

## AUC Rule 007 – Environmental Stakeholder Consultation

<b>Meeting date</b>	September 14, 2015	<b>Time</b>	10 a.m. to 3 p.m.
<b>Location</b>	<u>AUC offices</u> Fourth Floor, 425 First St. S.W. Calgary	<b>Facilitator</b>	AUC staff
	<u>Teleconference</u> Phone: 1-866-792-1318 Conference code: 8665992		

### 1 Introductions

Name	Company
Brett Boukall	AEP - Wildlife
Doyle Sullivan	AESO
Tom Sloan	AESO
Joanne Lipinski	AltaLink
Jodi Kohls	AltaLink
Karen McGlone	AltaLink
Erin Donovan	ATCO Electric
Ryan Smart	ATCO Electric
Alan Drolet	AUC
Brian Shand	AUC
Giuseppa Bentivegna	AUC
Janelle Mikal	AUC
Mark Kavanagh	AUC
Raymond Lee	AUC
Rose Ferrer	AUC
Shanelle Sinclair	AUC
Sophie Jiang	AUC
Tom Chan	AUC
Wade Vienneau	AUC
Ed de Palezieux	Depal / Devon
Debbie Kovacs	ENMAX
Anne-Marie Palfreeman	Environment Canada
Patrick Quealey	Environment Canada
Francisco Cruz	EPCOR
Mark Bensted	EPCOR
Janene Taylor	TransCanada

## 2 AUC Bulletin 2015-12 (Amendment to information requirements for filing NID and ANID applications) – Discussion on stakeholders' responses to consultation

- In reference to the comments received from stakeholders regarding Bulletin 2015-12, AUC staff provided parties with some background information to further clarify the intent of the proposed changes.
- The proposed changes reflect conversations and work done over the years by the AUC and the AESO regarding the streamlining of information requirements for filing Needs Identification Documents (NID) applications. As noted by AUC staff, further to the abbreviated need approval process, the AUC and the AESO developed an abbreviated NID application approach, and made efforts to update those areas of the application which were deemed outdated.
- Based on comments and feedback received by stakeholders, and to address any concerns raised by stakeholders, the group discussed the following items in further detail.

### Environmental Requirement – “GO and NO-GO” areas:

- Discussion ensued regarding the use of the term “GO and NO-GO”, and a number of parties voiced concerns over the use of the term, stating that it is too prescriptive and not compatible with a desktop analysis.
- AUC staff explained that the term “GO and NO-GO” refers to cases where the AESO is looking at a specific corridor, route or substation location. In such cases, the AESO would need to identify and flag the areas that are prohibited within the specified route or location. For all other cases, the expectation is that a high level assessment of the environmental situation (including alternatives, if applicable) would be provided at the NID stage, and any environmental issues would be further elaborated on by the Transmission Facilities Owner (TFO) in its facilities application to the AUC.
- While the intent of the language used was understood by stakeholders, it was requested that the language be clarified. AUC and AESO staff advised that they were open to revising the language to better express the intent.

**ACTION: The AUC and the AESO to review and revise the language related to “GO and NO-GO” areas.**

### NID 8 – Cost estimates:

- AUC staff advised that the term “viable options”, as set out in NID 8, refers to applied-for system projects and customer projects. For system projects, the AUC is looking for a cost estimate for the applied-for option, along with cost information on any alternate routes that are being applied for. For an abbreviated NID, applying for one solution; a cost estimate related to the solution being applied for is required. If the application proposes a number of alternatives, parties are required to provide the cost information for each of the options.
- One party asked whether there was a difference between “viable” versus “reasonable and viable”, noting that the language contained under NID 8, 16, 24 and 31 was inconsistent. AUC staff advised that it would review the language under each of these sections to ensure consistency.

**ACTION: The AUC to review the language under NID 8, 16, 24 and 31, to ensure that references made to “viable” versus “reasonable and viable” are consistent.**

### Congestion related issues:

- In order to address the questions and concerns raised by TransCanada regarding congestion, AUC staff advised that based on AESO planning criteria, a full system study would be used for

congestion related issues. If an issue cannot be addressed at the AESO review level, then it would be addressed at the NID level (at which point, parties would be provided with more information on the potential impacts).

- TransCanada expressed that it was more interested in knowing the impact and in what circumstances the congestion would manifest, as opposed to how the congestion would be dealt with (which is what NID 23 highlights). In addition to providing options on how to alleviate congestion, TransCanada questioned whether it would be possible to include a provision in the participant involvement program (PIP) which requires the AESO to share with generators more specific information on congestion (i.e. magnitude and timing).
- As noted by the AESO, it is already required to conduct some type of analysis and provide this type of information to generators in a timely manner. The expectation going forward is that the AESO would have an open dialogue with industry and/or hosting more stakeholder meetings.
- One party questioned whether there should be a section in the Rule which requires the AESO to share all available information to market participants before an application is filed. The term “notify” appears to be too broad and does not signify an obligation to provide additional information. AESO responded that all information is transparent to the public and there is no need to make this change.

#### NID 9 – Full-system NID

- One party noted that NID 9 only refers to two considerations, which do not accurately reflect the notion that there are numerous other factors that need to be considered as well. Although it may not be intended, the language currently contained under NID 9 puts emphasis on only two considerations. It suggested that the AUC provide a full list of considerations, or revise the wording to not be as prescriptive.
- AUC staff agreed to review and revise the wording contained under NID 9 to address stakeholder concerns.

**ACTION: AUC staff to review and revise the wording contained under NID 9.**

#### NID 10 – NEW

- In a response to the concerns received from stakeholders regarding the intended use of NID 10, AUC staff explained that NID 10 was introduced to put some discipline on approved items to ensure that they are being reviewed and “actioned”.
- A number of parties reiterated that their concerns were more related to the terms “cancel” and “amend”, and the uncertainty around when a project could be cancelled or amended.
- As expressed by the AESO, if something has materially changed, it would make an assessment on whether the project was needed and/or was still feasible. Based on the AESO’s assessment, it would choose to either cancel or revamp the project. The AUC further noted that many of the factors that the AESO would have to consider are already laid out in the *Transmission Regulation*.
- Although the intent was understood, parties suggested that including such a clause in the Rule could be premature at this time.
- AUC staff advised that it would review NID10 and see if further revision was needed based on stakeholder input.

**ACTION: The AUC to review NID 10 in order to determine if further revision was needed based on stakeholder input.**

### 3 AUC Rule 007 Environmental Consultation

- On June 19, 2015, the AUC circulated to stakeholders a number of draft documents associated with environmental guideline checklists and flowcharts. The AUC prepared preliminary responses to the feedback received by stakeholders, and circulated this to the group on September 9, 2015, for review. The intention of this meeting is to provide a dialogue with stakeholders to review any major issues or clarify misunderstandings before AUC responses are finalized. The AUC highlighted a number of items for further discussion with the group (as shown below).

#### Use of the checklists as being optional for reference, or required as part of the application

- There has been some consideration on whether the checklists should be optional (and used as a guideline) or if it should be a compulsory part of the application process. The AUC was of the view that the information provided in the checklists should be used as a resource to applicants when submitting applications. So long as the applications address all of the components that are identified in the checklists, there will be no requirement to include them with one's application.
- In response to an inquiry made about the use of the checklist, AUC staff indicated that the checklist would be used as a reference tool, to allow for consistency when reviewing applications.
- Stakeholders were in agreement to keep the checklists as an optional reference document.

#### Which reference documents to be specifically mentioned in the text of Rule 007

- Currently, the draft version of Rule 007 contains references to the following documents: Flowchart, Environmental Guidelines Checklist and the Roles of Agencies. As per the comments received from parties regarding the references contained in Rule 007, AUC staff advised that it would remove the reference to the Roles of Agencies document. However, references to the Flowchart and Environmental Guidelines Checklist will remain, as these documents are there to provide guidance to stakeholders.
- The group had no objections or concerns.

**ACTION: The AUC to remove any references made to the Roles of Agencies document from Rule 007.**

#### Standardization of terminology and definitions

- The group discussed and agreed on the following changes:

##### *Flowchart (page 4)*

- If ~~major~~ reportable release (see footnote 1 below): Notify AEP and implement mitigation as required. If ~~minor~~ non-reportable: Document and retain on file and describe plans to address deficiencies in future modification work or ongoing operation and maintenance.
- If ~~major~~ reportable release (see footnote 1 below): Notify AEP and implement mitigation as required. If ~~minor~~ non-reportable: Document any deficiencies, leaks, and soil staining within the scope of work, and describe how addressed in application.

##### *Environmental guidelines checklist*

- AUC staff confirmed that "insulating oil" is likely the most common contaminant to be encountered at a substation, but that the guidelines would apply to any contaminants (e.g. see references on pages 14, 17 and 19 of the Environmental Guidelines Checklist).
- It was pointed out that the terms "liner" and "secondary containment" were being used interchangeably. Going forward, the term "secondary containment" will be used.

### *AUC Rule 007*

- Clarification:
  - A number of parties asked for clarification on the definition of a “local study area”. In response, AUC staff explained that the definition is based upon AEP's *Glossary of Environmental Assessment Terms and Acronyms Used in Alberta* Updated February 2010. Parties are expected to explain the environmental evaluation process – how parties concluded something will or will not be problematic, and if it is deemed problematic, how parties plan to deal with the situation going forward.
- Changes:
  - EDTI submitted the following comment to the AUC (see below). AUC staff advised that they would review the following language, and see if TS42 can be revised.

“As presently stated, Requirement TS42 imposes a greater obligation than that set out in the relevant legislation. To bring this requirement in line with s.112 of the Environmental Protection and Enhancement Act, EDTI suggests that TS42 provide as follows: If the project is to be constructed within an assessment area where, upon appropriate assessment, the proponent is aware of or ought to be aware that substances that may cause adverse effects to the environment have previously been released, indicate the nature of the release, how the release was administered and reported, and how any resultant or ongoing impacts will be administered or contained with regard to the proposed project.”
  - A number of parties raised concerns with TS10, stating that since it only contains a reference to AEP Wildlife (as opposed to other agencies), it may be placing emphasis and importance on only one agency. AUC staff committed to reviewing Rule 007 in order to ensure that there is an appropriate balance between the environmental agencies mentioned throughout the rule.

### Whether AEP is in agreement with the proposed changes

- There were a number of parties who had asked whether AEP was in agreement with the proposed changes. A representative who spoke on behalf of AEP – Wildlife, noted AEP's active involvement in the consultations related to Rule 007 which is indicative of its support of the proposed changes.

## **4 Next steps**

- Based on the comments received and today's discussions the AUC will review and revise language accordingly. Once this has been completed it will post its comments on its website, followed by a formal consultation (which will include a broader audience).