

Subject: Saamis Solar, AESO Market Design, and Council's Duty to Taxpayers

September 10, 2025

Mayor and Members of City Council,

With the Alberta Electric System Operator (AESO) releasing its government-approved final market design, Medicine Hat must urgently revisit its energy strategy. The new structure leaves Saamis Solar economically dead in the water - exactly as MHURA and third party expert energy advisors warned at the time the City was seeking AUC approval of the acquisition.

Here are the facts:

1. Independent advice was ignored. The City previously retained EDC Associates [Energy-Consulting Firm based in Calgary, Alberta | EDC Associates Ltd.](#) who raised serious concerns about Saamis' economics. Their advice was disregarded, and their contract terminated when they told uncomfortable truths.
2. Millions wasted on solar. Instead of heeding warnings, Council pursued "green" projects without demonstrating how they would ever pay off.
3. Financial modeling exists but was hidden. We received heavily redacted models, meaning the assumptions and results do exist - they are simply being withheld from the public.
4. Ratepayers will bear the losses. Under AESO's new design, Saamis Solar and gas generation revenues are weaker than ever. Meanwhile, imports will be cheaper - a benefit to residents, but also a clear sign that new local generation makes little sense.
5. Fiduciary duty must come first. Council's first responsibility is to protect taxpayers, not gamble with their dollars on projects that do not add up.

On behalf of Medicine Hat residents and businesses, we call on Council to:

- Immediately release all financial modeling (unredacted) for Saamis Solar and related generation projects.

- Commission updated independent analysis under the new AESO design before committing another cent.
- Restore fiscal discipline by acknowledging past mistakes and committing to transparency going forward.

Here is the latest news article on the AESO Energy Market Redesign:

<https://calgaryherald.com/business/albertas-electricity-market-is-getting-a-revamp>

“Concerns are that the new pricing structure could push southern Alberta solar, wind and even gas power plants into shutting down or selling their assets. We might see some of these wind and solar projects actually go immediately into the red in terms of cash flow,” said Jason Wang, a senior analyst with the Pembina Institute, a clean energy think-tank.

Ratepayers deserve honesty, not half-truths and hidden reports. Council must show leadership by putting fiduciary responsibility above failed green experiments.

Sincerely,

Sou Boss

On behalf of Medicine Hat United Ratepayers Association (MHURA)