



AltaGas Holdings Inc.

Time Extension to Power Plant Approval 3547-D02-2015

February 16, 2016

Alberta Utilities Commission

Decision 21307-D01-2016

AltaGas Holdings Inc.

Time Extension to Power Plant Approval 3547-D02-2015

Proceeding 21307

Application 21307-A001

February 16, 2016

Published by the:

Alberta Utilities Commission

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1 Introduction and background

1. AltaGas Holdings Inc. (AltaGas), pursuant to Power Plant Approval 3547-D02-2015,¹ has approval, subject to terms and conditions stated therein, to construct and operate a 95-megawatt (MW) natural gas-fired power plant and a 13.8/144-kilovolt (kV) step-up substation, designated as the AltaGas Kent Energy Plant (the project), in the Cold Lake area.

2. A condition of the original Power Plant Approval 3547-D02-2015 was that AltaGas would conduct a hydrogeologic field investigation in the first quarter of 2015. Another condition was that the construction of the power plant would be completed by May 31, 2016. On February 3, 2016, AltaGas requested approval of a two-year time extension in Application 21307-A001 (the application).

2 Discussion

3. As stated in the application, AltaGas' engagement with the Cold Lake First Nations with respect to their concerns with the environmental protection and ecosystem, is ongoing. As a result, the hydrogeologic field investigation has yet to be conducted and the related environmental approvals have not been issued. AltaGas submitted it would continue its discussions with the Cold Lake First Nations until the issues are resolved. It consequently requested additional time to complete the field investigation and subsequent construction of the power plant.

4. AltaGas also referred to the Climate Leadership Plan recently announced by the Alberta government and how its implementation could lead to the transformation of Alberta's electricity sector to greater reliance on renewables and natural gas generation. AltaGas suggested that the 95-MW power plant could contribute to Alberta's climate policies, however, it noted that important details of the policies have yet to be determined. Consequently, it would need additional time to evaluate the potential impacts and reassess its investment decision in relation to the project.

5. Due to the nature of the application, a notice of application was not issued and a hearing was not required because the Commission considered that its decision or order would not directly and adversely affect the rights of a person pursuant to Section 9 of the *Alberta Utilities Commission Act*.

¹ Power Plant Approval 3547-D02-2015, Proceeding 3547, Application 1611035-1, March 20, 2015.

3 Findings

6. AltaGas has provided information on the need and the duration of the requested time extension. AltaGas has also demonstrated that its request is of a minor nature, but necessary in order for it to have a reasonable schedule to conduct the hydrogeologic field investigation and to complete the construction of the power plant.

7. Based on the above, the Commission considers the application to be in the public interest in accordance with Section 17 of the *Alberta Utilities Commission Act* and accordingly grants an extension to the first quarter of 2017 to complete the hydrogeologic field investigation, and an extension to May 31, 2018 to complete construction of the power plant.

4 Decision

8. Pursuant to sections 11 and 19 of the *Hydro and Electric Energy Act*, the Commission approves the application and grants to AltaGas the approval set out in Appendix 1 – Power Plant Approval 21307-D02-2016 – February 16, 2016 (Appendix 1 will be distributed separately).

Dated on February 16, 2016.

Alberta Utilities Commission

(original signed by)

Anne Michaud
Commission Member