



News Release

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Power Producers Support Government's Intent to Rebuild Transmission Grid

Calgary, AB – The Independent Power Producers Society of Alberta (IPPSA) supports the Government of Alberta's intent to rebuild the province's aging transmission infrastructure.

"Transmission is an essential ingredient to Alberta's economic growth," states IPPSA Executive Director Evan Bahry. "Transmission enables more suppliers to enter the market, which in turn increases the competitiveness of the market. Also, more suppliers increase the options the Alberta Electric System Operator (AESO) has to call upon in order ensure reliability in case of a system contingency."

IPPSA wishes to advance a number of arguments for consideration in the transmission debate:

- The province has added only one major transmission upgrade in the past 20 years. New transmission facilities are needed to serve Alberta into the next few decades. It is not reasonable to expect that transmission built in the 1980s will serve Alberta into 2030 and 2040.
- No one knows for sure how Alberta and its economy will evolve in 20 or 30 years. However, it can be assumed that Calgary, Edmonton and Fort McMurray will continue to be thriving population and economic centers. These areas of power demand are also areas where electricity generation has located. Transmission will provide flexibility to allow power to flow into and out of these areas as needed over time.
- No one knows what fuel technologies will be powering Alberta in 20 or 30 years. In the history of Alberta's competitive market, natural gas, coal and wind-powered generation have vacillated between being economic and uneconomic. A robust transmission grid creates flexibility to accommodate whatever fuel technologies may prove economic at any given time, and to ensure that the output of those technologies can flow across the province to meet demand.
- On the topic of exports, Alberta has been a net importer of power for some time. As Alberta is adjacent to lower-cost, hydro-powered markets to the west, it will likely see imports rise should it build further interconnections with other markets. As such, Alberta's power export opportunities are not at all like Alberta's oil and gas export opportunities. IPPSA supports robust interconnections as they contribute to the competitiveness of the marketplace and increased system reliability.

The Independent Power Producers Society of Alberta (IPPSA) is a forum for dialogue among Alberta's power producers and a proponent of competition in Alberta's electricity market. IPPSA members include approximately 100% of Alberta's power supply. Our members have increased Alberta's power supply by 44% in the past 15 years. This new, competitive supply has met the fastest growing demand for power in Canada and has created a downward pressure on wholesale power prices.

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