



May 23, 2025

Alberta Utilities Commission

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

Attention:

Dear Laura Frank,

RE: ENMAX Corporation's Response to Bulletin 2025-02 regarding changes proposed to Rule 007: Facility Applications

On March 24, 2025, the Alberta Utilities Commission ("AUC" or "Commission") issued *Bulletin 2025-02* initiating a stakeholder consultation process for proposed changes to AUC Rule 007: *Applications for Power Plants, Substations, Transmission Lines, Industrial System Designations, Hydro Developments and Gas Utility Pipelines* ("Rule 007"). Included with Bulletin 2025-02 was a draft blackline version of Rule 007 which included feedback received through written and oral consultations conducted by the AUC from May to September 2024, consideration of the Electric Energy Land Use and Visual Assessment Regulation ("EELUVAR") enacted on December 6, 2024, as well as the interim information requirements published in Bulletin 2024-25.

ENMAX Corporation ("EC") is the parent company of both ENMAX Energy Corporation ("ENMAX Energy") and ENMAX Power Corporation ("ENMAX Power"). ENMAX Energy owns and operates generation assets across Alberta and acts as a retail service provider. ENMAX Power is a distribution and transmission facility owner in the City of Calgary and as such is able to build and own energy storage in certain circumstances. Accordingly, regulatory and policy matters arising from this consultation may have a direct impact on EC, ENMAX Energy and ENMAX Power. EC was an active participant in the oral consultation held on May 29, 2024, on power plant applications and the June 3, 2024 oral consultation on energy storage facilities.

In this correspondence, EC provides its feedback regarding the draft blackline version of Rule 007 posted on the AUC Engage website.



EC RESPONSE TO POTENTIAL RULE 007 REVISIONS

General Comments

As a general comment, EC is in support of the changes drafted in the blackline version of Rule 007, excluding the items listed below.

EC requests that the AUC provide an update advising when the Rule 007 changes are anticipated to come into effect as ENMAX Power is in the process of preparing various facility applications and wants to ensure that its submissions align with the applicable AUC requirements.

Treatment of Existing Assets

EC recommends that the AUC consider including an exemption to some, or all, of the new requirements at existing sites where infrastructure has already been constructed and is in-service, but where an amendment or upgrade is being applied for with the AUC (e.g., a turbine upgrade that will lead to an increase in capacity at an existing thermal generation plant).

This exemption could be included by expanding upon the amendment process subsections to include language that contemplates upgrades or amendments to facilities that already have existing generation assets in place.¹

As is currently drafted, it is unclear how some of the new requirements will interact with existing facilities where an amendment application is filed.

For example, EC through its subsidiaries, has several existing generation facilities that have contracts in place with landowners to address security reclamation obligations that differ in form and structure than those proposed in Rule 007. If an amendment application were filed for one of these existing facilities (e.g., to replace the blades of a turbine), it is unclear if the company would have to renegotiate its security reclamation obligations to conform to the new AUC requirements. Likewise, EC is unclear if an amendment to an existing wind or solar generation facility would require an updated visual impact assessment, and/or a new light flicker or solar glare assessment, respectively, and if so, would it be on the incremental impacts of the proposed changes or on the entire existing facility.

Preparation of an Application

EC recommends that the AUC amend Section 2.2 to replace "All documents filed must be in a searchable format." with "All documents filed must be in a searchable format to the best of an applicant's ability."

¹ Subsections 4.2.1, 4.3.3, 4.4.3, 4.5.3, 4.6.3, 4.7.3, and 4.8.2.



For example, ENMAX Power has several older facility installations that are based on hand drawn materials and are unable to be filed in a searchable format without considerable effort being undertaken such as ENMAX Power's transmission line as-builts.

Municipal Land Use Information

EC recommends that the new TS26 and TS40 requirements be removed from Rule 007.

EC understands that TS26 and TS40 have been proposed to ensure that the Commission is fully aware of the views and concerns of municipalities. In planning its transmission projects, ENMAX Power thoroughly consults with the City of Calgary, the municipality in which ENMAX Power's facilities are located. EC is of the view that TS41 is sufficient to capture the concerns and views of impacted municipalities and that TS26 and TS40 are not required. Further, EC is concerned that TS26 may have negative impacts on the planning of transmission projects.

TS26

TS26 is a new addition that requires a utility to confirm whether its proposed transmission facilities comply with applicable municipal planning documents and bylaws, to identify any instances where the proposed project area does not comply and to provide a justification for any non-compliance.

Part 17 of the Municipal Government Act ("MGA") provides the authority for municipalities to undertake certain planning and development activities, including the ability to create municipal development plans. Section 3(a) of the *Planning Exemption Regulation* under the MGA states that Part 17 of the MGA does not apply to the development of a transmission line as defined by the *Hydro and Electric Energy Act* ("HEEA"). Accordingly, ENMAX Power's transmission infrastructure is exempt from complying with all municipal planning requirements implemented by a municipality under Part 17 of the MGA.

The *Planning Exemption Regulation* reflects the reality that the location of transmission facilities is determined by the needs of the electric system which may not align with local planning requirements. For example, a 50 km transmission line that is required to connect Substation A to Substation B must necessarily cross the land between the two substations regardless of local planning requirements.

Transmission line siting requires a balancing of project impacts, including but not limited to, stakeholder, environmental, and economic impacts. In past decisions, the Commission has emphasized the importance of a holistic analysis of the overall impacts of transmission routing in



its public interest determination.² EC is cognizant that strictly adhering to municipal planning could come at the expense of other impacts, including costs to ratepayers. Further, it is common for a transmission line to cross multiple municipal boundaries. Accordingly, planning documents which push for certain siting choices in one municipality could create impacts in a neighbouring municipality increasing the overall impact of the transmission project.

Notwithstanding the *Planning Exemption Regulation*, ENMAX Power routinely considers municipal planning policies, and their objectives, in its transmission projects and includes feedback from impacted municipalities (e.g., City of Calgary) in its application materials. EC is of the view that TS41 is broad enough to cover any issues, concerns or feedback a municipality may have, including concerns about transmission facility planning and siting. EC is concerned that the proposed TS26 requirement could result in local municipality planning concerns being given disproportionate weight in comparison to other project impacts and therefore it should be removed.

TS40

EC considers TS40 to be redundant as TS41 requires a feedback summary table identifying all persons who expressed one or more concerns about the project,³ where a person is defined as including municipalities.

Reclamation Security

WP30, SP29, TP27, OP28, HE23, and ES36

The AUC has drafted additional reclamation security requirements in sections WP30, SP29, TP27, OP28, HE23, and ES36. While ENMAX Energy is supportive of the requirements as drafted, some additional clarification may be of benefit. ENMAX Energy would like to better understand:

- what information is required to confirm that an operator has sufficient funds;
- when will security be required and how long does it need to remain in place after remediation of the facility is complete; and
- if there is the potential for using unsecured credit for companies with strong financial standing? If so, EC recommends that a parental guarantee be added as an example of potential security.

² Decision 26145-D01-2021, Nilrem to Vermilion Transmission Development Project, paragraph 23 and 30.

³ Includes the specifics of their concern(s), the steps taken to resolve their concern(s), and whether the concern(s) were resolved.



Current and Proposed Agricultural Activities

WP27 and SP25

The AUC has drafted additional requirements in sections WP27 and SP25 under the sub-heading current and proposed agricultural activities. ENMAX Energy recommends that the following requirements in these sections be removed:

- to describe how the performance of the proposed agricultural activities will be reported and monitored;⁴ and
- describe how the performance of the co-located agricultural activities will be evaluated over the course of the project life and the potential for changes to the agricultural activities in the event of poor productivity performance.⁵

ENMAX Energy remains of the view that a private landowner is in the best position to make decisions about the usage of their land. Therefore, any initial decision of whether to permit siting of a project on agricultural land should rest with the owner of that land. If it is more economic for a landowner to lease their land to allow for the development of renewable generation assets, a landowner should not be prohibited from doing so. It should be assumed that a landowner will have already considered and accepted the impact, if any, on the agricultural productivity of their land in advance of signing a lease.

Given the above context, ENMAX Energy considers requirements to monitor, report, and assess future agricultural performance over the life of a project to be overly burdensome, costly, and unnecessary. A project developer has no way to direct the landowner how to maintain their land in the event of poor productivity performance and has no ability to assess if any potential decline in productivity reflects agricultural impacts from the additional generation facilities or due to changes in farming practices, maintenance and work effort by the landowner.

EC appreciates the opportunity to participate in this consultation process. Should you have any questions, please contact the undersigned at (403) 390-7748 or by email at wmanfro@enmax.com.

Sincerely,

Wesley Manfro

Wesley Manfro
Regulatory Manager, ENMAX Corporation

⁴ Sub-heading Current and proposed agricultural activities, part d).

⁵ Sub-heading Current and proposed agricultural activities, part f).