



eStruxture Data Centers

CAL-1 Power Plant Expansion

October 4, 2022

Alberta Utilities Commission

Decision 27603-D01-2022

eStructure Data Centers

CAL-1 Power Plant Expansion

Proceeding 27603

Application 27603-A001

October 4, 2022

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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 eStructure Data Centers (eStructure) for the expansion of the CAL-1 power plant. eStructure applied for the addition of one 3-megawatt (MW) KOHLER KD3000 standby diesel generator set within the eStructure data centre in Calgary.

2 Background

2. eStructure is the owner and operator of the CAL-1 power plant and has exemption from Section 11 of the *Hydro and Electric Energy Act* to operate the power plant. The power plant is located in the city of Calgary at 7007 54th Street S.E. The power plant consists of three 3-MW MTU 20V4000DS3000 standby diesel generators, for a total generating capability of 9 MW. The power plant is not connected to the transmission or distribution system and provides power solely to the eStructure data centre. The generators are only used when the data centre loses power from the utility and during monthly testing.¹

3 Application

3. On August 26, 2022, eStructure filed an application with the Commission for approval to expand the CAL-1 power plant by adding one 3-MW KOHLER KD3000 standby diesel generator. With the addition, the power plant would have a combined generating capability of 12 MW. eStructure stated that the increased generation is required due to an expansion of the data centre that the power plant serves.

4. The power plant would continue to supply only the eStructure data centre only as backup power in the event that service from the utility is lost and will not be connected to the Alberta Interconnected Electric System. eStructure expected the expanded power plant to be in service in October 2022.

5. Due to the nature of the application, a notice of application was not issued and a hearing was not required because the Commission considered that its decision or order would not directly and adversely affect the rights of a person pursuant to Section 9 of the *Alberta Utilities Commission Act*.

¹ Exhibit 27603-X0001, Thermal Power Plant Application Form (Rule007), PDF page 4.

4 Findings

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

7. 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, Hydro Developments and Gas Utility Pipelines* have been met.

8. With respect to noise impacts, the existing and proposed standby generators at the power plant would only operate when the data centre loses power from the utility and during monthly testing. The power plant is located in an industrial area and there are no residences within 1.5 kilometres of the project.² Therefore, the Commission accepts that noise levels from the power plant will be compliant with Rule 012: *Noise Control*.

9. eStructure submitted that a participant involvement program was not conducted for the power plant because the project is located within the existing data centre in an industrial area of Calgary. The Commission agrees with this approach and given that there are no residences within 1.5 kilometres of the project, the Commission considers that any social and environment impacts as a result of the changes are minor in nature.

10. The Commission finds that the power plant expansion will not result in a significant incremental effect on the environment and wildlife because the power plant expansion is located within the existing data centre. The power plant would only run during the loss of utility power or during monthly testing. The Commission notes that the power plant uses diesel to power the generator, but because the generator is only used for backup power, an *Environmental Protection and Enhancement Act* approval is not required.

11. In accordance with the requirements of Section 23 of the *Hydro and Electric Energy Act*, eStructure confirmed that it is a qualified owner and that it is eligible to hold an approval in its name.

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

² Exhibit 27603-X0002, Noise impact assessment summary Form (Rule012), PDF page 2.

5 Decision

13. In accordance with the discretion provided in Section 13 of the *Hydro and Electric Energy Act*, the previous exemption for own-use power plants is no longer available as of April 25, 2022, as detailed in Bulletin 2022-04.³ Accordingly, a power plant approval will be issued for the CAL-1 power plant.

14. Pursuant to sections 11 and 19 of the *Hydro and Electric Energy Act*, the Commission approves the application and grants eStructure Data Centers the approval set out in Appendix 1 – Power Plant Approval 27603-D02-2022 to alter and operate the CAL-1 power plant (Appendix 1 will be distributed separately).

Dated on October 4, 2022.

Alberta Utilities Commission

(original signed by)

Renée Marx
Commission Member

³ Bulletin 2022-04: Regulatory streamlining of all new power plants equal to or greater than one megawatt and less than 10 megawatts and exemption to file an application for own-use power plants eliminated, March 24, 2022.