



## **ATCO Electric Ltd.**

### **Approval of Sale Offering for Narrows Point Power Plant**

**January 8, 2024**

**Alberta Utilities Commission**

Decision 28699-D01-2024

ATCO Electric Ltd.

Approval of Sale Offering for Narrows Point Power Plant

Proceeding 28699

January 8, 2024

Published by the:

Alberta Utilities Commission  
Eau Claire Tower  
1400, 600 Third Avenue S.W.  
Calgary, Alberta T2P 0G5

Telephone: 310-4AUC (310-4282 in Alberta)  
1-833-511-4AUC (1-833-511-4282 outside Alberta)

Email: [info@auc.ab.ca](mailto:info@auc.ab.ca)

Website: [www.auc.ab.ca](http://www.auc.ab.ca)

The Commission may, no later than 60 days from 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.

**Contents**

**1 Decision summary..... 1**

**2 Background and process ..... 1**

**3 Should the sale offering be approved?..... 2**

**4 Order..... 3**

**Appendix 1 – Proceeding participants ..... 4**

**Appendix 2 – Sale offering advertisement ..... 5**

**Appendix 3 – Summary of Commission directions..... 6**

## **1 Decision summary**

1. This Alberta Utilities Commission decision approves ATCO Electric Ltd.'s sale offering for isolated generating units located at the Narrows Point Power Plant, as filed.

## **2 Background and process**

2. ATCO Electric is the owner of the Narrows Point Power Plant. The Narrows Point Power Plant contains isolated generating units CUL 483, CUL 429, CUL 430 and CUL 280 (collectively, the Narrows Point isolated generating units). These isolated generating units historically supplied electric energy to the isolated community of Narrows Point, pursuant to the *Isolated Generating Units and Customer Choice Regulation*.

3. On December 6, 2023, ATCO Electric filed an application with the Commission under sections 26 and 18 of the *Isolated Generating Units and Customer Choice Regulation*. In its application, ATCO Electric requested approval of a sale offering for the Narrows Point isolated generating units, stating that the units are no longer required because the isolated community was connected to the Alberta interconnected electric system in July 2020.<sup>1</sup>

4. Section 26 of the *Isolated Generating Units and Customer Choice Regulation* states that where an isolated generating unit is no longer required to provide electric energy as a result of an isolated community or industrial area requiring less electric energy or being connected to the interconnected electric system, the owner of the generating unit must decide whether to sell the generating unit. In cases where the owner decides to sell the generating unit, the sale must be conducted in accordance with Part 2 of the *Isolated Generating Units and Customer Choice Regulation*.

5. Under Part 2 of the *Isolated Generating Units and Customer Choice Regulation*, the Commission must be satisfied that the sale offering complies with the criteria set out in Section 17 of the regulation. Specifically, the sale offering is to be widely publicized and conducted in a manner that does not make the offering less attractive or discourage or restrict potential bids that could be made in response to the offering.

6. Further, Section 18(1) of the *Isolated Generating Units and Customer Choice Regulation* requires that before advertising a sale offering, the owner of the generating unit must submit to the Commission the sale offering and a proposal as to how the sale offering complies with Section 17 of the regulation. Section 18(2) also requires that, if on reviewing the proposal the Commission is satisfied that Section 17 will be complied with, the owner must proceed with the sale offering in accordance with the proposal.

---

<sup>1</sup> Exhibit 28699-X0001, application.

7. The Commission issued a notice of application on December 8, 2023, which required interested parties to submit a statement of intent to participate (SIP) by December 22, 2023. No SIPs were received. The Commission considers the close of record for this proceeding to be December 22, 2023.

### 3 Should the sale offering be approved?

8. ATCO Electric proposed a sale offering with the following process:<sup>2</sup>

- ATCO Electric will dismantle the assets located at the Narrows Point Power Plant, bundle them into nine groupings of equipment associated with individual isolated generating units and related facilities equipment, and sell them in nine separate asset packages.
- Bidders will be permitted to submit separate bids on one or more of the nine asset packages.
- Notice of the sale will be posted on ATCO Electric's website and an advertisement will be published in the Edmonton Journal, Calgary Herald and the Slave Lake Leader.
- ATCO Electric will provide interested parties 21 days to submit bids on the isolated generating units. ATCO Electric may extend this deadline by up to two weeks if two or more bidders request an extension.
- ATCO Electric will arrange for interested parties to inspect the assets.
- All bids shall be submitted electronically to ATCO Electric's website, with reference to the sale quote and number.

9. The Commission notes that no customer representative(s) or other interested parties applied to intervene or otherwise objected to the proposed sale offering and the manner in which it will be conducted, and that the sale offering is similar to the isolated generating unit sale offerings previously approved by the Commission in Decision 20381-D01-2015,<sup>3</sup> Decision 23716-D01-2018<sup>4</sup> and Decision 26078-D01-2021.<sup>5</sup>

10. The Commission is satisfied that the sale offering and proposal filed by ATCO Electric complies with the requirements set out in Section 17 of the *Isolated Generating Units and Customer Choice Regulation*, as the sale offering will be widely publicized and conducted in a manner that does not make the sale offering less attractive or discourage or restrict potential bids in response to the sale offering.

---

<sup>2</sup> Exhibit 28699-X0001, application, PDF pages 3-4.

<sup>3</sup> Decision 20381-D01-2015: ATCO Electric Ltd., Approval of Sale Offering for Chinchaga Power Plant, Proceeding 20381, June 29, 2015.

<sup>4</sup> Decision 23716-D01-2018: ATCO Electric Ltd., Approval of Sale Offering for Garden River Power Plant, Proceeding 23716, October 9, 2018.

<sup>5</sup> Decision 26078-D01-2021: ATCO Electric Ltd., Approval of the Revised Palisades Sale Offering, Proceeding 26078, March 11, 2021.

11. The Commission approves ATCO Electric's sale offering and proposal for the sale of isolated generating units CUL 483, CUL 429, CUL 430 and CUL 280, as filed.

12. ATCO Electric is directed to proceed with the sale offering for the Narrows Point isolated generating units in accordance with the proposal filed and the draft sale offering advertisement set out in [Appendix 2](#).

#### **4 Order**

13. It is hereby ordered that:

- (1) ATCO Electric Ltd.'s application for approval of the sale offering for isolated generating units CUL 483, CUL 429, CUL 430 and CUL 280 located at the Narrows Point Power Plant is approved.

Dated on January 8, 2024.

**Alberta Utilities Commission**

*(original signed by)*

Doug Hawkins  
Acting Commission Member

### Appendix 1 – Proceeding participants

<b>Name of organization (abbreviation)</b> <b>Company name of counsel or representative</b>
ATCO Electric Ltd. (ATCO Electric)

Alberta Utilities Commission
Commission panel D. Hawkins, Acting Commission Member
Commission staff A. Starkov P. Baker

## Appendix 2 – Sale offering advertisement

[\(return to text\)](#)

### TENDER

In accordance with Alberta Utilities Commission Decision 28699- D01-2024, ATCO Electric is accepting bids for the sale of decommissioned generating units and associated equipment.

The decommissioned generating units and associated equipment currently located in Narrows Point, Alberta will be sold on an “as is, where is” basis.

For detailed information about the configuration of the equipment, sale offering process and other relevant details, please consult ATCO Electric’s website at [www.electric.atco.com](http://www.electric.atco.com).

To participate in the Request for Quotation (RFQ) process and submit a bid to purchase the decommissioned equipment please contact “Ali.Morad@atco.com” by 4pm, \_\_\_\_\_, 2024.

All bids to purchase the equipment are to be submitted electronically by 4 pm, \_\_\_\_\_, 2024 as per the RFQ instructions.





**Appendix 3 – Summary of Commission directions**

This section is provided for the convenience of readers. In the event of any difference between the directions in this section and those in the main body of the decision, the wording in the main body of the decision shall prevail.

1. ATCO Electric is directed to proceed with the sale offering for the Narrows Point isolated generating units in accordance with the proposal filed and the draft sale offering advertisement set out in Appendix 2..... paragraph 12