

May 23, 2025

Alberta Utilities Commission
400, 425 First Street SW
Calgary, Alberta
T2P 3L8

Subject: Response to Proposed Amendments to AUC Rule 007

Dear Alberta Utilities Commission staff:

Starlight Energy ("Starlight") appreciates the opportunity to provide comments on the proposed amendments to Rule 007 as outlined in Bulletin 2025-02. As a leading renewable energy developer with global projects and nearly 2,000 MW of solar PV assets currently under development in Alberta, we are deeply invested in supporting the province's renewable energy industry.

Our feedback below addresses the sections most relevant to solar PV development in Alberta.

1. Municipal Feedback

Starlight recognizes and supports the importance of municipal input regarding local land use. We are committed to early and meaningful engagement with local communities. However, we emphasize that the municipal permitting process approval process should complement, and not be duplicative of, the Alberta Utilities Commission process. While we look forward to reviewing the format of the forthcoming Municipal Feedback Form, it is crucial to maintain a clear distinction between the AUC's power plant permitting and municipal development permitting to avoid intertwining or confusion between these two separate regulatory processes.

2. Visual Impact Assessments

Starlight currently has no projects located within designated buffer zones or visual impact assessment zones and therefore will not provide comments on this section. Nonetheless, we remain committed to proactive engagement with local residents and strive to mitigate any visual impacts from our projects.

3. Agricultural Land Use and Assessments

Consistent with Alberta's "agriculture-first" policy, Starlight supports efforts to safeguard productive agricultural lands. We agree with the principle that projects sited on Class 1 & 2 agricultural land should demonstrate compatibility and ongoing agricultural operations. However, we believe the AUC's focus should remain squarely on land-use outcomes rather than farm economics. Rule 007 should require applicants to demonstrate how land will remain

suitable and available for farming (such as crops or grazing) without prescribing specific crop types or yield requirements. Decisions regarding crop marketability or production economics are best left to the agricultural producers themselves. We therefore recommend limiting the AUC's role in agrivoltaic (agriPV) oversight to ensuring land compatibility, rather than regulating agricultural production.

Moreover, while we support agrivoltaics, we also emphasize that nature and biodiversity enhancement should be recognized as a legitimate and valuable co-use of agricultural land. This includes native pollinator habitats, regenerative grassland management or other land uses that contribute to long-term soil health, resilience and nature restoration. Rule 007 should align with international commitments such as the Kunming-Montreal Global Biodiversity Framework, which calls on jurisdictions to restore and protect ecosystems and integrate biodiversity considerations into infrastructure and land-use planning. Allowing biodiversity-focused outcomes as a permissible alternative to conventional agriPV aligns Alberta with global best practices in land management and supports AEPA's Land Stewardship and Biodiversity Goals¹.

We therefore recommend that Rule 007 be structured to support flexibility between agricultural and nature-based co-uses including biodiversity enhancement, provided the land remains actively managed and ecologically productive. The AUC's role should be limited to ensuring compatibility of the project with continued land stewardship, without imposing prescriptive requirements related to agricultural production.

4. Reclamation Security

Starlight includes decommissioning and reclamation security obligations within our land agreements with project landowners. We look forward to reviewing Alberta Environment's forthcoming reclamation security guidelines.

5. Timelines to Construct

This issue represents Starlight's most critical concern regarding the proposed changes to Rule 007.

The proposed fixed five-year construction timeline from the date of approval introduces substantial risk to project financeability. The suggested five-year window does not align with practical project development realities. Lead times for critical equipment, including transformers, circuit breakers, and energy storage systems, have lengthened significantly, with current delivery timelines often extending beyond 36 months. Typically, such components are not procured until a project has secured all major permits and approvals and reached a 'ready-to-build' stage. Additionally, coordinating the sequencing of AUC power plant approvals, AESO interconnection approvals, municipal development permits,

¹ <https://www.alberta.ca/biodiversity-in-alberta>

equipment procurement, and construction schedules is inherently complex. Perfect alignment of these elements within a fixed five-year timeframe is rarely achievable in practice.

Project lenders and equity investors require regulatory certainty to commit substantial upfront capital required for power projects. Under the currently proposed wording, the AUC retains discretion to revoke project approvals if construction does not complete within five years, creating an unacceptable risk profile for project financiers. The absence of clear criteria for granting timeline extensions exacerbates uncertainty. Specifically, clarity is needed around what constitutes an "exceptional circumstance" justifying extension or potential cancellation of approvals.

To address these concerns, Starlight respectfully requests that the AUC provide more flexible and clearly defined criteria for granting construction timeline extensions. Consideration should be given to:

- a. Introducing an automatic extension mechanism upon demonstration of good-faith progress and/or uncontrollable delays.
- b. Establishing a longer default construction period (e.g. 10 years) for renewable and energy storage projects, or at a minimum, specifying a seven-year deadline to *commence* construction activities.

6. Solar Glare

Starlight Energy supports the Commission's intent to guard against genuine safety or nuisance concerns from solar glare, but several aspects of the current wording in the proposed Rule 007 risk imposing costs and design constraints that are not supported by field evidence or by the capabilities of modelling tools.

Industry-standard software has certain limitations that may hinder its effectiveness in imposing restrictions based on calculations that lack precision. For instance, when evaluating dwellings, the software does not distinguish between glare coming from different directions. It measures glare duration as if it originates from all angles (360°), meaning it cannot determine how much glare is generated by the project itself versus that from the sun. As a result, it is impossible to ascertain the exact contribution of each source to the overall glare. This limitation also applies to roads and flight paths. The software does account for the total glare within designated fields of view ($\pm 15^\circ$, $\pm 25^\circ$, $\pm 50^\circ$), but it does not differentiate how much of the glare comes from the project compared to that from the sun.

Secondly, the draft Rule 007 obligates applicants to model and confirm the effectiveness of mitigations before the plant is built. Re-running models with mitigations adds cost without

yielding information that correlates with the public-safety question the AUC intends to answer.

Solar modules are engineered to absorb light, not to reflect it. Imposing design-stage obligations that seek to eradicate every modelled minute of glare, despite software that cannot discriminate source or account for ordinary obstructions, risks producing setbacks that reduce land-use options, add cost, and complicate the co-location of agriculture or biodiversity without a measurable increase in public safety.

Starlight respectfully requests that the AUC consider these recommendations:

1. The Commission should retain discretion to weigh the context of each project rather than enforce a binary pass-fail outcome on modelled outputs that may not materialise in practice.
2. Adopt terminology for transportation corridors by defining “heavily travelled road” and “local road” and “high-speed roadway” to remove ambiguity around the terms.
3. Tie mitigation to confirmed complaints, not to conservative worst-case modelling. Proponents may outline a hierarchy: design avoidance and tracker back-tracking first, screening second and short-term curtailment last. Mitigation implementation would occur only if monitoring or a lodged complaint demonstrates a real issue.

7. Shadow Flicker Requirements

Starlight currently does not have any wind energy assets in Alberta, and therefore, we will not provide comments on this section.

8. Energy Storage Safety Requirements

Starlight appreciates the AUC’s emphasis on safety standards for battery-energy-storage projects, yet several provisions in the draft Rule 007 would benefit from additional flexibility and clarity. With respect to ES 24, clarification is required regarding whether there will be different safety assessment requirements for different battery chemistries, specifically Nickel Manganese Cobalt (NMC) versus Lithium Iron Phosphate (LFP).

In ES 25, we note that vendor selection rarely occurs at the permitting stage. Detailed safety data sheets and specifications are finalised only when the project reaches procurement. We therefore ask the Commission to accept indicative information at the application stage, with a commitment to file final vendor-specific data once contracts are executed.

A similar timing issue arises under ES 29, which calls for submission of a complete emergency-response plan. While Starlight fully supports early engagement with the local fire authority, the plan's technical content must ultimately reflect the chosen vendor's equipment. Given that several years may elapse between AUC approval and commercial-operation date, we recommend that Rule 007 expressly allow proponents to refresh the emergency-response plan closer to commissioning, thereby ensuring it remains accurate and actionable for both site personnel and first responders.

Starlight Energy appreciates the opportunity to engage with the Alberta Utilities Commission through this submission. Any questions or follow-up can may be directed to the undersigned.

Respectfully submitted,

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