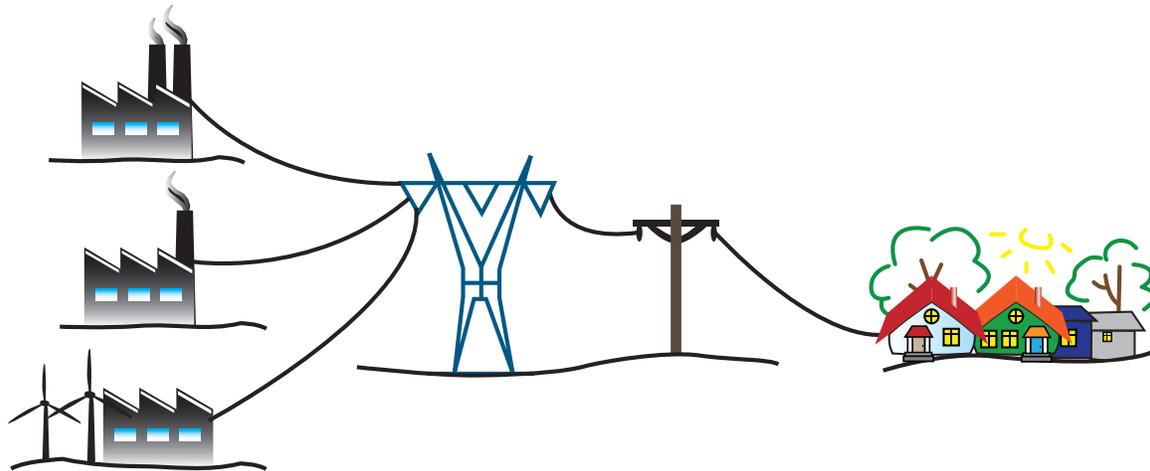


Electricity Transmission

Alberta's **transmission** system is the backbone of all future growth in our province. It supports our growing population and our booming energy industry.

Transmission lines are high-voltage power lines and other electrical equipment that move power from generators to distribution centres.

Electricity System Overview



| Generation | Transmission | Distribution | Retail/Customer |
|---|--|--|---|
| <ul style="list-style-type: none"> Competitive/market based Private investment Energy only market design | <ul style="list-style-type: none"> Fully regulated Cost-of-Service Model One rate for Albertans | <ul style="list-style-type: none"> Fully regulated Supports retail competition | <ul style="list-style-type: none"> Partially deregulated Competitive Contracts Regulated rate option for small consumers |

Our Current System is Aging and Congested

Expanding Alberta's transmission infrastructure is required to meet current and future Albertans' electricity needs and enhance economic prosperity.

Aging - Alberta's electricity transmission system was not significantly upgraded between 1990-2010. In that time, Alberta's population grew by more than one million people and our economic value more than quadrupled.

Congested - Congestion limits the ability of new generators to deliver electricity to market, limiting competition and reducing reliability. Congestion means higher energy costs for all consumers.

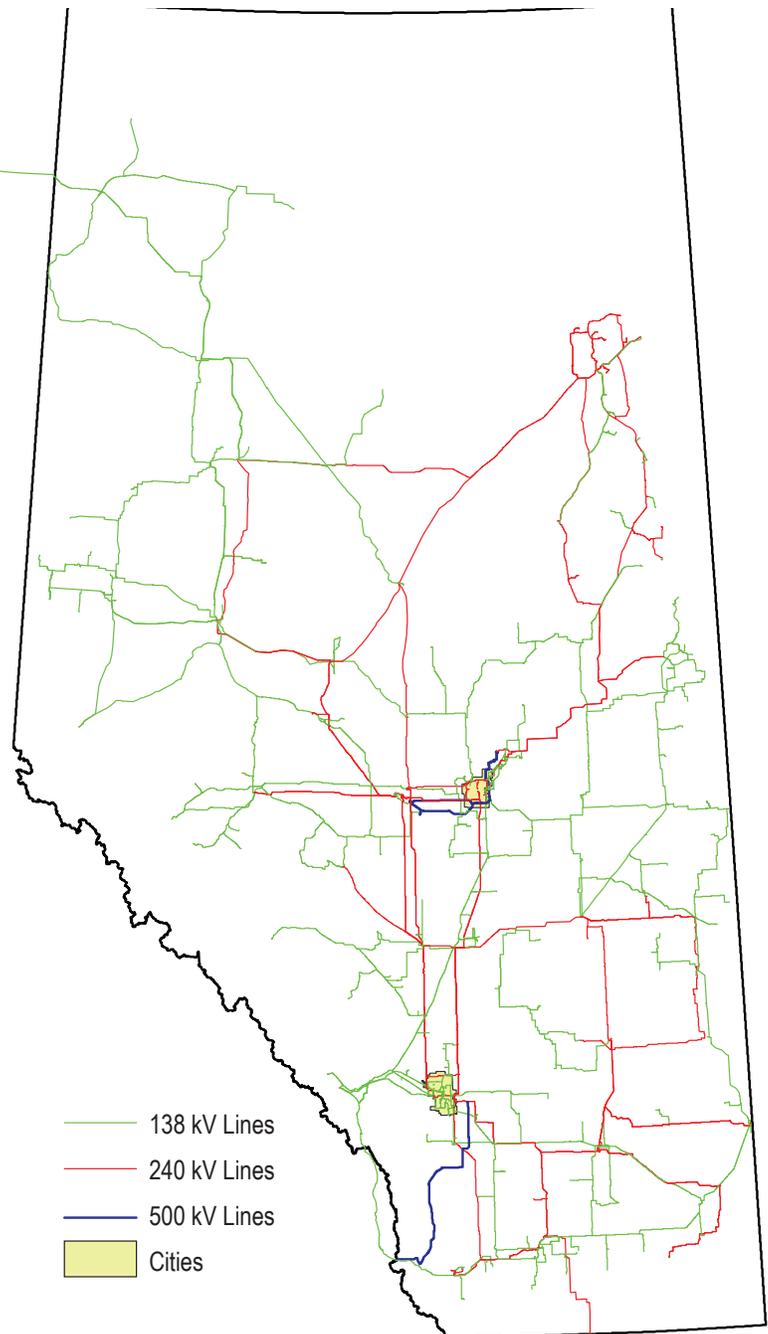
| | 1996 | 2013 | 2034 |
|---------------------------------------|---|---|---|
| People | Population = 2.8 Million ¹ | Population ~ 4.1 Million ¹ | Population = ~ 5.6 Million ¹ |
| Economy | GDP = \$113 Billion (2002 Dollars ²) | GDP ~ \$206 Billion (2002 Dollars ²) | GDP ~ \$328 Billion (2002 Dollars ²) |
| Demand | Peak Demand = 7,056 MW ³ | Peak Demand = 11,139 MW ⁴ | Peak Demand ~ 18,519 MW ⁵ |
| Transmission (Line Length) | 21,600 km ⁶ | ~24,000 km ⁶ | ~28,000 km ⁶ |

1 Alberta Treasury Board and Finance, Alberta Population Projections Summary Statistics, Medium
 2 Conference Board of Canada
 3 Energy and Utilities Board, Alberta Electric Industry Annual Statistics (ST-28)
 4 Alberta Electric System Operator 2013 Annual Market Statistics
 5 Alberta Electric System Operator 2012 Long Term Outlook
 6 Alberta Energy, Electricity Policy Branch internal estimates

Bringing Our Transmission System into the 21st Century.

The Government of Alberta is taking action to ensure that Alberta's transmission system will deliver electricity safely, reliably and efficiently to our province's electricity consumers.

As Alberta's population and industries grow, so does the need for more transmission lines. New transmission being built across the province will help sustain growth in our province for the next 40 years.



You Have a Say

The Alberta Utilities Commission (AUC) has a mandate to ensure every Albertan directly affected by a transmission line or substation application is informed of the development and has the opportunity to have their concerns heard, understood and considered in the review process. For more information, visit www.auc.ab.ca.

If a transmission line or substation has been proposed to go across or near your property, you can become involved in the AUC process.

- The AUC conducts hearings to determine social, economic and environmental impacts and whether applications for new facilities are in the public interest.
- Transmission companies must prove the cost of transmission lines is reasonable. Transmission companies must defend every cent they charge consumers.

