu (-\$0.037) for Q1-27, -\$1.680 US/MMbtu (-\$0.017) for Cal-27, -\$1.559 US/MMbtu (-\$0.013) for Summer-27, -\$1.896 US/MMbtu (-\$0.051) for Winter-26/27, and -\$1.788 US/MMbtu (-\$0.019) for Summer-28.

Electricity - Alberta pool prices rose for a second straight week as demand climbed into the fall. The pool price averaged \$60.13/MWh, up 51% from \$39.87/MWh the week before. Average load rose to 10,296 MW and peaked at 11,054 MW on October 9, the first peak above 11,000 MW in recent weeks. AESO plans to launch the Restructured Energy Market without a real-time ramping-reserve deliverability constraint, and written feedback is due October 16. Regulators have started reviewing the Emera-Canadian Utilities merger announced October 6, which is expected to close in the second half of 2027.

Emissions - Per Carbon Assessors' September TIER assessment- Credit prices eased to \$27.00 a tonne from \$27.52 in August, with several deals done at \$27.00. Trading picked up sharply: 79 registry transactions moved 1.52 million credits in September, more than double August's 661,000. These transactions consisted of 952,000 emission performance credits (EPCs) and 563,000 offsets. The market remains well supplied as prices have slid steadily from about \$37 a tonne in May and remain far below the \$95 a tonne fund price. Alberta's price-floor regulation, which sets a minimum of \$60 a tonne in 2030 rising to \$110 by 2040 expected by end of the year.

SETTLEMENT PRICES

CRUDE OIL US/BBL -SEPTEMBER

FX	1.39621
WTI	\$95.69
WCS	\$80.31
SW	\$98.57

ALBERTA NATURAL GAS CAD/GJ

Sep 2026 5A Index	\$1.5463
Sep 2026 7A Index	\$1.2505
Oct 2026 7A Index	\$1.4621

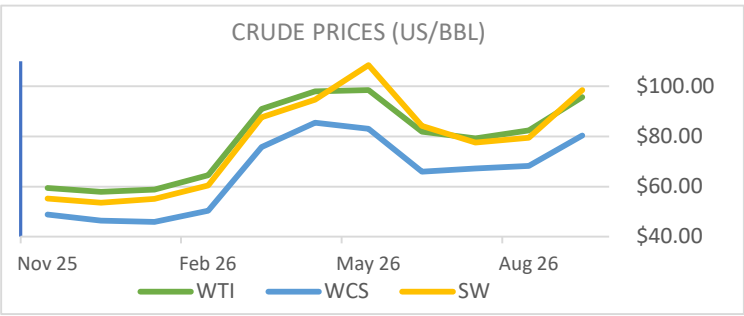
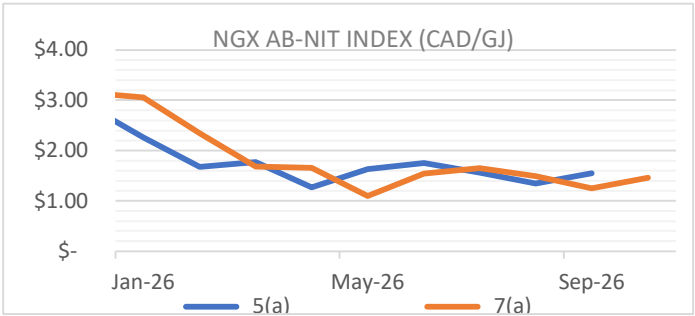
Spot FX (CAD/USD) 1.4256

CRUDE OIL PRICING - US/BBL

Period	WTI	WCS Basis	SW Basis	WoW WTI	WoW WCS	WoW SW
Oct 26 WTI CMA	\$91.81	-\$25.75	-\$2.75	\$1.48		
Nov 26	\$94.14	-\$25.50	\$1.35	\$4.70	-\$0.55	\$3.75
Dec 26	\$93.17	-\$25.36	-\$2.45	\$4.74	-\$0.11	\$0.55
Jan 27	\$92.23	-\$24.35	-\$3.10	\$4.81	-\$0.60	-\$0.10
Q4 2026	\$92.41	-\$25.60	\$0.30	\$4.79	-\$0.28	\$3.02
Q1 2027	\$89.72	-\$22.70	-\$3.00	\$4.98	\$0.05	-\$0.10
Q2 2027	\$86.22	-\$19.05	-\$2.55	\$4.90	\$0.20	\$0.05
Q3 2027	\$82.64	-\$17.30	-\$2.75	\$4.25	-\$0.20	\$0.00

ALBERTA NATURAL GAS PRICING — CAD/GJ

Period	CAD/GJ	WoW Change
Oct 2026 Bal/month	\$1.8200	0.0800
Nov 26	\$1.8250	0.0030
Dec 26	\$2.1400	0.0260
Jan 27	\$2.2550	0.0440
Q4 2026	\$1.9840	0.0130
Q1 2027	\$2.1690	0.0470
Q2 2027	\$1.8790	0.0170
Winter 26/27	\$2.0950	0.0310
Summer 2027	\$1.9120	0.0100



ALBERTA POWER PRICE

Year	FLAT RATE		WoW Change		EXTENDED PEAK		WoW Change	
	\$/MWh	GJ/MWh	\$/MWh	GJ/MWh	\$/MWh	GJ/MWh	\$/MWh	GJ/MWh
2026	\$36.30	37.91	\$0.43	\$0.36	\$43.34	45.32	\$0.66	\$0.59
2027	\$44.13	34.15	\$0.09	-\$0.24	\$51.99	40.19	\$0.13	-\$0.26
2028	\$61.32	40.41	-\$0.12	\$0.62	\$75.91	49.96	-\$0.18	\$0.75
2029	\$78.28	44.24	\$0.28	\$0.81	\$98.98	55.94	\$0.43	\$1.07
2030	\$85.78	33.71	\$1.28	\$0.98	\$109.83	43.16	\$1.93	\$1.37
2031	\$88.28	33.80	\$1.28	\$0.52	\$113.33	43.40	\$1.93	\$0.79
Avg	\$65.68	37.37	\$0.54	\$0.51	\$82.23	46.33	\$0.82	\$0.72

Please feel free to provide input on the information you would like to see.