



Prairie Lights Power GP Inc.

**Natural Gas-Fired 400-Megawatt Power Plant and
Smoky River 1052S Substation, Alterations and Time Extension**

December 20, 2021

Alberta Utilities Commission

Decision 26982-D01-2021

Prairie Lights Power GP Inc.

Alterations to 400-Megawatt Power Plant and Smoky River 1052S Substation

Proceeding 26982

Applications 26982-A001 and 26982-A002

December 20, 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 applications from Prairie Lights Power GP Inc. (Prairie Lights) for alterations to an approved natural gas-fired power plant designated as the Prairie Lights Power Project and for a time extension to complete construction of the project.

2 Applications

2. Prairie Lights, under Approval 24758-D02-2019,¹ and Permit and Licence 24758-D03-2019,² has approval to construct and operate a 360-megawatt (MW) natural gas-fired power plant and the Smoky River 1052S Substation (collectively the Prairie Lights Power Project), in the Grande Prairie Area.

3. Prairie Lights applied to the Commission for approval to alter the equipment of the power plant and increase the capability from 360 MW to 400 MW, and to extend the construction completion date of the project.

4. Prairie Lights stated that it has analyzed specific makes and models of equipment, completed detailed design of the power plant and updated grid studies. As a result, Prairie Lights determined that the power plant has the ability to export up to 400 MW to the Alberta Interconnected Electric System.

5. Prairie Lights stated that it has selected the final equipment for the power plant, which is a natural gas-fired combined cycle plant that would include one General Electric combustion turbine generator, one General Electric heat recovery steam generator, and one General Electric steam turbine generator.

6. Prairie Lights stated that there would be no increase in the land, noise or environmental impacts as a result of the increase in project capability.

7. Prairie Lights conducted air quality modelling, the results of which demonstrated compliance with the *Alberta Ambient Air Quality Objectives*. Prairie Lights noted that an amended *Environmental Protection and Enhancement Act* approval application has been submitted to Alberta Environment and Parks (AEP) and would be issued prior to commencement

¹ Power Plant Approval 24758-D02-2019, Proceeding 24758, Application 24758-A001, October 30, 2019.

² Substation Permit and Licence 24758-D03-2019, Proceeding 24758, Application 24758-A002, October 30, 2019.

of operations. If approval for water withdrawal is required, Prairie Lights stated that it would submit an application to obtain a licence under the *Water Act*.

8. Prairie Lights provided updated noise modelling based on the final selection of equipment which concluded that the project will to comply with Rule 012: *Noise Control*.

9. Prairie Lights requested approval to change the completion date of the project from January 31, 2023 to March 25, 2025. Prairie Lights stated that a time extension is required to complete the project due to procurement delays and the impacts of the COVID-19 pandemic. Construction is anticipated to begin in the second quarter of 2022, with the expected in-service date in November 2024. An expiry date of March 31, 2025 was requested to allow for additional unforeseen minor schedule delays.

3 Findings

10. 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. The Commission accepts the information from Prairie Lights that there are no outstanding objections or concerns associated with the proposed alterations or time extension.

11. The Commission finds that the updated noise modelling meets the requirements of Rule 012 and accepts its conclusion that the project will comply with that rule.

12. The Commission accepts Prairie Lights' assessment that the environmental and air emissions impacts of the project will not be significant. The Commission reviewed the project's air quality assessment report and is satisfied, based on the analysis conducted by RWDI AIR Inc., that the project will satisfy the *Alberta Ambient Air Quality Objectives*. The Commission is aware that Prairie Lights has notified the Impact Assessment Agency of Canada (IAAC) of the alterations to the power plant and a decision from the IAAC on whether a federal impact assessment is required for the project is outstanding. It also recognizes that AEP has not initiated its review of the amended *Environmental Protection and Enhancement Act* approval application. As such, the Commission has placed conditions on its approval of the project.

13. The Commission previously determined that Prairie Lights met Condition 3a and 3b of Approval 24758-D02-2019, which stated that construction cannot commence until Prairie Lights receives the necessary approvals or directions from AEP and the IAAC. In approving the alterations to the power plant, the Commission finds that condition 3a will be included as a condition of the new approval.

14. With the confirmation of the final equipment selection, Condition 3c of Approval 24758-D02-2019 has been removed.

15. The Commission issued Bulletin 2020-11³ on March 30, 2020, stating that “future power plant approvals from the Commission will not include a condition to submit construction progress reports.” As such, Condition 4 of Approval 24758-D02-2019 has been removed.

16. Prairie Lights has provided information respecting the need, nature and duration of the requested time extension. The Commission approves a time extension until March 25, 2025, to complete construction of the power plant and substation.

17. For the above reasons, the Commission considers approval of the applications to be in the public interest in accordance with Section 17 of the *Alberta Utilities Commission Act*.

4 Decision

18. Pursuant to sections 11 and 19 of the *Hydro and Electric Energy Act*, the Commission approves Application 26982-A001 and grants Prairie Lights Power GP Inc. the approval set out in Appendix 1 – Power Plant Approval 26982-D02-2021.

19. Pursuant to sections 14, 15 and 19 of the *Hydro and Electric Energy Act*, the Commission approves Application 26982-A002 and grants Prairie Lights Power GP Inc. the approval set out in Appendix 2 – Substation Permit and Licence 26982-D03-2021.

20. The appendices will be distributed separately.

Dated on December 20, 2021.

Alberta Utilities Commission

(original signed by)

Cairns Price
Commission Member

³ Bulletin 2020-11: *Reducing regulatory burden by eliminating power plant construction progress reports and simplifying compliance reporting for electric and gas facilities*, the Alberta Utilities Commission, March 30, 2020.