



TransAlta named Alberta's environmental leader

In the May 2003 issue of *Alberta Venture* magazine, Alberta's CEOs and senior executives named TransAlta the most respected corporation in Alberta for environmental stewardship. They applauded the company's demonstrated awareness of its impact upon environment and its active effort to preserve, protect or enhance that environment.

"TransAlta is a very progressive company that has a vision of being emission free in the long term," cites *Alberta Venture* magazine. "This company is one of the best examples of taking care of the environment while taking care of fiscal responsibility."

What caught the eye of senior executives across Alberta? TransAlta's leadership position in environmental stewardship. They pointed to some of TransAlta's achievements which include:

- TransAlta has reduced its company-wide net carbon dioxide (CO₂) emissions intensity by 20 per cent since 1990, even though generation capacity (owned and/or operated) has increased by 40 per cent.
- In 2003, for the fourth year in a row, the Dow Jones Sustainability Indexes recognized TransAlta as a leading electric company in its group of global equity indexes. TransAlta was one of only four North American power generation companies to be included in this index of the world's most sustainable companies.
- In 2003 TransAlta, through its subsidiary Vision Quest Windelectric, started up McBride Lake, Canada's largest windfarm.
- In 2002, the company purchased Vision Quest, making TransAlta one of Canada's largest developers of renewable energy.
- TransAlta also issues quarterly and annual sustainable development reports. You can access these as www.transalta.com, then click on "community and sustainable development."

EUB approves application to amend Highvale mine plan

The Alberta Energy and Utilities Board (EUB) approved TransAlta's application to amend the Highvale mine plan within the existing permit area. The amendment will allow TransAlta to change the schedule used to mine certain areas, to continue the coal supply to the Sundance and Keephills power plants, a key source of low-cost power for Albertans.

The licence amendment only changes the timing of the mining of some areas; the permit area to be mined remains the same.

Changes to the mining schedule were necessary following Alberta's adoption of a competitive electricity market. TransAlta entered into long-term contracts to sell power called power purchase agreements (PPAs). The PPAs for Sundance determines it will run until 2020 for all six generating units. Our original mine plans were developed based on shorter lifespans for those units.

The Board determined a hearing on the mine licence amendment was not required as TransAlta was able to resolve the concerns of directly affected parties.

EUB and Alberta Environment approve Whitewood mine licence extension

In June, the Alberta Energy and Utilities Board (EUB) approved TransAlta's application to extend the Whitewood mine licence, ensuring TransAlta can continue to provide low-cost coal to the Wabamun plant. TransAlta intends to operate the Wabamun plant until 2010.

The application was not to increase production, but to provide fuel for the continued operation of the Wabamun power plant, the approval for which was subjected to two public hearings. The mine and reclamation plan has been approved to run until 2013.

Part of the EUB's and Alberta Environment's application process was making sure concerns of directly affected stakeholders were considered in their final decision. If you would like details on their process, please contact the EUB.

The Whitewood mine is one of three TransAlta-owned surface coal mines. It supplies coal to TransAlta's Wabamun power plant and sells a small volume of coal to local residents.



Kilowatt Connection

Kilowatt Connection is published three times per year by TransAlta to share information with the communities in the Wabamun Lake area.

If you have any questions about TransAlta or our operations in the area, please contact:

Ralph Leriger
Stakeholder Relations Manager
 Phone: 780-892-5560
 e-mail: ralph_leriger@transalta.com
 Box 120 Wabamun, Alberta T0E 2K0

Wabamun Watch update

by Rob Dickie, *Wabamun Watch*

Lake Wabamun Watch has completed its first year of monitoring the activities of TransAlta as it relates to possible environmental impacts to Lake Wabamun's stakeholders. During the course of the year, the major issues we dealt with included the ash lagoon discharge and related studies, mercury and fish mortality at the Wabamun Plant inlet structure.

We have reviewed information provided by experts from TransAlta and Alberta Environment and presented it to local stakeholders through two public meetings. We also communicate to stakeholders through our website www.wabamunwatch.com.

Ash lagoon water and sediment impacts appear to be very limited. There were detectable heavy metals in the sediment, however, the nature of our water quality in the Western provinces does not make this problematic. Water quality in Lake Wabamun is good and is still comparable to other lakes in the area.

There have been several reports released by other groups around the lake that paint the picture of a mercury problem at Lake Wabamun. This issue was addressed for Wabamun Watch by a professor from the U of A. All in all, the mercury data does not support the issue that the Lake Wabamun area is unsafe due to mercury. Mercury concentrations are well below safe levels in both sediment and soil.

Fish mortality as it relates to the Wabamun Plant inlet structure is considerably lower in spring 2003, as compared to spring 2002. There is no explanation today as to why the fish migrated up the inlet structure. This being said, TransAlta continues to test and install deterrent systems to keep the fish away from the inlet structure.

If you are not getting updates as they relate to the Wabamun Watch web site please send your e-mail address to askus@wabamunwatch.com and we will add your name to our ever-growing list.

Preliminary Report out on Wabamun Lake risk assessment

On Feb. 28, 2003, TransAlta sent a preliminary risk assessment report to Alberta Environment looking at the area of Lake Wabamun next to where water flows out of the ash treatment system. The study found no health risks to people eating fish, swimming or playing on the beach in the area. It also found no health risks to wildlife in the area.

According to University of Alberta's Dr. Warren B. Kindzierski, Ph.D., P.Eng., TransAlta's report is valid, saying, "...I am in agreement with the findings of the assessment. The methods and data used are defensible in my view. In addition, the interpretations made are supported."

Work on sediment toxicity and health of the lake bottom communities is not yet complete. However, spring sampling allowed TransAlta to carry out other elements of the Alberta Environment directive, determining the ash lagoon mass balance and current and historic contributions of metals to the lake, and evaluating the risk to the ecosystem. Also, as per Alberta Environment's request, a risk management plan is currently being developed.

TransAlta will share the final report with those interested once complete. If you have questions or would like a copy of the preliminary report, please contact Ralph Leriger at TransAlta at 780-892-5560 or visit our website at www.transalta.com/wabamun, where you'll see a summary of results, the preliminary report and a fact sheet.

TransAlta hangs 'sold' sign on residential housing

Last fall, *Kilowatt Connection* reported that TransAlta intended to sell all of its housing properties. In the Wabamun area, the properties impacted included 71 residential houses adjacent to the Wabamun and Sundance plants; 14 houses and the land they sit on located in the Village of Wabamun; three duplexes; one 24-unit apartment building and one office staff house. The Wabamun staff house and three duplexes are all that remain for sale.

To date, tenants purchased 40 of the houses; the Village of Wabamun bought 26 houses and an apartment building; employees bought 18 houses. TransAlta gave the opportunity to purchase first to existing tenants, followed by the Village of Wabamun, TransAlta employees, Paul First Nation and Alexis First Nation.

Village of Wabamun Mayor Fred Lindsay, was pleased with how the housing sale went. He wrote, "This process has been an excellent example of industry and community working together in the best interests of the community and, again, we want to thank TransAlta for your understanding and co-operation."

Luscar takes over Highvale and Whitewood coal mining operations

The winter issue of *Kilowatt Connection* announced Fording Coal would takeover mining operations for the Highvale and Whitewood coal mines. On Feb. 27, 2003, Fording Coal closed a deal to transfer the contract to operate the Highvale and Whitewood mines to Luscar.

The decision comes after Fording and Luscar were part of a multi-company merger within the coal mining industry. As a result, Fording is focusing on metallurgical coal mining while Luscar is a separate company focusing on thermal coal mining. The transfer of the contract was seamless and no TransAlta, Fording or Luscar employees were affected by the change.



The Great One surprises Stony Plain and Spruce Grove

Students and citizens from Stony Plain and Spruce Grove got a special treat this spring when Wayne Gretzky, TransAlta's Project Planet spokesperson, made a surprise appearance at the Parkland Educational Resource Centre. Grades 5 and 6 students from Stony Plain Central School enjoyed the chance to show Wayne their environmental science fair projects.

Later, Wayne visited the TransAlta Tri Leisure Centre in Spruce Grove where he saw a first-class, multi-purpose recreational facility, complete with two hockey arenas. Wayne met people and signed autographs for much of the afternoon. Later, TransAlta employees and their families were treated to a family skating party and a warm greeting from Wayne himself.

TransAlta's **Project Planet Environmental Granting Program** supports TransAlta's commitment to improving the communities around which we live and operate. This grassroots environmental program works to get youth thinking about how to improve the communities and environment around them. Through the program, youth involved in innovative projects demonstrating environmental stewardship are eligible for a one-time grant to help turn their project ideas into reality.

What kind of project qualifies for a grant?

TransAlta looks for projects from youth 18 years and under, aimed at:

- protecting, conserving and restoring the natural diversity of neighbourhoods, communities or schools
- maintaining clean, healthy, and safe land, water, and air for all living things.

In addition, the projects must:

- have a measurable environmental impact
- involve innovative or breakthrough thinking
- be practical
- be local in scope or scale
- be sustainable and self-funding into future years
- include a cost/resource/volunteer estimate.

Visit <http://www.transalta.com/projectplanet> for more information or to complete an on-line application.



Grades 5 & 6 students proudly showed off their science fair projects to their hockey hero.

EAB makes minor changes to water treatment facility requirements

In February 2003, The Alberta Environmental Appeal Board (EAB) made several minor changes to TransAlta's water treatment requirements at Wabamun Lake. The decision followed an appeal of Alberta Environment's 2002 decision to approve TransAlta's application to expand the Wabamun Lake water treatment facility.

The EAB's decision made a few basic amendments to Alberta Environment's original approval of the water treatment facility. The water TransAlta needs to pump into the lake will be increased by 10 per cent above TransAlta's previous commitments. TransAlta now has until June 30, 2007, an additional six months, to return the historical debt to the lake.

TransAlta will also collect more information about weather for the water balance model used to help calculate our annual impact on lake level.

No changes were made to the approval or licence requirements about using the Sundance cooling pond as a source of water for treatment and the Board stated that additional reporting requirements and commitments

TransAlta agreed to provide to address stakeholder concerns are reasonable.

TransAlta remains committed to meeting all licence requirements for this and all of its operations.