BakerHostetler

Baker&Hostetler LLP

Washington Square, Suite 1100
1050 Connecticut Avenue, N.W.
Washington, DC 20036-5403

T 202.861.1500
F 202.861.1783
www.bakerlaw.com

Elliot J. Feldman
direct dial: 202.861.1679
EFeldman@bakerlaw.com

November 19, 2018

Office of the Deputy Attorney
General of Canada
284 Wellington Street
Ottawa, Ontario K1A 0H8
Canada

<u>VIA PROCESS SERVER</u>

Re: Notice of Arbitration and Statement of Claim Under Chapter Eleven Of the North American Free Trade Agreement On Behalf Of Westmoreland Coal Company And Prairie Mines & Royalty ULC

Dear Office of the Deputy Attorney General of Canada:

We hereby submit the enclosed Notice of Arbitration and Statement of Claim Under Chapter Eleven of the North American Free Trade Agreement ("Notice of Arbitration") on behalf of Westmoreland Coal Company and Prairie Mines & Royalty ULC (collectively, "Westmoreland").

In Westmoreland's August 20, 2018 Notice of Intent to Submit a Claim to Arbitration, we provided Canada with: (1) Westmoreland's letter authorizing Baker & Hostetler LLP to act as legal counsel and representatives of Westmoreland in this matter; (2) the Certificate of Existence for Westmoreland Coal Company; and (3) the Certificate of Status for Prairie Mines & Royalty ULC.

Westmoreland elects to proceed with this arbitration pursuant to Article 3 of the United Nations Commission on International Trade Law ("UNCITRAL") Rules, as provided under Article 1120(1)(c) of NAFTA. Westmoreland Coal Company and Prairie Mines & Royalty ULC have executed waivers in accordance with NAFTA Article 1121, copies of which are appended in the exhibits to this Notice of Arbitration.

Westmoreland emphasized during Consultations in Ottawa on November 9, 2018 its interest in an amicable resolution of this dispute. Westmoreland continues to seek such resolution, notwithstanding that neither the Government of Canada nor the Government of Alberta has proposed a time or place to resume discussions. Westmoreland hopes the Statement of Claim here may facilitate a resolution.

Sincerely,

Elliot J. Feldman
Michael S. Snarr
Paul M. Levine
Alexander Obrecht

BakerHostetler LLP
Counsel to Westmoreland

cc: Vernon McKay, Louis Marcotte, Don McDougall, Julie Boisvert, Debora Sarmento, Investment Trade Policy Division (via email)
Scott Little, Krista Zeman, Megan Van den Hof, Justice Trade Law Bureau (via email)
Jennifer Grafton, Joseph Evers, Jim Furlong, Westmoreland Coal Company (via email)

NOTICE OF ARBITRATION AND STATEMENT OF CLAIM

UNDER THE RULES OF ARBITRATION OF THE
UNITED NATIONS COMMISSION ON INTERNATIONAL TRADE LAW
AND
CHAPTER ELEVEN OF THE NORTH AMERICAN FREE TRADE AGREEMENT

WESTMORELAND COAL COMPANY,

Claimant/Investor,

v.

GOVERNMENT OF CANADA,

Respondent/Party

November 19, 2018

Elliot J. Feldman
Michael S. Snarr
Paul M. Levine
BAKER HOSTETLER LLP
1050 Connecticut Avenue, N.W.
Washington, D.C. 20036
Tel: 202-861-1500
Fax: 202-861-1783

Alexander K. Obrecht
1801 California Street, Suite 4400
Denver, CO 80202
Telephone: (303) 861-0600
Fax: (303) 861-7805

TABLE OF CONTENTS

I. INTRODUCTION

1. Westmoreland Coal Company ("Westmoreland"), a U.S. corporation, respectfully submits this Notice of Arbitration and Statement of Claim on behalf of itself and its Canadian enterprise, Prairie Mines & Royalty ULC ("Prairie"), as to the following legal dispute with the Government of Canada ("Canada," "GOC" or "Respondent") in accordance with Chapter Eleven of the North American Free Trade Agreement ("NAFTA").

2. Westmoreland elects to proceed with this arbitration pursuant to Article 3 of the United Nations Commission on International Trade Law ("UNCITRAL") Rules, as provided under Article 1120(1)(c) of NAFTA.

II. SUMMARY OF THE CLAIM

3. Coal was an essential input to the production of electricity on a mass scale in the 20th century. It has been the primary source of electricity for the last one hundred years. Still today, coal is a primary source for electricity in much of the world and is the source supplying almost half of all electricity production in Alberta. It has been cheap and abundant, keeping electricity prices low and guaranteeing for consumers an affordable supply. But coal also generates carbon when burned and has been blamed for increasing greenhouse gas emissions.

4. In 2012, the Government of Canada decided to take action with respect to the greenhouse effects of burning coal. It enacted regulations that committed to closing down all power utilities that relied on coal within fifty years. These regulations ensured

that existing coal-burning power utilities would be phased out over time, giving stability and predictability to both the power plants and the coal companies that provide the fuel.

5. In 2013-14, Westmoreland acquired a number of coalmines, including the "mine-mouth" operations in Alberta at issue in this dispute. For mine-mouth operations, coalmines are developed adjacent to and in conjunction with a power plant so that the coal can be delivered to the power plant economically. Such mine-mouth operations formed the core of Westmoreland's business and offered a predictable return, especially so in Canada, which had just enacted regulations that provided a predictable future for coal.

6. The logic and value of Westmoreland's investment was threatened with change in November 2015 when a new Alberta provincial government announced its "Climate Leadership Plan." Alberta, which historically had relied primarily on its abundant coal supply to fuel its power plants, decided that it wanted to eliminate all power emanating from coal by 2030.

7. Alberta recognized that an accelerated conversion from coal would have an adverse effect on companies relying on coal to generate power. Alberta, therefore, commissioned Terry Boston, the retired head of one of North America's largest power grids, to determine how to reconcile the new policy of accelerated conversion from coal with the adverse impact on companies relying on coal.

8. Based upon Mr. Boston's recommendation, Alberta agreed to pay out nearly $1.4 billion to three coal-consuming power utilities, all of which were Albertan companies and considered household names. Two of the three, TransAlta and Capital

Power, also owned interests in mine-mouth coalmines.[1] All three companies are now accelerating their conversions of coal-burning units to natural gas before 2030. The new provincial policy also necessarily accelerates the end of Westmoreland's mine-mouth operations.

9. Alberta's Energy Minister, when the coal payouts were issued to the companies, stated that they were intended to compensate for the "economic disruption to {their} capital investments" caused by the sudden policy shift and to "provide investor confidence and encourage them to participate in Alberta's transition from coal." The compensation was directed to "Alberta businesses": "{t}he {Alberta} government is committed to working with existing Alberta businesses as we transition away from coal, and we are making good on that commitment today."

10. In return for these payouts, which were based on the book value of the assets (including the coal), the power companies agreed (among other things) to waive any claims with respect to the phase-out of coal, "including with respect to the mines, coal supply agreements, mining contracts, or other mining equipment related to the coal used to fuel the Plants."

11. Westmoreland's operations were integral to the operations of the Albertan power companies. Like the Albertan companies, Westmoreland owned and managed coalmines. Yet, unlike the Albertan companies, Westmoreland was an American company and investor in Alberta. Unlike the Albertan companies, Westmoreland received no compensation for damages caused by the accelerated Alberta coal phase-

[1] All dollar references are to Canadian currency unless otherwise noted.

out, including stranded capital, loss of revenues, and accelerated costs of reclamation, the process of rehabilitating the land after coalmining operations have ceased.

12. Westmoreland recognizes and does not dispute that Canada and Alberta are entitled to enact regulations for the public good. However, when they do, they must be fair to foreign investors consistent with NAFTA Articles 1102 and 1105.

13. Alberta's scheme to compensate Albertan coalmine operators for the loss of their investments, to the exclusion of the only American coalmine operator, denied Westmoreland national treatment under Article 1102 and treated the company unfairly and inequitably, in violation of NAFTA Article 1105. The exclusion of the only American company was wrong, and Westmoreland is entitled to compensation for Alberta's violations of these NAFTA provisions.

14. Westmoreland respectfully serves this Notice of Arbitration for breach by the Government of Canada ("Canada"), through the actions of the provincial Government of Alberta, of its obligations under NAFTA, Chapter Eleven.

III. PROCEDURAL REQUIREMENTS

15. The disputing investor, Westmoreland, is incorporated in Delaware, United States of America, and thus is an investor of a NAFTA Party pursuant to NAFTA Article 1139. Its address is:

Westmoreland Coal Company
9450 S Maroon Circle, Suite 300
Englewood, CO 80112
United States of America
Telephone: (303) 922-6463
Fax: (302) 636-5454

Its registered address is:

> Westmoreland Coal Company
> c/o Cogency Global Inc.
> 850 New Burton Road Suite 201
> Dover, DE 19904
> United States of America

16. Westmoreland owns and controls Prairie, a Canadian corporate enterprise whose rights have been infringed directly by acts for which Canada is responsible under NAFTA. Prairie's address is:

> Prairie Mines & Royalty ULC
> 1100, 10123 99 Street
> Edmonton, AB T5J 3H1
> Canada
> Telephone: (780) 420-5810
> Fax: (780) 420-5835

17. Westmoreland served its Notice of Intent to Arbitrate on Canada on August 20, 2018 in accordance with Article 1119. The ninety-day period required by NAFTA Article 1119 expired on November 18, 2018.

18. Westmoreland met with Government of Canada officials on November 9, 2018 for consultations regarding this arbitration claim in accordance with NAFTA Article 1118. Discussions among Westmoreland, Government of Alberta and Government of Canada officials are continuing, but the disputing parties have yet to agree to a resolution.

19. Westmoreland has consented to arbitration under Article 1121. Westmoreland submits this Notice of Arbitration and Statement of Claim under both NAFTA Article 1116 as an investor on its own behalf, and under NAFTA 1117 on behalf of Prairie.

20. Westmoreland and Prairie have executed waivers in accordance with NAFTA Article 1121, copies of which are appended to this Notice of Arbitration as Exhibit 1.

21. Canada has consented to arbitration pursuant to NAFTA Article 1122.

22. The following are duly empowered to act on behalf of Westmoreland in this matter, and correspondence should be served upon them at the addresses listed below:

BAKER AND HOSTETLER LLP
1050 Connecticut Avenue NW, Suite 1100
Washington, DC 20036
United States of America
Elliot J. Feldman, efeldman@bakerlaw.com
Michael S. Snarr, msnarr@bakerlaw.com
Paul M. Levine, pmlevine@bakerlaw.com
Telephone: (202) 861-1500
Fax: (202) 861-1783

1801 California Street, Suite 4400
Denver, CO 80202
United States of America
Alexander K. Obrecht, aobrecht@bakerlaw.com
Telephone: (303) 861-0600
Fax: (303) 861-7805

23. Westmoreland proposes that the fees and expenses of the tribunal appointed to decide this matter be governed by the International Centre for Settlement of Investment Disputes' July 6, 2005 "Memorandum on the Fees and Expenses."

IV. FACTUAL BASIS FOR THE CLAIM

24. In November 2015, the Alberta provincial government sought to address greenhouse gas emissions emanating from coal-fired power plants through its Climate Leadership Plan, which will phase out all coal-fired power plants by 2030. Alberta agreed to pay three Alberta companies with coal-fired plants—Capital Power, TransAlta, and ATCO—nearly $1.4 billion. Alberta's press release announcing the payments stated that "{t}he government is committed to working with existing Alberta businesses as we transition away from coal, and we are making good on that commitment today."

25. Westmoreland Coal Company ("Westmoreland"), an American company investing in Alberta, provides the coal for the majority of the phased-out power plants in mine-mouth operations that service the power plants directly. These mine-mouth operations, purchased in 2013-14 by Westmoreland on the expectation that they would have a 50-year lifespan under the Federal regulatory scheme, could service only the associated power plants. The mines are dedicated specifically to mine-mouth operations, inseparable from the operations of the adjacent power plants.

26. Alberta's payments were premised on the principle of "{m}aintaining investors' confidence in Alberta by not unnecessarily stranding capital and ensur{ing} that workers, communities and affected companies are treated fairly in this process." Only four companies were affected by the Climate Leadership Plan's coal phase-out: the three Alberta companies receiving compensation, and Westmoreland, the American investor.

27. Westmoreland, unlike the three Alberta companies, was not compensated for the early closure of its mines. As a result, Westmoreland will lose future revenue;

incur added costs for premature reclamation; have its capital unnecessarily stranded; and the future of Westmoreland's workers and their communities will be jeopardized; all contrary to Alberta's declared public policy.

28. This claim arises out of the disparate and improper treatment accorded to Westmoreland by the Government of Alberta that has damaged Westmoreland and its investments in Canada, in violation of the investment protections extended to foreign investors under NAFTA Articles 1102 and 1105. Canada is responsible for Alberta's actions under NAFTA and applicable principles of international law.

A. Canada Enacts Federal Regulations For Carbon Dioxide Emissions

29. According to Alberta Department of Energy statistics in 2011, thermal coal represented 55 percent of Alberta's electricity generation supply. Coal, therefore, was considered by the Alberta Department of Energy to be "a low-cost fuel for electricity {that} plays a major role in keeping power prices at reasonable levels." In 2012, Alberta used over 25 million tons of coal annually to generate electricity. Alberta also had over 37 billion tons in coal reserves, representing 70 percent of all of Canada's reserves.

30. In 2012, Canada promulgated the *Reduction of Carbon Dioxide Emissions from Coal-fired Generation of Electricity Regulations* (the "Federal Regulations"),[2] which were enacted pursuant to the *Canadian Environmental Protection Act, 1999*. The Federal Regulations provided a comprehensive scheme to address greenhouse gas

[2] Reduction of Carbon Dioxide Emissions from Coal-fired Generation of Electricity Regulations, SOR/2012-167 (Can.), http://www.gazette.gc.ca/rp-pr/p2/2012/2012-09-12/html/sor-dors167-eng.html.

emissions from coal burning power plants and ensured that all such facilities would be phased out over fifty years from their date of commissioning.

31. The regulatory impact analysis statement accompanying the Federal Regulations explained that the Regulations "will apply a performance standard to new coal-fired electricity generation units and to old units that have reached the end of their useful life."[3] The performance standard was set "at the emissions intensity level with consideration of natural gas combined cycle technology," ensuring that coal-burning units within power plants eventually would be phased out under the new Federal Regulations standard.[4]

32. The Federal Regulations defined "useful life" of a coal-burning unit within a power plant in different ways, depending on the date the unit began producing electricity for sale to the electric grid (otherwise known as the "commissioning date" under the Federal Regulations). Relevant to this dispute are "units" with commissioning dates starting in 1986 or later, which have a useful life that ends on "December 31 of the calendar year that is 50 years after the commissioning date."[5]

33. The Federal Regulations explained that an "old unit"—*i.e.*, one "that has reached the end of its useful life but continues to produce electricity"—could not exceed

---

[3] *Supra* n.2, at Reg. Impact Analysis Statement § 5.1.

[4] A "unit" is defined in the Federal Regulations as any "physically connected equipment located in a power plant – including boilers and other combustion devices, gasifiers, reactors, turbines, generators, and emission control devices – that operates together to produce electricity by means of thermal energy using coal as a fuel, whether in conjunction with other fuels or not."

[5] The Federal Regulations also provided that Canada could, in certain circumstances, grant extensions to extend the life of a coal-burning unit.

420 tons of carbon dioxide annually. A coal-burning unit within a power plant cannot meet this limit.

B. Westmoreland's Canadian Operations

34. Westmoreland has over 154 years of experience successfully developing and operating coalmines. Westmoreland's executive leadership has decades of mining experience and has overseen a fourfold growth of the company in the last ten years. Prior to 2014, Westmoreland had no Canadian assets or revenues from sale in, from, or into Canada.

35. Westmoreland's major emphasis is on "mine-mouth" operations, where mines supply thermal coal under long-term contracts to "mine-mouth" coal-fired units in power plants that are located adjacent to, and serviced exclusively by, the adjacent mine (hence the term "mine-mouth"). Virtually all of Westmoreland's overall coal production is sold under long-term contracts to power plants located adjacent to the relevant mine. For example, in 2012, only 12 percent of Westmoreland's coal was sold to customers other than power plants.

36. Westmoreland performed due diligence on a potential acquisition of Sherritt International ("Sherritt") and committed to the acquisition of Sherritt's coal assets, including the mines in Alberta that are relevant to this dispute, in 2013. Sherritt is a Canadian entity headquartered in Toronto, Ontario.

37. As part of its diligence efforts, Westmoreland reviewed the impact on Sherritt's operations of the Federal Regulations, potential changes to the legal landscape, and any governmental, regulatory or other issues that could impede operation at the mines. This diligence did not reveal any significant issues.

38. Westmoreland committed to the acquisition of Sherritt's coal assets in December 2013 and the acquisition closed in April 2014. Westmoreland paid over US$320 million for the coal assets and assumed liabilities in excess of US$420 million as part of the purchase.

39. The assets acquired by Westmoreland included Sherritt's Prairie operations, which in turn included the Genesee Mine, the Sheerness Mine, and the Paintearth Mine (the "Mines") located in Alberta, and other mines not relevant here.

40. The Sheerness Mine supplies coal for two coal-burning units at the Sheerness Generating Station, jointly owned by ATCO and TransAlta. The Sheerness Mine and the Sheerness Generating Station both opened at or around the same time, in 1986.

41. The Genesee Mine supplies coal for three coal-burning units at the Genesee Generating Station. Two of these units are owned by Capital Power and the third unit is jointly owned by Capital Power and TransAlta. The operation of the Genesee Mine is a 50/50 joint venture between Westmoreland and Capital Power. The Genesee Mine and the Genesee Generating Station both opened at or around the same time, in 1988.

42. The Paintearth Mine supplies coal for three coal-burning units owned by ATCO at the Battle River Generating Station.

43. Capital Power is a Canadian company headquartered in Edmonton, Alberta. TransAlta is a Canadian company headquartered in Calgary, Alberta. ATCO is a Canadian company also headquartered in Calgary, Alberta. These three companies own over 55 percent of the electricity production capability in Alberta and are

considered household names in Alberta, particularly within the communities where they operate.

44. There is no commercially reasonable way to use coal from a mine-mouth operation in any other endeavor. The Prairie Mines are dependent on the “mine-mouth” operation because the adjacent coal-burning units are the only viable market for the coal produced from the Mines. The Mines were developed in conjunction with, and at the same time as, the adjacent power plants, for the sole purpose of fueling the coal-generating units at that location. The Mines, therefore, lack the necessary infrastructure, such as railroad access, to serve other potential markets. Even if the Mines were to have the necessary infrastructure, the coal produced from the Mines is not of a high enough heating content to be exported at a profit.

45. Prairie had over 594 million tons of coal reserves as of December 31, 2012. Its mines supplied thermal coal under long-term contracts to mine-mouth coal-fired units in power plants that are located adjacent to, and serviced exclusively by, the adjacent mines. The power plants were the sole purchasers of the coal. In 2012 alone, Prairie delivered approximately 19 million tons of coal to the adjacent power plants and generated $360.8 million in revenue.

46. Westmoreland’s acquisition was a transformational opportunity to acquire a number of producing mines that were highly complementary to Westmoreland’s existing operations and expertise. The acquisition more than doubled Westmoreland’s business and diversified its customer base. The Mines would provide a predictable cash flow, consistent with Westmoreland’s existing business model because the contracts with the power companies were structured to provide stable and predictable

revenues in mines that had long remaining lives. Westmoreland's move into Alberta provided entry into one of the world's most favorable mining jurisdictions.[6]

47. Westmoreland informed Canada in a regulatory filing at the time of acquisition that its purchase of the Sherritt assets was not intended to "start selling coal into Canada from the United States . . . or otherwise commence business in Canada other than through" the existing business. The mine-mouth coalmines and their associated long-term contracts with the adjacent power companies were, therefore, central to Westmoreland's acquisition strategy.

48. Westmoreland obtained approval from Canada pursuant to the Investment Canada Act and Competition Act to purchase the Mines by committing to certain capital expenditures and satisfying other benchmarks for a three-year period, such as:

- maintaining certain Canadian headquarters and management requirements, for both Prairie and Westmoreland;
- leveraging its coal mining experience to strengthen the performance and practices at the Mines;
- maintaining minimum employment levels or providing appropriate severance and benefits for employees dismissed due to the Sherritt acquisition;
- making substantial capital investments—over $20 million in excess of capital investments planned by Sherrit, for a total of $233 million;
- committing to Canadian suppliers for the provision of goods and services to the Mines;
- participating in Canadian industry associations; and
- sustaining historic charitable contributions and community investments.

[6] Ex. 2, Press Release, Westmoreland Coal Co., Westmoreland Announces Transformational Acquisition of Sherritt's Coal Operations (Dec. 24, 2013); Ex. 3, Presentation, Westmoreland Coal Co., Westmoreland Announces Transformational Acquisition of Sherritt's Coal Operations 9 (Dec. 24, 2013).

49. Five of the mine-mouth coal-burning units within the power plants that were the sole purchasers of the coal produced from the Mines qualified for a 50-year useful life under the Federal Regulations and would not reach the end of those useful lives until:

- 2036 for the Sheerness 1 unit supplied by the Sheerness Mine;
- 2039, for the Genesee 2 unit supplied by the Genesee Mine;
- 2040 for the Sheerness 2 unit supplied by the Sheerness Mine;
- 2044 for the Genesee 1 unit supplied by the Genesee Mine; and
- 2055 for the Genesee 3 unit supplied by the Genesee Mine.

50. Westmoreland's investment decisions were made based in significant part on the Federal Regulations establishing the useful life of the coal-burning units within the power plants that were the sole purchasers for the coal produced from the Mines. For example, in a December 24, 2013 Conference Call regarding the acquisition, Westmoreland explained that its investment was compatible with the regulatory environment in Canada:

> **Lucas Pipes – Brean Capital** . . . .
>
> In terms of the customers, are there—I'm not as familiar with regulatory changes in Canada. Is there anything on the horizon or are these also low cost ... power plants or are there any material differences to your current customers in the U.S.?
>
> **Robert King – Chief Executive Officer**
>
> These customers are key to the grid in Western Canada, and they are, by nature of the mine mouth model, low-cost producers of electricity. . . .

Brian Taddeo – Robert W. Baird

<Q>: Good morning, happy holidays. I just have a quick one. Just going back to the customers of the offtake plants for the mines. Are there any environmental issues tied to any of the plants? In the U.S., lots of concerns or questions always about having to retrofit plants or shut them down. Any issues with these?

Robert King – Chief Executive Officer

As part of our due diligence, we did do and had consultants weigh in on what these plants look like from the standpoint of their mine lives and their criticality to the grid. Our analysis indicates that these are all long-lived plants, that they'll be around for a while and that there are no impending environmental issues associated with them.[7]

51. A few months later, in a February 21, 2014 Earnings Call, Westmoreland explained it was relying on the Federal Regulations in making its Canadian acquisition:

Nelson Jay Obus – Wynnefield Capital, Inc.

Just in terms -- this is a big-picture question and just want to be light about it. There's a whole bunch of stuff going on here with the EPA, the Clean Air Act and all this stuff that could go either way and stuff getting up to the Supreme Court. Could you very quickly, and I know we could spend hours on this, just a couple of bullet points about how Canada approaches this?

Robert P. King – Former President of US Operations and Director

Canada has a bit of a different philosophy particularly with regard to the CO2 issue, which is sort of the big thing out there that we don't know what's going on in the U.S. In Canada, with regard {to} power plants, they have what's -- what we term as the 50-year rule. And basically, what that is, is that power plants before they're required to do something with regard to CO2 will be able to operate for 50 years beyond the time that they were commissioned. So that gives us a clear direction as to what it is we think will happen up there. Obviously, we also believe that 50 years out, lots can happen. But by the same token, we have assumed that those wouldn't be extended, and I think there's a high probability that critical plants in Canada will do something to extend the lives of those beyond that term.

[7] Ex. 4, Transcript, Westmoreland Coal Co., Investor Conference Call 9–10 (Dec. 24, 2013).

Keith E. Alessi – Chief Executive Officer-Emeritus

> Yes, and the 50-year rule just says that they don't have to do anything, but at the end of 50 years, they can go back and request extensions and we would expect that to occur. . . . [8]

C. Alberta Compensates Canadian Companies For Reducing The Useful Life Of Coal Burning Units

52. On November 20, 2015, the Canadian Province of Alberta published its "Climate Leadership Plan,"[9] characterizing it as a "made-in-Alberta strategy designed to diversify our economy, create jobs and reduce greenhouse gas emissions."[10] The Climate Leadership Plan will phase out all coal-fired power in Alberta by 2030.[11] Six power plants and their associated mine-mouth coal operations were slated to have useful lives past 2030 under the Federal Regulations.[12]

53. The new plan hastened, by as many as twenty-five years for the Mines, the expiration of the time in which coal-generated electricity would be allowed in Alberta.

---

[8] Ex. 5, Transcript, Westmoreland Coal Co., FY 2013 Earnings Call 10 (Feb. 21, 2014); *see also* Ex. 6, Westmoreland Coal Co., Current Report (Form 8-K), Exhibit 99.2 at 8 (Feb. 21, 2014).

[9] See Ex. 7 ALBERTA'S CLIMATE CHANGE ADVISORY PANEL, CLIMATE LEADERSHIP REPORT TO MINISTER (Nov. 20, 2015).

[10] Ex. 8 Government of Alberta, *Climate Leadership Plan*, ALBERTA (https://www.alberta.ca/climate-leadership-plan.aspx (last visited Nov. 8, 2018).

[11] Ex. 7, *supra* n.9, CLIMATE LEADERSHIP REPORT TO MINISTER, at 6, 30, 49; *see also* Ex. 9, Government of Alberta, *Phasing Out Coal Pollution*, ALBERTA, https://www.alberta.ca/climate-coal-electricity.aspx (last visited Nov. 8, 2018).

[12] *See* Ex. 10, Press Release, Government of Alberta, REVISED: Alberta Announces Coal Transition Action (Nov. 24, 2016). In addition to the five plants and mines discussed above, *supra* ¶ 49, Keephills 3 would reach the end of its useful life by 2061. This unit was jointly owned by Capital Power and TransAlta and was serviced by a mine-mouth coal mine owned by TransAlta.

54. Capital Power was "actively engaged in the consultation process" regarding the Climate Leadership Plan.[13] TransAlta submitted transition plans to Alberta, but indicated it could make the transition without payments from the provincial government.[14]

55. Based on these consultations, Capital Power believed that "on the issue of compensation, {Alberta} will be directly engaging with the four coal companies and actually no other industry participants. . . . We would expect to be in common meetings and I think we all, all of the coal companies do recognize that the more aligned on our views and our expectations and principles, likely the more successful we'll be."[15]

56. The only "four coal companies" that had any exposure under Alberta's Climate Leadership Plan to phase out coal-fired power were Capital Power, TransAlta, ATCO, and Westmoreland. Apparently, Capital Power assumed that Westmoreland was similarly situated to Capital Power, TransAlta, and ATCO, and that all the companies would be treated the same way as to compensation.

57. Alberta recognized that the Climate Leadership Plan would have an adverse economic impact on producers of coal-generated electricity. Alberta, therefore, started a process to compensate electric utilities for the reduced lifespan of their coal-

---

[13] Ex. 11, Transcript, Capital Power, Third Quarter 2015 Analyst Conference Call 3 (Oct. 26, 2015); *see also* Ex. 12, Press Release, Capital Power, Capital Power Reports Third Quarter 2015 Results 13 (Oct. 26, 2015) ("Capital Power continues to actively participate in the consultation process that is expected to lead to a provincial climate change strategy to be accounted in the fourth quarter of 2015.").

[14] *See* Ex. 13, Transcript, TransAlta Corp., Third Quarter 2015 Results Conference Call & Webcast 4 (Oct. 30, 2015).

[15] Ex. 14, Transcript, Capital Power, Fourth Quarter 2015 Conference Call 6 (Feb. 19, 2016).

burning units with their power plants and the associated coalmines, notwithstanding that TransAlta, at least, appeared ready to forgo payment.

58. Alberta explained that compensation was necessary for the "economic disruption to the {affected companies'} capital investments" and to "provide investor confidence and encourage them to participate in Alberta's transition from coal."[16]

59. Alberta decided to pay the three Canadian companies even though at least one had said it could phase out coal without government support.[17]

60. Alberta commissioned Terry Boston, formerly the head of PJM Interconnection (one of the world's largest wholesale electricity markets) and former Vice President of the Tennessee Valley Authority, to develop a compensation methodology. Mr. Boston's charge was to "{m}aintain investors' confidence in Alberta by not unnecessarily stranding capital and ensure that workers, communities and affected companies are treated fairly in this process."[18]

61. Following Alberta's announced plans to hasten the phase-out of coal and provide compensation for the consequential impact on investments, Westmoreland repeatedly wrote to and met with elected leaders in Alberta, including Minister for Economic Development and Trade, Deron Bilous; Minister of Energy, Margaret Ellen McCuaig-Boyd; various Deputy Ministers; and even Alberta Premier Rachel Notley (and

---

[16] Ex. 9, *supra* n.11, Government of Alberta, *Phasing Out Coal Pollution*, at "Coal Phase-out Agreements."

[17] Ex. 13, *supra* n.14, TransAlta Third Quarter 2015 Transcript, at 4 ("Our proposal . . . requires no government support or payment for stranded capital.").

[18] Ex. 15, Letter from Terry Boston to the Honourable Rachel Notley, Premier of Alberta (Sept. 30, 2016).

members of her staff), to ensure that Westmoreland's Albertan assets would not be "stranded" and employees would be protected.

62. Westmoreland explained in its meetings with Alberta leaders that it would have millions in capital that would become stranded as a result of the premature closures of the coal-fired units. Westmoreland also explained that reclamation costs—costs associated with closure of the mines and reclaiming the surrounding land at the end of their lives—would be accelerated because of Alberta's actions, leading to a potential increase of millions in annual cash expenditures.

63. Westmoreland, the American investor, was able to secure only a cursory meeting with Mr. Boston, who explained that Westmoreland's issues were outside his mandate even though he was charged with maintaining investor confidence by not stranding capital. Nor was Westmoreland ever able to participate in common meetings with (a) Alberta or Mr. Boston and (b) TransAlta, ATCO, and Capital Power (all of which are Canadian companies) to discuss compensation.

64. In contrast to Westmoreland's experience, Capital Power was able to having meaningful discussions with Mr. Boston:

> "We continue to be engaged with the Alberta government to ensure fair compensation is received for the proposed accelerated closure of coal-fired generating units by 2030 under the Alberta government's Climate Leadership Plan," added Mr. Vaasjo. "Initial discussions with the government-appointed facilitator took place earlier this month. We continue to work collaboratively with the government and remain optimistic that a fair and appropriate outcome will be reached for our shareholders."[19]

[19] Ex. 16, Press Release, Capital Power, Capital Power Reports First Quarter 2016 Results 1 (Apr. 25, 2016).

So, too, was TransAlta, who by this point had decided to focus on "minimiz{ing} stranded capital" because the company generates 3,500 Megawatts of power in Alberta from coal.[20]

65. In September 2016, Mr. Boston recommended that Alberta compensate the Canadian companies through voluntary payments of "net book value" for their coal-burning units and related capital with useful lives that extended beyond 2030. Mr. Boston "believe{d} that voluntary payment will go a long way to securing a positive investment climate in the province," and he "worked with the three coal plant owners to propose a framework that has considered the interests of all parties involved." Mr. Boston also stated that the payments to the Canadian companies (TransAlta, Capital Power, and ATCO) would "create a positive investor outlook in Alberta for market-based generation and renewables," and {m}aintain investors' confidence in Alberta by not unnecessarily stranding capital."[21] He said nothing about the fourth investor, the lone American investor, impacted by the change in policy.

66. In November 2016, Alberta implemented Mr. Boston's recommendations—"{i}n support of its made-in-Alberta" Climate Leadership Plan—and announced for the electric utilities nearly $1.4 billion in compensation to be paid over a 14-year period.[22]

---

[20] Ex. 17, Transcript, TransAlta Corp., Second Quarter 2016 Results Conference Call & Webcast 8 (Aug. 9, 2016); *see also* Ex. 18, Transcript, TransAlta Corp., Third Quarter 2016 Results Conference Call & Webcast 12, 23–24 (Nov. 4, 2016).

[21] Ex. 15, *supra* n.18, Terry Boston Letter, at 1.

[22] Ex. 10, *supra* n.12, Alberta Press Release.

67. Alberta entered into a contract with TransAlta, a Canadian company headquartered in Alberta, in November 2016. TransAlta owns both a mine-mouth coalmine and an associated coal-fired generation unit (along with other coal-fired generation units associated with mine-mouth operations). Alberta agreed to pay TransAlta 14 annual payments of $39,851,704.60 each, for a total of $557,923,864.40. These payments are based upon the "net book value of the Plants." TransAlta agreed to waive any claims with respect to the phase-out of coal, "including with respect to the mines, coal supply agreements, mining contracts, or other mining equipment related to the coal used to fuel the Plants." TransAlta essentially was compensated in full for the effective forfeiture of its interests in coalmines.[23] This compensation was to be paid to a company that originally had volunteered that it would remain in Alberta and transition from coal to gas without compensation.

68. After executing the agreement, TransAlta decided to accelerate its conversion of coal-fired units to gas, placing at risk mines operated by Westmoreland[24] TransAlta entered into a Memorandum of Understanding with Alberta to facilitate these conversions.[25] The costs of TransAlta's boiler conversions from coal to natural gas are estimated at $50-$60 million per unit and conversion is expected to take 1.5-3 years per

---

[23] *See* Ex. 19, Off-Coal Agreement between TransAlta Corp. et al., and Her Majesty the Queen In Right Of Alberta (represented by Ministry of Energy) ("TransAlta Agreement") (Nov. 24, 2016).

[24] *See* Ex. 20, Press Release, TransAlta Corp., TransAlta Announces Accelerated Transition to Clean Energy (Dec. 6, 2017).

[25] Ex. 21, Transcript, TransAlta Corporation Transition Update Conference Call & Webcast at 2 (Nov. 29, 2016).

unit.[26] In connection with this conversion effort, TransAlta entered into an agreement to construct a pipeline that would allow TransAlta to blend natural gas with coal, thus further accelerating the coal phase-out without abandoning coal entirely.[27]

69. TransAlta explained the benefits of executing the "Off-Coal" Agreement and Memorandum of Understanding with Alberta. In return for $524 million backed by the credit of the Alberta government,

> {W}e've agreed to maintain a strong Alberta Company that supports our employees, communities, and continues to invest in the Province. This agreement will allow us to raise capital to reduce the long-term debt associated with our newer coal plants. This is significant for shareholders who will see improved cash flows that support TransAlta's ability to refinance our existing debt maturities, as we refocus the business.[28]

70. Alberta also entered into a contract with Capital Power, another Canadian company headquartered in Alberta, in November 2016. Capital Power owns coal-fired generation units and interests in mines associated with mine-mouth operations. Alberta agreed to pay Capital Power 14 annual payments of $52,414,828.49 each, for a total of $733,807,598.86. These payments are based upon the "net book value of the Plants." Capital Power agreed to waive any claims with respect to the phase-out of coal,

---

[26] Reg. Impact Analysis Statement for Reg. Limiting Carbon Dioxide Emissions from Natural Gas-fired Generation of Electricity ("Impact Statement"), 152 No. 7 Canada Gazette n.17 (Feb. 17, 2018) (Can.), http://gazette.gc.ca/rp-pr/p1/2018/2018-02-17/html/reg4-eng.html. Canada promulgated revised regulations in February 2018 that permitted conversions of coal-fired units to burn natural gas with no ongoing emissions intensity standard. *Id*. § 3 ("The performance standard for coal boilers that cease using coal as a fuel . . . and continue operating using natural gas to generate electricity would not apply during a prescribed period.") The coal-to-gas conversions are expected to increase the lifespan of the converted power plants to no later than 2039. *See id.*

[27] *See* Ex. 22, Press Release, TransAlta Corp., TransAlta and Tidewater Midstream Announce Today a Letter of Intent to Construct a Natural Gas Pipeline to TransAlta's Facilities (Dec. 6, 2017).

[28] Ex. 21, *supra* n.25, TransAlta Transition Update Transcript, at 4.

"including with respect to the mines, coal supply agreements, mining contracts, or other mining equipment related to the coal used to fuel the Plants." Nothing in this agreement required Capital Power to convert its electricity plants to using natural gas. Capital Power essentially was compensated in full for the effective forfeiture of its interests in coalmines.[29]

71. Notwithstanding that Capital Power's compensation appears to be without even a conversion obligation, Capital Power is considering accelerating its transition from coal-to-gas, anticipating that it should make a decision about converting its power plants in approximately 2020. Capital Power estimated it could convert its existing coal-fired units to gas units in approximately 9 months at a cost of $25-$50 million per conversion, demonstrating that the conversion costs represented a modest fraction of the total compensation.[30]

72. Alberta entered into an agreement with ATCO to make 14 annual payments of $4.7 million each, for a total of $65.8 million to ATCO.[31] ATCO intends to convert its existing coal-fired units to gas (which ATCO estimates will cost approximately $50-$60 million per unit), including the Sheerness 1 facility that ATCO jointly owns with TransAlta and that is currently serviced by Westmoreland's mine-

---

[29] *See* Ex. 23, Off-Coal Agreement between Capital Power et al. and Her Majesty the Queen In Right of Alberta (represented by Ministry of Energy) ("Capital Power Agreement") (Nov. 24, 2016).

[30] Ex. 24, Presentation, Capital Power, "Driving a Sustainable Future" Investor Presentation 10 (Jan. 2018).

[31] Ex. 25, Press Release, ATCO, ATCO Reaches Agreement with the Government of Alberta on Coal Transition (Nov. 25, 2016).

mouth coalmine.[32] ATCO is accelerating the closures of some of its Battle River coal-fired units that are serviced by Westmoreland's Paintearth mine operations.

73. In total, Alberta agreed to pay $1.36 billion to TransAlta, Capital Power, and ATCO for the coal phase-outs, including their coalmines. The largest shares of the compensation went to TransAlta ($557 million) and Capital Power ($733 million), both of whom also had ownership interests in mines feeding their utilities. ATCO, the only company without a mine ownership interest, was paid significantly less ($66 million). Alberta engaged in no serious discussions and offered to pay nothing to Westmoreland, a U.S. company and the largest owner of coalmining assets in Alberta.

74. Alberta, in a press release announcing the agreements with the Albertan companies, stated that:

> In support of its made-in-Alberta transition to a stable, reliable and cleaner electricity system, the Government of Alberta has announced agreements with TransAlta, Capital Power and ATCO to end coal-fired emissions on or before Dec. 31, 2030.
>
> The agreements will see the companies, which own six coal-fired electricity units originally slated to operate beyond 2030, provided with transition payments for investments that have been reduced in value by the transition away from coal-fired generation – funds that can be reinvested into Alberta's electricity market.
>
> This approach is part of a larger government commitment to building a stable, reliable electricity system while ensuring that workers, communities and affected companies are supported and treated fairly during the transition from coal-fired electricity generation.

In that same press release, Alberta Energy Minister Margaret McCuaig-Boyd stated that

[32] *See* Ex. 24, *supra* n.30, Capital Power Presentation, at 11.

> The government's decision to provide transition payments to these companies demonstrates our commitment to building a low-priced, reliable, investment-friendly electricity system for Albertans. The government is committed to working with existing Alberta businesses as we transition away from coal, and we are making good on that commitment today.[33]

75. Alberta, implementing the Climate Leadership Plan's stated goal as "a made-in-Alberta" strategy, thus compensated only Canadian companies, what the province called "the existing Alberta businesses," and made sure to provide significantly more compensation to those companies with ownership interests in coalmines.

76. Westmoreland, by contrast to the three Canadian companies, has been denied compensation for the loss of its investment in the Mines in Alberta, caused by the Government's Climate Leadership Plan, notwithstanding that the Mines will have no commercial future once the coal phase-out has been completed and Westmoreland will be facing land reclamation with no means to pay for it.

77. The denial of compensation for Westmoreland is contrary to Alberta's representations that it desired to compensate affected companies for disruption to capital investments, to provide and maintain investor confidence, to refrain from stranding capital, to protect employees and communities, and to ensure that affected companies are treated fairly. It treats Canadian companies similarly situated differently from the treatment of an American-owned company. Any other explanation for the disparate treatment (none has been offered) would only highlight the arbitrary distinction.

---

[33] Ex. 10, *supra* n.12, Alberta Press Release.

D. Damages

78. Westmoreland's mine-mouth operations are dependent on the adjacent power plants. Under the Climate Leadership Plan and pursuant to the contracts Alberta executed with the three Canadian companies, Westmoreland's Mines will close no later than 2030.

79. Some of Westmoreland's Mines will close even sooner because the Canadian companies have either accelerated the closure of coal-fired units or are converting those units to gas sooner than 2030. The pre-2030 closures will have even more of an impact on Westmoreland than a 2030 closure as the mine-mouth coalmines will close in years earlier and, therefore, cause increased revenue loss, increased reclamation costs, and will strand Westmoreland's capital even sooner than the Climate Leadership Plan required.

80. Westmoreland will lose revenue as a result of the early Mine closures. Assuming all Mines (except those already slated for early closure) close in 2030, Westmoreland will lose nearly US$441 million it otherwise expected to earn. The Canadian companies, however, had indicated that they will cease their coal operations at the units serviced by the Mines even earlier than 2030. Westmoreland will lose even more should the mines close earlier because of accelerated closures occasioned by the Climate Leadership Plan and coal-to-gas conversions.[34]

81. Westmoreland's reclamation costs are accelerated as a result of the Climate Leadership Plan. The Mines are designed to be reclaimed over their original

[34] The amounts in this section have not been discounted to present value. Westmoreland reserves the right to amend its damages calculation generally, including its discount rate.

lifespans, so that Westmoreland essentially pays down the total reclamation costs of the Mines on an annual basis. The early closures of the Mines will require Westmoreland to incur nearly $42 million in uncompensated expense, in no way offset, for reclamation costs.

V. ISSUES PRESENTING VIOLATIONS OF NAFTA CHAPTER ELEVEN

82. Canada, through the actions of its constituent political subdivision, Alberta, for which it is responsible under NAFTA, has breached its obligations to Westmoreland under Section A of Chapter Eleven of NAFTA, including but not limited to Article 1102 (National Treatment) and Article 1105 (Minimum Standard of Treatment).

83. Westmoreland is an investor of a Party as defined in NAFTA Chapter Eleven and has incurred damage to its investments in Alberta by reason of Canada's breaches. Westmoreland owns Prairie, an enterprise in Alberta, the Mines in Alberta, and the interests arising from the investments in those mines, all of which are investments under NAFTA Article 1139.

84. Westmoreland must be compensated for Canada's failure to comply with its NAFTA Chapter Eleven obligations, as described below.

A. Breach Of Article 1102 – National Treatment.

85. NAFTA Article 1102 requires a NAFTA Party to provide national treatment to investors of another Party:

Article 1102: National Treatment

1. Each Party shall accord to investors of another Party treatment no less favorable than that it accords, in like circumstances, to its own investors with respect to the establishment, acquisition, expansion, management, conduct, operation, and sale or other disposition of investments.

2. Each Party shall accord to investments of investors of another Party treatment no less favorable than that it accords, in like circumstances, to investments of its own investors with respect to the establishment, acquisition, expansion, management, conduct, operation, and sale or other disposition of investments.

3. The treatment accorded by a Party under paragraphs 1 and 2 means, with respect to a state or province, treatment no less favorable than the most favorable treatment accorded, in like circumstances, by that state or province to investors, and to investments of investors, of the Party of which it forms a part.

86. Westmoreland, a U.S. company, and TransAlta, Capital Power, and ATCO, Canadian companies, are all investors in coal to generate electricity. Westmoreland, in mines that were developed in conjunction with and adjacent to the power plants they were always intended to service, provided the coal to fire the units; the power plants used the coal in their coal-burning units to generate electricity. TransAlta and Capital Power also had ownership interests in mines providing coal to fire the units.

87. Canada did not treat Westmoreland equally with the Albertan companies. Alberta implemented a regulatory scheme to phase out the use of coal in the province by 2030. Alberta compensated the Canadian companies with nearly $1.4 billion in payments. Westmoreland, a U.S. investor, did not receive any compensation.

88. The payments made by Alberta were designed to be a “made in Alberta” solution to benefit Canadian companies headquartered in Alberta. The payments helped maintain investor confidence in Canadian companies and ensured that the capital of Canadian companies would not be stranded. Westmoreland, a U.S. Investor, did not receive the same “made in Alberta” treatment, notwithstanding the obligations it

met under the Investment Canada Act. Its investor confidence was not maintained, and its capital was stranded as a result of Alberta's actions.

89. Westmoreland has been damaged by Alberta's inequitable measures. As a result of Alberta's coal phase-out, Westmoreland already is incurring increased costs in relation to reclamation of the mines. Westmoreland also is incurring a loss of revenue caused by the coal phase-out. These losses will continue. But instead of being compensated for these losses like the Canadian companies, Westmoreland has received no compensation from Alberta even as Alberta has decided to terminate the value of Westmoreland's assets.

B. Breach Of Article 1105 – Minimum Standard Of Treatment.

90. NAFTA Article 1105 requires that a NAFTA Party provide investors of another Party the minimum standard of treatment under customary international law.

Article 1105: Minimum Standard of Treatment

1. Each Party shall accord to investments of investors of another Party treatment in accordance with international law, including fair and equitable treatment and full protection and security.

91. The minimum standard of treatment under NAFTA Article 1105 protects investors of a Party from government treatment constituting conduct that infringes a sense of fairness, equity and reasonableness, including conduct that is egregious, arbitrary, unfair, unjust or idiosyncratic, discriminatory, or exposes a claimant to sectional prejudice.

92. The minimum standard of treatment also protects investors of a Party from being deprived of their legitimate investment-backed expectations through the unexpected detrimental conduct of the host government.

93. The Government of Alberta recognized that its decision to accelerate dramatically the phase-out of coal-generated electricity would present a significant "economic disruption" to the capital investments of companies in that sector and threatened to harm investor confidence in Alberta.[35]

94. The Government of Alberta, therefore, decided to compensate businesses in the coal-generated electricity sector, including utilities with ownership interests in coalmines, but it arbitrarily and uniquely excluded Westmoreland from receiving any compensation.

95. Westmoreland's mining operations in Alberta depend entirely on having the electricity utilities as their customers. The Mines are commercially inseparable from the electricity utilities because the chemistry of the coal at the Mines is such that it cannot be transported economically for use anywhere else. The coal at the Mines is suitable only for the utilities that were built at the mouth of those Mines, and the utilities were built at the Mines expressly for the purpose of consuming the Mines' coal for generating electricity.

96. Westmoreland is in the same position as the utilities, if not worse, for suffering an economic disruption and the stranding of its investment capital as consequences of the Government of Alberta's coal phase-out. The utilities can convert their plants to continue providing electricity using a different supply source (natural gas), but Westmoreland has no alternative use for the coal produced from its mines.

97. Notwithstanding the economic disruption and loss of investment presented by the coal phase-out program, the Government of Alberta chose to compensate all of

[35] Ex. 9, *supra* n.11, Government of Alberta, *Phasing Out Coal Pollution*.

the companies in the supply and production of coal-generated electricity with the sole exception of Westmoreland. Moreover, it would appear that the utilities having ownership interests in mines (TransAlta and Capital Power) were paid about one hundred times more than the sole utility without any such ownership interests (ATCO).

98. The Government of Alberta's decision to pay out nearly $1.4 billion in compensation to those three companies (and predominantly to TransAlta and Capital Power) and not a dollar to Westmoreland is arbitrary, grossly unfair and, therefore, a violation of the minimum standard of treatment under customary international law in breach of Article 1105.

99. The coal phase-out program also denies Westmoreland of the reasonable expectations of its investments in Canada in breach of Article 1105.

100. The Government of Canada required Westmoreland to undertake certain investments and terms in Alberta as conditions of its foreign investment to acquire the Mines.

101. Westmoreland was required by the Government of Canada, pursuant to the Investment Canada Act and Competition Act, to make capital investments of more than $20 million in excess of capital investments planned by the seller of the Mines, and to pursue other undertakings for three years, which it did.

102. These undertakings were made in 2014 with the reasonable expectation, in accordance with Canadian Federal Regulations, that Westmoreland's investments in the Mines would provide a reasonable return on investment beyond 2030.

103. The coal phase-out program, adopted in 2015 (just one year later), has curtailed the time horizon for Westmoreland's investments in the Mines, reducing their

value and accelerating the time in which Westmoreland would have to complete its reclamation of the Mines at a cost that is no longer justified by the investments.

104. The denial of Westmoreland's reasonable expectation of its investments is a violation of the minimum standard of treatment under customary international law and a breach of Article 1105.

VI. RELIEF SOUGHT AND APPROXIMATE DAMAGES CLAIMED

105. As a result of the actions and breaches of the Government of Canada described above, Westmoreland claims relief for the following:

- damages exceeding $470 million or such other amount to be proven in these proceedings in compensation for the damages caused by actions that are inconsistent with Canada's obligations under Section A of NAFTA Chapter Eleven;
- the full costs associated with these proceedings, including all professional fees and disbursements, as well as the fees of the arbitral tribunal and any administering institution;
- pre- and post-award interest at a rate to be fixed by the Tribunal;
- such further relief as counsel may advise and the Tribunal may deem just and appropriate.

Dated this 19th day of November, 2018

Respectfully submitted,

BAKER AND HOSTETLER LLP
1050 Connecticut Avenue NW., Suite 1100
Washington, DC 20036
United States of America
Elliot J. Feldman, efeldman@bakerlaw.com
Michael Snarr, msnarr@bakerlaw.com
Paul Levine, pmlevine@bakerlaw.com
Telephone: (202) 861-1500
Fax: (202) 861-1783

1801 California Street, Suite 4400
Denver, CO 80202
United States of America
Alexander K. Obrecht,
aobrecht@bakerlaw.com
Telephone: (303) 861-0600
Fax: (303) 861-7805

Exhibit 1

WESTMORELAND COAL COMPANY

Michael G. Hutchinson
Interim CEO
Westmoreland Coal Company
9540 S. Maroon Cir., Suite 300
Englewood, CO 80112

November 12, 2018

Mr. Vernon MacKay
Director
Investment Trade Policy
125 Sussex Drive
Ottawa, Ontario K1A 0G2

Dear Mr. MacKay:

Pursuant to Articles 1121(1)(a) and 1121(2)(a) of the North American Free Trade Agreement ("NAFTA"), Westmoreland Coal Company consents to arbitration in accordance with the procedures set out in NAFTA.

Pursuant to Articles 1121(1)(b) and 1121(2)(b) of NAFTA, Westmoreland Coal Company waives its right to initiate or continue before any administrative tribunal or court under the law of any Party, or other dispute settlement procedures, any proceedings with respect to the measures of the Government of Canada (and its Province, Alberta) that are alleged to be a breach referred to in Articles 1116 and 1117, except for proceedings for injunctive, declaratory or other extraordinary relief, not involving the payment of damages, before an administrative tribunal or court under the law of Canada.

Sincerely,

MG Hutchinson

Michael G. Hutchinson
Interim CEO
Westmoreland Coal Company

PRAIRIE MINES & ROYALTY ULC

Joseph Micheletti
President
Prairie Mines & Royalty ULC
110, 10123 – 99th Street
Edmonton, AB T5J 3H1

November 12, 2018

Mr. Vernon MacKay
Director
Investment Trade Policy
125 Sussex Drive
Ottawa, Ontario K1A 0G2

Dear Mr. MacKay:

Pursuant to Articles 1121(2)(a) of the North American Free Trade Agreement ("NAFTA"), Prairie Mines & Royalty ULC consents to arbitration in accordance with the procedures set out in NAFTA.

Pursuant to Articles 1121(1)(b) and 1121(2)(b) of NAFTA, Prairie Mines & Royalty ULC waives its right to initiate or continue before any administrative tribunal or court under the law of any Party, or other dispute settlement procedures, any proceedings with respect to the measures of the Government of Canada (and its Province, Alberta) that are alleged to be a breach referred to in Articles 1116 and 1117, except for proceedings for injunctive, declaratory or other extraordinary relief, not involving the payment of damages, before an administrative tribunal or court under the law of Canada.

Sincerely,

Joseph E. Micheletti

Joseph Micheletti
President
Prairie Mines & Royalty ULC

Exhibit 2

Westmoreland Announces Transformational Acquisition of Sherritt's Coal Operations

DECEMBER 24, 2013

View or download this news release as a PDF (282.1K)

Westmoreland Coal Company (NasdaqGM:WLB) announced today that it has entered into an agreement to acquire the Prairie and Mountain coal mining operations of Sherritt International Corporation ("Sherritt") for approximately $435 million. These operations include seven producing thermal coal mines in the Canadian provinces of Alberta and Saskatchewan, a 50% interest in an activated carbon plant and a Char production facility.

"This is an historic event for Westmoreland. The acquisition of Sherritt's coal operations represents a transformational opportunity to acquire seven producing coal mines, which are highly complementary to our existing operations and expertise," said Keith E. Alessi, Westmoreland's Executive Chairman. "This acquisition will more than double our business. It greatly diversifies our customer base and expands our operations into Western Canada, widely considered to be one of the most attractive mining jurisdictions globally. The combined business will be the sixth largest North American coal producer, as measured by 2012 production. Additionally, the activated carbon and Char activities, although small in proportion to the coal business, represent value-added product streams and provide an expansion in the industrial environmental market and entrance into the consumer market. We hope to expand these relationships.

"We look forward to welcoming the Prairie and Mountain workforces into our family," continued Alessi. "From our diligence, we know they share our corporate values of safety, environmental stewardship and superior production. Westmoreland has an outstanding record of working cooperatively with our represented workforces and we anticipate similar relationships with the Sherritt represented workforces. Additionally, we look forward to partnering with our new power generation customers in Western Canada to provide low cost electricity to the region. We also look forward to working with all of our other customers and joint venture partners. We anticipate forging strong relationships with the various provinces, communities and with the First Nations. We appreciate the positive relationship we have had with Sherritt management and advisors throughout this process and look forward to working with them through this transition."

Robert P. King, Westmoreland's President and Chief Executive Officer also noted, "This acquisition significantly enhances our asset portfolio and positions Westmoreland as the leading mine mouth coal producer in North America. Furthermore, the Mountain operations and associated port capacity adds attractive optionality to our business model allowing us to deliver premium thermal coal into high growth Asian markets."

The Prairie operations consist of six operating surface mines located within the Canadian provinces of Alberta and Saskatchewan and control of the mining rights to approximately 654 million tons of coal as of December 31, 2012. In 2012, the Prairie operations being acquired delivered approximately 22 million tons of low-sulfur thermal coal to domestic utilities. The Mountain operations consist of one operating surface mine, located in Alberta, that produced approximately 4.0 million tons of low-sulfur, thermal coal in 2012, primarily for the export market, and one surface mine currently in reclamation. The Mountain operations hold an aggregate reserve of approximately 22 million tons of coal as of December 31, 2012.

The transaction also includes a Char production facility which sells to barbeque briquette producers and a 50% partnership interest in an Activated Carbon plant with Cabot Corporation. The Char plant produced 130,000 tons of Char in 2012 and the Activated Carbon plant produced 14,500 tons of activated carbon in 2012.

For the last twelve months ended September 30, 2013 ("LTM"), Sherritt's estimated U.S. GAAP Prairie and Mountain operations revenue were $736 million USD.

Investment Highlights

The acquisition of Sherritt's coal operations will significantly increase Westmoreland's scale, provide a platform for future growth and enhance Westmoreland's asset portfolio.

- Annual production of approximately 27 million tons doubles the production of the Company.
- A combined reserve base over Prairie and Mountain operations of over 675 million tons provides long term sustainability and security of supply for customers.

- The Prairie mines provide fairly predictable cash flows which are consistent with Westmoreland's existing business model.
- The Mountain operations provide an entry point into the export market and strategic access to port facilities.
- Asset diversification into Western Canada provides entry into one of the world's most favorable mining jurisdictions.

Sherritt's coal operations are highly complementary with Westmoreland's core surface mining competencies, existing mine mouth business model and customer partnering expertise.

- Operations are safe and environmentally responsible.
- Combination creates one of the largest dragline fleets in North America.
- Operations have good relationships with employees and unions.
- Workforce and management teams are highly experienced.
- Operations strategically located adjacent to customer generating facilities.
- Operations have long term contracts with investment grade utilities.
- Contracts are structured to provide stable and predictable revenues.
- Opportunities have been identified to further optimize the mining operations based on Westmoreland's experience, synergies and economies of scale.

On a combined basis, the pro forma company's estimated LTM U.S. GAAP revenue would have been approximately $1.3 billion. The acquisition is expected to be financially accretive to Westmoreland on a free cash flow basis.

BMO Capital Markets and Deutsche Bank have provided Westmoreland with fully-committed financing that will enable Westmoreland to fund the full purchase price, the reclamation bonding obligations and transaction expenses.

Transaction Details

The acquisition includes typical closing conditions, including certain regulatory approvals. As part of the transaction, Sherritt will undergo a pre-closing reorganization and sell its existing portfolio of coal and potash royalties and reserves (the "Royalty Portfolio") to Altius Minerals Corporation. Also, under the terms of the arrangement agreement, Sherritt will indemnify Westmoreland against all past and future liability stemming from the Obed Mine impoundment release. The purchase price for the Prairie and Mountain operations is subject to customary adjustments including working capital.

The transaction has been unanimously approved by Westmoreland's Board of Directors and is expected to be completed during the first quarter of 2014. Closing of the acquisition is subject to customary conditions, including the receipt of relevant regulatory approvals, including Investment Canada Act and Competition Act approval. There can be no assurance that the transaction will be completed or that the anticipated benefits of the acquisition will be realized.

Westmoreland's Advisors

BMO Capital Markets and Deutsche Bank Securities Inc. are acting as financial advisors to Westmoreland, and affiliates thereof and have provided committed financing. BMO Capital Markets has also provided an opinion to the Board of Directors of Westmoreland that the consideration to be paid by Westmoreland in connection with the Transaction is fair from a financial point of view to Westmoreland. Holland & Hart, LLP and Gowlings Lafleur Henderson LLP are acting as legal counsel to Westmoreland.

Conference Call

Westmoreland will hold a conference call on December 24, 2013 at 10:30 a.m. EST to review the acquisition. To access the conference call by telephone, dial (877) 407-8033. Please connect approximately 15 minutes prior to the beginning of the call to ensure participation. The conference call will be archived for replay until January 7, 2014. To access the archived conference call, dial 1-877-660-6853and enter the Conference ID #: 13574128.

About Westmoreland Coal Company

Westmoreland Coal Company is the oldest independent coal company in the United States. The Company's coal operations include sub-bituminous coal mining in the Powder River Basin in Montana and Wyoming, and lignite mining operations in Montana, North Dakota and Texas. Its power operations include ownership of the two-unit ROVA coal-fired power plant in North Carolina. For more information, visit www.westmoreland.com.

Cautionary Note Regarding Forward-Looking Statements and Canadian Information

This release may contain "forward-looking statements." Forward-looking statements can be identified by words such as "anticipates," "intends," "plans," "seeks," "believes," "estimates," "expects" and similar references to future periods. These statements involve known and unknown risks, which may cause our actual results to differ materially from results expressed or implied by the forward looking statements. These risks include factors such as the uncertainty of negotiations to result in an agreement or a completed transaction, the uncertain nature of the expected benefits from the actual or expected acquisition, the uncertain nature of the announced acquisition, the ability to complete such transactions, risks associated with the integration of acquired assets, risks associated with the our industry or the economy generally, and other such matters discussed in the "Risk Factors" section of our 2012 Annual Report on Form 10-K and subsequent quarterly reports filed on Form 10-Q. The forward-looking statements in this release speak only as of the date of this release. Although we may from time to time voluntarily update our prior forward looking statements, we disclaim any commitment to do so except as required by securities laws.

In addition, Canadian reserve reporting and IFRS auditing standards differ from the standards applicable to public reporting companies in the United States. As such, the numbers reported herein may differ in immaterial amounts from the final numbers that will be reported following the IFRS to GAAP financial statement conversion process.

# # #

Contact: Kevin Paprzycki (855) 922-6463

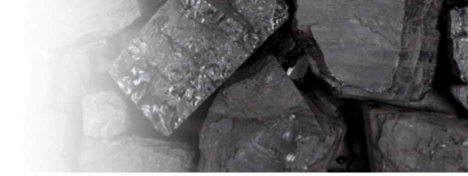
Exhibit 3

Westmoreland Announces Transformational Acquisition of Sherritt's Coal Operations

December 24, 2013

Westmoreland Coal Company

Presenters

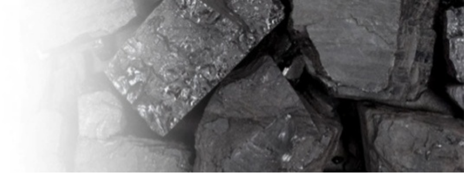


Keith Alessi
Executive Chairman of the Board

Bob King
President and Chief Executive Officer

Kevin Paprzycki
Chief Financial Officer & Treasurer

Disclaimer



Forward Looking Statements

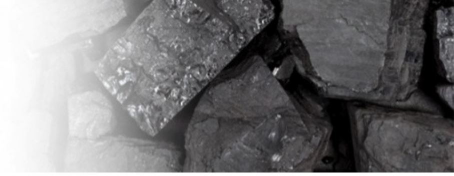
This document may contain “forward-looking statements.” Forward-looking statements can be identified by words such as “anticipates,” “intends,” “plans,” “seeks,” “believes,” “estimates,” “expects” and similar references to future periods. Forward-looking statements are based on our current expectations and assumptions regarding our business, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. Our actual results may differ materially from those contemplated by the forward-looking statements. We therefore caution you against relying on any of these forward-looking statements. They are statements neither of historical fact nor guarantees or assurances of future performance. Important factors that could cause actual results to differ materially from those in the forward-looking statements include political, economic, business, competitive, market, weather and regulatory conditions and the following:

- Changes in our post-retirement medical benefit and pension obligations and the impact of the recently enacted healthcare legislation;
- Changes in our black lung obligations, changes in our experience related to black lung claims, and the impact of the recently enacted healthcare legislation;
- Our potential inability to expand or continue current coal operations due to limitations in obtaining bonding capacity for new mining permits;
- Our potential inability to maintain compliance with debt covenant and waiver agreement requirements;
- The potential inability of our subsidiaries to pay dividends to us due to restrictions in our debt arrangements, reductions in planned coal deliveries or other business factors;
- Risks associated with the structure of our power plants' contracts with its lenders, coal suppliers and power purchaser, which could dramatically affect the overall profitability of our power plants;
- The effect of Environmental Protection Agency inquiries and regulations on the operations of power plants;
- The effect of prolonged maintenance or unplanned outages at our operations or those of our major power generating customers;
- Future legislation and changes in regulations, governmental policies and taxes, including those aimed at reducing emissions of elements such as mercury, sulfur dioxides, nitrogen oxides, particulate matter or greenhouse gases; and
- Other factors as described in “Risk Factors” found in our Annual Report on Form 10-K.

Any forward-looking statements made by us in this document speak only as of the date on which they are made. Factors or events that could cause our actual results to differ may emerge from time-to-time, and it is not possible for us to predict all of them. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future developments or otherwise, except as may be required by law.

In addition, Canadian reserve reporting and IFRS auditing standards differ from the standards applicable to public reporting companies in the United States. As such, the numbers reported herein may differ in immaterial amounts from the final numbers that will be reported following the IFRS to GAAP financial statement conversion process.

Westmoreland to Acquire Sherritt's Coal Operations



- Westmoreland Coal Company ("Westmoreland") has entered into an agreement to acquire the Prairie and Mountain coal mining operations of Sherritt International Corporation ("Sherritt") for approximately $435 million
  - $293 million in cash consideration
  - $142 million in capital lease assumptions
- BMO Capital Markets and Deutsche Bank have provided Westmoreland with fully-committed financing that will enable Westmoreland to fund the full purchase price and the reclamation bonding obligations and transaction expenses
- The transaction is unanimously approved by the Boards of both companies
- Closing is expected towards the end of Q1 2014 subject to certain conditions

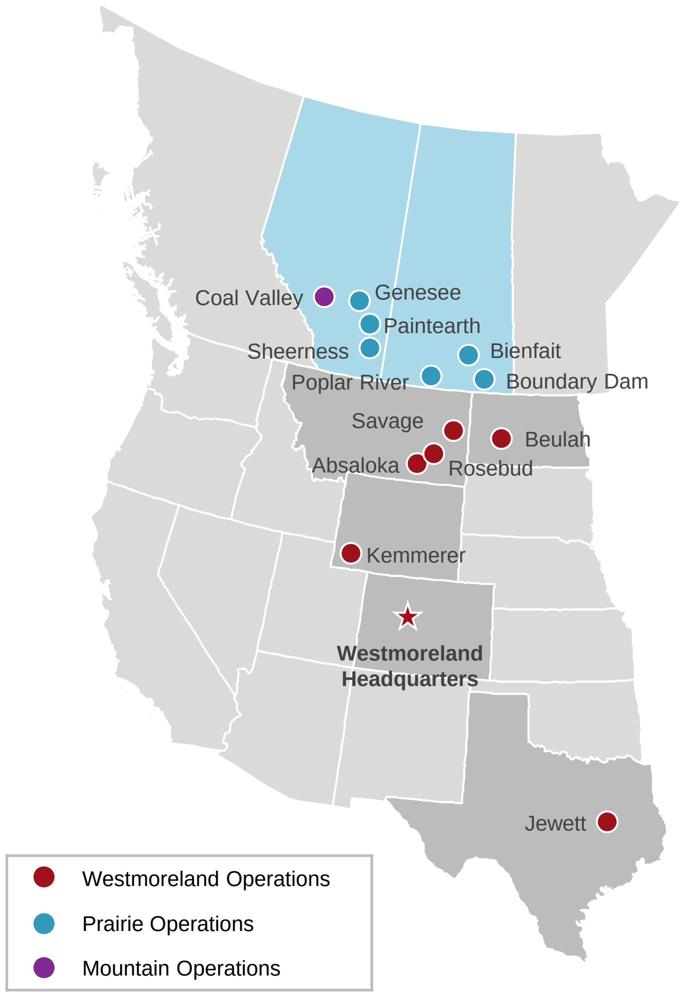
Note: All figures in presentation in US$ unless otherwise noted

Building a Diversified North American Coal Leader

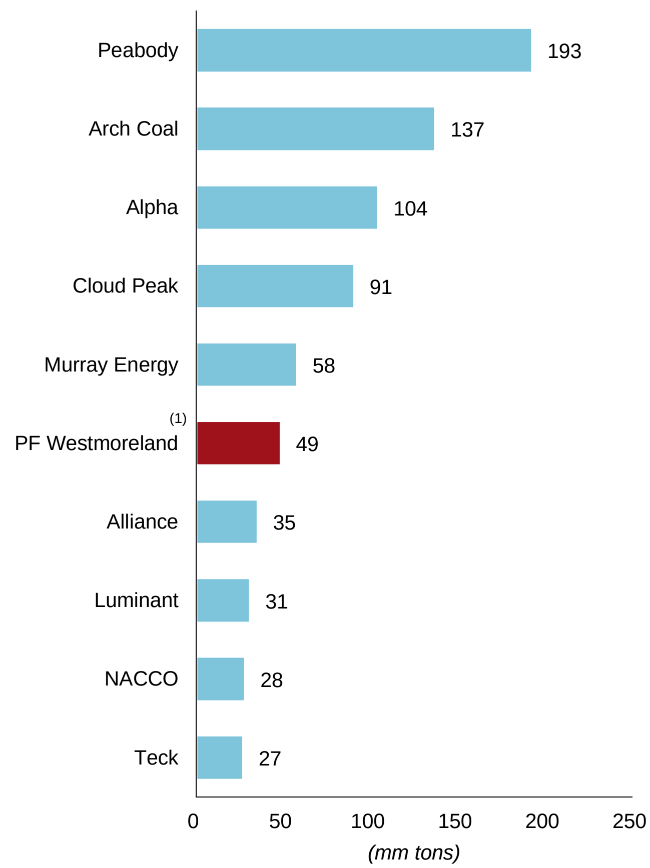
	Westmoreland Coal Company	sherritt Coal Operations	Westmoreland Coal Company Pro Forma
Description	• Leading market position as a low-cost fuel provider • Established position in mine-mouth business and supplier to investment grade utilities • Executes a unique contract business model to generate consistent cash flow • Award-winning safety and environmental performance • Strong management team with proven track record of integrating acquisitions and operating mine-mouth business model	• Canada's largest thermal coal producer • Leading position in mine-mouth business and supplier to investment grade utilities • Established exporter of coal to Asian markets with committed port capacity • Leader in safety and reclamation • Operates in Western Canada, considered to be one of the most attractive mining jurisdictions globally	• Leading North American supplier of coal to "mine-mouth" power plants • Long-term cost-protected contracts provide cash flow stability and visibility • Geographically diversified company in two highly attractive mining jurisdictions • Established exporter of coal to Asian markets with committed port capacity • Strong management team and workforce
LTM Coal Sales (Mst)	25	27	**52**
LTM Revenue (US$)	$660 mm	$736 mm [1]	**~$1.3 bn**
No. of Operating Mines	6	6 (Prairie), 1 (Mountain)	**13**
Reserves [2] (Mst)	553	676	**1,229**

Source: Company filings
1. Sherritt revenue is a US GAAP estimate, excludes Highvale and is converted to US$ based on the exchange rate of each period and aggregated to an LTM figure.
2. Reserves as of 31-Dec-13.

Expanded Production and Geographic Footprint

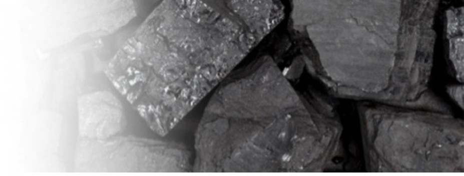


Top 10 North American Coal Producers 2012 Production



Source: EIA, Company filings

1. Reflects 2012 production on a pro forma basis. Coal sales for the LTM period total 52 million tons.



Summary of Transaction Terms

Transaction

- Definitive agreement with Sherritt and certain Sherritt subsidiaries to acquire 100% interest in Sherritt's Prairie and Mountain businesses via a plan of arrangement
  - The portfolio of coal and potash reserves and royalties will be transferred to Altius Minerals Corporation

Purchase Price

- Total purchase price of $435 million including:
  - $293 million for acquisition of Prairie and Mountain operations
  - $142 million for assumption of capital leases

Financing

- BMO Capital Markets and Deutsche Bank have provided Westmoreland with fully-committed financing
  - Will fund the full purchase price and the reclamation bonding obligations and transaction expenses

Key Agreement Terms

- Customary reps, warranties, interim covenants and termination provisions
- Sherritt to fully indemnify Westmoreland with respect to the Obed Mountain Mine Release liabilities
- Transaction is not contingent on the completion of the royalty transfer to Altius Minerals

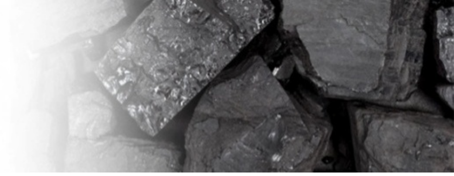
Key Approvals

- Court of Queen's Bench of Alberta
- Investment Canada
- Canadian Competition Act
- Not subject to Westmoreland or Sherritt shareholder approval

Indicative Timetable

- Submit Investment Canada and Competition Bureau filings in January 2014
- Closing is expected towards the end of Q1 2014 subject to certain conditions

Overview of Sherritt's Coal Assets



Prairie Operations

- Six surface mines that supply adjacent power plants
- Long-term supply contracts protect revenue and margin
- Majority of revenue derived from investment grade utilities
- Coal is the primary source of electricity in Alberta and Saskatchewan
- Includes two value-added product streams that provide an entrance into both the industrial and environmental markets
  - 50% interest in an activated carbon plant
  - Char plant

2012 Prairie Highlights

Coal Sales [1] tons	Revenue [2]	Reserves tons
22 million	**$401 million**	**654 million**

Mountain Operations

- Includes the producing Coal Valley Mine
- Produces and exports a high-quality, low sulfur, thermal coal sold mainly into the seaborne market
- Exports primarily serve Pacific Rim markets and are sold to utility customers and large commodity traders
- Majority of production is transported by rail to port facilities in British Columbia
- On-site wash plant with a capacity of 4.4 million clean tons/year
- Potential to expand reserves and significantly increase mine life

2012 Mountain Highlights

Coal Sales tons	Revenue [2]	Reserves tons
4 million	**$355 million**	**22 million**

1. Production is exclusive of Highvale.
2. Revenue is a US GAAP estimate, excludes Highvale and is converted to US$ based on the period end exchange rate.

Westmoreland's Plan for Sherritt's Coal Assets

- Westmoreland plans to leverage its experienced team to:
  - Ensure business continuity and control
  - Implement transition and synergy initiatives
  - Integrate operations teams
  - Initiate implementation of Westmoreland's operating and capital spending philosophy
  - Execute upon identified opportunities for additional cost and capital savings
- Key operational areas of focus for cost improvements include the following:

Prairie

  - Improved dragline procedures and utilization
  - Improved capital and operational planning

Mountain

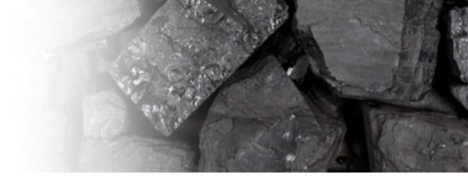
  - Improved coal segregation, cleaning and blending practices
  - Improved coal recovery and plant availability
  - Implementation of use of augers to increase resource recovery and lower costs
  - Improved capital and operational planning

Transaction Rationale

Significantly Increases Westmoreland's Scale	• Annual production from Prairie and Mountain operations will double Westmoreland's production creating the 6th largest North American coal producer as measured by 2012 production • Long mine lives supported by a combined reserve base of over 1.2 billion tons will provide sustainability and will support Westmoreland's long-term cash flows
Highly Complementary to Existing Operating Model	• Complementary to Westmoreland's core surface mining, mine-mouth business model with long-term cost protected contracts • Opportunities identified to further optimize the Prairie and Mountain operations based on Westmoreland's experience at existing operations • Safe and environmentally responsible operations
Enhances Westmoreland's Asset Portfolio	• Asset diversification into Canada, one of the world's most favorable mining jurisdictions • Mountain operations provides entry point into the export market and strategic access to port facilities • Existing workforce and management teams at the Prairie and Mountain operations are expected to be highly complementary to Westmoreland's team
Financially Accretive to Westmoreland	• The acquisition is expected to be financially accretive to Westmoreland on a free cash flow basis • Opportunities have been identified to further optimize the mining operations based on Westmoreland's experience, synergies and economies of scale • On a combined basis, the pro forma company's estimated LTM U.S. GAAP revenue would have been approximately US$1.3 billion

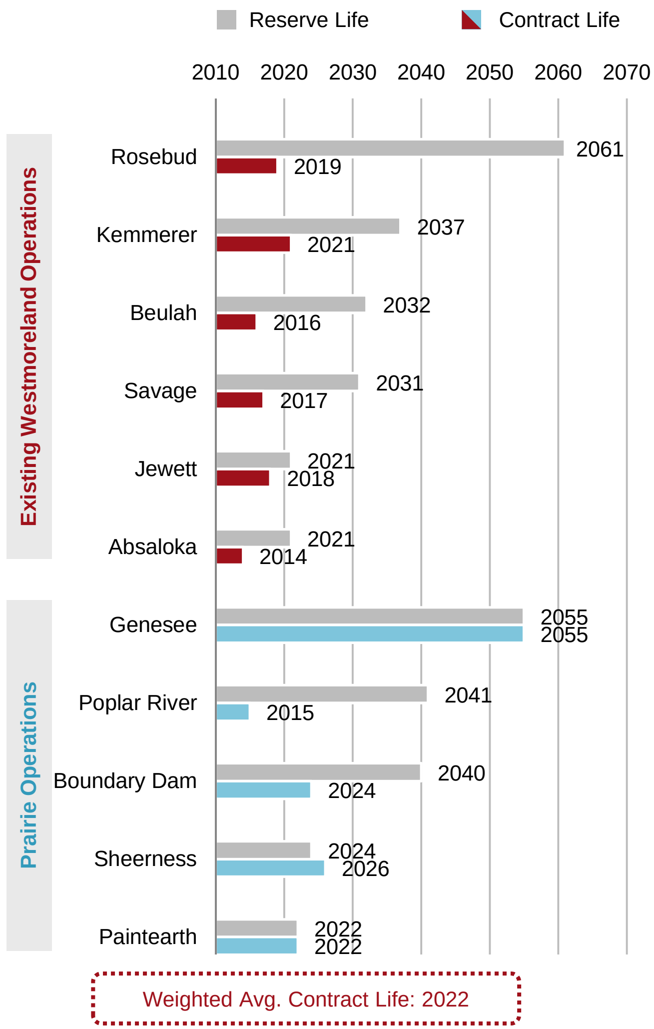
Note: Sherritt revenue based on US GAAP estimate, excludes Highvale and is converted to US$ based on the exchange rate of each period and aggregated to an LTM figure.

High Quality, Stable Customer Base



- Stable cash flows from long-term cost-plus or cost-indexed contracts
- Reduced exposure to underlying commodity price
- At Westmoreland:
  - 95% of sales under long-term cost-plus or cost-indexed contracts
  - 63% of contracts include fixed cost reimbursement even if tons are reduced
  - Expect contracts to be extended with long-term customers
- Majority of revenue for Westmoreland and Prairie derived from investment grade utilities

Long Lived Reserves and Contracts with High Quality Stable Customers



Power Plant	Customer	Customer Rating: Moody's / DBRS	Customer Rating: S&P
Colstrip	PPL, Puget Sound	Baa3, Baa2	BBB, A-
Naughton	PacifiCorp	Baa1	A-
Coyote	Otter Tail	Baa3	BBB
Lewis & Clarke	MDU	n.a.	BBB+
Limestone	NRG Energy	Ba3	BB-
Sherco	Xcel Energy	Baa1	A-
Genesee	Capital Power	n.a.	BBB-
Poplar River	SaskPower	AA	n.a.
B. Dam, Shand	SaskPower	AA	n.a.
Sheerness	ATCO, TransAlta	n.a., Baa3	A, BBB-
Battle River	ATCO	n.a.	A

Westmoreland Coal Company

Proven Record of Acquisition Integration

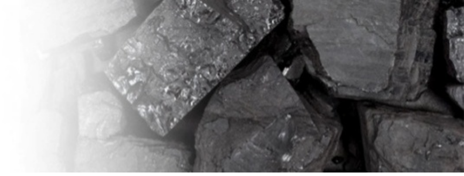
- The Kemmerer mine was acquired from Chevron in January 2012
  - Added 118 million tons of reserves
  - Significantly enhanced financial performance and exceeded guidance
- Majority of production is committed and priced under cost-plus contracts minimizing downside exposure
- Signed new six-year labor agreement driving operational and productivity improvements

Productivity [1]	Mining Cost per Ton	Mine Citations	Labor Grievances	Reportable Incidents
⬆ 14%	⬇ 11%	⬇ 45%	⬇ 77%	⬇ 59%

Kemmerer integration has exceeded expectations with strong improvements in productivity, costs, and safety

1. Tons per man hour.

Building a North American Coal Leader



- ☑ Leading North American supplier of coal to “mine-mouth” power plants
- ☑ Long-term cost-protected contracts provide cash flow stability and visibility
- ☑ Geographically diversified company in two highly attractive mining jurisdictions
- ☑ Established exporter of coal to Asian markets with committed port capacity
- ☑ Strong management team with proven track record of integrating acquisitions and operating mine-mouth business model
- ☑ Exceptional workforce with an outstanding safety and environmental record

Investor Relations

For investor relations please contact:

Kevin Paprzycki
Chief Financial Officer and Treasurer
Westmoreland Coal Company
9540 South Maroon Circle
Suite 200
Englewood, CO 80112
(720) 354-4489
Toll Free: (855) 922-6463

Exhibit 4

PrecisionIR Group
9011 Arboretum Pkwy
Suite 295
North Chesterfield, VA
23236

Phone: 804-3273400
Fax: 804-327-7554

www.precisionir.com
www.investorcalendar.com
www.companyspotlight.com

Transcript of
Westmoreland Coal Company
Investor Conference Call
December 24, 2013/10:30 a.m. ET

Presenters

Keith Alessi – Executive Chairman
Robert King – Chief Executive Officer
Kevin Paprzycki – Chief Financial Officer
Doug Kathol – Executive Vice President

Presentation

Operator
Good morning, ladies and gentlemen. Welcome to Westmoreland Coal Company's call to discuss its announcement this morning to acquire the mining operations of Sherritt International. At this time, all telephone participants are in a listen-only mode. Following the formal presentation, instructions will be given for the question and answer session which will be conducted by telephone. Web participants wishing to ask a question will need to dial in by telephone to the audio portion of the call. (Operator instructions). As a reminder, this conference is being recorded today and a replay will be made available as soon as practical on the investor portion of the Westmoreland website through June 24, 2014.

Management's remarks today may contain forward-looking statements based on the company's projections, current expectations and assumptions regarding its business, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. The company's actual results may differ materially from the projections given and results discussed in any such forward-looking statements.

For a summary of risk factors and other information regarding forward-looking statements, please refer to the company's Form 10-K for fiscal year 2012 as well as the company's Form 10-Q for the third quarter of 2013. Any forward-looking statements represent the company's views only as of today and should not be relied upon as representing its views as of any subsequent date. While the company may elect to update forward-looking statements at some point in the future, it specifically disclaims any obligation to do so even if its estimates change, and therefore, you

PrecisionIR Group
9011 Arboretum Pkwy
Suite 295
North Chesterfield, VA
23236

Phone: 804-3273400
Fax: 804-327-7554

www.precisionir.com
www.investorcalendar.com
www.companyspotlight.com

David Olkovetsky - Jefferies
<Q>: That was going to be my follow-up question. Are there any covenants that you might be coming up against with that transaction?

Keith Alessi – Executive Chairman
No.

David Olkovetsky - Jefferies
Okay, perfect. I will turn it over, thank you.

Operator
Thank you. Our next question comes from Lucas Pipes of Brean Capital. Please go ahead.

Lucas Pipes – Brean Capital
<Q>: Congratulations everybody and happy holidays. My first question is on the contract structure. So, are these by and large similar to the U.S. contracts or are there slight differences? If you could maybe just walk us through it, how this looks like, also the term, how long these contracts are for the ones that you're acquiring, I'd really appreciate that.

Keith Alessi – Executive Chairman
Bob, on a high level, could you give a summary?

Robert King – Chief Executive Officer
These contracts are generally longer than the ones we have in the U.S. and run anywhere from 2019 sort of timeframe through 2050. Some of them, generally longer and very similar though with regard to the components of the contracts relative to cost recovery and those sort of aspects.

Keith Alessi – Executive Chairman
I should have mentioned, on our investor relations tab on the website after this call wraps up, we're going to have an IR deck that really charts and graphs in some color that we may have missed in our talk here today.

Lucas Pipes – Brean Capital
<Q>: Okay, that's very helpful. In terms of the customers, are there—I'm not as familiar with regulatory changes in Canada. Is there anything on the horizon or are these also low cost ... power plants or are there any material differences to your current customers in the U.S.?

Robert King – Chief Executive Officer
These customers are key to the grid in Western Canada, and they are, by nature of the mine mouth model, low-cost producers of electricity.

Lucas Pipes – Brean Capital
<Q>: Very helpful and then lastly, if I may, and I appreciate you taking my questions. With that export business, has that been close to 4 million tons per year recently and

PrecisionIR Group
9011 Arboretum Pkwy
Suite 295
North Chesterfield, VA
23236

Phone: 804-3273400
Fax: 804-327-7554

www.precisionir.com
www.investorcalendar.com
www.companyspotlight.com

do you have a sense for the economics back at the mine for exports to Asia, and then also, what port are you utilizing on the Western Canadian coast?

Robert King – Chief Executive Officer
I'm going to let Doug answer that one.

Doug Kathol – Executive Vice President
The numbers have been historically at four million. We may expect a slight reduction. Predominantly, they go through Westshore Terminal in Vancouver with some of the production going through Ridley.

Lucas Pipes – Brean Capital
<Q>: Could you comment on the net backs at the mine or what you say is the function of the new capital price, what's a good way to model that price going forward?

Robert King – Chief Executive Officer
It definitely depends on the international settlement pricing and obviously transportation and everything else. Right now, that market is a little flat, but we anticipate that it will be improving over time.

Lucas Pipes – Brean Capital
Great, well congratulations again and happy holidays everybody.

Operator
Our next question comes from Brian Taddeo of Robert W. Baird. Please go ahead.

Brian Taddeo – Robert W. Baird
<Q>: Good morning, happy holidays. I just have a quick one. Just going back to the customers of the offtake plants for the mines. Are there any environmental issues tied to any of the plants? In the U.S., lots of concerns or questions always about having to retrofit plants or shut them down. Any issues with these?

Robert King – Chief Executive Officer
As part of our due diligence, we did do and had consultants weigh in on what these plants look like from the standpoint of their mine lives and their criticality to the grid. Our analysis indicates that these are all long-lived plants, that they'll be around for a while and that there are no impending environmental issues associated with them.

Brian Taddeo – Robert W. Baird
<Q>: A couple of other quick ones. Can you talk a little bit about potential synergies here? Any estimates, a ball park as to the synergy you think you could get out of this deal?

Keith Alessi – Executive Chairman
No, we're not in a position to talk about that at this point, and due to the cost-plus nature of the contracts, a lot of the efficiencies we might get at mine level would be shared with customers. So, we'll be a better position to talk about that post closing of the deal, but at this point we're just looking at it as a stand-alone business we bolt

Exhibit 5

Westmoreland Coal Company NasdaqGM:WLB

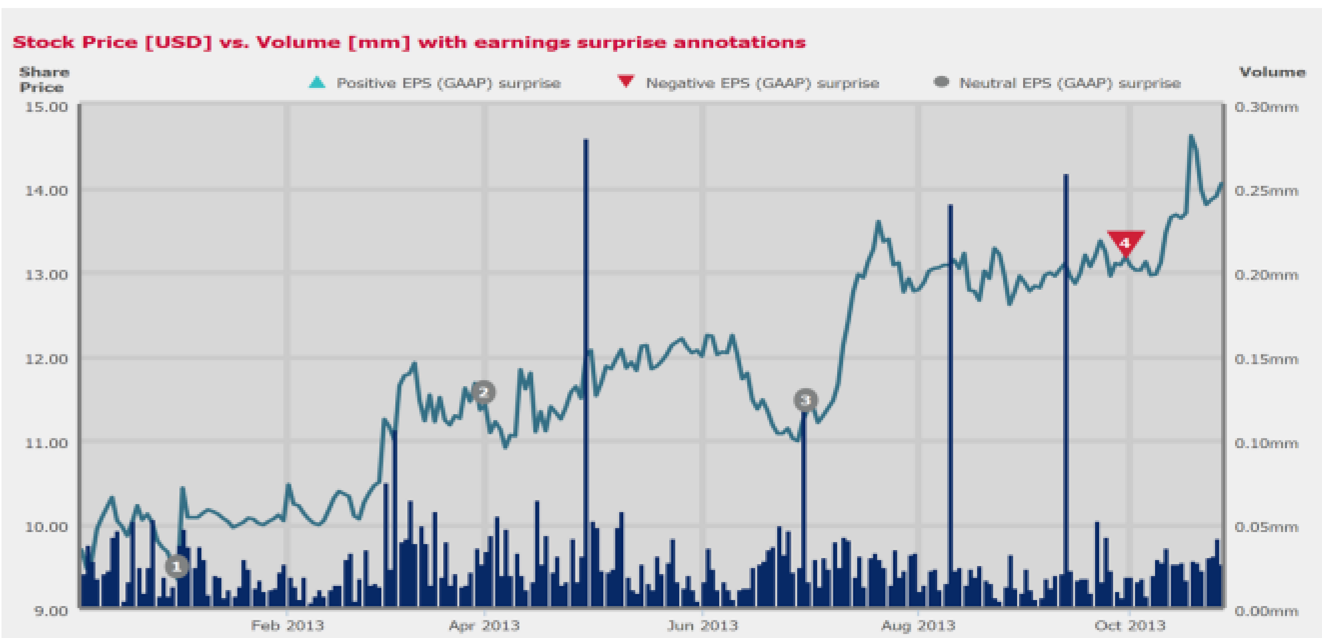
FY 2013 Earnings Call Transcripts

Friday, February 21, 2014 3:00 PM GMT

S&P Capital IQ Estimates

	-FQ4 2013-			-FQ1 2014-		
	CONSENSUS	ACTUAL	SURPRISE	CONSENSUS	SURPRISE	CONSENSUS
EPS (GAAP)	(0.18)	(0.35)	NM	-	-	(0.21)
Revenue (mm)	180.41	173.90	▼(3.61 %)	168.83	▼(44.70 %)	681.14

Currency: USD
Consensus as of Feb-21-2014 2:57 PM GMT



Nelson Jay Obus
Wynnefield Capital, Inc.

Shall I keep going or should I get back in line?

Keith E. Alessi
Chief Executive Officer-Emeritus

Well, go ahead and keep going.

Nelson Jay Obus
Wynnefield Capital, Inc.

Just in terms -- this is a big-picture question and just want to be light about it. There's a whole bunch of stuff going on here with the EPA, the Clean Air Act and all this stuff that could go either way and stuff getting up to the Supreme Court. Could you very quickly, and I know we could spend hours on this, just a couple of bullet points about how Canada approaches this?

Robert P. King
Former President of US Operations and Director

Canada has a bit of a different philosophy particularly with regard to the CO2 issue, which is sort of the big thing out there that we don't know what's going on in the U.S. In Canada, with regard power plants, they have what's -- what we term as the 50-year rule. And basically, what that is, is that power plants before they're required to do something with regard to CO2 will be able to operate for 50 years beyond the time that they were commissioned. So that gives us a clear direction as to what it is we think will happen up there. Obviously, we also believe that 50 years out, lots can happen. But by the same token, we have assumed that those wouldn't be extended, and I think there's a high probability that critical plants in Canada will do something to extend the lives of those beyond that term.

Keith E. Alessi
Chief Executive Officer-Emeritus

Yes, and the 50-year rule just says that they don't have to do anything, but at the end of 50 years, they can go back and request extensions and we would expect that to occur. Interestingly, at the Boundary Dam Mine that we'll be buying, CEZ Power has invested over $1.5 billion on carbon sequestration technology. That plant -- we supply that plant. That plant is supposed to come online here April or May of this year as a commercially viable carbon sequestration, capture and sequestration project that will have emissions below that of a gas burner. So there's a lot of attention being spent to it. There's been a lot of money spent on it. The province of Saskatchewan has been behind this and we think that could be a very exciting opportunity, not just in Canada, but industry-wide, if that proves out to be economically feasible.

Nelson Jay Obus
Wynnefield Capital, Inc.

So just to get it straight. Would the clock start at year 1 when that thing opened or is that?

Keith E. Alessi
Chief Executive Officer-Emeritus

Any plant from the day it was commissioned. And when we were out on the road, we were -- we showed all of our long-term projections as having every plant closed after 50 years. We don't expect that to happen, but for conservatism, we did that. And so we're not sitting here looking at any imminent material closures over the next 3 or 4 years and our business model deleverages so quickly that by the time anything of any size would come down the pipe, we'd be playing with house money, we'd have paid the asset off.

Nelson Jay Obus
Wynnefield Capital, Inc.

Exhibit 6

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **February 21, 2014**

WESTMORELAND COAL COMPANY
(Exact Name of Registrant as Specified in Charter)

Delaware	**001-11155**	**23-1128670**
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

9540 South Maroon Circle, Suite 200 Englewood, CO	**80112**
(Address of Principal Executive Offices)	(Zip Code)

Registrant's telephone number, including area code: **(855) 922-6463**

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Keith Alessi - Executive Chairman
There you go.

Nelson Obus - Wynnefield Capital
<Q>: Shall I keep going or should I get back in line?

Keith Alessi - Executive Chairman
Go ahead and keep going.

Nelson Obus - Wynnefield Capital
<Q>: This is a big picture question and I just want to be light about it, but there is a whole bunch of stuff going on here with the EPA and Clean Air Act and all this stuff that could go either way and stuff getting up to the Supreme Court, could you very quickly, and I know we could spend hours on this, just a couple of bullet points about how Canada approaches this?

Robert King - President and Chief Executive Officer
Canada has a bit of a different philosophy, particularly with regard to the CO2 issue, which is sort of the big thing out there. What we don't know is what's going to happen in the U.S.

In Canada, with regard to power plants they have what we term as the 50-year rule. And basically what that is, is that power plants, before they are required to do something with regard to CO2 will be able to operate for 50 years beyond the time that they were commissioned. So that gives us a clear direction as to what it is we think will happen up there.

Obviously, we also believe that in 50 years out a lot is going to happen, but by the same token we have assumed that those wouldn't be extended. And I think there is a high probability that critical plants in Canada will do something to extend the lives of those plants beyond that term.

Keith Alessi - Executive Chairman
Yes, and the 50-year rule just says that they don't have to do anything, but at the end of 50 years they can go back and request extensions and we would expect that to occur.

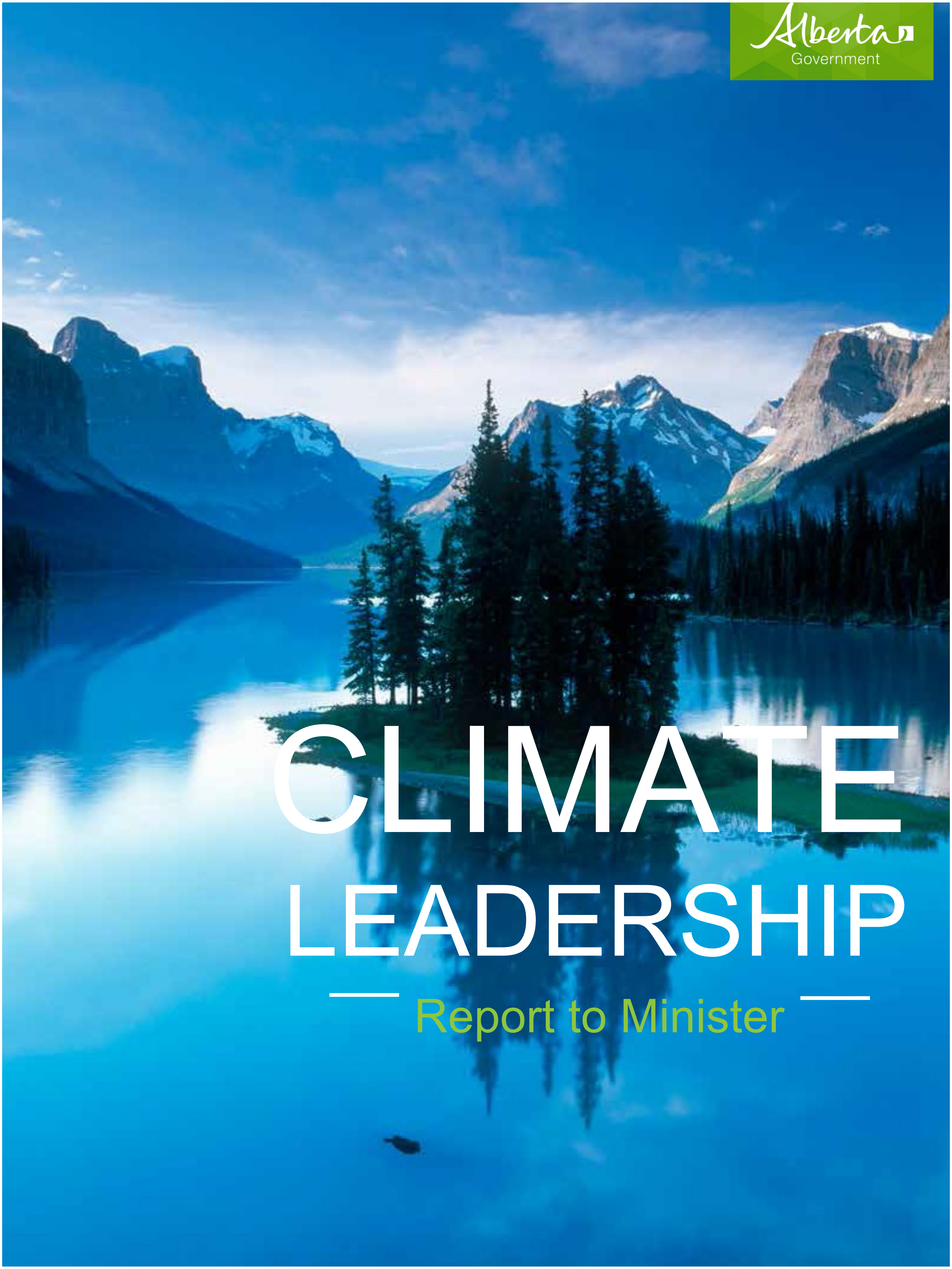
Interestingly at the Boundary Dam mine that will be buying, SaskPower has invested over $1.5 billion on carbon sequestration technology. We supply that plant. That plant is supposed to come online here April or May of this year, as a commercially viable carbon sequestration capture and sequestration project that will have emissions below that of a gas burner.

So there is a lot of attention being spent to it. There has been a lot of money spent on it. The Province of Saskatchewan has been behind this, and we think that could be a very exciting opportunity, not just in Canada, but industry wide if that proves out to be economically feasible.

Nelson Obus - Wynnefield Capital
<Q>: So just to get it straight, would the clock start at year one when that thing opened or is that-?

Keith Alessi - Executive Chairman
Any plant from the day it was commissioned, and we were out on the road we showed all of our long-term projections as having every plant closed after 50 years. We don't expect that to happen, but for conservatism we did that. So we're not sitting here looking at any eminent material closures over the next three or four years. And our business model de-leverages so quickly that by the time anything of any size would come down the pipe, we would be playing with house money and we'd have paid the asset off.

Exhibit 7



Alberta Government

CLIMATE LEADERSHIP

Report to Minister

1

Letter to the Minister

November 20th, 2015

Dear Minister Phillips,

Alberta's Climate Leadership Discussions were an unprecedented opportunity for a province-wide conversation about climate change mitigation and Alberta's future in a lower-carbon world.

As individuals and as a panel, we remain overwhelmed by the response to this opportunity. We would like to sincerely thank every person who took the time to participate in these remarkable discussions. We heard from a wide range of Albertans - from workers and labour leaders, farmers, academics, students, seniors and many more. We had the opportunity to engage with Aboriginal communities and organizations, who shared their unique perspective and connection to the land. We spoke with industry representatives who were ready to do their part to foster a greener tomorrow. We had over 900 people attend our public information and engagement sessions and received over 500 submissions.

It has been a privilege to learn from Albertans, to discuss and debate ideas, and to work together to help shape a 'Made in Alberta' climate change strategy.

We would also like to acknowledge the work of the Climate Change Secretariat within Alberta Environment and Parks, which executed an ambitious agenda to bring Albertans together to discuss this important issue, coordinated internal and external expertise for the panel, and generally made it possible for us to work with full focus on the task at hand.

Throughout this process, we have endeavoured to honour Albertans' vision for leadership in a lower-carbon future. We believe this report will provide the Government of Alberta with comprehensive advice and effective policy options to help the province reduce greenhouse gas emissions and take action on climate change. An ambitious and effective climate strategy will provide Alberta with credibility on the global stage at the upcoming 21st Conference of the Parties (COP) in Paris and in our upcoming national discussions on climate change and will ensure that our province is positioned as a policy leader on climate change mitigation.

Thank you for this opportunity to contribute to the discussion on and understanding of how Alberta, a leading energy-producing jurisdiction, can also be a leader in action on climate change.

Sincerely,

Andrew Leach   Angela Adams   Stephanie Cairns   Linda Coady   Gordon Lambert

Contents

2

Executive Summary

Alberta's response to climate change will determine our province's future. As a jurisdiction rich in fossil fuels, and where the energy sector plays such a large role in our economy, the implications of climate policies – be they provincial, national or international – are significant. They will impact employment, future economic growth and stability, the government's ability to pay for social services, and Albertans' prosperity, opportunities and health. Meeting global climate change goals means decreasing the use of coal and oil, and increasing use of natural gas and renewable energy. It means market demand will rise for low- and no-carbon energy sources and fall for high-cost and emissions-intensive resources. Technologies capable of separating economic growth from energy use and energy production from carbon emissions will prosper. This is the future for which Alberta must prepare.

The Alberta Climate Leadership Panel (further, the Panel) believes that what follows is a policy architecture which prepares Alberta for this global transition. Alberta is an export-oriented economy and changes to greenhouse gas policies will inevitably have an impact. However, it is important to note that we are already experiencing real impacts from the status quo. Alberta has arguably paid a steep price for the perception that our economy, resources and investment climate are not compatible with action on climate change. As the world moves to reduce emissions, we must move to position the Alberta economy for success amidst national and international efforts to combat climate change. We must demonstrate how an energy-producing jurisdiction can implement climate policy that reduces emissions, protects the competitiveness of key industries and spurs innovation.

Our proposed approach creates an integrated framework that accelerates carbon emissions reductions in the short-term, and provides a solid foundation in the longer term for creating a competitive and diversified lower-carbon economy. Our proposed policy architecture reflects Alberta's current situation and specific emissions profile, but also stands up to comparison with other leading jurisdictions in North America and elsewhere.

The Panel recommends that the Government of Alberta broaden and improve its existing carbon pricing regime, and complement carbon pricing with additional policies to reduce the emissions intensity of our electricity supply and our oil and gas production, to promote energy efficiency, and to add value to our resources through investments in technological innovation. To ensure this policy is progressive and protects the competitiveness of Alberta's core industries, we have recommended a consumer credit which will offset the impact of this policy package for households and allocations of emissions credits for industrial emitters.

We have taken great care to ensure this is a progressive policy that offsets impacts on most Alberta households and small businesses, while protecting our core industries and supporting the transition needs of affected workers and communities. To ensure our policies remain competitive, we are also recommending periodic reviews to assess and adjust to changing global commodity markets and climate policies. A successful response to climate change in Alberta must be undertaken in partnership with Aboriginal communities. This has been a priority for the Panel and we propose several specific initiatives.

Below, each of our core policy framework elements is presented, followed by discussion on aggregate impacts and mitigation strategies for those adversely affected.

CARBON COMPETITIVENESS REGULATION

Carbon pricing provides the backbone of our proposed architecture. Putting a price on emissions leverages the power of markets to deploy both technologies and behavioral changes to reduce emissions over time. Carbon pricing is the most flexible and least-cost way to reduce emissions as it encourages reductions in emissions to occur in whichever ways best suit individual processes, abilities and circumstances for households and businesses, while not forcing specific technologies, actions or outcomes.

Our proposed Carbon Competitiveness Regulation would:

a) broaden the carbon pricing signal in Alberta to cover approximately 90% of the province's emissions, up from less than 50% today;

b) provide a consumer rebate to mitigate the impacts of carbon pricing on low- and middle-income Albertans, fund complementary emissions-abatement programs and, where applicable, support a sound and just transition for labour and communities and strategies to protect small- and medium-sized businesses;

c) improve the mechanism by which trade-exposed industries are protected to ensure their competitiveness while encouraging and rewarding top performance;

d) increase stringency at the same pace as peer and competing jurisdictions; and

e) avoid the transfer of wealth outside of Alberta.

Specific recommendations include:

1. **For large industrial facilities, the existing Specified Gas Emitters Regulation (SGER) should be replaced in 2018 with a Carbon Competitiveness Regulation (CCR), in which a carbon price is applied to industrial emissions. Sector-specific, output-based allocations of emissions rights should be used to mitigate competitiveness and employment impacts in trade-exposed sectors and to protect electricity consumers from significant and unnecessary rate increases.**

All emissions from facilities with emissions over 100,000 tonne/year will effectively be priced, but facilities will be allocated emissions rights in proportion to output or value added. The compliance options under SGER would be maintained (emissions permits could be acquired either through the purchase of credits from other emitters or through the use of Alberta-based offsets, or through the payment of a carbon levy). The output-based allocations would reflect top-quartile performance or better, and would decrease over time at 1-2% per year, to reflect expected energy efficiency improvements. Similar facilities which fall below the 100,000 tonne/year threshold would be permitted to opt-in to the large final emitter treatment, rather than the end-use emissions price (explained below), if it is advantageous for them to do so.

2. **For end-use emissions, a broad-based carbon price (economy-wide pricing) should be applied under the Carbon Competitiveness Regulation, requiring distributors of transportation and heating fuels to acquire emissions permits in recognition of the emissions their products will create when combusted.**

This proposed treatment is similar to the systems now in place in Quebec and California, and soon to be in place in Ontario. Compliance options for end-use emissions would be the same as under the SGER (explained above). Large final emitters would be able to adjust their calculation of required emissions permits so they are not covered twice.

3. **The carbon price will have a ceiling, set by price at which emissions permits can be acquired from the government through the payment of a levy.**

All emissions in the economy should face a $30/tonne ceiling price by 2018. The price should increase over time in real terms (e.g. inflation plus 2%), as long as similar prices exist in peer and competitor jurisdictions.

4. **Revenues from the carbon price should be used for defined purposes.**

The program as suggested would lead to net revenues reaching approximately $3 billion by 2018 once the end-use emissions pricing has been fully phased-in, and potentially rising to over $5 billion by 2030.

The Panel recommends that this revenue be used for four purposes.

a) To offset impacts on low and middle income households by providing them with a bi-annual consumer rebate, equal to the expected annual cost of the carbon price for an average Albertan as well as through measures to protect adversely affected small- and medium-sized businesses;

b) To *double-down* on additional carbon emissions reductions by investing in the complementary policies listed below to reduce emissions intensity of our electricity and oil and gas production, to increase the pace of technological innovation and thus add value to our resources, and to improve the energy efficiency and resilience of our homes, businesses, and communities;

c) To support transition needs of workers and communities and to enable full inclusion of Aboriginal communities in climate change mitigation and adaptation; and

d) To provide incremental fiscal capacity for other government priorities including infrastructure,

COMPLEMENTARY POLICIES

We recommend that the carbon pricing system be complemented by four key policy initiatives. Each of these, as well as the initiatives for full Aboriginal participation discussed below, would be financed through revenues from carbon pricing, while still leaving revenues available for other government priorities including infrastructure and deficit reduction.

Electricity – Phasing Out Coal, Phasing in Renewables

Alberta generates much of its electricity from coal. In fact, Alberta currently has the highest rate of coal-fired electricity of any province. Though a cheap source of power, coal-fired electricity contributes not only to greenhouse gas emissions, but also affects air quality and directly impacts the health of Albertans.

The Panel recommends an integrated electricity policy package, which will phase out coal-fired power in Alberta by 2030 and replace at least 50-75% of retired coal generation with renewable power, increasing the overall share of renewables to 30% while retaining Alberta's competitive electricity market structure**.**

The key elements of this package are:

a) Carbon prices with output-based allocations provided based on *good as best gas* performance.
b) A commitment to a phase out of coal by 2030, implemented in collaboration with federal government regulations and in consultation with the Alberta Electrical System Operator (AESO) as well as affected firms.
c) Increased renewable generation capacity, with expansion linked to the phase-out of coal, supported by a clean power call through which the government will provide partial, long-term revenue certainly for renewable power at the lowest overall cost to consumers.

With these policy parameters in place, the architecture would yield cumulative emissions reductions of 67 Mt between now and 2030, and emissions in 2030 will be at least 14 Mt below what is forecast under the status quo.

Oil and Gas – Pricing Carbon and Reducing Emissions from Methane

The oil and gas and oil sands sectors combined account for almost 50% of Alberta's emissions, roughly half from oil sands and half from other sources of production. The oil and gas industry is also the largest source of methane emissions in Alberta, responsible 70% of total provincial methane emissions in 2013. Methane doesn't stay in the atmosphere as long as CO_2, but it is a more potent greenhouse gas, with impacts over 25 times higher per unit of mass. In addition, it has adverse effects on local air quality.[1] The International Energy Agency (IEA) lists reducing methane emissions from the oil and gas sector as one of five urgent 'game-changing' measures that could contribute to achieving the 2°C ambition.[2]

The Panel recommends a hybrid regulatory and market-based approach to reduce emissions from oil and gas operations in the province, with a particular focus on methane emissions, as follows:

a) Application of the carbon pricing regime (outlined above) to oil and gas with output-based allocations to protect competitiveness and employment in production and processing sectors.
b) New regulatory measures for management of fugitive methane emissions in design and operation of new facilities and for leak detection and repair in all facilities.
c) A time-limited, multi-stakeholder initiative on methane emissions reduction and verification that would provide market-based incentives for equipment upgrades of pneumatic controllers, pneumatic pumps and other sources of vented emissions in existing facilities.

For the oil sands sector, the Panel recommends an output-based allocation of emissions credits that reflects top quartile performance in *in situ* and mined production of bitumen, as well as the parallel *good-as-best gas* standard for electricity. This would decrease over time at 1-2% per year to reflect expected energy efficiency improvements. It will help drive emissions down to equal or better than other sources of oil. Cogeneration of steam and electricity will be rewarded if and only if it improves overall emissions efficiency of production, as output-based allocations will be provided both for bitumen and electricity production.

Conventional oil and gas emissions would also be covered by carbon pricing. Producers who can aggregate wells or batteries and gas processing facilities below the 100,000 tonne per year large final emitter threshold could opt-in to the large final emitters treatment as an alternative to being subject to the end-use emissions regime to receive the same competitiveness protection as their larger competitors. Where wells are not aggregated and covered under the large emitters treatment, carbon pricing apply to most combustion and process emissions, while fugitive emissions would be covered by a regulatory approach.

For upgrading and refining, each facility's allocation should be determined according to the methodology used by the European Union and the Western Climate Initiative (the Solomon Complexity-Weighted Barrel) or similar approach. This approach will ensure that greenhouse gas policy in Alberta does not encourage shifting processing activity outside the province. Further, insofar as integration improves

---

[1] http://www3.epa.gov/climatechange/ghgemissions/gases/ch4.html
[2] *International Energy Agency, Energy and Climate Change, World Energy Outlook Special Report 2015*

efficiency of final product production, our proposed approach will provide a competitive advantage for such activities.

On methane, the Panel found significant common ground between industry and environmental groups, and recommends that government encourage this collaboration through a multi-stakeholder initiative which would administer a market-based approach through which offset credits could be provided to facilities which implement new technology to replace pneumatic devices and other sources of fugitive emissions before they are regulated to do so. We recommend that the government begin phasing-in mandatory replacement regulation without offset credit after 5 years to reduce emissions from facilities which have not taken early action. The Panel recommends that this multi-stakeholder process be combined with regulatory requirements for new well design and operation as well as for leak detection and repair for fugitive emissions. The Panel recommends that the government set an initial methane-specific target of a 12 Mt CO_2 equivalent reduction in methane emissions by 2030 (a 40% reduction from 2013 levels), and consult with the proposed multi-stakeholder initiative to confirm this target by the end of 2016. If the multi-stakeholder process is unable to deliver on expected reductions, the acceleration of regulatory controls should be considered.

This combined approach to carbon pricing and methane management in oil and gas is expected to yield significant emissions reductions in oil and gas in Alberta - approximately 12 Mt of emissions reductions below what would be expected under the status quo by 2020 and 20 Mt below status quo policies by 2030. This would still imply expected growth in oil and gas emissions in the province of 55% above 2005 levels by 2030.

Energy Efficiency and Energy-Resilient Communities

Energy efficiency is an important way for all Albertans to contribute to reduced greenhouse gas emissions. Energy efficiency is essentially a low-cost, underdeveloped energy resource. Our proposed policy architecture targets some of Alberta's most cost-effective emission reduction opportunities, while improving the quality of homes and workplaces. Evidence suggests that there are constraints to individuals and businesses taking advantage of opportunities to improve energy efficiency, even where the financial case is compelling. Energy efficiency programs help energy users break through barriers to adopting these cost-effective measures.

The Panel heard broad interest in micro-scale generation from individuals, cooperatives and municipalities. We also heard strong support for a new class for slightly larger scale community generation, as a way to encourage alternative energy technologies well-suited to community energy systems. We were however cautioned that any new, community scale generation regulation would depend on careful assessment of criteria, eligible technologies, impacts on the stability of the grid and conditions for market integration.

Energy efficiency goes beyond the efficiency of appliances, buildings or vehicles. The design of cities and neighbourhoods matters profoundly. Urban form, once set, is hard to change and has consequences for future energy use and urban well-being well beyond this century. Creating mixed-use urban neighbourhoods, with choices for public transit and active mobility, is a key strategy in reducing emissions in the long-term, and a critical focus for empowering the role for Alberta's municipal governments. Alberta's municipal governments have a key role in climate leadership, and many municipalities already have detailed plans to reduce emissions and improve community energy use.

The Panel recommends a provincial energy efficiency and community-based energy program, complemented with regulations and other partnerships that empower climate action at the local level. Specifically, we recommend:

a) Implementation of a new, integrated energy efficiency and community-scale energy program**,** governed by rigid controls to ensure cost-effective emission reductions without regressive outcomes;
b) A complementary regulatory agenda for building energy performance reporting and disclosure requirements, updated building codes and standards, and a renewed regulatory standard for distributed and small-scale community generation; and
c) Fostering municipal partnerships for climate leadership through changes to the Municipal Government Act, data coordination and capacity building, and increased infrastructure investment to support infrastructure such as transit-oriented development, active transportation options, public transit, and district energy.

Successful implementation of these initiatives (based on a $125M/year investment) could yield emission reductions of up to 1.5 MT/year by 2020, and up to 3 MT/year by 2030; customer energy savings exceeding program investments, of up to $200 million per year in early years and growing to $500 million in later years; and roughly 3,000 new local jobs in sectors such as skilled trades, construction, retail sales, professional services and manufacturing.[3]I

Technology and Innovation

The Panel believes that investment in technology and innovation is of strategic importance to accelerating emissions reductions and strengthening the province's position in global energy markets.

Even as the world acts on climate change, there will continue to be significant demand for oil and gas for mobility, heat and power. Alberta's challenge is to position ourselves as a preferred, low-cost and low-emissions supplier amidst the market shifts now underway. This means it is critical that the Alberta government work with the private sector and other parties to enable development and deployment of new technologies in the longer term that can limit growth in oil sands emissions beyond 2030 and deliver on the goal of *good as conventional* emissions intensity as soon as possible.

Framing our challenge as being *carbon competitive* captures both the need to reduce emissions from out energy system and continue to be cost competitive. The Alberta government's role as agent for the Alberta public, the owners of the resource, implies a higher level of engagement in research and development than would be typical for a government looking at a traditional business operating in their jurisdiction. Alberta's fossil fuel resources will have lower value if we cannot develop them with lower emissions impact, and if we do not develop processes and technologies which allow their conversion to higher-value products designed for other purposes, including carbon fibre, plastics, and other non-combustion supply chains. It is also important to recognize that new low-emissions technologies are not just about fossil fuels, and that oil and gas technology is not just about oil sands. In a carbon-constrained world, low-carbon technologies and resources will have increasing value, and our technology agenda should recognize this.

[3] Cost savings of $200-$500 million per year and 3,000 new jobs are extrapolated from Dunsky Energy Consulting "GHG savings and energy efficiency high-level opportunity analysis in Alberta", 2015.

We recommend:

a) A strategic review and enhancement of spending on energy technology and innovation as it relates to climate change. This should include a re-design of the Climate Change and Emissions Management Corporation (or a successor) allowing it to take more risk.

b) Allowing currently-approved but not-yet-constructed projects to seek amendments to their approvals to accommodate new technology or improved designs which mitigate greenhouse gas emissions.

c) A requirement for a Climate Mitigation and Adaptation Plan as a condition for new project approvals.

Full Inclusion of Aboriginal Peoples

In addition to these measures, we have integrated throughout our recommendations, and addressed specifically, the importance of full inclusion of Aboriginal peoples in action on climate change. We recommend concrete partnerships with First Nations and Métis communities on renewable energy and energy efficiency. We also recognize the importance of protecting vulnerable and remote communities, including First Nations and Métis communities and settlements, from the impacts of carbon pricing.

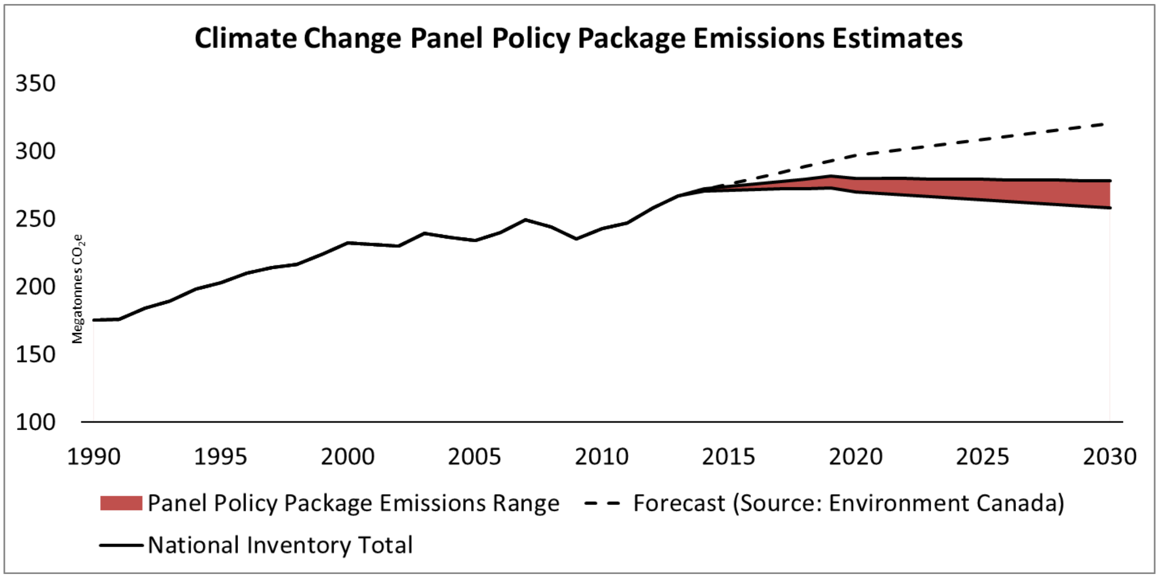
We recommend that government assist in the development of a centre of Aboriginal peoples' knowledge which can act as an important information resource as Aboriginal peoples partner with the province on a government-to-government basis in implementing Alberta's climate change policies, including essential future work on climate change adaptation.

OUTCOMES AND IMPACTS

Alberta's emissions are challenging to reduce for three primary reasons. First, our population and economic growth rates, as well as our incomes, have grown faster than other provinces, and emissions tend to be correlated with population, income and wealth. Second, our large, anchor industries are emissions-intensive and consist of long-lived assets (oil sands plants, gas plants, chemical production, refineries, etc.) which can improve performance over time, but not as rapidly as other sectors with shorter asset lives. Finally, our choice of fuels for electricity generation drives emissions. Alberta's economy uses a lot of electricity for many of the same reasons stated above, and we generate a substantial share of our electricity from fossil fuel sources, notably coal. For all of these reasons, absent further action, Alberta's emissions are currently on a trajectory to grow from 267 MT in 2013, to 297 MT in 2020, and to 320 MT in 2030.

Implementation of our full policy framework will accelerate emissions reductions in some sectors in the short-term, while providing the basis for longer-term emissions reductions in those sectors that require more time and investment to accomplish this transition. Our policy architecture is expected to reduce emissions from current trends by approximately 20 Mt by 2020, and approximately 50 Mt by 2030. This would roughly stabilize emissions, by 2030, just above current levels at approximately 270 Mt.

The graphic below shows Alberta's emission trajectory under the Panel's recommended policy architecture.



Many will look at these emissions reductions and claim that our policies will not place Alberta on a trajectory consistent with global 2^{o}C goals, and in some sense this is true – the policies proposed for Alberta in this document would not, if applied in all jurisdictions in the world, lead to global goals being accomplished. However, more stringent policies in Alberta would come at significant cost to the province due to lost competitiveness, with negligible impact on global emissions due to carbon leakage. As a panel, we have looked at this challenge and concluded that while we do not have an architecture that, in the short-term, will be consistent with meeting global goals, the approach we are proposing will position Alberta to make a meaningful contribution in the longer-term. In the meantime, imposing policies in Alberta that are more stringent than what we have suggested is not tenable, until our peer and competitor jurisdictions adopt policies that would have a comparable impact on their industrial sectors. Comparable policies being in place in other jurisdictions would negate competitiveness concerns and would allow increasing stringency of policies in Alberta, while not sacrificing wealth and prosperity to emissions leakage. We have concluded that, while Alberta must be prepared to further increase the stringency of its policies if others act, the policy package we have proposed is the most stringent approach we felt we could recommend in the absence of that action.

Locally, there will be concerns with respect to the impacts of these policies on our economy and on employment. Greenhouse gas policies are often painted as win-win yet, at the granular level, they may not be. In an export-oriented province like Alberta, emissions control policies will not make everyone better off. There will be trade-offs and transitions resulting from any policy which alters the way our economy values carbon emissions. Those with better technology, more willingness to adapt and a comparative advantage in low carbon resource extraction and infrastructure will benefit. Those without those advantages, or those who choose not to engage in emissions reduction opportunities, will not.

In order to address unintended, disproportional and undesirable impacts, our policy architecture protects the competitiveness of trade-exposed industries and provides for low and in many cases positive overall impacts on vulnerable populations, consumers and businesses.

Alberta's economy is far more dependent on emissions-intensive and trade-exposed industries than other economies in Canada, and we have drawn on best international practices to mitigate competitive and employment impacts in these sectors and to preserve the competitiveness of our economy today, while ensuring a carbon-competitive future. Output-based allocations of emissions credits reduce the average cost of complying with greenhouse gas policies, keeping activity here in Alberta, while ensuring that top-performing facilities are rewarded. With these policies in place, investments in new facilities which meet or exceed globally-credible performance benchmarks including in oil and gas will be more attractive than ever. Regarding electricity, we have proposed policies that will protect electricity consumers from significant and unnecessary rate increases.

Our proposals have been designed to work within Alberta's competitive electricity market structure, to limit impacts on pool prices and minimize government financial obligations. These measures represent a multi-billion dollar recognition of the importance of keeping jobs and economic activity in Alberta, relative to the imposition of a broad-based carbon tax which would shift more of this activity elsewhere.

Our proposal is also focused on protecting the consumer. Without our proposed consumer credits in place, the average Alberta household would likely see additional costs of approximately $40/month in 2018, rising to $80/month in 2030 assuming increases. Energy efficiency incentives and financing can reduce consumer energy bills, and programs can be tailored for the distinct needs of low-income households. However, these programs will not provide a sufficient counteraction to the new costs imposed on Albertans. Because of this, we propose a consumer rebate to households in the bottom 60% of income which would be sufficient to offset the impact of carbon pricing on them, which we recommend be provided via a twice-yearly consumer credit. We also recommend that the government examine means to similarly protect the most impacted small and medium-sized business through similar mechanisms.

We've also proposed protection and transition funding for displaced workers and affected communities and funds to ensure that new opportunities created by climate policy are taken advantage of by providing necessary skills training. In each of these areas, we have emphasized the need for a strong government commitment to engaging with workers and their organizations, and to including Aboriginal peoples in programs providing protection for vulnerable communities and in the opportunities provided by skills training.

It is important to note that the climate policy tools we have identified can be 'scaled' up or down to achieve desired outcomes. It is also important to note that turning one policy dial will inevitably have an effect on others. Our goal was to recommend a climate policy architecture that can be adapted to unanticipated situations that will inevitably arise in a world in which the pace of change in energy systems is occurring faster than most forecasts and models can anticipate. We recommend that the government establish a process of periodic review of provincial climate policy in order to assess and adjust to the impact that changing global commodity markets, and changing global climate policy, are having on the social, economic and environmental aspirations of Albertans.

Our recommendations seek to help reframe the conversation on climate leadership to focus more on the policies and actions that can drive energy solutions in Alberta and elsewhere. We believe this will prove to be a far more powerful platform for engaging with Albertans and with the rest of the world. We hope you agree.

In addition to our carbon pricing approach, we propose four major policy options for government, each of which will be complementary to the carbon pricing regime, and for which any incremental costs are to be funded from carbon revenues.

We recommend that the government complement the carbon pricing policy with:

1. **An integrated electricity policy package which will phase out coal-fired power in Alberta by 2030 and provide an opportunity for the replacement of at least 50-75% of retired coal generation with renewable power, while retaining Alberta's competitive electricity market structure;**
2. **A provincial energy efficiency and community-based energy program which is governed by rigid controls to ensure cost-effective emission reductions without regressive outcomes;**
3. **A hybrid regulatory and market-based approach to reduce methane emissions from oil and gas operations in the province; and**
4. **An updated technology and innovation investment program and technology-friendly regulatory approach which will ensure that Alberta's publicly-owned natural resources retain maximum value in a carbon-constrained world.**

We have taken great care to ensure this is a progressive policy that offsets impacts on the majority Alberta households and small businesses, while protecting our core industries and supporting the transition needs of affected workers and communities. To ensure our policies remain competitive, we are also recommending periodic reviews to assess and adjust to changing global commodity markets and climate policies. Finally, a successful response to climate change in Alberta must be undertaken in partnership with our Aboriginal communities and this has been a priority for the panel for which also we propose several specific initiatives.

The full suite of Panel advice is outlined below.

For new generation to be built in Alberta's market, government must be willing to allow prices to provide the signal that new generation, or the retrofit of existing coal assets to gas-fired generation, will be profitable. As discussed below, our recommendations are designed to be compatible with the electricity market, and part of that market is the requirement that prices be allowed to rise when necessary to indicate the value of new generation.

We recognize that the implied carbon cost of a regulated coal power shutdown will be higher than the costs imposed on other sectors. However, as we discuss below, we believe that the cumulative benefits of such a strategy outweigh the incremental costs. We also recognize, and discuss below, potential government responsibilities both to ensure a just transition for affected workers and to ensure that investor confidence in Alberta is maintained through appropriate compensation to investors in coal generating assets which will be affected.

Relevant Policy - Coal

Combined, federal coal regulations and Alberta's air quality regulations are expected to lead to shut down of all but 6 coal-fired generating units by 2030, leaving 2500 MW remaining in the market out of current capacity of 6289 MW.

- Under the federal coal-fired electricity generating emission regulations, all coal-fired generating units in Alberta are required to meet a stringent emission performance standard at their end of life.
- Alberta standards and regulations require coal generators to meet stringent NOx and SO_2 emission intensity reduction requirements at a mandated 'end of design life' for each unit (the later of 40 years-of-life or end of its power purchase agreement).
- Generating units must comply with Emissions Management Framework requirements at end of design life by physically complying – through emissions reductions technology – or acquiring emissions credits. Physical compliance is mandatory at 50 years under CASA, or the unit must shut down.

Acceleration of Renewable Generation

Alberta has some of the best solar resources in Canada and over one-third of Alberta's land base has wind energy sources suitable for wind energy production.

Renewable energy has rapidly become cost-effective, with the International Energy Agency's most recent World Energy Outlook predicting that renewables will overtake coal as the world's largest source of electricity in the 2030s. In spite of this worldwide growth, renewables like wind and solar are challenged in Alberta's market structure, in part because their combined generation tends to lower the market prices during periods when they are providing power.

"The biggest story is in the case of renewables. It is no longer a niche. Renewable energy has become a mainstream fuel, as of now."

- Fatih Birol, Executive Director IEA

To ensure renewables grow as coal is phased out, the Panel also recommends the adoption of a clean power call mechanism to enable increased renewable generation. A clean power call is an open, competitive request for proposals for government support. Through this mechanism, government would commit to an annual schedule of financing availability (e.g. for 350MW of new capacity to be available by 2018) and request proposals from developers for the level of support required, with support provided through the government purchase of the renewable energy attributes of the power. In effect, the government would purchase *renewable energy credits*, or RECs, from the projects on long term contracts.

The Panel's integrated electricity policy package, which will phase out coal-fired power in Alberta by 2030 and replace at least 50-75% of retired coal generation with renewable power, should increase the overall

Exhibit 8

Home > Environment > Climate change > Climate Leadership Plan >

Climate Leadership Plan

Alberta's plan to take action on climate change and protect the province's health, environment and economy.

Overview

The Climate Leadership Plan is a made-in-Alberta strategy designed to diversify our economy, create jobs and reduce greenhouse gas emissions that cause climate change.

Canadian provinces and territories without emission reduction plans in place will have a federal carbon price imposed by January 1, 2019. We're acting today, before the federal government acts for us.

Key aspects of our plan include:

- putting a price on greenhouse gas emissions
- ending pollution from coal-generated electricity by 2030
- developing more renewable energy
- capping oil sands emissions to 100 megatonnes per year
- reducing methane emissions by 45% by 2025

Progress report and implementation plan

Our plan is designed for Alberta's economy, and it's working. We're seeing success in reducing emissions, investments in innovation, energy efficiency and renewables, and good jobs that are putting Albertans back to work.

The Climate Leadership Plan Implementation Plan 2018-19 presents our planned actions and programming activities for this year and beyond.

The Climate Leadership Plan Progress Report 2016-17 provides an update on the actions taken and the progress made towards achieving our goals.

Carbon levy and rebates

To encourage Albertans to reduce carbon pollution from their homes and cars, a carbon levy is charged on heating and transportation fuels that emit greenhouse gas emissions when burned.

Revenue generated from the levy will pay for initiatives that support reducing emissions and transitioning to a diversified and lower carbon economy, including:

- rebates for Albertans to offset cost increases
- renewable energy projects and electricity transition supports
- industrial and consumer energy efficiency programs
- indigenous climate leadership initiatives
- transit and infrastructure projects

Carbon levy and rebates

Putting a price on carbon is the most cost-effective way to reduce greenhouse gas emissions that cause climate change.

Will I receive a carbon levy rebate?

Two-thirds of Alberta households will receive carbon levy rebates. Use our calculator to find out if you qualify.

Where does the carbon levy money go?

Funds raised by the carbon levy help pay for initiatives to reduce emissions and support Albertans transition.

Ending coal pollution

Alberta produces more coal pollution than all other Canadian provinces combined. These emissions contribute to poor air quality and have been linked to a number of health conditions.

Under federal regulations, coal-fired electricity generation will be phased out by 2030. Moving to cleaner sources of energy will protect our environment and our health.

Phasing out coal pollution

Pollution from coal-fired electricity generation will be phased out by 2030 under the Climate Leadership Plan.

Coal Community Transition Fund

An initiative to support municipalities and First Nations impacted by the phase-out of coal in Alberta.

Support for workers affected by coal phase-out

Financial, employment and retraining supports for workers affected by the end of coal-fired electricity generation in Alberta.

Advisory Panel on Coal Communities

Consulted with communities and workers affected by the end of coal-fired electricity generation to identify challenges and opportunities.

Electricity price protection

Stable electricity prices for Alberta families, farms, businesses and the economy.

Electricity capacity market

Creating a reliable electricity system that is affordable for Albertans and attractive to investors.

Developing renewable energy

By 2030, one-third of Alberta's coal generating capacity will be replaced by renewable energy; two-thirds will be replaced by natural gas.

New programs will help Albertans become more energy efficient and allow them to generate more of their own electricity.

Bill 10: *An Act to Enable Clean Energy Improvements* was introduced on April 12 to allow municipalities to establish a Property Assessed Clean Energy (PACE) program that would help private property owners make energy efficiency and renewable energy upgrades without having to put money down.

Renewable Electricity Program – Overview

30% of Alberta's electricity will come from renewable sources such as wind, hydro and solar by 2030.

Energy Efficiency Alberta

This new provincial agency delivers programs to help families, businesses and communities become more energy efficient.

Micro-generation

New micro-generation rules allow Albertans to generate more of their own electricity.

Alberta Municipal Solar Program

Provides financial incentives to Alberta municipalities who install grid-connected solar panels on municipal facilities or land.

On-Farm Solar Management

Helps agriculture producers purchase solar panel systems to generate electricity and reduce emissions on farms.

Alberta Indigenous Solar Program

A pilot program that provides grants to Indigenous communities and organizations to install solar systems on their facilities.

Capping oil sands emissions

Alberta has implemented a $30/tonne carbon price for oil sands facilities to drive towards reduced emissions. A legislated maximum emissions limit of 100Mt in any year, with provisions for cogeneration and new upgrading capacity, will help drive technological progress.

Capping oil sands emissions

Transitioning to an output-based allocation approach and a legislated limit to oil sands emissions under the Climate Leadership Plan.

Carbon Competitiveness Incentives

Alberta's approach to reduce emissions from large industrial emitters, attract investment in clean technology and create jobs.

Oil Sands Advisory Group

Advises government on the oil sands aspects of the Climate Leadership Plan.

Reducing methane emissions

The climate change impact of methane is significant — 25 times greater than carbon dioxide over a 100-year period. In Alberta, the oil and gas industry is the largest source of methane emissions.

Reducing methane emissions

Methane emissions in Alberta will be reduced by 45% by 2025 under the Climate Leadership Plan.

Emissions Reduction Alberta

Working with industry and other stakeholders to identify, invest in and accelerate technologies that reduce greenhouse gas emissions.

Economic impact

The Climate Leadership Plan is designed for Alberta's economy. The benefits are expected to outweigh the costs of carbon pricing.

Improved market access, a reduced risk of federal policies being imposed on Alberta and an investment in economic diversification all support Alberta businesses.

Economic impact

How the Climate Leadership Plan will affect Alberta's economy.

Energy innovation fund

Creating jobs and economic growth by investing in a diversified, low carbon economy.

Climate change in Alberta

How the causes and impacts of climate change could affect Alberta's environment, health and economy.

News

Subscribe to RSS

- Nov 12, 2018
  Albertans take a shine to solar power

  Alberta's solar industry has grown by five times since 2015, diversifying the economy, creating jobs and helping save Albertans money on their energy bills.

- Nov 01, 2018
  Alberta funds Edmonton Valley Line West

  The province is investing in Edmonton's Valley Line West LRT expansion to provide more affordable public transit options for Albertans in the capital region.

- Oct 25, 2018
  Helping industries reduce methane emissions

  Energy Efficiency Alberta is making it easier for small and medium oil and gas companies to reduce methane emissions.

- Oct 24, 2018
  Bill C-69: Statement from Minister Phillips

  Environment and Parks Minister Shannon Phillips issued the following statement following her meetings with federal government senators about Bill C-69:

- Oct 02, 2018
  Diversifying the economy, powering our future

  The Government of Alberta is seeking proposals for large-scale solar energy providers to meet more than half of its green power needs.

Related

Alberta's Climate Leadership Plan is based on recommendations put forward by the Climate Change Advisory Panel.

Exhibit 9

Home > Environment > Climate change > Climate Leadership Plan >

Phasing out coal pollution

Pollution from coal-fired electricity generation will be phased out by 2030 under the Climate Leadership Plan.

The Climate Leadership Plan will improve air quality by ending coal power emissions and transitioning to cleaner sources of electricity. Under the plan, all pollution from coal-fired electricity will be phased out by 2030.

The plan also sets a "30 by '30" renewable energy target, in which 30% of electricity used by Albertans will come from renewable sources like solar, wind and hydro by 2030.

Moving to more renewable energy and natural gas will protect the health of Albertans - especially vulnerable groups like children and seniors - and save money in health-care costs and lost productivity.

Alberta’s electricity sector today

Coal has traditionally been Alberta’s low-cost source of electricity. In 2014, Alberta’s electricity sector accounted for 16% of Alberta’s total greenhouse gas (GHG) emissions. The majority of these emissions were from coal-fired electricity generation. In fact, Alberta produces more coal pollution than all other Canadian provinces combined.

Under existing federal regulations, coal-fired power plants must meet GHG emission standards or retire when they reach 50 years of operation.

This means that 12 of Alberta’s 18 coal-fired generating units are already slated to retire by 2030.

Without action, the remaining 6 generating units could continue emitting harmful pollution, reducing air quality and impacting human health – in one case until 2061.

Phasing out coal

In support of our made-in-Alberta transition to a stable, reliable and cleaner electricity system, the government plans to phase out all coal pollution by 2030. This will be achieved through the following actions:

- having 30% of Alberta’s electricity come from renewable sources by 2030
- allowing coal units to convert to natural gas where it is economically viable
- creating a market for private investment in technologies such as natural gas, cogeneration or other technologies

Coal phase-out agreements

As part of this transition, the government has elected to provide transition payments to the companies which were originally slated to operate their coal-fired units beyond 2030.

These payments, calculated using a methodology provided by energy expert Terry Boston, represent the approximate economic disruption to their capital investments. They also provide investor confidence and encourage them to participate in Alberta’s transition from coal to lower emitting sources of electricity, such as natural gas and renewables.

The transition payments will be paid from revenues generated by Alberta’s price on industrial carbon emissions – not from consumer electricity bills.

These transition payments are a cost-effective way of reducing greenhouse gas emissions. The total payments represent less than $10/tonne of emissions eliminated, which is approximately one-tenth the government subsidy that would be required to retrofit the coal units with carbon capture and storage.

Mr. Boston, the retired head of North America's largest power grid, has led transition discussions with coal-fired electricity generation owners.

Coal units in Alberta

Additional work being done

Phasing-out coal pollution is part of a larger commitment to building a stable, reliable electricity system. Workers, communities and affected companies will be supported and treated fairly during the transition from coal-fired electricity generation.

We'll work with the companies, affected communities and the Government of Canada to explore options for the future, including coal-to-gas transitions, hydro-electricity and economic development initiatives.

We've appointed the expert Advisory Panel on Coal Communities to meet with community, labour and industry leaders in regions affected by the transition away from coal.

The Government of Canada has also committed to a successful transition for provinces and workers affected by the accelerated phase out of traditional coal power, and will use the Canada Infrastructure Bank to finance projects such as commercially viable clean energy and modern electricity systems.

Health effects of coal pollution

Coal plants are a major source of air pollution, releasing pollutants like:

- cadmium
- lead
- mercury
- nitrogen oxides
- sulphur dioxide

This has an effect on the health of Albertans. Poor air quality has been linked to a number of health conditions, including:

- chronic and acute respiratory diseases, including asthma, chronic bronchitis, and chronic obstructive pulmonary disease
- heart disease, including chest pain and congestive heart failure
- stroke and diabetes

The following groups are the most affected by poor air quality:

- children and seniors
- people participating in sports or strenuous work outdoors
- people with lung disease, heart disease or diabetes

The Canadian Association of Physicians for the Environment (CAPE) found that an accelerated Alberta coal phase out will prevent 600 premature deaths, 500 emergency room visits, and will avoid nearly $3 billion in negative health outcomes.

Who supports the plan?

A phase-out of coal pollution has been endorsed by a coalition of health professionals, including:

- Alberta Medical Association
- The Lung Association, Alberta & Northwest Territories
- Asthma Society of Canada
- Alberta Public Health Association
- Canadian Public Health Association
- Canadian Association of Physicians for the Environment
- United Nurses of Alberta
- Health Sciences Association of Alberta

Actions

Advisory Panel on Coal Communities
Consulted with communities and workers affected by the end of coal-fired electricity generation to identify challenges and opportunities.

Coal Community Transition Fund
An initiative to support municipalities and First Nations impacted by the phase-out of coal in Alberta.

Support for workers affected by coal phase-out
Financial, employment and retraining supports for workers affected by the end of coal-fired electricity generation in Alberta.

Powering Alberta's future
The plan to reform the province's electricity system to ensure it meets the needs of the future.

Renewable Electricity Program – Overview
30% of Alberta’s electricity will come from renewable sources such as wind, hydro and solar by 2030.

Related

Climate Leadership Plan

Climate Change Advisory Panel consultation results

Air Quality Health Index

Exhibit 10

Alberta

Nov 24, 2016

REVISED: Alberta announces coal transition action

In support of its made-in-Alberta transition to a stable, reliable and cleaner electricity system, the Government of Alberta has announced agreements with TransAlta, Capital Power and ATCO to end coal-fired emissions on or before Dec. 31, 2030.

The agreements will see the companies, which own six coal-fired electricity units originally slated to operate beyond 2030, provided with transition payments for investments that have been reduced in value by the transition away from coal-fired generation – funds that can be reinvested into Alberta's electricity market.

This approach is part of a larger government commitment to building a stable, reliable electricity system while ensuring that workers, communities and affected companies are supported and treated fairly during the transition from coal-fired electricity generation.

"The government's decision to provide transition payments to these companies demonstrates our commitment to building a low-priced, reliable, investment-friendly electricity system for Albertans. The government is committed to working with existing Alberta businesses as we transition away from coal, and we are making good on that commitment today."

- Margaret McCuaig-Boyd, Energy Minister

This approach, which will be accompanied by additional action in support of coal communities, was recommended to the government by energy expert Terry Boston. The electricity companies will receive annual payments until 2030, totalling $1.1 billion in 2016 dollars. The payments will be fully funded by Alberta's price on industrial carbon emissions – not by consumer electricity rates.

“I believe that these transition payments to support Alberta’s commendable transition to a low-carbon economy will go a long way in securing a positive investment climate in Alberta.”

- Terry Boston, former executive vice president (power) of the Tennessee Valley Authority and Past President and CEO of PJM Interconnection

This approach reflects the three principles the government committed to in November 2015 for phasing out coal generation: maintaining reliability, encouraging investment and providing price stability for all Albertans. These agreements will ensure that Alberta will achieve objectives laid out in its Climate Leadership Plan and meet a recently announced federal requirement to phase out coal-fired electricity emissions by 2030.

“Alberta is by far the largest source of coal pollution in Canada, with greenhouse gas emissions that exceed the sum of every car from British Columbia to Manitoba. We are phasing out coal pollution in a measured, financially responsible way that will improve air quality and the health of Albertans.”

- Shannon Phillips, Minister Responsible for the Climate Change Office

These agreements are a cost-effective way to reduce greenhouse gas emissions, with the total payments representing less than $10/tonne of emissions eliminated. This represents approximately one-tenth of the government subsidy typically required to retrofit coal units with carbon capture and storage.

The government will work with the companies, the Government of Canada and affected communities to explore options for the future, including coal-to-gas transitions, hydro-electricity and economic development initiatives.

“This announcement will allow our Advisory Panel on Coal Communities to proceed with their mandate, which is to create long-term transition plans for communities to succeed and workers to have opportunities as Alberta moves to phase out coal-fired emissions by 2030.”

- Deron Bilous, Minister of Economic Development and Trade

This announcement follows other government actions to guarantee Albertans a future supply of reliable power at stable, low prices. They include:

- Putting a price cap of 6.8 cents per kilowatt hour in place for families and small businesses on the Regulated Rate Option from June 2017 until June 2021
- Announcing the creation of an electricity capacity market by 2021

“Ending coal pollution in Alberta will save lives, prevent chronic heart and lung diseases, make breathing easier for those with asthma and reduce health-care costs by reducing emergency room visits and hospital admissions. We found an accelerated Alberta phase-out will prevent 600 premature deaths and 500 emergency room visits and will avoid nearly $3 billion in negative health outcomes."

- Kim Perrotta, Executive Director Canadian Association of Physicians for the Environment (CAPE)

The government also announced that it has reached a settlement with Capital Power on its litigation associated with Power Purchase Arrangements. Tentative agreements have been reached with AltaGas and Trans Canada Energy.

Editor's Note: News release updated to include tentative agreements.

Related information

Powering Alberta's future

Coal transition

Terry Boston letter to Premier

Media inquiries

Brad Hartle

780-721-5127
Press Secretary, Energy

Matthew Williamson

780-638-9497
Deputy Press Secretary, Executive Council

Exhibit 11

Capital Power
Third Quarter 2015 Analyst Conference Call
October 26, 2015

Corporate Participants

Randy Mah
Senior Manager, Investor Relations

Brian Vaasjo
President & CEO

Bryan DeNeve
SVP, Finance & CFO

Conference Call Participants

Linda Ezergailis
TD Newcrest

Paul Lechem
CIBC World Markets

Ben Pham
BMO Capital Markets

Andrew Kuske
Credit Suisse

Rob Hope
Macquarie Research

Robert Kwan
RBC Capital Markets

Jeremy Rosenfield
Industrial Alliance

OPERATOR: Good day, ladies and gentlemen. Welcome to Capital Power's third quarter 2015 results conference call. At this time all participants are in listen-only mode. Following the presentation the conference call will be opened for questions. This conference call is being recorded today, Monday, October 26, 2015. I will now turn the call over to Randy Mah, Senior Manager Investor Relations. Please go ahead.

RANDY MAH: Good morning and thank you for joining us today to review Capital Power's third quarter 2015 results, which were released earlier this morning. The financial results and the presentation slides for this conference call are posted on our website at capitalpower.com. We will start the call with opening comments from Brian Vaasjo, President and CEO, and Bryan DeNeve, Senior Vice President and CFO. After our opening remarks we will open up the lines to take your questions.

Before we start, I would like to remind listeners that certain statements about future events made on this conference call are forward-looking in nature and are based on certain assumptions and analysis made by the company. Actual results may differ materially from the company's expectations due to various material risks and uncertainties associated with our business. Please refer to the cautionary statement on forward-looking information on Slide 2.

In today's presentation we will be referring to various non-GAAP financial measures, as noted on Slide 3. These measures are not defined financial measures according to GAAP, and do not have standardized meanings described by GAAP and, therefore, are unlikely to be comparable to similar measures used by other enterprises. Reconciliations of these non-GAAP financial measures can be found in the Management's Discussion and Analysis for Q3 2015. I will now turn the call over to Brian Vaasjo for his remarks starting on Slide 4.

captured an average realized power price that is 24% higher, on average, compared to the spot power price. Not only do our portfolio optimization activities continue to create incremental value by capturing a higher realized Alberta power price than spot, they also help to manage our exposure to commodity risk and reduce volatility, as illustrated by the flat orange line on the chart in contrast to the more volatile spot power price shown by the blue line.

Turning to Slide 8, I'll review our third quarter financial results compared to the third quarter of 2014. Revenues were $469 million, up 89% from Q3 2014, primarily due to the unrealized changes in fair value of commodity derivatives and emission credits, and strong portfolio optimization results. Adjusted EBITDA, before unrealized changes in fair values, was $120 million – up 41% from the third quarter of 2014. All plant segments reported higher adjusted EBITDA year-over-year, led by a 47% increase from the Alberta Commercial Plants and Sundance PPA segment. Normalized earnings per share of $0.33, increased 175%, compared to $0.12 a year ago. Funds from Operations of $97 million were ahead of expectations and up 17% year-over-year.

Turning to Slide 9, I'll quickly cover our third quarter year-to-date results, compared to the same period in 2014. Overall, the year-to-date results show year-over-year improvement across all financial measures. Revenues was $910 million, up 14% year-over-year, primarily due to strong portfolio optimization results. Adjusted EBITDA, before unrealized changes in fair values, was $329 million, up 16% from a year ago, primarily due to higher contributions from the Alberta Commercial Plants and Sundance PPA segment. Normalized earnings per share were $0.73 on a year-to-date basis in 2015, up 43% compared to $0.51 a year ago. We generated $275 million in Funds from Operations on a year-to-date basis, which is 6% higher than last year.

I'll conclude my comments with our financial outlook on Slide 10. Our original 2015 FFO guidance was based on an average Alberta power price of $44.00, compared to an actual power price of $37.00 in the first nine months of 2015. As mentioned, the strong performance of our trading desk has offset the weakness in Alberta prices. Accordingly, our latest forecast shows an improvement in our 2015 FFO expectations to the mid-point of our guidance range, from the lower end of the range. With respect to a provincial climate change announcement, we remain actively engaged in the consultation process and we expect the Alberta government to announce a long-term climate change strategy prior to the Climate Change conference in Paris in early December. I will now turn the call back to Brian Vaasjo.

BRIAN VAASJO: Thanks Bryan. I'll conclude with an update on our targets and corporate priorities. The charts on Slide 11 show our year-to-date operational and financial results versus the 2015 annual targets. After nine months, our average plant availability was 94% and we

Exhibit 12

Capital Power Corporation
12th Floor, EPCOR Tower
1200 – 10423 101 Street
Edmonton, AB T5H 0E9

For release: October 26, 2015

Capital Power reports third quarter 2015 results

EDMONTON, Alberta – Capital Power Corporation (Capital Power, or the Company) (TSX: CPX) today released financial results for the third quarter ended September 30, 2015.

Net income attributable to shareholders in the third quarter of 2015 was $49 million and basic earnings per share attributable to common shareholders was $0.44 per share compared with a net loss of $45 million and basic loss per share of $0.62 in the comparable period of 2014. Net cash flows from operating activities were $184 million in the third quarter of 2015 compared with $102 million in the third quarter of 2014.

Normalized earnings attributable to common shareholders in the third quarter of 2015, after adjusting for one-time items and fair value adjustments, were $33 million or $0.33 per share compared with $10 million or $0.12 per share in the third quarter of 2014. Funds from operations were $97 million in the third quarter of 2015, up 17 per cent from $83 million in the third quarter of 2014.

For the nine months ended September 30, 2015, net income attributable to shareholders was $55 million and basic earnings per share attributable to common shareholders was $0.40 per share compared with net income of $7 million and basic loss per share of $0.12 for the nine months ended September 30, 2014. Net cash flows from operating activities were $303 million for the nine months ended September 30, 2015 compared with $284 million for the nine months ended September 30, 2014.

For the nine months ended September 30, 2015, normalized earnings attributable to common shareholders were $70 million, or $0.73 per share, compared with $42 million, or $0.51 per share, in the first nine months of 2014. Funds from operations totaled $275 million compared with $260 million in the comparable nine-month period last year.

“The third quarter was highlighted by a 95 per cent average plant availability and financial results that exceeded management’s expectations,” said Brian Vaasjo, President and CEO of Capital Power. “We continue to see the benefits of strong portfolio optimization activities that captured an average realized Alberta power price of $61 per megawatt hour (MWh) in the third quarter, well above the average spot price of $26 per MWh that reflected excess supply from minimal plant outages and lower market volatility.”

“With $275 million in funds from operations generated in the first nine months of the year and based on our outlook for the balance of the year, we are now increasing our expectation from the low end of our $365 to $415 million funds from operations annual target range to the mid-point of the range,” said Mr. Vaasjo.

SIGNIFICANT EVENTS

Dividend increase

On July 27, 2015, the Company announced that its Board of Directors approved a 7.4% increase in the annual dividend for holders of its common shares, from $1.36 per common share to $1.46 per common share. This increased common dividend will commence with the third quarter 2015 quarterly dividend payment payable on October 30, 2015 to shareholders of record at the close of business on September 30, 2015.

Changes to Alberta's emissions regulations and review of climate change policy

On June 25, 2015, the Alberta government announced changes to Alberta's regulations governing carbon emissions and a comprehensive review of Alberta's climate change policy. The changes to the Specified Gas Emitters Regulation will increase the required reduction in emissions intensity from 12% to 15% in 2016 and 20% in 2017, and increase the cost of contributions to the Climate Change and Emissions Management Fund from $15 per tonne of greenhouse gases to $20 per tonne in 2016 and $30 per tonne in 2017.

Capital Power expects that, between 2016 and 2020, the increase in the Company's emissions compliance costs will be partly mitigated by higher wholesale power prices directly caused by the new regulations while its inventory of low-cost carbon offset credits are expected to offset the balance of its increased compliance costs through 2020. The projected impact post 2020 is a $10 million to $15 million reduction in adjusted EBITDA once its existing carbon offset credits inventory is fully utilized and assuming no actions by Capital Power to further reduce carbon dioxide emissions.

On August 14, 2015, a five member panel, appointed by the Alberta Minister of Environment and Parks, was announced and will provide recommendations to the Alberta government on how to address climate change. These recommendations are expected in the fourth quarter. Capital Power continues to actively participate in the consultation process that is expected to lead to a provincial climate change strategy to be announced in the fourth quarter of 2015.

K2 Wind begins commercial operation

On May 29, 2015, Capital Power, Samsung Renewable Energy Inc. and Pattern Energy Group LP announced that K2 Wind is fully operational and capable of generating 270 MW of electricity for the province of Ontario and operates under a 20-year power purchase agreement with the Independent Electricity System Operator. Capital Power owns 90 MW or 33.3% of the capacity of this facility. Capital Power's share of final construction costs are expected to be $310 million.

Secondary offering of Capital Power shares by EPCOR

On April 2, 2015, EPCOR exchanged all of its exchangeable common limited partnership units in CPLP for common shares of Capital Power on a one-for-one basis and sold 9.450 million of such common shares to the public pursuant to a secondary offering at $23.85 per common share. Capital Power did not receive any of the proceeds from EPCOR's sale of common shares. After giving effect to the exchange and the secondary offering, EPCOR owns approximately 9.1% of the common shares of Capital Power and no special voting shares of Capital Power or limited partnership units of CPLP. EPCOR has advised that it plans to eventually sell all or a substantial portion of its remaining interest in Capital Power, subject to market conditions, based on its requirements for capital and other circumstances that may arise in the future. In connection with the offering, the Registration Rights Agreement between Capital Power and EPCOR was terminated. Thus, the Company will no longer be obligated to assist EPCOR in making a secondary offering and any future sales of common shares by EPCOR will be completed by other means. As a result of EPCOR ceasing to hold special voting shares and EPCOR's ownership interest in Capital Power decreasing to below 10%, EPCOR no longer has the right, separately as a holder of special voting shares, to nominate and appoint any directors to Capital Power's Board of Directors.

The Company intends to review the structure of CPLP with the goals of simplifying the organization structure and reporting, and reducing costs associated with CPLP, including audit, legal, board, management and filing expenses.

Approval of normal course issuer bid and suspension of Dividend Re-investment Plan

On March 25, 2015, Capital Power's normal course issuer bid to purchase and cancel up to 5 million of its outstanding common shares during the one-year period from April 7, 2015 to April 6, 2016 was approved by the Toronto Stock Exchange. Up to September 30, 2015, the Company purchased and cancelled 3.582 million common shares totalling $79 million. Effective with the June 30, 2015 dividend, Capital Power also announced that its Dividend Re-investment Plan (DRIP) for its common shares will be suspended until further notice. Shareholders who participated in the DRIP began receiving cash dividends as of the July 31, 2015 payment date.

Exhibit 13

TransAlta Corporation

Third Quarter 2015 Results Conference Call & Webcast Transcript

Date: **Friday, October 30, 2015**

Time: **1:00 PM MT/3:00PM ET**

Speakers:

Dawn Farrell
President & Chief Executive Officer

Donald Tremblay
Chief Financial Officer

John Kousinioris
Chief Legal and Compliance Officer

Todd Stack
Vice President and Treasurer

Jaeson Jaman
Manager, Investor Relations

drop-downs to reduce debt will allow us to remain investment grade. Moody's view is that it is unlikely we will able to meet the criteria they set for our industry within their timeframe, and they may take rating action in the future. We believe that our current plan meets the criteria set by the three other rating agencies, and going forward, we will focus more heavily on these agencies. Strengthening our balance sheet will provide us with the stability and the flexibility required for 2018 and beyond when new clean power will be needed to replace coal plants in Alberta, creating significant investment opportunities.

So this brings me to our second step in our plan: advocating for what we call the Dial Down Coal - Dial Up Renewables proposal. Our policy framework is simple. Instead of paying SGER charges based on intensity, we believe we can reduce generation in low priced hours and have a measureable impact on the actual environmental emissions in the province immediately. This Dial Down creates NOx, SOx, and CO2 reductions immediately. Under our approach, new generation would also be required to have a renewable component. The amount of renewables would be set by the government, but we are proposing a model that is cost effective and increases renewable generation to 25% of Alberta's fuel mix by 2030 from a modest level of only 8% today, and we're measuring that based on energy. This means that by 2030, coal-fired electricity would have the same market share as renewables have today in the province. You can see this in the chart on Slide 5 that illustrates the change in Alberta's electricity fuel mix over the next 15 years under the Dial Down - Dial Up plan.

We need clarity on the new environmental regulatory rules for gas, but it's clear that gas must be an essential part of the transition to keep electricity affordable for Albertans. Keeping some coal in the fuel mix ensures that the province has firm capacity available which also supports the accelerated growth in renewables, and a phased transition is essential to keep consumers' and businesses' electricity costs from spiking and creating market volatility.

There are many competing proposals in the market for accelerating the reduction of greenhouse gases in Alberta, all of which are more expensive to consumers than ours. Our proposal envisions a parallel phasing out of coal while phasing in renewables which protects consumers and requires no government support or payment for stranded capital.

Step three of our plan is to focus on growing our Renewables portfolio. As you can see on Slide 6, there is significant optionality and opportunity for investment in Renewables over the next 10 to 15

Exhibit 14

Capital Power
Fourth Quarter 2015 Conference Call
February 19, 2016

Corporate Participants

Randy Mah
Senior Manager, Investor Relations

Brian Vaasjo
President & CEO

Bryan DeNeve
SVP, Finance & CFO

Conference Call Participants

Andrew Kuske
Credit Suisse

Robert Kwan
RBC Capital Markets

Linda Ezergailis
TD Newcrest

Paul Lechem
CIBC World Markets

Jeremy Rosenfield
Industrial Alliance

Ben Pham
BMO Capital Markets

OPERATOR: Welcome to Capital Power's fourth quarter 2015 results conference call. At this time all participants are in listen-only mode. Following the presentation the conference call will be opened for questions. This conference call is being recorded today, February 19, 2016. I will now turn the call over to Randy Mah, Senior Manager Investor Relations. Please go ahead.

RANDY MAH: Good morning and thank you for joining us today to review Capital Power's fourth quarter and year-end 2015 results, which were released yesterday. The financial results and the presentation slides for this conference call are posted on our website at capitalpower.com. We will start the call with opening comments from Brian Vaasjo, President and CEO, and Bryan DeNeve, Senior Vice President and CFO. After our opening remarks we will open up the lines to take your questions.

Before we start, I would like to remind listeners that certain statements about future events made on this conference call are forward-looking in nature and are based on certain assumptions and analysis made by the company. Actual results may differ materially from the company's expectations due to various material risks and uncertainties associated with our business. Please refer to the cautionary statement on forward-looking information on Slide #2.

In today's presentation we will be referring to various non-GAAP financial measures, as noted on Slide #3. These measures are not defined financial measures, according to GAAP, and do not have standardized meanings described by GAAP and, therefore, are unlikely to be comparable to similar measures used by other enterprises. Reconciliations of these non-GAAP financial measures can be found in the Management's Discussion and Analysis for 2015. I will now turn the call over to Brian Vaasjo for his remarks starting on Slide #4.

BRIAN VAASJO: Thanks Randy. I'll start off by reviewing our highlights for 2015. Capital Power delivered solid performance in 2015 with the Company meeting or exceeding its annual operating and financial targets. This included

Government and the arbitrator. So, for example, they may define that they will meet with companies separately as opposed to as a group. But, our understanding is, on the issue of compensation, they will be directly engaging with the four coal companies and actually no other industry participants. So, that's quite positive. We would expect to be in common meetings and I think we all, all of the coal companies do recognize that the more we are aligned on our views and our expectations and principles, likely the more successful we'll be. So there are certainly efforts underway to — and there always has been efforts among the coal companies, from time to time, to work together on these issues.

ANDREW KUSKE: Ok, thank you.

OPERATOR: All right. Next, we have a question from Robert Kwan from RBC Capital Markets. Please go ahead.

ROBERT KWAN: Morning. Maybe I'll just follow up on that last answer, Brian, just around alignment, kind of, almost being necessary to push this forward, at least a little bit faster. If I look at what you're saying around G4, G5, though, it almost seems you're implying that the energy-only market works, that you don't see the need for major changes in market structure, and I think it's very similar to what you've said in the past. But we're also hearing very different things, or potentially different views from some of the other companies, so I'm wondering if you can reconcile whether you guys are changing your view or you think they might be changing? How do you get this alignment, going forward?

BRIAN VAASJO: So, maybe a way to, sort of, characterize – and again this is my personal view, is there is some skepticism in the market in general, among some players and more broadly than just the coal folks as well as, whether as we go through this process, whether at the other end there will be a viable energy-only market in Alberta. Our view is that, with the appropriate decisions and policies established, there will be. And, what we've seen from the Government so far, in terms of indicating the direction that they're going, we do believe that that will leave a very viable energy-only market. I think that the other companies – and again, this is my view – are perhaps less skeptical, or more skeptical, that those principles will be enacted, sort of, as is and that the market will survive on the other side.

So, I don't think it's a view that others would not invest in the energy-only market. I think, recently, TransAlta's been making some announcements that aren't premised on there being a different market. It's just different outlooks as to whether or not the energy-only market will be as fundamentally sound as it has been over the last 15 years. And our view is it will be – again, if the Government follows through on what they've established as the direction that they're going.

ROBERT KWAN: Understood. So, are you willing to move to the more contracting position or are you expecting, if there's going to be

Exhibit 15

September 30, 2016

The Honourable Rachel Notley
Premier of Alberta
307 Legislature Building
10800 – 97 Avenue
Edmonton, Alberta T5K 2B6

Dear Premier and Members of Cabinet,

I have had the opportunity to work with the Alberta Department of Energy and the Alberta Electric System Operator on approaches to phase out emissions from coal-fired generation in Alberta and the treatment of the companies with coal-fired generation units which have operating lives beyond 2030. We have worked with the three coal plant owners to propose a framework that has considered the interests of all parties involved and was provided to you in the Cabinet Report.

The charge to the group was straightforward with three primary considerations for the outcome:

1. Maintain electric system reliability (which is paramount);
2. Maintain reasonable stability and electricity prices for consumers and businesses; and
3. Maintain investors' confidence in Alberta by not unnecessarily stranding capital and ensure that workers, communities and affected companies are treated fairly in this process.

My recommendation is that voluntary payments are provided to the three generation owners for their post-2030 units based on specific and transparent criteria. The criteria are based on net book value of the assets – which is fully auditable and transparent – pro-rated by the years stranded by the policy decision to account for depreciation, and discounted for the probability some of the components of the assets can be re-used.

These voluntary payments should be provided over time, 13 or 20 years, to lessen the financial burden on the province and to give the three incumbents a renewed opportunity to access capital markets. The companies will, if given policy certainty, build a portion of the next fleet of natural gas and renewables; new players will also be required to accomplish such a large build-out of new generation. I believe that voluntary payment will go a long way to securing a positive investment climate in the province.

Alberta is blessed with resources that will replace the retiring coal fleet. Natural gas is abundant, with low-cost production and major pipeline facilities readily available (though radial pipelines will have to be built for last mile delivery to some of the existing and new power plant sites). The oil sands have large amounts of co-generation using natural gas, which is a high efficient and low-carbon source of both electricity and process steam. Wind energy potential is abundant in the south and east. Summer solar power potential will grow as solar panel costs and installation costs continue to decline. The potential for further hydro development exists in both western Alberta and the far north.

Alberta also has the benefit of a very strong transmission system, although some upgrading and new infrastructure may be required to accommodate additional renewables (wind in the south and east, hydro in the north). The lack of transmission in other areas of the world has slowed renewable development. From meetings with the Alberta Electric System Operator, I do not believe the lack of transmission will present major obstacles on the critical path toward decarbonizing the Alberta electric system.

The combination of prevalent sources of renewable generation, abundant natural gas, and robust transmission present a golden opportunity for Alberta to take responsible and realistic action now to transition the energy system to cleaner resources. Alberta has the opportunity to be a credible leader for the rest of the world on the reduction of carbon dioxide and other pollutants from coal-fired resources.

The overall vision is to achieve a reliable, low emission electricity generation system by transitioning from coal generation to natural gas and renewable generation over the next 14 years. This time period allows for technological innovation in storage, renewables and other generation types to emerge. This transition will require $20 billion to $30 billion of investment in new gas-fired generation and renewables. Based on my experience, I recommend employing market forces as the best way to accomplish this level of investment from a diversity of market participants. A bid-based power market system encourages innovation to lower costs to customers while providing the needed capital from many different private investors. Co-generation (which is 80 per cent efficient, compared with 40 per cent for a coal plant) would never have occurred within a regulated system and is a great example of innovation within markets. Another example is the recent innovation in natural gas drilling, which has reduced input costs and allowed combined cycle natural gas generation to become 60 per cent efficient.

To achieve 5,000 megawatts of new renewable capacity, the retirement of over 6,000 megawatts of coal generation, and the build-out of 9,000 megawatts of natural gas to replace the retiring coal and to meet economic growth by 2030, Alberta will need to:

1. Provide a voluntary payment to the three generators with coal assets that expected to operate beyond 2030 to create a positive investor outlook in Alberta for market-based generation and renewables;
2. Make these payments over time (perhaps 13 years or 20 years), starting as soon as practical (once legislation and contracts are drafted to implement);
3. Integrate federal and provincial policies on natural gas emissions to provide investors with clear signals on the future of natural gas and its role in the transition;
4. Provide a capacity payment construct to ensure adequate supply of electricity;
5. Encourage demand-side management and energy efficiency to be larger contributors to the market (both demand response and energy efficiency tend to be more cost effective capacity than building simple cycle peaking plants, thus reducing carbon emissions at relatively low cost); and
6. Encourage hydroelectric development in the province to enable intermittent resources such as wind and solar.

Based on the input from 25 investment institutions and two of the largest independent power producers in North America, two essential elements are required for the level of investments for reliable capacity and renewable energy. First, is the provision of voluntary payments for the six coal plants with remaining life beyond 2030. Second, is continued confidence that Alberta's power market design produces competitive results which are fair and efficient, while encouraging the future investments needed to maintain reliability during the transition to cleaner sources of generation.

Within a competitive market, I believe that economic forces will drive efficient use of capital for coal-to-gas conversions, if provincial and federal policy frameworks align. The key to a smooth transition will be allowing part of the fleet (say about half of Alberta's 18 coal-fired units) to be converted to natural gas by changing out the burners in the existing boilers. Compared with new natural gas combined cycle plants, coal-to-gas conversions have the potential to reduce the capital costs by about 90%. Coal-to-gas conversions will save close to $10 billion of capital overall while providing a 50% reduction in carbon dioxide emissions with even greater reductions in sulfur oxides, lead, and other pollutants from the existing coal fleet.

Conversions of existing coal generation assets to natural gas will smooth out 'cliffs' caused by expected unit retirements under the federal regulation of coal-fired greenhouse gas emissions. These conversions can be undertaken by companies quickly in a spring or fall outage schedule, allowing for earlier reductions of carbon dioxide than the reductions from retirements anticipated under the federal regulation on coal-fired emissions. Conversions will also lead to re-purposing of some of the capital that has not yet reached the end of their useful lives.

New natural gas combined cycle units typically have a 35 to 40-year life. Instead of having all natural gas combined cycle plants replace the coal fired units, gas conversion for some of the 18 units would have a 10 to 20-year expected life. This ensures Alberta is not saddled with all new natural gas plants of the same age (thereby lessening the chance of truncated lifespans of gas generation assets due to future emissions reductions policies). It also allows time for Alberta to build out the renewables, which will likely see their capital costs reducing with time.

Aligning policy frameworks will require cooperation between the federal government and Alberta on natural gas emissions policies. The 420 kilogram per megawatt hour carbon standard and the capacity factor restriction of 9 per cent that has previously been proposed by the federal government would likely prevent economic coal-to-gas conversions. In partnership with Alberta and in consideration of its Climate Leadership Plan, a modification to this proposed federal policy should be assessed so that these conversions are not deterred. In addition, some type of payment for capacity performance at times of peak load should be implemented by the Alberta Electric System Operator to reward performance and ensure reliability. This would assist in the efficient use of capital and increase the flexibility for Alberta's energy future.

Currently, hydroelectric power (one of the most flexible resources) represents only about 6% of the electric generating capacity in Alberta. Hydro development in the province is small compared to other provinces primarily because of the location of the resources and the historical availability of low-cost coal, natural gas, and oil resources within Alberta.

Hydroelectric generation has a long history as a proven low-carbon technology across North America. Adding hydroelectric facilities as part of the 5,000 megawatts of renewable power would be a viable way to reduce greenhouse gas emissions. These are long-lived 100-year assets which provide operational support for frequency regulation and ramping for both wind mills and steel mills that have intermittent and highly variable demands on the system. Moreover, hydroelectric generation provides dependable capacity that other renewable resources do not provide.

Hydroelectric investment offers additional benefits by providing numerous, longer term construction job opportunities for the workforce which would otherwise be displaced by replacing or re-firing coal-fired units. Around 80 per cent of capital dollars for new hydroelectric development will be spent in Alberta as opposed to construction of other renewable resources (which use mostly imported equipment, resulting in less than 20 per cent of the investments for wind and solar being spent in Alberta's economy).

The cost of new hydroelectric generation will likely be twice that of wind but with four to five times the economic life. Historically, hydroelectric generation development has benefited from support through government involvement in loan guarantees or government ownership. This will likely need to be the case in Alberta. It will take both provincial and federal government support to develop hydroelectric generation and pumped water storage in Alberta. Given that at least two of the incumbent utilities have an active interest in hydroelectric development, I believe the province should explore with the federal government potential support for hydroelectric development like has already occurred in Québec, Ontario, Manitoba, and British Columbia.

If Cabinet determines that hydroelectric generation and pumped water storage are part of Alberta's low carbon future, I believe the province should:

1. Review the First Nations impacts and possible partnerships;
2. Classify hydroelectric generation as a renewable in the Renewable Electricity Program, thus optimizing the ability of hydroelectricity to enable other forms of renewables like solar and wind; and,
3. Determine the environmental acceptability of hydroelectric projects.

Combined with the team's recommendations in the Cabinet Report on voluntary payments, I believe the actions outlined in this letter will result in a transition with the least reliability risks, save about $10 billion of capital by conversion of some of the boilers to natural gas, and create a pro-investment atmosphere in Alberta, thus maintaining relatively stable electricity rates.

It has been an honor and a pleasure to serve as a facilitator in this process. Alberta is to be commended for their leadership in setting a price on carbon and developing a truly innovative climate leadership plan.

Yours Truly,

Terry Boston

Terry Boston

Exhibit 16

Capital Power Corporation
12th Floor, EPCOR Tower
1200 – 10423 101 Street
Edmonton, AB T5H 0E9

For release: April 25, 2016

Capital Power reports first quarter 2016 results

Capital Power secures contract for the 178 megawatt Bloom Wind project and shifts the construction decision for Genesee 4 and 5 to late 2016

EDMONTON, Alberta – Capital Power Corporation (Capital Power, or the Company) (TSX: CPX) today released financial results for quarter ended March 31, 2016.

“Capital Power’s financial results for the first quarter of 2016 were generally in line with management’s expectations, and on-track to achieve full-year targets,” said Brian Vaasjo, President and CEO of Capital Power. “First quarter results benefitted from strong operating performance, including average plant availability of 97 per cent and a solid contribution from our portfolio optimization activities.”

“Capital Power continued to advance priority growth initiatives in the quarter,” said Mr. Vaasjo. “We have now secured a contract for our Bloom Wind project in Kansas, and expect to begin construction in the third quarter of 2016. We have also worked with our partner and suppliers to restructure the construction execution of the Genesee 4 and 5 project, moving the decision point for proceeding to the fourth quarter of 2016, resulting in modestly higher cost and risk. The decision to proceed with construction will be based on our view of market conditions, and the impact of government policy on our existing assets and the proposed units. The revised construction plan would achieve substantial completion of the first unit in early 2020.”

Net (loss) income attributable to shareholders in the first quarter of 2016 was $(8) million and basic (loss) earnings per share attributable to common shareholders was $(0.11) per share, compared with $40 million, or $0.41 per share, in the comparable period of 2015. Normalized earnings attributable to common shareholders in the first quarter of 2016, after adjusting for one-time items and fair value adjustments, were $32 million or $0.33 per share compared with $27 million or $0.32 per share in the first quarter of 2015. Net cash flows from operating activities were $131 million in the first quarter of 2016 compared with $107 million in the first quarter of 2015. Funds from operations were $109 million in the first quarter of 2016, up 1%, on a comparable basis, from $108 million in the first quarter of 2015.

“First quarter earnings include a non-cash charge related to the termination of Capital Power’s role as a buyer of the Sundance PPA,” said Mr. Vaasjo. “Excluding that charge, our normalized earnings reflect strong operating performance and portfolio management. While Alberta power prices averaged $18 per megawatt-hour (MWh) in the first quarter, our trading desk captured a realized average price of $52 per MWh for the Alberta portfolio through our hedging program. Normalized earnings per share of $0.33 in the first quarter were slightly ahead of the $0.32 in the first quarter a year ago when Alberta power prices averaged $29 per MWh. We generated $109 million in funds from operations in the first quarter and remain on track to meet our $380 to $430 million annual financial target range.”

“We continue to be engaged with the Alberta government to ensure fair compensation is received for the proposed accelerated closure of coal-fired generating units by 2030 under the Alberta government’s Climate Leadership Plan,” added Mr. Vaasjo. “Initial discussions with the government-appointed facilitator took place earlier this month. We continue to work collaboratively with the government and remain optimistic that a fair and appropriate outcome will be reached for our shareholders.”

Exhibit 17

TransAlta Corporation

Second Quarter 2016 Results Conference Call & Webcast Transcript

Date: Tuesday, August 9, 2016

Time: 12:30 PM MT/2:30 PM ET

Speakers:

Dawn Farrell
President & Chief Executive Officer

Donald Tremblay
Chief Financial Officer

John Kousinioris
Chief Legal and Compliance Officer

Jaeson Jaman
Manager, Investor Relations

OPERATOR:

Welcome to the TransAlta Corporation 2016 Second Quarter Results Conference Call and Webcast. As a reminder, all participants are in listen-only mode and the conference is being recorded. After the many examples today of how we have demonstrated our execution advantage during the first six months of 2016, and how well we are tracking towards achieving our annual targets. So, I want to end the call by commenting on how our balanced wins theme is impacting our planning on our transition from coal to gas and renewables.

Because our discussions with government are confidential, I cannot talk about them on this call. However, there is a common interest, which is in the public domain. That common interest is that the transition from coal to gas and renewables must be implemented consistent with the objective of fairness and affordability for all Albertans. Along with this, the transition must ensure reliability and minimize stranded capital, which the government has identified as an imperative in a successful plan. I personally continue to support taking as long as we collectively need in our discussions with government to arrive at a plan that satisfies and balances the important needs of all stakeholders.

Our collective work is critically important. The strength and resilience of the Alberta economy depends on maintaining competitive and transparent power prices. There are many jurisdictions worldwide that have got the balance wrong and that are backing up to reassess their options. The recent news of price spikes in the Southern Australian market and the reversal of renewables policies in Germany are good examples of why we support taking time to get this right.

Now remember that investing in electric infrastructure is complex and lumpy. Large amounts of upfront capital are needed to build assets, whether it's a wind farm, a hydro plant, a dam, a co-generation or gas-fired generating plant. These plants aren't built overnight and investors are normally paid back for their capital over many years. This is why investor confidence is at the heart of low prices for customers. We all pay less for electricity infrastructure when investors bring low cost sources of the capital to the transition. This formula is unchanged when considering investments that now must consider carbon pricing as a predominant input cost. Customers will continue to need low price electricity infrastructure and investors will need to be convinced that our investment strategies have the right risk profile for them to want to bring the necessary low cost capital.

Remember that today TransAlta owns approximately 5,000 megawatts of generation in Alberta. Approximately a third of the generation here. This includes 3,500 megawatts of coal, 1,000 megawatts of hydro and 500 megawatts of wind. With carbon priced at $30 a ton, the cost of producing electricity

Exhibit 18

TransAlta Corporation

Third Quarter 2016 Results Conference Call & Webcast Transcript

Date: Friday, November 4, 2016

Time: 9:00 AM MT/11:00 AM ET

Speakers:

Dawn Farrell
President & Chief Executive Officer

Donald Tremblay
Chief Financial Officer

John Kousinioris
Chief Legal and Compliance Officer

Todd Stack
Managing Director and Treasurer

Jaeson Jaman
Manager, Investor Relations

DAWN FARRELL:

Well, I think the government have a stated objective of getting to 30% renewables. To do that, I mean, it's a combination of new and old, right? Alberta already has a significant number of renewables in the system. I think, again, as the market is evolving in order to go through this transition, I can't see an outcome where you effectively hurt the old fleet in order to bring in the new fleet. So, I do think there will be significant discussions with the AESO and the government on how to ensure that incumbent assets are not disadvantaged in this transition, and that includes our wind assets.

LINDA EZERGAILIS:

Great. Thank you.

OPERATOR:

The next question comes from Jeremy Rosenfield from Industrial Alliance Securities. Please go ahead.

JEREMY ROSENFIELD:

Yes, thanks. I have few questions here. Just to be clear—and let's go back on the coal compensation issue—the government has not indicated to you at this point in which direction exactly it would like to go and you're still expecting to see something from the government by the end of this year.

DAWN FARRELL:

So, we have said all year that we thought it would take about a year to do this work. I can't comment on just kind of what the discussions have been, but I can give you—I am pretty confident that we will have something done on that by the end of the year.

JEREMY ROSENFIELD:

Okay. There's a little bit of a disconnect that I'm seeing, I'm trying to understand. You still believe that the market structure itself will not change, even though, inherently, obviously, the contracts for renewables will be there, but do you think there could also be some kind of contract put into place from the government to support some of the existing thermal capacity, as well?

DAWN FARRELL:

Thanks. Good morning. On RNW, I was just wondering, the recent run-up in the stock, does that perhaps (inaudible 48:08) of your decisions with dropdowns or perhaps selling down a portion your interest?

DONALD TREMBLAY:

No. Like, it's a clearly good, it's a strong currency. So, if we decide to use, it's available. But, no, it doesn't create an incentive for us to basically move forward with those strategies.

BEN PHAM:

Even dropdowns?

DONALD TREMBLAY:

We will likely do future dropdowns, but it will not be driven by the current stock price. We will do the dropdown when it's appropriate for TransAlta to do a dropdown, because we need to pull money from RNW to TransAlta, but it's not something that we're contemplating at this point.

DAWN FARRELL:

I mean, in terms of priorities, currency is really—it really positions us well on the growth side.

BEN PHAM:

Is the hydro fleet still in that potential bucket of dropdowns for you guys?

DONALD TREMBLAY:

Like, it will be there, but as we discussed earlier, the contract is expiring in 2020. We don't know what will be the market in Alberta past 2020. So, as soon as we have more visibility on this, then we can draw a better plan, but for now it's very challenging to value that asset to drop it down into our RNW, so that's why, like, it's kind of on hold for now.

BEN PHAM:

Okay. On the coal transition, can you comment on the potential outcomes on compensation, a proposal that you or others may have put in front of Boston, and even leading up to a final decision that's coming out by year end?

DAWN FARRELL:

No, we cannot.

BEN PHAM:

Okay. Then, on the Canadian coal, there's commentary about the curtailments from the PPA buyers. Is that referring to the balancing pool there, basically, instead of buying cheap spot there, still dispatching and paying a higher PPA contract price?

DONALD TREMBLAY:

That's exactly the case. Normally, when prices are low, we see the PPA buyer taking the unit off line, or part of the unit off line. The balance pool currently is dispatching their unit at basically marginal costs. The units are running more than quite what we're expecting in that low price environment, and that's a bit of a negative for us.

BEN PHAM:

Okay. Then, just to clarify, the hydro, you talked about some water management flexibility. I just want to refresh my knowledge. I thought most of them were—most of your fleets, they run upriver. Is there some reconfiguration or is that some other asset that's driving that?

DAWN FARRELL:

They run upriver, but we also have storage and we use that storage all the time. In fact, that's why we have good capacity out of those facilities.

DONALD TREMBLAY:

The North Saskatchewan system has significant storage at Brazeau and Bighorn. That's what we think.

BEN PHAM:

Okay. All right, great. Thanks for taking my questions.

OPERATOR:

The next question comes from Rob Hope from Scotiabank. Please go ahead.

Exhibit 19

OFF-COAL AGREEMENT

THIS AGREEMENT ("**Agreement**") made as of the 24th day of November, 2016.

AMONG:

TRANSALTA CORPORATION
("**Company**")

- and –

TRANSALTA GENERATION PARTNERSHIP
("**TGP**")

-and-

TRANSALTA COGENERATION L.P.
("**TCLP**")

-and-

KEEPHILLS 3 L.P.
("**K3LP**")

-and-

HER MAJESTY THE QUEEN IN RIGHT OF ALBERTA,
as represented by the Minister of Energy
("**Province**")

RECITALS:

WHEREAS the Province has determined that it is in the public interest to ensure that no more carbon dioxide and other air contaminants emanate from the combustion of coal after 2030;

WHEREAS the Province accordingly requires the Company to cease operations that produce Coal-Fired Emissions at the Plants in accordance with the Alberta Climate Leadership Plan released by the Province in November 2015;

WHEREAS the Province has determined that it is in the public interest to maintain a positive investment environment while ensuring that workers and communities affected by the coal phase out are supported;

WHEREAS the Company is an Affiliate of each of K3LP, TGP and TCLP, and K3LP has a fifty percent co-ownership interest in Keephills Generating Station Unit 3, TGP has a fifty percent co-ownership interest in Genessee Generating Station Unit 3, and TCLP has a fifty percent co-ownership interest in Sheerness Generating Station Units 1 and 2; and

In consideration of the mutual promises and obligations contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Parties, the Parties agree as follows:

1. DEFINITIONS

In this Agreement, the following terms shall have the following defined meanings:

"Affiliate" has the meaning contemplated for that term in the *Securities Act*, RSA 2000 c. S-4 as amended to the date hereof;

"Affected Companies" means Capital Power Corporation and ATCO Ltd.;

"Coal-Fired Emissions" means emissions into the atmosphere from the combustion of coal including air contaminants such as sulphur dioxide, nitrogen oxides, mercury, primary particulate matter, and carbon dioxide and other specified gases as defined in the *Climate Change and Emissions Management Act* and regulations thereunder;

"**Parties**" means, collectively, the Company, TGP, TCLP and the Province, and "**Party**" means any one of them;

"Plant Owners" means K3LP, TGP and TCLP, and "**Plant Owner**" means any one of them;

"**Plants**" means the coal powered electricity generation plants known as Keephills Generating Station Unit 3, Genessee Generating Station Unit 3, Sheerness Generating Station Unit 1 and Sheerness Generating Station Unit 2**;** and

"**Transition Payment**" has the meaning set forth in Section 3(a) of this Agreement.

2. CESSATION OF COAL-FIRED EMISSIONS

The Company shall cause the Plant Owners to ensure and each of the Plant Owners shall ensure that the Plants will cease Coal-Fired Emissions from the Plants on or before December 31, 2030. It is understood and agreed that in respect of any Plant where the Company or a Plant Owner holds less than a 100% interest in the applicable Plant, this covenant applies only to the extent of the electricity production owned, controlled and dispatched by the applicable Plant Owner from that Plant. For greater certainty, nothing in this Agreement shall prevent or restrict any Plant from generating electricity at any time by any method other than by the combustion of coal.

3. PAYMENTS

(a) Subject to the Company meeting the eligibility conditions in Section 5 and the obligations in Sections 6 and 7, the Province covenants and agrees to pay to, or as directed by, the Company fourteen (14) annual payments each of $39,851,704.60 (in aggregate, the "Transition Payment").

(b) The Transition Payment shall be paid in annual payments of $39,851,704.60 on or before July 31 in each year commencing in 2017, with the first payment being payable on or before July 31, 2017, and the last payment being payable on or before July 31, 2030. The Company shall provide bank account payment instructions for payment to the Province concurrently with the execution of this Agreement, and thereafter in accordance with a notice under Section 11(k) of this Agreement.

(c) If the Company fails to meet the eligibility conditions in Section 5 and meet the obligations in Sections 6 and 7 and fails to cure such failure within 90 days of notice from the Province (without regard for the original time by which an eligibility condition was to be satisfied or performance was to occur, if any), then the Province shall not be required to make any further unpaid payments under this Agreement. The Province's sole rights and remedies in the case of the Company's failure to meet any of the eligibility conditions in Section 5 or to perform any of the obligations in Sections 6 and 7 or to cure any of such foregoing failures are provided in this Section 3(c) provided that, in the event the Company brings an action contrary to Section 7, then the Province shall be entitled to raise Section 7 as a defence to such an action.

(d) If the Company or any of the Plant Owners fail to fulfill the covenant in Section 2, then, in addition to any other remedies the Province may have at law (including injunctive relief), the Company shall repay the full amount of the Transition Payment actually received by the Company under this Agreement.

4. EQUIVALENT RIGHTS

(a) The Parties acknowledge that the Province is under no legal obligation to compensate or otherwise pay any amount to the Company as result of the phase out of Coal Fired Emissions (other than under the terms of this Agreement); nevertheless, the Province determined the amount of the Transition Payment in accordance with the formula attached in Schedule A hereto. If the Province enters into a similar off-coal agreement with any of the Affected Companies or their Affiliates and uses a different formula that, if applied to the Company, would result in a materially higher Transition Payment, then the Province will pay the difference to the Company in equal increments over the remaining annual payment dates. In this section, "materially higher" means a difference of at least $5 million over 14 years.

(b) The parties further acknowledge that the Province relied on information from the Company in relation to some of the inputs into the formula, specifically, the net book value of the Plants. If, as a result of a review or examination under Section 6, the Province determines, acting reasonably, that the net book value is lower than the value provided by the Company, then the Province may recalculate the Transition Payment and reduce the Transition Payment on the basis of the formula attached in Schedule A hereto.

5. ELIGIBILITY FOR PAYMENT

During the period commencing on the date of this Agreement and ending on December 31, 2030, the Company will comply with the following eligibility conditions:

(a) The Company, on a consolidated basis, shall spend a minimum of [redacted] each calendar year on investment and investment related activities in Alberta with respect to its electricity business. For purposes of this Section 5(a), "investment and investment related activities" includes:

(i) any and all capital expenses of any nature or kind, including new capital investments, sustaining capital expenditure or major maintenance capital expenditure; and

(ii) any and all development costs or expenses of any nature or kind, including those incurred in relation to the preparation or submission of bids, production or procurement of studies, including technical feasibility studies and environmental impact assessments, obtaining, maintaining or appealing regulatory approvals, stakeholder engagement, and planning; and

(iii) any and all costs of infrastructure development, construction, maintenance, or decommissioning;

including in each of the foregoing clauses (i) to (iii) in respect of any coal-to-gas conversion of the Plants.

(b) The Company shall continually maintain a significant business presence in the Province of Alberta by:

(i) maintaining its registered and head office in Alberta;

(ii) maintaining employment of at least [redacted] employees in Alberta; and

(iii) continuing to generate electricity or otherwise participating in the electricity market in Alberta;

provided, that, in the event that a majority of the shares of the Company are acquired by an arm's length third party or substantially all of the assets of the Company are transferred to an arm's length third party, the condition related to the head office shall no longer apply. In the event the Province provides a notice to the Company under Section 3(c) of a failure to meet an eligibility condition in this Section 5(b) which was to be continuously met and the Company cures such failure within the cure period, such failure will be deemed never to have occurred for the purposes of this Section 5(b).

(c) The Company, on a consolidated basis, shall each calendar year provide [redacted] towards programs and initiatives to support the communities surrounding the Plants and the employees of the Company and employees of the Plant Owners negatively affected by the phase out of coal-fired generation at the Plants which may include programs and initiatives recommended by the Advisory Panel on Coal Communities.

(d) The Company shall fulfill its existing and future legal obligations to affected employees, including severance and pension obligations.

6. REPORTING

(a) The Company will deliver a report, certified by a senior officer (without personal liability), to the Minister of Energy and the Minister of Economic Development and Trade (or their respective successors) each year by May 31 confirming that, as of the prior December 31, the eligibility conditions in Section 5 were satisfied and providing reasonable detail in respect of such confirmation and such further information as the Province may reasonably request in relation to the Company's performance of its obligations and fulfilling the eligibility conditions under this Agreement.

(b) The Company will permit the Province or the Province's representative, on reasonable notice, during normal business hours, to examine and take copies of the records of the Company in relation to the performance of its obligations and meeting the eligibility conditions under this Agreement and in relation to any information provided by the Company or the Plant Owners in the course of negotiating this Agreement related to the net book value of the Plants. The Province shall treat the information made available to the Province under this Section 6(b) in substantially the same manner as if it was "Confidential Information" under the Confidentiality Agreement between the Province, the Company and other parties dated April 1, 2016.

7. NO ACTIONS

(a) Subject to the provisions of Section 7(b), neither the Company nor any Plant Owner shall commence any legal action against the Province or any provincial agency, including the Independent System Operator and the coal facilitator, with respect to the phase out of Coal-Fired Emissions from the Plants, including with respect to the mines, coal supply agreements, mining contracts or mining equipment related to the coal used to fuel the Plants, or alleging any other cause of action in relation to the phase out of Coal Fired Emissions from the Plants;

(b) Notwithstanding the provisions of Section 7(a), nothing in this Agreement shall prevent the Company or any Plant Owner from commencing any legal action against the Province or any provincial agency with respect to:

(i) the enforcement of its rights under this Agreement;

(ii) any power purchase arrangement (as defined under the *Electric Utilities Act* (Alberta)) to which the Company or a Plant Owner is a party;

(iii) the operation of its business in the ordinary course, including any regulatory or civil proceedings arising in respect thereof; or

(iv) any matter not related to the phase out of Coal-Fired Emissions from the Plants.

8. REPRESENTATIONS AND WARRANTIES

(a) The Company and each of the Plant Owners represents and warrants to the Province, and acknowledges that the Province is relying thereon, that it has all requisite corporate or partnership power, capacity and authority to enter into and deliver this Agreement and to perform its obligations hereunder and this Agreement has been duly executed and delivered by it and constitutes a legal, valid and binding obligation of it, enforceable against it in accordance with its terms, subject to the general qualifications that: (i) enforcement may be limited by bankruptcy, insolvency, moratorium, reorganization or other laws affecting creditors' rights generally; (ii) equitable remedies, including the remedies of specific performance and injunctive relief, are available only in the discretion of the applicable court; (iii) the equitable or statutory powers of the courts in Canada having jurisdiction to stay proceedings before them and the execution of judgments; and (iv) enforceability of provisions which purport to sever any provision which is prohibited or unenforceable under applicable law without affecting the enforceability or validity of the remainder of such document would be determined only in the discretion of the court.

(b) The Province represents and warrants to the Company and the Plant Owners, and acknowledges that the Company and each of the Plant Owners is relying thereon, that the Province has all requisite power, capacity and authority to enter into and deliver this Agreement and to perform its obligations hereunder and this Agreement has been duly executed and delivered by the Province and constitutes a legal, valid and binding obligation of the Province, enforceable against the Province in accordance with its terms, subject to the general qualifications that: (i) the Province has a general immunity from execution or attachment or similar process for enforcing payment by the Province of monetary judgments; (ii) equitable remedies, including the remedies of specific performance and injunctive relief, are available only in the discretion of the applicable court and are generally not available as remedies against the Province; (iii) the equitable or statutory powers of the courts in Canada having jurisdiction to stay proceedings before them and the execution of judgments; and (iv) enforceability of provisions which purport to sever any provision which is prohibited or unenforceable under applicable law without affecting the enforceability or validity of the remainder of such document would be determined only in the discretion of the court.

9. PUBLICITY

The Company and the Province agree to coordinate their press releases with respect to this Agreement with each other and the matters contemplated herein forthwith after the date hereof, including providing each other with advance copies of any press release. The Province hereby consents to this Agreement being filed on the Company's profile on the System for Electronic Document Retrieval and Analysis (SEDAR).

10. DISPUTE RESOLUTION

(a) If any dispute arises under or in connection with this Agreement that the Parties cannot resolve, either party may refer such dispute to senior representatives (Executive Vice President or higher of the Company and Deputy Minister or higher of the Province) of both Parties who have authority to settle the dispute by sending a notice of referral to the other Party. As soon as practicable after receipt of the notice of referral but in any event within ten (10) Business Days, the senior representatives shall meet in person to attempt to resolve the dispute. If no meeting of such senior representatives has taken place within 15 Business Days after such referral or if the dispute has not been resolved within 30 days from the receipt of the notice of referral, either Party may initiate proceedings in a court of law in respect of the dispute.

(b) The Parties submit to the exclusive jurisdiction of the courts in the Province of Alberta and the appellate courts therefrom.

11. GENERAL

(a) <u>Enurement</u>. This Agreement shall enure to the benefit of, and be binding upon, each of the Parties and their successors.

(b) <u>No Partnership or Other Relationship</u>. Nothing herein contained shall be read or construed as creating a partnership, trust or agency relationship or as imposing upon any Party any partnership, trust, good faith or other duty, obligation or liability of any kind, it being the express intention of the Parties that the respective rights, obligations and liabilities of each of the Parties under this Agreement and in respect of the subject matter hereof generally, shall be contractual in nature as independent contractors.

(c) <u>Severability</u>. If any provision of this Agreement is deemed to be unenforceable, in whole or in part, such provision will be deemed to be severed from this Agreement and the remainder of this Agreement will remain enforceable to the fullest extent permitted by law.

(d) Waiver. No failure or delay by a Party in exercising any right, power or privilege it has will operate as a waiver thereof, nor will any single or partial exercise thereof preclude any other or future exercise thereof or the exercise of any other right, power or privilege. No waiver of any provision shall be binding upon the Party unless the same is in writing and signed by the Parties.

(e) Choice of Law/Venue. This Agreement shall be governed by the laws in force in the Province of Alberta and the federal laws of Canada applicable therein.

(f) Amendments. This Agreement may not be amended except by written agreement of the Parties.

(g) Term and Survival. (i) Subject to Sections 11(g)(ii) and (iii), this Agreement shall take effect on the date first above written and shall continue in full force until January 1, 2031 unless otherwise agreed to by the Parties in writing. (ii) Any provision of this Agreement under which an obligation of one Party hereto has accrued but has not been discharged shall not be affected by termination of this Agreement, nor shall the Party liable to perform be discharged as a result of any such termination, nor shall termination prejudice any right of one Party against the other in respect of anything done or omitted hereunder prior to such termination or in respect of any right to damages or other remedies. (iii) For greater clarity, the Company's and Plant Owners' obligation to ensure that the Plants cease Coal-Fired Emissions from the Plants shall survive the termination of this Agreement indefinitely.

(h) No Other Representations. This document contains the entire agreement between the Parties as to the subject matter hereof and supersedes all prior oral or written agreements and understandings between the Parties in respect of the subject matter hereof. No other representations have been made relating to the subject matter hereof.

(i) Time of the Essence. Time is of the essence in this Agreement.

(j) No Implied Covenants. The Parties have expressed herein their entire understanding and agreement concerning the subject matter of this Agreement. No implied covenant, condition or term shall be read into this Agreement, nor shall any prior oral or written understanding entered into modify or compromise any of the terms and conditions herein.

(k) Notices. Any notices required or permitted hereunder shall be sent by courier or email to:

The Province:

Office of the Deputy Minister, Energy
8th Floor Petroleum Plaza NT
9945 - 108 Street
Edmonton, AB
T5K 2G6

Attention: Deputy Minister of Energy
Email: coleen.volk@gov.ab.ca

The Company or the Plant Owners:

TransAlta Corporation
110-12th Avenue S.W.
Calgary, AB T2P 2M1

Attention: Chief Legal Officer
Email: John_Kousinioris@transalta.com

Any such notices shall be effective upon receipt. Each Party shall provide notice to the other Party of any change in its address or bank account information in accordance with the notice provisions of this Section 11(k).

(l) Interpretation. The insertion of headings is solely for convenience of reference and shall not affect the interpretation of any provision. Unless the context otherwise requires, words used herein importing the singular number only shall include the plural and vice versa, and words importing the use of any gender shall include all genders. Where the word "including" or "includes" is used in this Agreement, it means "including (or includes) without limitation". The Parties agree that the Company may fulfill its obligations hereunder through its Affiliates, provided that the liability of the Company for performance by its Affiliates shall not be affected thereby. The terms “this Agreement”, “hereof”, “hereunder” and similar expressions refer to this Agreement and not to any particular section or other portion hereof and include any agreement supplemental thereto. “Person” shall be interpreted broadly and includes any individual, partnership, association trust, body corporate or other entity. References to “Section” followed by a number or a letter means and refers to the specified section or clause in this Agreement. All currency amounts in this Agreement are stated and shall be paid in Canadian dollars

(m) Assignment. Subject to Section 11(n), the Company may assign this Agreement with the prior written consent of the other Parties, such consent not to be unreasonably withheld or delayed. It shall be reasonable for the Province to withhold consent if the Province has reasonable grounds for insecurity with respect to the prospective assignee’s ability to meet the obligations in this Agreement. Notwithstanding the foregoing, (i) the Company and the Plant Owners may assign this Agreement to an Affiliate that is controlled, directly or indirectly, by the Company without the consent of the other Parties provided the Company remains liable to perform any obligations in this Agreement that such Affiliate fails to perform; and (ii) the Company or any Plant Owner may assign the benefit of this Agreement, in whole or in part, as security for any indebtedness or financing of the Company or any such Plant Owner without the consent of the other Parties. The Province may not assign this Agreement without the prior written consent of the Parties. Notwithstanding the foregoing sentence, the Province may assign this Agreement to an Affiliate that is controlled, directly or indirectly, by the Province without the consent of the other Parties provided the Province remains liable to perform any obligations in this Agreement that such Affiliate fails to perform.

(n) Transfer of Ownership of Plants. The Company or the Plant Owners may transfer title to or ownership interest in all the Plants with the consent of the Province, not to be unreasonably withheld, provided that the new owner agrees to be bound by the terms of this Agreement, in which case the Company and the Plant Owners shall be released from their obligations hereunder. It shall be reasonable for the Province to withhold consent if the Province has reasonable grounds for insecurity with respect to the new owner’s ability to meet the obligations in this Agreement. The Company or the Plant Owners may transfer ownership of less than all the Plants, with the consent of the Province not be unreasonably withheld, provided that (i) the new owner agrees to be bound by the terms of this Agreement in respect of such transferred Plant or Plants and (ii) the Company remains liable to perform any obligations in this Agreement that such new owner fails to perform. Notwithstanding the foregoing, the Company and the Plant Owners may transfer title to or an ownership interest in all or less than all the Plants to an Affiliate that is controlled, directly or indirectly, by the Company without the consent of the other Parties provided the Company remains liable to perform any obligations in this Agreement that such Affiliate fails to perform.

(o) Execution by Counterpart/Facsimile/PDF. This Agreement may be executed in one or more counterparts (including delivery in electronic PDF form), all of which shall be considered one and the same agreement. If a Party delivers a counterpart in electronic PDF form, that Party shall promptly thereafter deliver to the other Party an originally executed counterpart.

(p) No Third Party Beneficiary. Notwithstanding anything contained herein to the contrary, the provisions of this Agreement are not intended to be for the benefit of any other person to whom obligations are owed by, or who may have any claim against, the Company, except for the Province. No such person shall obtain any rights under this Agreement or shall, by reason of this Agreement, be permitted to make any claim against the Company nor shall any provision of this Agreement be, or construed to be, for the benefit of any other third party.

[The remainder of this page has been left intentionally blank. Signature pages follow.]

IN WITNESS of the foregoing, this Agreement has been executed by each Party as of the date specified above.

HER MAJESTY THE QUEEN IN RIGHT OF ALBERTA, as represented by the Minister of Energy

Per: "*Margaret Ellen McCuaig-Boyd*"
Signature

Margaret Ellen McCuaig-Boyd
Print Name

Minister of Energy
Title

TRANSALTA CORPORATION

Per: "*Brett Gellner*"
Signature

Brett Gellner
Print Name

Chief Investment Officer
Title

TRANSALTA GENERATION PARTNERSHIP, **by its manager, TRANSALTA CORPORATION**

Per: "*John Kousinioris*"
Signature

John Kousinioris
Name

Chief Legal and Compliance Officer and Corporate Secretary
Title

TRANSALTA COGENERATION L.P., by its general partner, TRANSALTA COGENERATION LTD.

Per: "*John Kousinioris*"
Signature

John Kousinioris
Name

Director
Title

KEEPHILLS 3 L.P., **by its general partner, TRANSALTA CORPORATION**

Per: "*Brett Gellner*"
Signature

Brett Gellner
Name

Chief Investment Officer
Title

Schedule A: TransAlta

Net book value provided by company:

$[redacted]

**Note, Sheerness 1 and 2 have been doubled to represent 50% ownership by TransAlta cogen.*

Pro-rated by percentage of life remaining after 2030 to give proxy for 2030 NBV: divided by remaining years under federal end-of-life as of November 2016, then multiplied by years stranded:

$[redacted]

Deducted by 10% for sub-critical units and 20% for super-critical units:

$[redacted]

Unit-by-unit breakdown:

Unit	**Federal end-of-life**	**Pro rata factor**	**Flat deduction (10%/20%)**
Sheerness 1 (50%)	2036	30%	$ [redacted]
Sheerness 2 (50%)	2040	42%	$ [redacted]
Genesee 3 (50%)	2055	64%	$ [redacted]
Keephills 3 (50%)	2061	69%	$ [redacted]
Total			**$** [redacted]

Discount 2030 NBV back to net present value (NPV) at 3% in 2016:

[redacted]

Annuity payment (over 14 years):

$39,851,704.60

Exhibit 20

TransAlta CLEAN POWER

TransAlta Announces Accelerated Transition to Clean Energy

Dec 6, 2017

CALGARY, Alberta (December 6, 2017) – TransAlta Corporation ("TransAlta" or the "Company") (TSX: TA; NYSE: TAC) announced today that its Board of Directors has approved additional elements in the Company's strategy to accelerate its transition to gas and renewables generation. These elements include:

- Entering into a letter of intent with Tidewater Midstream and Infrastructure Ltd. ("Tidewater") to construct a 120 kilometre natural gas pipeline from Tidewater's Brazeau River Complex to TransAlta's generating units at Sundance and Keephills to eventually supply the Company with up to 340 million cubic feet of gas per day;
- Accelerating the conversion of Sundance Units 3 to 6 and Keephills Units 1 and 2 from coal-fired generation to gas-fired generation in the 2021 to 2022 timeframe, a year earlier than originally planned. The coal-fired plants operated by TransAlta, once converted to gas, are anticipated to be able to run through to 2031 to 2039 – a significant lengthening of their asset lives; and
- Mothballing temporarily a combination of Sundance units in 2018 and 2019 to ensure that two Sundance coal units can operate at high capacity utilizations with lower costs through the period to 2020 when additional power will be needed in the Alberta market. Sundance Units 3 to 6 will re-enter the market starting in 2020 as the demand for electricity rises.

Details on the Company's Brazeau Pumped Storage Project, which is a key cornerstone of its gas and renewables strategy, are also provided. The Company expects dispatchable renewable resources to be valuable in a future where carbon emitting plants will mostly provide back up to low cost intermittent renewable resources.

The Company also provided its 2018 annual guidance today, which is discussed below.

“We continue to position TransAlta as a leader in clean power generation and our strategy dramatically improves our competitive position and our ability to generate strong cash flow over the long term,” said Dawn Farrell, President and Chief Executive Officer. “Our asset base in Alberta is poised to ensure that we can provide low cost, clean, reliable and firm electricity to customers.”

Gas Supply for Conversions and Accelerated Coal-to-Gas Conversion Schedule

As announced earlier today, TransAlta has entered into a letter of intent with Tidewater for the construction of a 120 kilometre pipeline from their Brazeau River Complex to TransAlta’s Sundance and Keephills facilities. The pipeline will provide initial capacity of 130 million cubic feet of gas per day by 2020, and have expansion capability to 340 million cubic feet of gas per day. The initial capacity will support fuel blending, using a fuel combination of coal and gas for generation, which will reduce the marginal cost as well as emissions. TransAlta will have the option to invest up to 50 percent in the pipeline, which, if exercised, would reduce the costs associated with the tolling agreement.

The decision to work with Tidewater advances the timeframe for the construction of a pipeline and permits the acceleration of plant conversions. As a result, and given the clarity provided by the draft coal-to-gas conversion rules proposed by the Government of Canada, the Company has determined to accelerate the conversion of Sundance Units 3 to 6 and Keephills Units 1 and 2 from coal-fired generation to gas-fired in the 2021 to 2022 timeframe, a year earlier than originally planned. TransAlta remains of the view that having at least two pipelines supplying natural gas would reduce operational risks and continues to advance discussions with other parties to construct additional pipelines to meet the remaining gas supply requirements for the facilities.

Although not yet finalized, the Government of Canada has proposed coal-to-gas conversion rules that would extend the life of TransAlta’s gas conversion units by five-to-ten years past their federal end of coal life, depending on their CO_2 emissions profile. The proposed rules would see the life of TransAlta’s entire coal-fired fleet extended by an aggregate of approximately 75 years.

In addition to the extending of their operating lives, the benefits of converting units to gas generation include: (i) significantly lowering carbon intensities, emissions, and costs; (ii) significantly lowering operating and sustaining capital costs; and (iii) increasing operating flexibility.

Sundance Operations in the 2018 to 2020 Timeframe

The Board of Directors have approved the following;

- Sundance Unit 3, will be temporarily mothballed on April 1, 2018 for a period of up to two years;
- Sundance Unit 5, will be temporarily mothballed on April 1, 2018 for a period of up to one year; and
- Sundance Unit 4, will be temporarily mothballed on April 1, 2019 for a period of up to two years.

The decision to mothball selected units ensures that the remaining units operate at strong capacity utilization factors which ensure competitive cost structures. Sundance Unit 3, Sundance Unit 4 and Sundance Unit 5 comprise 368 MW, 406 MW and 406 MW, respectively, of the 2,141 MW Sundance power plant. TransAlta maintains the flexibility to return mothballed units to service when market fundamentals support the addition of their generation. The mothballing of the units will also assist TransAlta in its preparations for converting the units to gas.

On April 19, 2017, the Company announced that it would retire Sundance Unit 1 and mothball Sundance Unit 2, effective January 1, 2018. Sundance Unit 2 will also be available to return to service in 2020.

Brazeau Pumped Storage

Brazeau Hydro is an existing power station on the North Saskatchewan River location north-west of Edmonton. The facility currently produces 355 MW of power under a power purchase arrangement (“PPA”) with the Balancing Pool. The PPA expires at the end of 2020. Brazeau Pumped Storage is a development project, at Brazeau Hydro, that would create up to 900 MW of additional generation and storage capability. The facility would utilize the existing footprint to generate power under conditions of strong demand and store power when supply resources outpace demand. It is particularly competitive for ensuring that low cost, intermittent wind and solar generation resources can be stored for use in high demand periods. The Company is developing the project in anticipation of a requirement over time to replace baseload thermal resources with dispatchable renewable resources in the Alberta market. The project, if it were to win a long-term contract in a future competitive call, could be ready for service as early as 2025.

2018 Outlook

For 2018, we expect our annual free cash flow ("FCF") to be in-line with our 2017 expected annual FCF, despite the expiry of the Sundance A PPA, the early termination of the Sundance B PPA and Sundance C PPA, and the termination of our Solomon contract in Australia. We have already received approximately $400 million for the early termination of the Solomon contract and we are expecting to receive in excess of $200 million from the Balancing Pool for the early termination of the Sundance B PPA and Sundance C PPA. As a result, we have accelerated our debt reduction plan and will have additional financial flexibility over the next three years. The PPA terminations have provided increased operational flexibility and enables optimization of the Sundance power plant. This optimization results in significant reductions in operating costs as well as sustaining and productivity capital, which we expect will be in the range of $215 to $235 million.

The outlook assumes an average price of $50-60/MWh in Alberta and that the Sundance merchant units will run between 65 to 75% in 2018. The following table outlines TransAlta's financial targets for 2018:

Measure	Target
Comparable EBITDA(1)	$950 million to $1,050 million
FFO(1)	$725 million to $800 million
FCF (1)	$275 million to $350 million
Dividend	$0.16 per share, 13 to 17 per cent payout of Comparable FCF

-

Range of key power price assumptions:

Market	Power Prices ($/MWh)
Alberta Spot	$50 to $60
Alberta Contracted	$35 to $40
Mid-C Spot (US$)	$20 to $25

Mid-C Contracted (US$)	$47 to $53

Other assumptions relevant to the 2018 outlook:

Sustaining Capital	$215 million to $235 million
Canadian Coal Capacity Factor	65% to 75%
Hydro/Wind Resource	Long term average

(1) These items are not defined under IFRS. Presenting these items provides management and investors with the ability to evaluate earnings trends more readily in comparison with prior periods' results. Refer to the Funds from Operations and Free Cash Flow, Discussion of Segmented Comparable Results, and Earnings and Other Measures on a Comparable Basis sections of TransAlta's 2017 third quarter management discussion and analysis for additional information.

Investor Day

TransAlta will be hosting an Investor Day at 9:30am ET on Wednesday, December 6th, 2017 during which our executive team will discuss the announcements above. A link to the presentation and live webcast will be available on the Investors section of TransAlta's website at http://www.transalta.com/investors/events-and-presentations.

About TransAlta Corporation:

TransAlta owns, operates and develops a diverse fleet of electrical power generation assets in Canada, the United States and Australia with a focus on long-term shareholder value. We provide municipalities, medium and large industries, businesses and utility customers clean, affordable, energy efficient, and reliable power. Today, we are one of Canada's largest producers of wind power and Alberta's largest producer of hydro-electric power. For over 100 years, TransAlta has been a responsible operator and a proud community-member where its employees work and live. TransAlta aligns its corporate goals with the UN Sustainable Development Goals and we have been recognized by CDP (formerly Climate Disclosure Project) as an industry leader on Climate Change Management. We are also proud to have achieved the Silver level PAR

(Progressive Aboriginal Relations) designation by the Canadian Council for Aboriginal Business.

For more information about TransAlta, visit our web site at transalta.com.

Forward-Looking Statements

This news release contains forward-looking statements and forward-looking information within the meaning of applicable securities laws. The use of any of the words "expect", "anticipate", "continue", "estimate", "may", "will", "project", "should", "propose", "plans", "intends" and similar expressions are intended to identify forward-looking information or statements. More particularly, and without limitation, this news release contains forward-looking statements and information relating to: the mothballing of Sundance Units 3, 4 and 5; the expected value of dispatchable renewable resources, such as the Brazeau Pumped Storage project; that carbon emitting plants are expected to primarily provide back up to low cost intermittent renewable resources in the future; the expectation that mothballing a combination of Sundance units in 2018 and 2019 will allow the two operating Sundance coal units to operate at high capacity utilizations to 2020, when additional power is expected to be needed in the Alberta market; the conversion to gas-fired generation of Sundance Units 3 to 6 and Keephills Units 1 to 2, including the timing thereof; the lengthening of the coal-fired plants lives, once converted to gas, to 2031 to 2039; the expected gas supply required for converted units and the construction by Tidewater of a 120 kilometre pipeline to TransAlta's Sundance and Keephills facilities with a capacity of 130 million cubic feet of gas per day by 2020 and expansion capability to 340 million cubic feet of gas per day; the terms of any definitive agreement with Tidewater, including the option to invest up to 50 percent in the pipeline; the anticipated benefits of converting units to gas; the Government of Canada's proposed coal-to-gas conversion rules expected to extend the life of TransAlta's coal units by five-to-ten years past their federal end of coal life, depending on their emissions profile; the life of TransAlta's coal-fired fleet to be extended by an aggregate of approximately 75-years; the benefits of converting coal-fired generating units to gas-fired generating units; the construction and development of the Brazeau Pumped Storage project, including that such project would create up to 900 MW of additional hydro and storage capability, the timing for when such project could come on-line, the competitiveness of such project, and the anticipated Alberta provincial requirement to replace baseload thermal generation with dispatchable renewable resources; the 2018 outlook, including 2017 expected annual FCF and 2018 financial targets; amounts to be received from the Balancing Pool in connection with the termination of the Sundance B and Sundance C PPAs; increased asset optimization; reductions in operating costs and sustaining and productivity capital *in the range of $215 to $235 million; and the 2018 dividend amounts and payout ratio. These statements are based on TransAlta's belief and assumptions based on information available at the time the assumptions were made. These statements are subject to a number of risks and uncertainties that may cause actual results to differ materially from those contemplated by the forward-looking statements. Some of the factors that could cause such differences include: legislative or regulatory developments, including as it pertains to the Alberta capacity market; the Federal and/or Provincial governments not implementing legislation or regulations facilitating the conversion from coal generation to gas generation; the Federal and/or Provincial governments adopting different carbon prices rules; changes in economic and competitive conditions; inability to secure natural gas supply and the construction of a natural gas pipeline on terms satisfactory to the Company; the introduction of disruptive sources of energy or capacity; changes in the price for natural gas and electricity, including expected pricing in Alberta and Mid-C; decreased demand for energy or capacity; Canadian coal capacity factors and hydro and wind resources being lower than expected; availability of financing; and other risk factors contained in the Company's annual information form and management's discussion and analysis. Readers are cautioned not to place undue reliance on these forward-looking statements or forward-looking information, which reflect TransAlta's expectations only as of the date of this news release. The purpose of the financial outlooks contained in this news release are to give the reader information about management's current expectations and plans and readers are cautioned that such information may not be appropriate for other purposes. TransAlta disclaims any intention or obligation to update or revise these forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.*

Note: All financial figures are in Canadian dollars unless otherwise indicated.

For more information:

Investor Inquiries:	***Media Inquiries:***
Sally Taylor	Amber Goulard
Manager, Investor Relations	Senior Advisor, Communications
Phone: 1-800-387-3598 in Canada and U.S.	Toll-free media number: 1-855-255-9184

Email:	investor_relations@transalta.com	Email:	ta_media_relations@transalta.com

← TransAlta and Tidewater Midstream announce today a Letter of Intent to construct a Natural Gas Pipeline to TransAlta's Facilities

TransAlta Comments on Provincial Carbon Credit Regime →

Exhibit 21

TransAlta Corporation

Transition Update Conference Call & Webcast

Date: **Tuesday, November 29, 2016**

Time: **12:00 PM MT/2:00 PM ET**

Speakers:

Jaeson Jaman
Manager, Investor Relations

Dawn Farrell
President & Chief Executive Officer

Donald Tremblay
Chief Financial Officer

John Kousinioris
Chief Legal and Compliance Officer

Thanks, Jaeson, and welcome everyone who's joined our call today. Listen folks, I'm going to apologize in advance. We have a lot to go through here with our script and our slides. We tried to cut it back as much as we could, but the team wasn't able to wrestle me to the ground, because I really wanted to tell you everything that I want to tell you today, so lots to go through, but we are going to stay on the line for as long as you want and answer questions, so we're treating this a little bit like a mini Investor Day. Of course, we'll be out to do a bigger Investor Day sometime in March.

Really, I want to start by saying that last week really marked a turning point for the Alberta power sector. The government of Alberta announced several, what we say, are very impactful and far-reaching agreements that provide significant clarity about proposed changes to transition Alberta's electric system to a low-carbon economy.

Today, we want to show you how we expect these changes to transform our Alberta business strategy here at TransAlta, and we're going to also update you on some of the progress on our repositioning of our capital structure, because, of course, they go hand-in-hand.

Last week's announcements included first—and they're not really in order—but on Wednesday of last week, the Alberta government announced it would move away from the current Alberta energy-only electricity market and create a capacity market in which both energy and capacity will be priced in competitive auctions. Of course this is critically important as they move to bring more renewables into the market here.

Second, on Thursday the Alberta government and TransAlta announced a binding off-coal agreement that provides compensation for the surrounded value on the K3G3 and Sheerness coal plants that had (inaudible 03:31) beyond 2030.

Third, also on Thursday, we signed a Memorandum of Understanding with the Alberta government. Among other things, the MOU will lead to a policy framework that allows us to complete coal-to-gas conversions on many of our existing coal plants. These converted plants will serve Alberta under the new capacity market. The MOU also acknowledges our commitment to collaborate on transitioning our existing renewable assets so they can operate on a level playing field in the new capacity market. We'll also seek to find mechanisms that support larger, longer-lived hydro projects here in Alberta, and you're as evidenced by the Federal government's intentions to price carbon at $50 a tonne by 2022. For investors to have confidence in the returns generated in our business, we must find innovative and reliable ways to reduce carbon and electricity generation, while keeping prices low and stable for our customers. This is a strategic imperative. It's not a dream.

To succeed, we must utilize TransAlta's advantages, which include taking advantage of our scale and our low costs; continuing to lead in clean energy investments; growing our diversified asset base, which generates strong cash flows; developing our brownfield expansion opportunities; and finally, relying on our experience, skilled, and innovative workforce to execute our longer and near-term strategies and goals.

As I've mentioned to all of you on our calls, one of our top priorities in 2016 was to secure a mutually beneficial coal transition agreement with the Alberta government. The off-coal agreement and the MOU, together, achieved our goal. Under the off-coal agreement, TransAlta will receive a total of $524 million, comprised of annual cash payments of approximately $37.4 million net to TransAlta starting in 2017 and ending in 2030. The annual cash payments are supported by the credit of the Alberta government.

In return, we've agreed to maintain a strong Alberta Company that supports our employees, communities, and continues to invest in the Province. This agreement will allow us to raise capital to reduce the long-term debt associated with our newer coal plants. This is significant for shareholders who will see improved cash flows that support TransAlta's ability to refinance our existing debt maturities, as we refocus the business.

I also referred earlier to the Memorandum of Understanding that we signed with the Alberta government. This commits all parties to continue working on the development of a policy framework to invest in Alberta's clean energy future, and to advance the objectives of the Alberta Climate Leadership Plan. An important part of this goal is to advance coal-to-gas conversions on some of the plants in our coal fleet. Realizing the economic and environmental responsible goals of this kind of investment will require regulatory cooperation with both the Provincial and the Federal government.

Exhibit 22

TransAlta CLEAN POWER

TransAlta and Tidewater Midstream announce today a Letter of Intent to construct a Natural Gas Pipeline to TransAlta's Facilities

Dec 6, 2017

CALGARY, Alberta (December 6, 2017) – TransAlta Corporation ("TransAlta" or the "Company") (TSX: TA; NYSE: TAC) and Tidewater Midstream and Infrastructure Ltd. ("Tidewater") (TSX: TWM) announced today that the two companies have entered into a Letter of Intent ("LOI") for Tidewater to construct a 120 Kilometre natural gas pipeline from its Brazeau River Complex to TransAlta's generating units at Sundance and Keephills.

The Tidewater Pipeline will facilitate TransAlta's strategy to convert its coal units at Sundance and Keephills to natural gas. Converting the coal units extends the operating life of the assets and significantly reduces operating costs and emissions.

The pipeline will provide initial capacity of 130 MMcf/d by 2020, and have expansion capability to 340 MMcf/d, which represents approximately 50% of TransAlta's gas requirements at full capacity. Under the LOI, TransAlta has the option to invest up to 50% in the pipeline.

"Construction of the natural gas pipeline supports our strategy of being a low-cost provider of firm, clean and reliable energy," said Dawn Farrell, President and Chief Executive Officer of TransAlta. "In addition, having greater access to natural gas allows TransAlta to blend natural gas with the coal, prior to fully converting the units, allowing us to take advantage of low natural gas prices and reduce our carbon costs."

"Tidewater is excited to enter into a long-term arrangement with TransAlta which is supported by a 15-year take or pay agreement that provides oil and gas producers throughout Western Canada with direct connectivity to a new, large demand source," said Joel MacLeod, President and Chief Executive Officer of Tidewater. "This agreement with TransAlta enables Tidewater to transport production direct from the wellhead, through Tidewater's extensive natural gas processing and storage infrastructure network, direct to an end market."

About TransAlta Corporation:

TransAlta develops new, and owns and operates a diverse fleet of electrical power generation assets in Canada, the United States and Australia with a focus on long-term shareholder value. We provide municipalities, medium and large industries, businesses and utility customers clean, affordable, energy efficient, and reliable power. Today, we are Canada's largest producer of wind power and Alberta's largest producer of hydro-electric power. For over 100 years, TransAlta has been a responsible operator and a proud community-member where its employees work and live. TransAlta aligns its corporate goals with the UN Sustainable Development Goals and we have been recognized by CDP (formerly Climate Disclosure Project) as an industry leader on Climate Change Management. We are also proud to have achieved the Silver level PAR (Progressive Aboriginal Relations) designation by the Canadian Council for Aboriginal Business.

For more information about TransAlta, visit our web site at transalta.com.

About Tidewater Midstream and Infrastructure Ltd.

Tidewater is traded on the TSX under the symbol "TWM". Tidewater's business objective is to build a diversified midstream and infrastructure company in the North American natural gas and natural gas liquids ("NGL") space. Its strategy is to profitably grow and create shareholder value through the acquisition and development of oil and gas infrastructure. Tidewater plans to achieve its business objective by providing customers with a full service, vertically integrated value chain through the acquisition and development of oil and gas infrastructure including: gas plants, pipelines, railcars, trucks, export terminals and storage facilities.

Forward-Looking Statements

This news release contains forward looking statements within the meaning of applicable securities laws, including statements regarding: the construction of a 120 kilometre natural gas pipeline from Tidewater's Brazeau River Complex to TransAlta's generating units at Sundance and Keephills; TransAlta's strategy of converting certain of its coal units to natural gas; and the terms of any definitive agreement with Tidewater, including that the pipeline will provide initial capacity of 130 MMcf/d by 2020, have expansion capability to 340 MMcf/d, and provide TransAlta with an option to invest up to 50% in the pipeline. These statements are based on TransAlta's belief and assumptions based on information available at the time the assumptions were made. These statements are subject to a number of risks and uncertainties that may cause actual results to differ materially from those contemplated by the forward-looking statements. Some of the *factors that could cause such differences include: legislative or regulatory developments, including as it pertains to the emission standards; the Federal and/or Provincial legislation impacting the conversion from coal generation to gas generation; changes in economic and competitive conditions; ability to secure natural gas supply; any inability to reach a definitive agreement with Tidewater regarding the construction of a natural gas pipeline on terms satisfactory to the Company; changes in the price for natural gas; decreased demand for energy or capacity; higher costs, expenses and interest rates; strikes or other labour disruptions; and other risk factors contained in the Company's annual information form and management's discussion and analysis. Readers are cautioned not to place undue reliance on these forward-looking statements, which reflect TransAlta's expectations only as of the date of this news release. TransAlta disclaims any intention or obligation to update or revise these forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.*

Note: All financial figures are in Canadian dollars unless otherwise indicated.

For more information:

Investor Inquiries:	***Media Inquiries:***
Sally Taylor	Amber Goulard
Manager, Investor Relations	Senior Advisor, Communications
Phone: 1-800-387-3598 in Canada and U.S.	Toll-free media number: 1-855-255-9184
Email: investor_relations@transalta.com	Email: ta_media_relations@transalta.com

← TransAlta Opens the Pilbara's Most Efficient Power Station

TransAlta Announces Accelerated Transition to Clean Energy →

Exhibit 23

The only change to this filing is the addition of Schedule A which was missing from the earlier filing.

OFF-COAL AGREEMENT

THIS AGREEMENT ("**Agreement**") made as of the 24 day of November, 2016.

AMONG:

CAPITAL POWER CORPORATION,
a body corporate having an office in the City of Edmonton, in the Province of Alberta
("**Company**")

- and –

CAPITAL POWER L.P.,
a limited partnership having an office in the City of Edmonton, in the Province of Alberta
("**CPLP**")

- and –

CAPITAL POWER (G3) LIMITED PARTNERHIP,
a limited partnership having an office in the City of Edmonton, in the Province of Alberta
("**CPG3LP**")

- and –

CAPITAL POWER (K3) LIMITED PARTNERSHIP,
a limited partnership having an office in the City of Edmonton, in the Province of Alberta
("**CPK3LP**")

- and –

HER MAJESTY THE QUEEN IN RIGHT OF ALBERTA,
as represented by the Minister of Energy
("**Province**")

RECITALS:

WHEREAS the Province has determined that it is in the public interest to ensure that no more carbon dioxide and other air contaminants emanate from the combustion of coal after 2030;

WHEREAS the Province accordingly requires the Company and the Plant Owners to cease operations or businesses that produce coal-fired emissions;

WHEREAS the Province has determined that it is in the public interest to maintain a positive investment environment while ensuring that workers and communities affected by the coal phase out are supported;

WHEREAS each of CPLP, CPG3LP and CPK3LP are indirect subsidiaries and Affiliates of the Company, and CPLP is the owner of the Genesee 1 and Genesee 2 Plants, CPG3LP holds a joint venture interest in the Genesee 3 Plant and CPK3 holds a joint venture interest in the Keephills 3 Plant;

In consideration of the mutual promises and obligations contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Parties, the Parties agree as follows:

1. DEFINITIONS

In this Agreement, the following terms shall have the following defined meanings:

"**Affiliate**" has the meaning contemplated for that term in the *Securities Act*, RSA 2000 c. S-4 as amended to the date hereof, and for certainty, in the case of TransAlta Corporation shall include TransAlta Renewables Inc. and its Affiliates;

"**Affected Companies**" means TransAlta Corporation and ATCO Ltd.;

"**Coal-Fired Emissions**" means emissions from the combustion of coal into the atmosphere including, but not limited to, air contaminants such as sulphur dioxide, nitrogen oxides, mercury, primary particulate matter and carbon dioxide and other specified gases as defined in the *Climate Change and Emissions Management Act* and regulations thereunder;

"**Payment**" has the meaning set forth in Section 3(a) of this Agreement;

"**Parties**" means the Company, the Plant Owners and the Province;

"**Plant Owners**" means CPLP, CPG3LP and CPK3LP;

"**Plants**" means the coal powered electricity generation plants known as Genesee 1, Genesee 2, Genesee 3 and Keephills 3; and

"Term" means the period of time commencing on the date first above written and continuing until January 1, 2031.

2. CESSATION OF COAL-FIRED EMISSIONS

The Company and each of the Plant Owners covenant and agree that each will ensure that the Plants cease Coal-Fired Emissions on or before December 31, 2030. It is understood and agreed that in respect of any Plant where the Company or a Plant Owner holds less than a 100% interest in the applicable Plant, this covenant applies only to the extent of electricity production owned, controlled and dispatched by the applicable Plant Owner from that Plant. For greater certainty, nothing in this Agreement shall prevent or restrict any Plant from generating electricity at any time by any method other than by the combustion of coal.

3. PAYMENTS

(a) Subject to the Company meeting the eligibility conditions in Section 5 and the obligations in Sections 6 and 7 each year, the Province covenants and agrees to pay to, or as directed by, the Company fourteen (14) annual payments each of $52,414,828.49 (in aggregate, the "**Payment**").

(b) The Payment shall be paid in annual payments of $52,414,828.49 on or before July 31 in each year commencing in 2017, with the first payment being payable on or before July 31, 2017, and the last payment being payable on or before July 31, 2030. The Company shall provide bank account payment instructions for payment to the Province concurrently with the execution of this Agreement, and thereafter in accordance with a notice under Section 11(k) of this Agreement.

(c) If the Company fails to meet the eligibility conditions in Sections 5 or fails to fulfill the reporting obligation in Section 6(a) or has commenced an action contrary to Section 7, as determined by the Province acting reasonably, and fails to cure such failure within 90 days of notice from the Province, then the Province shall not be required to make any further payments under this Agreement.

(d) If the Company or any of the Plant Owners fail to fulfill the covenant in Section 2, then, in addition to any other remedies the Province may have at law (including injunctive relief), the Company shall repay the full Payment already paid by the Province under this Agreement.

4. EQUIVALENT RIGHTS

(a) The Parties acknowledge that the Province is under no legal obligation to compensate or otherwise pay any amount to the Company as result of the phase out of Coal-Fired Emissions; nevertheless, the Province determined the amount of Payment in accordance with the formula attached in Schedule A hereto. If the Province enters into a similar off-coal agreement with any of the Affected Companies or their Affiliates and uses a different formula that, if applied to the Company, would result in a materially higher Payment, then the Province will pay the difference to the Company in equal increments over the remaining annual payment dates. In this Section, "materially higher" means a difference of at least $5 million over 14 years.

(b) The Parties further acknowledge that the Province relied on information from the Company in relation to some of the inputs into the formula, specifically, the net book value of the Plants. If, as a result of a review or examination under Section 6, the Province determines, acting reasonably, that the net book value is lower than the value provided by the Company, then the Province may recalculate the Payment and reduce the Payment accordingly.

5. CONTINUING ELIGIBILITY FOR PAYMENT

The Company will fulfill the following eligibility conditions during the Term:

(a) The Company will spend a minimum of one million dollars ($1,000,000) each calendar year, and over the Term of this Agreement commencing in 2017 a minimum aggregate of seventy million dollars ($70,000,000) on investment and investment related activities in Alberta with respect to the electricity business. For purposes of this Section 5(a), "investment and investment related activities" includes:

(i) any and all capital expenses of any nature or kind, including but not limited to planning, new capital investments, sustaining capital expenditure or major maintenance capital expenditure; and

(ii) any and all development costs or expenses of any nature or kind, including those incurred in relation to the preparation/ or submission of bids, production or procurement of studies, including technical feasibility studies, and environmental impact assessments, obtaining, maintaining or appealing regulatory approvals, consulting on market design, stakeholder engagement, or and planning; and

(iii) any and all costs of infrastructure development; and, construction, maintenance, or decommissioning,

including in each of the foregoing clauses (i) to (iii) in respect of any coal-to-gas conversion of the Plants.

(b) The Company shall maintain a continual significant business presence in the Province of Alberta, by:

(i) maintaining its registered and head office in Alberta;

(ii) maintaining employment of no less than two hundred (200) employees in Alberta; and

(iii) continuing to generate electricity or otherwise participating in the electricity market in Alberta;

provided that, in the event that a majority of the shares of the Company are acquired by an arm's length third party or substantially all of the assets of the Company are transferred to an arm's length third party, the condition related to the head office shall no longer apply.

(c) The Company will each calendar year provide an aggregate of fifty thousand dollars ($50,000) to support the Village of Warburg, Alberta and the other communities surrounding the Plants known as Genesee 1, Genesee 2 and Genesee 3 and the employees of the Company and employees of the Plant Owners, which may include programs and initiatives recommended by the Advisory Panel on Coal Communities.

(d) The Company shall fulfill its existing and future legal obligations to affected employees, including severance and pension obligations.

(e) In the event the Plants are not going to be converted to natural gas by December 31, 2030, the Company will spend a minimum of two million dollars ($2,000,000) on the retraining and severance for Plant employees who will lose their jobs as the result of ceasing Coal-Fired Emissions. These expenditures may also include contributions to programs and initiatives recommended by the Advisory Panel on Coal Communities. To the extent any such payment reflects existing or future legal obligations of severance to affected employees, the Province acknowledges such payments will be also be considered toward the fulfilment by the Company of Section 5(d).

6. REPORTING

(a) The Company will deliver a report, certified by a senior officer, (without personal liability), to the Minister of Energy and the Minister of Economic Development and Trade (or their respective successors) each year by May 31 confirming that, as of the prior December 31, the eligibility conditions in Section 5 were satisfied and providing reasonable detail in respect of such confirmation and such further information as the Province may reasonably request in relation to the Company's performance of its obligations and fulfilling the eligibility conditions under this Agreement.

(b) The Company will permit the Province or the Province's representative, on reasonable notice, during normal business hours, to examine and take copies of the records of the Company in relation to the performance of its obligations, and meeting the eligibility conditions, under this Agreement and in relation to any information provided by the Company related to the net book value of the Plants. The Province shall treat the information made available to the Province under this Section 6(b) in substantially the same manner as if it was "Confidential Information" under the Confidentiality Agreement between the Province, the Company and others dated April 1, 2016.

7. NO ACTIONS

(a) Subject to the provisions of Section7(b), neither the Company nor any Plant Owner shall commence any legal action against the Province or any provincial agencies, including the Independent System Operator and the coal facilitator, with respect to the phase out of Coal-Fired Emissions from the Plants, including with respect to the mines, coal supply agreements, mining contracts, or mining equipment related to the coal used to fuel the Plants or alleging any other cause of action in relation to the phase out of Coal-Fired Emissions from the Plants.

(b) Notwithstanding the provisions of Section 7(a), nothing in this Agreement shall prevent the Company or any Plant Owner from commencing any legal action against the Province or any provincial agency with respect to:

(i) the enforcement of its rights under this Agreement;

(ii) any power purchase arrangement (as defined under the *Electric Utilities Act* (Alberta)) to which the Company or a Plant Owner is a party;

(iii) the operation of its business in the ordinary course, including any regulatory or civil proceedings arising in respect thereof; or

(iv) any matter not related to the phase out of Coal-Fired Emissions from the Plants.

8. REPRESENTATIONS AND WARRANTIES

(a) The Company and each of the Plant Owners represents and warrants to the Province, and acknowledges that the Province is relying thereon, that it has all requisite corporate or partnership power, capacity and authority to enter into and deliver this Agreement and to perform its obligations hereunder and this Agreement has been duly executed and delivered by it and constitutes a legal, valid and binding obligation of it, enforceable against it in accordance with its terms, subject to the general qualifications that: (i) enforcement may be limited by bankruptcy, insolvency, moratorium, reorganization or other laws affecting creditors' rights generally; (ii) equitable remedies, including the remedies of specific performance and injunctive relief, are available only in the discretion of the applicable court; (iii) the equitable or statutory powers of the courts in Canada having jurisdiction to stay proceedings before them and the execution of judgments; and (iv) enforceability of provisions which purport to sever any provision which is prohibited or unenforceable under applicable law without affecting the enforceability or validity of the remainder of such document would be determined only in the discretion of the court.

(b) The Province represents and warrants to the Company and the Plant Owners, and acknowledges that the Company and each of the Plant Owners is relying thereon, that the Province has all requisite power, capacity and authority to enter into and deliver this Agreement and to perform its obligations hereunder and this Agreement has been duly executed and delivered by the Province and constitutes a legal, valid and binding obligation of the Province, enforceable against the Province in accordance with its terms, subject to the general qualifications that: (i) procedures and remedies available as against the Province are subject to the *Proceedings Against the Crown Act* (Alberta); (ii) equitable remedies, including the remedies of specific performance and injunctive relief, are available only in the discretion of the applicable court; (iii) the equitable or statutory powers of the courts in Canada having jurisdiction to stay proceedings before them and the execution of judgments; and (iv) enforceability of provisions which purport to sever any provision which is prohibited or unenforceable under applicable law without affecting the enforceability or validity of the remainder of such document would be determined only in the discretion of the court.

9. PUBLICITY

The Company and the Province agree to coordinate the messaging in their press releases with respect to this Agreement with each other and the matters contemplated herein forthwith after the date hereof, and will provide each other with advance copies of their respective final press releases. The Province hereby consents to this Agreement being filed on the Company's profile on the System for Electronic Document Retrieval and Analysis (SEDAR).

10. DISPUTE RESOLUTION

(a) If any dispute arises under or in connection with this Agreement that the Parties cannot resolve, either party may refer such dispute to senior representatives (Executive/Senior Vice President or higher of the Company and Deputy Minister or higher of the Province) of both Parties who have authority to settle the dispute by sending a notice of referral to the other Party. As soon as practicable after receipt of the notice of referral but in any event within ten (10) Business Days, the senior representatives shall meet in person to attempt to resolve the dispute. If no meeting of such senior representatives has taken place within 15 Business Days after such referral or if the dispute has not been resolved within 30 days from the receipt of the notice of referral, either Party may initiate proceedings in a court of law in respect of the dispute.

(b) The Parties submit to the exclusive jurisdiction of the courts in the Province of Alberta and the appellate courts therefrom.

11. GENERAL

(a) <u>Enurement</u>. This Agreement shall enure to the benefit of, and be binding upon, each of the Parties and their successors.

(b) <u>No Partnership or Other Relationship</u>. Nothing herein contained shall be read or construed as creating a partnership, trust or agency relationship or as imposing upon any Party any partnership, trust, good faith or other duty, obligation or liability of any kind, it being the express intention of the Parties that the respective rights, obligations and liabilities of each of the Parties under this Agreement and in respect of the subject matter hereof generally, shall be contractual in nature as independent contractors.

(c) Severability. If any provision of this Agreement is deemed to be unenforceable, in whole or in part, such provision will be deemed to be severed from this Agreement and the remainder of this Agreement will remain enforceable to the fullest extent permitted by law.

(d) Waiver. No failure or delay by a Party in exercising any right, power or privilege it has will operate as a waiver thereof, nor will any single or partial exercise thereof preclude any other or future exercise thereof or the exercise of any other right, power or privilege. No waiver of any provision shall be binding upon the Party unless the same is in writing and signed by the Parties.

(e) Choice of Law/Venue. This Agreement shall be governed by the laws in force in the Province of Alberta and the federal laws of Canada applicable therein.

(f) Amendments. This Agreement may not be amended except by written agreement of the Parties.

(g) Survival. (i) Any provision of this Agreement under which an obligation of one Party hereto has accrued but has not been discharged shall not be affected by termination of this Agreement, nor shall the Party liable to perform be discharged as a result of any such termination, nor shall termination prejudice any right of one Party against the other in respect of anything done or omitted hereunder prior to such termination or in respect of any right to damages or other remedies. (ii) For greater clarity, the Company's and Plant Owners' obligation to cease Coal-Fired Emission shall survive the termination of this Agreement indefinitely.

(h) No Other Representations. This document contains the entire agreement between the Parties as to the subject matter hereof and supersedes all prior oral or written agreements and understandings between the Parties in respect of the subject matter hereof. No other representations have been made relating to the subject matter hereof.

(i) Time of the Essence. Time is of the essence in this Agreement.

(j) No Implied Covenants. The Parties have expressed herein their entire understanding and agreement concerning the subject matter of this Agreement. No implied covenant, condition or term shall be read into this Agreement, nor shall any prior oral or written understanding entered into modify or compromise any of the terms and conditions herein.

(k) Notices. Any notices required or permitted hereunder shall be sent by courier or email to:

The Province:

Office of the Deputy Minister, Energy
8th Floor Petroleum Plaza NT
9945 - 108 Street
Edmonton, AB
T5K 2G6

Attention: Deputy Minister of Energy
Email: coleen.volk@gov.ab.ca

The Company or the
Plant Owners:

All CPC companies
c/o General Counsel
1200,10423-101 St.
Edmonton AB T5H0E9

Any such notices shall be effective upon receipt. Each Party shall provide notice to the other Party of any change in its address in accordance with the notice provisions of this Section 11(k).

(l) Interpretation. The insertion of headings is solely for convenience of reference and shall not affect the interpretation of any provision. Unless the context otherwise requires, words used herein importing the singular number only shall include the plural and vice versa, and words importing the use of any gender shall include all genders. Where the word "including" or "includes" is used in this Agreement, it means "including (or includes) without limitation". The Parties agree that the Company may fulfill its obligations and eligibility conditions hereunder through its Affiliates, provided that the liability of the Company for performance by its Affiliates shall not be affected thereby. The terms "this Agreement", "hereof", "hereunder" and similar expressions refer to this Agreement and not to any particular section or other portion hereof and include any agreement supplemental thereto. "Person" shall be interpreted broadly and includes any individual, partnership, association trust, body corporate or other entity. References to "Section" followed by a number or a letter means and refers to the specified section or clause in this Agreement. All currency amounts in this Agreement are stated and shall be paid in Canadian dollars.

(m) Assignment. Subject to Section 11(n), the Company may assign this Agreement with the prior written consent of the other Parties, such consent not to be unreasonably withheld or delayed. It shall be reasonable for the Province to withhold consent if the Province has reasonable grounds for insecurity with respect to the prospective assignee's ability to meet the obligations in this Agreement. Notwithstanding the foregoing, the Company and the Plant Owners may assign this Agreement to an Affiliate that is controlled, directly or indirectly, by the Company without the consent of the other Parties provided the Company remains legally responsible for all the obligations in this Agreement.

(n) Transfer of Ownership of Plants. The Company or the Plant Owners may not transfer title to any of the Plants, except with the consent of the Province, not to be unreasonably withheld, and provided that the new owner agrees to be bound by the terms of this Agreement. It shall be reasonable for the Province to withhold consent if the Province has reasonable grounds for insecurity with respect to the new owner's ability to meet the obligations in this Agreement. The Company or the Plant Owners may transfer partial ownership of any Plant(s), with the consent of the Province not be unreasonably withheld, provided that the Company remains subject to all its rights and obligations in this Agreement. Notwithstanding the foregoing, the Company and the Plant Owners may transfer title to or partial ownership in any Plant to an Affiliate that is controlled by the Company without the consent of the Province, provided that the Affiliate agrees to be bound by the terms of this Agreement and provided the Company remains legally responsible for all the obligations in this Agreement.

(o) Execution by Counterpart/Facsimile/PDF. This Agreement may be executed in one or more counterparts (including delivery in electronic PDF form), all of which shall be considered one and the same agreement. If a Party delivers a counterpart in electronic PDF form, that Party shall promptly thereafter deliver to the other Party an originally executed counterpart.

(p) No Third Party Beneficiary. Notwithstanding anything contained herein to the contrary, the provisions of this Agreement are not intended to be for the benefit of any other person to whom obligations are owed by, or who may have any claim against, the Company, except for the Province. No such person shall obtain any rights under this Agreement or shall, by reason of this Agreement, be permitted to make any claim against the Company nor shall any provision of this Agreement be, or construed to be, for the benefit of any other third party.

[The remainder of this page has been left intentionally blank. Signature page follows.]

IN WITNESS of the foregoing, this Agreement has been executed by each Party as of the date specified above.

HER MAJESTY THE QUEEN IN RIGHT OF ALBERTA, AS REPRESENTED BY THE MINISTER OF ENERGY

Per: M. McCuaig-Boyd
Signature

Margaret McCuaig-Boyd
Print Name

Minister of Energy
Title

CAPITAL POWER CORPORATION

Per: ______________________
Signature

____
Print Name

____
Title

Per: ______________________
Signature

____
Print Name

____
Title

IN WITNESS of the foregoing, this Agreement has been executed by each Party as of the date specified above.

HER MAJESTY THE QUEEN IN RIGHT OF ALBERTA, AS REPRESENTED BY THE MINISTER OF ENERGY

Per: ______________________________
Signature

____
Print Name

____
Title

CAPITAL POWER CORPORATION

Per: ______________________________
Signature

Brian Vaasjo
Print Name

President
Title

Per: ______________________________
Signature

Kate Chisholm
Print Name

SVP, Legal & External Relations
Title

CAPITAL POWER L.P., by its general partner, Capital Power GP Holdings Inc.

Per: ______________________
Signature

Brian Vaasjo
Print Name

President
Title

Per: ______________________
Signature

Kate Chisholm
Print Name

SVP, Legal & External Relations
Title

CAPITAL POWER (G3) LIMITED PARTNERSHIP, by its general partner, Capital Power Generation Services Inc.

Per: ______________________
Signature

Brian Vaasjo
Print Name

President
Title

Per: ______________________
Signature

Kate Chisholm
Print Name

SVP, Legal & External Relations
Title

CAPITAL POWER (K3) LIMITED PARTNERSHIP, by its general partner, Capital Power Generation Services Inc.

Per: ______________________
Signature

Brian Vaasjo
Print Name

President
Title

Per: ______________________
Signature

Kate Chisholm
Print Name

SVP, Legal & External Relations
Title

Schedule A

TRANSITION PAYMENT FORMULA

Schedule A: Capital Power

Net book value provided by company:

$ 1,820,521,752.25

Pro-rated by percentage of life remaining after 2030 to give proxy for 2030 NBV: divided by remaining years under federal end-of-life as of November 2016, then multiplied by years stranded:

$ 1,082,307,248

Deducted by 10% for sub-critical units and 20% for super-critical units:

$ 895,576,750.53

Unit-by-unit breakdown:

Unit	Federal end-of-life	Pro rata factor	Flat deduction (10%/20%)
Genesee 1	2044	50%	$ 161,044,581.73
Genesee 2	2039	39%	$ 106,533,984.79
Genesee 3 (50%)	2055	64%	$ 152,255,486.12
Keephills 3 (50%)	2061	69%	$ 475,742,697.90
Total			**$ 895,576,750.53**

Discount 2030 NBV back to net present value (NPV) at 3% in 2016:

$ 592,081,736.25

Annuity payment (over 14 years):

$ 52,414,828.49

Exhibit 24

Driving a Sustainable Future

Brian Vaasjo, President & CEO
Bryan DeNeve, SVP Finance & CFO

Investor Presentation
January 2018

Capital Power

capitalpower.com

Coal-to-gas conversion transition plan

Optimal operational flexibility for Genesee units

- Anticipate decision point in 2020 due to carbon & natural gas pricing
- Timing of conversion flexible with conversion period of 9 months or less
- Outage of 2 months per unit; capital cost of $25M-$50M per unit
- Co-firing provides greatest fuel flexibility through to 2030
- Developing gas strategies with JV partner
  - Genesee can currently co-fire up to 250 MW of natural gas
  - Reviewing ability to enhance natural gas utilization during planned outages
  - On track to bring significant natural gas to site by 2020
- Federal coal to gas regulations extends facility life to almost 2040

Superior availability and efficiency of coal fleet will carry over as converted natural gas units

Alberta's coal fleet

Retirements under federal / provincial regulations and conversion to gas

Facility	AESO max capacity (MW)	Age in 2018 (yrs)	End of coal life (CLP)[1]	Current Status	Coal to gas conversion Expectation	PPA status
Battle River 3	149	49	2019	Online	ATCO announced CtG by 2020	Merchant
Sundance 1	288	48	2019	Decommissioned end of 2017		PPA expired end of 2017
H.R. Milner	144	46	2019	Mothballed since May/17		Merchant
Sundance 2	288	45	2019	Mothballed		PPA expired end of 2017
Battle River 4	155	43	2025	Online	ATCO announced CtG by 2020	Merchant
Sundance 3	368	42	2026	To be mothballed Apr/18 (up to 2 yrs)	TA announced CtG 2021-22	Returns to TA in Apr/18
Sundance 4	406	41	2027	To be mothballed Apr/19 (up to 2 yrs)	TA announced CtG 2021-22	Returns to TA in Apr/18
Sundance 5	406	40	2028	To be mothballed Apr/19 (up to 1 yr)	TA announced CtG 2021-22	Returns to TA in Apr/18
Sundance 6	401	38	2029	Online	TA announced CtG 2021-22	Returns to TA in Apr/18
Battle River 5	385	37	2029	Online	ATCO announced CtG by 2020	Returns to ATCO Sep/18
Keephills 1	395	35	2029	Online	TA announced CtG 2021-22	Balancing Pool; Dec/20 expiry
Keephills 2	395	34	2029	Online	TA announced CtG 2021-22	Balancing Pool; Dec/20 expiry
Sheerness 1	400	32	2030	Online	ATCO announced CtG by 2020	Balancing Pool; Dec/20 expiry
Genesee 2	**400**	**29**	**2030**	Online		Balancing Pool; Dec/20 expiry
Sheerness 2	390	28	2030	Online	ATCO announced CtG by 2020	Balancing Pool; Dec/20 expiry
Genesee 1	**400**	**24**	**2030**	Online		Balancing Pool; Dec/20 expiry
Genesee 3[2]	**466**	**13**	**2030**	Online		Merchant
Keephills 3[2]	**463**	**7**	**2030**	Online		Merchant

1) Current coal regulations under Climate Leadership Plan (Alberta).
2) Capital Power and TransAlta Corporation are 50% owners on Genesee 3 and Keephills 3.

Exhibit 25

ATCO **News** Release

November 25, 2016

ATCO REACHES AGREEMENT WITH THE GOVERNMENT OF ALBERTA ON COAL TRANSITION

CALGARY, Alberta – ATCO Ltd. (TSX: ACO.X, ACO.Y)

Yesterday, ATCO entered into an agreement with the Government of Alberta (the Government) on transition payments for the elimination of coal-fired emissions from the Sheerness Generating Station (Sheerness) on or before December 31, 2030. ATCO has also agreed to work with the Government on the conversion of coal-fired generation to natural gas, the exploration of hydro generation, and the development of Alberta's new capacity market.

"We are supportive of initiatives to transition the province to cleaner sources of electricity and will continue working with all levels of government on the many interrelated components of Alberta's electricity system," said Siegfried Kiefer, Chief Strategy Officer, ATCO Ltd. & Canadian Utilities Limited and President, Canadian Utilities Limited. "Our focus remains on ensuring these measures support affordable, reliable and sustainable energy for all Albertans."

As compensation for the capital invested in Sheerness, ATCO will receive cash payments from the Government of $4.7 million annually for 14 years, commencing in 2017 and terminating in 2030. Sheerness Units 1 and 2 were otherwise scheduled to retire in 2036 and 2040, respectively.

In the near-term, ATCO will assess the economic viability of converting some of its coal-fired electricity generation to natural gas. In addition, ATCO will work alongside the Government in exploring the potential of hydroelectric power as a means to provide reliable, emissions-free baseload generation in the province. Hydro, as the only form of renewable energy generation with dispatch control, is an optimal solution to replace coal-fired generation while supporting the reliability and sustainability of Alberta's grid.

ATCO will also work closely with the Government in the development of Alberta's capacity market to ensure equitable treatment and a level playing field for both existing and new electricity generation.

With approximately 7,000 employees and assets of $20 billion, ATCO is a diversified global corporation delivering service excellence and innovative business solutions in Structures & Logistics (workforce housing, innovative modular facilities, construction, site support services, and logistics and operations management); Electricity (electricity generation, transmission, and distribution); Pipelines & Liquids (natural gas transmission, distribution and infrastructure development, energy storage, and industrial water solutions); and Retail Energy (electricity and natural gas retail sales). More information can be found at www.ATCO.com.

ATCO

News Release

Media & Investor Inquiries:

B.R. (Brian) Bale
Senior Vice President &
Chief Financial Officer
403-292-7502

Forward-Looking Information:

Certain statements contained in this news release may constitute forward-looking information. Forward-looking information is often, but not always, identified by the use of words such as "anticipate", "plan", "estimate", "expect", "may", "will", "intend", "should", and similar expressions.

Forward-looking information involves known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information.

The Company's actual results could differ materially from those anticipated in this forward-looking information as a result of regulatory decisions, competitive factors in the industries in which the Company operates, prevailing economic conditions, and other factors, many of which are beyond the control of the Company.

The Company believes that the expectations reflected in the forward-looking information are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking information should not be unduly relied upon.

Any forward-looking information contained in this news release represents the Company's expectations as of the date hereof, and is subject to change after such date. The Company disclaims any intention or obligation to update or revise any forward-looking information whether as a result of new information, future events or otherwise, except as required by applicable securities legislation.