



## **Pembina NGL Corporation**

### **Redwater Industrial System Designation Amendment**

**April 27, 2015**

**Alberta Utilities Commission**

Decision 20115-D01-2015

Pembina NGL Corporation

Redwater Industrial System Designation Amendment

Proceeding 20115

Applications 20115-A001 and 20115-A002

April 27, 2015

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## **1 Introduction and background**

1. On September 17, 2014, the Alberta Utilities Commission issued Decision [2014-265](#)<sup>1</sup> and Industrial System Designation Order [U2014-385](#),<sup>2</sup> designating the Redwater industrial complex as an industrial system pursuant to Section 4 of the *Hydro and Electric Energy Act* and an exemption from the operation of the *Electric Utilities Act* regarding the electric energy produced from and consumed by the proposed industrial system, pursuant to Section 117 of the *Electric Utilities Act*. The industrial complex is operated by Pembina NGL Corporation (Pembina), Williams Energy (Canada) Inc. and TransCanada Energy Ltd.
2. Pembina, pursuant to Permit and Licence [U2013-478](#),<sup>3</sup> is the owner of the Scoria 318S substation, which is located within the Redwater industrial complex.
3. Pembina, on behalf of Williams Energy (Canada) Inc. and TransCanada Energy Ltd., filed an application with the Commission seeking an amendment to the industrial system designation in order to add new equipment to the Scoria 318S substation at the industrial system site. This application was registered as Application 20115-A002 on January 27, 2015. Pembina also filed an application to alter the permit for Scoria 318S substation. This application was registered as Application 20115-A001 on January 27, 2015.
4. The industrial system designation encompasses all facilities at the Redwater industrial complex. Those facilities are located in Township 56, Range 22, west of the Fourth Meridian, in the Fort Saskatchewan area.
5. The Commission issued a notice of application for Proceeding 20115 on March 20, 2015, with a deadline for interested parties to file submissions on or before April 13, 2015. The notice was sent directly to landowners, agencies and other interested parties in the vicinity of the proposed development and was also published on the AUC website. No objections were received in response to the notice of applications.

## **2 Discussion**

6. Pembina proposed to add one 138/25-kilovolt (kV), 35/47-megavolt-ampere (MVA) transformer, one 138/13.8-kV, 40/45-MVA transformer and two 138-kV circuit breakers to the Scoria 318S substation.

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<sup>1</sup> Decision 2014-265: Pembina NGL Corporation – 138-kilovolt Circuit Breaker Addition, Proceeding 3399, Application 1610826, , September 17, 2014.

<sup>2</sup> Industrial System Designation Order 2014-385, Proceeding 3399, Application 1610826, September 17, 2014.

<sup>3</sup> Permit and Licence No. U2013-478, Proceeding 2794, Application 1609858, October 18, 2013.

7. Pembina conducted a participant involvement program that notified stakeholders within 1,500 metres of the Redwater industrial complex. Pembina stated that it was not aware of any objections or concerns regarding the proposed alterations to the substation.
8. Pembina submitted that the alterations would occur within the existing substation footprint, which is within the existing industrial complex and that no material or adverse environmental impacts were anticipated.
9. Pembina submitted a noise impact assessment (NIA) for the project, which is located within the Alberta Industrial Heartland. The NIA relied on the sound data for the existing and approved energy related facilities in the study area obtained from the Northeast Capital Industrial Association (NCIA) regional noise model. The NIA predicted the cumulative sound level at the four closest dwellings within three kilometres of the Redwater industrial complex. The NIA indicated the predicted cumulative sound level would meet the daytime permissible sound level requirements at the dwellings but that it would exceed the nighttime permissible sound level requirements. The noise impact assessment stated that the exceedance was primarily due to the nighttime base case noise levels and the dominant sound level contribution of the North West Upgrader and the Suncor Fort Hills Upgrader. The NIA submitted that the amended Scoria 318S substation will add a contribution of zero dBA to the existing sound level at all dwellings assessed.

### 3 Findings

10. The Commission has reviewed the applications and finds that the applications meet the information requirements stipulated in Rule 007: *Applications for Power Plants, Substations, Transmission Lines, and Industrial System Designations and Hydro Developments*.
11. The Commission is satisfied that the alteration would not cause additional adverse environmental effects because the alteration will occur within the existing Scoria 318S substation and within the Redwater Industrial Complex.
12. The Commission finds that Pembina's participant involvement program was reasonable and there are no outstanding public or industry objections or concerns; therefore, a hearing was not required because the Commission considered that its decision or order would not directly and adversely affect the rights of a person pursuant to Section 9 of the *Alberta Utilities Commission Act*.
13. Rule 012: *Noise Control* defines "no net increase" as the logarithmic addition of sound pressure levels when predicting noise where the sum does not exceed the permissible sound level by 0.4 dBA. In this case, the cumulative sound level does exceed the permissible nighttime sound level by greater than 0.4 dBA, so it is not considered by the Commission as "no net increase".
14. However, the Commission recognizes that the results of the NIA indicate that the amended substation will have no increase relative to the results from the NCIA Regional Noise Model. With respect to the NCIA Regional Noise Model, the AUC stated in a letter to the NCIA dated September 16, 2013, that "an applicant is expected to prepare a standard application assessing noise before and after a facility is constructed and operating although [the] regional noise baseline would be used rather than having to measure or otherwise establish the existing

noise levels. The expectation is that the noise levels at nearby receptors would have no net increase as a result of the new facility because of the existing ambient sound levels.”

15. The Commission accepts the conclusion in the NIA that the project is expected to contribute a negligible increase in the cumulative sound level at all residential receptor locations assessed.

16. The Commission finds that the alteration to the Scoria 318S substation is a minor amendment to the Redwater industrial system.

17. 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*.

#### **4 Decision**

18. Pursuant to Section 4 of the *Hydro and Electric Energy Act* and sections 2(1)(d) and 117 of the *Electric Utilities Act*, the Commission approves the application and grants to Pembina, Williams Energy (Canada) Inc., and TransCanada Energy Ltd. the approval set out in Appendix 1– Redwater Industrial System Designation Amendment – Order 20115-D02-2015 – April 27, 2015 (Appendix 1 will be distributed separately).

19. Pursuant to sections 14, 15 and 19 of the *Hydro and Electric Energy Act*, the Commission approves the application to alter and operate the substation and grants Pembina the Permit and Licence set out in Appendix 2 – Alter Scoria 318S Substation – Permit and Licence 20115-D03-2015 – April 27, 2015 (Appendix 2 will be distributed separately).

Dated on April 27, 2015.

#### **Alberta Utilities Commission**

*(original signed by)*

Neil Jamieson  
Commission Member