

Southern Alberta Transmission Reinforcement

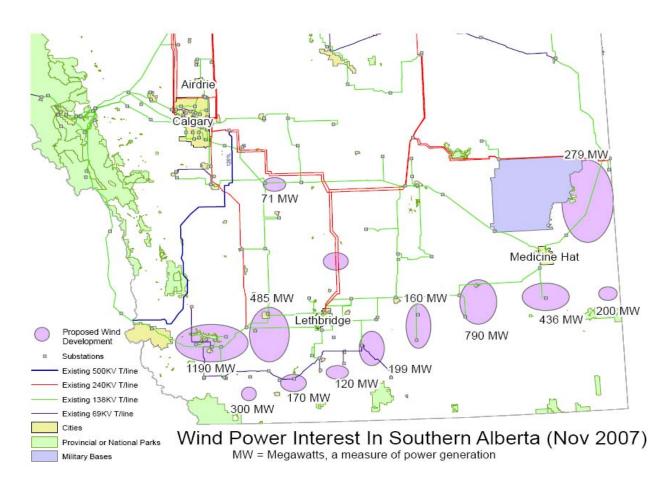
For more information please contact the AESO at 1.888.866.2959, www.aeso.ca or stakeholder.relations@aeso.ca

Who is the AESO?

The Alberta Interconnected Electric System (AIES), our province's transmission system or "grid," is planned and operated by the Alberta Electric System Operator (AESO). This network of high-voltage transmission lines, towers and equipment carries ('transmits') electricity from generators to large industrial customers as well as low-voltage systems that distribute it to cities, towns and rural areas. Our job is to maintain safe, reliable and economic operations on the provincial transmission grid.

Why Transmission system reinforcement is needed for Southern Alberta?

Interest in wind development in southern Alberta is increasing. We are now planning the transmission system to interconnect new wind farms; however, since the existing transmission system in the south is at capacity (i.e., the system cannot carry additional electricity) system reinforcement is needed to move new wind generated power to areas that need it.



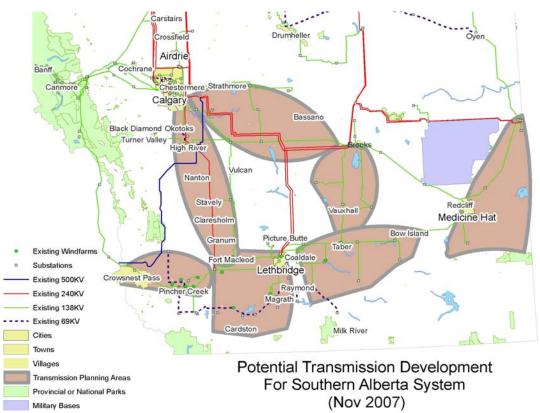
The above map shows the area of proposed wind generation.

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What's happening right now?

As of January (2008), we have received about 60 applications to connect proposed wind projects to the transmission system, amounting to almost 9000 MW (the current installed capacity of Alberta's entire transmission system is approximately 12000 MW). We are currently preparing interconnection proposals for applicants, offering them existing and planned transmission capacity.

Working with industry, we have developed a credible forecast of how much wind generated electricity will need to be connected to the transmission system over the next 10 years. This forecast, along with engineering studies, cost evaluations, and, importantly, consultation with all stakeholders, including wind developers, municipal representatives, First Nations and southern Alberta residents, allows us to plan improvements to the transmission system appropriately. The AESO will suggest alternative solutions based on a comprehensive analysis of these planning inputs.



The above map shows the area of potential transmission development in southern Alberta.

Where will the new lines be proposed?

A planning study already underway will produce solutions to the transmission challenges facing the transmission system in southern Alberta. This study will identify areas where transmission lines and other related facilities could be added to improve the system. Consultations with stakeholders will identify a preferred solution for strengthening the system; the preferred solution will form part of our Need Information Document which we will submit to the Alberta Utilities Commission (AUC) in late May.

We will also submit individual Abbreviated Need Information Filings to the AUC to connect wind projects that successfully meet AESO interconnection milestones.

Should the AUC approve our Need applications, we will assign each new interconnection and the larger system reinforcement to Transmission Facility Owner AltaLink, to build the additional transmission required. Before AltaLink can begin constructing these facilities, it must develop a Facilities application and submit this document to the AUC for approval. Further consultation with stakeholders will form a crucial component of this application process.