ALTALINK
A BERKSHIRE HATHAWAY ENERGY COMPANY

ALTALINK, L.P.

ANNUAL INFORMATION FORM

For the Year Ended December 31, 2024

May 8, 2025

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FORWARD-LOOKING INFORMATION

This AIF contains certain statements or disclosures that may constitute forward-looking information under applicable securities laws. All statements and disclosures, other than those of historical fact, which address activities, events, outcomes, results or developments that AltaLink anticipates or expects may or will occur in the future (in whole or in part) should be considered forward-looking information. In some cases, forward-looking information can be identified by terms such as "anticipate", "believe", "contemplate", "continue", "could", "enable", "expect", "forecast", "future", "intends", "may", "plan", "potential", "will" or other comparable terminology. Forward-looking information presented in such statements or disclosures may, without limitation, relate to: applications to the AUC for approval of, among other things, AltaLink's revenue requirements (including deferral and reserve accounts; capital structure and return-on-equity; financing plans; treatment of costs for applicable test periods including income taxes, operating expenses, depreciation, capital costs for direct assigned projects and maintenance programs, financing costs related to long-term debt and short-term borrowing, and projected growth in AltaLink's rate base and assets under construction); transmission system expansion forecasts; the anticipated direct assignment of transmission development projects to AltaLink from the AESO pursuant to approved Need Applications or competitive bidding processes; the timing and development of transmission projects and the anticipated capital costs of such projects; business strategy, plans and objectives of management for future operations; forecast business results; the achievement of certain operational and performance measures and the resulting effect on compensation of executive officers; and the anticipated financial performance or condition of AltaLink.

Various factors or assumptions are typically applied in drawing conclusions or making the forecasts or projections set out in forward-looking information. These factors and assumptions include, but are not limited to:

- no changes in the legislative and operating framework for Alberta's electricity market that are adverse to AltaLink *(*refer to "*TRANSMISSION TARIFFS*" and "*OVERVIEW OF ELECTRICITY INDUSTRY IN ALBERTA*" in the MD&A*;* and "*THE TRANSMISSION BUSINESS*" in this AIF, for examples);
- decisions from the AUC concerning outstanding tariff and other applications that are consistent with past regulatory practices and decisions and are obtained in a timely manner *(*refer to "*TRANSMISSION TARIFFS*" and "*MAJOR CAPITAL PROJECTS*" in the MD&A; and "*THE TRANSMISSION BUSINESS* – *Tariff Regulation* and *Transmission System Planning and Development"* in this AIF, for examples);
- approved rates-of-return and deemed capital structures for AltaLink's transmission business that are sufficient to foster a stable investment climate *(*refer to "*TRANSMISSION TARIFFS*" in the MD&A*;* and "*THE TRANSMISSION BUSINESS* – *Tariff Regulation* and *Transmission System Planning and Development*" in this AIF, for examples);
- a stable competitive environment;
- AltaLink obtaining sufficient capital on acceptable terms to finance its transmission system expansion and to pay maturing debt; and
- no significant event occurring outside the ordinary course of business such as a natural disaster, pandemic or other calamity.

These assumptions and factors are based on information currently available to AltaLink including information obtained by AltaLink from third-party industry analysts. In some occurrences, material assumptions and factors are presented or discussed elsewhere in this AIF and in the MD&A in connection with the statements or disclosures containing the forward-looking information. AltaLink cautions readers that the foregoing list of material factors and assumptions is not exhaustive.

The forward-looking information in statements or disclosures in this AIF (including the MD&A) is based (in whole or in part) upon factors which may cause actual results, performance or achievements of AltaLink to differ materially from those contemplated (whether expressly or by implication) in the forward-looking information. These factors are based on information currently available to AltaLink including information obtained by AltaLink from third-party industry analysts. Actual results may differ materially from those predicted by such forward-looking statements. While AltaLink does not know what impact any of these differences may have, its business, results of operations, financial condition and its credit stability may be materially adversely affected. Factors that could cause actual results or outcomes to differ materially from the results expressed or implied by forward-looking statements include, among other things:

- the risks associated with being subject to extensive regulation, including risks associated with AUC action or inaction;
- the risk that the AUC does not provide specific levelization to sustain AltaLink's credit metrics over a growth period characterized by large multi-year transmission facility projects;
- the risk that transmission projects are not directly assigned to AltaLink by the AESO or that AltaLink is not designated for filing a Facility Application;
- the risk that AltaLink is not able to arrange sufficient cost-effective financing to repay maturing debt and to fund capital expenditures and other obligations;
- the risk that system expansion plans are delayed or changed;
- the risks that the actual costs of completing a transmission project significantly exceed estimated costs, or that the AUC determines actual costs of completing a project were not prudently incurred or may be otherwise retroactively denied;
- the risks to AltaLink's facilities and services posed by climate change, severe weather, wildfires, other natural disasters or catastrophic events, including pandemics, and the limitations on AltaLink's insurance coverage or self-insurance regulated by the AUC for losses or recovery of net book value resulting from these events;
- the potential for service disruptions and increased costs if AltaLink fails to maintain and improve its aging asset base or experiences a cyber or physical attack;
- the risks associated with forecasting AltaLink's revenue requirements and the possibility that AltaLink could incur operational, maintenance or administrative costs above those included in AltaLink's approved revenue requirement;
- the risk that transmission system expansion costs that are directed to AltaLink by the AESO or costs incurred by AltaLink in maintaining or upgrading the existing system become stranded and AltaLink's recovery of the related costs is impaired;
- the risk that transmission system costs bypassed through distribution-connected generation, onsite generation by load customers and net metering practices results in decreased use of system facilities or billing determinant erosion and therefore increased cost of service for remaining system users or an allocation of those costs to the utility; and
- the risk that the level of transmission system expansion or replacement may be impacted as a result of general regulatory or political policies intended to minimize the construction of and costs associated with new transmission, including promoting distribution-connected generation, distributed energy resources, behind-the-meter generation, self-supply and export and non-wires services, and the implementation of Alberta's Bill 22, *Electricity Statutes (Modernizing Alberta's Electricity Grid) Amendment Act*.

AltaLink cautions readers that the above list of risk factors is not exhaustive. Other factors, which could cause actual results, performance or achievements of AltaLink to differ materially from those contemplated (whether expressly or by implication) in the forward-looking statements or other forward-looking information, are disclosed in the section entitled "*RISK MANAGEMENT*" in AltaLink's MD&A, including the subsection entitled "*RISK FACTORS AND UNCERTAINTIES*". Risk factors that could lead to such differences include, without limitation, legislative and regulatory developments that could affect costs or revenues, the speed and degree of competition entering the market, global capital markets conditions and activity, timing and extent of changes in prevailing interest rates, currency exchange rates, inflation levels and general economic conditions in geographic areas where AltaLink operates, results of financing efforts, changes in counterparty risk and the impact of accounting standards issued by standard setters.

AltaLink is not obligated to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable laws. Because of these risks, uncertainties and assumptions, readers should not place undue reliance on these forward-looking statements. **Any forward-looking information contained herein is expressly qualified by this statement.**

ADDITIONAL INFORMATION

Financial information is provided in the fiscal 2024 Financial Statements, being AltaLink's audited consolidated annual financial statements as at and for the years ended December 31, 2024 and 2023, and related MD&A, each of which may be found on SEDAR at www.sedarplus.ca. This AIF includes references to certain disclosure contained in the MD&A (including the "*Risk Management*" section), which disclosure is incorporated herein by reference. Additional information relating to AltaLink may also be found on SEDAR at www.sedarplus.ca.

CORPORATE STRUCTURE

Formation of AltaLink

AltaLink, L.P. was formed as a limited partnership under the laws of Alberta on July 3, 2001, pursuant to the provisions of the Limited Partnership Agreement. AltaLink Investments, L.P., or AILP, is the sole limited partner of AltaLink under the Limited Partnership Agreement and owns a 99.99% partnership interest in AltaLink. The Limited Partnership Agreement was amended and restated on September 2, 2002, and June 22, 2006, respectively, and further amended on March 1, 2012. AltaLink's certificate of limited partnership has been amended on several occasions primarily to reflect equity injections, or capital contributions, from AILP.

The business and affairs of AltaLink are managed by AltaLink Management Ltd., as general partner under the Limited Partnership Agreement. AltaLink Management Ltd. was incorporated under the ABCA. The head office of AltaLink is located at 2611 - 3rd Avenue S.E., Calgary, Alberta T2A 7W7. The registered office of the General Partner is located at 1900, 520 - 3rd Avenue S.W., Calgary, Alberta T2P 4H2.

In June 2019 and January 2020, respectively, AltaLink operationalized PiikaniLink, L.P. and KainaiLink, L.P, as two new subsidiary limited partnerships formed under the laws of Alberta to jointly own, with local First Nation partners, certain transmission facilities located on their reserve lands. The business and affairs of PLP and KLP are managed by AltaLink Management Ltd., as general partner under each limited partnership agreement. The limited partner interests in PLP and KLP are divided between AltaLink, as to 49%, and each respective First Nation, as to 51%. The 2024 mid-year rate base value of the transmission assets held by PLP and KLP was approximately $76.3 million. See "General Development of the Business – Recent Developments" in this AIF and "Transmission Tariffs" in the MD&A.

Ownership

The sole limited partner of AltaLink is AILP. The sole limited partner of AILP is AltaLink Holdings, L.P., or AHLP, a limited partnership formed under the laws of Alberta. The sole limited partner of AHLP is BHE AltaLink Ltd., a subsidiary of BHE Canada Holdings Corporation which is itself an indirect subsidiary of Berkshire Hathaway Energy. Berkshire Hathaway Energy also holds, indirectly, all of the outstanding voting shares of the General Partner through subsidiaries established for that purpose.

Berkshire Hathaway Energy is a holding company headquartered in Des Moines, Iowa, U.S.A, which owns a highly diversified portfolio of primarily regulated businesses that generate, transmit, store, distribute and supply energy and serve customers across geographically diverse service territories in the Western and Midwestern United States, in Great Britain and Canada. As of December 31, 2024, Berkshire Hathaway Energy had total consolidated assets of US$140.1 billion, and 80% of its consolidated adjusted earnings on common shares during 2024 was generated from rate-regulated businesses.

Separation

The organization and structure of AltaLink in relation to its ownership (AILP, AHLP, BHE Canada Holdings Corporation and Berkshire Hathaway Energy) have been established pursuant to certain fundamental principles designed to ensure that AltaLink remains financially, legally and operationally separate from its owners, with its risks as a regulated TFO being separate and distinct from those of its owners:

- AltaLink's indebtedness and obligations are to remain separate and distinct from any indebtedness or obligation of its owners. As a result, default by an owner on their indebtedness does not constitute an event of default under any instrument governing the indebtedness or other obligations of AltaLink.

- The composition of the Board and management of the General Partner are to remain distinct and separate from the board of directors and management of AltaLink's immediate owners within the partnership structure. The composition of the board of directors of the General Partner is restricted such that no director or officer of a corporation, other than the General Partner, that is a limited partner or a general partner of AltaLink, AILP or AHLP, is eligible to serve on the Board or to serve as an officer of the General Partner.

- AltaLink is not entitled to make any distributions until certain obligations (including the payment of Operating and Maintenance Expenses and taxes, and payments in respect of existing senior and subordinated Indebtedness) have been satisfied, or at all if a default or event of default has occurred. See "*CAPITAL STRUCTURE - Capital Markets Platform - Indenture*".

AltaLink conducts its business and affairs in a manner consistent with these principles. The General Partner's relationships with designated affiliates, including AILP, AHLP, the general partner of AILP and AHLP, the limited partners of AHLP, and Berkshire Hathaway Energy and its subsidiaries, are also governed by the terms of an Inter-Affiliate Code of Conduct initially approved by the AUC on August 31, 2004, in Decision 2004-068. Compliance reports under the Inter-Affiliate Code of Conduct are submitted annually to the AUC.

GENERAL DEVELOPMENT OF THE TRANSMISSION BUSINESS

General

AltaLink's business is the ownership and operation of regulated electricity transmission facilities solely in the Province of Alberta. Through its transmission facilities, AltaLink delivers electricity safely, reliably and efficiently to approximately 85% of Alberta's population to meet continuously changing customer needs under all operating conditions.

Continued investment in AltaLink's regulated capital assets provides reliability in the supply of transmission services to customers and is one of the key indicators of future revenue streams. AltaLink invested significantly in its assets over the past decade as part of a major development cycle advanced by the Independent System Operator (the AESO) to improve the reliability and capacity of Alberta's transmission system and support the province's economic growth. AltaLink expects to continue transmission development work and investment over the next few years, although at a reduced pace of capital expenditures than has occurred in past years. See "*OUR BUSINESS AND STRATEGIES – Financial Strength*" and "*TRANSMISSION TARIFFS*" in the MD&A. AltaLink plans to use a combination of additional borrowings under the Capital Markets Platform, internally generated cash flow, and equity contributions from its limited partner to fund the capital expenditures required for the Transmission Business.

Recent Developments

- On March 27, 2025, we borrowed $37.6 million from the Canada Infrastructure Bank, with a maturity date of June 30, 2056, to fund the Central East Transfer-Out project. The fixed 31-year interest rate of 2.17% is approximately 227 basis points lower than a conventional 30-year AltaLink bond offering. As a result, AltaLink customers will receive estimated interest rate savings of approximately $60 million related to financing of the Central East Transfer-Out project over the life of the long-term debt.

2022 to 2024 Developments

Additional highlights relating to the development of AltaLink's Transmission Business over the past three years are described below:

2024

- Our employee safety performance as measured by total recordable injury frequency rate was 0.32, representing two injuries, compared to three injuries in 2023. In November 2024, for the eighth consecutive year, we received the Electricity Canada President's Award for Safety Excellence as the best performing transmission company with 300 to 1,500 employees in 2023.

- Our customer average outage duration improved to 8.9 minutes compared to 9.2 minutes in 2023, establishing a new best-ever annual performance result in 2024.

- We achieved a customer satisfaction average score of 9.70 out of 10 compared to 9.59 in 2023. Our 2024 results are our best-ever annual results achieved to date.

- We extended our commitment to customers and Albertans by keeping our annual revenue requirements below the 2018 level of $904.0 million for an additional two years in 2024 and 2025 for a total of seven years from 2019 to 2025. Our 2025 transmission tariffs of $905.3 million includes the revenue requirements of $897.0 million and a recovery of $8.3 million for 2023 wildfire damage restoration costs directed by the AUC.

- The AUC approved our project financing from the Canada Infrastructure Bank for the Central East Transfer-Out project. This project financing will save Alberta ratepayers approximately $60 million over the 30-year financing of the project.

- S&P reaffirmed its issuer credit rating and senior secured rating on AltaLink at “A-” with a stable outlook. DBRS reaffirmed its ratings on AltaLink including the Issuer, Medium-Term Note (Secured), and Senior Secured Note ratings at “A”, as well as the Commercial Paper rating at R-1 (low), all with stable trends. “A” and “A-“ ratings allow us to keep debt financing costs low for our customers.

- The AUC issued an order approving 8.97% as the final return on equity for 2025 for Alberta utilities using its formula-based approach and prescribed bond yields and utility credit spread inputs.

- On June 27, 2024, AltaLInk released our 2023 ESG Report, on June 27.2024, demonstrating its commitment to sustainability as it operates the transmission system that supplies millions of Albertans with electricity.

- On February 12, 2024, the AUC approved the 2023 Negotiated Settlement Agreement. Oral argument on excluded matters (including the proposed wildfire deferral account and salvage expenditures, discussed below) was presented on March 21, 2024. On June 19, 2024, the AUC issued Decision 28174-D02-2024, providing its reasons for the approval of the negotiated settlement and its findings on the matters excluded from the negotiated settlement. See *"THE TRANSMISSION BUSINESS – TARIFF REGULATION – 2024-2025 GENERAL TARIFF APPLICATION."*

2023

- On December 19, 2023, we reached the 2023 Negotiated Settlement Agreement with customer groups on the majority of our 2024-2025 GTA. Under the agreement, AltaLink agreed to reduce its applied-for operating expenses by $7.0 million and sustaining capital expenditures by $38.8 million for the 2024-2025 test period. The agreement did not include AltaLink's proposed wildfire deferral account, certain investment programs within the wildfire mitigation plan, and actual and forecast salvage expenditures from the 2019-2023 GTA and the 2024-2025 GTA, respectively.

- In December 2023, AltaLink amended and restated each of its existing $500 Million Revolving Credit Facility and $75 Million Revolving Credit Facility to, among other things, extend the maturity dates under these Credit Facilities to December 15, 2028. The current aggregate amount of available credit under these Credit Facilities is $575 million and is available for permitted use, including operating expenses, capital expenditures and working capital needs, as well as general corporate purposes and, in the case of the $500 Million Revolving Credit Facility, to backstop the Commercial Paper Program. See "*Capital Structure – Existing Indebtedness – Credit Facilities*".

- Our average customer satisfaction score of 9.59 improved compared to 9.57 in 2022. Our 2023 results were our best annual results achieved to date.

- Our employee safety performance as measured by total recordable injury frequency rate was 0.48, representing three injuries, matching our result in 2022. In November 2023, for the seventh consecutive year, we received the Electricity Canada President's Award for Safety Excellence as the best performing transmission company with 300 to 1,500 full-time employees in 2022.

- Our average customer outage duration of 9.2 minutes increased marginally as compared to 9.1 minutes in 2022, which was our best annual result. In November 2023, we received the Electricity Canada 2023 Reliability and Resiliency Award which recognizes a utility that has showcased dedication in asset management, innovation in reliability, outage communications, and overall reliability and resiliency management as evaluated by an external panel of experts.

- On November 14, 2023, the Alberta Court of Appeal overturned the AUC's decisions regarding the legality of the current customer contribution regime and the AUC's ability to deny a utility its return on investment. In its decision, the allocation issue (between transmission facility owners and distribution facility owners, who is entitled to the investment) as well as the fair return issue (no one is allowed to earn a return on the investment) were returned to the AUC for rehearing and reconsideration on the basis that the AUC did not provide adequate notice that it was considering disallowing any utility from earning a fair return on the investment. The Court remitted the fair return issue and the allocation issue back to the AUC so that the appellants are provided an opportunity to present their case fully and fairly.

- On October 9, 2023, the AUC issued its decision on the GCOC for 2024 and beyond for Alberta's regulated electric and gas utilities, approving a set equity ratio and a formula to determine return-on-equity. The AUC set the deemed equity ratio of 37% and set a notional return-on-equity of 9.00%, which is subject to formulaic adjustments utilizing 30-year Government of Canada bond yields and Canadian utility spreads. On November 20, 2023, under the approved formula, the AUC issued an order approving 9.28% as the final return-on-equity for 2024 for Alberta utilities. See "*The Transmission Business – Tariff Regulation – Generic Cost of Capital* " in this AIF and "*Transmission Tariffs – Generic Cost of Capital Proceeding* " in the MD&A.

- On October 5, 2023, AltaLink's updated estimate of $223 million for its portion of the Central East Transfer-Out project was formally approved by the AESO.

- On August 31, 2023, AltaLink filed with the AUC an amendment to its 2024-2025 GTA with additional measures to proactively expand and accelerate its Wildfire Mitigation Plan in response to the increase in wildfire risk to Albertans and AltaLink's critical infrastructure which delivers reliable electricity to customers. In its amendment, AltaLink also requested a deferral account for future catastrophic wildfire damages in excess of insurance coverage and noted that this deferral account would only be accessible with the successful implementation of its Wildfire Mitigation Plan.

- On June 28, 2023, with the release of our 2022 ESG Report, AltaLink continued to demonstrate its commitment to sustainability as it operates the transmission system that supplies millions of Albertans with electricity.

- On May 6, 2023, the Province of Alberta declared a province-wide state of emergency due to wildfires. In May and June 2023 wildfires in Alberta burned more than 1.9 million hectares of land, the most in Alberta's history. AltaLink's transmission system was impacted by wildfires in the Edson, Drayton Valley, and Brazeau areas of Alberta. None of these fires initiated from AltaLink's operations. AltaLink restored service to all customers impacted from these wildfires by July 3, 2023, and completed all structure repairs by August 10, 2023, making this AltaLink's largest restoration efforts to date. AltaLink filed an application with the AUC for cost recovery regarding the damaged transmission lines on December 20, 2023.

- On April 28, 2023, we extended our commitment to our customers for a sixth consecutive year by filing our general tariff application which will maintain our 2024 tariff below the 2018 level of $904 million. We also applied for less than a one per cent increase to our 2025 tariff. We continued to fulfill our commitment to customers by controlling our costs despite inflation to deliver affordable transmission services to customers.

- On April 5, 2023, S&P reaffirmed its issuer credit rating and senior secured rating on AltaLink at "A" with a stable outlook. On June 23, 2023, S&P reaffirmed its issuer credit rating and senior secured rating on AltaLink at "A", but revised its outlook from stable to negative due to the potential that BHE's business or financial risk could weaken over the next 24 months if BHE-owned PacifiCorp faces significantly increased liabilities related to the 2020 wildfires. On November 21, 2023, S&P downgraded the credit ratings of AltaLink by one notch from "A" to "A-" with a stable outlook. The ratings downgrade reflects S&P's view using their group ratings methodology that BHE will not provide extraordinary support to its subsidiaries under all foreseeable circumstances. On July 21, 2023, DBRS reaffirmed its ratings on AltaLink including the Issuer rating, Medium-Term Note (Secured) and Senior Secured Note rating at "A" with stable trends. An "A" rating allows us to keep debt financing costs low for our customers.

- In February 2023, AltaLink and the United Utility Workers' Association of Canada (UUWA) ratified a two-year agreement for 2022 and 2023.

2022

- We continued to deliver on our flat-for-five commitment to our customers and Albertans by keeping their costs—our 2022 revenue requirement of $878.9 million—below the 2018 level of $904 million. We also received the AUC's approval of our 2023 revised revenue requirement of $883 million, allowing AltaLink to fully deliver on its 2019-2023 flat-for-five commitment for our customers.

- Through 2022, we invested $230.0 million in capital assets compared to $256.7 million in 2021 to ensure continued electric system reliability.

- In 2022, to promote diversity, equity and inclusion, AltaLink leaders and its employees engaged in employee resource groups including Women in Energy; BEAUTIE (Black Employees and Allies United to Inspire Equity); InspirAsian (Asian and Pacific Islander employees and allies); Pride Connection (LGBTQ2+ employees and allies); and Our Familia (Latino, Latina and Latinx employees and allies).

- In December 2022, AltaLink amended each of its existing $500 Million Revolving Credit Facility and $75 Million Revolving Credit Facility to, among other things, extend the maturity dates under these Credit Facilities to December 15, 2027. The current aggregate amount of available credit under these Credit Facilities is $575 million and is available for permitted use, including operating expenses, capital expenditures and working capital needs, as well as general corporate purposes and, in the case of the $500 Million Revolving Credit Facility, to backstop the Commercial Paper Program. See "*CAPITAL STRUCTURE – Existing Indebtedness – Credit Facilities*".

- On December 9, 2022, AltaLink filed its facility application for the Vauxhall Area Transmission Development with the AUC. This project includes the construction of a new 138 kilovolt transmission line approximately 14 kilometres long and the uprate of an existing line to enable renewable generation integration and manage congestion in the area. The anticipated in-service date is in late 2024 and the estimated project cost is approximately $20 million.

- On December 1, 2022, the AESO issued direction to AltaLink and ATCO Electric Ltd. (ATCO Electric) to begin construction on Stage 1 of the Central East Transfer-Out project based on the AUC's agreement that the construction trigger had been met. AltaLink's portion of the 240 kilovolt circuit is approximately 60 kilometres with a capital cost of approximately $150 million for Stage 1. The anticipated in-service date for this Central East Transfer-Out development is early 2026.

- On July 21, 2022, DBRS reaffirmed its ratings on AltaLink including the issuer credit rating, notes rating (which includes the 2020-1 Senior Secured Notes) at "A" and the rating of its Commercial Paper Program notes at R-1 (low). All trends are Stable. See "*CAPITAL STRUCTURE – Credit Ratings*" in this AIF and "*LIQUIDITY AND CAPITAL RESOURCES – CREDIT RATINGS*" in the MD&A.

- On June 30, 2022, we released our 2021 ESG Report, continuing to demonstrate our commitment to sustainability as it operates the transmission system that supplies millions of Albertans with electricity.

- Our total recordable injury frequency rate for the first half of 2022 was 0.30. Our safety record remained strong with only one employee safety incident over the prior 27 months.

- On June 24, 2022, the AUC varied its Decision 26509-D01-2022 stating that AltaLink substantiated the Pipeline Electrical Interference Mitigation Program forecast capital expenditures at issue, with the exception of forecast capital expenditures that are wholly the responsibility of the pipeline owner. As a result, the AUC approved 91% of the program's forecast capital expenditures, totaling $4.3 million for 2022 and $3.0 million for 2023.

- On May 9, 2022, S&P reaffirmed its issuer credit rating and senior secured rating on AltaLink at "A" with a stable outlook.

- On May 2, 2022, Gary Hart assumed the role of Chief Executive Officer of AltaLink, in addition to his role as President. Mr. Hart is a professional engineer and has held a variety of senior roles in the energy industry. Prior to joining AltaLink in 2017 as AltaLink's Executive Vice President and Chief Operating Officer, he was Managing Director of BHE Canada.

- On March 31, 2022, the AUC extended AltaLink's return-on-equity of 8.5% and deemed equity ratio of 37% on a final basis for 2023.

- On March 17, 2022, AltaLink filed another review and variance application with the AUC. The application requested the AUC to review and vary its decision to deny AltaLink's proposed $120 million refund of accumulated depreciation surplus, given material changes in circumstances since the decision was issued in January 2022. AltaLink is of the view that the existing economic pressures on Albertans and Alberta businesses that resulted from the COVID-19 pandemic have been compounded by significant and sudden increases in the price of oil, utilities, food, and other commodities coincident with Russia's invasion of Ukraine on February 24, 2022, and as a result, ratepayers require immediate and temporary tariff relief. On April 6, 2022, the AUC determined that it would consider AltaLink's application, and established a written process. The review and variance was denied on May 17, 2022.

- On February 18, 2022, AltaLink applied for review and variance of the AUC's disallowance of (i) its Pipeline Interference Mitigation Program and (ii) approximately $1.5 million of opening rate base related to work AltaLink performed in 2019-2021 under its Wildfire Mitigation Plan. On March 11, 2022, the AUC issued Decision 27172-D01-2022 with respect to AltaLink's review and variance application. In this decision, the

AUC decided to review the Pipeline Electrical Interference Mitigation Program issue on its own motion, since AltaLink is required to undertake this program to comply with applicable laws and standards but was not awarded any funds to carry out the program. In the same decision, the AUC dismissed the request for review of the Wildfire Mitigation Plan opening balance issue, on the basis that AltaLink had not met the requirements for a review. On April 12, 2022, AltaLink filed supplemental information requested by the AUC for the review of the Pipeline Electrical Interference Mitigation Program issue.

- On February 18, 2022, AltaLink filed its 2022-2023 GTA compliance filing, implementing the AUC's directions in AUC Decision 26509-D01-2022 and requesting approval of 2022 and 2023 revenue requirements of $862.6 million and $873.2 million, respectively. On January 19, 2022, the AUC issued Decision 26509-D01-2022 with respect to AltaLink's 2022-2023 GTA, which included the 2020 DACDA. In the 2020 DACDA, AltaLink requested AUC approval of capital costs incurred for transmission projects and reconciliation of other deferral accounts, primarily related to fiscal 2020. The 2020 DACDA includes four projects with total gross capital additions of $26.2 million. In Decision 26509-D01-2022, the AUC approved the actual costs spent and the associated DACDA balances for the direct assign projects completed in 2020. The AUC further directed a number of reductions to AltaLink's applied-for capital programs and direct assign capital programs, and disallowed AltaLink's proposed refund of $60 million of accumulated depreciation surplus in each of 2022 and 2023. The AUC also directed AltaLink to remove $96 million from its opening 2022 net salvage reserve account, pending determination of the prudence of those salvage expenditures in AltaLink's next GTA. The 2022-2023 GTA compliance proceeding is set to conclude with written argument at the end of April 2022. See "The Transmission Business – Tariff Regulation" in this AIF and "Transmission Tariffs" in the MD&A.

- On January 31, 2022, the AESO released its 2022 LTP. The 2022 LTP identifies current and future needs for a range of possible demand and generation conditions in Alberta. The 2022 LTP is based on the AESO's forecast of load and generated as documented in its 2021 LTO. The 2022 LTP identifies 14 transmission developments across Alberta valued at approximately $2.1 billion over the 20-year period.

- On January 19, 2022, the Alberta Court of Appeal granted AltaLink permission to appeal AUC Decision 26061-D01-2021 confirming the legality of the customer contribution policy approved as part of the AESO's 2018 tariff and denying AltaLink's proposal to refund customer contributions made by distribution facility owners in respect of transmission projects built and owned by transmission facility owners. The AUC issued Decision 22942-D02-2019 in the AESO's 2018 tariff proceeding on September 22, 2019. As part of its decision, the AUC initially approved AltaLink's proposal to refund contributions made by distribution facility owners in respect of transmission projects built and owned by transmission facility owners. Had this proposal been implemented, AltaLink would have refunded to FortisAlberta the unamortized balance of its AESO contributions as at December 31, 2017, and reflected the full refund amount (approximately $375 million) in its own rate base. However, in September 2019, FortisAlberta filed a review and variance application requesting that the AUC re-evaluate its approval of AltaLink's proposal. On November 4, 2020, the AUC issued its decision in the review and variance proceeding, rescinding its prior approval of AltaLink's proposal, and on November 10, 2020, the AUC initiated a new proceeding to (i) examine the legal basis of the current AESO customer contribution policy as it pertains to all transmission facility owners and distribution facility owners, (ii) consider whether there is a need for a new policy, including consideration of AltaLink's proposed policy, and (iii) if approved, set the date on which any new policy would commence. On December 2, 2020, AltaLink filed its submissions in this proceeding, objecting to the legality of the current AESO policy on the basis that it (i) allows distribution facility owners to invest in transmission assets, contrary to Alberta utilities legislation; and (ii) requires transmission facility owners to own, operate, maintain, and bear all the risks of ownership for assets on which another utility – a distribution facility owner – earns the return, inconsistent with the concept of ownership imbedded in Alberta utilities law. AltaLink advanced its previous proposal as a replacement for the current AESO contribution policy. The record in this proceeding closed on January 25, 2021. On April 23, 2021, the AUC issued Decision 26061-D01-2021 wherein the AUC ruled that (i) the current policy is legal, but stated that it sends the wrong price signals to distribution facility owners to prefer an investment in transmission; (ii) FortisAlberta can keep its existing investment and can continue to earn a return on its existing investment; and (iii) it is not in the public interest for either a distribution facility owner or a transmission facility owner to earn a return on AESO customer contributions on a go-forward basis. On January 19, 2022, the Alberta Court of Appeal granted AltaLink permission to appeal Decision 26061-D01-2021 on the grounds of the legality of the AESO's customer contribution policy and the ability of the AUC to deny a return on an investment that is required by a private utility to serve its customers. The appeal was heard in early 2023. See "*THE TRANSMISSION BUSINESS – Transmission System Planning and Development – AESO Tariff Proceeding*" in this AIF also "*TRANSMISSION TARIFFS*" in the MD&A.

- On January 3, 2022, the AUC initiated the 2023 GCOC proceeding, which will be conducted in two stages. The first stage will determine the cost of capital parameters for 2023 and the second stage will consider returning to a formula-based approach to establish cost of capital adjustments, commencing in 2024. Due to ongoing capital market uncertainties related to COVID-19, the AUC is considering extending the 2022 approved cost of capital parameters, of 8.5% return-on-equity and 37% deemed equity ratio, to 2023. On March 31, 2022, the AUC issued Decision 27084-D01-2022 with respect to first stage of the 2023 GCOC proceeding. The AUC approved the extension of the 2022 return-on-equity of 8.5% and deemed equity ratio of 37% for 2023 on a final basis, recognizing lingering uncertainty and continued volatility of financial markets due to the COVID-19 pandemic. See "*The Transmission Business – Tariff Regulation*" in this AIF and "*Transmission Tariffs*" in the MD&A.

THE TRANSMISSION BUSINESS

General

Transmission is the regional electrical infrastructure through which electricity flows in large quantities and at high voltages between a few concentrated electricity production centres (*i.e*., generators) and the many more dispersed load centres (*i.e.*, distribution networks and large direct-connect industrial customers). Transmission networks are distinguished from downstream distribution networks which operate at lower voltages (25 kV or less) and distribute electricity to end users of the system.

Transmission is typically characterized by:

- long distance lines;
- high capacity switching and transformation stations;
- stations that provide path diversity; and
- sophisticated protection and control systems, supported by telecommunication facilities, that ensure security against region-wide disturbances.

The electricity transmission sector in Alberta is a regulated industry which operates an integrated network of transmission facilities, referred to as the Alberta Interconnected Electric System or AIES. Transmission facilities are owned and operated by various Transmission Facility Owners (TFOs) in Alberta whose individual networks interconnect to form the AIES. See "*OUR TRANSMISSION FACILITIES*" in the MD&A.

AltaLink is a TFO which owns and operates transmission facilities in Alberta. Through AltaLink's transmission facilities, AltaLink delivers electricity safely, reliably and efficiently to approximately 85% of Alberta's population to meet continuously changing customer needs under all operating conditions. AltaLink connects generation plants to major load centres, cities and large industrial plants throughout its 226,000 square kilometre service area, which covers a diverse geographic area, including most major urban centres in central and southern Alberta. AltaLink's transmission facilities comprise approximately half of the total kilometres in the AIES, including interconnections with British Columbia's transmission system that link Alberta with the North American western interconnected system. See "*OUR TRANSMISSION FACILITIES*" in the MD&A.

Transmission Services

Transmission services are the transportation of electricity and real-time data (power system telemetry, alarm, log, and status information) by means of a TFO's transmission facilities. A TFO’s core business is to own, operate, maintain and develop its transmission facilities to make transmission services available to the Independent System Operator.

The Independent System Operator, or AESO, was established under the EUA to, among other things, act as the sole provider of system access service to users of the AIES. See "*OVERVIEW OF ELECTRICITY INDUSTRY IN ALBERTA - Alberta Electric System Operator*" in the MD&A. The AESO therefore acts as the TFO’s primary customer and provides the TFO with its transmission tariff revenue which has been approved by the AUC. Equalization of transmission costs across Alberta is achieved by having the AESO aggregate all TFOs' costs and charge rates to users of the AIES. In excess of 90% of AltaLink's revenues are received from the AESO.

The terms and conditions under which a TFO provides transmission services to the AESO are reviewed and approved by the AUC as part of the TFO’s tariff. In 2010, the AUC concluded proceedings to standardize the terms and conditions of service among all TFOs. AltaLink's current Transmission Terms and Conditions were approved in AUC Decision 22073-D01-2017 on June 26, 2017.

Transmission services are provided such that the AESO can fulfill its duties as defined in the EUA. Among these duties, the AESO is responsible for directing the safe, reliable and economic operation of the AIES. System operators at the AESO keep the AIES physically stable and balanced by dispatching electric power generation and scheduling electricity flows on the interconnections with neighbouring control areas. These operators monitor the entire AIES and coordinate real-time operations with TFOs, each of whom controls the actual physical operation of its own transmission facilities through its own control centre. A TFO may only refuse to comply with a direction of the AESO if the TFO considers that a real and substantial risk of damage to its transmission facilities, risk to the safety of employees or the public, or risk of undue injury to the environment, could result if the direction were complied with.

Since 2009, a TFO's transmission services must also comply with Reliability Standards developed by the AESO and approved by the AUC. The adaptation of Reliability Standards to Alberta is part of a North American wide industry effort to develop mandatory reliability standards following the 2003 wide-spread blackout that affected central Canada and the eastern United States. The AESO continues to introduce mandatory Alberta Reliability Standards, including critical infrastructure protection standards for cyber-security that came into effect in 2017. The Alberta Reliability Standards are the planning and operating rules that electric utilities follow to ensure reliable systems. Reliability standards approved by the AUC are binding on all TFOs, including AltaLink, and non-compliance could result in penalties. See "*OVERVIEW OF ELECTRICITY INDUSTRY IN ALBERTA – Alberta Reliability Standards*" and "*RISK MANAGEMENT - RISK FACTORS AND UNCERTAINTIES - Reliability*" in the MD&A.

AltaLink has a long-term trend of improving reliability through proactive operating practices and capital investment. Our 2024 average customer outage duration and frequency improved compared to our 2023 results, establishing new best-ever annual performance results, and improving from our previous best-ever performance in 2022. Results were achieved primarily due to fewer outages affecting customers related to equipment malfunction and reduced impacts from weather. We continue to work on improvement plans and coordination with customers and other transmission operators to prevent outages by efficiently directing maintenance to high-risk assets and ensuring efficient restoration efforts when outages occur. Our ongoing focus on capital maintenance investments, operating maintenance activities, and initiatives to reduce restoration times continues to provide strong power system reliability in support of our customers. See "*OUR BUSINESS AND STRATEGIES – Operational Excellence - Reliability*" in the MD&A for an overview of AltaLink’s reliability performance for the past five years.

Tariff Regulation

TFOs are regulated in Alberta by the Alberta Utilities Commission, or AUC, as utilities, primarily under the *Electric Utilities Act*, the *Public Utilities Act* (Alberta) and the *Hydro and Electric Energy Act* (Alberta). The AUC's jurisdiction includes the approval of transmission tariffs (revenue requirements) for TFOs and the terms and conditions on which electricity transmission service is to be made available to the AESO. The AUC also approves AIES expansions under the EUA and the *Hydro and Electric Energy Act* (Alberta) by issuing the required permit to construct and licence to operate each specific transmission facility. See "*The Transmission Business – Transmission System Planning and Development*".

Transmission tariffs (revenue requirements) are based on a cost-of-service regulatory model which provides a TFO with the ability to recover all prudently incurred operating costs and approved capital project costs within a reasonable time frame. Under this model, AltaLink applies to the AUC for approval to recover its forecast costs, including capital expenditures, operating expenses, depreciation, cost of debt capital and taxes associated with its investment, and the opportunity to earn a fair return on its rate base. The AUC is to ensure that the tariff is just and reasonable and is not unduly preferential, arbitrary or unjustly discriminatory. In addition, the *Transmission Regulation* directs the AUC to consider that it is also in the public interest to provide consumers the benefit of unconstrained transmission access to the competitive generation/wholesale market by providing sufficient investment to ensure the timely upgrade, enhancement or expansion of transmission facilities and by fostering a stable investment climate and a continued stream of capital investment for the transmission system.

This regulatory framework results in the revenues of AltaLink being determined independently from the price and volume of electricity transmitted through its system.

Generic Cost of Capital

To enable utilities to earn a fair return on its rate base, the AUC sets a deemed capital structure, expressed as proportions of debt and equity and prescribes a generic rate of return on common equity to be applied against the common equity component of the deemed capital structures, for all electricity and natural gas utilities under its jurisdiction, including AltaLink.

The AUC commenced the 2024 GCOC proceeding to establish a formula-based approach in the third quarter of 2022. On October 9, 2023, the AUC issued Decision 27084-D02-2023 and on October 27, 2023, the AUC issued Decision 27084-D03-2023, concluding its process to set a formula for calculating the return-on-equity on AltaLink's deemed common equity ratio, as described in more detail below.

The return-on-equity is recalculated in November each year by adjusting the notional return-on-equity of 9.0% by the difference in the forecast (i) long-term Government of Canada bond yield ("**YLD_t**") and (ii) utility bond yield spread ("**$SPRD_t$**") from their respective base values of 3.10% (as determined by the AUC on October 9, 2023) and 1.58% (being the $SPRD_t$ for the month of February 2023). Those forecasts will be calculated by the Commission in early November of each year using a process that incorporates certain forecasts from the Royal Bank of Canada, TD Bank and Scotiabank, as described in more detail in Decision 27084-D02-2023. The return-on-equity formula is as follows:

$$ROE = 9.0\% + 0.5 \times (YLD_t - 3.10\%) + 0.5 \times (SPRD_t - 1.58\%)$$

The resulting return-on-equity will be implemented on January 1 for the following year. AltaLink's deemed equity ratio will remain at 37% until otherwise determined by the AUC.

The AUC has also instituted a mandatory review of the cost-of-capital parameters every five years (for both the formula and deemed equity ratio), subject to mid-term reopeners either at its own discretion or upon application from interested parties. The AUC has stated it expects to conduct the first such assessment in 2028, and any modifications resulting from that evaluation will subsequently influence the return-of-equity for the 2029 rate year and beyond. Mid-term reopeners initiated by parties will be subject to a two-stage review process. In order to move from Stage 1 to Stage 2 of the review process, applicants will bear the burden of establishing on a balance of probabilities that there exist one or more sufficiently compelling reasons for the AUC to question whether its formulaic approach to setting utility returns-on-equity remains, and/or produces results that continue to be, just and reasonable. When conducting the periodic review, the AUC will initially seek input from parties on the preliminary assessment of the formula's continued capacity to generate a fair return-on-equity. The AUC's decision on whether to undertake a comprehensive review of either the return-on-equity in general, or the return-on-equity formulaic approach in particular, will be informed by the feedback received on the preliminary matters. The AUC will retain full discretion in determining the process to be followed.

The return-on-equity formula (including the base values used therein) resulted in a return-on-equity of 9.28% and a deemed equity ratio of 37% for 2024.

On November 8, 2024, the AUC issued its decision on the GCOC for 2025 for Alberta's regulated electric and gas utilities. The AUC made no changes to the deemed equity ratio of 37% and the return on equity was set at 8.97% for 2025.

See also "*TRANSMISSION TARIFFS – GENERIC COST OF CAPITAL PROCEEDING* " in the MD&A.

2021-2023 Rate Relief

On April 15, 2021, the AUC issued Decision 26248-D02-2021 which provided reasons for the AUC's Decision 26248-D01-2021, issued on March 15, 2021, that approved an AltaLink refund of $230 million to customers in 2021. Driven by the sudden and unexpected pandemic and economic shutdown that negatively impacted all Albertans, AltaLink originally applied to the AUC on January 18, 2021, requesting approval of rate levelization measures totaling $350 million over the three-year period, 2021 to 2023, consisting of refunds to customers of $150.0 million of previously collected future income taxes and $200.0 million of surplus accumulated depreciation. The AUC approved a refund in 2021 of $150 million of previously collected future income taxes and $80 million of surplus accumulated depreciation.

The total savings to customers from 2015 to 2023 were estimated to be approximately $1.4 billion. See also "*TRANSMISSION TARIFFS*" in the MD&A.

The remaining $120 million of AltaLink's proposed rate levelization measures was requested by AltaLink as part of its 2022-2023 GTA, in the form of a $60 million refund of surplus accumulated depreciation in each of 2022 and 2023. The AUC disallowed AltaLink's proposal in the 2022-2023 GTA Decision, but subsequently granted AltaLink's application to review that finding on the basis of significantly worsened financial circumstances for ratepayers since that Decision, including higher food, gasoline and energy prices particularly following Russia's invasion of Ukraine on February 24, 2022. The review and variance was denied on May 17, 2022.

2026-2027 General Tariff Application

AltaLink expects to file its general tariff application for the 2026-2027 test period on May 15, 2025. On April 3, 2025, AltaLink held a technical session to provide an overview of its application to the Alberta Utilities Commission and interveners.

2024-2025 General Tariff Application

On April 28, 2023, we filed our general tariff application which maintained our 2024 tariff below the 2018 level of $904 million. We also applied for less than a one per cent increase to our 2025 tariff. In the first quarter of 2023, despite inflation, we continued to fulfill our commitment to customers by controlling our costs to deliver affordable transmission services.

On December 1, 2023, the AUC approved 2024 interim refundable transmission tariffs for AltaLink, including monthly tariffs for PLP and KLP, of $73.6 million per month effective January 1, 2024.

On December 19, 2023, we reached the 2023 Negotiated Settlement Agreement with customer groups on the majority of our 2024-2025 GTA and it was approved by the AUC on February 12, 2024. Under the agreement, AltaLink reduced its applied-for operating expenses by $7.0 million and sustaining capital expenditures by $38.8 million for the 2024-2025 test period. The agreement did not include AltaLink's proposed wildfire deferral account, certain investment programs within the wildfire mitigation plan, and actual and forecast salvage expenditures from the 2019-2023 GTA and the 2024-2025 GTA, respectively. These items were heard in an AUC hearing in March 2024.

On June 19, 2024, the AUC issued Decision 28174-D02-2024, providing its reasons for the approval of the negotiated settlement and its findings on the matters excluded from the negotiated settlement. Specifically, the AUC:

- approved the previously denied $98.9 million actual salvage costs incurred from 2019 to 2021 and the 2022-2023 actual/management update salvage expenditures of $53.2 million and the 2024-2025 salvage expenditures forecast of $71.1 million, subject to changes arising from AUC approved wildfire mitigation capital expenditures. The AUC also approved AltaLink's transition to the capitalization of site preparation or salvage costs for capital replacement projects starting in 2024. However, the AUC did not approve the recovery of $11 million of debt and equity returns for 2022-2023 related to the previously denied $98.9 million salvage costs;

- approved $29.1 million of forecast capital expenditures, including capitalized salvage, related to AltaLink's 2024-2025 Wildfire Mitigation Plan, which is generally consistent with the approved wildfire capital expenditures in AltaLink's 2022-2023 Wildfire Mitigation Plan. The AUC did not approve AltaLink's request, filed on August 31, 2023, for an incremental $46.3 million in forecast wildfire mitigation capital expenditures; and

- denied AltaLink's proposed wildfire related third-party damages deferral account stating that AltaLink currently has multiple layers of protection to address the risk of liability for wildfire related third-party damages. The AUC confirmed the layers include AltaLink's Capital Replacement and Upgrade program, AltaLink's Wildfire Mitigation program, protection under Section 90 of the EUA, commercial insurance and the regulatory self-insurance reserve account.

The 2024-2025 GTAs for PLP and KLP were approved as filed.

On August 12, 2024, AltaLink filed its compliance filing application to reflect the directions from the AUC decision with respect to AltaLink's 2024-2025 GTA. In its compliance filing, AltaLink commenced capitalization of salvage costs as part of the previously approved salvage methodology. As a result, the forecast pre-collection of salvage included in AltaLink's original application was no longer necessary.

On November 14, 2024, the AUC approved AltaLink's 2024 revenue requirement including PLP and KLP, of $902.5 million. On November 25, 2024, AltaLink filed post-disposition documents reflecting the 2025 approved return on equity of 8.97%.

We extended our commitment to customers and Albertans by keeping our annual revenue requirements below the 2018 level of $904.0 million for another two years in 2024 and 2025; a total of seven years from 2019 to 2025. On December 5, 2024, the AUC approved AltaLink's 2025 revenue requirements including PLP and KLP, of $897.0 million.

2022-2023 General Tariff Application and Interim Tariffs

On April 30, 2021, AltaLink filed its 2022-2023 GTA delivering on the last two years of its commitment to keep rates flat for customers at or below the 2018 level of $904 million for the five-year period from 2019 to 2023. The two-year application proposed to achieve flat tariffs while continuing to transition to the AUC-approved salvage recovery method, continuing the use of the flow-through income tax method, and adding only a 1% increase to operating and maintenance expenses, with the exception of salaries and wages and other expenses. In addition, similar to the $80.0 million refund of the previously collected accumulated depreciation surplus approved by the AUC for 2021, AltaLink proposed to provide further similar tariff reductions over the two years by refunding an additional $60.0 million per year. AltaLink's applied-for revenue requirements its 2022-2023 GTA are approximately $882.7 million and $899.2 million for the test years 2022 and 2023, respectively. The separately applied-for revenue requirements for PLP are approximately $4.9 million and $4.8 million and for KLP are approximately $3.2 million and $3.1 million for the test years 2022 and 2023, respectively. The 2022-2023 GTA also includes the 2020 DACDA, which requests AUC approval of capital costs incurred for transmission projects and reconciliation of other deferral accounts, primarily related to fiscal 2020. The 2020 DACDA includes four projects with total gross capital additions of $26.2 million.

On November 1, 2021, AltaLink filed its 2022 interim tariff application requesting approval of an interim and fully refundable transmission tariff of $67.6 million per month, commencing January 1, 2022, until a final decision is issued for the 2022-2023 GTA. The requested amount was based on the applied for 2022 transmission tariff and represented a $21.7 million increase from the currently approved monthly tariff of $45.9 million. The AUC approved an interim tariff of $56.7 million, approximately 50% of the requested increase, on the basis that this amount provided a more gradual increase until final tariffs are approved in mid-2022.

On January 19, 2022, the AUC issued Decision 26509-D01-2022 with respect to AltaLink's 2022-2023 GTA. The AUC approved $331.5 million in total capital expenditures for information technology and capital replacement and upgrade programs, as compared to $407.1 million requested in AltaLink's GTA. The AUC reduced AltaLink's 2022 opening net salvage reserve account by $98.9 million, subject to review and further justification in AltaLink's next GTA. In addition, the AUC directed AltaLink to reduce its direct assigned capital expenditure forecast by $214.1 million due to delayed in-service dates, as directed by the AESO, for several projects.

On February 18, 2022, AltaLink filed its compliance filing with a two-year total revenue requirement of $1,742.2 million and filed a review and variance application with the AUC. The application requested the AUC to review and vary its decision to (i) deny all costs for the Pipeline Electrical Interference Mitigation Program, a total of $7.9 million for the 2022-2023 test period, and (ii) deny $1.5 million of costs in AltaLink's 2022 opening rate base related to its Wildfire Mitigation Plan. AltaLink considers it unsafe to operate transmission lines adjacent to pipelines without appropriate mitigations in place and considers that the evidence demonstrates the Wildfire Mitigation plan program expenditures were approved in AltaLink's 2019-2021 GTA and were previously shown to have been prudently incurred. On March 11, 2022, the AUC denied review of the wildfire additions disallowance but granted review of the pipeline interference disallowances. It established a written process to reconsider AltaLink’s proposed pipeline electrical interference mitigation capital expenditures for 2022 and 2023. AltaLink filed supplemental information on April 12, 2022. See also "*TRANSMISSION TARIFFS*" in the MD&A.

Transmission System Planning and Development

Long-term transmission planning and management in Alberta is the responsibility of the AESO. The AESO must forecast the needs of Alberta and develop plans for the transmission system to provide efficient, reliable and non-discriminatory system access service and the timely implementation of required transmission system expansions and enhancements. The AESO directs AltaLink and other TFOs to upgrade and expand the transmission system consistent with:

- The Alberta Government Climate Leadership Plan;
- The *Transmission Regulation*, which among other things, requires the expansion and enhancement of the AIES to enable the transmission of all anticipated in-merit electricity under normal conditions;
- The *Electric Statutes Amendment Act* (Alberta), as amended; and
- The AESO’s Long-Term Transmission System Plans.

The AESO mandate is defined in the *Electric Utilities Act* (Alberta) and its regulations, and requires the AESO to assess both current and future needs of Alberta’s interconnected electrical system. The AESO prepares LTOs and LTPs. LTPs are comprehensive roadmaps that addresses the grid’s challenges and opportunities. They outline how the AESO aims to meet Alberta’s growing energy demands, support economic development, and ensure our grid operates safely, reliably and efficiently.

AltaLink's capital forecasts for its general tariff applications are based on the AESO's LTPs. Identified risks and mitigation efforts are incorporated into the project schedules and are aligned with the AESO forecasted in-service dates for projects under direction. See also "*Transmission Planning and Development*" and "*Major Capital Projects*" in the MD&A.

On January 31, 2022, the AESO released its 2022 LTP. The 2022 LTP identified current and future needs for a range of possible demand and generation conditions in Alberta. The 2022 LTP was based on the AESO's forecast of load and generated as documented in its 2021 LTO. The 2022 LTP identified 14 transmission developments across Alberta valued at approximately $2.1 billion over the 20-year period. See also "*Transmission Planning and Development*" and "*Major Capital Projects*" in the MD&A.

On January 3, 2023, and June 6, 2023, the AESO provided notice and sought written feedback from interested stakeholders on their perspectives regarding the scope and input assumptions of the AESO's proposed long-term outlook analysis. As a result of evolving carbon policies and regulations impacting the development of a carbon-neutral, reliable and affordable grid, the AESO re-evaluated the scenarios in the 2023 LTO.

Those changes impacted both the LTO and the LTP as described in the following AESO publications (i) 2023 Long-Term Outlook Resource Adequacy - CER Assessment (September 27, 2023); (ii) 2024 Long-term Outlook Preliminary Update (November 15, 2023); and (iii) 2024 LTO Directional Summary Report (January 31, 2024). The final 2024 LTO was released on May 15, 2024.

On January 31, 2025, the AESO released its 2025 LTP. The 2025 LTP incorporated the 2024 LTO and presented a 20-year plan for developing Alberta's transmission system. The following is a summary of the AESO's statements in the 2025 LTP and readers should refer to the complete 2025 LTP available on the AESO's website.

The 2025 LTP sets out transmission plans grouped by (i) load-driven transmission plans (to ensure the system can serve load reliably), (ii) generation-driven transmission plans (to mitigate congestion), and (iii) intertie-driven transmission plans (to align with government policy decisions).

The 2025 LTP identifies four major load-driven transmission developments anticipated in the next five years ($965 million total) and three major load-driven developments anticipated in the next 6-20 years ($800 million total).

Generation-driven transmission plans in the LTP were developed based on Alberta's current "zero congestion" planning standard. However, because of a recent government decision respecting Alberta's *Transmission Regulation*, the "zero congestion" planning standard for generation-driven projects will be replaced with an optimal transmission planning ("**OTP**") framework. When the OTP framework is implemented, it may impact LTP generation-driven transmission plans and the potential need and timing for such developments. The government decision will also change how transmission costs are allocated in Alberta. Currently, transmission costs are solely borne by load (customers). Costs associated with future transmission development will be allocated based on cost causation principles. In addition, new generators will contribute to transmission infrastructure costs through an upfront and non-refundable Transmission Reinforcement Payment ("**TRP**") which will replace the current Generating Unit Owner's Contribution ("**GUOC**") regime. The AESO expects OTP structure details and cost allocation decisions over 2025 and 2026 and that its 2027 and future LTPs will reflect the OTP framework.

The LTP's intertie-driven transmission plans are based on recent directions issued by the Alberta Government including, (i) restoration of the Alberta–British Columbia intertie to or near to 950 megawatts (MW), (ii) procuring and maintaining high levels of ancillary services to support full import flows on the Alberta–British Columbia intertie and the Montana Alberta Tie Line and (iii) increasing the path rating of the Alberta–Saskatchewan intertie as part of the McNeill converter's end-of-life replacement. Two major intertie-driven developments projected in the next five years total $750 million.

All proposed transmission projects in Alberta proceed through a two-stage approval process. If the AESO determines that an expansion or enhancement of the transmission system is required, then the AESO files a Need Identification Document application, or Need Application, with the AUC for approval. The AESO is also responsible for directing a TFO to submit, for AUC approval under the *Hydro and Electric Energy Act* (Alberta), a transmission facility proposal, or Facility Application, for a permit to construct and licence to operate the transmission facilities to meet the identified need. On receiving such a direction from the AESO, the TFO must prepare a Facility Application for transmission facilities that meet the requirements or objectives of the AESO's direction. Facility Applications must comply with AUC requirements, including those set out in AUC Rule 007.

The introduction of the *Electric Statutes Amendment Act* in December 2009 modified the regulatory process for certain transmission facilities designated as Critical Transmission Infrastructure ("**CTI**"). Under this 2009 legislation, the Alberta Government approved the need for four CTI projects, although the regulatory process for Facility Application approval by the AUC, including siting and environmental review, remained substantially unchanged. Three of four projects identified as CTI projects, including AltaLink's WATL and Heartland projects were assigned to incumbent TFOs. A portion of the fourth CTI project, known as the Fort McMurray West project, was assigned in December 2014 through a competitive process run by the AESO. Based on the forecast and planning results of the AESO's 2019 Long-term Outlook and 2020 Long-term Transmission Plan, the AESO continues to defer the Fort McMurray East 500 kV Transmission Project. See "*THE TRANSMISSION BUSINESS – Competitive Conditions – Competition for Projects*" in this AIF.

In September 2014, the Government of Alberta amended the *Transmission Regulation* and enacted the *Transmission Deficiency Regulation*. The *Transmission Regulation* amendments are technical amendments concerning changes in timing and authority for certain components of the transmission facility approval process, including a legislative requirement for a Need Identification Document from the AESO. The *Transmission Deficiency Regulation* implements the Government of Alberta's market participant choice and approved cost estimate initiatives. See also "*TRANSMISSION PLANNING AND DEVELOPMENT*" in the MD&A.

Direct-Assigned Capital Deferral Account Reconciliation

AltaLink must apply to the AUC for final approval of its project costs. AltaLink maintains a DACDA to recover the actual project costs of constructing new facilities. The AUC reviews all project costs recorded in AltaLink's DACDA to determine whether the actual costs of projects were prudently incurred.

<u>2023-2024 DACDA</u>

AltaLink expects to file its 2023-2024 DACDA as part of its 2026-2027 GTA. The 2023-2024 DACDA is an application by AltaLink requesting AUC approval of capital costs incurred for transmission projects and reconciliation of other deferral accounts, primarily related to fiscal 2023 and 2024. The 2023-2024 DACDA is expected to include 89 projects in 2023 with total gross capital additions of $42.3 million and total actual capital additions of $(13.9) million, net of customer contribution and trailing cost adjustments; and 145 projects in 2024 with total gross capital additions of $33.7 million and total actual capital additions net of customer contribution of $5.3 million.

<u>2021-2022 DACDA</u>

On April 28, 2023, AltaLink filed its 2021-2022 DACDA as part of its 2024-2025 GTA. The 2021-2022 DACDA is an application by AltaLink requesting AUC approval of capital costs incurred for transmission projects and reconciliation of other deferral accounts, primarily related to fiscal 2021-2022. The 2021-2022 DACDA includes seven projects in 2021 with total gross capital additions of $79.9 million and total actual capital additions net of customer contribution of $7.4M; and 18 projects in 2022 with total gross capital additions of $75.8 million and total actual capital additions net of customer contribution of $34.7 million. The 2023 Negotiated Settlement Agreement in respect of the 2024-2025 GTA, approved by the AUC in February 2024, agreed to 100% of the 2021-2022 DACDA net capital additions.

See also "TRANSMISSION TARIFFS" *and* "*RISK MANAGEMENT – RISK FACTORS AND UNCERTAINTIES – Regulated Operations, Utility Asset Disposition and Regulatory Financial Risk*" in the MD&A.

AESO Tariff Proceeding

On September 22, 2019, the AUC issued Decision 22942-D02-2019 in the AESO's 2018 tariff proceeding. As part of this initial decision, the AUC approved AltaLink's proposal to refund contributions made by distribution facility owners in respect of transmission projects built and owned by transmission facility owners. The AUC directed the AESO to consult with AltaLink to provide a joint proposal to implement AltaLink's contribution proposal. Had this proposal been implemented, AltaLink would have refunded to FortisAlberta the unamortized balance of its AESO contributions as at December 31, 2017, and reflected the full refund amount (approximately $375 million) in its own rate base. AESO contributions paid by distribution facility owners after January 1, 2018, in respect of new projects, would similarly have been refunded upon each project's energization, with AltaLink recording the full value of the assets in its rate base.

In September 2019, FortisAlberta filed a review and variance application requesting that the AUC re-evaluate its approval of AltaLink's proposal. FortisAlberta also sought a stay of the AUC's decision. In October 2019, the AUC granted Fortis Alberta's request and initiated a review and variance proceeding; the record in that proceeding closed in November 2019 after submissions from FortisAlberta, AltaLink and other interested parties. On October 25, 2019, the AUC granted FortisAlberta's stay application. In December 2019, the AUC reopened the record and, in January 2020, issued specific information requests to each of FortisAlberta and AltaLink to clarify evidence previously filed. On April 2, 2020, FortisAlberta requested that an oral hearing commence in 105 days. AltaLink and FortisAlberta filed expert evidence in July 2020. The AUC set a further process for information requests, responses and written submissions to be completed in September 2020.

On November 4, 2020, the AUC issued its decision in the review and variance proceeding, rescinding its prior approval of AltaLink's proposal. The AUC's November 2020 decision had two main rationales: (i) if the original decision was confirmed, FortisAlberta would incur at least $117 million of incremental income tax, carrying costs and debt restructuring costs associated with the refund, which the AUC held would be required to be recovered from ratepayers; and (ii) much of the approximately $40 million in savings to ratepayers, which the hearing panel relied upon as the basis for the AUC's original decision, could be achieved by directing FortisAlberta to adjust the amortization rate for its AESO contributions to match the service lives of the transmission assets.

On November 10, 2020, the AUC initiated a new proceeding to (i) examine the legal basis of the current AESO customer contribution policy as it pertains to all transmission facility owners and distribution facility owners, (ii) consider whether there is a need for a new policy, including consideration of AltaLink's proposed policy, and (iii) if approved, set the date on which any new policy would commence. On December 2, 2020, AltaLink filed its submissions in this proceeding, objecting to the legality of the current AESO policy on the basis that it (i) allows distribution facility owners to invest in transmission assets, contrary to Alberta utilities legislation; and (ii) requires transmission facility owners to own, operate, maintain, and bear all the risks of ownership for assets on which another utility – a distribution facility owner – earns the return, inconsistent with the concept of ownership imbedded in Alberta utilities law. AltaLink advanced its previous proposal as a replacement for the current AESO contribution policy.

On April 23, 2021, the AUC issued Decision 26061-D01-2021 wherein the AUC ruled that (i) the current policy is legal, but that it sends the wrong price signals to distribution facility owners to prefer an investment in transmission; (ii) FortisAlberta can keep its existing investment and can continue to earn a return on its existing investment; and (iii) it is not in the public interest for either a distribution facility owner or a transmission facility owner to earn a return on AESO customer contributions on a go-forward basis.

On January 19, 2022, the Alberta Court of Appeal granted AltaLink permission to appeal Decision 26061-D01-2021 on the grounds of the legality of the scheme and the ability of the AUC to deny a return on an investment that is required by a private utility to serve its customers. The Court denied permission to appeal Decisions 22942-D02-2018 and 23942-D01-2019, but held that the absence of a live appeal on these “essentially interim decisions” would not “limit the Court’s ability to engage the issues.”

On November 14, 2023, the Alberta Court of Appeal overturned the AUC's decisions regarding the legality of the current customer contribution regime and the AUC's ability to deny a utility its return on investment. In its decision, the allocation issue (between transmission facility owners and distribution facility owners, who is entitled to the investment) as well as the fair return issue (no one is allowed to earn a return on the investment) were returned to the AUC for rehearing and reconsideration on the basis that the AUC did not provide adequate notice that it was considering disallowing any utility from earning a fair return on the investment. The Court remitted the fair return issue and the allocation issue back to the AUC so that the appellants are provided an opportunity to present their case fully and fairly.

On April 26, 2024, the AUC filed notice that it was commencing the aforementioned reconsideration under Proceeding 29006. From May 2024, through April 14, 2025, AltaLink, FortisAlberta Inc. and other parties that filed a Statement of Intent to Participate (i) made submissions on issues and process, (ii) filed evidence, rebuttal evidence and sur-rebuttal evidence, and (iii) filed written argument. On April 23, 2025, the AUC conducted a hearing where the parties presented oral reply argument. The AUC's decision is pending.

See also "*Transmission Tariffs – Alberta Electric System Operator Tariff Decision*" in the MD&A.

Stakeholder Engagement

Transmission projects have the potential to create localized impacts on land and affect landowners and other stakeholders. AltaLink focuses its landowner, government, Indigenous and media engagement practices on providing stakeholders with timely, easy to understand information about transmission projects and facilities. AltaLink's processes are designed to gather stakeholder input to help AltaLink identify routes on new projects with the lowest overall impact on land use and landowners. This engagement continues through the life cycle of AltaLink's facilities. AltaLink surveys landowners after consultation and during construction of significant projects, as well as those who already host AltaLink's facilities, to address any issues and build long-term relationships.

AltaLink's consultation team is staffed by employees certified by the International Association of Public Participation. AltaLink's stakeholder consultation efforts adjusted in 2020 and 2021, according to public health recommendation and guidance from the AUC regarding the COVID-19 pandemic, had continued into the spring of 2022. AltaLink has resumed pre-pandemic consultation practices.

Operations and Maintenance

The General Partner operates and maintains AltaLink's Transmission Business and maintains the requisite permits and land rights to ensure the continued operation of the business. As at December 31, 2024, the General Partner employed approximately 690 individuals in management, technical, administrative and general labour activities in connection with the Transmission Business.

The operation, maintenance and development of energized transmission facilities requires various specific technical skills which are generally available to AltaLink. From an engineering perspective, AltaLink's transmission system is becoming more complex to operate, in part because new transmission technologies and new generating technologies (*e.g.,* intermittent generation) change the way the system is coordinated and operated. The amount and complexity of system operations will continue to change and AltaLink will require additional specialized technical support to reliably operate its assets.

Approximately 56% of AltaLink's employees are unionized, being members of either the United Utility Workers Association ("**UUWA**"), which had approximately 361 AltaLink members, or the International Brotherhood of Electrical Workers ("**IBEW**"), which had approximately 27 AltaLink members. These two unions have entered into collective bargaining agreements with the General Partner. The provisions of these collective agreements affect the flexibility and efficiency of AltaLink's business.

On May 6, 2024, AltaLink and the UUWA reached a four-year collective agreement. The term of the agreement is January 1, 2024, to December 31, 2027.

On December 23, 2024, AltaLink and the IBEW ratified a collective bargaining agreement which is effective January 1, 2025, to December 31, 2028 (the previous four-year collective agreement term expired on December 31, 2024). AltaLink considers its working relationship with both labour unions to be satisfactory. Since inception, neither union has engaged in a work stoppage in connection with AltaLink's business; however, there can be no assurance that current relations will not change in negotiations or mediation, or that the collective bargaining agreements will be renewed on acceptable terms. See "*RISK MANAGEMENT - RISK FACTORS AND UNCERTAINTIES - Labour Relations*" in the MD&A.

Competitive Conditions

Competition for Projects

The Transmission Business has traditionally operated within the context of geographic areas under which incumbent TFOs are responsible for the construction of new transmission facilities within their geographic operating area. The *Transmission Regulation* and the ISO Rules provide that, subject to certain exceptions, the AESO must determine which TFO is eligible to apply for the transmission facilities, on the basis of geographic areas in which the TFOs operate.

Exceptions to the geographic area concept for determining who constructs and operates new transmission facilities were first introduced in 2009 as part of the *Electric Statutes Amendment Act*. In October 2010, the Department of Energy, through a revision to the *Transmission Regulation*, directed the AESO to develop a competitive process respecting tenders for certain transmission projects. The only transmission project in Alberta assigned through the AESO's competitive tender process was the Fort McMurray West 500 kV Transmission Project in December 2014. Fort McMurray East, a component of Alberta's transmission infrastructure from the Heartland region to the Fort McMurray area, was expected to be the second project launched under the AESO's competitive bid process; however, the AESO has deferred the project based on its assessment of the economic environment and low oil prices. No other competitive transmission projects are currently expected in Alberta.

In September 2014, the Government of Alberta enacted the Transmission Deficiency Regulation which, among other things, implemented the province's Market Participant Choice ("**MPC**") initiative. MPC allows a market participant to construct their own interconnection to the grid in certain circumstances. After an agreed period of time, the market participant must transfer ownership of the interconnection facility to the TFO in whose service territory it is located. The market participant remains responsible for any costs incurred by the TFO as a result of actions taken by the market participant during the design or construction of the interconnection facility. If the TFO is unable to recover such costs from the Market Participant, the regulation outlines procedures to allow the TFO to recover the costs.

Competition for Resources

AltaLink's ability to successfully complete transmission development projects is subject to procurement risks normally faced by companies executing large construction projects, including the availability of specific materials and services. See "*RISK MANAGEMENT - RISK FACTORS AND UNCERTAINTIES - Project Execution*" in the MD&A.

As AltaLink executes its transmission projects, it uses a flexible delivery model that blends both internal and external resources appropriately for each specific project.

Environmental Matters and Sustainability

AltaLink is subject to regulation relating to the protection of the environment under a variety of federal, provincial and municipal laws and regulations. Among other things, spills and leaks can occur in the operation of electric transmission facilities, including accumulations of fluids containing hydrocarbons, PCBs and other contaminants in soil and gravel at substation sites. Transmission facility construction and maintenance also require land access, which may impact the environment and may require permits from governmental authorities.

AltaLink has developed an environmental management system to assess and manage environmental risks associated with transmission operation and maintenance activities. This environmental management system establishes operational standards, procedures and guidelines which are designed to meet or exceed applicable compliance thresholds. See "*OUR BUSINESS AND STRATEGIES – Environmental Respect*", "*OUR COMMITMENT TO THE ENVIRONMENT*" and *"ENVIRONMENTAL, SOCIAL AND GOVERNANCE"* in the MD&A, which more fully describes AltaLink's environmental management system.

Corporate sustainability is important to AltaLink's overall business strategy, which collectively considers environmental, social and economic aspects in our business planning, decision making and governance. In November 2019, the Canadian Electricity Association ("**CEA**") re-designated AltaLink a *Sustainable Electricity Company*™, for its demonstrable integration of sustainability into its business decision-making. AltaLink was the first ever transmission company in Canada to receive this designation in 2014 and the first to be re-designated. In 2015, AltaLink received accreditation from the Right-of-Way Stewardship Council for its sustainable integrated vegetation management practices, making it the first utility in Canada to receive this third-party independent recognition. AltaLink continues to maintain this accreditation. In November 2020, the CEA announced AltaLink, PLP and KLP as recipients of the 2020 Award for Advancement of an Integrated Approach to Sustainability for AltaLink's joint limited partnerships with the Piikani Nation and the Kainai Nation ("**Blood Tribe**"), who are now long-term investors in high-voltage electrical infrastructure on their lands.

AltaLink received the Workplace Excellence Award from the United Way of Calgary and Area, for its 2023 campaign which raised $804,496. The award honors workplace campaigns that exhibit strong employee engagement, leadership support, and a best-practice approach. In 2024, AltaLink employees raised $867,318 for the United Way after the dollar-for-dollar match by AltaLink, bringing AltaLink's total to more than $12.1 million since 2002.

The current operation of the Transmission Business is in material compliance with applicable environmental regulations and approvals. In 2024, AltaLink spent approximately $9.3 million (2023 - $5.3 million, 2022 - $3.9 million) in costs associated with environmental protection requirements, including costs required to perform environmental assessments for the permitting of new transmission facilities. AltaLink's environmental costs may vary with the amount of new transmission projects entering the Facilities Application stage, where significant costs are incurred to perform the required environmental assessments. AltaLink cannot predict the changes that could be made to environmental requirements in the future. See "*Our Commitment to the Environment*" in the MD&A. Costs for environmental controls may increase in the future, but these increases are not currently expected to have a material effect on the Transmission Business. See also "*Risk Management – Risk Factors and Uncertainties – Environment, Health and Safety*" in the MD&A.

CAPITAL STRUCTURE

AltaLink has been capitalized through the issuance of Units and contribution of capital under those Units, authorized debt under the Capital Markets Platform (the Senior Notes, short-term indebtedness under the Commercial Paper Program and the Credit Facilities) and retained earnings. A description of the authorized securities follows.

Units

AltaLink is authorized to issue an unlimited number of Units. As at December 31, 2024, all of the 331,904,395 issued Units are held by AILP. See "*Corporate Structure - Ownership*".

The Units are voting (as to one vote per Unit in accordance with the Limited Partnership Agreement) and participate equally in profits, losses and distributions of AltaLink. AltaLink is also authorized to issue preferred partnership units that may, in the event of the liquidation, dissolution or winding up of AltaLink, participate preferentially in any distribution. AltaLink has not issued any preferred partnership units.

The General Partner does not hold any Units in AltaLink. It manages the operations of AltaLink, and has a 0.01% interest in the profits, losses and distributions of AltaLink. The limited partner, AILP, is not permitted to, among other things, take part in the control or management of the business of AltaLink or to transact any business on behalf of AltaLink or to bind or hold itself out as having the authority or power to bind AltaLink. AltaLink was formed in order for the limited partner to benefit from limited liability to the extent of the capital contributed to AltaLink, plus any undistributed income of AltaLink.

Capital Markets Platform

AltaLink's operation, maintenance and development of its assets have been and will continue to be partially financed with debt. In conjunction with its financial advisors, AltaLink has developed a financing structure referred to from time to time in this document as the "Capital Markets Platform". The terms and conditions of the Capital Markets Platform are contained in the Indenture and the relevant Series Supplements that are in force, from time to time.

The Capital Markets Platform governs all indebtedness, including the ranking and security (if any) of the various debt instruments. It is capable of accommodating a variety of debt instruments and borrowings, including term bank debt, revolving bank lines of credit, publicly issued and privately placed medium-term notes and other term-debt securities (senior and subordinated), banker's acceptances, commercial paper, interest-rate and currency swaps, and other hedging instruments. AltaLink is not allowed to borrow other than under the Capital Markets Platform except in certain limited circumstances and, in any event, not in excess of an aggregate of $20 million.

Indenture

AltaLink, the General Partner and the Trustee have entered into the Indenture, which establishes a set of common covenants by AltaLink for the benefit of all of its lenders under the Capital Markets Platform.

The Indenture authorizes the issuance of an unlimited principal amount of Bonds which may be either senior or subordinated Bonds in the form of either Obligation Bonds (to directly evidence the indebtedness of AltaLink to the holder of such debt) or Pledged Bonds (to be held by the holder as collateral security for the Indebtedness specified in the related instrument of pledge). It is expected that publicly issued and privately placed Bonds will be in the form of Obligation Bonds, whereas all other indebtedness of AltaLink under the Capital Markets Platform will be supported by Pledged Bonds.

Each series of Bonds is created (or modified) by the execution and delivery of a Series Supplement. The obligations of AltaLink in respect of all Bonds under the Indenture are secured, unless otherwise set out in a Series Supplement applicable to such Indebtedness. The Seventh Series Supplement creates a first, floating charge security interest in and to the present and future property, assets and undertaking of AltaLink in favour of the Trustee on behalf of the holders of the Bonds. This security interest has been filed at the appropriate registry office in Alberta in priority to all other creditors' registrations against AltaLink's assets, other than Permitted Encumbrances.

Senior, secured Bonds of all series or classes will rank *pari passu* with all present and future senior, secured Bonds, except with respect to any sinking fund established for the benefit of a particular series. Senior, secured Bonds have a priority over all senior, unsecured Indebtedness and all subordinated Indebtedness of AltaLink under the Indenture.

Key covenants for the benefit of its lenders under the Indenture include:

- *Restricted Purpose:* AltaLink is not allowed to carry on any business other than involving (i) the operation and maintenance (subject to regulation by the AUC) of the infrastructure and other assets used for the transmission of electricity in Alberta that comprise AltaLink's transmission network, including assets currently owned and operated and subsequently acquired or constructed assets, (ii) engineering services related to the transmission of electricity and related administrative services associated with activities in (i) and (ii), and (iii) other ancillary services provided in conjunction with the foregoing business whether or not regulated by the AUC.

- *Capital Structure Requirements:* AltaLink is not allowed to directly or indirectly guarantee, incur, issue or become liable for any Indebtedness unless, after giving pro forma effect thereto (including the application of any resulting net proceeds) the aggregate amount of all Indebtedness of AltaLink (other than certain obligations under swaps or other financial instruments) does not exceed 75% of the Total Capitalization of AltaLink.

- *Restrictions on Distributions:* AltaLink is not allowed to make any distributions or payments in respect of, or apply any of its property to the purchase, repayment or redemption of or return of capital on, any of its partnership interests, or make any loans or other payments or disbursements to its partners, other than as permitted under the Indenture. Under the Indenture, any such payment or distribution to the partners of AltaLink cannot occur until certain obligations (including the payment of Operating and Maintenance Expenses and taxes, and payments in respect of existing senior and subordinated Indebtedness) have been satisfied, or at all if a default or event of default has occurred.

This overview summarizes certain complex provisions of the Indenture and omits descriptions of many provisions which may be considered to be of a customary nature. For full particulars of AltaLink's obligations and the rights of the holders of the Bonds, refer to the Indenture and the applicable Series Supplement. Copies of the relevant documents are available upon request to the Vice President, Treasurer of AltaLink Management Ltd., the general partner of AltaLink (telephone: 403-267-3400) or may be inspected at AltaLink's head office during normal business hours, or which are also available electronically at www.sedarplus.ca. Certain defined (capitalized) terms contained in this section of the AIF are more fully defined in the Indenture or the applicable Series Supplement. Potential investors should refer to the Indenture or the applicable Series Supplement for the precise definitions. See "GLOSSARY" for a summary of some of those defined (capitalized) terms.

Existing Indebtedness

As at December 31, 2024, AltaLink has outstanding 16 series of senior, secured Obligation Bonds and one senior unsecured Obligation Bond under the Indenture. A description of the principal terms of Indebtedness under these Obligations Bonds as at December 31, 2024, is set out in the following chart:

	Issue Date	Maturity	Principal Amount ($000s)	Amount Outstanding ($000s)	Coupon
Senior (Secured)					
2006-1 Notes	Sept 21, 2006	Sept 22, 2036	$150,000	$150,000	5.249%
2010-1 Notes	Mar 25, 2010	Mar 26, 2040	$125,000	$125,000	5.381%
2010-2 Notes	Nov 15, 2010	Nov 15, 2040	$150,000	$150,000	4.872%
2011-1 Notes	Nov 8, 2011	Nov 8, 2041	$275,000	$275,000	4.462%
2012-1 Notes	June 29, 2012 / Sept 12, 2014	June 30, 2042	$525,000	$519,867	3.990%
2013-1 Notes	July 12, 2013	July 11, 2053	$250,000	$250,000	4.446%
2013-3 Notes	Sept 17, 2013	Sept 17, 2043	$350,000	$350,000	4.922%
2014-2 Notes	June 6, 2014	June 6, 2064	$130,000	$130,000	4.274%
2014-3 Notes	Nov 21, 2014	Nov 21, 2044	$295,000	$295,000	4.054%
2015-1 Notes	June 30, 2015	June 30, 2045	$350,000	$350,000	4.090%
2016-1 Notes	May 30, 2016	May 29, 2026	$350,000	$350,000	2.747%
2016-2 Notes	Dec 1, 2016	Dec 3, 2046	$450,000	$450,000	3.717%
2020-1 Notes	Sept 11, 2020	Sept 11, 2030	$225,000	$225,000	1.509%
2022-1 Notes	Nov 28, 2022	Nov 28, 2032	$275,000	$275,000	4.692%
2023-1 Notes	Oct 11, 2023	Oct 11, 2055	$500,000	$500,000	5.463%
2024-1 Notes	May 22, 2024	May 22, 2054	$325,000	$325,000	4.742%
Senior (Unsecured)					
Commercial Paper (1)	Dec 2024	Jan 2025	$153,000	$153,000	3.29%-3.65%

Note:

(1) As at March 31, 2025, AltaLink had outstanding notes under its Commercial Paper Program in the aggregate principal amount of approximately $99.5 million (face value).

AltaLink also has outstanding Indebtedness from time to time under the Credit Facilities, which Indebtedness is secured by Pledged Bonds held by the applicable Agent, as holder, as collateral security for the Indebtedness specified in the related instrument of pledge associated with each Credit Facility. The Series 18 Bond is outstanding under the Indenture, as a Pledged Bond, in support of AltaLink's Indebtedness from time to time under the $500 Million Revolving Credit Facility. The Series 19 Bond is outstanding under the Indenture, as a Pledged Bond, in support of AltaLink's Indebtedness from time to time under the $75 Million Revolving Credit Facility. On March 31, 2023, AltaLink entered into the $150.0 million Revolving Credit Facility to provide additional liquidity for AltaLink.

As at December 31, 2024, AltaLink had obligations of approximately $155.1 million (consisting of outstanding letters of credit and commercial paper) supported by the $75 Million Revolving Credit Facility, the $500 Million Revolving Credit Facility and the $150.0 Million Revolving Credit Facility, resulting in approximately $569.9 million of available liquidity as of that date.

As at March 31, 2025, AltaLink had obligations of approximately $101.5 million (consisting of outstanding letters of credit and commercial paper) supported by the $75 Million Revolving Credit Facility, the $500 Million Revolving Credit Facility and the $150.0 Million Revolving Credit Facility, resulting in approximately $623.5 million of available liquidity as of that date.

Senior Notes

Senior Notes (including the Series 2006-1 Notes, Series 2010-1 Notes, Series 2010-2 Notes, Series 2011-1 Notes, Series 2012-1 Notes, Series 2013-1 Notes, Series 2013-3 Notes, Series 2014-2 Notes, Series 2014-3 Notes, Series 2015-1 Notes, Series 2016-1 Notes, Series 2016-2 Notes, Series 2020-1 Notes, Series 2022-1 Notes, Series 2023-1 Notes and the Series 2024-1 Notes) are senior, secured Obligation Bonds under the Capital Markets Platform. They are issued pursuant to the Indenture and applicable Series Supplement, each of which incorporates by reference all of the covenants contained in the Indenture (including the Seventh Series Supplement).

The obligations of AltaLink in respect of its Senior Notes are secured by a first, floating charge security interest in and to the present and future property, assets and undertaking of AltaLink. The Senior Notes rank *pari passu* with all present and future senior, secured Indebtedness under the Indenture and have priority over all senior, unsecured Indebtedness (including short-term indebtedness under the Commercial Paper Program) and all subordinated Indebtedness of AltaLink under the Indenture.

Senior Notes may be redeemed in whole or in part at the option of AltaLink at any time, upon not less than 10 days' notice and not more than 60 days' notice to the holders of those Senior Notes to be redeemed, and deposit with the Trustee, on the redemption date, of the redemption price. The redemption price for Senior Notes (except the Series 2014-2 Notes, Series 2014-3 Notes, Series 2015-1 Notes, Series 2016-1 Notes, Series 2016-2 Notes, Series 2020-1 Notes, Series 2022-1 Notes, Series 2023-1 Notes and the Series 2024-1 Notes is calculated as the greater of (i) the Canada Yield Price, and (ii) the face amount of the particular Senior Note to be redeemed plus, in each case, accrued and unpaid interest thereon to the date of redemption. The redemption price for the Series 2014-2 Notes, Series 2014-3 Notes, Series 2015-1 Notes, the Series 2016-2 Notes, Series 2023-1 Notes and the Series 2024-1 Notes is calculated the same as other Senior Notes during most of their term, but calculated as the face amount of the Note plus accrued interest to the applicable redemption date if redeemed within six months prior to the maturity date for the respective Notes (or three months in the case of the Series 2016-1 Notes, Series 2020-1 Notes and Series 2022-1 Notes).

Scotia Capital Inc., RBC Dominion Securities Inc., BMO Nesbitt Burns Inc., TD Securities Inc., National Bank Financial Inc. and ATB Capital Markets Inc. are wholly owned subsidiaries or affiliates of Canadian chartered banks, which are lenders, from time to time, to AltaLink under the Credit Facilities (refer also to "*CAPITAL MARKETS PLATFORM – Existing Indebtedness – Credit Facilities*"). Consequently, AltaLink may be a "connected issuer" of each of those investment dealers for purposes of applicable securities regulation. As of March 31, 2025, AltaLink had no borrowings under the $75 Million Revolving Credit Facility and outstanding letters of credit in the principal amount of approximately $2.0 million and is in compliance with the $75 Million Revolving Credit Facility. As of March 31, 2025, AltaLink had no borrowings under, and is in compliance with, the $500 Million Revolving Credit Facility but had outstanding indebtedness under its Commercial Paper Program of approximately $99.5 million (face value). As of March 31, 2025, AltaLink had not been required to obtain a waiver in respect of any breach under the Credit Facilities since the parties' execution of the applicable credit agreements. As of March 31, 2025, and other than as disclosed in AltaLink's public filings, there has been no material change in the financial position of AltaLink or in the value of any security for Indebtedness under the Credit Facilities since such Indebtedness was incurred. All or a portion of the net proceeds from the sale of a particular series or issues of Notes in which such investment dealers act as principals or agents may be used to repay Indebtedness, if any, under the Credit Facilities, on the basis of each bank's rateable portion of the Credit Facilities or to repay Indebtedness, if any, under the Commercial Paper Program. Other than payment of their portion of commissions, if applicable, none of the proceeds of such offerings of Notes will be applied, directly or indirectly, for the benefit of Scotia Capital Inc., RBC Dominion Securities Inc., BMO Nesbitt Burns Inc., TD Securities Inc., National Bank Financial Inc. or ATB Capital Markets Inc.

The foregoing summary does not purport to be complete and is subject to and qualified by reference to the Series Supplement and the specific bonds or notes issued under each Series Supplement, and the Indenture.

Commercial Paper Program

In May 2013, AltaLink increased its Commercial Paper Program to $750 million, supported by a $750 Million revolving credit facility. In December 2018, the Commercial Paper Program was reduced to $500 million along with a similar reduction in the size of the supporting credit facility to $500 million from $750 million. The commercial paper represents unsecured short-term promissory notes of AltaLink authorized to be outstanding at any one time in the maximum aggregate principal amount of $500 million (or the equivalent thereof in US Dollars) at the date of issue. The note maturities will not exceed 364 days from the date of issue. AltaLink uses the net proceeds from the sale of Commercial Paper Program notes for general corporate purposes. The Commercial Paper Program notes are issued as non-interest bearing notes sold at a discount or as interest bearing notes sold at par. As at December 31, 2024, DBRS had rated the Commercial Paper Program notes at R-1 (low). See "*Capital Structure – Credit Ratings*" for a further description of DBRS' ratings.

Commercial Paper Program notes are senior, unsecured Obligation Bonds under the Capital Markets Platform. They are created pursuant to the Indenture and the Twenty-first Series Supplement.

AltaLink has delivered to the Trustee the Series 21 Bond, in the principal amount of $500 million, in respect of its obligations under the Commercial Paper Program. The Series 21 Bond is a senior, unsecured Obligation Bond, which ranks subordinate to the Senior Notes, which are secured, and any future senior, secured Indebtedness under the Indenture, and has priority over all subordinated Indebtedness of AltaLink under the Indenture.

The foregoing summary does not purport to be complete and is subject to and is qualified by reference to AltaLink's information memorandum dated December 14, 2018, in respect of the Commercial Paper Program.

Credit Facilities

AltaLink currently has two bank credit facilities which provide for an aggregate amount of $575.0 million in available credit and on March 31, 2023, we added the $150 Million Revolving Credit Facility with AILP. On October 18, 2024, the obligations of the parties to the CIB Credit Facility became effective. AltaLink satisfied applicable conditions precedent and completed the first funding advance under the CIB Credit Facility in the amount of $37.6 million on March 27, 2025.

As at December 31, 2024, AltaLink had obligations of approximately $155.1 million (including outstanding letters of credit and commercial paper) under the $75 Million Revolving Credit Facility, the $500 Million Revolving Credit Facility, the $150 Million Revolving Credit Facility and the CIB Credit Facility, resulting in approximately $569.9 million of available liquidity as of that date. See Note 13 to the fiscal 2024 Financial Statements for a description of AltaLink's short-term Indebtedness and the resulting credit availability under the $75 Million Revolving Credit Facility, the $500 Million Revolving Credit Facility and the $150 Million Revolving Credit Facility as of the end of the most recently completed financial year. AltaLink's liquidity requirements are expected to remain relatively stable over the next few years to accommodate capital expenditures and working capital requirements.

The $75 Million Revolving Credit Facility

The $75 Million Revolving Credit Facility provides available credit of $75 million, and was amended and restated in December 2024 to, among other things, extend the maturity of any indebtedness thereunder. The $75 Million Revolving Credit Facility may be used for operating expenses, capital expenditures, working capital needs, and for general corporate purposes, including the payment of distributions. Subject to extension with the consent of the Agent and lenders thereunder, all amounts owing thereunder must be repaid by December 14, 2029.

The $500 Million Revolving Credit Facility

The $500 Million Revolving Credit Facility provides available credit of $500 million, and was amended and restated in December 2024 to, among other things, extend the maturity of any indebtedness thereunder. The $500 Million Revolving Credit Facility may be used for operating expenses, capital expenditures, working capital needs, and for general corporate purposes, including the payment of distributions, and to support AltaLink's Commercial Paper Program. Subject to extension with the consent of the Agent and lenders thereunder, all amounts owing thereunder must be repaid by December 14, 2029.

The $150 Million Revolving Credit Facility

The $150 Million Revolving Credit Facility obligates AILP to advance funds from time to time prior to March 31, 2027, upon request by AltaLink. Advances under the $150 Million Revolving Credit Facility may be used by AltaLink for operating expenses, capital expenditures, working capital needs, and for general corporate purposes. Loan advances will mature not later than 364 days after the date of the promissory notes evidencing such advances and will bear interest at the prime rate of Royal Bank of Canada. AltaLink's aggregate indebtedness in respect of all loan advances under the $150 Million Revolving Credit Facility, if any, will be Subordinated Debt for the purposes of the Indenture.

The CIB Credit Facility

On October 31, 2023, AltaLink and Canada Infrastructure Bank entered into the CIB Credit Facility whereby low-cost, 30-year, amortizing financing will be available to AltaLink for up to 50% of the eligible construction and development costs related to AltaLink's portion of the Central East Transfer-Out project as well as the Southeast Alberta Transmission Development and Southwest Alberta Transmission Development projects, in each case if certain conditions are met. See "*MAJOR CAPITAL PROJECTS*" in the MD&A.

The availability of advances under the CIB Credit Facility for projects other than the Central East Transfer-Out project remains subject to AltaLink's satisfaction of various conditions, including obtaining regulatory approvals. Facility applications have not yet been filed for those two additional projects.

On September 4, 2024, AltaLink filed an application seeking AUC approval in connection with AltaLink's incurrence of indebtedness under the CIB Credit Facility and granting of security in respect of such indebtedness, including $128.5 million for the Central East Transfer-Out project. On October 18, 2024, the AUC approved AltaLink's project financing.

On February 11, 2025, the AUC approved the amendment of AltaLink's debt application to reflect a revised outside date of March 31, 2025, for the issuance of the pledged bond securing the credit facility. AltaLink amended the credit agreement accordingly and completed the first draw-down on March 27, 2025. The initial borrowing of $37.6 million was used to fund the Central East Transfer-Out project. The 31-year interest rate of 2.17% is fixed for the remainder of advances under the CIB Credit Facility in respect of the Central East Transfer-Out project. All Central East Transfer-Out project borrowings under the credit facility will be repaid by June 30, 2056.

Collateral Security

As collateral security for the Indebtedness under the $75 Million Revolving Credit Facility, AltaLink has issued pursuant to the Indenture and the Nineteenth Series Supplement, the Series 19 Bond, a senior, secured Pledged Bond, payable on demand in the principal amount of $250 million. As collateral security for the Indebtedness under the $500 Million Revolving Credit Facility, AltaLink has issued pursuant to the Indenture and the Eighteenth Series Supplement, the Series 18 Bond, a senior, secured Pledged Bond, payable on demand in the principal amount of $2.0 billion. As collateral security for the Indebtedness under the CIB Credit Facility, AltaLink has issued pursuant to the Indenture and the Twenty-Seventh Series Supplement, the Series 27 Bond, a senior, secured Pledged Bond, payable on demand in the principal amount of $800 million.

Each of the Series 19 Bond , the Series 18 Bond and the Series 27 Bond rank *pari passu* with all present and future senior, secured Indebtedness under the Indenture and have priority over all senior, unsecured Indebtedness (including the Commercial Paper Program) and all subordinated Indebtedness of AltaLink under the Indenture.

AltaLink's obligations under the Pledged Bonds (and related Series Supplement) are limited to the amount of Indebtedness drawn under the respective Credit Facility and the interest payable under the related credit agreement. Further, for voting purposes under the Indenture, each Agent's voting rights (for and on behalf of the lenders to each Credit Facility they are a party to) are based on the principal amount of Indebtedness outstanding under each of the Credit Facilities, as the case may be, from time to time. The Pledged Bonds are not transferable except to an assignee of the applicable Agent under each Credit Facility.

The foregoing summary does not purport to be complete and is subject to and is qualified by reference to the $75 Million Revolving Credit Facility, the $500 Million Revolving Credit Facility, the $150 Million Revolving Credit Facility, the CIB Credit Facility, the Nineteenth Series Supplement, the Eighteenth Series Supplement, the Twenty-Seventh Series Supplement, the Series 19 Bond, the Series 18 Bond and the Series 27 Bond.

Credit Ratings

The following table shows the ratings for AltaLink and its senior obligations, as applicable, as of the date of this AIF:

Rating Agency	**Short-term Debt**	**Long-term Debt**
Standard & Poor's Global Ratings, Inc. (**S&P**) (1)	-	A-
DBRS Limited (**DBRS**) (2)	R-1(low)	A

Notes:

(1) On June 23, 2023, S&P reaffirmed its issuer credit rating and senior secured rating on AltaLink at "A", but revised its outlook from stable to negative due to the potential that BHE's business or financial risk could weaken over the next 24 months if BHE-owned PacifiCorp faces significantly increased liabilities related to the 2020 wildfires. On November 21, 2023, S&P downgraded the credit ratings of AltaLink by one notch from "A" to "A-" with a stable outlook. The ratings downgrade reflects S&P's view using their group ratings methodology that BHE will not provide extraordinary support to its subsidiaries under all foreseeable circumstances. On April 26, 2024, S&P reaffirmed its issuer credit rating and senior secured rating on AltaLink at "A-" with a stable outlook. On May 1, 2025, S&P reaffirmed its issuer credit rating and senior secured rating on AltaLink at "A-" with a stable outlook.

(2) On July 9, 2024, DBRS reaffirmed its ratings on AltaLink including the issuer rating, Medium-Term Note (Secured) and Senior Secured Note rating at "A" with stable trends. The rating on the Commercial Paper Program was also confirmed at R-1 (low). On July 9, 2024, DBRS reaffirmed the existing ratings with Stable trends. On August 16, 2024, DBRS publicly released a new combined AltaLink, L.P. and AltaLink Investments, L.P. credit rating report.

As of the date hereof, S&P has rated AltaLink at "A-" (Stable) and AltaLink's senior, secured obligations (including the Senior Notes) at "A-". The following information relating to its credit ratings is based on information made available to the public by S&P. S&P's rating applies to both AltaLink and its senior secured obligations. S&P rates issuers and debt instruments using rating categories that range from a high of "AAA" to a low of "D". The "A" category is the third highest rating category out of ten rating categories used by S&P. S&P states that an issuer credit rating is a current opinion of the creditworthiness of an obligor to pay its financial obligations. This opinion focuses on the obligor's capacity and willingness to meet its financial commitments as they come due. It does not apply to any specific financial obligation, as it does not take into account the nature of and provisions of the obligation, its standing in bankruptcy or liquidation, statutory preferences, or the legality and enforceability of the obligation. This opinion does not take into consideration the creditworthiness of guarantors, insurers, or other forms of credit enhancement on the obligation. S&P's issue credit rating is a current opinion of the creditworthiness of an obligor with respect to a specific financial obligation, a specific class of financial obligations or a specific financial program. This opinion takes into consideration the creditworthiness of guarantors, insurers, or other forms of credit enhancement on the obligation and takes into account the currency in which the obligation is denominated. S&P issue credit ratings are based, in varying degrees, on the likelihood of payment, the nature of and provisions of the obligation, and protection afforded by, and relative position of, the obligation in the event of bankruptcy, reorganization, or other arrangement under the laws of bankruptcy and other laws affecting creditors' rights. Both issuer and issue credit ratings are based on current information furnished by obligors or obtained by S&P from other sources it considers reliable. S&P does not perform an audit in connection with any issuer credit rating and may, on occasion, rely on unaudited financial information. Issuer and issue credit ratings may be changed, suspended, or withdrawn as a result of changes in, or unavailability of, such information, or based on other circumstances. According to S&P, an issuer rated "A" has a strong capacity to meet its financial commitments but is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligors in higher-rated categories. According to S&P, an obligation rated "A" is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher-rated categories. However, the obligor's capacity to meet its financial commitment on the obligation is still strong. The addition of a plus (+) or minus (-) designation after a rating indicates the relative standing within the major S&P rating categories.

An S&P rating outlook indicates S&P's view regarding the potential direction of a long-term credit rating over the intermediate term (typically six months to two years). In determining a rating outlook, consideration is given to any changes in the economic or fundamental business conditions. An outlook is not necessarily a precursor of a rating change. A positive outlook means that a rating may be raised. A negative outlook means that a rating may be lowered. A stable outlook means that a rating is not likely to change.

As of the date hereof, DBRS has assigned AltaLink an issuer rating of "A" and AltaLink's senior, secured obligations (including the Senior Notes) at "A" with a stable trend. The following information relating to DBRS' credit ratings is based on information made available to the public by DBRS.

DBRS' ratings apply to both AltaLink's senior secured obligations, and its senior unsecured obligations under the Commercial Paper Program. DBRS' long-term rating scale provides an opinion on the risk that an issuer will fail to satisfy its financial obligations in accordance with the terms under which an obligation has been issued. Ratings are based on qualitative and quantitative considerations relevant to the issuer, and the relative ranking of claims. DBRS' long-term debt credit ratings are on a scale that ranges from "AAA" to "D", representing the range from highest to lowest quality of such related securities. An "A" rating is the third highest rating category out of a total of 10 categories employed by DBRS. According to information made publicly available by DBRS, under the DBRS rating system debt instruments that are rated in the "A" category are considered to be of a good credit quality. The capacity of an issuer of "A" rated debt instruments for repayment is substantial, but of lesser credit quality than "AA" rated entities. Entities whose securities are rated in the "A" category may be vulnerable to future events, but qualifying negative factors are considered manageable. The assignment of a "(high)" or "(low)" designation indicates relative standing within such category, and the absence of either designation indicates the rating is in the middle of the category.

DBRS' short-term debt rating scale provides an opinion on the risk that an issuer will not meet its short-term financial obligations in a timely manner. Ratings are based on qualitative and quantitative considerations relevant to the issuer, and the relative ranking of claims. DBRS' commercial paper and short-term debt credit ratings are on a scale that ranges from R-1 (high) to D, representing the range from highest to lowest quality of such rated securities. An "R-1 (low)" rating is the third highest rating category out of a total of 10 categories employed by DBRS. According to information made publicly available by DBRS, under the DBRS rating system debt instruments that are rated in the R-1 (low) category are considered to be of a good credit quality. The capacity of an issuer of R-1 (low)-

rated commercial paper for repayment is substantial, although the issuer's overall strength is not as favourable as entities whose securities are ranked in higher rating categories. Entities whose securities are rated in this category may be vulnerable to future events, but qualifying negative factors are considered manageable.

Credit ratings are intended to provide investors with an independent measure of the credit quality of an issuer of securities. The credit ratings accorded to AltaLink are not recommendations to purchase, hold or sell securities of AltaLink in as much as such ratings are not a comment upon the market price of the securities or their suitability for a particular investor. There is no assurance that any rating will remain in effect for any given period of time or that any rating will not be revised or withdrawn entirely by a rating agency in the future if, in its judgement, circumstances so warrant.

AltaLink has made payments in the ordinary course to the applicable rating agencies in connection with the assignment of ratings on both AltaLink and its individual securities. In addition, AltaLink has made customary payments in respect of certain subscription services provided to AltaLink by the applicable rating agencies during the last two years.

DISTRIBUTIONS

AltaLink made distributions on its outstanding Units of $245.1 million during fiscal 2022, $225.4 million during fiscal 2023 and $252.1 million during fiscal 2024.

Under the Limited Partnership Agreement, the General Partner may, at the discretion of the Board, distribute available cash, if any, to the Partners. The Board's Audit Committee reviews each proposed distribution and makes any resulting recommendations to the Board. Any decision to pay future partner distributions and the timing of such distributions will be made by the Board on the basis of AltaLink's results from operations and financial position, financial requirements and other conditions existing at such future time and which the Board considers appropriate in the circumstances. Distributions are subject to restrictions for the benefit of the lenders under the Capital Markets Platform. See "*CAPITAL MARKETS PLATFORM – Indenture*".

THE GENERAL PARTNER

The General Partner manages the business and affairs of AltaLink pursuant to the Limited Partnership Agreement. Under the Limited Partnership Agreement, the General Partner is prohibited from carrying on any business other than activities as general partner of AltaLink and such other activities, including services to AltaLink's partners or their affiliates or similarly related entities, that are consistent with the permitted business of AltaLink.

Since inception, other activities of the General Partner (in its own capacity) or AltaLink have included provision of a wide range of accounting, finance and treasury services, business development services, operational services, regulatory services, and administrative services to AILP, AHLP, or the general partner of AILP and AHLP. The General Partner now also provides such services to BHE Canada Holdings Corporation (the indirect parent of AILP, AHLP, and the general partner of AILP), and its subsidiaries. The General Partner has also agreed to act as the general partner for KLP and PLP, which are limited partnerships formed between AltaLink and certain First Nations in respect of transmission facilities located on their reserve lands in southwest Alberta (see "*GENERAL DEVELOPMENT OF THE TRANSMISSION BUSINESS – Recent Developments*") and currently provides an immaterial amount of administrative and related services to other affiliates. From January 1, 2021, until May 2022 the General Partner provided executive services to BHE Canada Holdings Corporation and certain of its subsidiaries.

The AUC regulates inter-affiliate services such that the provision of those services by the General Partner or AltaLink will not interfere in any material respect with the Transmission Business. The Inter-Affiliate Code of Conduct (IACC), approved by the AUC, mandates the applicable principles and practices to prevent, among other things, cross-subsidization or uncompetitive practices between a utility and its affiliates. Shared affiliate services arrangements with the General Partner or AltaLink are documented and cost-recovered in accordance with principles established in the IACC. Affiliate services provided by the General Partner or AltaLink are charged out at rates prescribed by the AUC or otherwise consistent with the IACC, and documented in appropriate service agreements. The General Partner follows the compliance plan under the IACC and annually reports to the AUC on both the quantum and scope of its affiliate services arrangements. The General Partner's compliance with the IACC ensures transparency in such reporting and that the provision of affiliate services remains immaterial to the Transmission Business.

The General Partner employs staff and provides administrative and operational services to AltaLink on a cost-reimbursement basis. Management of AltaLink consists of the officers and senior employees of the General Partner. The Board of the General Partner supervises the management of the General Partner and AltaLink.

Board of Directors

The following table sets forth the name, province or state and country of residence, date of election or appointment for each of the directors, and the principal occupations for each of the directors of the General Partner as at the date of this AIF:

Name and Place of Residence	Offices Held with the General Partner	Principal Occupation or Employment during past 5 years
DAVID TUER [1] .... Alberta, Canada	Chairman of the Board; Director since September 5, 2002	Principal and Chairman of Carpae Investments Inc. since January 2021. Independent businessman, and executive chairman of Optiom Inc., a private insurance company from October 2015 until October 2020. Formerly Vice Chairman and Chief Executive Officer of Teine Energy Ltd. (formerly Marble Point Energy Ltd.), a private oil and gas company from 2008 until 2015. Former Executive Vice Chairman of BA Energy, a bitumen up-grader development company, from 2004 until 2007. Former Chairman of the Calgary Health Region (a public health authority) from 2001 until 2008.
GARY HART .... Alberta, Canada	Director since May 2, 2022	President and Chief Executive Officer of AltaLink since May 2, 2022. Prior thereto, President and Chief Operating Officer of AltaLink since January 2021. Prior thereto, Executive Vice President and Chief Operating Officer of AltaLink since August 2017. Prior thereto, Managing Director of BHE Canada Limited from January 2016 to May 2022. Prior thereto, Senior Vice President of Suncor Energy since 2012 to 2015.
DAVID COLLYER [2] .... Alberta, Canada	Director since February 19, 2015	Corporate Director and energy consultant since January 2015. Prior thereto, President and CEO of the Canadian Association of Petroleum Producers from September 2008 until December 2014. Prior thereto President and Country Chair for Shell in Canada.
CHARLES C. CHANG .... Iowa, USA	Director since November 21, 2024	Senior Vice President and Chief Financial Officer of BHE since October 2024. Prior thereto, Partner, PricewaterhouseCoopers LLP.

Name and Place of Residence	Offices Held with the General Partner	Principal Occupation or Employment during past 5 years
PATRICIA NELSON (1) .... Alberta, Canada	Director since December 14, 2004	Vice-Chair of the In Situ Oil Sands Alliance from 2009 to 2019. Former Chief Executive Officer of the Calgary Health Trust (a health care foundation) from 2005 to 2010; Former Member of the Legislative Assembly of Alberta and the Provincial Cabinet prior to December 2004.
BRAD J. WALL (2) .... Saskatchewan, Canada	Director since February 28, 2020	Principal of Flying W. Consulting Inc., Special Advisor to Osler, Hoskin & Harcourt LLP, Barristers and Solicitors, since 2018. Prior thereto, 14th Premier of Saskatchewan from 2007 to 2018.
SUSAN RIDDELL ROSE (2) .... Alberta, Canada	Director since July 31, 2017	President, CEO and a Director of Rubellite Energy Corp. since July 2021. President, CEO and Director of Perpetual Energy, a Canadian energy producer, and predecessor Paramount Energy Trust since inception in 2002 to November 2024.
SCOTT THON... Alberta, Canada	Director since March 1, 2013	President and Chief Executive Officer of BHE since May 2023 and prior thereto President - Operations from April 2022. Prior thereto Chief Executive Officer of AltaLink from January 2021. Prior thereto, President and Chief Executive Officer of AltaLink. From January 2021 to May 2022, Mr. Thon also acted as President and Chief Executive Officer of AltaLink's indirect parent, BHE Canada Holdings Corporation and certain of its subsidiaries that are engaged in the development of energy and other infrastructure investment opportunities within Canada.
STEVE MACDONALD (1) .... Alberta, Canada	Director since May 9, 2023	Principal at +SM Advisory Services since 2022. Prior thereto, Chief Executive Officer for Emissions Reduction Alberta from 2015 to 2022. From 2010 to 2015 Mr. MacDonald served as Deputy Minister for the Government of Alberta in a number of portfolios, including human services, advanced education, executive council and climate change.

Notes:

(1) Member of the Audit Committee.

(2) Member of the Human Resources and Governance Committee.

Each director of the General Partner will hold office until the next annual meeting of the shareholders or the signing of resolutions in lieu thereof, or until their successor is appointed. In 2023, AltaLink adopted term guidelines for its independent directors. As an alternative to strict term limits: (i) performance and skill set evaluation are conducted at least every two years; and (ii) every second year the Board of Directors will consider not re-nominating the longest serving independent Director for re-election, subject to the Board's discretion.

None of the directors beneficially owns, or controls or directs, directly or indirectly, any of the voting securities of AltaLink, being the Units. See "*CORPORATE STRUCTURE - Ownership*" and "*CAPITAL STRUCTURE - Units*". AltaLink has no program for any director's purchase of securities of AltaLink or for providing financial assistance in connection with any director's purchase of securities of AltaLink or otherwise. None of the directors or former directors is indebted to AltaLink or the General Partner.

In addition to acting as directors of the General Partner, certain individual directors also act as directors of other reporting issuers (or the U.S. equivalent). These include *David Tuer*, who is a director of Canadian Natural Resources Limited; *David Collyer*, who is a director of ARC Resources Ltd.; *Patricia Nelson,* who is a director of West High Yield (W.H.Y.) Resources; *Susan Riddell Rose*, who is a director of Rubellite Energy Corp., Paramount Resources Ltd. and Secure Waste Infrastructure Corp.; *Brad Wall*, who is a director of NexGen Energy Ltd., Maxim Power Corp., Whitecap Resources Inc. and Helium Evolution Incorporated; *Charles Chang* who is a director of each of U.S.-based PacifiCorp; and *Scott Thon* who is a director of U.S.-based Berkshire Hathaway Energy Company and Canadian-based Aecon Group Inc.

Director Independence

A majority of the members of AltaLink's Board are independent for the purposes of National Instrument 58-101 – *Corporate Governance* ("**NI 58-101**").

Gary Hart is not considered to be independent as a result of his position as an executive officer of AltaLink. While all of the remaining Board members are independent of AltaLink's management and the other proscribed material relationships identified pursuant to NI 58-101 as they relate specifically to AltaLink, Scott Thon and Charles Chang are executive officers of Berkshire Hathaway Energy. Berkshire Hathaway Energy is the indirect owner of AltaLink and the General Partner, and these directors are not considered to be independent for the purposes of NI 58-101 as a result of their positions as executive officers of Berkshire Hathaway Energy. The remaining directors are not employees or executive officers of AltaLink or Berkshire Hathaway Energy and are considered to be independent for the purposes of NI 58-101.

The Board facilitates its exercise of independent judgement in its supervision of AltaLink's management by maintaining a majority of independent directors within its membership, and by meeting regularly in closed sessions without the presence of AltaLink management. The Board is therefore able to act in the best interests of AltaLink without being unduly influenced by AltaLink management.

Berkshire Hathaway Energy indirectly owns AltaLink and the General Partner and, for the purposes of applicable securities legislation, AltaLink may be considered a subsidiary entity of Berkshire Hathaway Energy.

Appointment of Directors

The Shareholder Agreement sets forth the basis on which the Board of the General Partner is appointed. The Board must consist of at least three directors who are not employees of the General Partner or directors or employees of any of the shareholders of the General Partner or an affiliate of the General Partner or its shareholders. The term of office for each director extends from the date of his election until the next annual meeting of the shareholders of the General Partner or until his successor is elected or appointed or the director otherwise resigns. The quorum for the conduct of business by the Board is set at five directors with at least one director who is an employee of the General Partner or a director or employee of any of the shareholders of the General Partner or an affiliate of the General Partner or its shareholders. No Board member has a casting or tie-breaking vote in any circumstance. No director or officer of a corporation that is a limited partner or a general partner of AltaLink, other than a director or officer of the General Partner, is eligible to serve on the Board or to serve as an officer of the General Partner.

As the selection and appointment of new directors is governed by the Shareholder Agreement, it does not involve the approval of an independent nominating committee. However, the Board has established a Human Resources and Governance Committee which, among other things, is responsible for reviewing the qualifications of persons nominated for appointment to the Board and making any resulting recommendations. In 2020, the Human Resources and Governance Committee developed a director skills matrix to help assess the Board's composition and expertise, and the potential need for a more diverse group of directors over time, from perspectives such as gender, age and ethnicity. The director skills matrix is periodically reviewed and updated. See also "*The General Partner – Committees – Human Resources and Governance Committee*".

Director Orientation and Continuing Education

AltaLink provides orientation for new directors, which includes information on the role of the Board and each of the Board's committees, company and industry information, and the contribution that individual directors are expected to make to the Board. Every new director receives up-to-date information on AltaLink's corporate and organizational structure, recent securities and regulatory filings and financial information, governance documents, and important policies and procedures.

Presentations by both management and external parties are made regularly to the Board and its committees to educate and keep the Board informed of changes within AltaLink and in legal, regulatory and industry requirements and standards. Special presentations on operations and issues of particular business units are provided to directors from time to time. Field tours of various operating facilities have also been provided for Board members.

Performance Assessment

Among its responsibilities, the Human Resources and Governance Committee is responsible for annually reviewing and assessing the size, composition and operation of the Board and the Board's committees to ensure effective decision-making. The committee is also responsible for establishing and implementing procedures to evaluate the performance and effectiveness of the Board, its committees and individual Board members from time to time. Part of the assessment process may include confidential Board performance evaluation questionnaires, or committee led *in camera* discussions on Board performance and effectiveness. The Human Resources and Governance Committee then reports to the Board and recommends changes or further actions to address any issues identified through the process.

Ethical Business Conduct

The Board has approved the AltaLink Code of Ethics as a statement of ethical principles expected of AltaLink's directors, officers and employees. All employees of AltaLink are required to review and acknowledge their commitment to the AltaLink Code of Ethics on an annual basis. Responsibility for monitoring compliance with the Code of Ethics has been delegated to the Audit Committee and any waivers from the code that are granted for the benefit of AltaLink's directors or officers must be approved by the Audit Committee.

AltaLink has also implemented a corporate accountability policy and 1-800 Ethics Hotline to ensure that any employee or contractor of AltaLink is able to internally disclose legitimate concerns regarding AltaLink's operations or the inappropriate actions of specific employees or contractors without the fear of retaliation and adverse personnel actions from supervisors or management. The Audit Committee is responsible for receiving and responding to specific inquiries made to the committee under this policy, when required.

Committees

During 2024, the Board appointed an Audit Committee and a Human Resources and Governance Committee. Prior to 2022 the Board appointed an Environmental, Health and Safety Committee (the "**EH&S Committee**"), however, in 2022, the functions of the EH&S Committee were absorbed into the full Board and the EH&S Committee was discontinued.

Audit Committee

The Audit Committee's responsibility is to assist the Board in fulfilling its oversight of: (i) the quality and integrity of AltaLink's accounting and financial reporting processes, and their appropriateness in view of AltaLink's operations and current generally accepted accounting practices in Canada; (ii) the adequacy and effectiveness of management's system of internal controls and procedures through the development and oversight of the internal audit function; (iii) the relationship with the external auditors, including the audit of the financial statements and any other audit and permitted non-audit services provided by the external auditors; and (iv) the compliance with laws, regulations, and guidelines affecting AltaLink that relate to the duties and functions of the Audit Committee. A full copy of the Audit Committee's Mandate is attached to this AIF as Appendix A.

Composition of the Audit Committee

The members of the Audit Committee are Patricia Nelson, David Tuer and Steve MacDonald, with Ms. Nelson serving as chair. Each of these members are considered to be financially literate, and independent for the purposes of NI 58-101 and other applicable securities legislation, and are all independent of AltaLink's management, owners, and auditors. The following sets out the education and experience of each member of the Audit Committee that is relevant to the performance of his or her responsibilities as an Audit Committee member.

Patricia Nelson is the former Minister of Finance for the Province of Alberta and served on the Treasury Board of the Government of Alberta for 12 years, including four years as chair of the Treasury Board. She holds a Bachelor of Commerce degree from the University of Calgary and spent 15 years in the oil and gas industry in financial positions, including as controller for several oil and gas companies, before being elected as a member of the Legislative Assembly of Alberta. During her 15 year tenure as an MLA, Ms. Nelson served as Minister of Energy, Minister of Economic Development and Tourism, Minister of Government Services, and Deputy Government House Leader. She is also the former Chief Executive Officer for the Calgary Health Trust.

David Tuer holds a Bachelor of Science degree in Mechanical Engineering from the University of Calgary and has held senior executive positions in various energy companies. From 1994 to 2001, he was President and Chief Executive Officer of PanCanadian Petroleum Limited, a leading global energy company with over $1.3 billion in net income in 2001, prior to its merger with Alberta Energy Company Ltd. in 2002 to form EnCana Corporation. In his various roles, Mr. Tuer has gained experience analyzing and evaluating complex financial statements and supervising persons engaged in their preparation. He has a broad understanding of the financial aspects of businesses, internal controls, and procedures for financial reporting.

Steve MacDonald is currently Principal at +SM Advisory Services. Previous to that, he was Chief Executive Officer for Emissions Reduction Alberta and served as Deputy Minister for the Government of Alberta in a number of portfolios, including innovation and climate change. As an experienced public sector leader, Mr. MacDonald has led major initiatives that improved the design and delivery of services and achieved better outcomes for clients, stakeholders and staff. He is currently focused on innovation, change management and the energy transition. Mr. MacDonald graduated from the University of Alberta with a Bachelor of Commerce. He is also a graduate of the Canadian Securities Program and has received his ICD.D designation. Mr. MacDonald is on the board of directors for the Canada West Foundation, Generate Canada, the BC Centre for Innovation and Clean Energy Advisory Council and the University of Alberta Business Advisory Council. Mr. MacDonald was honored in 2018 to be inducted as a member of the Kainai Chieftainship.

All Board members are invited to the audit committee meetings.

Fees Paid to External Auditors

The external auditors for AltaLink and its subsidiaries (PLP and KLP) during fiscal 2024 were Deloitte LLP, Chartered Accountants. The following table outlines the fees billed by Deloitte for fiscal 2024 and fiscal 2023, categorized by audit fees, audit-related fees, tax fees and all other fees:

	Fiscal 2024	Fiscal 2023
Audit Fees (1)	$605,295	$559,085
Audit-Related Fees (2)	$6,821	$7,145
Tax Fees	$0	$0
All Other Fees	$0	$0
Total	**$612,116**	**$566,230**

Notes:

(1) AltaLink and its subsidiaries audit fees included fees for professional services rendered for the audit of annual financial statements and the review of quarterly reports. They also comprised fees for audit services provided in connection with other statutory and regulatory filings, as well as services that generally only an external auditor can provide, such as assistance with and review of documents filed with securities regulatory authorities.

(2) AltaLink and its subsidiaries audit-related fees included fees for assurance services that are reasonably related to the audit or review of financial statements and are not reported under "Audit Fees", including CPAB fees.

All non-audit services to be provided to AltaLink by the external auditor or any of its affiliates are subject to pre-approval by the Audit Committee and all such services provided during fiscal 2024 and fiscal 2023 were pre-approved.

Audit Committee Oversight

There were no instances in fiscal 2024 where the Board did not adopt a recommendation of the Audit Committee to nominate or compensate an external auditor.

Human Resources and Governance Committee

Among its responsibilities, the Human Resources and Governance Committee (the "**HRG Committee**") performs the functions of a compensation committee and a nominating committee. See "*The General Partner – Board of Directors – Appointment of Directors*". The HRG Committee's mandate also includes responsibility to assist the Board on human resource and legal corporate governance issues, and the Chief Executive Officer and management of AltaLink on human resource matters.

The HRG Committee reviews the nominating process for directors, assesses the composition of the Board and Board performance, makes recommendations to the Board on committee memberships, reviews the performance and succession plan for the Chairman of the Board, and monitors the relationship between the Board and management. See "*The General Partner – Executive Compensation – Compensation Discussion and Analysis*" for a more detailed description of the HRG Committee's responsibilities in its compensation role. The HRG Committee is also responsible for assessing and recommending to the Board for approval, the compensation to be paid to the directors of the General Partner. In performing its assessment, the committee engaged Mercer (Canada) Limited and Laulima Consulting as external compensation consultants, to perform an industry review of comparable compensation. The HRG Committee's recommendations to the Board, and the Board's determination of the director's compensation, have regard to these external reports.

The members of the HRG Committee are David Collyer, Susan Riddell Rose and Brad Wall, with Mr. Collyer serving as chair. Each of the members is considered to be independent for the purposes of NI 58-101 and other applicable securities legislation and each is independent of AltaLink's management, owners, and auditors.

Environmental, Health and Safety Committee

The EH&S Committee was established in 2008 to assist the Board in its oversight of environmental, health and safety ("**EH&S**") matters at AltaLink. In 2022, the functions of the EH&S Committee were absorbed into the full Board and the EH&S Committee was discontinued. Among these EH&S functions, the Board now reviews AltaLink's response to EH&S issues, including compliance with applicable legislation, regulatory requirements, and industry standards.

The Board is also responsible for reviewing AltaLink's programs for EH&S assurances, and the implementation of EH&S related policies. To help accomplish these goals, the Board approves internal and external audit plans and reviews the results of all such audits. The Board also receives regular reports on incidents and compliance from management and would be expected to review in depth any significant EH&S incidents or events should they occur.

Compensation of Directors

AltaLink's director compensation program is designed to attract and retain the most qualified individuals to serve on the Board. In 2024, the General Partner compensated directors on a cash retainer basis, which was consistent with the approach taken by many of AltaLink's peer group companies. In fiscal 2024, each director who was not an executive officer or employee of the General Partner or any of the indirect owners of AltaLink was compensated by the partnership as indicated below:

Type of Fee Amount	Amount ($)
Board Chair Retainer	Annual: 170,000
Director Retainer	Annual: 85,000
Audit Committee Chair Retainer	Annual: 25,000
Non-Audit Committee Chair Retainer	Annual: 15,000
Audit Committee Member Retainer	Annual: 15,000
Non-Audit Committee Member Retainer	Annual: 10,000
Electronic Device Allowance	1,500 every three years
Other	Out-of-pocket expenses incurred by all directors in connection with attendance at or participation in such meetings

The directors of the General Partner received from the General Partner no non-cash compensation for services in their capacity as directors for participation in Board meetings. The table below details the compensation provided to directors of the General Partner in fiscal 2024:

Name	Fees earned ($)	Share-based awards ($)	Option-based awards ($)	Non-equity incentive plan compensation ($)	Pension value ($)	All other compensation ($)(7)	Total ($)
David Tuer (1)	185,000	N/A	N/A	N/A	N/A	1,500	186,500
David Collyer (2)	100,000	N/A	N/A	N/A	N/A	1,500	101,500
Patricia Nelson (3)	110,000	N/A	N/A	N/A	N/A	1,500	111,500
Susan Riddell Rose (4)	95,000	N/A	N/A	N/A	N/A	1,500	96,500
Brad Wall (5), (7)	95,000	N/A	N/A	N/A	N/A	N/A	95,000
Steve MacDonald (6), (7)	100,000	N/A	N/A	N/A	N/A	N/A	100,000

Notes:

(1) Mr. Tuer is the Board Chair and a member of AltaLink's Audit Committee.

(2) Mr. Collyer is the Chair of the Human Resources and Governance Committee.

(3) Ms. Nelson is the Chair of the Audit Committee.

(4) Ms. Riddell Rose is a member of the Human Resources and Governance Committee.

(5) Mr. Wall is a member of the Human Resources and Governance Committee.

(6) Mr. MacDonald is a member of the Audit Committee.

(7) Mr. Wall and Mr. MacDonald each received a $1,500 electronic device allowance in 2023. Directors are eligible for the allowance every three years.

Scott Thon and Charles Chang are executive officers of Berkshire Hathaway Energy, the indirect owner of AltaLink and the General Partner, and, accordingly, did not receive any compensation for services in their capacity as directors during fiscal 2024. Gary Hart is an executive officer of AltaLink, and accordingly, did not receive any compensation for services in his capacity as director during fiscal 2024.

Directors' and Officers' Liability Insurance

The directors and officers of the General Partner are covered by policies of liability insurance. The aggregate annual limit of liability applicable to all insured directors and officers under the policies is $75 million inclusive of defence costs. Under the policies, the General Partner is entitled to reimbursement coverage to the extent that it has indemnified the directors and officers subject to a deductible of $100,000. The bylaws of the General Partner also provide for the indemnification of the General Partner's directors and officers to the extent permitted by the ABCA; and the General Partner has entered into indemnity agreements with its directors that comply with the ABCA requirements.

Conflicts of Interest

The General Partner's directors and officers may serve as directors or officers of, or may be associated with, or have significant shareholdings in, other public or private companies. To the extent that such other companies may participate in business or asset acquisitions, dispositions, or ventures in which AltaLink may participate, the directors and officers of the General Partner may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. If a conflict of interest arises, the General Partner will follow the provisions of the ABCA dealing with conflicts of interest. These provisions state that, where a director or officer has such a conflict, the director or officer must, at a meeting of the General Partner's directors, disclose his or her interest and refrain from voting for or against the approval of such a participation or such terms unless otherwise permitted by the ABCA. In accordance with the laws of the Province of Alberta, the directors and officers of the General Partner are required to act honestly, in good faith, and in the best interests of the General Partner. From January 1, 2021, until May 2022 AltaLink provided executive services to BHE Canada Holdings Corporation and certain of its subsidiaries engaged in developing energy and other infrastructure investments within Canada, through the sharing of certain executive officers with these AltaLink affiliates. In addition to the conflict provisions described above, the Inter-Affiliate Code of Conduct, approved by the AUC, mandates the applicable principles and practices for executive services between a utility and its affiliates to prevent, among other things, uncompetitive practices. The Board of the General Partner has also directed additional disclosure and compliance measures for these shared executive officers to further manage any potential conflicts of interests arising from their dual roles.

Executive Officers

The following table sets forth the name, province and country of residence, the position and offices with the General Partner for each of the executive officers of the General Partner as of the date of this AIF:

Name and Place of Residence	Offices with the General Partner now Held	Principal Occupation or Employment during past 5 years
GARY HART .... Alberta, Canada	President and Chief Executive Officer	President and Chief Executive Officer of AltaLink since May 2, 2022. Prior thereto, President and Chief Operating Officer of AltaLink since January 2021. Prior thereto, Executive Vice President and Chief Operating Officer of AltaLink since August 2017. Prior thereto, Managing Director of BHE Canada Limited from January 2016 to May 2022.
DAVID KOCH .... Alberta, Canada	Executive Vice President and Chief Financial Officer	Executive Vice President and Chief Financial Officer of AltaLink since April 2016. Prior thereto, Vice President and Controller of AltaLink since October 2015. Prior thereto, Mr. Koch was Vice President and Controller of TransAlta Utilities Corporation and designated Chief Financial Officer of TransAlta Renewables.

Name and Place of Residence	Offices with the General Partner now Held	Principal Occupation or Employment during past 5 years
JOHANNE PICARD-THOMPSON.................. Alberta, Canada	Executive Vice President, Corporate Services	Senior Vice President, Customer and Corporate Services of AltaLink since January 2021. Prior thereto, Senior Vice President, Corporate Services of AltaLink since August 2017. Prior thereto, Senior Vice President of Projects of AltaLink since January 2010.
MARTHA PEDEN .... Alberta, Canada	Senior Vice President, Law and Regulatory, General Counsel	Senior Vice President, Law and Regulatory, General Counsel since July 2024. Prior thereto Vice President of Regulatory and Public Affairs at NorthRiver Midstream Inc.
SHERI ALLEN .... Alberta, Canada	Senior Vice President, Human Resources	Senior Vice President, Human Resources since December 2019. Prior thereto Director, Organizational Development of AltaLink.
PAUL LEE.. Alberta, Canada	Senior Vice President, Customer and Projects	Senior Vice President, Customer and Projects of AltaLink since October 2024. Prior thereto Vice President, Projects of AltaLink since December 2020. Prior thereto, Vice President, System Operations of AltaLink since October 2019.
MIKE BARTEL .... Alberta, Canada	Vice President, Operations	Vice President, Operations of AltaLink since December 2020. Prior thereto, Vice President, Asset Management of AltaLink.
CAYLA SABY .... Alberta, Canada	Vice President, Government Relations and Commercial	Vice President, Government Relations and Commercial of AltaLink since May 2022. Prior thereto Director, Customer Service since March 2018.

None of the executive officers beneficially owns, or controls or directs, directly or indirectly, any of the voting securities of AltaLink, being the Units, or voting securities of the General Partner. See "*CORPORATE STRUCTURE - Ownership*" and "*CAPITAL STRUCTURE - Units*". AltaLink has no program for any executive officer's purchase of securities of AltaLink or the General Partner, or for providing financial assistance in connection with any executive officer's purchase of securities of AltaLink or otherwise. None of the executive officers or employees, or former executive officers or employees, is indebted to AltaLink or the General Partner.

Executive Compensation

Compensation Discussion and Analysis

This section discusses the significant elements of compensation provided to the "Named Executive Officers" (the "**NEOs**") of the General Partner, including the decision-making process and the 2024 compensation decisions. For fiscal 2024, the following executives were the NEOs of the General Partner:

Position	NEO
President and CEO	Gary Hart
Executive Vice President and CFO	David Koch
Executive Vice President, Corporate Services	Johanne Picard-Thompson
Senior Vice President, Human Resources	Sheri Allen
Senior Vice President, Customer and Projects	Paul Lee

Note: Paul Lee was VP, Projects from December 16, 2020, until he was promoted to SVP, Customer and Projects October 1, 2024.

Compensation Philosophy

The objective of the executive compensation program is to provide a clear link between an executive's total direct compensation and both business performance and the executive's own performance. In particular, each executive's compensation depends to a significant degree upon how well the business and the executive perform against established goals that are aligned with the interests of AltaLink's customers and partners.

At the same time, the General Partner must attract, retain and motivate exceptional talent to meet AltaLink's business objectives. Accordingly, the objectives of the executive compensation program are to provide an opportunity for executives that:

- reinforce AltaLink's strategic direction and priorities;
- provide competitive compensation levels;
- support the retention of key employees; and
- support the interests of customers and shareholders.

Compensation Governance

The compensation governance structure of the General Partner consists of the Board, the HRG Committee, management, and the HRG Committee's independent compensation consultant, Mercer (Canada) Limited.

Human Resources and Governance Committee

In its compensation role, the HRG Committee is responsible for:

- the annual review of the General Partner's executive compensation philosophy;
- the annual review of the base salaries, short and long-term incentives, for the General Partner's executives (including the NEOs);
- the establishment and annual review of a succession and development plan for the CEO and other executives of the General Partner;
- overseeing pension plans;
- overseeing the appointment of, setting of performance goals and measures for, and the assessment and compensation of, the CEO; and
- assessing and recommending to the Board for approval, the compensation to be paid to the directors of the General Partner.

The HRG Committee recognizes the importance of maintaining sound governance practices for the development and administration of executive compensation and benefit programs, and has instituted processes that enhance the HRG Committee's ability to effectively carry out its responsibilities. Activities of the HRG Committee include:

- holding in-camera sessions without management present following every regularly scheduled HRG Committee meeting;

- hiring external compensation consultants and requiring their attendance at specified HRG Committee meetings;

- annually approving a schedule of regularly occurring matters for which the HRG Committee is accountable in order to provide context for the discussion of related items; and

- using a two-step review process where significant items are provided for initial review by the HRG Committee at a meeting prior to the Board approval meeting.

The HRG Committee may direct management to gather information on its behalf and provide initial analysis and commentary. The HRG Committee reviews this material along with other information received from external consultants in its deliberations before considering or rendering decisions.

Independence, Composition and Skills

The names and independence of each of the HRG Committee members are set out under "*The General Partner – Committees – Human Resources and Governance Committee*" in this AIF. See also "*The General Partner – Board of Directors – Director Independence*" in this AIF.

Each of the HRG Committee members has direct experience relevant to his or her responsibilities in overseeing the General Partner's executive compensation program. With collective professional experience in areas including accounting, business, human resources, compensation, finance, law, strategy and risk management, the HRG Committee members have the requisite knowledge and expertise to make informed decisions on compensation matters and the suitability of compensation policies and practices.

The Role of Management

Executive management plays an important role in the General Partner's executive compensation decision-making process due to their direct involvement in, and knowledge of the business goals, strategies, experiences and performance of AltaLink and its various key business areas. The HRG Committee engages in active discussions with the CEO concerning the determination of performance objectives, including individual goals and initiatives for NEOs and other senior executives who directly report to the CEO. Further discussions consider whether, and to what extent, criteria for the previous year have been achieved for those individuals. The CEO may also provide a self-assessment of his own individual performance objectives and/or results achieved, if requested by the HRG Committee.

The CEO reviews the compensation awards for their direct reports with the HRG Committee. An external consultant provides the HRG Committee and the Chair of the Board with relevant market data and other information, as requested, to support the HRG Committee's review of the CEO's and other NEO's compensation, and subsequent recommendation of the CEO's compensation to the Board.

Compensation Consultants and Related Fees

The HRG Committee has full discretion to adopt or alter management recommendations or to consult its own external consultant. In performing its assessment, the HRG Committee engaged Mercer (Canada) Limited ("**Mercer**") as external compensation consultant to perform an industry review of comparable compensation in respect of fiscal 2024 (see also "*The General Partner – Executive Compensation – Compensation Discussion and Analysis – Peer Group*" in this AIF) and to prepare a report with respect thereto. The HRG Committee's recommendations to the Board, and the Board's determination of executive compensation, have regard to this external report.

Since 2006, Mercer has advised the HRG Committee on executive and director compensation issues. Mercer's mandate is to assist the HRG Committee with reviewing the competitiveness and appropriateness of the executive and director compensation programs of the General Partner, in the context of the approved compensation philosophy and AltaLink's business objectives. The HRG Committee invites Mercer to participate in HRG Committee meetings and conducts in-camera meetings with Mercer where necessary and appropriate. At the request of management, Mercer also provides compensation and benefits consulting services in respect of employee compensation and human resources matters. The HRG Committee is not required to pre-approve these services provided to management by Mercer since they are standard in nature and do not present any conflicts with the services the individual compensation advisor provides to the HRG Committee.

Name of External Compensation Consultant or Advisor	**Year**	**Executive Compensation-Related Fees(1) ($)**	**All Other Fees(2) ($)**
Mercer (Canada) Limited	2024	64,226	104,192
	2023	67,700	154,100

Notes:

(1) Aggregate fees billed by the external compensation consultant or advisor for services related to determining compensation for the General Partner's executive officers and directors.

(2) Aggregate fees billed by the external compensation consultant or advisor for all other services such as GTA, Employee Engagement Survey, General Compensation Survey, and Pension & Benefits Reporting. This work is completed in support of the general operation of AltaLink's business and does not require HRG Committee approval.

Risks Associated with Compensation Policies and Practices

The HRG Committee recognizes that certain compensation programs could promote certain behaviours that are not aligned with the interests of the General Partner or AltaLink. As a result, it regularly assesses the risks associated with the compensation policies and practices of the General Partner and the implication of those risks. The HRG Committee is satisfied that the compensation policies and practices do not expose the General Partner or AltaLink to any material adverse risks through:

- holding in-camera sessions without management present following every regularly scheduled HRG Committee meeting;
- designing the executive compensation packages to have a significant portion of performance-based variable incentive compensation that spans the short and long-term horizons;
- measuring a mixture of financial, operating and individual performance using a number of variable incentive compensation plans;
- capping payouts of all variable incentive compensation plans used for executive and non-executive employees;
- reviewing executive compensation levels and practices against select peer group organizations on an annual basis;
- reviewing long-term shareholder funded awards determined with BHE to ensure that they are not averse to AltaLink's interests; and
- engaging an independent compensation consultant to add objectivity and an outside perspective on executive compensation issues.

Elements of Compensation

The elements of the General Partner's executive compensation program include the combined value of fixed compensation, performance-based variable incentive compensation, and time-based shareholder funded incentive compensation. The value of compensation is allocated to six direct compensation elements: (1) base salary;

(2) annual short-term incentive pay ("**STIP**"); (3) long-term incentive pay ("**LTIP**"); (4) long-term shareholder funded awards ("**Shareholder Awards**"); (5) pension and benefits; and (6) perquisites.

Compensation element	**How is it paid?**	**What is it designed to reward?**
Base salary	Cash	Rewards skills, capabilities, knowledge and experience, reflecting the level of responsibility, as well as the contribution expected from each executive.
Short-Term Incentive Pay	Cash	Payouts, made at the end of the year, are based on how the executive and AltaLink performed against established objectives.
Long-Term Incentive Pay	Cash – based on issue of non-equity units	Rewards contribution for achieving customer-focused goals and meeting the long-term performance of AltaLink.
Shareholder Awards	Cash	Three-year time-based award to reflect the contribution from each executive.
Other elements of compensation		**Program objectives**
Pension and benefits		Provide pension and benefits that are comparable to peer organizations.
Perquisites		Part of the overall competitively positioned executive compensation package.

Target total direct compensation (sum of base salary, target STIP value, target LTIP value, Shareholder Awards and perquisites for eligible NEOs) is set at approximately the median total direct compensation level within the competitive market sample. While target STIP and LTIP participation levels are established by organization level, individual base salaries and Shareholder Awards are differentiated based on performance and results. The HRG Committee reviews target participation and award levels on an annual basis. Shareholder Awards are purely discretionary.

In respect of fiscal year 2024, no Shareholder Awards were awarded to any of the NEOs in 2025 and will not be awarded in the foreseeable future. As a result, and in order to maintain competitive total target direct compensation, in February 2024 the General Partner increased the target 2024 STIP and LTIP levels for certain NEOs. The General Partner does not anticipate further significant changes to its compensation policies or practices for the NEOs in the next financial year.

Effective January 1, 2025, the vehicle and parking allowance portion of the perquisites has been eliminated to align with market.

Peer Group

The competitive market sample recommended to assess the General Partner's executive compensation program for fiscal 2024 is derived from the 2023 Mercer Total Compensation Survey for the Energy Sector (the "**Mercer Survey**") and includes Canadian regulated utility organizations (both power and natural gas), as well as other energy-related companies. Broadly, these companies represent the organizations with which the General Partner competes for executive talent in the highly concentrated Canadian energy sector.

The competitive market sample represents AltaLink's closest Canadian energy sector peers in terms of annual revenue, EBITDA and total assets. The General Partner targets total direct compensation at approximately the median total direct compensation level for reasonably comparable positions within the competitive market sample. Actual compensation awards can be higher or lower than market survey data to reflect the skill, scope, accountability, competency, and experience of each senior executive, as well as individual contributions within a planning cycle.

AltaLink's key business metrics relative to its peers from the Mercer Survey were:

Annual Revenue	22nd Percentile
EBITDA	40th Percentile
Assets	58th Percentile

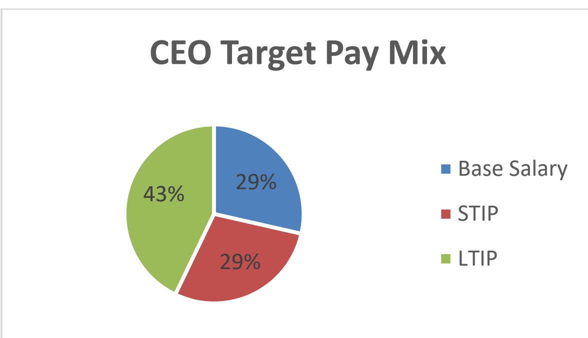
The Mercer Survey peer group used for evaluating market pay for the General Partner's executive compensation in fiscal 2024 consisted of the following 22 energy subsidiaries, privately-held utilities, publicly-traded utilities and government sponsored organizations:

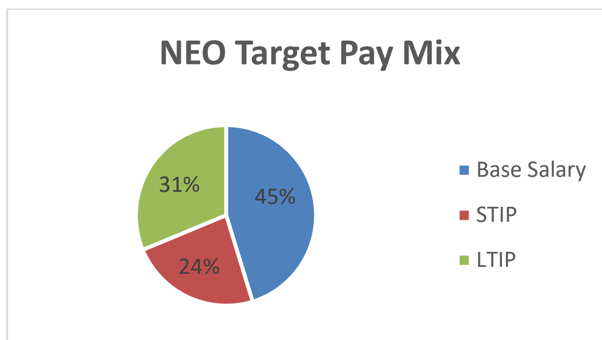
Alberta Electric System Operator	General Electric Canada
ATCO Ltd.	Heartland Generation Ltd.
British Columbia Hydro and Power Authority	Northland Power Inc.
Capital Power Corporation	Nova Chemicals Corporation
CEDA International Inc.	PETRONAS Energy Canada Ltd.
Enbridge Gas Inc.	Plains Midstream Canada ULC
ENMAX Corporation	Sinopec Daylight Energy Ltd.
Ensign Drilling Inc.	Trans Mountain Pipeline L.P.
EPCOR Utilities Inc.	TransAlta Corporation
FortisAlberta Inc.	TriSummit Utilities Inc.
FortisBC Inc.	Valero Energy Inc.

In addition, the HRG Committee continues to specifically monitor compensation data from AltaLink's Alberta utility peers, all of which are included in the industry benchmarking group noted above. These companies represent AltaLink's closest peers from an industry sector perspective and their compensation practices provide useful comparisons to ensure AltaLink's practices are aligned with market conditions. The Executive Peer Group was reviewed in 2023 and an updated Peer Group was approved for fiscal 2024.

Pay Mix

In finding a balance within the relative weighting of the various components of total direct compensation, the General Partner targets a balance between fixed and variable pay components (for purposes of this illustration, the target value of STIP and LTIP Awards are included as variable pay components) as follows:





Note: The NEO Target Pay Mix is skewed slightly for fiscal 2024 as it is combination of Paul Lee's VP, Projects and SVP, Customer and Projects roles.

Base Salary

The base salary is designed to provide income certainty and to attract and retain executives. Base salary decisions combine an assessment of the results achieved and the manner in which they were achieved, to reinforce AltaLink's desired corporate culture - achieving results through a team-based environment and effort. Base salaries for NEOs are reviewed annually and are typically positioned to align with the median of the competitive market sample.

	2023 Base Salary	**2024 Base Salary**	**% Increase**
CEO (Hart)	$550,000	$610,000	10.9%
CFO (Koch)	$330,000	$365,000	10.6%
EVP, Corporate Services (Picard-Thompson)	$343,500	$365,000	6.3%
SVP, Human Resources (Allen)	$270,000	$300,000	11.1%
SVP, Customer and Projects (Lee)	$262,571	$310,000	18.0%

Note: Paul Lee's Base Salary is at December 31 and reflects a mid year increase in 2023 and a promotion in 2024.

Short-Term Incentive Plan

The General Partner's competitive target for total cash compensation (sum of base salary and target STIP value) is set at approximately the median of the competitive market sample. Based on superior performance by AltaLink and individual executives, the STIP may provide payouts of up to 200% of the target amount for the NEOs. Incentives are paid at target levels when performance objectives are met but not exceeded.

Based on competitive market practices, the annual STIP target incentive opportunities in fiscal 2024 for the executives were as follows:

	Target STIP Value
CEO	100% of base salary
Other NEOs	60% of base salary

In February 2024, the General Partner increased the target 2024 STIP levels for certain NEOs to address a gap in total target direct compensation relative to the peer group for AltaLink executives. Those changes increased the 2024 target STIP value for the CFO and SVP, Human Resources from 40% to 60% of base salary and the EVP, Corporate Services from 50% to 60% of base salary. The SVP, Customer and Projects role was created October 1, 2024, with a 2024 target STIP value of 60% of base salary.

The five goals for STIP Plan 2023 (paid in 2024), each weighted at 20%, are: customer satisfaction; reliability; safety; cyber; and operating costs. The corporate result, determined from performance on each goal, is multiplied by the individual rating, which can range from 0 – 125%, to determine an individual's payout. There is a net income trigger, such that if the net income goal is not met, then the maximum corporate result will be limited to a 100% payout.

The STIP's corporate performance goals are focused on specific annual targets for customer satisfaction, reliability, safety, cyber, and operating costs. The customer goal, set at 20% of the STIP Payout is based on customer feedback from Direct Customers. The reliability goal, set at 20% of the STIP payout, reflects a key customer priority and measures the System Average Interruption Duration Index (SAIDI), which is an indicator of system reliability that expresses the length of outage in minutes that customers experience in the year on average. The safety goal, set at 20% of the STIP payout, measures AltaLink's total recordable injury frequency rate and significant near miss incidents for the year. The cyber goal, set at 20% of the STIP payout, measures the percentage of users over the year who have not clicked phishing simulations which reflects the vigilance and success of the extended organization (employees and contractors) in identifying phishing e-mails. The Operating Costs goal measures the gross expenditures before capitalization and includes ALP controllable expenses only and excludes reserve accounts, deferral accounts, third-party capital services and non-regulated expenses.

The STIP payouts are based on the achievement of specific predetermined performance goals, which are set annually by the Board, following its consideration of recommendations by the HRG Committee. The CEO assesses individual performance for all executives while the HRG Committee assesses the CEO's individual performance on an annual basis.

STIP Plan 2023 (Paid in 2024)

Corporate Performance Goal	Description	Weighting	Minimum 0%	Mid-Point 100%	Maximum 200%	Final Results[1]	Weighted Performance Assessment
Customer Satisfaction	Based on customer feedback from direct customers (connecting and existing connected)	20%	9.20	9.34	9.58	9.59	40%
Reliability	Key customer priority; measures the System Average Interruption Duration Index (SAIDI), which is the total duration of load interruptions (in minutes) divided by the total number of delivery points monitored	20%	0%	20%	40%	34.9%	34.9%
Safety	AltaLink's Total Recordable Injury Frequency and significant near miss rates combined into a single incident rate measure	20%	0.40	0.30	0.20	0.55	0%
Cyber	The % of users over 2024 who have not clicked phishing simulations	20%	99.940%	99.950%	99.960%	99.953%	26.%
Operating Costs	The gross OM&A expenditures before capitalization and includes AltaLink controllable expenses only	20%	$196.5M	$191.5M	$186.5M	$191.8M	18.8%
TOTAL		100%					119.7%
Net Income Trigger				$296.9M		$298.1M[2]	

Notes:

(1) Actual STIP payout amounts for each NEO are reflected as "Annual Incentive Plan" amounts in the summary compensation table under "*The General Partner – Executive Compensation – Summary Compensation Table*" section of this AIF.

(2) Net Income is a trigger which must be met in order to achieve STIP payouts above 100%. If AltaLink's Net Income is less than the Net Income Target (below), the STIP payout will be capped at 100% as a total.

Long-Term Incentive Pay

The General Partner has a cash-based LTIP in lieu of equity-based awards.

The LTIP provides an incentive opportunity for NEOs that ties the compensation of NEOs to the value created for AltaLink's customers and partners. Participation in the LTIP is limited to the positions of CEO, Executive Vice Presidents, Senior Vice Presidents, Vice Presidents and certain other senior management employees of the General Partner.

The LTIP provides non-equity units to NEOs which pay out after three years. LTIP participation and eligibility is reviewed annually by the HRG Committee and approved each year for the relevant three-year plan period. LTIP units are granted at the start of each LTIP period, having an initial target value of $1.00 per unit. The number of units granted to a participant is based on organizational level. The value of the LTIP units when paid out is based on the goals established by the HRG Committee at the time of grant. At the end of the third year following the date of grant, the LTIP units granted for the fiscal year vest and the value of those units is paid to the participant in cash. If the target level of results is achieved, each LTIP unit is paid out at $1.00. If the target level of results is not achieved, the value of the LTIP units will be nil to $1.00. If the target level of results is exceeded, the payout will be above $1.00 to a maximum of $3.00. The actual payout level, if any, for LTIP units awarded for a particular fiscal period will be determined immediately prior to the payout date based on results for the related three-year period.

Based on the following table, the number of units granted to participants in each LTIP period will reflect competitive market practices and will have an aggregate initial value as follows:

	Target LTIP Value
CEO:	70% of base salary
Other NEOs:	30% of base salary

Note:
(1) At the discretion of the Board, NEOs may be granted additional LTIP units. Any additional grants will be reflected in the total grants in the notes section of the summary compensation table under "*THE GENERAL PARTNER – Executive Compensation – Summary Compensation Table*" in this AIF.

The LTIP Plan 2021 (paid in 2024) goals are: reliability, flat for five and net income.

- The reliability goal reflects a key customer priority. The reliability goal is sustained interruption frequency (SAIFI) for all delivery points and momentary interruption frequency for the delivery points that feed industrial customers measured over a three-year timeframe.

- The flat for five goal is an incentive to achieve transmission costs at or below AltaLink's 2021 - 2023 aggregate revenue requirement levels. The costs measured with respect to this LTIP goal consist of controllable operating expenses and costs related to capital investment not subject to deferral account treatment.

- Net income goal is based on AltaLink's net income results, including provincial and federal Future Income Tax Recovery.

LTIP PLAN 2021 (Paid in 2024)
(January 1, 2021 – December 31, 2024)

Goals	**Weight**	**Minimum (0)**	**Target**	**2X Target**	**4X Target**	**Final Results[1]**	**Weighted Performance Assessment**
Reliability	25%	0.42 interruptions/dp outage	0.37 interruptions/dp outage	0.32 interruptions/dp outage	N/A	0.24	50%
Flat for Five	25%	$2,423 M	$2,398M	$2,373M	N/A	$2,174.5M	50%
Net Income (in millions)	50%	$843.7M	$903.7M	$933.7M	$963.7M	$913.8M	67%
TOTAL	100%						167%

Notes:
(1) Actual LTIP payout amounts for each NEO are reflected as "Long Term Incentive & Shareholder Awards"" amounts in the summary compensation table under "*THE GENERAL PARTNER – Executive Compensation – Summary Compensation Table*" in this AIF.

In February 2023, the General Partner increased the target 2023 LTIP levels for NEOs to address a gap in total target direct compensation for executives of AltaLink. Those changes increased the 2023 target LTIP value for the CEO from 70% to 80% of base salary and the EVPs/SVPs from 30% to 40% of base salary.

In February 2024, the General Partner increased the target 2024 LTIP levels for NEOs to address a gap in total target direct compensation based on the peer group and the removal of Shareholder Awards for AltaLink executives. Those changes increased the 2024 target LTIP value for the CEO from 80% to 150% of base salary and the EVPs/SVPs from 40% to 80% of base salary. The SVP, Customer and Projects role was created on October 1, 2024, and therefore is not eligible until January 1, 2025, for a target LTIP value of 80% of base salary.

In February 2025, the financial metric was split into three criteria. For the 2025 LTIP Plan, in addition to Net Income, distributions/contributions and regulated return on equity have been added.

Distributions/contributions will be based on the sum for the period of 2025 – 2027 and based on the approved long-range plan and regulated return on equity will be based on the average returns for the period 2025 - 2027. The maximum target level of results for the 2025 LTIP has also been reduced. If the target level of results is exceeded, the payout will be above $1.00 to a maximum of $2.00, reduced from $3.00.

The value of the LTIP awards earned by each of the NEOs during the three most recently completed financial years are shown in the notes to the table under "*The General Partner – Executive Compensation – Summary Compensation Table*" in this AIF.

A summary of the LTIP provisions and awards applicable in the event of a NEO's separation from the General Partner due to retirement, termination (with or without cause), resignation, disability or death, or if the employment of a participant is terminated without cause by the General Partner or by the participant for good reason within one year of a change of control event is set out under "*The General Partner – Executive Compensation - Termination and Change of Control Benefits*" in this AIF.

Shareholder Awards

Shareholder Awards are shareholder-funded awards available for AltaLink's CEO, Executive Vice Presidents and Senior Vice Presidents as a time-based cash incentive that pays out at the end of a three-year term.

Shareholder Awards provide an incentive opportunity for NEOs that ties the compensation of the NEOs to the achievement of significant annual corporate and business unit goals while also providing NEOs with competitive total cash compensation. The gross Shareholder Award amount is subjectively determined by BHE based on the overall achievement of AltaLink's financial and non-financial objectives, including customer service, employee commitment, environmental respect, regulatory integrity, operational excellence, and financial strength. Shareholder Awards for individual NEOs are determined on a subjective basis at the CEO's and BHE's sole discretion and are not based on a specific formula or cap. The CEO and BHE consider a variety of factors in determining each NEO's Shareholder Award including the NEO's performance, AltaLink's overall performance, and each NEO's contribution to the overall performance. The CEO and BHE evaluate performance using financial and non-financial objectives, including customer service, employee commitment, environmental respect, regulatory integrity, operational excellence, and financial strength, as well as the NEO's response to issues and opportunities that arise during the year. No factor is individually material to the determination of Shareholder Awards for each NEO and the determination of Shareholder Awards is purely discretionary. Shareholder Awards for NEOs are reviewed and considered by the HRG Committee as part of the competitive positioning of AltaLink's target total direct compensation for executives and, in respect of CEO compensation, are approved by the Board.

Prior to investment in the notional account, the initial value of the Shareholder Awards earned by each of the NEOs during the three most recently completed financial years are shown in the notes to the table under "*The General Partner – Executive Compensation – Summary Compensation Table*" in this AIF. Actual incentive payout amounts for each NEO are reflected as "Long Term Incentive & Shareholder Awards" amounts in the summary compensation table under "*The General Partner – Executive Compensation – Summary Compensation Table*" in this AIF.

In order to align the vesting schedule for AltaLink BHE Awards with that of BHE Canada and reduce administration and related costs, effective January 1, 2022, the Shareholder Awards will now vest in accordance with the following schedule: 25% on January 1st of the first year; 25% on December 31st of the first year; 25% on December 31st of the second year; and 25% on December 8th of the third year (paid December 31st). The previous BHE Awards for 2020, paid December 31, 2022 and 2021, paid December 31, 2023, will assume this same vesting schedule. A summary of the provisions applicable in the event of a NEO's separation from the General Partner due to retirement, termination (with or without cause), resignation, disability or death, or if the employment of a participant is terminated without cause by the General Partner or by the participant for good reason within one year of a change of control event is set out under "*The General Partner – Executive Compensation - Termination and Change of Control Benefits*" in this AIF.

In respect of fiscal year 2024, no Shareholder Awards were awarded to any of the NEOs in 2025.

Pension Plan Benefits

The General Partner's executive officers participate in a defined contribution ("**DC**") pension plan and an unfunded DC supplemental pension plan ("**SPP**").

Defined Contribution Pension Plan

The General Partner's executive officers participate in a DC pension plan. With the exception of maximum annual defined contribution limits under applicable tax law (which may limit the level of an executive's coverage), executive pension benefit levels are commensurate with those provided to all other employees.

Under the defined contribution component, the General Partner contributes an amount equal to 8% of the employee's annual base salary and STIP, with each employee contributing a further 2% of his or her annual base salary and STIP, up to the maximum annual contribution limit allowed under applicable tax laws.

Supplemental Pension Plan

The General Partner has established an unfunded DC SPP to which additional contributions (defined as 8% of the employee's annual base salary and STIP above the limit allowed under applicable tax laws) are credited for certain employees (including the NEOs) whose contributions to a registered pension are otherwise limited under applicable tax laws. This contribution amount is determined by referencing the competitive market median for supplemental pension plans that cover all employees having earnings over the annual contribution limit.

Perquisites

The perquisite allowances for the NEOs take into account both the prevalence and value of perquisites being provided within the competitive market sample. Perquisites include provision for a company-provided vehicle (or car allowance), parking, financial planning services, business club memberships (payment of annual dues), and executive medicals. Based on current market practices, the General Partner will provide its executives with perquisites in cash form.

For the CEO, the perquisite account value is provided in two formats:

- Up to $15,000 per year to be reimbursed to the individual on an "as utilized" basis, for annual membership fees associated with business, wellness or fitness club memberships, expenses related to the individual's participation in the executive medical program, and obtaining independent financial planning/tax preparation advice.

- The balance ($11,000) is provided on regular payroll deposits, as a vehicle and parking allowance. No receipts/reimbursement are required on this amount. The CEO does not expense any other vehicle use related items such as operating or maintenance costs, as these are considered to be part of the vehicle allowance.

For the remaining NEOs, the perquisite account value is provided in two formats:

- Up to $3,000 per year to be reimbursed to the individual on an "as utilized" basis, for annual membership fees associated with business, wellness or fitness club memberships, expenses related to the individual's participation in the executive medical program, and obtaining independent financial planning/tax preparation advice.

- The balance ($11,000) is provided on regular payroll deposits, as a vehicle and parking allowance. No receipts/reimbursement are required on this amount. These executives do not expense any other personal vehicle use related items such as operating or maintenance costs, as these are considered to be part of the vehicle allowance.

Effective January 1, 2025, the vehicle and parking allowance portion of the perquisites has been eliminated to align with market.

Employment Agreements

The General Partner has entered into employment agreements or offer letters with each of its NEOs, as well as each of the other executive officers. These employment agreements or offer letters provide for the base salary, benefits, and participation in the STIP and LTIP compensation programs. All of the employment agreements or offer letters are for an indefinite term which reflects the General Partner's expectations with respect to the long-term commitment of the executive officers to the organization. The basic terms of these employment agreements or offer letters are the same for all the NEOs.

Summary Compensation Table

The NEOs received no direct compensation from AltaLink in fiscal 2024, fiscal 2023 and fiscal 2022 but, instead, were compensated by the General Partner. Pursuant to the terms of the Limited Partnership Agreement, the General Partner is reimbursed by AltaLink for all of its general and administrative expenses, including executive compensation.

The following table sets forth all annual, long term and other compensation for services in all capacities to AltaLink and its subsidiaries for the three most recently completed financial years in respect of each of the NEOs.

					Non-equity Incentive Plan Compensation ($)				
Name and Principal Position	**Year**	**Salary[(1)] ($)**	**Share-based Awards[(2)] ($)**	**Option-based Awards [(2)] ($)**	**Annual Incentive Plan[(3)] ($)**	**Long Term Incentive & Shareholder Awards [(4)(5)] ($)**	**Pension Value [(6)] ($)**	**All Other Compensation [(7)] ($)**	**Total Compensation ($)**
Gary Hart	2024	610,000	N/A	N/A	676,390	514,713	102,911	26,000	1,930,014
President and CEO	2023	550,000	N/A	N/A	482,617	297,961	82,609	26,000	1,439,187
	2022	456,667	N/A	N/A	346,766	398,371	64,224	26,000	1,230,623
David Koch	2024	365,000	N/A	N/A	169,713	235,595	42,777	14,000	827,085
Executive Vice	2023	330,000	N/A	N/A	134,400	179,292	37,152	14,000	694,844
President and CFO	2022	320,000	N/A	N/A	170,535	300,740	39,192	14,000	745,658
Johanne Picard-	2024	365,000	N/A	N/A	201,617	335,646	45,329	14,000	961,593
Thompson	2023	343,500	N/A	N/A	197,625	203,546	42,890	14,000	801,561
EVP, Corporate Services	2022	335,000	N/A	N/A	244,491	300,389	46,309	14,000	867,827
Sheri Allen	2024	300,000	N/A	N/A	138,856	227,883	35,108	14,000	715,847
SVP, Human	2023	270,000	N/A	N/A	84,551	93,825	28,364	14,000	490,740
Resources	2022	225,468	N/A	N/A	105,925	67,047	26,061	14,000	464,466
Paul Lee	2024	288,213	N/A	N/A	54,502	85,484	27,417	13,250	468,866
SVP, Customer and	2023	259,996	N/A	N/A	37,792	85,382	0	12000	395,170
Projects[(8)]	2022	219,083	N/A	N/A	44,299	76,672	0	12000	352,053

Notes:
(1) Salary represents the actual salary received during the relevant fiscal year.
(2) The General Partner has no share-based or option-based awards.
(3) The bonus amount reflects the STIP cash received in that year in respect of the previous fiscal year performance and other bonuses. In addition, BHE pays a safety bonus to most employees of BHE and its subsidiaries, including the NEOs, for the achievement of certain BHE wide safety targets. For reference purposes, the safety bonus paid in prior years was: US$500 in fiscal 2022. No safety bonuses were paid in fiscal 2023 and fiscal 2024.
(4) Amounts reflect the value of the LTIP award paid during the year for LTIP units granted as compensation to the NEOs in prior years. For reference purposes, the initial target values of the LTIP awards granted in prior years are: $148,000 in fiscal 2022, $440,000 in fiscal 2023 and $915,000 in fiscal 2024 for Mr. Hart; $96,000 in fiscal 2022, $132,000 in fiscal 2023 and $292,000 in fiscal 2024 for Mr. Koch; $100,500 in fiscal 2022, $137,400 in fiscal 2023 and $292,000 in fiscal 2024 for Ms. Picard-Thompson; $70,500 in fiscal 2022, $108,000 in fiscal 2023 and $240,000 in fiscal 2024 for Ms. Allen; and $54,770 in fiscal 2022, $102,969 in fiscal 2023 and $140,475 in fiscal 2024 for Mr. Lee (see Note 8).
(5) Amounts reflect the value of the Shareholder Award earned during the year for incentives awarded as compensation to the NEOs in prior years. For reference purposes, the total Shareholder Awards granted to NEOs in prior years are: $202,224 in fiscal 2022 and $119,918 in fiscal 2023 for Mr. Hart; $63,195 in fiscal 2022 and $72,493 in fiscal 2023 for Mr. Koch; $94,793 in fiscal 2022 and $129,674 in fiscal 2023 for Ms. Picard-Thompson; and $63,195 in fiscal 2022 and $77,642 in fiscal 2023 for Ms. Allen.
Currently, AltaLink executives granted Shareholder Awards receive their awards in cash following the three-year vesting period. Effective 2021, AltaLink executives in receipt of Shareholder Awards can opt to invest their grants in a notional investment account with the same investment options as AltaLink's DC pension plan. This change will include all previous grants awarded that have not yet paid out.
See "*The General Partner – Executive Compensation – Compensation Discussion and Analysis – Shareholder Awards*" for a description of the Shareholder Awards and the payout thereof.
(6) Amounts reflect the compensation paid to the NEO relating to the DC pension and the SPP pension, which are described under "*The General Partner – Executive Compensation – Compensation Discussion and Analysis – Pension Plan Benefits*" below.
(7) Amounts under all other compensation include perquisites paid by AltaLink. Effective January 1, 2025, the vehicle and parking allowance portion of the perquisites has been eliminated to align with market.
(8) Mr. Lee was promoted to SVP, Customer and Projects effective October 1, 2024.

Incentive Plan Awards

The General Partner has no other non-equity incentive plans, other than the STIP, LTIP and Shareholder Awards described above under the heading "*The General Partner – Executive Compensation – Compensation Discussion and Analysis*". The General Partner has no plans involving stock or unit appreciation rights or options to acquire equity interests in the General Partner or AltaLink.

Pension Plan Benefits

The following two tables outline the compensatory value of the DC Pension Plan and the SPP for the NEOs during fiscal 2024.

Defined Contribution Pension Plan

Name	Accumulated Value at Start of Year ($)(2)	Compensatory ($)(1)	Accumulated Value at Year End ($)(2)
Gary Hart	N/A	25,992	N/A
David Koch	N/A	25,992	N/A
Johanne Picard-Thompson	N/A	25,992	N/A
Sheri Allen	N/A	25,992	N/A
Paul Lee	N/A	25,992	N/A

Notes:
(1) There is no above-market or preferential earnings credited on employer or employee contributions.

(2) Each NEO has a number of investment alternatives in which they direct the company pension contributions (8%) and their employee contributions (2%), and receive a rate of return, positive or negative. The returns on the NEOs' individual investments within the DC plan are not disclosed to the General Partner. Accordingly, the General Partner does not report accumulated values at the start of the fiscal year or the fiscal year end.

Supplemental Pension Plan

Name	Accumulated Value at Start of Year ($)	Compensatory[(1)] ($)	Accumulated Value at Year End ($)
Gary Hart	220,653	76,919	310,269
David Koch	98,287	16,785	120,299
Johanne Picard-Thompson	270,892	19,337	303,977
Sheri Allen	7,909	9,116	17,636
Paul Lee	0	1,425	1,460

Note:
(1) Reflects company contribution of 8% on employees' annual base salary and STIP above the pension contribution limit allowed under applicable tax laws.

Termination and Change of Control Benefits

The employment agreements with the NEOs, and the LTIP and Shareholder Awards, outline the terms and conditions applicable in the event of a NEO's separation from the General Partner due to retirement, termination (with or without cause), resignation, disability or death. The following table summarizes the material terms and provisions that apply under the noted separation events as at the date of this AIF:

Plan	Death	Retirement	Termination with cause/resignation	Termination without cause	Termination without cause following a change-in-control
Base Salary	No longer eligible effective date of death	No longer eligible effective date of retirement	No longer eligible effective termination/ resignation date	Eligible for severance [(1)]	Eligible for severance [(1)]
STIP	Estate to receive pro-rated payment based on proportion of fiscal year completed as of the date of death	Receive pro-rated payment based on proportion of fiscal year completed as of the date of retirement	No longer eligible effective termination/ resignation date	Eligible for severance [(1)]	Eligible for severance [(1)]
LTIP	Prorated payment provided to NEO's estate for LTIP plans based on actual time worked (i.e. completed months)	Receive prorated payment for LTIP awards based on actual time worked (i.e. completed months) and at forecasted values	No longer eligible effective termination/ resignation date	Eligible for severance. [(1)] Amount in lieu of payment under the LTIP equal to prorated payment for LTIP awards based on actual time worked (i.e. completed months) and at forecasted values	All LTIP awards fully vest and payout at forecasted values
Shareholder Awards	Estate to receive vested amount as of the date of death	Receive vested amount as of the date of retirement	No longer eligible effective termination date/ Receive vested amount as of resignation date	Receive vested amount as of the date of termination	Receive vested amount as of the date of termination
Pension	Accumulated value of individual DC and SPP accounts are paid	Accumulated value of individual DC and SPP accounts are paid	Accumulated value of individual DC and SPP accounts are paid	Accumulated value of individual DC and SPP accounts are paid	Accumulated value of individual DC and SPP accounts are paid
Benefits	No longer eligible effective date of death	Eligible for retiree benefits on the same basis as other employees	No longer eligible effective termination/ resignation date	No longer eligible effective termination date	No longer eligible effective termination date
Perquisites	No longer eligible effective date of death	No longer eligible effective date of retirement	No longer eligible effective termination/ resignation date	No longer eligible effective termination date	No longer eligible effective termination date

Note:

(1) There are no special severance provisions for NEOs. Severance would be based on a variety of factors including service, age and salary.

(2) Effective January 1, 2025, the vehicle and parking allowance portion of the perquisites has been eliminated to align with market.

Change of Control

The General Partner has a double-trigger change of control provision in the LTIP for plan participants, including NEOs. Under this provision, a change of control is defined as: (i) the removal or withdrawal of the General Partner as the general partner of AltaLink; or (ii) any transaction that results in more than 50% of the issued and outstanding shares of the General Partner being held, directly or indirectly, by parties other than Berkshire Hathaway Energy or its affiliates; or (iii) an owner of electric transmission, distribution or generation facilities or an affiliate thereof acquires the right to nominate one or more directors of the General Partner and the Board deems, by ordinary resolution, that such transaction is a change in control.

RISK FACTORS

The "*Risk Management*" section in the MD&A, including the subsection entitled "*Risk Factors and Uncertainties*", is hereby incorporated by reference and may be found on SEDAR at www.sedarplus.ca. Additionally, AltaLink's Senior Notes are subject to the following risk factors:

Lack of Public Market for Senior Notes

AltaLink has not sought a listing for any of its Senior Notes on any stock exchange. There can be no assurance as to the liquidity of the trading market for the Senior Notes or that a trading market for any Senior Notes will develop. Even if a trading market develops for the Senior Notes, those Senior Notes could trade at prices that may be higher or lower than their initial offering prices. The market price for the Senior Notes may be affected by prevailing interest rates, AltaLink's results of operations and financial position, the ratings assigned to the Senior Notes (or AltaLink), changes in general market conditions, fluctuations in the market for equity or debt securities and numerous other factors beyond the control of AltaLink.

Effect of Redemption on Investment Return

If the Senior Notes are redeemable at AltaLink's option or are otherwise subject to mandatory redemption, the Senior Notes may be redeemed at times when prevailing interest rates may be relatively low. In such a case, an investor generally would not be able to reinvest the redemption proceeds at a comparable effective interest rate.

Market Value of Senior Notes

Prevailing interest rates will affect the market price or value of the Senior Notes. Generally, the market price or value of the Senior Notes will decline as prevailing interest rates for comparable debt instruments rise, and increase as prevailing interest rates for comparable debt instruments decline. Fluctuations in interest rates may also impact AltaLink's borrowing costs, which may adversely affect AltaLink's creditworthiness.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No director or executive officer of the General Partner, or associate of any of those individuals, is or has been indebted to, or has or had the benefit of any guarantees or other financial assistance provided or arranged by, the General Partner or any of its subsidiaries or otherwise, nor was any such indebtedness or other financial assistance provided to such persons at any time since AltaLink's formation.

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Except as disclosed herein, no director or senior or executive officer of the General Partner, nor any associates of the foregoing persons, has or has had any material interest, direct or indirect, in any transaction or in any proposed transaction that has materially affected or would materially affect AltaLink since the date of its formation.

INTERESTS OF EXPERTS

AltaLink's auditors since March 28, 2006, are Deloitte LLP, Chartered Accountants of 700, 850 - 2nd Street S.W., Calgary, Alberta. Deloitte LLP is independent within the meaning of the Rules of Professional Conduct of the Institute of Chartered Accountants of Alberta.

MATERIAL CONTRACTS

AltaLink has not entered into or agreed to enter into any material contracts since its formation, other than contracts entered into in the ordinary course of business, except for the following:

- Limited Partnership Agreement relating to AltaLink. See "*CORPORATE STRUCTURE*";
- Shareholder Agreement relating to the General Partner. See "*THE GENERAL PARTNER*";
- Indenture relating to the Capital Markets Platform. See "*CAPITAL STRUCTURE*";
- Series Supplements to the Indenture, including the Seventh Series Supplement relating to all Indebtedness unless otherwise specified in a Series Supplement; the Ninth Series Supplement relating to the Series 2006-1 Notes; the Tenth Series Supplement relating to the Series 2010-1 Notes; the Twelfth Series Supplement relating to the Series 2010-2 Notes, Series 2011-1 Notes and Series 2012-1 Notes; the Sixteenth Series Supplement related to the Series 2013-1 Notes, Series 2013-3 Notes, Series 2014-2 Notes and Series 2014-3 Notes; the Eighteenth Series Supplement related to the Series 18 Bond; the Nineteenth Series Supplement related to the Series 19 Bond; the Twentieth Series Supplement related to the Series 2015-1 Notes, Series 2016-1 Notes, Series 2016-2 Notes and any further Notes; the Twenty-first Series Supplement relating to the Series 21 Bond; the Twenty-third Series Supplement relating to the Series 2020-1 Notes; the Twenty-fourth Series Supplement relating to the Series 2022-1 Notes; the Twenty-fifth Series Supplement relating to the Series 2023-1 Notes; and the Twenty-sixth Series Supplement relating to the Series 2024-1 Notes. See "*CAPITAL STRUCTURE*";
- Credit agreement relating to the $75 Million Revolving Credit Facility. See "*CAPITAL STRUCTURE*";
- Credit agreement relating to the $500 Million Revolving Credit Facility. See "*CAPITAL STRUCTURE*";
- Credit agreement relating to the $150 Million Revolving Credit Facility. See "*CAPITAL STRUCTURE";* and
- the CIB Credit Facility.

LEGAL PROCEEDINGS

On November 2, 2016, AltaLink filed a claim against SNC-Lavalin ATP Inc. in the Court of Queen's Bench in Calgary, Alberta regarding the failure of a number of dampers on transmission lines constructed by SNC-Lavalin ATP Inc. AltaLink claimed that the dampers have inherent design, manufacturing and other defects and that these defects create a risk of causing personal injury and property damage. AltaLink also claimed against HD Supply Canada Inc. (and its corporate successors) who supplied the dampers and Helix Uniformed Ltd. (and its corporate successors) who manufactured the dampers, for the cost of increased inspections of the dampers and for the cost of replacing all the dampers. The revised amount of the claim was $34 million. The defendants filed Statements of Defence in

April and May 2017, and cross-claims against each other and various third parties. A trial scheduled to be held in April, 2023, was adjourned. On September 27, 2023, the parties entered into a confidential settlement agreement.

Except as noted above, AltaLink has not commenced and is not currently contemplating the commencement of any material legal proceedings that would require disclosure under this AIF. Management is not aware of any material legal proceedings that have been commenced or are or may be contemplated against AltaLink or the General Partner that would require disclosure in this AIF. From time to time AltaLink is party to legal proceedings, assessments, claims and regulatory matters in the ordinary course of business. See "*LEGAL PROCEEDINGS AND CONTINGENCIES*" in the MD&A. At this time, in the opinion of management, none of these matters are reasonably expected to result in a material adverse effect to AltaLink's financial position or results of operations.

[remainder intentionally blank]

GLOSSARY

Except as otherwise defined, the following terms and abbreviations used in this Annual Information Form are defined below. Certain terms of the Indenture (or a Series Supplement) are defined in this Glossary and are more fully defined in the Indenture (or the applicable Series Supplement). Potential investors should refer to the Indenture (or the applicable Series Supplement) for the precise definitions.

"**ABCA**"	*Business Corporations Act* (Alberta), R.S.A. 2000, c. B-9, as amended, including the regulations promulgated thereunder
"**AESO**"	The Alberta Electric System Operator, a trade name used by the Independent System Operator
"AFUDC"	Allowance For Funds Used During Construction is a generally accepted accounting principle whereby the cost of financing capital construction projects is added to the cost of the asset
"Agent"	Each bank which acts as agent to the lenders under each of the Credit Facilities. The Bank of Nova Scotia is currently the Agent under each of the Credit Facilities.
"**AIES**"	Refers to the Alberta Interconnected Electric System, which is the electricity transmission network (or grid) in Alberta
"**AIF**"	This Annual Information Form for the year ended December 31, 2023
"**AHLP**"	AltaLink Holdings, L.P., an Alberta limited partnership
"**AILP**"	AltaLink Investments, L.P., an Alberta limited partnership
"**AltaLink**"	AltaLink, L.P., an Alberta limited partnership whose head office is located at 2611 - 3rd Avenue S.E., Calgary, Alberta T2A 7W7, together with its subsidiaries
"**AUC**"	The Alberta Utilities Commission, established effective January 1, 2008 under the *Alberta Utilities Commission Act*, R.S.A. 2007, c. A-37.2. The AUC replaced the former Alberta Energy and Utilities Board (EUB) as the provincial regulator of electric utilities
"**Berkshire Hathaway Energy**" or **"BHE"**	Berkshire Hathaway Energy Company, an Iowa corporation located in Des Moines, Iowa, USA
"**Board**"	The board of directors of the General Partner
"**Bonds**"	The evidences of Indebtedness of AltaLink issued pursuant to the Indenture in connection with the Capital Markets Platform and constituting either Obligation Bonds or Pledged Bonds
"**Business**"	Defined in the Indenture as AltaLink's operation and maintenance (subject to regulation by the AUC) of the infrastructure and other assets used for the transmission of electricity in Alberta in the Transmission Business and subsequently acquired or constructed assets comprising AltaLink's transmission network, and other ancillary services provided in conjunction with the foregoing business whether or not regulated by the AUC

"**Canada Yield Price**"	Defined in the applicable Series Supplement or Pricing Supplement describing particular Bonds, as the price which will provide a yield to the maturity of such Bond equal to the average of the mid-market yields to maturity calculated by two Investment Dealers selected by AltaLink on the Business Day preceding the day on which the notice of redemption of such Bond is given, of a Government of Canada bond with a similar term to maturity (calculated from the Redemption Date); • plus 0.25% in the case of the Series 2006-1 Notes; • plus 0.33% in the case of the Series 2010-1 Notes; • plus 0.33% in the case of the Series 2010-2 Notes; • plus 0.405% in the case of the Series 2011-1 Notes; • plus 0.415% in the case of the Series 2012-1 Notes; • plus 0.375% in the case of the Series 2013-1 Notes; • plus 0.410% in the case of the Series 2013-3 Notes; • plus 0.355% in the case of the Series 2014-2 Notes; • plus 0.360% in the case of the Series 2014-3 Notes; • plus 0.415% in the case of the Series 2015-1 Notes; • plus 0.345% in the case of the Series 2016-1 Notes; • plus 0.390% in the case of the Series 2016-2 Notes; • plus 0.230% in the case of the Series 2020-1 Notes; • plus 0.370% in the case of the Series 2022-1 Notes; • plus 0.380% in the case of the Series 2023-1 Notes; and • plus 0.325% in the case of the Series 2024-1 Notes.
“**CEO**”	Chief Executive Officer
“**CFO**”	Chief Financial Officer
“**CIB Credit Facility**”	The credit agreement between AltaLink, as borrower, and the General Partner, as general partner, and Canada Infrastructure Bank, as lender dated October 31, 2023 (as amended March 11, 2025).
"**Commercial Paper Program**"	The unsecured short-term promissory note commercial paper program established by AltaLink in December 2005, as amended in May 2010, May 2013, and December 2018 to decrease the maximum aggregate principal amount of notes outstanding at any one time to $500 million
"**Credit Facilities**"	The $75 Million Revolving Credit Facility, the $500 Million Revolving Credit Facility and the $150 Million Revolving Credit Facility
"**Critical Transmission Infrastructure**" or "**CTI**"	The specific transmission facility projects which were designated as critical transmission infrastructure in the Schedule to the EUA
"**DACDA**"	Direct-Assigned Capital Deferral Accounts are regulatory accounts maintained by AltaLink to record and recover, through reconciliation application to the AUC, project costs incurred in the construction of new facilities
"**Eighteenth Series Supplement**"	The Eighteenth Series Supplement dated October 24, 2014, as amended on May 1, 2020, whereby the specific terms and conditions of the Series 18 Bond (in addition to the general terms governing all Bonds under the Indenture) are determined

"**Electric Statutes Amendment Act**"	*Electric Statutes Amendment Act, 2009* (Alberta), S.A. 2009, c. 44
"***Electric Utilities Act***" or "**EUA**"	*Electric Utilities Act* (Alberta), R.S.A. 2003, c. E-5.1, as amended, including the regulations promulgated thereunder
"**EPC**"	Engineering, procurement and construction
"**Facility Application**"	An application by a TFO to the AUC for the approval of a permit to construct and licence to operate new transmission facilities to meet a need identified by the AESO
"**fiscal 2020**"	The fiscal year commenced January 1, 2020, and ended December 31, 2020
"fiscal 2021"	The fiscal year commenced January 1, 2021, and ended December 31, 2021
"**fiscal 2022**"	The fiscal year commenced January 1, 2022, and ended December 31, 2022
"**fiscal 2023**"	The fiscal year commenced January 1, 2023, and ended December 31, 2023
"**fiscal 2024**"	The fiscal year commenced January 1, 2024, and ended December 31, 2024
"**fiscal 2024 Financial Statements**"	AltaLink's audited consolidated annual financial statements as at December 31, 2024 (including the notes thereto), which have been filed with applicable securities regulatory authorities
"**General Partner**"	AltaLink Management Ltd., the general partner of AltaLink, KLP and PLP
"GCOC"	Generic cost of capital
"**HVDC**"	High voltage direct current
"**Indebtedness**"	Defined in the Indenture as: (a) the aggregate principal amount of all obligations for borrowed money (other than obligations arising out of the issuance of any Refunding Bonds (as defined in the Indenture) during such period of time as the Indebtedness to be repaid by the Refunding Bonds continues to be outstanding), including obligations with respect to bankers' acceptances and contingent reimbursement obligations in respect of letters of credit and other instruments, and including all capitalized interest and other similar amounts required to be paid at maturity on obligations for borrowed money, but excluding preferred securities; (b) the aggregate principal amount of all obligations issued or assumed in connection with its acquisition of property in respect of the deferred purchase price of that property; (c) all capital lease obligations and the aggregate principal amount of all purchase money obligations; (d) all financial instrument obligations; (e) the principal amount of all borrowed money outstanding from time to time under a commercial paper program; (f) the principal amount of all borrowed money outstanding from time to time which constitutes subordinated debt under the Indenture; and (g) all guarantees in respect of any of the foregoing.

	For greater certainty, (i) the capitalization of interest or other similar amounts payable at maturity on existing Indebtedness, and (ii) the aggregate amount of all provisions for site restoration costs (net of expected salvage value), shall not be treated as the incurrence of Indebtedness
"**Indenture**"	The amended and restated master trust indenture dated as of April 28, 2003 between AltaLink, the General Partner and the Trustee, as trustee, as supplemented from time to time, which establishes a set of common covenants by AltaLink for the benefit of all of its lenders under the Capital Markets Platform including the establishment of security for all of AltaLink's Indebtedness in conjunction with the Seventh Series Supplement dated April 28, 2003 between AltaLink, the General Partner and the Trustee, unless otherwise specified in a Series Supplement
"**Independent System Operator**"	The Independent System Operator under the *Electric Utilities Act,* operating under the trade name Alberta Electric System Operator (or AESO)
"**ISO Rules**"	Final rules for market participants promulgated by the Independent System Operator under the authority and direction of the *Electric Utilities Act* and the *Transmission Regulation*
"**km**"	One kilometre
"**KLP**"	KainaiLink, L.P., an Alberta limited partnership formed to jointly own and operate transmission facilities located on Blood Tribe reserve lands in the Province of Alberta
"**kV**"	One kilo-volt, 1,000 units of electric potential energy
"**Limited Partnership Agreement**"	The amended and restated limited partnership agreement dated June 22, 2006, and amended as of March 1, 2012 between the General Partner and AILP, as the limited partner
"**LTO**"	Means the Long-Term Outlook developed by the AESO
"**LTP**"	Means the Long-Term Plan developed by the AESO
"**MD&A**"	Management's Discussion & Analysis of Financial Condition and Results of Operations for fiscal 2024 and for the interim period ended March 31, 2025, which can be found on SEDAR at www.sedarplus.ca
"**MTN program**"	AltaLink's medium-term note program established from time to time under applicable securities laws, for the continuous distribution of Notes as qualified by a Pricing Supplement to a short form base shelf prospectus of AltaLink filed with applicable securities regulatory authorities under National Instrument 44-102 – *Shelf Distributions*
"**MW**"	One megawatt, being a unit of power which is one million watts of electricity (*i.e.*, the electrical power required to light ten thousand 100-watt light bulbs). A watt or "W" is a common measure of electrical power. One watt equals the power used when one ampere of current flows through an electrical circuit with a potential of one volt
"**Need Application**"	An application to the AUC by the AESO for the approval of the need to expand the AIES and the means by which the need can be met, as described in a Need Identification Document

"**Nineteenth Series Supplement**"	The Nineteenth Series Supplement dated October 24, 2014, as amended May 1, 2020, whereby the specific terms and conditions of the Series 19 Bond (in addition to the general terms governing all Bonds under the Indenture) are determined
"**Ninth Series Supplement**"	The ninth Series Supplement dated May 9, 2006, whereby the specific terms and conditions of the 2006-1 Notes (in addition to the general terms governing all Bonds under the Indenture) are determined
"**Notes**"	Medium-term notes, in the form of Obligation Bonds, issued under AltaLink's Capital Market Platform pursuant to the Indenture and any of the Ninth Series Supplement, Tenth Series Supplement, Twelfth Series Supplement, Sixteenth Series Supplement, Twentieth Series Supplement or a subsequent Series Supplement
"**Obligation Bonds**"	Bonds issued under the Indenture as part of the Capital Markets Platform (whether classified as senior or subordinated debt) as direct evidence of the Indebtedness of AltaLink to the holder of such Bonds
"**Operating and Maintenance Expenses**"	Defined in the Indenture as, for any period, (a) all operating and maintenance expenses of AltaLink for such period in respect of the Business, as determined in accordance with generally accepted accounting principles, but excluding any allowance for amortization, depreciation or obsolescence; (b) all rents or other amounts (without distinguishing between principal and interest) paid under capital lease obligations; (c) all payments or reimbursements to the Trustee of its fees, costs, charges, expenses, advances or other amounts furnished or provided by or at the request of the Trustee in or about the administration and execution of its trusts under, or otherwise in relation to, the Indenture; and (d) maintenance expenditures capitalized in accordance with generally accepted accounting principles. Operating and Maintenance Expenses also include the amounts paid (rather than accrued) by AltaLink to or in respect of pension plans maintained for its employees and premiums and other amounts paid by AltaLink in respect of any compensation or insurance plans maintained for its employees
"**Partners**"	The partners under the Limited Partnership Agreement, which includes the General Partner and AILP, as the limited partner
"**PCOA**"	The project commitment and option agreement entered into by AltaLink and the General Partner, on the one hand, and each of (a) the Blood Tribe, or (b) the Piikani First Nations, on the other hand, each of which agreements is in respect of the ownership and operation of certain transmission facilities in southwest Alberta. See "*General Development of the Transmission Business – 2018-2020 Developments*" in this AIF
"**PLP**"	PiikaniLink, L.P., an Alberta limited partnership formed to jointly own and operate transmission facilities located on Piikani First Nation reserve lands in the Province of Alberta
"**Pledged Bonds**"	Bonds issued under the Indenture as part of the Capital Markets Platform (whether classified as senior or subordinated debt) which are subject to a pledge made by AltaLink in support of the Indebtedness specified in the pledge

"**Pricing Supplement**"	A supplement to a base shelf prospectus, containing the specific terms, including price (in addition to those terms contained in the Indenture and the applicable Series Supplement) for the distribution of a particular series of Notes under such base shelf prospectus
"**Refunding Bonds**"	Defined in the Indenture as any Bonds, whether issued in one or more series, which are issued only for the purpose of repaying existing Indebtedness evidenced or secured by one or more series of other Bonds, which existing Indebtedness is to mature in full within an 18-month period from the date of issue of the Refunding Bonds
"**Reliability Standards**"	The reliability standards that apply in Alberta under section 19 of the *Transmission Regulation*
"**Senior Notes**"	The issued and outstanding senior, secured Obligation Bonds which are issued by AltaLink under the Indenture and the applicable Series Supplement, including the Series 2006-1 Notes, Series 2010-1 Notes, Series 2010-2 Notes, Series 2011-1 Notes, Series 2012-1 Notes, Series 2013-1 Notes, Series 2013-3 Notes, Series 2014-2 Notes, Series 2014-3 Notes, Series 2015-1 Notes, Series 2016-1 Notes, Series 2016-2 Notes, Series 2020-1 Notes, Series 2022-1 Notes, Series 2023-1 Notes, Series 2024-1 Notes and any further Notes issued by AltaLink
"**Series 2006-1 Notes**"	Senior, secured notes, Series 2006-1, consisting of $150,000,000 principal amount of 5.249% medium term notes due September 22, 2036, issued under AltaLink's Capital Market Platform under the Indenture, the Ninth Series Supplement and a Pricing Supplement dated September 18, 2006 to AltaLink's short form base shelf prospectus dated May 5, 2006
"**Series 2010-1 Notes**"	Senior, secured notes, Series 2010-1, consisting of $125,000,000 principal amount of 5.381% medium term notes due March 26, 2040, issued under AltaLink's Capital Market Platform under the Indenture, the Tenth Series Supplement and a Pricing Supplement dated March 22, 2010 to AltaLink's short form base shelf prospectus dated May 16, 2008
"**Series 2010-2 Notes**"	Senior, secured Notes, Series 2010-2, consisting of $150,000,000 principal amount of 4.872% medium term notes due November 15, 2040, issued under AltaLink's Capital Market Platform under the Indenture, the Twelfth Series Supplement and a Pricing Supplement dated November 9, 2010 to AltaLink's short form base shelf prospectus dated August 16, 2010
"**Series 2011-1 Notes**"	Senior, secured Notes, Series 2011-1, consisting of $275,000,000 principal amount of 4.462% medium term notes due November 8, 2041, issued under AltaLink's Capital Market Platform under the Indenture, the Twelfth Series Supplement and a Pricing Supplement dated November 3, 2011 to AltaLink's short form base shelf prospectus dated August 16, 2010
"**Series 2012-1 Notes**"	Senior, secured Notes, Series 2012-1, consisting of $525,000,000 principal amount of 3.99% medium term notes due June 30, 2042 issued under AltaLink's Capital Market Platform under the Indenture, the Twelfth Series Supplement, a Pricing Supplement dated June 26, 2012 to AltaLink's short form base shelf prospectus dated August 16, 2010, and a Pricing Supplement dated September 9, 2014 to AltaLink's short form base shelf prospectus dated November 9, 2012

"**Series 2013-1 Notes**"	Senior, secured Notes, Series 2013-1, consisting of $250,000,000 principal amount of 4.446% medium term notes due July 11, 2053, issued under AltaLink's Capital Market Platform under the Indenture, the Sixteenth Series Supplement and a Pricing Supplement dated July 9, 2013 to AltaLink's short form base shelf prospectus dated November 9, 2012
"**Series 2013-3 Notes**"	Senior, secured Notes, Series 2013-3, consisting of $350,000,000 principal amount of 4.922% medium term notes due September 17, 2043, issued under AltaLink's Capital Market Platform under the Indenture, the Sixteenth Series Supplement and a Pricing Supplement dated September 12, 2013 to AltaLink's short form base shelf prospectus dated November 9, 2012
"**Series 2014-2 Notes**"	Senior, secured Notes, Series 2014-2, consisting of $130,000,000 principal amount of 4.274% medium term notes due June 6, 2064, issued under AltaLink's Capital Market Platform under the Indenture, the Sixteenth Series Supplement and a Pricing Supplement dated June 3, 2014 to AltaLink's short form base shelf prospectus dated November 9, 2012
"**Series 2014-3 Notes**"	Senior, secured Notes, Series 2014-3, consisting of $295,000,000 principal amount of 4.054% medium term notes due November 21, 2044, issued under AltaLink's Capital Market Platform under the Indenture, the Sixteenth Series Supplement and a Pricing Supplement dated November 5, 2014 to AltaLink's short form base shelf prospectus dated November 9, 2012
"**Series 2015-1 Notes**"	Senior, secured Notes, Series 2015-1, consisting of $350,000,000 principal amount of 4.09% medium term notes due June 30, 2045, issued under AltaLink's Capital Market Platform under the Indenture, the Twentieth Series Supplement and a Pricing Supplement dated June 25, 2015 to AltaLink's short form base shelf prospectus dated June 23, 2015
"**Series 2016-1 Notes**"	Senior, secured Notes, Series 2016-1, consisting of $350,000,000 principal amount of 2.747% medium term notes due May 29, 2026, issued under AltaLink's Capital Market Platform under the Indenture, the Twentieth Series Supplement and a Pricing Supplement dated May 25, 2016 to AltaLink's short form base shelf prospectus dated June 23, 2015
"**Series 2016-2 Notes**"	Senior, secured Notes, Series 2016-2, consisting of $450,000,000 principal amount of 3.717% medium term notes due December 3, 2046, issued under AltaLink's Capital Market Platform under the Indenture, the Twentieth Series Supplement and a Pricing Supplement dated November 28, 2016 to AltaLink's short form base shelf prospectus dated June 23, 2015
"**Series 2020-1 Notes**"	Senior, secured Notes, Series 2020-1, consisting of $225,000,000 principal amount of 1.509% senior notes due September 11, 2030, issued under AltaLink's Capital Market Platform under the Indenture and the Twenty-third Series Supplement, which were issued and sold on a private placement basis
"**Series 2022-1 Notes**"	Senior, secured Notes, Series 2022-1, consisting of $275,000,000 principal amount of 4.692% senior notes due November 28, 2032, issued under AltaLink's Capital Market Platform under the Indenture and the Twenty-fourth Series Supplement, which were issued and sold on a private placement basis

"**Series 2023-1 Notes**"	Senior, secured Notes, Series 2023-1, consisting of $500,000,000 principal amount of 5.463% senior notes due October 11, 2055, issued under AltaLink's Capital Market Platform under the Indenture and the Twenty-fifth Series Supplement, which were issued and sold on a private placement basis
"**Series 2024-1 Notes**"	Senior, secured Notes, Series 2024-1, consisting of $325,000,000 principal amount of 4.742% senior notes due May 22, 2054, issued under AltaLink's Capital Market Platform under the Indenture and the Twenty-sixth Series Supplement, which were issued and sold on a private placement basis
"**Series 18 Bond**"	The senior Pledged Bond in the principal amount of $2.0 billion which was created under the Eighteenth Series Supplement as collateral security for AltaLink's obligations under the $500 Million Revolving Credit Facility
"**Series 19 Bond**"	The senior Pledged Bond in the principal amount of $250 million which was created under the Nineteenth Series Supplement as collateral security for AltaLink's obligations under the $75 Million Revolving Credit Facility
"**Series 21 Bond**"	The senior Pledged Bond in the face principal amount of $500 million, which was created under the Twenty-first Series Supplement in respect of the Commercial Paper Program
"**Series 27 Bond**"	The senior Pledged Bond in the principal amount of $800 million, which was created under the Twenty-seventh Series Supplement as collateral security for AltaLink's obligations under the CIB Credit Facility
"**Series Supplement**"	A supplemental indenture to the Indenture between AltaLink, the General Partner and the Trustee whereby the specific terms of any series of Bonds (in addition to the general terms governing all Bonds under the Indenture) are determined, including, where applicable and without limitation, the aggregate principal amount of Bonds being offered, the currency, the issue and delivery date, the maturity date, the issue price, the interest rate (either fixed or floating and, if floating, the manner of calculation thereof), the interest payment date(s), the redemption, exchange or conversion provisions (if any) or repayment terms, the underwriter(s) involved in the offering (if any), the commission of any underwriters, the form of certificate (either global or definitive), the method of distribution and the actual net proceeds to AltaLink
"**Seventh Series Supplement**"	The seventh Series Supplement dated as of April 28, 2003 and containing the specific terms and conditions whereby AltaLink's obligations under all Indebtedness, unless otherwise specified in a Series Supplement, are secured by a first, floating charge security interest over the present and future property, assets and undertaking of AltaLink
"**Shareholder Agreement**"	The amended and restated shareholders' agreement dated March 1, 2012 between the General Partner, BHE Alberta Ltd. and BHE GP Holdings Ltd., governing, among other matters, appointment of the Board of the General Partner
"**Sixteenth Series Supplement**"	The sixteenth Series Supplement dated November 15, 2012 whereby the specific terms and conditions of the Series 2012-2 Notes, Series 2013-1 Notes, Series 2013-3 Notes, Series 2014-2 Notes and Series 2014-3 Notes (in addition to the general terms governing all Bonds under the Indenture) are determined

"Subordinated Debt"	Defined in the Indenture as any Indebtedness for borrowed money owing by AltaLink to any Person which by the terms thereof, is fully subordinated and postponed to all present and future outstanding Senior Bonds on the terms set out in Section 2.9 of the Indenture and designated as such in the Supplemental Indenture authorizing the applicable Series of Subordinated Bond and shall, in any event, include any Indebtedness owed to any of AILP, its general partner or either of them
"**Tenth Series Supplement**"	The tenth Series Supplement dated May 21, 2008, whereby the specific terms and conditions of the Series 2008-1 Notes and the Series 2010-1 Notes (in addition to the general terms governing all Bonds under the Indenture) are determined
"**Total Capitalization**"	Defined in the Indenture as the aggregate of (a) all outstanding Indebtedness, (b) the total partnership capital of AltaLink, (c) the principal amount of all outstanding preferred securities, (d) the total amount of (or less the amount of any net deficit in) the contributed or capital surplus and the retained earnings of AltaLink, and (e) the amount of any premium on capital not included in its surplus, less (f) the amount (if any) by which the capital account has been increased as a result of a restatement of the book value of AltaLink's assets, and less (g) the amount of any loan, equity or capital invested in a subsidiary, as permitted under the Indenture
"**Transmission Business**"	The electrical power transmission business owned and operated by AltaLink, which business currently comprises approximately 13,400 km of high-voltage transmission lines (energized at voltages up to 500 kV) and 310 substations in Alberta, together with other related assets and obligations
"**Transmission Facility Owner**" or "**TFO**"	Owner of a transmission facility (within the meaning of the *Electric Utilities Act*)
"***Transmission Regulation***"	The *Transmission Regulation*, A.R. 86/2007, under the *Electric Utilities Act,* as amended from time to time
"**Transmission Terms and Conditions**"	The terms and conditions approved by the AUC as part of AltaLink's tariff, upon which AltaLink provides transmission services to the AESO
"**Trustee**"	BNY Trust Company of Canada (successor to the BMO Trust Company), the trustee under the Indenture (and the various Series Supplements)
"**Twelfth Series Supplement**"	The twelfth Series Supplement dated August 18, 2010, whereby the specific terms and conditions of the Series 2010-2 Notes, the Series 2011-1 Notes and the Series 2012-1 Notes (in addition to the general terms governing all Bonds under the Indenture) are determined
"**Twentieth Series Supplement**"	The twentieth Series Supplement dated June 30, 2015, whereby the specific terms and conditions of the Series 2015-1 Notes, Series 2016-1 Notes and Series 2016-2 Notes (in addition to the general terms governing all Bonds under the Indenture) are determined
"**Twenty-first Series Supplement**"	The Series Supplement designated as the Twenty-first Series Supplement dated as of December 14, 2018, whereby the specific terms and conditions of the Series 21 Bond (in addition to the general terms governing all Bonds under the Indenture) are determined

"**Twenty-third Series Supplement**"	The Series Supplement designated as the Twenty-third Series Supplement dated as of September 11, 2020, whereby the specific terms and conditions of the Series 2020-1 Notes (in addition to the general terms governing all Bonds under the Indenture) are determined
"**Twenty-fourth Series Supplement**"	The Series Supplement designated as the Twenty-fourth Series Supplement dated as of November 28, 2022, whereby the specific terms and conditions of the Series 2022-1 Notes (in addition to the general terms governing all Bonds under the Indenture) are determined
"**Twenty-fifth Series Supplement**"	The Series Supplement designated as the Twenty-fifth Series Supplement dated as of October 11, 2023, whereby the specific terms and conditions of the Series 2023-1 Notes (in addition to the general terms governing all Bonds under the Indenture) are determined
"**Twenty-sixth Series Supplement**"	The Series Supplement designated as the Twenty-sixth Series Supplement dated as of May 22, 2024, whereby the specific terms and conditions of the Series 2024-1 Notes (in addition to the general terms governing all Bonds under the Indenture) are determined
"**Twenty-seventh Series Supplement**"	The Series Supplement designated as the Twenty-seventh Series Supplement dated as of March 11, 2025, whereby the specific terms and conditions of the Series 27 Bond (in addition to the general terms governing all Bonds under the Indenture) are determined
"**Units**"	The interests of the Limited Partner in AltaLink as represented by Units
"**WATL**"	The Western Alberta Transmission Line project, as more particularly described under "*MAJOR CAPITAL PROJECTS*" in the MD&A
"**2019-2021 GTA**"	AltaLink's General Tariff Application for AUC approval of AltaLink's requested revenue requirement for the 2019, 2020 and 2021 test years
"2020 DACDA"	AltaLink's Deferral Account Reconciliation Application for AUC approval of AltaLink's DACDA costs and reconciliation of other deferral accounts, primarily related to 2020
"2021-2022 DACDA"	AltaLink's Deferral Account Reconciliation Application for AUC approval of AltaLink's DACDA costs and reconciliation of other deferral accounts, primarily related to 2021 and 2022
"**2022-2023 GTA**"	AltaLink's General Tariff Application for AUC approval of AltaLink's requested revenue requirement for the 2022 and 2023 test years, and AUC approval of the 2020 DACDA
"**2024-2025 GTA**"	AltaLink's General Tariff Application for AUC approval of AltaLink's requested revenue requirement for the 2024 and 2025 test years, and AUC approval of the 2021-2022 DACDA
"2023 Negotiated Settlement Agreement"	The negotiated settlement agreement dated December 19, 2023, between AltaLink and various customer groups regarding the majority of the 2024-2025 GTA, which agreement was approved by the AUC on February 12, 2024 (Decision 28174-D01-2024)

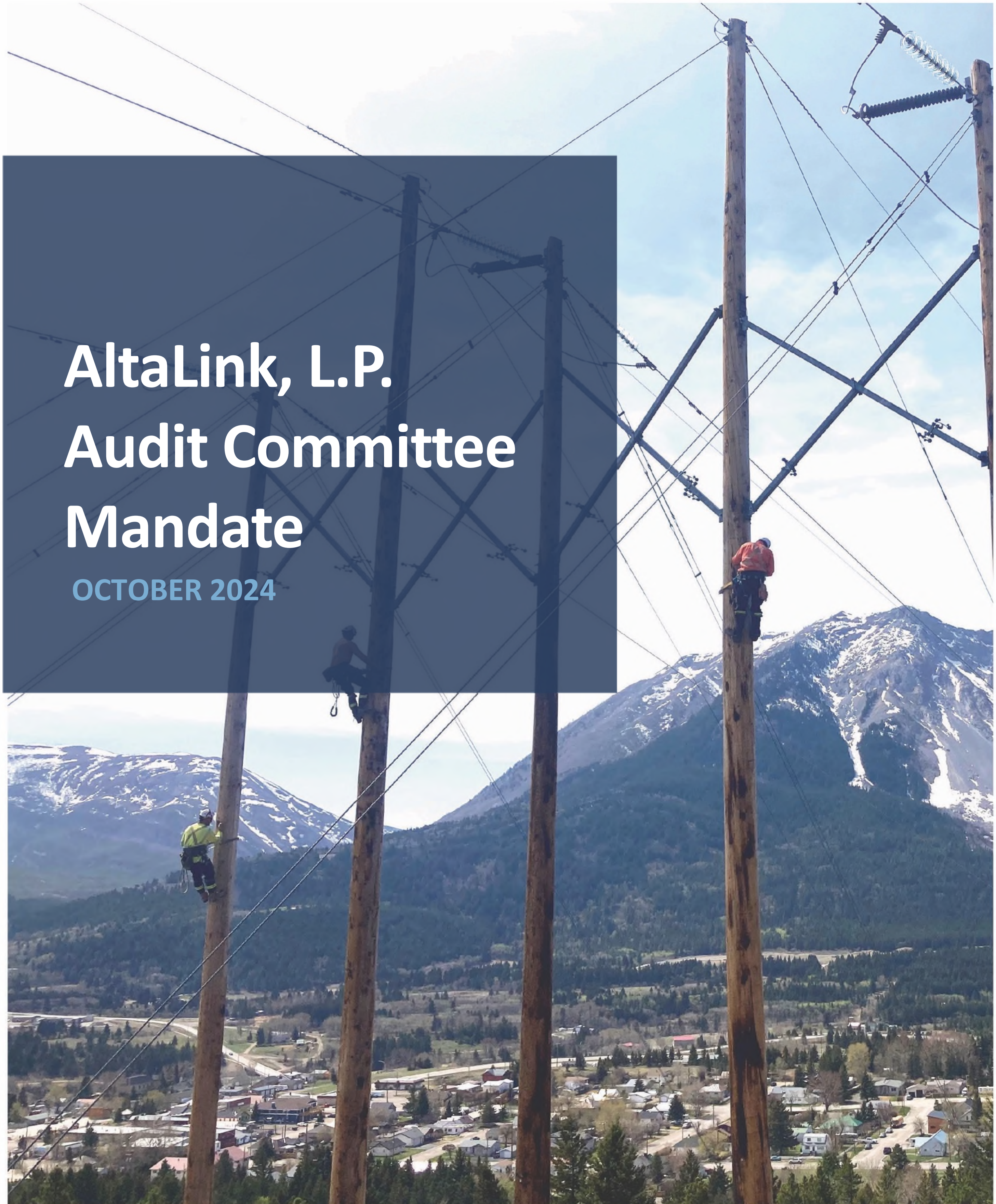
"**$75 Million Revolving Credit Facility**"	The revolving credit facility established pursuant to the fifth amended and restated credit agreement dated as of December 15, 2023, as amended, between AltaLink, the General Partner and The Bank of Nova Scotia, as lender and as agent for other lenders from time to time, that provides for certain revolving credit facilities (including letters of credit available for drawdown) in the aggregate maximum principal amount of $75 million
"**$150 Million Revolving Credit Facility**"	The revolving credit facility established pursuant to the credit agreement dated as of March 31, 2023, between AltaLink, as borrower, and AILP, as lender, providing for a revolving credit facility in the aggregate maximum principal amount of $150 million
"$500 Million Revolving Credit Facility"	The revolving credit facility established pursuant to the sixth amended and restated credit agreement dated as of December 15, 2023, as amended between AltaLink, the General Partner and The Bank of Nova Scotia, as lender and as agent for other lenders from time to time, that provides for certain revolving credit facilities in an aggregate amount of $500 million

APPENDIX A – AUDIT COMMITTEE MANDATE

(attached)

AltaLink, L.P. Audit Committee Mandate

OCTOBER 2024



ALTALINK
A BERKSHIRE HATHAWAY ENERGY COMPANY

Sustainable Electricity Leader
Chef de file en matière d'électricité durable

AltaLink's Audit Committee Mandate

The Audit Committee (Committee) of the Board of Directors (Board) of AltaLink Management Ltd. (operating as general partner on behalf of AltaLink, L.P.) has the oversight responsibility and specific duties described below.

Composition

The Committee will be comprised of at least three directors. All Committee members will be independent under the Categorical Standards for Director Independence (Categorical Standards) adopted by the Board and applicable law.

All Committee members will be "financially literate" or become financially literate within a reasonable period of time after being appointed. For the purposes hereof, "financially literate" shall mean the ability to read and understand a set of financial statements that present a breadth and level of complexity of the issues that can reasonably be expected to be raised by AltaLink's financial statements.

Committee members and the Committee Chair will be appointed and removed by the Board.

Responsibilities

The Committee's primary purpose is to assist the Board in fulfilling its oversight responsibilities with respect to (i) the quality and integrity of AltaLink's accounting and financial reporting processes, and their appropriateness in view of AltaLink's operations and current generally accepted accounting practices in Canada; (ii) the adequacy and effectiveness of management's system of internal controls and procedures through the development and oversight of the internal audit function; (iii) the relationship with the external auditors, including the audit of the financial statements and any other audit and permitted non-audit services provided by the external auditors; and (iv) the compliance with laws, regulations, and guidelines affecting AltaLink that relate to the duties and functions of the Committee

Specific Duties

The Committee will:

<u>Audit and Conduct Review Leadership</u>

1. Have a clear understanding with the external auditor that it is accountable to the Committee and must maintain an open and transparent relationship with the Committee.
2. Provide an avenue for communication between each of internal audit, external audit, Management and the Board.
3. Review, on a regular basis, AltaLink's Code of Ethics and Business Conduct and monitor compliance with the Code, including by granting and disclosing, or declining, any waivers for officers and directors. Any material conflicts of interest involving officers or directors should be referred to the Board and the Board Chair for consideration.
4. Ensure that procedures are in place for: (i) the receipt, retention, and treatment of complaints received by AltaLink regarding accounting, internal accounting and financial reporting controls, or auditing matters; (ii) the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.

Auditor Qualification, Compensation and Oversight

5. Evaluate the qualifications and independence of any proposed external auditor and recommend to the Board the appointment of the external auditor.
6. Review the basis and amount of the external auditors' fees in light of the number and nature of reports issued by the external auditors, the quality of internal controls, and the size, complexity and financial condition of AltaLink; and recommend to the Board the approval of the external auditor's compensation.
7. Review the audit plan of the external auditors to satisfy itself regarding appropriate coverage of risks, to understand the audit approach, including areas of reliance on internal controls, and to understand how changes in the accounting policies of AltaLink might impact the audit approach.
8. Oversee the audit and audit-related work performed by the external auditors, including the resolution of disagreements between AltaLink's Management and the external auditors regarding financial reporting.
9. Pre-approve all audit and non-audit services to be provided by the external auditor, and satisfy itself that the Committee receives regular updates of the services and fees being provided by the external auditor.
10. Review and satisfy itself, on a regular basis, as to the independence of the external auditor including reviews of any conflicts of interest and audit partner rotation. Take action to eliminate all factors that might impair, or be perceived to impair, the independence of the external auditor.
11. Inquire as to the reasons for any proposed change in the external auditor, including the response of the incumbent external auditor.
12. Review and approve AltaLink's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor.

Audit and Financial Reporting

13. Review with Management, the external auditor and, if necessary, with internal or external legal counsel, any litigation, claim or other contingency which could have a material effect upon the financial position or operating results of AltaLink, and the manner in which these matters have been disclosed in the financial statements.
14. Review AltaLink's interim and annual financial statements to determine whether such financial statements are, in all material respects, complete, accurate, and in accordance with IAS 34, Interim Financial Reporting and International Financial Reporting Standards, respectively; and recommend such financial statements and related MD&A to the Board for approval.
15. Review all annual and interim press releases relating to AltaLink's financial statements prior to their dissemination to the public.
16. Review with Management and the external auditor: (i) any material changes in accounting practices or policies and the financial statement impact thereof; (ii) any major areas of management judgment estimates that have a significant effect on the financial statements; (iii) any disagreements between the external auditor and Management; (iv) the methods used to account for significant or unusual events or transactions; and assess the impact of such changes or developments on interim and annual financial reporting. Management is responsible for advising the Committee of any such changes or developments to enable the Committee to fulfill this function.
17. Review the form of audit report and the audit results with the external auditor, and Management's proposed handling of audit adjustments.

18. Ensure that adequate procedures are in place for the review of AltaLink's public disclosure of information extracted from the financial statements, and periodically assess the adequacy of those procedures.

Internal Control Processes

19. Review with Management, internal audit and the external auditor, as necessary, AltaLink's internal controls over financial reporting, any significant deficiencies or material weaknesses in their design or operation, any proposed major changes to them, and any fraud involving Management or other employees who have a significant role in AltaLink's internal controls over financial reporting.
20. Review the audit plans of the external auditors and the internal auditors, and consider the extent to which the planned audit scope can be relied upon to detect weakness in internal control or fraud or other illegal acts.
21. Review any major issues regarding the adequacy of AltaLink's internal controls and the actions being taken in light of any material control deficiencies identified by the external auditors, the internal auditors, third party consultants, or Management, and Management's response thereto.
22. Review with Management, internal audit and the external auditor, as necessary, the methods used to establish and monitor AltaLink's policies with respect to unethical or illegal activities by employees that may have a material impact on the financial statements.
23. Oversee the investigation of alleged fraud, illegal acts, and conflicts of interests, which are referred to the Committee in accordance with AltaLink's Code of Ethics and Business Conduct, AltaLink's Corporate Accountability Policy, or otherwise.
24. Review AltaLink's annual Inter-Affiliate Code of Conduct compliance report and make any resulting recommendations that the Committee determines are appropriate.

Internal Audit

25. Discuss with the Chief Audit Executive and senior management the appropriate authority, role, responsibilities, scope, and services of the internal audit function.
26. Ensure the Chief Audit Executive has unrestricted access to and communicates and interacts directly with the Committee, including in private meetings without senior management present.
27. Review, on a regular basis, and approve any changes to AltaLink's Internal Audit Charter, which includes the internal audit function's mandate, and the scope and types of internal audit services.
28. Review and approve the scope of the internal audit function's annual audit plan for the year, which includes the function's human resources plan and budget.
29. Receive periodic reports from the Chief Audit Executive addressing: (i) progress in implementing the internal audit function's annual audit plan, including any significant changes to it; (ii) significant internal audit findings and recommendations, including issues as to the adequacy of internal controls over financial reporting and any procedures implemented to eliminate significant control deficiencies; (iii) any significant internal fraud issues; (iv) whether the internal audit function has had full access to AltaLink's books, records and personnel; (v) management's progress in implementing procedures to eliminate significant control deficiencies; (vi) the qualifications, independence and sufficiency of the internal audit resources; and (vii) any other activities undertaken by the internal audit function.

30. Ensure both an internal and external quality assurance and improvement program has been established and review the results on a regular basis.
31. Review and approve the audit plan, results, and remediation action plans from the external assessment, to be conducted at least every five years.
32. Review, on a regular basis, and approve the internal audit function's performance objectives.
33. Approve the appointment and removal of the Chief Audit Executive.

Financial Management and Transactions

34. Review, on a regular basis, AltaLink's Financial Authorities Policy, and recommend to the Board the approval of any changes to the Financial Authorities Policy.
35. Review, and recommend to the Board for approval, each proposed distribution to be declared considering the solvency requirements set out in AltaLink's Capital Markets Platform.
36. Review, and recommend to the Board for approval, any proposed material issues of debt including public and private debt, credit facilities with banks and others, and other credit arrangements such as capital and operating leases.
37. Receive quarterly reports on AltaLink's compliance with applicable legislation relating to employee deductions, withholdings and remittances, payment of GST and the payment of employee wages, and report to the Board on the status of such matters.

Risk Management

38. Review the processes Management uses to: identify risks and opportunities; to assess exposure to such risks; and to treat such risks where appropriate.
39. Receive reports from Management with respect to risk assessment, risk management and major financial risks. Discuss major financial risks and steps Management has taken or intends to take to assess and treat such risks.

Information/Operational Technology

40. Review the work plan and progress on implementation of major information/operational technology and security initiatives and satisfy itself as to the adequacy of the information/operational system performance, security and integrity.

Committee Governance

41. Review and assess on a regular basis, with the assistance of the Human Resources and Governance Committee (HRG Committee), the adequacy of the Committee's Mandate.

Meetings and Reporting

The Committee will meet at least four times annually and as many additional times as needed to carry out its duties effectively. The Committee will meet separately from Management at each regularly scheduled meeting, and may meet in closed sessions with any internal personnel or outside advisors, as needed or appropriate. The Committee will meet privately with the external auditors and the head of internal audit on a regular basis.

A quorum at any meeting of the Committee will be a simple majority. The powers of the Committee may be exercised at a meeting where quorum is present or by resolution signed in writing by all members of the Committee entitled to vote on that resolution at a meeting of the Committee.

The Committee will report regularly to the Board on the activities, findings and recommendations of the Committee.

Authorities

The Committee will be permitted access to all records and corporate information that it determines to be required in order to perform its duties. The Committee will also have access to the employees and management of AltaLink, and may invite employees, management or any other person to attend meetings of the Committee to assist in the discussion and examination of the matters under consideration by the Committee.

The Committee may conduct such examinations, investigations or inquiries, as may be required in connection with the Committee's responsibilities, and will have the sole authority to retain, oversee, compensate and terminate independent counsel and other advisors to assist the Committee in its activities.

The Committee will receive adequate funding from AltaLink for independent advisors and ordinary administrative expenses that are needed or appropriate for the Committee to carry out its duties.

Approved: October 28, 2024