ATCO Electric works for you

Project Update

February 2011

EASTERN ALBERTA DC TRANSMISSION LINE

Why Are You Receiving This Project Update?

This update is to inform you that ATCO Electric has identified a preferred route, converter station sites and some alternative route segments for the Eastern Alberta DC Transmission Line.

Our public consultation process for the project began in spring 2010. Project information packages were mailed to several thousand landowners, 14 open houses were held in the summer, and over 7,000 consultations were carried out with landowners and interested parties. The feedback you provided as part of that process has been carefully considered in our route selection. Thank you for your valuable time and input.

Next Steps

Now that a preferred route has been identified, we will be consulting once again, one-on-one, with all landowners and interested parties within 800 metres of the preferred route, converter station sites and alternative route segments.

After evaluating the feedback on our preferred route and alternative route segments, ATCO Electric will complete and file a facility application with the Alberta Utilities Commission (AUC). The AUC will publish a Notice of Application and provide information on how to participate in the AUC process.

Project Components

The Eastern Alberta DC Transmission Line consists of:

- Approximately 500 km of 500 kilovolt (kV) direct current (DC) transmission line from the Gibbons-Redwater area to the West Brooks area.

Photo simulation of towers for the 500kV Eastern Alberta DC Transmission Line

- This project also requires a converter station at each end of the line to convert power from alternating current (AC) to direct current (DC).

Typical converter station for a 500kV DC Line

How the Preferred Route Was Selected

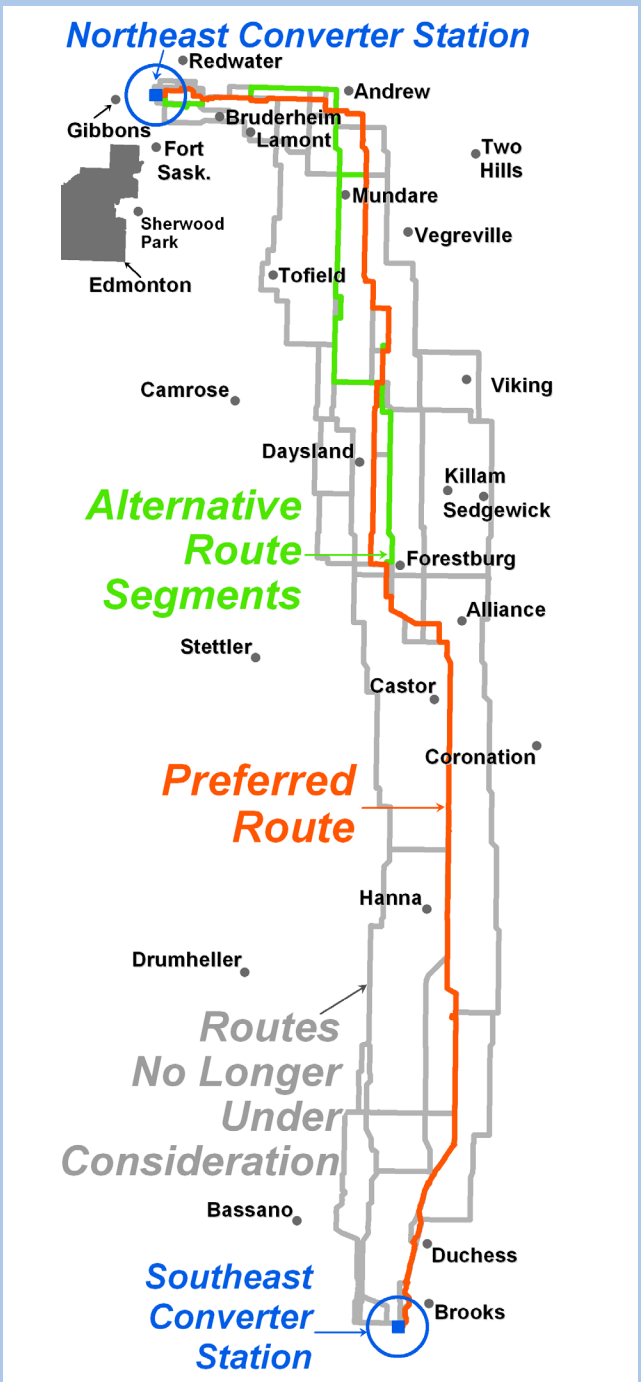
Before beginning our public consultation in spring 2010, ATCO Electric established a study area and collected data on a wide variety of routing constraints within this area. The study area is approximately 500 km in length north to south, and about 100 km wide in the north between Fort Saskatchewan and Two Hills, narrowing to an area less than 50 km wide from Forestburg south to Brooks.

Using this data, ATCO Electric identified several preliminary route options that were discussed with the public at our open houses last summer and/or in one-on-one meetings with landowners and interested parties on or near the route options from June to December 2010.

Our conversations with affected landowners uncovered some additional routing constraints that were not evident earlier, such as proposed developments and aviation facilities. Based on the information we received, we made some adjustments to the preliminary routes and added some new route options. The details were announced in our Project Update mailed to all affected landowners and interested parties on September 28, 2010 and visits to affected landowners and interested parties began shortly thereafter.

Since then, a number of small adjustments have been made to the original alignment of the preferred route and alternative route segments, in order to provide the required separation from nearby facilities such as oil and gas well sites.

ATCO Electric believes the preferred route will have the lowest overall impact to residents, agriculture and the environment, and will minimize land use impacts by following existing transmission lines and property boundaries wherever possible. Over 50% of the preferred route, (256 km), follows existing or proposed transmission line corridors.



Preferred Route and Alternative Route Segments

The preferred route is shown in red and the alternative route segments are shown in green. The route options no longer under consideration are shown in grey.

You can view the preferred route and alternative route segments in more detail by using the interactive mapping tool available on our website at: **www.atcoelectric.com**

AUC Public Involvement Process

Prior to making our facility application to the AUC, ATCO Electric is required to conduct effective public consultation with respect to our proposed facilities so that the concerns of affected landowners and parties with an interest in the land may be heard, addressed and, if possible, resolved.

When the application is filed, and the AUC deems it complete, they will issue a Notice of Application to parties who may be directly impacted by the project. This notice is also typically published in the local newspapers.The notice will provide key dates and information on how to obtain a copy of the application and participate in the process.

For more information on the AUC process, visit their website at: www.auc.ab.ca

What we're hearing…

Following are the topics most commonly raised during ATCO Electric's public consultation to date:

Electric and magnetic fields (EMF) associated with DC transmission lines

The static electric and magnetic fields associated with DC lines are not viewed as a health concern by the major international organizations that monitor scientific research. For more detailed information on EMF associated with DC lines, see the information sheet, *Facts About Direct Current Electric and Magnetic Fields.*

Impact on agricultural operations

ATCO Electric makes every effort to coordinate our activities with agricultural operations to minimize any impacts. In cultivated areas, the line will be located so it straddles the quarter section line wherever possible, to minimize the area removed from production and the need to work around towers. The towers are typically spaced 365 metres apart, so the number of towers per quarter line will be limited to either two or three. ATCO Electric's compensation is designed to compensate landowners for inconvenience and loss of production due to the presence of the towers.

Compensation paid to landowners

The information sheet, *Facts about Compensation for the Eastern Alberta DC Transmission Line* explains ATCO Electric's compensation for this transmission project.

Visual impact of the transmission line and proximity to residences

In planning the preliminary route options and selecting the preferred route, ATCO Electric attempted to maintain as much separation from residences as possible while observing other important routing constraints where necessary. On the preferred route, there are only five residences located within 200 metres of the line, over a line length of approximately 500 km. When finalizing the proposed tower locations, ATCO Electric will work with landowners to make adjustments where feasible.

Impact on property value

ATCO Electric undertakes various measures to minimize the impacts of transmission lines including providing reasonable separation from residences; aligning right-of- ways along property boundaries, roads and other linear features where practical; and working with landowners regarding proposed tower locations and making adjustments where feasible.

Interference with television, radio, wireless internet service and GPS

The information sheet, *Facts about Electrical Effects for the Eastern Alberta DC Transmission Line* addresses these and other questions related to the electrical effects produced by a DC line.

Need for the line

The need for the line has been identified in the Alberta Electric System Operator (AESO)'s Long Term Plan and the line has been designated as critical transmission infrastructure in Section 41.1 and related Schedule of the Electric Utilities Act. More detailed information on the transmission additions planned for Alberta's electric system can be found in the Long Term Plan published by AESO on its website at: www.poweringalbertans.com.

Opportunities for Local Contractors and Businesses

Many people have asked if the project will provide an opportunity for their local construction or service business. We expect the project to generate a great deal of business opportunity for Albertans during the construction phase. Typical construction activities are described in our *Facts About Transmission Line Construction* information sheet. More information on who to contact for services opportunities, qualifications for contractors and suppliers, procedures for competitive bidding, etc., will be available on our website as we approach the construction phase of our project. Construction is planned to start in 2012 subject to AUC approval.

*Project Time Line

Preferred Route Consultation • Conduct one-on-one consultations with all landowners within 800 metres of the converter station sites and the right-of-way of the preferred route and alternative route segments	**February 2011**
File AUC Facility Application • File preferred route, converter station sites and alternative route segments • Continue discussions with landowners and interested parties	**Spring 2011**
AUC Notification of Filing • AUC to send notification to all affected parties • AUC to publicize notification in local papers	**Spring 2011** (after application is filed)
AUC Public Hearing • Opportunity for all impacted parties to share their position on the project	**Fall 2011** (dates to be determined by the AUC)
Construction Begins	**Early 2012** (dependent upon AUC approval)
In Service Date	**Late 2013/Early 2014**

**Timing may be adjusted to reflect final plans.*

ATCO Electric

For more information on the Project or to provide your comments please visit our website at: **www.atcoelectric.com** or contact us at:

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