

Weather Dancer 1 Wind Turbine

A Joint Venture between EPCOR and the
Peigan Indian Utility Corporation

A discussion at Resource-Expo 2002 Conference

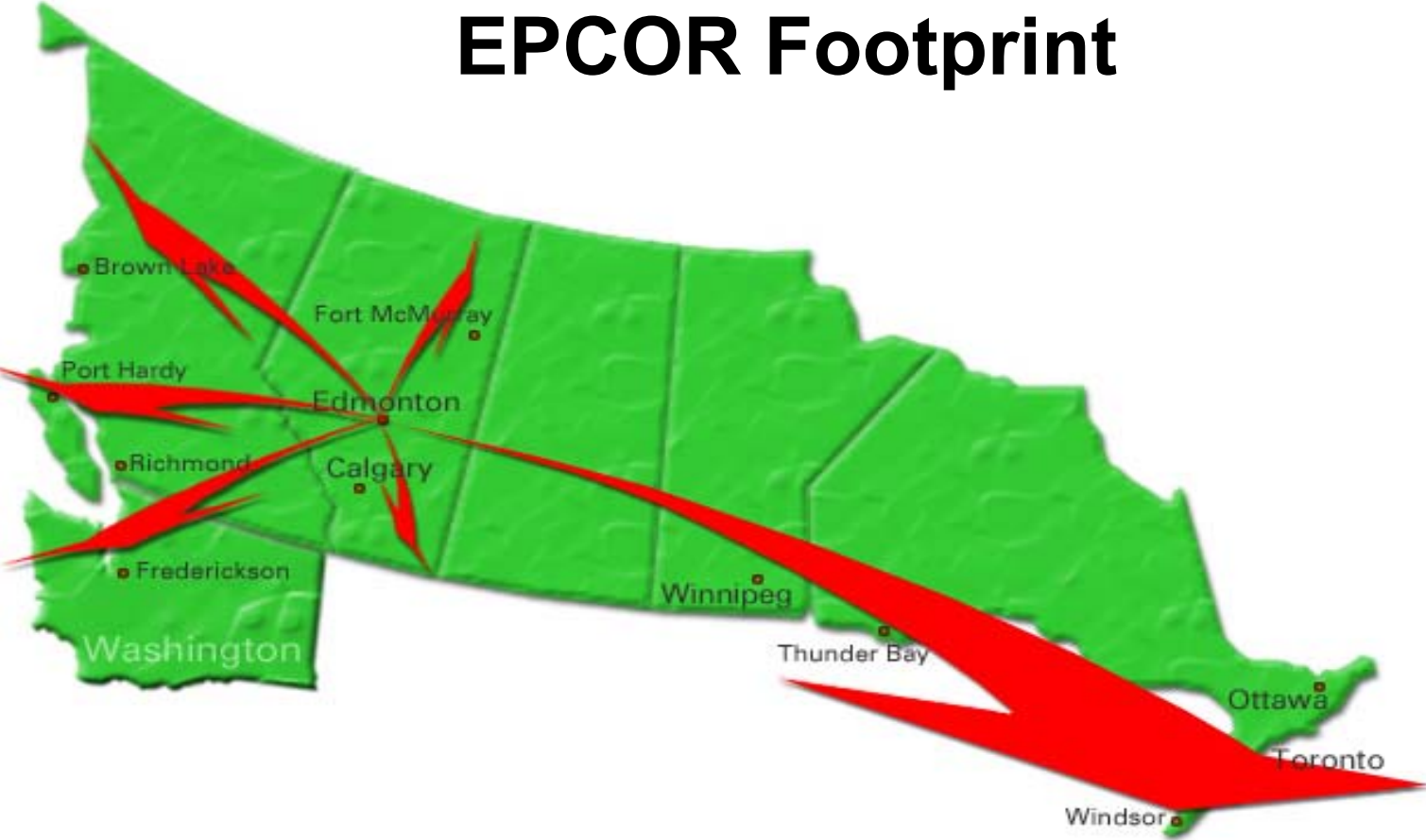


Corporate Profile

- Canadian based utility, headquarters in Edmonton, Alberta
- Provides essential elements for living — electricity, water, natural gas
- 1.6 million customers
- Alberta, British Columbia, Manitoba, Ontario, U.S. Pacific Northwest
- Power generation, distribution & transmission, retail, water services
- 3,500 employees



EPCOR Footprint



Financial Facts

- \$4 billion in assets
- “BBB+” credit rating, DBRS & CBRS
- 70% of earnings generated outside Edmonton
- \$170.5 million paid in federal & provincial taxes, 2001
- Union Energy acquisition; 900,000 Ontario customers (Oct. 2001)



Generation In Operation

Genesee 1 & 2 (AB)
820 MW coal-fired

Taylor (AB)
13 MW run-of-the-river

Cloverbar (AB)
660 MW natural/landfill gas-fired

Brown Lake (BC)
7 MW run-of-the-river

Rossdale (AB)
221 MW natural gas-fired

Weather Dancer 1 (AB)
900 KW wind power

Joffre (AB)
416 MW co-gen natural gas-fired

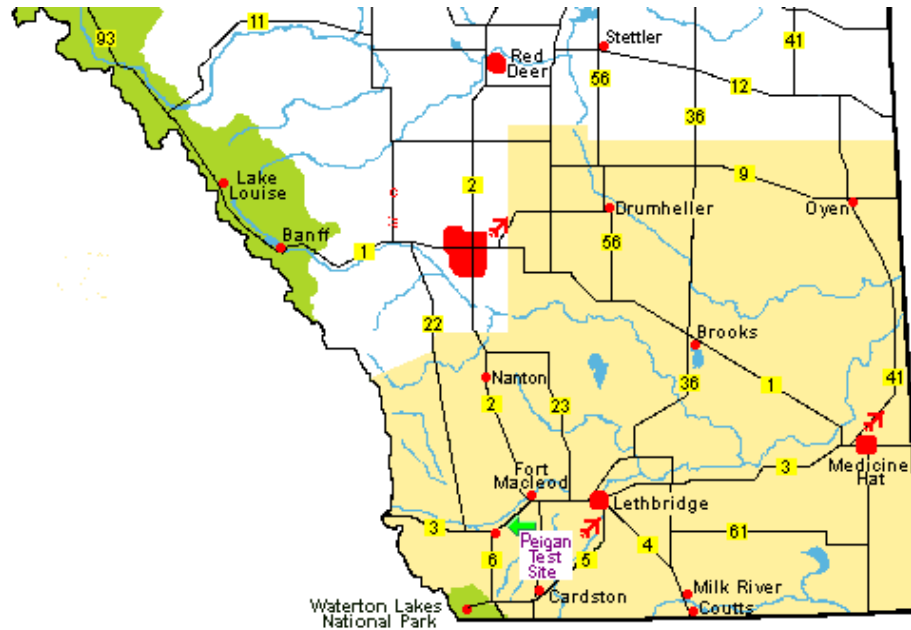


Weather Dancer 1



Weather Dancer 1- Location

- The Peigan Nation is a First Nations' community in Alberta, Canada. The project is located on their land in Southern Alberta between Fort Macleod and Pincher Creek.



Weather Dancer 1 - Project Description

- The Peigan Indian Utility Corporation (PIUC) and EPCOR Power Development Corp. (EPDC) worked together to develop the wind power project, Weather Dancer 1, on Peigan Nation land.
- Weather Dancer 1 (WD1) is a 900 kW wind turbine. Danish wind manufacturer, NEG Micon, supplied the wind turbine, tower, and instrumentation.
- WD1 is estimated to generate approximately 3000 MWh (enough to light 450 homes) of Green Energy per year. Eighty percent of the output of WD1 is under contract by EPCOR Energy Services for the first 10 years. After the tenth year the contract will be evaluated for improvements and possibly extended.

Weather Dancer 1 - Project Structure

- The PIUC and EPDC have formed a 50/50 joint venture to run WD1. The joint venture relationship allows both corporations to retain their own interests and structure within the project.
- A Project Management Team consisting of two representatives from each partner developed the project. This team will continue to manage the joint venture, with EPDC responsible for operating and maintaining the turbine and PIUC responsible for maintaining Peigan Nation support and interests.
- The ultimate business goal of EPDC and PIUC is the joint development of a large (100+ MW) wind farm. WD1 provides an excellent opportunity to build a working relationship and explore the wind power market. PIUC and EPDC have gained a vast understanding of permitting, developing, constructing and operating wind power projects.



Weather Dancer 1 - Economic Benefits to Community

- **Permit fees** -- By siting Weather Dancer 1 on Reserve land, a royalty fee for land use is flowed from the project to to the Peigan Nation community.

- **Economic Development Program** -- Jobs were created during the construction and operation of the wind turbine. The Project Management team developed a method to advertise available jobs within the Peigan community. Important elements of this program included:
 - Peigan Nation had the first opportunity to offer use of material and labour for the project. This included gravel, water trucks, bob cats, security guards, general labourers, flag people, etc.
 - Job Posting Listing Specifics -- Skills/tools needed, time of availability, salary, opening and closing dates of the job posting.
 - Ensured all contractors hired to do work on the project were aware of and using the Economic Development Program.



Weather Dancer 1 - Economic Benefits to Community

➤ **Future Development within the community** -- WD1 is a first step, the goal of the Project Management Team is to develop a large wind farm on the Peigan Reserve. If a large project were built it would result in several benefits to the community:

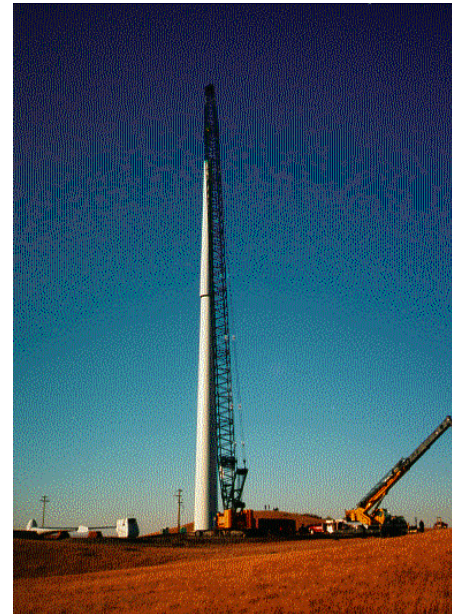
- **More jobs** - The construction period would be 6 months to a year, many jobs would be available during this time. There would be an opportunity to begin training for on-site operating personnel for the completed wind farm.
- **Manufacturing** - If enough local interest in wind projects is proven, a wind turbine manufacturer would benefit from starting local manufacturing of blades and towers. A new industry in the area would generate jobs and opportunities for local people.
- **Tourism** - WD1 is already a source of interest to tourists. Blending new environmentally friendly power generation with First Nations traditions could be capitalized in the tourist industry with a positive benefit to the community.



Weather Dancer 1 - Construction



Weather Dancer 1 - Construction



Weather Dancer 1 - Finished Product





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