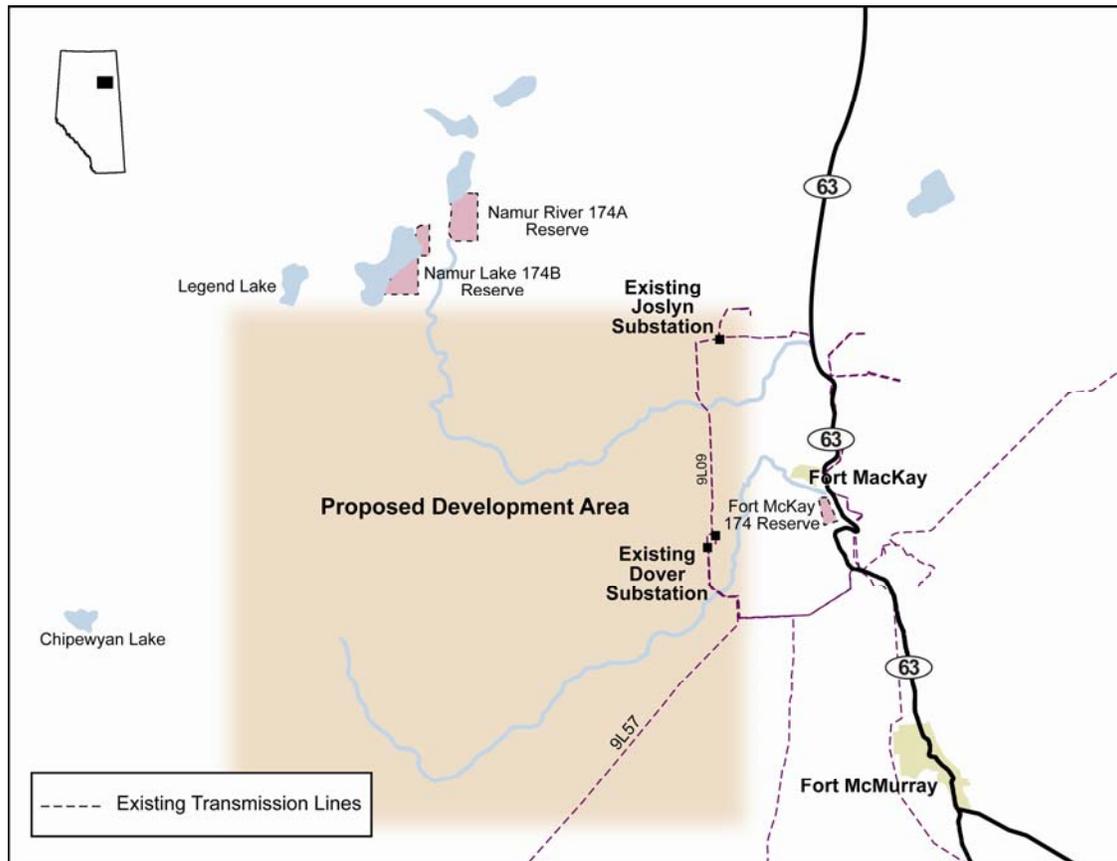


Need for Transmission System Development in the Area Northwest of the City of Fort McMurray Information for Potentially Affected Stakeholders

Why am I receiving this Information?

The Alberta Electric System Operator (AESO) has identified the need to expand the transmission system in the area Northwest of the City of Fort McMurray. You are receiving this information because you may be in the proposed transmission development area.

The following map outlines the general area where transmission development is being planned. However, the exact routing and siting of facilities is not yet determined.



About the AESO

Alberta's transmission system, sometimes referred to as the Alberta Interconnected Electric System (AIES), is planned and operated by the AESO. The transmission system comprises the high-voltage lines, towers and equipment (generally 69kV and above) that transmit electricity from generators to lower voltage systems that distribute electricity to cities, towns, rural areas and large industrial customers.

The AESO's role is to maintain safe, reliable and economic operation of the AIES. The AESO's planning responsibility includes determining the need for transmission system development and the manner in which that need is met. The AESO is also mandated to facilitate the interconnection of qualified market participants to the AIES. The AESO is regulated by the Alberta Utilities Commission (AUC) and must apply to the AUC for approval of its needs identification documents (NID). The NID process is described below. More information can be found on the AESO's website at:

<http://www.aeso.ca/transmission/8969.html>

Why is transmission system development needed in the area Northwest of the City of Fort McMurray?

Expansion of the transmission system is needed to serve developing electricity-intensive industrial growth. Oilsands extraction facilities and related industrial developments are proceeding into areas where there are currently no transmission system facilities to provide electrical service and connect future industrial customers. The AESO forecasts that the electricity demand in this area could be in the range of 250 MW to 450 MW by 2020. New industrial customers will require connection to the transmission system beginning as early as 2013.

How will the AESO address this need for transmission system development?

The AESO is currently preparing a transmission development plan for the area that includes developing a 240kV looped system extending west from existing transmission facilities between Dover 888S and Joslyn 849S substations, to serve future oilsands extraction operations and related industry. This area development plan includes the addition of two new 240 kV substations and approximately 125 – 175 km of 240kV transmission lines. Some modifications to existing transmission facilities will be needed to tie-in new developments to the existing transmission system. Connections of new industrial loads to the proposed transmission system in the area will be driven by the customer requirements and timelines.

The AESO's development plan for the area is designed to create a transmission system to connect new customers in a timely manner and to reliably serve future demand for electricity as industrial development progresses. The plan is expected to address the transmission development needs in the area for at least the next 10 years. These plans are consistent with the AESO's broader transmission development plans for the province. This transmission system development is expected to begin service in 2013.

Where might the new transmission facilities be located?

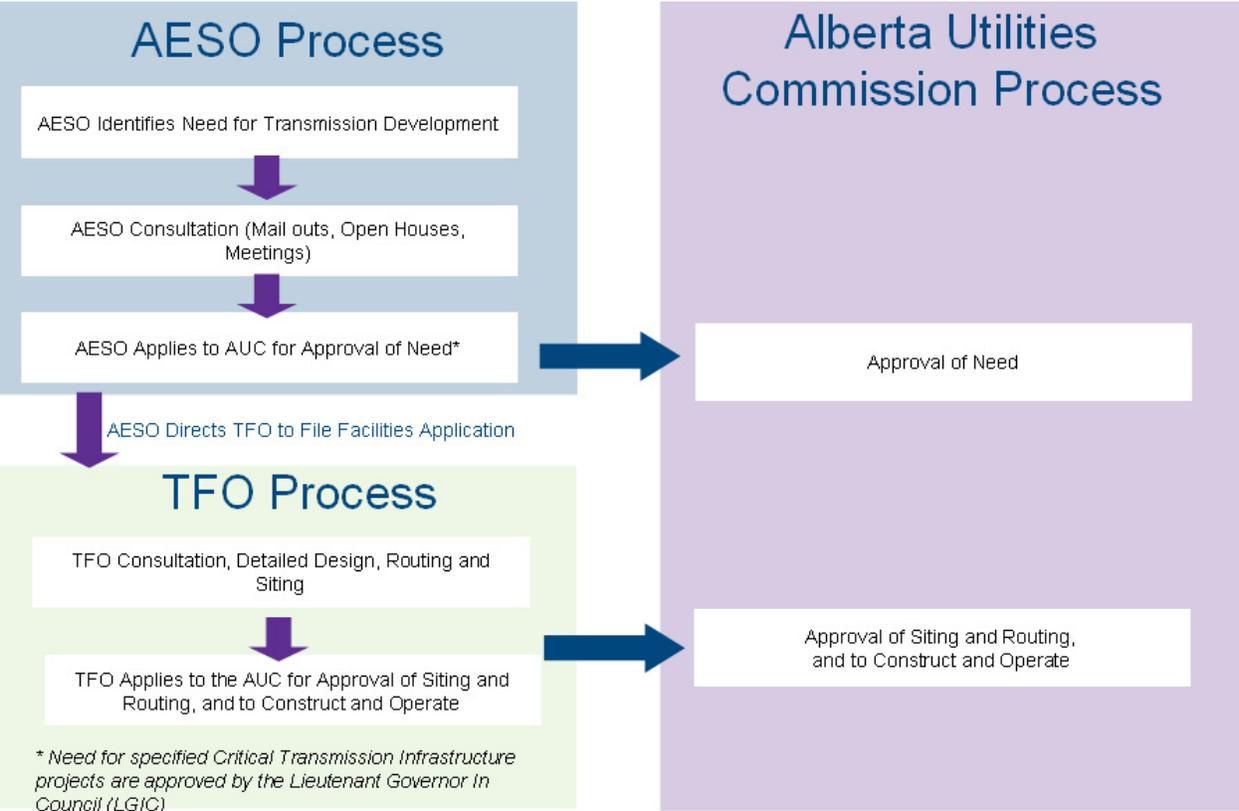
While the AESO is responsible for identifying that transmission system development is needed, ATCO Electric Ltd. (ATCO), as the legal owners of the transmission facilities (TFO) in the area, is responsible for detailed siting and routing, constructing, operating and maintaining the associated transmission facilities.

Planning for the necessary transmission development to serve the expanding needs of the northwest of Fort McMurray area is in the early stages and ATCO has not yet begun route and site selection for the proposed development.

What is the process for planning, consultation and approval of new and modified transmission facilities?

As consultation and planning continues, you will receive additional information and have opportunities to learn more about the need for this development at one or more public open houses. Open house invitations will be published in local newspapers and posted on the AESO’s website at www.aeso.ca. The AESO will seek the AUC’s approval of the need for this development in the fall of 2011.

The AESO will direct ATCO to begin route and site selection after finalizing details on its proposed transmission development. ATCO will consult with the public and interested stakeholders regarding possible transmission line routes and substation locations to construct the AESO’s proposed development. ATCO will then file detailed line routes and substation locations with the AUC for approval.



Information about AUC approval proceedings and how to get involved in the AUC application process can be found on the AUC’s website at: <http://www.auc.ab.ca/involving-albertans/Pages/default.aspx>

Further Information

The AESO appreciates your views on this need for transmission system development and your comments are encouraged. If you have any questions or comments about the need for this transmission system development in this area or the AESO's pending application regarding this need, please contact:

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The AESO is committed to protecting your personal privacy in accordance with Alberta's Personal Information Protection Act. Any personal information collected by the AESO with regard to this project may be used to provide you with further information about the project, may be disclosed to the Alberta Utilities Commission (and as a result, may become public), and may also be disclosed to AltaLink and ATCO as the legal owners of transmission facilities in your area. If you have any questions about how the AESO will use and disclose your personal information, please contact us at 1-888-866-2959 or at stakeholder.relations@aeso.ca