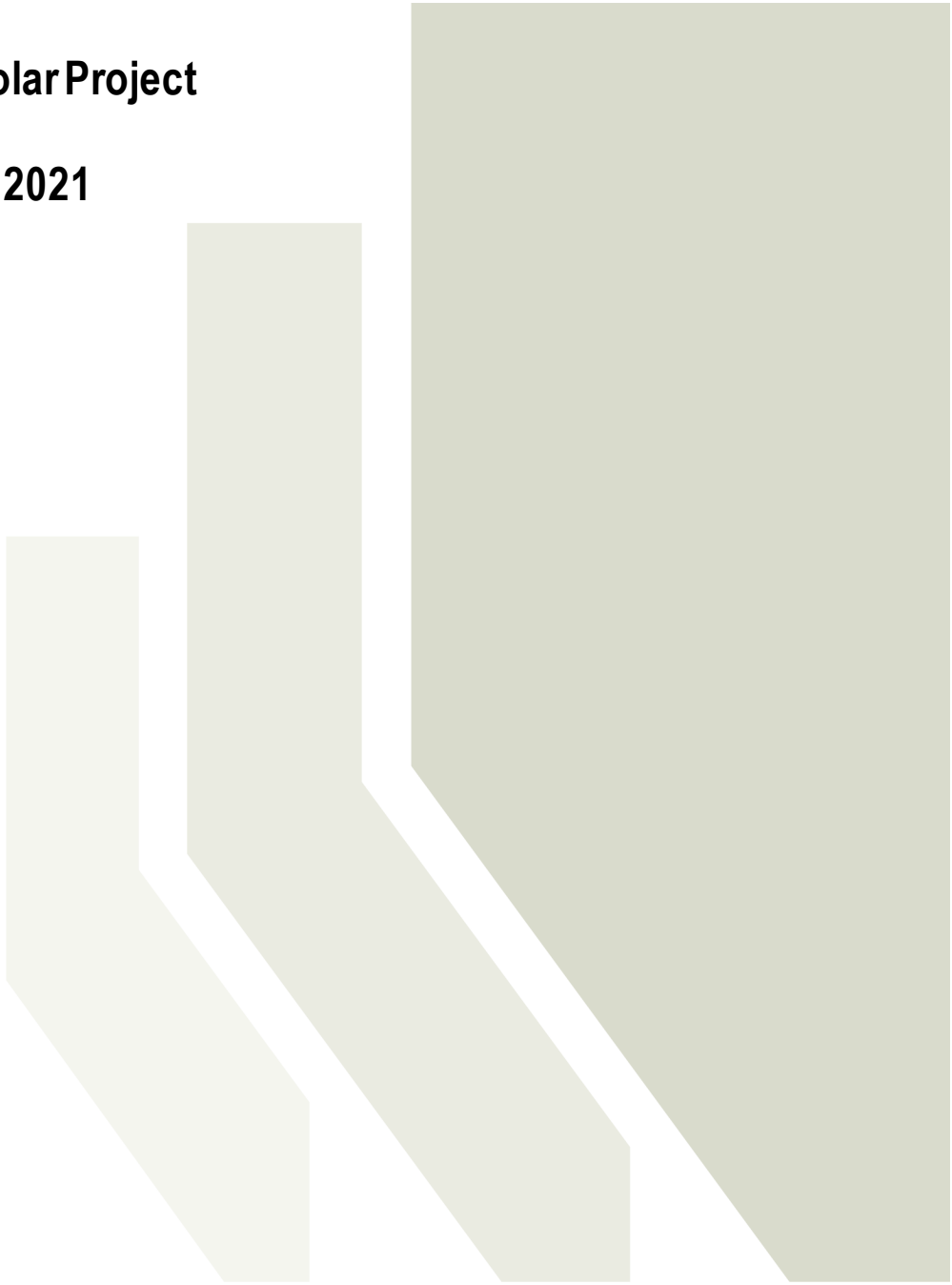




## **Irrigation Canal Power Co-operative Ltd.**

**Fincastle Solar Project**

**October 27, 2021**



**Alberta Utilities Commission**

Decision 26861-D01-2021

Irrigation Canal Power Co-operative Ltd.

Fincastle Solar Project

Proceeding 26861

Application 26861-A001

October 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.

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## **1 Decision summary**

1. In this decision, the Alberta Utilities Commission approves an application from Irrigation Canal Power Co-operative Ltd. and qualifies the Fincastle Solar Project as a community generating unit.

## **2 Introduction**

2. Elemental Energy Inc., on behalf of Irrigation Canal Power Co-operative Ltd. (IRRICAN), filed an application with the Commission to qualify the 938-kilowatt (kW) Fincastle Solar Project (the project) as a community generating unit under the *Small Scale Generation Regulation*. The application was registered on September 21, 2021, as Application 26861-A001.

3. The application relates only to IRRICAN's request to have the project qualified as a community generating unit, and not to the construction or operation of the underlying project.

4. A notice of application was not issued and a hearing was not required as the Commission considered that its decision on whether to qualify the project as a community generating unit would not directly and adversely affect the rights of a person pursuant to Section 9 of the *Alberta Utilities Commission Act*.

## **3 Details of the application**

5. IRRICAN stated that the project would be located in the southeast quarter of Section 18, Township 10, Range 15, west of the Fourth Meridian, near the town of Taber. IRRICAN noted that the final number and model for the solar modules could change, but that final output capability would not exceed 938 kW.<sup>1</sup> Construction of the project is scheduled to start in the spring of 2022.

6. In support of its application, IRRICAN provided a community benefits statement describing the economic, environmental and social benefits that the project would provide to the Municipal District of Taber, the St. Mary River Irrigation District, Taber Irrigation District and Raymond Irrigation District. In its community benefits statement, IRRICAN estimated that the project would generate a combined revenue of approximately \$3,625,000 over its 25-year lifespan, as well as \$7,900 in annual property tax revenues for the Municipal District of Taber. In terms of environmental benefits, the project would be located on an orphan well surface lease, thereby repurposing unused land without reducing agricultural capacity in the area. Finally,

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<sup>1</sup> Exhibit 26861-X0007, IRRICAN Fincastle Solar Cover Letter, PDF page 2.

IRRICAN anticipated that the project would create hope and self-sufficiency and increase social cohesion in the community.

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

8. IRRICAN provided a detailed breakdown of estimated meter costs, which totalled \$19,298.20.<sup>2</sup>

9. IRRICAN stated that the project would comply with the small power plant exemption stipulated in Section 18.1 of the *Hydro and Electric Energy Regulation* as the project does not directly or negatively affect any person, does not have any adverse environmental impact, and complies with Rule 012: *Noise Control*. As part of its application, IRRICAN provided a noise impact assessment summary form, which predicts compliance of the project with AUC Rule 012 as well as a summary of its participant involvement program, which identifies no outstanding stakeholder concerns.

#### 4 Findings

10. Based on its size, the Commission accepts that the project is a small power plant within the meaning of subsection 18.1(1) of the *Hydro and Electric Energy Regulation*. Having regard to the information provided in the noise impact assessment summary form and the participant involvement program summary; the submissions of IRRICAN; and, the project's location in a pre-disturbed area over pre-existing oil and gas infrastructure, the Commission also accepts that the project complies with Rule 012, does not directly or negatively affect any person, and is unlikely to have any adverse environmental effect. Based on the foregoing, the Commission agrees that the project is excluded from the application of sections 11 and 18 of the *Hydro and Electric Energy Act*, which would otherwise require IRRICAN to obtain a power plant approval and connection order.

11. 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, to apply to the Commission to have it qualified as a community generating unit. The application must 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, along with any other information required by the Commission.

12. If the Commission determines that the small-scale generating unit qualifies as a community generating unit, the Commission must determine the amount the distribution owner should be compensated for in relation to costs incurred under subsections 5(2)(a) or 5(3)(a)(i) of the *Small Scale Generation Regulation*.

13. The Commission finds that IRRICAN's application to designate the project as a community generating unit satisfies the requirements of the *Small Scale Generation Regulation*.

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<sup>2</sup> Exhibit 26861-X0013, IRRICAN Responses to AUC Information request IRRICAN-AUC-2021OCT05-001 to 004, PDF page 3.

IRRICAN filed its application in the form established by the Commission, confirmed that it is wholly owned by community groups as defined in subsection 1(e)(ix) of the *Small Scale Generation Regulation* – the St. Mary River Irrigation District, Taber Irrigation District and Raymond Irrigation District; and, it included a community benefits statement which outlines the economic, environmental and social benefits of the project to the three community groups. IRRICAN also provided supporting documentation of the estimated cost for the project meter. The Commission observes that FortisAlberta has qualified the project as a small-scale generating unit.

14. Having regard to the foregoing, the Commission qualifies the project as a community generating unit under the *Small Scale Generation Regulation*.

15. 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 IRRICAN's generating unit, 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.

16. The Commission is satisfied that as the distribution owner, Fortis Alberta, is entitled to recover the costs incurred to purchase the meter for the project (estimated to be \$19,298.20), pursuant to subsection 5(2)(a) of the *Small Scale Generation Regulation*. Accordingly, the Commission imposes the following condition to the qualification of the project as a community generating unit under the *Small Scale Generation Regulation*:

- a. Once the distribution owner has purchased the meter for the community generating unit, within one month of the project's in-service date, IRRICAN must provide the Commission with written confirmation of the actual cost to purchase the meter.

## **5 Decision**

17. Pursuant to Section 3 of the *Small Scale Generation Regulation*, the Commission qualifies the Fincastle Solar Project as a community generating unit.

Dated on October 27, 2021.

### **Alberta Utilities Commission**

*(original signed by)*

Carolyn Hutniak  
Commission Member