





TOMAHAWK SALES PURCHASE OFFER UPDATE

FortisAlberta Provides Update Regarding TOMAHAWK REA SALES Purchase Offer

FortisAlberta shared in a newsletter update to Tomahawk REA members just over a year ago that the company would follow up in November 2020 with another update on Tomahawk REA Board's request for an offer to purchase its distribution assets from FortisAlberta.

At that time, FortisAlberta was not in a position to make an offer as we were engaged in various regulatory proceedings as a regulated utility before the Alberta Utilities Commission with respect to offers to purchase distribution utility assets that we previously made. As well, the COVID restrictions placed on gatherings prevented FortisAlberta from presenting the proposal to the Board and the membership in face-to-face meetings.

With a new year and some of the outstanding regulatory proceedings resolved, FortisAlberta is pleased to share that it has re-established discussions to assist the Tomahawk REA Board with a sales purchase offer. FortisAlberta is committed to present this offer in a presentation meeting to the Board by mid-July 2021, at which time your Board of Directors will review the offer for fairness and reasonableness.

Both FortisAlberta and the Tomahawk Board of Directors acknowledge the challenges that virtual meetings present in our current COVID environment. With a decision of this magnitude and in the best interests of membership, both parties are committed to hosting an easily accessible, in-person open house to present any offer properly and fully to membership for a sales vote. The timing of this step will be dependent on the provincial COVID restrictions in place. Therefore, FortisAlberta and the Tomahawk REA Board will review the restrictions over the next six months and at that time, work together to arrive at an acceptable presentation plan to accommodate all Tomahawk REA members while keeping safety top of mind.

We are honoured that you as a membership have made the decision to ask your Board for sales proposal and we would welcome the opportunity to have Tomahawk REA members join the FortisAlberta family. We appreciate your patience as we move through these uncertain times and we look forward to working with you.

In the meantime, if you have any questions, please direct them to your Board. FortisAlberta has provided them with a direct contact who can quickly respond to any questions you may have.

TOMAHAWK REA WILDFIRE DAMAGES



TOMAHAWK REA WILDFIRE DAMAGES

While the wildfire destroyed 2200 hectares in the Parkland County zone, the Tomahawk REA was extremely fortunate to only experience major damage to four of our service sites. Sadly, at one of those sites, the member lost his entire farm. Our thoughts and hearts go out to him and his at this time!

We cannot express how thankful we are to Parkland County, the emergency crews, and all the firefighters that battled the fire and prevented all the other homes from being lost. Many members lost outbuildings and fencing but their homes were spared. A Big Thank You as well to all the volunteers and the community who stepped up and assisted in evacuating people and animals from the fire zone and ensuring that everyone was looked after.

We are also so grateful and proud of our Battle River team! They were amazing! Many of them spent very long days to make sure that all our members had power, and our facilities were rebuilt quickly and efficiently.

While our Battle River Vegetation Crew was out removing some

severely burnt trees so they didn't fall into the power lines, a fire reignited. The crew got out just in time and called in the water bomber, and undoubtedly stopped a much bigger blaze from ensuing!

Battle River communicated with us every step of the way and ensured we knew exactly what was going on and what needed to be done.

I was fortunate enough to get a tour through the damaged areas by the Battle River Operations Manager and was a bit dumbfounded by the paths the fire chose to take. There seemed to be no rhyme or reason as to why one power pole was completely burnt and the one right beside it untouched or how the power pole was burnt but the area around it untouched! It is also truly amazing how fast nature is rebuilding itself. There are areas where the grass is so green and lush if you did not know there was a fire there, you would not be able to tell without getting up close.

Taken from the Parkland County Website: "The fire remains 100% contained, however it did make its way into the ground in an area that is predominantly peat moss. This

type of fire can take weeks and sometimes months to fully extinguish. To protect the area, Parkland County is working with a private contractor to monitor and extinguish hot spots. Structural protection sprinklers will be installed to protect buildings within the fire zone that can be activated when required. As the peat moss burns. there will be times where smoke will be visible in the local area and may impact visibility for drivers on local roadways. Residents should report any fires they see, even if it is in a burned out area. Fire Services will respond to determine the appropriate response at that time."

Parkland County has applied for the Disaster Recovery Program and if approved, the TREA will submit a Statement of Loss and Damage Application to try and recoup 90% of the cost.

If you have experienced uninsurable loss and damage as a direct result of the disaster, you may be eligible to receive assistance as well. Please visit the government website at: https://www.alberta.ca/disaster-recovery-programs.aspx.

HIGH ENERGY CHARGES

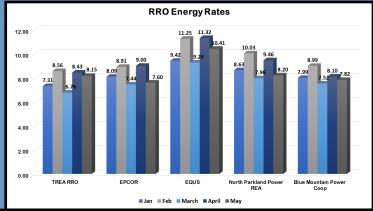
February experienced brutal energy prices from AESO with the average cost for Regulated Rate Option (RRO)at \$0.169684 per kWh, almost double the RRO rate for our area. Our understanding from AESO is that the cold weather caused higher natural gas prices for generation, and in the third week of February there was an event where all the renewable energy sources went down almost instantly causing an immediate 10% gap in the energy needed and that generated.

The colder weather increased member served consumption on average by 23% compounding the loss.

Response from AESO on High Energy Prices

- For the last 6-7 years there has been an over supply of generation
- All PPAs have expired now and the commercial enterprises are selling MWhs and it is not flowed through the Balancing Pool
- Market is being the market supply and demand, where supply has dwindled

- Cold and weather related events increased demand
- We will now be going into a period of plants shutting down for maintenance
- Additional generation will be coming on as prices and demand dictates
- The trend will continue into the foreseeable future!



BRPC OUTAGE APP

Battle River Power Coop Launches

OUTAGE APP



Tomahawk REA is included in Battle River's outages, and TREA members can see and report outages through the app!







Tips for Summer Power Outages

- First, check whether the power outage is limited to your home. If your neighbours' power is still on, check your own circuit breaker panel or fuse box. If that's not the problem, check the service wires leading to the house. If they are obviously damaged or on the ground, stay at least 10 meters back and notify Battle River Power Coop immediately at 1-877-428-3972.
- If your neighbours' power is also out, notify Battle River Power Coop at 1-877-428-3972 or use the outage app on your phone.
- Turn off all tools, appliances and electronic equipment, and turn the thermostat(s) for the home heating system down to minimum to prevent damage from a power surge when power is restored. Also, power can be restored more easily when there is not a heavy load on the electrical system.
- Turn off all lights, except one inside and one outside, so that both you and crews outside know that power has been restored.
- Don't open your freezer or fridge unless it is necessary. A full freezer will keep food frozen for 24 to 36 hours if the door remains closed.
- Never use charcoal or gas barbecues, camping heating equipment, or home generators indoors. They give off carbon monoxide.
 Because you can't smell or see it, carbon monoxide can cause health problems and is life-threatening.
- Use proper candle holders. Never leave lit candles unattended and keep out of reach of children. Always extinguish candles before going to bed.
- Listen to your battery-powered or crank radio for information on the outage and advice from authorities.
- Make sure your home has a working carbon monoxide detector.
- Protect sensitive electrical appliances such as TVs, computer, and DVD players with a surge-protecting power bar.

The Tomahawk REA office has moved!

The new location is 5136 54 St. We request you call ahead if you plan on stopping by.

Tomahawk REA has lowered it's Idle
Distribution Fees to a flat rate of \$40.00. It
will no longer be based on your kVa size.

Note to All Members

All members are free to purchase electricity services through TREA's regulated rate tariff or from a retailer of their choice. The delivery of electricity to you is not affected by your choice. If you change who you purchase electricity services from, you will continue receiving electricity from TREA. For a current list of retailers you may choose from, visit http://www.ucahelps.alberta.ca or call 310-4822 (toll free in Alberta).