

Sustainability Stories



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Our commitment to you



When you hear the word sustainability, your first thought likely goes to the environment, wildlife stewardship and the conservation of natural resources. Those are important components of AltaLink's sustainability program, highlighted this year by our work in Banff National Park rebuilding the main transmission line that brings power to the world-renowned Lake Louise area. But for AltaLink and the people who rely on the energy our transmission system provides, sustainability means so much more than protecting the environment.

Sustainability is about how we interact with our business partners in local communities, such as the Piikani Nation who are now long-term investors in high-voltage electricity infrastructure.

The needs of our customers drives our performance, and sustainability for them means our five-year price commitment and price stability over the long-term while assuring they receive reliable service.

Working with charities forms an important part of our sustainability planning. Through programs such as the Shaw Birdies for Kids program, AltaLink is helping to strengthen future generations here in Alberta.

Last, and most importantly, the safety and wellbeing of AltaLink employees is integral to our sustainable future. Without the commitment and dedication of our employees, AltaLink would not be able to achieve and maintain its results year over year.

In these pages we share some of our stories of sustainability, which only scratch the surface of what the AltaLink team does every day. I want to recognize everyone's contribution to this important work, including our employees, customers and community partners. We couldn't do this without you.

SCOTT THON
President and CEO, AltaLink



Seeds of change

One of North America's most popular tourist destinations was temporarily disconnected from the main electrical grid for three months during the height of summer season, yet it wasn't a major news story. At AltaLink, we're delighted that almost no one noticed, thanks in part to a football field of 55-foot long generators capable of delivering 10 million watts of power to the village of Lake Louise and areas west of Banff.



For AltaLink, the big news story really started way back in 2009, when plans were drawn up for what became the most extensive wilderness reclamation project in the company's history. Senior Project Manager Brent Sandhu has been involved since the beginning of this project to rebuild AltaLink's transmission line, called 551L, in Banff National Park.

"We had four years of planning before we got the go-ahead from Parks Canada in 2016. The 551L transmission line needed to be rebuilt through difficult mountain terrain, running through a UNESCO World Heritage Site and Canada's premier national park. That meant conducting tree and other vegetation management along a 60-kilometre right-of-way with great sensitivity to wildlife, plants and aquatic habitats," explains Brent.



“Typically, we are able to replace plants using commercially available seed, but in Banff National Park, where change must be carefully managed, we needed to go further. We went in prior to the project proceeding to collect seeds native to the area and grew them in a nursery for up to three years before finishing the work. Now, as we re-plant, it’s all completely natural.”

- BRENT SANDHU Senior Project Manager

As we do in all ecologically sensitive areas, the AltaLink team worked with biological and botanical experts to identify important ecosystem components. Then, using specialized equipment and best management practices, the team worked through the winter months to minimize the impacts on those ecosystems. Rehabilitating the right-of-way to reflect the ecological integrity of the national park was a major piece of this project.

“Our diligent environmental assessment efforts were recognized by Parks Canada when they directed other utilities to follow AltaLink’s best practices for projects in Canadian national parks. This was indeed a very rewarding experience and something I am proud of,” adds Brent.

The 551L upgrade in Banff National Park represents a number of other firsts for AltaLink. It was the first time the company had to ask the Alberta Utilities Commission (AUC), the regulator, for approval of a temporary power source. And, of course, it’s the first time that this team of engineers, linemen and construction workers had to become experts in seed collection and the nesting habitats of local bird life.



The power of trust

AltaLink's transmission system is located on lands owned by a number of different Indigenous communities throughout Alberta. Successful operation of AltaLink's grid depends on the cooperation of 19 Indigenous communities, two Métis settlements and four regions of Métis Indigenous communities of Alberta.



Recognizing that having strong relationships will support the reliability of the grid, AltaLink has embarked on a formal engagement process, to listen carefully, learn and conduct business in a way that fosters mutual respect and understanding.

Working with the University of Alberta's Faculty of Indigenous Studies, AltaLink consulted with elders and their communities to develop several guiding principles for engagement with Indigenous communities:

- Respectful Indigenous relations
- Respecting Indigenous ways of life
- Enhancing relationships
- Communications
- Balanced outcomes
- Meaningful consultation
- Community support



“ Piikani looks forward to long-term benefits alongside AltaLink. It is my hope that this collaboration will improve how Indigenous communities can be a part of the evolving energy sector.”

- COUNCILOR DOANE CROW SHOE

These seven principles now guide everything we do in relation to Indigenous communities. In addition, AltaLink employees have opportunities to attend powwows and ceremonial occasions, visit with communities and participate in Days of Caring events to increase our understanding and engagement.

“This is a sincere commitment to work more closely with Indigenous communities as we build sustainable relationships,” says Ed Rihn, Senior Vice President, Customer and External Engagement. “We’re promoting dialogue to help us understand the history, cultural protocols and priorities of Indigenous communities as we grow together.”

The impact of this new engagement policy can be seen tangibly in a recent ownership partnership with the Piikani First Nation who have acquired an equity interest in AltaLink’s Southwest 240 kV transmission line and substation located on their land.

The limited partnership, known as PiikaniLink, provides a consistent revenue stream for the nation, with AltaLink operating and maintaining the line as the general partner.

“This partnership reflects a long period of serious consultation with the Piikani Nation,” says Ed. “It’s a first-of-its-kind in Alberta, and we believe that the benefits will be long-lasting.”

Councilor Doane Crow Shoe of the Piikani Nation welcomed the new approach from AltaLink, which promotes closer cultural understanding while bringing tangible economic progress.

“I’m very proud of the partnership we have created with AltaLink, my acknowledgement to all of those that have helped solidify this relationship,” says Councilor Doane Crow Shoe.



Staying safe in wildfire country

Alberta has never been free from forest fires. In fact, some naturally occurring fires are essential to the boreal ecosystem. However, in recent years large-scale fires have become a source for concern, in light of the damage caused by high-impact outbreaks such as Fort McMurray in 2016 and Waterton Lakes in 2017. As part of its sustainability plan, AltaLink has embarked on a series of initiatives to reduce the likelihood that its transmission facilities could ignite a wildfire in high risk areas.



According to Alberta Wildfire's Historical Wildfire Database, wildfires caused by the powerline industry increased from 64 fires from 1996 to 2005 to 850 fires from 2006 to 2017. Powerline-caused fires in Alberta's Forest Protection Area account for 2.7% of total wildfires.

At AltaLink, we have developed a coordinated plan to reduce wildfires by implementing new protocols and enhanced maintenance programs to protect communities and wildlife habitats in the most vulnerable areas.

FIRE THREAT MAPPING

Working with the provincial government's branch of wildfire experts, Alberta Wildfire, AltaLink has been able to identify high-risk areas within its system using fire threat maps. Building on this resource, we are creating our own, more specific, fire threat maps to cover the remainder of our system.

“As we continue to develop best practices for wildfire risk mitigation, we’ll make our neighbours, assets, customers and the entire grid safer.”

- PAUL LEE Vice President, System Operations



ENHANCED SITUATIONAL AWARENESS

We are integrating real-time information, such as weather reports and alerts, wind direction and velocity and active fire reports into our operations. We are planning to install local weather stations in key locations and AltaLink field crews are continuously monitoring for wildfire risk through the new fire threat mapping and active fire monitoring that AltaLink is implementing.

VEGETATION MANAGEMENT

It may seem like a low-tech method but incremental reductions in the amount of vegetation around transmission equipment is another key step in AltaLink’s wildfire risk management program.

INSPECTION

Increasing the frequency of line and vegetation inspections will identify priority areas and high risk equipment so field crews can address issues.

ENHANCED OPERATIONAL PROCEDURES

We are monitoring and managing our assets more closely in extremely high-risk areas. We are recording fire incidents as part of our Incident Management Standard, and are coordinating closely with local municipalities in identifying and responding to fires.

ASSET HARDENING

AltaLink is planning upgrades to older wood pole transmission lines in areas of high fire risk. Upgrades can include using composite, steel or fibreglass materials, increasing insulation, and/or replacing structures and equipment.

STAKEHOLDER AND COMMUNITY OUTREACH

As we continue to strengthen our fire mitigation plan and processes, we want to share our learnings with stakeholders and customers so that more communities can benefit from our insights. We will work closely with local emergency services to coordinate with existing emergency response plans.

PUBLIC SAFETY POWER SHUT-OFF

As a last resort, we will proactively shut off power in extreme fire weather conditions to prevent the ignition of a wildfire. Customers will be engaged before the shut off and will be informed of the start and end times if weather conditions improve. This will be a last-resort measure and used only where specific fire weather risk triggers are met and local experts confirm conditions require a powerline shut off to maintain safety.

“Wildfire awareness has always been incredibly important, but with incidents increasing each year, we need to move faster,” says Paul Lee, Vice President, System Operations.



The safety link

For the second year in a row, AltaLink won the President's Award for Safety from the Canadian Electricity Association (CEA). The CEA annually recognizes companies for safety, taking into account all aspects of their safety history and the scale of their operations. AltaLinkers Laurence Zilkie, Maxine Firmston, Rod Kause and Scott Thon were on hand in Ottawa to represent all 750 employees who made 2018 another year of safety.



AltaLink won the award in the category for transmission, generation or distribution companies with 501-1,000 employees. Compared to utilities in our peer group, AltaLink was ranked top for the lowest Total Recordable Injury Frequency (TRIF).

AltaLink has a number of procedures in place to reduce risks and hazards in the workplace. The first is to attract, retain and develop a high quality workforce who can fully commit to a safety culture.

Training is embedded into everything we do. We don't wait until an incident happens to review safety protocols. Instead, we have set company-wide goals to report hazards and near misses so that we can learn where incidents might happen and why. In 2018, the target for near-miss reporting was 1,800. In fact, employees reported 2,348 hazards and near-misses, making sure they didn't become safety incidents.



“ Even though we are in the top percentile for safety, there’s no room for complacency. A culture of safety means that we are all taking care of each other in the field and in the office. I’m incredibly proud of every AltaLinker who does the unseen work of building safety into their routines so that everyone can stay safe and go home to their families.”

- SCOTT THON President and CEO, AltaLink

“The safety of our employees is the first thing we think about,” says Scott Thon, AltaLink’s President & CEO. “The wellbeing of our team is too important to be left to chance.”

AltaLink also shares its safety experience with the wider community, working with the Calgary Stampede on an annual Farm Safety Day. The day provides lifelong safety awareness for more than 650 students aged 10 to 15.



Making links with future generations

Making a birdie (scoring one under par for any given hole in golf) for a casual golfer is an accomplishment. At the Shaw Charity Classic, you can expect to see more than 900 birdies during the tournament as golfers compete for glory. *Shaw's Birdies for Kids presented by AltaLink* helps to turn the charitable support of donors into funding for close to 200 youth-focused charities across Alberta.



The Shaw Charity Classic tournament has been raising money for Alberta youth charities since 2013. So far, more than \$34 million has been distributed throughout Alberta. The tournament is held every August at the Canyon Meadows Golf Course in Calgary, attracting big name players from the PGA Tour Champions and thousands of spectators, who take to the fairways to contribute to the future of their community.

AltaLink has been the presenting partner of *Shaw's Birdies for Kids* since 2015, as part of our policy to give back at the grassroots level to organizations that understand the issues facing young people in Alberta today.

Any registered charity can apply for funding, provided their program is aimed at helping kids. Here are just a few examples of what *Shaw Birdies for Kids presented by AltaLink* dollars have been able to achieve for kids across Alberta in 2018 alone.



“To create a sustainable future, we need to give young people more opportunities to participate— in the arts, in sports, in education.”

- SCOTT SCHREINER Vice President of External Engagement

15 WISHES WERE GRANTED TO CHILDREN DIAGNOSED WITH A LIFE-THREATENING ILLNESS

2,200

KIDS WITH INTELLECTUAL DISABILITIES WERE GIVEN THE OPPORTUNITY TO PARTICIPATE IN SPORTS

160,000

MEALS WERE PROVIDED TO KIDS WHO OFTEN GO HUNGRY

50+

IMMIGRANT AND REFUGEE YOUTH WERE PROVIDED WITH MENTORSHIP, ACADEMIC SUPPORT AND FIELD TRIPS

5,200

DESERVING KIDS WENT TO CAMP FULLY SUBSIDIZED

“Birdies for Kids is the perfect fit for our community investment program because we are focused on building up the next generation.”

- Scott Schreiner, Vice President of External Engagement



Connecting with customers

At AltaLink, we've made a commitment to provide our customers with top service. We share this commitment with our sister companies that form Berkshire Hathaway Energy – a group of energy and utility businesses operating across North America and beyond.



In 2018, we posted our best full-year customer satisfaction results in the history of our business, with a score of 96% compared to 91% the previous year. Even so, our goal in 2019 was to improve.

In 2019, we focused our efforts in four key areas to improve our service to customers. *Personalization* is centred on ensuring all of our customers receive recommendations and solutions that fit their individual business needs. *Ease of doing business* means being proactive and responsive. *Outage management* prioritizes coordination of planned outages with customer business needs and rapid response to unplanned outages. *Cost competitiveness* demands accuracy in project cost estimation and added value in every transaction.

We undertake quarterly surveys to gauge ongoing customer satisfaction on a percentage scale and to solicit open-ended feedback. Both existing customers and those about to be connected to the electric transmission grid are included in the surveys.



“Even though satisfaction is consistently high, at AltaLink we recognize we need to continuously improve our services and prepare for the future,” said Ed Rihn, Senior Vice President, Customer and External Engagement. “To that end, we are investing in programs that help customers longer term.”

In 2018, we applied to keep our rates flat for five years, which would reduce our overall tariff request by hundreds of millions of dollars.

AltaLink continues to invest in transmission facilities to improve reliability and incorporate renewable sources of energy. AltaLink’s existing transmission grid is ready to

connect renewables and, in fact, we continue to propose that new wind generation be constructed close to existing transmission facilities. This will ensure we take advantage of the available transmission capacity and minimize the cost impact to Alberta customers as we transition to a greener future.

During 2018, we invested \$340.8 million in our transmission system to ensure we are providing safe and reliable energy for our customers, who are the backbone of our business.

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