

# Atco behind anonymous newspaper ads slamming AltaLink sale

BY DAVID HOWELL, EDMONTON JOURNAL JULY 3, 2014

EDMONTON - Utilities giant Atco says it paid for anonymous ads in Alberta newspapers this week warning of “serious consequences” if AltaLink is sold to Berkshire Hathaway Energy, controlled by American billionaire Warren Buffett.

The ads, some titled “We’re Losing Control,” appeared in the Edmonton Journal, Calgary Herald, Edmonton Sun, Calgary Sun, Fort McMurray Today and some rural papers.

Berkshire Hathaway Energy announced on May 1 that it intends to purchase AltaLink — Alberta’s largest electricity transmission provider — from current owner SNC Lavalin of Montreal.

The \$3.2-billion deal is expected to close Dec. 31 but needs approval from the Alberta Utilities Commission and the federal government.

A full-page ad in Thursday’s Journal and Herald warned of “serious consequences for the province we call home” if the sale is approved: loss of control of critical infrastructure, a lack of regulation south of the U.S. border and the “potential for more power exports.”

Nancy Southern, chairwoman, president and CEO of Atco Ltd., confirmed Atco paid for the ads. There wasn’t a need to disclose to readers that the message was from Atco, she said.

“The reason for not putting our name on it is it isn’t about Atco or AltaLink,” Southern said. “It’s about a principle, and a discussion that Canadians, and Albertans, should have.”

She said Albertans haven’t had enough time to consider the deal and its implications. Southern said she’s not opposed to direct foreign investment in Canada, but the transmission grid is different.

It’s the “lifeblood” of the electricity industry and shouldn’t fall into American ownership, beyond the reach of Canadian regulators, she said.

AltaLink president and CEO Scott Thon said the ads “smacked of self-interest.” He said he questioned why they were anonymous.

“The only conclusion I can bring is that you want them to be anonymous because you want them to spread misinformation, and that’s what these ads do,” Thon said before refuting each of the claims in the ads.

“AltaLink will continue to be an independent Alberta company run by Albertans,” he said. “It will be regulated by the Alberta Utilities Commission and it will have operational oversight by the independent AESO (Alberta Electric System Operator).”

The sale can’t lead to an increase in power exports, he said. AltaLink doesn’t own the power it moves, and Alberta is a net importer of electrical power, not an exporter.

“We’ll continue to be transparent,” Thon said. “We’ll continue to give people the facts.”

The ads encouraged people with concerns about the sale to contact their MLAs, the federal industry minister or the utilities commission.

AUC spokesman Jim Law said the commission had received 70 emails on the issue by mid-afternoon Thursday and that more were coming in. The ads have “generated some renewed interest” in the proposed sale, Law said.

“We welcome the input directly but also remind (people) that they can provide their input to various organizations that may be representing them, such as the Utilities Consumer Advocate or the Consumers Coalition of Alberta,” Law said.

“We do have a process in place — an evidence-based public process that will evaluate the application and produce a written decision.”

The Utilities Consumer Advocate and the Consumers Coalition of Alberta have registered as interveners in the review process. Atco Electric has also registered, and has called for “an open hearing” if it’s deemed necessary.