



East Strathmore Solar Project Inc.

East Strathmore Solar Power Plant Amendments and Community Generation Designation

August 27, 2021

Alberta Utilities Commission

Decision 26657-D01-2021

East Strathmore Solar Project Inc.

East Strathmore Solar Power Plant Amendments and Community Generation Designation
Proceeding 26657

Application 26657-A001

August 27, 2021

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The Commission may, no later than 60 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 an application from East Strathmore Solar Project Inc. (ESSPI) for amendments to the East Strathmore Solar Power Plant and designates the power plant as a community generating unit.

2 Introduction

2. ESSPI, pursuant to Approval 26637-D02-2021,¹ has approval to construct and operate a power plant designated as the East Strathmore Solar Power Plant, located in the Strathmore area. ESSPI filed an application with the AUC for approval to amend the power plant and designate the power plant as a community generating unit pursuant to the *Small Scale Generation Regulation*. The application was registered on July 9, 2021, as Application 26657-A001.

3 Discussion

3.1 Amendments

3. ESSPI applied to vary the design of the project by using an alternative inverter model, which it anticipated would provide additional technical and commercial benefits. ESSPI also noted that, although the solar panels remain the same model, it had obtained confirmation from the manufacturer that the individual panels would be a slightly different capability than initially contemplated.² ESSPI explained that, instead of the originally approved 59,000 solar panels, the project would now consist of approximately 56,000 solar panels.

4. ESSPI consulted with Alberta Environment and Parks (AEP) and received confirmation that an amendment application was not required. ESSPI also engaged Shrike Environmental Consulting Ltd. regarding the proposed amendments. Shrike Environmental confirmed that, because the amendments would not increase the environmental impacts of the project, there was no need to update the project's environmental effects assessment. RWDI Air Inc. updated its noise impact assessment (NIA) for the project and concluded that the amendments would result in minimal changes to sound levels at certain receptors but would not affect the project's approved compliance margins with the permissible sound levels set out in Rule 012: *Noise Control*.

5. ESSPI submitted that the finalized design of the power plant would not materially increase the land, noise, glare or environmental impacts beyond those previously approved by

¹ Power Plant Approval 26637-D02-2021, Proceeding 26637, Application 26637-A001, June 30, 2021.

² Specifically, the panels will be a mix of 445W and 450W rather than 440W and 445W.

the Commission. ESSPI added that the project's fence line, and environmental and community setbacks have not changed, and that there is no material change to the land affected by the project. ESSPI confirmed that the total generating capability of the power plant would remain the same.

6. In June 2021, ESSPI mailed a construction update newsletter to nearby stakeholders, which included updated project timelines. ESSPI stated that construction for the project started in March 2021 and is anticipated to be completed on time as specified in the current power plant approval with a stipulated construction completion date of March 15, 2022.

3.2 Community generating unit designation

7. ESSPI requested that the Commission qualify the East Strathmore Solar Power Plant as a community generating unit.

8. To support its request, ESSPI provided an agreement (memorandum of understanding) executed with Wheatland County, whereby ESSPI committed to creating a community benefit fund that would be used to support community initiatives and events within Wheatland County.³ ESSPI confirmed that Wheatland County is a municipal authority as defined in the *Municipal Government Act*, and is therefore a community group within the meaning of Subsection 1(e) of the *Small Scale Generation Regulation*.⁴

9. The memorandum of understanding stated that ESSPI will make an annual contribution of \$20,000 towards the community benefit fund for a period of 10 years, and described how the fund would be used to provide economic, environmental and social benefits to Wheatland County. Pursuant to the memorandum of understanding 50 per cent of the annual funding would be allocated towards environmental education initiatives and a community fee assistance program to improve access to recreation, arts and cultural programs. The remaining funding would be distributed through an open application process in which eligible local organizations could apply for funding for projects falling into categories such as environmental enhancement, social welfare, and arts and culture.

10. FortisAlberta Inc. confirmed that it had qualified the project as a small-scale generating unit under the *Small Scale Generation Regulation*.⁵ Fortis stated that it would be responsible for the metering costs of the project should the Commission approve the community generating unit application.

11. ESSPI estimated that meter costs for the project would total around \$30,000, and confirmed that the estimate included \$10,000 in installation fees.⁶

4 Findings

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

³ Exhibit 26657-X0008, Appendix 7 - Community Benefit MOU.

⁴ Exhibit 26657-X0016, 2021.08.04-IR-Response, PDF page 7.

⁵ Exhibit 26657-X0009, Appendix 8 - SSG Qualification P1932.

⁶ Exhibit 26657-X0016, 2021.08.04-IR-Response, PDF page 2.

determined that the information requirements specified in Rule 007: *Applications for Power Plants, Substations, Transmission Lines, Industrial System Designations and Hydro Developments* have been met.

13. The Commission is satisfied that the proposed amendments are not likely to result in adverse environmental impacts. The Commission notes that ESSPI consulted with AEP and was advised that the amendments do not fall under AEP's amendment process for renewable energy projects and as a result an amendment is not required to the renewable energy referral report.

14. The Commission accepts the conclusions in the updated NIA and considers the project will remain compliant with Rule 012. The updated NIA concluded that changes to cumulative sound levels resulting from the proposed amendments will be minimal and that the project will remain compliant with the daytime and nighttime permissible sound levels set out in Rule 012.

15. The Commission also accepts ESSPI's submission that there have not been changes to the location and orientation of the panels or racking that would result in changes to the previously completed glint and glare assessment.

16. Given the minor nature of the amendments, which are not anticipated to result in any incremental adverse effects, the Commission is satisfied that ESSPI has taken reasonable steps to notify stakeholders.

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

18. With regard to the community generation application, the Commission notes that Section 3 of the *Small Scale Generation Regulation* allows a small-scale power producer who owns a small-scale generating unit that is the subject of a community benefits agreement or a community benefits statement, as applicable, to apply to the Commission to have it qualified as a community generating unit. That section requires that the application be in a form established by the Commission and include the community benefits agreement or community benefits statement that applies to the small-scale generating unit and any other information required by the Commission.

19. Upon receipt of an application and related information, the Commission must determine whether the small-scale generating unit qualifies as a community generating unit. If it is qualified, the Commission must determine the amount that the distribution owner should be compensated in relation to costs to purchase the meter that is installed for the community generating unit, as described in either subsections 5(2)(a) or (3)(a)(i) of the *Small Scale Generation Regulation*.

20. ESSPI filed its application in the form established by the Commission and included a memorandum of understanding with Wheatland County as part of its application. The Commission has reviewed the memorandum of understanding, and is satisfied that it is intended to be a legally binding contract, as is required in situations where the small-scale generating unit is not wholly-owned by an eligible community group. ESSPI confirmed that Wheatland County qualifies as a community group in accordance with Subsection 1(e) of the *Small Scale Generation Regulation*. ESSPI also provided an estimate of the costs for the project meter in its application and by way of responses to information requests from the Commission.

21. The Commission finds that ESSPI's application to qualify the project as a community generating unit satisfies the requirements of the *Small Scale Generation Regulation*. Fortis has qualified the project as a small-scale generating unit and ESSPI has provided a community benefits agreement, which outlines material economic, environmental and social benefits of the project to Wheatland County. The Commission therefore qualifies the project as a community generating unit under the *Small Scale Generation Regulation*.

22. Section 5 of the *Small Scale Generation Regulation* specifies the costs for which a small-scale power producer is responsible. Specifically, in the case of a community generating unit that is not within an isolated community, as is the case with the project, Subsection 5(2)(a) requires that the distribution owner purchase the meter that is installed for the community generating unit, to a maximum of one meter per facility.

23. The Commission notes that the estimated amount of \$30,000 provided by ESSPI as the cost incurred for the project meter includes installation fees, which are not eligible for compensation under Subsection 5(2)(a) of the *Small Scale Generation Regulation*. After subtracting the costs to install and commission the metering system, the Commission determines that the cost to purchase the meter will be \$20,000.

24. The Commission is satisfied that as the distribution owner, Fortis is entitled to recover the costs incurred to purchase the meter for the project (\$20,000), pursuant to Subsection 5(2)(a) of the *Small Scale Generation Regulation*.

5 Decision

25. Pursuant to sections 11 and 19 of the *Hydro and Electric Energy Act*, the Commission approves the application and grants East Strathmore Solar Project Inc. the approval set out in Appendix 1 – Power Plant Approval 26657-D02-2021 – August 27, 2021, to amend and construct and operate the East Strathmore Solar Power Plant. (The appendix will be distributed separately.)

Dated on August 27, 2021.

Alberta Utilities Commission

(original signed by)

Cairns Price
Commission Member