

October 29, 2012

To Our Valued Stakeholders,

Re: **Update to the Fidler Substation and Consultation for the Goose Lake to Chapel Rock Amendment to Southern Alberta Transmission System Reinforcement Approval No. U2011-115 (SATR Amendment)**

Additional Open House: Lundbreck Hall, November 20, 2012, 4 to 8 p.m.

The AESO has previously sent you information regarding transmission development of the Fidler substation and the Southern Alberta Transmission Reinforcement (SATR). This letter is an update on the status of those two developments.

Regarding the Fidler substation, the AESO filed the *Fidler 312S Collector Substation Needs Identification Document* (Fidler NID) with the Alberta Utilities Commission (Commission) on October 29, 2012, by Application No. 1608960. The Fidler NID describes the need for the Fidler substation and the transmission developments proposed to meet that need.

As a separate application, the AESO intends to file its SATR Amendment with the Commission before the end of 2012. The SATR project, which was originally approved by the Commission in 2009, is needed to alleviate existing system constraints and to integrate wind developments throughout Alberta.

While there has been no change to the need for SATR, the AESO's SATR Amendment will propose changes in certain SATR components. These changes include the new Chapel Rock substation and the transmission line connecting Chapel Rock substation to the existing Goose Lake substation. The AESO has determined that this Goose Lake to Chapel Rock transmission line can connect through **either** of the Castle Rock Ridge or Fidler substations. In preparing the SATR Amendment, we previously sought stakeholder input on these two options through a series of open houses held in Pincher Creek, Cowley and Lundbreck. Information was also provided in newsletters sent throughout the area via postal code mailout (unaddressed mail) in August (revised from a July newsletter) and October 2012 (the October newsletter is enclosed for your convenience).

As described in the AESO's October 2012 *Project Update* newsletter, we have considered stakeholder feedback and the technical, economic and potential land impact considerations of both options for the Goose Lake to Chapel Rock transmission line and have selected our preferred option to be a 240 kV transmission line connecting the Goose Lake and Chapel Rock substations through the existing Castle Rock Ridge substation.

It has been brought to our attention that some stakeholders did not receive all of the SATR Amendment information sent to stakeholders. While we have identified our choice of preferred option for the Goose Lake to Chapel Rock transmission line, we want to ensure that all identified stakeholders have the opportunity to consider the information provided by the AESO and provide their feedback. As with all feedback received during this consultation process, we will share what we heard and consider it in our decision-making process. To that end, we are sending this update and will be returning to Lundbreck to

host the following additional open house to ensure that stakeholders have the opportunity to participate in the process.

Lundbreck

Tuesday, November 20, 2012

Lundbreck Hall

1 Street and Breckenridge Avenue

4 to 8 p.m.

Please join us at this open house to share your ideas about the AESO's Fidler NID and proposed SATR Amendment. AESO staff will be on hand to have discussions and address any questions or concerns.

Should you wish to view the newsletters mentioned in this letter online, please visit the AESO website at www.aeso.ca and follow the path Transmission > Needs Identification Documents > Southern Alberta Transmission Reinforcement > Current Projects > Consultation Materials (both newsletters are located under the heading *Goose Lake to Chapel Rock*).

The AESO appreciates your views on the need for transmission system development and encourages your comments and participation. Please contact Megan Harris through stakeholder.relations@aeso.ca or call our stakeholder relations line 1-888-866-2959 if you have any questions or suggestions or would like to receive additional copies of our project newsletters.