BC Hydro
Power smart

July 24, 2026

Dan Wiebe
Manager, System Planning
Alberta Electric System Operator
3000, 240 4 Avenue SW
Calgary, AB, TP2 4H4

Via Email

Dear Dan,

Thank-you for your letter dated July 7, 2026, in which you provided your draft *Alberta-British Columbia Intertie Restoration (AIR) Project Planning Report*, and some questions related to BC Hydro's involvement with the project.

BC Hydro continues to be fully supportive of the AESO proceeding with the AIR Project, and we are encouraged by the progress the AESO has made in advancing the work required for your regulatory submission.

Regarding the report, we will shortly be sharing with you the additional technical results of the system assessment from our team of your proposal. BC Hydro is hopeful that the AESO's implementation of the AIR Project will improve the operation of the intertie.

The AIR project is described as improving the west-to-east transfer capability of the intertie from 800 MW to 950 MW. That said, in real-time operation, the allowable west-to-east commercial import capability has seldom exceeded 400 MW in recent years. BC Hydro is encouraged that, in addition to the AIR project, the AESO is pursuing intertie initiatives that are expected to ensure real-time commercial import capability reflects the restored transfer capability.

In your letter you asked us several questions, and we are pleased to provide the following responses:

AESO Question 1 – Confirm BC Hydro commits to undertake necessary upgrades to the British Columbia transmission system required to accommodate the Proposed Transmission Development described in the planning report, when Alberta implements the Proposed Transmission Development.

Yes, we confirm that for the AIR project, BC Hydro will undertake the upgrades to the BC Hydro transmission system required to accommodate the proposed upgrades in the planning report, to be coordinated with the timing of the Alberta proposed transmission development.

AESO Question 2 – Confirm BC Hydro's commitment to fund its scope of work with no cost to Alberta Ratepayers. Section 10.1 and 11.4 of the report discusses project cost and currently does not include the BC Hydro scope of work.

We also confirm that BC Hydro is committed to fund the scope of work on BC Hydro's system with no cost to Alberta ratepayers.

AESO Question 3 – Confirm that the Proposed Transmission Development is not dependent on or currently impacted by other (current or planned) developments within British Columbia. Section 14 of the report discusses project interdependencies.

Finally, we can confirm that the proposed AIR Project transmission development is not dependent on or impacted by other current projects within BC. We do have a recent lower-queued customer load interconnection request for the east Kootenay region. Once we proceed with the study for that proposed future load, we will assess whether it would have potential impact to the intertie, and if any impacts are identified we will address those through our customer interconnection process.

BC Hydro is pleased to see the progress that the AESO is making with the AIR Project and looks forward to the next steps.

Sincerely,



Michael Guité
Director, Transmission Asset Planning
British Columbia Hydro and Power Authority