

Delivered by Email
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Sarah.Oldfield@altalink.ca

ATCO Electric Ltd.
10035 - 105 Street
Edmonton, Alberta T5J 2V6
Attention: Gurb Hari - Vice President, Projects & Construction

AltaLink Management Ltd.
in its capacity as general partner of AltaLink, L.P.
2611 - 3rd Avenue SE
Calgary, Alberta T2A 7W7
Attention: Sarah Oldfield - Director, Projects & Operations Support

Dear Mr. Hari and Ms. Oldfield,

Re: Approval by the Independent System Operator, operating as the Alberta Electric System Operator (the “AESO”) under Section 501.3 of the ISO Rules, *Abbreviated Needs Approval Process*, (the “ANAP Rule”) for Opal Gas Project Connection – Project No. 2456 (the “Project”)

1. On June 21, 2021, Kiwetinohk Energy Corp (“Market Participant”), submitted a system access service request (“SASR”) to the AESO to connect the Opal Gas Project (Facility) in the Fox Creek area (AESO Planning Area 24, Fox Creek).
2. For the reasons set out below, the AESO has approved the transmission facility project required to respond to the SASR under the AESO’s abbreviated needs approval process (“ANAP”).
3. The transmission facility project includes:
 - (a) Add one 144 kilovolt (kV) transmission line to connect the Facility to the existing 144 kV transmission line 7L199 in a T-tap configuration;
 - (b) Increase the rating of the 144 kV transmission line 7L199 between the Facility T-tap point and the existing Fox Creek 741S substation; and
 - (c) modify, alter, add or remove equipment, including switchgear, and any operational protections, control and telecommunication devices required to undertake the work as planned and ensure proper integration with the transmission system.
4. Supporting materials are available on the AESO website at <https://www.aeso.ca/grid/transmission-projects/opal-gas-project-connection-2456/> and include:
 - (a) *Engineering Connection Assessment* titled, “P2456 Opal Gas Project Connection” dated October 6, 2023, Version V1Final;
 - (b) *Capital Cost Estimates*, prepared by ATCO Electric and AltaLink Management Ltd;
 - (c) a summary of the AESO’s participant involvement program; and

- (d) *Environmental and Land Use Effects Assessment*, prepared by ATCO Electric.
5. In accordance with subsection 3 of the ANAP Rule, the AESO has determined that the transmission facility project is eligible for approval under the ANAP by confirming:
 - (a) the AESO has identified a need consistent with the criteria set out in subsection 34(1) of the *Electric Utilities Act*;
 - (b) the AESO has determined that the transmission facility project is an appropriate option to meet the need; and
 - (c) the AESO reasonably expects the costs of the transmission facility project to be less than \$25,000,000, of which system costs are not expected to exceed \$15,000,000.

 6. In accordance with subsection 4 of the ANAP Rule, the AESO confirms that the transmission facility project meets the conditions for approval as follows:
 - (a) the AESO's participant involvement program complies with the ISO participant involvement program guidelines in Alberta Utilities Commission Rule 007, *Applications for Power Plants, Substations, Transmission Lines, Industrial System Designations, Hydro Developments and Gas Utility Pipelines*;
 - (b) the transmission facility project is not anticipated to result in significant environmental effects;
 - (c) the AESO provided at least 14 days notice, by way of a posting to the AESO website, of the AESO's intention to consider a transmission facility project for approval under the abbreviated needs approval process, including supporting documentation; and
 - (d) any stakeholder concerns or objections with the need for a transmission facility have been addressed.

 7. The AESO has further determined that:
 - (a) the Market Participant has made all appropriate applications to the AESO to obtain the system access service requested in the SASR;
 - (b) the transmission facility project will provide the Market Participant with a reasonable opportunity to exchange electricity and ancillary services;
 - (c) the transmission facility project will properly respond to the Market Participant's SASR; and
 - (d) approval is in accordance with the AESO's responsibility to respond to requests for system access service, having determined that the transmission facility project is required and is in the public interest.

 8. Pursuant to the ANAP Rule, the AESO approves the transmission facility project.

Should you have any questions regarding this approval letter, please contact Rahul Deshpande at 403-705-5292.

Sincerely,

Robert Davidson

Rob Davidson, P.Eng.
Vice President, Grid Reliability – Projects and Planning

Cc: Dobromir Filip, Director of Engineering, Kiwetinohk Energy Corp.

Wayne MacKenzie, Executive Director, Facilities Division, Alberta Utilities Commission
wayne.mackenzie@auc.ab.ca