



# ENERGY REGULATORY REPORT

*This monthly report summarizes matters under the jurisdiction of the Alberta Energy Regulator (“AER”), the Alberta Utilities Commission (“AUC”) and the Canada Energy Regulator (“CER”) and proceedings resulting from these energy regulatory tribunals. For further information, please contact a member of the [RLC Team](#).*

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**ALBERTA ENERGY REGULATOR*****Invitation for Feedback on Revisions to Directive 088, AER Bulletin 2022-35******Applications - Closure Plan***

The AER proposed updates to Directive 088: *Licensee Lifecycle Management* (“*Directive*”) to support the Government of Alberta’s new Liability Management Framework and the rule changes announced in Bulletin 2020-26. The AER sought feedback on s. 4.2, “Closure Nomination” of the *Directive*. Changes to s. 4.2 of the *Directive* include:

- the introduction of the Closure Nomination Program that provides an opportunity for eligible requesters (e.g., private landowners, First Nations, Métis settlements, municipalities, disposition holders, ministers) to request the closure of a site; and
- a description of the closure plan approaches that a licensee may use when a site becomes eligible for the program and requires a closure plan.

The AER will review all received feedback and use the submissions to finalize the *Directive*. The comments provided through this consultation will form part of the public record and may be attributed to the specific individuals who provided them.

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**ALBERTA UTILITIES COMMISSION*****Alberta Electric System Operator Bulk, Regional and Modernized Demand Opportunity Service Rate Design Application, AUC Decision 26911-D01-2022******Rates - Electricity***Application

The Alberta Electric System Operator (“AESO”) applied for approval of a new bulk and regional rate design (the “Proposed Rate Design”).

In the AESO’s view, the current rate design does not recognize that an increasing amount of transmission is driven by investments to accommodate the flow of in-merit energy. The AESO also asserted that there was cross-subsidization resulting from the coincident peak (“12CP”) billing determinant charge avoidance.

More specifically, the AESO proposed changes to the demand transmission service rate (“Rate DTS”), the demand opportunity service rate (“DOS”), the export opportunity service (“XOS”) and export opportunity merchant service (“XOM”) rates, and certain payment in lieu of notice (“PILON”) provisions in its terms and conditions. A mitigation strategy for customers materially impacted by the Proposed Rate Design was also included as part of the application.

Decision

The AUC denied the application for the Proposed Rate Design (and the alternative rate designs proposed by some interveners), except for the PILON waiver applicability to sites that have not increased contract capacity in the last five years pursuant to s. 5.3(6) of the PILON terms and conditions.

The AUC accepted that the proposed changes to s. 5.3(6) of the PILON terms and conditions will aid in incenting market participants to recontract at a level that reflects their current use of the system. The AUC directed the AESO to file a compliance filing to reflect the approved changes to s. 5.3(6) of its PILON terms and conditions by January 15, 2023.

The AUC directed the AESO to re-file its bulk and regional and Rate DOS rate design application, taking into account the guidance, directions and findings provided in this decision, by January 31, 2025.

Finally, the AUC directed the continuing operation of the current rate design until further order or direction by the AUC.

Applicable Legislation

[Electric Utilities Act](#), SA 2003, c E-5.1 - ss. 14, 30, 121.

[Transmission Regulation](#), Alta Reg 86/2007 - ss. 15(1)(e)(f), 47.

Pertinent Issues

The AUC found that the Proposed Rate Design sends the following inappropriate price signals to customers:

- (a) charges based on average cost causation (which does not reflect their locational dependence or when they were caused), which invalidates the relationship between the costs and consumption;
- (b) an avoidable 12CP charge to collect historical or “sunk” transmission costs; and

- (c) greatly increased all-hours energy charges to collect sunk transmission costs, which penalize the most efficient users of the system and may encourage system avoidance by them, and dissuade the use of surplus off-peak capacity.

The AUC was of the view that inappropriate signals result in a rate design that may not be durable, predictable, or stable. The AUC found that the focus of cost recovery must shift from broadly relying on cost causation principles to inform the development of price signals and fair rates to a more narrow application of cost causation focused on the efficient use of surplus off-peak transmission capacity as well as fairness in sunk cost recovery.

The AUC directed the AESO to avoid using the 12CP charge in the next rate design and, instead, propose billing determinants that more broadly reflect on-peak consumption and are more difficult to avoid. The AUC also determined that there was a significant risk that rate DTS could be cannibalized by the proposed modernized Rate DOS. The AUC therefore found that the proposed modernized Rate DOS is not just and reasonable.

The AUC agreed with certain parties that the design proposed by the AESO's expert results in an excessive primary charge for Rates XOS and XOM because the energy charge component of the AESO's Proposed Rate Design for Rate DTS is carried through mechanically, which is contrary to the rate principles specific to opportunity services. Accordingly, the AUC denied the proposed changes to Rates XOS and XOM.

The AUC determined that the amendments to s. 5.3(6) of the PILON terms and conditions, as proposed by the AESO, will incentivize market participants to recontract at a level that reflects their current use of the system. The AUC therefore found the amendments to be just and reasonable and approved them.

Since the AUC denied the Proposed Rate Design, it was unnecessary to make any findings regarding the mitigation of rate impacts to consumers at this time.

***AltaLink Management Ltd., TransCanada Energy Ltd. Saddlebrook Solar and Battery Storage Connection Facility Applications, AUC Decision 27699-D01-2022***

*Facilities - Electricity*

Applications

TransCanada Energy Ltd. ("TransCanada") has approval to construct and operate the 102.5-megawatt Saddlebrook Solar and Battery Storage Project (the "Power Plant") located near Aldersyde. TransCanada also has approval to construct and operate the power plant substation, designated as Saddlebrook 303S Substation (the "Substation").

TransCanada filed a system access service request with the Alberta Electric System Operator ("AESO") to connect the Power Plant to the Alberta Interconnected Electric System ("AIES"). The AESO determined that a new 138-kilovolt ("kV") transmission line connecting the Substation to an existing transmission line was required and issued a letter of approval for the need for such transmission development.

AltaLink Management Ltd. ("AML") applied to the AUC for approval to construct and operate a new 138-kV transmission line, which would be 80 metres long and designated as Transmission Line 727AAL ("Line 727AAL"). Line 727AAL would run from existing Transmission Line 727AL to the Substation, connecting the Substation to the AIES. AML also applied to construct two kilometres of underground fibre optic cable for telecommunications along the existing Transmission Line 727AL.

TransCanada applied to the AUC for permission to connect the Substation to Line 727AAL constructed by AML.

Decisions

The AUC approved the facility applications from AML for the transmission facilities for the Saddlebrook Solar and Battery Storage Connection project. The AUC approved the construction of Line 727AAL, telecommunications fibre optic cable, transmission line alteration, and the connection of the Power Plant to the AIES.

Because of the duplication with the connection application filed by AML, the AUC denied the connection application filed by TransCanada.

#### Applicable Legislation

[Hydro and Electric Energy Act](#), RSA 2000, c H-16 - ss. 14, 15, 18 and 19.

AUC Rule 007: [Applications for Power Plants, Substations, Transmission Lines, Industrial System Designations, Hydro Developments and Gas Utility Pipelines](#)

ISO Rules Section 501.3 - [Abbreviated Needs Approval Process](#)

### ***BER Wheatcrest Solar GP Inc. and AltaLink Management Ltd. Wheatcrest Solar Facility Connection Project, AUC Decision 27543-D01-2022*** *Facilities - Electricity*

#### Application

BER Wheatcrest Solar GP Inc. (“BER”) applied to the AUC for approval to construct and operate a new 138-kilovolt one-kilometre transmission line (“Line 763AAL”) to connect the 60-megawatt Wheatcrest Solar Facility power plant (the “Solar Project”) to Transmission Line 763AL. BER also applied for permission to construct and operate the related Wheatcrest 1093S Substation.

AltaLink Management Ltd. (“AML”) applied for permission to alter its existing facilities to accommodate the connection of BER’s Line 763AAL to the Alberta Interconnected Electric System. AML requested permission to connect Line 763AAL to the existing Line 763AL along with further upgrades to related structures and facilities.

#### Decision

The AUC granted the approvals sought.

#### Relevant Legislation

[Alberta Utilities Commission Act](#), SA 2007, c A-37.2 - s. 17.

[Hydro and Electric Energy Act](#), RSA 2000, c H-16 - ss. 14, 15, 18, 19 and 21.

ISO Rules Section 501.3 - [Abbreviated Needs Approval Process](#)

AUC Rule 001: [Rules of Practice](#)

AUC Rule 007: [Applications for Power Plants, Substations, Transmission Lines, Industrial System Designations, Hydro Developments and Gas Utility Pipelines](#)

AUC Rule 012: [Noise Control](#)

#### Pertinent Issues

The AUC reviewed the applications and determined that the applications filed by BER and AML met the applicable requirements of Rule 007: *Applications for Power Plants, Substations, Transmission Lines, Industrial System Designations, Hydro Developments and Gas Utility Pipelines* and Rule 012: *Noise Control*. The AUC determined that BER’s and AML’s applications are in the public interest.

BER determined that the required distances between transmission line structures may require BER to construct one structure in a Class IV wetland (“Wetland”). BER stated that the structure’s siting was not finalized pending

ongoing geotechnical work. BER will make every effort to avoid placing the structure within the boundary of the Wetland. An environmental report was filed for the Solar Project. The environmental report concluded that the predicted residual effects on the environment are anticipated to be insignificant with the implementation of appropriate mitigation measures. The AUC accepted the findings of the environmental report but encouraged BER to avoid the Wetland if possible.

### **City of Grand Prairie Eastlink Centre Power Plant, AUC Decision 27276-D02-2022**

#### *Facilities - Noise*

#### Application

The City of Grande Prairie (“Grand Prairie”) applied to the AUC for permission to operate the existing 666-kilowatt Eastlink Centre Power Plant (the “Power Plant”) located at the Eastlink Centre recreational complex within the city of Grande Prairie.

#### Decision

The AUC approved the application to operate the Power Plant. The approval is conditional upon Grand Prairie implementing additional noise mitigation at the Power Plant to reduce sound levels at the most impacted receptor by a minimum of five decibels (“dBA”) and eliminate the high-pitched noise from the Power Plant.

#### Relevant Legislation

[Electric Utilities Act](#), SA 2003, c E-5.1 - s. 95.

[Hydro and Electric Energy Act](#), RSA 2000, c H-16 - s. 18.

AUC Rule 007: [Applications for Power Plants, Substations, Transmission Lines, Industrial System Designations, Hydro Developments and Gas Utility Pipelines](#)

AUC Rule 012: [Noise Control](#)

#### Pertinent Issues

Initially, the Power Plant was constructed and operated based on Grand Prairie’s understanding that it was exempt from the requirement to apply for AUC approval to construct and operate the Power Plant, based on the provisions of s. 18.1 of the *Hydro and Electric Energy Regulation*. One criterion for exemption is compliance with AUC Rule 012: *Noise Control* (“Rule 012”). However, a sound study conducted after several noise complaints were received by Grand Prairie confirmed that the Power Plant exceeded permissible nighttime sound levels (“PSLs”) set out in Rule 012.

Grand Prairie hired Acoustical Consultants Inc. (“ACI”) to conduct several comprehensive sound level surveys and implemented mitigation measures to bring the noise levels at the affected noise receptors to levels that comply with Rule 012.

Subs. 1.4(3) of Rule 012 provides the AUC with the discretion to “dispense with, vary, or supplement all or any part of these rules if it is satisfied that the circumstances require it.” The Power Plant uses equipment that creates a constant high-pitched sound, increases area noise levels, and is located in a manner that accentuates the sound radiation toward residences that are located in very close proximity to the Power Plant. The AUC therefore determined that this case warranted the exercise of its discretion under Rule 012.

The AUC determined that implementing additional sound mitigation to achieve a reduction of at least five dBA at the most affected receptor is necessary to uphold the public interest in these circumstances. Grand Prairie was directed to submit proposed mitigation measures, a timeline for implementation, and to complete a post-mitigation sound survey to confirm that the noise mitigation measures reduce the noise level by at least five dBA.

**Concord Coaldale GP2 Ltd. Coaldale Solar Project Battery Energy Storage System Addition, AUC Decision 27216-D01-2022**  
*Battery Energy Storage - Facilities*

Application

Concord Coaldale GP2 Ltd. (“Concord”) filed an application with the AUC for approval to alter the already approved Coaldale Solar Project (the “Power Plant”) by adding a 21-megawatt, 42-megawatt-hour battery energy storage system (“BESS”) within the existing fence line of the Power Plant (the “Project”).

The BESS will allow for two hours of storage and charge primarily from on-site solar production and discharge to the 25-kilovolt distribution system while also having the ability to charge from the distribution system.

Decision

The AUC approved the application from Coaldale to add the BESS to the Power Plant.

Applicable Legislation

[Alberta Utilities Commission Act](#), SA 2007, c A-37.2 - s. 17.

[Hydro and Electric Energy Act](#), RSA 2000, c H-16 - ss. 11, and 19.

AUC Rule 007: [Applications for Power Plants, Substations, Transmission Lines, Industrial System Designations, Hydro Developments and Gas Utility Pipelines](#)

AUC Rule 012: [Noise Control](#)

Pertinent Issues

Concord contracted RWDI Air Inc. (“RWDI”) to conduct an air quality assessment. RWDI used the United States Environmental Protection Agency’s Acute Exposure Guideline Levels (“AEGL”) to measure the threshold hazard criteria associated with the toxicity of hydrogen fluoride (“HF”), as recommended by Environment and Climate Change Canada (“ECCC”).

The AEGL system characterizes three concentration levels, or tiers, with associated exposure times, ranging from transient easily reversible impacts (“AEGL-1”) to life-threatening health effects (“AEGL-3”). RWDI selected AEGL-2 as the appropriate exposure criteria based on recommendations by ECCC. AEGL-2 is described as “the airborne concentration above which it is predicted that the general population, including susceptible individuals, could experience irreversible or other serious, long-lasting adverse health effects or an impaired ability to escape.”

RWDI determined that downwind HF concentrations at or above AEGL-2 will extend up to 144 metres from a BESS unit involved in a fire. Because the nearest resident is located 330 metres from a BESS unit, they would be expected to experience HF concentrations less than AEGL-2 in the event of a fire.

The carbon monoxide (“CO”) model submitted by Concord indicated potential exposure to AEGL-2 concentrations of CO at nearby residences. Concord believed the likelihood of a thermal runaway event to be extremely low given the significant and growing number of stationary BESS currently in operation and the relatively infrequent occurrences of thermal runaway events. Concord also explained that to qualify under the worst-case scenario for CO concentrations, potentially affected residences must meet several environmental criteria simultaneously. The AUC accepted Concord’s explanation that the likelihood of all criteria being met at the same time and a thermal runaway event occurring is extremely low. The AUC was satisfied that Concord’s risk assessment was reasonable and appropriate and that Concord had adequately identified, assessed, and mitigated potential risks



to nearby residents in the event of a fire or emergency at the BESS. The AUC therefore approved the amendment to the Power Plant.

**Concord Monarch GP2 Ltd. Monarch Solar Project Battery Energy Storage System Addition, AUC Decision 27191-D01-2022**

*Battery Energy Storage - Facilities*

Application

Concord Monarch GP2 Ltd. (“Concord Monarch”) filed an application with the AUC for approval to alter the already approved Monarch Solar Project (the “Power Plant”) by adding a 21-megawatt, 42-megawatt-hour battery energy storage system (“BESS”) within the existing fence line of the Power Plant.

The BESS will allow for two hours of storage and charge primarily from on-site solar production and discharge to the 25-kilovolt distribution system while also having the ability to charge from the distribution system.

Decision

The AUC approved the application from Coaldale Monarch to add the BESS to the Power Plant.

Applicable Legislation

[Alberta Utilities Commission Act](#), SA 2007, c A-37.2 - s. 17.

[Hydro and Electric Energy Act](#), RSA 2000, c H-16 - ss. 11, and 19.

AUC Rule 007: [Applications for Power Plants, Substations, Transmission Lines, Industrial System Designations, Hydro Developments and Gas Utility Pipelines](#)

AUC Rule 012: [Noise Control](#)

**Direct Energy Regulated Services Request for Enforcement of Rule 004 on the ATCO Utilities, AUC Decision 27657-D01-2022**

*Electricity - Markets*

Application

Direct Energy Regulated Services (“DERS”) filed an application requesting that the AUC enforce *Rule 004: Alberta Tariff Billing Code Rules (“Rule 004”)* on ATCO Electric Ltd. (distribution) and ATCO Gas (the “ATCO Utilities”).

DERS learned that the ATCO Utilities planned to only migrate three months of pricing data when they complete their data migration to their new Customer Information System (“CIS”). The ATCO Utilities’ CIS is important to retailers in that it houses all the necessary processes to generate the tariff bill file that retailers use to generate bills for customers. Cancel-rebills are market transactions that are required whenever a transaction sent from the distributor to a retailer must be corrected in some manner. The ATCO Utilities notified DERS that after their CIS migration, they plan to utilize a manual solution for cancel-rebill transactions that occur outside of the three-month period of data migrating to the new CIS system.

DERS was concerned with the process proposed by the ATCO Utilities because the process proposed would not meet the requirements of s. 5.4.4 of *Rule 004* and would cause significant market harm.

### Decision

The AUC found that the manual process, as proposed by the ATCO Utilities for cancel-rebills beyond the initial three months of data being migrated over to their new CIS, does not meet the requirements of *Rule 004*. The AUC directed the ATCO Utilities to report back to the AUC on their automated solution by November 17, 2022.

### Applicable Legislation

AUC *Rule 004*: [Alberta Tariff Billing Code Rules](#), s. 5.4.4.

### Pertinent Issues

Under of s. 2.14 of *Rule 004* a distributor must retain tariff billing data in its original format to allow for one-time charge records for cancel and rebill transactions for periods beyond two years. DERS raised the concern that the plan proposed by the ATCO Utilities to process cancel-rebill transactions manually does not comply with *Rule 004*. The ATCO Utilities disagreed with DERS' assertion that their manual cancel-rebill process will not comply with s. 2.14. The ATCO Utilities also explained that s. 5.4.4 (cancels and rebills of charges spanning extended periods) of *Rule 004* expressly allows for one-time charge adjustments for data that is not converted and this is a process currently being performed by market participants. The ATCO Utilities relied on this provision to allow them to have retailers make manual adjustments for cancel-rebill transactions that occur beyond the three months of data that will be migrated to their new CIS, noting that "data retention" is an undefined term in *Rule 004*.

The AUC found that there is an express link in *Rule 004* between s. 2.14 and s. 5.4.4, and that the history of s. 5.4.4 and the policy objectives of *Rule 004* all support the view that "data retention" has the same meaning in s. 2.14 and s. 5.4.4.

The AUC recognized that a CIS transition is infrequent and that an exemption from *Rule 004* may be appropriate in specific circumstances.

### ***Enerfin Energy Company of Canada Inc. and AltaLink Management Ltd. Winnifred Power Plant Connection Project, AUC Decision 26707-D01-2022*** *Electricity - Facilities*

### Application

Enerfin Energy Corporation of Canada Inc. ("Enerfin") has permission to construct and operate the 122.32-megawatt ("MW") Winnifred Wind Power Plant (the "Power Plant") and the associated Hoslom 1054S Substation.

The AUC approved the needs identification document application filed by the Alberta Electric System Operator ("AESO"), which proposed a single-circuit, 138-kilovolt transmission line ("Line 498L") to connect Enerfin's Holsom 1054S Substation to AltaLink Management Ltd. ("AML")'s Bullshead 523S Substation and to upgrade the Bullshead 523S Substation. Enerfin and AML filed facility applications requesting approval from the AUC to meet the identified need.

### Decision

The AUC approved the application from Enerfin to construct Line 498L. The AUC also approved the application from AML to connect the existing Bullshead 523S Substation to Line 498L and to upgrade the Bullshead 523S Substation to accommodate the connection.

### Applicable Legislation

[Alberta Utilities Commission Act](#), SA 2007, c A-37.2 - s. 17.

[Hydro and Electric Energy Act](#), RSA 2000, c H-16 - ss. 14, 15, 18, and 19.

[Transmission Regulation](#), Alta Reg 86/2007 – ss. 24.31.

AUC Rule 007: [Applications for Power Plants, Substations, Transmission Lines, Industrial System Designations, Hydro Developments and Gas Utility Pipelines](#)

### Pertinent Issues

Initially, Enerfin had proposed various route alternatives for Line 498L. Following consultation with participants and stakeholders, Enerfin ultimately settled on a route along the corridor of Township Road 120 and Highway 3 southwest of the City of Medicine Hat.

The route proposed by Enerfin crosses more native grasslands than other possible routes. The AUC was satisfied with the measures proposed in Enerfin's environmental protection plan to mitigate impacts on native grasslands. Nonetheless, the AUC emphasized the importance of native grasslands and the proper implementation of mitigation measures by Enerfin to protect this ecosystem.

At the time of the application, Enerfin had not completed a clubroot management plan but confirmed its plan to develop and implement a plan before beginning construction. Accordingly, as a condition of approval, the AUC directed Enerfin to file a copy of its finalized environmental protection plan 30 days prior to the start of construction.

The AUC determined that Enerfin's application met the requirements of *Rule 007*. The AUC was also satisfied that the application was consistent with the need approved by the AESO and the requirements of the AESO functional specifications. The AUC therefore approved the applications.

### ***ENMAX Power Corporation 2023 Interim Transmission Facility Owner Tariff, AUC Decision 27727-D01-2022***

*Rates - Electricity*

### Application

ENMAX Power Corporation ("EPC") applied to the AUC for approval of its 2023 interim transmission facility owner ("TFO") tariff. EPC applied for approval on an interim refundable basis until the AUC approved and implemented EPC's final 2023 TFO tariff.

EPC proposed that its 2023 interim tariff recover 60 percent of the forecast revenue shortfall calculated as the difference between the approved 2022 transmission tariff and the proposed 2023 transmission tariff. In its 2023-2025 transmission general tariff application ("GTA"), EPC applied for revenue requirements for 2023, 2024, and 2025 of \$129.5 million, \$138.4 million, and \$156.6 million, respectively.

### Decision

The AUC approved EPC's interim tariff based on a recovery of 50 percent of the revenue shortfall between its approved 2022 tariff and its forecast 2023 revenue requirement.

### Applicable Legislation

[Transmission Regulation](#), Alta Reg 86/2007 - ss. 8, 15-17, 21, 22, 30 and 31.

### Pertinent Issues

The AUC applies a two-part test when evaluating interim rate applications. The first part relates to quantum and need factors, and the second part relates to the public interest.

The AUC found that the application of the two-part test to EPC's requested rate increase of 60 per cent of the anticipated revenue shortfall does not favour approval of EPC's application. The AUC was of the view that a portion of the requested interim tariff increase is contentious. The AUC was not persuaded that approval of the requested interim rate increase, in full, is in the public interest, given that determinations on the contentious items remain uncertain. The AUC noted that if it were to approve EPC's requested 2023 interim tariff in full, the expected increase would amount to approximately 14 per cent in 2023. The AUC found that approval of an interim tariff increase would assist to smooth out any potential increase in rates for 2023 and reduce potential rate shock to ratepayers when the final 2023 tariff is approved.

The AUC therefore deemed that a recovery of 50 per cent of the revenue shortfall is just and reasonable.

***ENMAX Power Corporation Application to Address Noise Complaint at ENMAX No. 28 Substation, AUC Decision 27444-D01-2022***

*Facilities - Compliance*

Application

A resident close to the ENMAX Power Corporation ("EPC"), No. 28 Substation (the "Substation") filed a noise complaint. In response to the noise complaint and an investigation by AUC enforcement staff, EPC filed an application requesting: the AUC to provide direction regarding the application of the *New Dwelling Rule* set out in Rule 012: *Noise Control* ("Rule 012") in the specific circumstances of the Substation alternatively approval of a Class A2 adjustment and direction on the installation of a barrier to meet permissible sound levels at relevant residences.

Decision

The AUC found that EPC No. 28 Substation complies with *Rule 012*. The AUC therefore determined that no mitigation measures were required.

Applicable Legislation

AUC Rule 012: [Noise Control](#)

Pertinent Issues

The Substation began operation in 1969, before the residence of the complainant was constructed. The comprehensive sound level survey submitted by EPC showed that the noise levels at residences near the Substation were predicted to exceed the present nighttime permissible sound level.

The *New Dwelling Rule* under *Rule 012* is intended to provide regulatory certainty to owners and operators of existing and operational electric facilities that newly constructed or permitted dwellings are to be subject to the existing acoustic environment as it relates to noise emitted from those facilities.

The AUC agreed with EPC that the *New Dwelling Rule* contains no restrictions or exclusions concerning the type or age of facilities other than the high-level requirement that the rule is triggered where there is an existing and operational facility that pre-dates the construction of nearby dwellings. The AUC was therefore satisfied that the noise levels at the Substation comply with *Rule 012*.

**EPCOR Distribution & Transmission Facility Owner Tariff, AUC Decision 27696-D01-2022***Electricity - Rates*Application

EPCOR Distribution & Transmission Inc. (“EDTI”) applied for approval of its 2023 interim transmission facility owner (“TFO”) tariff. EDTI calculated its 2023 interim tariff as the sum of its approved 2022 TFO tariff and 50 percent of the difference between its applied-for 2023 final tariff and its approved 2022 tariff.

Decision

The AUC approved the application from EDTI for approval of its 2023 interim TFO tariff, effective January 1, 2023, on an interim refundable basis.

Applicable Legislation

[Electric Utilities Act](#), SA 2003, c E-5.1 - s. 121(1) and (2), and 124(1).

**Georgetown Solar Inc. Georgetown Solar + Energy Storage Project, AUC Decision 27205-D01-2022***Solar Power - Facilities*Application

Georgetown Solar Inc. (“Georgetown”) filed applications with the AUC for permission to construct and operate the 230-megawatt Georgetown Solar Power Plant, a 200-megawatt-hour battery energy storage system, and associated Mossleigh 1051S Substation (collectively, the “Project”).

The Project would be located on approximately 547 acres of privately owned agricultural land in Vulcan County. Georgetown will submit separate applications for approval to construct transmission infrastructure to connect the Project to the Alberta Interconnected Electric System.

Decision

The AUC approved the applications.

Applicable Legislation

[Alberta Utilities Commission Act](#), SA 2007, c A-37.2 - s. 17.

[Conservation and Reclamation Regulation](#), Alta Reg 115/1993

[Hydro and Electric Energy Act](#), RSA 2000, c H-16 - ss. 11 and 19.

AUC Rule 007: [Applications for Power Plants, Substations, Transmission Lines, Industrial System Designations, Hydro Developments and Gas Utility Pipelines](#)

AUC Rule 012: [Noise Control](#)

AUC Rule 033: [Post-approval Monitoring Requirements for Wind and Solar Power Plant](#)

**Hammerhead Resources Inc. Gold Creek Industrial System Designation, AUC Decision 27771-D01-2022**  
*Facilities - Electricity*Application

Hammerhead Resources Inc. (“Hammerhead”) owns and operates three oil battery facilities and an associated water storage facility (the “Facilities”) in the Gold Creek area, southeast of the city of Grande Prairie. Each of these four facilities is served by separate natural gas generators. The Facilities are not connected to the Alberta Interconnected Electric System. Hammerhead proposed to connect the Facilities through a new 15-kilometre (“km”) 25-kilovolt distribution line. The distribution line would allow Hammerhead to utilize existing generation from one oil battery facility to power all four facilities and shut down the remaining generators. Hammerhead requested that the AUC issue an industrial system designation (“ISD”) for the electric system.

Decision

The AUC denied Hammerhead’s application for an ISD because the electric system proposed to serve Hammerhead’s facilities did not meet the criteria for an industrial system under s. 4(3)(a) of the *Hydro and Electric Energy Act* (the “HEEA”).

Applicable Legislation

[Hydro and Electric Energy Act](#), RSA 2000, c H-16 - s. 4(3).

Pertinent Issues

The Facilities are located at four different locations, separated by distances ranging from 800 metres to 4 km. Each facility has its own generating assets to power the on-site equipment. Given this, the AUC found that the Facilities are not physically integrated, are not dependent on each others’ operation, and do not involve any co-production of a useful by-product such as steam or heat for an industrial operation. The AUC was therefore not satisfied that there is a high degree of integration of the components of the Facilities as required under s. 4(3)(a) of the HEEA.

**Jurassic Solar GP Ltd. Jurassic Solar+ Project, AUC Decision 27623-D01-2022**  
*Solar Power - Facilities*Application

Jurassic Solar GP Ltd. (“Jurassic”) applied to the AUC for approval to construct and operate a 220-megawatt (“MW”) solar power plant, a battery energy storage system (“BESS”) with a storage capacity of up to 80-megawatt-hour (“MWh”) and the associated Raptor 1080S Substation ( the “Jurassic Project”). The Jurassic Project will be located on 1,170 acres of privately owned and predominately agricultural land near Iddesleigh in Special Area No. 2 and Cypress County.

Decision

The AUC approved Jurassic’s application to construct and operate the Jurassic Project.

Applicable Legislation

[Alberta Utilities Commission Act](#), SA 2007, c A-37.2 - s. 17.

[Electric Utilities Act](#), SA 2003, c E-5.1.

[Hydro and Electric Energy Act](#), RSA 2000, c H-16 - ss. 11, and 18.

[\*AUC Rule 007: Applications for Power Plants, Substations, Transmission Lines, Industrial System Designations, Hydro Developments and Gas Utility Pipelines\*](#)

[\*AUC Rule 012: Noise Control\*](#).

#### Pertinent Issues

The AUC reviewed the applications and determined that the Jurassic Project met the applicable requirements of *Rule 007: Applications for Power Plants Substations, Transmission Lines, Industrial System Designations, Hydro Developments and Gas Utility Pipelines* and *Rule 012: Noise Control*. The AUC was also satisfied that the participant involvement program conducted by Jurassic met the relevant requirements.

Jurassic had not confirmed a final selection of all equipment for the photovoltaic solar modules of the solar power plant, the substation, or the BESS. To ensure that the final Jurassic Project does not result in greater impacts than what was considered in this decision, the AUC imposed, as a condition of approval, that Jurassic file a project update detailing specifications of the selected equipment once it has been selected.

The AUC also imposed conditions of approval regarding the site-specific emergency response plan, the maintenance of sufficient insurance coverage and the implementation of ongoing safety upgrades. These include firmware and software enhancements, monitoring capability enhancement, process changes and safety standards as they are developed.

#### ***Moon Lake Solar Inc. Moon Lake Solar Project, AUC Decision 27433-D01-2022*** *Solar Power - Facilities*

#### Application

Moon Lake Solar Inc. ("Moon Lake Solar"), wholly owned and operated by Voltarix Group Inc., applied to the AUC for approval to construct and operate the 25.49-megawatt Moon Lake Solar power plant (the "Project"). The Project will be located on 130 acres of cultivated private land, 20 kilometres north of Dayton Valley.

#### Decision

The AUC approved Moon Lake Solar's application.

#### Applicable Legislation

[\*Alberta Utilities Commission Act\*](#), SA 2007, c A-37.2 - s. 17.

[\*Hydro and Electric Energy Act\*](#), RSA 2000, c H-16 - s. 11, 18.

[\*AUC Rule 007: Applications for Power Plants, Substations, Transmission Lines, Industrial System Designations, Hydro Developments and Gas Utility Pipelines\*](#)

[\*AUC Rule 012: Noise Control\*](#)

#### Pertinent Issues

The AUC reviewed the applications and determined that the Project met the applicable requirements of *Rule 007: Applications for Power Plants Substations, Transmission Lines, Industrial System Designations, Hydro Developments and Gas Utility Pipelines* ("*Rule 007*"). The AUC was satisfied that the participant involvement program ("PIP") conducted by Moon Lake Solar met the requirements of *Rule 007*. The AUC was also satisfied that, as submitted in the PIP summary, the PIP met the Parkland County land use bylaw community consultation plan requirements.

Parkland County filed a statement of intent (“SIP”) to participate but was denied standing. Parkland County indicated in its SIP that Moon Lake Solar had not received a development permit for the Project.

The AUC found that it was not necessary to include, as a condition of approval, a requirement that the Project meets all specific use provisions as required in Parkland County’s land use bylaw. The AUC understood that Moon Lake Solar had or would file a development permit application with Parkland County that meets the application requirements for a development permit. The AUC considered that Parkland County, and its development authority, are in the best position to work with Moon Lake Solar through the development permit process to ensure that Moon Lake meets the requirements of Parkland County’s land use bylaw.

***TA Alberta Hydro Inc. WaterCharger Battery Storage Facility, AUC Decision 27109-D01-2022***  
*Electricity - Battery Storage Facility*

Application

TA Alberta Hydro Inc. (“TA Hydro”) applied for permission to construct and operate the 180-megawatt (“MW”) WaterCharger Battery Storage Facility (the “Project”). The Project will be located 15 kilometres west of Cochrane. The Project area is approximately four hectares of land owned by TA Hydro’s parent corporation TransAlta Corporation.

Decision

The AUC approved the application.

Applicable Legislation

[Alberta Utilities Commission Act](#), SA 2007, c A-37.2 - s. 17.

[Constitution Act](#), 1982, c 11 - s. 35.

[Electric Utilities Act](#), SA 2003, c E-5.1.

[Hydro and Electric Energy Act](#), RSA 2000, c H-16 - ss. 11 and 18.

AUC Rule 007: [Applications for Power Plants, Substations, Transmission Lines, Industrial System Designations, Hydro Developments and Gas Utility Pipelines](#)

AUC Rule 012: [Noise Control](#).

Pertinent Issues

The AUC granted full participation rights to the Cottage Club Community Group, Stoney Nakoda Nations, and Stoney Nakoda Land Management Ltd. (collectively, “Stoney Nations”).

The Stoney Nations submitted that under the terms of the *Alberta Natural Resources Transfer Agreement*, the Stoney Nations have a constitutional right to receive water power rental payments for hydroelectricity generated at the Ghost Dam. The Stoney Nations submitted that water power rental payments are amounts paid by TransAlta, the operator of hydroelectric dams on the Bow River and Kananaskis River, to Canada and Alberta for the benefit of the Stoney Nations. They also stated that the amount they are entitled to receive for water power rental payments should increase if the Project proceeds.

While the Stoney Nations submitted an affidavit in the proceeding, W. Snow, who swore to the affidavit, did not attend the hearing. As a result, the AUC could not test the evidence in the affidavit.



TA Hydro stated that the Stoney Nations' claim for water power rental payments concerned an obligation owed by the Crown to the Stoney Nations and not by TA Hydro as the operator of the dam. The AUC agreed with the submissions by TA Hydro and their argument that the matter of monies claimed by or owed to the Stoney Nations by the Crown on account of rental payments made by TA Hydro to the Crown is beyond the scope of this proceeding and beyond the AUC's authority. The proper venue for addressing this concern would be the Court of King's Bench of Alberta. In addition, the AUC found that the affidavit provided by the Stoney Nations did not indicate if or how the Project would impact the rights to water power rental payments. Rather, submissions by TA Hydro indicated that the volume of water flowing over the Ghost Dam would not change. The AUC therefore approved the application.