PEMBINA Institute

March 25, 2026

Hon. Nate Glubish
Minister of Technology and Innovation
Office of the Minister
Technology and Innovation
229 Legislature Building
10800 - 97 Avenue
Edmonton, AB T5K 2B6

Via email ti.minister@gov.ab.ca

Subject: **Renewable energy and transmission in Alberta**

Dear Minister Glubish,

I am writing in response to your March 20 Substack post on renewable energy, with the hope of arranging a meeting to discuss the issue of renewable energy and transmission, or any other energy related issues. I appreciated your openness and the invitation to engage with you on the topic at the bottom of the post.

You are correct to highlight that the Alberta Electric System Operator (AESO) project queue data is incomplete on its own; projects leave queues for a variety of reasons, and some level of cancellations — especially in earlier stage projects — are to be expected, and has always been the case. We have nevertheless found this data to be useful in that it represents a dynamic early indicator of projects that *might* be built, allowing us to observe fluctuations in investor sentiment, including their apparent reactions to changes in electricity policy, regulation and market conditions, as well as investors' assessment of the likely viability of different technologies over time. However, as we outlined in our latest report, enough time has now elapsed that we can observe the impact in actual newly installed projects in 2025 (only 137 MW of distributed solar, utility solar and batteries, and no new wind) and, relatedly, the near halt in new power purchase agreement deals that year.

2026 looks as though it will be another year of low investment in Alberta renewables, with only 500 megawatts of new solar and batteries having received regulatory approval and are seeking installation dates this year. This is significantly lower than in the early 2020's — as you correctly pointed out, under United Conservative governments — when Alberta was leading the country in

new renewables and energy storage installations, with average annual additions of 1,500 MW from 2021 to 2024.

On transmission, we agree that renewables make up a notable amount of transmission costs in Alberta, but they are not the primary drivers of those costs. Preliminary research using publicly available AESO data finds that the largest drivers of transmission investment in Alberta since 2005 are, from most significant to least:

a) load growth and grid enhancement (28 per cent),

b) the North-South reinforcement project (28 per cent),

c) wind and solar (24 per cent),

d) oil sands (18 per cent), and

e) other generator connections (2 per cent).

Additionally, transmission is not the only component of an electricity bill. The cost of generation and timing of generation growth is also relevant — and renewable energy is currently the quickest to build, lowest-cost new generation available. Unlocking wind and solar investment in the short-term, while continuing to explore options such as nuclear and expanded interties, would ensure total consumer costs remain stable now and into the future. Critically, this should include mitigating the growing congestion issues in southern Alberta, as has been identified by the AESO, so that low-cost electricity from existing renewables can get to consumers and businesses, instead of being wasted when it is curtailed.

While no one is suggesting Alberta's electricity supply will be wind and solar only, a drop in investor interest in Alberta poses a problem as we need new sources of low-cost electricity that is fast to build and offers stable prices. We envision a near-term opportunity to scale up the Alberta grid with renewables, storage and interties, and in doing so attract a lot of investment to Alberta on the basis of low-cost, reliable and clean electricity. We would welcome an opportunity to discuss these matters with you further.

Yours sincerely,

Tim Weis, Ph.D., P.Eng.
Senior Director, Industrial Decarbonization
Pembina Institute