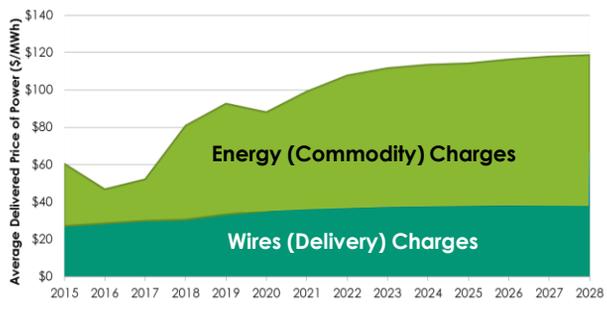




# REDI Region Community Power Generation

Oil & gas producers, who have been active in the area for decades supporting the local economy, are abandoning and reclaiming assets. The loss of this industry and resources will have a ripple effect through the REDI Region. One option to slow this impact, would be to take over ownership locally of profitable assets to provide a fuel source for local electrical generation. The profits of which will be returned to the Region and the local residents.

## The Need for Action

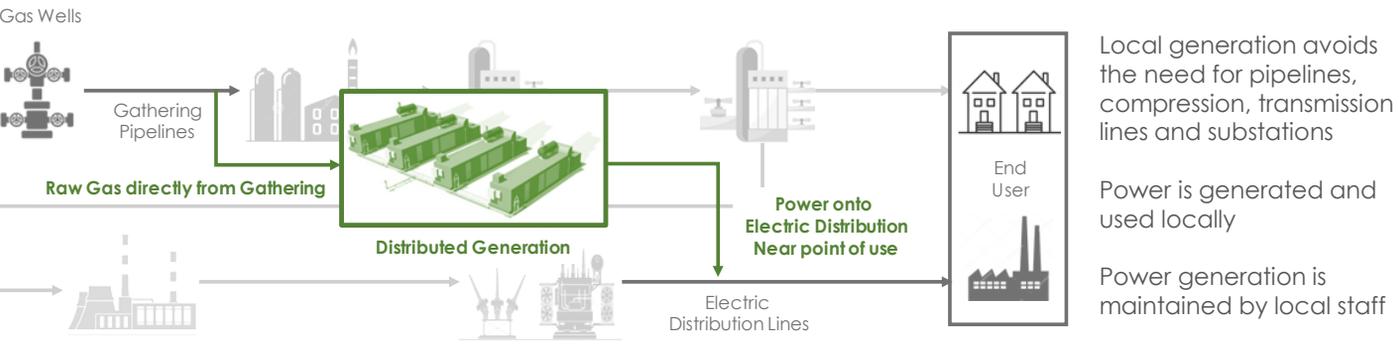


## Proposed Solution

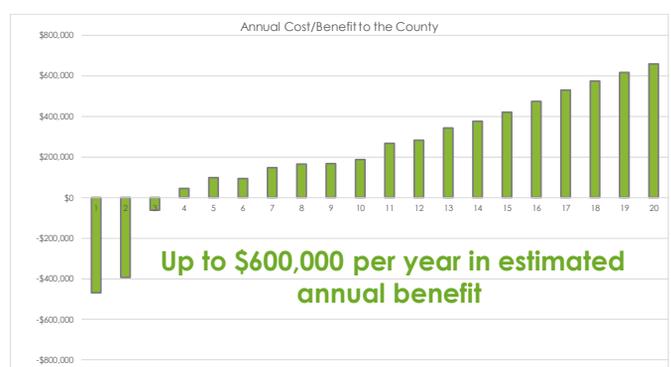
-  Acquire local gas wells that are going to be abandoned
-  Partner with power generation expert  
Sell power into the grid
-  Use solution to:  
Generate revenue for the REDI Region  
Create local jobs  
Incentivize business to locate within the Region

The delivered price of power is increasing, affecting the cost of power for residents, but also providing opportunities for economic development

## How it Works:



## Indicative Local Benefits



## Support Required:

Acquisition of the wells requires a **letter of credit** to support the Alberta Energy Regulator (AER) Liability Management Rating (LMR). This is the difference between the calculated "deemed value" of the assets (the wells) versus the calculated liability.

Generation of power is a viable way to significantly exceed the "deemed value", as prices increase year over year.

**LMR Value: \$8 million.**

## For More Information:

Lisa Wardley  
Chairperson, Regional Economic Development Initiative  
(780) 841-5799  
lisa@mackenziecounty.com

Geoff Lester  
President and CEO, Lionstooth Energy  
(587) 436-9991  
Geoff.lester@lionstoothenergy.com