



September 3, 2024

Alberta Utilities Commission  
600 3 Ave SW Tower 1400  
Calgary, AB T2P 0G5

To whom it may concern,

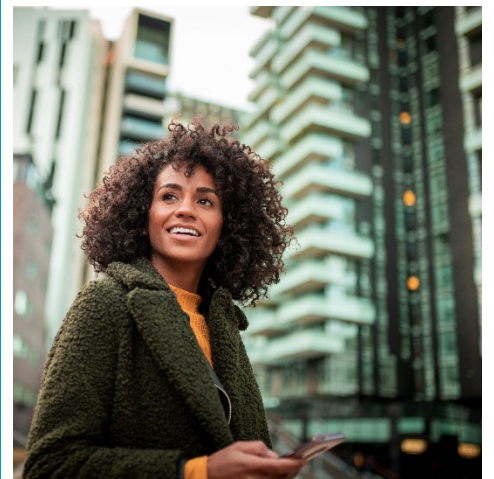
Please find attached Alberta Municipalities' submission in response to the Alberta Utilities Commission review of Rule 007. As this process impacts how municipalities are engaged in the application process for new renewable energy projects, I appreciate that our association has been given the opportunity to provide feedback.

Sincerely,



Dan Rude  
Chief Executive Officer

# AUC Review of Rule 007



 **Alberta  
Municipalities**  
Strength  
In Members

Alberta Municipalities Feedback

# Table of Contents

---

- Alberta Municipalities Feedback on Proposed Rule 007 Changes .....3
- The Association of Alberta Municipalities.....3
- Role of Municipalities in Planning and Development Approvals.....3
- Draft Municipal Engagement Form .....4
- Methodology for Visual Impact Assessment .....4
- Setbacks for Renewable Energy Projects .....5
- Conclusion .....5

# Alberta Municipalities Feedback on Proposed Rule 007 Changes

## The Association of Alberta Municipalities

The Association of Alberta Municipalities (Alberta Municipalities or ABmunis) represents Alberta's summer villages, villages, towns, cities and specialized municipalities. 85% of Albertans reside within our members' boundaries and their homes and businesses are a major component of the electricity load in Alberta.

Rule 007 applies to applications for the construction, alteration, operation and connection of power plants, hydro developments, substations, transmission lines, energy storage facilities and industrial system designations, pursuant to the *Hydro and Electric Energy Act*, and for approval of a needs identification document, pursuant to the *Electric Utilities Act* and the *Transmission Regulation*.

This submission is in reference to the Alberta Utilities Commission (AUC) review of Rule 007. This submission will address the following issues:

- Role of Municipalities in Planning and Development Approvals
- The draft municipal engagement form
- Methodology for Visual Impact Assessment
- Setbacks for renewable energy facilities

## Role of Municipalities in Planning and Development Approvals

Alberta Municipalities asks that AUC recognize the important role that municipalities play in land-use planning and development approvals. The statutory plans, approval processes and intermunicipal agreements that comprise the planning system represent a significant investment of time and resources from all municipalities in the province, and as such the AUC should consider municipal priorities in the approval of renewable energy projects.

In Alberta, municipalities are created by and derive their authority from the Alberta *Municipal Government Act*, RSA 2000, c M-26 (the "**MGA**"). Under the *MGA*, municipalities are empowered to enact regulations and bylaws to regulate planning and development within the municipality with the goal of:

- (i) achieving the orderly, economical and beneficial development and use of land and patterns of human settlement; and
- (ii) maintaining and improving the quality of the physical environment within which patterns of human settlement are situated in Alberta.

Pursuant to section 623 of the *MGA*, a municipal council must, by bylaw, provide for a subdivision authority and a development authority to exercise powers on behalf of the municipality. Under section 632 of the *MGA*, municipalities must adopt a municipal development plan. The municipal development plan must address, among other things:

- (i) future land use within the municipality;
- (ii) the manner of and the proposals for future development in the municipality;
- (iii) environmental matters within the municipality;
- (iv) the financial resources of the municipality;
- (v) the economic development of the municipality; and
- (vi) policies respecting the protection of agricultural operations.

Municipalities must also pass a land use bylaw. The land use bylaw may regulate or prohibit the use and development of land and buildings in a municipality, including by, among other things:

- (i) imposing design standards;
- (ii) regulating the development of buildings; and
- (iii) providing for the protection of agricultural land.

The land use bylaw must also establish a decision-making process for development permit applications and for issuing development permits. A municipality's development authority decides whether to approve an application for a development permit and must issue a decision within 40 days of receiving a development permit application.

## Draft Municipal Engagement Form

ABmunis submission to AUC proceeding 28501, regarding the ongoing economic, orderly, and efficient development of electricity generation in Alberta, argued that municipalities ought to be granted a broader, more substantive role in the AUC's renewable energy approval process. Our recommendations emphasized that project proponents should be required to engage with the municipality or municipalities where a proposed project is located prior to seeking the AUC's approval.

In terms of feedback to the "draft municipal engagement form", sometimes referred to as the municipal referral letter, Alberta Municipalities asks that the AUC make the submission of this document to an affected municipality early enough in the AUC's approval process for a response to be provided to the AUC prior to a decision being made on the proponent's application.

Another concern that Alberta Municipalities raised in our submission to proceeding 28501 was the implementation of security requirements for reclamation. The municipal engagement form does not address reclamation; however Alberta Municipalities would like to see proponents be required to inform municipalities that they have met the AUC's requirements for reclamation security. This could be addressed simply by adding a Yes/No question regarding reclamation securities being addressed.

Overall, this referral letter adequately addresses most of the concerns that a municipality may have regarding a renewable energy project, and serves to provide a point of contact for the municipality to address further concerns with.

## Methodology for Visual Impact Assessment

The AUC's Module A report gives an overview of the factors that must be considered in a visual impact assessment. The report also provided a robust consideration of the subjective factors that make a viewscape pristine or not and how this fits within the public interest.

Given the indeterminate nature of how to define a pristine viewscape, whether a renewable energy project negatively or positively impacts a viewscape, and the impact on property values for surrounding properties, we urge the AUC to adopt a methodology that allows for viewscales to be assessed on a project by project basis, as opposed to declaring entire areas of the province off-limits to renewable energy projects.

We also urge the AUC to not give a visual impact assessment enough weighting to be the sole determinant of a project receiving approval, but to allow for further mitigation or reclamation security from a proponent to offset the potential impact to the landscape and surrounding properties. This would allow the AUC to balance the competing elements of the public interest in the context of specific applications.

## Setbacks for Renewable Energy Projects

As noted earlier, the MGA provides an extensive list of the items that a municipality may regulate when it comes to land use planning and development approvals. When it comes to local land use, the municipality is best positioned to determine what setbacks work best in their local context. If the AUC adopts setbacks, these should be considered minimums that municipalities can adjust as needed to align with applicable statutory plans, land use bylaws, and development decisions.

## Conclusion

Alberta Municipalities appreciates the opportunity to provide feedback on Rule 007, the draft referral letter, setback for renewable projects and methodology for visual assessment. Given the growth in renewable energy developments across the Province of Alberta, and the costs which will be necessarily incurred by project proponents, landowners, and potentially municipalities where projects are located, the AUC should require project proponents to post security prior to construction that is equivalent to the projected costs to complete decommissioning and reclamation of their project. The AUC should revisit these costs on a regular basis to ensure that the security posted is adequate to complete decommissioning and reclamation and, if necessary, require further security to be posted when the amounts held by the AUC are deemed to be insufficient.



# Alberta Municipalities Strength In Members

## Connect

300, 8616 51 Avenue  
Edmonton, AB T6E 6E6  
780.433.4431 ■ 310.MUNI

[abmunis.ca](http://abmunis.ca)

