

Bulletin 2025-14

October 6, 2025

Amended Rule 007: Facility Applications

The Alberta Utilities Commission (AUC) has updated Rule 007: *Facility Applications*. In addition to a revised name and general updates to the rule, Rule 007 has been updated to align with Alberta Government policies and regulations, and to take into consideration stakeholder feedback. **The updated Rule 007 is effective November 6, 2025**.

In <u>Bulletin 2024-08</u>, the AUC announced that it was conducting a review of Rule 007 driven by a number of factors, including: Minister of Affordability and Utilities Nathan Neudorf's <u>letter to the AUC</u> containing various policy announcements; the commitments the AUC shared through its <u>report for Module A</u> of its inquiry into the ongoing economic, orderly and efficient development of electricity generation in Alberta; and areas identified for improvement due to technology and market changes since the last Rule 007 review. The AUC has updated Rule 007 to incorporate changes based on these topics.

Since the release of Bulletin 2024-08, additional legislation and policies have come into force, including the *Electric Energy Land Use and Visual Assessment Regulation*, *Code of Practice for Solar and Wind Renewable Energy Operations*, and *Guidelines to evaluate agricultural land for renewable generation*. The AUC has responded by introducing interim information requirements. Those interim information requirements should no longer be used as they have been incorporated into the rule.

The updated Rule 007 includes changes to the following topics:

- Timelines to construct and associated time extensions
- Municipal consultation
- Indigenous consultation
- Visual impact assessments
- Agricultural land use and assessments
- Reclamation security and associated approval transfers
- Solar glare
- Shadow flicker
- Energy storage safety
- Cumulative effects

Given the volume of amendments – many of which are minor and editorial in nature – the Commission has released a blackline version of Rule 007 to show all changes. A summary of

only the more substantive revisions, including standard approval expiry periods, is included in the stakeholder feedback and key changes to Rule 007 appendix below.

The updated Rule 007 and associated new application forms can be found on the Rule 007 page.

Questions about the updated Rule 007 may be directed to Kim Macnab, Executive Director, Facilities at kim.macnab@auc.ab.ca. General stakeholder questions can be directed to info@auc.ab.ca.

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Alberta Utilities Commission



Stakeholder feedback and key changes to Rule 007

In Bulletin 2025-14, the Alberta Utilities Commission (AUC) announced its updates to Rule 007: Facility Applications.

This document describes, at a high level, the feedback the AUC received and explains the key changes to Rule 007. This is not intended as a comprehensive summary of all the feedback the AUC received and considered in updating the rule.

The key changes in Rule 007 include the following sections based on the type of facility applied for:

- Wind power plant (WP)
- Solar power plant (SP)
- Thermal power plant (TP)
- Other power plant (OP)
- Hydroelectric power plant (HE)
- Energy storage facility (ES)
- Transmission/substation facility (TS)

Background and explanation for the change	Resulting final change to Rule 007	Location in Rule 007
Timelines to construct and associated time extensions The AUC indicated that it was considering changes to its current practice of setting variable initial periods to construct power plants, and assessing time extension applications on a case-by-case basis with no standard rule on how long an approval could be valid before the project was either constructed or cancelled. Allowing indefinite and uncertain time extensions does not promote regulatory certainty, nor does it ensure that projects are required to meet changing regulatory standards. In its initial stakeholder feedback in the summer of 2024, the AUC heard significant variation in the length of time considered reasonable by stakeholders. In its subsequent blackline, the AUC proposed a five-year initial period in which proponents could complete the construction of power plants. A significant majority of stakeholder feedback suggested that a five-year period would be too short, among others arguing that procurement timelines and the connection process make it difficult to proceed with projects with that limit on their AUC approvals. The AUC has carefully considered the feedback received, taking into account the connection process and various conditions that affect a given proponent's ability to construct a power plant, and will not implement an automatic five-year approval timeline as proposed in the blackline. However, the AUC will implement a standard seven-year period to complete construction for all types of power plant and energy storage facility approvals, with no further time extensions except in very limited circumstances (e.g., construction is substantially completed and there is a minor additional delay).	 Proponents must continue to submit an estimated construction completion date with their application. Facilities that are not expected to require seven years to construct should continue to put forward their best estimate and the AUC will consider the initial period to construct as part of its consideration of that application (e.g., the AUC will not automatically grant a blanket seven-year approval period for a five-megawatt power plant). The upper limit the AUC will grant for a power plant application, absent unusual or extraordinary circumstances, is seven years from the date of initial approval to the date to complete construction. After that seven-year initial period to construct expires, applicants must file a new application. Time extension requests of short duration beyond that seven-year period will only be available in limited and exceptional circumstances. This may include situations where substantial progress has been made toward the completion of construction, but a limited delay is required due to circumstances outside the proponent's control (e.g., a flaw is discovered in equipment requiring it to be re-ordered, or a new environmental feature is discovered requiring the avoidance of construction during a restricted activity period). The AUC emphasizes the limited nature of these exceptions and cautions parties not to expect timelines to construct longer than seven years in the normal course. If needed, proponents with existing approvals must continue to submit a time extension application in compliance with Section 5 of Rule 007 and can anticipate a time extension to be granted up to seven years from the initial date of approval. 	Added Section 5.1 for power plants and Section 10.7.1 for energy storage facilities.

Municipal consultation

Through the AUC inquiry into the ongoing economic, orderly and efficient development of electricity generation in Alberta (Module A Report), and since then through consultation and engagement with municipalities, the AUC heard that its information requirements should provide an opportunity for municipal feedback on proposed projects.

While AUC decisions prevail over municipal development decisions under the *Municipal Government Act*, the AUC values municipal feedback and takes into account development regulations as part of its overall public interest assessment of projects. The AUC has proposed changes to Rule 007 to ensure municipal views are heard.

- Added that applicants must provide more detailed municipal land use information for power plants, hydro developments and energy storage facilities.
- Added that applicants must make best efforts to provide a municipal engagement form for power plants, hydro developments and energy storage projects. The form is intended to facilitate feedback from municipalities on projects' compliance with municipal planning policies and on applicants' consultation programs.
- New municipal land use information requirements in sections WP, SP, TP, OP. HE and ES.
- Municipal engagement form requirement in WP, SP, TP, OP, HE and ES and located in Appendix A1.
- Appendix A1, Section 6.3.

Indigenous consultation

The AUC considered its existing Indigenous consultation requirements and made certain changes to clarify information provided.

- Added requirement for applicants to identify if the Government of Canada requires consultation with Indigenous groups and include those groups in the participant involvement program.
- Clarified information requirements for on-reserve applications.
- Added information requirements if an applicant wants the Commission to consider benefits to an Indigenous group.

 New sections in Appendix A1-B.

Visual impact assessments

In its Module A Report, the AUC committed to enhancing the existing visual impact assessment requirements within Rule 007 to include a more structured visual impact assessment methodology within the AUC application review process.

The Government of Alberta then enacted the *Electric Energy Land Use and Visual Assessment Regulation* (*EELUVAR*), which mandates that projects located in certain areas must submit visual impact assessments. The only exemptions are set out in Section 2(2) of *EELUVAR*: small power plants as defined in the *Hydro and Electric Energy Act*, isolated generating units, micro-generation generating units, power plants on a reserve, and alterations to existing power plants. The AUC continues to have the discretion to require a visual impact assessment for any project, regardless of whether it is mandatory under *EELUVAR*.

These changes are intended to meet the AUC's commitments in the Module A Report and provide further information on the AUC's expectations on what a visual impact assessment should entail, when required by either the *EELUVAR* or the AUC, should the circumstances require it. They are consistent with the interim information requirements already released in Bulletin 2024-25.

- Added information on when a visual impact assessment is required, and that it must include an evaluation of the visual impact, visual simulations and discussion of proposed mitigation measures.
- Added that a wind power plant application will not be accepted if it is in a zone where that development is prohibited by the EELUVAR.
- Previously added a requirement in the Power Plant Checklist Application Form that power plants under 10 megawatts, unless they meet one of the limited exemptions under *EELUVAR*, must provide a visual impact assessment.

- New visual impact assessment section in sections WP, SP, TP, OP and HE.
- Power Plant Checklist Application Form

Agricultural land use and assessments

The Government of Alberta indicated in its <u>letter</u> to the AUC on February 28, 2024, that the AUC should consider coexistence with agriculture in making decisions on renewable projects on certain land classes, among others. The *EELUVAR* was then enacted in December 2024 and requires that agricultural impact assessments be submitted for wind and solar power plants sited on "high-quality agricultural land" as defined in that regulation. On July 8, 2025, the Ministry of Agriculture and Irrigation released the *Guidelines to* <u>evaluate agricultural land for renewable generation</u> to help developers, landowners and the AUC interpret the requirements in the *EELUVAR*.

Since last year, the AUC has required additional information on the land classification for certain projects to assess the quality of the agricultural lands proposed to be used for power plant development. These changes to Rule 007 are intended to align its current interim information requirements with the *EELUVAR* and update those interim information requirements initially released in Bulletin 2024-25 and adjusted in Bulletin 2025-12, to align with the Guidelines.

The AUC expects applicants for wind and solar power plants to incorporate the Guidelines when developing agricultural impact assessments.

- Added requirement to submit the Land Suitability Rating System ranking for the project land, discussion regarding irrigation, and if applicable, submission of an agricultural impact assessment.
- Added requirements regarding impacts to soils.

 New agricultural information section in sections WP and SP.

Reclamation security and associated approval transfers

The Government of Alberta indicated in February 2024 that it would require developers to provide reclamation security to the Government of Alberta, or landowners if sufficient evidence was provided to the AUC. As a result of subsequent policy and legislative changes, developers can now choose to provide security directly to the government, or make agreements with landowners to be vetted by the AUC as part of its assessment of whether a wind or solar power plant is in the public interest.

The Conservation and Reclamation Regulation and Activities
Designation Regulation were amended to enable Alberta
Environment and Protected Areas (AEPA) to implement mandatory
reclamation security for wind and solar power plants. AEPA then
released a Code of Practice for Solar and Wind Renewable Energy
Operations
effective May 31, 2025, which sets out the requirements
to obtain a registration under the Environmental Protection and
Enhancement Act for wind and solar power plants.

To ensure consistency in landowner-held security proposals, in <u>Bulletin 2025-06</u>, the AUC issued updates to its interim information requirements for reclamation security, and guidelines for developers who opt out of providing government-held security under the Code of Practice. The guidelines are intended to assist applicants for wind and solar power plants in understanding what the AUC looks for when assessing the adequacy of a non-government-held reclamation security program. The finalized additions to Rule 007 reflect the updated interim information requirements and the guidelines.

- Incorporated the set of existing interim information requirements listed in Bulletin 2025-06, namely:
 - Wind and solar power plant applicants must confirm whether they selected government-held or landowner-held security.
 - Thermal, hydroelectric and other power plants and new energy storage facility applications must explain the standard of reclamation, amount, frequency, form, timing, beneficiaries of security and a third-party estimate of the costs to reclaim the project.
- Added new Appendix C1 reclamation security guidelines for wind and solar power plants.

- New reclamation security section in sections WP, SP, TP, OP, HE and ES.
- Appendix C1.

Solar glare The AUC has implemented standard limits on solar glare levels and duration, and specified requirements about glare mitigation for solar power plants. The AUC considers that standardizing limits will provide further certainty for solar developers and surrounding stakeholders, and increases regulatory efficiency. The AUC retains discretion to vary limits if the circumstances of a particular proceeding require it.	 Specified the types of receptors for solar glare assessments. Specified the heights of route receptors in glare modelling. Specified fields of view for different types of route receptors. Defined "heavily travelled road" and "local road" for the purpose of solar glare assessments. Specified the heights of residential receptors in glare modelling. Defined limits for acceptable glare levels and duration. Added requirements about glare mitigation. 	Added requirements in SP (Section 4.4.2).
Shadow flicker The AUC has implemented standard limits for acceptable shadow flicker duration and specified requirements about shadow flicker mitigation for wind power plants. The AUC considers that consistent limits promote certainty and regulatory efficiency. The AUC retains discretion to vary limits if the circumstances of a particular proceeding justify it.	 Specified the scenarios for shadow flicker assessments. Specified the heights of residential receptors in shadow flicker modelling. Defined limits for acceptable shadow flicker duration. Added requirements about shadow flicker mitigation. 	Added requirements in WP (Section 4.3.2).
Energy storage safety The AUC has added requirements for energy storage facilities related to emergency response for energy storage facilities, and air quality dispersion modelling for battery energy storage facilities.	 Added requirement to confirm that applicants will continually update and improve their emergency response program and finalize the site-specific response plan two months prior to construction commencement. Added requirements specifically for battery energy storage facilities. 	Added requirements in ES (Section 10.3).

Cumulative effects

On June 3, 2025, the Government of Alberta indicated, among others, its expectation that the AUC consider cumulative effects and the outcomes associated with them. The Government of Alberta also indicated that it is committed to managing the cumulative effects of disturbance, including from electricity projects, and remains focused on achieving strategies of Alberta's Land-use Framework. In response, the AUC issued interim information requirements seeking general information on any potential cumulative effects for all types of power plants and energy storage facilities, in Bulletin 2025-12. The additions to Rule 007 implement those interim requirements.

 Added the set of interim information requirements released in Bulletin 2025-12. Includes information on existing developments in the project area, potential positive or negative cumulative impacts that may occur, and the project's alignment with Alberta's Land-use Framework and efficient land use principles. New requirements in WP, SP, TP, OP, HE and ES.