



Alberta Electric System Operator

Needs Identification Document Application
Yellowhead Area Transmission System Development

May 12, 2010

ALBERTA UTILITIES COMMISSION

Decision 2010-208: Alberta Electric System Operator
Needs Identification Document Application
Yellowhead Area Transmission System Development
Application No. 1605154
Proceeding ID. 270

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ALBERTA UTILITIES COMMISSION

Calgary Alberta

ALBERTA ELECTRIC SYSTEM OPERATOR NEEDS IDENTIFICATION DOCUMENT APPLICATION YELLOWHEAD AREA TRANSMISSION SYSTEM DEVELOPMENT

Decision 2010-208
Application No. 1605154
Proceeding ID. 270

1 DECISION

1. Having considered all of the evidence before it, the Alberta Utilities Commission (AUC or Commission) finds that no interested person has demonstrated that the Alberta Electric System Operator's (AESO) assessment of the need to expand and enhance the transmission system in the Yellowhead Region¹ and the AESO's choice of its preferred alternatives are technically deficient or not in the public interest. The Commission approves the Needs Identification Document.
2. The Commission also approves the following preferred alternatives as filed by the AESO:
 - a. Alternative A-2 for the Wabamun transmission planning area (Wabamun Area);
 - b. Alternatives B1-2 and B2-2 for the Drayton Valley transmission planning area (Drayton Valley Area); and
 - c. Alternative C-1 for the Hinton/Edson transmission planning area (Hinton/Edson Area).

2 INTRODUCTION AND BACKGROUND

2.1 Overview - The Process for New Transmission Development in Alberta

3. Three approvals from the AUC are required to build new transmission facilities in Alberta: (i) an approval of the need for expansion or enhancement to the transmission system pursuant to section 34 of the *Electric Utilities Act* and (ii) a permit to construct and a licence to operate a transmission line pursuant to sections 14 and 15 of the *Hydro and Electric Energy Act*.
4. For the first approval, the AESO, in its capacity as the Independent System Operator (ISO) established under the *Electric Utilities Act*, is responsible for preparing a Needs Identification Document (NID or Needs Application) and submitting that document to the Commission for approval pursuant to section 34 of the *Electric Utilities Act*.
5. Section 34 of the *Electric Utilities Act* provides the Commission with three different options for making a decision in regard to a NID. The Commission may approve or deny the NID, or it may refer the NID back to the AESO with suggestions or directions for changes or additions.

¹ In this Decision the "Yellowhead Region" refers to the Wabamun, Drayton Valley and Hinton/Edson transmission planning areas, which combined encompass the geographic area west of Wabamun to Jasper National Park.

6. Section 38 of the *Transmission Regulation* guides the Commission when it considers a NID application. Section 38 states:

38 When considering whether to approve a needs identification document under section 34(3) of the Act the Commission must:

- (a) have regard for the principle that it is in the public interest to foster
 - (i) an efficient and competitive generation market,
 - (ii) a transmission system that is flexible, reliable and efficient and preserves options for future growth, and
 - (iii) geographic separation for the purposes of ensuring reliability of the transmission system and efficient use of land, including the use of rights of way, corridors or other routes that already contain or provide for utility or energy infrastructure or the use of new rights of way, corridors or other routes, notwithstanding that geographic separation for the purposes of ensuring reliability of the transmission system or efficient use of land may result in additional costs.
- (b) have regard for the following matters when it considers an application for a transmission facility upgrade or expansion, or operations preparatory to the construction of a transmission facility, namely, the contribution of the proposed transmission facility:
 - (i) to improving transmission system reliability;
 - (ii) to a robust competitive market;
 - (iii) to improvements in transmission system efficiency;
 - (iv) to improvements in operational flexibility;
 - (v) to maintaining options for long term development of the transmission system;
 - (vi) to a project to which section 27 applies to provide system access service,
- (c) take into account the long term transmission system outlook document and the transmission system plan filed with the Commission,
- (d) take into account the ISO's responsibilities under the Act and regulations, and
- (e) consider the ISO's assessment of the need to be correct unless an interested person satisfies the Commission that
 - (i) the ISO's assessment of the need is technically deficient, or

- (ii) to approve the needs identification document would not be in the public interest.

7. For the remaining required approvals, namely a permit to construct and a licence to operate a transmission line, transmission facility owners (TFO or TFOs) are responsible for submitting transmission facility applications that meet the need identified by the AESO in a NID. When considering an application for a transmission facility, the Commission must consider whether the proposed transmission line is in the public interest, having regard for the social and economic effects of the transmission line and the effect of the transmission line on the environment.

2.2 The Application

8. On June 9, 2009, the AESO filed Application No. 1605154 (the Application) with the Commission, pursuant to Section 34 of the *Electric Utilities Act*, for reinforcement of the transmission system in the Yellowhead Region.

9. In the Application the AESO stated that the need for transmission reinforcement in the Yellowhead Region is driven predominantly by the existing facilities approaching the end of their useful service lives, growing capital maintenance concerns, and increasing overloading and low-voltage occurrences during contingency events in the area. The AESO stated that the Yellowhead Region's transmission system required material reinforcement if the AESO's Reliability Criteria² are to be respected.

10. The AESO considered the following alternatives to enhance the transmission system in the Wabamun Area, Drayton Valley Area, and Hinton/Edson Area:

Development A – Wabamun Area:

- Alternative A-1: Transmission lines 104L and 123L replacement:
 - Rebuild a section of 69-kV transmission lines 104L/123L;
 - Upgrade the 138/69-kV transformer at North Barrhead 69S;
 - Add two 7.5 MVar capacitor banks at Onoway 352S substation; and
 - Expand Onoway 352S substation.
- Alternative A-2: New 240/35-kV Cherhill point of delivery substation:
 - Construct the new 240/25-kV Cherhill substation in the Glenevis area;
 - Decommission the existing 69-kV transmission lines 104L/123L between Onoway 352S substation and North Barrhead 69S substation; and
 - Decommission the existing 69-kV equipment at Onoway 352S substation, Glenevis 442S substation, Lac La Nonne 994S substation, and North Barrhead 69S substation.

² The AESO's Reliability Criteria are part of the Alberta Reliability Standards adopted by the AESO and approved by the Commission. They are intended to ensure that all equipment operates within its acceptable thermal and voltage limits and that the electric system is stable.

Development B – Drayton Valley Area:

- Alternative B1-1: Replacement of existing system:
 - Replace existing 69-kV transmission lines and substation equipment as required with new 69-kV transmission lines and substation equipment;
- Alternative B1-2: Upgrade the 69 kV system to 138 kV and optimize:
 - Salvage 69-kV transmission line 129L and decommission 537L, 537AL, 544L and 69-kV equipment at Entwistle 235S substation, Moon Lake 131S substation, Drayton Valley 46S substation, Easy Ford 249S substation, and Pembina Pipeline 3080S substation;
 - Build a new 138-kV single circuit transmission line from Entwistle 235S substation to Moon Lake 131S substation to Violet Grove 283S substation; and
 - Modify the existing Entwistle 235S substation, Violet Grove 283S and Moon Lake 131S substation;
- Alternative B2-1: Addition of two capacitor banks:
 - Add a 138-kV 27 MVAR capacitor bank at Brazeau 62S substation and Amoco Brazeau 358S substation;
- Alternative B2-2: Addition of three capacitor banks:
 - Add a 138-kV 27 MVAR capacitor bank at Brazeau 62S substation, Amoco Brazeau 358S substation, and Cynthia 178S substation;

Development C – Hinton/Edson Area:

- Alternative C-1: Rebuild/Reconfiguration of 745L and addition of capacitor bank at Cold Creek 602S substation:
 - Rebuild approximately 80 kilometres of existing 138-kV transmission line 745L between Edson 58S substation and Cold Creek 602S substation;
 - Build approximately 8 kilometres of new 138-kV double circuit transmission line from Bickerdike 39S substation to transmission line 745L; and
 - Modify the existing Bickerdike 39S substation;
 - Add a new 138-kV 27 MVAR capacitor bank at Cold Creek 602S substation;
- Alternative C-2: New 138-kV line from 730L to Cold Creek 602S substation and additional capacitor bank at Cold Creek 602S substation:
 - Build a new 138-kV transmission line from a new switching station along 740L to Cold Creek 602S substation;
 - Build a new 138-kV transmission line from Bickerdike 39S substation to Edson 58S substation;
 - Add a new 138-kV 27 MVAR capacitor bank at Cold Creek 602S substation;

- Decommission a portion of transmission line 745L from Edson 58S substation to Dalehurst 975S tap; and
- Rebuild a portion of transmission line 745L from Dalehurst 975S tap to Cold Creek 602S substation.

11. The AESO evaluated all alternatives on technical, economic, land impact and social factors and concluded that Alternatives A-2, B1-2 and B2-2, and C-1 were the best alternatives and designated these as its preferred alternatives. The AESO did not apply for Commission approval of the other alternatives.

2.3 Notice

12. On November 17, 2009, the Commission issued a Notice of Hearing. The Notice of Hearing stated that the Commission would hold a hearing on the Application starting Wednesday, March 17, 2010 at the Lakeview Inn & Suites in Drayton Valley. The Commission provided its Notice of Hearing to interested and potentially interested parties by the following methods:

- Mailed to approximately 5,700 registered land title holders within 900 metres of existing transmission lines and substations that could potentially be altered by the preferred alternatives. Mailing addresses were obtained using a search of the Alberta Land Titles Spatial Information System;
- Mailed through Canada Post by postal code region to approximately 47,000 area residents. The postal code regions included the possible areas, identified by the AESO, which could be affected in all alternatives of the Application;
- Published in eight newspapers in the Yellowhead region as well as in the major newspapers in Edmonton; and
- Published on the AUC Website.

2.4 Interventions

13. In response to the Notice of Hearing the Commission received submissions from five parties as described in more detail in the paragraphs that follow.

Bill and Mary Prokuda

14. On September 17, 2009, November 18, 2009 and January 25, 2010 the Commission received submissions from Bill and Mary Prokuda. They stated that they may be affected by the Application because the proposed 240/25-kV Cherhill substation may be built on land adjacent to their land. This in turn may cause a transmission line to be on their land. In addition, the Prokudas indicated that they may be affected because access to the Cherhill substation may be over their land. The substation is part of the AESO's preferred Alternative A-2 in the Wabamun Area.

15. The Prokudas expressed three concerns. First, the Prokudas were concerned that power lines may negatively affect their cattle and their farm operations. Second, the Prokudas consider power lines to be dangerous to human health and attributed health problems in their family to them. Third, the Prokudas were concerned about land use restrictions that may affect planned future development of their lands.

16. The Prokudas suggested that the proposed substation should be moved to any one of three alternative locations:

- south of highway 43 within the Alexis Indian Reserve;
- south west, further from the east corner of the Prokuda's land, so it would be further from the Prokuda's daughter's new residence. The Prokudas mentioned that there was no reason for the substation to stay on the east side of the power line because access to it was from the west; and,
- on a small area of land south of where the site is located, between highway 43 and the Alexis Indian Reserve.

Nathan Schneider

17. On November 26, 2009 the Commission received a submission from Nathan Schneider.

18. Mr. Schneider lives in the Hinton area. Mr. Schneider indicated that he may be affected by the Application because high voltage power lines may be built in close proximity to his residence. Mr. Schneider expressed concerns about health effects caused by long-term exposure to high voltage power lines. Mr. Schneider also expressed concerns about declining property values.

19. Mr. Schneider also expressed frustration with the information provided by the Commission in its Notice of Hearing. Mr. Schneider said that the maps attached to the Notice of Hearing were vague and misleading. Mr. Schneider said that the transmission junctions and substations set out on the maps did not assist his understanding of the Application. He said that there were no landmarks on the maps or, for that matter, anything else that was identifiable to him as a regular person. Mr. Schneider asked for information to be presented in a reasonable manner for him, as a normal individual, to understand.

Larry Swap

20. On December 3, 2009 the Commission received a submission from Larry Swap.

21. Mr. L. Swap owns land that may be affected by the proposed transmission lines and in particular owns land on which a transmission line is proposed to be built in the Drayton Valley Area as part of the AESO's preferred Alternative B1-2. Mr. L. Swap objected to the transmission line running on the edge of his land. He indicated that he planned to build on that property in 2010 and that the property's beauty and value would be negatively affected if the line was built. He was also concerned that he would not be compensated for his losses.

22. Mr. L. Swap also expressed concerns about health hazards associated with high voltage transmission lines.

Rick Collin

23. On December 14, 2009 the Commission received a submission from Mr. Rick Collin and Bev Collin Holdings Ltd.

24. Mr. Collin, or Bev Collins Holdings Ltd., owns property in the Edson area. They considered the application to be technically deficient because the maps provided were extremely vague and did not allow for an accurate assessment of where the changes proposed were located.

Johann Judt

25. On December 22, 2009 the Commission received a submission from Mr. Johann Judt.

26. Mr. Judt owns land southeast of Barrhead within 800 metres of an existing transmission line. In his submission, Mr. Judt supported the AESO's preferred alternative A-2 for the Wabamun Area as described above.

2.5 Information Sessions

27. On December 7 to 10, 2009, as set out in the Notice of Hearing, the Commission held information sessions in three locations in the Yellowhead Region.

2.6 Further submissions

Ms. Louise Weber

28. On February 10, 2010, the Commission received correspondence from Ms. Louise Weber.

29. In her correspondence Ms. Weber indicated that she may wish to take part in the Commission's hearing in Drayton Valley. Ms. Weber did not attend the hearing and her correspondence did not indicate how she could potentially be affected by the Commission's decision on the Application. As such, the Commission does not consider Ms. Weber to be a person that can be directly or adversely affected by the Commission's decision on the Application.

Ms. Helena Zehr

30. On March 9, 2010 the Commission received correspondence from Ms. Helena Zehr.

31. Ms. Zehr's correspondence indicated that she resided near Raymond, Alberta which is in southern Alberta near Lethbridge. Ms. Zehr did not set out how she could be directly and adversely affected by the Commission's decision on the Application and Ms. Zehr did not attend the hearing. As such the Commission does not consider Ms. Zehr to be a person that can be directly or adversely affected by its decision in this proceeding.

2.7 Hearing

32. The hearing was held on March 17, 2010 at the Lakeview Inn & Suites in Drayton Valley before a panel of the Commission consisting of C. Dahl Rees (Vice Chair and Panel Chair), N.A. Maydonik Q.C. (Commissioner), and Dr. M. Yahya (Commissioner).

33. None of the parties that filed submissions/objections in response to the Notice of Hearing attended the hearing. However, two additional parties, Mr. Randy Swap and Mr. Wayne Thomas, appeared before the Commission panel.

34. Mr. R. Swap indicated that he owned land that may be directly and adversely affected by the Commission's decision because a substation may be placed on it. Mr. R. Swap also stated that AltaLink, the TFO for the Yellowhead Region, spoke to him about routing the transmission line between Entwistle and Drayton Valley (transmission line 129L) on his property.

35. Mr. R. Swap had questions on how the proposed transmission lines would affect his daughter's quality of life. He indicated that his daughter may be especially susceptible to electromagnetic fields.

36. Mr. R. Swap indicated that he did not know who to talk with about his concerns. In response, AltaLink representatives attending the hearing exchanged contact information with Mr. R. Swap so that he could discuss his concerns with them.

37. Mr. Thomas expressed concerns about where transmission line 129L would be rebuilt and how it would affect his business. Mr. Thomas owns land that has a mobile home park business on it with 117 lots and about 500 people. Mr. Thomas said AltaLink advised him that the proposed transmission line may go through a section of his land.

38. Mr. Thomas indicated that he wanted more information about the specific location of the proposed transmission line and the potential effect that line would have on his business.³ The Commission invited Mr. Thomas to speak with an AltaLink representative that was present at the hearing about his concerns.

39. The Commission considers that the record for this proceeding closed on March 17, 2010. Appendix C contains a complete list of those who appeared at the hearing.

3 COMMISSION FINDINGS

3.1 Concerns Expressed by Interveners

40. The Commission notes that all concerns expressed by interveners in this proceeding can be grouped into two related categories: insufficient facility-location details and siting matters.

41. Interveners stated that the Application maps (or the maps attached to the Notice of Hearing) were vague, misleading and did not allow for an accurate assessment of where the proposed changes were located.

42. The Commission notes that this Application is a Needs Application and, as such, it cannot contain the level of detail expected by these interveners. When a Needs Application is separated from its related facility application the specific siting of the transmission facilities contemplated in the NID usually has not been finally determined. While the Commission understands that some interveners may be frustrated by the lack of specificity, for a Needs Application the AESO in its application and the Commission in its Notice of Hearing, are unable to set out with precision where the proposed expansions and enhancements will be located.

³ Transcript page 44, lines 1-10

43. By way of example, the AESO said that the location of the Cherhill Substation had not been finally determined. The AESO said:⁴

Q. So, if the Prokudas were to read this transcript, they then -- could they take away from this that there is no site chosen as there's no site identified by the AESO or in the NID?

A. MR. BRAUSEN: I think that's correct. There has been no final determination of what the proposed site will be. That's remaining work for AltaLink to conclude and then incorporate that into their facility application.

Q. All right. So, again, you're telling me there's still flexibility then as to where it will be located, taking into account the factors that have been identified?

A. MR. BRAUSEN: Yes, that is correct.

44. The Commission considers that the level of detail presented by the AESO in the Application was sufficient for its purposes, that is, it was sufficient to justify the “need” for the proposed transmission development in the Yellowhead Region.

45. Some interveners also expressed concerns about potential health effects that they attribute to electric transmission lines. Some interveners also stated that the proposed facilities will negatively affect their plans for future development of their lands as well as decrease the value of their lands.

46. The Commission finds that the concerns raised by the interveners do not relate to the need for transmission expansion or enhancement in the Yellowhead Region. A significant portion of the Application relates to the need for transmission lines to be replaced on existing rights of way or to be salvaged; there is very little new land disturbance. The Commission reiterates that AltaLink will prepare and file facility applications to meet any need approved by the Commission in this decision. These facility applications will clearly show the exact locations of the proposed transmission facilities. The interveners that expressed concern about the facilities in this proceeding can actively participate during the facility application phase, which is expected after this proceeding is completed.

3.2 Transmission Regulation

47. The Commission is satisfied that it should approve the Application. In coming to this decision the Commission had specific regard for the direction provided in subsections 38(a) through (e) of the *Transmission Regulation* as discussed in the following paragraphs.

48. Subsection 38(a) provides that the Commission must:

- (a) have regard for the principle that it is in the public interest to foster
 - (i) an efficient and competitive generation market,
 - (ii) a transmission system that is flexible, reliable and efficient and preserves options for future growth, and

⁴ Transcript pages 27-28, Lines 19-25, 1-5

(iii) geographic separation for the purposes of ensuring reliability of the transmission system and efficient use of land, including the use of rights of way, corridors or other routes that already contain or provide for utility or energy infrastructure or the use of new rights of way, corridors or other routes, notwithstanding that geographic separation for the purposes of ensuring reliability of the transmission system or efficient use of land may result in additional costs,

49. The Commission is satisfied that the public interest criteria set out in section 38(a) are met. Reliable electrical transmission facility infrastructure is a prerequisite to having an efficient and competitive generation market. New infrastructure will enhance system reliability by replacing infrastructure that is at the end of its useful life. The AESO's preferred alternatives best preserve options for future growth of the transmission system in the Yellowhead Region by providing capacity to meet future load.⁵ The Commission believes that the NID proposes to use land efficiently because two thirds of the work contemplated will be located in so-called "brownfield" sites,⁶ and proposes to salvage certain existing transmission lines.⁷

50. Pursuant to subsection 38(b) the Commission must

(b) have regard for the following matters when it considers an application for a transmission facility upgrade or expansion, or operations preparatory to the construction of a transmission facility, namely, the contribution of the proposed transmission facility:

- (i) to improving transmission system reliability;
- (ii) to a robust competitive market;
- (iii) to improvements in transmission system efficiency;
- (iv) to improvements in operational flexibility;
- (v) to maintaining options for long term development of the transmission system;

51. The Commission is satisfied that the criteria set out in section 38(b) have been met. In this Application, concerns about reliability, system efficiency and operational flexibility are elevated because the NID substantially deals with replacing existing transmission infrastructure that is nearing the end of its useful life.⁸ In this regard, the development of the proposed facilities is forecast to meet demand until 2017 and will alleviate reliability and inefficiency concerns associated with the age of the current infrastructure.

52. Subsections 38(c) and (d) state that the Commission must:

(c) take into account the long term transmission system outlook document and the transmission system plan filed with the Commission,

⁵ Ex. 2, Needs Identification Document, sections 4.1.3.1 and 4.2.3.1. pp. 11 and 14

⁶ Facilities will be replaced or upgraded on existing rights of way; Transcript page 49 lines 19 – 2;

⁷ Ex. 2, Needs Identification Document, sections 4.1.3.3, 4.2.3.3 and 4.3.3.3, pp. 12, 15 and 20

⁸ Ex. 2, Needs Identification Document, sections 3.0 – 3.3, pp. 3-9

- (d) take into account the ISO's responsibilities under the Act and regulations.

53. The Commission finds that the need identified by the AESO in the NID is consistent with that identified in the AESO's 2009 long-term transmission system plan which the AESO has filed with the Commission. The Commission also finds that this Application is reflective of the AESO's responsibilities; in particular, its responsibility to direct the safe, reliable and economic operation of Alberta's interconnected transmission system⁹ and its responsibility to plan the transmission system.¹⁰

54. Finally subsection 38(e) directs that the Commission must

- (e) consider the ISO's assessment of the need to be correct unless an interested person satisfies the Commission that

- (i) the ISO's assessment of the need is technically deficient, or
- (ii) to approve the needs identification document would not be in the public interest

55. The Commission finds that no interested person has demonstrated that the AESO's assessment of the need to expand and enhance the transmission system in the Yellowhead Region and the AESO's choice of its preferred alternatives are technically deficient or not in the public interest. The Commission agrees with the AESO that the issues raised by interveners, while legitimate, did not challenge the technical adequacy of the AESO's needs assessment for the Yellowhead Region and did not challenge the proposed expansion and enhancements of the transmission system in the Yellowhead Region on the basis that they were not in the public interest.¹¹

56. The Commission has reviewed the Application in light of the principles and matters it is required to consider pursuant to section 38 of the *Transmission Regulation*. Since no interested party has demonstrated that the AESO's assessment of the need to expand and enhance the transmission system in the Yellowhead Region is technically deficient or that approval of the NID is not in the public interest, the Commission considers the AESO's assessment of need to be correct, in accordance with subsection 38(e) of the *Transmission Regulation*.

4 COMBINATION OF NID AND FACILITY APPLICATIONS

57. The Commission discussed with the AESO at the hearing the possibility of combining a needs application and the related facility applications to meet the need. The Commission believes that the process for transmission system expansion and enhancement could be improved by simultaneous processing of the needs and the facilities applications, where it may be possible and appropriate to do so in the view of the AESO. This would likely provide a more satisfactory level of transparency to interveners, who are frequently concerned about facility specific issues

⁹ This responsibility is set out in section 17(h) of the *Electric Utilities Act*

¹⁰ This responsibility is set out in section 15 of the *Transmission Regulation*

¹¹ Transcript Page 54-55, Lines 25, 1-5

whether the primary focus of the hearing is needs or facilities, and more efficiency to the overall process.¹²

58. Legislation governing electrical transmission facilities allows for simultaneous processing of needs applications and related facilities applications. Section 35(1) of the *Electric Utilities Act* enables the AESO to direct a TFO to submit, for Commission approval, a transmission facility application.

59. The AESO may direct a TFO to submit such an application at the time the AESO prepares a NID, after the AESO submits the NID to the Commission, or after the AESO receives Commission approval for that NID. If the TFO submits a facility application when a Needs Application is before the Commission, the Commission may consider the NID and the facility applications together in a combined proceeding pursuant to section 15.4 of the *Hydro and Electric Energy Act*.

60. For this Application, the Commission considered only the NID submitted by the AESO and did not consider a facility application from AltaLink. The Commission asked the AESO whether it was possible to have a combined proceeding.¹³ The Commission understands that the AESO did not direct AltaLink to file a facility application with the Commission in time for that facility application to be processed simultaneously with this Application.¹⁴

61. The Commission notes that this Application predominantly focused on enhancements or expansions to existing facilities, or in a number of cases, the salvage and removal of facilities. Indeed, as mentioned above, two thirds of the work will be performed on “brownfield” sites. Thus the location of new facilities, while important for those individuals that will be affected by them, was not a predominant issue for this Application.

62. The AESO recognized that concerns raised by local interveners are legitimate although they were not relevant to the Commission’s decision on the Application.¹⁵ The AESO indicated an interest to improve the transmission development approval process with a view to make that process understandable for everyone involved, including local interveners who do not participate in the transmission facility hearings on a regular basis.¹⁶

63. The Commission encourages the AESO to combine needs applications and facility applications where possible to provide a simpler, more efficient and transparent process for participation by interested parties.¹⁷

5 CONCLUSION

64. Having considered the evidence filed by all participants, the Commission is satisfied that the AESO has addressed the principles and matters referenced in section 38 of the *Transmission Regulation*. In particular the Commission is satisfied that no interested person has demonstrated

¹² Transcript, p. 36

¹³ Ex. 6

¹⁴ Ex. 7

¹⁵ Transcript, p. 54, line 17-25, p. 55, line 1-5

¹⁶ Transcript, p. 49, line 9-10, p. 50, line 7-15, p. 51, line 10-13

¹⁷ Transcript, page 49

that the AESO's assessment of the need to expand and enhance the transmission system in the Yellowhead Region, in order to address the aging existing facilities, growing capital and maintenance concerns, and increasing overloading and low-voltage occurrences, is technically deficient or not in the public interest. Therefore, the Commission approves the NID. The Commission also approves the preferred alternatives, Alternatives A-2, B1-2 and B2-2, and C-1, as filed by the AESO.

6 DECISION

65. Pursuant to section 34 of the Electric Utilities Act, the Commission approves Application No. 1605154 and grants the approval set out in Appendix 1 – Needs Identification Document Approval No. U2010–209 to the AESO for the Yellowhead Region transmission system development (Appendix 1 will be distributed separately).

Dated on May 12, 2010.

ALBERTA UTILITIES COMMISSION

(original signed by)

Carolyn Dahl Rees
Vice-Chair

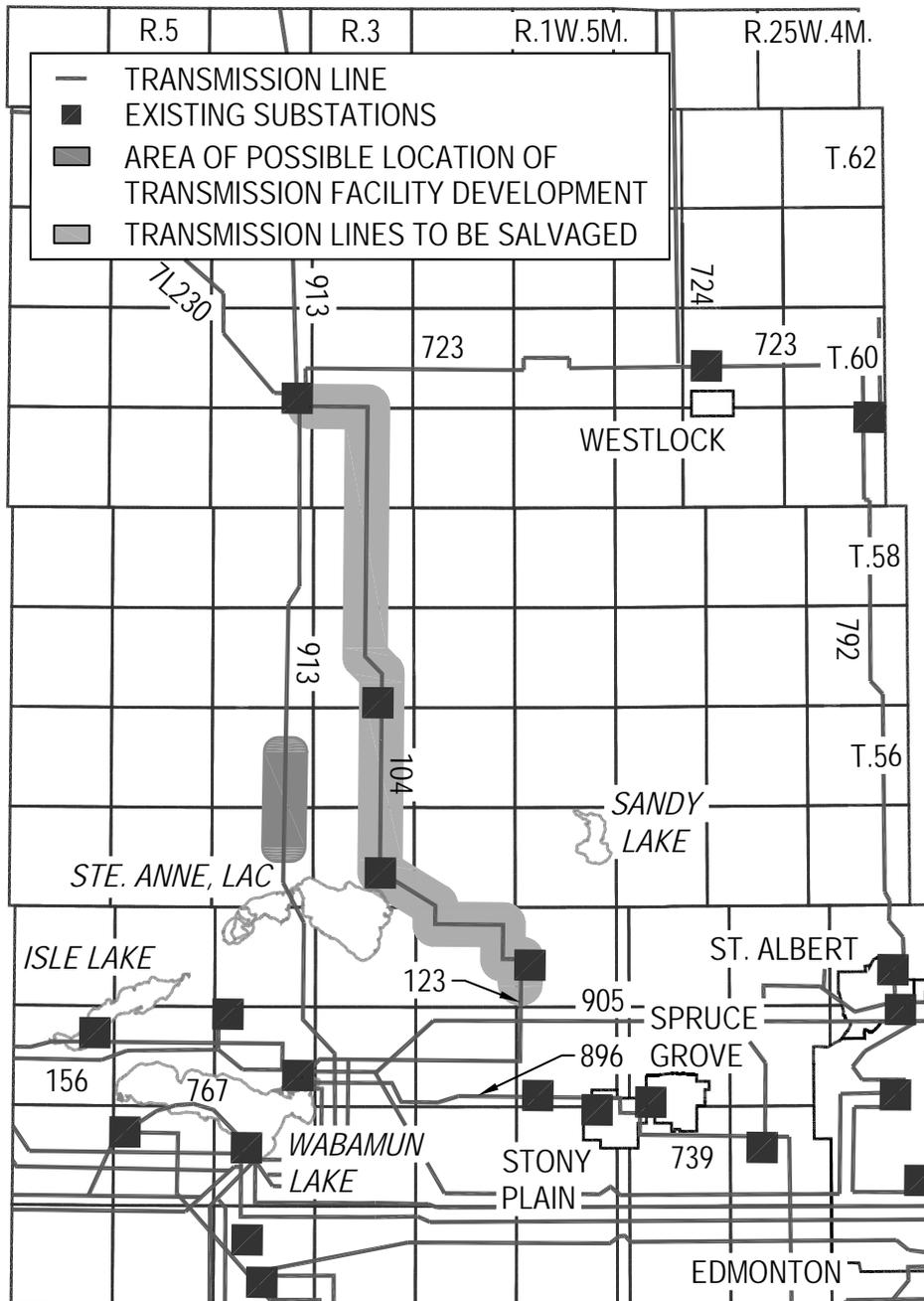
N. Allen Maydonik, Q.C.
Commissioner

Dr. Moin A. Yahya
Commissioner

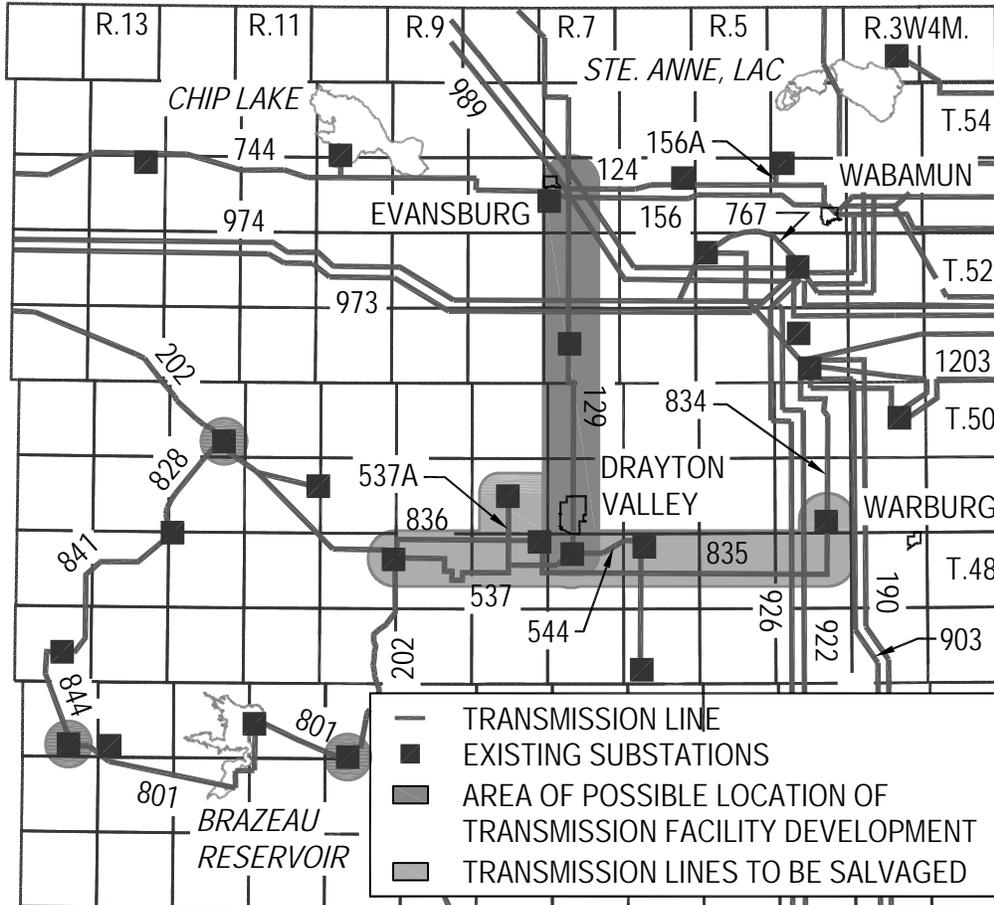
APPENDIX A – ACRONYMS AND ABBREVIATIONS

AESO	Alberta Electric System Operator (also the ISO)
AUC	Alberta Utilities Commission
EUB	Energy and Utilities Board
ISO	Independent System Operator (also AESO)
kV	Kilovolt
MVA	Mega Volt Ampere
MVAr	Mega Volt Ampere reactive
NID	Needs Identification Document
TFO	Transmission Facility Owner

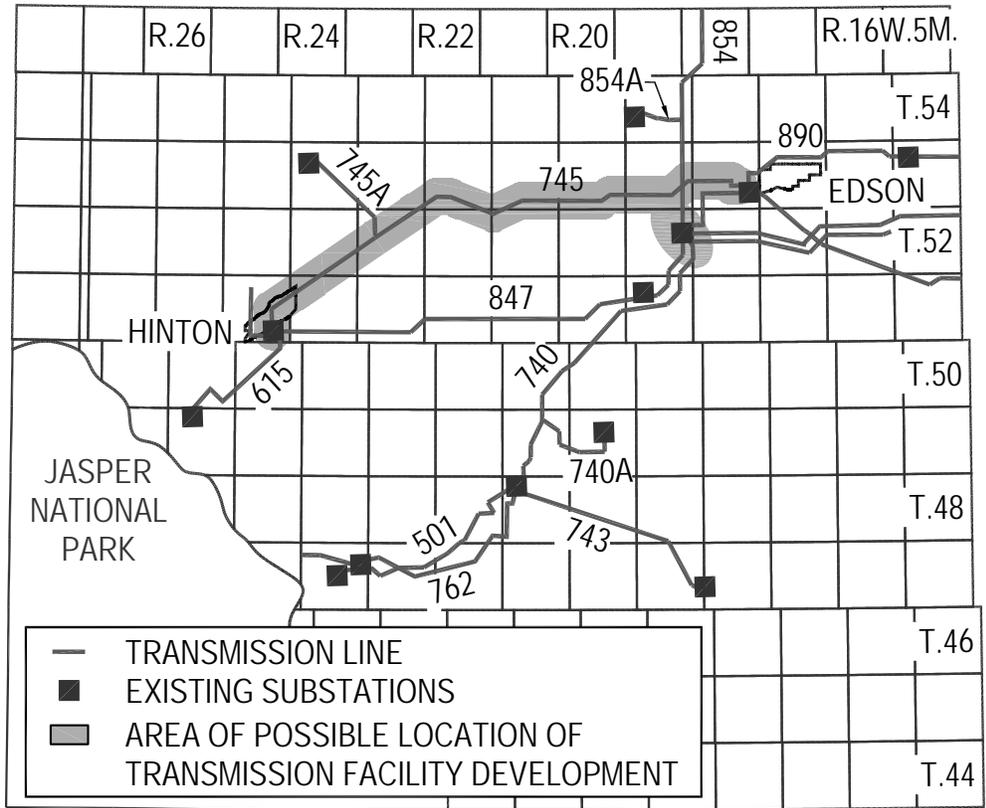
**APPENDIX B – YELLOWHEAD REGION TRANSMISSION DEVELOPMENT
PROPOSED ALTERNATIVE**



Development A – Wabamun Area



Development B – Drayton Valley Area



Development C – Hinton/Edson Area

APPENDIX C – ORAL HEARING – REGISTERED APPEARANCES

Name of Organization (Abbreviation) Counsel or Representative (APPLICANTS)	Witnesses
Alberta Electric System Operator (AESO or ISO) J.H. Smellie	A. Rehman N. Yimer N. Brausen M. Harmon J. Rasmussen
AltaLink Management Ltd. (AltaLink) P. Feldberg	
Randy Swap	
Wayne Thomas	

<p>Alberta Utilities Commission</p> <p>Commission Panel C. Dahl Rees, Panel Chair A. Maydonik, Commissioner M. Yahya, Commissioner</p> <p>Commission Staff G. Bentivegna (Commission Counsel) P. Khan (Commission Counsel) P. Wickel V. Choy</p>

APPENDIX D – PROCEEDING PARTICIPANTS THAT DID NOT PARTICIPATE IN HEARING

Name of Organization (Abbreviation) Counsel or Representative (APPLICANTS)
B. and M. Prokuda
N. Schneider
L. Swap
R. Collin
J. Judt