Decision 26035-D01-2021



# Alberta Electric System Operator Needs Identification Document Application

# ATCO Electric Ltd. Facility Applications

Thickwood to Voyageur Transmission Project

February 18, 2021

Alberta Utilities Commission

Decision 26035-D01-2021: Thickwood to Voyageur Transmission Project

Alberta Electric System Operator Needs Identification Document Application Proceeding 26035 Application 26035-A001

ATCO Electric Ltd. Facility Applications Proceeding 26035 Applications 26035-A002 to 26035-A006

February 18, 2021

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Telephone:310-4AUC (310-4282) in Alberta<br/>1-833-511-4AUC (1-833-511-4282) outside AlbertaEmail:info@auc.ab.caWebsite:www.auc.ab.ca

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Alberta Utilities Commission Calgary, Alberta

Alberta Electric System Operator Needs Identification Document Application

ATCO Electric Ltd. Facility Applications Thickwood to Voyageur Transmission Project

Decision 26035-D01-2021 Proceeding 26035 Applications 26035-A001 to 26035-A006

#### 1 Decision summary

1. In this decision, the Alberta Utilities Commission approves a needs identification document application from the Alberta Electric System Operator and facility applications from ATCO Electric Ltd. for the Thickwood to Voyageur Transmission Project.

### 2 Introduction and background

2. The Alberta Electric System Operator (AESO) filed an application with the Commission seeking approval of the need to connect the approved Suncor Base Plant Cogeneration Facility<sup>1</sup> to the Alberta Interconnected Electric System. The application was registered on October 30, 2020, as Application 26035-A001.

3. ATCO Electric Ltd. filed facility applications with the Commission for approval to construct and operate facilities to meet the need identified by the AESO. ATCO applied to construct and operate a double-circuit, 240-kilovolt (kV) transmission line from the existing Voyageur 29EDD-94 Substation to the existing Thickwood Hills 951S Substation and to alter the Thickwood Hills 951S Substation. The applications, filed pursuant to sections 14, 15 and 18 of the *Hydro and Electric Energy Act*, were registered on November 6, 2020, as applications 26035-A002 to 26035-A006.

4. The Commission issued a notice of applications in accordance with Rule 001: *Rules of Practice*. Two parties that filed submissions in response to the notice subsequently withdrew their statements of intent to participate. The Commission denied standing to the only other party who sought to participate in the proceeding.<sup>2</sup>

#### 3 Discussion

#### 3.1 Needs identification document

5. The AESO stated that it received a system access service request from Suncor Energy Inc. to connect the approved 800-megawatt (MW) Suncor Base Plant Cogeneration Facility to the Alberta Interconnected Electric System in the Fort McMurray area.

<sup>&</sup>lt;sup>1</sup> Power Plant Approval 25579-D02-2020, Proceeding 25579, Applications 25579-A001 to 25779-A003, July 2, 2020.

<sup>&</sup>lt;sup>2</sup> Exhibit 26035-X0069, AUC Ruling on standing.

6. The AESO proposed that the need can be met by constructing a new double-circuit, 240-kV transmission line from Suncor's Voyageur 29EDD-94 Substation to ATCO's Thickwood Hills 951S Substation and by altering Thickwood Hills 951S Substation by adding three 240-kV breakers.

7. In addition, the AESO proposed to upgrade Suncor's existing 240-kV transmission lines 29PL9-1 and 29PL9-2 by replacing the existing conductors with higher capacity conductors. This work would be conducted by Suncor and located primarily within Suncor's designated industrial system.<sup>3</sup> The needs identification document also proposed minor alterations to AltaLink Management Ltd. and Alberta PowerLine General Partner Ltd. facilities.

8. The AESO submitted that the proposed transmission development is in the public interest and will provide Suncor with a reasonable opportunity to exchange electric energy and ancillary services.

9. The AESO directed ATCO to file a facility application with the AUC for facilities to meet the identified need and to assist the AESO in conducting a participant involvement program for its needs identification document application.

## **3.2 Facility applications**

10. In its facility applications, ATCO requested approval to:

- Construct and operate a double-circuit, 240-kV transmission line, designated as transmission lines 9L193 and 9L162, approximately 34 kilometres in length, from the existing Voyageur 29EDD-94 Substation to the existing Thickwood Hills 951S Substation.
- Alter the existing Thickwood Hills 951S Substation by adding three 240-kV circuit breakers and associated switches and equipment, as well as expanding the substation fenceline.
- Connect transmission lines 9L193 and 9L162 to Suncor's Voyageur 29EDD-94 Substation.

11. ATCO stated that the proposed route of the transmission line parallels existing powerlines, oil and gas and other linear developments to the greatest extent possible, and integrates with other existing disturbances and clearings in the area while minimizing total length.

12. ATCO retained Stantec to prepare an environmental evaluation of the project. In its evaluation, Stantec concluded that based on the design of the project and implementation of proposed mitigation measures, residual effects of the project are not expected to be significant.

13. ATCO conducted a participant involvement program, which it submitted was in accordance with the requirements of Rule 007: *Applications for Power Plants, Substations, Transmission Lines, Industrial System Designations and Hydro Developments.* The program notified or consulted with landholders, occupants, agencies, industry stakeholders, Indigenous groups, trappers and other interested parties.

<sup>&</sup>lt;sup>3</sup> Suncor received approval for this work in Decision 25579-D01-2020.

14. ATCO estimated the cost of the project to be \$101.3 million, with all costs allocated to Suncor. The target in-service date for the project is July 1, 2022.

### 4 Findings

15. The Commission is satisfied that the needs identification document application filed by the AESO contains all the information required by the *Electric Utilities Act*, the *Transmission Regulation* and Rule 007.

16. No interested party demonstrated that the AESO's assessment of the need to connect the Suncor Base Plant Cogeneration Facility is technically deficient or that approval of the needs identification document application is not in the public interest. Therefore, the Commission considers the AESO's assessment of the need to be correct, in accordance with Subsection 38(e) of the *Transmission Regulation*, and approves the AESO's needs identification document application.

17. The Commission finds that the facility applications filed by ATCO comply with the information requirements prescribed in Rule 007 and are consistent with the need identified in the AESO's needs identification document application. The Commission is further satisfied that with the implementation of proposed mitigation measures, the project is unlikely to result in significant effects to the environment.

18. The Commission is satisfied that the joint participant involvement program undertaken by the AESO and ATCO meets the requirements of Rule 007.

19. Given the considerations discussed above, the Commission finds the proposed project to be in the public interest in accordance with Section 17 of the *Alberta Utilities Commission Act*.

#### 5 Decision

20. Pursuant to Section 34 of the *Electric Utilities Act*, the Commission approves the needs identification document for the project and grants the Alberta Electric System Operator the approval set out in Appendix 1 – Needs Identification Document Approval 26035-D02-2021 – February 18, 2021.

21. Pursuant to sections 14, 15, 18 and 19 of the *Hydro and Electric Energy Act*, the Commission approves the facility applications and grants ATCO Electric Ltd. the approvals set out in the following appendices:

- Appendix 2 Substation Permit and Licence 26035-D03-2021– February 18, 2021, to alter Thickwood Hills 951S Substation.
- Appendix 3 Transmission Line Permit and Licence 26035-D04-2021 February 18, 2021, to construct and operate Transmission Line 9L193.
- Appendix 4 Transmission Line Permit and Licence 26035-D05-2021 February 18, 2021, to construct and operate Transmission Line 9L162.

- Appendix 5 Connection Order 26035-D06-2021 February 18, 2021, to connect Transmission Line 9L193 to Voyageur 29EDD-94 Substation.
- Appendix 6 Connection Order 26035-D07-2021 February 18, 2021, to connect Transmission Line 9L162 to Voyageur 29EDD-94 Substation.
- 22. The appendices will be distributed separately.

Dated on February 18, 2021.

#### **Alberta Utilities Commission**

(original signed by)

Douglas A. Larder, QC Panel Chair

(original signed by)

Neil Jamieson Commission Member

(original signed by)

Cairns Price Commission Member