

Funding Announced for Phase 4 & 5 of ACE Water System

FOR IMMEDIATE RELEASE

KITSCOTY, AB (September 6, 2016)

The Alberta Central East (ACE) Water Corporation will receive funding for Phases 4 & 5 of the regional water system. Phase 4 will build pipeline infrastructure to transport water from the City of Lloydminster to Kitscoty and Phase 5 will continue the line from Kitscoty to Marwayne. Negotiations are already underway and a Memorandum of Understanding is in place between ACE and the City of Lloydminster to develop a Water Supply Agreement.

The Funding announced on September 1, 2016 is from the Government of Canada's new Clean Water and Wastewater Fund. This funding will fund up to 50% of eligible project costs and the Government of Alberta will fund up to 40% of eligible project costs through the Water for Life grant program. Phase 4 receives \$9,540,051 of federal funding and Phase 5 receives \$4,869,671 of federal funding.

"This is great news for our shareholders especially for the unconnected municipalities. They have faithfully contributed their share of capital costs and now with this funding we will take a huge step towards completing our system." says Patrick Gordeyko, ACE Chairman. "We will still have to work hard to secure funding to connect the remaining four communities. On behalf of Ace's Municipal Shareholders, we would like to thank the Provincial & Federal Governments for the funding received and for enabling municipalities to provide their residents a source of safe reliable drinking water."

The ACE Regional water system began with the completion of Phase 1 and Phase 2 of the system in 2012-2013, after nearly ten years in the planning process. This allowed the flow of water from the Vegreville Water Transfer Station through pipelines to seven of the partner municipalities. Phase 3 is currently underway with expected completion this year. It will connect the 8th municipality, so only 5 remain. The funding for Phase 4 and 5 will allow us to connect two more municipalities and a hamlet from the County of Vermilion River. This will make significant progress on the regional system, which will be one of the largest regional systems in Alberta. With previous funding from the Government of Alberta, and now the Government of Canada, this water system will provide water to approximately twenty communities located within the geographical boundaries of the Counties of Minburn, Two Hills and Vermilion River.

The Alberta Central East (ACE) Water Corporation is a consortium of 13 municipalities in east central Alberta with an interest in providing a reliable, safe, and sustainable supply of potable water to their residents. The thirteen municipalities comprising ACE are the County of Minburn, County of Two Hills, County of Vermilion River, Town of Two Hills, Town of Vermilion, Villages of Dewberry, Innisfree, Kitscoty, Mannville, Marwayne, Myrnam, Paradise Valley and Willingdon.

Media inquiries may be directed to:

Patrick Gordeyko, Chairman
Alberta Central East Water Corporation
Phone: 780-632-1560