



February 15, 2007

Dear Stakeholders:

Re: Q1 2007 - AESO Transmission Planning Studies Quarterly Report

We are pleased to provide this update to the major system projects under way in the planning process, as part of the ongoing commitment to keep stakeholders informed of the scope and status of the AESO's consultative planning agenda.

Several changes have been made to this update to improve the usefulness of the format.

Firstly, the projects have been re-ordered such that related projects are easier to correlate and understand. The numbering system has also been changed from a pure sequential process into numbering projects within each geographic area.

Secondly, several projects have been split into separate initiatives such that the timelines for each initiative may proceed as necessary to meet the timeframes reinforcement is required by. This careful sequencing will become even more important as the overall transmission planning, design, and construction workload continues to escalate and resources across the industry continue to become more constrained. Managing this inevitability in the face of Alberta's very aggressive design and construction industry will become more critical as major customer projects continue to develop.

Finally, the AESO is continuing to report local area customer plans in the "system project" category where a significant number of customers are seeking interconnection simultaneously in a geographic area, and the plans for their interconnections are being developed on a coordinated local "plan" basis. The specifics of the individual customer interconnection requirements, of course, will continue to be treated on the same customer-confidential basis (until such time as regulatory filings necessitate making the project detail public) as with any other customer interconnection project.

As always, please offer any suggestions you feel would improve or expedite these processes. Individual project consultation processes will be continuing as

set out in this overview, and subject to change as the circumstances change or as we move to incorporate feedback from this or other consultative forums.  
Thank you,

Yours truly,

Neil Millar, P.Eng.  
Vice President, Transmission