



Scotia Capital's Electron Day Conference

November 15, 2007

Ready

Strong business model.

Diversified generating assets.

Technical and commercial expertise.

Environmental leadership.

Financial discipline.

Don Wharton

Vice President,

Sustainable Development

Forward looking statements

This presentation may contain forward-looking statements, including statements regarding the business and anticipated financial performance of TransAlta Corporation. All forward-looking statements are based on our beliefs and assumptions based on information available at the time the assumption was made. These statements are not guarantees of our future performance and are subject to a number of risks and uncertainties that may cause actual results to differ materially from those contemplated by the forward-looking statements. Some of the factors that could cause such differences include cost of fuels to produce electricity, legislative or regulatory developments, competition, global capital markets activity, changes in prevailing interest rates, currency exchange rates, inflation levels, unanticipated accounting or audit issues with respect to our financial statements or our internal control over financial reporting, plant availability and general economic conditions in geographic areas where TransAlta Corporation operates. Given these uncertainties, the reader should not place undue reliance on this forward-looking information, which is given as of this date. The material assumptions in making these forward-looking statements are disclosed in our 2006 Annual Report to shareholders and other disclosure documents filed with securities regulators.

Unless otherwise specified, all dollar amounts are expressed in Canadian dollars.

Outline

- TransAlta Overview
- Our View of Renewables
- Implications of Environment Policy

Canada's leading wholesale power generator and marketer

QUICK FACTS

Listed: TSX:TA / NYSE: TAC

Enterprise Value: \$9.2 B

Market Cap: \$6.7 B

Crediting Rating: BBB/Baa2

Installed Capacity: 8,500 MW

Operating regions: four

Employees: 2,100

History:

1907 - 1999 - integrated utility

2000 - 2003 - unbundling of retail and distribution

2001 - Alberta power industry deregulation

2004 to present - competitive wholesale generator



Environmental Credentials

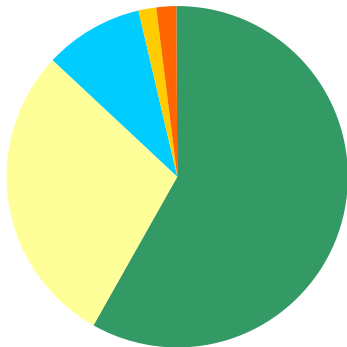
- Leading Canadian wind generator
- Only non-US company with GreenE certification
- Dow Jones Sustainability Index
- Canadian climate leader in global Carbon Disclosure Project
- Early mover in carbon trading

Generation Facilities Owned

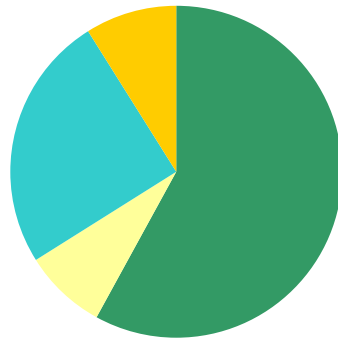
● Coal-fired plants	4,942 MW
● Coal-fired plants (IN DEVELOPMENT)	225 MW
● Hydro plants	807 MW
☀ Gas-fired plants	2,464 MW
⚙ Wind-powered plants	152 MW
⚙ Wind-powered plants (IN DEVELOPMENT)	96 MW
◆ Geothermal plants	163 MW
■ Corporate offices	
△ Energy Marketing offices	

Unique, diversified, highly contracted portfolio

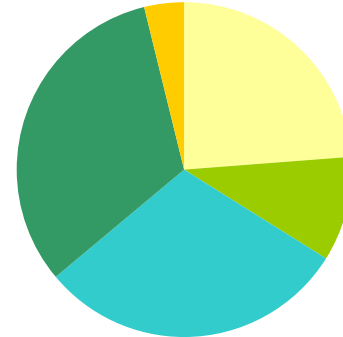
Fuel Diversification¹



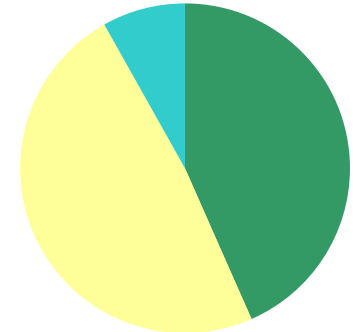
Geographic Diversification¹



Fleet Age²



Contract Cover³



■ Coal
■ Hydro
■ Geothermal
■ Gas
■ Wind

■ W. Canada
■ E. Canada
■ U.S.
■ Mexico & Australia

■ 0-5
■ 16-30
■ > 40 yrs
■ 6-15
■ 31-40

■ AB PPA
■ Contracted
■ Spot Sales

1. Calculation based on MW ownership at Sept. 30, 2007. Net capacity equals ~8,500 MW
2. Based on date of commissioning and percentage ownership at Sept. 30, 2007
3. Based on % of MW capability contracted at Sept. 30, 2007

PPA- A long term arrangement established by regulation for the sale of electricity energy from formerly regulated generating units to PPA buyers

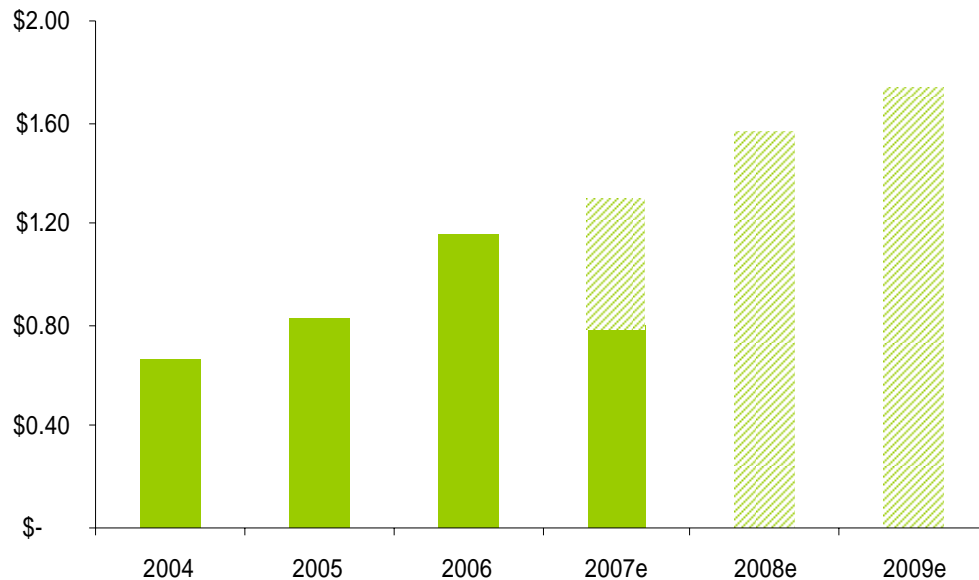
Contracted- Any forward sale transacted prior to entering the delivery month

Spot- Un-contracted at this point in time

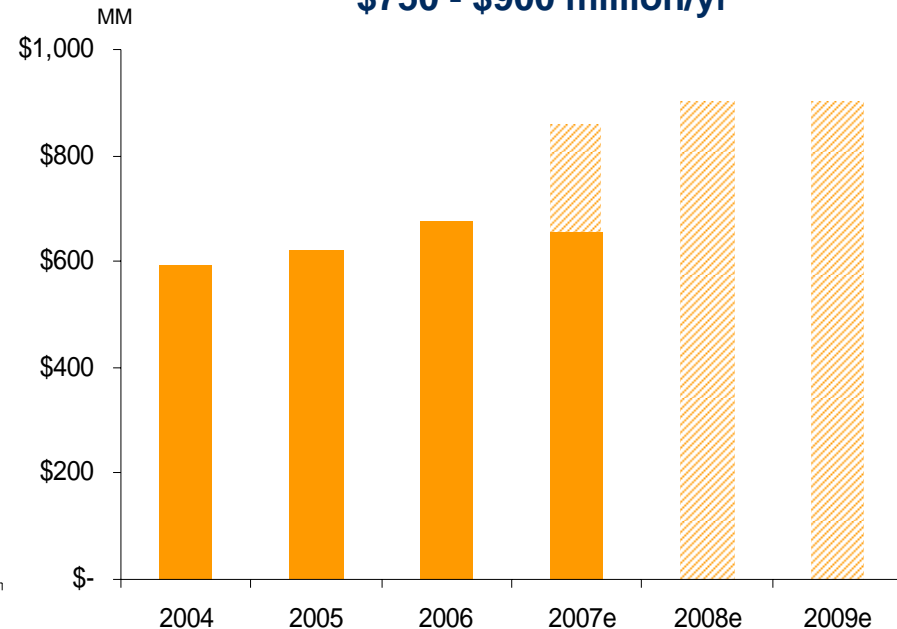
Positioned to deliver double digit EPS and cash flow growth 2007- 09

Expectations of higher prices in Alberta and PNW, and increased production at Centralia drive growth in EPS and cash flow estimates

Consensus comparable EPS growth estimates



Cash flow from operations estimates \$750 - \$900 million/yr



1. 2006 CF includes \$185 million receivable received on Jan. 2, 2007 due to timing of collection of November sales

Capital allocation plan balances near- and long-term shareholder value creation

Growth plans and share buyback guided by commitment to maintain investment grade credit metrics

Alternatives	Direction	Action
Debt repayment	Sustain financial flexibility and solid investment grade ratios	<ul style="list-style-type: none"> • BBB/Baa2 ratings • Extended \$1.5 billion committed bank line for 5 yrs
Reinvest	Target of 5% per year (~400 MW) with mix of: Greenfield @ 9 – 15% IRR Brownfield @ 15%+ IRR Acquisition @ 9 – 12% IRR Divestiture of non-core assets	Announced \$1.0 billion to date <ul style="list-style-type: none"> • 225 MW Keephills 3 \$780 MM¹ • 96 MW Kent Hills \$170 MM • 53 MW Sun 4 uprate \$ 55 MM Targeting W. U.S. and W. Canada TBD
Dividend	Provide shareholders yield	Board dividend policy TBD
Share buy-back	Provide shareholders incremental return of capital	<ul style="list-style-type: none"> • NCIB expanded to 10% • 903,600 purchased YTD at ~\$29.65

1. Keephills 3 estimate corrected; \$870MM previously printed was due to error in transposed value

Renewable generation portfolio = >400 MW

OPERATIONS

Wind = 152 MW
Alberta



CONSTRUCTION

Kent Hills, NB

96 MW

25-year PPA w/ NB Power

Est. \$170MM capital investment

Construction start: Q1 2008

Commercial start: Q4 2008

DEVELOPMENT

Alberta = 119 MW

Ontario = 149 MW

Options on acreage

Critical success factors:

- Transmission
- Environmental regulations
- RECs or offsets value

Proven reserves = ~ 900 MW

Critical success factors:

- Transmission
- Adequate return vs. escalating development cost (\$4,000/Kwh)
- Regulatory permits
- Long-term off-take agreements

Geothermal = 163 MW
Salton Sea, California



Learnings & renewable positioning

We know the renewable business

After 15 years in the wind and other renewables business, TransAlta has:

- Learned what real production, revenue, capital and maintenance looks like
- Sharpened forecasting based on backcasting analysis
- Understood technology performance potential and limitations
- Established relationships with suppliers, regulators, landholders incl. First Nations
- Linked operations with trading floor – energy, REC's, and emission offsets
- Built a reputation for delivering projects
- Learned how to build at better than industry costs per MW

TransAlta's perspective on renewables

Positives

Industry

- Capacity growth
- Transmission growth – 1st in 10-yrs
- Real rising prices – 1st in 10-yrs

Renewables

- Renewable portfolio standards and targets in 10 provinces and 22 states
- Allows more incremental build and geographic distribution
- Faster on-stream
- Approvals and permits faster
- Encouraged by environmental legislation
- Potential source of emission credits

Challenges

Industry

- Strengthening regulatory oversight
- Environmental uncertainty
- Technology uncertainty
- Volatile natural gas prices
- Asset cycles vs. credit cycle

Renewables

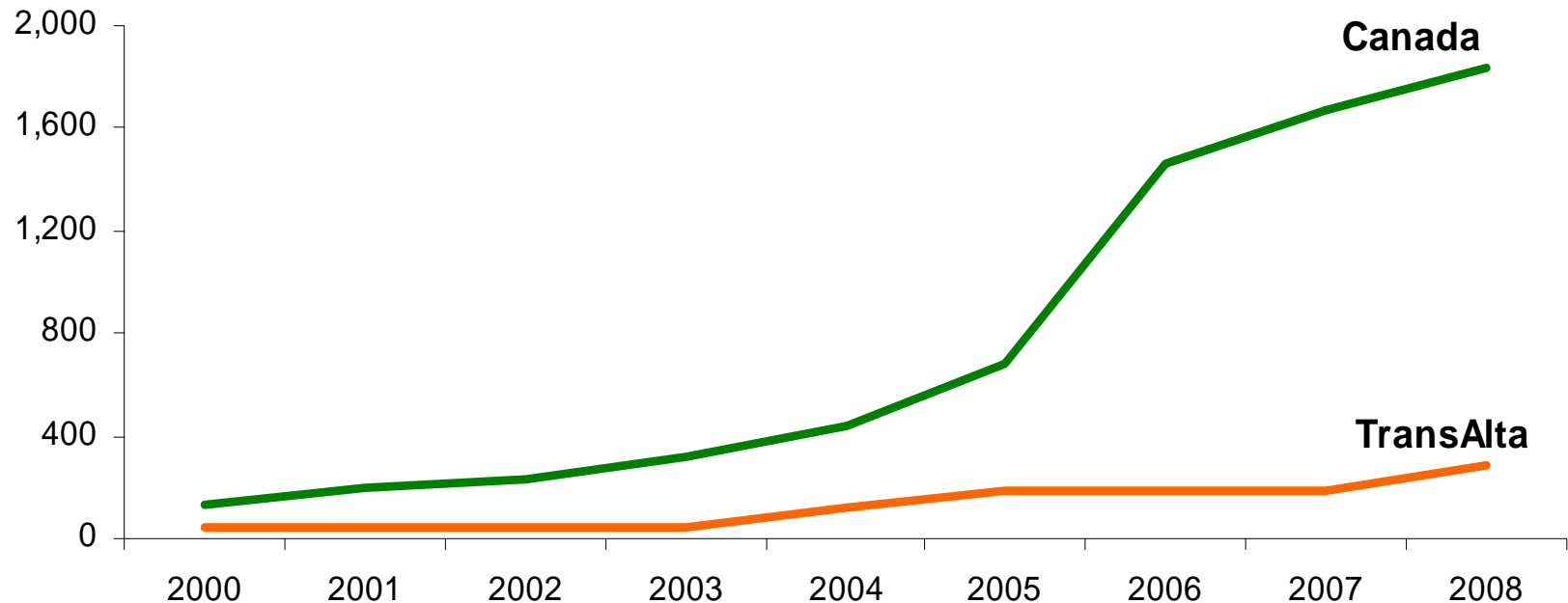
- Transmission issues
- Financial returns
- Capacity factors
- Equipment supply
- Regulation and permitting

TransAlta remains a large wind player

TransAlta represents about 15% of Canada's wind generation capacity.
Growth potential for wind globally is 30% per year.

Wind Generation Capacity in Canada

MW's installed or
under construction



Three evolving renewable markets



Green Power

- Plays in the voluntary market
- Environmental attributes bundled
- Variable margins & demand
- Has provided LTC in past

Renewable Energy Certificates

- Plays in the evolving Renewable Portfolio Standard (RPS) market
- Expect strong demand as RPS expands

Emission Offsets

- Plays in the GHG regulatory market
- Value defined by regulations – either as an offset or as reduction to compliance obligation

Expect a fluid price dynamic and continuously changing value assessments

Evolving emissions frameworks

Canada and U.S. emissions regulations are going to get messier before they get clearer

State & Provincial Balkanization

Alberta

California

BC

NE States

Ontario

Etc.

Federalization

Cdn GHG Regs in 2010
Air Pollutants in 2015

US GHG regs in 2012?
Continued ratchet on air
pollutants

Int'l Coordination?

Same stds
Int'l emissions
trading
Common
airsheds

Electricity sector – state of emissions regulations



GHG

- Alberta - Reduction of 12% from baseline 2003-05 **NOW**
- Federal plans for implementation in 2010
 - Baseline of 2006
 - Existing plants: 18% by 2010 + 2% / yr 'til 2020
 - New plants: 3 yrs at zero, then + 2% / yr 'til 2020
 - 2020: 20% absolute reduction
 - Compliance options:
 - Own reductions
 - Technology fund: \$15-20/t ending in 2018
 - Int'l offsets: limited to 10%
 - Domestic offsets

Federal Air Pollution Targets

- Expect clarity in mid 2008
- Implementation most likely in 2015
- Levelized cost implications less than GHG's but capital requirements could be material

Mercury

- Sector largely has mercury already under control



GHG

- California and NE States (RGGI) initiatives leading on GHG's
- Federal GHG regulations are increasingly apparent
 - Expected date in 2008, with 2012-13 implementation
- Cost impacts lower than Canada on GHG's

Federal Air Pollution Targets

- US Clean Air Interstate Rule (CAIR) effective in 2010 for power generators in the East
- West: expected in 5+ years

Mercury

- Reduction of 70-90% in two phases 2010 and 2018

How is TransAlta positioned to respond?



Summary

- We are an experienced and profitable player
- We know what we are doing
- We have and continue to shape policies
- We are ready for this future

APPENDIX

Sustainable shareholder returns in a long-cycle, capital intensive, commodity power industry

Shareholder Value Proposition

Exposure to Growing Power Markets

Good assets in growing markets

Low to Moderate Risk Business Model

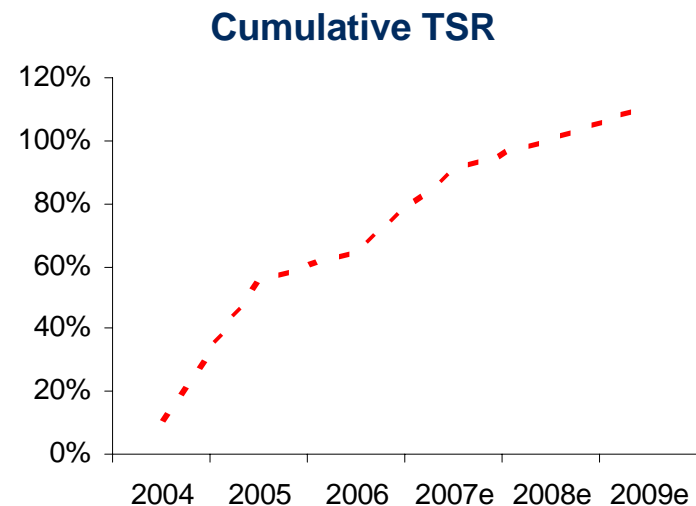
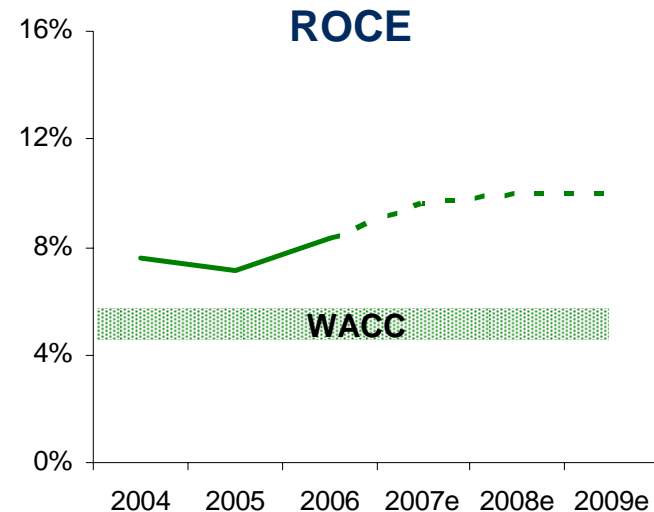
Diversified fleet
Mix of contracts
Operational excellence
Portfolio management
Environmental leadership

Yield & Growth

Dividend + earnings growth

Financial Flexibility

Strong balance sheet
Good liquidity
Solid investment grade credit ratios
Stable investment grade ratings



Regional Portfolio as of Sept. 30, 2007

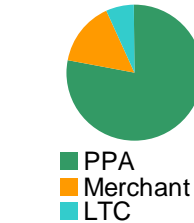
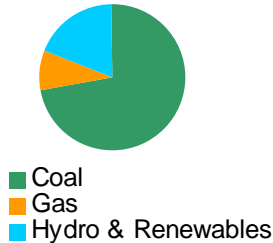
Fuel Diversification

Contract Cover

Market Portfolio

Western Canada

4, 937 MW

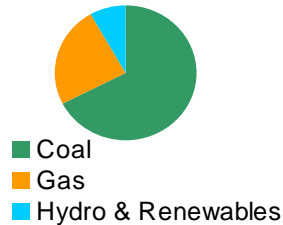


Alberta:

- Small deregulated market, limited transmission access
- Market Size of Supply = 11,600 MW
- Projected demand growth = 2.8%
- Reserve margin = 9.8 % incl. imports & hydro
- Dominate generation type = coal
- Growth drivers: oilsands, regional economic expansion

U.S.

2, 083 MW

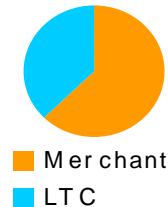
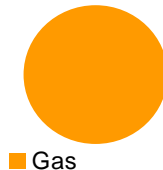


Dominated by Centralia in Pacific Northwest

- Large, hybrid market, linked to Cdn and WECC markets
- Market Size of Supply = 42,300 MW
- Projected demand growth = 1.7%
- Reserve margin = 21.7% (normal hydro)
- Dominate generation type = hydro
- Growth drivers: economic expansion, renewable mandates

Eastern Canada

697 MW

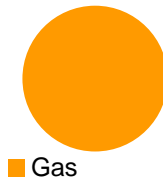


Ontario

- Large, managed market
- Market Size of Supply = 30,600 MW
- Projected demand growth = 1.0%
- Reserve margin = 19.0%
- Dominate generation type = nuclear
- Growth drivers: replacement of coal generation, demand for energy, capacity and ancillary services

International

811 MW



Australia:

- Small, regulated market
- Market Size of Supply = 3,800 MW
- Projected demand growth = 2.6%
- Reserve margin = 13.0%
- Dominate generation type = coal
- Growth drivers: Asian industrial growth driving mine expansions

Mexico:

- Large, fully regulated market
- Market Size of Supply = 49, 209 MW
- Projected demand growth = 4.9%
- Reserve margin = 18.0%
- Dominate generation type = natural gas and fuel oil
- Growth drivers: economic expansion

Total 8, 528 MW*

*Based on net ownership interest which includes Sun 4 uprate

Earnings segmentation – Q3 2007 YTD

Revenue

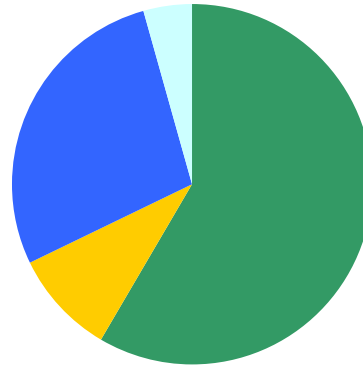
\$1, 992 million



■ Western Canada
■ Eastern Canada
■ US
■ International

Gross Margin

\$1, 109 million



■ Western Canada
■ Eastern Canada
■ US
■ International

MW

8, 528



■ Western Canada
■ Eastern Canada
■ US
■ International

- Western Canada and the U.S. generate approximately 75% of revenue and more than 80% of gross margin

Projects announced



Kent Hills Wind Facility, New Brunswick

- Greenfield development
- Announced Jan. 19, 2007, amended July 17
- Awarded 25-year PPA to provide 96 MW of wind power to New Brunswick Power
- TA will construct, own and operate new facility
- Est. \$170 MM capital investment
- Construction start: Q1 2008
- Commercial start: Q4 2008

Sundance 4, Alberta

- Brownfield expansion
- 53 MW uprate
- Est. \$50 - \$55 MM capital investment
- Construction start: Q4 2006
- Commercial start: Q3 2007
- Merchant capacity



Projects announced

Keephills 3, Alberta

- 450 MW Brownfield expansion on TA site
- Supercritical facility utilizing the same technology currently in operation at the Genesee 3 facility – only second plant in Canada
- 50:50 JV with EPCOR
- TransAlta and EPCOR will independently dispatch and market their own share of electrical output
- Est. \$1.6 B total capital investment (including \$160 MM of mine capital)
- Construction start: Q1 2007
- Commercial start: Q1 2011
- Merchant capacity, replaces production from retiring Wabamun facilities



Advantages of Keephills 3 Technology

- The plant will emit 24% less carbon dioxide (CO₂) in producing the same amount of power as the four obsolete Wabamun units being fully retired by 2010
- Emissions of sulphur dioxide (SO₂), nitrogen oxides (NO_x) and mercury (Hg) will each be reduced by 60 to 80% in comparison to power produced by the four Wabamun units

Financial objectives and measures – updated

Objectives	Measures	2007 Goals	Q3 YTD '07	Q3 YTD '06
Deliver long-term shareholder return	TSR ROCE ¹ (annualized)	10% ~10%	36.2% 9.0%	7.3% 9.9%
Increase comparable earnings per share	Comparable EPS	Revised to low double digit ²	\$0.80	\$0.71
Increase operating cash flow	Operating cash flow	Revised to \$750 - \$850 MM ³	\$655 MM	\$412 MM
Maintain strong financial ratios	Credit ratios	Investment grade	Investment grade	Investment grade
Improve productivity	OM&A/installed MWh	Offset inflation	\$6.20	\$6.41
Grow capacity profitably	Installed capacity	Increase ~5%/yr	~4% ⁴	Flat

1. Return on capital employed (ROCE) = earnings before non-controlling interests, income taxes and net interest expense/average annual invested capital.
2. Goal increased from original 6% - 10% target
3. Goal increased from original \$650 - \$750 MM target
4. Based on announced projects

Operating objectives and measures

Objectives	Measures	2007 Goals	Q3 YTD '07	Q3 YTD '06
Maintain targeted availability	Fleet availability	90%	85.6%	88.6%
Contract plant output	Contracted output > one year	>75%	94% ¹	94%
Increase gross margin	Margin	Increase	\$1109.1 MM	\$1087.0 MM
Make sustaining capex predictable	Sustaining capex budget	Revised to \$350 - \$370 MM ²	\$237 MM	\$116MM
Improve workplace safety	Target Zero (0 IFR/yr)	1.76 IFR/yr	2.23 IFR/yr	N/A
Reduce environmental footprint	Emissions reductions	< emissions intensity	Compliance in all markets	Compliance in all markets

1. At Sept. 30, 2007, 95% of plant capability in 2007 and 89% in 2008 was contracted through short, medium and long-term arrangements. At YE 2006, ~ 81% of contracts were for terms greater than one year
2. Goal increased from original \$320 - \$345 MM target to incorporate Centralia Coal transition plan and accelerated construction of rail and coal unloading facilities
3. IFR – Injury Frequency Rate per 200,000 man-hours

Strong credit ratios indicative of commitment to remaining investment grade

Financial ratios¹	Q3'07	2006	2005	2004
Cash flow to interest (x)	6.0	5.5	4.6	4.1
Cash flow to total debt (%)	28.8	26.1	23.0	18.5
Debt to total capital (%)	47.6	40.9	43.3	47.4

1. Financial ratios presented are annualized

Continued improvements at Centralia increase comparable earnings per share

Results	Q3'07	Q3'06	YTD '07	YTD '06
Comparable earnings (MM)	\$63.6 ¹	\$35.3	\$161.7	\$141.8
Net earnings (MM)	\$65.9	\$35.3	\$179.3	\$190.9
Per share				
Comparable earnings	\$0.32	\$0.18	\$0.80	\$0.71
Net earnings	\$0.33	\$0.18	\$0.88	\$0.95
Dividends	\$0.25	\$0.25	\$0.75	\$0.75
Cash flow from Operations (MM)	\$155.3	\$144.8	\$654.7	\$411.9
Free Cash Flow (MM)	\$45.7	\$10.5	\$202.1	\$62.3
Availability (%)	85.1 ¹	84.1	85.6 ¹	88.6
Production (GWh)	12,761	12,420	36,955	34,915

¹ Adjusting for derates at Centralia related to the coal transition plan, availability would be 87.3% in Q3 and 89.3% YTD

Generation gross margins increase drives results

Net Earnings

Net Earnings, 2006¹

Increase in Generation gross margins (before mark-to-market loss)	19.5	68.0
Decrease in Generation mark-to-market loss	7.1	(32.9)
(Decrease)/Increase in CD&M margins	(5.0)	(13.0)
Decrease/(Increase) in operations, maintenance and administration costs	4.7	(1.4)
Decrease in depreciation expense	4.1	8.5
Gain on sale of Centralia mining equipment	3.4	15.1
Decrease in net interest expense	19.0	24.5
Increase in equity loss	(1.8)	(13.8)
(Increase)/Decrease in non-controlling interest	1.0	2.1
Increased income tax expense	(19.7)	(73.6)
Other	(1.7)	4.9

3 mo. Ended Sept. 30

9 mo. Ended Sept. 30

\$35.3

\$190.9

19.5

68.0

7.1

(32.9)

(5.0)

(13.0)

4.7

(1.4)

4.1

8.5

3.4

15.1

19.0

24.5

(1.8)

(13.8)

1.0

2.1

(19.7)

(73.6)

(1.7)

4.9

Net Earnings, 2007

\$65.9

\$179.3

¹ TransAlta adopted the standard for stripping costs incurred in the production phase of a mining operation on Jan. 1, 2006

Comparable earnings

	3 mo. Ended Sept. 30, 2007	3 mo. Ended Sept. 30, 2006	9 mo. Ended Sept. 30, 2007	9 mo. Ended Sept. 30, 2006
Earnings on a comparable basis	\$ 63.6	\$35.3	\$161.7	\$141.8
Sale of assets at Centralia	2.3	-	9.9	-
Tax rate change	-	-	7.7	55.3
Turbine impairment, net of tax	-	-	-	(6.2)
Net (loss) earnings	\$ 65.9	\$35.3	\$179.3	\$ 190.9
Weighted average common shares outstanding in the period	202.8	201.1	202.6	200.3
Earnings on a comparable basis per share	\$ 0.32	\$0.18	\$0.80	\$ 0.71

Free cash flow

	Q3 '07	Q3 '06	YTD '07	YTD '06
Cash flow from operating activities	\$155.3	\$144.8	\$654.7	\$411.9
Add/(Deduct):				
Sustaining capital expenditures	(116.2)	(55.3)	(237.4)	(153.2)
Dividends on common shares	(49.6)	(34.1)	(154.3)	(100.1)
Distribution to subsidiaries' non-controlling interest	(22.6)	(18.0)	(63.1)	(52.1)
Non-recourse debt repayments	(11.2)	(8.2)	(32.5)	(33.7)
Timing of contractually scheduled payments	87.3	-	-	-
Centralia closure costs	-	-	24.2	-
Cash flows from equity investments	2.7	(18.7)	10.5	(10.5)
Free cash flow	\$45.7	\$10.5	\$202.1	\$62.3

2007 major maintenance plan

Given scope of work on coal plants, opex will be higher in 2007

\$ millions	Coal	Gas and Hydro	Total
Capital expenditures	\$60 - \$65	\$15 - \$20	\$75 - \$85
Operating expenditures	\$50 - \$55	\$0 - \$5	\$50 - \$60
Total	\$110 - \$120	\$15 - \$25	\$125 - \$145
Lost GWhs	1,900 – 1,950	125 - 150	2,025 – 2,100

2007 sustaining capex includes revised Centralia transition plan spend

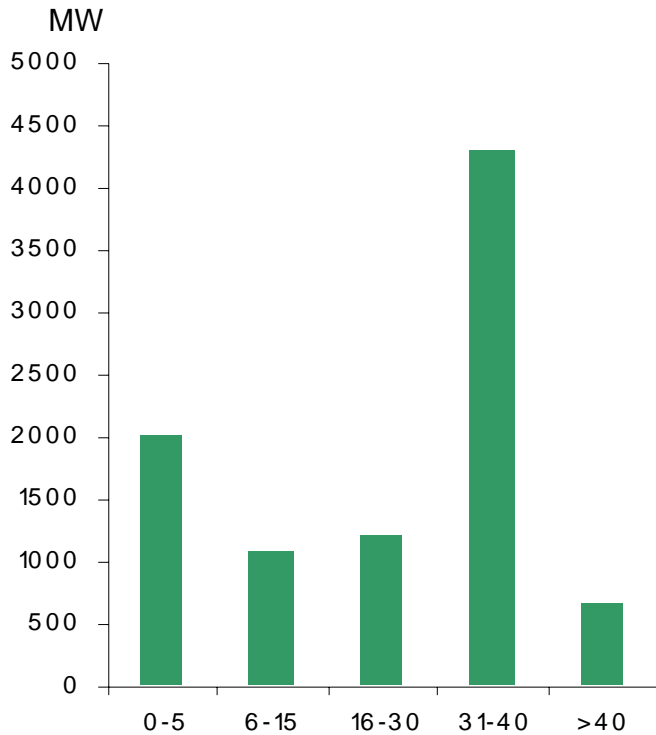
Centralia plan calls for accelerated construction of coal and rail unloading facilities and advances on materials in 2007

\$MM	2007E	Q3'07	Q3'06	YTD'07	YTD'06
Sustaining	\$350 - \$370	\$103	\$72	\$226	\$98
Routine capital	\$100 - \$105	\$18	\$10	\$59	\$23
Mine capital	\$75 - \$80	\$11	\$18	\$18	\$20
Corporate	-	\$15	\$6	\$34	\$9
Centralia Fuel Blend	\$100 - \$105	\$32	-	\$56	-
Major maintenance	\$75 - \$80	\$26	\$38	\$58	\$46
Growth	\$210 - \$220 ¹	\$73	-	\$145	\$3
Mexico	\$2 - \$5	-	\$(2)	\$(1)	\$8
Total	\$562 - \$595	\$176	\$70	\$370	\$109

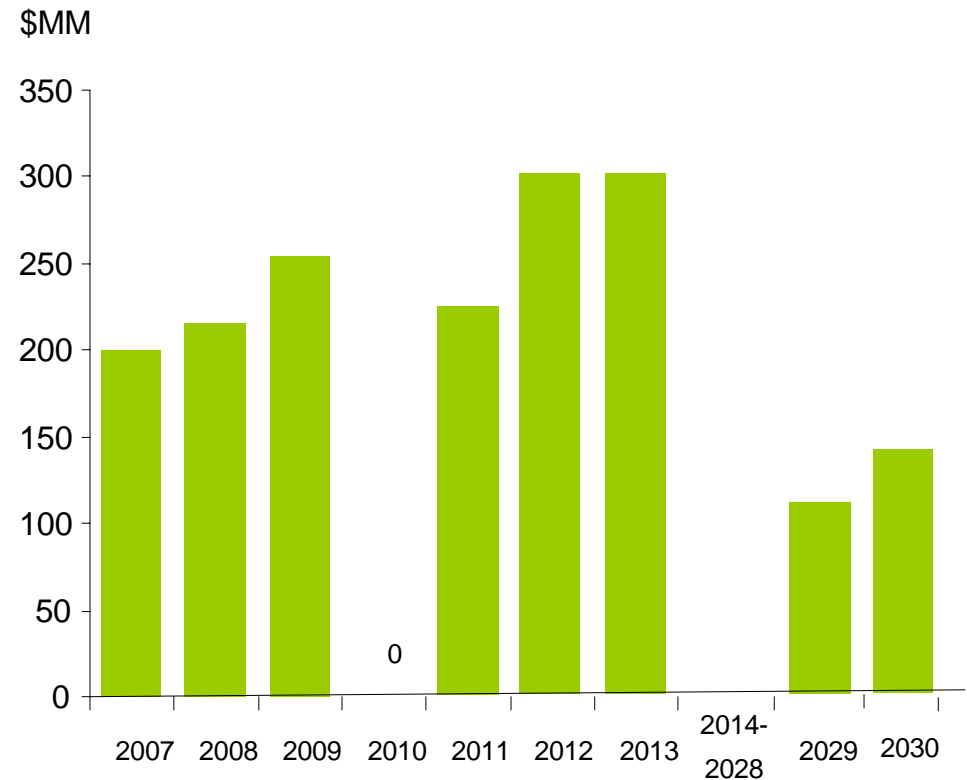
¹ Includes approximately ~\$32 million for Kent Hills, ~\$37 million for Sundance 4, ~\$141 million for Keephills 3

Long-term financing is matched to long-cycle, capital intensive generation investment

Fleet Age¹



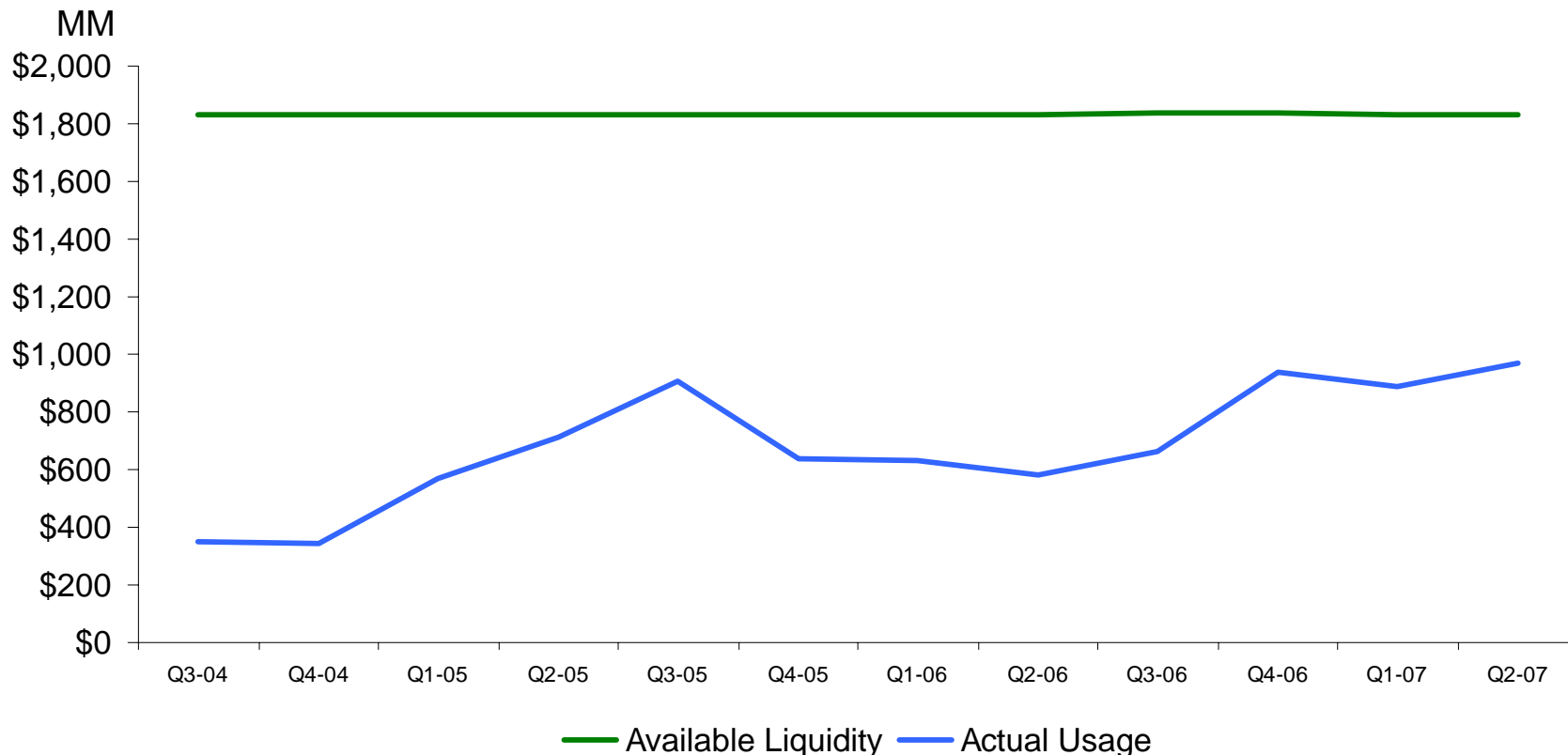
Debt Maturity Schedule²



1. Includes K3, Kenthills, and Sundance 4.
2. Excludes non-recourse debt balances of US\$332.5MM and CAD\$192.1MM with various maturity dates.

Liquidity sufficient to manage through credit and commodity cycles

Short-Term Liquidity Usage



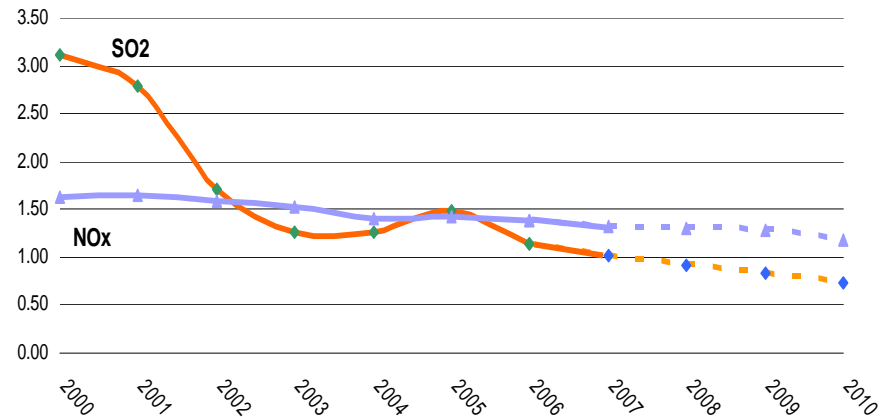
- Available liquidity and demand credit lines total \$1.8 billion
- Actual usage is all LCs outstanding plus short term debt, less unrestricted cash

Emissions intensity reductions achieved

- Policy engagement with government to encourage rational regulations.
- Capital planning for the use of technology to meet emission requirements on existing fleet and future fleet design.
- Leverage of renewable energy investments to reduce our emissions intensity per MWh.
- Applying our energy trading skills to emissions trading in GHG and SO₂.
 - Leader in carbon trading
 - Active in US and Ontario NO_x/SO₂ market

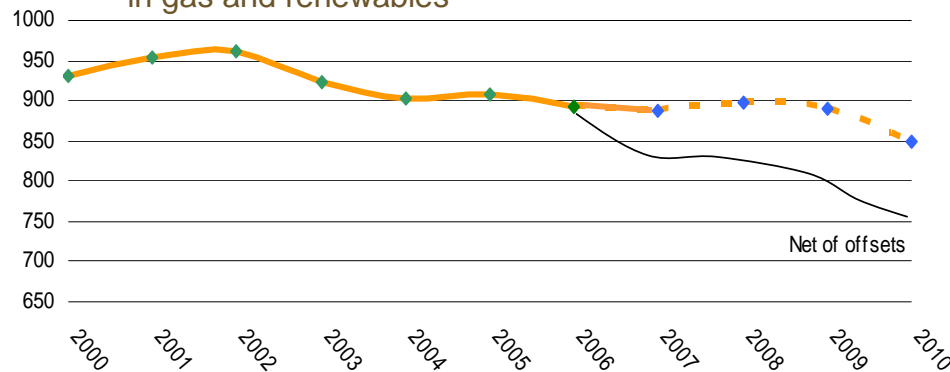
SO₂ & NO_x EMISSION INTENSITY (kgs/MWh)

- SO₂ <42% primarily from Centralia scrubbers
- NO_x <21% due to WAB retirement and G3



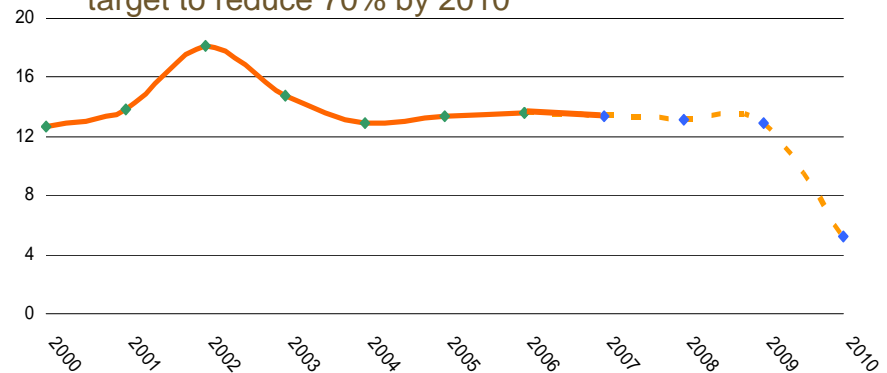
GHG EMISSION INTENSITY (kgs/MWh)

- < 11% since '90 by retiring WAB 1,2,3 & investment in gas and renewables



MERCURY EMISSION INTENSITY (g/MWh)

- Testing enhanced activated carbon injection, target to reduce 70% by 2010



Alberta Bill 3 effective July 2007

The majority of environmental costs are flowed through to PPA holders under change of law provisions. Alberta consumers' electricity price will reflect higher cost of compliance.

Alberta Climate Change Regulation	Impact on TransAlta
Emissions intensity reduction by 12%; plant-by-plant	Tough standard but achievable over time
Baseline is avg. of emissions from '03 – '05	Nominal value given to early shutdown of Wab 1-3;
Compliance options:	Annual compliance cost within expectations:
<ul style="list-style-type: none">• Reductions at the source• Payment into a Technology Fund at a cost of \$15/ tonne of emissions over 12% target• Application of emissions offsets from AB market	<ul style="list-style-type: none">• All TA assets before flow thru \$45 - 55 MM• TA assets after PPA & contract flow thru \$4 - 6 MM
Plants commercially operational after 2000 given an eight-year phase-in period	Capital stock turnover will create opportunities
<ul style="list-style-type: none">• Three years no reductions• Five years gradual reductions to achieve 12% target	Province is the appropriate regulator, well advanced on air pollutant controls
	Trading expertise could further mitigate costs

Federal proposal requires more expensive compliance options than Alberta plan

Near-term compliance through purchase and trading of offsets and credits. Investment in new technologies key for long-term. Costs increase in 2012 – 2017 period as other pollutant reductions are required.

Compliance Options

2010 - GHG intensity reductions

- Baseline of 2006
- Existing plants: 18% by 2010 +2%/yr 'til 2020
- New plants: 3 yrs at zero, then increasing 2%/yr 'til 2020
- 2020: 20% absolute reduction
- 2050: 70% absolute reduction

2012 – 2015 - Other CDN-wide emission reduction

- SO₂: 55% absolute reduction
- NO_x: 40% absolute reduction
- Volatile compounds: 45% absolute reduction
- Particulates: 20% absolute reduction
- Details on regulation have yet to be determined

Preliminary Cost Estimates

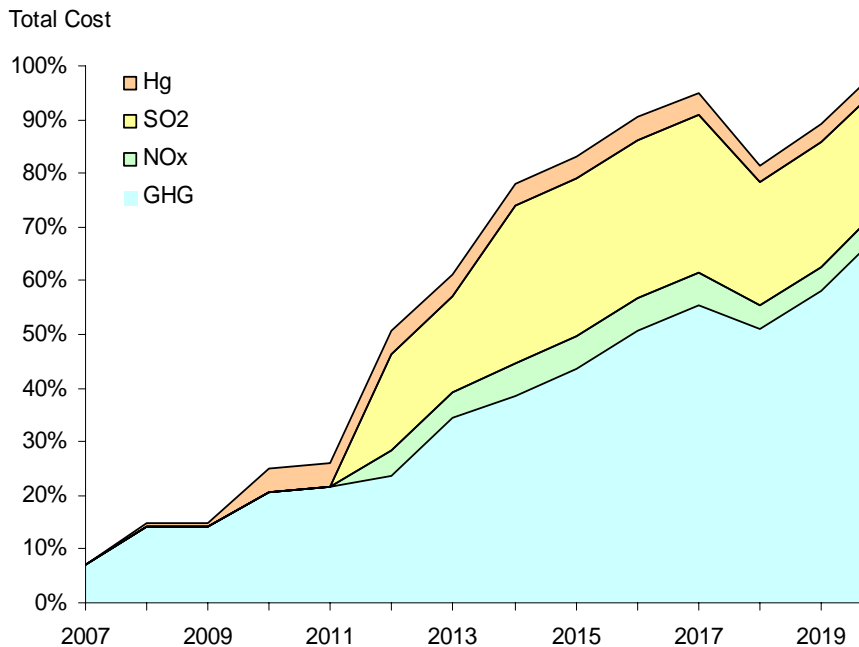
Annual Compliance Costs	2007 - 2011	2012 - 2017
All TA assets before PPA and contract pass through	~\$65 million	~\$270 million
Range	\$30 - 100 million	\$190 - 355 million
TA assets after PPA and contract pass through	~\$7.5 million	~\$30 million
Range	\$3 - 11 million	\$16 - 40 million

1. Annual compliance costs estimates are preliminary and intended to be indicative of future costs. Assumptions used to derive estimates were based upon expected emissions, Alberta GHG legislation, the proposed Federal gov't clean air act targets and compliance costs. GHG compliance options include: capped technology fund, capped int'l offsets, domestic offsets, and credits from industrials below target. SO₂ and NO_x compliance options include: cap and trade system and control technology such as scrubbers and SCRs.

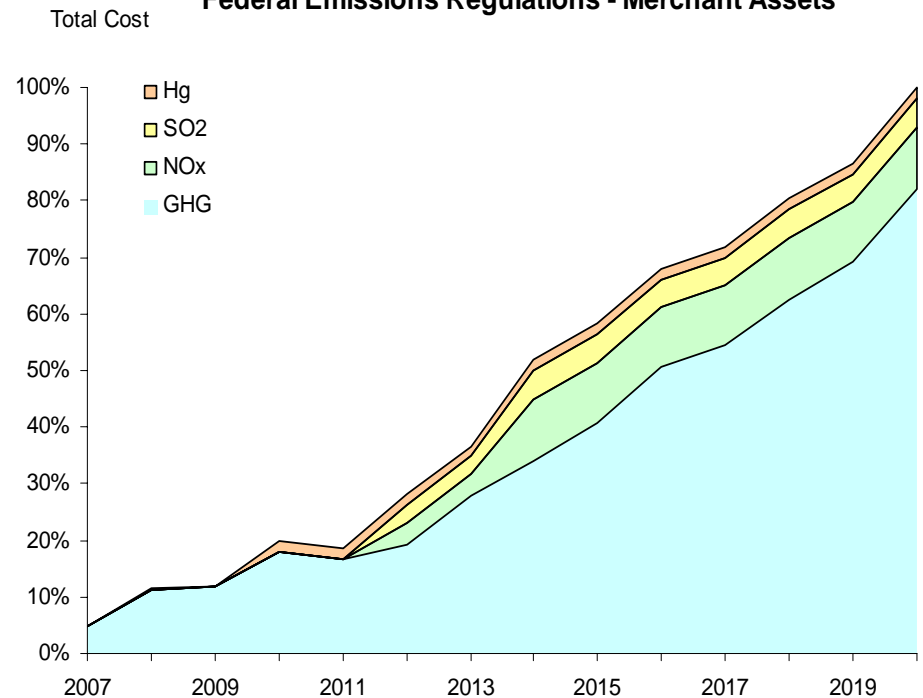
Federal Clean Air Act impact by emission

Annual compliance costs increase rapidly after 2012 when more stringent GHG and air pollutant reductions start. Regulations on air pollutant reductions still to be defined.

Federal Emissions Regulations - Total Canadian Assets



Federal Emissions Regulations - Merchant Assets



1. Compliance costs estimates are preliminary and intended to be indicative of future costs. Assumptions used to derive estimates were based upon expected emissions, Alberta GHG legislation, the proposed Federal gov't clean air act targets and compliance costs.