

## SCHEDULE A

### **Terms of Reference for an inquiry into and report to the Minister of Energy on Hydro Electric Power Generation Development**

WHEREAS the *Provincial Energy Strategy* has identified the potential for development of hydro electric power as a clean source of energy;

WHEREAS the approval process for hydro electric power generation projects is complex and not well understood;

WHEREAS it is in the public interest to have an effective and efficient regulatory approval process that considers the interests of all Alberta stakeholders;

WHEREAS Alberta has a key objective in *The Way Forward* in ensuring that our province's industries are competitive and continue to attract investment to provide jobs and prosperity;

WHEREAS a hydro electric power generation run of the river project has recently been approved near Dunvegan, and this project provides an opportunity to review and learn what measures worked well and what improvements could be considered;

THEREFORE the following terms of reference apply in respect of the inquiry into and report to the Minister of Energy on Hydro Electric Power Generation Development:

- (a) the Alberta Utilities Commission (AUC) shall inquire into the following matters for the purpose of gathering information with respect to the regulatory approval process for hydro electric power generation development:
  - (i) identify all applicable legislation including source and authority;
  - (ii) to the extent possible, identify all stakeholders;
  - (iii) identify and chart the current regulatory process and associated functional requirements including required minimum consultation and studies;
  - (iv) identify overlaps, barriers, conflicts, or other impediments of regulatory approval requirements;
  - (v) identify opportunities for improvement;
  - (vi) if applicable, identify regulatory approval process differences for traditional large scale, run of river, or upgrading existing hydroelectric power generation development;
  - (vii) identify additional regulatory issues that may be encountered when considering projects which may impact neighbours such as Saskatchewan, British Columbia, Northwest Territories;
- (b) in conducting the inquiry the AUC shall hear from interested stakeholders;

- (c) the AUC shall report to the Minister of Energy in relation to the matters referred to in clause (a);
- (d) the AUC's report
  - (i) must not make recommendations but shall, through its analysis of the evidence on the record of the inquiry and review, provide findings and pros and cons on various issues as it deems appropriate, and
  - (ii) is expected to be submitted to the Minister within 9 months of the date on which the Order in Council to which this Schedule is attached and was made, and must be submitted no later than February 28, 2011.