

Letter to the Editor

Re: St. Albert Gazette Letter to Editor

Re. "New power line just fear mongering"

The Alberta Electric System Operator (AESO) wishes to address misinformation that appeared in your October 15th publication in a Letter to the Editor from D. Pelletier. As the independent, not-for-profit organization that plans and operates the electricity grid for the benefit of all Albertans, we analyze electricity consumption patterns in every area of the province and integrate data from multiple sources including the Conference Board of Canada and Canadian Petroleum Producers Association to build a Long-term Transmission System Plan (referred to as the plan) that indicates where the demand for electricity will grow, where and how much generation is required to meet that demand, and what additional transmission infrastructure will be required throughout the province.

The Heartland Transmission Development Project was identified as a key piece of transmission infrastructure within the AESO's plan. In addition to supporting demand in the Heartland area and northeastern Alberta (including Fort McMurray), the project is required to strengthen the entire provincial network, benefitting all Albertans. Upon completion, the project will accommodate 3,000 MW of capacity.

The need for the Heartland project is urgent. Although the recession negatively affected economic growth in Alberta, the economy is recovering and is anticipated to return to historical growth patterns within two years. Investment in the oilsands and pipelines is also expected to continue to drive strong economic growth over the next decade and beyond.

The AESO's 2009 Forecast shows growth of over 95 per cent from 2009 to 2019 in the northeast region of the province. This is the equivalent to growth of almost two times the size of the City of Edmonton over the next 10 years. To support this growth, about 11,500 MW of new generation will be required over the next 20 years. The future transmission system of the province must be robust enough to interconnect these new generation facilities and supply the increased demand. The Heartland project, the backbone of our future electric system, fulfills both objectives.

Electricity is the life blood of our economic prosperity. Over the last 20 years, Alberta's annual GDP has risen from \$64 billion to nearly \$292 billion, population has increased 45 per cent from about 2.5 million to 3.6 million, and our peak demand of electricity nearly doubled from 5,600 MW to 10,200 MW. Yet, over the same time period, the provincial grid has not seen a major investment.

The Heartland project was identified as one of four Critical Transmission Infrastructure (CTI) projects by the Government of Alberta in the fall of 2009. As such, the AESO is following the legislative process under the Electric Utilities Act which clearly states that the Government of Alberta has approved the need for CTI projects. The Alberta Utilities Commission continues to approve the need for all non-CTI projects, of which, there are over 200 currently underway, as well as continuing to approve the siting and routing of all projects including Heartland.

Albertans need a strong transmission grid to power our homes, businesses and industries, to encourage generation developers to invest in Alberta, and to ensure reliable, competitively priced electricity. Significant upgrades are required to meet the province's future energy requirements and continue to ensure a reliable system.

Shan Bhattacharya,
Vice-President, Transmission
Alberta Electric System Operator