

Alberta's Electricity Transition

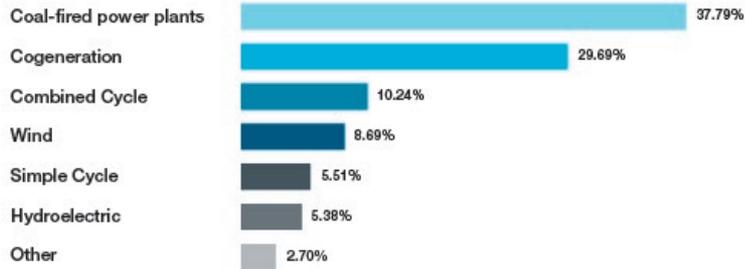


Nicole Spears, Executive Director, Alberta Energy

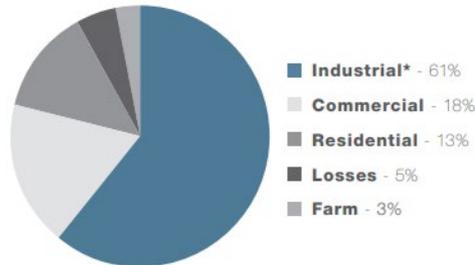
October 31, 2018

Drivers for Change

Where does Alberta's power come from?



ALBERTA'S ELECTRICITY MARKET



- Alberta's Electricity Portfolio
- Alberta's GHG Emissions Profile
- Air and Health Considerations

CLIMATE LEADERSHIP PLAN

Implement a new price on greenhouse gas emissions, or carbon pricing.

End pollution from coal-generated electricity by 2030 and develop more renewable energy.

Cap oil sands emissions to 100 megatonnes in any year.

Reduce methane emissions from upstream oil and gas production by 45% by 2025.

POLICY PILLARS

Coal Phase Out

Off-Coal Agreements:

- Phase out of all emissions from coal-fired power by 2030
- No unnecessary stranding of capital = voluntary transition payments to generators with assets beyond 2030
- Support workers and affected communities = company investments in communities; pension and severance obligations
- Company investments in electricity system; continued operations in Alberta; maintain head office and employees

Results:

- Positive investor outlook for market-based generation and renewables
- Integrated federal and provincial policies on natural gas emissions; including coal-to-gas conversions
- Capacity payment construct to ensure adequate supply of electricity

Impacted Communities

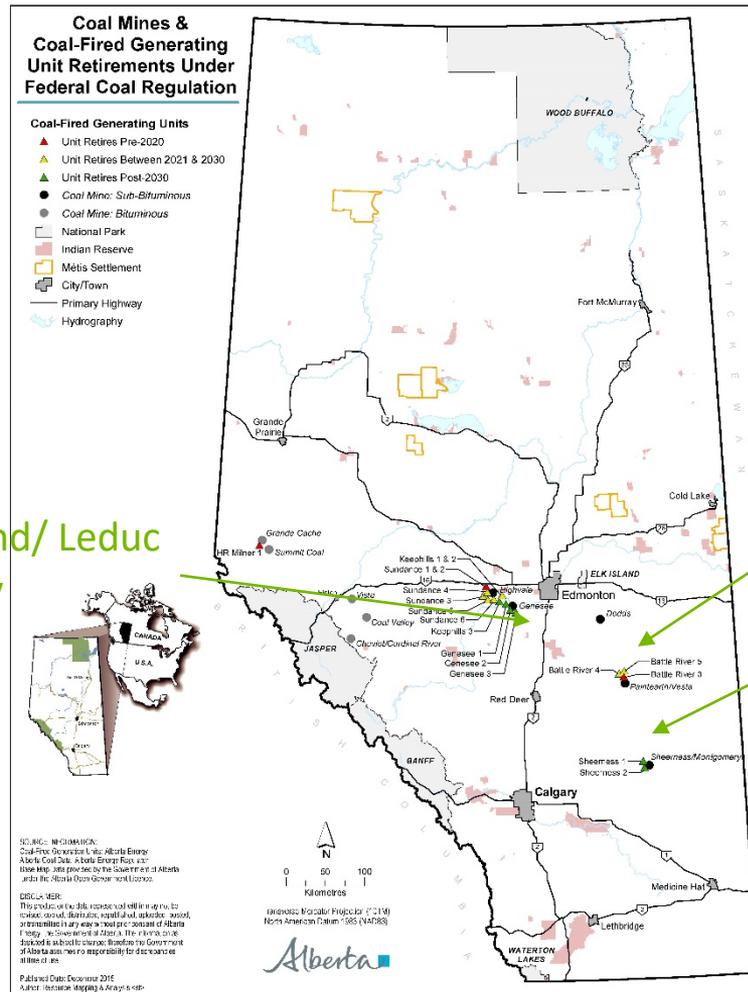
The coal phase-out primarily impacts three regions and four Indigenous communities.

Parkland/ Leduc
County



Forestburg

Hanna



Community Support

The government is committed to supporting impacted communities during this transition.

Advisory Panel on Coal Communities:

- Provided recommendations to the Government of Alberta to support workers, communities and First Nations.

Coal Community Transition Fund:

- Supported 12 projects in 17 communities across the province. Total funding for the communities is about \$5 million.

Worker Support

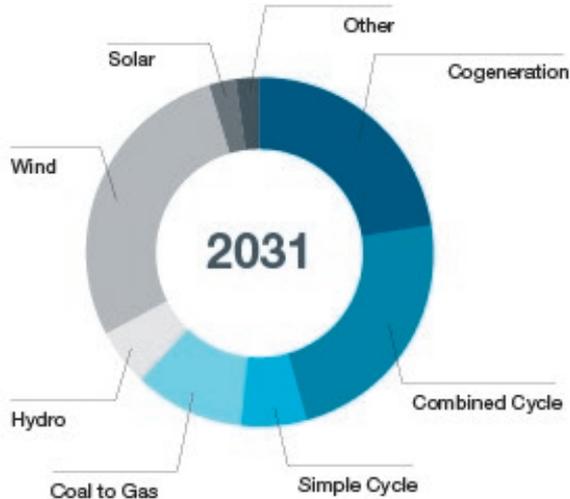
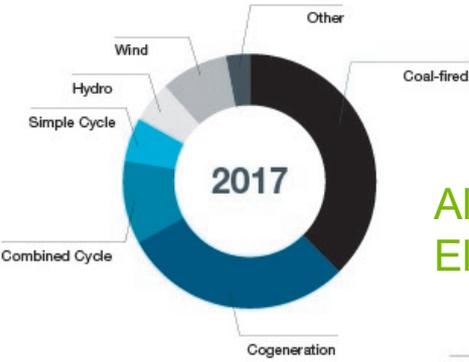
In addition to supporting communities, government is also assisting workers during the move from coal-fired generation.

Coal Workforce Transition Program:

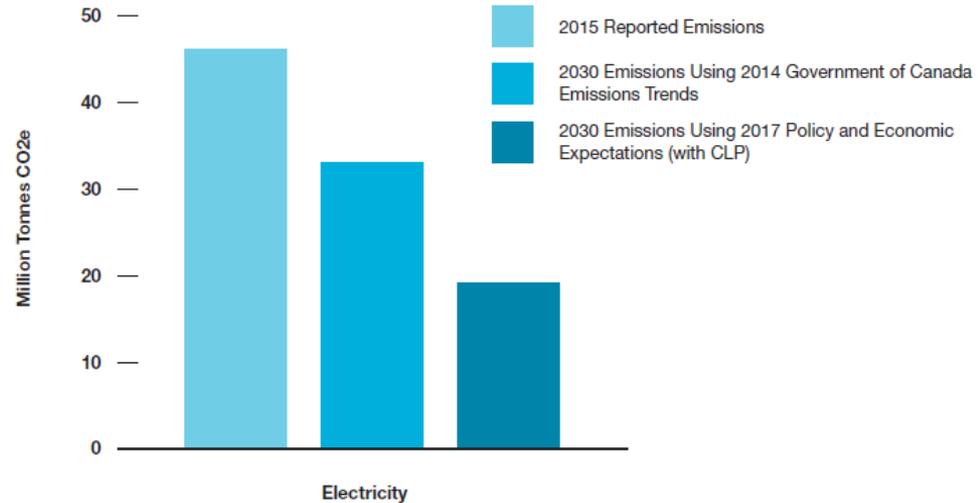
- Financial assistance for re - employment, retirement, relocation and education as workers prepare to start new jobs or retire.
 - Bridge to Re-Employment
 - Bridging to Retirement
 - Relocation Assistance
 - Tuition Voucher

Alberta's Electricity Future

Alberta's Changing Electricity Mix



Alberta's Electricity Emissions Reductions Scenarios to 2030



Electricity System Transition



Discussion

