

Lee Maher Engineering Ltd.  
3916 – 1st Street N.E.  
Calgary, Alberta T2E 3E3

October 18, 2004

Attn: Mr. Bill Maher

Re: Twin Valley Resort – Shallow Services

Bill,

I have spoken with the other Utilities regarding services for the this subdivision. The situation for each as it exists today is as follows:

**Shaw Cable Systems:** Has nothing in the immediate area. The closest source is Stavely approximately 15 kms away and does not lie within their licenced boundary. Personna Communications, the other cable provider, also has nothing in the immediate area.

**Telus:** Will make service available to the area at no cost to the customer. However, the developer will be responsible for the installation of all pedestals and conduit for the proposed site, whether joint use or separate. There will be no rebate offered from Telus under their policy for a Bareland Condo.

The developer may choose to build his own Network within the designated condo site. If this is the case Telus will provide dial tone to this point and the developer may service the units accordingly. Fortis however, may require mechanical separation or a separate trench if this option is selected by the developer. This would be more costly.

**Atcogas:** Atco needs to upgrade their line in order to service the area. Attached is a copy from AtcoGas of their current policy for pre-serviced residential rural sub-divisions in this area.

**FortisAlberta:** FortisAlberta has received our request for a quotation to provide electrical service to the area. Fortis would not commit to a dollar figure to provide electric service for this area at this point. However, they have advised me that they are working on the estimate and we should see something very soon.

If you require any further clarification or greater detail, please feel free to contact me at 873-0400 (ext.28).

Sincerely,

A handwritten signature in cursive script, appearing to read "George Medic", written in black ink.

George Medic



George Medic  
Primary Engineering

September 28, 2004

Dear: Mr. Medic,

**Re: 170 lot Subdivision / W $\frac{1}{2}$  27-15-26-W4**

ATCO Gas's current policy for pre-serviced residential rural sub-divisions with:

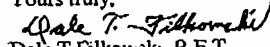
- a) The developer's contribution towards the cost of providing natural gas servicing for a rural sub-division is 60% of the rural connect charge plus GST. The rural connect charge for lots greater than 1 acre, in effect at this time is \$3200 plus GST. The developer's contribution is \$1920 plus GST per lot. For lots 1 acre or less the rural connect charge in effect at this time is \$900 plus GST. The developer's contribution is \$540 plus GST per lot.
- b) The purchaser of the lot will be responsible for the remaining 40% of the rural connect charge, in effect at that time, plus GST. In this situation the new owner's contribution would be \$1,280 for lots greater than 1 acre and \$360 for lots 1 acre or less.
- c) ATCO Gas requires a 9.5metre registered utility right of way if the utility right of way is to be shared with other utilities. If the utility right of way were solely for the use of Atco Gas's pipelines then a 6 metre registered utility right of way would suffice.

Upon receipt of the developers contribution work will proceed on this project. Due to the large number of lots (hence a large load), pipe sizes of the existing system, and the distance to the source of gas, an extensive upgrade will be necessary. There is no guarantee ATCO Gas will be able to obtain all required easements and approvals for upgrades to serve all the lots. The complexity of the upgrade warrants a minimum of 3 months will be needed to obtain the easements, prepare detailed engineering designs and acquire the necessary approvals from the applicable regulatory agencies. After the completion of the above, the work shall be forwarded to ATCO's construction department for scheduling.

Please notify me as soon as possible if you wish to proceed with natural gas service. Keep in mind installation time from sign up to construction is 4 to 6 months if no land problems arise.

If you have any further questions, please contact the undersigned at 380-5422.

Yours truly,

  
Dale T Filkowski, R.E.T.  
Engineering Department