



AUC

Alberta Utilities Commission

**Alberta Electric System Operator
Sunday Creek 539S Substation Needs Identification Document**

**AltaLink Management Ltd.
Black Spruce 154S Substation and
Sunday Creek 539S Substation Interconnection**

**Cenovus FCCL Ltd.
Interconnection of the Christina Lake Industrial System**

December 24, 2012

The Alberta Utilities Commission

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**Cenovus FCCL Ltd.
Interconnection of the Christina Lake Industrial System**

1 Introduction

1. Cenovus FCCL Ltd. (Cenovus) operates the Christina Lake project for the recovery of crude oil. The project is located approximately 20 kilometres southeast of Conklin. The Alberta Utilities Commission (AUC or the Commission) granted Cenovus an industrial system designation, in Order No. [U2012-342](#),¹ for its electric system which serves the Christina Lake project (Christina Lake Industrial System).

2. Cenovus is the holder of Permit and Licence No. [U2012-341](#)² which is an approval to construct and operate the Sunday Creek 539S substation.

3. The following applications were filed with the Commission regarding the connection of the Christina Lake Industrial System to the Alberta Interconnected Electric System.

1.1 Alberta Electric System Operator Needs Application No. 1608493

4. In accordance with Section 34 of the *Electric Utilities Act*, the Alberta Electric System Operator (AESO) filed an application with the AUC on May 29, 2012, requesting approval of the needs identification document (NID) respecting a new 240-kilovolt (kV) transmission line and associated facilities from the Cenovus Sunday Creek 539S substation to AltaLink Management Ltd.'s (AltaLink) proposed Black Spruce 154S substation.

1.2 AltaLink Facility Application No. 1608667

5. In accordance with sections 14, 15 and 19 of the *Hydro and Electric Energy Act*, AltaLink filed an application with the AUC on July 23, 2012, requesting approval to:

- Construct and operate the Black Spruce substation located in the west half of Section 10, Township 76, Range 6, west of the Fourth Meridian.

¹ Industrial System Designation Order No. U2012-342, Application No. 1608372, Proceeding ID No. 1854, July 23, 2012.

² Substation Permit and Licence No. U2012-341, Application No. 1608371, Proceeding ID No. 1854, July 23, 2012.

- Construct two separate segments, each approximately 150 metres, of single-circuit 240-kV transmission line from the proposed Black Spruce substation to two adjacent connection points on existing 240-kV transmission line 971L, and disconnect the short segment of transmission line 971L in between the connection points.
- Rename the portion of transmission line 971L from Jackfish 698S substation to the proposed Black Spruce substation as 1099L, and re-designate the portion of transmission line 971L from Conklin 762S substation to the proposed Black Spruce 154S substation as 971L.

6. The need identified in the NID application filed under Application No. 1608493 will be met, in part, by the construction of the Black Spruce substation and 240-kV transmission lines terminating at the proposed substation.

7. AltaLink evaluated possible substation sites as well as route options for the transmission lines. Since the proposed substation would be located within the Green Area of Alberta, east of the community of Conklin, AltaLink consulted Alberta Environment and Sustainable Resource Development and, subsequently incorporated their input into the determination of the substation site and the route of the transmission line. AltaLink's proposed substation site and routing options are supported by Alberta Environment and Sustainable Resource Development. AltaLink also selected the substation site based on the proximity to existing access, reduced project footprint, minimal overall environmental impacts and proximity to future planned developments.

8. AltaLink notified Alberta Environment and Water of the project and incorporated Alberta Environment and Water feedback regarding the siting of transmission structures. AltaLink also stated that the project will comply with the Environmental Protection Guidelines for Transmission Lines established by Alberta Environment and Water.

9. AltaLink conducted a public involvement program for the project in which it consulted with leaseholders, government representatives, industry, First Nations groups and Métis communities.

10. There are no residences within 800 metres of the proposed substation site and transmission line. No stakeholders expressed concerns with the project.

11. Altalink indicated that the proposed substation site would achieve the technical requirements of the AESO functional specification.

12. The project cost was estimated to be \$19.959 million.

1.3 AltaLink Facility Application No. 1608668

13. In accordance with sections 14 and 15 of the *Hydro and Electric Energy Act*, AltaLink filed an application with the AUC on July 23, 2012, requesting approval to:

- Construct and operate approximately 1.6 kilometres of single-circuit 240-kV transmission line designated as 1118L from the proposed Black Spruce substation to Cenovus' Sunday Creek substation.

- Add one 240-kV circuit breaker to the proposed Black Spruce substation to facilitate the interconnection of transmission line 1118L. (The substation would then contain four 240-kV circuit breakers).

14. The need for the project was described in the NID filed under Application No. 1608493 and would facilitate a connection to supply Cenovus by way of its proposed Sunday Creek substation.

15. AltaLink undertook site and route evaluations and selected a route that would achieve the requirements of the AESO's functional specifications.

16. The proposed transmission line route, supported by Alberta Environment and Sustainable Resource Development, and other stakeholders, would have low overall impacts and minimal potential effects of the project while paralleling approved linear disturbances.

17. The project would be located entirely on Crown land with existing oil and gas facilities. AltaLink will acquire right-of-way for the proposed transmission line through Alberta Environment and Sustainable Resource Development's disposition process.

18. The total project cost is estimated to be \$6.339 million.

1.4 Cenovus Facility Application No. 1608718

19. In accordance with Section 18 of the *Hydro and Electric Energy Act*, Cenovus filed an application with the AUC on August 1, 2012, requesting approval to connect the Christina Lake Industrial System to AltaLink's proposed transmission line 1118L as outlined in Application No. 1608668.

20. As previously noted, Cenovus was granted an industrial system designation, by Order No. U2012-342, for its electric system serving the Christina Lake project. Sunday Creek substation is within the Christina Lake Industrial System.

21. In accordance with Section 15.4 of the *Hydro and Electric Energy Act*, the Commission combined all of the applications and considered them jointly as Proceeding ID No. 2010.

2. Background

22. The Commission issued information requests to the AESO and AltaLink on August 31, 2012. The AESO submitted a response on September 21, 2012; AltaLink submitted its response on September 24, 2012.

23. A second round of information requests were issued by the Commission to AltaLink on October 10, 2012. AltaLink submitted its response on October 18, 2012.

24. The Beaver Lake Cree Nation submitted a letter on August 13, 2012, expressing concerns regarding consultation, environmental impacts and general land use impacts. The Commission issued a letter to the Beaver Lake Cree Nation on November 21, 2012, asking whether or not they planned to make a submission regarding the applications. The Commission indicated in the letter that if a further submission was not filed, the Commission may make a decision on the

applications without further notice and without a public hearing. The Beaver Lake Cree Nation did not respond to the letter or file further submissions to the Commission.

25. The Commission issued notice of applications on October 29, 2012 and no objections were received.

2 Findings

26. The Commission has reviewed the AESO's NID application and has determined that it contains all of the information required by the *Electric Utilities Act*, the *Transmission Regulation* and AUC Rule 007: *Applications for Power Plants, Substations, Transmission Lines, and Industrial System Designations* (AUC Rule 007). The Commission notes that a participant involvement program has been conducted and finds that there are no outstanding public or industry objections or concerns.

27. Because no interested party has demonstrated that the AESO's assessment of the need to provide electricity to the Cenovus Christina Lake Industrial System is technically deficient or that approval of the NID application would not be in the public interest, the Commission considers that the NID complies with subsection 38(e) of the *Transmission Regulation*.

28. The Commission has reviewed the AltaLink and Cenovus applications and determined that the technical, siting, and environmental requirements of the *Hydro and Electric Energy Act* and AUC Rule 007 have been met.

29. AltaLink undertook public consultation with potentially affected parties.

30. The Commission issued a notice of applications and no objections were received.

31. The Beaver Lake Cree Nation did not file submissions to the Commission in response to its November 21, 2012, letter requesting a further submission on its concerns about the applications.

32. Alberta Environment and Water and Alberta Environment and Sustainable Resource Development were consulted and provided comments on the substation site and routing options of the project. The Commission is satisfied that the project would not cause any adverse environmental impacts.

33. The Commission considered that its decision would not directly and adversely affect the rights of any person, and therefore, did not hold a hearing pursuant to Section 9 of the *Alberta Utilities Commission Act*.

34. Based on the foregoing, the Commission considers the project to be in the public interest in accordance with Section 17 of the *Alberta Utilities Commission Act*.

3 Decision

35. Pursuant to Section 34 of the *Electric Utilities Act*, the Commission approves the NID outlined in Application No. 1608493 for the project and grants the AESO the approval set out in Appendix 1 – NID – Approval No. U2012-703 – December 24, 2012 (Appendix 1 will be distributed separately).

36. Pursuant to sections 14, 15 and 19 of the *Hydro and Electric Energy Act*, the Commission approves Application No. 1608667 and grants AltaLink the approvals set out in Appendix 2 – Black Spruce 154S substation – Permit and Licence No. U2012-704, Appendix 3 – AltaLink transmission line 971L – Permit and Licence No. U2012-705 and Appendix 4 – AltaLink transmission line 1099L – Permit and Licence No. U2012-706, (the appendices will be distributed separately).

37. Pursuant to sections 14, 15 and 19 of the *Hydro and Electric Energy Act*, the Commission approves Application No. 1608668 and grants AltaLink the approvals set out in Appendix 5 – AltaLink transmission line 1118L – Permit and Licence No. U2012-707 (the appendices will be distributed separately).

38. Pursuant to Section 18 of the *Hydro and Electric Energy Act*, the Commission approves Application No. 1608718 and grants Cenovus the approval set out in Appendix 6 – Cenovus Connection – Order No. U2012-708 (Appendix 6 will be distributed separately).

Dated on December 24, 2012.

The Alberta Utilities Commission

(original signed by)

Anne Michaud
Commission Member