



ATCO Energy Systems™

Your Community. Our Commitment.

Report to Communities



Delivering essential energy for an evolving world.

Who are we

ATCO Energy Systems builds, operates and maintains electric and gas transmission and distribution networks, serving over 1.6 million customers across Canada. We're modernizing our grids, investing in new infrastructure to meet the growing needs of our customers and partnering with Indigenous communities to support reconciliation and prosperity. As energy needs evolve, we remain committed to safe, reliable, and sustainable solutions—working with communities to deliver long-term value.

Our strategic focus

Delivering safe, reliable and affordable energy

- Upgrading critical infrastructure to higher standards to ensure the places we live and communities we serve are safe, today and for future generations.
- Ensuring our networks remain resilient at a time when our customers are becoming more dependent on energy than ever before.

Advocating for and investing in critical energy infrastructure

- Continuing to invest in critical energy infrastructure to meet the evolving needs of growing communities.
- Investing in assets, technology and solutions to serve the growing and changing needs of our customers – residential and industrial.

Leading an equitable and responsible energy transition

- Modernizing our networks and investing in new energy systems to drive the delivery of new energy sources, contributing to a safe and equitable transition for all our customers.
- Investing in our networks and technology to enable decarbonization and support a sustainable energy future.

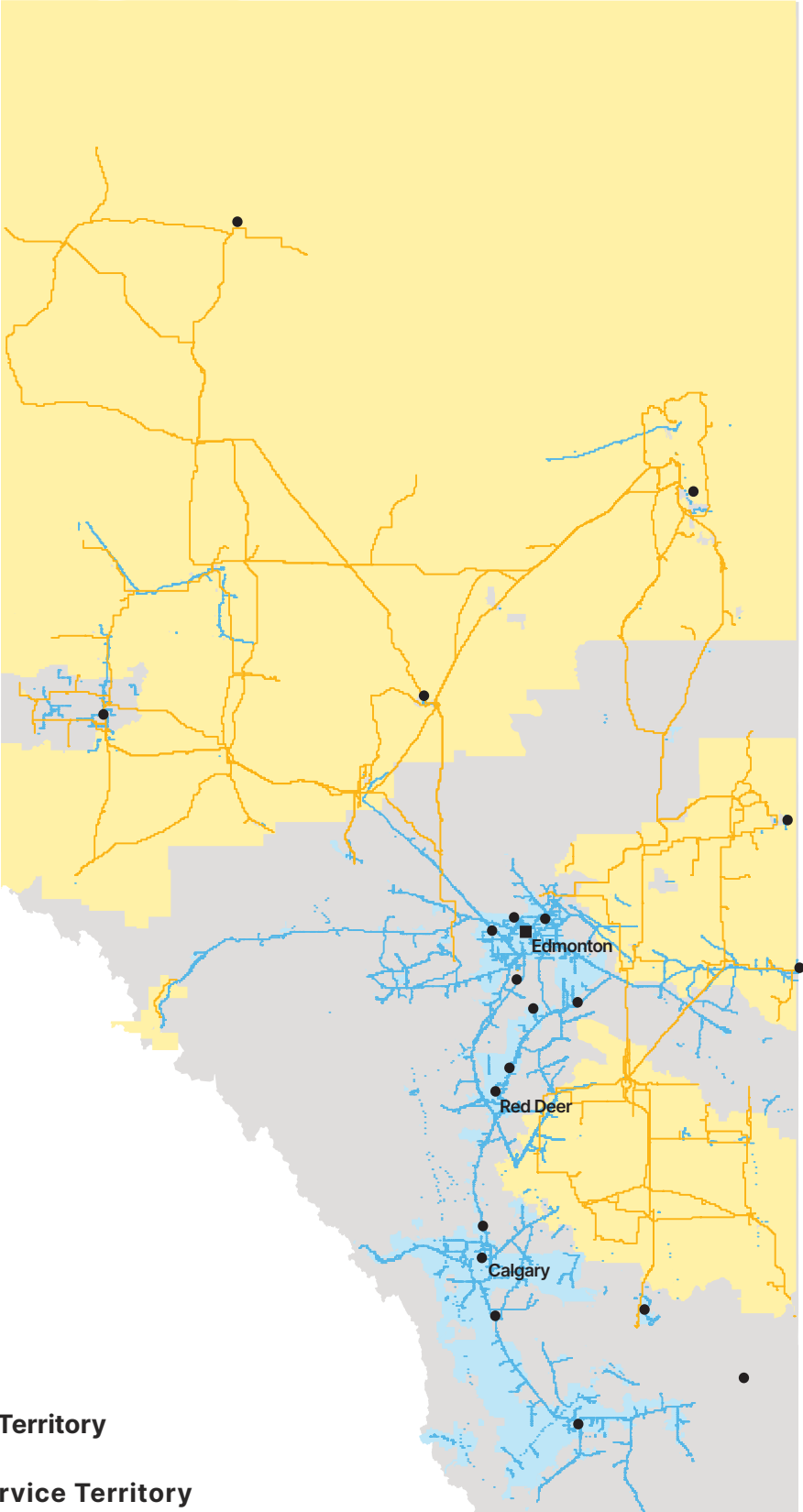
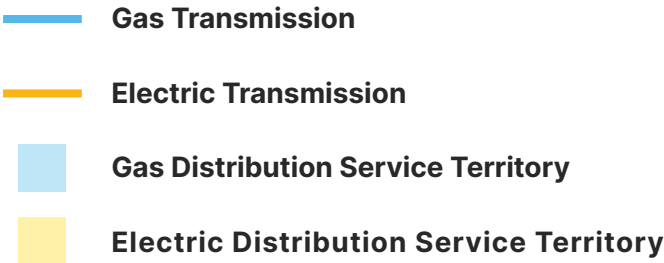




Our services

We provide essential energy infrastructure that powers homes, businesses, and industries across Alberta and beyond. Our operations include:

- Natural gas transmission and distribution
- Electricity transmission and distribution
- Emergency response and system restoration
- Innovation in hydrogen, RNG, and advanced grid technologies



Economic Growth & Opportunity

Alberta is experiencing record-setting growth—leading the country in industrial expansion, population increases, and economic momentum. ATCO Energy Systems is proud to support this growth with the infrastructure that powers homes, businesses, and industry.

- Alberta’s population growth increases energy demand and helps lower per-customer delivery costs.

- The province’s strong business climate—low taxes, high incomes, and a supportive regulatory environment—makes it an ideal place to invest in energy infrastructure.
- We believe all forms of energy will be needed to meet future demand, and we’re advancing solutions like hydrogen and renewable natural gas to reduce emissions and costs.

Partnering with You for Economic Growth in Your Community

ATCO is more than a utility provider—we're a strategic partner in helping communities grow, attract investment, and thrive. Our infrastructure lays the foundation for industrial expansion, residential development, and long-term economic resilience. Whether you're exploring industrial opportunities, expanding commercial zones, or planning new subdivisions, we're here to support your vision.

We've heard directly from business and industrial stakeholders—across both electricity and natural gas sectors—who've asked for a resource to better understand how ATCO can support their growth.

Our teams are ready to collaborate with you on energy planning, infrastructure alignment, and strategic development. We can help assess feasibility, identify opportunities, and ensure energy systems are ready to meet future demand.

We'd like to help build the future together. For commercial development inquiries, please contact our Stakeholder Relations Team at stakeholderrelations@atco.com.

Regulatory Context

ATCO's utility businesses in Alberta are regulated by the Alberta Utilities Commission (AUC), which ensures customers receive safe, reliable service at fair rates.

- The AUC approves utility service areas to avoid duplication of infrastructure and ensure cost-efficiency.
- Utilities are allowed to recover prudent costs, including a reasonable return on investment.
- The Alberta Electric System Operator (AESO) plans and operates the electric grid under the Electric Utilities Act.
- ATCO's gas operations are governed by the Gas Utilities Act, ensuring safe and efficient delivery of natural gas.



Understanding Distribution & Transmission Charges

Distribution and transmission fees reflect the cost of building and maintaining infrastructure. Costs can vary due to:

- Geography & Distance: Long stretches of infrastructure across challenging terrain can increase costs.
- Lower Customer Density: Fewer customers to share costs can have an impact.
- Harsh Conditions: Increased wear-and-tear from extreme weather.
- Regulated Cost Recovery: Charges reflect actual investment, not profit.

These fees ensure safe, reliable service and are reviewed and approved by the AUC.



Looking Ahead: ATCO Electric

ATCO Electric is modernizing Alberta’s electricity system to meet growing demand and support the energy transition. We’re investing in advanced grid technologies, making upgrades to our infrastructure to be more efficient and resilient and support renewable integration, and electrification to ensure our system remains safe, reliable, and future-ready.

Through Advanced Metering Infrastructure (AMI), we’re deploying advanced meters across Alberta to improve outage response and empower customers with real-time energy data. We’re also advancing solar generation and battery storage to reduce reliance on diesel in remote communities.

Looking Ahead: ATCO Gas

ATCO Gas is investing in innovative technologies to support Alberta’s transition to a lower-emission future—while continuing to deliver safe, reliable natural gas. We’re exploring how renewable natural gas (RNG), hydrogen, and carbon capture can reduce emissions and add long-term value for customers and communities.



Damage Prevention at ATCO Gas & Pipelines

Damage Prevention is a proactive and safety-driven function within ATCO Gas & Pipelines that aims to protect buried infrastructure, primarily natural gas transmission and distribution pipelines, from excavation-related damage.

Damage Prevention manages the utility locate process across Alberta, working closely with stakeholders throughout the province to ensure locates are performed safely and accurately. This team investigates all hit lines to ATCO Gas & Pipelines facilities to share learnings and reduce future incidents.

At ATCO, Damage Prevention connects with the public through free outreach like safety presentations, fire department visits, events, trade shows, and tailgate meetings.

Safe, Reliable Energy Every Day

In 2024, ATCO Energy Systems achieved 99.99% electricity system availability and 99.998% natural gas system availability—demonstrating our commitment to uninterrupted service.

We regularly conduct proactive inspections of critical infrastructure and deployed advanced monitoring systems to detect and respond to issues quickly. Our teams also implemented new predictive maintenance tools that help prevent outages before they occur. These efforts ensure Albertans can count on us for safe, reliable energy—no matter the conditions.

Major Projects & Infrastructure Highlights

→ The Yellowhead Pipeline Project

The Yellowhead Pipeline is a 230 km high-pressure natural gas line from Peers to Fort Saskatchewan. It will deliver over 1.1 billion cubic feet of gas daily—enough to match Alberta’s peak electricity demand. The project supports \$20 billion in investment and creates around 2,000 construction jobs. It’s a major step in ensuring reliable energy for Alberta’s future.



→ Central East Transfer Out (CETO)

CETO is a key upgrade to Alberta’s transmission system, adding 85 km of new 240kV lines and expanding the Tinchebray substation. It strengthens grid reliability and supports renewable energy integration. Construction is well underway, with major components already in place. CETO reflects our commitment to a resilient, sustainable grid.



→ Grid Modernization

ATCO’s Grid Modernization project is transforming Alberta’s electricity system with over 228,000 advanced meters. These meters improve outage response, service reliability, and support renewable energy. More than half are already installed across communities like Fort McMurray and Fox Creek. We’re building a smarter, future-ready grid for all Albertans.



Investing in Communities, Together

In 2024, ATCO generated \$123 million in net economic benefit for Indigenous communities through partnerships, procurement, and employment. Our Indigenous Relations team worked with over 50 communities to advance shared goals and build long-term trust.

We also contributed \$4.3 million to charitable and community initiatives across Alberta. We believe that ensuring the world is a place for future generations starts locally. We help grassroots organizations achieve their goals through funding, equipment, and education. Through our community investment programs, we provide organizations with resources to help them become safer, more sustainable, and better positioned to make a meaningful difference where they live and work.

Emergency Preparedness and Response

ATCO’s emergency response capabilities were tested during the 2023 and 2024 wildfire seasons. Our teams mobilized quickly to protect infrastructure, restore service, and support affected communities. We also enhanced our emergency preparedness protocols, including scenario-based training and cross-jurisdictional coordination. These improvements ensure we’re ready to respond—swiftly and safely—when customers need us most.

As our teams continue to hone our expertise in emergency response, ATCO is committed to prioritizing investments in our systems to make our infrastructure more reliable and resilient to better withstand and recover from these ever-increasing weather extremes.

Driving Toward a Lower-Emission Future

ATCO reduced customer emissions by 1,387 kilotonnes and cut its own emissions intensity by 40% since 2020.

We advanced hydrogen blending in Fort Saskatchewan and commissioned North America’s first 100% hydrogen-heated building. Our investments in renewable natural gas, carbon capture, and solar generation are helping to decarbonize both the gas and electric grids. These initiatives are part of our broader strategy to support Alberta’s energy transition while maintaining affordability and reliability.

