Decision 28302-D01-2024



# **Acestes Power ULC**

**Camrose Solar Project** 

March 25, 2024

#### **Alberta Utilities Commission**

Decision 28302-D01-2024 Acestes Power ULC Camrose Solar Project Proceeding 28302 Applications 28302-A001 and 28302-A002

March 25, 2024

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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.

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#### 1 Decision summary

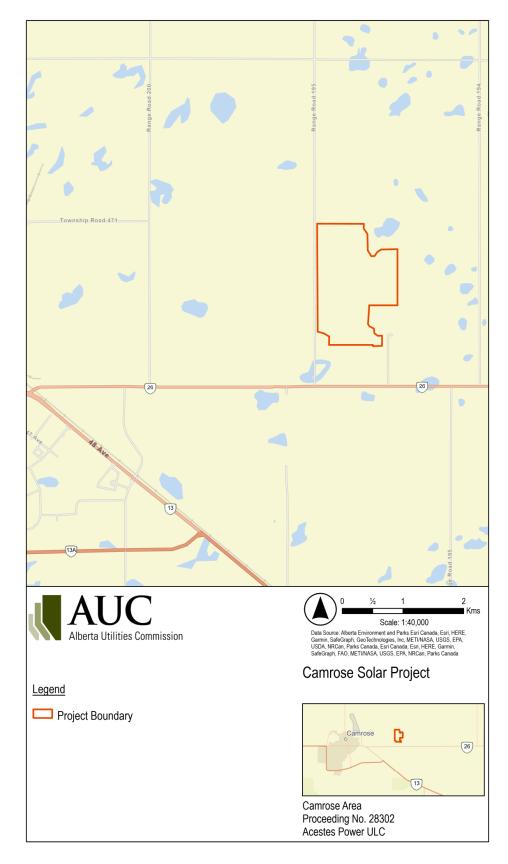
1. In this decision, the Alberta Utilities Commission approves applications from Acestes Power ULC to construct and operate the Camrose Solar Project.

#### 2 Introduction

2. Acestes Power ULC filed applications with the Commission for approval to construct and operate a 23.3-megawatt solar power plant, designated as the Camrose Solar Project. The project would be located on approximately 188 acres of privately owned, cultivated land. The project would consist of Canadian Solar bifacial modules with a rated output of 650 watts mounted on single-axis tracker racking and Sungrow inverters. Acestes stated that the make and model of the panels are not finalized but would not exceed the applied-for output capability.

3. Acestes applied to connect the proposed power plant to the FortisAlberta Inc. distribution system.

4. The project would be located in the west half of Section 5, Township 47, Range 19, west of the Fourth Meridian, approximately 1.6 kilometres east of the city of Camrose in Camrose County, as shown on the map in Figure 1.



#### Figure 1. Proposed Camrose Solar Project location

5. Acestes estimated a construction start date in the fall of 2024 with a commercial operation date in November 2025.

6. The Commission issued a notice of applications for the project and received one statement of intent to participate from Camrose County. The County indicated it generally supports the applications, but wanted the Commission to consider road access and potential upgrades, reclamation security, and use of farmland.<sup>1</sup> The County noted that the project aligns with its Municipal Development Plan, Land Use Bylaw and its Intermunicipal Development Plan with the City of Camrose.

7. The County wanted to provide written comments to the Commission but was not requesting a hearing. The Commission granted the County participation rights in relation to the issues identified in its statement of intent to participate and established a written process for the County to file a submission and for Acestes to submit a response.<sup>2</sup>

8. On September 6, 2023, the Commission issued Bulletin 2023-05: *Interim Rule 007 information requirements*. On October 31, 2023, Acestes provided its responses to the interim Rule 007 information requirements on agricultural land, municipal land use, viewscapes, and reclamation security.

9. These applications were subject to the approvals pause mandated by the *Generation Approvals Pause Regulation*. While the pause was in effect, the AUC conducted an inquiry (the Module A inquiry) into several land use impact issues in accordance with Order-in-Council 171/2023. The issues considered in the Module A inquiry included: reclamation security for power plants, the impact of the development of power plants on specific types or classes of agricultural or environmental land, provincial Crown land and Alberta's pristine viewscapes. The Commission provided its report on the Module A inquiry to the Minister of Affordability and Utilities on January 31, 2024, and the Module A report was publicly released on March 13, 2024.

10. On February 28, 2024, before the pause expired, the Government of Alberta signalled its intent to develop policy and legislative tools related to some topics in the Module A report and the Commission issued a bulletin confirming that each power plant application affected by the pause would be considered on its individual merits, and the Commission would assess each application to determine whether further process was required. This determination would be based on the circumstances of each application and the sufficiency of the existing evidentiary record. On March 6, 2024, the Commission issued a letter advising that no further process would be required for this proceeding.

11. The Commission's decision in this proceeding is based solely on the record of this proceeding and the Commission did not take into account or otherwise have regard for the Module A report in deciding these applications.

<sup>&</sup>lt;sup>1</sup> Exhibit 28302-X0022, Camrose County response to proposal.

<sup>&</sup>lt;sup>2</sup> Exhibit 28302-X0022, AUC letter – Ruling on standing.

### 3 Findings

12. For the reasons outlined below, the Commission finds that approval of the project is in the public interest having regard to its social, economic, environmental and other effects.

13. 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 and Hydro Developments* have been met, including the interim Rule 007 information requirements in Bulletin 2023-05.

### 3.1 Participation involvement program

14. Acestes' participant involvement program consisted of notifying stakeholders, including occupants, residents, and landowners located within 800 metres of the project boundary, and personal consultation with stakeholders located within 400 metres of the project boundary. There are two aerodromes within 4,000 metres of the project. Acestes consulted with both aerodromes.

15. The Commission finds that Acestes' participant involvement program satisfies Rule 007 requirements.

### **3.2 End-of-life management**

16. With respect to end-of-life management, Acestes submitted a conservation and reclamation plan in accordance with the Alberta Environment and Protected Areas - Fish and Wildlife Stewardship (AEPA) *Conservation and Reclamation Directive for Renewable Energy Operations* as part of its application materials.

17. In response to interim Rule 007 information requirements,<sup>3</sup> Acestes indicated it had an engineering firm complete a reclamation cost estimate which was provided to the hosting landowners of the project. The arrangements for security were discussed with the hosting landowners and subject to the landowners' agreement. Acestes indicated that it would re-assess the reclamation security amount every seven and a half years following project commissioning date, which it estimates will be four times over an assumed 30-year project life.

18. Acestes intends to begin funding a reclamation security account at the start of project construction, which will be available to be drawn upon as needed. The reclamation security will be in the form of a letter of credit, bond, cash collateral or other security and will be held by the hosting landowners.

19. The County submitted that reclamation security should be determined, collected and updated by the Commission to ensure it is consistent for all projects rather than being determined through agreements with individual landowners.

<sup>&</sup>lt;sup>3</sup> Exhibit 28302-X0030, 2023-10-31 Camrose Interim IRs\_FINAL.

20. On February 28, 2024, the Ministry of Affordability and Utilities provided a letter to the Commission<sup>4</sup> addressing anticipated policy and legislative changes to reclamation security, among others:

Government of Alberta will develop and implement the necessary policy and legislative tools to ensure developers are responsible for reclamation costs via bond or security, with appropriate security amounts and timing to be determined by Environment and Protected Areas in consultation with Affordability and Utilities. The reclamation costs will be provided directly to the Government of Alberta or could be negotiated with landowners as long as sufficient evidence is provided to the AUC. The new requirements will apply [to] all approvals issued on or after March 1, 2024.

21. Based on the information on the record of this specific proceeding, the Commission accepts that the applicant's approach to reclamation is sufficient for the purposes of satisfying the Commission that approval of the project is in the public interest. The Commission further understands that Acestes will be responsible for posting security in accordance with the reclamation security regime referenced above, given that the project has been approved after March 1, 2024.

22. With respect to the County's request that reclamation security should be determined, collected, and updated by the Commission, the Commission notes that where posting of security is required in other Alberta legislation, including the *Environmental Protection and Enhancement Act* and its regulations, there are specific provisions governing the amounts and particulars of the required security.<sup>5</sup> Given this, and recognizing the expectation outlined in the Minister of Affordability and Utilities' letter that a reclamation security regime will be in place and applicable to this approval, the Commission will not require security to be posted at this time.

#### 3.3 Agricultural land and environmental impacts

23. The project is sited on currently cultivated land. Acestes identified that according to the Land Suitability Rating System (LSRS), the land within the project footprint is Class 4, indicating the entirety of the project area has severe limitations to growth.

24. In its statement of intent to participate, the County indicated it would prefer for the project to be co-located with agricultural activities to reduce the loss of agricultural land and to help with weed management. In its interim Rule 007 information requirements, Acestes indicated it intends to co-locate sheep grazing and/or hay production on this solar facility and within one year of the completion of construction of the facility it will plant a suitable perennial grass. The County indicated it was satisfied with Acestes' submission that the land will be used either for haying or sheep farming once construction of the power plant is complete.

25. Acestes retained McCallum Environmental Ltd. to prepare an environmental evaluation, and a preliminary conservation and reclamation plan. The environmental evaluation described the baseline environmental conditions, identified potential effects and developed mitigation for environmental sensitivities prior to construction and operation. The preliminary conservation and

<sup>&</sup>lt;sup>4</sup> Letter re Policy Guidance to the Alberta Utilities Commission (28 February 2024) from Nathan Neudorf, Minister Affordability and Utilities.

<sup>&</sup>lt;sup>5</sup> Conservation and Reclamation Regulation, Section 17 and *Environmental Protection and Enhancement Act*, RSA 2000, c E-12 and associated regulations.

reclamation plan described the planning requirements to help ensure successful reclamation at the end of the project's life. Acestes submitted an environmental protection plan that described its plans to mitigate any adverse effects during construction and operation of the power plant.

26. A renewable energy referral report from AEPA, dated June 22, 2022, ranked the project an overall low risk to wildlife and wildlife habitat. A low risk ranking was determined for all wildlife factors considered with the exception of risk to wetlands and risk to birds, which received a moderate risk ranking based on the number of wetlands present in the project area and the high number of grassland birds observed during the breeding bird surveys.

27. Acestes noted that development is planned to occur within the 100-metre setbacks of 15 Class III+ wetlands,<sup>6</sup> which contravenes the guidance in Standard 100.1.9 of the *Wildlife Directive for Alberta Solar Energy Projects*. These wetlands have been annually cultivated up to their edges, creating existing and ongoing impacts. Acestes suggested that construction of the project would increase biodiversity in currently cultivated areas due to perennial grass planting. To minimize wetland disturbance, Acestes committed to only constructing within the setbacks during dry or frozen ground conditions, and to minimize wetland-associated vegetation clearing to the extent feasible. The Commission accepts Acestes' reasoning for the wetland encroachments given the project area is almost entirely cultivated.

28. Based on the 2021 map of cumulative clubroot infestations in Alberta,<sup>7</sup> Acestes identified a risk of clubroot in Camrose County and indicated that clubroot is spreading within the region.<sup>8</sup> Acestes has committed to mitigations to reduce the spread of clubroot in accordance with best management practices outlined in the *Alberta Clubroot Management Plan*.

29. Rule 033: *Post-approval Monitoring Requirements for Wind and Solar Power Plants* requires approval holders to submit annual post-construction monitoring survey reports to AEPA and the Commission. Therefore, the Commission imposes the following condition of approval:

a. Acestes shall submit an annual post-construction monitoring survey report to Alberta Environment and Protected Areas no later than January 31 of the year following the mortality monitoring period and submit the post-construction monitoring survey report and Alberta Environment and Protected Areas' post-construction monitoring response letter to the Commission no later than March 31 of the year following the mortality monitoring period. These reports and response letters shall be subsequently filed on or before the same date every subsequent year for which Alberta Environment and Protected Areas requires surveys pursuant to subsection 3(3) of Rule 033: *Post-approval Monitoring Requirements for Wind and Solar Power Plants*.

30. The Commission expects Acestes to uphold its commitments to implement mitigation measures relating to soils, wildlife mortality, wetlands and amphibian habitat, and clubroot spread. Overall, the Commission is satisfied that the identified environmental effects of the project can be mitigated to an acceptable degree.

<sup>&</sup>lt;sup>6</sup> Exhibit 28302-X0007, Appendix F - Camrose Solar Project\_AUC\_EE\_230630, PDF page 47.

<sup>&</sup>lt;sup>7</sup> Strelkov, S. E., Manolii, V. P., Aigu, Y., Marchal, M., Mignot, R., Daniels, G. C., Harding, M. W., & Hwang, S. F. 2022. The occurrence and spread of clubroot on canola in Alberta in 2021. Journal of the Canadian Phytopathological Society. Canadian Plant Disease Survey Disease Highlights. 102(1). 1-187.

<sup>&</sup>lt;sup>8</sup> Exhibit 28302-X0026, 2023-09-15 Camrose IR 1\_FINAL, PDF page 2.

### **3.4 Project access road**

31. The County noted that the proposed access road for the project is frequently closed due to seasonal flooding and there are currently no developments planned for this roadway. The County stated that it has discussed the road upgrades with Acestes and indicated that the County will undertake the necessary upgrades to access the project, provided Acestes agrees to assume responsibility for the cost. The County identified that it will place a condition on the municipal development permit requiring Acestes to pay for the road upgrade.

32. Acestes confirmed that it intends to continue working closely with Camrose County in the municipal development permit process, and specifically with respect to the project access road discussed by the County. Acestes confirmed that it is willing to complete the road upgrades at its expense, following an agreement with Camrose County on the location and the level of upgrades required. Acestes estimated that discussions with the County about the specific upgrade requirements will take place in the spring of 2024.

33. The Commission acknowledges Acestes' commitment to pay for and work with the County in completing the necessary road upgrades in the area. The Commission's approval of the project should not be construed as overturning the County's ability to impose conditions related to road access and upgrades as part of the development permit process.

# 3.5 Viewscapes

34. Acestes stated that the project would be surrounded on three sides by existing vegetation and would only be visible from the south. There are no federally protected areas, provincially designated natural areas, provincial parks, or key wildlife and biodiversity zones located within 10 kilometres of the project. The Commission is satisfied that any visual impacts of the proposed project will be acceptable given the characteristics of the surrounding area.

# 3.6 Noise impacts

35. RWDI completed a noise impact assessment (NIA), which confirmed that the project will comply with Rule 012: *Noise Control.* The NIA identified 19 receptors in the study area with four of those receptors located outside of the 1.5-kilometre project boundary. The NIA established two different permissible sound levels (PSLs) as these receptors fall under two different receptor categories following Rule 012 guidelines. For the Category 1 receptors, the PSLs were set to be 40 A-weighted decibels (dBA) nighttime and 50 dBA daytime. For the Category 2 receptors located within 500 metres of Highway 26, the NIA established PSLs to be at 45 dBA nighttime and 55 dBA daytime.

36. The NIA concluded that the predicted cumulative noise levels, accounting for both the project and nearby third-party facilities, comply with the established PSLs during both the daytime and nighttime periods. The Commission finds that the NIA meets the requirements of Rule 012 and accepts the conclusion that noise from the project will comply with the rule.

# 3.7 Glare impacts

37. RWDI completed a solar glare hazard assessment report, which predicted that glare from the project is not likely to create hazardous glare conditions for nearby receptors. The report identified five dwelling and five transportation routes within 800 metres of the project and two aerodromes (Camrose Airport and Marek Farms Aerodrome which is not currently in operation) within 4,000 metres of the project. Two flight paths were studied for each aerodrome

using north and south approaches. RWDI noted that no air traffic control towers are located at either aerodrome.

38. The only receptor predicted to experience glare is Range Road 195 with predicted yellow-grade glare up to 2,206 minutes per year for smaller vehicles (i.e., cars, SUVs, or light trucks), and up to 3,584 minutes per year for larger vehicles (i.e., semis or tractor trailers). None of the flight paths studied were predicted to experience any potential glare from the project. Acestes had not received NAV CANADA approval at the time of its applications but committed to obtaining this approval prior to the start of construction.

39. RWDI explained that the glare prediction model did not account for potential screening from natural or man-made obstacles such as cloud cover, vegetation or other physical obstructions including the building envelope of any dwellings. The Commission accepts the conclusion in the solar glare assessment that the project is unlikely to create hazardous glare conditions.

40. The predictions and associated conclusion in the solar glare hazard assessment report were premised upon the use of an anti-reflective coating on the project solar panels. Therefore, the Commission imposes the following condition of approval:

b. Acestes shall use solar panels with an anti-reflective coating for the project.

41. Acestes confirmed that it will promptly address any concerns or complaints from drivers on Range Road 195 regarding project glare. The Commission requires that any glare issues associated with the project that may arise be addressed by Acestes in a timely manner. Therefore, the Commission imposes the following condition of approval:

c. Acestes shall file a report with the Commission detailing any complaints or concerns it receives or is made aware of regarding solar glare from the project during the first year of operation, as well as Acestes' response to the complaints or concerns. Acestes shall file the report no later than 13 months after the project becomes operational.

#### **3.8** Other conditions

42. The Commission notes that Acestes has not finalized the project equipment. Accordingly, the Commission imposes the following as a condition of approval:

d. Once Acestes has finalized its equipment selection and project layout, it must file a final project update with the Commission to confirm that the project has stayed within the final project update allowances for solar power plants. The final project update must be filed at least 90 days prior to the start of construction.

43. Acestes provided a letter from FortisAlberta indicating that FortisAlberta is prepared to allow the interconnection of the project to its distribution system. As Acestes has met the information requirements for a connection order, the Commission approves the interconnection.

#### 4 Decision

44. The Commission finds that Acestes has satisfied the requirements of Rule 007 and Rule 012. For reasons outlined in the decision, and subject to all of the conditions that form part of this decision as set out above and listed in Appendix A, the Commission finds, in accordance with Section 17 of the *Alberta Utilities Commission Act*, approval of the applications to be in the public interest having regard to the social, economic, and other effects of the projects, including the effects on the environment.

45. Pursuant to sections 11 and 19 of the *Hydro and Electric Energy Act*, the Commission approves Application 28302-A001 and grants Acestes Power ULC the approval set out in Appendix 1 – Power Plant Approval 28302-D02-2024 to construct and operate the Camrose Solar Project.

46. Pursuant to Section 18 of the *Hydro and Electric Energy Act*, the Commission approves Application 28302-A002 and grants Acestes Power ULC the approval set out in Appendix 2 – Connection Order 28302-D03-2024 to connect the Camrose Solar Project to the FortisAlberta Inc. distribution system.

47. The appendixes will be distributed separately.

Dated on March 25, 2024.

# Alberta Utilities Commission

(original signed by)

Renée Marx Commission Member

#### Appendix A – Summary of Commission conditions of approval in the decision

This section is intended to provide a summary of all conditions of approval specified in the decision for the convenience of readers. Conditions that require subsequent filings with the Commission will be tracked as directions in the AUC's eFiling System. In the event of any difference between the conditions in this section and those in the main body of the decision, the wording in the main body of the decision shall prevail.

The following are conditions of Decision 28302-D01-2024 that require subsequent filings with the Commission and will be included as conditions of Power Plant Approval 28302-D02-2024:

- a. Acestes shall submit an annual post-construction monitoring survey report to Alberta Environment and Protected Areas no later than January 31 of the year following the mortality monitoring period and submit the post-construction monitoring survey report and Alberta Environment and Protected Areas' post-construction monitoring response letter to the Commission no later than March 31 of the year following the mortality monitoring period. These reports and response letters shall be subsequently filed on or before the same date every subsequent year for which Alberta Environment and Protected Areas requires surveys pursuant to subsection 3(3) of Rule 033: *Post-approval Monitoring Requirements for Wind and Solar Power Plants*.
- d. Once Acestes has finalized its equipment selection and project layout, it must file a final project update with the Commission to confirm that the project has stayed within the final project update allowances for solar power plants. The final project update must be filed at least 90 days prior to the start of construction.

The following are conditions of Decision 28302-D01-2024 that may or do not require a subsequent filing with the Commission:

- b. Acestes shall use solar panels with an anti-reflective coating for the project.
- c. Acestes shall file a report with the Commission detailing any complaints or concerns it receives or is made aware of regarding solar glare from the project during the first year of operation, as well as Acestes' response to the complaints or concerns. Acestes shall file the report no later than 13 months after the project becomes operational.