



News Release

R.E.T.A. Weighs In On AESO Underground Study

(Edmonton) February 24th, 2010. Results of the underground study released today by the AESO indicate that it is technically and financially feasible to partially bury, the double-circuit 500kV Heartland Transmission Line, the largest high voltage power line ever proposed for Alberta.

“Based on our preliminary review of the AESO study we’re delighted that they have confirmed what we had been told by experts over a year ago – undergrounding is technically feasible, reliable, and does not cost much more than an overhead line”, said Bruce Johnson, President of RETA (Responsible Electricity Transmission for Albertans).

The study, prepared by U.K. firm Cable Consulting International Ltd. (CCI) is relatively comprehensive, focusing specifically on the technical feasibility of partially burying, the Heartland Transmission Line through the Sherwood Park Greenbelt (referred to by the Heartland Project Team and AESO as the East Transportation Utility Corridor). This is the route that has been identified by EPCOR and AltaLink as the “preferred” route for the Heartland line.

Over recent months there has been much speculation regarding the true cost of putting lines underground. “This study has definitely put a stake in the ground as to what the upper limits of the cost will be” said Johnson. “The most sensible option explored by the AESO study looks at staging the capacity of the lines – building 3,000MW initially and then building the rest in 2027 when increased capacity might be required.” Based on the AESO’s own calculations, RETA estimates that the incremental cost of building this capacity would be in the order of only 30 cents per Albertan household per month. “This is consistent with what we’ve been saying all along. It’s a rounding error and I’m not even sure why we would have a debate about this,” said Johnson.

Opponents of undergrounding point to the cost borne by industry as the primary reason burying shouldn’t be considered. “While industry does bear the brunt of transmission costs,” said Johnson, “we’re talking about a cost in the range of \$5 million/year spread across *all* of Alberta’s industry. That doesn’t seem unreasonable to me nor industry sources we’ve spoken with.”

While the study only looked at putting either 10 or 20 kilometres underground, it also pointed out that it is definitely not feasible to put the entire route underground with the technology being evaluated. “In discussions with CCI and other experts, it has been made quite plain that putting the entire 65 kilometres of the Heartland Line underground just isn’t technically possible. We’re told the most that could be put underground with high voltage A.C. is 40-50 km”, said John Kristensen, VP Technical of RETA. “Obviously, as far as RETA is concerned, the more that is buried, the better, but avoiding even one school or home is a step in the right direction.”

RETA still has a few concerns about the findings of the study, in particular, the low usage of the line for well over a decade. “The study says that the AESO doesn’t expect the lines to be energized over about 450MW per circuit until at least 2027” said Kristensen. “This obviously

begs the question why the design calls for a total of 6,000MW capacity. We understand the concepts of redundancy and future need, but I think that an overbuild of this magnitude is likely not consistent with how taxpayers would like to see their money spent.”

While generally applauding the study, Johnson also expressed some concerns. “I have two main issues with the study. First of all, they used average costing on quotes from cable companies to arrive at their estimate. Where I come from, you take the lowest cost offered by a company that you feel can do the job, not the average cost. Our preliminary evaluation shows the study is probably about 35%-45% high on their overall costs.”

“Secondly, the study shows it would take 28 months longer to build an underground line than an above ground line due to testing and production limits. Testing could start right now and probably be complete before the AUC rules on the line, and several experts we’ve spoken with have stated the underground cable could be delivered in much the same timeline as above ground lines.”

RETA, and its over 5,000 registered members, plus many other Albertans, have expressed major concerns about the negative impacts of above ground high voltage power lines. Research (see www.RETA.ca) indicates that overhead high voltage power lines have significant effects on health, safety, property values, the environment and aesthetics.

RETA Secretary, Bryan Bradley, commented, “Underground lines have been built successfully all over the world. When compared to overhead lines, underground lines are generally safer, more friendly to the environment, more reliable, more efficient and more cost effective. Underground lines also have a much lower impact on health, property devaluation and aesthetics.”

During the past few months, there have been a few sources who have suggested that only those who ask for the Heartland line to be buried or who live next to the line should pay the additional capital costs. “That would be like saying only those who are sick should pay for hospitals, only those who own cars should pay for roads, or only those who have kids should pay for schools”, said Bruce Johnson. “That is ridiculous, and not the way public services, including utilities, work. Why should the poor residents next to an overhead power line suffer the health, safety, aesthetic and property value impacts, when it is all Albertans or perhaps primarily Heartland industry that will benefit?”, Johnson continued.

June McNeil, VP West TUC of RETA, stated, “The Leger Marketing public opinion survey conducted last October clearly shows that Albertans, from across the province, are very concerned about overhead high voltage power lines, and are willing to pay more on their monthly power bills to get these lines buried when they run by homes and schools.” This survey, which can be accessed at www.RETA.ca, indicated that Albertans are willing to pay an average of \$3.55 more per month to bury high voltage power lines in order to protect people’s health, safety and property values.

“On the basis of AESO’s underground feasibility study and our own research, RETA and many other concerned Albertans are now requesting that the AESO direct the Heartland Project Team to include partial undergrounding, as the preferred option for the Heartland line”, said Michiel Verheul, VP West Rural of RETA.

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For more information see www.RETA.ca or contact:
Bruce Johnson, President, RETA
780-902-9511 (cell)

Bryan Bradley, Secretary, RETA
780-818-0188 (cell)