



Kalina Distributed Power Limited

Kalina Energy Centre – Saddle Hills

October 7, 2021

Alberta Utilities Commission

Decision 26744-D01-2021

Kalina Distributed Power Limited

Kalina Energy Centre – Saddle Hills

Proceeding 26744

Application 26744-A001

October 7, 2021

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1 Decision summary

1. In this decision, the Alberta Utilities Commission approves an application from Kalina Distributed Power Limited to construct and operate a power plant designated as the Kalina Energy Centre – Saddle Hills and to connect the power plant to ATCO Electric Ltd.’s distribution system.

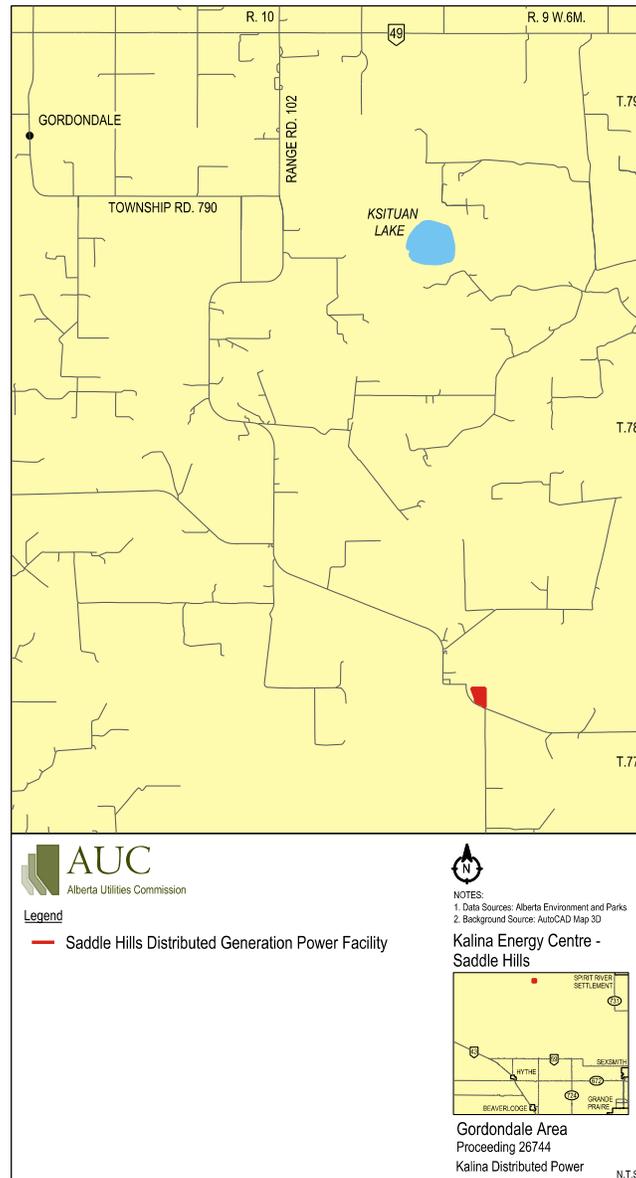
2 Application

2. Kalina Distributed Power Limited filed an application with the Commission for approval to construct and operate the Kalina Energy Centre – Saddle Hills (the power plant) and to connect the power plant to ATCO Electric Ltd.’s distribution system. The application was registered on July 30, 2021, as Application 26744-A001.

3. The power plant would be a combined cycle power generation facility that would include two 22.5-megawatt (MW) gas-fired turbines, two heat recovery vapour generators, two 10.4-MW vapour turbine generators, a 0.4-MW emergency backup diesel generator and other associated equipment. Kalina stated that the total generating capability of the power plant would be 66.2 MW, with a net generating capability of approximately 64 MW because two MW will be consumed internally.

4. The power plant would be located approximately 14 kilometres southeast of Gordondale and 30 kilometres southwest of Sprit River on Crown land within Saddle Hills County. More specifically, the power plant would be located in Legal Subdivision 16, Section 36, Township 77, Range 10, west of the Sixth Meridian, as shown in Figure 1. The power plant would connect to ATCO Electric Ltd.’s distribution system at a point in Legal Subdivision 7 of Section 1, Township 78, Range 10, west of the Sixth Meridian.

Figure 1. Kalina Energy Centre – Saddle Hills project area



5. Kalina’s application included:

- A participant involvement program, which confirmed there were no outstanding concerns from adjacent landowners, Crown dispositions holders and Indigenous groups.
- An environmental evaluation,¹ which concluded that based on the proposed power plant’s activities, implementation of the environmental mitigation measures, and the residual effects to the valued ecosystem components assessed, the power plant is anticipated to have a limited environmental impact.

¹ Exhibit 26744-X0008, Attachment D-Environmental Evaluation.

- Air dispersion modelling² which determined that the power plant would meet all applicable air quality standards during both average and cold weather conditions.
 - A noise impact assessment,³ which determined that the power plant would comply with Rule 012: *Noise Control*.
 - Confirmation that *Historical Resources Act* approval was granted on June 16, 2021.⁴
 - Confirmation from ATCO Electric Ltd. that it has no objections with the interconnection of the power plant subject to several feasibility and technical requirements.⁵
6. Kalina expected the power plant’s in-service date to be February 2024.
7. The Commission issued a notice of application and no submissions were received in response to the notice.

3 Findings

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

9. The Commission has reviewed the application and has 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.

10. Details of the participant involvement program reflect that Kalina consulted with persons whose rights may be directly and adversely affected by the power plant as required. Kalina has confirmed that there are no outstanding objections or concerns from public, industry or Indigenous groups. No submissions were received in response to the notice of application. The Commission finds that Kalina’s participant involvement program satisfied the requirements of Rule 007.

11. The Commission accepts the environmental evaluation’s conclusion that based on the proposed power plant’s activities, implementation of the environmental mitigation measures, and the residual effects to the valued ecosystem components assessed, the power plant is anticipated to have a limited environmental impact. Further, the Commission notes that the power plant’s air dispersion modelling stated that the power plant would meet all applicable air quality standards during both average and cold weather conditions.

12. The Commission finds that the noise impact assessment submitted by Kalina meets the requirements of Rule 012 and accepts the noise impact assessment’s conclusion that noise from the power plant would comply with the applicable permissible sound levels and that a low frequency noise complaint condition is unlikely to exist.

² Exhibit 26744-X0002, Attachment G-Air Dispersion Modelling,

³ Exhibit 26744-X0001, Attachment E-Noise Impact Assessment.

⁴ Exhibit 26744-X0008, Attachment D-Environmental Evaluation, PDF page 131.

⁵ Exhibit 26744-X0007, Attachment B-Agency Approval, PDF page 2.

13. The Commission notes that ATCO Electric Ltd. has no objections with the interconnection of the power plant to its distribution system subject to it being technically feasible, Kalina's execution of a final interconnection proposal, and Kalina meeting ATCO Electric Ltd.'s interconnection requirements and the terms and conditions for connection of distributed generation.

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

4 Decision

15. Pursuant to sections 11 and 18 of the *Hydro and Electric Energy Act*, the Commission approves Application 26744-A001 and grants Kalina Distributed Power Limited the approvals set out in:

- Appendix 1 – Power Plant Approval 26744-D02-2021 – October 7, 2021, to construct and operate the Kalina Energy Centre – Saddle Hills, and
- Appendix 2 – Connection Order 26744-D03-2021 – October 7, 2021, to connect Kalina Energy Centre – Saddle Hills to ATCO Electric Ltd.'s distribution system.

16. The appendices will be distributed separately.

Dated on October 7, 2021.

Alberta Utilities Commission

(original signed by)

Neil Jamieson
Commission Member