



**TransAlta Corporation**  
TransAlta Place  
Suite 1400, 1100 1 St SE  
Calgary, Alberta T2G 1B1  
T: +1 (403) 267-7110  
[www.transalta.com](http://www.transalta.com)

**Andrea Ortega**  
**Manager, Environmental Planning & Permitting**  
Direct Line: (587)438-3659  
Email:[andrea\\_ortega@transalta.com](mailto:andrea_ortega@transalta.com)

February 23, 2026

Impact Assessment Agency of Canada  
Prairie and Northern Region  
Canada Place  
1145-9700 Jasper Avenue  
Edmonton, AB T5J 4C3

**Attention: Anna Vypovska, Project Manager, Prairie and Northern Region**

**Re: Summary of Issues for the Flipi Gas-Fired Generation Project**

On February 3, 2026, TransAlta Corporation ("TransAlta") received a Summary of Issues from the Impact Assessment Agency of Canada ("IAAC") related to TransAlta's proposed Flipi Gas-Fired Generation Project ("the Project"). The Key Issues identified by IAAC were primarily associated with TransAlta's plans to continue Indigenous engagement throughout the development, construction, operation and decommissioning of the Project, the potential environmental effects of the Project, and the potential for the Project to have an effect on Indigenous People's ability to exercise treaty rights.

Since the submission of the *Initial Project Description – Flipi Gas-Fired Generation Project* in December 2025 to IAAC, TransAlta has continued to engage with Indigenous communities regarding the Project. TransAlta has held in-person meetings with Paul First Nation and Alexander First Nation, and an online meeting with Ermineskin Cree Nation. In response to Ermineskin Cree Nation's request for engagement on the Project, TransAlta and Ermineskin have agreed to develop a cooperation agreement framework outlining how the two parties will engage.

In response to the comments received by IAAC, TransAlta reached out to the Otipemisiwak Metis Government's Jasper House Metis District Captain, and to the Consultation Department of the Kikino Metis Settlement. At the time of writing, TransAlta had not yet been in direct contact with either the Jasper House Metis District or the Kikino Metis Settlement but looks forward to an opportunity to engage with both Indigenous communities regarding the Project.

Please find attached TransAlta's response to the Key Issues document issued by IAAC in response to TransAlta's *Initial Project Description - Flipi Gas-Fired Generation Project*.



**TransAlta Corporation**  
TransAlta Place  
Suite 1400, 1100 1 St SE  
Calgary, Alberta T2G 1B1  
T: +1 (403) 267-7110  
[www.transalta.com](http://www.transalta.com)

Yours truly,

TRANSALTA CORPORATION

<Original signed by>

\_\_\_\_\_  
Andrea Ortega  
Manager, Environmental Planning and Permitting

# Summary of Issues

## Flipi Gas-Fired Generation Project

The proponent is required to describe how it intends to address the key issues identified below as part of the development of its project. A high-level description is sufficient.

Where relevant, the proponent is encouraged to identify if the key issues will be addressed through existing legislative and regulatory frameworks (i.e. legislation or regulation), by proponent commitments to best practices, policies or standards, or both.

## Key Issues

### Indigenous and Stakeholder Engagement and Consultation

**Clarify the process for meaningful engagement and consultation with potentially affected Indigenous Peoples, including Métis Settlements and districts of the Otipemisiwak Métis Government.**

**Response:** The Project is within the traditional territories of Indigenous communities, where Indigenous peoples practice traditional activities including hunting, fishing, collecting medicinal plants and cultural activities.

Prior to the acquisition of the Project by TransAlta, KEC engaged with Indigenous communities beginning in September 2024. KEC's engagement with Indigenous communities is detailed in the following sections of the *Initial Project Description – Flipi Gas-Fired Generation Project*.

- Section 4.4 *Engagement Completed by KEC Prior to Purchase by TransAlta*
- Section 4.4.1 *Detailed Engagement with Indigenous Communities*
- Section 4.4.2 *Comments or Concerns Expressed by Indigenous Communities*

TransAlta engaged Indigenous communities shortly after the purchase of the Project from KEC. Project Information Packages were sent via registered mail to Indigenous communities. TransAlta identified the Indigenous communities to be engaged using a combination of methods including previous engagement with nearby Indigenous communities and a review of Alberta's Landscape and Indigenous Relations Tool. On October 22, 2025, TransAlta met with Alberta's Aboriginal Consultation Office ("the ACO") to review the Project. The ACO did not identify regulatory requirements for Indigenous Consultation.

On March 6, 2023, IAAC provided a list of Indigenous communities that they would engage regarding the Project to KEC. That list was refined by IAAC on February 3, 2025, and again by IAAC on December 11, 2025. Continuing the engagement conducted by KEC, TransAlta provided each Indigenous community identified by IAAC with a Project-specific Information Package.

Beginning in October 2025 and continuing through to present, TransAlta met with 11 Indigenous communities in-person and online to discuss the Project (see Section 4.5 *Engagement Conducted by TransAlta Following Project Purchase*). During meetings with Indigenous communities TransAlta provided an overview of the Project including a description of the Project location, a high-level description of the planned operations, proposed mitigations to minimize potential impacts to the biophysical environment, a description of the proposed connection to Alberta’s electricity grid and a proposed Project development schedule.

TransAlta engaged the Otipemisiwak Metis Government shortly after the acquisition of the Project from KEC. In online and in-person meetings TransAlta provided an overview of the Project including a description of the Project location, a high-level description of the planned operations, proposed mitigations to minimize potential impacts to the biophysical environment, a description of the proposed connection to Alberta’s electricity grid and a proposed Project development schedule.

**Otipemisiwak Metis Government – TransAlta Engagement Summary**

<b>Date</b>	<b>To:</b>	<b>From:</b>	<b>Subject</b>	<b>Method</b>
2025-10-23	Otipemisiwak Metis Government	TransAlta	New Owner Announcement: Flipi Combined Cycle Power Plant Project	Registered mail
2025-10-27	Otipemisiwak Metis Government, Citizens’ Representative	TransAlta	New Owner Announcement: Flipi Combined Cycle Power Plant Project	Email
2025-11-04	TransAlta	Otipemisiwak Metis Government, Consultation Department	TransAlta Flipi Combined Cycle Power Plant Project	Email
2025-11-05	TransAlta	Otipemisiwak Metis Government, Citizens’ Representative	TransAlta Flipi Combined Cycle Power Plant Project	In-person
2025-11-06	TransAlta	<ul style="list-style-type: none"> <li>Otipemisiwak Metis Government, Captain, Foothills District</li> </ul>	TransAlta Flipi Combined Cycle Power Plant Project	Email

**Initial Project Description - Flipi Gas-Fired Generation Project**  
**Andrea Ortega**  
**Summary of Issues: Response**  
**TransAlta Corporation**

		<ul style="list-style-type: none"> <li>Otipemisiwak Metis Government Citizens Representative, Red Deer Métis District 3</li> </ul>		
2025-12-03	TransAlta	Otipemisiwak Metis Government, Captain, Foothills District	TransAlta Flipi Combined Cycle Power Plant Project	Online meeting
2025-12-05	Otipemisiwak Metis Government, Consultation Coordinator for the Battle River Territory	TransAlta	Flipi Power Project Meeting	Email
2025-12-08	Otipemisiwak Metis Government, Captain, Foothills District	TransAlta	Flipi Power Project Meeting	Email
2026-02-19	Otipemisiwak Metis Government, Jasper House Metis District Captain	TransAlta	TransAlta Flipi Combined Cycle Power Plant Project	Voicemail
2026-02-19	Kikino Metis Settlement, Consultation Department	TransAlta	TransAlta Flipi Combined Cycle Power Plant Project	Message

As applied for, the Project is not anticipated to have a material impact on water resources. A water source to support Project operations has not yet been identified. When identified, the selected water source will be subject to federal and provincial permitting requirements which may include regulatory Consultation with Indigenous communities.

TransAlta is committed to engaging meaningfully with potentially affected Indigenous groups. This commitment is reflected through a range of engagement strategies that have been, or may be, implemented to support transparent communication and collaboration. These strategies include:

- Ongoing Project-specific meetings and dialogue with Indigenous communities to ensure regular updates on the Project and provide opportunities for feedback.
- Expansion of TransAlta's Indigenous Vendor Database to create pathways for Indigenous-owned businesses to access procurement opportunities.
- Development of cooperation agreement frameworks to guide communication efforts and protocols.

TransAlta will continue to engage Indigenous communities throughout the development, construction, operation and decommissioning of the Project.

### **Indigenous Peoples' Current Use of Lands and Resources for Traditional Purposes**

**Clarify project-related effects to Indigenous Peoples' current use of lands and resources for traditional purposes due to habitat fragmentation, vegetation loss, and effects to wildlife, culturally significant plants, and medicinal species within the area surrounding the project, including any areas identified by Indigenous groups as important for current use of lands and resources for traditional purposes, such as the Medicine River.**

**Response:** The Project is within the traditional territories of Indigenous communities, where Indigenous peoples practice traditional activities including hunting, fishing, collecting medicinal plants and cultural activities. TransAlta has not identified any traditional use areas within the Project footprint through engagement with Indigenous communities.

In addition to a review of the Project by IAAC, the Project is also subject to regulatory review by the Alberta Utilities Commission, Alberta Environment and Protected Areas and Alberta's Ministry of Arts, Culture and Status of Women.

The Project location was carefully selected to minimize the potential effects to the biophysical environment including habitat fragmentation, vegetation loss, and effects to wildlife and wetlands within the area surrounding the Project. Situating the Project in a cultivated field with minimal natural vegetation cover and wildlife habitat reduces the overall potential for impacts to traditional land and resources. The Project location was also selected for its proximity to an existing transmission line. The relatively short 175 m connection to AltaLink's proposed 1076S substation, located on the same parcel in cultivated land, further reduces the potential for impacts to the biophysical environment and avoids surrounding natural landscapes or land use areas that may support traditional use practices.

The Project is located entirely on privately-owned land, which has been under cultivation for more than 20 years and is not currently known to support traditional use or native plant species. Baseline ecological surveys conducted in support of the

Initial Project Description confirmed that the Project is planned entirely on cultivated land, with minimal habitat for wildlife or natural vegetation.

The Project location is accessed from the existing road network. Use of the existing road network reduces the potential for adverse impacts to the biophysical environment and avoids surrounding natural landscapes or land-use areas that may support traditional use practices.

The current application does not assess potential impacts to the Medicine River since the Proponent is not currently proposing to impact or withdraw from the Medicine River. Pending the outcome of the federal and provincial regulatory review processes, TransAlta will evaluate potential water sources to support the operation of the Project. The selected water source will be subject to regulatory approval, which may include a requirement to assess the potential effects to lands used by Indigenous communities for traditional purposes, such as the Medicine River.

TransAlta will continue to engage with Indigenous communities throughout the development, construction, operation and decommissioning of the Project, providing an opportunity for TransAlta to receive and address feedback or concerns expressed by Indigenous communities regarding potential project-related effects to Indigenous Peoples' current use of lands and resources for traditional purposes.

**Clarify how air contaminants, noise, traffic, and increased human activity could result in effects that extend beyond the project footprint, including effects on Indigenous Peoples' current use of lands and resources for traditional purposes.**

**Response:** TransAlta has conducted emissions modelling for the Project. The Project will be fully compliant with Alberta Ambient Air Quality Objectives (AAAQOs) and Alberta Electricity Generation Air Emission Standards. Section 14.2.1.2 (*Air Quality-Potential Effects*) of the *Initial Project Description – Flipi Gas-Fired Generation Project* summarizes the potential effects of the Project on Air Quality. The Air Quality Assessment indicated that the Project complies with the AAAQOs and the results from the dispersion modelling indicate that the predicted maximum ground-level concentrations of nitrogen dioxide, carbon monoxide, particulate matter, total suspended particulates and ammonia comply with applicable AAAQOs.

During operations a Continuous Emissions Monitoring System will be used for real-time stack emission tracking and Continuous Ambient Monitoring Systems for continuous ambient air quality monitoring.

TransAlta has combined the anticipated noise generated by the Project during operations and existing noise sources to model the sound levels for all receptors within 1.5 km of the Project. The modelling results show that sound levels at all receptors within 1.5 km of the Project are below the thresholds set out in AUC Rule 012: Noise Control.

The Project is currently in the federal and provincial regulatory review processes.

Should the Project move forward TransAlta will develop a Construction Management Plan outlining how noise will be managed during construction, including the development of a communications plan to inform rights-holders and stakeholders when elevated noise levels are anticipated, along with a complaint management process. Construction is anticipated to occur mainly during daytime hours from 7am to 10pm.

Access to the Project during construction and operations will be via the existing road network. TransAlta is currently evaluating several routes to the site, and the selected route will be included in an application for a Municipal Development Permit for the Project. The selected route will be part of a Road Use Agreement developed between Clearwater County and TransAlta that complies with all Clearwater County requirements and includes haul limits, dust control, seasonal restrictions and maintenance obligations.

The design of the Project does not result in a direct effect on Indigenous Peoples' current use of lands and resources for traditional purposes due to its design to operate within provincial and federal emissions limits.

TransAlta will continue to engage with Indigenous communities throughout the development, construction, operation and decommissioning of the Project, providing an opportunity for TransAlta to receive and address feedback or concerns expressed by Indigenous communities regarding how air contaminants, noise, traffic, and increased human activity could result in effects that extend beyond the project footprint, including effects on Indigenous Peoples' current use of lands and resources for traditional purposes.

### **Indigenous Peoples' Health and Well-being**

**Clarify project effects to Indigenous Peoples' food security, mental health, and well-being, due to restrictions to access and the ability of Indigenous Peoples to continue land-based harvesting and cultural practices.**

**Response:** The Project is within the traditional territories of Indigenous communities, where Indigenous peoples practice traditional activities including hunting, fishing, collecting medicinal plants and cultural activities. TransAlta has not identified any traditional use areas within the Project footprint through engagement with Indigenous communities.

The Project location was carefully selected to minimize the potential effects to the biophysical environment including habitat fragmentation, vegetation loss, and effects to wildlife, wetlands and native vegetation within the area surrounding the project. Situating the Project in a cultivated field with minimal natural vegetation cover and wildlife habitat reduces the overall potential for impacts to traditional land and resources. The Project location was also selected for its proximity to an existing transmission line. The relatively short 175 m connection to AltaLink's proposed 1076S substation, located on the same parcel in cultivated land, further reduces the

potential for impacts to the biophysical environment.

The Project is located entirely on privately-owned land, which has been under cultivation for more than 20 years. Baseline ecological surveys conducted in support of the Initial Project Description confirmed that the Project is planned entirely on cultivated land, with minimal habitat for wildlife or natural vegetation. Reducing the potential environmental effects of the Project minimizes the potential for impacts to Indigenous Peoples food security. The Project's location on private land will not result in a loss of access for Indigenous peoples or create an effect on land-based harvesting or cultural practices within the Project footprint.

TransAlta will continue to engage with Indigenous communities throughout the construction, operation and decommissioning of the Project, providing an opportunity for TransAlta to receive and address feedback or concerns expressed by Indigenous communities regarding how the Project could affect Indigenous Peoples' food security, mental health, and well-being, due to restrictions to access and the ability of Indigenous Peoples to continue land-based harvesting and cultural practices.

**Clarify potential changes to surface water and groundwater and resulting effects to Indigenous Peoples' health and/or cultural heritage through recreational use and ingestion of these waters.**

**Response:** The Project is within the traditional territories of Indigenous communities, where Indigenous peoples practice traditional activities including hunting, fishing, collecting medicinal plants and cultural activities.

TransAlta has assessed the potential effects to surface water and groundwater in the following sections of the *Initial Project Description – Flipi Gas-Fired Generation Project*:

- 14.2.6 *Groundwater*
- 14.2.8 *Watercourses, Waterbodies & Wetlands*

Interactions between the Project and groundwater quality can include:

- Changes to groundwater flow patterns during construction and/or operations that can in turn affect groundwater quality.
- Accidental groundwater contamination related to construction activities.
- Accidental groundwater contamination related to Project operations.

Baseline field surveys confirmed there are no watercourses with defined bed or banks, or aquatic vegetation within the Project Area. No wetlands were identified within the Project Area.

A site-specific Environmental Protection Plan (*Initial Project Description – Flipi Gas-Fired Generation Project, Appendix L*) has been developed for the Project and will be

used to guide design, construction, operations, and reclamation to further reduce the Project's potential effects on groundwater and surface water resources.

As designed, the Project is not anticipated to have a material effect on groundwater. A water source to support Project operations has not yet been identified. When identified, the selected water source will be subject to federal and provincial permitting requirements which may include regulatory Consultation and further engagement with Indigenous communities.

TransAlta will continue to engage with Indigenous communities throughout the development, construction, operation and decommissioning of the Project, providing an opportunity for TransAlta to receive and address feedback or concerns expressed by Indigenous communities regarding how changes to surface water and groundwater resulting from the Project could affect Indigenous Peoples' health and/or cultural heritage.

### **Indigenous Peoples' Rights**

#### **Clarify how the project could contribute to cumulative impacts on Section 35 rights of Indigenous Peoples through the taking up of lands from increasing development and other sources of disturbance.**

**Response:** The Project is within the traditional territories of Indigenous communities, where Indigenous peoples practice traditional activities including hunting, fishing, collecting medicinal plants and cultural activities. TransAlta has not identified any traditional use areas within the Project footprint through engagement with Indigenous communities.

The Project location was carefully selected to minimize the potential effects to the biophysical environment including habitat fragmentation, vegetation loss, and effects to wildlife, wetlands and native vegetation within the area surrounding the project. Situating the Project in a cultivated field with minimal natural vegetation cover and wildlife habitat reduces the overall potential for impacts to traditional land and resources. The Project location was also selected for its proximity to an existing transmission line. The relatively short 175 m connection to AltaLink's proposed 1076S substation, located on the same parcel in cultivated land, further reduces the potential for impacts to the biophysical environment.

The Project is located entirely on privately-owned land, which has been under cultivation for more than 20 years. Baseline ecological surveys conducted in support of the Initial Project Description confirmed that the Project is planned entirely on cultivated land, with minimal habitat for wildlife or natural vegetation. Situating the Project on land previously developed for agricultural activities minimizes the potential cumulative effect on Section 35 rights of Indigenous Peoples.

TransAlta will continue to engage with Indigenous communities throughout the construction, operation and decommissioning of the Project, providing an opportunity

for TransAlta to receive and address feedback or concerns expressed by Indigenous communities regarding how the Project could cumulatively affect the Section 35 rights of Indigenous Peoples.

**Clarify the potential impacts on Section 35 rights of Indigenous Peoples, given the uncertainty of water sourcing for the power plant.**

**Response:** The Project is within the traditional territories of Indigenous communities, where Indigenous peoples practice traditional activities including hunting, fishing, collecting medicinal plants and cultural activities.

As applied for, the Project is not anticipated to have a material impact on water resources. A water source to support Project operations has not yet been identified. When identified, the selected water source will be subject to federal and provincial permitting requirements which may include regulatory Consultation with Indigenous communities to identify the potential impacts of water sourcing on Section 35 rights of Indigenous peoples.

TransAlta will continue to engage with Indigenous communities throughout the construction, operation and decommissioning of the Project, providing an opportunity for TransAlta to receive and address feedback or concerns expressed by Indigenous communities regarding how the selection of the water sources could affect the Section 35 rights of Indigenous Peoples.

**Clarify the process for assessing the project's impacts on Section 35 rights of Indigenous Peoples and for the meaningful consideration of Indigenous Knowledge.**

**Response:** The Project is within the traditional territories of Indigenous communities, where Indigenous peoples practice traditional activities including hunting, fishing, collecting medicinal plants and cultural activities.

TransAlta identified the Indigenous communities to be engaged using a combination of methods including previous engagement with nearby Indigenous communities and a review of Alberta's Landscape and Indigenous Relations Tool. On October 22, 2025, TransAlta met with Alberta's Aboriginal Consultation Office ("the ACO") to review the Project. The ACO did not identify regulatory requirements for Indigenous Consultation.

On March 6, 2023, IAAC provided a list of Indigenous communities that they would engage regarding the Project to KEC. That list was refined by IAAC on February 3, 2025, and again by IAAC on December 11, 2025. Continuing the engagement conducted by KEC, TransAlta provided each Indigenous community identified by IAAC with a Project-specific Information Package.

Beginning in October 2025 and continuing through to present, TransAlta met with 11

Indigenous communities in-person and online to discuss the Project. During meetings with Indigenous communities TransAlta provided an overview of the Project including a description of the Project location, a high-level description of the planned operations, proposed mitigations to minimize potential impacts to the biophysical environment, a description of the proposed connection to Alberta's electricity grid and a proposed Project development schedule. TransAlta did not receive recommendations from Indigenous communities regarding how to incorporate Indigenous knowledge into the development or operation of the Project.

TransAlta will continue to engage with Indigenous communities throughout the construction, operation and decommissioning of the Project. Engagement provides an opportunity for TransAlta to receive recommendations on how to incorporate Indigenous knowledge into the operation of the Project.