

Chapel Rock-to-Pincher Creek Transmission Development Update

➤ *Thank you to everyone who has participated in a dialogue with the Alberta Electric System Operator (AESO) throughout 2018; we value your input. We would like to share that we have adjusted our plans for transmission development in your area.*

As part of our ongoing planning process and taking stakeholder feedback into consideration, we have directed AltaLink Management Ltd. (AltaLink) to explore potential routes for **only one** of the two 240 kV transmission lines we shared information about earlier this year.

While the second 240 kV transmission line remains part of the AESO's long-term plans in the area, we do not anticipate the second 240 kV line being required within the next five to 10 years. We will engage with stakeholders about the need for this development closer to the time we anticipate it will be required. This will better enable us, as the organization accountable to all Albertans to ensure the right amount of transmission is built at the right time and in the right place, to pursue appropriate approvals with more certainty about the renewable generation development in the Pincher Creek area.

We will be in attendance at AltaLink's future public events to share information, answer your questions and listen to your concerns.

TRANSMISSION FACILITIES REQUIRED IN YOUR AREA

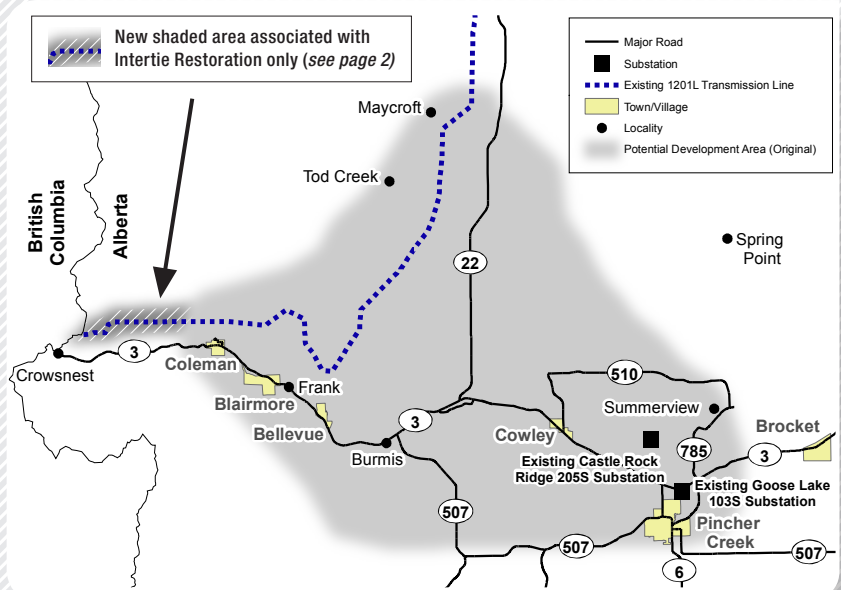
Renewable generation development in the Pincher Creek area continues to grow and the existing transmission system in the area is not capable of transferring the anticipated electricity to where it can be used. New transmission development is required to efficiently integrate it onto Alberta's grid. This includes:

- A planned Chapel Rock substation connecting directly to the existing 500 kV intertie between Alberta and B.C. and associated equipment within it;
- One 240 kV transmission circuit from the planned Chapel Rock substation to one of two equally viable technical solutions for where the line could end. These potential end points include the existing Castle Rock Ridge substation OR the existing Goose Lake substation. AltaLink will be preparing detailed studies and consulting with stakeholders to determine the most appropriate end point for these required facilities; and
- New voltage support equipment at the existing Goose Lake substation.

POTENTIAL LOCATIONS OF TRANSMISSION FACILITIES

If you are receiving this information, you live in an area where new transmission facilities could potentially be located, or have previously received information about this project from the AESO.

AltaLink Management Ltd., the transmission facility owner in the area, will be consulting with stakeholders in the coming months to develop and determine potential solutions, routes and sites for the required facilities described above.



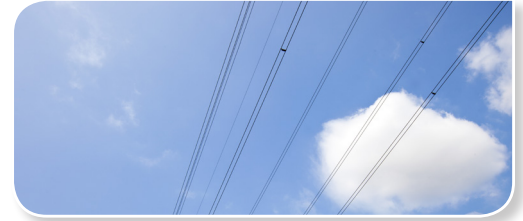


Restoring Alberta's Interconnection with British Columbia

➤ *The information below was previously shared with stakeholders in early 2018. The AESO has extended the area where facilities may be located up to the B.C. border (see map on page 1).*

The Chapel Rock—to—Pincher Creek Transmission Development also contributes to the restoration of the Alberta—British Columbia intertie to its full path rating. In addition to the planned 240 kV transmission line, additional equipment in close proximity to the existing 500 kV transmission line, called transmission line 1201L, is required, along with clearance mitigation work on specific portions of the existing 1201L line and upgrades to the 500/240 kV transformation capacity at the existing Bennett substation, near Langdon. Restoring the intertie in conjunction with the Chapel Rock—to—Pincher Creek Transmission Development will minimize costs and disruptions to landowners.

The AESO plans to file a separate application with the Alberta Utilities Commission (AUC), in conjunction with AltaLink's facilities application for this project, in fall 2019. Once filed, the Needs Identification Document (NID) and related documents will be shared on our website at www.aeso.ca/grid/projects/Intertie-Restoration



BACKGROUND

In early 2018, we sent you information about the need for transmission development in the Pincher Creek area to efficiently integrate generation from renewable resources onto Alberta's grid.

AltaLink hosted information sessions in April 2018, which we also attended to hear from stakeholders and to discuss the proposed transmission development within your area.

We shared information and responded to questions about the need for transmission and the best potential technical solution to serve Alberta's electricity demands. Based on further consideration and feedback received at these events and over the past several months, we have adjusted our plans for the Chapel Rock—to—Pincher Creek Transmission Development.

NEXT STEPS

Following completion of AltaLink's evaluation and consultation with stakeholders, in fall 2019 the AESO intends to file an application with the AUC regarding the ongoing need for transmission development. This application will be filed in conjunction with AltaLink's facilities application for approval of the locations of the transmission facilities.

Once filed, the AESO's application and related documents will be shared on our website at www.aeso.ca/grid/projects/SATR-CRPC

QUESTIONS?

The AESO will join AltaLink at their public events, such as open houses, to be available to discuss the need for transmission development in southwest Alberta. We are also available to discuss these plans with you directly.

Please contact AESO Stakeholder Relations at stakeholder.relations@aeso.ca or 1-888-866-2959

If you have any questions about the routing or siting of potential transmission facilities, please contact AltaLink at stakeholderrelations@altalink.ca or 1-877-269-5903

The AESO is committed to protecting your privacy.

The feedback, comments and contact information you choose to submit is being collected by the AESO to respond to your inquiries and/or to provide you with further information. This information is collected in accordance with Section 33(c) of the Freedom of Information and Protection of Privacy Act. If you have any questions about the collection or use of this information, please contact the Manager, FOIP and Records Management, 2500, 330 – 5th Ave. SW, Calgary, Alberta, T2P 0L4 or by telephone at 403-539-2528. If you choose to communicate by email, please note that email is not a secure form of communication. Security of your communication while in transit cannot be guaranteed.