Participant Involvement Program Summary – Alberta-British Columbia Intertie Restoration (AIR) Project (7006)

1. Introduction

Between February and October 2026, the Alberta Electric System Operator (AESO) conducted a participant involvement program (PIP) for the Albert-British Columbia Intertie Restoration project (AIR Project). The AESO's PIP has been conducted in accordance with the requirements of Section 7.1.1, NID6 and Appendix A2 of the current Alberta Utilities Commission (Commission) Rule 007: *Facility Applications* (AUC Rule 007), effective November 6, 2025.

The AESO's PIP is designed to notify stakeholders and Indigenous groups in the area where the AESO has reasonably determined that transmission facilities could be installed to implement the AESO's preferred option to meet the identified need. The objective was to provide information about the AIR Project, inform stakeholders of the planned Needs Identification Document (NID) application, identify and address stakeholder concerns, and document engagement activities and outcomes.

1.1 Stakeholder and Indigenous Group Notification

Landowners, residents and occupants, municipal districts and counties, Members of the Legislative Assembly (MLAs) of Alberta (collectively referred to as Stakeholders), and Indigenous groups within the notification area were notified by the AESO.

The AESO developed a Project Overview that highlighted the following:

- a description of the need for development and the AESO's preferred technical solution;
- identification of the general area where facilities could be installed to implement the AESO's preferred option to respond to the identified need;
- the AESO's contact information, including telephone, email and website, for further information; and
- the AESO's next steps.

The AIR Project Overview was posted to the AESO website https://www.aeso.ca/grid/transmission-projects/intertie-restoration/ on June 20, 2026, and a notice was published in the AESO Stakeholder Newsletter on June 30, 2026. All historical AIR Project information and prior notification information shared is also available on the AIR Project webpage under the *Intertie restoration archive* section.

The Project Overview was also included in the AESO notification package that was distributed to stakeholders and Indigenous groups, as further described in section 1.2. In addition to the Project Overview, each notification package contained a cover letter, and an AUC Brochure (Attachment 1). The AESO Stakeholder Newsletter notice has been included as Attachment 2.

1.2 Notification Approach

1.2.1 Early Rate-Payer Group Involvement

The AESO engaged directly with eligible rate-payer groups. On February 3, 2026, we hosted a meeting with the following rate-payer groups to provide an overview of the project and respond to questions.

- Alberta Direct Connect
- Consumers Coalition of Alberta – invited but did not attend
- Industrial Power Consumers Association of Alberta (IPCAA)
- Utilities Consumer Advocate

A copy of the presented materials was shared in advance with the rate-payer groups and has been included as Attachment 3.

1.2.2 Municipal Districts, Counties and Government

Prior to the broader stakeholder distribution of the AESO notification package, email notifications were sent to representatives of the following municipal districts and counties on June 12, 2026:

- MD of Pincher Creek No. 9
- MD of Ranchland No. 66
- Municipality of Crowsnest Pass
- Rocky View County
- Town of High River
- Town of Nanton
- Town of Pincher Creek

The AESO provided advance notification so the representatives would be prepared to respond to constituent inquiries following the broader stakeholder distribution. A generic version of this email notification has been provided as Attachment 4 and the list provided in Appendix G of the NID.

Additionally, notices were sent to the following districts of Alberta Forestry and Parks:

- General Inquiries / Land Use
- Kananaskis Region

- South Region (Pincher Creek District)

Notices were also sent to various government departments and agencies, identified as being Crown Disposition Holders through land title search.

1.2.3 Members of the Legislative Assembly (MLAs) of Alberta

Email notifications were sent to the following provincial government representatives on June 12, 2026:

- MLA Livingstone-Macleod
- MLA Chestermere-Strathmore

The AESO provided advance notification so the representatives would be prepared to respond to constituent inquiries following the broader stakeholder distribution. A generic version of this email notification has been provided as Attachment 5 and the list provided in Appendix G of the NID.

1.2.4 Indigenous Groups

The AESO notified six Indigenous groups. Email notifications were sent via a third-party consultant on June 16, 2026, to the following:

- Blood Tribe
- Piikani Nation
- Siksika Nation
- Stoney Nakoda First Nations
- Tsuut'ina Nation
- Otipemisiwak Métis Government, including:
  - Rocky View Métis District
  - Battle River Métis District
  - Calgary Elbow Métis District
  - Medicine Hat Métis District
  - Foothills Métis District
  - Consultation and Engagement Department

The list has been provided in Appendix G of the NID.

1.2.5 Landowners, Residents and Occupants

The AESO contracted a third-party land services company to identify landowners, residents, occupants, and other stakeholders located within one kilometre of the notification area associated with the AIR project. AESO notification packages were distributed by mail on June 24, 2026. A total of 871 packages were distributed to 100 unique parties, many with interest in more than one parcel of land. To streamline future notifications, the list identifying each unique recipient has been provided in Appendix G of the NID.

1.2.6 Newspaper Advertisement

To advise the greater community at large that may be interested in this development, the AESO placed advertisements about the AIR Project in the following newspapers and online publications between June 29 and July 10, 2026.

- Chestermere Anchor City News – June 29 and July 6, 2026
- Claresholm Local Press – July 1 and 8, 2026
- Coaldale Sunny South News – June 30 and July 7, 2026
- Crowsnest Pass (Blairmore) Herald – July 1 and 8, 2026
- Fort Macleod Gazette – July 1 and 8, 2026
- High Country News Monthly – July 1, 2026
- High River Times – July 3 and 10, 2026
- Lethbridge Herald – June 30 and July 7, 2026
- Okotoks Western Wheel – July 1 and 8, 2026
- Pincher Creek Shootin' the Breeze – July 1 and 8, 2026
- Nanton News.com, Vulcan Advocate.com Network – June 29, 2026

A copy of the newspaper advertisement has been provided as Attachment 6.

1.3 Notification Summary

In total, the AESO notified six Indigenous groups. AESO notification packages were also distributed by mail to 871 stakeholders, classified as private landowners, residents and occupants, and companies, on June 24, 2026. Overall, notification can be considered complete on October 21, 2026.

2. Notice of Filing

The AESO notified stakeholders and Indigenous groups of its intention to file the NID with a posting on the AESO website at https://www.aeso.ca/grid/transmission-projects/intertie-restoration/ and notice in the AESO Stakeholder Newsletter on October 21, 2026. The associated AESO Stakeholder Newsletter notice is included as Attachment 7.

3. Responding to Questions and Concerns

To ensure that Stakeholders and Indigenous groups had the opportunity to provide feedback, the AESO provided Stakeholders with AESO contact information, including a dedicated, toll-free telephone line (1-888-866-2959) and email address (stakeholder.relations@aeso.ca). The Project Overview included this contact information, along with the AESO's mailing address (3000, 240 4th Ave. SW, Calgary) and website address (www.aeso.ca).

4. Questions and Concerns Raised

Apart from the inquiries outlined below, the AESO (or its representatives) did not receive any indication of concerns or objections about the preferred option to respond to the project need. The AESO believes that all comments and questions received from Stakeholders and Indigenous groups have been appropriately addressed.

Question/Concern	AESO Response	Concerns Addressed
Project cost allocation, potential rate impacts, value to Alberta consumers, and broader market and regulatory considerations raised by rate-payer groups.	The AESO explained the need and benefits of the proposed intertie capacity increase and completed additional validation in response to stakeholder feedback. The supplementary assessment confirmed the original conclusion and did not change the determination of the preferred alternative.	Yes. Additional analysis was completed and findings considered.
Facility siting and Crown Land designation questions from Indigenous groups.	The AESO clarified that its role is to identify the need for transmission development. Consultation and engagement regarding facility siting, construction, operation, and maintenance will be led by AltaLink (TFO) through any future facility application process. The inquiries will be shared with the TFO for consideration and follow-up.	Yes. Roles and future engagement opportunities were clarified, and inquiries will be forwarded to the TFO.

Question/Concern	AESO Response	Concerns Addressed
Location of the proposed substation and whether the project relates to imports or exports with British Columbia.	The AESO advised that the TFO will engage stakeholders on project scope and facility location during the facility application process. The AESO also clarified that this project is intended to address imports on the intertie.	Yes. Clarification was provided regarding project purpose and future siting discussions.
Potential visibility of the project from a nearby property.	The AESO explained that the NID application relates to upgrades to the transmission line approximately four kilometres north of the resident's property and does not involve the transmission line adjacent to the community. The AESO also clarified the respective roles of the AESO and TFO and outlined future opportunities for engagement during the facility application process.	Yes. Project location, scope, and future engagement opportunities were clarified.

5. List of Attachments

- Attachment 1 – AESO Notification Package (June 2026)
  - Cover Letter
  - Alberta–British Columbia Intertie Restoration (AIR) Project Overview
  - AUC Brochure (Updated November 2025)
- Attachment 2 – AESO Stakeholder Newsletter Project Overview Notice (June 2026)
- Attachment 3 – Rate-Payer Group Presentation (February 2026)
- Attachment 4 – Municipal Government Email (June 2026)
- Attachment 5 – MLA Email (June 2026)
- Attachment 6 – Newspaper Advertisement (June and July 2026)
- Attachment 7 – AESO Notice of Filing (October 21, 2026)

Attachment 1 – AESO Notification Package

- Cover Letter
- Alberta–British Columbia Intertie Restoration (AIR) Project Overview
- AUC Brochure (Updated November 2025)

Alberta Electric System Operator
3000, 240 4 Avenue SW
Calgary, AB • T2P 4H4
aeso.ca



June 10, 2026

To Whom It May Concern,

Re: Subject: Alberta–British Columbia Intertie Restoration Project (AIR Project) Overview

The Alberta Electric System Operator (AESO) is writing to provide you with the enclosed overview of the AIR Project.

If there are any occupants or residents living on or using the subject lands who should also receive notification regarding this project, please notify AiM Land Services at your earliest convenience so that appropriate project notifications can be issued in accordance with Alberta Utilities Commission's Rule 007: Facility Applications requirements. Please forward the occupant/resident name and contact information to **AESO_Notifications@aimland.ca.**

Should you have questions related to this project, please contact **1-888-866-2959** or email **stakeholder.relations@aeso.ca**.

Sincerely,

Ata Rehman

Ata Rehman
Director, Grid Planning & Operations Engineering



The transmission system in your area needs improvement

THE ALBERTA–BRITISH COLUMBIA (AB–BC) INTERTIE RESTORATION (AIR) PROJECT IS NEEDED TO INCREASE THE AMOUNT OF ELECTRICITY THAT CAN BE IMPORTED INTO ALBERTA FROM BRITISH COLUMBIA.

WHAT IS BEING PROPOSED?

The AB–BC intertie is a critical piece of electricity infrastructure that enables the transfer of electricity between Alberta and British Columbia. The intertie is comprised of the existing 500 kV transmission line and can currently import up to 800 megawatts (MW) from British Columbia.

The AIR Project aims to increase the intertie's import transfer capability from 800 MW to approximately 950 MW, consistent with provincial policy direction and legislative requirements. In particular, the Government of Alberta has directed the AESO to advance this project, and Alberta's *Transmission Regulation* requires the restoration of interties to, or near, their original path ratings where feasible.

IMPROVING CAPACITY

To achieve an increase in the usable import capacity, the AIR Project will include targeted upgrades to existing electricity infrastructure. The AESO's preferred technical solution includes:

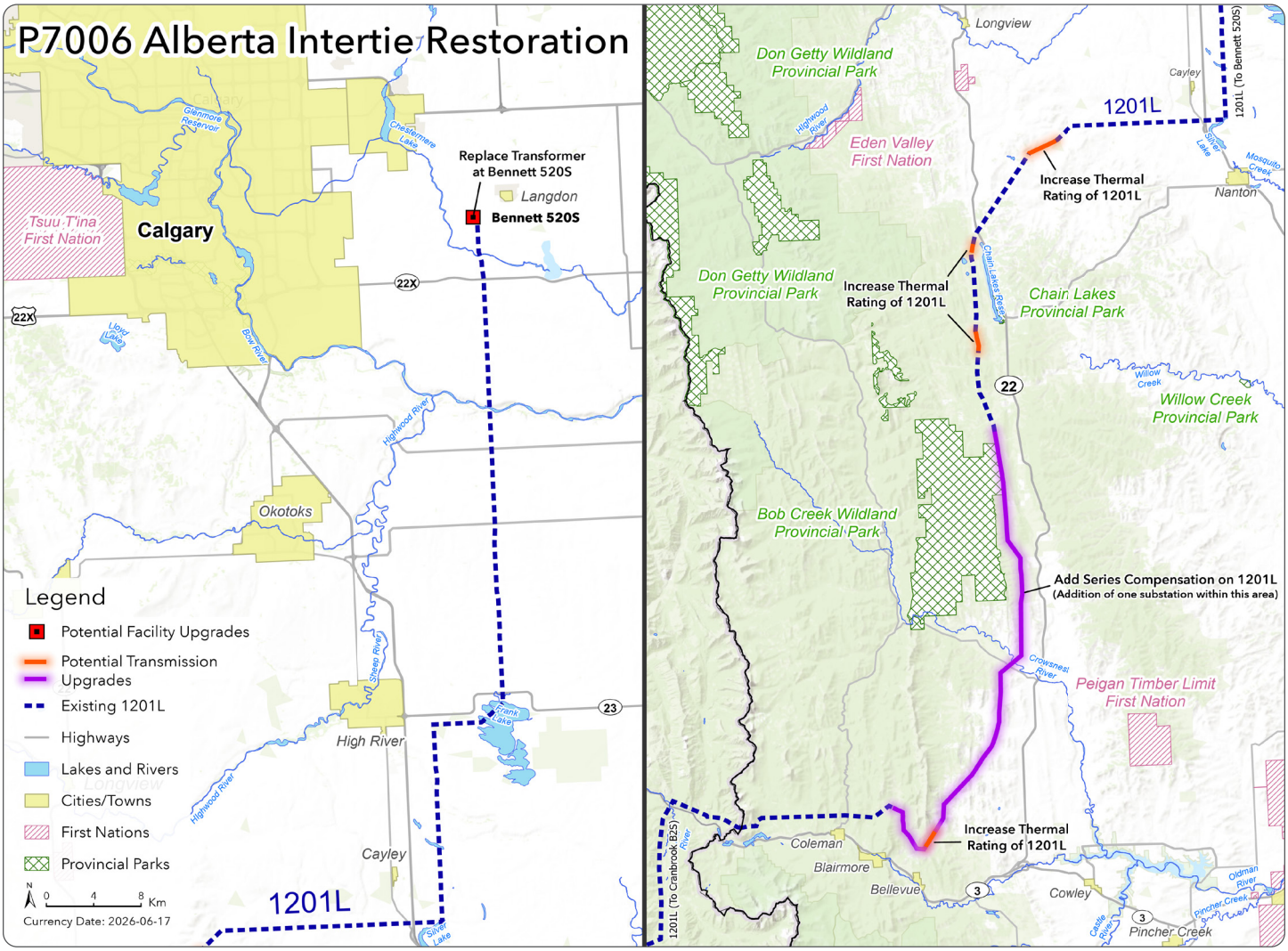
- Adding series compensation on 1201L
  - Adding a substation with a series capacitor, located approximately halfway between the Bennett 520S and Cranbrook substations and near the existing 1201L
  - Connecting the new substation to the existing 500 kV transmission line 1201L
- Increasing the thermal rating of 1201L
- Replacing the 500/240 kV transformer at the Bennett 520S substation with a higher capacity transformer

Together, these upgrades would increase the intertie's import capability from about 800 MW to approximately 950 MW.

Who is the AESO?

The Alberta Electric System Operator (AESO) plans and operates Alberta's electric transmission system. We study the transmission system to determine what future upgrades and expansions will be needed to continue to serve the province's growing power demands, and enable access to generators and other qualified customers.

The AESO is regulated by, and must apply to, the Alberta Utilities Commission (AUC) for approval of our Needs Identification Document (NID) Applications, in which we must demonstrate the need for expansion or enhancement of the transmission system, and propose a transmission solution to meet that need.



AESO AND TFO ROLES

The AESO plans and operates the provincial transmission system so that all Albertans can count on safe and reliable electricity to power our homes and businesses each and every day. We carefully plan transmission upgrades and expansions to keep up with Alberta's growing demand for power.

Transmission facility owners (TFOs) are companies that build, operate and maintain the transmission system in our province. While the AESO is responsible for identifying the need for transmission development and proposed transmission development to meet that need, TFOs are responsible for detailed siting and routing, constructing, operating and maintaining the associated transmission facilities within their service territories.

For this area, AltaLink is the TFO that owns and operates the transmission infrastructure and will be responsible for applying to the AUC for approval of the transmission line upgrades and substations.

NEXT STEPS

- The AESO will engage with potentially affected stakeholders, Indigenous communities, municipalities, and other interested parties throughout June and July 2026 about the need for the project.
- The AESO plans to submit a NID for this project to the AUC by December 2026, as directed by the Government of Alberta.
- Once applications are filed, additional opportunities for public participation will be provided through the AUC review process.

Detailed and up to date project information will be shared on the AESO website as it becomes available **www.aeso.ca/AIR**

Will you be affected?

If you are receiving this information, you live, own land or operate your business in an area where existing transmission facilities may be modified, or new transmission facilities may be located.

HAVE QUESTIONS OR WANT TO PROVIDE INPUT?

If you have any questions or comments, please contact **stakeholder.relations@aeso.ca or 1-888-866-2959**

AUC
Alberta Utilities Commission



Participating in the AUC's independent review process to consider facility applications

www.auc.ab.ca

The AUC regulatory review process to consider facility applications for utility projects

The AUC uses an established process to review social, economic and environmental impacts of facility projects to decide if approval of a project is in the public interest.

The AUC considers applications requesting approval of the need for transmission development and facilities applications seeking approval to construct, operate, alter and decommission electric and natural gas facilities. Applications, as specified in AUC Rule 007, are required for:

- The need for transmission upgrades.
- The route and location of transmission facilities.
- The siting of power plants.
- The construction of a battery storage system.
- The designation of an industrial system.
- The need for and siting of natural gas utility pipelines.

Sometimes the Alberta Electric System Operator's needs identification document application is considered together with a facility application in a single proceeding; sometimes separate proceedings are held to consider each application.

Application review process

Step 1: Public consultation prior to applying to the AUC

Step 2: Application filed to the AUC

Step 3: Public notice

Step 4: Public submissions to the AUC

Step 5: Consultation and negotiation

Step 6: The public hearing process

Step 7: The decision

Step 8: Opportunity to appeal

Step 9: Construction, operation and compliance

Application review process

Step 1: Public consultation prior to applying to the AUC

An applicant seeking approval of a proposed utility development project is required to engage in a participant involvement program prior to filing an application with the AUC. The public involvement program involves consultation with persons whose rights may be directly and adversely affected by the proposed project so that concerns may be raised, addressed and, if possible, resolved.

The application guidelines and requirements for facility applications can be found in AUC Rule 007: *Facility Applications*.

Potentially affected parties are strongly encouraged to participate in the public consultation, also called a participant involvement program. Early, active and ongoing discussions with an applicant may lead to greater influence on project planning and what is submitted to the AUC for approval.

Step 2: Application filed to the AUC

When the applicant has concluded its consultation with potentially affected parties and the participant involvement requirements have been completed, the applicant files its application through the AUC online public filing system, called the eFiling System.

AUC staff members review each application submitted to verify that all of the application requirements in Rule 007 have been met before an application is deemed complete. If all of the required information is not provided, the application may be closed or missing information will be requested of the applicant. Rule 007 specifies, among other requirements, that applicants must submit the results of a public involvement program in its application that includes information about how applicants consulted and notified stakeholders and Indigenous groups and identifies any unresolved objections and concerns about the project.

Step 3: Public notice

When the AUC receives an application it is assigned a proceeding number and the AUC generally mails a notice of application directly to those who live, operate a business or occupy land in the project area who may be directly and adversely affected if the AUC approves the application. The notice initiates the opportunity for formal intervention in the proceeding to consider an application or applications. The notice of application will also set out important dates and information about where to find the application and other items being considered. The five-digit eFiling System proceeding number in the notice is the most efficient way to find information about a proposed project through the AUC website.

Step 4: Public submissions to the AUC

Prior to the submission deadline provided in the notice, formal submissions of outstanding concerns and unresolved objections about a project may be submitted to the AUC. To submit a concern, participants will need to register to participate in the proceeding, which involves providing a brief written statement called a statement of intent to participate. Submissions are filed electronically through the eFiling System. The information filed becomes part of the public record and is an important part of the process to ensure that outstanding concerns are heard, understood and considered.

The AUC uses the information gathered through statement of intent to participate submissions to decide whether to hold a hearing on the application(s). The AUC must hold a hearing if a concerned person can demonstrate that they have rights that may be directly or adversely affected by the AUC's decision on the application. Such a person is said to have standing before the AUC. If the AUC decides to hold a hearing, the AUC will provide further opportunities for participants with standing to ask the applicant questions on the public record and present their position on the application either in writing or in person. Hearings may be held in writing, in person or virtually through web-conference software.

AUC eFiling System

The eFiling System is the online tool that the AUC uses to manage applications and submissions in its proceeding-based review. The eFiling System gives access to all public documents associated with an application. The system is also used to submit your concerns and provide input to the AUC and can be used to monitor related proceeding filings. Those who do not have access to the internet can send submissions, evidence and other material by mail and the AUC will upload the submission on their behalf.

Step 5: Consultation and negotiation (if applicable)

The AUC supports efforts to reach a mutually agreeable outcome among the applicant and affected parties. The AUC encourages the applicant and those who have filed a statement of intent to participate to continue to attempt to resolve any outstanding issues. If all concerns can be satisfactorily resolved this may eliminate the need for a formal hearing. However, if there continues to be unresolved issues, those matters will typically be addressed in an AUC hearing.

Step 6: The public hearing process

The AUC will issue a notice of hearing if a person with standing continues to have legitimate unresolved concerns with the application. The notice of hearing will provide a hearing date and location, or specify if the hearing will be held in writing or virtually. When the AUC holds a public hearing, registered parties are given the opportunity to express their views directly to a panel of Commission members. Any member of the public can listen to an in-person or virtual oral hearing. An oral public hearing operates similar to a court proceeding.

Participants in a hearing can either represent themselves or be represented by a lawyer. In addition, participants may hire experts to assist in preparing and presenting evidence to support their position.

Cost assistance

A person determined by the AUC to have standing or a local intervener can apply for reimbursement of reasonable costs. Those who hire a lawyer or experts/consultants must be aware that while reimbursement for the costs of legal and technical assistance is available under AUC Rule 009: *Rules on Intervener Costs*, recovery of costs is subject to the AUC's assessment of the value of the contribution provided by the lawyer and or experts/consultants in assisting the AUC to understand the specifics of the case. It is also subject to the AUC's published scale of costs.

People with similar interests and positions are expected and encouraged to work together to ensure that expenditures for legal or experts/consultants are minimized and costs are not duplicated.

Step 7: The decision

The AUC's goal is to issue its written decision no more than 90 days after the close of record. The AUC can approve, or deny an application and can also make its approval conditional upon terms or conditions. AUC decisions are publicly available through the AUC website at www.auc.ab.ca.

Step 8: Opportunity to appeal

An applicant or participant in a proceeding may formally ask the Court of Appeal of Alberta for permission to appeal an AUC decision. An application for permission to appeal must be filed within 30 days from the date the decision is issued.

An applicant or participant in a proceeding can also ask the AUC to review its decision. An application to review a decision must be filed within 30 days from the date the decision is issued and satisfy the limited grounds described in AUC Rule 016: *Review of Commission Decisions*.

Step 9: Construction, operation and compliance

An applicant that receives approval to build and operate a facility from the AUC is expected to follow through on any commitments it has made to parties and must adhere to any conditions that were set out in that approval. If concerns about compliance with approval conditions and post-construction operations cannot be resolved with the applicant, they can be brought to the AUC's attention for consideration. The AUC has significant compliance and enforcement powers for all approved applications. Additional information is available on the AUC website.

The Alberta Utilities Commission is an independent, quasi-judicial agency of the government of Alberta that ensures the delivery of Alberta's utility services take place in a manner that is fair, responsible and in the public interest.

We are committed to ensuring that Albertans whose rights may be directly and adversely affected by a utility development project are informed of the application and have the opportunity to have their concerns heard, understood and considered.

AUC
Alberta Utilities Commission

Contact us

Phone: 310-4AUC
1-833-511-4282 (outside Alberta)
info@auc.ab.ca
www.auc.ab.ca

Eau Claire Tower
1400, 600 Third Avenue S.W.
Calgary, Alberta T2P 0G5

Updated November 2025

Attachment 2 – AESO Stakeholder Newsletter Project Overview Notice (June 30, 2026)

Project Overview Newsletter | Alberta-British Columbia Intertie Restoration

Transmission system reinforcement is needed to increase Alberta's ability to import electricity from British Columbia.

Click here to view the proposed transmission development and the Overview Newsletter document

Attachment 3 – Rate-Payer Group Presentation (February 2026)

Alberta Electric System Operator

AB-BC Intertie Restoration (P7006 AIR) Project Update



Grid Planning & System Projects, AESO

The content of this presentation is intended solely to facilitate meeting discussions. It should not be relied upon as the AESO's finalized approach to its AB-BC Intertie Restoration project, which remains subject to further development and change.

February 3, 2026

Agenda



Government Direction

Project Need

Technical Options and
Preferred Transmission Development

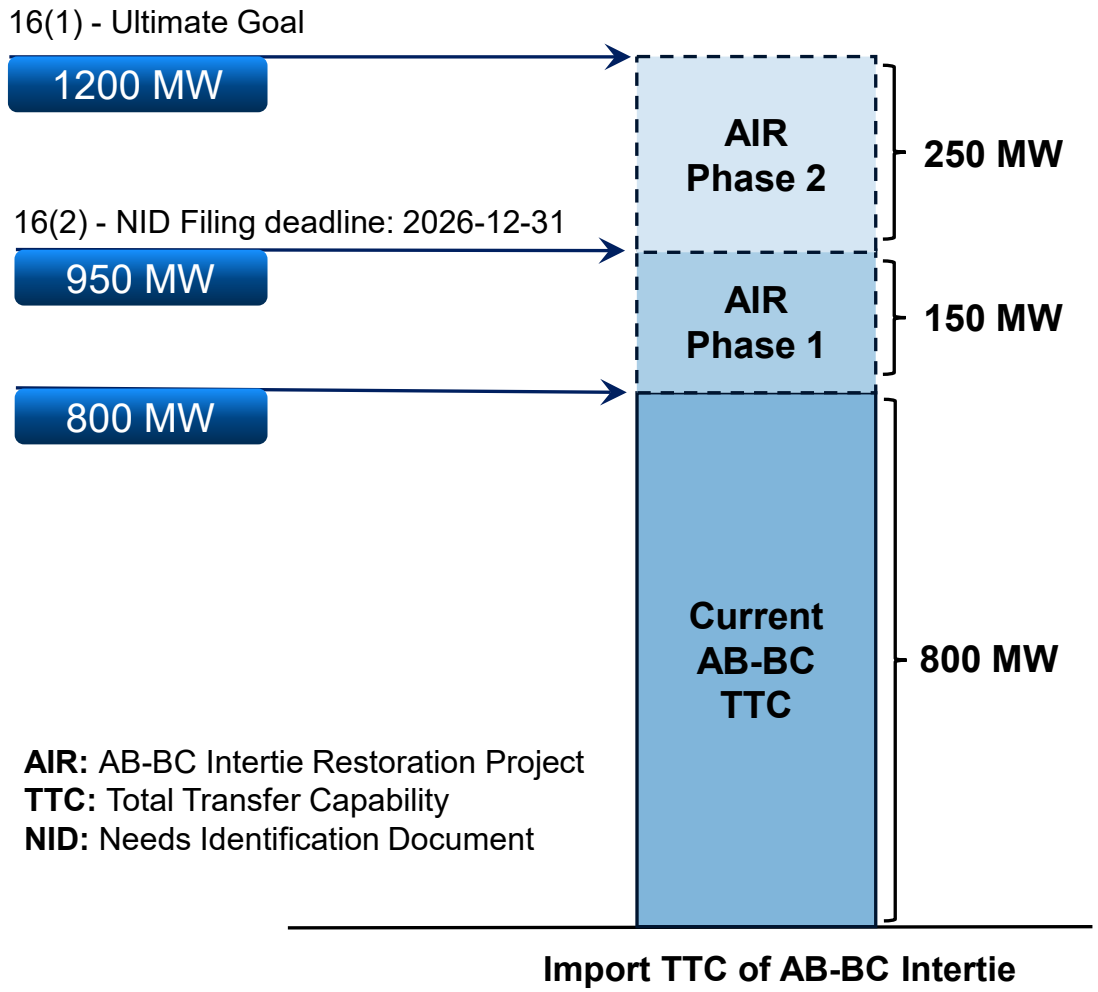
Project Timeline

Government Direction

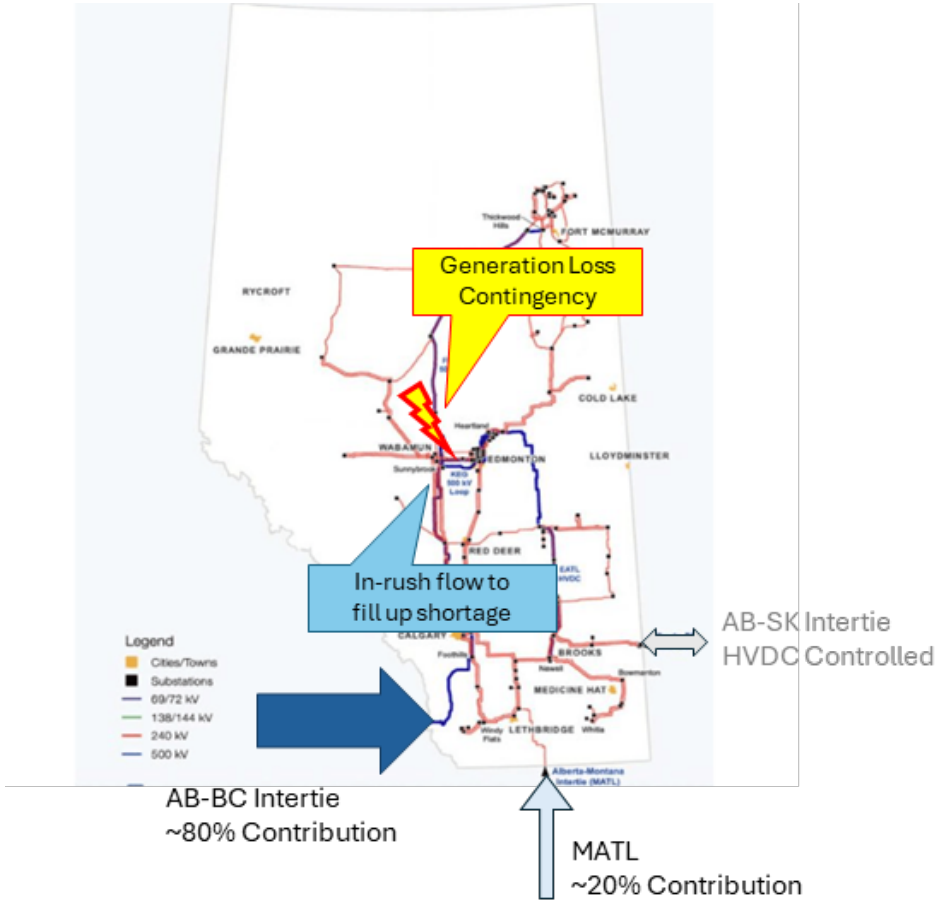
Alberta Transmission Regulation
Section 16:

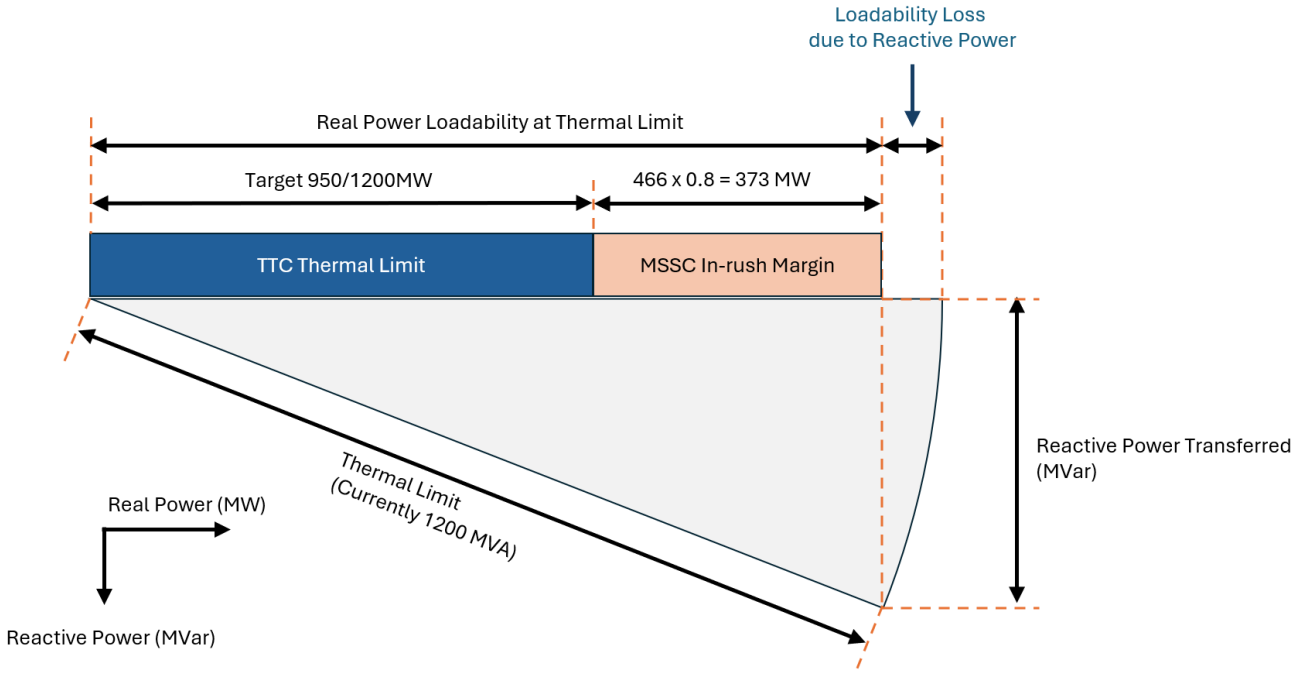
(1) The ISO must prepare a plan and make arrangements to restore and operate the Alberta-British Columbia Intertie to a capability of reliably importing at or near 1200 MW of electricity into Alberta.

(2) As part of the plan referred to in subsection (1), the ISO must prepare and submit to the Commission, on or before December 31, 2026, a needs identification document for a regulated intertie project to restore the Alberta-British Columbia Intertie to a capability of reliably importing at or near 950 MW of electricity into Alberta.



Intertie Operation Basics

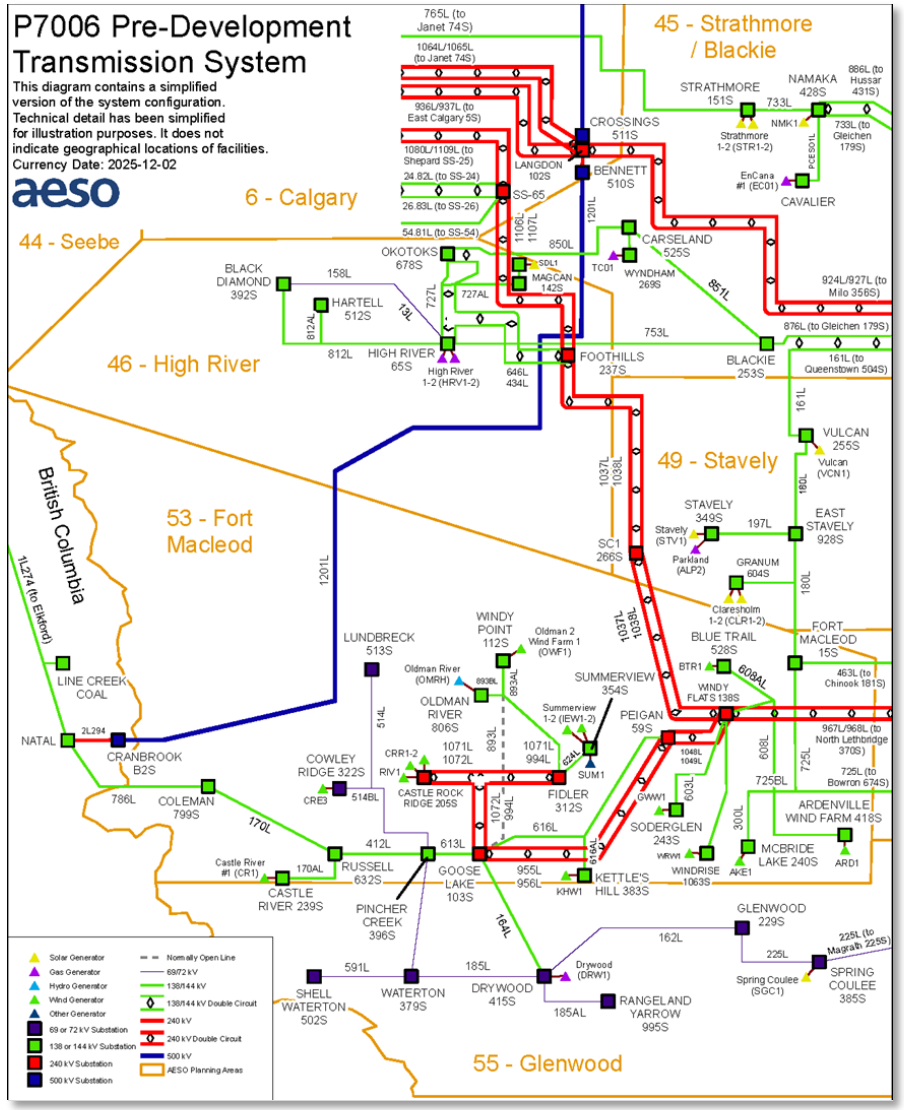




Project Need

With imports at 950 MW:

1. Intertie loadability limit
   - Static voltage stability limit of ~800 MW
   - Voltage collapse/voltage range violations
   - Unstable power swing
2. Bennett 520S 500/240 kV transformer
   - Thermal rating constraints
   - Reaching end-of-life
3. 1201L
   - Thermal rating constraints



Technical Options Under Consideration

Need 1: Loadability Limit

- Option 1: Install series compensation on 1201L
  - **20% Series Compensator** [estimated cost: $77.41M] [N/A]
    - Ruled out – does not achieve the at or near 950 MW TTC requirement
  - **30% Series Compensator** [estimated cost: $80.15M] [$730k/MW]
    - Increases import TTC to ~910 MW (questionably achieves 950 MW TTC requirement)
  - **50% Series Compensator** [estimated cost: $83.32M] [$350k/MW]
    - Increases import TTC to ~1040 MW (achieves 950 MW TTC requirement)
    - Partially provisions for 1200MW TTC requirement

- Option 2: Install dynamic shunt compensation on 1201L
  - **+200 MVar Dynamic Shunt Compensator** [estimated cost: $144.19M] [~$2400k/MW]
    - Ruled out – does not achieve the at or near 950 MW TTC requirement
  - **+300 MVar Dynamic Shunt Compensator** [estimated cost: $171.76M] [~$1500k/MW]
    - Increases import TTC to ~915 MW (questionably achieves 950 MW TTC requirement)

Technical Options Under Consideration

Need 2: Transformer Capacity Limit

- Option: Install new 500/240kV transformer at Bennett 520S
  - **Install new 1350 MVA transformer adjacent to existing one which will be salvaged** [Estimated Cost: $78.47M]
    - Requires ~7-day intertie outage
  - **Replace existing transformers with new 1350 MVA transformer** [Estimated Cost: $64.43M]
    - Requires ~29-days of intertie outage (over 4 separate periods)
  - Same technical performance
    - Both provision for 1200 MW TTC requirement
  - Different cost, site planning and environmental and land use effects
  - Assessing $14M savings vs. cost of 2-3 weeks of additional intertie outage

Technical Options Under Consideration

Need 3: 1201L Thermal Rating Limit

- Option: Increase thermal ratings of 1201L
  - **1200 (continuous)/1400 (emergency) MVA** [Estimated Cost: $9.27M] [$6.2k/MW]
    - Marginally achieves 950 MW TTC requirement
  - **1350 (continuous)/1850 (emergency) MVA** [Estimated Cost: $11.86M] [$1.0k/MW]
    - Provisions for 1200MW TTC requirement

Combining the Needs

- The highest value (lowest $/MW) option is 50% compensation and 1350 MVA thermal rating
- $6M incremental cost increases the import TTC by an additional 130 MW

		Series Compensation	
		30% $80.15M	50% $83.32M
1201L Thermal Rating	1200/1400 MVA $9.27M	TTC: 910 MW Incremental TTC[1]: 110MW Cost: $153.85M[2] $/MW: 1400K	TTC: 950 MW Incremental TTC[1]: 150MW Cost: $157.02M[2] $/MW: 1050K
	1350/1850 MVA $11.86M	TTC: 910 MW Incremental TTC[1]: 110MW Cost: $156.44M[2] $/MW: 1420K	TTC: 1040 MW Incremental TTC[1]: 240MW Cost: $159.61M[2] $/MW: 665K

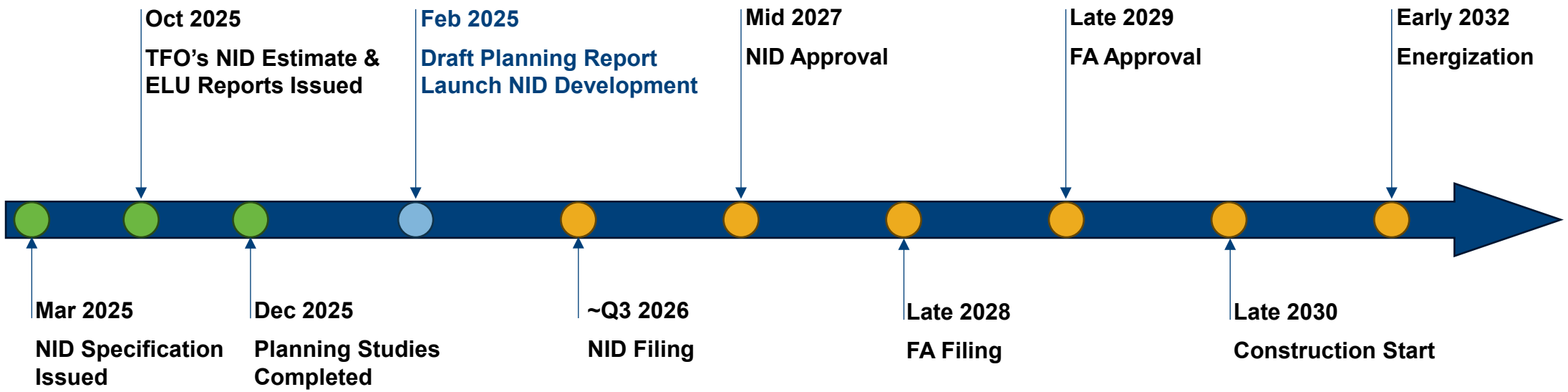
1: Compared to existing 800 MW TTC
2: Includes transformer cost of $64.43M

Preferred Alternative

- **Install 50% Series Compensator on 1201L** [Estimated Cost: $83.32M]
- **Replace existing 520S transformers with new 1350MVA transformer*** [Estimated Cost: $64.43M]
- **Upgrade 1201L thermal rating to 1350/1850 MVA** [Estimated Cost: $11.86M]
- Total estimated cost: $159.61M
  - Provides the highest value (lowest $/MW)
  - Provisions for future 1200 MW TTC requirement
    - Transformer and 1201L ratings
  - Minimizes environmental and land use impact

*unless we determine that the cost of 2-3 week longer intertie outage materially exceeds $14M

Project Timeline



NID: Needs Identification Document

TFO: Transmission Facility Owner

ELU: Environmental and Land Use

FA: Facility Application

Thank You

Questions?

Attachment 4 – Municipal Government Email (June 2026)

From:	Stakeholder Relations
To:	Stakeholder Relations
Subject:	Alberta–British Columbia Intertie Restoration Project (AIR Project) Overview
Date:	Friday, June 12, 2026 11:04:52 AM
Attachments:	image001.png P7006-Project-Update-Newsletter_June2026.pdf

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Dear Madam/Sir,

The Alberta Electric System Operator (AESO) is writing to provide you with the enclosed project overview of the **AIR Project**. We will send these materials next week to stakeholders, including landowners, residents and businesses within 800 metres of the proposed work area. You can find more information at www.aeso.ca/AIR.

Please feel free to forward this information to others within your organization or network who may have an interest in this project.

Should you or any of your community members have questions related to this project, please contact 1-888-866-2959 or email stakeholder.relations@aeso.ca. If required, we can arrange a meeting to provide further clarification.

Sincerely,

Ata Rehman
Director, Grid Planning & Operations Engineering

Alberta Electric System Operator (AESO)

Attachment 5 – Provincial Government Email (June 2026)

From:	Stakeholder Relations
To:	Stakeholder Relations
Subject:	Alberta–British Columbia Intertie Restoration Project (AIR Project) Overview
Date:	Friday, June 12, 2026 9:32:42 AM
Attachments:	P7006-Project-Update-Newsletter_June2026.pdf image001.png

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Dear Ms. De Jong,

The Alberta Electric System Operator (AESO) is writing to provide you with the enclosed project overview of the **AIR Project**. We will send the attached materials next week to stakeholders, including landowners, residents and businesses within 800 metres of the proposed work area. You can find more information at www.aeso.ca/AIR.

Please feel free to forward this information to others within your organization or network who may have an interest in this project.

Should you or any of your community members have questions related to this project, please contact 1-888-866-2959 or email stakeholder.relations@aeso.ca. If required, we can arrange a meeting to provide further clarification.

Sincerely,

Ata Rehman
Director, Grid Planning & Operations Engineering

Alberta Electric System Operator (AESO)

Attachment 6 – Newspaper Advertisement (June and July 2026)

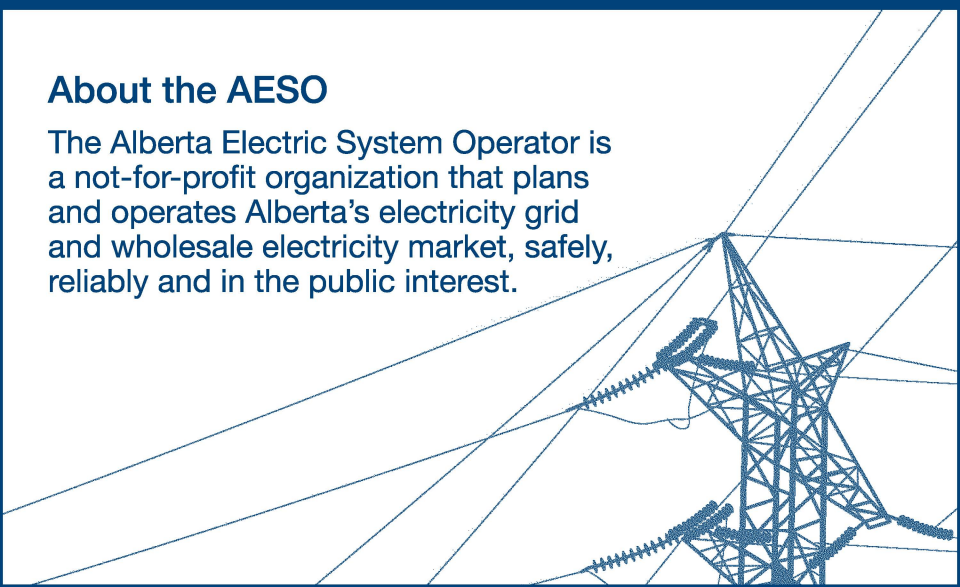
Transmission development needed in your area

The Alberta-British Columbia (AB-BC) Intertie Restoration (AIR) Project is needed to increase the amount of electricity that can be imported into Alberta from British Columbia.

To understand how this may impact you, visit **www.aeso.ca/AIR**

About the AESO

The Alberta Electric System Operator is a not-for-profit organization that plans and operates Alberta's electricity grid and wholesale electricity market, safely, reliably and in the public interest.



Attachment 7 – AESO Stakeholder Newsletter Notice of Filing (October 21, 2026)

Notice of Filing | Needs Identification Document for Alberta-British Columbia Intertie Restoration Project (P7006)

The AESO intends to file a Needs Identification Document (NID) application for the approval of the Alberta-British Columbia Intertie Restoration (AIR) project with the Alberta Utilities Commission (AUC) on or after **October 28, 2026**.

Click here for more information