



Versorium Energy Ltd.

**Briker 1 Distributed Energy Resource Power Plant and
Interconnection**

November 1, 2021

Alberta Utilities Commission

Decision 26841-D01-2021

Versorium Energy Ltd.

Briker 1 Distributed Energy Resource Power Plant and Interconnection

Proceeding 26841

Applications 26841-A001 and 26841-A002

November 1, 2021

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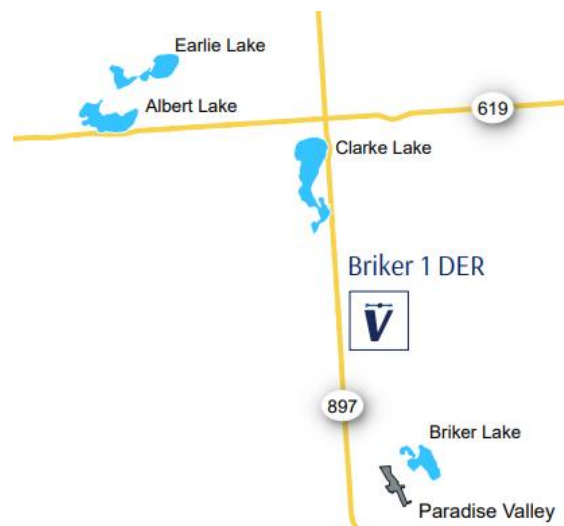
1 Decision summary

1. In this decision, the Alberta Utilities Commission approves applications from Versorium Energy Ltd. to construct, operate and connect a 5.0-megawatt natural gas-fired power plant, designated as the Briker 1 Distributed Energy Resource, located near Paradise Valley, Alberta.

2 Application

2. Versorium Energy Ltd. filed applications with the Commission for approval to construct and operate the power plant, and connect it to the ATCO Electric Ltd. electric distribution system (the project). The project is located six kilometres north of Paradise Valley in Legal Subdivision 1 of Section 36, Township 47, Range 3, west of the Fourth Meridian, as shown on the map in Figure 1. The project would be located on private land.

Figure 1. Project location¹



3. The project's major equipment would include a pair of Rolls Royce MTU 20V4000D2 2.522-megawatt (MW) natural gas-fired reciprocating engines, each housed in an enclosure, a switchgear building, a generator step-up transformer, a low-pressure natural gas pipeline to connect to the County of Vermilion River's natural gas system, and an approximately 100-metre-long distribution line to connect the power plant to ATCO Electric's distribution system.

¹ Image from Exhibit 26841-X0007, Appendix C3 - Regional Map.

4. Versorium Energy's applications included:
- A participant involvement program, which confirmed that there were no outstanding objections from adjacent landowners or stakeholders.²
 - A noise impact assessment (NIA), completed by ACI Acoustical Consultants Inc., which confirmed that the project would comply with Rule 012: *Noise Control*.³
 - An air quality assessment report, completed by Matrix Solutions Inc., which concluded that potential changes to air quality from the project are expected to be minimal on a local and regional scale, and that the maximum predicted ground-level nitrogen dioxide (NO₂), carbon monoxide (CO) and fine particulate matter concentrations (PM_{2.5}) are less than their respective Alberta Ambient Air Quality Objectives.⁴
 - An environmental evaluation report, completed by Matrix Solutions Inc., that considered the potential environmental effects, mitigation, and monitoring associated with project construction and operation activities, which determined that the potential and residual effects would not be significant.⁵
 - A letter of non-objection from ATCO Electric, confirming that it is prepared to allow the interconnection of the power plant to its distribution system.⁶
5. Versorium Energy expects the project to be in-service by June 30, 2022, with site preparation work beginning in May 2022. Versorium Energy requested a construction completion date of December 31, 2023 to account for any unforeseeable delays and to mitigate the likelihood that an extension request is subsequently required.

6. The Commission issued a notice of applications and did not receive any submissions in response to the notice. A hearing was not required, as the Commission considered that its decision would not directly and adversely affect the rights of a person pursuant to Section 9 of the *Alberta Utilities Commission Act*.

3 Findings

7. For the reasons that follow, 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.

8. The Commission has reviewed the applications and has determined that the information requirements specified in Rule 007: *Applications for Power Plants, Substations, Transmission Lines, Industrial System Designations, Hydro Developments, and Gas Utility Pipelines* have been met. Additionally, the Commission finds that the participant involvement program complies with the requirements of Rule 007. Versorium Energy engaged with landowners, residents,

² Exhibit 26841-X0017, Appendix L - Participant Involvement Program.

³ Exhibit 26841-X0014, Appendix I - Noise Impact Assessment.

⁴ Exhibit 26841-X0011, Appendix F - Air Emission Modelling Report.

⁵ Exhibit 26841-X0012, Appendix G - Environmental Evaluation.

⁶ Exhibit 26841-X0010, Appendix E - Distribution Facility Owner Letter.

occupants, businesses, and individuals who may have a registered interest in land within 1,500 metres of the project boundary as well as with the broader community. It confirmed that no objections to the project were received.

9. The NIA submitted by Versorium Energy identified six dwellings located within 1.5 kilometres of the project boundary as noise receptors. The NIA predicted that cumulative sound levels at these noise receptors will be compliant with applicable permissible sound levels established in accordance with Rule 012. The NIA predicted that the noise contribution from the project at the most affected receptor will be 29.3 A-weighted decibels (dBA). The Commission finds that the NIA submitted by Versorium Energy meets the requirements of Rule 012. Based on predictions in the NIA, the Commission accepts that the noise contribution from the project will comply with Rule 012.

10. While the project will operate intermittently, on a peaking basis, the air dispersion modelling assumed continuous operation. In its assessment, Matrix Solutions found that the project would increase ground-level concentrations of NO₂, CO, and PM_{2.5}, however, the values are below Alberta Ambient Air Quality Objectives. Versorium Energy also submitted that the project is predicted to be compliant with the federal *Multi-Sector Air Pollutant Regulations* emission standards for applicable substances. Given the results from the air dispersion modelling assessment, the Commission is satisfied that the modelling results are conservative, compared to the expected actual emissions levels, and the predicted emissions are compliant with the Alberta Ambient Air Quality Objectives.

11. From an environmental stand point, the project has a small footprint and is situated on private and cultivated land. There are no watercourses, water bodies, surface water drainages, Class III or greater wetlands or native vegetation species or communities within the project footprint. No important wildlife features, including raptor nests and species at risk, were observed within the prescribed setbacks from the project. In addition, Versorium Energy confirmed receipt of a letter from Alberta Environment and Parks (AEP) that an environmental impact assessment would not be required for the project and submitted an *Environmental Protection and Enhancement Act* application to AEP on August 25, 2021. The Commission accepts Versorium Energy's submission that the project will not result in any significant adverse effects to the environment.

12. The Commission finds that the proposed project has met all the requirements for a connection order. ATCO Electric confirmed that it is willing to allow the interconnection of the power plant, and the Commission has no outstanding concerns around the interconnection.

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

4 Decision

14. Pursuant to Section 11 of the *Hydro and Electric Energy Act*, the Commission approves Application 26841-A001 and grants Versorium Energy Ltd. the approval set out in Appendix 1 – Power Plant Approval 26841-D02-2021, to construct and operate the Briker 1 Distributed Energy Resource.

15. Pursuant to Section 18 of the *Hydro and Electric Energy Act*, the Commission approves Application 26841-A002 and grants Versorium Energy Ltd. the approval set out in Appendix 2 – Connection Order 26841-D03-2021, to connect the Briker 1 Distributed Energy Resource to the ATCO Electric Ltd. electric distribution system.

16. The appendices will be distributed separately.

Dated on November 1, 2021.

Alberta Utilities Commission

(original signed by)

Wayne MacKenzie
Executive Director, Facilities Division
On behalf of the Alberta Utilities Commission