



## Husky Oil Operations Ltd.

Natural Gas-Driven Generator to Power  
Oil Production Pad

February 26, 2010



**ALBERTA UTILITIES COMMISSION**

Decision 2010-093: Husky Oil Operations Ltd.

Natural Gas-Driven Generator to Power Oil Production Pad

Application No. 1605597

Proceeding ID. 393

February 26, 2010

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**HUSKY OIL OPERATIONS LTD.  
NATURAL GAS-DRIVEN GENERATOR TO POWER  
OIL PRODUCTION PAD**

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**1 INTRODUCTION**

1. Husky Oil Operations Ltd. (Husky) filed Application No. 1605597 on November 2, 2009 (the Application), with the Alberta Utilities Commission (AUC or the Commission) requesting approval to operate a 44-kW natural gas-driven generator (the Power Plant) to provide power to a Husky oil production pad. Husky proposes to install and operate the proposed Power Plant in LSD 9 of Section 20, Township 52, Range 1, West of the 4th Meridian approximately 26 kilometres (km) northwest of Lloydminster, Alberta.

2. The Commission issued a Notice of Application on January 22, 2010, to all occupants, residents and landowners within 2,000 metres of the Power Plant. No letters of objection or concern were received by the Commission.

**2 DISCUSSION**

3. As set out in the Application, Husky submitted that the Power Plant would be used only for supplying power to Husky's facility and would not be connected to the Alberta Integrated Electric System (AIES).

4. Husky conducted a participant involvement program by consulting in person with all occupants, residents and landowners within 800 metres of the Power Plant. Husky also sent notification to all occupants, residents and landowners within 2,000 metres of the Power Plant. No objections were received.

5. Husky submitted a Noise Impact Assessment (NIA) which indicated that the predicted cumulative sound level at Husky's facility would not comply with the nighttime Permissible Sound Level (PSL) at the nearest residence as set out in *AUC Rule 012*. The NIA recommendations stated that by implementing mitigation measures at adjacent Husky Oil Operations Ltd. and Spry Energy Ltd. sites Husky would reduce the cumulative sound level to meet the PSL.

6. On December 17, 2009, the Commission issued a letter to Husky stating that the Application could not be approved until Husky could demonstrate that mitigation measures were in place to reduce the cumulative sound level to meet the requirements of *AUC Rule 012*.

7. On January 7, 2010, the Commission received correspondence from Husky stating that muffler upgrades on three adjacent well sites were installed as outlined in the recommendations in the NIA.

8. On January 8, 2010, the Commission sent a letter to Husky requesting that Husky re-file and update its NIA to reflect the updated noise level predictions.
9. On January 18, 2010, Husky followed up with a letter to the Commission confirming that by adopting the recommendations as outlined in the NIA, Husky predicted that the cumulative sound level at the proposed facility would be 39.6 dBA at the nearest residence. Husky requested that it be exempt from providing an updated NIA.
10. On January 19, 2010, the Commission issued a Ruling stating that it was satisfied that Husky's letter demonstrated that the necessary noise mitigation measures had been completed such that the proposed facility would be in compliance with *AUC Rule 012*.

### 3 FINDINGS

11. Section 13 of the *Hydro and Electric Energy Act* states:

#### Exemptions

13(1) Sections 9, 10 and 11 do not apply to a person generating or proposing to generate electric energy solely for the person's own use, unless the Commission otherwise directs.

(2) Notwithstanding subsection (1), a person generating or proposing to generate electric energy solely for the person's own use shall, if required by regulation to do so, immediately notify the Commission of the use or proposed use and provide any details of the generation and use that the Commission requires.

12. Section 11 of the *Hydro and Electric Energy Act* states:

No person shall construct or operate a power plant unless the Commission, by order, has approved the construction and operation of the power plant

13. The Commission has reviewed the Application and finds that Husky meets the requirements of section 13 of the *Hydro and Electric Energy Act*.
14. The Commission is satisfied with Husky's confirmation that the noise mitigation measures are in place at the adjacent facilities and that the proposed Power Plant will be operated within the PSL limits as specified in *AUC Rule 012*.
15. The Commission notes that Husky consulted with all landowners, occupants and residences within 2,000 metres of the Power Plant as outlined in *AUC Rule 007*. As well, Notice of Application was issued by the Commission to all stakeholders within 2,000 metres of the proposed project area and notes that no objection to the Application was received by the Commission.

#### **4 DECISION**

16. Pursuant to section 13 of the *Hydro and Electric Energy Act*, the Commission approves the Application and grants the exemption set out in Appendix 1 – Power Plant – Exemption No. U2010-84 – February 26, 2010 to Husky to operate the Power Plant (the Appendix will be distributed separately).

Dated on February 26, 2010.

#### **ALBERTA UTILITIES COMMISSION**

*(original signed by)*

N. Allen Maydonik, Q.C.  
Commissioner