Decision 28321-D01-2024



# AltaLink Management Ltd.

Wabamun 2739S Substation and Transmission Line 124L Decommission and Salvage Project

May 6, 2024



#### **Alberta Utilities Commission**

Decision 28321-D01-2024 AltaLink Management Ltd. Wabamun 2739S Substation and Transmission Line 124L Decommission and Salvage Project Proceeding 28321 Applications 28321-A0001 and 28321-A002

May 6, 2024

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Telephone:310-4AUC (310-4282) in Alberta<br/>1-833-511-4AUC (1-833-511-4282) outside AlbertaEmail:info@auc.ab.caWebsite: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.

|   | Decision 28321-D01-2024     |
|---|-----------------------------|
| AltaLink Management Ltd.                                | Proceeding 28321            |
| Wabamun 2739S Substation and                            | Applications 28321-A001 and |
| Transmission Line 124L Decommission and Salvage Project | 28321-A002                  |

## 1 Decision summary

1. In this decision, the Alberta Utilities Commission approves applications from AltaLink Management Ltd. to decommission and salvage Wabamun 2739S Substation and Transmission Line 124L.

### 2 Introduction

2. AltaLink Management Ltd. is the owner of Wabamun 2739S Substation and Transmission Line 124L, under Licence 25372-D54-2020<sup>1</sup> and Permit and Licence U2008-297,<sup>2</sup> respectively, in the Wabamun area.

3. The 69-kilovolt (kV) Transmission Line 124L operates between Wabamun 2739S Substation and Wabamun 19S Substation. AltaLink filed applications under Section 21 of the *Hydro and Electric Energy Act* seeking approval to decommission and salvage Wabamun 2739S Substation and Transmission Line 124L.

4. AltaLink explained that Wabamun 2739S Substation and Transmission Line 124L supply three megawatts of power to FortisAlberta Inc. to serve Fortis's customers in the area; however, these transmission facilities were constructed in 1954 and are at the end of their life cycle. Rather than refurbishing Wabamun 2739S Substation, Fortis identified a lower-cost solution using existing and proposed distribution infrastructure. Subsequently, AltaLink determined that the substation and transmission line are no longer required and can be decommissioned.

5. AltaLink stated that all work related to the salvage of Wabamun 2739S Substation will occur on land owned by AltaLink, and work related to the salvage of Transmission Line 124L will occur within the county road allowance and a right-of-way easement on land leased by TransAlta Corporation. Portions of the Transmission Line 124L right-of-way will be released back to TransAlta following receipt of a reclamation certificate from Alberta Environment and Protected Areas (AEPA).

6. The Commission issued a notice of applications and sent notice by email to Paul First Nation, Lac Ste. Anne Métis Community Association (LSAMCA), O'Chiese First Nation, Alexis Nakota Sioux Nation, Enoch Cree Nation #440, Alexander First Nation, and Montana First Nation. The Commission received one statement of intent to participate (SIP) in opposition to the project from LSAMCA. The Commission granted standing to LSAMCA. However, LSAMCA ultimately

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<sup>&</sup>lt;sup>1</sup> Substation Licence 25372-D54-2020, Proceeding 25372, Application 25372-A053, March 24, 2020.

<sup>&</sup>lt;sup>2</sup> Substation Permit and Licence No. U2008-297, Application No. 1583571, October 21, 2008.

withdrew its SIP prior to the scheduled oral hearing, indicating that AltaLink had addressed its concerns. The Commission then cancelled the oral hearing.

# **3** Scope of the proceeding

7. Many of LSAMCA's concerns, prior to withdrawing its SIP, relate to remediation and reclamation matters.

8. The Commission's authority under Section 21 of the *Hydro and Electric Energy Act* is to determine if it is in the public interest for AltaLink to discontinue the operation of the Wabamun 2739S Substation and Transmission Line 124L and to dismantle and remove the assets and associated infrastructure.

9. Under Rule 007: *Applications for Power Plants, Substations, Transmission Lines, Industrial System Designations, Hydro Developments and Gas Utility Pipelines*, the Commission requires an applicant to provide evidence of any remediation and reclamation work to be performed.<sup>3</sup> This is because, if the Commission approves an application under Section 21 of the *Hydro and Electric Energy Act*, the proposed work(s) may have environmental risks and the Commission expects the applicant to have appropriately identified these risks and the applicable regulatory requirements.

10. Regulatory requirements regarding remediation and reclamation can fall under various regulatory bodies, depending on the location of works (i.e., provincial or federal lands), stage of process, and the nature of the facility. Regulatory bodies may include the federal government and AEPA.

11. The *Environmental Protection and Enhancement Act* contains the obligation for an operator to conserve and reclaim specified land to an equivalent land capability, and to obtain a reclamation certificate in respect of the conservation and reclamation.<sup>4</sup> Under this legislation, AEPA is the body granted authority to make directions in this regard, and applications for reclamation certificates are made to, and issued by, AEPA. When considering whether to approve an application under Section 21 of the *Hydro and Electric Energy Act*, the Commission is not charged with determining reclamation requirements or assessing whether a site has been appropriately remediated and reclaimed.

## 4 Findings

12. The Commission finds that the applications meet the requirements of Rule 007. The Commission is satisfied that the facilities are no longer required. AltaLink provided a letter from the Alberta Electric System Operator confirming that it has no concerns with the proposed decommissioning and salvage.

13. The Commission is satisfied that AltaLink's participant involvement program meets Rule 007 requirements and the objectives of effective consultation. The participant involvement

<sup>&</sup>lt;sup>3</sup> See DST3 and DST4.

<sup>&</sup>lt;sup>4</sup> Environmental Protection and Enhancement Act, Section 137.

program included notification to stakeholders with interests in land directly adjacent to the existing facilities.

14. AltaLink retained North Shore Environmental Consultants Inc. to complete contamination assessments of Wabamun 2739S Substation and Transmission Line 124L. Initial assessments identified two historical Wabamun 2739S Substation transformer leaks and potential contamination from breakers.

15. North Shore conducted environmental investigations and prepared reports in accordance with *Alberta Environmental Site Assessment Standard.*<sup>5</sup> North Shore conducted a Phase 1 environmental site assessment (ESA)<sup>6</sup> and concluded that a Phase 2 ESA<sup>7</sup> should be conducted to identify areas where further investigation is required once the transmission line and substation were de-energized.

16. During the course of the proceeding, in advance of the facilities being removed, AltaLink filed two initial Phase 2 ESAs. North Shore confirmed contaminants were present inside and outside of the Wabamun 2739S Substation fenceline and extend horizontally from the Transmission Line 124L structures.

17. AltaLink stated that North Shore could not complete full delineations of the contaminants until the decommissioning and salvage of the substation and transmission line have been completed as infrastructure inhibited its ability to detect, delineate and remediate contamination efficiently. AltaLink committed to remediating and soil testing until the contaminants are found to be within the Alberta Tier 1 and Tier 2 soil and groundwater remediation guidelines.

18. As a result of the advanced ESA work completed, AltaLink prepared draft remedial action plans, exposure control plans and reclamation plans for the Wabamun 2739S Substation and Transmission Line 124L sites.

19. For the purposes of Rule 007, the Commission is satisfied that AltaLink has provided a proper assessment of the existing environmental risks, applied appropriate mitigation measures, and committed to applying for appropriate regulatory approvals. The Commission expects AltaLink to comply with the relevant sections of the *Environmental Protection and Enhancement Act*, the *Conservation and Reclamation Regulation* and other relevant statutes, regulations, rules and guidelines listed in the applications.

<sup>&</sup>lt;sup>5</sup> Government of Alberta, Alberta Environmental Site Assessment Standard, March 1, 2016.

<sup>&</sup>lt;sup>6</sup> A Phase 1 ESA consists of a historical desktop review and site reconnaissance, and information is gathered based on current and historical land uses to determine if there are any actual or potential contaminants of concern or areas of concern associated with a site.

A Phase 2 ESA consists of subsequent intrusive investigations after equipment has been removed where contaminants of concern are investigated in areas where they might occur, and this information assists in identifying risks and remedial options. Exceedance of regulatory guidelines is a trigger for focused remediation or further site and risk characterization of contaminants of potential concern.

#### 5 Decision

20. Pursuant to Section 21 of the *Hydro and Electric Energy Act*, the Commission approves applications 28321-A001 and 28321-A002 and grants AltaLink Management Ltd. the following approvals:

- Appendix 1 Decommission and Salvage Approval 28321-D02-2024 to decommission and salvage Wabamun 2739S Substation.
- Appendix 2 Decommission and Salvage Approval 28321-D03-2024 to decommission and salvage Transmission Line 124L.
- 21. The appendixes will be distributed separately.

Dated on May 6, 2024.

### **Alberta Utilities Commission**

(original signed by)

Renée Marx Panel Chair

(original signed by)

Cairns Price Commission Member