



NEXUS Energy Associates Ltd.

Rocky Power Plant and Interconnection

March 4, 2021

Alberta Utilities Commission

Decision 26191-D01-2021

NEXUS Energy Associates Ltd.

Rocky Power Plant and Interconnection

Proceeding 26191

Applications 26191-A001 and 26191-A002

March 4, 2021

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The Commission may, within 30 days of the date of this decision and without notice, correct typographical, spelling and calculation errors and other similar types of errors and post the corrected decision on its website.

1 Decision summary

1. In this decision, the Alberta Utilities Commission approves applications from NEXUS Energy Associates Ltd. to construct and operate a power plant designated as the Rocky Power Plant and connect that power plant to the Alberta Interconnected Electric System.

2 Introduction

2. On December 17, 2020, NEXUS filed applications with the Commission for approval to construct and operate a four-megawatt power plant, located within Legal Subdivision 13, Section 27, Township 42, Range 8, west of the Fifth Meridian. The project is located in the Rocky Mountain House area, as shown in Figure 1.

Figure 1. Proposed Rocky Power Plant boundary



3. The proposed project is located directly adjacent to the existing Obsidian Gas Plant. The power plant would consist of four one-megawatt natural gas-fired generators. The project

infrastructure will require installation of a dedicated natural gas pipeline running from the Obsidian Gas Plant to the proposed power plant. NEXUS stated that the power plant would connect to FortisAlberta Inc.'s existing 25-kilovolt distribution line nearby.

4. NEXUS submitted with its applications:
 - a. A certificate of incorporation under the *Business Corporations Act*.
 - b. *Historical Resources Act* approval.
 - c. A non-objection letter from FortisAlberta stating it would allow the interconnection pending the final execution of an Interconnection Agreement.
 - d. A participant involvement program, which confirmed no outstanding concerns.
 - e. A noise impact assessment, that concluded the project would be in compliance with Rule 012: *Noise Control*.
 - f. An environmental evaluation report that concluded the potential adverse effects of the project can be avoided, reduced or controlled with implementation of standard and project-specific mitigation measures outlined in an environmental protection plan.
 - g. Confirmation that NEXUS has submitted an application under the *Environmental Protection and Enhancement Act*.
5. NEXUS retained Northern Resources Analysts Ltd. to conduct an environmental evaluation of the project as part of its *Environmental Protection and Enhancement Act* application which was submitted to Alberta Environment and Parks (AEP) concurrently with its application to the Commission. As the project is located adjacent to existing industrial facilities, it concluded that it would have negligible potential adverse impacts given the mitigation measures to be implemented for the project.
6. NEXUS retained RWDI AIR Inc. to conduct an air quality assessment for the project. The assessment considered a distance of five kilometres around the proposed project to ensure inclusion of nearby industrial facilities in the region. The dispersion modelling results showed that predicted concentrations for most substances of interest and averaging periods were less than the limits set by the *Alberta Ambient Air Quality Objectives*. However, the predicted cumulative concentration for nitrogen dioxide, which included external sources and background, exceeded at a few receptors. These exceedances occurred at receptors located within the fenceline of an external industrial property. RWDI submitted that the exceedances were due to the external sources exceeding at the nearby receptors, whereas the proposed project does not contribute significantly to the concentration at those receptors. RWDI concluded that the project would not contribute materially to the overall predicted air contaminant concentrations in the study area.
7. NEXUS stated that construction activities are planned to begin by September 30, 2021, and the project would be commissioned by December 31, 2021.
8. No submissions were received in response to the Commission's notice of applications.

3 Findings

9. For the reasons outlined below, the Commission finds that approval of the project is in the public interest having regard to the social, economic, and other effects of the project, including its effect on the environment.

10. The Commission has reviewed the applications and has determined that the technical, siting, noise and environmental information requirements specified in Rule 007: *Applications for Power Plants, Substations, Transmission Lines, Industrial System Designations and Hydro Developments* have been met. Additionally, the Commission finds that NEXUS's participant involvement program satisfied the requirements of Rule 007 and notes that no submissions were received in response to the notice of applications.

11. NEXUS is incorporated under the *Business Corporations Act* and has demonstrated that it is eligible to hold the power plant approval and connection order in its name in accordance with Section 23 of the *Hydro and Electric Energy Act*.

12. The Commission finds that the noise impact assessment demonstrates that cumulative sound levels for the project are predicted to be below the daytime and nighttime permissible sound levels set out in Rule 012.

13. The Commission acknowledges that NEXUS has filed an application with AEP for *Environmental Protection and Enhancement Act* approval. The Commission understands that AEP will consider the air quality assessment in its independent evaluation.

14. The Commission notes that although the air quality assessment predicted exceedances of the *Alberta Ambient Air Quality Objectives* in the cumulative case for nitrogen dioxide, the exceedances were determined to be caused by existing external sources, producing exceedances at nearby receptors located within the site boundary of an industrial facility. The Commission accepts RWDI's conclusion that the project would not contribute materially to the predicted exceedances at those external receptors and would not have a significant impact on air quality in the study area. Given that the predicted concentrations for most substances of interest and averaging periods were less than the limits set by the *Alberta Ambient Air Quality Objectives*; that the proposed project does not cause the cumulative exceedance for nitrogen dioxide; and, that no exceedances of the *Alberta Ambient Air Quality Objectives* for nitrogen dioxide are predicted outside the fenceline of the existing industrial facilities, the Commission considers that the environmental impacts of the project are not significant.

15. The Commission considers the applications to be in the public interest in accordance with Section 17 of the *Alberta Utilities Commission Act*.

4 Decision

16. Pursuant to sections 11 and 18 of the *Hydro and Electric Energy Act*, the Commission approves applications 26191-A001 and 26191-A002 and grants the following approvals to NEXUS Energy Associates Ltd.:

- Appendix 1 – Power Plant Approval 26191-D02-2021, to construct and operate the Rocky Power Plant.
- Appendix 2 – Connection Order 26191-D03-2021, to connect the Rocky Power Plant to the Alberta Interconnected Electric System via FortisAlberta Inc.’s 25-kilovolt distribution system.

17. The appendices will be distributed separately.

Dated on March 4, 2021.

Alberta Utilities Commission

(original signed by)

Vera Slawinski
Commission Member