SASKATCHEWAN-ALBERTA TIE LINE PROJECT

ROCKY MOUNTAIN POWER

North America is home to vast renewable energy resources, many of which are isolated from demand centres and have yet to be developed - in large part due to transmission constraints.

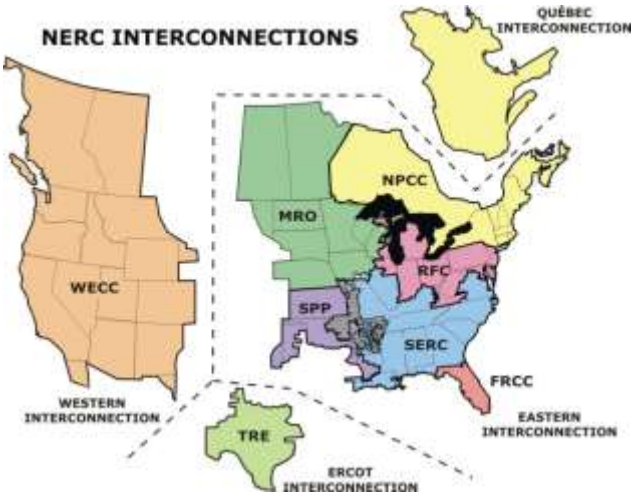
Rocky Mountain Power (RMP) is dedicated to unlocking this renewable energy potential by developing innovative power projects that integrate generation, transmission, storage and marketing solutions.

Additional information on Rocky Mountain Power can be found at www.rockymountainpower.ca.

Market Opportunity

The North American power grid consists of four regional grids. The Alberta electric system (part of the Western Interconnection) and the Saskatchewan electric system (part of the Eastern Interconnection) are not synchronized. For this reason interprovincial transfer of power is limited.

The Alberta and Saskatchewan power grids currently have only one connection – a 150MW interconnection at McNeill. Studies have shown that this single interconnection is constraining the flow of power between the two regions resulting in a number of market inefficiencies.



HVDC Converter Station courtesy of ABB

Saskatchewan-Alberta Tie Line (SATL)

SATL Phase I will consist of a 150MW back-to-back HVDC converter station and a short (less than 10 km) transmission line near the City of Lloydminster. Lloydminster straddles the Alberta/Saskatchewan provincial border and has strong access to the power transmission grids in both provinces.

SATL has future plans to expand the project by adding an additional 150MW transfer capacity and innovative power storage facilities.

Merchant Development

Traditionally, local utilities have developed and owned the electrical transmission network. But today, competition in the power industry is creating opportunities for the development of merchant transmission projects. SATL is a merchant facility developed by SATL Inc. , which is owned by RMP and LECTRIX, LLC.

LECTRIX

www.lectrix.com

April 2012

SASKATCHEWAN-ALBERTA TIE LINE PROJECT

ROCKY MOUNTAIN POWER

SATL Benefits

- **Network Systems Operators** (AESO and SaskPower)
  SATL will strengthen both provincial grids and will provide additional flexibility by allowing the exchange of power during periods of interruption or stress.

- **Market Participants**
  Power generators and traders will have greater access to power markets. SATL will enable the arbitrage of wholesale power prices leading to more stable power prices.

- **Provincial Ratepayers**
  Ratepayers will benefit from increased power reliability and potentially lower rates.

In addition, the SATL project is designed to enable the provincial grids to accept an increase in the amount of intermittent renewable energy generation such as wind and solar energy. Increased levels of renewable energy will reduce GHG emissions in both Alberta and Saskatchewan.

Project Status

SATL has concluded the project's fatal flaw analysis and is now in discussions with potential customers as well as the AESO and SaskPower.

The planned in-service date for Phase I is early 2016. Total project costs for this phase are expected to be between $100-120 million. Phase II would be an upgrade to provide an additional 150MW of transfer capability and Phase III would integrate a portfolio of utility-scale storage facilities. The projected in-service date for these phases is 2019.

SATL Contacts

Mr. Jan van Egteren – Marketing Lead (403) 710-6300
Mr. Lee Lodge – Investor Relations (403) 818-4807

SATL Inc.
Suite 411, 206 – 7th Avenue SW
Calgary, Alberta, T2P 0W7
Phone: (403) 244-2097

Additional information can be found at www.satl.ca.