



WEEKLY MARKET UPDATE

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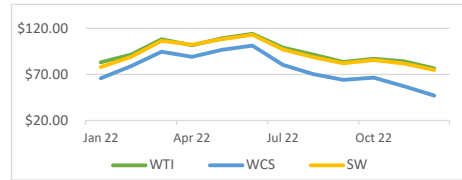
NEWS HEADLINES/REGULATORY UPDATES

- Premier Smith says the province is open to bolstering tax credits for carbon capture and storage technology but also wants increased financial support from the Federal government
- NGTL has filed their quarterly activity cost report as at Dec 31, 2022 for the 2018 Meter station and Lateral abandonment program
- The AER is seeking feedback on updates to Directive 101: Requirements for Site Specific Liability Assessment prior to Feb 8, 2023
- The U.S. has set up an office to ensure efficient use of Bidens \$4.7 Billion investment to clean up abandoned oil and gas wells
- NGTL is currently reporting that IT service is restricted to 10% USJR

Crude Oil Pricing

USD/Bbl - December Settles

FX	1.359
WTI	\$76.52
WCS	\$47.01
SW	\$74.98



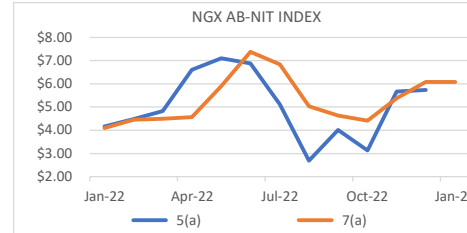
	WTI	WCS Basis	SW Basis	Change from Previous Week		
Spot FX= 1.3430						
Jan 23 WTI CMA	\$75.36	-\$28.17	-\$3.16	-\$1.64		
February 2023	\$75.12	-\$25.10	-\$3.90	-\$1.81	\$1.35	-\$0.45
March 2023	\$75.37	-\$24.00	-\$2.90	-\$1.75	\$1.95	\$0.50
Q1 2023	\$75.54	-\$25.05	-\$3.60	-\$1.69	\$1.75	-\$0.22
Q2 2023	\$75.76	-\$22.40	-\$3.33	-\$1.35	-\$0.05	-\$0.43
Cal 2023	\$75.12	-\$22.79	-\$3.56	-\$1.11	\$0.51	-\$0.28

Alberta Natural Gas Pricing

CAD/GJ

Current Market

	Change from Previous Week
December 2022 Settle	\$5.7452
January 2023 Bal/month	\$3.7300
February 2023	\$3.9530
March 2023	\$3.5610
Q1 2023	\$3.7570
Q2 2023	\$2.9260
Winter 23/24	\$3.9310
Summer 2023	\$2.9160



Alberta Power Prices

	Flat Rate	Flat Heat Rate	Change from previous week		Extended Peak	Ext. Heat Rate	Change from previous week	
	\$/MWh	Mkt HR GJ/MWh			\$/MWh	Mkt HR GJ/MWh		
2023	\$ 164.72	50.63	-\$0.60	0.12	\$ 209.08	64.46	-\$0.11	0.32
2024	\$ 100.88	28.73	\$1.00	0.46	\$ 123.80	35.13	\$1.49	0.64
2025	\$ 87.00	23.21	-\$1.50	0.48	\$ 105.50	28.14	-\$2.25	0.47
2026	\$ 78.75	19.40	\$0.00	1.07	\$ 93.13	22.94	\$0.00	1.26
2027	\$ 79.50	18.91	\$0.00	1.14	\$ 94.25	22.41	\$0.00	1.34
2028	\$ 79.50	17.33	\$0.00	0.87	\$ 94.25	20.54	\$0.00	1.02

Commentary:

Oil – Last Tuesday and Wednesday we saw the market fall almost \$5 each day in the prompt WTI. The EIA price went down to \$72.73 US/Bbl. Hopefully that will be the low for the year. Since Thursday, the Feb contract has moved higher almost every day gaining back just over \$5 and is currently sitting \$77.70 US/Bbl up \$2.50 on the day. The EIA is forecasting US domestic crude production to hit 13 million bpd by November after getting over 12 million bpd in the last couple months of 2022 and hitting 14 million by 2024. Energy prices are expected to pick up in 2023 and continue with the large swings we have seen this past year. There are a lot of uncertainties affecting price: Russia and the price cap, Chinese demand recovery, looming recessions in many economies and its effect on interest rates from G7 central banks. Baker Hughes shows a large gain of 88 rigs in Canada and drop of 3 in US – could be a typo. Rest of yr WTI is at \$77.40 US/Bbl up \$3.50 WoW, while 2024 is around \$73.50 US/Bbl up \$2.60 WoW. WCS Feb index is slightly stronger WoW at -\$26.07 US/Bbl and condensate is slightly weaker at \$3.025 US/Bbl.

Gas – the prompt month gas contract continues its decent into oblivion which started on Dec 14<sup>th</sup> from \$6.76 US/MMbtu. We won't dwell on gas trading close to \$10 in mid August. Since Dec 14th, gas has only had 4 up days. Last Wed was one of those days moving up 20 cents on basically a dead cat bounce. There is really nothing in the way of gas continuing its march to 0. Jan is off to the warmest start in 15 years, storage season appears to be oversupplied, weather charts show red for mid and late winter and spot LNG purchases are falling off. EIA has nat gas production increasing thru the year and into 2024 – almost 3.7 Bcf/d over the next 24 months. Alberta field receipts hit 17.5 Bcf/d last week and currently at 15.1 Bcf/d. Baker Hughes shows an increase of 17 rigs in Canada and down 4 in US. European weather is seasonally warm with high winds and appears to be averting a prolonged energy crisis. Dutch TTF is \$22.09 and British NBP is at \$20.83 – both relatively unchanged WoW. AeCo fixed price (CAD/GJ) followed by (WoW change): Bal Mo - \$3.73 (-\$0.42), Feb-Mar \$3.95 (+\$0.10), summer \$2.916 (+\$0.016), winter \$4.069 (+\$0.125) summer 24 \$3.087 (-\$0.02). AeCo Basis (US/MMbtu) (Wow): Feb-Mar -\$0.615(+\$0.15), summer -\$1.41 (+\$0.09), winter -\$1.285 (+\$0.05), summer 24 -\$1.33(+\$0.06).

Electricity – From AESO: The average pool price for the month of December was \$311.73/MWh. This is 66.8% higher than November's average of \$186.84/MWh. The maximum pool price was \$999.99/MWh, compared to \$999.99/MWh in November. The on peak pool price averaged \$351.84/MWh and ranged from \$64.86/MWh to \$999.99/MWh. The off peak pool price averaged \$231.50/MWh and ranged from \$58.89/MWh to \$801.27/MWh. Total energy in December was 7,998 GWh and peak demand was 12,193 MWh. The total energy is 7.3% higher than the previous month's total of 7,452 GWh. The peak demand is 551 MW higher than the previous month's peak of 11,642 MW.

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