

# Letter to the Editor

## Re: Sherwood Park News

### “Allegations hit power line”

Friday, December 3

The Alberta Electric System Operator (AESO) wants to clarify inaccurate information that appeared in your publication on December 3 suggesting the transmission projects planned throughout Alberta are intended to move power into the U.S. This statement is completely inaccurate.

The four transmission projects that were identified and approved under the Government of Alberta's *Electric Utilities Act* as Critical Transmission Infrastructure in the fall of 2009 are urgently required to meet the needs of Albertans. To help put this into perspective, Alberta exports about 1 per cent of the power produced in Alberta and has been a net importer of electricity since 2002. During the peak power usage hours of 4 p.m. – 7 p.m., our province is often reliant on other jurisdictions to support our own local demand.

The NorthernLights Transmission Project referenced in the article was included in the AESO's 2009 Long term Transmission System Plan as a merchant intertie project proposed by TransCanada Corporation. However, the project has been on hold for over a year. The AESO is responsible for taking into account the status of any merchant intertie proposals to ensure the appropriate amount of intertie capability is developed to maintain reliability of the entire electricity system; hence its inclusion in our plan.

Transmission infrastructure is a public good that must be available in advance of need; Alberta's quality of life and economic well being depends on it. As part of our mandate, the AESO is responsible for ensuring that the transmission system is built to effectively operate congestion-free. An unconstrained grid provides certainty to those who invest in new generation projects that they will have the ability to move their electricity to Alberta households and businesses. It also gives those in other industries the confidence to do business in the province, secure in the knowledge that power will be there when they need it.

To meet this mandate, the AESO's team of engineers, economists and planners analyze the electricity consumption patterns, the potential staging of system projects, the lifecycle of existing assets, and the competitive market forces in every area of the province. We integrate data from multiple sources including the Conference Board of Canada, Canadian Energy Research Institute and Canadian Association of Petroleum Producers to determine where the demand for electricity will grow, where and how much generation is required to meet that demand, and what additional transmission infrastructure is required.

The need for the Heartland Transmission Development Project is urgent. 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, as part of 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.

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. The AESO encourages you to visit our public engagement website for more information about the need for transmission upgrades in our province. Please go to [www.powerinalberta.com](http://www.powerinalberta.com) to learn more.

Greg Retzer  
Director, Project Delivery North Transmission  
Alberta Electric System Operator