

Fidler Substation and Southern Alberta Transmission Reinforcement (SATR)



Project update

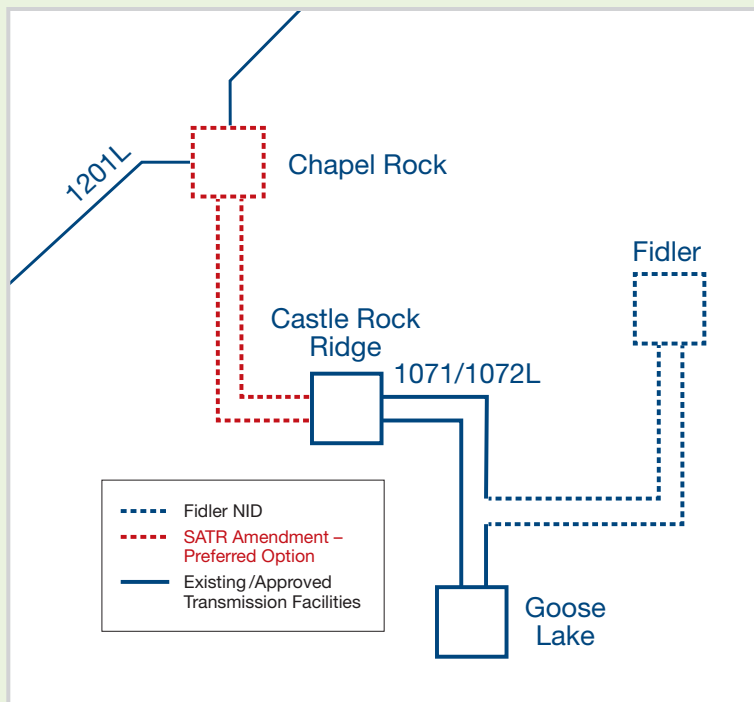
The Alberta Electric System Operator (AESO) would like to thank all stakeholders who participated in the recent open houses for the Fidler Substation and the amendment to the Southern Alberta Transmission Reinforcement approval.

The AESO's Participant Involvement Program (PIP), which included recently held open houses, was conducted to share information and gather stakeholder feedback on two separate applications (see right column).

Preferred Option - - - - -

As part of its planning process, the AESO considered the technical, economic and potential land impact considerations of both options for connecting the Chapel Rock substation.

Based on these assessments, the AESO has selected a 240 kV transmission line **connecting Chapel Rock substation to the existing Castle Rock Ridge substation** as its preferred option.



APPLICATION #1: Fidler 312S Collector Substation Needs Identification Document (Fidler NID)

The Fidler NID will propose the development of a new 240/138 kV substation to be called Fidler 312S that will connect to the existing 1071/1072L transmission line via a double circuit 240 kV transmission line. The Fidler NID will also include proposed modifications to the existing 138 kV 893L transmission line.

The Fidler substation is needed to facilitate the connection of wind generation in the area northeast of Pincher Creek.

Stakeholder feedback on the Fidler NID was primarily concerned with routing and siting and was referred to AltaLink, the transmission facilities owner in the Pincher Creek area.

APPLICATION #2: Amendment to SATR NID Approval No. U2011-115 (SATR Amendment)

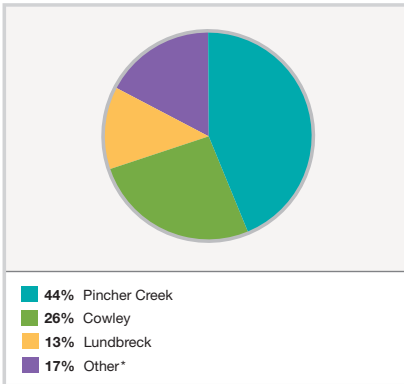
The SATR need to alleviate existing system constraints and to integrate wind developments throughout southern Alberta was approved by the Alberta Utilities Commission (AUC) in Approval No. U2011-115.

Although there has been no change to the need for SATR, the SATR Amendment will propose changes to certain components of Approval No. U2011-115, including proposing the 500/240 kV Chapel Rock 491S substation in lieu of the approved Crowsnest substation. The SATR Amendment will also describe the AESO's preferred option for connecting the Chapel Rock substation to the transmission system and ultimately to the existing Goose Lake substation (see description and diagram on left). The two options considered were a 240 kV transmission line connecting the Chapel Rock substation to either the existing Castle Rock Ridge substation or to the proposed Fidler substation.

What we heard at the open houses

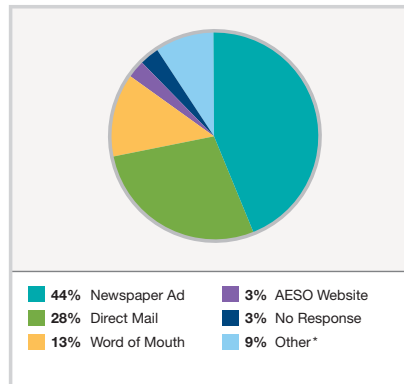
All participants were invited to fill out a survey to give us their feedback. Of the 51 attendees, 27 completed feedback forms. The information below summarizes the feedback collected.

What city or town do you live in?



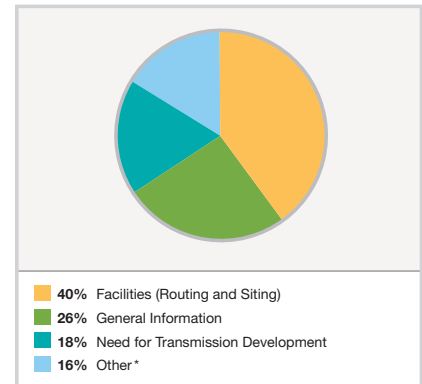
*Other communities include Crowsnest Pass, Calgary, Montreal and Mississauga.

How did you hear about the open house?



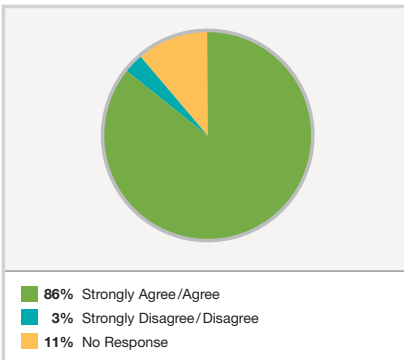
*Other ways respondents knew of the open houses was through posters at the post office and the M.D. council.

What were you hoping to learn at the open house?



*Other information respondents were hoping to learn at the open house includes timelines for the projects and information on underground transmission.

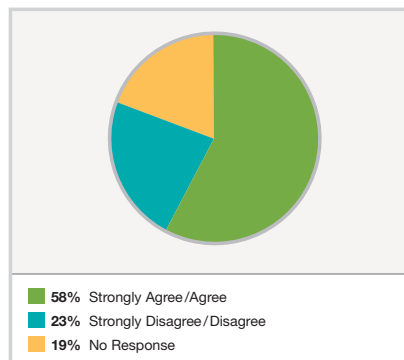
The staff was adequately able to answer my questions.



The majority (86 per cent) agreed or strongly agreed that the staff was adequately able to answer their questions.

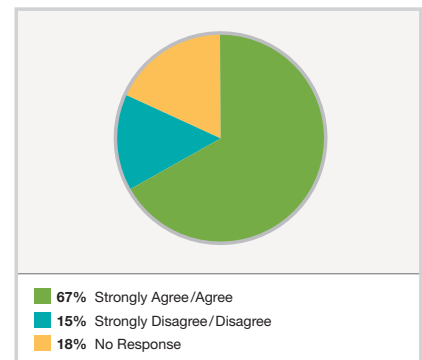
Respondents were pleased with the quality of the open houses and information provided, giving positive evaluations overall.

The information presented today helped me understand the need for both the Fidler 312S substation and the proposed Southern Alberta Transmission Reinforcement Approval U2011-115.



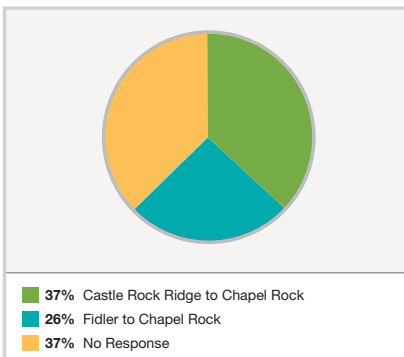
Over half of the respondents (58 per cent) agreed or strongly agreed that the information presented helped them understand the need for both projects.

The information was presented in a format that was easy to understand.



The majority (67 per cent) agreed or strongly agreed that the information was presented in a way that was easy to understand.

With regard to the proposed amendment to Southern Alberta Transmission Reinforcement Approval U2011-115, which option do you prefer?



Commonly asked questions

What happens if wind generation disappears?

The decision to build or not build generation in Alberta is made by investors who bear the risk and reward of those decisions. The AESO regularly monitors changes in economics, industrial projects and customer connection requests as part of the forecasting process to provide the latest inputs into the transmission planning process. The AESO's transmission planning processes are purposefully flexible with upgrades planned in stages to accommodate changes in demand and other unforeseen circumstances.

For the SATR project, the AESO designed milestones that must be met in order to proceed with construction of each SATR component. All construction milestones have been met.

The AESO prepares a forecast of demand and generation every year and updates its *Long-term Transmission Plan* every two years. The AESO's *Long-term Outlook*, filed in July 2012, and *Long-term Transmission Plan*, filed in June 2012, confirm the need for the SATR project.



Why doesn't the AESO put this underground?

Currently, the AESO will only recommend underground if it is not technically feasible to put it above-ground. If underground is required to mitigate siting and routing concerns, it is the responsibility of the transmission facilities owner, in this case AltaLink, to recommend.

Ultimately, the AUC will make the final decision regarding the location of the line and the appropriateness of using underground, including any cost allocation considerations.

Will either of these projects be used to export power?

The AESO plans the transmission system to meet the needs of Alberta and to ensure that the transmission system in Alberta continues to be adequate, reliable and robust, now and in the future. The need for the SATR project is driven predominantly by the need to connect the large amount of wind-powered generation planned for southern Alberta, and move it to major load centres such as the Calgary area. The Fidler substation is needed to facilitate the connection of wind generation in the area northeast of Pincher Creek.

In fact, Alberta currently imports more power than it exports and has been a net importer of electricity since 2002. In 2011, total imports increased 63 per cent over 2010 to 3,591 gigawatt hours (GWh), while total exports decreased 74 per cent over the same time period to 119 GWh.

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What's next?

Having consulted with the public and considered the feedback, the AESO is preparing the Fidler NID and the SATR Amendment. Once completed, the AESO will submit both applications to the AUC for review and approval.

The AESO expects to file both applications with the AUC on or after October 24, 2012. Once filed, the Fidler NID will be posted to the AESO website at <http://www.aeso.ca/transmission/20554.html>. The SATR Amendment will be posted to the AESO website at <http://www.aeso.ca/transmission/24781.html>. When the AUC deems the applications complete, it will issue a Notice of Application inviting potentially affected parties to become involved in the process.

For more information on public involvement in the AUC process, please visit <http://www.auc.ab.ca/involving-albertans/getting-involved/Pages/default.aspx>.

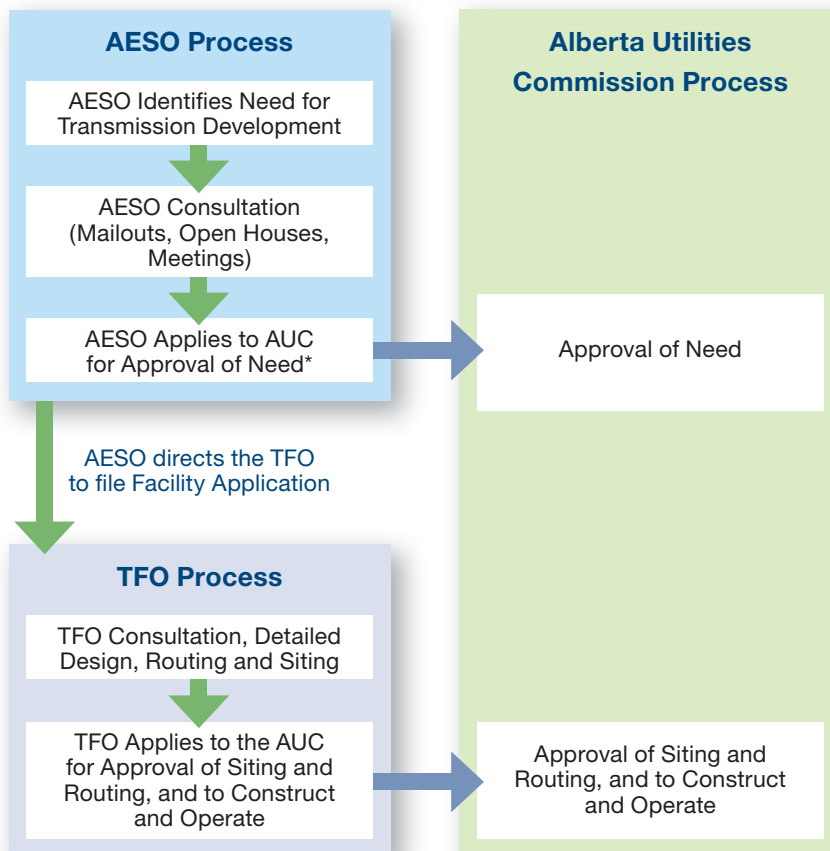
Please note that the Fidler NID and SATR Amendment will not include specific transmission line routes. Route selection and facility siting are the responsibility of AltaLink, the transmission facilities owner in the area. AltaLink will submit facilities applications to the AUC for both projects. To get more information on AltaLink's facilities applications for either development, please contact them directly by email at stakeholderrelations@altalink.ca or by phone at 1-877-269-5903.

Needs Identification Document (NID)

A needs identification document describes the conditions that require an expansion or enhancement of the capability of the transmission system and indicates how these will be addressed. Siting of facilities and routing of transmission lines are determined at a different stage of the regulatory process.



REGULATORY PROCESS



* Need for specified Critical Transmission Infrastructure projects are approved by the Lieutenant Governor In Council (LGIC)

For More Information

We believe anyone potentially affected by transmission planning should have the opportunity to participate in the process and provide input. Should you have any questions, please contact:

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