



AltaLink Management Ltd.

**2024-2025 General Tariff Application
Negotiated Settlement Agreement**

February 12, 2024

Alberta Utilities Commission

Decision 28174-D01-2024

AltaLink Management Ltd.

2024-2025 General Tariff Application Negotiated Settlement Agreement

Proceeding 28174

Application 28174-A001

February 12, 2024

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

Telephone: 310-4AUC (310-4282 in Alberta)
1-833-511-4AUC (1-833-511-4282 outside Alberta)

Email: info@auc.ab.ca

Website: www.auc.ab.ca

The Commission may, no later than 60 days from the date of this decision and without notice, correct typographical, spelling and calculation errors and other similar types of errors and post the corrected decision on its website.

1 Decision summary

1. This decision provides the Alberta Utilities Commission’s determinations regarding the application for a Negotiated Settlement Agreement (NSA) in respect of AltaLink Management Ltd.’s 2024 and 2025 general tariff application (GTA).

2. As part of its application, AltaLink requested and received the Commission’s permission to pursue a negotiated settlement process (NSP). Although the Commission granted permission to pursue an NSP, it excluded two issues from the negotiations,¹ and set a process schedule that included rebuttal evidence and an oral hearing.²

3. The negotiation process occurred among AltaLink, the Alberta Direct Connect Customers, the Consumers’ Coalition of Alberta (CCA), the Alberta Federation of Rural Electrification Associations Ltd., the Industrial Power Consumers Association of Alberta (IPCAA) and the Office of the Utilities Consumer Advocate (UCA), from December 1 to 8, 2023. All parties signed the NSA, which was filed on the record of this proceeding on December 19, 2023.³ Intervenors involved in the negotiations filed letters confirming that negotiations were conducted in a fair and open manner and with adequate notice, and that the NSA was unanimously agreed to by all participants.⁴

4. Given the upcoming process schedule deadlines, including rebuttal evidence, which is due on February 23, 2024, and the oral hearing commencing in March 2024, the Commission believes that it would be helpful for parties to have certainty on whether the Commission has accepted the NSA at the earliest date possible. This will avoid unnecessary work preparing evidence or submissions on issues included in the NSA. The Commission has therefore decided to issue its decision on whether to approve the NSA with reasons to follow.

2 Decision and order

5. The Commission approves the settlement agreement between AltaLink and the parties to the NSP as filed, in its entirety, with reasons to follow.

¹ (i) AltaLink’s proposed wildfire deferral account; and (ii) AltaLink’s request to recover the \$11 million in returns incurred over the 2022-2023 test period applicable to prudent 2019-2021 actual salvage expenditures.

² Exhibit 28174-X0277, AUC letter – Update process schedule, September 5, 2023.

³ Exhibit 28174-X0443, 2024-2025 GTA Negotiated Settlement Agreement.

⁴ Exhibit 28174-X0439, IPCAA Notice of Fairness of NSP; Exhibit 28174-X0440, CCA Support for AML NSA; Exhibit 28174-X0441, UCA Letter to Commission Re. Fairness of NSP.

6. It is hereby ordered that:

- (1) The Negotiated Settlement Agreement as attached as [Appendix 2](#) to this decision is approved.

Dated on February 12, 2024.

Alberta Utilities Commission

(original signed by)

Kristi Sebalj
Vice-Chair

(original signed by)

Cairns Price
Commission Member

(original signed by)

Dennis Frehlich
Acting Commission Member

Appendix 1 – Proceeding participants

Name of organization (abbreviation) Company name of counsel or representative
AltaLink Management Ltd. (AltaLink or AML) Borden Ladner Gervais LLP
Alberta Direct Connect Consumers Association
Alberta Federation of Rural Electrification Associations Ltd. Shores Jardine LLP Russ Bell & Associates Inc.
Consumers' Coalition of Alberta (CCA)
Industrial Power Consumers Association of Alberta (IPCAA)
TransAlta Corporation
Office of the Utilities Consumer Advocate (UCA) Brownlee LLP

<p>Alberta Utilities Commission</p> <p>Commission panel</p> <ul style="list-style-type: none"> K. Sebalj, Vice-Chair C. Price, Commission Member D. Frehlich, Acting Commission Member <p>Commission staff</p> <ul style="list-style-type: none"> A. Marshall (Commission counsel) S. Ramdin (Commission counsel) N. Morter S. Sharma
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Appendix 2 – Negotiated Settlement Agreement

[\(return to text\)](#)



Appendix 2 - NSA

(consists of 17 pages)

SETTLEMENT AGREEMENT
ALTALINK MANAGEMENT LTD., IN ITS CAPACITY AS GENERAL PARTNER OF
ALTALINK, L.P.
2024-2025 GENERAL TARIFF APPLICATION

THIS NEGOTIATED SETTLEMENT AGREEMENT for the Negotiated Settlement of AltaLink’s 2024-2025 Transmission Facility Owner General Tariff Application (the “**2024-2025 GTA**” or “**Application**”) is made and entered into as of December 19, 2023.

AMONG:

**ALTALINK MANAGEMENT LTD., in its
capacity as general partner of AltaLink, L.P.,
 (“AltaLink”)**

and

CONSUMERS’ COALITION OF ALBERTA (the “CCA”),

and

**OFFICE OF THE UTILITIES CONSUMER
ADVOCATE (the “UCA”),**

and

**ALBERTA DIRECT CONNECT
CONSUMERS ASSOCIATION (“ADC”),**

and

**INDUSTRIAL POWER CONSUMERS
ASSOCIATION OF ALBERTA (“IPCAA”)**

and

ALBERTA FEDERATION OF REA’S LTD. (“AFREA”)

each, a “**Party**” and collectively, the “**Parties**”

WHEREAS:

- (a) AltaLink submitted its Application to the Alberta Utilities Commission (the “**AUC**” or “**Commission**”) on April 28, 2023 for approval of its forecast revenue requirement for the 2024 and 2025 Test Years (collectively, the “**Test Period**”), which is the subject of AUC Proceeding

No. 28174;

- (b) by letter dated April 28, 2023 AltaLink requested permission to initiate a negotiated settlement process on all aspects of its Application;
- (c) on May 25, 2023, the AUC issued a process schedule that included a negotiated settlement process;
- (d) on September 27, 2023, the AUC issued a revised, final process schedule that included filing dates for procedural steps relevant to the negotiated settlement process;
- (e) on November 24, 2023, the AUC confirmed that the negotiated settlement process could proceed on all matters of the Application, with the exception of:
 - i. AltaLink’s proposed wildfire deferral account; and
 - ii. AltaLink’s request to recover the \$11 million in returns incurred over the 2022-2023 Test Period applicable to prudent 2019-2021 actual salvage expenditures.
- (f) AltaLink, ADC, CCA, IPCAA, AFREA and UCA (ADC, CCA, IPCAA, AFREA and UCA collectively, the “**Interveners**”) entered into a negotiated settlement process during the period from December 1 to December 8, 2023;
- (g) the Parties reached a negotiated settlement on all components of AltaLink’s 2024-2025 GTA, with the exception of:
 - i. AltaLink’s 2024-2025 forecast salvage expenditures;
 - ii. AltaLink’s 2019-2023 actual salvage expenditures; and
 - iii. AltaLink’s Wildfire Mitigation Plan business cases Appendix 22-A2, Appendix 22-A3 and Appendix 22-A5;(the excluded matters identified in (e) and (g) collectively referred to as the “**Excluded Matters**”);
- (h) the term of the settlement is the Test Period.

IN CONSIDERATION of the mutual promises made in this Settlement Agreement and for other good and valuable consideration, the receipt and sufficiency of which is hereby expressly acknowledged by each of the Parties, and subject to the conditions set out in this Settlement Agreement, the Parties agree as follows:

1. Scope of this Settlement Agreement

- (a) This Settlement Agreement settles all aspects of and relief requested in the Application except for the Excluded Matters.
- (b) Unless otherwise agreed by the Parties in writing, if the Commission declines to approve this Settlement Agreement in its entirety, the Settlement Agreement will be of no force and effect, in accordance with Section 135 of the *Electric Utilities Act*.

2. Matters Excluded from Negotiated Settlement

- (a) AltaLink and the Interveners agree that the following matters are specifically excluded from this Settlement Agreement:
- i. AltaLink's 2024-2025 forecast salvage expenditures;
 - ii. AltaLink's 2019-2023 actual salvage expenditures; and
 - iii. AltaLink's Wildfire Mitigation Plan business cases Appendix 22-A2 Targeted Component and Structure Replacements in HRFA, Appendix 22-A3 Line Rebuilds, and Appendix 22-A5 Top Ignition Causing Lines Upgrades.

3. Revised Revenue Requirements

- (a) The revised revenue requirements agreed to in this Settlement Agreement (the "**Revised Revenue Requirements**") are set out in the revised Schedule 3-1 attached as Appendix "A" to this Settlement Agreement. Revised Minimum Filing Requirement ("**MFR**") schedules reflecting the specific adjustments and modifications agreed to in this Settlement Agreement are included in Appendix "A" (collectively, the "**Revised MFR Schedules**"). A Summary of Changes to AltaLink's Revenue Requirement is attached as Appendix B.
- (b) Except for the Excluded Matters, the Parties agree that the AUC should approve the Application, with the specific adjustments and modifications identified in this Settlement Agreement and in Appendix "A". The Parties agree to support AltaLink's application to the AUC for approval of this Settlement Agreement.

4. Specific Reductions

- (a) AltaLink's forecast total Operating and Maintenance ("**O&M**") and Administrative and General ("**A&G**") (collectively, "**OMA&G**") costs will be reduced by \$2.5 million in 2024 and \$4.5 million in 2025. The 2024 reduction will be reflected in AltaLink's forecast, in part, through an increase to AltaLink's forecast vacancy rate for OMA&G FTEs in 2024 from 2% to 3%. The remaining 2024 reduction and the 2025 reduction are not tied to any specific USA account or accounts, but are holistic reductions that AltaLink may apply to any operating expense, USA account or accounts as it sees fit. For presentation purposes only, AltaLink has spread these adjustments across all OMA&G USA accounts on a pro rata basis, as reflected in the MFR Schedules included in Appendix "A". Following the issuance of the Commission's decision(s) approving this Settlement Agreement and addressing the Excluded Matters, AltaLink will, in its compliance filing for the 2024-2025 GTA, identify the specific USA account or accounts to which the holistic reductions will apply.
- (b) AltaLink's forecast total Capital Replacement and Upgrades ("**CRU**") capital expenditures will be

reduced by \$12.5 million in 2024 and \$12.5 million in 2025. These total reductions will be reflected in AltaLink's forecast as follows:

- i. Specific reductions in the following CRU program or subprogram capital expenditure forecasts:
 - a. A \$0.9 million reduction in 2024 and a \$0.9 million reduction in 2025 (\$1.8 million in total) in Appendix 13-A07 Substation Components program.
 - b. A \$0.75 million reduction in 2024 and a \$0.75 million reduction in 2025 (\$1.5 million in total) in Appendix 13-A12 Substation Major, HV Breakers subprogram.
 - c. A \$0.75 million reduction in 2024 and a \$0.75 million reduction in 2025 (\$1.5 million in total) to the total forecast capital expenditures reflected in Appendix 13-A15 P&C Equipment and Appendix 13-A16 P&C Major programs. These reductions are not tied to any specific project or subprogram within these two programs, but are holistic reductions that AltaLink may apply across these programs as it sees fit. AltaLink shall retain discretion to manage the forecast reductions from projects and subprograms within these two programs based on its assessment of the impact on the safety and reliability of its assets. For presentation purposes only, AltaLink has spread this reduction across the Appendix 13-A15 P&C Equipment and Appendix 13-A16 P&C Major programs on a pro rata basis, as reflected in the MFR Schedules included in Appendix "A". Following the issuance of the Commission's decision(s) approving this Settlement Agreement and addressing the Excluded Matters, AltaLink will, in its compliance filing for the 2024-2025 GTA, identify the specific projects or subprograms within these two programs to which the holistic reductions will apply.
 - ii. A \$10.1 million reduction in 2024 and a \$10.1 million reduction in 2025 (\$20.2 million in total) to total forecast CRU program capital expenditures. These reductions are not tied to any specific CRU program, subprogram or project, but are holistic reductions that AltaLink may apply as it sees fit. AltaLink shall retain discretion to manage the forecast reductions from CRU programs, subprograms and projects based on its assessment of the impact on the safety and reliability of its assets. For presentation purposes only, AltaLink has spread this reduction across all CRU categories (other than the specific programs or subprograms identified in clause 4(b)(i) above) on a pro rata basis, as reflected in the MFR Schedules included in Appendix "A". Following the issuance of the Commission's decision(s) approving this Settlement Agreement and addressing the Excluded Matters, AltaLink will, in its compliance filing for the 2024-2025 GTA, identify the specific CRU programs, subprograms or projects to which the holistic reductions will apply.
- (c) AltaLink's total forecast Information Technology ("IT") and Security capital expenditures will be

reduced by \$6.25 million in 2024 and \$6.25 million in 2025. These total reductions will be reflected in AltaLink's forecast as follows:

- i. Specific reductions in the following IT and Security program forecast capital expenditures:
 - a. A \$3.0 million reduction in 2025 (\$3.0 million in total) in Appendix 13-B1-04 CIP-014 and CIP-Medium Impact Site Physical Security, which reduction applies only to those CIP-002 medium impact sites which are not critical facilities as defined by CIP-014.
 - b. A \$0.8 million reduction in 2024 and a \$0.25 million reduction in 2025 (\$1.05 million in total) in Appendix 13-B2-07 Project Portfolio Information Management System.
 - c. A \$0.5 million reduction in 2024 and a \$0.5 million reduction in 2025 (\$1.0 million in total) in Appendix 13-B4-01 Alberta Reliability Standards Compliance Management.
- ii. A \$4.95 million reduction in 2024 and a \$2.5 million reduction in 2025 (\$7.45 million in total) to total forecast IT and Security capital expenditures. These reductions are not tied to any specific IT or Security program or project, but are holistic reductions that AltaLink may apply as it sees fit. AltaLink shall retain discretion to manage the forecast reductions from IT and Security programs and projects based on its assessment of the impact on the security, safety and reliability of its assets. For presentation purposes only, AltaLink has spread this reduction across IT and Security categories (other than the specific programs identified in clause 4(c)(i) above) on a pro rata basis, as reflected in the MFR Schedules included in Appendix "A". Following the issuance of the Commission's decision(s) approving this Settlement Agreement and addressing the Excluded Matters, AltaLink will, in its compliance filing for the 2024-2025 GTA, identify the specific programs or projects within IT and Security to which the holistic reductions will apply.

AltaLink's 2026 actual opening rate base will reflect total IT and Security capital expenditures for the Test Period that are no greater than AltaLink's total forecast IT and Security capital expenditures of \$72.1 million for the Test Period shown on line 137 (2024: \$36.9 million) and line 175 (2025: \$35.2 million) of MFR Schedule 10-4 in Exhibit 28174-X0007.01 less \$12.5 million.

- (d) AltaLink's forecast Wildfire Management Plan capital expenditures in the capital programs described in Appendix 22-A1 Wildfire Situational Awareness and Appendix 22-A4 Transmission Line ROW Upgrades in HRFA programs will be reduced by a total of \$0.65 million in 2024 and \$0.65 million in 2025. These reductions are not tied to any specific project or subprogram within these two programs, but are holistic reductions that AltaLink may apply across these programs as

it sees fit. AltaLink shall retain discretion to manage the forecast reductions from projects or subprograms within these two programs based on its assessment of the impact on the safety and reliability of its assets. For presentation purposes only, AltaLink has spread the reductions across Appendix 22-A1 Wildfire Situational Awareness and Appendix 22-A4 Transmission Line ROW Upgrade in HRFA on a pro rata basis, as reflected in the MFR Schedules included in Appendix “A”. Following the issuance of the Commission’s decision(s) approving this Settlement Agreement and addressing the Excluded Matters, AltaLink will, in its compliance filing for the 2024-2025 GTA, identify the specific projects or subprograms within these two programs to which the holistic reductions will apply.

- (e) AltaLink has assessed and confirms that the reductions in revenue requirement identified in this Settlement Agreement, according to the facts currently known by AltaLink and to the best of AltaLink’s knowledge, will not compromise the provision of safe and reliable transmission service during the Test Period.

5. OMG&A Cost Savings Sharing Mechanism

- (a) The Parties have agreed to a 50/50 sharing of any total actual OMA&G cost savings achieved by AltaLink in each Test Year that are greater than the total agreed-upon OMA&G cost reductions of \$2.5 million in 2024 and \$4.5 million in 2025 (the “**Cost Savings Sharing Mechanism**”).
- (b) The amount, if any, to be shared by AltaLink under the Cost Savings Sharing Mechanism will be determined using the following formula:

$$Q = 0.5 * (((\$103.4 \text{ million} - \$2.5 \text{ million}) - \text{OMA\&G}_{2024}) + ((\$106.5 \text{ million} - \$4.5 \text{ million}) - \text{OMA\&G}_{2025}))$$

Where:

Q is the amount that, if positive, will accrue to customers under the Cost Savings Sharing Mechanism;

The amount of \$103.4 million is AltaLink’s forecast total OMA&G costs for the 2024 Test Year, excluding deferral and reserve account balances, the calculation of which is set out in Appendix “C”;

The amount of \$106.5 million is AltaLink’s forecast total OMA&G costs for the 2025 Test Year, excluding deferral and reserve account balances, the calculation of which is set out in Appendix “C”;

The amount of \$2.5 million is the agreed-upon total OMA&G cost reduction for the 2024 Test Year set out in clause 4(a) of this Settlement Agreement;

The amount of \$4.5 million is the agreed-upon total OMA&G cost reduction for the 2025 Test Year set out in clause 4(a) of this Settlement Agreement;

OMA&G₂₀₂₄ is AltaLink's actual total OMA&G costs for the Test Year, as reported on Schedule 3 in AltaLink's Rule 005 filing for the 2024 Test Year; and

OMA&G₂₀₂₅ is AltaLink's actual total OMA&G costs for the 2025 Test Year, as reported on Schedule 3 in AltaLink's Rule 005 filing for the 2025 Test Year.

- (c) AltaLink will, by not later than July of 2026, calculate Q and file the calculated value of Q with the Commission for acknowledgement, including the amounts for OMA&G₂₀₂₄ and OMA&G₂₀₂₅ used in the calculation.
- (d) If Q is zero or a negative amount, then no cost savings sharing will occur. If Q is a positive amount, then the amount will be reflected as an offset to AltaLink's revenue requirement and rates charged to the AESO during 2026.

6. Errors and Omissions

- (a) In addition to the adjustments and modifications identified herein, the Test Period revenue requirement will reflect AltaLink's correction of an error described in AltaLink's response to AltaLink-AUC-2023OCT04-001 filed on the record of Proceeding 28174.

7. Future Non-Monetary Commitments

- (a) AltaLink will provide a description of its engineering design templates in its next GTA which relate to the programs described in Appendix 13-A01 Transmission Urgent Repair, Appendix 13-A02 Line Components, and Appendix 13-A05 Rebuild Wood Poles Lines.
- (b) AltaLink will develop a contamination map of its service area depicting zones of contamination and insulation values based on IEC values based on IEC 60815-1-2-3, and will assess the associated potential implications for future transmission capital maintenance and operations and maintenance costs in its next GTA. Forecast costs for 13-A2 Line Components, General Components subprogram will be increased by \$0.3 million in the 2025 Test Year to fund the development of the contamination map. The \$0.3 million increase is reflected in Schedule 10-4A, line 7 included in Appendix "A".
- (c) AltaLink will provide clarification regarding Porcelain and Glass Suspension Insulation and Composite or Braced Post designs in its Insulation Standard, and report in its next GTA.
- (d) AltaLink will determine if the 5 km section of line identified in Appendix 13-A05 Rebuild Wood Poles Lines – 54L subprogram that was rebuilt in 1996 is compatible with current system, location and clearance requirements, and address the matter in its facility application for the subprogram.

- (e) AltaLink will identify specific UHF radio site upgrades and satellite upgrades to be undertaken under Appendix 13-A10 Telecommunication Equipment, if any, in its next GTA.
- (f) AltaLink will provide a quantified risk assessment for one project in one of its line rebuild, substation refurbishment, or telecom major upgrades programs in its next GTA. The materiality for the program must be at least \$5 million and for the project must be at least \$3 million.
- (g) AltaLink will provide changes (increases or decreases) in operating costs for new capital initiatives where appropriate in its next GTA. AltaLink will also identify where there are no material incremental operating costs for the new capital initiatives.

8. Prudence

- (a) The Parties agree that nothing in this Settlement Agreement, including the reductions to the 2024-2025 GTA revenue requirement, is an admission by AltaLink that those revenue requirement amounts are imprudent nor is it an admission by the Interveners that those revenue requirement amounts are prudent. The Parties further agree that no Party may rely on anything in this Settlement Agreement as evidence in any future proceeding that any revenue requirement amounts are either prudent or imprudent.

9. Cost of the CCA

- (a) Within 30 days following the receipt of an invoice from the CCA, net of any funds received as Advance Funds, AltaLink will pay the CCA, on a refundable basis, the reasonable costs and expenses incurred by the CCA in connection with retaining consultants and counsel in relation to the 2024-2025 GTA and the related negotiated settlement process to and including the point of the Settlement Agreement and approval of the same. In the event of any difference between the costs paid to the CCA consultants by AltaLink and the cost claim approved by the Commission, the CCA or its counsel or consultants, as the case may be, will refund to AltaLink within 30 days of the date of the Commission's decision approving the CCA's cost claim.
- (b) AltaLink will, in any event, pay to the CCA the amount of costs and expenses incurred by the CCA in connection with this Settlement Agreement and the related negotiated settlement process within 30 days of the date of the Commission's decision approving the CCA's cost claim.

10. Confidentiality, Privilege and Without Prejudice

- (a) The negotiated settlement reflected in this Settlement Agreement is a compromise and was reached in part as a result of the desire of the Parties to avoid the significant resources associated with a fully litigated process. This Settlement Agreement is for the purpose of AltaLink's 2024-2025 GTA only, unless expressly stated otherwise, and it is without prejudice to the positions that any of the

Parties may take in any subsequent negotiations and regulatory proceedings.

- (b) All discussions among the Parties during the negotiated settlement process are privileged and confidential, and no matter discussed and no information provided during the negotiated settlement process may be disclosed to any person or to the AUC without the express written consent of all Parties.

11. Representations and Warranties

- (a) Each Party represents that it has not withheld relevant information.
- (b) The Parties agree that proper notice of the negotiated settlement process was provided to all interested parties.
- (c) AltaLink represents that all information it provided to the Interveners during the negotiated settlement process was true and accurate, to the best of AltaLink's knowledge.
- (d) AltaLink represents, after due inquiry:
 - i. The 2024-2025 GTA, supporting material, responses to information requests and all information filed with the Commission contains all material information and facts relied upon by AltaLink to support its revenue requirements for the Test Period.
 - ii. To the knowledge of AltaLink, the information provided by it in all of its filings with the Commission and submissions to Parties during the negotiation of this Settlement Agreement does not omit any statement of material fact necessary to make the information provided accurate and true.
 - iii. To the knowledge of AltaLink, with the exception of the following, from the time the 2024-2025 GTA was filed up to and including the date of this Settlement Agreement, no events have occurred materially impacting AltaLink's revenue requirements, revenues or accounting methods for the Test Period:
 - a. The 2023 spring wildfire and snowfall/flood events under which AltaLink incurred capital expenditures that will be the subject of a separate application to the Commission for approval to recover those expenditures;
 - b. The Commission's final approved ROE for 2024 of 9.28% in Decision 28585-D01-2023. As a result, AltaLink will implement effective January 1, 2024 the capitalization of salvage methodology approved by the Commission in Decision 23848-D01-2020, and will reflect that methodology in its 2024-2025 GTA compliance filing, estimated to result in reductions to AltaLink's forecast revenue requirement, driven by no longer pre-collecting salvage, of

- approximately \$11.5 million in 2024 and \$19.5 million in 2025 (total \$31 million in the Test Period); and
- c. The error identified in clause 6(a), to be corrected in AltaLink's 2024-2025 GTA compliance filing.
- (e) In the event that AltaLink discovers any material errors in calculations and/or facts related to the revenue requirement set forth in the 2024-2025 GTA, AltaLink will disclose them in its next GTA.
- (f) AltaLink will disclose in its next GTA any changes in accounting policy or practice during the Test Period that result in material changes to AltaLink's applied-for revenue requirement for the Test Period.
- (g) The Parties further agree:
- i. The division of this Settlement Agreement into headings and paragraphs is for convenience and reference only and should not affect the interpretation or construction of this Settlement Agreement.
 - ii. This Settlement Agreement and attached Appendices constitute the entire understanding and agreement between the Parties and there are no representations, warranties, covenants, conditions or other agreements, express or implied, collateral, statutory or otherwise, among the Parties in connection with the subject matter of this Settlement Agreement except as specifically set out in this Settlement Agreement.
 - iii. Any alteration or amendment of this Settlement Agreement must be in writing and signed by the Parties. The Settlement Agreement will be binding upon and inure to the benefit of the Parties and each of their respective successors and permitted assigns. A Party may not assign their rights and/or obligations under the Settlement Agreement without the consent of all other Parties, provided such consent is not unreasonably withheld. The Settlement Agreement may be executed in any number of counterparts.
 - iv. The Settlement Agreement is to be interpreted pursuant to the laws of the Province of Alberta.
 - v. If any provision of the Settlement Agreement is found to be invalid by a court of law, the Settlement Agreement will be read and interpreted as if the provision were omitted.
 - vi. The failure of any Party to exercise any right, power or option given to it under the Settlement Agreement or to insist upon the strict compliance with any of the terms or conditions in the Settlement Agreement will not constitute a waiver of any provision with respect to any other or subsequent breach.
 - vii. Unless otherwise stated, any dollar amounts, prices or amounts stated in the Settlement


Agreement are in the lawful currency of Canada.

- viii. Unless otherwise stated, all accounting matters or terms in the Settlement Agreement will be interpreted and construed in accordance with International Financial Reporting Standards.
- ix. References to any statute, legislation or regulation include all subsequent additions, amendments, re-enactments or replacements enacted from time to time during the period covered by the Settlement Agreement.
- (h) This Settlement Agreement may be executed in any number of counterparts (including by facsimile or other electronic means) with the same effect as if all signing Parties had signed the same document. All counterparts shall be construed together and constitute the same agreement.

[Signature page follows]

IN WITNESS WHEREOF, the Parties have duly executed this Settlement Agreement as of the date set out above.

ALTALINK MANAGEMENT LTD., in its capacity as general partner of ALTALINK, L.P.

Per: 
Name: Paul Lee
Title: VP, Projects

CONSUMERS' COALITION OF ALBERTA

Per: _____
Name:
Title:

OFFICE OF THE UTILITIES CONSUMER ADVOCATE

Per: _____
Name:
Title:

INDUSTRIAL POWER CONSUMERS ASSOCIATION OF ALBERTA

Per: _____
Name:
Title:

ALBERTA DIRECT CONNECT CONSUMERS ASSOCIATION


Per: _____
Name:
Title:

ALBERTA FEDERATION OF REA'S LTD.

Per: _____
Name:
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Name: Paul Lee
Title: VP, Projects

CONSUMERS' COALITION OF ALBERTA

Per: _____
Name:
Title:


OFFICE OF THE UTILITIES CONSUMER ADVOCATE

Per: 
Name: Chris Hunt
Title: Executive Director & Advocate

INDUSTRIAL POWER CONSUMERS ASSOCIATION OF ALBERTA

Per: _____
Name:
Title:

ALBERTA DIRECT CONNECT CONSUMERS ASSOCIATION


Per: 
Name: Megan Gill
Title: Executive Director, ADC

ALBERTA FEDERATION OF REA'S LTD.

Per: _____
Name:
Title:

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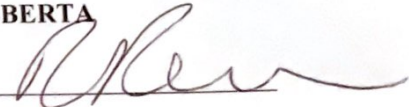
CONSUMERS' COALITION OF ALBERTA

Per: _____
Name:
Title:

OFFICE OF THE UTILITIES CONSUMER ADVOCATE

Per: _____
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Title:

INDUSTRIAL POWER CONSUMERS ASSOCIATION OF ALBERTA

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Title: VP, Projects

CONSUMERS' COALITION OF ALBERTA

Per: _____
Name:
Title:

OFFICE OF THE UTILITIES CONSUMER ADVOCATE

Per: 
Name: Chris Hunt
Title: Executive Director & Advocate

INDUSTRIAL POWER CONSUMERS ASSOCIATION OF ALBERTA

Per: _____
Name:
Title:

ALBERTA DIRECT CONNECT CONSUMERS ASSOCIATION


Per: _____
Name:
Title:

ALBERTA FEDERATION OF REA'S LTD.


Per: _____
Name:
Title:

IN WITNESS WHEREOF, the Parties have duly executed this Settlement Agreement as of the date set out above.

ALTALINK MANAGEMENT LTD., in its capacity as general partner of ALTALINK, L.P.

Per: 
Name: Paul Lee
Title: VP, Projects

CONSUMERS' COALITION OF ALBERTA

Per: 
Name: Larry Phillips
Title: President CEA
GTA 28174 OML NSP/USA

OFFICE OF THE UTILITIES CONSUMER ADVOCATE

Per: _____
Name:
Title:

INDUSTRIAL POWER CONSUMERS ASSOCIATION OF ALBERTA

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