

February 8, 2024

RE: Halkirk 2 Transmission Project Update

In July 2023, ATCO Electric Ltd. (ATCO) sent you information about the proposed Halkirk 2 Transmission Project (the Project). The Project is located in SW 12-40-15 W4M and includes the construction of approximately 85 metres of single circuit 240 kilovolt (kV) transmission line (to be called 9LA16) which will connect the customer's substation to the existing 240 kV transmission line. The Project also includes the installation of two (2) new structures on the existing 240 kV transmission line 9L16 to accommodate the connection. This letter provides an update on the Project status and timelines.

Project Update

On January 29, 2024, ATCO submitted a Facility Application (Proceeding No. 28806) for this Project to the Alberta Utilities Commission (AUC). If approval is granted by the AUC, construction activities will commence in April 2024 with an expected completion in July 2024. Please note that Project timing and details may be adjusted as plans are finalized.

Next Steps

It is important to note that AUC approval is required before ATCO can begin to construct this transmission line. You may receive a Notice of Application from the AUC providing you with information on their review and approval process. For more information about how you can participate in the AUC process, please refer to the enclosed brochure entitled *Participating in the AUC's independent review process to consider facility applications*.

Thank you for your participation on the Project so far. We appreciate you taking the time to provide us with valuable feedback. Please contact us at your earliest convenience should you have any questions or comments regarding the Project.

Sincerely,

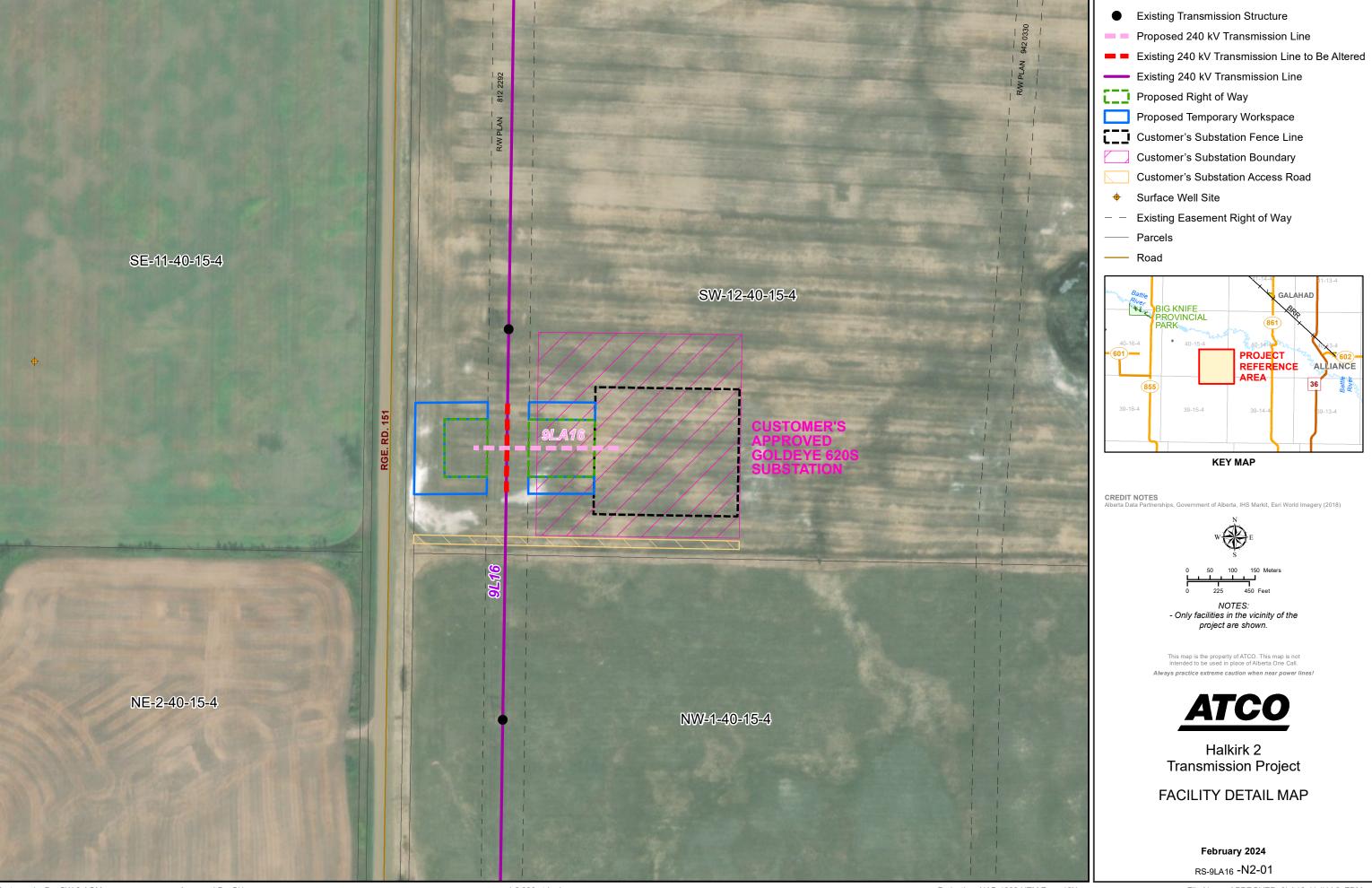
Laurie Jenkin Planner, Lands ATCO Electric Ltd.

Toll Free: 1-855-420-5775

E-mail: consultation@atcoelectric.com

Enclosures:

- Facility Detail Map (RS-9LA16-N2-01)
- AUC Brochure: Participating in the AUC's independent review process to consider facility applications







Participating in the AUC's independent review process to consider facility applications

The AUC regulatory review process to consider facility applications for utility projects

The AUC uses an established process to review social, economic and environmental impacts of facility projects to decide if approval of a project is in the public interest.

The AUC considers applications requesting approval of the need for transmission development and facilities applications seeking approval to construct, operate, alter and decommission electric and natural gas facilities. Applications, as specified in AUC Rule 007, are required for:

- The need for transmission upgrades.
- The route and location of transmission facilities.
- The siting of power plants.
- The construction of a battery storage system.
- · The designation of an industrial system.
- The need for and siting of natural gas utility pipelines.

Sometimes the Alberta Electric System Operator's needs identification document application is considered together with a facility application in a single proceeding; sometimes separate proceedings are held to consider each application.

Application review process



Step 1: Public consultation prior to applying to the AUC

Step 2: Application filed to the AUC

Step 3: Public notice

Step 4: Public submissions to the AUC

Step 5: Consultation and negotiation

Step 6: The public hearing process

Step 7: The decision

Step 8: Opportunity to appeal

Step 9: Construction, operation and compliance

Application review process

Step 1: Public consultation prior to applying to the AUC

An applicant seeking approval of a proposed utility development project is required to engage in a participant involvement program prior to filing an application with the AUC. The public involvement program involves consultation with persons whose rights may be directly and adversely affected by the proposed project so that concerns may be raised, addressed and, if possible, resolved.

The application guidelines and requirements for facility applications can be found in AUC Rule 007: *Applications for Power Plants, Substations, Transmission Lines, Industrial System Designations, Hydro Developments and Gas Utility Pipelines*.

Potentially affected parties are strongly encouraged to participate in the public consultation, also called a participant involvement program. Early, active and ongoing discussions with an applicant may lead to greater influence on project planning and what is submitted to the AUC for approval.

Step 2: Application filed to the AUC

When the applicant has concluded its consultation with potentially affected parties and the participant involvement requirements have been completed, the applicant files its application through the AUC online public filing system, called the eFiling System.

AUC staff members review each application submitted to verify that all of the application requirements in Rule 007 have been met before an application is deemed complete. If all of the required information is not provided, the application may be closed or missing information will be requested of the applicant. Rule 007 specifies, among other requirements, that applicants must submit the results of a public involvement program in its application that includes information about how applicants consulted and notified stakeholders and Indigenous groups and identifies any unresolved objections and concerns about the project.

Step 3: Public notice

When the AUC receives an application it is assigned a proceeding number and the AUC generally mails a notice of application directly to those who live, operate a business or occupy land in the project area who may be directly and adversely affected if the AUC approves the application. The notice initiates the opportunity for formal intervention in the proceeding to consider an application or applications. The notice of application will also set out important dates and information about where to find the application and other items being considered. The five-digit eFiling System proceeding number in the notice is the most efficient way to find information about a proposed project through the AUC website.

Step 4: Public submissions to the AUC



Prior to the submission deadline provided in the notice, formal submissions of outstanding concerns and unresolved objections about a project may be submitted to the AUC. To submit a concern, participants will need to register to participate in the proceeding, which involves providing a brief written statement called a statement of intent to participate. Submissions are filed electronically through the eFiling System. The information filed becomes part of the public record and is an important part of the process to ensure that outstanding concerns are heard, understood and considered.

The AUC uses the information gathered through statement of intent to participate submissions to decide whether to hold a hearing on the application(s). The AUC must hold a hearing if a concerned person can demonstrate that they have rights that may be directly or adversely affected by the AUC's decision on the application. Such a person is said to have standing before the AUC. If the AUC decides to hold a hearing, the AUC will provide further opportunities for participants with standing to ask the applicant questions on the public record and present their position on the application either in writing or in person. Hearings may

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be held in writing, in person or virtually through web-conference software.

AUC eFiling System

The eFiling System is the online tool that the AUC uses to manage applications and submissions in its proceeding-based review. The eFiling System gives access to all public documents associated with an application. The system is also used to submit your concerns and provide input to the AUC and can be used to monitor related proceeding filings. Those who do not have access to the internet can send submissions, evidence and other material by mail and the AUC will upload the submission on their behalf.

Step 5: Consultation and negotiation (if applicable)



The AUC supports efforts to reach a mutually agreeable outcome among the applicant and affected parties. The AUC encourages the applicant and those who have filed a statement of intent to participate to continue to attempt to resolve any outstanding issues. If all concerns can be satisfactorily resolved this may eliminate the need for a formal hearing. However, if there continues to be unresolved issues, those matters will typically be addressed in an AUC hearing.

Step 6: The public hearing process

The AUC will issue a notice of hearing if a person with standing continues to have legitimate unresolved concerns with the application. The notice of hearing will provide a hearing date and location, or specify if the hearing will be held in writing or virtually. When the AUC holds a public hearing, registered parties are given the opportunity to express their views directly to a panel of Commission members. Any member of the public can listen to an in-person or virtual oral hearing. An oral public hearing operates similar to a court proceeding.

Participants in a hearing can either represent themselves or be represented by a lawyer. In addition, participants may hire experts to assist in preparing and presenting evidence to support their position.

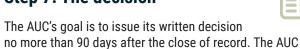
Cost assistance



A person determined by the AUC to have standing or a local intervener can apply for reimbursement of reasonable costs. Those who hire a lawyer or technical experts must be aware that while reimbursement for the costs of legal and technical assistance is available under AUC Rule 009: Rules on Local Intervener Costs, recovery of costs is subject to the AUC's assessment of the value of the contribution provided by the lawyer and technical experts in assisting the AUC to understand the specifics of the case. It is also subject to the AUC's published scale of costs.

People with similar interests and positions are expected and encouraged to work together to ensure that expenditures for legal or technical assistance are minimized and costs are not duplicated.

Step 7: The decision



can approve, or deny an application and can also make its approval conditional upon terms or conditions. AUC decisions are publicly available through the AUC website at www.auc.ab.ca.

Step 8: Opportunity to appeal



An applicant or participant in a proceeding may formally ask the Court of Appeal of Alberta for permission to appeal an AUC decision. An application for permission to appeal must be filed within 30 days from the date the decision is issued.

An applicant or participant in a proceeding can also ask the AUC to review its decision. An application to review a decision must be filed within 60 days from the date the decision is issued and satisfy the limited grounds described in AUC Rule 016: *Review of Commission Decisions*.

Step 9: Construction, operation and compliance



An applicant that receives approval to build and operate a facility from the AUC is expected to follow through on any commitments it has made to parties and must adhere to any conditions that were set out in that approval. If concerns about compliance with approval conditions and post-construction operations cannot be resolved with the applicant, they can be brought to the AUC's attention for consideration. The AUC has significant compliance and enforcement powers for all approved applications. Additional information is available on the AUC website.

The Alberta Utilities Commission is an independent, quasi-judicial agency of the government of Alberta that ensures the delivery of Alberta's utility services take place in a manner that is fair, responsible and in the public interest.

We are committed to ensuring that Albertans whose rights may be directly and adversely affected by a utility development project are informed of the application and have the opportunity to have their concerns heard, understood and considered.



Contact us

Phone: 310-4AUC 1-833-511-4282 (outside Alberta) info@auc.ab.ca www.auc.ab.ca

Eau Claire Tower 1400, 600 Third Avenue S.W. Calgary, Alberta T2P 0G5

WWW.auc.ab.ca Updated March 2022