



ALTALINK, L.P.

INFORMATION MEMORANDUM

SHORT-TERM PROMISSORY NOTES

This Information Memorandum is not, and under no circumstances is to be construed as, an offering of Short-Term Promissory Notes for sale in the United States of America (including the States and the District of Columbia), its territories, its possessions and other areas subject to its jurisdiction or to any citizen or resident of the United States of America. The Short-Term Promissory Notes will not be sold outside of Canada or to any person who is not resident in Canada or to any person purchasing for resale to, or for the account or benefit of, any person who is not resident in Canada. The Short-Term Promissory Notes have not been and will not be registered under the United States Securities Act of 1933, as amended. Residents of the United States of America or persons acting for and on behalf of residents of the United States of America are not permitted to hold the Short-Term Promissory Notes.

This Information Memorandum does not in any way obligate AltaLink, L.P. to accept an offer to purchase Short-Term Promissory Notes. No person has been authorized to give any information or to make any representation not contained in this Information Memorandum and, if given or made, such information or representation may not be relied on as having been authorized.

December 15, 2005

ALTALINK, L.P.

AltaLink, L.P. (“AltaLink”) is an electricity transmission facility owner whose business is the ownership and operation of regulated electricity transmission facilities solely in the Province of Alberta. AltaLink acquired its transmission business in 2002 and now owns and operates approximately 11,600 km of high-voltage transmission lines and approximately 260 substations, comprising more than half of the transmission lines used in Alberta’s high-voltage electricity transmission system or grid.

AltaLink was formed as a limited partnership under the laws of Alberta on July 3, 2001 pursuant to the provisions of the limited partnership agreement amended and restated as of September 2, 2002 between AltaLink Management Ltd. (the “General Partner”) as general partner, and AltaLink Investments, L.P. as limited partner (the “Limited Partnership Agreement”). The head office and principal business office of AltaLink is located at 1035 - 7th Avenue S.W., Calgary, Alberta T2P 2G9.

DESCRIPTION OF THE SHORT-TERM PROMISSORY NOTES

- Principal Amount:* The maximum aggregate principal amount of unsecured short-term promissory notes of AltaLink (the “Notes”) authorized to be outstanding at any one time are not to exceed \$200,000,000 or the equivalent thereof in US dollars at the date of issue.
- Purpose:* The net proceeds from the sale of the Notes will be used by AltaLink for general corporate purposes of AltaLink.
- Denominations:* Multiples of \$1,000 (subject to a minimum of \$100,000) in Canadian dollars, or the equivalent in U.S. dollars at the date of issue.
- Maturities:* Maturities will not exceed 364 days from the date of issue.
- Discount and Rates of Interest:* Available upon request.
- Ratings:* Ratings of the Notes (if any) available upon request.
- Form of Notes:* The Notes will be issued as non-interest bearing notes sold at a discount or as interest-bearing notes sold at par, in the forms attached.

The Notes will be issued in “book-entry only” form (“Book-Entry Notes”) unless AltaLink, at its option, elects to issue the Notes in fully registered, certificated form (“Certificated Notes”), as described below. All Book-Entry Notes must be purchased or transferred through participants (“Participants”) in The Canadian Depository for Securities Limited (“CDS”) clearing system, which Participants include securities brokers, dealers, banks and trust companies, or through other institutions (“Indirect Participants”) that maintain custodial relationships with a Participant, either directly or indirectly.

AltaLink will cause Book-Entry Notes to be held by or on behalf of, and registered in the name of, CDS or its nominee. AltaLink understands that each purchaser of an interest in a Book-Entry Note will receive a customer confirmation of purchase from the registered dealer through whom such Note is purchased in accordance with the practices and procedures of that registered dealer. Practices may vary, but AltaLink understands that, generally, customer confirmations are issued promptly after execution of a customer order.

No person having an interest in any Book-Entry Notes (a “holder”) is entitled to a certificate or other instrument from AltaLink or CDS evidencing that person’s interest in such Notes, nor will any holder be shown on the records maintained by CDS, except through an agent of the person who is a Participant or an Indirect Participant in CDS. Registration of interests in and transfers of Book Entry Notes will only be made through the debt clearing system of CDS.

None of AltaLink, the General Partner, any limited partner of AltaLink, any of their respective affiliates, or the registered dealers will assume any liability for: (a) any aspect of the records relating to the beneficial ownership of Book-Entry Notes held by CDS or the payments relating thereto; (b) maintaining, supervising or reviewing any records relating to the Book-Entry Notes; or (c) any advice or representation made by or with respect to CDS (including those contained in this Information Memorandum) and relating to the rules governing CDS or any action to be taken by CDS or at the direction of its Participants.

The ability of a holder to pledge Book-Entry Notes or interests therein or take action with respect thereto (other than through a Participant or an Indirect Participant) may be limited due to the lack of physical certificates.

AltaLink will have the option at any time to terminate its participation in the CDS book-entry system with respect to the Book-Entry Notes, in which case Certificated Notes payable to bearer or to the order of a holder thereof will be issued to holders of Book-Entry Notes or their nominees.

The Book-Entry Notes will be subject to the *Depository Bills and Notes Act* (Canada).

Issuing and Paying Agent:

The Bank of Nova Scotia

Delivery:

Delivery of Book-Entry Notes will be made in accordance with the rules established by CDS. If applicable, delivery of Certificated Notes will be made against payment in immediately available funds by certified cheque, electronic funds transfer or other means acceptable to AltaLink, and may be arranged for same day delivery to the purchaser or its agent through the Issuing and Paying Agent in Toronto. In other principal cities in Canada, delivery will be made by letter of undertaking.

Payment:

All payments on Book-Entry Notes will be made by or on behalf of AltaLink through the Issuing and Paying Agent in accordance with the rules and procedures established by CDS. The Issuing and Paying Agent will make payments to CDS; such payments will be forwarded by CDS to its Participants, by Participants to holders or by Participants to Indirect Participants and thereafter to holders.

At maturity, payment of the principal of, and interest (if any) on, Certificated Notes will be made by or on behalf of AltaLink through the Issuing and Paying Agent in the currency of issue upon presentation and surrender of the Notes.

Bank Lines of Credit:

AltaLink maintains lines of credit which, in its opinion, are adequate for its financial requirements, including the commercial paper activity of AltaLink.

Restrictions:

The Notes are not, and will not be, offered for sale in the United States of America (including the States and the District of Columbia), its territories, its possessions and other areas subject to its jurisdiction or to any citizen or resident of the United States of America. The Notes will not be sold outside Canada or to any entity that is not resident in Canada, or to any entities purchasing for resale to, or for the account or benefit of, any entity who is not resident in Canada. Residents of the United States of America or persons acting for and on behalf of residents of the United States of America are not permitted to hold the Notes.

*Eligibility for
Investment:*

Eligibility of the Notes for investment by certain purchasers is governed by general restrictions and provisions set out in statutes applicable to such purchasers, and in certain cases, subject to prudent investment standards established by such purchasers.

*Residents of Nova
Scotia:*

Residents of Nova Scotia shall not purchase Notes pursuant to this Information Memorandum unless they receive an addendum hereto that sets out the statutory rights required by the *Securities Act* (Nova Scotia).

Rights of Rescission or Damages for Purchasers in Nova Scotia

Purchasers of Notes to which the *Securities Act* (Nova Scotia) applies have the following rights:

Where this Information Memorandum or any amendment hereto or any advertising or sales literature (as defined in the *Securities Act* (Nova Scotia)) in respect of the Notes contains a misrepresentation, a purchaser to whom this Information Memorandum has been delivered and who purchases Notes is deemed to have relied upon such misrepresentation if it was a misrepresentation at the time of purchase and the purchaser has the right of action for damages against AltaLink or other seller and, subject to certain additional defences, against the directors of the General Partner, but may elect to exercise a right of rescission against AltaLink, in which case the purchaser has no right of action for damages against AltaLink, directors of the General Partner or any person or company, provided that, among other limitations:

- (a) in an action for rescission or damages, no defendant is liable if the defendant proves that the purchaser purchased the Notes with knowledge of the misrepresentation;
- (b) in an action for damages, the defendant is not liable for all or any portion of the damages that the defendant proves do not represent the depreciation in value of the Notes as a result of the misrepresentation relied upon; and
- (c) in no case shall the amount recoverable under the right of action described herein exceed the price at which the Notes were offered.

In addition, no person or company other than AltaLink is liable if the person or company proves that:

- (a) this Information Memorandum or any amendment hereto was sent or delivered to the purchaser without the person's or company's knowledge or consent and that, on becoming aware of its delivery, the person or company gave reasonable general notice that it was delivered without the person's or company's knowledge or consent;
- (b) after delivery of this Information Memorandum or any amendment hereto and before the purchase of the securities by the purchaser, on becoming aware of any misrepresentation in this Information Memorandum, or any amendment hereto, the person or company withdrew the person's or company's consent to this Information Memorandum, or any amendment hereto, and gave reasonable general notice of the withdrawal and the reason for it; or
- (c) with respect to any part of this Information Memorandum or any amendment hereto purporting:
 - (i) to be made on the authority of an expert; or (ii) to be a copy of, or an extract from, a report, an opinion or a statement of an expert, the person or company had no reasonable grounds to believe and did not believe that (A) there had been a misrepresentation or (B) the relevant part of this Information Memorandum or amendment hereto (1) did not fairly represent the report, opinion or statement of the expert or (2), was not a fair copy of, or an extract from, the report, opinion or statement of the expert.

Furthermore, no person or company other than AltaLink is liable with respect to any part of this Information Memorandum or any amendment hereto not purporting (a) to be made on the authority of an expert, or (b) to be a copy of, or an extract from, a report, opinion or statement of an expert, unless the person or company failed to conduct a reasonable investigation to provide reasonable grounds for a belief that there had been no misrepresentation or believed that there had been a misrepresentation.

If a misrepresentation is contained in a record incorporated by reference in, or deemed incorporated into, this Information Memorandum or any amendment hereto, the misrepresentation is deemed to be contained in this Information Memorandum or any amendment hereto.

Pursuant to section 146 of the *Securities Act* (Nova Scotia), no action shall be commenced to enforce the right of action conferred by section 138 thereof unless an action is commenced to enforce that right not later than 120 days after the date on which payment was made for the security or after the date on which the initial payment for the security was made where payments subsequent to the initial payment are made pursuant to a contractual commitment assumed prior to, or concurrently with, the initial payment.

The right of action for rescission or damages described herein is conferred by section 138 of the *Securities Act* (Nova Scotia) and is in addition to and without derogation from any right the purchaser may have at law.

For the purposes of the *Securities Act* (Nova Scotia) “misrepresentation” means

- (a) an untrue statement of material fact; or
- (b) an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made.

**CERTIFIED EXTRACT FROM RESOLUTIONS OF THE BOARD OF DIRECTORS
OF
ALTALINK MANAGEMENT LTD.,
as general partner of ALTALINK, L.P.**

WHEREAS:

- A. AltaLink Management Ltd. (the “General Partner”) has been incorporated and organized to act as the general partner of AltaLink, L.P. (the “Limited Partnership”) in accordance with the amended and restated limited partnership agreement dated September 2, 2002 between the General Partner and AltaLink Investments, L.P. (through its general partner), as limited partner (the “Limited Partnership Agreement”);
- B. Under the Limited Partnership Agreement, the General Partner, as general partner of the Limited Partnership, is authorized, empowered and directed to borrow money on the credit of the Limited Partnership and to approve, authorize, execute and deliver all material agreements and other documents on behalf of the Limited Partnership;
- C. The Limited Partnership (through the General Partner), the General Partner and BNY Trust Company of Canada, as trustee, have entered into a master trust indenture amended and restated as of April 28, 2003 (the “Indenture”) which provides for the creation and issue of a variety of senior and subordinated debt securities and establishes a set of common covenants by the Limited Partnership for the benefit of all holders of debt securities created and issued under the Indenture by the Limited Partnership;
- D. The Limited Partnership proposes to issue and sell commercial paper in the form of unsecured short-term promissory notes having the terms, conditions, rights, privileges and restrictions as subsequently determined in a supplemental indenture to the Indenture and consistent with the description thereof in the information memorandum (as defined below) and which are to be created and issued as unsecured, short-term promissory notes of the Limited Partnership that are not indebtedness, nor subject to the security granted, under the Indenture, as subsequently determined in a supplemental indenture to the Indenture;
- E. The Limited Partnership proposes to (1) provide prospective lenders with an information memorandum describing the principal commercial terms of the unsecured short-term promissory notes and contains other information, certificates, opinions and specimen Notes customary for commercial paper programs (the “information memorandum”), a draft copy of the information memorandum having been presented to the directors, (2) in connection with such commercial paper program, retain The Bank of Nova Scotia, as the issuing and paying agent pursuant to a note issuance and payment agreement to be entered into between the Limited Partnership and such financial institution (the “IPA agreement”), a draft copy of the IPA agreement having been presented to the directors, and (3) retain certain investment banking or similar firms to act as the Limited Partnership’s exclusive dealers or agents in connection with such commercial paper program pursuant to a dealer agreement to be entered between the Limited Partnership, Scotia Capital Inc. and TD Securities Inc. (the “dealer agreement”), a draft copy of the dealer agreement having been presented to the directors;
- F. The General Partner resolves the following on behalf of the Limited Partnership;

UPON MOTION DULY MADE AND SECONDED, IT WAS RESOLVED THAT:

1. The Limited Partnership is authorized from time to time to borrow money by the issue and sale of commercial paper in the form of unsecured short-term promissory notes of the Limited Partnership, substantially as described in the information memorandum, that are depository notes in “book-entry only” form (“Book-Entry Notes”) or certificated notes (“Certificated Notes”) (Book-Entry Notes and Certificated Notes collectively referred to as “Notes”), in denominations of multiples of \$1,000 in Canadian dollars (or the U.S. dollar equivalent thereof at the date of issue), provided that:

- (a) each Note represents a minimum principal amount of \$100,000 in Canadian dollars (or the U.S. dollar equivalent thereof at the date of issue),
- (b) each Note is payable not later than 364 days from the date of its issue,
- (c) the aggregate principal amount of the Notes outstanding at any one time does not exceed \$200,000,000 (or the U.S. dollar equivalent thereof calculated as at the date of issue), and
- (d) such limitation as to an aggregate principal amount is directory only and does not in any way limit the rights of a holder of any such promissory notes;

2. Any one of the following officers of the General Partner, namely, the President, Chief Executive Officer, Executive Vice President & Chief Financial Officer, or Vice President, Treasurer (each an “Authorized Officer” and collectively, the “Authorized Officers”), acting individually, be and is hereby authorized and empowered to execute, either by manual or facsimile signature, and deliver on behalf of the Limited Partnership, from time to time:

- (a) an agreement or agreements with one or more investment banking or similar firms to act as dealers or agents in connection with the sale of the Notes, substantially in the form of the dealer agreement,
- (b) an agreement or agreements with one or more banks, trust companies or similar financial institutions to act as issuance and paying agents in connection with the sale of the Notes, substantially in the form of the IPA agreement,
- (c) a supplemental indenture under the Indenture in connection with the creation and issue of Notes as indebtedness of the Limited Partnership that is not subject to, and is not secured under, the Indenture; and
- (d) the Notes, subject to the limitations described in paragraph 1 above and otherwise in such forms and in such amounts and upon such terms (including maturity dates and rates of interest or discount) as the Authorized Officer may determine and, in the case of Certificated Notes, to designate and authorize by written instrument(s) the issuing and paying agent for the Notes to countersign and authenticate the Certificated Notes, and to deliver or cause the delivery of Notes to the purchaser or purchasers thereof, in each case containing such terms and conditions as such Authorized Officer executing such agreement, Note, document or instrument may approve (together with such changes, additions, deletions and alterations thereto as the signing Authorized Officer approves), such approval to be conclusively evidenced by his or her execution and delivery thereof;

3. Any Note which has been executed by the manual or facsimile signature of an Authorized Officer, and has been delivered (either physically or electronically) against payment therefore, constitutes a valid and binding obligation of the Limited Partnership enforceable in accordance with its terms notwithstanding that at any time after execution of such Note, the Authorized Officer may cease to hold the office or position held at the time of such execution, and provided that, in the case of a Certificated Note, the issuing and paying agent for the Notes has manually certified or authenticated such Certificated Note at the time of issue;

4. The directors and Authorized Officers of the General Partner, as general partner of the Partnership, and the counsel and auditors of the Limited Partnership upon instruction from such persons, be and they are hereby authorized to do or cause to be done all acts and to make, sign, execute and deliver and file or cause to be made, signed, executed, delivered and filed all agreements, instruments, certificates and other documents, as deemed necessary or advisable in connection with and to give effect to the foregoing resolutions.

The undersigned Corporate Secretary of AltaLink Management Ltd., the general partner of AltaLink, hereby certifies for and on behalf of AltaLink, L.P. that the foregoing is a true and correct extract from the resolutions adopted by the Board of Directors of the General Partner as of August 22, 2005, and that such resolutions remain in full force and effect on the date hereof, unamended.

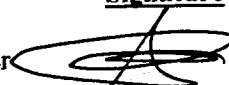

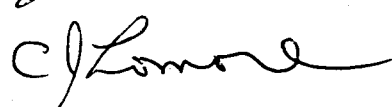
DATED the 15th day of December, 2005.



Name: Nolan Hindmarsh
Title: Corporate Secretary

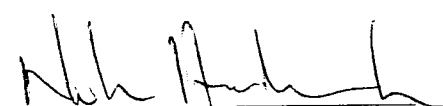
ALTALINK MANAGEMENT LTD., as general partner of ALTALINK, L.P.

CERTIFICATE OF INCUMBENCY AND SIGNATURES OF OFFICERS

<u>Name</u>	<u>Office</u>	<u>Signature</u>
Scott W. Thon Calgary, Alberta	President & Chief Executive Officer	
Dimitrios (Jim) Leonidas Calgary, Alberta	Executive Vice President & Chief Financial Officer	
Christopher J. Lomore Calgary, Alberta	Vice President, Treasurer	

The undersigned Corporate Secretary of AltaLink Management Ltd., the general partner of AltaLink, L.P., hereby certifies for and on behalf of the AltaLink, L.P. that the persons named above have been duly elected or appointed to the offices in the General Partner set opposite their respective names, that such persons are now holding the offices set opposite their respective names and are acting as such officers and that the signature set opposite each name is a true specimen of the signature of such officer.

DATED the 15th day of December, 2005.


Name: Nolan Hindmarsh
Title: Corporate Secretary



BORDEN
LADNER
GERVAIS

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December 15, 2005

AltaLink, L.P. and AltaLink Management Ltd.
P.O. Box 20, Station M
1035 - 7th Avenue SW
Calgary, AB

Dear Sirs:

Re: Issue of Short Term Promissory Notes

We have acted as counsel for AltaLink, L.P. (“AltaLink”) and AltaLink Management Ltd. (the “General Partner”) in connection with the proposed issue and sale by AltaLink of negotiable, unsecured, short-term promissory notes, in each case having maturities of up to 364 days from the respective dates of issue thereof and being issued in denominations of multiples of \$1,000 or its equivalent in U.S. currency, in the form of depository notes in “book-entry only” form (“Book-Entry Notes”) or certificated notes (“Certificated Notes”) (Book-Entry Notes and Certificated Notes are collectively referred to as “Notes”), all as more particularly set out in the information memorandum of AltaLink dated December 15, 2005 which describes the principal commercial terms of the Notes and contains other information, certifications, opinions and specimen Notes customary for commercial paper offerings such as the Note offering (the “Information Memorandum”) of which this opinion forms a part.

For the purposes of this opinion, we have examined originals or copies, certified or otherwise identified to our satisfaction, of such documents and instruments as we have considered necessary as a basis for the opinions hereinafter expressed. We have also examined such other statutes, public records, original or certified copies of corporate records of AltaLink and the General Partner, such certificates of public officials and offices of the General Partner and agreements as we have considered necessary as a basis for the opinions hereinafter expressed. In such examinations, we have assumed (a) the genuineness of all signatures and the authority of persons signing documents examined by us, (b) the authenticity of all documents examined by us which were submitted to us as originals, and (c) the conformity to authentic originals of all documents submitted to us as certified, conformed, photostatic or true copies or as reproductions of original documents (including documents received). We have also assumed that the execution and delivery of any agreements are within the capacity of the parties executing such agreements (other than AltaLink or the General Partner) and have been duly authorized by all necessary corporate proceedings of such parties (other than AltaLink or the General Partner), that such parties (other than AltaLink other than the General Partner) have duly executed and delivered such agreements, and that such agreements constitute valid, binding and enforceable obligations of such parties (other than AltaLink or the General Partner).

In rendering our opinions, we have assumed that:

- (a) All cheques, bank drafts, wire transfers and other methods of payment delivered in consideration for the Notes will be honoured upon presentation or will otherwise result in the receipt by AltaLink of the funds represented by such cheques, bank drafts, wire transfers or other methods of payment.
- (b) No order, ruling or decision of any court, regulatory authority or administrative body is in effect at any relevant time that restricts or prohibits any trade in securities of AltaLink or that affects any person who engages in such trades, and that no proceedings for that purpose have been instituted or are pending or contemplated.
- (c) Notes will only be issued in the form (as to content) of one of the specimens set forth in the Information Memorandum.

Members of this firm are qualified to practice law in the Provinces of Alberta, British Columbia, Ontario and Québec. Except to the extent that we have relied upon opinions of other counsel as referred to below, we have made no investigation of the laws of any jurisdiction other than, and the opinions hereinafter are confined to, the laws of the Provinces of Alberta, British Columbia, Ontario, Québec and the federal laws of Canada applicable in such provinces at the date hereof.

We have relied upon opinion letters (the “Local Opinions”) dated the same date hereof, addressed to you and to us, of:

- (a) McDougall Gauley LLP of Saskatoon, Saskatchewan with respect to the opinions expressed in paragraph 5 below insofar as such opinions relate to the laws of Saskatchewan;
- (b) Fillmore Riley of Winnipeg, Manitoba with respect to the opinions expressed in paragraph 5 below insofar as such opinions relate to the laws of Manitoba;
- (c) Cox Hanson O’Reilly Matheson of Halifax, Nova Scotia with respect to the opinions expressed in paragraph 5 below insofar as such opinions relate to the laws of Nova Scotia, New Brunswick, Prince Edward Island and Newfoundland and Labrador;
- (d) Lawson Lundell LLP of Yellowknife, Northwest Territories with respect to the opinions expressed in paragraph 5 below insofar as such opinions relate to the laws of the Northwest Territories and Nunavut; and
- (e) Austring, Fendrick, Fairman & Parkkari of Whitehorse, Yukon with respect to the opinions expressed in paragraph 5 below insofar as such opinions relate to the laws of the Yukon Territory.

Copies of the Local Opinions have been delivered to you, and we are of the opinion that you and we are entitled to rely upon the Local Opinions. To the extent that any Local Opinion contains assumptions, qualifications, limitations or definitions, or is expressed as relying on any certificate(s), opinion letter(s) or other documents identified therein, the opinions herein expressed in reliance on such Local Opinion should be read as incorporating the identical assumptions, qualifications, limitations, definitions and reliances. Without limiting the generality of the foregoing, (i) the counsel named in clause (b) above have assumed that the Notes will not

be offered or sold by persons holding restricted registrations under the *Securities Act* (Manitoba) that do not authorize such a person to trade in the Notes, and (ii) the counsel named in clause (c) above have assumed that AltaLink is not a “market intermediary” as such term is defined in the *Securities Act* (Newfoundland and Labrador).

In rendering the opinions expressed in paragraphs 1 and 2 below, we have obtained and relied upon (a) a certificate dated December 14, 2005 issued by the Alberta Registrar of Corporations (the “Registrar”) as to the Certificate of Limited Partnership and amendment thereto filed in respect of AltaLink (the “Partnership Certificate”); (b) a certificate dated December 14, 2005 issued by the Registrar as to the status of the General Partner as a corporation under the *Business Corporations Act* (Alberta) (the “Corporate Certificate”), and have assumed, with your concurrence, that such certificates evidence that as of the date of the Partnership Certificate and Corporate Certificate, respectively, neither AltaLink nor the General Partner has been dissolved.

In connection with the opinion expressed in paragraph 5 below, we and each counsel who has rendered a Local Opinion have assumed that (a) the Notes are not convertible or exchangeable into or accompanied by a right to purchase another security, and (b) the Notes have been assigned a credit rating of R-1 (low) by Dominion Bond Rating Service Limited (“DBRS”) and there has been no announcement by DBRS that the rating may be downgraded to a level below R-1 (low) or that the rating has been downgraded to a level below R-1 (low).

In rendering the opinion expressed in paragraph 5 below, we have assumed that any “market intermediary” as such term is defined in the Regulations to the *Securities Act* (Ontario) (the “Ontario Act”) which participates in trades in Ontario is duly registered as a “dealer” in the category of investment dealer, or limited market dealer or broker under the Ontario Act.

In connection with the opinion expressed in paragraph 5 below relating to the Province of Nova Scotia, we have assumed that the Information Memorandum is accompanied by a description of the right of action granted by the *Securities Act* (Nova Scotia) to purchasers in Nova Scotia who purchase Notes in reliance upon a misrepresentation contained in the Information Memorandum.

In connection with the opinion expressed in paragraph 5 below relating to the laws of the Yukon Territory, we have relied on an exemption order dated December 6, 2005 issued by the Yukon Registrar of Securities to AltaLink exempting it from the prospectus and exemption requirements at Parts I and II of the *Securities Act* (Yukon), a copy of which has been delivered to you.

Based and relying upon and subject to the foregoing and to the qualifications hereinafter expressed, we are of the opinion that:

1. AltaLink has been created and is validly existing as a limited partnership under the laws of the Province of Alberta and has the partnership power to borrow money and to create, issue and sell the Notes.
2. The General Partner has been incorporated and is validly existing as a corporation under the laws of Alberta.
3. All necessary partnership and corporate action has been taken by AltaLink and by the General Partner, in its capacity as general partner of AltaLink, to authorize AltaLink’s borrowing of money through the sale of the Notes and AltaLink’s creation, execution, issuance and delivery of the Notes.

4. Each of the Notes, when:
- (a) issued in the form of one of the specimens set forth in the Information Memorandum,
 - (b) signed on behalf of AltaLink by the manual or facsimile signature of any one of the President, Chief Executive Officer, Executive Vice President and Chief Financial Officer, or Vice President, Treasurer of the General Partner,
 - (c) in the case of a Certificated Note, manually authenticated for and on behalf of AltaLink by AltaLink's issuing agent, and
 - (d) delivered (or in the case of a Book-Entry Note, deposited with the clearing house in compliance with the *Depository Bill and Notes Act* (Canada)) by or on behalf of AltaLink, for value received,

will be a valid and binding obligation of AltaLink enforceable in accordance with its terms, except: (i) as enforceability thereof may be limited by bankruptcy, insolvency or moratorium laws or other laws of general application affecting the enforcement of creditors' rights; (ii) that we express no opinion as to the availability of equitable remedies, as they are available only in the discretion of the Court; (iii) that in any action on a Note in a Court in Canada, any judgment calling for the payment of moneys would be expressed in Canadian currency, notwithstanding that such Note is expressed to be payable in some other currency; (iv) that to the extent of any change in the exchange rate between the date which the Court determines as the date of conversion of any amount owing in such other currency to the Canadian dollar equivalent thereof and the date of payment thereof, the equivalent value in such other currency of the amount paid in respect of any such judgment may be subject to currency fluctuations; (v) that any requirement that "interest", as defined in section 347 of the *Criminal Code* (Canada), be paid at an effective annual rate in excess of 60% is not enforceable, and such a requirement may not be severable from the remainder of the document in which it is contained; and (vi) that we express no opinion as to the enforceability of any agreement or document which a court may determine to be an agreement to vary or exclude a limitation period under the *Limitations Act* (Alberta).

5. No filing or registration is necessary under applicable securities legislation in the Provinces and Territories of Canada in order for AltaLink to offer the Notes for sale directly, or through persons legally authorized to do so in accordance with applicable securities laws:

- (a) to the public in each of the Provinces of Alberta, Saskatchewan, Manitoba, Ontario, Newfoundland and Labrador, New Brunswick, Nova Scotia and Prince Edward Island, and in the Yukon Territory, the Northwest Territories and Nunavut;
- (b) to the public in the Province of Québec (provided a copy of the Information Memorandum, together with any other disclosure documents delivered to purchasers of Notes resident in the Province of Québec, is filed without delay with the Autorite des marches financiers); and
- (c) to the public in the Province of British Columbia (provided that a copy of the Information Memorandum is filed with the British Columbia Securities Commission within seven days after filing thereof with any government or regulatory agency in another jurisdiction).

6. The French text appearing on the specimen forms of the Notes is in all material respects a reasonable and proper translation of the corresponding English text appearing immediately above the relevant French text of the Notes.

Since the opinions expressed herein are given as at the date hereof, reliance on these opinions as to Notes issued after the date hereof must be on the assumption that there has been no change in the law or in the factual matters on which the opinions are based.

The opinions expressed herein are intended solely for the use of AltaLink and the General Partner, any agent through whom Notes are offered for sale and original purchasers of Notes from AltaLink or any such agent, and only in connection with the transaction described above, and should not be relied upon by any other person or for any other purpose, nor quoted from or referred to in any other document, without our prior written consent.

Yours truly,

Borden Ladner Gervais LLP



Discount/Interest Bearing
À escompte/ portant intérêt
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PROMISSORY NOTE
BILLET À ORDRE

Issue Date
Date d'émission

Due Date
Date d'échéance

**THIS IS A DEPOSITORY NOTE SUBJECT TO THE DEPOSITORY BILLS AND NOTES ACT.
BILLET DE DÉPÔT ASSUJETTI À LA LOI SUR LES LETTRES ET LES BILLETS DE DÉPÔT (CANADA)**

AltaLink, L.P., for value received, hereby promises to pay to or to the order of
AltaLink, L.P., contre valeur reçue, promet par les présentes de payer à ou l'ordre de

CDS & CO.

on the Due Date, in lawful money of _____, the sum of _____
à la date d'échéance, en monnaie légale _____ la somme de _____

DOLLARS (\$ _____)

with interest thereon at the rate of _____ % per annum from the Issue Date to the
avec intérêt au taux de _____ par année à compter de la date d'émission jusqu'à la

Due Date on presentation and surrender of this Promissory Note to the main branch of
date d'échéance sur présentation et remise du présent billet à ordre à la succursale principale de la

The Bank of Nova Scotia, the city of _____.
La Banque de Nouvelle Écosse dans la ville de _____.

SPECIMEN

**ALTALINK, L.P., by its general partner,
par son commandité,
ALTALINK MANAGEMENT LTD.**

Per/Par: (signed) "Scott Thon"
President & Chief Executive Officer
Président et chef de la direction

Per/Par: (signed) "Jim Leonidas"
Executive Vice President and Chief Financial officer
Vice président directeur et chef des finances

This Promissory Note is to be interpreted by and governed exclusively in accordance with the laws of the
Province of Alberta and the federal laws of Canada applicable therein.

*Le présent billet à ordre sera interprété et régi exclusivement en conformité avec les lois de l'Alberta, ainsi
que les lois du Canada s'appliquant dans cette province.*



Discount/Interest Bearing
À escompte/portant intérêt
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AltaLink, L.P., contre valeur reçue, promet par les présent de payer à ou l'ordre de

on the Due Date, in lawful money of _____, the sum of _____
à la date d'échéance, en monnaie légale _____, la somme de _____

DOLLARS (\$ _____)

with interest thereon at the rate of _____ % per annum from the Issue Date to the
avec intérêt au taux de _____ % par année à compter de la date d'émission jusqu'à la

Due Date on presentation and surrender of this Promissory Note to the main branch of
date d'échéance sur présentation et remise du présent billet à ordre à la succursale principale de la

The Bank of Nova Scotia in the City of _____
La Banque de Nouvelle Écosse dans la ville de _____

Authenticated By/Authentifié par:

THE BANK OF NOVA SCOTIA
LA BANQUE DE NOUVELLE ÉCOSSE

ALTALINK, L.P., by its general partner,
par son commandité,
ALTALINK MANAGEMENT LTD.

By/Par: _____
Authorized Signing Officer
Signataire autorisé

Per/Par: (signed) "Scott Thon"
President & Chief Executive Officer
Président et chef de la direction

Per/Par: (signed) "Jim Leonidas"
Executive Vice President and Chief Financial officer
Vice président directeur et chef des finances

This Promissory Note becomes valid only when manually authenticated by the authorized issuing agent.
Le présent billet à ordre ne deviendra valide que lorsqu'il aura été authentifié ou contresigné manuellement par l'agent émetteur autorisé.

This Promissory Note is to be interpreted by and governed exclusively in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein.

Le présent billet à ordre sera interprété et régi exclusivement en conformité avec les lois de l'Alberta, ainsi que les lois du Canada s'appliquant dans cette province.

BY ACCEPTING THIS OBLIGATION THE HOLDER REPRESENTS AND WARRANTS THAT IT IS NOT ACTING FOR OR ON BEHALF OF A UNITED STATES PERSON.

THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933 (THE "U.S. SECURITIES ACT"). NEITHER THIS NOTE NOR ANY PORTION HEREOF MAY BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO ANY U.S. PERSON (AS EACH SUCH TERM IS DEFINED IN REGULATIONS UNDER THE U.S. SECURITIES ACT) THIS NOTE WILL NOT BE SOLD OUTSIDE OF CANADA OR TO ANY PERSON WHO IS A NON-RESIDENT OF CANADA (AS SUCH TERM IS DEFINED UNDER THE INCOME TAX ACT (CANADA)). BY ACCEPTING THIS NOTE, THE HOLDER REPRESENTS AND WARRANTS THAT IT IS NOT A NON-RESIDENT OF CANADA (AS SUCH TERM IS DEFINED UNDER THE INCOME TAX ACT (CANADA)).

IF AT THE TIME OF PAYMENT, THE HOLDER OF THIS NOTE IS A NON-RESIDENT OF CANADA, ALTALINK, L.P. MAY WITHHOLD FROM THE PAYMENT ANY AMOUNT REQUIRED TO BE DEDUCTED OR WITHHELD ON ACCOUNT OF CANADIAN NON-RESIDENT INCOME TAX ON SUCH PAYMENT AND IF IT DOES SO, ALTALINK, L.P. WILL FORTHWITH REMIT THE AMOUNTS WITHHELD TO THE APPROPRIATE TAXING AUTHORITIES ON BEHALF OF THE HOLDER. PAYMENTS OF PRINCIPAL AND INTEREST ON THE NOTES WILL NOT BE INCREASED TO TAKE INTO ACCOUNT CANADIAN WITHHOLDING TAX PAYABLE IN RESPECT OF INTEREST OR AMOUNTS DEEMED TO BE INTEREST ON THE NOTES.

PAR SON ACCEPTATION DE LA PRÉSENTE OBLIGATION, LE PORTEUR DÉCLARE ET GARANTIT NE PAS AGIR POUR UNE PERSONNE DES ÉTATS-UNIS OU AU NOM D'UNE TELLE PERSONNE.

LE PRÉSENT BILLET N'A PAS ÉTÉ ET NE SERA PAS INSCRIT EN VERTU DE LA LOI AMÉRICAINNE INTITULÉE SECURITIES ACT OF 1933 (LA « LOI DE 1933 »). NI LE PRÉSENT BILLET NI AUCUNE PARTIE DE CELUI-CI NE PEUT ÊTRE OFFERT OU VENDU AUX ÉTATS-UNIS OU À UNE PERSONNE DES ÉTATS-UNIS (SELON LA DÉFINITION DE L'EXPRESSION U.S. PERSON DANS LE RÈGLEMENTS PRIS EN VERTU DE LA LOI DE 1933). LE PRÉSENT BILLET NE SERA PAS VENDU À L'EXTÉRIEUR DU CANADA NI À UNE PERSONNE QUI EST UN NON-RÉSIDENT DU CANADA (SELON LA DÉFINITION DE « NON-RÉSIDENT » DANS LA LOI DE L'IMPÔT (CANADA)). PAR SON ACCEPTATION DU PRÉSENT BILLET, LE PORTEUR DÉCLARE ET GARANTIT NE PAS ÊTRE UN NON-RÉSIDENT DU CANADA (SELON LA DÉFINITION DE NON-RÉSIDENT DANS LA LOI DE L'IMPÔT SUR LE REVENU (CANADA)).

SI AU MOMENT DU PAIEMENT, LE PORTEUR DU PRÉSENT BILLET EST UN NON-RÉSIDENT DU CANADA, ALTALINK, L.P. PEUT RETENIR SUR LE PAIEMENT TOUT MONTANT DEVANT ÊTRE DÉDUIT OU RETENU AU TITRE DES IMPÔTS SUR LE REVENU DES NON-RÉSIDENTS DU CANADA. SI ELLE EFFECTUE DE TELLES RETENUES, ALTALINK, L.P. REMETTRA IMMÉDIATEMENT LES MONTANTS RETENUS AUX AUTORITÉS FISCALES PERTINENTES AU NOM DU PORTEUR. LES PAIEMENTS DE CAPITAL ET D'INTÉRÊT SUR LES BILLETS NE SERONT PAS MAJORÉS POUR TENIR COMPTE DES RETENUES FISCALES CANADIENNES PAYABLES À L'ÉGARD DE L'INTÉRÊT OU DES MONTANTS RÉPUTÉS ÊTRE DE L'INTÉRÊT SUR LES BILLETS.