



## **Alberta Electric System Operator**

### **Amendment to the Southern Alberta Transmission Reinforcement Needs Identification Document Approval**

**August 22, 2013**

**The Alberta Utilities Commission**

Decision 2013-309: Alberta Electric System Operator  
Amendment to Southern Alberta Transmission  
Reinforcement Needs Identification Document Approval  
Application No. 1608442  
Proceeding ID No. 1879

August 22, 2013

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The Alberta Utilities Commission  
Fifth Avenue Place, Fourth Floor, 425 First Street S.W.  
Calgary, Alberta  
T2P 3L8

Telephone: 403-592-8845  
Fax: 403-592-4406

Website: [www.auc.ab.ca](http://www.auc.ab.ca)

## 1 Introduction

1. The Alberta Electric System Operator (AESO) filed Application No. 1608442 with the Alberta Utilities Commission (AUC or Commission) on May 11, 2012, requesting approval of an amendment to the Southern Alberta Transmission System Reinforcement (SATR) needs identification document (NID) Approval No. [U2011-115](#)<sup>1</sup> for the Medicine Hat area, pursuant to Section 34 of the *Electric Utilities Act*.

## 2 Background

### 2.1 Southern Alberta transmission reinforcement NID approval

2. The AESO applied to the AUC for approval of a needs identification document for transmission reinforcement in southern Alberta (SATR NID) on December 30, 2008, by Application No. 1600862.

3. The Commission approved the SATR NID in Decision [2009-126](#),<sup>2</sup> on September 8, 2009, and issued NID Approval No. [U2009-340](#),<sup>3</sup> on September 17, 2009.

4. On December 7, 2009, the AESO filed its finalized milestones and monitoring process with the AUC, pursuant to Decision 2009-126 and NID Approval No. U2009-340. The Commission approved the finalized milestones and monitoring process in Decision [2010-343](#),<sup>4</sup> and issued NID Approval No. [U2010-264](#)<sup>5</sup> (SATR NID Approval) on July 19, 2010.

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<sup>1</sup> Needs Identification Document Approval No. U2011-115: Alberta Electric System Operator, Southern Alberta Transmission Reinforcement, Applications No. 1606564 and No. 1606526, Proceeding ID No. 748, June 7, 2011.

<sup>2</sup> Decision 2009-126: Alberta Electric System Operator – Needs Identification Document Application, Southern Alberta Transmission System Reinforcement, Application No. 1600862, Proceeding ID No. 171, September 8, 2009.

<sup>3</sup> Needs Identification Document Approval No. U2009-340: Alberta Electric System Operator, Southern Alberta Transmission System Reinforcement, Application No. 1600862, Proceeding ID No. 171, September 17, 2009.

<sup>4</sup> Decision 2010-343: Alberta Electric System Operator – Finalized SATR Milestone Identification and Monitoring Process Filing, Application No. 1606274, Proceeding ID No. 681, July 19, 2010.

<sup>5</sup> Needs Identification Document Approval No. U2010-264: Alberta Electric System Operator, Southern Alberta Transmission System Reinforcement with Finalized Milestones, Application No. 1606274, Proceeding ID No. 681, July 19, 2010.

5. On September 1, 2010, the AESO filed Application No. 1606526 and on September 14, 2010, filed Application No. 1606564, to amend the SATR NID approval. The Commission approved amendments to the SATR NID Approval in [Decision 2011-102](#),<sup>6</sup> on March 15, 2011, and issued NID Approval No. U2011-115 on June 7, 2011.

6. NID Approval U2011-115 provided at paragraph 8:

8. Medicine Hat 138-kV transmission system upgrades consisting of:

...

(f) modification of the existing 138-kV transmission lines 600L and 880L from Peace Butte 404S substation to Bullshead 523S substation to Medicine Hat 41S substation

## 2.2 Application No. 1608442

7. On May 11, 2012, the AESO filed Application No. 1608442 requesting approval to amend a portion of SATR NID Approval No. U2011-115 in relation to the Medicine Hat 138-kilovolt (kV) transmission system upgrade.

8. The AESO submitted that as part of AltaLink Management Ltd.'s, (AltaLink) siting activities plans the routing for a section of transmission line 676L changed, thereby removing the need to upgrade transmission line 600L and re-terminate transmission line 880L at Bullshead 523S substation. Accordingly, the AESO requested an amendment of the SATR NID approval so as to remove paragraph 8(f) under Stage 1.

9. After reviewing the application, the Commission issued information requests to the AESO on May 28, 2012, August 2, 2012 and March 15, 2013. The AESO responded to the Commission's information requests on June 14, 2012, August 15, 2012, and March 22, 2013, respectively.

10. On July 8, 2013, TransCanada Energy Ltd. (TransCanada) filed an information request to the AESO and on July 12, 2013, the AESO responded to TransCanada's information request. On July 26, 2013, TransCanada indicated that its concerns were generally addressed and that it would not take an active role in the proceeding.

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<sup>6</sup> Decision 2011-102: Alberta Electric System Operator – Amendments to Southern Alberta Transmission System Reinforcement and Hanna Region Transmission System Development Needs Identification Document Approvals, Applications No. 1606526 and No. 1606564, Proceeding ID No. 748, March 15, 2011.

## **2.3 Notice of application<sup>7</sup>**

11. The Commission issued a notice of application on April 22, 2013, and distributed it by way of the following:

- mailed or emailed directly to interested parties
- mailed to registered land title holders within 800 metres of the Medicine Hat 138-kV project
- published in the Medicine Hat News newspaper on April 27, 2013
- published on the AUC website

12. The AUC held an information session on May 8, 2013 in Medicine Hat, as announced in the notice of application, outlining public involvement in the AUC hearing process.

13. In the notice of application, the Commission asked interested parties with concerns to file a submission and stated that if no objections were received by May 17, 2013, the Commission could make a decision on the application without any further notice or process. Nineteen statements of intention to participate were filed in response to the notice of application.

## **2.4 Notice of hearing**

14. The Commission issued a notice of hearing on June 14, 2013, and distributed it through the following means:

- mailed or emailed directly to interested parties
- mailed to registered land title holders within 800 metres of the Medicine Hat 138-kV project
- published in the Medicine Hat News newspaper on June 19, 2013
- published on the AUC website

15. In the notice of hearing, the Commission asked interested parties to file written submissions by July 26, 2013.

## **3 View of interest parties and the applicant**

### **3.1 Views of interested parties**

16. Although several interveners originally indicated they had concerns with the AESO's NID amendment application, no evidence of any objections or concerns were filed as part of the intervener's submissions in response to the notice of hearing.

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<sup>7</sup> The notice of application and the notice of hearing included information regarding AESO's NID Amendment Application No. 1608442 combined with AltaLink Management Ltd.'s Transmission Facility Application No. 1609095.

### 3.2 Views of the AESO

17. The AESO indicated that based upon the submissions filed, none of the parties have raised any concerns or objections to the amendment application, or demonstrated how they would be directly or adversely affected by the amendment.

## 4 Discussion

18. The AESO indicated that for the proposed NID Approval amendment there would be no material cost difference associated with AltaLink's proposed routing of transmission line 676L and that the deletion of the modifications outlined in paragraph 8(f) in NID Approval U2011-115 would result in a reduction of the cost of the SATR developments by approximately \$0.6 million (+30 per cent/-15 per cent, 2008 dollars).

19. The AESO did not undertake a participant involvement program for the amendment. The AESO submitted that the proposed development would not have an impact on the stakeholders in the development area.

20. On June 13, 2013, the Commission issued a ruling on standing and the request by the AESO to approve the NID amendment application. In its standing ruling, the Commission indicated that it would make a determination on the AESO's request to approve the amendment to NID Approval U2011-115 without further public process upon passage of the deadline for the filing of intervener evidence.

21. The Commission notes that in AUC Decision 2009-126, Decision 2010-343 and Decision 2011-102, the Commission approved the need for transmission expansion and enhancement for southern Alberta and the AESO's preferred option to address that need.

22. The NID amendment application does not seek to alter the need for the expansion or enhancement of the transmission system in southern Alberta but is an amendment to specific components of the preferred transmission options approved by the Commission to meet the approved need for expansion and enhancement. Accordingly, the Commission acknowledges that the need for expansion or enhancement of the transmission system in southern Alberta is not an issue that the Commission could consider in this application.

## 5 Commission findings

23. The Commission considered the NID amendment application pursuant to Section 34(2) of the *Electric Utilities Act*. The Commission has reviewed the NID amendment application and has determined that it contains the information required by the *Electric Utilities Act*, the *Transmission Regulation* and AUC Rule 007: *Rules Responding Applications for Power Plants, Substations, Transmission Lines and Industrial System Designations* (AUC Rule 007).

24. The Commission finds no objections to, or concerns with, the NID amendment application were received after the notice of application and notice of hearing were issued by the Commission. Since there were no objections, a hearing was not required because the Commission has determined that its decision would not directly and adversely affect the rights of a person pursuant to Section 9 of the *Alberta Utilities Commission Act*.

25. The Commission accepts the AESO's submission that the NID amendment, as set out in the application, will allow AltaLink to better meet the need expressed in the SATR NID approval in relation to the Medicine Hat 138-kV transmission system upgrade.

26. The Commission has reviewed the NID amendment application in light of the principles and matters it is required to consider, pursuant to Section 38 of the *Transmission Regulation*. The Commission notes that no party demonstrated that the AESO's assessment of the requirement to amend the SATR NID approval was technically deficient or not in the public interest. Further, the Commission is satisfied that the proposed amendment to the SATR NID approval does not materially change the assessment of the need. Therefore, in accordance with subsection 38(e) of the *Transmission Regulation*, the Commission considers that the original SATR NID approval, as amended, remain correct.

27. Having regard to the foregoing, the Commission is satisfied that the amendments to the SATR NID approval is in the public interest and the requirements under Section 34 of the *Electric Utilities Act* have been met.

## **6 Decision**

Pursuant to Section 34 of the *Electric Utilities Act*, the Commission approved the NID amendment application and grants the AESO the amended needs identification document approval set out in Appendix 1 – Needs Identification Document – Approval No. U2013-372 – August 22, 2013 (Appendix 1 will be distributed separately).

Dated on August 22, 2013.

### **The Alberta Utilities Commission**

*(original signed by)*

Tudor Beattie, QC  
Panel Chair

*(original signed by)*

Henry van Egteren  
Commission Member

*(original signed by)*

Bill Lyttle  
Commission Member