



Our commitment.

TransAlta is committed to being a good neighbour and building long-term relationships with the community. A comprehensive public consultation program has been developed to provide opportunities for area residents, businesses and First Nations to learn more about the proposed Pocaterra penstock upgrade and provide feedback to TransAlta.

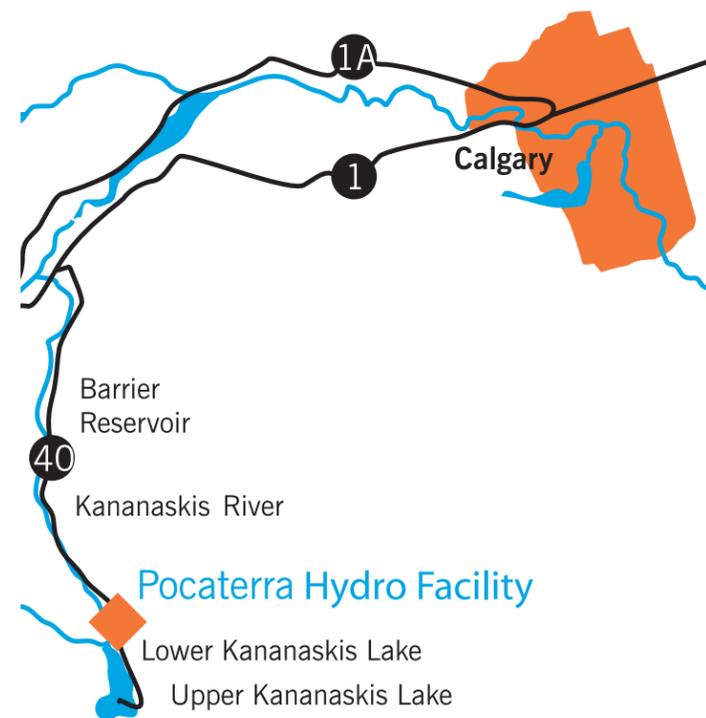
For further information on the Pocaterra penstock upgrade contact us at

1-877-547-3365 ext. 1 or Pocaterra@transalta.com



A century developing renewable power.

Starting with our Horseshoe Hydro Facility, TransAlta has been developing and operating renewable power for almost a century. We plan to continue along this path dedicating the majority of planned growth capacity to renewable power and maintaining a singular focus on generation to satisfy the growing demand for clean, reliable and competitively priced electricity. Learn more at transalta.com.



The Pocaterra Hydro Facility is one of TransAlta's three hydro plants on the Kananaskis River. Pocaterra generates power by diverting water from the Lower Kananaskis Lake to turn a turbine. The water is all returned to the Kananaskis River downstream of the facility.

Community Update.



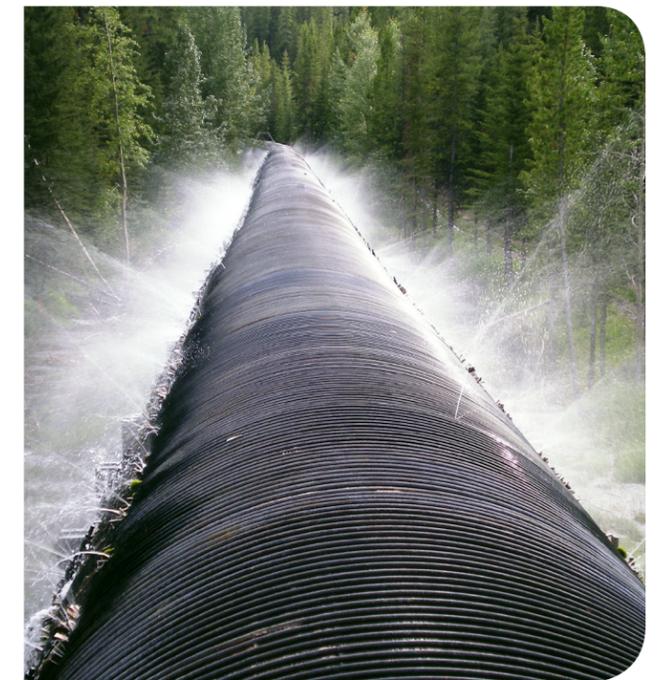
Pocaterra Hydro Facility.

TransAlta Corporation is proposing to complete major maintenance at the Pocaterra Hydro Facility (Pocaterra), located in Peter Lougheed Provincial Park. Key to Pocaterra's generating process is the diversion of water from the Lower Kananaskis Lake through a pipe, also known as a penstock. Constructed in 1955, the penstock is leaking at numerous locations.

In 2010 TransAlta contracted an engineering firm specializing in hydroelectric construction and maintenance to complete an investigation of the facility and upgrade options. Detailed engineering is now being completed on our preferred option.

A comprehensive public consultation program has been developed to provide opportunities for area residents, businesses, recreational users and First Nations to learn more about the Pocaterra penstock replacement and provide feedback to TransAlta.

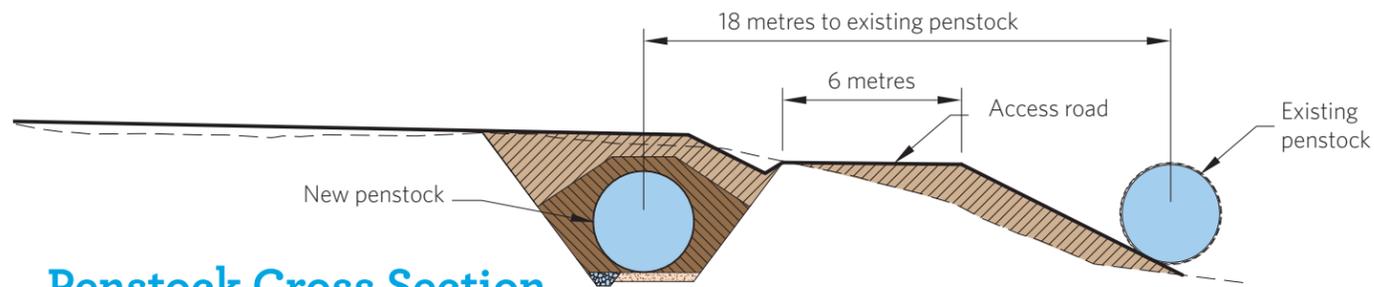
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Preferred option for Pocaterra Penstock Upgrade.

TransAlta is proposing to bury the Pocaterra penstock as part of the upgrade project. Removing the above-ground penstock will eliminate a barrier to wildlife and reduce the visual impact of the facility.

- Replacement of the 1.37 km wood stave penstock with either steel or glass reinforced plastic pipe
- Burying the new penstock (the existing penstock is above-ground) reducing the visual impact of the facility and long-term maintenance costs
- Construction of the new penstock adjacent to existing infrastructure, reducing impacts to the downstream environment and water users, as well as reducing the duration the facility would be unavailable to generate electricity



Penstock Cross Section

Environment.



TransAlta is fully committed to designing and constructing our projects to meet or exceed all federal and provincial environmental requirements. We have engaged independent environmental consultants to study the potential impacts of the project to:

- Aquatics and fish
- Terrestrial and animals
- Vegetation
- Water levels

Open House.

Learn more about the Pocaterra penstock upgrade project at our open house.

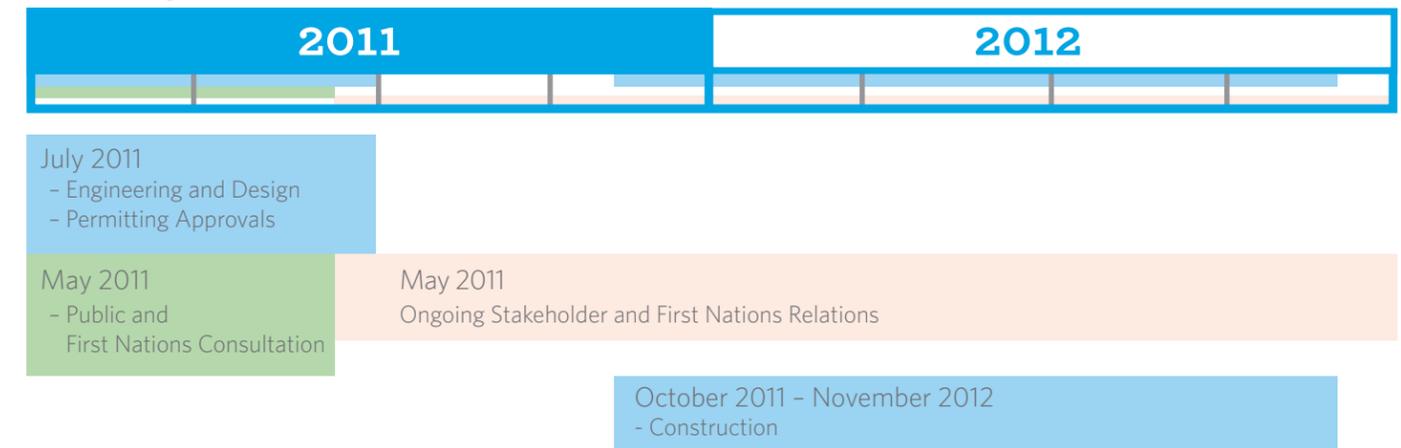
- Date:** Saturday, April 9, 2011
Time: 10:00 am to 2:00 pm (drop-in)
Location: Boundary Ranch

15 minutes south of Hwy #1 on the Kananaskis Trail (Exit 118, Hwy. 40)

If you are unable to attend or for further information, contact us at **1-877-547-3365** ext. 1 or **pocaterra@transalta.com**

TransAlta

Project Timeline.



Partnering to protect our waterways.



At TransAlta, we are proud of our history as a leader in providing reliable power and of our track record in helping develop solutions to limit the environmental impact of generating that power. On the Pocaterra project we will be working closely with federal and provincial regulators to develop management plans which will minimize the impacts of construction on aquatic and terrestrial resources.

TransAlta works closely with government and environmental organizations to develop innovative strategies for habitat preservation and enhancement. For instance, as part of a maintenance project at our Cascade Plant within Banff National Park, we worked closely with Parks Canada and Fisheries and Oceans Canada to develop a plan to offset potential fish habitat loss that may have occurred during previous maintenance. "This habitat compensation project resulted in three areas of fish and benthic invertebrate habitat enhancement. All work was completed by hand and walk-in access to minimize any additional environmental impacts", explained TransAlta Environmental Specialist Glenn Isaac.

In 2008, TransAlta partnered with Lewis County in Washington to construct three fish passage enhancements on two waterways. Part of TransAlta's operating permits to mitigate impact to area wetlands resulting from mining activities, final restoration of the sites was completed

in 2009. This project resulted in the establishment of about 15 kilometres of salmon spawning habitat.

Earlier this year, as part of the Wabamun decommissioning project, TransAlta donated 19 acres of land, adjacent to the Wabamun water inlet channel, to the Alberta Fish and Game Association Wildlife Trust Fund. TransAlta's donated acreage is adjacent to land currently protected by the Wildlife Trust Fund that, along with other wetland residents, is a unique breeding habitat for the eared and western Grebe population in the area. These Grebes, particularly the western Grebe, are considered to have a precarious future and their survival depends on factors including habitat protection and conservation. TransAlta's donation will help contribute to the survival of this species, increasing the nesting colony area of what is western Canada's largest Grebe habitat.

Learn more about our commitment to the environment at transalta.com/sustainability.