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10065 Jasper Avenue
Edmonton, Alberta
T5J 3B1 Canada

March 10, 2011

epcor.ca

**RE: RRO 7x24 Base and 7x16 Peak Block Product Auction Process
Request for Expression of Interest Letters for the Period July 1,
2011 to June 30, 2014**

EPCOR Energy Alberta Inc. (“EPCOR”) intends to acquire 7x24 Base and 7x16 Peak block electricity products to secure supply for EPCOR’s month-ahead Regulated Rate Option (“RRO”) customer load.

EPCOR will be seeking 7x24 Base Volume Products in 25 MW blocks and 7x16 Peak Volume Products in 10 MW blocks. EPCOR has tentatively scheduled buying rounds beginning May 18, 2011 to carry out the month-ahead electricity procurement process. The method to acquire these products will be through a series of Auction Sessions facilitated on the Natural Gas Exchange (“NGX”) electronic exchange platform. Each NGX/EPCOR RRO Auction Session will attempt to procure a portion of EPCOR’s total month-ahead energy requirements. Central clearing of the month-ahead products will be facilitated by the NGX’s clearing system.

The tentative dates for upcoming events and the first NGX/EPCOR RRO Auction Session are summarized below. EPCOR intends to hold the NGX/EPCOR RRO Auction Sessions most Wednesdays at 11 a.m. (Edmonton time). EPCOR may also host an additional NGX/EPCOR RRO Auction Session Wednesdays at 1 p.m. (Edmonton time) as required. A detailed auction schedule will be distributed on a quarterly basis.

Date	Key Event
May 1 st , 2011 (Noon, Edmonton time)	<p>Deadline for interested suppliers to compose and submit to EPCOR a signed Expression of Interest Letter for the July procurement period, as defined by the Regulated Rate Option Regulation 262/2005 (the “Regulation”).</p> <p>To express interest in subsequent procurement periods, as such periods are defined in the Regulation, suppliers who have not previously submitted a signed Expression of Interest Letter to EPCOR must do so by noon (Edmonton time) on the first day of month in which the procurement period begins.</p>



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Early May, 2011	EPCOR intends to hold an information session for interested suppliers in order to answer questions regarding the auction process. All interested suppliers will be deemed by EPCOR to have participated in the information session. EPCOR will also email the first quarterly auction schedule in early May, 2011.
May 18, 2011	First NGX/EPCOR RRO Auction Session is intended to be held at 11 a.m.
Wednesdays 11 a.m. (and 1 p.m. as required)	Intended date and time for ongoing NGX/EPCOR RRO Auction Sessions.

EPCOR invites you to participate in the NGX/EPCOR RRO Auction Sessions by completing an **Expression of Interest Letter**. Your letter must state:

- 1) The full legal name of your company, contact individual and email address for contact individual;
- 2) Whether you are able to participate on the NGX Auction Platform;
- 3) Identity of all affiliates of your company who plan to participate in the NGX/EPCOR RRO Auction Sessions;
- 4) Expiry date of your interest in the NGX/EPCOR RRO Auction Sessions (maximum June 30, 2014); and
- 5) Your preference on how the EPCOR Information Session should be held (e.g. conference call, Q&A session in Edmonton or Calgary, Webinar, etc.).

Parties who submit signed Expression of Interest Letters that do not address the first four criteria listed above will not be permitted to participate in the NGX/EPCOR RRO Auction Sessions until all deficiencies in their Expression of Interest Letter have been rectified. EPCOR will notify all responding parties who submit deficient Expression of Interest Letters of the deficiencies in such letters.

Please note that you must be able to participate on the NGX Auction Platform to be able to take part in the NGX/EPCOR RRO Auction Sessions. If you are unable to participate on the NGX Auction platform, please contact Shane Casey <mailto:Shane.Casey@ngx.com> at the NGX in order to execute the required NGX agreements.

If you would like to participate in the NGX/EPCOR RRO Auction Sessions, please e-mail your completed Expression of Interest Letter to Pawel Stroemich <mailto:pstroemi@epcor.ca>. Only those parties who provide a non-deficient signed Expression of Interest Letter by noon on May 1, 2011 will be able to participate in the procurement period that begins May 18, 2011. Signed Expression of Interest Letters received subsequent to May 1, 2011 and prior to the first day of the month in which a procurement period begins will entitle the



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responding party to participate in the procurement period beginning in such month.

EPCOR also encourages you to submit any preliminary questions or concerns you may have to the email address set out immediately above. Questions may be posed to EPCOR by email at any time subsequent to the information session to be held in early May, 2011. If EPCOR determines that interested suppliers that have submitted an Expression of Interest may benefit from receiving an answer provided to a question posed by a single supplier, EPCOR may communicate such answer to all registered suppliers.

Best regards,

EPCOR Energy Alberta Inc.

<<*original signed by*>>

Pawel Stroemich
RRO & Default Operations Manager