Pioneer Power Centre
Project Overview

May 2025

Introduction

TERIC Power Ltd ("TERIC") is pleased to introduce our proposed Pioneer Power Centre Project (the "Project"). The Project will be located on privately owned and previously disturbed land NE of the town of Onoway, Alberta, on the NW and SW ¼ of Section 36, Township 54, Range 2, West of the 5th Meridian.

The Project will consist of an up to 9.5 Megawatt ("MW") natural gas-fired electricity generation facility (generators), accompanied by an up to 16 MW / 32 Megawatt-hour ("MWh") battery energy storage system ("BESS"), for an installed nameplate capacity of up to 25.5 MW. The BESS will be used to store electricity for discharge into the local distribution system as needed, while also providing on-demand reliability support to the Alberta Electric System Operator ("AESO"). The generators will be used to provide peaking power to the local distribution system during periods of high demand, grid instability, or renewable power intermittency.

As an introduction, we are pleased to provide you with the following Project details:

- What are Natural Gas Generators and BESS?
- Project Map
- Site Selection
- Project Footprint & Visual Impact
- Regulatory Approvals
- Noise
- Emissions and Air
- Environmental Assessment
- Safety
- Decommissioning & Reclamation
- Project Schedule
- About TERIC Power Ltd.
- Stakeholder Engagement and Input
- Contacts

What are Natural Gas Generators and BESS, and why are they required?

Natural gas generators are rapid start reciprocating engines fueled by local gas pipelines. As non-intermittent (firm) sources, they provide reliable, controllable electricity regardless of weather, ensuring grid stability during demand spikes or times when additional generation is required.

A **BESS** does not generate electricity but rather stores previously generated electricity in large capacity batteries. Electricity is drawn from the Alberta electricity grid, then stored in batteries for a period of time, and released during high demand or to provide grid reliability and stability in support of the Alberta Electric System Operator (AESO).

With growing reliance on variable or intermittent energy sources, both BESS and natural gas generation are increasingly vital. BESS shifts electricity use to when it's needed and provides reliability and stabilization, while natural gas generators deliver on-demand power, maintaining balance and reliability across the grid.

Project Map

Figure 1: Project Location

Site Selection

The Project location was selected for several suitable features, which are supportive for BESS and generators. Notably, the proposed site is on previously disturbed land, meaning minimal locational and environmental impact. With relative proximity to the AltaLink owned Onoway 352S substation, this will result in reduced power losses and increased operating efficiency, as well as minimal FortisAlberta 25 kilovolt ("kV") distribution powerlines needing to be constructed.

Project Footprint & Visual Impact

The Project will cover a relatively small footprint on privately-owned cultivated lands, located on up to two hectares (five acres) with a maximum height of 10.7 metres (35 feet). The BESS and generators will be situated on a suitable foundation and secured within a chain link fence that will surround the containerized units. The containerized enclosures and buildings will be coloured neutrally to minimize visual impact. For security, the Project will be enclosed within a fenced area with the containers fortified with industry standard protective measures.

During construction, the Project will receive several semi-truck deliveries to transport modular equipment, along with regular access by workers in light-duty pickup trucks via 41st Street. Once operational, the Project is not expected to generate significant local traffic; technicians will only access the site periodically. The Project will have a low visual profile due to its modest height, compact scale, and neutral sightlines.

A natural gas distribution connection is planned approximately 300 metres south of the Project site, linking to existing gas transmission infrastructure. Approximately 300 metres of underground gas distribution lines will be installed to connect this point to the Project.

Regulatory Approvals

AUC Rule 007 Application – The AUC regulates the utilities sector, natural gas, and electricity markets to protect the social, economic and environmental interests of Alberta. The AUC is an independent, quasi-judicial agency of the province of Alberta and is responsible for ensuring that the delivery of Alberta's utility service takes place in a manner that is fair, responsible and in the public interest. Please review the enclosed AUC pamphlet ("*Participating in the AUC's independent review process to consider facility applications*") which provides an overview of the application process.

Environmental Protection and Enhancement Act (EPEA) - This Act is the primary Act in Alberta through which regulatory requirements for air, water, land, and biodiversity are managed. TERIC will be submitting an *EPEA* Approval Application for the Project, filed under Alberta Environment and Protected Areas ("AEPA"), and prepared in accordance with the *Guide to Content for Industrial Approval Applications*. A Pre-disturbance Site Assessment, completed for the assessment of soil, wetlands, watercourses, wildlife, and vegetation, will be submitted with the application, along with an Air Quality Assessment for the assessment of air emissions.

Historical Resources Act – TERIC is in the process of conducting a Historical Resource Assessment ("HRA") in order to confirm that no historical resources will be impacted by the Project.

Municipal Development Permit – In May 2025, TERIC initiated contact with representatives of the Lac Ste. Anne County to introduce the Project. Discussions are ongoing through TERIC's stakeholder engagement process, including all required consultation, the development permit application and planning activities with the County.

Noise

BESS have inherently low noise profiles, with minimal sound originating from the equipment's heating, cooling, and ventilation features. The natural gas generators will be equipped with mufflers to ensure quiet operation. TERIC has engaged a noise specialist to complete a Noise Impact Assessment ("NIA"). The NIA evaluated potential noise impacts with consideration of any existing and proposed infrastructure in the area. Engineering design practices will be used to ensure compliance with the AUC's strict requirements. A copy of the NIA will accompany the AUC application.

Emissions and Air

Air dispersion modeling is underway for the Project and a copy of the Air Quality Assessment will be included within the AUC application. The Project will meet the *Guidance for Managing Nitrogen Oxide (NO_x) Emissions from Reciprocating Engines used for Electricity Generation*, the Alberta Air Emission Standards for Electricity Generators and the Alberta Ambient Air Quality Objectives and Guidelines, as required.

Environmental Assessment

The Project area is on previously disturbed land that has been used for agriculture. Based on environmental assessments conducted to date, the impact to habitat, wildlife and the environment will be minimal. As required by the AUC, an Environmental Evaluation and Environmental Protection Plan will be conducted by wildlife and environmental biologists to assess the potential impacts on wildlife, vegetation and cultural resources. A copy of the Environmental Evaluation and Environmental Protection Plan will accompany the AUC application.

Safety

TERIC is committed to implementing robust safety measures that address the full lifecycle of the Project, from construction through operation and decommissioning. In collaboration with regulatory agencies, landowners, equipment manufacturers, and local emergency services, including the County and fire department, TERIC will develop a comprehensive, site-specific Emergency Response Plan (ERP) prior to construction.

This plan will incorporate corporate safety guidelines, industry best practices, and project-specific commitments, covering all relevant risk factors such as fire prevention and suppression, hazardous materials handling, equipment failure, traffic management, dust control, and construction and operation-related hazards.

A copy of the ERP will accompany the AUC application.

Decommissioning & Reclamation

TERIC's decommissioning and reclamation plans address activities related to the restoration of any land negatively impacted by the Project. The Project life is expected to be 25 years+, longer if the site is repowered. The Project lease also requires the removal of any improvements made to the land, which includes the removal of the concrete base and to restore the land to its former use. A report estimating the decommissioning and reclamation costs will be submitted as part of the application to the Alberta Utilities Commission (AUC). This report will outline the anticipated costs and approach for safely retiring the project and restoring the site at the end of its operational life.

Project Schedule

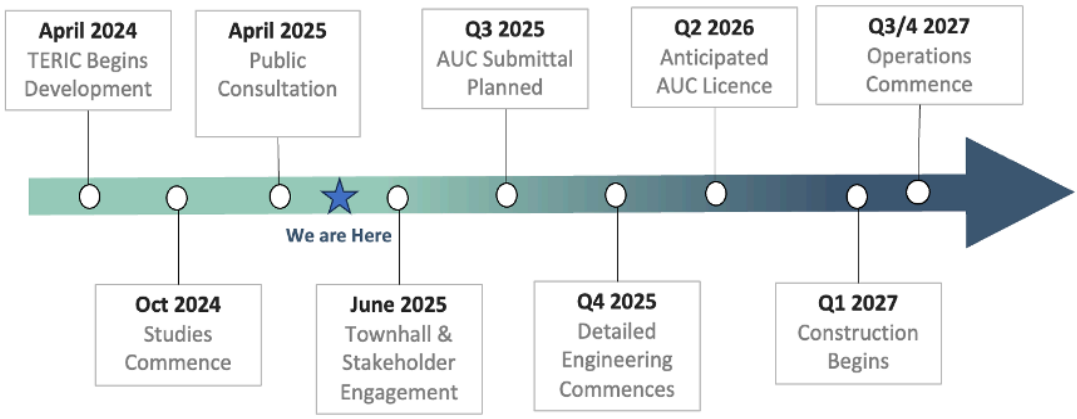

Figure 2: Preliminary Schedule (Dates subject to change as project development progresses)

Stakeholder Engagement and Input

TERIC welcomes input from all interested stakeholders and encourages anyone with questions, comments, or an interest in discussing the project to reach out. Your feedback is important and will help shape the development process to best reflect community priorities.

About TERIC Power Ltd.

TERIC Power Ltd. is an Alberta-based Independent Power Producer with a business focus on developing specialized portfolios of power generation Projects. Since 2013, TERIC has operated in both Alberta and Saskatchewan, developing several power generation applications including multiple BESS, and natural gas generation assets.

For more information about TERIC Power Ltd. or the Pioneer Power Centre Project, please contact:

Kolja Vainstein
403-648-2644
Kolja.Vainstein@TERICPower.com
http://www.tericpower.com/project/pioneer-power-centre/