



Fort Hills Transmission Project Update And Proposed Kearn Connection

PROJECT UPDATE

February 13, 2009

This update is being sent to landholders, agencies and other parties to provide information about planned alterations of transmission facilities located about 80 kilometres (km) north of Fort McMurray.

Background

In 2008 ATCO Electric received Alberta Utilities Commission (AUC) approval to energize 14.0 km of existing idle 240 kilovolt (kV) transmission line east of the existing Joslyn substation, and to construct 5.5 km of new line to a proposed Petro-Canada Fort Hills substation. This Joslyn to Fort Hills line "9L32" was to connect Petro-Canada's Fort Hills oil sands project to the provincial transmission system. Work was planned to start in late 2008 for completion by April 2009.

Update: Fort Hills Not Proceeding

In December 2008, prior to the start of construction, the Fort Hills transmission project was put on hold while Petro-Canada re-evaluated its plans for the Fort Hills site. As of February 2009, Petro-Canada has not confirmed its commitment for the transmission project to continue as originally scheduled.

Kearn Connection Required

Meanwhile, in February 2009 Imperial Oil (IORVL) received AUC approval for a 240 kV power line that will connect the Kearn oil sands project to the provincial grid by tapping into ATCO Electric's line 9L32 near the Fort Hills site.

Proposed Facilities As Amended

To accommodate the Kearn connection, ATCO Electric's proposed line 9L32 will now include the following:

- The 14.0 km of existing idle line from Joslyn substation to point "N48" (see attached reference map PX-01) will be energized as previously planned.
- Rather than construct the entire 5.5 km of new line as previously approved, ATCO Electric will build only the first 3.4 km (points N48 to F2). Construction of the remaining 2.1 km of line to Fort Hills will not proceed at this time.
- An additional 380 metres (m) of new line will be built north of node F2 to the point of connection with IORVL's approved line L9900, shown as point K4 on attached site plan drawing PX-02. This new line segment will include a pair of line switches near the connection point.

ATCO Electric plans to apply to the AUC in late-February 2009, for approvals to clear the right-of-way in March 2009. The 3.8 km of new line would be built next winter, to be operating by February 2010.

Other Details

- The project is located on oil sands leases within the Regional Municipality of Wood Buffalo.
- The 380-m route segment as amended for the Kearn connection is located in SW 24-96-11-W4M, immediately east of Highway 63, on and adjacent to the site of a proposed telecommunications tower and a future "Bitumount" substation (see site plan drawing PX-02). Most of this site has been cleared as part of Petro-Canada's Fort Hills site.
- All of the approximately 3.8 km of new line will be constructed on previously acquired Crown easements or leases. Activities will be carried out in accordance with the government's environmental protection guidelines, and the terms of the easements and leases.
- The proposed line will be built using steel "H-frame" or lattice structures as shown on drawing PX-03. The newly proposed 380-m segment will consist of approximately three lattice structures and three spans of line (final designs may vary).
- The appearance and impacts of the proposed line as amended, including the newly proposed segment, will not differ significantly from the previously approved facilities.

Public and Agency Referral

Information is being provided to government agencies and landholders within 0.8 km the proposed facilities, prior to ATCO Electric submitting a Permit and Licence Application to the AUC. **Please contact us as soon as possible with any comments, questions or concerns, or to confirm that you have no concerns.**

Attachments

- Reference Map (drawing PX-01)
- Site Plan (drawing PX-02)
- Typical Structures (drawing PX-03)
- Reply form
- AUC public involvement brochure

CONTACT INFORMATION

Please contact:

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DATE: _____

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Do you have any facilities or improvements in the area that may be affected by this project?

No. Yes, and they are as follows:

Do you have any concerns about this project?

No. Yes, and they are as follows:

Is there anyone else we should be contacting about this project?

No. Yes, and they are as follows:

Do you have any other comments or questions?

No. Yes, and they are as follows:

If we have any errors in your name and address, please provide corrections.

Sent By: Name _____

Agency/Company Name _____

Address _____

Phone No.: _____ Fax No.: _____

E-mail/Other: _____