



AltaLink Management Ltd.

Red Deer Area Transmission Development

July 29, 2014

The Alberta Utilities Commission

Decision 2014-219: AltaLink Management Ltd.

Red Deer Area Transmission Development

Application No. 1609677

Proceeding No. 2669

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1 Introduction

1. In this decision for Proceeding No. 2669, the Alberta Utilities Commission (AUC or the Commission) must decide whether to approve an application by AltaLink Management Ltd. (AltaLink) to build and operate several transmission lines, substations and related electric facilities comprising the Red Deer area transmission development project.

2. The Red Deer area transmission development project, as set out in AltaLink's application, consists of seven main components:

- Rebuild transmission line 80L in Red Deer.
- Rebuild transmission line 755L in and around Red Deer.
- Rebuild transmission lines 637L and 648L in and around the Red Deer and Sylvan Lake areas.
- New Johnson 281S substation in the Didsbury area.
- New Hazelwood 287S substation and new transmission line 419L/420L in the Innisfail area.
- New Wolf Creek 288S substation and new transmission line 421L/422L in the Ponoka area.
- New 138-kilovolt (kV) transmission line 423L in the Lacombe area.

3. In addition, AltaLink also proposed to redesignate portions of transmission line 80L. The portion between Olds 55S substation and Innisfail 214S substation would be redesignated as 443L, and the portion between North Red Deer 217S substation and Blackfalds 198S substation would be redesignated as 444L.

4. A number of interested parties who own, reside or have an interest in land within the vicinity of one of the project components participated in the proceeding. Opposition or concerns were expressed by at least one interested party for the routing and siting of each of the seven project components of the Red Deer area transmission development project. As a result, the Commission held a public oral hearing for the project in Red Deer, Alberta from March 11, 2014 to March 18, 2014.

5. A complete description of the proposed transmission lines and substations, including routing or siting options, and related electric facilities applied for by AltaLink are set out in detail in subsequent sections.

2 How the decision is structured

6. The structure for this decision is as follows.
7. The decision first lays out the background including the legislative scheme that governs transmission projects, the facility application and participants in the proceeding. The decision then outlines the pre-hearing and procedural motions that the Commission ruled on.
8. Next, the decision takes an overview of the evidence provided in this proceeding. These sections are organized by issues that are common to all project components. The significant issues addressed in the decision are: the applicant's consultation and participant involvement program, the project's electrical considerations, the project's potential impact on property values, environmental issues, the project's noise and the project's costs.
9. The decision then analyzes the detailed siting of each of the project's main components.
10. Finally, the Commission will provide its overall conclusion on the application.

3 Background

3.1 The process for new transmission development in Alberta

11. Except in the case of critical transmission infrastructure, two approvals from the Commission are required to build new transmission capacity in Alberta. First, an approval of the need for expansion or enhancement to the Alberta Interconnected Electric System pursuant to Section 34 of the *Electric Utilities Act*, is required. Second, a permit to construct and a licence to operate a transmission facility pursuant to sections 14 and 15 of the *Hydro and Electric Energy Act*, must be obtained.
12. The Alberta Electric System Operator (AESO) is responsible for preparing a needs identification document (NID) and filing the NID with the Commission for approval. In this case, the AESO filed a NID for the Red Deer region. On April 10, 2012, the Commission issued Decision [2012-098¹](#) approving the need as applied for by the AESO.
13. Facility applications are prepared by the transmission facility owner assigned by the AESO. AltaLink is the transmission facility owner of the service territory in the Red Deer region. The transmission facility owner files the facility application with the Commission for consideration. The Commission may approve or deny the application, or approve the application subject to terms or conditions.
14. When considering an application for transmission facilities, the Commission must consider whether the proposed transmission facilities are in the public interest having regard to the social and economic effects of the transmission facilities and the effects of the transmission facilities on the environment in accordance with Section 17 of the *Alberta Utilities Commission Act*.

¹ Decision 2012-098: Alberta Electric System Operator – Red Deer Region Transmission Development Needs Identification Document, Application No. 1607507, Proceeding No. 1368, April 10, 2012.

15. The Commission described its approach when considering new transmission facilities in Decision 2011-436:

The Commission's past practice was to weigh the established benefits of a proposed upgrade, as reflected in a need approval, with the discrete impacts of the project proposed by the facility applicant. The Commission would then assess whether implementation of the applied-for project would address the previously approved need for the project while at the same time minimizing, or mitigating to an acceptable degree, the potential adverse impacts on Albertans, both on a province-wide basis, and for those Albertans who must bear the burden of having the infrastructure placed on or adjacent to their lands.²

3.2 Overview of the facility application

16. AltaLink filed its facility application for the Red Deer area transmission development project on June 14, 2013, registered as Application No. 1609667 and Proceeding No. 2669. The application filed by AltaLink related to seven main components, which are described in detail in later sections of this decision.

17. On December 20, 2013, AltaLink filed a series of amendments to the application. The amendments included several minor changes to a number of the project components.

18. On March 4, 2014, as part of the reply evidence filed by AltaLink, AltaLink withdrew from consideration one of its route options for the routing of the new transmission line 423L. AltaLink indicated that as a result of further discussions with Canadian Pacific Railway Limited, it had received inconsistent information about its ability to parallel the railway for the southern alternate portion of the route proposed for transmission line 423L.

19. On March 6, 2014, the Commission issued a letter adjourning the consideration of transmission line 423L. The consideration of transmission line 423L will be considered in a separate proceeding and a separate decision will be issued. For the remainder of this decision, when the Commission refers to the Red Deer area transmission development project, it is excluding the construction and operation of transmission line 423L.

20. On March 13, 2014, AltaLink submitted an amendment to its application related to the rebuild of transmission line 80L in the Cronquist Close area. AltaLink's amendment included a new preferred route that would follow the existing right-of-way. AltaLink maintained the route that was formerly its proposed route as its alternate route in this area.

3.3 Participants in the proceeding

21. The Commission issued a notice of application for the Red Deer area transmission development project on October 25, 2013. The notice of application set a deadline of November 18, 2013, for interested parties to register a statement of intent to participate with the Commission. Several participants registered by the November 18, 2013, deadline, however, the Commission also received several submissions from individuals after this deadline, including several submissions that were received after the oral hearing occurred, but prior to the close of record on May 2, 2014. The Commission allowed all those participants who registered prior to the oral hearing or who appeared at the oral hearing to make oral submissions at the hearing and considered all the submissions received in determining the issues before it.

² Decision 2011-436: AltaLink Management Ltd. and EPCOR Distribution & Transmission Inc. Heartland Transmission Project, Application No. 1606609, Proceeding No. 457, November 1, 2011, page 33, paragraph 161.

22. The Commission received a number of submissions, which it has separated by project component below.

23. The submissions with respect to the rebuild of transmission line 80L in Red Deer were from the following parties:

- City of Red Deer
- Westpark Estates Group (WPE Group)
- Tom Skjonsberg
- Bryan Caddy
- Gregg Meikle
- Dan Berry
- Pines Group
- Phoenix Construction Inc.
- Rosario que Villanueva
- S. Gregg
- Gloria Carlson

24. The submissions with respect to the rebuild of transmission line 755L in and around Red Deer were from the following parties:

- City of Red Deer
- Eugene and Michele Bieganeck

25. The submissions with respect to the rebuild of transmission lines 637L and 648L in and around the Red Deer and Sylvan Lake area were from the following parties:

- Eric Johanson
- Constance Matson

26. The submissions with respect to the new Johnson 281S substation in the Didsbury area were from the following parties:

- Mountain View County
- Glen and Annette Kershaw

27. The submissions with respect to the new Hazelwood 287S substation and new transmission line 419L/420L in the Innisfail area were from the following parties:

- Town of Innisfail
- Wachter Group
- Craig Erickson
- Russell Bowe
- Gerry Kemp
- Wayne and Shari McAllister
- Estate of John Beardsworth
- Don Beardsworth
- May Wagers
- Darcy Wagers
- Robert Garrison
- Karen and Oliver Marshall
- Nick Hussar
- John and Rita Park
- Art Fox

28. The submissions with respect to the new Wolf Creek 288S substation and new transmission line 421L/422L in the Ponoka area were from the following party:

- Lyle Giesbrecht

29. The Office of the Utilities Consumer Advocate (UCA) also participated in the proceeding. The UCA stated that it intended to evaluate whether the application was in the best interests of Alberta residential, farm and small business electricity consumers.

30. On December 17, 2013, the Commission issued its ruling on standing in Proceeding No. 2669. The Commission granted standing to those persons who had demonstrated that they had rights that may be directly and adversely affected by the Commission's decision with respect to the facility application. In addition, the Commission determined that it would allow the UCA to participate in the hearing. The Commission's standing ruling is attached to this decision as [Appendix D](#).

3.4 Notice of hearing

31. On December 5, 2013, the Commission issued a notice of hearing, which advised that the hearing for Proceeding No. 2669 would commence on March 11, 2014, at the Holiday Inn & Suites Red Deer South in Red Deer, Alberta. The notice of hearing was distributed as follows:

- Mailed or emailed directly to registered parties.
- Mailed to registered land title holders within 800 metres of the proposed transmission facilities rights-of-way or site boundaries for all route alternatives.
- Published in the Lacombe Globe, Sylvan Lake News and Red Deer Advocate on December 12, 2013, the Innisfail Province, Olds Albertan and Didsbury Review on December 17, 2013 and in the Red Deer Express and the Ponoka News on December 18, 2013.
- Published on the AUC website.

32. On March 14, 2014, the Commission issued a notice of amendment related to AltaLink's March 13, 2014 amendment in the Cronquist Close area. The notice of amendment was couriered directly to registered land title holders adjacent to the amended route and was mailed to registered land title holders within 800 metres of the proposed transmission facility right-of-way for the amended route. Parties were provided until April 7, 2014, to make submissions in response to the amendment.

3.5 Hearing

33. The hearing commenced on March 11, 2014, in Red Deer, Alberta before a Commission panel comprised of Panel Chair Tudor Beattie, QC, Commission Member Neil Jamieson and Acting Commission Member Ian Harvie, and continued for six days until March 18, 2014.

34. The proceeding concluded via written argument with AltaLink filing argument on April 11, 2014, interveners filing argument on April 25, 2014, and AltaLink filing reply argument on May 2, 2014. The Commission considers May 2, 2014, to be the date of the close of record for this proceeding.

3.6 The public interest

35. When considering an application to construct or operate a transmission facility, the Commission is required by Section 17 of the *Alberta Utilities Commission Act* to consider whether the proposed project is in the public interest, having regard to its social and economic effects and the effects of the project on the environment. Regarding the interpretation of the term “public interest”, the Commission is mindful of Decision 2009-028,³ which states:

The Commission recognizes that there is no universal definition of what comprises the “public interest” and that its meaning cannot be derived from strictly objective measures. The Commission acknowledges that the ultimate determination of whether a particular project is in the “public interest” will largely be dictated by the circumstances of each transmission facility application.

In the Commission’s view, assessment of the public interest requires it to balance the benefits associated with upgrades to the transmission system with the associated impacts, having regard to the legislative framework for transmission development in Alberta. This exercise necessarily requires the Commission to weigh impacts that will be experienced on a provincial basis, such as improved system performance, reliability, and access with specific routing impacts upon those individuals or families that reside or own land along a proposed transmission route as well as other users of the land that may be affected. This approach is consistent with the EUB’s historical position that the public interest standard will generally be met by an activity that benefits the segment of the public to which the legislation is aimed, while at the same time minimizing, or mitigating to an acceptable degree, the potential adverse impacts on more discrete parts of the community.

...

When assessing whether AltaLink’s proposed route is in the public interest, the Commission must weigh the benefits described above with the site specific impacts that will be experienced by landowners and residents along the proposed route as well as others that may be impacted. The Commission understands that these impacts are real and may be significant. Transmission towers are large structures that may obscure scenery, impact agricultural operations, and may have an influence on land use and development plans. The Commission expects transmission facility owners to take all reasonable steps to avoid such impacts but acknowledges that despite the use of sound routing and planning practices such impacts are sometimes truly unavoidable given the nature of transmission lines. Where such impacts are truly unavoidable, the Commission expects that the Applicant would explore all reasonable steps to mitigate those impacts.⁴

4 Decision overview

36. In reaching the determinations set out in this decision, the Commission considered all relevant materials comprising the record of this proceeding, including the evidence and submissions provided by each party. References in this decision to specific parts of the record are intended to assist the reader in understanding the Commission’s reasoning relating to a particular matter and should not be taken as an indication that the Commission did not consider all relevant portions of the record as it relates to that matter.

³ Decision 2009-028: AltaLink Management Ltd. Transmission Line from Pincher Creek to Lethbridge, Application No. 1521942, Proceeding No. 19, March 10, 2009.

⁴ Decision 2009-028, pages 6 to 7. The reference in this quote to the EUB is to the Alberta Energy and Utilities Board (predecessor to the AUC).

37. The Commission is satisfied that the Red Deer area transmission development project is consistent with and meets the need as set out in the NID approval for the Red Deer region.

38. With the exclusion of the construction and operation of transmission line 423L, the Commission approves AltaLink's application for the Red Deer area transmission development project as more specifically detailed further in this decision. A summary of the approvals of the six main components considered are provided below:

- The preferred routes for the rebuild of transmission line 80L in the Red Deer area, including:
 - i. the preferred route through the Cronquist Close area;
 - ii. the preferred underground route through the Riverlands area;
 - iii. the preferred above ground route through the Railyards area; and
 - iv. the preferred route through the Pines neighbourhood.
- The preferred route for the rebuild of transmission line 755L in and around the Red Deer area.
- The preferred route for the rebuild of transmission line 637L and 648L in and around the Red Deer and Sylvan Lake areas.
- The preferred site for Johnson 281S substation and preferred route for transmission line 417L/418L in the Didsbury area.
- The alternate site for Hazelwood 287S substation and the alternate route for transmission line 419L/420L in the Innisfail area.
- The preferred site for Wolf Creek 288S substation and the preferred route for transmission line 421L/422L in the Ponoka area.

5 Pre-hearing and procedural motions

5.1 WPE Group: request for time extension for filing information requests to the applicant

39. The Commission received a request from the WPE Group on December 17, 2013, requesting a one-week extension of the deadline for filing its information requests to the applicant. The WPE Group sought the extension as a result of legal counsel being retained only a short time prior to the deadline set by the Commission for the filing of information requests to the applicant.

40. AltaLink responded to the request and objected to the extension sought by the WPE Group.

41. On December 20, 2013, the Commission issued its ruling and extended the deadline for the filing of information requests to the applicant from January 6, 2014 to January 9, 2014. The Commission also provided a new process schedule for the remaining process steps. The ruling is attached to this decision as [Appendix E](#).

5.2 The UCA: motion for further and better information request responses

42. On January 24, 2014, the Commission received a motion from the UCA, requesting further and better responses to the information requests it had made to the applicant. The information requests related to change proposals submitted by AltaLink to the AESO for each of the project components. The UCA submitted that the information requested was relevant and would provide the Commission with a better understanding of cost escalations in relation to the project.

43. AltaLink responded to the motion and submitted that the purpose for which the UCA sought the information in question was not relevant to the matter before the Commission.

44. The Commission issued its ruling on February 12, 2014, in relation to the UCA's motion. The Commission granted the UCA's motion and provided AltaLink until February 21, 2014, to provide the information requested. The ruling is attached to this decision as [Appendix F](#).

5.3 WPE Group: motion for further and better information request responses

45. The Commission received a motion from the WPE Group on March 5, 2014, requesting further and better responses to information requests it had made to the applicant. The information sought by the WPE Group generally related to AltaLink's consultation records for non-members of the WPE Group, right-of-way agreements and buyout information for the property located at 20 Cronquist Close.

46. AltaLink responded to the WPE Group's motion and indicated that it could not provide some of the information sought as it did not have it or it contained personal information. AltaLink also indicated that it would provide information that it did not consider personal, which the WPE Group sought, when the information became available.

47. At the commencement of the hearing on March 11, 2014, the Commission issued an oral ruling on the WPE Group's motion. The Commission denied the WPE Group's motion recognizing that many of the documents requested contained personal information of individuals who chose not to participate in the proceeding. Further, the Commission found that given that the WPE Group would have an opportunity to question AltaLink during the hearing, it was not necessary to order further and better information request responses.

6 Consultation

48. The AUC prescribes consultation requirements for applicants in AUC Rule 007: *Applications for Power Plants, Substations, Transmission Lines, Industrial System Designations and Hydro Developments* (AUC Rule 007).

49. AUC Rule 007, Appendix A, Participant Involvement Program Requirements, requires applicants for transmission line projects to include a description of their participant involvement program in their application. AUC Rule 007 specifies that a participant involvement program must be conducted before an application is filed, and should include the distribution of a project-specific information package, responses to questions and concerns raised by potentially affected persons and a discussion of options, alternatives and mitigation measures. The applicant is expected to ensure that information is conveyed in an understandable manner to the public and that the project is discussed with the widest possible audience, as early as practical.

50. The applicant should gather feedback and suggestions with respect to the project through the participant involvement program. This information, to the extent possible, should be used to modify the project to reduce impacts on parties whose rights may be directly and adversely affected. The applicant is required to make all reasonable attempts to contact potentially affected persons to discuss the project and address any questions or concerns.

51. The participant involvement program includes both a public notification and a personal consultation component. AUC Rule 007 states that for transmission line developments, the applicant must notify all occupants, residents and landowners within 800 metres of the edge of the proposed right-of-way of the transmission line.

52. AUC Rule 007 states that in an urban setting, the applicant must provide public notification and personal consultation to all occupants, residents and landowners within the first row of houses facing the proposed development, and hold at least one information session or public open house meeting in communities that would be traversed by the proposed development.

53. The Commission and its predecessor, the Alberta Energy and Utilities Board (EUB or the Board), have expressed the importance of conducting an effective notification and consultation program before an application is filed. In EUB Decision [2008-006](#),⁵ the Board stated that "... the program should include responding to questions and concerns, discussing options, providing alternatives and potential mitigation measures, and seeking confirmation that potentially affected parties do not object." The Board went on to state that it "... expects applicants to be sensitive to timing constraints the public may have especially when dealing with landowners engaged in agricultural endeavours."

54. Also, in Decision [2011-329](#), the AUC discussed the role of interveners and applicants in the consultation process when it stated as follows:

The Commission considers that consultation is a two-way street. The applicant has a duty to consult with landowners and residents in the vicinity of the project in accordance with AUC Rule 007, and make reasonable efforts to ensure that all those, whose rights may be directly and adversely affected by a proposed development, are informed of the application, and have an opportunity to voice their concerns and to be heard.

Landowners and residents are entitled to consultation; however, as a practical matter, landowners and residents must make their concerns known to the applicant so that they may be discussed and addressed. ...⁶

6.1 Views of the applicant

55. AltaLink explained that it conducted a comprehensive participant involvement program to notify and consult with stakeholders that would be potentially directly and adversely affected by the project. AltaLink stated that this program was initiated in June 2011 and included notifying more than 23,900 stakeholders and consulting with more than 1,200 stakeholders.

⁵ EUB Decision 2008-006: Montana Alberta Tie Ltd. 230-kV International Merchant Power Line Lethbridge Alberta to Great Falls Montana, Applications No. 1475724, No. 1458443 and No. 1492150, January 31, 2008, page 36.

⁶ AUC Decision 2011-329, NaturEner Energy Canada Inc., 162-MW Wild Rose 2 Wind Power Plant and Associated Eagle Butte Substation issued on August 2, 2011, paragraphs 169-170.

56. AltaLink stated that the participant involvement program succeeded in ensuring that stakeholders were properly and adequately notified, were given the opportunity to ask questions, raise concerns and provide input into the project.

57. AltaLink's participant involvement program consisted of at least two rounds of notifications, open houses and personal consultations.

58. AltaLink's notification involved issuing project-specific information packages that included a project newsletter, detailed photo maps, a brochure which provided answers to frequently asked questions on the role and cost of transmission service, a brochure discussing electric and magnetic fields, an AUC brochure detailing the facility application process and an AESO need overview.

59. AltaLink held six open houses in July and August 2011. These open houses were held in Sylvan Lake, Red Deer, Ponoka, Didsbury, Lacombe and Innisfail. AltaLink held a second open house for the rebuilds of transmission lines 755L, 637L and 648L, and 80L in the Red Deer area in December 2011. AltaLink held a second round of open houses regarding the greenfield projects in February 2012 in Innisfail, Ponoka and Lacombe. AltaLink also held an open house specifically regarding new structure design for the rebuild of transmission line 755L in Red Deer in November 2012.

60. AltaLink also stated that it conducted one-on-one consultations with stakeholders. AltaLink stated that the feedback received from these consultations was shared with the siting department in order to refine the project.

61. AltaLink also continued to notify and consult with stakeholders as the project was updated, particularly when changes to the project, such as to the routing or structure type, occurred.

62. AltaLink submitted that it "recognizes the importance of the PIP [participant involvement program] to the facility application process in Alberta and relies heavily on the consultation process to inform its route selection process and to minimize the impacts of its projects "to an acceptable degree."⁷

63. AltaLink submitted that despite notifying more than 23,900 stakeholders and consulting with more than 1,200 stakeholders, only a few concerns were raised regarding consultation. AltaLink explained that even though there were a small number of oversights in its participant involvement program, it took steps to rectify these issues when it became aware of them. AltaLink submitted that its participant involvement program met the requirements of AUC Rule 007.

6.2 Views of the parties

64. The Pines Group submitted that it has had a strained relationship with AltaLink and was unable to form a synergistic group where information was effectively exchanged. The Pines Group submitted that AltaLink restricted access to experts and relevant project information, denying requests for information or providing information with insufficient detail. It stated that offers to meet with AltaLink experts were ignored and that AltaLink chose not to attend a Red Deer city council meeting where the Pines neighbourhood routing was being

⁷ Exhibit No. 275.02, AML RDATE Argument, page 11, paragraph 24.

discussed. The Pines Group submitted that it would attempt to contact a siting expert with AltaLink and in return be contacted by a consultation specialist who was not conversant in siting or environmental issues.

65. AltaLink, in response to the concerns raised by the Pines Group regarding consultation, indicated that all questions raised by the Pines Group were answered and that AltaLink formed a working group with the Pines Group and the City of Red Deer. AltaLink filed the minutes from the working group meetings, which occurred on October 3, 2012, November 7, 2012, December 12, 2012, and January 30, 2013.⁸ AltaLink also provided the entire consultation records for the Pines Group to demonstrate that AltaLink revised the alternate route to incorporate concerns and suggestions from the working group.⁹ In addition, AltaLink submitted that the consultation records were evidence that AltaLink answered the questions posed by the Pines Group and that on several occasions, AltaLink's siting experts met with the Pines Group.

66. The Wachter Group expressed frustration with AltaLink's consultation process, stating that it was biased, aggressive and not transparent. They stated that AltaLink never adequately or honestly explained the process to them. They submitted that their requests for information were either not responded to, or they were told the information did not exist and were given no further explanation, or they were directed to documents and websites where they could not find the information requested. Members of the group submitted that phone calls asking for guidance or help were routinely never answered and messages were never returned or followed-up on. They listed instances where AltaLink had stated one thing and then done something else. Several members identified cases of trespassing on property and showing disrespect for the property by leaving litter and debris. Mr. Mayhew submitted that AltaLink had not consulted with his family and that all of the information on the project had been passed on to them by neighbours. Ms. Thompson submitted that AltaLink did not contact her during the process. She indicated that the records AltaLink had filed regarding her consultation had a signature on them that was not hers.

67. AltaLink addressed some of the concerns raised by the individual members of the Wachter Group:

- Ivo and Manuela Wachter: AltaLink confirmed that it spoke with Mr. Wachter about intervener funding available under AUC Rule 009: *Rules on Local Intervener Costs* in an attempt to assist with his understanding of the AUC process. Further, AltaLink submitted that it took steps to understand and address the questions of Mr. Wachter and to provide him the best information about the project that was available.¹⁰
- Harvey and Ruth Lind: In relation to the Linds, AltaLink submitted that one of the Linds concerns related to the visual impact of the new transmission line and that AltaLink attempted on multiple occasions between May 15, 2012 and July 2, 2012, to provide visual renderings of the area around their property, but was unsuccessful.¹¹

⁸ Exhibit No. 175.06, AML Reply Evidence, page 27, paragraph 96.

⁹ Exhibit No. 175.03, AML Reply Evidence, Appendix B 80L, PDF pages 75-350.

¹⁰ Exhibit No. 175.06, AML Reply Evidence, page 35, paragraph 138 and Exhibit No. 175.04, AML Reply Evidence, Appendix C Hazelwood 287S, PDF pages 1-69.

¹¹ Exhibit No. 175.06, AML Reply Evidence, page 36, paragraphs 143-144, and Exhibit No. 175.04, AML Reply Evidence, Appendix C Hazelwood 287S, PDF pages 71-106.

- Robert Mayhew: In response to Mr. Mayhew's general concerns about AltaLink's consultation and notification process, AltaLink submitted the complete consultation and notification record to demonstrate the level of consultation and the issues discussed.¹²
- Richard and Brenda Tams: AltaLink submitted that as a result of consultation with Mr. Tams, AltaLink personnel attended the Tams property to investigate possible global positioning system (GPS) and radio interference.¹³
- Kimberly Thompson and Robert Davis: Although Ms. Thompson had indicated that she had not been informed by AltaLink of the project, AltaLink submitted that the project information was sent to Ms. Thompson and that she was consulted with at her residence.¹⁴ Although there was some suggestion that the consultation records were not accurate, Ms. Thompson confirmed at the hearing that someone did visit her residence to discuss the project.¹⁵

68. In addition, AltaLink submitted that it is investigating the Wachter Group's trespassing issues with its subcontractors, and takes seriously the issues of trespassing and subsequent land damages.

69. Several other individuals or groups raised more general concerns with AltaLink's participant involvement program, but did not identify specific issues.

70. AltaLink provided the consultation records for multiple interveners to demonstrate the steps that AltaLink took to understand and address their concerns.

6.3 Commission findings

71. The Commission notes that the participant involvement program was initiated by AltaLink early in the planning process. The Commission appreciates the submissions made by interveners identifying issues with AltaLink's participant involvement program and finds that these submissions are important in alerting AltaLink to areas where there is room for improvement.

72. The Commission considers a participant involvement program to be effective if it meets AUC Rule 007 requirements and has allowed stakeholders an opportunity to understand the project and its potential impacts, express their concerns about the project and to provide site-specific input to improve the project in an effort to reduce the impacts of the project; however, an effective participant involvement program may not resolve all stakeholder concerns.

73. The Commission recognizes that AltaLink continued to consult with stakeholders, even after the application was filed and made amendments to its application in attempt to reduce the impacts to stakeholders. The amendment to the Cronquist Close section of the rebuild of transmission line 80L in Red Deer is a prime example of this. The revisions to the alternate route of transmission line 80L in the Pines area is another example of AltaLink working with the various stakeholders in an attempt to address outstanding concerns.

¹² Exhibit No. 175.04, AML Reply Evidence, Appendix C Hazelwood 287S, PDF pages 107-111.

¹³ Exhibit No. 175.06, AML Reply Evidence, page 39, paragraph 164, and Exhibit No. 175.04, AML Reply Evidence, Appendix C Hazelwood 287S, PDF pages 112-118.

¹⁴ Exhibit No. 175.06, AML Reply Evidence, page 42, paragraphs 181-182, and Exhibit No. 175.04, AML Reply Evidence, Appendix C Hazelwood 287S, PDF page 119.

¹⁵ Transcript, Volume 5, page 830, lines 14-24.

74. The Commission finds that AltaLink conducted an extensive and comprehensive participant involvement program notifying more than 23,900 stakeholders and consulting with more than 1,200 stakeholders. AltaLink utilized effective communication tools including direct consultation, mail notifications, open houses and information sessions. AltaLink also established a project office and provided a contact phone number and email address. AltaLink also continued to send project updates to stakeholders as the project progressed.

75. The Commission finds that potentially affected parties were provided with sufficient information from AltaLink to understand the project and were given opportunities to express their concerns during the course of the participant involvement program.

76. Although the Commission acknowledges the importance of the concerns expressed by interveners regarding AltaLink's consultation, the Commission must assess the participant involvement program as a whole, in light of the nature and scope of the project at hand. Based on the above, the Commission finds that AltaLink's participant involvement was conducted in accordance with AUC Rule 007. The Commission is satisfied that, overall, the participant involvement program implemented by AltaLink met the goals of a successful participant involvement program.

7 Electrical considerations

7.1 Views of the applicant

77. AltaLink explained that electric fields are created when a voltage is present on a conductor. Magnetic fields are created when current flows in a conductor. AltaLink used a computer program called Corona and Field Effects to model the expected electric and magnetic field (EMF) levels for the project.

78. AltaLink asserted that the results of the models are well below international guidelines for EMF for general public and occupational exposure. The profiles generated by the model show that the EMF levels would be strongest when close to the lines and diminish quickly as the distance from the lines increases. Objects such as wood or metal would cause the electric field to diminish at an even faster rate or to be completely shielded. AltaLink stated that at 150 metres from the centre line of any of the proposed project components, the electrical fields would be so close to zero kilovolts per metre (kV/m) that it would be difficult to measure. AltaLink stated that the maximum calculated magnetic field at 150 metres from the existing and proposed transmission line configurations would range between 0.1 and 1.4 milligauss (mG). AltaLink explained that the International Commission on Non-Ionizing Radiation Protection (ICNIRP) guidelines for exposure to the public is 4.2 kV/m for electric fields and 2,000 mG for magnetic fields.

79. AltaLink stated that it recognized that stakeholders were concerned about exposure to EMF and it treated health concerns seriously. AltaLink hired E^xponent, Inc. to prepare a report on research developments since the 2007 World Health Organization's review on extremely low frequency electric and magnetic fields and health. The report concluded that, based on the research, EMF is not a cause of any long-term adverse effects to humans, plants or animal health. AltaLink also noted that Health Canada, the World Health Organization and other agencies, have reviewed EMF research and that none of these agencies has concluded that exposure to extremely low frequency EMF from transmission lines is a cause of any long-term adverse health effects.

80. At the hearing, AltaLink's Mr. W. Mundy stated that the electric or magnetic fields for any of the project components would not exceed international guidelines and recommendations for human exposure.¹⁶ When AltaLink's EMF expert from E^xponent, Inc., Dr. L. Erdreich, was asked to compare the difference between using the transmission line 80L preferred route through the Pines neighbourhood and alternate route around the Pines neighbourhood, she stated "[s]o it doesn't matter whether you're at zero or 5 or 10 because these are not levels that have been associated with adverse health effects, so there's no adverse health effects. So between zero and some, meaning the levels that are associated with this project, there's essentially no health difference."¹⁷

81. AltaLink stated that transmission line magnetic fields are generally too weak to affect pacemakers and that there are no cases of EMF from transmission lines interfering with pacemakers recorded in the EMF literature.

82. AltaLink stated that it calculated radio interference levels and expected them to be below the applicable regulatory standard for fair weather limits from 138-kV and 240-kV transmission lines. AltaLink stated that it would conduct radio interference measurements following construction to confirm regulatory compliance. AltaLink also stated that it would arrange for pre-construction measurements with landowners where there is a concern about radio interference.

83. AltaLink stated that it is unlikely that transmission lines would interfere with GPS signal reception during normal operation of the transmission lines. AltaLink encouraged stakeholders to contact it with specifics pertaining to any GPS concerns related to transmission lines, so that appropriate investigations could be conducted. AltaLink asserted that it is confident that the project would not affect cable television, wireless internet or satellite television reception.

84. With respect to stray voltage, AltaLink reported that high-voltage transmission lines have been found to influence induced voltage only where long sections of on-site farm wiring or distribution lines are built very near, and parallel to, transmission lines, resulting in currents being induced on to the neutrals of these facilities. AltaLink stated that there are effective mitigation measures available to address these issues, should any such situations arise.

7.2 Views of the parties

85. Various landowners expressed concerns with the project's EMF levels and its potential to be a carcinogen. They also raised concerns with the potential health effects to their families and their animals.

86. While the interveners filed reports from various sources, no expert evidence was filed by interveners on the potential health effects of EMF at levels produced by the project and no expert witnesses were presented at the hearing.

87. The Pines Group noted that AltaLink's expert dismissed the argument that EMF may become a health hazard at a later date. The Pines Group argued that EMF may become an issue at a later date and that this is an opportunity to reduce EMF from these transmission lines to zero for a significant number of residents by routing transmission line 80L on the alternate route, away from the Pines neighbourhood.

¹⁶ Transcript, Volume 3, page 431, lines 15-21.

¹⁷ Transcript, Volume 3, page 432, lines 19-24.

88. The Pines Group agreed that the EMF and radio interference from transmission lines are not critical. However, it submitted that if the transmission line 80L alternate route were selected, the electric and magnetic field and radio interference would be reduced to nothing because there would be no residences, businesses or other premises near the transmission lines. The Pines Group submitted that even though the current impact is minimal, a zero impact would be a significant improvement.¹⁸

89. Many of the members of the WPE Group stated that they had concerns with the potential negative health effects from EMF. The WPE Group stated that reasonable methods should be employed to bring EMF exposure levels as low as possible.

90. The Wachter Group submitted that almost every member of the group provided testimony that they are concerned with EMF from the transmission line. The Wachter Group argued that despite AltaLink's stance on EMF, affected landowners are still concerned and the Commission should acknowledge that a significant portion of affected landowners have perceived concerns regarding EMF levels.

91. Mr. Wachter testified that "I'm concerned that it will cause birth defects and cause my broodmares to become sterile. My one mare has already failed to catch last year."¹⁹ Mr. Wachter submitted that:

There's lots of studies out there. We happened to get across a study from McGill University that clearly acknowledges EMFs as carcinogens. AltaLink provides a comparable study with Exponent -- I think it's the company called -- out of the US, who, in my opinion -- they paid for the study for the Commission, for the AUC in their benefit, and they clearly deny any health risks. And I think there's enough evidence around to be objective to it, and I think it's a biased position they took.²⁰

92. Mr. Wachter's submission included a package of documents concerning EMF and health information. Mr. Wachter also requested that the Commission acknowledge the McGill course notes titled Physical Health Hazards: Health Effects of Electromagnetism²¹ and other EMF related information.²²

93. The impact statement of Harvey and Ruth Lind stated "[w]e believe the health hazards of the electromagnetism to be a major health concern to us and our families."²³ "We were planning to roll the farm over to the next generation family, but we have concerns of cancer, leukemia, and other diseases brought on by EMFs and substation chemicals."²⁴

94. The impact statement of Jan and Anneke Geurts stated that the "[r]isk of contracting health problems when exposed to overhead high-voltage power line electromagnetic fields over an extended period compared to the expected risk in general population are significant."²⁵ This

¹⁸ Exhibit No. 285.01, Pines Group Argument, pages 6-7.

¹⁹ Transcript, Volume 5, page 778, lines 19-22.

²⁰ Transcript, Volume 5, page 823, lines 11-19.

²¹ Exhibit No. 53.02, Physical Health Hazards: Health Effects of Electromagnetism.

²² Materials include Exhibit No. 53.01, EMFs AND HEALTH What You Need To Know, and Exhibit No. 53.03, INFORMATION ON EMF'S AND HEALTH.

²³ Exhibit No. 126.01, Intervener Evidence of the Wachter Group, page 13.

²⁴ Exhibit No. 126.01, Intervener Evidence of the Wachter Group, page 15.

²⁵ Exhibit No. 126.01, Intervener Evidence of the Wachter Group, page 18-19.

impact statement also submitted a summary of studies prepared by the group Responsible Electricity Transmission for Albertans in May 2010.

95. Eugene and Michele Bieganek, who are landowners near transmission line 755L, expressed concerns regarding the impact the project would have on beehives on their property as a result of EMF levels.

96. Many other landowners also submitted general concerns with the project's EMF levels.

97. In response to the concerns raised by the Pines Group, AltaLink "disagreed that there would be any benefit in reducing EMF levels as a result of using the alternate route, let alone a 'significant improvement...'"²⁶

98. AltaLink pointed out that the radio interference level from the proposed transmission lines beyond the edge of the right-of-way would be negligible, and far below Industry Canada maximum acceptable interference levels of 49 decibel-microvolts per metre for 138-kV transmission lines. AltaLink also stated that the radio interference level from both the preferred and alternate routes of transmission line 80L in the Pines neighbourhood would be lower than from the existing 80L transmission line.

99. With respect to the Bieganek's concerns of the project's effects on their bees, AltaLink responded that their property is approximately 800 metres away from transmission line 755L at the closest point. AltaLink reported that research to date does not suggest that electric or magnetic fields from the project would result in adverse impacts to the bees or the beehives.

7.3 Commission findings

100. The Commission acknowledges that many of the interveners expressed concerns about potential impacts of EMF from transmission lines on human or animal health. However, the evidence submitted by AltaLink regarding electric and magnetic fields produced by the project was uncontroverted by any other experts.

101. Further, the Commission finds the results of AltaLink's computer modelling of the EMF levels associated with the proposed 138-kV and 240-kV transmission lines to be credible. The profiles generated by the model show that the electric fields and magnetic fields are strongest when close to the lines and diminish quickly as the distance increases from the lines. In situations where the transmission lines are being rebuilt, the electric and magnetic field levels are generally being reduced from calculated levels for the existing transmission line. AltaLink stated that the electric fields at the rights-of-way edges or at 10 metres are expected to be between zero and 2.7 kV/m for the various proposed transmission lines, which is lower than the ICNIRP guideline of 4.2 kV/m and lower than the calculated range of 0.5 kV/m to 4.8 kV/m for the existing re-build components.²⁷ The magnetic field levels at the rights-of-way edges or at 10 metres are expected to be between 3.2 mG and 73 mG for the various proposed transmission lines, which is also lower than the ICNIRP guideline of 2,000 mG and lower than the calculated range of 10.2 mG to 93.9 mG for the existing rebuild components.²⁸

²⁶ Exhibit No. 295.05, Reply submissions of AltaLink, page 9, paragraph 39.

²⁷ Exhibit No. 18, Appendix P EMF, Table 1-3, page 17 and Exhibit No. 18, Appendix P EMF, Table 1-2, pages 15-16.

²⁸ Exhibit No. 18, Appendix P EMF, Table 1-3, page 17 and Exhibit No. 18, Appendix P EMF, Table 1-2, pages 15-16.

102. The Commission notes AltaLink's evidence that the preferred and alternate routes of transmission line 80L in the vicinity of the Pines neighborhood would produce levels below the standards for electric fields, magnetic fields and radio interference. The Commission also recognizes that the preferred route along the existing right-of-way would reduce the levels of radio interference when compared to the existing transmission line 80L. Therefore, the Commission finds that neither of the transmission line 80L routes through the Pines neighborhood would be preferable to the other from an electrical considerations perspective.

103. In addition, the Commission considers the following conclusion in the E^xponent, Inc. report persuasive:

The numerous national and international scientific agencies that have reviewed this research have not concluded that exposure to ELF [extremely low frequency] EMF is a cause of any long-term adverse health effect.²⁹

104. The Commission considers important the conclusion of Health Canada that exposure to EMF from transmission lines is not a demonstrated cause of any long-term adverse effect to human or animal health, including bees. Health Canada states that:

At present, there are no Canadian government guidelines for exposure to EMFs at ELF [extremely low frequency]. Health Canada does not consider guidelines for the Canadian public necessary because the scientific evidence is not strong enough to conclude that exposures cause health problems for the public.

Some national and international organizations have published health based exposure guidelines for EMFs at ELF. However, these guidelines are not based on a consideration of risks related to cancer. Rather, the point of the guidelines is to make sure that exposures to EMFs do not cause electric currents or fields in the body that are stronger than the ones produced naturally by the brain, nerves and heart. EMF exposures in Canadian homes, schools and offices are far below these guidelines (Health Canada, 2010).³⁰

105. The Wachter Group submitted various sourced studies on the effects of EMF. However, no expert evidence or testimony was provided by the Wachter Group on the effects of EMF during the hearing. As a result, neither AltaLink nor the Commission were able to test the methodology or conclusions drawn in the various studies provided. Therefore, the weight the Commission gave the various studies provided by the Wachter Group reflected this.

106. AltaLink provided an expert report that indicated that the EMF levels resulting from the project components would have no adverse effects on human or animal health. AltaLink's expert appeared at the hearing and was subject to questioning from various interveners and the Commission. As a result, the Commission has given significant weight to the conclusions drawn by AltaLink's expert in relation to the issue of EMF and its affects.

107. The Commission finds that there is no evidence to suggest that there will be adverse impacts from EMF in relation to any of the project components. Further, the Commission finds that the difference in EMF levels between the various preferred and alternate routes and sites

²⁹ Exhibit No. 18, Appendix P EMF, E^xponent, Inc., Research Developments Since the 2007 WHO Review of Extremely Low Frequency Electric and Magnetic Fields & Health, page xii.

³⁰ Exhibit No. 18, Appendix P EMF, E^xponent, Inc., Research Developments Since the 2007 WHO Review of Extremely Low Frequency Electric and Magnetic Fields & Health, pages 17-18.

applied for by AltaLink is negligible, and would not create different impacts on affected stakeholders. Accordingly, the Commission is of the view that any of the preferred or alternate routes or sites are acceptable from an electrical consideration perspective.

8 Property impacts

8.1 Views of the applicant

108. AltaLink submitted three reports from Serecon Valuations Inc. (Serecon) to assess possible landowner/property value impacts as a part of its Red Deer area transmission development project. The three Serecon reports were titled:

- 138 kV Transmission Lines and Rural Property Values³¹
- High Voltage Overhead Transmission Lines and Urban Property Values³²
- Potential Agricultural Impacts from High Voltage Overhead Transmission Lines³³

8.1.1 138 kV Transmission Lines and Rural Property Values

109. In this report, Serecon performed a paired sales analysis and regression analysis in an attempt to quantify the effects of 138-kV high-voltage transmission lines on rural property values.

110. Serecon stated that for a property to be used in its paired sales analysis, the subject property had to be a rural parcel that had a 138-kV transmission line either traversing its boundaries or located 10 metres away or less. The subject property was then analyzed against a comparable property in the area that was defined as a rural parcel with similar characteristics as the subject property, sold at a similar time but that does not contain a 138-kV transmission line within its boundaries and is at least 10 metres away from a transmission line. Serecon then stated it made price adjustments (if necessary) to make the subject and comparable properties as similar as possible, with the exception of the presence of the 138-kV transmission line on the subject property (in an attempt to isolate for the price impact of the 138-kV transmission line on its own).

111. Serecon stated that in its regression analysis, the value of interest (rural property value as measured by the selling price) was estimated by a set of explanatory variables (such as location and lot size) that jointly determined the selling price. Serecon explained that in this regression model, the coefficients associated with a transmission line variable should indicate the effect on property values of a transmission line, while holding constant the effects of all other variables that are included in the model.

112. Serecon stated that the results of the paired sales analysis revealed minimal effects on property values from the presence of a 138-kV transmission line on a subject property. Serecon asserted that bareland properties as a whole had a negative 1.06 per cent impact and improved

³¹ Exhibit No. 19, Appendix Q Landowner Impacts, 138 kV Transmission Lines and Rural Property Values, pages 55-136.

³² Exhibit No. 19, Appendix Q Landowner Impacts, High Voltage Overhead Transmission Lines and Urban Property Values, pages 136-331.

³³ Exhibit No. 19, Appendix Q Landowner Impacts, Potential Agricultural Impacts from High Voltage Overhead Transmission Lines, pages 1-54.

properties had a positive 1.05 per cent impact. Serecon found neither of these results to be statistically significant at a 95 per cent confidence level.

113. For the regression analysis, Serecon found that the presence of a 138-kV transmission line was statistically insignificant.

114. Overall, Serecon concluded that its paired sales analysis and regression analysis indicated that 138-kV transmission lines located on or within 10 metres of rural subject properties have no statistically significant impact on the properties' market values.

8.1.2 High Voltage Overhead Transmission Lines and Urban Property Values

115. In this report, Serecon performed paired sales analysis and regression analysis in an attempt to quantify the effects of high-voltage transmission lines on urban property values.

116. For the paired sales analysis, Serecon stated that the sale of a property that is adjacent to a transmission line was compared to a sale around the same time, of a property in the same neighbourhood that was not adjacent to a transmission line. More specifically, within a particular neighbourhood, selling prices were compared for two houses that were of the same or similar types, had similar characteristics, and were sold at a similar time, where the only distinctive difference between the houses was that one was adjacent to a transmission line and the other was not. Serecon stated that by doing this, its objective was to attempt to isolate solely the impact of the transmission line on the sale prices of the properties. Serecon attempted to pair sales that took place from May 2005 to May 2009.

117. For the regression analysis, Serecon stated that the value of interest (property value as measured by the selling price) was estimated by a set of explanatory variables (such as location and lot size) that jointly determined the selling price. Serecon stated that in this regression model, the coefficients associated with a transmission line variable would indicate the effect on property values of a transmission line, while holding constant the effects of all other variables that were included in the model. The regression analysis used data from Multiple Listing Service (MLS) listings from 2005 to 2009.

118. Serecon stated that based on the paired sales analysis, there was a fair bit of variation in the estimated impact from a transmission line depending on the neighbourhood. It asserted that the impacts ranged from plus 2.1 per cent to minus 7.3 per cent. Serecon concluded that proximity to a transmission line had statistically significant negative effects on property values in some neighbourhoods but not in others, so that being located adjacent to a transmission line did not necessarily reduce property values.

119. For the regression analysis, Serecon also found that proximity to a transmission line had statistically significant negative effects on property values in some neighbourhoods but not in others. Where statistically significant reductions in property values occur they tend to be greater for properties that were adjacent to the transmission line, although these generally tended to decrease with distance from the transmission line. Further, where statistically significant reductions in property values occur due to property being adjacent to a transmission line, these were generally less than 10 per cent. Serecon also concluded that the reduction in property values could not be solely attributed to the transmission line, since the transmission line corridor was in some cases adjacent to a major roadway.

8.1.3 Potential Agricultural Impacts from High Voltage Overhead Transmission Lines

120. This report documented common agricultural practices in Alberta and how they could be adversely affected by high-voltage overhead transmission lines during their installation and operation. In the report, Serecon examined the potential impacts of transmission lines on agriculture and included assessments of the potential impacts on cultivated crops and soil, specialized crops, the spread of weed and crop disease, equipment hazards, aerial/ground/spot spraying, irrigation techniques, the need of overlapping for cultivation, GPS devices, livestock and yard sites. The report also included mitigation techniques for many of these potential impacts.

121. AltaLink stated that it consulted with the municipalities traversed by the project to discuss weed concerns and clubroot disease. In the application, AltaLink acknowledged that there is clubroot in Ponoka, Lacombe and Red Deer counties. AltaLink stated that Mountain View County advised it did not have any confirmed cases of clubroot.

122. AltaLink's environmental specifications requirements (ESR) outlined the requirement for AltaLink contractors to complete a vegetation, weed and pest control plan, a waste management plan, and a construction clean-up and reclamation plan for all projects. AltaLink stated that these plans would form a part of the subcontractor's construction environmental management plan that would be reviewed and approved by AltaLink prior to commencement of construction. AltaLink stated that it would monitor compliance of the construction environmental management plan by its contractors and enforce non-compliance issues as they were identified.

123. AltaLink explained that the construction environmental management plan's vegetation, weed and pest control plan would contain measures that address the avoidance and/or minimization of the spread of weeds. AltaLink submitted that landowners who have structures on their land would receive annual structure payments and be responsible for weed control around the structures on their land. AltaLink explained that weed control for the structures in the road allowance would be the responsibility of the municipality.

124. AltaLink's ESR also stated that mitigations would be developed, where applicable, to prohibit the spread of clubroot and the AltaLink Standard - *AL-ENV-2001, Clubroot Mitigation Procedure* would be followed during construction. AltaLink's clubroot mitigation procedure was submitted with the Potential Agricultural Impacts from High Voltage Overhead Transmission Lines report. AltaLink Standard - AL-ENV-2001 is an AltaLink environmental standard operating procedure that explains AltaLink's procedures that apply to farmed fields in the municipalities where clubroot has been confirmed. AltaLink stated that the purpose of the standard is to reduce the risk of spreading clubroot as a result of AltaLink operations or construction activities.³⁴

125. AltaLink stated that as a precaution, in fields that have been determined to not contain clubroot, but that are located within a municipality identified on the Government of Alberta - Clubroot Infested Areas Map, soil and plant debris would be removed from equipment between cultivated fields. AltaLink stated that soil and vegetation would be removed by scraping, sweeping or knocking off any amounts of topsoil that has adhered to the vehicle or equipment between fields owned by different landowners.

³⁴ Exhibit No. 19, Appendix Q Landowner Impacts, Potential Agricultural Impacts from High Voltage Overhead Transmission Lines, AltaLink Standard - AL-ENV-2001, pages 46-53.

126. AltaLink explained that some interveners had expressed concerns about farming around structures. AltaLink submitted that where landowners farm across a quarter line, it has worked with landowners to place structures in locations that reduce the impact of farming around the structures.

127. In AltaLink's comparisons of the project routes, it analyzed the amount of shelterbelts removed, the amount of cultivated land traversed, and the amount of land farmed across that would be intersected by the transmission lines. These details will be considered in the detailed siting section of this decision, where various routes are compared.

8.2 Views of the parties

128. The WPE Group retained the services of Mr. Ryan Archer of Gettel Appraisals Ltd. to prepare a report entitled Financial Impact Assessment AltaLink 138 kV Line Rebuild & Rerouting Three Residences West Park Red Deer, Alberta (the Archer report).³⁵ Mr. Archer completed his report prior to AltaLink's amendment of the transmission line 80L route near the area of Cronquist Close.

129. Mr. Archer stated that the Archer report's first objective was to assess the impact that the transmission line 80L rebuild and rerouting along the alternate route would have on the salability and potential market value of homes within the Red Deer neighbourhood of West Park. He stated that the second objective was to assess the potential positive impacts that may arise to property values in West Park from burying the transmission line.³⁶

130. For its first objective, Mr. Archer stated that he focused on three homes that would be impacted by the alternate route near Cronquist Close, with transmission line 80L being located closer to the homes. The homes studied by Mr. Archer were located at 13 Wiltshire Boulevard, 18 Wiltshire Boulevard and 15 Cronquist Close, and were owned by members of the WPE Group. Mr. Archer submitted that 13 Wiltshire Boulevard was 100 metres south of the existing 80L line, and if the alternate route were selected, it would be 22 metres from the line, and a number of trees would need to be removed. Mr. Archer submitted that 18 Wiltshire Boulevard was 58 metres south of the existing 80L route and would be 24 metres east of the alternate route with no buffer. Finally, Mr. Archer submitted that 15 Cronquist Close was 50 metres south of the current 80L route, and would be 40 metres south of the line if the alternate route were selected. Mr. Archer also submitted that the Steierts, who are the owners 15 Cronquist Close, have formal plans to subdivide out two additional lots from their existing land.³⁷

131. The Archer report conducted a review of existing case studies on the impact of property values arising from transmission lines, and identified what it submitted as negative factors associated with transmission lines, including visual, health, disturbing sounds, safety concerns and stigma. Mr. Archer submitted that he discounted the findings of some reports based on his professional opinion that "there might be an element of bias",³⁸ and testified that any time a study

³⁵ Exhibit No. 122.03, Financial Impact Assessment AltaLink 138 kV Line Rebuild & Rerouting Three Residences West Park Red Deer, Alberta.

³⁶ Exhibit No. 122.03, Financial Impact Assessment AltaLink 138 kV Line Rebuild & Rerouting Three Residences West Park Red Deer, page 1.

³⁷ Exhibit No. 122.03, Financial Impact Assessment AltaLink 138 kV Line Rebuild & Rerouting Three Residences West Park Red Deer, pages 11-12.

³⁸ Transcript, Volume 4, page 705, lines 3-16.

indicated that a power line had zero impact he considered the study to be flawed.³⁹ Mr. Archer further testified that he discredited, tossed out and put minimal weighting on the studies that concluded that there are limited or negligible impacts from transmission lines on residences within 200 feet, based on his experience in appraising real estate, submitting that he has not yet met in his career, a person that chooses, *ceteris paribus*, to live next to a power line.⁴⁰ The Archer report summarized the typical range of negative impacts on value based on distance from the overhead line:⁴¹

- 30 feet: 27.3 per cent
- 50 feet: 6.6 per cent to 14 per cent
- 100 to 200 feet: 3.6 per cent to 9.1 per cent
- 200 feet and up: zero per cent to limited

132. Mr. Archer testified that he considered factors such as the presence of a buffer (or lack thereof) between a property and a transmission line, and whether the transmission line is in an upper income neighbourhood, as Mr. Archer testified that buyers in these neighbourhoods tend to be more discriminating.⁴²

133. The Archer report then assessed the impacts that arose from an existing transmission line rebuild in Tsawwassen Heights, British Columbia. In the Archer report, Mr. Archer concluded from the Tsawwassen Heights study, that the typical incremental price decrease is in the order of six per cent to 12 per cent.⁴³ Mr. Archer testified that this study was prepared by the principal of Gettel Appraisals, Mr. Brian Gettel,⁴⁴ and that the Tsawwassen Heights study is a true paired sales analysis involving a property that was purchased, had a nearby power line upgraded, and was then resold,⁴⁵ only requiring a time adjustment.⁴⁶

134. Mr. Archer testified that he agreed with the previous work done by Mr. Gettel, specifically, the case study review and the conclusions drawn by Mr. Gettel in the Tsawwassen Heights study.⁴⁷ Mr. Archer further testified that the case study review and Tsawwassen Heights study that were included as evidence in this proceeding were also submitted by Mr. Gettel in June 2011 as evidence in another proceeding,⁴⁸ and that the case study review and report were not prepared specifically for this proceeding.⁴⁹

135. Based on the analysis done in the Archer report, Mr. Archer submitted that the rerouting and rebuilding of the 138-kV transmission line would exert an incremental impact on the three subject properties. Mr. Archer concluded that 13 Wiltshire Boulevard, 18 Wiltshire Boulevard and 15 Cronquist Close would each experience a loss in value of approximately 15 per cent from

³⁹ Transcript, Volume 4, page 707, lines 17-19.

⁴⁰ Transcript, Volume 4, pages 707-709.

⁴¹ Exhibit No. 122.03, Financial Impact Assessment AltaLink 138 kV Line Rebuild & Rerouting Three Residences West Park Red Deer, page 23.

⁴² Transcript, Volume 4, page 661, lines 7-15.

⁴³ Transcript, Volume 4, page 716, lines 5-24.

⁴⁴ Transcript, Volume 4, pages 667-668.

⁴⁵ Transcript, Volume 4, page 669, lines 13-18.

⁴⁶ Transcript, Volume 4, page 675, lines 1-2.

⁴⁷ Transcript, Volume 4, pages 713-714.

⁴⁸ Transcript, Volume 4, pages 713-714.

⁴⁹ Transcript, Volume 4, page 735, lines 7-11.

the rerouting of the 138-kV transmission line closer to these properties if the alternate route was selected.⁵⁰

136. For its second objective, the Archer report submitted an estimation of the potential positive impacts that could arise from burying the 80L power line throughout West Park and along the Red Deer River. Analysis provided in the Archer report submitted that the burial of the 80L transmission line would result in an aggregated property value increase of \$3,297,485 and an annual residential tax revenue increase of \$28,141.73.⁵¹ Mr. Archer submitted that he did not perform a cost analysis of burying the segment of transmission line 80L.⁵²

137. In response to usage of the Tsawwassen Heights study, AltaLink submitted that it was not a useful study for the purposes of analyzing 13 Wiltshire Boulevard, 18 Wiltshire Boulevard and 15 Cronquist Close for many reasons. First, AltaLink submitted that unlike in the Tsawwassen Heights study, neither the existing transmission line 80L nor the proposed 80L rebuild are on, or go through, any of the subject properties in the Archer report. AltaLink also submitted that the Tsawwassen Heights study involved an increase in the voltage of the transmission line from 138 kV to 230 kV, whereas the proposed rebuild of transmission line 80L would remain at a voltage of 138 kV.⁵³ As such, AltaLink submitted that the incremental price decrease in the order of six per cent to 12 per cent as reported in the Archer report from the Tsawwassen Heights study would not be applicable to 13 Wiltshire Boulevard, 18 Wiltshire Boulevard and 15 Cronquist Close.⁵⁴

138. AltaLink further submitted that given that the Archer report found the property value diminution impacts of the Tsawwassen Heights study (a study that had an existing line on or through the majority of properties) to be in the order of six per cent to 12 per cent, the expected impact of the 80L transmission line through West Park Estates (where neither the existing nor proposed 80L rebuild are on or go through the three subject properties) should be less than what was observed in Tsawwassen Heights.⁵⁵

139. Regarding the analysis in the Archer report of the benefit of burying the transmission line 80L near Cronquist Close, AltaLink submitted that all members of the WPE Group had constructed or purchased their homes after the existing line was built, and that by burying the line, the members of the WPE Group would receive a property value increase even though they have not suffered a decrease.⁵⁶

140. Regarding property value impacts on individual subject properties near Cronquist Close, AltaLink submitted that the impact of the rebuild of transmission line 80L on the alternate route would be minus five per cent on 15 Cronquist Close and 18 Wiltshire Boulevard, and no change to 13 Wiltshire Boulevard.⁵⁷ AltaLink stated that there would be no incremental change in the

⁵⁰ Exhibit No. 122.03, Financial Impact Assessment AltaLink 138 kV Line Rebuild & Rerouting Three Residences West Park Red Deer, page 34.

⁵¹ Exhibit No. 122.03, Financial Impact Assessment AltaLink 138 kV Line Rebuild & Rerouting Three Residences West Park Red Deer, page 38.

⁵² Transcript, Volume 4, page 737, lines 6-11.

⁵³ Exhibit No. 175.06, AltaLink Reply Evidence, page 19, paragraph 62.

⁵⁴ Exhibit No. 175.06, AltaLink Reply Evidence, page 19, paragraph 63.

⁵⁵ Exhibit No. 175.06, AltaLink Reply Evidence, page 20, paragraph 65.

⁵⁶ Exhibit No. 175.06, AltaLink Reply Evidence, page 23, paragraph 76.

⁵⁷ Exhibit No. 175.06, AltaLink Reply Evidence, page 22, paragraph 75 and Transcript, Volume 3, page 460, lines 13-16.

impact on the preferred route.⁵⁸ Mr. Doll testified, on behalf of AltaLink, that in calculating the impact of the proposed transmission line to 13 Wiltshire Boulevard, 18 Wiltshire Boulevard and 15 Cronquist Close on the proposed alternate route,⁵⁹ no formal report was created and that estimated impacts were made for the specific situation.⁶⁰

141. The Pines Group was also critical of the property value analysis in the Serecon report High Voltage Overhead Transmission Lines and Urban Property Values. The Pines Group indicated that the report contained many questionable comparators for real estate value, but submitted that the report supports the overall conclusion that power lines devalue property.

142. AltaLink replied that the Pines neighbourhood property value has always included the effect of being located near a transmission line, since the homes were constructed and purchased after the transmission line was in place.

143. Many landowners in rural settings also raised concerns with property impacts from the project. These concerns included concern with property value, farming around transmission towers, possible GPS interference and increased possibility of weeds and clubroot. The landowners explained that agricultural impacts could have a devastating effect on their yields and greatly affect their profit margin. Many also explained that they rely on their crops for their livelihood.

144. Constance M. Matson is a landowner near transmission line 637L. She expressed concern about the spread of weeds and the introduction of clubroot to her family's farmland. She testified that farming is her family's livelihood.⁶¹

145. Many members of the Wachter Group also expressed concerns with the agricultural impacts of the project. Rick Tams and Wayne Tams stated that they were worried about clubroot being brought onto their field by AltaLink's construction or maintenance activities. They stated that they are timothy producers, and there are no clubroot resistant timothy seed varieties.⁶² Ivo and Manuela Wachter of the Wachter Group stated that clubroot is extremely invasive and a real danger to agriculture production and land prices in Alberta. They explained that they have no comfort that AltaLink's equipment has not already spread clubroot. They stated that clubroot is a real threat to their livelihood and lifesavings.⁶³ Harvey and Ruth Lind of the Wachter Group submitted that with the increased traffic, construction and maintenance equipment, there would be an increased possibility of plant disease such as clubroot and sclerotinia, and animal disease such as anthrax or hoof and mouth.⁶⁴

146. May Wagers also raised concerns about weed control for the project. She was advised by Red Deer County that she cannot spray next to the water near her property since the water runs

⁵⁸ Transcript, Volume 3, page 461, lines 16-20.

⁵⁹ See Exhibit No. 175.06, AltaLink Reply Evidence, page 22, paragraph 75; and Transcript, Volume 3, page 460, lines 13-16.

⁶⁰ Transcript, Volume 3, page 461-462, lines 25-2.

⁶¹ Exhibit No. 63.01, Matson Rule 001 Section 24 response to notice 2013-11-18.

⁶² Exhibit No. 46.01, Tams Rule 001 Section 24 response to notice 2013-11-13.

⁶³ Exhibit No. 126.01, Wachter Group Intervener Evidence, page 10.

⁶⁴ Exhibit No. 126.01, Wachter Group Intervener Evidence, page 13.

down to the city of Red Deer and its water supply. She explained that this made weed control a problem.⁶⁵

147. Many other landowners also raised agricultural concerns about the project.

8.3 Commission findings

148. During the hearing, AltaLink testified that the report dealing with potential impacts of high-voltage transmission lines on urban properties was written in September 2010,⁶⁶ and that it was not specific to the Red Deer area transmission development project application.⁶⁷ The Commission is of the view that reports with more contemporary data would be more beneficial, as property values and their associated economic impacts may change rapidly.

149. The Commission is also of the view that a report providing an economic impact analysis would be more beneficial if the analysis was centred on the specifics of the application before it. The information found in the generic reports filed in this application provide some general information, however, analysis of the precise economic impacts associated with a particular project would provide greater insight into the issue for the Commission and assist the Commission in determining if there are any impacts and the full scope of those impacts.

150. The Commission notes that in calculating the impact of the transmission line 80L rebuild to 13 Wiltshire Boulevard, 18 Wiltshire Boulevard and 15 Cronquist Close on the alternate route,⁶⁸ Mr. Doll testified that no formal report was created and that estimated impacts were made for the specific situation.⁶⁹ The Commission is of the view that a detailed report pertaining to route-specific economic impacts would have been of greater use in assessing the economic impact of this application, rather than the generic valuation reports that were filed by AltaLink in this proceeding.

151. For these reasons, the Commission has placed little weight on the Serecon reports titled 138 kV Transmission Lines and Rural Property Values and High Voltage Overhead Transmission Lines and Urban Property Values filed by AltaLink in this proceeding.

152. The Commission agrees with the approach of examining the specific properties that may be adversely affected by a power line that is relocated closer to the residence on the property, as was the case in Mr. Archer's analysis. However, the Commission does not accept Mr. Archer's conclusion of 15 per cent in value diminution for the three subject properties for the reasons specified below.

153. Mr. Archer testified that he only read summaries of two studies referenced in his analysis (the Bigras and Kinnard reports).⁷⁰ The Commission believes that evidence brought before it ought to be based on a thorough and comprehensive review of works cited, especially when works cited factor into the analyses conducted and influence findings made.

⁶⁵ Transcript, Volume 6, pages 932-933, lines 22-1.

⁶⁶ Transcript, Volume 2, page 333, lines 19-20.

⁶⁷ Transcript, Volume 2, page 334, lines 2-7.

⁶⁸ See Exhibit No. 175.06, AltaLink Reply Evidence, page 22, paragraph 75; and Transcript, Volume 3, page 460, lines 13-16.

⁶⁹ Transcript, Volume 3, pages 461-462, lines 25-2.

⁷⁰ Transcript, Volume 4, pages 700-701.

154. The Commission agrees with AltaLink's critique of the Tsawwassen Heights study not being directly comparable to the potential property impacts arising from this application. The Tsawwassen Heights study involved an upgrade of the transmission line from 138 kV to 230 kV whereas the application before the Commission is the rebuild of an existing 138-kV transmission line. Further, in the Tsawwassen Heights study, the transmission line was located directly on the properties in question, which is not the case here.

155. While the Commission accepts professional opinions of expert witnesses, it is wary of the approach taken by Mr. Archer in this proceeding. The Commission views Mr. Archer's assertion that "any time a study would indicate that a power line had zero impact, I would consider there to be flaws within that study"⁷¹ to be an unnecessarily broad generalization, as there may very well be some instances when a transmission line within 200 feet has no adverse impact on property values. In disregarding the studies that found no impact from transmission lines on residences within 200 feet, the Commission finds that Mr. Archer may have biased his findings on the impacts on value arising from transmission lines, and in turn, arrived at an inflated estimate of the valuation diminution arising from the rebuilt line on 13 Wiltshire Boulevard, 18 Wiltshire Boulevard and 15 Cronquist Close.

156. On the basis of the shortcomings outlined above, the Commission has placed very little weight on the report, testimony, and findings presented by Mr. Archer in this proceeding.

157. The Commission recognizes that both Mr. Doll and Mr. Archer found that there may be a property value impact to some of the properties near Cronquist Close if transmission line 80L were constructed on the alternate route. The Commission will discuss the weighting of this factor within the detailed siting section of this decision. Aside from the Cronquist Close area, the Commission finds that there was not sufficient evidence to suggest that there would be a property value impact caused by the project.

158. The Commission recognizes that many of the landowners within the project's rural areas expressed concerns with the project's potential agricultural impacts. The Commission finds that the Potential Agricultural Impacts from High Voltage Overhead Transmission Lines report was useful in outlining potential mitigation measures for agricultural impacts from transmission lines.

159. The Commission finds that AltaLink's mitigations (soil and plant debris removed from equipment) in fields within a municipality identified on the Government of Alberta - Clubroot Infested Areas Map, is a suitable approach. The Commission expects that AltaLink and its contractors will be diligent with this approach. The Commission also expects AltaLink to work closely with the local agricultural fieldmen in the various rural municipalities to meet local requirements for clubroot protection.

160. The Commission finds that AltaLink's approach for mitigation of potential weed and clubroot impacts is appropriate.

⁷¹ Transcript, Volume 4, page 707, lines 17-19.

9 Environment

9.1 Views of the applicant

161. AltaLink retained TERA Environmental Consultants (TERA) to prepare environmental evaluation reports for six of the seven components of the project; no environmental evaluation report was completed for the Johnson 281S substation component. The environmental evaluation reports described the environmental setting of the project area including terrain and soils, vegetation, hydrogeology, wetlands and watercourses, and wildlife; discussed the potential adverse effects of the project on these environmental components; assessed and compared the routes to one another on an environmental-only basis where multiple routes were being considered; and identified mitigation measures that would eliminate or reduce the potential effects of the project and the routes being considered on the environmental components. The environmental evaluation reports were primarily based on desktop information, but supplemented by general vegetation and wildlife field surveys conducted in the spring and summer of 2012.

162. The environmental evaluation report for the rebuild of transmission line 80L concluded that the preferred route segment from E1 to E30 combined with the alternate route segment from D30 to D45 would have lower potential environmental impacts than other route options. In particular, the option to build an underground portion of the preferred route segment from D30 to D45 is not favourable from an environmental perspective due to this segment's proximity to the Red Deer River. However, the report concluded that with the implementation of the proposed mitigation measures and supplemental environmental studies, all of the route options would be satisfactory from an environmental perspective.

163. The environmental evaluation report for the rebuild of transmission line 755L concluded that, with the implementation of the proposed mitigation measures and supplemental environmental studies, the proposed transmission line route would be satisfactory from an environmental perspective.

164. The environmental evaluation report for the rebuild of transmission lines 637L and 648L concluded that, with the implementation of the proposed mitigation measures and supplemental environmental studies, the proposed transmission lines alignments would be satisfactory from an environmental perspective.

165. The environmental evaluation report for the Hazelwood 287S substation and transmission line concluded that the preferred route and the preferred substation site would have lower potential environmental impacts than the alternate route and alternate substation site, but that with the implementation of the proposed mitigation measures and supplemental environmental studies, both routes would be satisfactory from an environmental perspective.

166. The environmental evaluation report for the Wolf Creek 288S substation and transmission line concluded that the preferred route and the alternate substation site would have lower potential environmental impacts than the alternate route and the preferred substation site respectively, but that with the implementation of the proposed mitigation measures, both routes and substation sites would be satisfactory from an environmental perspective.

167. The project's environmental evaluation reports were supplemented by additional environmental field surveys and studies conducted for various components of the project. These surveys and studies identified additional recommended mitigation measures for the project.

168. In addition to the environmental field surveys and studies completed, TERA recommended that additional environmental surveys/studies be conducted for each of the project components prior to construction. These recommendations were incorporated into AltaLink's ESR document for the project.⁷²

169. AltaLink's ESR document for the project describes the environmental protection mitigation measures and plans to be applied prior to, during, and following construction of the project to reduce the environmental effects of the project that could not be completely avoided during the routing stage. AltaLink stated that the mitigation measures recommended in environmental field surveys and studies have been incorporated into the ESR. AltaLink stated that TERA also reviewed the draft project ESR and provided feedback to develop more project-specific mitigation measures, which have been incorporated into the ESR. AltaLink submitted that, prior to construction, the ESR would be updated to reflect the results of still to be completed pre-disturbance assessments, such as wildlife surveys, rare plants surveys, soils surveys, weed surveys and aquatic/wetland surveys, as well as the conditions of any regulatory approvals obtained for the project.

170. AltaLink submitted that it would require the project's construction contractor to develop a construction and environmental management plan for the project prior to the start of construction that meets the requirements itemized in the ESR.

171. AltaLink submitted that, prior to construction, it would develop a post-construction reclamation plan. AltaLink stated that temporary areas disturbed during construction would be reclaimed, via re-contouring, topsoil replacement, erosion control methods and re-vegetation, with the exception of some access trails that will remain to facilitate access during operation and maintenance activities. AltaLink stated that an AltaLink environmental lead would be responsible for ensuring that a post-construction reclamation plan is implemented in accordance with the mitigation measures outlined in the ESR.

172. Alberta Culture reviewed the project information and statements of justification prepared by Lifeways of Canada for the various project components, and determined that a historical resources impact assessment was not required for any of the project components. AltaLink obtained *Historical Resources Act* clearance for the rebuild components of the project from Alberta Culture on October 19, 2011, clearance for the Johnson 281S substation and Wolf Creek 288S substation components on August 25, 2011, and clearance for the Hazelwood 287S substation component on August 30, 2011. Since the time of the original clearance in 2011, AltaLink made further updates to the substation and transmission line footprints for several of the project components, and has applied to Alberta Culture for *Historical Resources Act* clearance for these updates. AltaLink stated that it would halt construction immediately and contact Alberta Culture to develop site-specific mitigation measures if any historical resources are discovered during construction activities.

Remediation, salvage and decommissioning

173. AltaLink stated that each of the rebuild components and some of the greenfield components involve construction activity at existing substation sites and that it would take steps

⁷² Exhibit No. 30.02, AltaLink's responses to AUC Information Requests #1 to #47, Response to IR #17, PDF pages 133-165.

to identify potential contamination at these sites and remediate it as part of the project, as required.

174. Some existing transmission line infrastructure (i.e., poles, conductors) on the 637L, 648L, 755L, 910L, 80L, 166L, 918L, 929L, 910L and 883L transmission line segments would be salvaged as part of the project. AltaLink stated that salvaged wood poles would be appropriately handled, recycled, reused or disposed of in accordance with applicable standards, and that AltaLink would consult with Alberta Environment and Sustainable Resource Development (ESRD) to develop a soil sampling, testing and remediation program along the rights-of-way that would no longer be used for transmission lines.

175. AltaLink stated that wood poles containing pentachlorophenol would be removed and salvaged in accordance with AltaLink Standard *AL-1901 Salvage Wood Pole Reuse, Recondition, Recycle, and Disposal Procedure*. AltaLink also stated that it would work with ESRD to reclaim the rights-of-way that would no longer be used for transmission lines and obtain a reclamation certificate.⁷³

176. AltaLink stated that all of the equipment at the existing Didsbury 152S substation site would be salvaged as part of the project. AltaLink stated that the process it would follow in salvaging the Didsbury 152S substation would include:

- Completing a Phase 1 environmental site assessment.
- Removing gravel and other fill materials.
- Rehabilitating the disturbed areas.
- Completing additional environmental surveys as required to obtain a reclamation certificate from ESRD.

177. The project's ESR document⁷⁴ contains several mitigation measures related to the decommissioning and salvage of equipment, structures, and sites. The ESR also stated that, for any substation decommissioning work, the project's construction contractor must develop an equipment salvage plan.

9.2 Views of the parties

178. While some interveners expressed general concerns about the project's potential environmental impacts, the interveners did not provide expert evidence disputing or challenging AltaLink's and TERA's analysis and conclusions regarding the project's potential impacts on the environment, and which are the more favourable routes and substation sites from an environmental-only perspective. Specific concerns for each of the routes are discussed in the detailed routing section of this decision.

9.3 Commission findings

179. The Commission expects that AltaLink will comply with relevant sections of the *Alberta Environmental Protection and Enhancement Act*, the *Environmental Protection Guidelines for*

⁷³ Exhibit No. 30.02, AltaLink's responses to AUC Information Requests #1 to #47, Response to IR #24, PDF pages 186-187.

⁷⁴ Exhibit No. 30.02, AltaLink's responses to AUC Information Requests #1 to #47, Response to IR #17, PDF pages 133-165.

Transmission Lines, and other relevant statutes, regulations, rules and guidelines listed in the facility application. In particular, with respect to historic or future releases of insulating oil, the Commission acknowledges AltaLink's commitment to assess and, if required, to address soil and groundwater potentially affected by releases of insulating oil and the Commission expects that remediation work would be conducted in accordance with applicable ESRD guidelines.

180. The Commission expects that, prior to construction, AltaLink will complete any additional wildlife, vegetation, wetland, aquatic resources, and soil surveys and studies to the satisfaction of ESRD Fish and Wildlife Division, and implement any additional mitigation measures that are recommended based on the results.

181. The Commission acknowledges AltaLink's commitments to comply with all restricted activity periods, and implement sufficient mitigation measures to ensure the protection of wildlife and rare plants prescribed under the *Wildlife Act* and maintain the ESRD recommended setback distances for specified wildlife, plants, and their associated habitat during project construction. The Commission recognizes AltaLink's intention to consult and work with the ESRD Fish and Wildlife Division to mitigate any impacts in the event that the final location of a structure does not meet the recommended setback.

182. The Commission acknowledges that AltaLink has prepared a draft ESR and has proposed the implementation of many mitigation measures for environmental impacts. The Commission accepts AltaLink's representations in the application and related evidence that it will implement those mitigation measures in good faith and to the extent practical. The Commission recognizes AltaLink's statements that following the completion of remaining environmental studies and surveys, and prior to construction, AltaLink will finalize the development of the ESR and provide the final version to the construction contractor.

183. The Commission notes that AltaLink will finalize the development of, and implement as needed, additional environmental protection plans to minimize adverse effects and to ensure prompt and successful reclamation after construction.

184. The Commission finds that AltaLink's use of existing rights-of-way for large portions of the rebuild projects will help reduce the environmental effects of the project.

185. The Commission finds that little or no expert evidence regarding environmental affects was presented that contradicted the evidence presented by AltaLink. The Commission accepts AltaLink's evidence. The Commission is of the opinion that all routes and substation sites are viable from an environmental impact and biophysical perspective.

186. Overall, the Commission finds that with the diligent application of the proposed mitigation and monitoring measures put forward by AltaLink, the environmental effects from construction and operation of the proposed transmission lines and substations will be adequately mitigated.

187. The Commission will consider site-specific concerns for each of the components in the detailed routing section.

10 Noise

10.1 Views of the applicant

188. AltaLink retained Stantec Consulting Ltd. (Stantec) to evaluate the environmental noise impact of the proposed substation elements of the project. Specifically, AltaLink submitted three noise impact assessments (NIAs) prepared by Stantec.⁷⁵ The NIAs considered the cumulative sound level impacts of the proposed Johnson 281S substation, Hazelwood 287S substation (preferred and alternate location) and Wolf Creek 288S substation (preferred and alternate location). These substations are elements of the project where continuous noise sources were proposed.

189. The cumulative predicted sound level was calculated for all three substations assuming oil natural air force cooling during both the daytime and nighttime periods for a conservative analysis.

190. The permissible sound levels as stipulated in AUC Rule 012: *Noise Control* (AUC Rule 012) at the closest dwelling are 50 decibels A-weighted (dBA L_{eq}) during the daytime period and 40 dBA L_{eq} during the nighttime period.

191. The predicted cumulative sound levels at the closest residences to the substations ranged from 36 dBA L_{eq} to 40 dBA L_{eq} nighttime.

192. No NIAs were completed for the proposed alterations to the Innisfail 214S substation, Ponoka 331S substation, North East Lacombe 212S substation, Ellis 332S substation, Red Deer 63S substation, South Red Deer 194S substation, North Red Deer 217S substation, Piper Creek 247S substation, Joffre 535S substation, Sylvan Lake 580S substation, Benalto 17S substation or Olds 55S substation, as no continuous noise sources were proposed at these substations as part of the project.

10.1.1 Johnson 281S substation

193. The NIA predicted the cumulative sound level of the proposed Johnson 281S substation at nine dwellings within 1.5 kilometres of the substation boundary.⁷⁶ The NIA reported that the most impacted dwelling would be located 460 metres west of the substation fence line. At this dwelling, the NIA stated that the sound level contribution from the Johnson 281S substation alone was predicted to be 32 dBA L_{eq} , resulting in a predicted cumulative sound level of 37 dBA L_{eq} nighttime, which would be below the nighttime permissible sound level of 40 dBA L_{eq} . The NIA concluded that the predicted cumulative sound levels of the proposed Johnson 281S substation would be below the permissible sound level values at all dwelling locations assessed.

10.1.2 Hazelwood 287S substation

194. The NIA for the Hazelwood 287S substation assessed the cumulative sound level of the proposed substation at both the preferred and alternate locations.⁷⁷

⁷⁵ Exhibit No. 17, NIA.

⁷⁶ Exhibit No. 17, Appendix O-1.

⁷⁷ Exhibit No. 17, Appendix O-2.

195. The NIA predicted the cumulative sound level of the Hazelwood 287S substation at the preferred location for 15 dwellings within 1.5 kilometres of the substation boundary line. The NIA stated that the most impacted dwelling would be located 590 metres north of the substation fence line. At this dwelling, the NIA concluded that the sound level contribution from the preferred location of the Hazelwood 287S substation alone was predicted to be 29.6 dBA L_{eq} , resulting in a predicted cumulative sound level of 36 dBA L_{eq} nighttime, which would be below the nighttime permissible sound level of 40 dBA L_{eq} . The NIA concluded that the predicted cumulative sound levels for the Hazelwood 287S substation at the preferred location, would be below the permissible sound level values at all dwelling locations assessed.

196. The NIA predicted the cumulative sound level of the Hazelwood 287S substation at the alternate location for 11 dwellings. The NIA stated that the most impacted dwelling would be located 560 metres southwest of the substation fence line. At this dwelling, the NIA concluded that the sound level contribution from the alternate location of the Hazelwood 287S substation alone was predicted to be 30.1 dBA L_{eq} , resulting in a predicted cumulative sound level of 37 dBA L_{eq} nighttime, which would be below the nighttime permissible sound level of 40 dBA L_{eq} . The NIA concluded that the predicted cumulative sound levels for the Hazelwood 287S substation at the alternate location, would be below the permissible sound level values at all dwelling locations assessed.

197. The cumulative sound levels presented in the NIA for both the preferred and alternate Hazelwood 287S substation locations were predicted to be in compliance with the permissible sound levels of AUC Rule 012 at all dwelling locations assessed.

10.1.3 Wolf Creek 288S substation

198. The NIA for the Wolf Creek 228S substation predicted the cumulative sound level for the proposed preferred and alternate substation locations at the most impacted dwellings.⁷⁸ The NIA predicted the cumulative sound level of the Wolf Creek 228S substation at the preferred location for 12 dwellings within 1.5 kilometres of the substation boundary. The NIA stated that the most impacted dwelling would be located 340 metres southeast of the substation fence line. At this dwelling, the NIA stated that the sound level contribution from preferred location of the Wolf Creek 228S substation alone was predicted to be 37.9 dBA L_{eq} , resulting in a predicted cumulative sound level of 40 dBA L_{eq} nighttime, which would be equal to the nighttime permissible sound level of 40 dBA L_{eq} . The NIA concluded that the predicted cumulative sound levels for the Wolf Creek 228S substation at the preferred location, would be below the permissible sound level values at all dwelling locations assessed.

199. The NIA predicted the cumulative sound level of the Wolf Creek 228S substation at the alternate location for 11 dwellings. The NIA stated that the most impacted dwelling would be located 500 metres south-southwest of the substation fence line. At this dwelling, the NIA stated that the sound level contribution from the alternate location of the Wolf Creek 228S substation alone was predicted to be 34.3 dBA L_{eq} , resulting in a predicted cumulative sound level of 38 dBA L_{eq} nighttime, which would be below the nighttime permissible sound level of 40 dBA L_{eq} . The NIA concluded that the predicted cumulative sound levels for the Wolf Creek 228S substation, alternate location, would be below the permissible sound level values at all dwelling locations assessed.

⁷⁸ Exhibit No. 17, Appendix O-3.

200. The cumulative sound levels presented in the NIA for the preferred and alternate Wolf Creek 228S substation locations were predicted to be in compliance with the permissible sound levels of AUC Rule 012 at all dwelling locations assessed.

10.1.4 Project transmission lines

201. To evaluate the environmental noise impacts of the transmission line elements of the project, AltaLink submitted ten NIA summary forms. The NIA summary forms were completed for the following transmission lines: 426L, 425L, 755L/910 Parallel 912/914L, 755L, 637L, 417L/418L, 419L/420L, 421L/422L, 421L/422L/883L and 423L.

202. Corona effect can occur when the surface of a transmission line conductor builds enough electric charge to cause the surrounding air to ionize, potentially resulting in audible noise and radio and television interference. AltaLink evaluated the audible corona noise for the transmission lines and noise impact assessment summary forms for each profile were submitted with the application.⁷⁹

203. AltaLink stated that the maximum audible noise from any of the project's transmission line profiles was 26 dBA L_{eq} , produced by the 755L/910 Parallel 912/914L profile, at the right-of-way edge.

204. AltaLink stated that the audible sound produced by the transmission lines in the project would be well below the most conservative permissible sound level value of 40 dBA L_{eq} in rural areas under fair weather conditions, as required by AUC Rule 012.

10.2 Views of the parties

205. Interveners, including the Pines Group, the WPE Group, Eugene and Michele Bieganek, and members of the Wachter Group raised concerns with respect to the potential noise from project components including transmission line profiles, and proposed and existing substations.

206. The Pines Group submitted that if the transmission line 80L alternate route was selected in the Pines neighbourhood, the noise levels would be reduced to nothing because there would be no residences or businesses near transmission line 80L in the area of the Pines neighbourhood. The Pines Group submitted that even though the current impact is minimal, a zero impact would be a significant improvement.⁸⁰

207. Mr. Beardsworth expressed his concern and the concerns of the Estate of John Hudson Beardsworth regarding the existing sound levels of the Innisfail 214S substation.⁸¹ He noted that it was his intention and that of his family, to develop a residence in the south half of the quarter section SE-25-35-1-W5M. He stated that AltaLink conducted an audible noise measurement over two nights in May 2013 and prepared an environmental noise assessment,⁸² which concluded that the sound levels at Mr. Beardsworth's residence were below the permissible sound level values. However, AltaLink committed to work with Mr. Beardsworth to ensure that the Innisfail 214S substation operated in compliance with AUC Rule 012 if Mr. Beardsworth were to proceed with the development of a residence in the south half of his quarter section.

⁷⁹ Exhibit No. 17, NIA, PDF pages 185-204.

⁸⁰ Exhibit No. 285.01, Pines Group Argument, pages 6-7.

⁸¹ Exhibit No. 38.01, Beardsworth Rule 001 Section 24 response to notice 2013-11-11 and Exhibit No. 50.01, Beardsworth Estate Rule 001 Section 24 response to notice 2013-11-13.

⁸² Exhibit No. 174.04, environmental noise assessment, PDF page 155-203.

10.3 Commission findings

208. The Commission has reviewed the NIA reports prepared by Stantec included in the application, as well as the NIA summary forms prepared by AltaLink, and finds the methodology reasonable. No evidence was submitted by interveners contesting the project's predicted noise levels.

209. Based on the evidence submitted by AltaLink, with respect to noise impacts of the Johnson 281S substation, the Hazelwood 287S substation preferred and alternate locations and the Wolf Creek 228S substation preferred and alternate locations, the Commission finds that the cumulative predicted sounds level are below the nighttime permissible sound level at all residential receptor locations assessed.

210. The Commission finds that the predicted noise levels for all proposed transmission lines are below the nighttime permissible sound level of 40 dBA L_{eq} at the edges of the rights-of-way. The Commission finds the NIA summary forms associated with the transmission line profiles are in compliance with AUC Rule 012.

211. The Commission finds that the predicted sound levels of all proposed and existing facilities for the preferred and alternative route segments comply with the requirements of AUC Rule 012. The Commission is of the view that the proposed facilities for the Red Deer area transmission development project will comply with AUC Rule 012.

212. The Commission finds that impacts associated with noise produced by the project is not a determining factor when selecting the lowest impact route or location for any of the components of the project.

11 Project costs

213. This section deals with the overall cost of the project and the UCA's submissions about the escalation in cost from the NID application estimates to the facility application estimates. The Commission also considered the costs in relation to comparing one route to another or the undergrounding of portions of the transmission line; these considerations are dealt with in the component specific sections of the decision which follow.

11.1 Views of the applicant

214. In its application, AltaLink estimated the total cost of the project as \$322,180,000 plus 20 per cent/minus 10 per cent. Below is a summary of the cost of each component:⁸³

⁸³ Exhibit No. 2, Facility Application, Table 1-2- Proposed Project Component Costs, page 14.

Table 1. Proposed project component costs

Project Component	Renumbering Cost	Component Cost
Total Project Cost		\$322,180,000
80L Rebuild (North)		\$16,666,000
80L Rebuild (South overhead portion)		\$20,689,000
80L Rebuild (South underground portion)		\$8,701,000
755L Rebuild		\$55,062,000
637L and 648L Rebuild		\$34,728,000
Johnson Substation		\$40,260,000
Hazelwood Substation		\$51,133,000
Wolf Creek Substation		\$51,749,000
80L Designations (included in Wolf Creek overall cost above)	\$142,183	
423L		\$41,748,000

215. AltaLink provided the following table outlining the cost variances associated with each of the project components to highlight the reasoning for some of the increases between the NID estimate and the facility application estimate:⁸⁴

⁸⁴ Exhibit No. 215.01, AML Undertaking 003-Cost Variance, page 2.

Table 2. Cost variance between the AESO NID costs and AltaLink's facility application estimates

Explanation of cost variances between NID and FA costs	Contingency/ Escalation		Scope Refinements		Owner Costs		Distributed Costs		Salvage and other in-directs		Total Variance (in millions of \$)	
	\$ in millions	%	\$ in millions	%	\$ in millions	%	\$ in millions	%	\$ in millions	%		
80L North	1.8	24%	1	14%	1.6	22%	2.6	35%	0.4	5%	7.4	100 %
80L South	1.8	18%	2.6	26%	1.8	18%	3.3	33%	0.6	6%	10.1	100 %
80L UG	Not included in NID										8.7	
755L	2.7	11%	18.2	72%	-0.2	-1%	3	12%	1.7	7%	25.4	100 %
637L/648L	1.3	13%	2.5	26%	0.6	6%	4	41%	1.4	14%	9.8	100 %
Johnson	4.6	28%	7	43%	0.9	5%	3.6	22%	0.3	2%	16.4	100 %
Hazelwood	6.3	44%	4.4	31%	1.8	13%	3	21%	-1.3	-9%	14.2	100 %
Wolf Creek	6.8	28%	12.6	53%	1	4%	3.6	15%	0	0%	24.0	100 %
423L	6.3	25%	14.1	56%	0.9	4%	3.2	13%	0.6	2%	25.1	100 %

216. AltaLink also indicated that over the last couple of years, labour costs have escalated in the range of 20 to 25 per cent contributing to the costs differences between the NID estimate and facility application estimate in this matter.⁸⁵ In addition, AltaLink pointed out that in relation to the rebuilding of the 80L transmission line and the 755L transmission line, engineer-to-order solutions for transmission structures were required, which increased the overall cost of those components.⁸⁶ AltaLink also indicated that some of the cost escalations were due to market escalation, the inclusion of salvage work associated with various components that was not in the NID, construction in an urban environment and the associated increased risk with the same, and crossing rail lines and highway crossings that were not included in the original NID estimate.⁸⁷

11.2 Views of the parties

217. The UCA identified that the estimated costs outlined in the facility application exceeded the original estimates in the NID application by approximately 80 per cent. The UCA set out that the costs estimated in the NID application for the projects in this application totalled \$181 million. It stated that the latest estimates found in the facility application total \$325.4 million. The UCA submitted that AltaLink agreed during cross-examination that this level of escalation is significant.

⁸⁵ Transcript, Volume 1, page 99, lines 3-8.

⁸⁶ Transcript, Volume 1, pages 99-100, lines 9-6.

⁸⁷ Transcript, Volume 1, page 137, lines 3-13, and page 140, lines 5-19, and Transcript, Volume 1, page 148, lines 11-25 and page 149-150, lines 10-3.

218. The following table was submitted by the UCA and compares the NID application costs with the facility application costs:⁸⁸

Table 3. Comparison of NID and correlated facility application 1609677 costs (in \$million)

Project Component	NID Component Cost	FA Component Cost							Variance	% Variance
		Total Labour	Total Materials	Owner Costs	Distributed Costs	Salvage Costs	Other Costs	Total		
80L Rebuild (North)	\$ 9.230	\$ 7.378	\$ 1.961	\$2.234	\$ 3.967	\$ 0.380	\$0.803	\$ 16.723	\$ 7.493	81%
80L Rebuild (South overhead)	\$ 10.430	\$ 9.078	\$ 2.341	\$2.823	\$ 4.594	\$ 0.835	\$0.952	\$ 20.623	\$ 10.193	98%
80L Rebuild (South underground)	Not Included	\$ 4.518	\$ 2.822	\$0.091	\$ 0.882	\$ 0	\$0.388	\$ 8.701	N/A	N/A
755L Rebuild	\$ 31.610	\$ 29.945	\$ 13.507	\$2.546	\$ 6.264	\$ 2.230	\$2.570	\$ 57.062	\$ 25.452	81%
637L and 648L	\$ 24.880	\$ 16.683	\$ 6.776	\$1.277	\$ 5.948	\$ 2.460	\$1.584	\$ 34.728	\$ 9.848	40%
Johnson Substation	\$ 23.660	\$ 19.241	\$ 11.105	\$1.253	\$ 5.708	\$ 0.990	\$1.822	\$ 40.119	\$ 16.459	70%
Hazelwood Substation	\$ 37.340	\$ 24.730	\$ 14.398	\$4.034	\$ 5.967	\$ 0.095	\$2.334	\$ 51.558	\$ 14.218	38%
Wolf Creek Substation	\$ 27.787	\$ 22.788	\$ 17.887	\$1.737	\$ 6.186	\$ 0.566	\$2.323	\$ 51.487	\$ 23.700	85%
423L	\$ 16.380	\$ 24.446	\$ 7.623	\$2.176	\$ 5.131	\$ 0.330	\$1.862	\$ 41.568	\$ 25.188	154%
Totals	\$ 181.317							\$322.569	\$141.252	78%

219. The UCA indicated that none of the components fell within the required plus/minus 30 per cent and instead increases ranged from 38 per cent to 154 per cent. The component with the greatest increase in costs, transmission line 423L was adjourned and was not considered as part of this process.

220. The UCA stated that it was concerned about the magnitude of the cost escalation, particularly given the fact that there was not a large gap in time, approximately 14 months from the time the NID application estimates were prepared and the time the estimates for the facility application were prepared. The UCA further expressed concern that the facility application offered little explanation as to the reasons for the large increase in costs of the project.

221. The UCA argued that accurate cost estimates are valuable as they allow for meaningful decisions to be made by the Commission and by the AESO regarding the need for projects and the comparison of different project alternatives. The UCA submitted that if estimates do not fall within the plus/minus 30 per cent range, then the NID estimates need to become more robust with perhaps more time being invested and greater attention to detail applied to the NID estimates.

⁸⁸ Exhibit No. 209.01, UCA Aid to Cross 1, Comparison of NID and Corrected Facility Application (FA) 1609677 Costs (in \$million).

222. The UCA argued that while AltaLink would not have known the precise routes at the time it prepared the NID estimates, it would have been aware that the project would have been a more complex urban development relative to building in a rural area. The UCA also stated that AltaLink would have been aware that it did not have a lot of experience and relevant cost data in constructing similar types of projects. The UCA questioned why the contingency components did not reflect that the historical costs AltaLink relied on were derived from less complex, non-comparable projects. The UCA asserted that AltaLink also used conservative contingency estimates when it knew or should have known that the projects risks were only going to increase.

223. The UCA also opined about the differences in the way the NID application estimates and the facility application estimates are communicated. The UCA stated that different reporting conventions make it difficult to compare the estimates to one another.

224. The UCA argued that changes between the NID estimate and the facility estimate should be transparently presented to the Commission. It stated that material variances, those outside the plus/minus 30 per cent accuracy range, should be both quantitatively and qualitatively explained by applicants without having to rely on interveners and regulatory disclosure processes to discover this information.

225. The UCA requested that the Commission:

- Direct AltaLink to proactively highlight and explain the qualitative basis for variances greater than 30 per cent between NID application estimates and facility application estimates.
- Amend AUC Rule 007 to address the cost estimating and reporting deficiencies.
- Express concern about current project cost estimating practices and the magnitude of the variance seen in this case.
- Reaffirm the requirement that NID estimates be accurate within plus/ minus 30 per cent and that proposal to provide service (PPS) estimates be accurate within a range of minus 10 per cent/plus 20 per cent.

226. AltaLink submitted that the UCA was not able to identify any potential savings, timing changes, ability to defer portions of the project, change in need, opportunities for reusing replaced equipment or any lower cost solutions than those put forward by AltaLink. AltaLink stated that despite the UCA's concerns about the escalation in the estimates, the UCA did not identify any instance where what AltaLink proposed was not appropriate.

227. AltaLink indicated that 44 per cent of the overall total variance between the NID and facility estimates was due to scope refinements such as the consolidation of the two single-circuit transmission lines onto double-circuit structures for the rebuild of transmission line 755L. Further, AltaLink submitted that as the cost of scope refinements increased, so did other categories of costs such as contingency, distributed costs and owners costs.⁸⁹

228. AltaLink stated that a cost estimate can only be as accurate as the information that was available at the time and that the UCA did not provide any evidence to show that better information was available at the time the NID estimate was prepared. AltaLink indicated that the NID estimate is a screening level estimate where scope is identified at a very high level and a

⁸⁹ Exhibit No. 295.02, AML RDATD Reply Argument, page 37, paragraph 153.

desktop engineering analysis is undertaken. AltaLink submitted that if the AESO requested AltaLink to invest more time to create more robust estimates, AltaLink would be more than willing to do so, however, this would result in greater costs being incurred for preparing the estimates.

229. Although the UCA had argued that the NID estimate and facility application estimate were completed only 14 months apart, AltaLink argued that this was not an accurate reflection of the evidence. AltaLink submitted that although the NID estimate was updated in May 2011, the input data used to create the estimate was based on a composite of 2009 and 2010 data. Therefore, there was a lag between the data used to create the NID estimate and the data used to create the estimate for the facility application.⁹⁰

230. AltaLink submitted that many of the UCA's conclusions and requests are better addressed in a different forum than an individual facility application.

11.3 Commission findings

231. The Commission has reviewed the cost information provided by AltaLink in relation to the Red Deer area transmission development project and acknowledges that there is a considerable difference between the NID estimate prepared for the project and the estimate provided by AltaLink in the facility application.

232. The Commission confirms that a NID estimate is to be accurate within a range of plus/minus 30 per cent and that a facility application estimate is to be accurate within a range of minus 10 per cent to plus 20 per cent. However, the Commission also acknowledges that the NID estimate is generally prepared prior to detailed routing and engineering being completed and the NID estimate is prepared based on the information available at the time.

233. Further, the Commission is of the view that it would be beneficial to the Commission, when considering a facility application, if the applicant provided detailed information highlighting significant variances between the NID estimate for the project and the facility estimate for the project. This would include, but not be limited to, changes in scope of the project, material or equipment changes, or other factors that have had a significant impact on the costs of the project.

234. The Commission does have some concern in relation to the considerable discrepancy between the NID estimate and the facility application estimate in this matter. However, no party provided any evidence that the estimate provided by AltaLink in the facility application was incorrect or that any of the assumptions or inputs it relied on in creating the estimate were not appropriate. Further, there was no evidence tendered that there were less costly options available to AltaLink in relation to any component of the project. The Commission is satisfied that the cost estimates for the facility application are accurate within the prescribed range and that the costs for the project are reasonable.

235. The Commission finds that some of the increases from the NID estimates were due to changes of scope that could not have been easily foreseen at the NID stage. An example of this is the consolidation of a portion of the rebuild of transmission line 755L onto double-circuit structures with transmission line 910L. The Commission finds that this cost increase was reasonable as it would result in reduced impacts to nearby stakeholders. This type of scope

⁹⁰ Exhibit No. 295.02, AML RDATD Reply Argument, page 38, paragraph 161.

change makes it difficult to simply compare the NID estimate and the facility estimate because the details of the project they are estimating are different. The Commission recognizes AltaLink's submission that 44 per cent of the overall total variance between the NID estimate and facility estimate was due to scope changes. The Commission finds that when disregarding the increases due to scope changes, that the NID estimate would have been much closer to the plus/minus 30 per cent that is required. However, the Commission also acknowledges that while the estimates would have been closer to plus/minus 30 per cent, they still would have been outside that range. The Commission finds that there are some elements of the project, such as the additional complexities and costs of constructing in an urban environment, that AltaLink could have better accounted for in its NID estimates without the need to undertake detailed engineering.

236. Although the Commission has expressed its concerns regarding the estimates in this matter, the Commission is of the view that a facility application, such as the one currently before the Commission, is not the appropriate venue to implement changes to the system used to create NID estimates.

12 Detailed siting

237. In this section of the decision, the Commission analyzes the detailed siting of each of the project's main components. The Commission will use its findings from the previous sections of this decision, in addition to site-specific information to compare the specific project components.

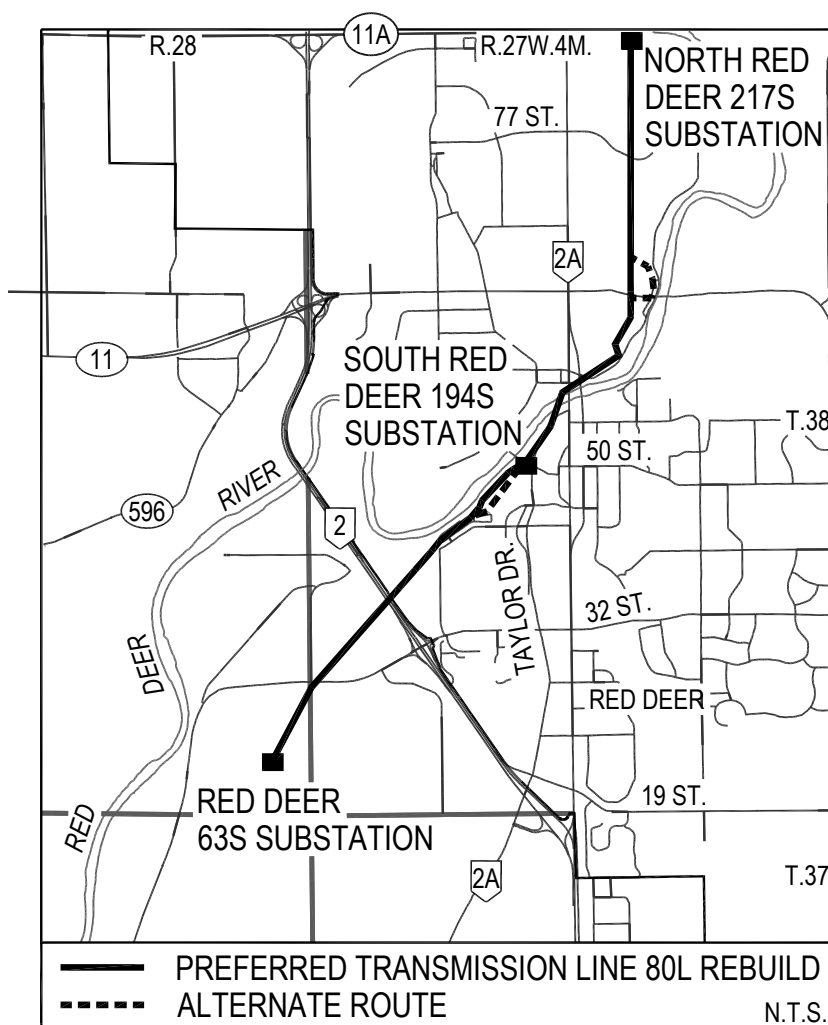
12.1 Rebuild of transmission line 80L

238. AltaLink requested approval to rebuild the 138-kV transmission line 80L within Red Deer between North Red Deer 217S, South Red Deer 194S and Red Deer 63S substations. The transmission line would be rebuilt to a maximum summer/winter rating of 365/454 megavolt-ampere (MVA). The existing transmission line 80L would be salvaged in this area. AltaLink applied to rebuild the transmission line primarily along the right-of-way of the existing transmission line 80L. AltaLink is the owner and operator of transmission line 80L pursuant to Permit and Licence No. [U2012-642](#).⁹¹

239. AltaLink proposed to redesignate transmission line 80L between North Red Deer 217S substation and South Red Deer 194S substation as 425L, and to redesignate the transmission line between South Red Deer 194S substation and Red Deer 63S substation as 426L.

⁹¹ Transmission Line Permit and Licence No. U2012-642, Application No. 1607067, Proceeding No. 1045, December 20, 2012.

Figure 1 – Rebuild of transmission line 80L



240. AltaLink proposed to rebuild the transmission line in the existing right-of-way with the exception of the following locations:

- In the vicinity of Cronquist Close where AltaLink proposed a preferred and alternate route.
- In the Riverlands area, where AltaLink proposed an underground option.
- In the Riverside light industrial area to remove the right-of-way from a lumberyard.
- In the Pines neighbourhood where AltaLink proposed a preferred and alternate route.

241. In the Railyards area, a party also argued that transmission line 80L should be buried. The above sections of transmission line 80L are discussed from south to north.

12.1.1 Cronquist Close area

12.1.1.1 Views of the applicant

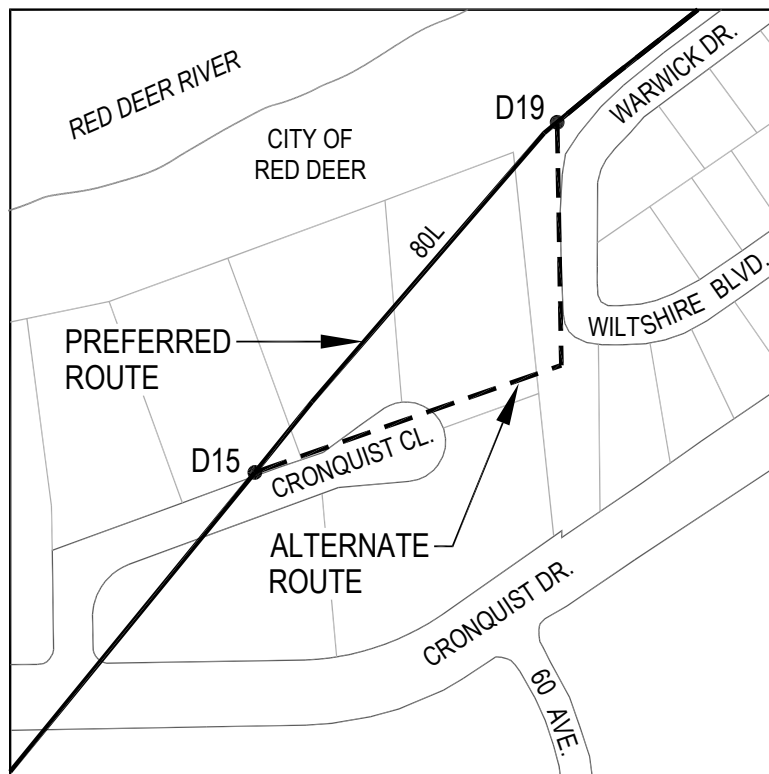
242. AltaLink submitted that since the construction of transmission line 80L, a residence and garage had been constructed within the right-of-way and directly beneath the conductors at 20 Cronquist Close. AltaLink stated that rebuilding the transmission line in the existing

right-of-way, without removing the encroachments, would not be compatible with safety, reliability and access requirements.

243. In the original application, AltaLink considered several different routes around the residence and selected one as the proposed route, and submitted that it would result in the least amount of impacts to residences and the least amount of environmental impacts and tree clearing.

244. Initially, AltaLink submitted that it explored options to remove or modify the buildings in the right-of-way, including buying out the property, but that an agreement with the landowner could not be reached. However, on March 13, 2014, AltaLink stated that it had reached an agreement with the landowner to conditionally buyout the property at 20 Cronquist Close. As a result, AltaLink amended its application to have the new preferred route align within the existing right-of-way and the previous route submitted to be its alternate route as illustrated below.

Figure 2 – Transmission line 80L routes in Cronquist Close area



245. AltaLink stated that the preferred route has lower residential impacts, less tree clearing requirements, uses more of the existing right-of-way, has a higher cost and displaces a homeowner from their residence. AltaLink roughly estimated the cost of the preferred route at approximately \$3 million. Conversely, the alternate route provides better access for future maintenance and operations, requires more tree clearing, has two additional dead-end structures, has a lower cost and does not displace any homeowners from their residence. AltaLink estimated the cost of the alternate route as \$1.925 million.

246. AltaLink submitted the following table to outline the differences between the preferred route segment, the alternative route segment and the two previously investigated but not applied for north route alternatives:⁹²

Table 4. AltaLink's major aspects and considerations for routing transmission line 80L in the Cronquist Close area

Major Aspects and Considerations	Preferred Route Segment	Alternate Route Segment	North Route Alternative (Between 20 Cronquist Close and 16 Cronquist Close)	North Route Alternative (Between 16 Cronquist Close and 12 Cronquist Close)
Residential / Land Impacts (Considers 8 First Row Residences Only)				
Closest Residence (m) (from centre line)	0	20	12	8
Residential Distance Variation (m)	0 to 83 m	20 m to 65 m	12 m to 90 m	8 m to 110 m
Number of First Row Residences Closer to the Line	0	5	1	2
Environmental Impacts				
Land Fragmentation	Existing Fragmentation remains	Reduces Fragmentation	Increases Fragmentation	Reduces Fragmentation
Tree Clearing	Yes	Yes	Yes	Yes
Asset Management				
Encroachments				
Permanent (Residences and Garage)	Yes ²	No	No	Yes
Non Permanent (Storage Sheds, Fences, Driveway, Yard Site Features)	Yes	No	Yes	Yes
Access and Maintenance	Least Preferred No structures are adjacent to public road	Preferred All structures are directly adjacent to public road	Least Preferred No structures are directly adjacent to public road	Less Preferred 1 structure is directly adjacent to public road
Costs				
Length (metres) that deflects from existing ROW	0	220	125	235
Length Along Road Allowance (metres)	0	125	0	0
Amount of Right-of-Way Required	Least	Similar	Similar	Most
Number of Dead-End Structures	1	3	2	2

⁹² Exhibit No. 220.01, AML Undertaking 006, pages 1-2.

12.1.1.2 Views of the parties

247. The City of Red Deer supported the preferred route in the area of Cronquist Close. The City of Red Deer submitted that the public should not be forced to bear the consequences of a landowner erecting buildings directly beneath a transmission line without regard for the existing right-of-way. It opined that the alternate route would involve the clearing of many trees, from both private and public land, to the detriment of neighbours and users of the city of Red Deer's trail system.

248. The WPE Group is comprised of residents in the West Park Estates area near Cronquist Close. The WPE Group submitted that the AUC should approve the preferred route and not the alternate route. The WPE Group stated that the preferred route would maintain the status quo. They contended that the affected residents built or purchased their homes with the power line in its current location. The WPE Group asserted that the alternate route would have greater visual impacts to its members than the preferred route.

249. The WPE Group submitted that the area is the hub of the Red Deer recreational trail system and includes the Trans-Canada Trail. They submitted that there are thousands of people who use the trail system in the spring and summer including at least two annual marathons. The group submitted that the alternate route would interfere with the Trans-Canada Trail and that even if the trail can be maintained or rerouted to avoid transmission structures, the transmission line would affect the beauty of the trail.

250. Members of the WPE Group expressed concern about the removal of trees as a result of the alternate route alignment and the impact this would have on their views and to the wildlife that use the wooded area as a home. Several members identified the natural treed environment as one of the reasons for purchasing their homes and indicated that the alternate route would diminish their ability to enjoy their property. The WPE Group were troubled that the alternate route would result in the removal of 1,500 square metres of trees from the neighbourhood.

251. Megan Newfield, a WPE Group member, submitted that her family would be devastated to see the removal of mature trees if the alternate route was selected. She stated that the trees are part of what makes West Park Estates such a desirable neighbourhood and one of the reasons her family chose to purchase their home. Many other WPE Group members expressed similar concerns.

252. The WPE Group also submitted concerns about the negative health effects from EMF, increased noise levels and communications interference. These issues are discussed in the electrical considerations and noise sections of this decision. The members also supported burying the transmission line through the area.

253. The Steierts, who are members of the WPE Group, stated that they planned to subdivide their property in the future and submitted that the realignment would have a detrimental effect on this plan. They indicated that an application to subdivide the property has been submitted to the City of Red Deer, but has not yet been approved. A subdivision plan that would create two additional lots was filed as evidence.

254. The WPE Group also stated that the alternate route would place five residences of members of the WPE Group significantly closer to the line. They further stated that the alternate route would cause property value impacts where the preferred route would not. The WPE Group retained Ryan Archer from Gettel Appraisals to prepare a report on the property value effects of the transmission line rebuild and realignment. The report found that the realignment would have a significant effect on the value of three residences: 13 Wiltshire Boulevard, 18 Wiltshire Boulevard and 15 Cronquist Close. The report predicted that these properties would decrease in value by 15 per cent if the alternate route is selected. The report also predicted that there would be a \$3.3 million increase in property value across the entire community if the transmission line were removed or buried underground. This report was discussed further in the property impacts section of this decision.

255. The WPE Group submitted that developing a residence and a garage on a right-of-way is off-side of the City of Red Deer's planning bylaws and that other parties should not have to bear the burden of the additional effects of realigning the line to correct the encroachment issue.

256. The WPE Group submitted that AltaLink's rejected north route alternatives would have less new disturbances and directly impact fewer new residences. The group argued that there would be less new first row residences with these routes than AltaLink's alternate route. They further stated that the amount of tree clearing would be similar for the routes, but the rejected routes would have the tree clearing away from residences as opposed to AltaLink's alternate route. The group also argued that the rejected routes would be further from the river than a significant portion of the existing routing.

257. The WPE Group stated that the preferred route costs, without including the costs of the buyout at 20 Cronquist Close, would be less than the alternate route costs.

258. Tom Skjonsberg is the owner of the residence that is within the existing right-of-way at 20 Cronquist Close. Prior to coming to an agreement with AltaLink for a buyout of his property, he submitted that he supported AltaLink's alternate route and noted that 87 per cent of the route and the trees that would be removed were on his property. He submitted that all construction was properly permitted and that the transmission facility owner had adjusted the heights of the structures in the early 1990s to accommodate the residence and garage. Mr. Skjonsberg did not make any submissions after coming to an agreement with AltaLink.

259. S. Gregg is a resident of Cronquist Close who submitted that he was strongly opposed to the alternate route for transmission line 80L. He stated that the route would require destruction of hundreds of trees, many of which are in excess of 100 years old. Mr. Gregg submitted that he could tolerate a new and aesthetically obnoxious electrical structure in front of his house, but the destruction of the forested area would be completely unacceptable. Mr. Gregg stated that using the existing route, which was later amended to be AltaLink's preferred route, was his highest preference. In case the preferred route could not be used, Mr. Gregg further suggested alternate routes that would move transmission line 80L away from where AltaLink proposed. One route he suggested would have the line follow Cronquist Drive eastward and then turn north on the municipal land just east of 60th Avenue. The other route would reroute transmission line 80L to the north of the house at 20 Cronquist Close.

260. Dan Berry is a landowner on Cronquist Close. He explained that the existing 80L transmission line runs across his property. He identified that he and his wife foster children, who routinely play in the yard. Mr. Dan Berry submitted that he is concerned for the safety of the

children as the transmission line crosses directly over his yard. He submitted that the transmission line should instead turn northeast from Walker Boulevard, travel over West Lake and the walkway going through the properties in the northeast corner and continuing across 60th Avenue. It should then turn north, from the east side of 60th Avenue and cross Cronquist Drive/43rd Street and follow the walkway north to the river. He stated that this route would mean that the transmission line would no longer pass over private property.

Mr. Dan Berry stated that every year AltaLink cuts back his trees, brings equipment into his yard that risks his septic field and leaves branches behind for him to clean-up. He submitted that if the transmission line ran along the walkway between Cronquist Drive and Wiltshire Boulevard, that the walkway would become more inviting as trees would be trimmed. He stated that his children have complained about using the walkway because it is dark and the trees are overgrown.

261. In response to the WPE Group concerns, AltaLink submitted that visual impacts are subjective and the opinions of impacts would vary between stakeholders. AltaLink stated that it recognizes visual impacts as a consideration when planning transmission lines. It provided visual renderings for this segment of 80L for the alternate route. AltaLink stated that the loss of trees can also affect visual impact and can be associated with property value impacts. AltaLink stated that there would be a substantial amount of tree removal in the vicinity of Cronquist Close if the alternate route were selected. However, it stated that no tree removal was planned for WPE Group member's lands. AltaLink also stated that there are many areas where pathways and park areas are compatible with transmission lines.

262. AltaLink submitted that the preferred route in the Cronquist Close area would fully addresses the routing concerns of the WPE Group in the area.

12.1.2 Riverlands area

263. AltaLink proposed an approximately 700-metre underground option in the Riverlands area, on the basis that the City of Red Deer would pay for the incremental costs of burying the line. AltaLink also proposed an alternate above-ground route that would follow the existing right-of-way. The underground route was amended on December 20, 2013, to shift the route further from the Red Deer River. AltaLink stated that the shift was required to help ensure that future high water events and weathering activities that may further erode the river bank and create instability to the walking path would not impact the proposed 80L underground concrete duct banks.⁹³

264. AltaLink stated that the environmental impacts of the underground option in the Riverlands area would be greater than the above-ground alternate route on the existing right-of-way.

265. The City of Red Deer stated that it actively participated in consultations with AltaLink in an effort to ensure that the negative impacts of the project on the city and its residents are minimized. The City of Red Deer supported the underground option in the Riverlands area. The City of Red Deer has agreed to pay the incremental costs of the preferred underground route in the Riverlands area.

266. Bryan Caddy is a resident in the Riverlands area. He stated that he had concerns about the adverse effects that burying the line may have on the topography, stability of the river bank, ecosystem and property values. He stated that AltaLink had not responded to his questions about

⁹³ Exhibit No. 86.02, AML RDATA Facilities Application Amendment, page 5.

how many trees would be removed, what plans AltaLink has to mitigate erosion and wildlife effects, and what the shape of the river bank would be upon completion of the construction. Mr. Caddy submitted that the bank is already unstable and that he does not wish to see large bales of rock along the bank that is utilized elsewhere along the Red Deer River. Mr. Caddy's submission was filed prior to the December 20, 2013 amendment of the underground option through the Riverlands area.

267. In response to Mr. Caddy, AltaLink stated that it was committed to ensuring that it does not cause any unnatural progression of erosion as a result of the construction, maintenance, or operation of the proposed underground facility. AltaLink explained that it worked with the City of Red Deer to agree on an alignment that would move its proposed facility as far from the river bank in this location as possible, without significantly interfering with city infrastructure. AltaLink stated that it reviewed existing reports prepared for the City of Red Deer assessing the Red Deer River bank slope through the city and also engaged a geotechnical firm to assess erosion rates and bank stability at the location of the proposed underground route option. AltaLink stated that it did not have information that would suggest the applied-for alignment could not be safely constructed.

12.1.3 Railyards area

268. Through the Railyards area, AltaLink proposed to use the existing overhead right-of-way as its proposed transmission line 80L route. AltaLink did not submit an alternate route through this area.

269. Dr. Gregg Meikle is the sole director of 1728161 Alberta Ltd., which is the owner of a property and commercial building on the transmission line right-of-way in the Railyards area. Dr. Meikle was opposed to the proposed route in the Railyards area.

270. Dr. Meikle submitted that the Railyards area is a former light-industrial area that is in the process of being planned for significant redevelopment. Dr. Meikle cited Red Deer's Greater Downtown Action Plan which calls for the Railyards area to be redeveloped to be "the new residential life blood for Greater Downtown, where high-density urban living will create a new energy in the City's centre".⁹⁴

271. Dr. Meikle submitted that the transmission line rebuild would restrict his ability to expand the existing building to the rear or expand the portion of the building in the right-of-way upwards. Dr. Meikle submitted that the Greater Downtown Action Plan listed the highest and best use for the property as multi-floor, high density housing, but that this would be unachievable if the project is rebuilt as proposed.

272. Dr. Meikle submitted that the Greater Downtown Action Plan and Red Deer's Municipal Development Plan both called for the transmission line to be buried through the Railyards area.

273. Dr. Meikle submitted that since the transmission line is being buried through the adjacent Riverlands area, the same treatment should be given to the Railyards area. He submitted that AltaLink rejected burying the line through the area solely because the City of Red Deer did not

⁹⁴ Exhibit No. 127.01, MEIKLE Submissions of 1728161 Alberta Ltd. And Dr. Gregg Meikle 30-Jan-2014, page 2 and Exhibit No. 107.01, MEIKLE.AML-003 Attachment B, Progress and Potential, Red Deer's Greater Downtown Action Plan 2008 Update, page 22.

agree to pay for it. He stated that AltaLink did not consider other criteria that would have demonstrated the benefits of burying transmission line 80L in the Railyards area.

274. Dr. Meikle retained Mr. George Berry, of Berry Architecture & Associates, to provide evidence on land use planning and development. Mr. George Berry is the chair of the committee that is responsible for preparing an area redevelopment plan for the Railyards area.

Mr. George Berry submitted that the overhead transmission lines have significant negative impact on development in the area and, in particular, on Dr. Meikle's property.

Mr. George Berry submitted that burial of the overhead transmission lines is noted several times in the Greater Downtown Action Plan as they block views along the Red Deer River and will stop any significant development.

275. Mr. George Berry stated that the overhead lines make pedestrian movement less inviting and do not fit into a "live-work-play" atmosphere that the Greater Downtown Action Plan imagines for the area.

276. Mr. George Berry stated that any proposal to redevelop Mr. Meikle's property will be required to meet the Greater Downtown Action Plan, which would indicate that the area should be redeveloped as multi-floor, high density housing. He submitted that such a development would be six floors or more, which would put housing units level with the transmission line. This would negatively affect the desirability of the units and, in turn, reduce the price. He stated that this could make the project unprofitable. The public's negative perception of the health effects of transmission lines would further reduce the value of the units.

277. Mr. George Berry stated that as chairperson of the area redevelopment plan committee, several landowners have commented to him about the importance of having the transmission lines buried in the Railyards area. He submitted that developers would not be interested in pursuing work in the area as long as the lines are above ground. He stated that it would be short-sighted and poor planning not to bury the lines, and that placing them underground would be an important element in stimulating development of the area.

278. The City of Red Deer is opposed to bearing any costs associated with an underground transmission line in the Railyards area.

279. AltaLink noted that Dr. Meikle stated that, based on Mr. George Berry's evidence, the highest and best use of his property is for multi-storey residential. AltaLink submitted that Dr. Meikle's submissions ignores that Mr. George Berry confirmed that he is not a qualified appraiser. AltaLink further submitted that the appraisal report of Dr. Meikle's property confirms that the current highest and best use of Dr. Meikle's property isn't multi-storey residential and that, regardless of the presence of the transmission line, property values in the Railyards area would have to increase before redevelopment was justified.

280. Dr. Meikle submitted that it makes no sense for AltaLink to rebuild transmission line 80L above ground today, only to bury the rebuilt line in the future, in as little time as 10 years. AltaLink disagreed with this statement. AltaLink stated that this meant that, first, the line would not be buried before it was appropriate to do so. Second, that when the burying of the line occurs, if it does, it would be at the cost of the City of Red Deer, or others who stand to directly benefit from it, rather than at the cost of the ratepayers of Alberta.

12.1.4 Riverside light industrial area

281. AltaLink proposed to deviate from the existing transmission line 80L route in the Riverside light industrial area in order to align with the existing rail line and reduce impacts to an existing industrial development.

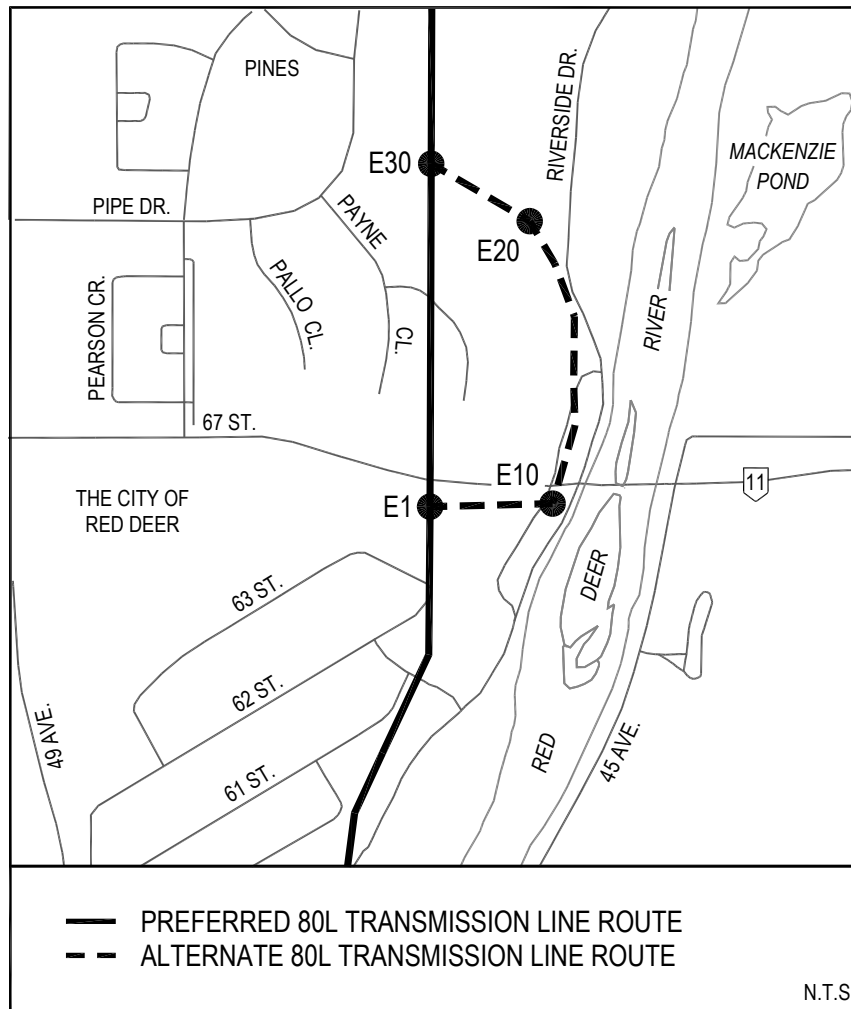
282. The Commission did not receive any submissions opposed to this segment.

12.1.5 Pines neighbourhood

12.1.5.1 Views of the applicant

283. AltaLink submitted a preferred and an alternate route through the Pines neighbourhood in response to requests from stakeholders. The preferred route in the Pines neighbourhood would travel along the existing right-of-way, while the alternate route would travel around the neighbourhood to the east and rejoin the preferred route up an escarpment.

Figure 3 – Transmission line 80L routes in Pines neighbourhood



284. AltaLink submitted that the preferred route would be shorter, require fewer heavy-angle and dead-end structures, and would cost approximately \$2 million less than the alternate route. The alternate route would avoid 22 first-row residences, but would require 350 metres of tree

clearing. The table below summarizes AltaLink's major aspects and considerations for routing transmission line 80L in the Pines neighbourhood:⁹⁵

Table 5. AltaLink's major aspects and considerations for routing transmission line 80L in the Pines neighbourhood

Major Aspects and Considerations		Preferred Route Segment	Alternate Route Segment
Residential Impacts			
First Row Residences (#)		22	0
Newly exposed residences (#)		0	0
Environmental Impacts			
Tree clearing required (#)		0	0.35
Visual Impacts			
First Row Residences (#)		See above for first row residences (#)	
Electrical Considerations			
Railway Parallel (km)		0	0.3
Cost			
Length of route (km)	Total length	0.7	1
	Length within existing right-of-way	0.7	0
	Length in road allowance	0	0.5
	Length requiring new right of way	0	0.5
Number of heavy angles and dead-end structures		6	12
Total Cost (\$M)		16.7	18.8

12.1.5.2 Views of the parties

285. With regard to the Pines neighbourhood route options, the City of Red Deer submitted that it prefers the alternate route as it provides a greater separation between the transmission line and the residences in the area. It stated that either route must take into account the future planned widening of 67th Street.

286. The Pines Group is made up of residents of the Pines neighbourhood who opposed AltaLink's preferred route. The Pines Group stated that the group member's residential properties either border the preferred route or are within 150 metres of the existing 80L transmission line. They submitted that the alternate route is favoured when considering residential, visual and environmental impacts.

287. The Pines Group stated that they worked diligently with the City of Red Deer and AltaLink, which led to the stakeholder inspired alternate route.

288. The Pines Group stated that the alternate route would result in no visual impacts to the residents of the Pines neighbourhood, move more than 50 residences outside the 150-metre buffer, increase property values in the Pines neighbourhood, and eliminate the impacts to

⁹⁵ Exhibit No. 2, RDATD Application, PDF page 159. Tree clearing required (#) was updated to reflect a typographical error as explained in Exhibit No. 175.06, AML Reply Evidence, PDF page 33.

residents from noise, interference and electromagnetic fields. The Pines Group requested that the Commission consider that:

- Standards for transmission lines near residential areas are not the same now as they were 30 to 35 years ago when the residences were built.
- New rights-of-way are generally 20 metres in width rather than the 15 metres in the existing right-of-way.
- The rating capacity of the transmission line was much lower 30 to 35 years ago than the proposed line rating. The new transmission line would be rated for approximately 300 per cent of the current power capacity.
- The proposed structures are of a more industrial style and approximately 1.5 to two times as high as the original structures.

289. The Pines Group submitted that from a residential impact perspective, the alternate route should be strongly favoured.

290. The Pines Group also submitted that if the alternate route were selected, portions of the existing right-of-way could be reforested. The Pines Group submitted that the tree clearing required for the alternate route would primarily consist of old, low value poplar trees, near the end of their life. The Pines Group added that the alternate route makes use of City of Red Deer land which would avoid land acquisition costs.

291. The Pines Group argued that although they constructed or purchased their residences after the transmission line was constructed, they were not aware that the transmission line's capacity would increase by 300 per cent, or that the size of the structures would increase by 50 to 100 per cent. They added that the changes caused by the rebuilding of the transmission line will negatively affect the visual appeal, property value, noise, electrical interference and the potential health effects in the Pines neighbourhood.

292. The Pines Group recognized the preferred route would be less expensive but that the additional cost for the alternate route would be good value for the residential and visual impact improvements for over 50 residents within the Pines neighbourhood. Further, the Pines Group argued that spending \$2 million to move more than 50 residences outside of the 150-metre affected area would be a good value proposition. It stated that \$2 million for a facility expected to last more than 50 years would be a reasonable cost and that cost alone doesn't define the lowest impact route. The Pines Group argued that based on the total cost of all lines and substations in the project, the additional \$2 million for the alternate route would be relatively small, especially when it is amortized over a possible 50-year life expectancy of transmission line 80L.

293. The Pines Group stated they were disappointed with AltaLink's consultation process and the lack of information and detail they have received. They submitted that requests to meet with AltaLink's experts were ignored. The Pines Group also suggested that AltaLink switched their route preference prior to filing the facilities application. The Pines Group quoted the following from a table submitted by AltaLink:

Summary of the requested change:

Switch of preferred and alternate routes on 80LNorth. What was the preferred route in the PPS now becomes the alternate route: we will now go down the existing ROW rather than taking the reroute around the Pines neighbourhood

Description of why the change is required:

Senior Executive took the decision that AltaLink will not voluntarily abandon its ROW; the re-route now remains as the stakeholder-inspired alternate option, but AML's opening position is that it stay on its existing ROW. The change is required to align with AltaLink's longstanding policy to maintain its existing ROWs and not abandon these unless directed to do so by the AUC⁹⁶

294. The Pines Group argued that it appeared that there was support within AltaLink for the alternate route, but this support was reversed by an executive decision to defend the existing right-of-way. The Pines Group stated that there was nothing in the exhibit to indicate that this change was a result of the existing right-of-way route being determined to be the lowest impact route.

295. The Pines Group also submitted an alternate route variant. The Pines alternate route variant would follow AltaLink's alternate route around the Pines neighbourhood, then generally, travel further north for an additional distance before heading northwest to join with the preferred route. The Pines Group submitted the following table, which outlined its comparative analysis for the Pines alternate route variant, the AltaLink alternate route and the AltaLink preferred route along the existing right-of-way:⁹⁷

⁹⁶ Exhibit No. 160.01, AML Letter to AUC – Revised Response to UCA.AML-001, page 20.

⁹⁷ Exhibit No. 285.01, Pines Group Argument, Table 1 – Pines Group Comparative Analysis, page 5.

Table 6. Pines Group comparative analysis table

Major Aspects and Considerations	Pines Alternate Route	AltaLink Alternate Route	Existing RoW Route	Notes
Residential Impacts				
First Row Residences (#)	22	22	0	
Newly Exposed Residences	0	0	0	
Residences moved out of 150 m zone	50+	40+	0	
Pines Residents Support	40+	40+	0	
Property Value	Positive	Positive	Negative	4
Environmental Impacts				
Tree Clearing Required (m)				
Escarpment	50	170	0	9
Railside	570	210	0	
Reforestation (m)	517	230	0	
Tree Clearing Required (m ²)				
Escarpment	750	2550	0	1
Railside	4845	1785	0	2
Reforestation (m ²)	5687	2530	0	3
Net Tree Clearing Impact (m ²)				
Tree Clearing - Reforestation	-92	1805	0	
Visual Impacts				
First Row Residences (#)	0	0	22	
Visually Impacted Residences	0	0	40+	
EMF/Noise/Interference				
EMF Exposure from transmission line	No	No	Yes	
Noise from transmission line	No	No	Yes	
Radio Interference	No	No	Yes	
Route Lengths				
Total Length (km) E1-F30	1.3	1.35	1.0	5
Length within existing RoW (km)	0.0	0.3 (E30-F30)	1.0	5
Route for distances	E1-F20-F30	E1-E20-E30-F30	E1-F30	
RoW ownership (New or existing)	City of Red Deer	City of Red Deer	City of Red Deer	
Private Land	No	No	No	
Length in road allowance (km)	0.5	0.5	0	
Length requiring new RoW	0.8	0.55	0	
Structure				
Number of additional structures	+2	+2	Base (6)	6, 7
Heavy Angle or Dead-End Structures	(4 to 5) of 8	(4 to 5) of 8	0 of 6	8
Cost				
Total Cost (\$M)	18.8	18.8	16.7	
Pines Group Lowest Impact Rating	Best	Better	No	

Notes:

- 1 Escarpment Tree Clearing requires 15 m wide
- 2 Railside Tree Clearing requires 8.5 m width. 6.5 m is clear in CN RoW
- 3 Regrowth will allow 11 m width to allow for trails and setback
- 4 Property Value impact was estimated at more than \$50,000 for first row.

- 5 Length comparison of alternate routes needs to end at same point (F30)
- 6 3 structures will be required for E20 to E30. Terrain will not allow a span of 215 m.
- 7 E1 to F30 will need 6 structures in existing RoW
- 8 Heavy angle/ dead end structures and added length are included in the cost estimate
- 9 Escarpment trees are considered to be more valuable than riverside trees.

296. The Pines Group stated that the Pines alternate route variant would be favourable due to less residents located within 150 metres of the route, less tree clearing and the ability to reforest some of the existing transmission line 80L right-of-way.

297. The Pines Group contested that the environmental impact would be similar between the Pines alternate route variant and AltaLink's preferred route. The Pines Group stated that the net tree clearing would be neutral for the Pines alternate route variant versus the AltaLink preferred route. The Pines Group also stated that the Pines alternate route variant would require 120 metres less escarpment tree clearing when compared to AltaLink's alternate route.

298. The Pines Group concluded that the AltaLink alternate route, or a variation thereof, would be in the public interest and should be approved.

299. AltaLink objected to the Pines Group comparative analysis table in its reply argument and disputed the metrics that were used by the Pines Group.

300. AltaLink contested the 150 metres metric used by the Pines Group. AltaLink stated the 150-metre distance to residences criteria discussed in rural areas was not applied to a project within an urban setting. AltaLink submitted that since urban areas have a higher concentration of residential development, AltaLink gave consideration to residences within the first row of houses adjacent to the transmission line route.

301. AltaLink recognized that, if the alternate route was chosen, the first row residences in the Pines neighbourhood would no longer have transmission facilities in proximity to them. AltaLink explained that it did not consider this to be the same as if these residences were being newly exposed to transmission facilities. AltaLink noted that the Pines neighbourhood was designed and developed to be integrated with the 80L transmission line and each of the Pines Group members bought their homes and moved to the Pines neighbourhood with the existing facilities in place. It stated that there are no encroachments of buildings within the existing right-of-way in the Pines area.

302. AltaLink clarified that the range of height increase for the towers would be 44 per cent to 69 per cent. AltaLink also clarified that because of the many deflections required for the alternate route around the Pines area, a vertical conductor configuration would be required and would increase the height of the structures. AltaLink stated that a 15-metre right-of-way would be adequate for both the preferred and alternate routes in the Pines area. AltaLink agreed with the Pines Group that rights-of-way for new 138-kV lines are generally 20 metres. However, AltaLink explained that the new lines have been designed to be used with the 15-metre right-of-way. AltaLink confirmed that this would meet or exceed all current standards. AltaLink acknowledged that the rating of transmission line 80L would increase as a result of rebuilding the line. AltaLink stated that it does not believe that the rating of the line in and of itself would cause impacts. AltaLink also stated that in most circumstances, transmission line 80L would continue to operate within the same levels as it has previously.

303. AltaLink acknowledged the Pines Group's argument that, notwithstanding that the alternate route would require more tree clearing, there may be an opportunity for some tree re-growth along the existing right-of-way if the alternate route or the Pines alternate route variant were selected by the Commission. However, AltaLink asserted that the negative effects of 350 metres of new tree clearing, primarily on a heavily forested slope, would outweigh any possible benefit of tree re-growth along the existing right-of-way, which appeared to already be heavily used and enjoyed by many residents in the Pines neighbourhood and other residents of Red Deer. Overall, AltaLink stated that there would be greater environmental impacts from the alternate route than the preferred route.

304. AltaLink further stated that from an environmental perspective, while tree cover and impacts to vegetation are a consideration when evaluating potential environmental impacts, consideration is also given to other factors such as wildlife, sensitive terrain and soils, wetlands and watercourses. AltaLink submitted that the preferred route was considered to be environmentally preferable primarily due to the use of an existing corridor, shorter line length, and being located further from the Red Deer River and the Red Deer Migratory Bird Sanctuary.

305. AltaLink also submitted that cost should be a major consideration in the final routing determination. It stated that the alternate route is estimated to cost approximately \$2 million more than the preferred route, primarily as a result of the greater number of deflections and line length associated with the alternate route in the Pines area. AltaLink contented that the \$2 million additional cost is substantial; and even more so when it would be expended to provide a benefit to existing first row residents located in a development that was designed to accommodate an existing transmission line rather than avoid new impacts.

306. AltaLink stated that there is a substantial difference between locating facilities in an attempt to avoid new impacts and spending money to provide a benefit to existing residents in a development that was designed to accommodate an existing transmission line, and where the residents moved into the neighbourhood after the line was in place. AltaLink stated that removing and replacing transmission line 80L in a different location would only be a benefit to these landowners while rebuilding on the existing right-of-way would, at most, have an incremental impact. AltaLink asserted that there would be no newly exposed residences in the Pines area.

307. AltaLink also indicated that the table concerning the switch of preferred and alternate route based on a senior executive policy was not correct as explained by Mr. Turriff at the hearing. AltaLink stated that the final determination of the preferred route in the Pines neighbourhood was based on AltaLink's normal siting practices.

308. AltaLink did not determine that the Pines alternate route variant would be a better option than the routes proposed in the application. AltaLink contested the evidence that the Pines alternate route variant would require less net tree clearing and less tree clearing along the escarpment. AltaLink stated that these assertions, submitted in the Pines Group written argument, were not previously made in the proceeding. AltaLink objected to the attempt to introduce new evidence in the Pines Group's submissions where AltaLink has not had the opportunity to test the evidence. Further, AltaLink disagreed with the Pines Group's submission that the environmental impacts would be relatively neutral between the Pines alternate route variant and the preferred route. AltaLink argued that environmental impacts are not just about tree clearing. AltaLink further argued that when it assessed potential environmental impacts, it looked at impacts considering a suite of environmental resources including wildlife, sensitive

terrain/soils, vegetation and water bodies. AltaLink concluded that the environmental impacts of the alternate route were greater than the preferred route.

309. AltaLink submitted that its preferred route in the Pines neighbourhood should be approved by the Commission. In the alternative, AltaLink submitted that the alternate route should be approved.

12.1.6 Other submissions for transmission line 80L

310. Phoenix Construction Inc. owns land adjacent to transmission line 80L. It submitted that currently it is not able to develop the land due to the current horizontal configuration of the transmission line, but that the rebuild will change the transmission line to a vertical configuration. Phoenix Construction Inc. stated that it is in full support of the application so that it is able to develop the land.

311. Rosario que Villanueva submitted that she wanted the conductors to be placed on the riverside of the poles to increase the distance between the houses and the conductors. She stated that this would help reduce the visual effects and reduce the risk of the conductors falling on to homes in an ice storm or high winds. AltaLink agreed to this request.

312. Gloria Carlson submitted that AltaLink should route transmission line 80L onto the other side of the Red Deer River to avoid the communities of West Park Estates and West Lake. In AltaLink's development of potential routes, it identified that a route similar to this would result in two new crossings of the Red Deer River and the associated Environmentally Sensitive Area 416. AltaLink also stated that it would impact a number of residences and community facilities that would be newly exposed to a transmission line and would result in tree clearing of city green spaces. AltaLink stated that the existing right-of-way for transmission line 80L provided the most direct connection between Red Deer 63S and South Red Deer 194S. AltaLink submitted that rebuilding transmission line 80L along the existing right-of-way would provide a lower impact opportunity than any of the other alternatives it investigated.

12.1.7 Commission findings

313. In this section, the Commission has organized its findings on the various segments of transmission line 80L within the city of Red Deer. The Commission finds that generally, the location of the route of transmission line 80L along the existing alignment is an important consideration that will help to reduce the effects of the transmission line. The Commission acknowledges that AltaLink investigated other routes in the city of Red Deer, but found that generally following the existing right-of-way would provide a lower impact opportunity than any of the other alternate routes it investigated.

Cronquist Close area

314. The Commission places significant weight on the fact that the preferred route would follow the existing right-of-way. The Commission considers that following the existing right-of-way will result in significantly less impacts to area residents. The Commission notes that the West Park neighbourhood was developed around the existing alignment of the transmission line and to change that alignment would increase the impacts to the community. The alternate route would result in several houses being closer to transmission line 80L.

315. The Commission finds that from an environmental perspective, the preferred route is favourable as it will result in significantly less tree clearing than the alternate route. The Commission considers this to be an important factor in making its decision.

316. The Commission finds that although visual impacts are subjective and difficult to quantify, the alternate route would have the potential for greater visual impacts than the preferred route. The Commission finds that this perception of visual impact is reinforced due to the number of trees that would be removed along the alternate route. The Commission recognizes the importance that members of the WPE Group placed on the trees in the neighbourhood.

317. The Commission notes that the Trans-Canada Trail runs adjacent to existing transmission lines at other locations in Red Deer, including in West Park Estates, and considers that neither the preferred nor alternate route would cause a significant impact to the trail.

318. The Commission acknowledges that the preferred route would result in Mr. Skjonsberg being displaced from his home. However, the Commission recognizes that Mr. Skjonsberg has come to an agreement with AltaLink in order to buyout his property.

319. In the property impacts section of the decision, the Commission noted that Mr. Doll and Mr. Archer were of the view that the alternate route would have a greater property value impact to some residents of the WPE Group when compared to the preferred route. The experts did not agree on the level of impact. Regardless, the Commission did not place a significant weight on this factor in determining what route would have the lowest overall impact.

320. The Commission finds that the alternate route has the potential to have a negative impact on the subdivision of the Steierts' property. The Commission recognizes that the Steierts provided evidence to show that they have taken serious steps towards subdividing their property and it is not merely a conceptual plan. The Commission also recognizes that these plans have a significant process to complete before becoming a reality and that they may never come to fruition. As a result, the Commission placed some weight, but not significant weight on the impact to the Steierts' subdivision plans.

321. The Commission notes that the costs of the preferred route through this area would be approximately \$1 million more than the alternate route. The Commission also considered this to be a significant factor. However, in this case, the extra cost associated with the preferred route is outweighed by the various other factors considered by the Commission when it determined the preferred route was the superior route in the Cronquist Close area.

322. The Commission finds that the preferred route is superior to the alternate route in this area. The Commission considers that the impacts to landowners and the environment outweigh the additional cost of the preferred route.

Riverlands area

323. In the Riverlands area, the Commission placed significant weight on the fact that the City of Red Deer is in favour of the preferred route and will pay for the incremental costs of burying the transmission line underground.

324. The Commission finds that the underground portion of the rebuild of transmission line 80L would have greater environmental effects than the alternate route in that area, however, the

Commission finds that the mitigations proposed by AltaLink are sufficient and, therefore, does not consider this to be a significant determining factor for this route segment.

325. The underground route would greatly reduce the visual impacts of the project in the Riverlands area.

326. In the Riverlands area, the Commission finds the preferred underground route to be the superior route.

Railyards area

327. In the Railyards area, the Commission took into consideration the argument of Dr. Meikle and Mr. George Berry, however, the Commission finds that the use of the existing right-of-way in this area is the most suitable.

328. The Commission acknowledges that the Red Deer Greater Downtown Action Plan identified burying transmission line 80L in the Railyards area, however, it did not set a timeline for when this action should be completed. The City of Red Deer has stated that it is not willing to pay for the incremental costs of burying the transmission line in the Railyards area at this time.

329. The Commission finds that having Alberta ratepayers pay the additional costs to bury the transmission line is not in the public interest. The benefit of undergrounding the line would be to a select few individuals, while being at the expense of all ratepaying Albertans.

330. The Commission notes that if a party wants to put the line underground in the future, and is willing to pay the costs to bury the transmission line, an application can be filed with the Commission requesting approval to do so.

331. In the instance of the Railyards, no party has come forward to pay the incremental costs of burying the line. Further, since the line is along the preferred route, and was existing when Mr. Meikle purchased the property, little to no new impacts would be created by rebuilding the line along the existing right-of-way.

332. The Commission finds the preferred route of transmission line 80L in the Railyards area to be the best route.

Pines neighbourhood

333. The Commission recognizes that many of the landowners in the Pines neighbourhood were represented by the Pines Group and were in favour of the alternate route or the Pines alternate route variant. However, the Commission considered that this was a neighbourhood that was built beside an existing transmission line and, therefore, rebuilding a line along an existing right-of-way would create little to no new impacts. The Commission therefore finds that there would be little new property impacts created by the preferred route.

334. The Commission accepts that the proposed transmission line towers would be approximately 44 to 69 per cent higher than the previous towers. The Commission finds that while visual impact is a subjective matter, the alternate route would be favourable from this perspective as the towers would be moved out of the neighbourhood completely.

335. The Commission notes that property values in the Pines neighbourhood could increase as a result of the alternate route being selected. However, this factor did not weigh significantly in the Commission's determination since the residences in the neighbourhood were built beside the existing transmission line 80L. No residents would be newly exposed to transmission line 80L if the preferred route were selected. Further, the residents were likely aware of transmission line 80L when the properties were constructed and or purchased.

336. The costs of approving the preferred route would be approximately \$2.1 million less than the alternate route. The Commission finds this to be a very significant factor in favour of the preferred route in the Pines neighbourhood route section.

337. The preferred route would also be more favourable from a tree clearing perspective. While some trees may be re-planted in the existing right-of-way if the alternate route were selected, these trees would not replace the mature trees lost in the alternate right-of-way. The Commission finds that while some portions of the existing route of transmission line 80L through the Pines area could be replanted, the existing route's use as a recreational trail, as well as an access for vehicles by landowners, makes it unlikely that the route would be fully reforested.

338. The Pines Group also argued that the noise levels, electrical fields, magnetic fields and radio interference would be more favourable for the alternate route. The Commission has evaluated these topics in the sections above. The Commission did not find that the 80L alternate route near the Pines neighborhood would be preferable due to noise or electrical considerations. The Commission acknowledges AltaLink's statement that although the maximum rating will increase, the transmission line will generally be loaded at approximately the same levels as it is currently. The Commission also recognizes AltaLink's statement that both routes will comply with all current standards.

339. The Commission was not persuaded that the Pines alternate route variant would be a more suitable route than the preferred route. The Commission still finds that the same issues that are present in terms of environmental considerations for the alternate route are also present on the Pines alternate route variant. The Pines alternate route variant would still require a considerable number of trees to be cleared, although it is uncertain whether it would be significantly more or less than the alternate route. Based on the costs of the alternate route, the Commission expects that the Pines alternate route variant would cost more than the preferred route as well.

340. In the Pines neighbourhood, the Commission finds the preferred route to be the best route option for rebuilding transmission line 80L.

Conclusion

341. The Commission finds that the rebuild of transmission line 80L satisfies the need as directed by the AESO.

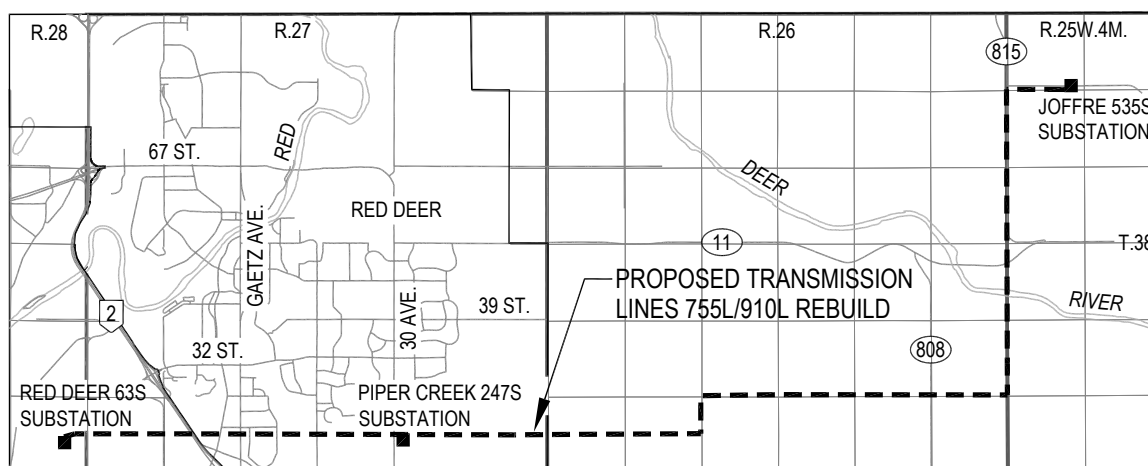
342. The Commission approves the preferred routes for the rebuild of transmission line 80L. The Commission finds that the location of the preferred route, built mostly along existing right-of-way, is in the public interest from a social, economic and environmental prospective.

343. The Commission also approves the redesignation of transmission line 80L between North Red Deer 217S substation and South Red Deer 194S substation as transmission line 425L, and the redesignation of transmission line 80L between South Red Deer 194S substation and Red Deer 63S substation as 426L.

12.2 Rebuild of transmission line 755L

344. AltaLink requested approval to rebuild transmission line 755L between Red Deer 63S, Piper Creek 247S and Joffre 535S substations. AltaLink stated that the transmission line would be rebuilt primarily along the right-of-way of the existing transmission line 755L. The transmission line would be rebuilt to a maximum summer/winter rating of 281/348 MVA. AltaLink submitted that a portion of the transmission line would be consolidated with the rebuild of transmission line 910L onto a set of new double-circuit structures for approximately eight kilometres within the city of Red Deer. AltaLink is the owner and operator of transmission line 755L pursuant to Licence No. U2002-710⁹⁸ and of transmission line 910L pursuant to Licence No. U2002-820.⁹⁹ AltaLink proposed to redesignate transmission line 755L between Red Deer 63S and Piper Creek 247S substations as transmission line 427L.

Figure 4 – Rebuild of transmission line 755L



12.2.1 Views of the applicant

345. AltaLink developed three preliminary routes for the rebuild of transmission line 755L, although there was only a single route along the existing right-of-way for the southern portion of the city of Red Deer. The routes diverged east of the city of Red Deer towards Joffre 535S substation. One of the routes was along the existing alignment of the transmission line. AltaLink submitted that the other two routes would result in a new crossing of the Red Deer River and would result in impacts to the associated environmentally significant area, would potentially impact known historical resource value sites and would result in impacts to residences that are not currently exposed to a transmission line. AltaLink submitted that the impacts to features not currently affected by a transmission line are viewed to be more significant than impacts to features already affected by an existing transmission line. Based on these reasons, AltaLink selected the existing alignment as the preferred route.

⁹⁸ Licence No. U2002-710, Application No. 1274771, December 13, 2002.

⁹⁹ Licence No. U2002-820, Application No. 1274771, December 13, 2002.

346. In the southern portion of the city of Red Deer, AltaLink considered two technical options: (1) to rebuild the transmission line on single-circuit H-frame towers, or (2) to consolidate the lines onto a double-circuit lattice structure with a 240-kV transmission line that parallels the existing 755L transmission line. AltaLink identified that there are currently three sets of structures that parallel each other in this area: the existing 138-kV transmission line 755L on single-circuit monopole structures, the existing 240-kV transmission line 910L on single-circuit lattice structures and the existing 240-kV transmission lines 912L/914L on double-circuit lattice structures. AltaLink submitted that consolidating the transmission lines onto a double-circuit structure would reduce visual impacts and free up space for recreational use in the right-of-way. AltaLink submitted that this would also resolve an issue with clearance requirements of the conductors of the northernmost transmission line.

12.2.2 Views of the parties

347. Eugene and Michele Bieganek are landowners near transmission line 755L who expressed concerns regarding noise and the impact the project would have on bees on their property.

348. AltaLink responded that the Bieganek's property is approximately 800 metres away from the transmission line. AltaLink submitted that the noise from the rebuilt transmission line would be lower than the existing transmission line. AltaLink indicated that research to date does not suggest that electric or magnetic fields from the transmission line would result in adverse impacts to bees. This is further discussed in the electrical considerations section of this decision.

349. The City of Red Deer also indicated that it supports the rebuild of transmission line 755L, including the consolidation of the two existing single-circuit transmission lines onto a series of double-circuit structures within the city of Red Deer, and shifting the centre line for the monopole structures south of the current centre line.

12.2.3 Commission findings

350. The Commission finds that the rebuild of transmission line 755L satisfies the need as directed by the AESO.

351. The Commission finds that the location of the route along the existing alignment is an important consideration that will help to reduce the effects of the transmission lines.

352. The Commission finds that the consolidation of the two transmission lines in the south part of the city of Red Deer onto double-circuit structures is reasonable and will help to reduce the adverse impacts of the transmission lines.

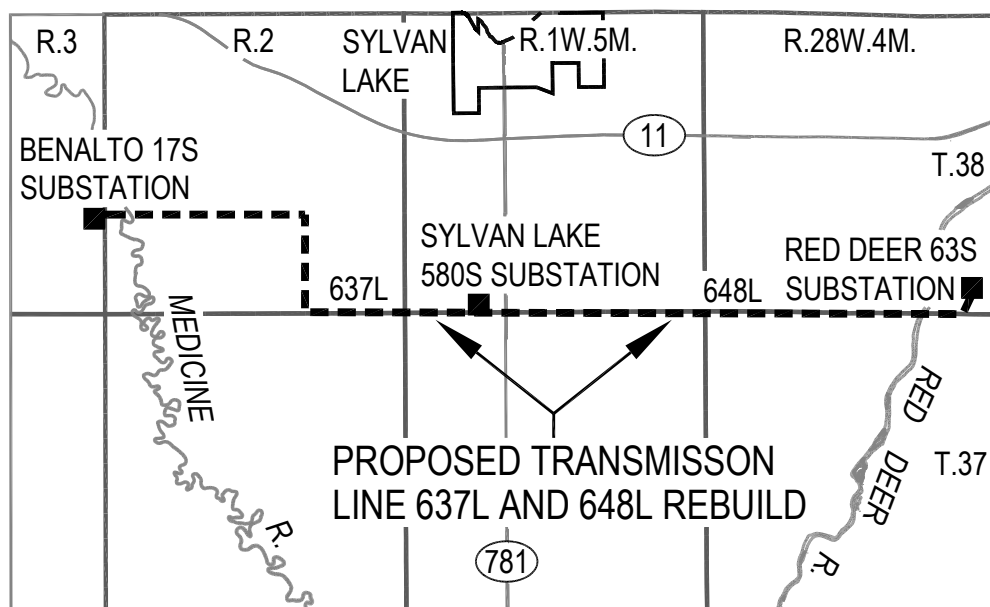
353. In the electrical considerations section, the Commission found no evidence that the project would have an effect on the Bieganek's bees. The Commission recognizes that this project is for a rebuild along the existing alignment and that these impacts would be incremental at most, however, no evidence was presented that showed an effect on bees.

354. There are no environmental, social or economic impacts from the project that would indicate that the project is not in the public interest. The Commission approves the preferred route for the rebuild of transmission line 755L, the alterations to transmission line 910L, and the redesignation of the portion of transmission line 755L between Red Deer 63S substation and Piper Creek 247S substation as transmission line 427L.

12.3 Rebuild of transmission lines 637L and 648L

355. AltaLink requested approval to rebuild transmission line 637L between Benalto 17S and Sylvan Lake 580S substations, and to rebuild transmission line 648L between Sylvan Lake 580S and Red Deer 63S substations. AltaLink stated that the transmission lines would be rebuilt along the right-of-way of the existing transmission lines. The transmission lines would be rebuilt to a maximum summer/winter rating of 281/348 MVA. AltaLink is the owner and operator of transmission line 637L pursuant to Permit and Licence No. U2012-646,¹⁰⁰ and of transmission line 648L pursuant to Permit and Licence No. U2009-328.¹⁰¹

Figure 5 – Rebuild of transmission lines 637L and 648L



12.3.1 Views of the applicant

356. AltaLink submitted that it developed two preliminary routes for this component. One preliminary route paralleled existing transmission line 900L while the other preliminary route travelled along the existing alignment of transmission lines 637L and 648L. AltaLink selected the route along the existing alignment as its preferred route and dropped the other route from consideration. AltaLink submitted that the preferred route was shorter, would have lower agricultural impacts and would be located primarily within the road allowance. In addition, AltaLink stated that the paralleling of transmission line 900L would require a connection to Sylvan Lake 580S substation that would result in up to three newly exposed residences within 800 metres.

12.3.2 Views of the parties

357. Eric Johanson is a landowner near transmission line 637L. He submitted that the transmission line should be rebuilt underground. He expressed concerns over visual impacts, health risks and the impact the project would have to the value of acreages in the area. He also identified concerns with grounding of the fences under the transmission line.

¹⁰⁰ Transmission Line Permit and Licence No. U2012-646, Application No. 1607067, Proceeding No. 1045, December 20, 2012.

¹⁰¹ Transmission Line Permit and Licence No. U2009-328, Application No. 1604762, September 14, 2009.

358. Constance M. Matson is a landowner near transmission line 637L. She submitted that AltaLink had failed to compensate or repair damage done to her property during upgrades to lines on two previous occasions, in addition to leaving debris, breaking fences and leaving the area unsafe for livestock. She expressed concern about the spread of weeds and, in particular, the introduction of clubroot. She stated that farming is her family's livelihood and that they didn't need to be exposed to these risks.

359. AltaLink submitted that the facilities Ms. Matson was discussing were located on the south side of Township Road 380 and on the west side of her property. AltaLink stated that it does not own or operate facilities in these locations and that these facilities are owned and operated by another company. AltaLink stated that its ESR report outlines the requirements for AltaLink contractors to complete a vegetation, weed and pest control plan, a waste management plan and a construction clean-up and reclamation plan. Further discussion of AltaLink's weed control measures is discussed in the property impacts section of this decision.

12.3.3 Commission findings

360. The Commission finds that the rebuild of transmission lines 637L and 648L satisfies the need as directed by the AESO.

361. The Commission finds that the location of the route along the existing alignment and primarily within road allowances are key features that help to reduce the adverse effects of the transmission lines.

362. Regarding the concerns identified by the interveners, the Commission references its findings from earlier in this decision regarding property impacts and health risks, and finds that no specific or expert evidence was provided establishing these impacts as a result of the project. The Commission finds that by rebuilding the transmission line along its current alignment, the visual impacts and property value impacts would be incremental, and less than they would be by building the transmission line along a new alignment.

363. There are no environmental, social or economic impacts from the project that would indicate that the project is not in the public interest. The Commission approves the preferred route for the rebuild of transmission lines 637L and 648L.

12.4 New Johnson 281S substation

364. AltaLink requested approval to construct a new 240/138-kV substation, designated as Johnson 218S, in the Didsbury area. AltaLink proposed to construct Johnson 281S substation in the northeast quarter of Section 19, Township 31, Range 2, west of the Fifth Meridian. AltaLink stated that the major equipment at the substation would include one 240/138-kV, 120/160/200-MVA transformer, three 240-kV circuit breakers, four 138-kV circuit breakers, one 30-metre tall telecommunications tower and associated substation equipment. The fence surrounding the substation would be approximately 142 metres by 106 metres.

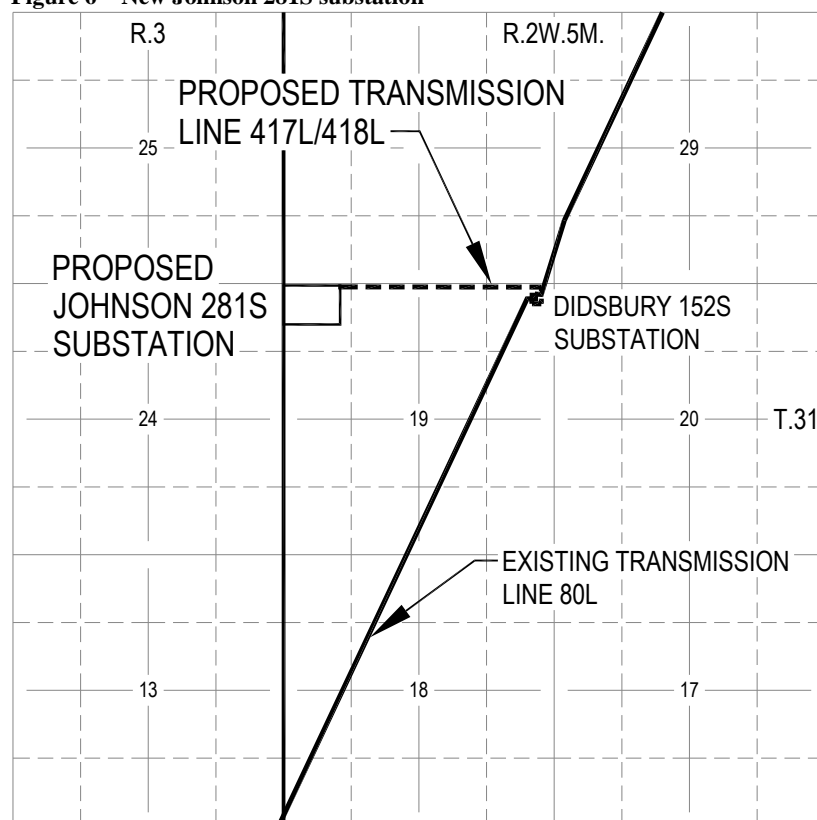
365. AltaLink proposed to construct a new double-circuit 138-kV transmission line, designated as 417L/418L, between the existing transmission line 80L and the new Johnson 218S substation. AltaLink proposed to redesignate the portion of transmission line 80L between Johnson 281S and Olds 55S substations as transmission line 417L. It proposed to redesignate the portion of transmission line 80L between Johnson 281S and Ghost 20S substations as transmission line 418L.

366. AltaLink also requested approval to alter transmission lines 166L and 918L to connect to Johnson 218S substation. Approximately 1.6 kilometres of transmission line 166L would be salvaged as a result of the alteration. AltaLink proposed to redesignate transmission line 918L between Johnson 281S and Benalto 17S substations as transmission line 1081L. AltaLink is the owner and operator of transmission line 166L pursuant to Permit and Licence No. [U2012-643](#),¹⁰² and of transmission line 918L pursuant to Permit and Licence No. [U2013-379](#).¹⁰³

367. AltaLink requested approval to salvage Didsbury 152S substation. AltaLink is the owner and operator of Didsbury 152S substation pursuant to Licence No. U2002-361.¹⁰⁴

368. AltaLink applied to replace the existing telecommunications tower at Olds 55S substation with a new, approximately 30-metre tall, telecommunications tower. AltaLink is the owner and operator of Olds 55S substation pursuant to Permit and Licence No. [U2007-35](#).¹⁰⁵

Figure 6 – New Johnson 281S substation



12.4.1 Views of the applicant

369. AltaLink submitted that the Johnson 281S substation location was selected with an emphasis on being as close to transmission lines 166L, 918L and 80L as possible in order to reduce the amount of new transmission line that would be required. AltaLink stated that the nearest residence to the proposed substation is 460 metres away. AltaLink stated that in response

¹⁰² Transmission Line Permit and Licence No. U2012-643, Application No. 1607067, Proceeding No. 1045, December 20, 2012.

¹⁰³ Transmission Line Permit and Licence No. U2013-379, Application No. 1609845, Proceeding No. 2788, August 29, 2013.

¹⁰⁴ Licence No. U2002-361, Application No. 1274771, August 1, 2002.

¹⁰⁵ Substation Permit and Licence No. U2007-35, Application No. 1495512, February 13, 2007.

to concerns about visual impact, it would plant trees between the substation location and the residence in the north half of Section 19, Township 31, Range 2, west of the Fifth Meridian.

370. The preferred route for transmission lines 417L/418L would parallel Township Road 314 and the portion of transmission line 166L that is to be salvaged as part of this application. As a result, AltaLink stated that there would be no residences that are newly exposed to a transmission line.

12.4.2 Views of the parties

371. Glen and Annette Kershaw are landowners near the proposed Johnson 281S substation. They expressed concerns with construction impacts, including dust control from the road which was built in the 1930s. They stated that the project would devalue their half section by \$300,000 and that the substation would be a visual eyesore. They also submitted concerns with health impacts created by the project. They also expressed concerns about water drainage and submitted that there would be no top soil after the substation is built to absorb the water. They stated that the substation should be moved one mile south to a location AltaLink purchased in 2013 that has already been paved.

372. Mountain View County expressed concerns regarding drainage from the construction of Johnson 281S substation. The county stated any development would be required to control off-site stormwater flow rates to pre-construction levels and requested that the Commission include a condition requiring AltaLink to abide by this requirement.

373. AltaLink submitted that it has commissioned a drainage study to identify any potential drainage issues caused by Johnson 281S substation. AltaLink stated that it had met with Mountain View County to discuss the results of that study and further stated that it would consult with ESRD and any applicable landowners or agencies to ensure that the drainage systems implemented address any potential adverse impacts. AltaLink stated that it did not believe that a condition in the decision would be required. AltaLink committed to construction of the substation so that stormwater flow rates are controlled as required.

12.4.3 Commission findings

374. The Commission finds that the construction of Johnson 281S substation satisfies the need as directed by the AESO.

375. The Commission finds that AltaLink has taken and outlined appropriate measures to identify and mitigate potential drainage issues. Furthermore, generally, drainage issues are examined by the municipality where the development is to occur as part of the development permit process. The Commission declines to include a specific condition relating to drainage and instead expects that AltaLink, as it has identified, will continue to consult with Mountain View County and ESRD regarding drainage issues.

376. Regarding the concerns identified by the Kershaws, the Commission references its findings from earlier in this decision regarding property impacts and health risks, and finds that no specific or expert evidence was tendered establishing adverse property or health impacts as a result of the project.

377. The Commission also recognizes AltaLink's commitment to plant trees between the substation location and the residence in the north half of Section 19, Township 31, Range 2, west of the Fifth Meridian, as provided in its application, in order to help mitigate visual impact.

378. The Commission finds that the location of the route along the existing alignment and primarily within road allowances are key features that will help to reduce the effects of the transmission lines. The Commission acknowledges that the preferred route reduces potential impacts by paralleling the existing transmission line which is to be salvaged.

379. The Commission finds that the siting of the substation in a location which reduces the length of transmission line to be constructed is an important consideration.

380. There are no environmental, social or economic impacts from the project that would indicate that the project is not in the public interest. The Commission approves the Johnson 218S substation, the preferred route for transmission lines 417L/418L, the alteration to transmission lines 166L and 918L to connect to Johnson 218S substation, salvage of the Didsbury 152S substation, and replacement of the existing telecommunications tower at Olds 55S substation with a new, approximately 30-metre tall, telecommunications tower.

12.5 New Hazelwood 287S substation

381. AltaLink requested approval to construct a new Hazelwood 287S substation east of Innisfail. AltaLink also proposed to construct a new double-circuit 138-kV transmission line designated as 419L/420L, approximately 14 kilometres in length, between Innisfail 214S and Hazelwood 287S substations. AltaLink proposed a preferred and an alternate route for the transmission line and a preferred and alternate site for the substation.

382. AltaLink also requested approval to alter Innisfail 214S substation by adding three new 138-kV circuit breakers and to alter transmission line 929L to connect to the Hazelwood 287S substation. Transmission line 929L between Red Deer 63S and Hazelwood 287S substations would be redesignated as transmission line 1082L. AltaLink is the owner and operator of Innisfail 214S substation pursuant to Permit and Licence No. [U2007-213](#),¹⁰⁶ and of transmission line 929L pursuant to Permit and Licence No. [U2012-658](#).¹⁰⁷

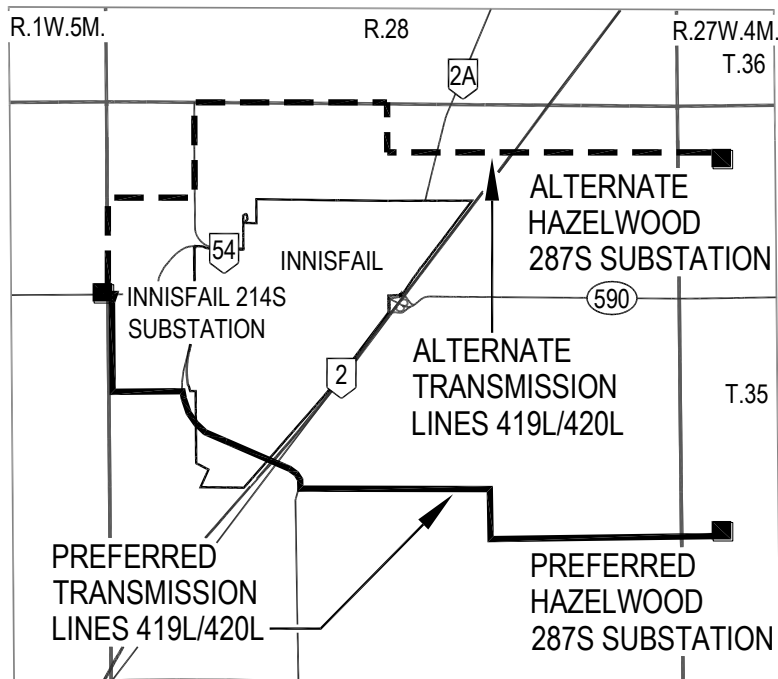
383. AltaLink proposed a preferred site for Hazelwood 287S substation in the northwest quarter of Section 7, Township 35, Range 27, west of the Fourth Meridian. AltaLink also proposed an alternate site for the substation in the southwest quarter of Section 31, Township 35, Range 27, west of the Fourth Meridian.

384. AltaLink stated that the major equipment at the substation would include one 240/138-kV, 120/160/200-MVA transformer, three 240-kV circuit breakers, two 138-kV circuit breakers and associated substation equipment. The fence surrounding the substation would be approximately 142 metres by 106 metres.

¹⁰⁶ Substation Permit and Licence No. U2007-213, Application No. 1521939, August 20, 2007.

¹⁰⁷ Transmission Line Permit and Licence No. U2012-658, Application No. 1607067, Proceeding No. 1045, December 20, 2012.

Figure 7 – New Hazelwood 287S substation and transmission line 419L/420L



12.5.1 Views of the applicant

385. AltaLink submitted that the preferred route for transmission line 419L/420L would cross more cultivated land but that fewer shelterbelts would be removed. In addition, less of the cultivated land is farmed across compared to the alternate route. AltaLink stated that there are fewer residences within 150 metres of the preferred route, however, there are more residences within 800 metres. AltaLink indicated that a large number of the residences within 800 metres of the preferred route are located in the Woodlands Area Structure Plan area where visual impacts to the residences are reduced by trees along Highway 54. AltaLink submitted that less native vegetation would be crossed and less wetlands would be within the right-of-way of the preferred route. AltaLink submitted that TERA, who performed its environmental analysis, concluded that the preferred route is nominally better from an environmental perspective than the alternate route. AltaLink added that the preferred route would be shorter, have less easements required on private lands and have a lower cost.

386. AltaLink stated that the overall impacts of the two proposed substation sites are similar and that the determination of which substation site is preferable depends on which of the transmission line routes is chosen. AltaLink stated that both sites are located adjacent to transmission line 929L and would require a 500-metre access road. The nearest residence to the preferred substation site is approximately 590 metres and the nearest residence to the alternate substation site is approximately 560 metres. AltaLink submitted the following table to outline its major aspects and considerations comparing the preferred and alternate routes:¹⁰⁸

¹⁰⁸ Exhibit No. 2, RDATD Application, Table 4-8, PDF page 222.

Table 7. AltaLink's major aspects and considerations comparing the preferred and alternate routes of transmission line 419L/420L

Major Aspects and Considerations		Preferred Route	Alternate Route
Agricultural Impacts			
Cultivated land crossed (km)		5.5	3.0
Forage land crossed (km)		0.7	2.6
Shelterbelt on quarter line (km)		1.5	3.6
Lands farmed across (km)		0.4	1.6
Residential Impacts			
Residences within 150 m of right-of-way edge (#)		1	5
Residences within 800 m of right-of-way edge (#)		61	43
Newly exposed residences (#)		21	20
Environmental Impacts			
Native vegetation crossed (km)		0.3	1.3
Protected or Provincially Designated Areas and Environmentally Sensitive Areas in or within 800 m (ha)		60	48
Wetland area in or within 800 m (ha)		49	59
Wetland areas within right-of-way (ha)		0.78	0.79
Visual Impacts			
Residences within 150 m of right-of-way edge (#)		See above for residences within 150 m	
Electrical Considerations			
Distribution line to be relocated (km)		0.4	0.8
Distribution line on the opposite side of the road (km)		2.0	3.6
Cost			
Length of route (km)	Total length	13.2	14.1
	Length within road allowance	6.7	7.2
	Length outside of road allowance	6.5	6.9
Number of angles and dead-end structures		15	8
Total Cost (\$M)		51.3	51.6

12.5.2 Views of the parties

387. The Town of Innisfail (the Town) expressed concerns about the effect that transmission line 419L/420L would have on its future developments. The Town objected to the preferred route as well as to specific portions of the alternate route. The Town submitted that AltaLink's consultation and proposed routes failed to account for the negative effects that the transmission line would have on the Town and indicated that this would result in additional costs to the Town's ratepayers.

388. The Town identified that the preferred route would adversely affect the Town's efforts to create an attractive urban area. It stated that the preferred route would create a visually intrusive facility at one of the main entranceways into the Town and would negatively affect the view from the town towards the Rocky Mountains in the southwest. The Town disagreed with AltaLink's statement that the transmission line would have an incremental visual impact on views along Highway 54. The Town submitted that the highway is at grade and would not assist in masking facilities that are up to 34 metres in height.

389. The Town indicated that the preferred route would create a loss of a potential access location for a major road and inefficient arterial road spacing. The Town identified that a portion of the preferred alignment in the southwest area of the Town would correspond with the typical spacing of intersections along a provincial highway.¹⁰⁹ The Town submitted that the presence of a structure would eliminate the ability to construct an intersection with Highway 54 that would connect the highway to the town. The Town stated that an intersection further north would result in a lack of separation between intersections and an intersection further south would place the access on a curved portion of the highway which would create sightline issues. In addition, the potential for future residential areas would be reduced.

390. The Town raised concerns with the preferred route creating additional costs of arterial roads serving the west expansion area. The Town identified that the preferred route's alignment along the quarter section line between sections 18 and 19 of Township 35, Range 28, west of the Fourth Meridian, would eliminate a potential major road corridor for the future development of the Town's western growth area. The Town submitted that it would no longer be able to split the road dedication between the quarter sections and would therefore not be able to acquire land for the road without exceeding the 30 per cent parameters outlined in Section 662 of the *Municipal Government Act*. The Town submitted that this would increase the costs for construction of the road.¹¹⁰

391. The Town also submitted that the preferred route would add costs and barriers to development in the area. The Town submitted that a portion of the preferred route alignment in the southwest of the Town traverses an area that was annexed by the Town in 2007/2008 for future residential development. The Town submitted that this segment of the preferred route would parallel a 15-metre right-of-way that includes existing sewage and water lines in the south portion of the southeast quarter of Section 19, Township 35, Range 28, west of the Fourth Meridian.¹¹¹

392. The Town explained that there would be uncertainty for land development beyond the edge of the right-of-way of a transmission line. The Town stated that AltaLink expected consultation and review approval for development on lands within 100 metres of the right-of-way. The Town submitted that this would result in additional delays in obtaining approvals for development and uncertainty about the development potential of lands adjacent to the right-of-way. The Town expressed concern that this may encourage investors to go elsewhere and negatively affect the Town's economic development efforts.

393. The Town expressed concern that the right-of-way could not be used for activities that typically take place in an urban setting including stormwater management facilities, buildings and storage. The Town submitted that this land will likely be transferred to the Town which would result in increased costs from having to maintain the lands without providing any useful public function. In addition, the right-of-way would account for approximately 25 per cent of the Town's allowable park dedication in a quarter section. The Town submitted that this would result in less usable land to accommodate school sites, large parks and connecting pathway corridors.

¹⁰⁹ Exhibit No. 129.01, Town of Innisfail Submission to AUC, page 3.

¹¹⁰ Exhibit No. 129.01, Town of Innisfail Submission to AUC, page 3.

¹¹¹ Exhibit No. 129.01, Town of Innisfail Submission to AUC, page 3.

394. The Town submitted that the right-of-way in sections 18 and 19 would result in 132 fewer residences that could potentially be built. The Town stated that this would result in less efficient land use as well as a loss of tax income for the Town. The Town added that properties near the transmission line would have reduced property and assessment values further reducing the amount of potential tax income for the Town.

395. The Town submitted that the town was originally identified as a no-go area for constructing the transmission line. The Town stated that little information was offered by AltaLink as to why the no-go status was set aside. It stated that an alignment along the alternate route was rejected based on the Town's future development plans in the Henday area, but that the Town's future plans were not given the same consideration in the Woodlands area along the preferred route.

396. The Town submitted that the Woodlands Area Structure Plan projects more than 600 dwelling units in the area north of Highway 54, with approximately two thirds of these dwellings within 800 metres of the preferred route. The Town submitted that the Woodlands area was annexed in the late 1970s, but that over the past four years, work has been progressing more steadily. The Town also submitted the Woodlands Outline Plan, which it stated was the first major step required by the Town from a private land developer who anticipated starting a subdivision in the short-term. The Town indicated that the outline plan identifies that the development would start in the south portion of the Woodlands area within 300 metres of Highway 54 and then work its way north. The Town submitted that it has also received detailed engineering drawings for preliminary review from the developer's consulting engineer. The Town also stated that it had already committed to front end the cost of major sewer infrastructure in the Woodlands area. The Town added that the transmission line would create a significant marketing constraint for the Woodlands area.

397. The Town stated that the level of preparation for development for the Woodlands area far exceeded the level of preparation for the Henday area, but that AltaLink had chosen to avoid the Henday area.

398. The Town submitted that the best option from its perspective would be to use a modified form of the alternate route, which would include paralleling the existing transmission line 80L, which was an option that was considered by AltaLink but eventually rejected as discussed later in this section of the decision.

399. The Town stated that the existing transmission line 80L follows a ridge within sections 30 and 31 of Township 35, Range 28, west of the Fourth Meridian that blends into the topography and would therefore be masked to future residential development. It submitted that the existing alternate route follows along higher land and would have a greater visual impact to future residences.

400. The Town stated that while some portions of the alternate route are not its first choice, that it would have greater flexibility to work with and around the transmission line in a future industrial setting, such as the one the alternate route would travel through.

401. The Town stated that with the modification of paralleling the existing transmission line 80L, the alternate and preferred routes would be of similar length and cost. The Town submitted that when considering future urban development, the number of residences within 800 metres five years from now would be much less on the alternate route than on the preferred route.

402. The Wachter Group consists of 24 families and 40 individuals, who are opposed to the preferred transmission line 419L/420L route and the preferred Hazelwood 287S substation location.

403. The Wachter Group identified agricultural impacts as a concern, both in terms of having to maneuver equipment around structures and the potential for crop diseases such as clubroot to be introduced to their lands. They submitted that clubroot is an extremely invasive species and a real danger to agricultural production and land prices. They stated that it was a very real threat to their livelihoods and life savings. Members of the group submitted that when AltaLink or their contractors had performed field work, in some cases unannounced and without consent, they had not witnessed them following proper standard operating procedures for cleaning equipment. They also submitted concerns about the transmission lines interfering with the GPS systems on their farming equipment. The members also expressed concerns with AltaLink's consultation process. They submitted concerns about drainage issues on the preferred substation site.

404. The Wachter Group expressed concern about the noise impact of the substation. One of the members advised that they live with headaches and ringing in their ears that they attribute to the existing transmission line which is 800 metres to the east. They stated that they can hear the crackle and hum of that transmission line.

405. Members of the Wachter Group identified concerns regarding visual impacts, safety of the transmission line and long-term effects to health. They expressed concern about the removal of shelterbelts and the increased visual impact this would cause. They also identified concerns with affects to property value. The Wachter Group stated that the value of property could be reduced by 30 per cent or more. They submitted that the preferred route adversely affects more people than the alternate route.

406. Richard and Brenda Tams, members of the Wachter Group, submitted that their son had intended to build a residence within a few feet of the preferred route. They submitted that their son had already obtained a building permit and had also planned to subdivide the property. Other members also expressed concerns about how the transmission line would affect the potential for future development of their land.

407. Harvey Lind, a member of the Wachter Group, indicated that he had a private airplane runway on his property. He submitted that the preferred route would be located at the end of the runway rendering it useless. He submitted that due to the existing transmission line and the prevailing winds, the current location is the only suitable site on his property for the runway.

408. Members of the Wachter Group identified wildlife such as bald eagles, hawks, ducks and white-tailed deer that utilize the area and stated that the wildlife or their habitat may be harmed as a result of the project.

409. The Wachter Group retained Nican International Consulting Ltd. (Nican) to assess the facility applications. Nican proposed a route that it called the parallel alternate route. The parallel alternate route would follow AltaLink's alternate route for much of the distance, with the exception of sections 30 and 31 of Township 35, Range 28, west of the Fourth Meridian, where the parallel alternate route would parallel the existing transmission line 80L. Nican stated that the parallel alternate route would result in lower overall impacts to landowners and improved reliability of the transmission system. The parallel alternate route was previously considered and

rejected by AltaLink and AltaLink did not apply for this route in the application. The parallel alternate route is not before the Commission as an option for approval in this application.

410. Nican submitted that AltaLink's reasoning for rejecting Nican's parallel alternate route was due to the greater visual impact and incremental construction planning effort that would require the construction of a temporary transmission line to preserve system reliability. Nican also submitted that the installation of a capacitor bank at Innisfail 214S substation would relieve the need for constructing a temporary transmission line and also improve the overall reliability of the transmission system. Nican submitted that the AESO had contemplated installing a capacitor bank at the Innisfail substation and identified it as a future development. Nican proposed that the installation of the capacitor bank should be advanced to line up with the construction of transmission line 419L/420L.

411. In its reply evidence, AltaLink identified that obtaining an outage on transmission line 80L would now be possible and that this was no longer a factor in why AltaLink rejected paralleling transmission line 80L northeast of the town of Innisfail. AltaLink submitted that transmission line 80L is a single-circuit transmission line with a 15-metre right-of-way in the area that Nican proposed to parallel or re-use. AltaLink stated that the proposed transmission line 419L/420L would be a double-circuit transmission line and would require a larger right-of-way. AltaLink stated that a 20-metre right-of-way could be used, but that a larger number of structures, relative to the existing transmission line would have to be used. This would result in increased costs and additional structures that would have to be farmed around. AltaLink stated that to maintain a similar number of structures as the existing transmission line, a 25-metre right-of-way would be required. AltaLink stated there is an existing yard and garden shed, owned by Mr. Kemp, that already encroaches on the 15-metre right-of-way and that further increasing the right-of-way would result in a larger degree of encroachment, and could impact the safe and reliable operation and maintenance of the transmission line.

412. Nican assessed the number of residences within 150 metres and 800 metres of the routes, including Nican's parallel alternate route. It also identified the number of residences within 800 metres that would be newly exposed to a transmission line. Nican submitted that the effects to residents currently near existing transmission facilities is incremental and that effort should be made to minimize new exposure to transmission lines where possible. The Wachter Group identified that the preferred route would have the largest number of newly exposed residences within 800 metres. The Wachter Group submitted that Nican's parallel alternate route would have the fewest newly exposed residences. The following table was submitted by the Wachter Group:¹¹²

¹¹² Exhibit No. 286.01, Wachter Group Final Argument, Table 1.3, PDF page 20.

Table 8. Wachter Group residential metrics summary table

Wachter Group Residential Metrics Summary Table					
Residential aspects and consideration	AltaLink Count		Nican Count		
	Preferred Route	Alternate Route	Preferred Route	Alternate Route	Parallel Alternate Route
Residences within 150 metres of right-of-way edge (#)	1	5	2	5	5
Residences within 800 metres of right-of-way edge (#)	61	43	67	40	37
Newly-exposed residences within 800 metres or first row if urban (#)	21	20	46	18	16

413. Nican submitted that four out of the five residences within 150 metres of the parallel alternate route are already within 150 metres of the existing transmission line 80L. Nican further submitted that the parallel alternate route would be superior to the preferred route because it has 30 less newly exposed residences.

414. Nican submitted that when considering the number of residences impacted, both the alternate route and Nican's parallel alternate route would affect less stakeholders in total and less new stakeholders when compared to the preferred route.¹¹³

415. The Wachter Group submitted that the residential impacts of Nican's parallel alternate route were less than those of the preferred route. The Wachter Group further submitted that the preferred route would have the greatest number of residences within 800 metres and that once the Woodlands Area Structure Plan development is complete, there is estimated to be more than 450 residences within 800 metres of the preferred route. The Wachter Group argued that while future development is speculative in some cases, the Woodlands Area Structure Plan has reached a level of planning maturity that it is appropriate for it to be considered in this case.

416. The Wachter Group submitted that one of the main reasons AltaLink selected the preferred route was because of the supposed benefits of paralleling Highway 54. It argued that while generally paralleling existing linear infrastructure is a good principle, the benefits of paralleling Highway 54 are offset by significantly increased residential impacts, increased visual impacts and additional constraints on the construction of arterial roads intersecting Highway 54, which would increase costs to the Town's ratepayers. The Wachter Group submitted that paralleling a transmission line has less impact than paralleling a road way. The Wachter Group argued that this would further lend to the parallel alternate route as the least impact route.

417. The Wachter Group stated that the preferred route also had the largest number of landowners that objected to the route. It also argued that the Town's objection should carry additional weight as it represents the interests of the 8,000 residents of the town. The Wachter Group submitted that the alternate route had no organized groups of landowners opposing the project and overall had a smaller number of interveners that attended the hearing or objected to the route.

418. AltaLink responded to the Town's concerns with the preferred route's visual impacts by providing visual simulations of the proposed transmission line along Highway 54. AltaLink

¹¹³ Exhibit No. 170.01, Wachter Responses to AUC, pages 7-8.

stated that it did not agree that construction of the transmission line on the preferred route, along developed Highway 54, would create an impact that would affect the visual attractiveness of the town.

419. In response to the Town's concerns that AltaLink will restrict development beyond the edge of the right-of-way, AltaLink submitted that it does not restrict the development of lands outside the right-of-way, but would like to work with landowners and developers to ensure the integrity of AltaLink's facilities are maintained.

420. In response to the Wachter Group's concerns, AltaLink stated that the Wachter Group did not provide any specific evidence of the effects that a 138-kV transmission line built primarily in a road allowance would have on residences that are between 150 metres and 800 metres of the transmission line. AltaLink stated that the visual impacts of 138-kV transmission lines tend to be higher at close distances, such as within 150 metres. AltaLink identified that there would be more residences within 150 metres of the alternate route and that the only residence within 150 metres of the preferred route would be across the road from the transmission line and behind an existing tree screen. AltaLink submitted that the Wachter Group relied on evidence and findings from previous proceedings that related to 500-kV and 240-kV transmission lines that are not applicable to a 138-kV project.

421. AltaLink added that the Wachter Group relied too heavily on the number of residences within 800 metres. AltaLink contested that its selection of the preferred route placed priority on residences within 150 metres and also the fact that the alternate route required a greater amount of shelterbelts to be removed, has more quarter lines that were farmed across, has more native vegetation that was crossed, has more wetlands within the right-of-way, more right-of-way on private lands, has a longer length and a higher cost.

422. AltaLink submitted that planning had not progressed far enough to be able to properly analyze the affects the transmission lines would have on future residences in the Woodlands area. AltaLink asserted that the area structure plan did not identify specific locations of residences or their orientation to be able to examine visual impacts. AltaLink stated that because the residences would be located in an urban environment, it would consider the affects to the first row of houses rather than houses within 800 metres. It stated that there is no evidence to determine how many residences would be first row relative to transmission line 419L/420L.

423. AltaLink acknowledged that, generally, newly exposed residences would experience greater effects from a transmission line when compared to residences in proximity to an existing route. However, it submitted the effects to a residence of a 138-kV greenfield route that is largely in road allowance is low in any event. AltaLink provided visual renderings of the proposed transmission line 419L/420L from several locations along the preferred route to demonstrate the visual impacts.

424. AltaLink responded to the Wachter Group's submission that the number of landowners objecting should be given weight. AltaLink stated that while the number of landowners objecting to the alternate route is less than the preferred route, there are more landowners on the alternate route with multiple parcels and that the eight landowners who objected to the alternate route represent the majority of landowners along the length of the alternate route.

425. AltaLink further stated that while the Commission has previously taken into account the number of objections to a proposed route in the past, it has noted that this factor should be given less weight than more objective route metrics.

426. AltaLink also investigated an alternate route variant for transmission line 419L/420L, that would travel north and then east of the existing transmission line 80L and the proposed alternate route in Section 31 of Township 35, Range 28, west of the Fourth Meridian. AltaLink stated that it developed this route in response to the Town's concerns, however, AltaLink did not propose this variant route, but instead included it only for discussion purposes.

427. The following table outlines AltaLink's major aspects and considerations for the alternate route, the not-applied-for alternate route variant and the preferred route:¹¹⁴

Table 9. AltaLink's major aspects and considerations for the alternate route, the not-applied-for alternate route variant and the preferred route for transmission line 419L/420L

Major Aspects and Considerations	Alternate Route	Alternate Route Variant	Preferred Route
Residential Impacts			
Residences within 150 m of the right-of-way edge (#)	5	4	1
Residences within 800 m of the right-of-way edge (#)	42	36	69
Environmental Impacts			
Protected and Provincially Designated Areas and Environmentally Sensitive Areas in or within 800 m (ha)	48	213	60
Wetland areas in or within 800 m (ha)	59	60	49
Cost			
Total Length	14.1	14.1	13.2
Length within road allowance	7.2	8.8	6.7
Length outside of road-allowance	6.9	5.3	6.5
Number of angles and dead-end structures	8	6	15

428. AltaLink identified that the alternate route variant would use more public roads and, therefore, require less easement on private land. The alternate route variant would also reduce the number of residences within 150 metres, the number of residences within 800 metres, and the cost of the route because the variant would require less dead-end structures.

429. However, AltaLink also indicated that the alternate route variant would be located closer to the Red Deer River, and as a result, would be within 800 metres of more environmentally significant areas. AltaLink stated that the alternate route variant would be in areas of agricultural disturbances and stated that it expected that the environmental impacts could be minimized through appropriate mitigation measures.

430. In response to AltaLink's alternate variant route, the Town submitted that as it was further from its planned development, the alternate route variant would be preferable to the current alternate route. However, it reiterated that the existing transmission line 80L route does a better job of following the terrain, which helps hide the existing transmission line. The Town indicated that it had done its planning around the existing transmission line 80L.

¹¹⁴ Exhibit No. 175, AltaLink Reply Evidence, PDF page 54.

431. John and Rita Park own land along AltaLink's alternate variant route that was included for discussion purposes only. The Parks stated that they are in the process of building their dream farm site at this location. They submitted that they spent the last year building the shop and preparing the site for their new home, including running the utilities to the site. The Parks stated that part of the reason they selected the site for the residence was to avoid the health concerns from the high-voltage line on Range Road 10. They stated that the project would drastically affect their land value and submitted that the land is in the environmental sensitive planning area for Red Deer County and that it should be protected from this type of project.

432. Art Fox, who also owns land near AltaLink's alternate variant route, strongly opposed the alternate variant route. He submitted that he has a high-voltage line within 75 feet of his house on one side and another on his east quarter section, which is 200 metres or less from his house. He submitted that the alternate variant route would surround his properties with power lines on all sides. He stated that other parties that have concerns about transmission lines 450 metres from their home have no reason to complain. He stated that there have been no effects to wildlife, crop issues or noise problems from the existing lines. He stated that it is time that others share the inconvenience of having a transmission line on their property.

433. Other landowners near the preferred route also expressed concerns with the project.

434. Craig Erickson is a landowner along the preferred route of transmission line 419L/420L. He expressed concerns about effects to future land development, farming and health.

435. Russell Bowe is a landowner along the preferred route of transmission line 419L/420L. He stated that the transmission line would intersect two quarters that he farms as one parcel and that the transmission line and structures would cause a significant inconvenience and adverse effect to his family's farming operations. In response to Mr. Bowe, AltaLink committed to using longer spans to reduce the number of structures in the area where Mr. Bowe farms across the quarter line.

436. A number of landowners along the alternate route of transmission line 419L/420L also participated in the proceeding.

437. Gerry Kemp is a landowner near the Innisfail 214S substation. He submitted that no matter which route is chosen, his family and farming operations will be inconvenienced. He submitted that he supports AltaLink's preferred route.

438. Wayne and Sherri McAllister are landowners along the alternate route of transmission line 419L/420L. They submitted that they had recently subdivided an acreage and intend to build a retirement home on the property. They submitted that AltaLink had originally proposed to build the transmission line along the quarter line immediately adjacent to where they intended to build their home. They stated that AltaLink's revised route shifted the transmission line 10 metres off the quarter line, they stated that this revision does not resolve their concerns.

439. Don Beardsworth is a landowner along the alternate route near the existing Innisfail 214S substation. He also spoke on behalf of the estate of John Hudson Beardsworth. He expressed concerns on the effect to property values. He also stated that the existing substation caused noise issues. Mr. Beardsworth identified a building site with power, water and a shelterbelt that is owned by the estate near the existing Innisfail 214S substation. He stated that both he and his brother had lived on the site at different times, but moved away as they were

uncomfortable with the noise and EMF levels from the substation and transmission lines. Mr. Beardsworth opined about the loss of trees from the power lines in the area and stated that he and his family no longer felt comfortable walking down the road. He stated that many wildlife and birds, too numerous to mention, frequent the area even though there is an existing transmission line and substation present.

440. The estate of John Hudson Beardsworth owns land near the Innisfail 214S substation by the alternate route of transmission line 419L/420L. The estate of John Hudson Beardsworth submitted concerns including noise, property value, visual impacts and electromagnetic fields levels. It stated that the present noise already exceeds legal limits and as a result is lowering the value of the property. The estate also submitted that it was contacted regarding noise level tests, but that there was no follow-up and that the noise level tests may not have been conducted at the proper time.

441. May Wagers is a landowner along the alternate route of transmission line 419L/420L. She submitted that her family owns three quarters that the alternate route for the transmission lines crosses. She expressed concern about the flooding that currently occurs in the area and what affect the transmission line would have on this. She identified the difficulties of weeding around the existing transmission line and stated that Red Deer County would not allow them to spray to control the weeds because of the adjacent water body that is used as the water supply for the city of Red Deer. Ms. Wagers indicated that her daughter had intended to construct a residence on the land near where the transmission line would be constructed. Ms. Wagers submitted that if the alternate route were approved, her daughter would have to locate her residence at the far side of the quarter, which would result in a substantial increase in cost. She also expressed concern that the transmission line would have a negative impact on the value of her property. She identified health problems such as cancer as another concern. She submitted that the transmission line would spoil the view to the west from her kitchen and living room window.

442. Darcy Wagers is a landowner along the alternate route of transmission line 419L/420L. He submitted that with all the construction that has occurred on the road in the past five to 10 years he has had problems with getting his grain to the grain elevators. He stated that he had to allow parties on to his land so that he could get larger equipment around the big ravine and that he was unable to farm approximately four acres of land during the construction period that lasted three years. He submitted that it also led to weeds in the area.

443. Robert Garrison is a landowner along the alternate route of transmission line 419L/420L who is adjacent to the existing transmission line 80L. Mr. Garrison testified at the hearing speaking about the wildlife, such as moose and birds, that come around his property. He submitted that his family built and maintains more than 100 birdhouses and that his family also spends a significant amount of money feeding these birds every year. He also explained the construction effects that had resulted from the water commission installing a waste water line and the power company running new lines in the past five years. He indicated that at times he was unable to get into town due to the heavy equipment and was concerned what could happen if there was a medical emergency. He stated that it was time that someone else supported Alberta's development boom. Mr. Garrison also spoke on behalf of his neighbours, Darrell and Christie Edgar, who were unable to attend the hearing, but expressed concerns about the health effects to their children.

444. Karen and Oliver Marshall are landowners along the alternate route of transmission line 419L/420L near the alternate site for the Hazelwood 287S substation. They submitted that the

project would affect the resale value of the property since it would cause visual impacts and interfere with the view to the west end of Antler Hill. They also expressed concerns about the short- and long-term health impacts. They stated that their son is young and planned to have a family on a new building site. They also identified concerns with the project's effect on the environment. They reported drainage issues that have caused water backing up onto their land.

445. In response to the drainage concerns raised by the Marshalls, AltaLink stated that if the alternate route were selected, it would complete a drainage study to identify drainage impacts. It submitted that the natural drainage pattern of the surrounding area would not be altered and that mitigation measures would be implemented to address any issues that may occur.

446. Nick Hussar is a landowner along the alternate route of transmission line 419L/420L. He submitted that the preferred route was selected for valid reasons including that it is shorter than the alternate route. Mr. Hussar also expressed the importance of preserving farmland and identified that the alternative route travels through several cultivated farm fields.

12.5.3 Commission findings

447. The Commission finds that the construction of Hazelwood 287S substation satisfies the need as directed by the AESO.

448. The Commission finds AltaLink's evidence persuasive regarding the parallel alternate route proposed by the Town and Nican on behalf of the Wachter Group. The parallel alternate route was proposed to run parallel to transmission line 80L in sections 30 and 31 of Township 35, Range 28, west of the Fourth Meridian. The Commission recognizes that the existing transmission line 80L is a single-circuit transmission line, whereas the proposed transmission line 419L/420L would be a double-circuit transmission line and would require a larger right-of-way. The Commission accepts AltaLink's evidence that the transmission line 419L/420L right-of-way would be required to be at least 20 metres wide, however, only a 15-metre wide right-of-way would be available in this area. The Commission accepts that obtaining a right-of-way width of 20 metres would require more structures than the current transmission line 80L, which would result in additional agricultural and visual impacts, and increased cost. The Commission further recognizes that the existing right-of-way of transmission line 80L is encroached upon by Mr. Kemp's yard and garden shed, and that expanding the right-of-way would result in even larger impacts to Mr. Kemp's property. The Commission finds that the additional impacts to the Kemp residence caused by expanding the right-of-way are sufficient evidence to reject the parallel alternate route given the other options that are available.

449. The Commission finds that AltaLink's inclusion of the alternate route variant in its reply evidence for discussion purposes only was not very helpful to the Commission. It would have been more helpful to the Commission if AltaLink had included this variant as an official alternate route, if it considered it a viable alternative or should have rejected it and given reasons for doing so, if it did not consider it comparable to the existing alternate route. The Commission recognizes that the timing of the hearing and of reply evidence may have restricted AltaLink's ability to fully consult and consider the alternate route variant. AltaLink should have been aware of the Town's objections to the northwest portion of its alternate route well in advance of the time of reply evidence and it should have had ample time to investigate and consider this option earlier in the process. Further, the Commission does not find that the alternate route variant is preferential to the existing alternate route. In making this finding, the Commission notes the

potential for additional environmental impacts of the alternate route variant and, in particular, the impacts raised by Mr. Fox and Mr. and Ms. Park.

450. The Commission accepts the arguments of the Town and the Wachter Group that it must give consideration to the future residences located in the Woodlands area, as set out in the Woodlands Area Structure Plan. The Commission accepts the evidence of AltaLink that this development would be in an urban environment and should be assessed using the first-row residences metric rather than number of residences within 800 metres. The Commission acknowledges AltaLink's argument that the Woodlands Area Structure Plan has not progressed to a level where it can fully quantify the number of houses or the exact impact to houses in the Woodlands area. The Commission finds, however, that the Town's plans have progressed far enough that weight needs to be given to the potential impacts to the future residences in this area. The Commission further finds that the preferred route will have an impact on the Town's development plans, generally. The Commission finds the Town's objection to the preferred route and preference for the alternate to be a significant factor in its decision.

451. The Commission finds that the number of landowners objecting to each route is not a factor in making its decision. The Commission finds that this is a secondary metric when objective metrics indicate that routes have nearly identical impacts. The Commission finds that while the routes were similar, they do contain distinct differences and that the objective metrics and the impacts identified by interveners were significant enough that the Commission did not consider the pure number of objecting landowners to be a factor. More importantly, the Commission finds that the number of landowners objecting requires significant context and is not just a pure quantitative metric. The Commission acknowledges that both routes had significant landowner opposition. While the preferred route had more landowners attend the hearing, the Commission agrees with AltaLink's statement that the preferred route had a number of family members on the panel which increased the number of participants relative to the alternate route. Further, the Commission recognizes that the landowners objecting to the alternate route made up the majority of landowners along the length of the line and in some cases a landowner owned several quarters.

452. An important factor in the Commission making its determination on the routing of transmission line 419L/420L is the fact that a portion of the alternate route, in the section to the north of the Innisfail 214S substation, would be along the right-of-way of the existing transmission line 80L. This portion of transmission line 419L/420L will result in incremental impacts rather than brand new impacts. The Commission finds that this is of particular significance given that four of the residences within 150 metres of the alternate route have an existing transmission line near them.

453. The Commission recognizes that the number of residences within 800 metres of each proposed route is greater for the preferred route. The Commission acknowledges AltaLink's statements that for a 138-kV transmission line largely built in public road allowances, the impacts to residences greater than 150 metres away would not be significant. Nonetheless, the Commission finds that the number of residences within 800 metres to be a factor in determining the least impact route but does not put significant weight on this consideration.

454. The Commission finds that many of the metrics that favour the preferred route, such as cost, overall length, length in public road allowance and lands farmed across, only very slightly favour the preferred route and that the impacts due to these metrics would be very similar along

both routes. The Commission finds that the impacts on the individual landowners on the preferred route and the alternate route would be similar.

455. The Commission notes that both routes had parties that were concerned about the drainage impacts at each of the potential substation sites. The Commission is satisfied with the measures AltaLink has proposed to mitigate the impacts to drainage at the substation sites.

456. As indicated by AltaLink in the environment section of this decision, the Commission finds that the environmental effects favour the preferred route, but not significantly. The Commission accepts AltaLink's evidence that it will conduct appropriate mitigations and that either route could be built without significant impacts to the environment. The Commission did not place significant weight on this factor.

457. The Commission did not place significant weight on potential impacts to the airstrip of the Lind's. The Commission finds that because the airstrip was not identified to AltaLink until late in the process, that AltaLink was not able to appropriately evaluate the preferred route's effect on the airstrip. As a result, the Commission feels that it does not have sufficient evidence to make a finding on the impacts to the airstrip.

458. The Commission finds that the alternate route for the transmission line 419L/420L and alternate site for the Hazelwood 287S substation would have a greater potential for environmental effects compared to the preferred route due to the larger amount of wetlands in proximity. However, the Commission recognizes AltaLink's statement that with the implementation of the proposed mitigation measures and supplemental environmental studies, both routes would be satisfactory from an environmental perspective. The Commission did not consider the environmental impacts to be significantly different between the two routes and, therefore, did not place considerable weight on this factor.

459. The Commission finds in favour of and approves the alternate route for transmission line 419L/420L and Hazelwood 287S substation location. The Commission finds that the Town's preference and the impacts to the Woodlands area were the driving factors for making this decision.

460. The Commission notes that as a result of selecting the alternate route, transmission line 80L will be decommissioned and a portion of it will be salvaged. The Commission finds that AltaLink applied to salvage only a portion and will have to make a separate application to salvage the remainder of transmission line 80L between Innisfail 214S and Red Deer 63S substations.

461. The Commission also approves the alterations to Innisfail 214S substation by adding three new 138-kV circuit breakers, the alterations to transmission line 929L to connect to Hazelwood 287S substation and the redesignation of transmission line 929L between Red Deer 63S and Hazelwood 287S substations as transmission line 1082L.

12.6 New Wolf Creek 288S substation

462. AltaLink requested approval to construct a new 240/138-kV substation, designated as Wolf Creek 288S, northeast of Ponoka.

463. AltaLink proposed a preferred site for Wolf Creek 288S substation in the southwest quarter of Section 13, Township 43, Range 25, west of the Fourth Meridian. AltaLink also

proposed an alternate site for the substation in the southwest quarter of Section 12, Township 43, Range 25, west of the Fourth Meridian.

464. AltaLink stated that the major equipment at Wolf Creek 288S substation would include two 240/138-kV, 120/160/200-MVA transformers, four 240-kV circuit breakers, five 138-kV circuit breakers, one 40-metre tall telecommunications tower and associated substation equipment. The substation would be surrounded by a fence approximately 142 metres by 260 metres.

465. AltaLink applied to construct a new double-circuit 138-kV transmission line 421L/422L, approximately four kilometres in length, between Wolf Creek 288S and Ponoka 331S substations.

466. AltaLink also requested approval to alter transmission lines 910L and 883L in order to connect them to the new Wolf Creek 288S substation. Approximately 0.25 kilometres of transmission line 910L and 2.9 kilometres of transmission line 883L would be salvaged as part of the alterations.

467. AltaLink, pursuant to Licence No. U2002-820, is the operator of the portions of transmission line 910L from Ellerslie 89S substation to Red Deer 63S substation, located outside the boundaries of Indian Reserve (I.R.) 137, I.R. 137A, I.R. 138, and I.R. 139, in the Edmonton and Red Deer areas. TransAlta Corporation (TransAlta), pursuant to Licence No. U2002-935,¹¹⁵ is the operator of the portions of transmission line 910L from Red Deer 63S substation to Ellerslie 89S substation, located within the boundaries of I.R. 137, I.R. 137A, I.R. 138 and I.R. 139. No alterations were proposed to the TransAlta portion of transmission line 910L, however, if the AltaLink alterations were approved, TransAlta would require an updated licence to operate the transmission line.

468. AltaLink is the owner and operator of transmission line 883L pursuant to Licence No. U2002-807.¹¹⁶ AltaLink proposed to redesignate the portion of transmission line 910L between Red Deer 63S and Wolf Creek 288S substations as transmission line 1083L.

469. AltaLink applied to alter Ponoka 331S substation by salvaging a 138-kV circuit breaker and relocating an existing circuit breaker. AltaLink is the owner of Ponoka 331S substation pursuant to Permit and Licence No. [U2012-570](#).¹¹⁷

470. AltaLink stated that transmission line 716L¹¹⁸ from Ponoka 331S substation to Wetaskawin 40S substation and transmission line 80L¹¹⁹ from Ponoka 331S substation to West Lacombe 958S substation would be disconnected from Ponoka 331S substation. AltaLink stated that the salvage of transmission line 716L from Ponoka 331S substation to Wetaskawin 40S substation and transmission line 80L from Ponoka 331S substation to West Lacombe 958S substation would be applied for in a future application.

¹¹⁵ Licence No. U2002-935, Application No. 1274771, December 13, 2002.

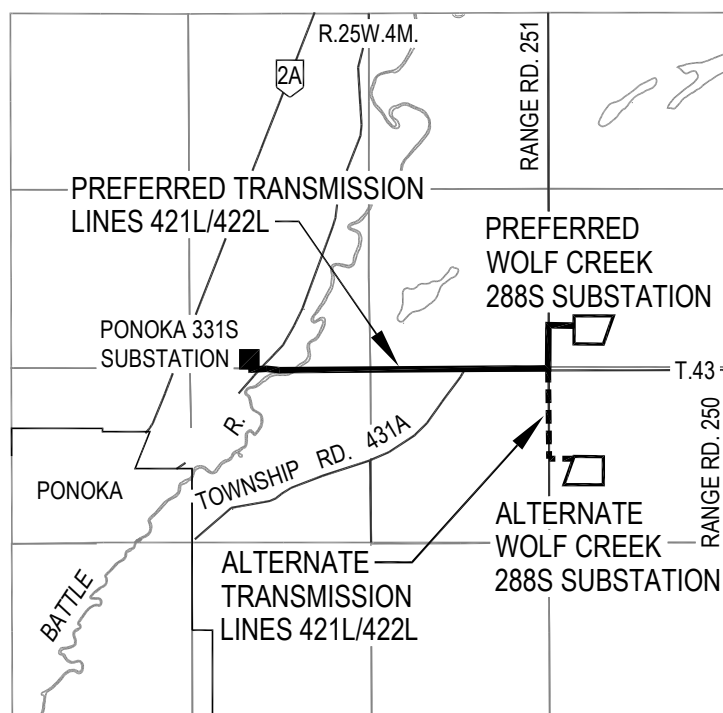
¹¹⁶ Licence No. U2002-807, Application No. 1274771, December 13, 2002.

¹¹⁷ Substation Permit and Licence No. U2012-570, Application No. 1608578, Proceeding No. 1941, November 15, 2012.

¹¹⁸ Permit and Licence No. U2002-660.

¹¹⁹ Permit and Licence No. U2012-235.

Figure 8 – New Wolf Creek 288S substation and transmission line 421L/422L



12.6.1 Views of the applicant

471. AltaLink submitted that the preferred route is 500 metres shorter, has fewer residences within 500 metres, and fewer residences within 800 metres.

472. AltaLink stated that there is a higher amount of sensitive wetland within 800 metres of the alternate route. AltaLink prepared the following table to compare the preferred and alternate routes of transmission line 421L/422L:¹²⁰

Table 10. AltaLink's major aspects and considerations for the preferred and alternate routes of transmission line 421L/422L

Major aspects and considerations		Preferred route	Alternate route
Residential impacts			
Residences within 150 m of the right-of-way edge (#)		5	5
Residences within 800 m of the right-of-way edge (#)		31	34
Newly exposed residences within 800 m		2	1
Environmental impacts			
Wetland areas in or within 800 m (ha)		56	80
Visual impacts			
Residences within 150 m of right-of-way edge (#)		See above for residences within 150 m	
Cost			
Length of route (km)	Total length	3.5	4.0
	Total Length in road allowance	3.5	4.0
Number of angles and dead-end structures		12	11
Cost (\$M)		51.8	52.2

¹²⁰ Exhibit No. 2, Application, Table 4-11, PDF page 238.

12.6.2 Views of the parties

473. Lyle Giesbrecht is a landowner near the proposed transmission line 421L/422L. He objected to the project based on AltaLink's previous conduct when it expanded the Ponoka 331S substation in the area. Mr. Giesbrecht identified concerns with an increase in traffic without any dust control and lack of communication with landowners. Mr. Giesbrecht referenced county bylaws that required that moves consisting of three or more loads travelling the same route require a water truck for dust control. He stated that his residence is 75 feet from the road and that the dust caused by AltaLink was relentless and unbearable. He indicated that one weekend he had guests from an out of town camp on his property and that they had to stay inside all day due to the dust. He stated that he phoned the county, a representative from Synergy Land Services who indicated he would raise the matter with AltaLink, and spoke directly with the subcontractors at the substation site. He submitted that after this, the road was only watered on two instances in May. He stated that eventually he gave up and approached the county about getting his road oiled at his own cost to alleviate the dust. Mr. Giesbrecht also stated that very few of AltaLink's contractors adhered to the 50 kilometres per hour speed limit.

474. Mr. Giesbrecht also expressed concerns about the fact that AltaLink and FortisAlberta did not come to an agreement to understring the distribution line and that there would now be two lines, a transmission and a distribution line, with one on each side of the roadway.

475. AltaLink submitted that its environmental requirements specifications required contractors and subcontractors to complete a dust control plan. It stated that the plan would form part of the construction environmental management plan and would contain dust control measures such as wind fencing, water-spraying, hydro-spraying tackifier on exposed soil surfaces and regular watering of heavy-use unpaved traffic lanes.¹²¹ AltaLink acknowledged that dust control was an issue during the Ponoka 331S substation project and that AltaLink subsequently instructed the work crew to stay below the speed limit and to spray water to control the dust. AltaLink committed to control dust emissions from access roads and construction activities as necessary to ensure that stakeholders are not unduly affected by the construction of the project. AltaLink stated that it would compensate Mr. Giesbrecht for the cost that he incurred to have the road sprayed in 2013.

476. AltaLink submitted that the existing transmission line 883L is a single-circuit, while the proposed transmission line would be a double-circuit. It stated that underbuilding the Fortis line would not be desirable for the double-circuit transmission line as it would impede maintenance access to the outside circuit. AltaLink stated that underbuilding the line would also increase the height of the towers, shorten the span of the towers and increase the costs of the project.

12.6.3 Commission findings

477. The Commission finds that the construction of Wolf Creek 288S substation satisfies the need as directed by the AESO.

478. The Commission acknowledges AltaLink's strategies and commitments to control dust during construction. The Commission recognizes Mr. Giesbrecht's comments, and that AltaLink's strategies during the Ponoka 331S substation upgrade failed to adequately mitigate the construction impacts. AltaLink's strategies to mitigate these types of impacts may be sound, but the implementation of them clearly fell short of what was intended. The Commission expects

¹²¹ Exhibit No. 175, AltaLink Reply Evidence, PDF 59, paragraph 240.

that AltaLink will be cognizant of the outcomes from the Ponoka 331S substation project and that it will take appropriate steps to ensure measures are properly implemented for this project.

479. The Commission finds that the alternate route for the Wolf Creek 288S substation would have a greater potential for environmental effects compared to the preferred route due the larger amount of sensitive wetland within 800 metres. The Commission accepts the evidence of AltaLink that the preferred substation site would have a greater potential for environmental effects compared to the alternate substation site. The Commission also acknowledges that AltaLink has indicated that with appropriate mitigation, both substation sites are acceptable from an environmental perspective.

480. The Commission acknowledges that the preferred route has a slightly lower cost, has fewer homes within 800 metres and fewer wetlands within 800 metres. Therefore, the Commission finds that the preferred route and the preferred substation site will have the least amount of impacts.

481. There are no environmental, social or economic impacts from the project that would indicate that the project is not in the public interest. The Commission approves the preferred route for transmission line 421L/422L, the preferred Wolf Creek 288S substation, the alterations to transmission lines 883L and 910L in order to connect them to the new Wolf Creek 288S substation, the redesignation of the portion of transmission line 910L between Red Deer 63S and Wolf Creek 288S substations as transmission line 1083L, the alterations to Ponoka 331S substation by salvaging a 138-kV circuit breaker and relocating an existing circuit breaker, the decommissioning of transmission line 716L from Ponoka 331S substation to Wetaskawin 40S, and the decommissioning of transmission line 80L from Ponoka 331S substation to West Lacombe 958S substation.

482. The Commission notes that AltaLink stated that the salvage of transmission lines 716L and 80L from Ponoka 331S substation to West Lacombe 958S substation would be applied for in a future application.

12.7 Other components of application

483. AltaLink proposed to redesignate portions of transmission line 80L, which did not require any additional work. The portion of transmission line 80L between Olds 55S and Innisfail 214S substations would be redesignated as transmission line 443L. The portion of transmission line 80L between North Red Deer 217S and Blackfalds 198S substations would be redesignated as transmission line 444L.

12.7.1 Commission findings

484. The Commission approves the following redesignations of transmission line 80L:

- The portion of transmission line 80L between Olds 55S and Innisfail 214S substations shall be redesignated as transmission line 443L.
- The portion of transmission line 80L between North Red Deer 217S and Blackfalds 198S substations shall be redesignated as transmission line 444L.

13 Decision

485. Pursuant to sections 14, 15, 19 and 21 of the *Hydro and Electric Energy Act*, the Commission approves the application and grants AltaLink the approvals set out in the following appendices:

- Appendix 1 – New Johnson 281S Substation – Permit and Licence No. U2014-296
- Appendix 2 – Decommission and Salvage Didsbury 152S Substation – Approval No. U2014-297
- Appendix 3 – Alter Olds 55S Substation – Permit and Licence No. U2014-298
- Appendix 4 – New Hazelwood 287S Substation – Permit and Licence No. U2014-299
- Appendix 5 – Alter Innisfail 214S Substation – Permit and Licence No. U2014-300
- Appendix 6 – New Wolf Creek 288S Substation – Permit and Licence No. U2014-301
- Appendix 7 – Alter Ponoka 331S Substation – Permit and Licence No. U2014-302
- Appendix 8 – Alter Transmission Line 80L – Permit and Licence No. U2014-303
- Appendix 9 – Decommission and Salvage a Portion of Transmission Line 80L – Approval No. U2014-304
- Appendix 10 – Alter and Redesignate Transmission Line 425L – Permit and Licence No. U2014-305
- Appendix 11 – Alter and Redesignate Transmission Line 426L – Permit and Licence No. U2014-306
- Appendix 12 – Alter and Redesignate Transmission Line 417L – Permit and Licence No. U2014-307
- Appendix 13 – Alter and Redesignate Transmission Line 418L – Permit and Licence No. U2014-308
- Appendix 14 – Redesignate Transmission Line 443L – Licence No. U2014-309
- Appendix 15 – Redesignate Transmission Line 444L – Licence No. U2014-310
- Appendix 16 – Alter Transmission Line 755L – Permit and Licence No. U2014-311
- Appendix 17 – Alter and Redesignate Transmission Line 427L – Permit and Licence No. U2014-312
- Appendix 18 – Alter Transmission Line 910L – Permit and Licence No. U2014-313
- Appendix 19 – Alter and Redesignate Transmission Line 1083L – Permit and Licence No. U2014-314
- Appendix 20 – Alter Transmission Line 637L – Permit and Licence No. U2014-315
- Appendix 21 – Alter Transmission Line 648L – Permit and Licence No. U2014-316
- Appendix 22 – Alter Transmission Line 918L – Permit and Licence No. U2014-317
- Appendix 23 – Alter and Redesignate Transmission Line 1081L – Permit and Licence No. U2014-318

- Appendix 24 – Alter Transmission Line 166L – Permit and Licence No. U2014-319
- Appendix 25 – New Transmission Line 419L – Permit and Licence No. U2014-320
- Appendix 26 – New Transmission Line 420L – Permit and Licence No. U2014-321
- Appendix 27 – Alter Transmission Line 929L – Permit and Licence No. U2014-322
- Appendix 28 – Alter and Redesignate Transmission Line 1082L – Permit and Licence No. U2014-323
- Appendix 29 – New Transmission Line 421L – Permit and Licence No. U2014-324
- Appendix 30 – New Transmission Line 422L – Permit and Licence No. U2014-325
- Appendix 31 – Alter Transmission Line 883L – Permit and Licence No. U2014-326

486. Pursuant to sections 15 and 19 of the *Hydro and Electric Energy Act*, the Commission grants TransAlta the following approval:

- Appendix 32 – Transmission Line 910L – Licence No. U2014-327

487. The appendices will be distributed separately.

Dated on July 29, 2014.

The Alberta Utilities Commission

(original signed by)

Tudor Beattie, QC
Panel Chair

(original signed by)

Neil Jamieson
Commission Member

(original signed by)

Ian Harvie
Acting Commission Member

Appendix A – Proceeding participants

Name of organization (abbreviation) counsel or representative
AltaLink Management Ltd. S. Carpenter D. Watt J. Yearsley
D. Beardsworth
Estate of J.H. Beardsworth D. Beardsworth
D. Berry
E. and M. Bieganek
R. and R. Biel
R. Bowe
B. Caddy
G. Carlson
I. and M. Carter
City of Red Deer T. D. Marriott
R. Davis
C. Erickson
A. Fox
L. Giesbrecht

Name of organization (abbreviation) counsel or representative
S. Gregg
D. Hainsworth
D. Hughes
N. Hussar
K. and M. Ible
E. Johanson
G. Kemp
G. and A. Kershaw
H. Lind
K. and O. Marshall
C. M. Matson
W. and S. McAllister
G. Meikle and 1728161 AB Ltd. G. Fitch
Mountain View County
M. Newfield
J. and R. Park

Name of organization (abbreviation) counsel or representative
D. Parker
Phoenix Construction Inc. C. Baldwin
Pines Group J. Wilson A. Sully
R. Pocock
R. Que Villanueava
A. V. Rand
M. and M. Schoonderwoerd
T. Skjonsberg P.J. Madden
M. Steiert
B. and M. Stevenson
R. and W. Tams
K. Thompson
Town of Innisfail C. Teal
Utilities Consumer Advocate M. Keen R. B. Wallace
R. Q. Villanueava

Name of organization (abbreviation) counsel or representative
I. and M. Wachter
Wachter Group M. Niven N. Ramessar
D. Wagers
M. Wagers
Westpark Estates Group D. Bishop D. O'Callaghan
R. Wiersma

The Alberta Utilities Commission
Commission Panel Tudor Beattie, Q.C. Panel Chair Neil Jamieson, Commission Member Ian Harvie, Acting Commission Member
Commission Staff Shari Boyd(Commission counsel) Allan Anderson Trevor Richards

Appendix B – Oral hearing – registered appearances

Name of organization (abbreviation) counsel or representative	Witnesses
AltaLink Management Ltd. (AltaLink) S. Carpenter D. Watt J. Yearsley	M. Van Wyk N. Harms K. Turriff J. Howland J. Wylie G. Doll W. Mundy L. Erdreich F. Liszczak
Estate of J.H. Beardsworth D. Beardsworth	D. Beardsworth
D. Beardsworth	D. Beardsworth
G. Carlson	G. Carlson
B. Garrison	B. Garrison
L. Giesbrecht	L. Giesbrecht
C. Matson	C. Matson
G. Meikle and 1728161 AB Ltd. G. Fitch	G. Meikle G. Berry
Pines Group J. Wilson	J. Wilson A. Sully
Town Of Innisfail C. Teal	C. Teal
Utilities Consumer Advocate M. Keen	

Name of organization (abbreviation) counsel or representative	Witnesses
Wachter Group M. Niven	B. Veldkamp J. Geurts O. Oxtoby M. Oxtoby A. Rand E. Johnson G. Johnson K. Thompson R. Davis R. Lund H. Lund I. Wachter M. Wachter R. Mayhew J. Rasmussen M. Ible K. Ible A. Argenal
D. Wagers	D. Wagers
M. Wagers	M. Wagers
Westpark Estates Group D. Bishop D. O'Callaghan	S. Cormack M. Hart M. Schoonderwoerd R. Archer

Appendix C – Abbreviations

Abbreviation	Name in full
AESO	Alberta Electric System Operator
AltaLink	AltaLink Management Ltd.
Archer report	Financial Impact Assessment AltaLink 138 kV Line Rebuild & Rerouting Three Residences West Park Red Deer, Alberta
AUC or the Commission	Alberta Utilities Commission
AUC Rule 007	<i>AUC Rule 007: Applications for Power Plants, Substations, Transmission Lines, Industrial System Designations and Hydro Developments</i>
AUC Rule 012	<i>AUC Rule 012: Noise Control</i>
dBA L_{eq}	Decibel A-weighted
EMF	Electric and magnetic field or electromagnetic field
ESR	Environmental Specifications Requirements
ESRD	Alberta Environment & Sustainable Resource Development
EUB or the Board	Alberta Energy and Utilities Board
GPS	Global positioning system
ICNIRP	International Commission on Non-Ionizing Radiation Protection
I.R.	Indian Reserve
km	Kilometre
kV	Kilovolt
kV/m	Kilovolts per metre
mG	Milligauss
MLS	Multiple Listing Service
MVA	Megavolt-ampere
NIA	Noise Impact Assessment
Nican	Nican International Consulting Ltd.
NID	Needs Identification Document
PPS	Proposal to Provide Service
RoW	Right-of way
Serecon	Serecon Valuations Inc.
Stantec	Stantec Consulting Ltd.
TERA	TERA Environmental Consultants
The Town	Town of Innisfail
TransAlta	TransAlta Corporation
UCA	Office of the Utilities Consumer Advocate
WPE Group	Westpark Estates Group

Appendix D – Standing ruling

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Appendix D - AUC
ruling on standing - 20

(consists of 5 pages)

Appendix E – Ruling on Westpark Estates request for time extension

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Appendix E - AUC
ruling on time extensi

(consists of 3 pages)

Appendix F – Ruling on UCA motion for further and better responses

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Appendix F - AUC
ruling on UCA motion

(consists of 3 pages)

Electronic notification

December 17, 2013

To: Interested Parties

AltaLink Management Ltd.
Red Deer Area Transmission Development
Application No. 1609677
Proceeding ID No. 2669

Ruling on Standing in Proceeding ID No. 2669**Introduction and Background**

1. The Alberta Utilities Commission (AUC or the Commission) must determine whether to grant standing to persons who have filed statements of intention to participate in the Red Deer Area Transmission Development project (Proceeding ID No. 2669).
2. In Proceeding ID No. 2669, the Commission will consider an application filed by AltaLink Management Ltd. (AltaLink) for transmission facilities intended to address the need identified in the Need Identification Document approved in AUC Decision [2012-098](#) in the Red Deer area. The proposed transmission facilities include 7 components:
 - a. Rebuild transmission line 80L within the city of Red Deer between the Red Deer North 217S, Red Deer South 194S and Red Deer 63S substations. The transmission line would be primarily rebuilt along the existing right-of-way of transmission line 80L, however, AltaLink has proposed several alternate route options for small portions of this rebuild.
 - b. Rebuild transmission line 755L between Red Deer 63S, Piper Creek 247S and Joffree 535S substations. The transmission line would be rebuilt primarily along the existing right-of-way. A portion of transmission line 755L would be consolidated onto double circuit towers with the rebuild of transmission line 910L within Red Deer.
 - c. Rebuild transmission line 637L between the Benalto 17S substation and the Sylvan Lake 580S substation and rebuild transmission line 648L between the Sylvan Lake 580S substation and the Red Deer 63S substation. Both transmission lines 637L and 648L will be rebuilt along the existing rights-of-way.
 - d. Construct a new 240/138-kV substation to be designated the Johnson 218S substation adjacent to the Didsbury 152S substation and salvage the Didsbury 152S substation. In addition, construct a new double-circuit 138-kV transmission line 417L/418L between the existing 80L transmission line and the new Johnson 218S substation.

- e. Construct a new 240/138-kV substation to be designated the Hazelwood 287S substation, east of Innisfail. AltaLink has proposed a preferred and alternate site for the new substation. Construct a new double-circuit 138-kV transmission line between the Innisfail 214S substation and the Hazelwood 287S substation, in addition to alterations to transmission line 929L to connect it to the Hazelwood 287S substation.
 - f. Construct a new 240/138-kV substation to be designated the Wolf Creek 288S substation to be constructed east of Ponoka. Construct a new double-circuit 138-kV transmission line 421L/422L between the Wolf Creek 288S substation and the Ponoka 331S substation. AltaLink has proposed a preferred and alternate route for transmission line 421L/422L.
 - g. Construct a new 138-kV transmission line 423L between the Lacombe 212S substation and the Ellis 332S substation east and south of Lacombe. AltaLink has proposed a preferred, alternate and preferred variant route for the transmission line.
3. The Commission has asked that I inform you of its ruling.

Statements of Intention to Participate

4. 31 statements of intention to participate were filed prior to or in response to the Commission's Notice of Application issued on October 25, 2013. In this ruling, the Commission must decide if the persons who filed a statement of intention to participate in Proceeding ID No. 2669 have demonstrated that they have rights that may be directly and adversely affected by the Commission's decision on the application for the Red Deer Area Transmission Development project. A person who demonstrates the potential for direct and adverse effect is said to have 'standing'.

Commission Findings

5. Under Section 9 of the *Alberta Utilities Commission Act*, the Commission must hold a hearing on an application if a person shows that he or she has rights that may be directly and adversely affected by the Commission's decision on the application.

6. There is a two part test for determining standing. First, a person must demonstrate that the right he or she is asserting is recognized by law. Second, a person must provide some information that shows that the Commission's decision on the application may directly and adversely affect his or her rights. The first part of the test is legal; the second part of the test is factual. For the factual part of the test, the Alberta Court of Appeal has stated that "some degree of location and connection between the work proposed and the right asserted is reasonable."¹

7. Persons with standing have a right to have their concerns about an application considered in a hearing. As a part of this right, the Commission must give persons with standing a reasonable opportunity to understand the applications and the positions of other parties in the

¹ *Dene Tha' v Alberta (Energy and Utilities Board)*, 2005 ABCA 68, paragraph 14.

proceeding. It is the Commission's practice to allow persons with standing to file and present evidence, cross-examine the applicant and to make argument.

8. In the past the Commission has allowed persons without standing the opportunity to provide a brief statement to the Commission that describes their views on the application. However, where all persons with standing withdraw their objections, the Commission may cancel the hearing even if parties without standing have expressed a desire to participate in that hearing.

Ruling

Landowners or Residents within 800 metres of the Right-of-Way

9. 26 of the 31 statements of intention to participate were filed by individual landowners who own, reside or have an interest in land within 800 metres of the right-of-way edge of one of the components, either on the preferred or alternate route or locations, of the Red Deer Area Transmission Development project. AltaLink has indicated that they do not object to standing being granted to interveners that reside on or own land within 800 metres of the edge of the right-of-way.²

10. The Commission is satisfied that those individuals who reside or own land within 800 metres of the right-of-way of one of the project components may be directly and adversely affected by the Commission's decision on the application. As such, the individuals listed in Appendix "A" to this decision have been granted standing in this proceeding.

Landowners or residents outside of 800 metres of the Right-of-Way

11. One of the 31 statements of intention to participate was filed by landowners who appear to own, reside or have an interest in land outside of 800 metres of the right-of-way of any component of the project; namely, Ian and Marion Carter who reside in Ponoka. At this time it is not clear to the Commission how these landowners may be directly and adversely affected by the Commission's decision on this application. As a result, the Commission cannot grant standing to the Carters at this time, however, they can apply to the Commission for standing by demonstrating how they may be directly and adversely affected. As indicated above, although the Carters do not have standing to fully participate in the hearing, the Commission will allow them to provide a brief statement in relation to the application at the hearing.

Landowners with Insufficient Information

12. One of the 31 statements of intention to participate was filed by Allan V. Rand. The Commission has insufficient information to determine whether Mr. Rand may be directly and adversely affected by the Commission's decision on the application as Mr. Rand has not provided the right, claim or interest he is asserting or how that right may be directly and adversely affected. Accordingly, the Commission cannot grant standing to Mr. Rand at this time. Should Mr. Rand wish to pursue standing with respect to this application, he must file additional information with the Commission outlining the legal right he is asserting which may be directly and adversely affected by the Commission's decision. If Mr. Rand is not granted standing, the

² Exhibit 0077.00.AML

Commission will still allow him to provide a brief statement in relation to the application at the hearing.

Landowner Group

13. Groups of individuals that are comprised of one or more persons with standing and persons who do not have standing may, at the discretion of the Commission, participate in the proceeding. The basis for these groups' participation is that one or more of its members have standing. This is the case with the Pines Resident Group who the Commission has determined has standing in this proceeding as at least one member of the group has standing on an individual basis. However, please note that individuals who do not have standing on an individual basis, but belong to a group that does have standing, are not eligible to apply for the recovery of costs on their individual participation.

Municipalities

14. The City of Red Deer and the Town of Innisfail have filed statements of intention to participate in this proceeding. The Commission has determined that both the City of Red Deer and the Town of Innisfail have standing to participate in the proceeding.

Utilities Consumer Advocate

15. The Utilities Consumer Advocate (UCA) filed a statement of intention to participate and clarified that its interest in the proceeding relates to customer costs in its correspondence of December 10, 2013.³

16. While only persons with standing have a right to a hearing on an application, the Commission does not consider that Section 9(2) limits its jurisdiction to allow persons without standing to participate in a hearing triggered by a party with standing. The Commission has the implicit authority to allow persons whose rights may not necessarily be directly and adversely affected by the Commission's decision on an application, but who wish to make comments as to the public interest associated with an application, to participate in a hearing. As a result, the Commission is exercising its discretion and allowing the UCA to fully participate in the proceeding including the ability to file evidence, cross-examine the application and submit argument.

Yours truly,

Shari L. Boyd
Commission Counsel

³ Exhibit 0078.00.UCA

Appendix "A"
Individual Landowners with Standing in Proceeding ID No. 2669

1. Russell Bowe
2. Matt Steiert
3. Wayne and Sherri McAllster
4. Don Beardsworth
5. Cam Baldwin
6. Harvey and Ruth Lind
7. Tom E. Skjonsberg
8. Rick Tams and Wayne Tams
9. Gregg Meikle
10. Dave Hughes
11. John Hudson Beardsworth Estate
12. Bryan Caddy
13. Ivo and Manuela Wachter
14. Bob and Margaret Stevenson
15. Denis and Doreen Hainsworth
16. Rosario Que Villanueva
17. Ron and Roberta Biel
18. Matt and Margaret Schoonderwoerd
19. Constance M. Matson
20. Robert Davis
21. Keith and Mary Ible
22. Kim Thompson
23. Glen and Annette Kershaw
24. Robert Pocock
25. Eugene and Michele Bieganek
26. Ray Wiersma

December 20, 2013

To: Interested parties

AltaLink Management Ltd.
Red Deer Area Transmission Development
Application No. 1609677
Proceeding ID No. 2669

Ruling: Request for time extension of filing information requests to the applicant

Introduction, background and process

1. On December 17, 2013, the Alberta Utilities Commission (AUC or the Commission) received correspondence from Ms. Debbie Bishop, legal counsel for Matt and Margaret Schoonderwoerd, requesting a one-week extension of the deadline for the filing of information requests to the applicant. On December 17, 2013, the Commission requested that any party or interested person who had any concerns or objections to the granting of the extension provide their comments to the Commission by 12 p.m. on December 19, 2013.
2. On December 19, 2013, the Commission received correspondence from AltaLink Management Ltd.'s (AltaLink) legal counsel indicating that AltaLink objected to the one-week extension being requested by the Schoonderwoerds. AltaLink indicated that there is little flexibility in the schedule and any delay now could result in further delays later including a delay in the hearing of the application. Further, AltaLink indicated that the fact that legal counsel's office will be closed over the Christmas holidays is not an appropriate justification for an extension.
3. AltaLink stated that if the Commission did decide to grant an extension on the deadline for the filing of information requests to the applicant, that a one-week extension is unnecessary and that, at most, an extension from January 6, 2014 to January 8 or 9, 2014, would be all that was warranted.
4. The Commission provided an opportunity for legal counsel for the Schoonderwoerds to respond to any concerns or objections received and Ms. Bishop provided correspondence on December 19, 2013. The December 19, 2013 correspondence from Ms. Bishop indicates that there is no possibility of changing holiday plans to accommodate the January 6, 2014 date for information requests to the applicants and that an expert witness has not yet been obtained. In addition, there is a suggestion that the Commission may want to delay all of the process step deadlines including the hearing commencement date back three to four weeks.
5. The Commission must determine if it is appropriate to grant the request for an extension of the deadline for the filing of information requests to the applicant and what, if any, effect the extension may have on the remaining process steps in this proceeding.

6. The Commission has asked that I inform you of its ruling.

Commission findings

7. The Commission issued the notice of application in this matter on October 25, 2013, and the notice of hearing on December 5, 2013. The Commission held an information session in this proceeding on November 13, 2013 in Red Deer. The Schoonderwoerds registered their statement of intent to participate in this proceeding on November 18, 2013. However, it is also acknowledged by the Commission that Mr. Schoonderwoerd also signed a letter objecting to the project that was filed with the Commission on July 25, 2013. The Schoonderwoerds only recently obtained legal counsel and the Commission acknowledges that it can take some time to find legal representation.

8. The Commission has determined that a one-week extension of the filing of the information requests to the applicant is not appropriate, however, the Commission does consider an extension to January 9, 2014, is appropriate in the circumstances.

9. An extension to January 9, 2014, is reasonable given the timing of the AUC's information session, the filing of the statement of intention to participate and the timeframe of when the Schoonderwoerds obtained legal counsel. The Commission is of the view that this small extension adequately balances the interests of the Schoonderwoerds with the interests of the applicant and other interested parties.

10. In determining that a one-week extension was not appropriate in the circumstances the Commission considered several factors. These factors included that the request relates to legal counsel's limited availability as a result of their schedule during the holiday season which they were aware of when they agreed to take on the matter, the limited flexibility in the Commission's process schedule and the Commission's view that the hearing in this matter should proceed as scheduled, if possible. The Commission is subject to statutory timeframes for deciding facility applications, and that deadline in this case is April 23, 2014. The Commission set a process schedule, based on the issuance dates of the notice of application and the notice of hearing that it determined provided parties sufficient time to adequately prepare for the hearing while ensuring that the hearing proceeded in a timely manner. A small extension in relation to the deadline for the information requests to the applicants is in keeping with the balancing which went into the creation of the original process schedule, however, a three to four week extension of all process steps, including a delay in the hearing does not appear warranted at this time.

11. Given the extension in relation to the deadline for the information request to the applicants, an adjustment to the other process steps in this proceeding is required. The new process schedule shall be as follows:

Information requests (questions) to applicant deadline	January 9, 2014
Applicant's response to information requests deadline	January 16, 2014
Intervenors' written evidence deadline	January 30, 2014
Information requests (questions) to interveners deadline	February 10, 2014
Intervenors' responses to information requests deadline	February 27, 2014
Applicant's reply evidence deadline	March 3, 2014
Commencement of hearing	March 11, 2014, 9 a.m.

12. The Commission is of the view that with the extension, together with new deadlines for all of the remaining process steps and the fact that the commencement of hearing remains the same, there is no prejudice to the applicants or any interested parties.

Yours truly,

Shari L. Boyd
Commission Counsel

Electronic notification

February 12, 2014

To: Interested Parties

AltaLink Management Ltd.
Red Deer Area Transmission Development
Application No. 1609677
Proceeding ID No. 2669

Ruling on motion for further and better responses to information requests

1. In this ruling the Alberta Utilities Commission (the Commission) must determine whether to grant a motion by the Office of the Utilities Consumer Advocate (the UCA) for further and better responses to an information request it asked of AltaLink Management Ltd. (AltaLink). AltaLink opposes the motion.

2. The Commission has ruled on this motion and instructed the writer to communicate its ruling to interested parties.

UCA's motion

3. As part of the information requests the UCA issued to AltaLink, the UCA requested the following (UCA-AML-1):

“(j) Has AML made any change order requests to date on the RDATD project? If yes, please provide the requests to and responses from the AESO.”¹

4. AltaLink responded to this request at UCA.AML-001:

“(j) Yes, AltaLink has submitted change proposals to the AESO in respect of the facilities included in this Facility Application. With the exception of one change proposal, all change proposals submitted to the AESO prior to the filing of the Facility Application were included in the cost estimate tables in Section 11 of the Facility Application. A summary of the change proposals that have not been included in the cost estimate tables in the Facility Application is set out in Attachment A, including the reason for the requested change and the AESO's response. AltaLink has not included the original change proposals as they contain commercially sensitive information that could prejudice AltaLink's interests.”²

¹ Exhibit 98.02, UCA IR No. 1 to AML, page 4.

² Exhibit 100.01, AML IR Responses to UCA (1-6), page 6.

5. In its motion the UCA specifically requested that AltaLink be required to provide the following information:

- (i) A detailed summary of its change proposals to the AESO for each project component, including but not limited to:
 - Variances for material and labour costs for three areas – Transmission, Substation and Communications; and
 - Variances for Owner, Distributed, Salvage and Other Costs with respective breakdown; and
- (ii) A detailed summary of the AESO's response to each of the change proposals, including information on materials (i.e. wires, transmission structures, shielding), substation major and ancillary equipment, telecommunications equipment, labour (men and construction equipment), routing and siting matters, geotechnical matters, environmental matters, landowner matters, regulatory matters and project timing matters.

6. The UCA recognized that the wording of the request for information in its motion is not identical to the wording of the information requested through the information request process. The UCA indicated that the change does not affect the substance of the information requested but rather only its form.

UCA submissions

7. The UCA claimed that the response provided by AltaLink to information request UCA.AML-001(j) does not provide the information requested and that AltaLink does not provide a legitimate ground for why it is refusing to provide the information. Further, the UCA submitted that AltaLink's non-compliance with AUC Rule 001 – *Rules of Practice* (AUC Rule 001) is reason enough to allow the motion. However, the UCA also stated that the information requested is relevant to the determination before the Commission, as the Commission is required to consider the public interest of a project including the social and economic factors.

8. Further, the UCA submitted that there has been a significant cost escalation in relation to the project and that the information requested will provide a better understanding of the causes of the escalation. The UCA indicated that it is its intention to test the application and that the information requests may provide information necessary for it to do so, which it stated would not be conditional upon the filing of evidence by the UCA.

AltaLink's submissions

9. AltaLink opposed the motion of the UCA on the grounds that the purpose for which the UCA seeks the information is not relevant. AltaLink submitted that it complied with AUC Rule 001 in giving its response. Further, AltaLink provided that the UCA does not identify how the requested information will assist the Commission in evaluating the application and therefore the motion should not succeed.

10. AltaLink acknowledged that economic effects are a relevant consideration before the Commission but argued that this does not extend to the issue of absolute costs in a facilities application until there is contrary evidence that a lower cost solution may be available. AltaLink

submitted that as the UCA has indicated that it does not intend to file evidence, there will be no contradictory evidence that a lower cost solution may be available.

Commission ruling

11. The Commission has decided to grant the UCA's motion. In the Commission's view, the information sought by the UCA in UCA.AML-001(j) may be material and relevant to the issues raised in the proceeding. The Commission finds that AltaLink did not provide a full and adequate response to this question and directs that such a response be prepared and filed in this proceeding.

12. The Commission is not persuaded by AltaLink's suggestion that, as result of the UCA not filing evidence, the absolute cost of the project and the factors in the escalation of the project estimate are necessarily irrelevant. The information request stage of a proceeding is the opportunity for interested parties to seek information to permit a full and satisfactory understanding of the matters to be considered. The Commission does not agree with AltaLink that the only possible way that absolute project costs may be relevant to the Commission is if evidence is submitted that a lower cost option exists.

13. Further, the Commission agrees with the UCA that it should be able to fully develop its argument before the Commission once the full evidentiary record has been provided and that this is not dependent on the UCA filing evidence. The UCA was granted standing in this proceeding on the basis that its interest in the application related to customer costs and that it intended to test the application to better understand design and project execution choices. The Commission is of the view that an understanding of the factors that have led to considerable cost escalations for this project may well assist the UCA in testing the application.

14. AltaLink was able to answer the question posed by the UCA in relation to change proposals approved by the AESO after the facility application was submitted to the Commission. Therefore, the Commission does not see the request to provide a summary of all the change proposals that went into the cost estimate table at Section 11 of the facility application as an overly onerous requirement.

15. AltaLink will have until the end of business on February 21, 2014 to provide its answer to UCA.AML-001(j).

Yours truly,

Shari L. Boyd
Commission Counsel