

November 21, 2022

Re: WaterCharger Storage Project Update – Alberta Utilities Commission Decision, Proceeding 27109

Dear Stakeholders,

Thank you for your continuing interest in our WaterCharger Project. I am writing to update you about the project and upcoming opportunities for additional engagement.

Project Update

On November 4th, 2022, the Alberta Utilities Commission ("AUC" or "Commission") approved the WaterCharger Battery Storage Project ("Project") application and granted the approval of TA Alberta Hydro ("TA Hydro") to construct and operate the project. If you wish to review the application and associated reports filed with the AUC, you can access them through the AUC website at www.auc.ab.ca. Please note you will be required to set up an eFiling account and once set up, you can search for the filing using the Proceeding Number 27109.

We have committed to using lithium iron phosphate batteries for the project. This battery technology meets project operating specifications and importantly, it is the safest battery storage technology available. We plan to integrate safety requirements and manufacturer-specific safety procedures into the emergency planning once a vendor has been selected.

AUC Conditions

In compliance with the AUC, the following conditions will be met throughout the engagement and construction phase and shared with the Commission:

- Development of a site-specific Emergency Response Plan ("ERP") in consultation with local fire departments, the Cottage Club community and representatives of the Stoney Nakoda Nations and Stoney Nakoda Land Management Ltd. This engagement will continue with the selection of the preferred battery vendor, expected in Q1 2023;
- TransAlta will offer to provide any training program identified or required in the site-specific emergency response plan to local first responders;



- TransAlta will engage with Alberta Environment and Protected Areas to address any dam safety concerns that may arise;
- TransAlta will submit an updated noise impact assessment to the Commission;
- TransAlta will only use lithium iron phosphate batteries;
- TransAlta will implement any upgrades that are made available by the battery manufacturer, supplier, installer or service provider engagement by TransAlta that are intended to improve the safety of the project;
- TransAlta will at all times during the construction and operation of the project, maintain insurance coverage that is sufficient to protect against any reasonably foreseeable third-party liabilities; and
- TransAlta will continue to apply dust suppressants on an annual basis throughout the construction and operation phase.

Preliminary Project Schedule

	Q2/Q3 2021	Q4 2021	2022	2023	2024
Environmental assessments					
Stakeholder engagement					
Indigenous engagement					
AUC application submission					
Receipt of approvals & permits			Q4		
Construction				Q3/Q4	
Commissioning					Q1

The Project website (<https://transalta.com/plants-operation/watercharger/>) will be maintained and remain available to you throughout the construction phases of the Project. Our team remains available to you throughout the construction and operation phases. If you have any questions about the Project, please reach out to the Project team by phone at **+1 (403) 267-2005** or by email at: watercharger@transalta.com

Any previous email addresses or numbers provided throughout the planning phase will no longer be accessible.

We look forward to your feedback and remain committed to continuing to work with you as we progress the Project.

Yours truly,

TransAlta Corporation



Chris Teare
Manager, Business Development