



UPGRADES TO THE GARNEAU SUBSTATION

Project Update – December 2018

You are receiving this information because you are a landowner, resident, occupant or interested party near EPCOR's Garneau substation, and we would like to update you on the next phase of this project.

Project Overview

This project involves upgrading the Garneau substation (located at 11117-85 Ave) in order to improve reliability and meet the increased demand for power in the area. If approved by the Alberta Utilities Commission (AUC), the upgrades will include replacing the three existing 72/15 kV transformers in the Garneau Substation with three new 72/15 kV transformers of higher capacity, and changes to the substation's fence line.

What's New?

Over the last 18 months, we have discussed this project with landowners, residents, occupants and interested parties directly adjacent to the Garneau substation asking for feedback on the proposed changes and potential impacts. Thank you to everyone who took the time to share your comments with us.

Based on the research we have done and the feedback we have received, we have submitted a Facility Application with the Alberta Utilities

Commission (AUC) outlining our proposed upgrades and changes to the substation's fence line. The AUC is an independent quasi-judicial agency responsible for approving power transmission facilities in Alberta.

Project Schedule

If the AUC approves this project, we anticipate construction will start in the summer of 2019 and be completed in the fall of 2022.

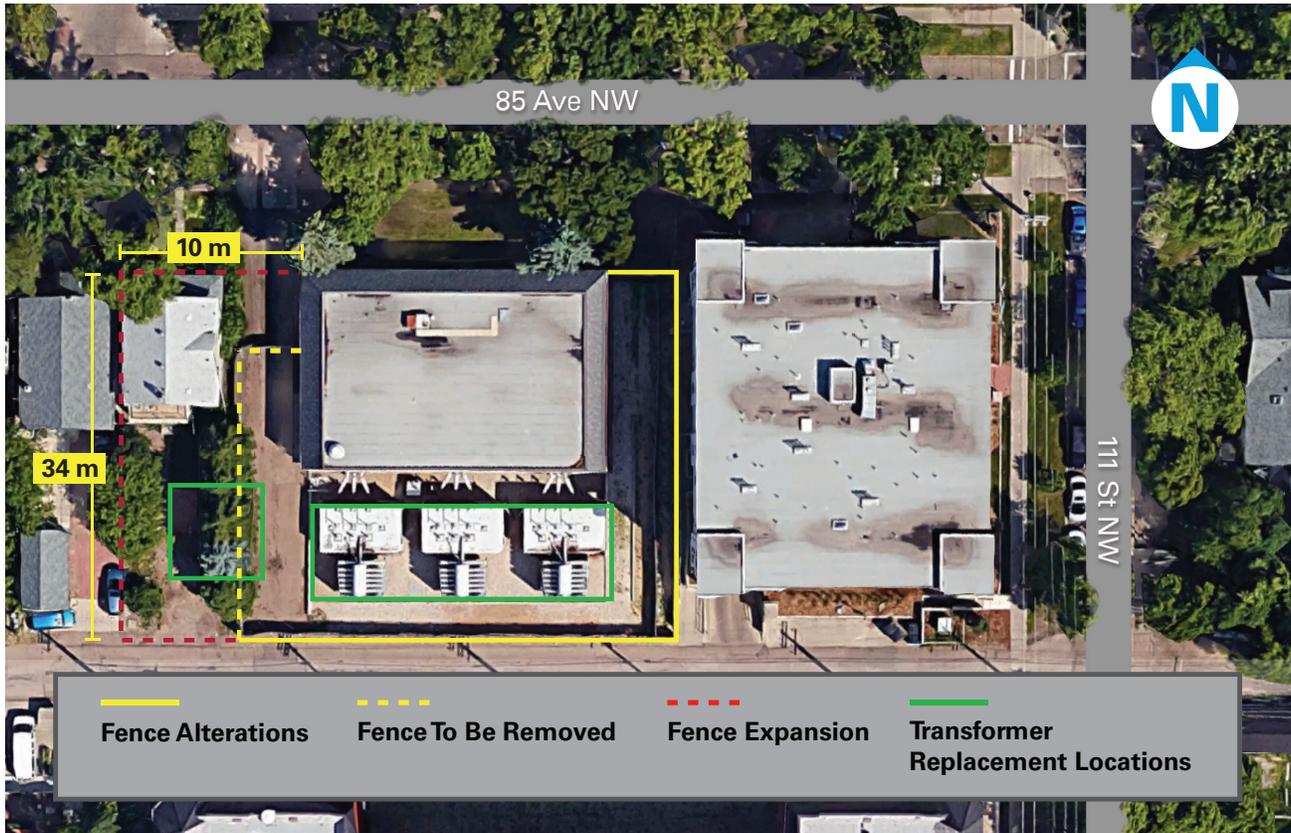
Artist Rendering of Upgrades to the Garneau Substation



What is a substation and transformer?

A substation is a part of the electrical system that connects two or more power lines. The Garneau substation converts electricity from higher voltage power lines (transmission lines) to lower voltages that can be safely distributed to homes and businesses in the area. This conversion is done using a transformer.

Garneau Substation Site Layout



Please note, the location of the proposed transformer replacements has changed since the original project update in January 2017. At that time, we noted that the centre and east transformers would be replaced in place and that the west transformer would move further west within the new substation fence line. Based on further review, two of the transformers will be located within the larger green box to the east and the third transformer will be relocated in the green box further west. The new location of the transformer furthest west has not changed since the January 2017 update.

Project Overview

We are proposing to replace the three existing transformers in the Garneau substation to improve reliability and to meet increased demand for power in the area. Two of the new transformers will be replaced in roughly the same location as the existing transformers, while the third transformer will be moved further west to allow for safe access to the equipment during construction and for maintenance (please see the aerial image above).

To accommodate the relocation of the new transformer, the substation yard will need to be expanded. This will involve removing the EPCOR-owned house directly west of the substation and expanding the fence line by approximately 10 metres by 34 metres. To improve security around the substation, we will also be replacing the existing six foot fence with a new eight foot fence. The new fence will look similar to the existing fence, as shown in the image on the previous page.

CONSULTATION UPDATE

Throughout our discussions with stakeholders, some concerns and questions were brought forward. The feedback gathered during personal consultations was documented and included in the Facility Application we filed with the AUC. This section outlines the feedback we received from stakeholders – broken into key themes – and our responses.

Construction Impacts

If this project is approved, construction is planned to begin in the summer of 2019 and finish in the fall of 2022. We anticipate work will generally happen Monday to Friday between 7:30 a.m. and 5 p.m.; however, occasional evening and weekend work may also be required.

The work will create typical noise associated with construction. We will take measures to ensure we comply with the City of Edmonton's Community Standards Bylaw for Noise Control. If it is necessary to temporarily exceed noise levels, we will work with the City of Edmonton to obtain the required permits.

All proposed work spaces for the project will be safe and secure, and construction activities will comply with City of Edmonton bylaws, Occupational Health and Safety requirements, and our strict health, safety and environment program. We do not anticipate any adverse environmental impacts as a direct result from the project.



Road Closures

Access down 85 Avenue between 112 Street and 111 Street may be limited during some stages of construction. We will work diligently to reduce impacts and provide customers affected by construction with more detailed information regarding potential impacts prior to any work starting.

Power Supply

No interruptions to power services are anticipated as a result of this project.

Electric and Magnetic Fields (EMF)

We recognize that people have concerns about EMF as it exists everywhere there is electricity. We treat these concerns very seriously and are guided by EMF research that is compiled and reviewed by national and international health agencies.

After more than 40 years of research that includes thousands of studies and numerous reviews by health agencies, Health Canada and the World Health Organization have not concluded that typical exposures to EMF from overhead power lines have any known health consequences. If you would like more information about EMF, please contact us.

Noise

We do not anticipate an increased level of noise at the Garneau substation as a result of the proposed project. As part of the AUC's regulatory process, a Noise Impact Assessment (NIA) has been completed and submitted with the Facility Application to ensure that the substation does not exceed permissible sound levels (PSL).

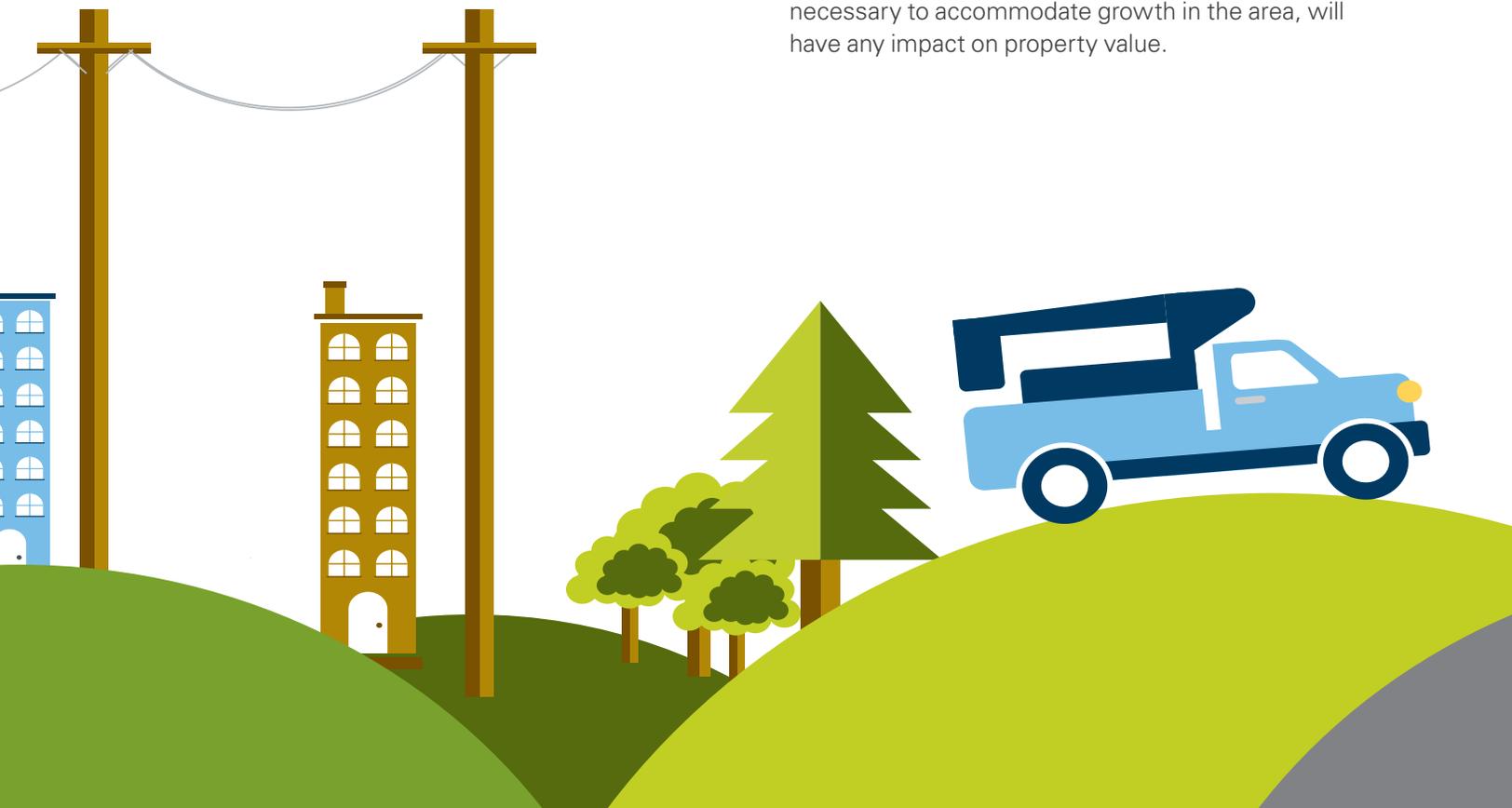
Visual Impacts

We are proposing to replace the existing six foot high chain link fence around the substation with an eight foot high chain link fence, with wooden boards on the exterior face. From a visual perspective, the proposed fence will look similar to the existing fence currently surrounding the substation. A portion of the proposed transformers would still be visible from outside the substation.

All fencing materials used for the substation expansion must comply with safety codes and standards applicable to the operation of electrical substations. Trees can pose a safety and security risk to substations. For these reasons, we cannot plant trees within the Garneau substation or around the exterior of the property.

Property Value

The Garneau substation has been an integral part of the Garneau community for decades. We do not expect that the proposed substation expansion, necessary to accommodate growth in the area, will have any impact on property value.



The Regulatory Process

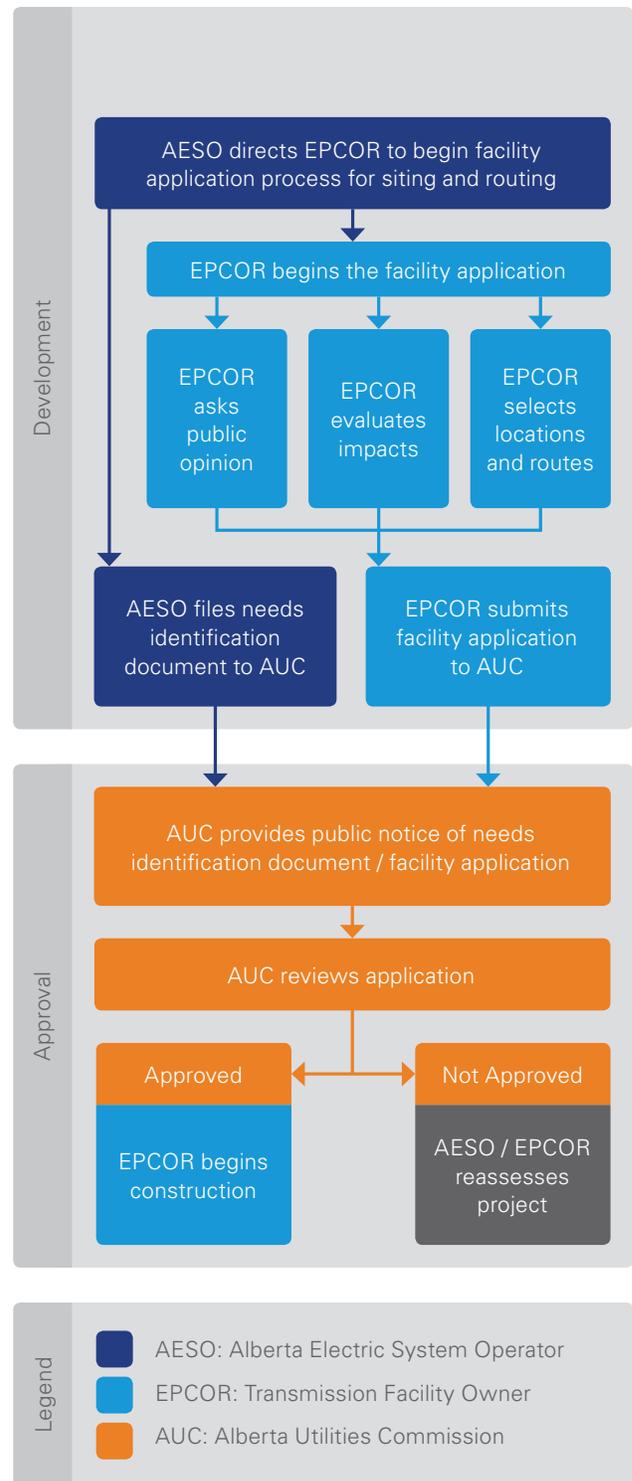
The Alberta Electric System Operator (AESO) is responsible for determining the proposed transmission development, which involves replacing the transformers at the Garneau substation. The AESO submitted a Needs Identification Document (NID) with the AUC in October, 2018 in support of this project.

In October 2018, EPCOR's project team also filed a Facility Application with the AUC outlining our proposed upgrades to the Garneau substation.

The AUC must approve the Needs Identification Document and the Facility Application before upgrades at the substation can begin.

For more information on the regulatory process, including links to the AESO and AUC websites, please visit our website at epcor.com/consultation.

We have also enclosed the AUC's brochure entitled, *Public involvement in a proposed utility development* for more information about how customers can participate in the AUC process.



About EPCOR

EPCOR, through its subsidiaries, builds, owns and operates electrical, natural gas and water transmission and distribution networks, water and wastewater treatment facilities, sanitary and stormwater systems, and infrastructure in Canada and the United States. The company also provides electricity, natural gas and water products and services to residential and commercial customers. EPCOR, headquartered in Edmonton, is an Alberta Top 70 employer. EPCOR's website address is www.epcor.com.

About the Alberta Electric System Operator (AESO)

The AESO is an independent, not-for-profit organization responsible for the safe, reliable, and economic planning and operation of the provincial transmission grid. If you have any questions or concerns about the need for this project, you may contact the AESO directly or visit www.aeso.ca. You can make your questions or concerns known to an EPCOR representative who will collect your personal information for the purpose of addressing your questions and/or concerns to the AESO. This process may include disclosure of your personal information to the AESO.

About the Alberta Utilities Commission (AUC)

The AUC is an independent, quasi-judicial agency of the province of Alberta. The AUC is responsible to ensure that the delivery of Alberta's utility service takes place in the public interest. The AUC must approve this project before upgrades to the substation can begin. For more information about how you can participate in the process, please visit the AUC website, www.auc.ab.ca.

Participate in the Process

As we move forward, we remain committed to keeping you informed of updates about this project. We will continue to involve you in the process, address your concerns, and respond to your questions.

Questions about the project?

If you have any questions or concerns about the project, please contact us:

780-412-4040

consultation@epcor.com

www.epcor.com/consultation

Questions about the need?

For more information about the need for this project, please contact the AESO:

1-888-866-2959

stakeholder.relations@aeso.ca

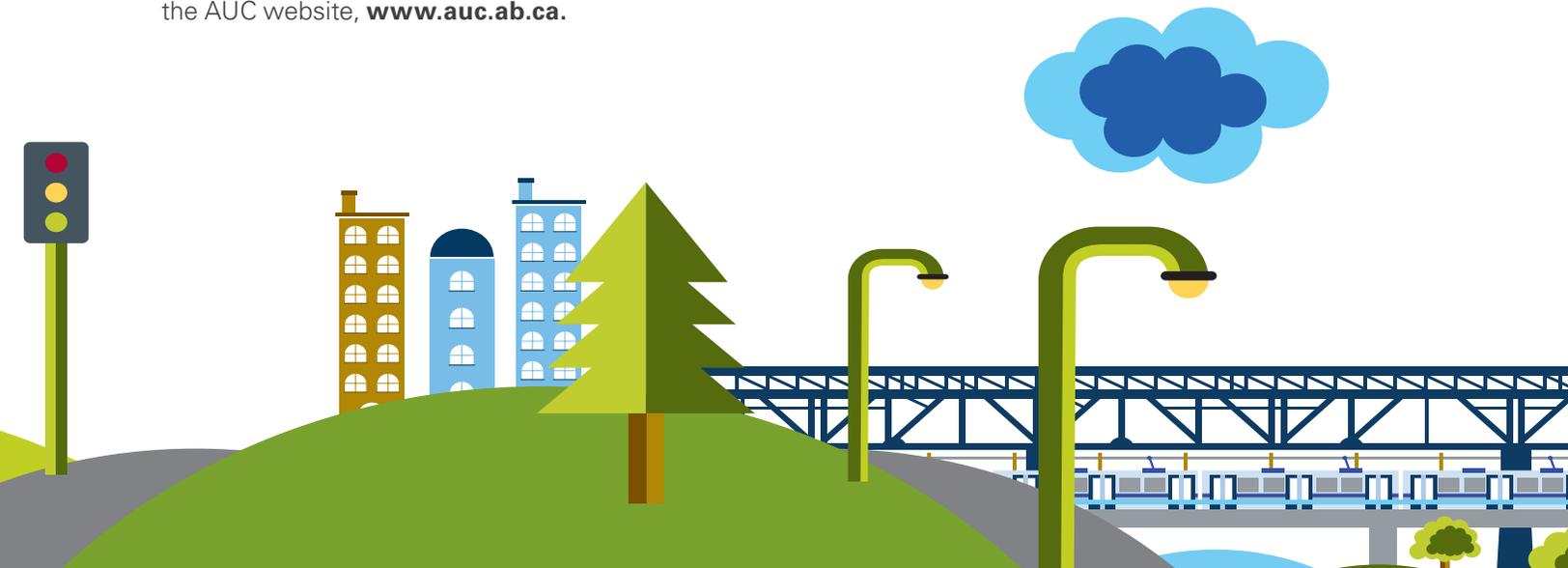
www.aeso.ca

Questions about the regulatory process?

For more information about the regulatory process, read the brochure titled *Public involvement in a proposed utility development* or contact the AUC:

780-427-4903 (for toll-free access, dial 310-0000 before the 10 digit number)

www.auc.ab.ca





EPCOR respects your right to privacy. Any personal information we collect about you — including your name, address, phone number and email address — will be used only in regards to this project.

In accordance with AUC Rule 007, this information will be filed with the AUC and may be available to the public through their website during the regulatory proceeding for this project. Please visit www.auc.ab.ca/AUCPublicInvolvement for more information about the AUC's public involvement process for proposed utility developments.

For information about EPCOR's Privacy Policy, visit epcor.com/privacy.