Miistakis Institute

Renewable Energy Development in Alberta: Regulatory Resources for Municipalities

Renewable solar and wind energy developments are increasing in various areas of Alberta. The regulatory process for renewable energy developments involves numerous agencies and requirements.

This document was developed as a reference for municipalities that would like to better understand the regulatory process for renewable energy developments in Alberta.

The approvals process in a nutshell

The Alberta Utilities Commission (AUC) is the provincial agency that has jurisdiction over energy approvals in Alberta. Not all renewable energy developments are required to submit an application to the AUC; this is determined by whether the project will be for personal use or for distribution onto the electricity grid. If projects greater than 1MW and up to 10MW power are for personal use only and they meet requirements of the AUC Rule 007; an application may not be required.

An application may not be required if:

- No person is directly and adversely affected.
- The power plant complies with AUC Rule 012: Noise Control.
- There is no effect on the environment.
- In addition: If the unit is connected to the distribution or transmission system, the owner must contact the wire owner to determine if adequate protection has been installed to isolate the unit from the wire owner's system or enter into an operating agreement with the wire owner.

SOURCE: WWW.ENGINEERSJOURNAL.IE

The section below summarizes the AUC application requirements that would be of interest to municipal decision makers.

- **Consultation.** Document and describe the notification and consultation program followed. This includes details and outcomes of consultation with the local jurisdiction(s) the project is located in.
- **Environment Canada Emergency Orders.** Any emergency orders issued by Environment Canada which apply to the project area must be identified. The applicant must also provide any mitigation required either by Environment Canada or Alberta Environment and Parks and information addressing actions that will be taken to ensure compliance with the emergency order.
- **Regional Plans**. If the project site occurs within the plan boundaries of a regional land use plan which is in force, the applicant must include information confirming the project is being developed in accordance with the regional land use plan and any impacts on the management frameworks developed pursuant to the applicable regional land use plan.
- **Environmental Considerations.** A local AEP wildlife biologist must be consulted unless the project is located within an urban area with no nearby wildlife habitat.
- **Environmental Evaluation.** Includes descriptions of pre-project environmental conditions; potential project impacts on the environment and ecosystem components during the life of the project; mitigation; monitoring activities to measure proposed/potential mitigation efforts and methodology used for monitoring.
- **Historical Resources Impact Assessment.** May be required.
- **Legal description of the proposed power plant site and connection point.** For wind power plant applications, the longitude and latitude coordinates for the centre of each structure must be provided.
- **Issues Assessment.** Existing environmental and land use conditions of the local study area along with an issues assessment is required to provide context. Maps showing important environmental features and sensitive areas in the local study are may also be required.

QUESTIONS AND ANSWERS

What provincial agencies are involved in the approvals process?

Alberta Utilities Commission (AUC): A renewable energy developer must comply with AUC rules and regulations. The AUC has final jurisdiction over approvals or requirements for energy development in Alberta.

Alberta Environment and Parks (AEP): developer must demonstrate pre-construction, construction and post-construction impacts/ mitigations on wildlife and wildlife habitat.

Alberta Electricity Systems Operator (AESO): The AESO individually assesses each system access service request submitted by renewable energy applicants and develops a specific and appropriate connection proposal.

Is a developer required to comply with municipal bylaws and requirements?

The AUC process requires the developer to provide details and outcomes of consultation with local jurisdictions.

Under the Municipal Government Act (MGA), municipalities have the authority to develop bylaws concerning wind and solar development however, under section 619 of the MGA, if a municipality's requirements or decisions are at odds with a decision of the AUC, the AUC's decision can prevail over a bylaw or decision of a municipality.

How will a municipality know there are applications for renewable energy developments in their jurisdiction?

- The applicant (solar or wind energy developer) is required to notify the appropriate municipality.
- The municipality must be informed before the applicant provides notice to the AUC or the Wire Service Provider.
- The municipality can sign up for notifications from the Alberta Utilities Commission (AUC) www.auc.ab.ca (click on the eFiling System Log In box).

Are mitigation plans required as part of the renewable energy application requirements?

AEP requires a mitigation plan for wildlife and wildlife habitat.
See the Solar and Wind checklists for further details.
Renewable Energy External Wind Checklist A; Renewable Energy External Wind Checklist B

What happens if a renewable energy project is abandoned? Is there a decommissioning plan?

Decommissioning plans or bonds are not required by the AUC at this time. Several municipalities have required a decommissioning plan and security bond as part of their Land Use Bylaws.

QUESTIONS AND ANSWERS CONTINUED

If our municipality has questions about renewable energy development regulations, who do we ask?

AUC. Start with the AUC as they are the regulator in Alberta for all renewable energy projects:

Calgary Head Office: 403.592.8845
Edmonton Head Office: 780.427.4901

AEP. For inquiries specific to wildlife and wildlife habitat impacts of renewable energy contact AEP Provincial Wildlife Habitat Specialist: 780.427.3029

FAO. If landowners are asking your municipality questions about renewable energy lease agreements you can direct them to the Farmers Advocate office: 780.427.7956

The Miistakis Institute has posted reports regarding the impacts of renewable energy on the environment, and the regulatory context for renewables. These reports can be found under the 'Municipal Wind and Solar Decision Support Tools Project.'

Resources for Municipalities

- AUC Rule 007
- AEP Wind and Solar Directives and Checklists
- Farmer's Advocate Office – Negotiating Renewable Energy Leases (for landowners)

Applicable Provincial Acts and Regulations: Renewable Energy Development

The Alberta Utilities Commission Act 2007 (Province of Alberta: Office Consolidation, 2017)	Establishes the Commission, membership, authority and Assigns duties and powers to the Alberta Utilities Commission. Part 1 Section 9 outlines Decision and Orders. The Commission may or may not hold a hearing. The Commission has powers of Queen's Bench judge (can examine, require document production for inspection, require payment of costs, etc.)
The Hydro and Electric Energy Act 2000 (Province of Alberta: Office Consolidation, 2017)	This Act establishes a scheme of approvals administered by the Alberta Utilities Commission (AUC) for the construction and operation of electric generation projects, electric transmission facilities and electric distribution systems in Alberta. Sets out powers and duties of the AUC (may make regulations, perform inquiry, orders, and has right of entry) Requires Commission approval for electric generation unless it is for a person's own use.
The Hydro and Electric Energy Regulation 409/1983 (Province of Alberta: Office Consolidation, 2015)	Subject to the Hydro and Electric Energy Act, the HEE Regulation outlines required statistics and reporting for energy generation as well as the allowed exemptions for proponents: Some may not be required to submit an application based on size, and use of the power. Section 8 sets out reporting requirements (power output) Sets up the framework for the AUC Rules listed below including exclusions from applications to AUC.
Micro-Generation Regulation (Province of Alberta: Office Consolidation, 2017)	Allows an energy producer of up to 5 MW power to send electricity to the grid, without an application to the AUC, as long as the wire service provider is accepting and there are no objections from neighbours or other affected parties.

Provincial Directives and Guidelines: Alberta Environment and Parks

The Directives and Guidelines are non-statutory however as part of Rule 007 there is a requirement for the company to review the application with Alberta Environment and Parks to ensure that impacts on wildlife have been considered. These documents are provided for municipalities to refer to understand what is required of renewable energy developers in relation to wildlife and wildlife habitat.

Wildlife Wind Directives (Alberta Environment and Parks, 2017)	Wildlife Directive for Alberta Wind Energy Projects summarizes potential wildlife issues associated with wind energy developments and provides standards and best management practices for minimizing impacts to wildlife and wildlife habitat during the siting, construction and operation of wind farms in Alberta. Wildlife Wind Energy Directive
Renewable Energy External Wind Checklist A (Alberta Environment and Parks, 2017)	This checklist is used for situations where alterations are made to a project such as adding more wind turbines or changes to the turbine layout. Renewable Energy External Wind Checklist A
Renewable Energy External Wind Checklist B (Alberta Environment and Parks, 2017)	This checklist is used for new builds. The applicant requires AEP referral letters as per the checklist items. Renewable Energy External Wind Checklist B
Wildlife Directive for Alberta Solar Energy Projects (Alberta Environment and Parks, 2017)	The Wildlife Directive for Solar summarizes potential wildlife issues associated with solar energy projects and provides a Directive for minimizing effects to wildlife and wildlife habitat during the siting, construction, and operational phases of the solar energy projects. The Directives are to be applied to all solar energy project applications and renewals. AUC Rule 007 requires proponents ensure that environmental (including wildlife) information, effects and mitigation are addressed in the application. A signed Wildlife Renewable Energy Referral Report much be submitted by the proponent to the AUC. Wildlife Directive for Solar
Solar Energy Submission Checklist (Alberta Environment and Parks Fish and Wildlife, 2017)	This checklist outlines the information necessary to ensure completeness relative to AEP requirements for solar energy development applications to AUC. Solar Energy Submission Checklist

Alberta Utilities Commission Rules

AUC Rule 007 (Alberta Utilities Commission, 2017)	Sets out application requirements/process for power generation for various MW outputs. This Rule will likely be of the most interest to rural municipalities because it provides the application process that would be applicable to solar and wind developers.
AUC Rule 012 (Alberta Utilities Commission, 2017)	Rule 012: Noise Control is applicable to noise emitted from the construction and operation of electric and natural gas utility facilities. Amendments have been made since the Rule was initially developed.
AUC Rule 024 (Version 1.0) (Alberta Utilities Commission, 2017)	AUC has developed processes to simplify approvals and interconnection agreements between customers and owners of electrical distribution systems. Rule 024 defines the business rules and processes to enable customers interested in micro-generation to connect into the distribution system.