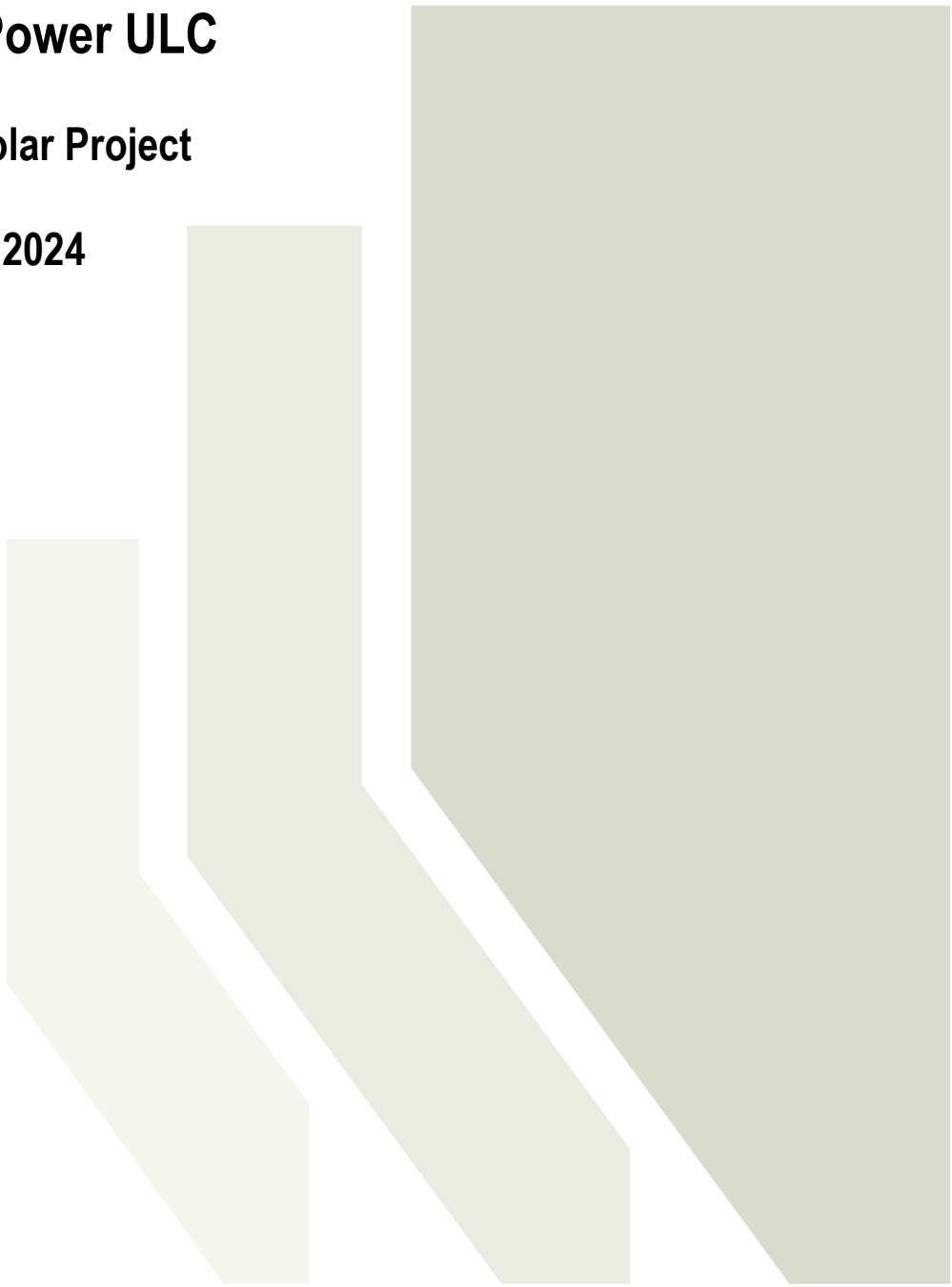




Acestes Power ULC

Westlock Solar Project

October 11, 2024



Alberta Utilities Commission

Decision 28587-D01-2024

Acestes Power ULC

Westlock Solar Project

Proceeding 28587

Applications 28587-A001 and 28587-A002

October 11, 2024

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1 Decision summary

1. Acestes Power ULC applied to construct and operate a 24-megawatt solar plant, designated as the Westlock Solar Project (the project), located two kilometres north of the town of Westlock, and to connect the power plant to the FortisAlberta Inc. distribution system, under the *Hydro and Electric Energy Act*. The Alberta Utilities Commission denies Acestes' applications.

2. The proposed power plant would include 55,216 Canadian Solar BiHiKu7 BS7N650MB-AG bifacial modules, each with a rated output of 650 watts, mounted on single-axis tracker racking. It would also include seven Sungrow 3600UD inverters, inverter/transformer stations, underground collector lines that connect to an electrical house and switchgear building, and an internal road network.

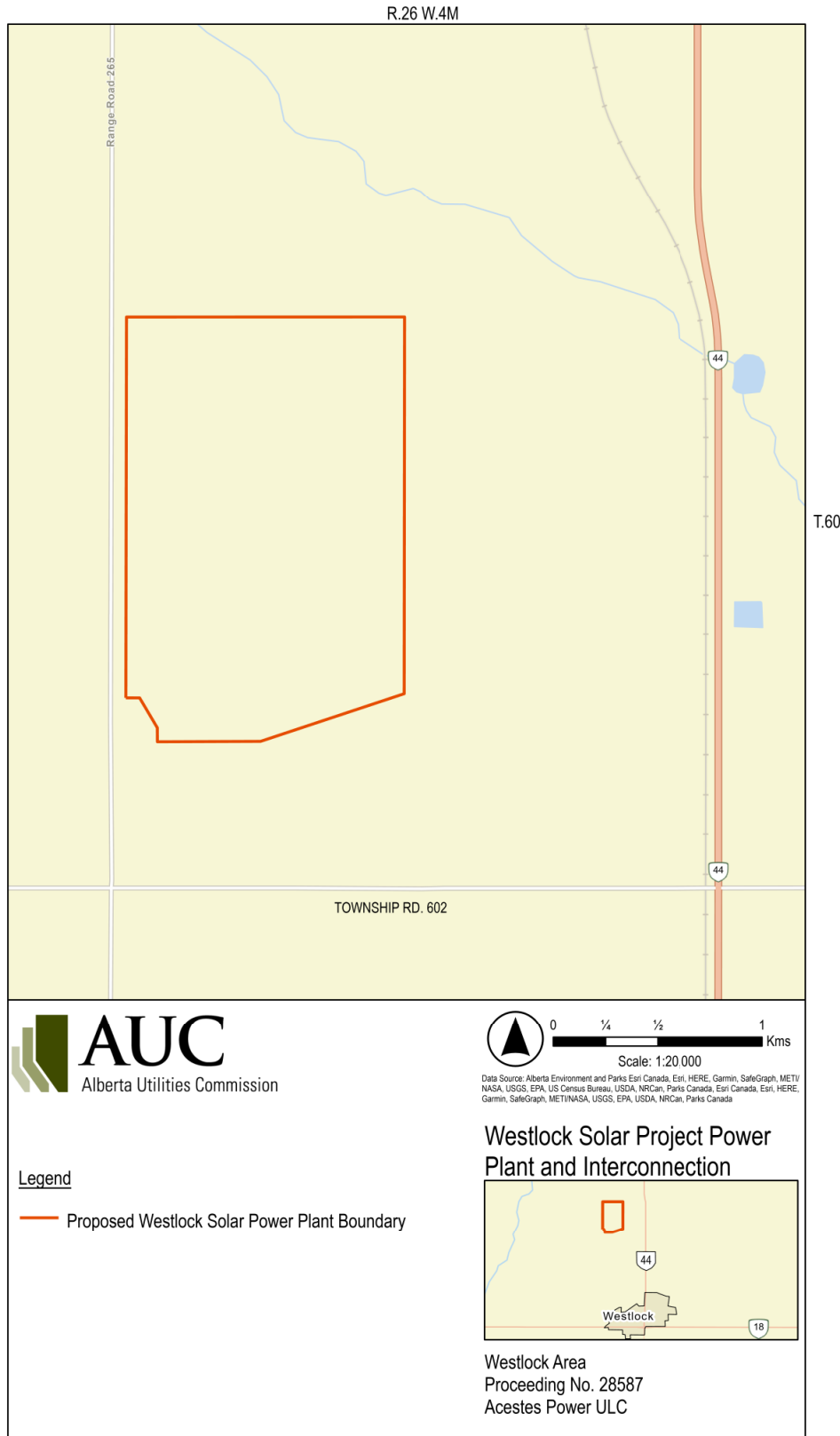
3. The proposed project would be sited on the northwest and southwest quarters of Section 17, Township 60, Range 26, west of Fourth Meridian, on approximately 220 fenced acres of privately owned, cultivated land as shown in Figure 1 below.

4. Westlock County (the County) and Nathan Brown received participation rights and standing, respectively, and raised various concerns with the project in this proceeding, which included an oral hearing.¹

5. For the reasons described below, the Commission finds that Acestes did not discharge its burden of demonstrating that the project's benefits outweigh its negative effects. The Commission considers that the solar power plant is sited on Class 2 lands and are therefore highly productive lands, the agrivoltaics plan did not sufficiently address the loss of value in agricultural production and Acestes did not adequately show that the project's environmental benefits would outweigh the negative social and economic impacts.

¹ Exhibit 28587-X0027, AUC letter – Ruling on standing; Exhibit 28587-X0028, Notice of hearing – Westlock Solar Project.

Figure 1. The proposed Westlock Solar Project area



2 How the Commission assesses the proposed project

6. The Commission is an independent regulator tasked with considering the approval of applications for power plants, substations and energy storage facilities, such as this one.² To do this, the Commission must consider whether the proposed project is in the public interest, having regard to its social, economic, environmental and other effects.³

7. The applicant has the onus of demonstrating that approval of its project is in the public interest. Interveners may attempt to show the applicant has not met that onus and argue that approval of the project is not in the public interest. The Commission's role is to test and assess the evidence before it to determine if the project should be approved, and if so, whether any conditions should apply. As a starting point, the Commission considers whether the application complies with its rules, including Rule 007: *Applications for Power Plants, Substations, Transmission Lines, Industrial System Designations, Hydro Developments and Gas Utility Pipelines* and Rule 012: *Noise Control*.

8. On February 28, 2024, the Minister of Affordability and Utilities advised in a letter, in accordance with Section 10 of the *Alberta Public Agencies Governance Act*,⁴ of the Government of Alberta's intention to advance various policy, legislative and regulatory changes before the end of 2024 (the February 28 Letter). In Bulletin 2024-03, the Commission confirmed that each power plant proceeding actively before the Commission at the time of issuance of the February 28 Letter would be considered on its individual merits.⁵

2.1 Legislative and evidentiary framework

9. Section 17 of the *Alberta Utilities Commission Act* sets out a broad public interest mandate, requiring the Commission to consider a proposed project's social and economic effects, and its effects on the environment, in addition to any other effects it may or must consider in reaching an overarching conclusion on whether that project is in the public interest. The Commission can, and does, take into account many factors when executing this broad mandate.

10. Amongst these factors, it is the Commission's position that it should consider stated government policy on a matter directly before it in an application. In this case, that policy includes the February 28 Letter. While such policy advice is not binding, it can play a role in the Commission's ultimate public interest determination. In the Commission's view, such consideration is consistent with the courts' repeated characterization of the Commission's public interest assessment as having a fundamentally discretionary nature. The Commission will weigh applicable policy amongst the variety of factors it considers in each application before it.

11. Among other matters, the February 28 Letter indicated that the Commission would be directed by upcoming policy and legislative provisions to take an "agriculture first" approach and to evaluate the best use of agricultural lands proposed for renewables development. Further, Alberta would no longer permit renewable generation development on Class 2 lands, "unless a proponent can demonstrate the ability for both crops and/or livestock and renewable generation

² *Hydro and Electric Energy Act*, sections 11, 13.01, 14, 15, 19.

³ *Alberta Utilities Commission Act*, Section 17.

⁴ *Alberta Public Agencies Governance Act*, Section 10.

⁵ Bulletin 2024-03, Updates to AUC application review process following generations approvals pause, February 28, 2024.

to co-exist.”⁶ In this proceeding, it was determined that the project was sited on Class 2 lands, which are recognized for their high productivity. Given this, the Commission requested additional information from Acestes regarding the “best use” of the lands on which the project has been proposed and to support its intention to incorporate sheep grazing and/or hay production on the project lands.

12. Acestes submitted that the February 28 Letter indicates that future changes are coming to the regulatory landscape for renewable energy projects and cautioned the Commission against trying to anticipate what those changes will be and applying a new set of rules to an existing application.⁷

13. The Commission agrees that the February 28 Letter is not binding and has previously indicated that it would consider the policy statements in the February 28 Letter as part of its overall public interest determination.⁸ In this case, the Commission understands the Minister’s policy advice to be advancing a conservationist approach to lands with high agricultural suitability and productive value. As such, when evaluating whether the project is in the public interest, as mandated by Section 17 of the *Alberta Utilities Commission Act*, the Commission has considered a general conservationist approach to one of Alberta’s resources that is potentially affected in this case, namely highly productive agricultural lands, as part of its assessment of the project’s social, economic and environmental effects.

14. Acestes also submitted that the Commission should follow a framework of regulatory certainty where similar cases are decided in similar ways, citing recent Commission decisions where similar applications were approved.⁹ While the Commission appreciates the importance of regulatory certainty, it is not bound by its previous decisions and assesses each application on its individual merits. The Commission assesses all applications before it in light of the unique factual circumstances that make up the entirety of the project and the specific evidence provided by each applicant. Drawing a factual parallel to other Commission decisions does not relieve an applicant of its burden to show that its particular project, on its specific site, given the entirety of its unique factual context, is in the public interest.

⁶ Letter re Policy Guidance to the Alberta Utilities Commission (28 February 2024) from Nathan Neudorf, Minister Affordability and Utilities.

⁷ Transcript, Volume 2, page 187, lines 17-25 and page 188, line 1.

⁸ The Commission previously addressed this issue in Decision 27769-D01-2024: PR Development GP Inc. – Prominence Solar Project, Proceeding 27769, Applications 27769-A001 and 27769-A002, May 23, 2024, paragraphs 23-27. Specifically, the Commission stated at paragraph 26: “The Commission interprets Section 10 [of the *Alberta Public Agencies Governance Act*] as prohibiting the Minister from setting any policy that directly interferes with its decision-making authority. In other words, a policy set by the Minister cannot fetter the AUC’s discretion when deciding an application. However, the Commission does not read this section as prohibiting it from taking into account policies set by the Minister under section 10 when deciding whether approval of an application is in the public interest.” This issue was also addressed in other Commission decisions and rulings, specifically, Decision 28086-D01-2021: Three Hills Solar Power Corp. – Three Hills Solar Project, Proceeding 28086, Application 28086-A001, June 12, 2024, paragraphs 24-27; and Exhibit 27729-X0256, AUC letter – Ruling on WR2 Wind GP Corp. Motion regarding Government of Alberta policy statements, April 16, 2024.

⁹ Transcript, Volume 2, page 188, lines 10-20.

3 Discussion and findings

15. The Commission's key concern with this particular project is its potential negative social and economic impacts as it downgrades the value of the existing agricultural resource to one of lower agricultural value in order to co-exist with solar power production. As indicated above, the Commission ultimately concludes that the project's negative effects on the land, as a result of its siting, are not outweighed by its benefits. In this section, the Commission discusses how it reached this conclusion.

16. First, the Commission assesses the social effects of the project and concludes they are generally negative for farmers, local businesses and the community. Second, the Commission evaluates the economic effects of the project and particularly the impacts of downgrading the type of agricultural activities on the project lands in order to accommodate the solar facility. Third, the Commission considers the environmental effects of the project and concludes that Acestes did not discharge its burden of demonstrating that the project's benefits outweigh its negative effects.

3.1 What are the social effects of the project?

17. At the municipal level, the County's land use planning instruments indicate a preference for industrial development to occur on lower capability agricultural land.¹⁰ In its submissions, the County indicated its planning instruments are designed to protect and enhance the area's agri-based economy and rural lifestyle.¹¹ Currently, the lands on which Acestes proposes to develop the solar project are zoned for agricultural use.¹² During the hearing, in final argument, the County communicated that it does not oppose this particular application¹³ but shared that it was concerned about renewable projects propagating across Class 2 soils within Westlock County. The County added that it would not want any more solar projects on highly productive agricultural land.¹⁴

18. The Commission, while not bound by municipal land use controls, acknowledges that municipal councils serve as the planning authority and are elected by the community, which results in local values being reflected in land use plans and bylaws over time. While the Commission understands the County is willing to accommodate this particular project, it is clear to the Commission that it is not contemplated by the County's land use planning instruments and contradicts their goal to protect and enhance the area's agri-based economy and rural lifestyle.

19. The Commission is also unconvinced by Acestes' written evidence and oral testimony regarding what benefits the project would provide to the public. According to Acestes, the project would generate enough clean, emissions-free electricity to power up to 7,000 homes per year.¹⁵ Acestes also suggested it would create over 100 jobs during construction and generate municipal tax revenue, which in turn would contribute to the improvement of local municipal services.¹⁶

¹⁰ Exhibit 28587-X0036, Written Submission of Westlock County, PDF pages 51 and 52.

¹¹ Exhibit 28587-X0036, Written Submissions of Westlock County for May 14, 2024 AUC Hearing, PDF page 6.

¹² Exhibit 28587_X0036, Written Submissions of Westlock County at PDF 6, citing Westlock County Municipal Development Plan Bylaw No. 05-2016.

¹³ Transcript, Volume 1, page 113.

¹⁴ Transcript, Volume 2, page 191, lines 17-24.

¹⁵ Transcript, Volume 2, page 197, lines 18-20.

¹⁶ Exhibit 28587-X0005, Appendix D - 2023-11-04 Westlock - PIP Report_FINAL, PDF page 22.

20. In the Commission's view, the benefits cited by Acestes were not compelling and appeared to be vague and short-sighted. First, the Commission considers the assertion that the project would generate enough electricity to power up to 7,000 homes per year to be misleading, as Acestes did not provide any evidence to demonstrate whether this supply would be reliable and consistent. Second, Acestes did not commit to hiring locally during either the construction or operations phase of the project and did not provide any concrete details on the ongoing employment benefits to the community during the long-term operations phase of the project. While construction of any type of industrial project creates a short-term number of jobs; the analysis must go further with the important question as to whether over the long term there is a social or economic benefit. Lastly, Acestes did not identify how the project would deliver any other tangible benefits to the community including failing to provide any quantification or estimation regarding the municipal tax revenues the project would generate. Given the generally weak record on the benefits of this project, opposite the clear evidence of its detriments to agriculture, additional information, including more details on the expected tax revenue or any commitments to community benefits, would have been helpful to the Commission.¹⁷

21. Meanwhile, N. Brown submitted that not only does this type of project take highly productive land out of agricultural production, but it also has potential impacts to the rest of the community.¹⁸ The project is proposed in a community that is largely rural and agricultural in its land base. This means that businesses in Westlock which serve the agricultural community, thereby creating employment opportunities and tax revenues, may be negatively impacted by this reduction in highly productive land in the market. In addition, as the supply of highly productive lands is reduced, farmers looking to expand their operations will have to pay a higher price for highly productive land.¹⁹

22. N. Brown also submitted evidence that demonstrates the land in this area is notably productive and typically exceeds local and provincial averages for crop production.²⁰ These lands also maintain a consistently high yield across crop varieties and across growing years.²¹ In the Commission's view, these lands are highly suited to agricultural use and have a greater than average ability to sustain agriculture compared to more marginal classes of agricultural land. The Commission finds that removing these highly suitable lands from agricultural production, or diminishing their agricultural potential, would be detrimental to the community and to Alberta.

23. The sum of these social impacts are concerning for the Commission and because of these concerns, it is difficult to accept, without concrete evidence, Acestes' assertions that the

¹⁷ For illustration purposes, in prior renewable generating plant proceedings, applicants have provided specific calculations of municipal tax revenues and other financial commitments that benefit the community. For example, in Proceeding 28723, the applicant indicated the project would generate roughly \$50 million in tax revenues and committed to contributing \$10,000 annually for the improvement and maintenance of the Wainwright Dunes Ecological Reserve. In Proceeding 27842, the applicant indicated the project would generate roughly \$100 million in tax revenues, 800 jobs during construction, five permanent jobs in the operational phase, and committed to providing \$50,000 in funding to local non-profit agencies and \$60,000 to the local fire department. In Proceeding 27729, the applicant indicated the project would generate tens of millions in tax revenues over the project's life as well as 300 jobs during construction and nine on-site permanent jobs in the operational phase. In Proceeding 28086, the applicant indicated the project would generate roughly \$300,000 in tax revenue annually.

¹⁸ Exhibit 28587-X0046, Evidence Submission 2, page 3.

¹⁹ Exhibit 28587-X0024, Statement of intent to participate, page 2; and Transcript, Volume 2, page 207, lines 10-25 and page 208, line 1.

²⁰ Exhibit 28587-X0037, Evidence Submission 2024, page 6.

²¹ Exhibit 28587-X0037, Evidence Submission 2024.

community benefits will be positive. Overall, the Commission is not prepared to find that this project's siting is beneficial when reviewing its impacts on the social aspects of Alberta's public interest. On this point, the Commission agrees with N. Brown's submission that there are likely other locations within Westlock County where the benefits of solar production may be realized on lands which have less agricultural value. The County, in the Commission's view, appeared to take a nuanced position in the hearing, balancing a long-term objective to retain existing social and economic values and a willingness to support new developments. The County did not provide any commentary that the proposed use of the project lands was beneficial to the local community.

3.2 What are the economic effects of the project?

3.2.1 Is the project sited on highly productive agricultural land?

24. To assess the economic effects of the project, the Commission must determine whether the project is sited on highly productive agricultural land. One indication of the value of land for agricultural purposes is its ranking in land classification tools such as the Land Suitability Rating System (LSRS) provided within the Agricultural Regions of Alberta Soil Information Database (AGRASID). When the project was initially applied for, the project lands were reported as Class 3; however, following routine updates to AGRASID by the Government of Alberta, all the project lands were reclassified as Class 2.

25. It is unclear precisely when Acestes discovered the lands had been reclassified as Class 2. Acestes' corporate witness, Clyde Carr, indicated that Acestes knew of this change in the LSRS classification prior to AUC information requests on April 12, 2024,²² but Acestes failed to update the Commission with this information until requested. Once Acestes understood that the project was sited on Class 2 lands, it should have taken further steps to ensure the accuracy of the record by informing the Commission of the change and addressing what impact this change had on the Commission's public interest determination.

26. The Commission accepts the agricultural yield evidence reported by N. Brown as being authoritative, and it corroborates the high agricultural suitability of the project lands reported in the LSRS. N. Brown submitted that in 2021, the canola yields were 58 bushels per acre on his property, where the provincial average for Alberta is 28 bushels per acre. N. Brown also added data for 2022 and 2023 which showed 52.9 and 61.2 bushels per acre of canola grown.²³ N. Brown's lands are directly adjacent to the project and therefore the Commission accepts that his lands are similar to the project lands. N. Brown described that the adjacent properties had a higher agricultural yield per acre than the provincial average.²⁴ The productivity assessment provided by N. Brown was prepared by an independent advisor and was especially helpful to the Commission.

27. The Commission is satisfied that the land on which Acestes sited its project has high agricultural productivity, given the combination of the LSRS classification and the productivity assessment submitted by N. Brown.

²² Transcript, Volume 1, page 85, lines 2-5.

²³ Exhibit 28587-X0037, Evidence Submission 2024.

²⁴ Exhibit 28587-X0046, Evidence Submission 2, page 2.

3.2.2 What are the economic drawbacks of the project?

28. In this proceeding, assessing the economic effects of the proposed land uses is part of the Commission's fundamental public interest analysis as required by Section 17 of the *Alberta Utilities Commission Act*. In this section, the Commission assesses the land uses proposed by Acestes (the renewable project itself and an agrivoltaics plan) and compares them to the existing agricultural uses of the land.

29. One relevant consideration when assessing the impact to agricultural land is whether the land use offers the highest revenue potential in conjunction with the proposed development. In this proceeding, the evidence shows that for the project site, the best land use is growing annual crops, which are typically canola, wheat and barley.²⁵

30. Acestes retained Tannas Conservation Services Ltd. to provide expert evidence on the best use of the agricultural lands on which the project was proposed, and on coexistence of sheep grazing and/or hay production with the solar facility on the project lands. Within the proposed agrivoltaics grazing plan, Tannas stated that a "land equivalent ratio" of greater than one indicates a more efficient use of land when a dual use system is compared to a single use system.²⁶

31. To better understand this analysis, the Commission requested Acestes to comment on the highest land equivalent ratio and the constraints to implementing an agrivoltaics program that achieved this highest land equivalent ratio.²⁷ Tannas stated that the current grazing plan presented in the agrivoltaics plan represents a 40 per cent reduction in gross revenue versus the existing crop production on site. It also represents a 20 per cent reduction in gross revenue when compared to estimates for crop production within panels, and Tannas highlighted that the current panel layout is narrower than the typical panel spacing found in crop production in European agrivoltaics systems which is needed to facilitate crop production.²⁸

32. The Commission considered Acestes' land use choices by evaluating the gross revenue estimates provided in Table 1-2 and Table 1-3 in Acestes' round 4 information request responses, as shown in Figure 2 and Figure 3 below, and finds that there is an approximately 50 per cent reduction in gross revenue for lamb production compared to the gross revenue of canola, which is the highest grossing agricultural product described by Tannas.²⁹ As further explained by N. Brown, although the cost of raising livestock is generally lower, the overall benefits are comparatively diminished. For instance, while crops have higher overall expenses due to the nature of the machinery required, they yield greater income than animal husbandry. In other words, on a net basis, crop production proves to be more economically advantageous.³⁰

²⁵ Exhibit 28587-X0051, ACESTES Response to AUC Information Request Round 4 - Acestes-AUC-2024MAY2, PDF page 8.

²⁶ Exhibit 28587-X0043, Acestes Agrivoltaic Grazing Plan Report, PDF page 11.

²⁷ Exhibit 28587-X0051, ACESTES Response to AUC Information Request Round 4 - Acestes-AUC-2024MAY2, PDF page 4.

²⁸ Exhibit 28587-X0051, ACESTES Response to AUC Information Request Round 4 - Acestes-AUC-2024MAY2, PDF pages 9-10.

²⁹ Exhibit 28587-X0051, ACESTES Response to AUC Information Request Round 4 - Acestes-AUC-2024MAY2, PDF page 8. Calculation of the 50 percent reduction considered the gross revenue of sheep based on the five-year market average (\$88,827 and \$71,062) against the gross revenue of canola prior to solar installation (\$162,621).

³⁰ Transcript, Volume 1, page 144.

Figure 2. Table 1-2 from Exhibit 28587-X0051, PDF page 8

Table 1-2: Estimated yield comparison between the project without panels and with panels showing

Crop	Yield (no Panels)	Estimated Yield with Panels	Gross Revenue / acre (pre panels)	Gross Revenue / acre (post panels)	Gross Revenue for property Pre-Installation	Gross Revenue for property Post installation
Canola	57.0	45.6	\$740	\$592	\$ 162,621	\$ 130,097
CPS Wheat	80.5	64.4	\$621	\$497	\$ 136,534	\$ 109,227
Barley	103.1	92.7	\$563	\$507	\$ 123,901	\$ 111,511

Figure 3. Table 1-3 from Exhibit 28587-X0051, PDF page 8

Table 1-3: Gross Revenue calculations for lamb production based on 5-year average sale prices for 100lbs weight lambs. This table uses 1 AUM/acre and assumes no fertilization to increase productivity.

	AUM's Available	Sheep	Lambs	\$/cwt (5-year average)	\$/cwt 2023	Gross Revenue (5 year average)	Gross Revenue 2023 prices
4 months grazing	197.73	247	371	217	258	\$88,827	\$105,245
5 months grazing	197.73	198	297	217	258	\$71,062	\$84,196

33. The Commission considers that Acestes can choose which land uses to co-locate with power generation, and in this case has chosen a lower grossing agricultural activity to accommodate the provided solar panel layout. During the hearing, Acestes' witnesses were questioned about the viability of crop production alongside the solar facility. In their responses, the Acestes' witnesses indicated that the costs of facilitating crop production within the solar facility could be a significant hurdle to economical farming.³¹ Further, Acestes indicated that a farmer operator would be contracted and issues relating to agrivoltaics would be their responsibility to resolve.³² At the oral hearing, Acestes stated that it would be the farmer, rather than the power plant operator, that would be burdened by the economic challenges of purchasing this specialized equipment and addressing the agricultural inefficiencies of crop production within the solar facility.³³ Acestes was concerned about finding a willing farmer who has (or is willing to procure) the specialized equipment necessary to farm amongst rows of solar panels.³⁴

34. The Commission also inquired during the hearing about potential solutions that would have involved spacing panels differently to help accommodate more valuable agricultural activities, but the answers given during the hearing, particularly from the corporate witness, did not disclose meaningful investigation by Acestes into the incorporation of any crop production.

³¹ Exhibit 28587-X0074, ACESTES Opening Statement of Clyde Carr, PDF page 2.

³² Transcript, Volume 1, page 36, lines 2-8.

³³ Transcript, Volume 2, page 178.

³⁴ Transcript, Volume 1, page 95, lines 6-22.

Dr. Tannas did explain at the hearing that to accommodate agricultural activities within the power plant a greater land base would be required.³⁵ However, Acestes did not explain why the proposed layout could not be more compact, potentially allowing for more crop production on the perimeter or in select areas of the project lands. Acestes' only explanation focused on why the panel layout could not be expanded to allow for spacing suitable for the operation of conventional farm equipment. Further, the land base for this project appeared that it may have the potential to expand for agricultural uses in the south part of the hosting quarter section, but Acestes stated that it preferred not to expand further south to reduce the project's proximity to the town of Westlock and nearby residents.³⁶

35. Overall, the Commission is not convinced that these considerations were carefully investigated by Acestes. The Commission understands that to achieve the best use of highly productive agricultural lands in an agrivoltaics system, there could be challenges that would need to be overcome, such as securing different equipment or altering the panel layout. During the oral hearing, however, it became clear that Acestes did not meaningfully pursue an agrivoltaics plan that incorporated some type of crop production.³⁷ Instead, Acestes continued to advocate for sheep grazing as its agrivoltaics plan, despite the highly productive nature of these lands and the objections raised by N. Brown.

36. Further, given the marked difference in gross revenue between the two assessed agrivoltaics options (cropping and grazing), the Commission's view is that the best use of this project's lands (in the absence of any other proposals), and the approach that would have provided greater sustainable long-term economic benefits, would be to co-locate crop production alongside the solar project.

3.3 What are the environmental effects of the project?

37. The Commission accepts that when considering carbon emissions, this project would provide an environmental benefit by producing renewable and low emission energy.

38. Further, there is a benefit from the project avoiding critical wildlife habitats such as grasslands, wetlands and valuable native environments that support biodiversity. Alberta Environment and Protected Areas assigned the project a low overall risk ranking to wildlife and critical wildlife habitat. This is because the *Wildlife Directive for Alberta Solar Energy Projects* (the Wildlife Directive)³⁸ places a strong emphasis on avoidance of critical wildlife habitat during the siting of projects. As cultivated lands are already disturbed through farming activities, these areas offer lower ecological function with limited value for wildlife and biodiversity and therefore are a preferred siting choice under the Wildlife Directive.

39. Nevertheless, in the Commission's view, the proposed project site is not the only location where Acestes could comply with the Wildlife Directive to minimize impacts to wildlife, as there are other cultivated lands across Alberta and within Westlock County itself, that do not offer the same highly productive value for crop production.³⁹ Given this, the Commission finds that the

³⁵ Transcript, Volume 1, page 34, lines 6-25.

³⁶ Transcript, Volume 2, page 178.

³⁷ Acestes did not provide the Commission with any other proposed agricultural production to increase the co-located productive value of the project lands.

³⁸ *Wildlife Directive for Alberta Solar Energy Projects*, Alberta Environmental and Parks, effective October 4, 2017.

³⁹ Transcript, Volume 2, page 210, lines 6-9.

positive environmental benefits resulting from the project's siting on cultivated lands do not outweigh the negative impacts to the social and economic interests of the Alberta public.

40. Considering the denial of this project, the Commission will not expand on evidence submitted concerning weeds, soil conservation and stormwater management. Generally speaking, the Commission finds that what was provided would be adequate to address any issues surrounding management of weeds,⁴⁰ soil conservation⁴¹ and stormwater management.⁴²

3.4 Are the project's benefits sufficient to mitigate the project's negative effects?

41. In assessing the social, economic and environmental value of the project to Albertans, Acestes did not provide sufficient evidence to demonstrate that the project's benefits mitigate its negative social and economic effects. Acestes itself stated that, while there would be a loss of agricultural output from the lands, the value of the electricity produced and the value of the project to the landowner would be greater.⁴³ This perspective is problematic in that it conflates the private benefits that will accrue to Acestes and the hosting landowner with the public interest. Private benefits do not outweigh the Commission's assessment of the public interest.

42. In making its public interest assessment, the Commission must weigh the public benefits of a project against the potential negative impacts. The Commission is not convinced in this case that Acestes has demonstrated that the public benefits outweigh the negative impacts. In particular, the Commission is concerned that the negative agricultural impacts have been well established in the evidence and the downgrade in productive value of the lands will have negative social and economic consequences. The benefits associated with the project seem minimal or unsubstantiated in this record and do not outweigh these concerns.

4 Decision

43. For all of these reasons, the Commission is not satisfied that the benefits of the project outweigh its negative impacts. The Commission finds that approval of the applications is not in the public interest, and in accordance with sections 11, 14, 15 and 19 of the *Hydro and Electric Energy Act*, the Commission denies the applications.

Dated on October 11, 2024.

Alberta Utilities Commission

(original signed by)

Carolyn Dahl Rees
Chair

⁴⁰ Exhibit 28587-X0007, Appendix F - Westlock Solar Project_AUC_EE_231102, PDF page 144.

⁴¹ Exhibit 28587-X0007, Appendix F - Westlock Solar Project_AUC_EE_231102, PDF page 158.

⁴² Exhibit 28587-X0007, Appendix F - Westlock Solar Project_AUC_EE_231102, PDF page 26.

⁴³ Transcript, Volume 1, page 24, lines 13-18.

Appendix 1 – Proceeding participants

Name of organization (abbreviation) Company name of counsel or representative
Mclennan Ross Barristers & Solicitors Gavin Fitch
Acestes Power ULC Clyde Carr
Self-represented landowner Nathan Brown
Brownlee LLP Westlock County, Collin Steffes

Alberta Utilities Commission
Commission panel Carolyn Dahl Rees, Chair
Commission staff Dale Johnston (Commission counsel) Shannon Ramdin (Commission counsel) Fatiha Rezwan Mustakimul Hoque Derek Rennie Joan Yu

Appendix 2 – Oral hearing – registered appearances

Name of organization (abbreviation) Name of counsel or representative	Witnesses
Acestes Power ULC G. Fitch, McLennan Ross Barristers & Solicitors, counsel M. Cherkawsky, McLennan Ross Barristers & Solicitors, counsel	C. Carr D. Kramer R. Danks S. Tannas
Self-represented landowner	N. Brown
Westlock County	C. Steffes J. Plain