



AUC

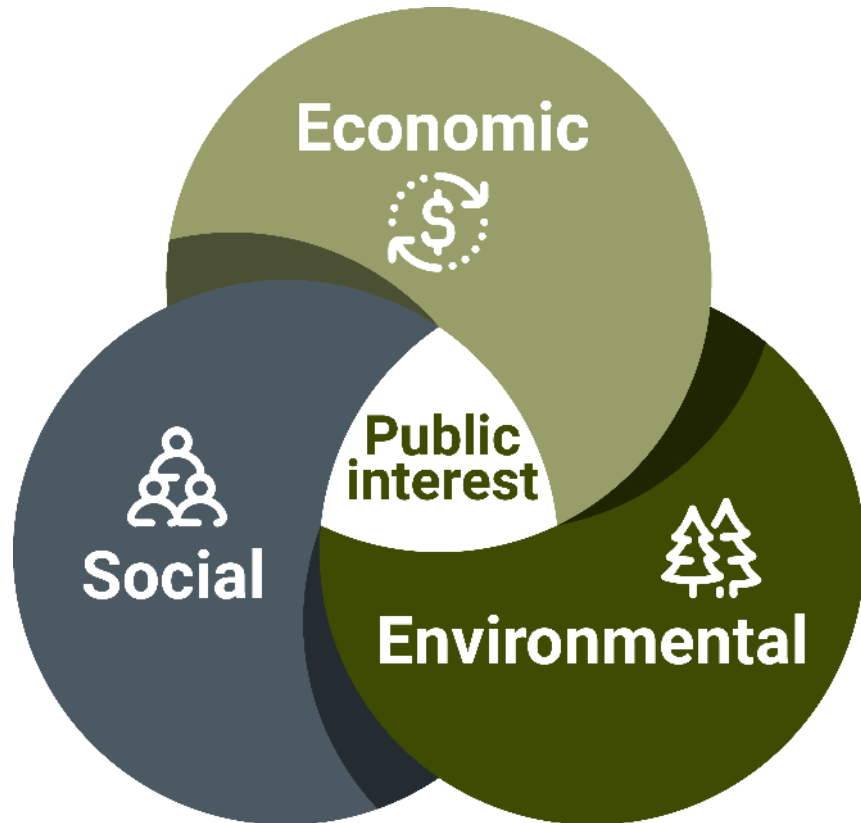
Alberta Utilities Commission

Current renewables applications – common legal and policy issues



April 30, 2024

Presenters and the materials in this presentation do not speak on behalf of AUC Commission members. Commission members' views are expressed on the public record through AUC decisions.



Our mission

- The AUC is a trusted leader that delivers innovative and efficient regulatory solutions for Alberta.
- As Alberta's independent utilities regulator, the AUC is granted authority through the *Alberta Utilities Commission Act* and other pieces of legislation to make decisions in the public interest to protect social, economic and environmental interests of Alberta.

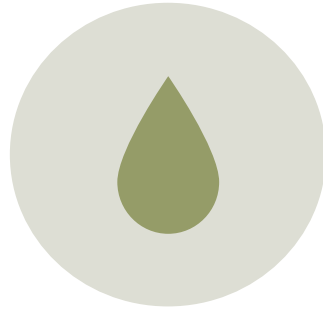
What we do



Conduct evidence-based regulatory reviews in a fair and open process to consider what is in the public interest.



Balance the requirement to ensure safe and reliable service at just and reasonable rates.



Regulate investor-owned natural gas, electric and water utilities and certain municipally owned electric utilities.



Ensure electric facilities are built, operated and decommissioned in an efficient and environmentally responsible way.



Provide regulatory oversight of the wholesale electricity market and retail gas and electricity markets in Alberta.

Organizational overview and responsibilities

Commission members



- Appointed by government to consider and make decisions about regulatory applications in an independent review process.
- The Commission is comprised of no more than nine members, including the chair and vice-chair(s).

Staff members



- Hired to provide expertise to support the decision-making process and overall day-to-day operations.
- Divisions include:
 - Chief Executive, Corporate Services, External Affairs and Communications, Facilities, Law, Market Oversight and Enforcement, and Rates.



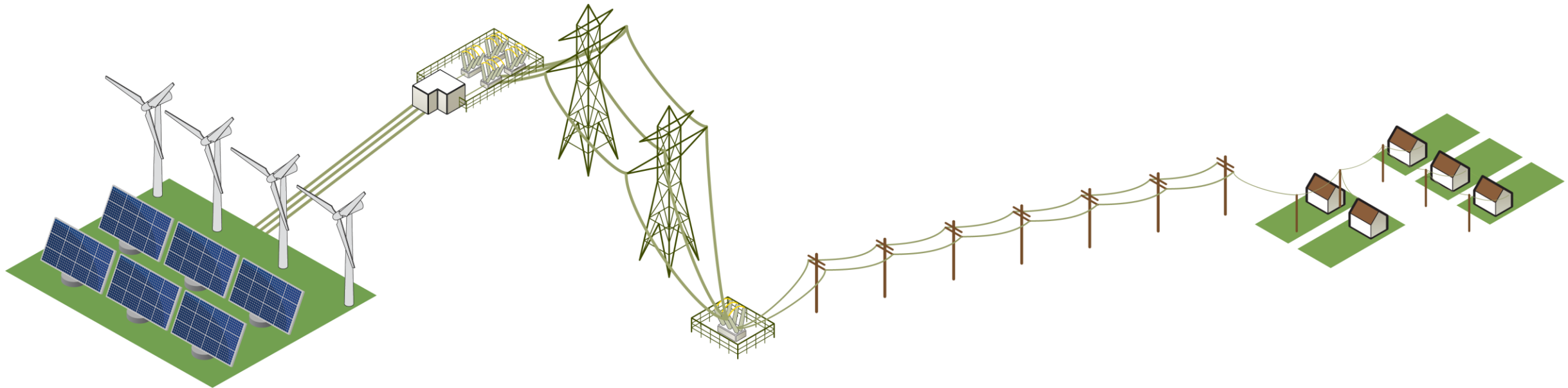
Electricity generation in Alberta

Generation

Transmission

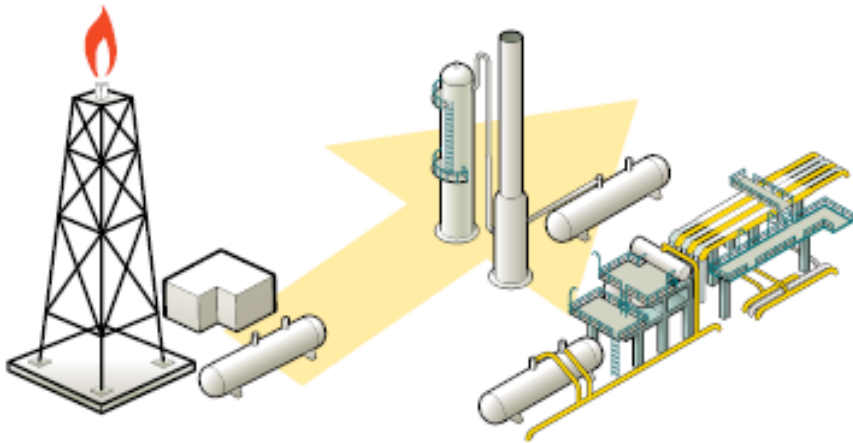
Distribution

Retail

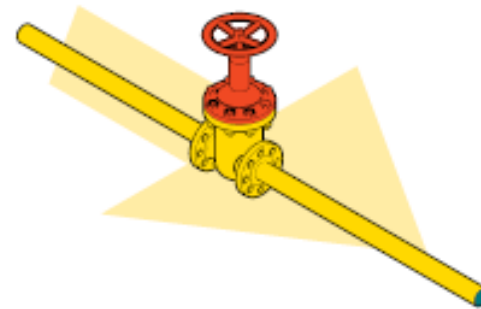


Gas generation in Alberta

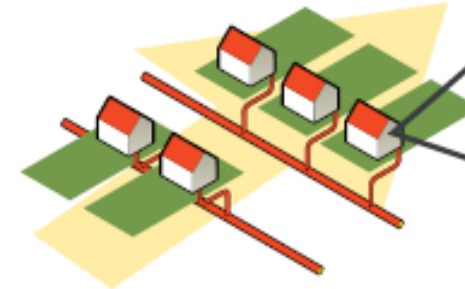
**Production, gathering
and processing**



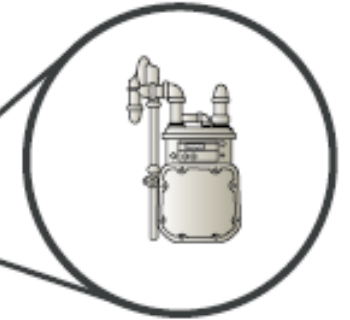
**Transmission
(pipelines)**



Distribution



**Retail - gas
meter**



AUC Rule 007 and upcoming consultation



- The AUC's Rule 007 sets out application requirements for the construction, alteration, operation, and the discontinuation, dismantling and removal of power plants.
- Sets out application requirements for substations, transmission lines, industrial system designations, hydro developments and gas utility pipelines, as well as approvals of a needs identification document.
- AUC to initiate a Rule 007 consultation in the coming weeks for input related to commitments and observations from the inquiry Module A.

Participant involvement and pre-engagement



- **AUC’s application review process – Step 1: Public consultation prior to applying to the AUC**

- Applicants are required to engage in a participant involvement program before filing an application with the AUC.
- Public involvement program (PIP) involves consultation with persons whose rights may be directly and adversely affected by the proposed project so that concerns may be raised, addressed and possibly resolved.
- Potentially affected parties are strongly encouraged to participate in the public consultation. Early, active and ongoing discussions with an applicant may lead to greater influence on project planning and what is submitted to the AUC for approval.

- Prior to filing an application, an applicant must follow the participant involvement program guidelines set out in Rule 007:
 - Appendix A1 – Participant involvement program guidelines
 - Appendix A1-B – Participant involvement program guidelines for Indigenous groups and/or Appendix A2 – ISO participant involvement program guidelines.
- Applicants must include documentation describing its notification and consultation program in its application.

Module A takeaways and GOA announcement



Municipalities

- Municipalities will be automatically given right to participate in AUC hearings and now eligible to request cost recovery for participation.
- AUC undertaking a review of Rule 007 related to municipal submission requirements.

Viewscapes

- AUC to enhance existing visual impact assessment requirements within Rule 007 to include more structured methodology within the application review process.
- Consider buffer zones of minimum 35 km around protected areas and other “pristine viewscapes” designated by the province.

Reclamation

- Developers will be responsible for reclamation costs via bond or security.
- Reclamation costs will either be provided directly to the Alberta government or may be negotiated with landowners if sufficient evidence.

Crown lands

- General support for enabling power plant development on Crown land, as long as key concerns are addressed through the review and approval processes.
- Any development of renewable development on Crown lands will be on a case-by-case basis in the future.

Agricultural lands

- AUC taking a new lens for agriculture.
- Renewable generation developments no longer permitted on Class 1 and 2 lands unless proponent can demonstrate ability for both crops and/or livestock to coexist with the project.
- AUC to introduce requirements for proponents to provide soil field verification earlier in the application process.

AUC commitments from inquiry - municipalities



Municipal participation rights will be automatically granted and municipalities will be eligible to request cost recovery for participation.

- Municipalities will automatically be granted full participation rights in AUC proceedings considering electricity generation projects proposed within their municipality.
- AUC recognizes that municipalities have significant expertise in land-use planning and that increased municipal participation in the its process will promote enhanced consideration of municipal views.
- AUC will review its costs recovery regime for facilities proceedings (which includes power plants) and develop rules that enable cost recovery eligibility for participating municipalities.

AUC commitments from inquiry - municipalities

AUC Rule 007 review related to municipal submission requirements and clarify consultation requirements.

- AUC undertaking a review of Rule 007, including interim information requirements related to municipal plans and land-use planning documents, to identify any gaps or supplemental information that will assist the AUC in its public interest determination. This includes:
 - Consideration of whether municipal concurrence letter or municipal land-use planning checklist template should be a mandatory information requirement.
 - AUC review of IRs and PIP guidelines for changes to ensure that a proponent's obligations regarding notification and consultation with municipalities and landowners in general are clear.
 - Opportunities for further clarity around its consultation requirements may promote greater resolution of municipal and landowner concerns outside of the formal regulatory process, resulting in a more efficient application review.

Municipalities and the AUC review process



- Municipal involvement in AUC proceedings is encouraged, appreciated and valued and leads to better, more informed decisions that are in the best interests of both applicants and local communities.
- Municipal input:
 - Provides valuable insight into the potential impacts of proposed utility projects.
 - Helps to identify potential risks and mitigation strategies.
 - Ensures that local perspectives are heard, understood and considered when decisions are made on the development of utility and power plant infrastructure.
 - Ensures that any proposed projects comply with provincial laws, the AUC's rules, and its application requirements.



AUC

Alberta Utilities Commission



Thank you



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