

October 15, 2019

JP Mousseau
Executive Director - Facilities
Alberta Utilities Commission
Eau Claire Tower
1400, 600 Third Avenue SW
Calgary, AB T2P 0G5

Dear Mr. Mousseau:

Re: **Application of the Alberta Electric System Operator (AESO) for Cancellation of the Needs Identification Document Approval of the ATCO Power Heartland Generating Station Connection**

Introduction

Pursuant to Section 10 of the Alberta Utilities Commission Act, the AESO is applying to the Alberta Utilities Commission (Commission) for cancellation of Needs Identification Document (NID) Approval 22596-D02-2018¹ (NID Approval).

Background and Relief Requested

In Decision 22596-D01-2018,² issued February 7, 2018 the Commission approved the AESO's NID application³ and issued a NID Approval approving the need to connect the ATCO Power Heartland Generating Station to the Alberta interconnected electric system by adding one 240 kilovolt (kV) circuit and modifying the existing Josephburg 410S substation, including adding one 240 kV circuit breaker.

The NID application was submitted by the AESO in response to a request received from ATCO Power Canada Ltd. (ATCO Power) for system access service to connect its approved ATCO Power Heartland Generating Station, to be located in Strathcona County, near the City of Fort Saskatchewan.

On May 6, 2019 the AESO received correspondence from ATCO Power confirming that there is no longer a need for system access service for the approved ATCO Power Heartland Generating Station. A copy of ATCO Power's notification is attached to this letter as Attachment 1. On June 28, 2019 ATCO Power filed an application with the Commission to cancel the approval for the ATCO Power Heartland Generating Station and the permit and licence for the Lamont 400S substation.⁴ On July 18, 2019 the Commission

¹ Needs Identification Document Approval 22596-D02-2018, *Alberta Electric System Operator, Heartland Generating Station Connection* (February 7, 2018)

² Decision 22596-D01-2018, *Alberta Electric System Operator, Needs Identification Document Application, AltaLink Management Ltd., Facility Application, Heartland Generating Station Connection* (February 7, 2018)

³ Proceeding 22596, Exhibits 22596-X0001 to 22596-X0007

⁴ Proceeding 24691, Exhibit 24691-X0001

granted ATCO Power's application to cancel the approval for the ATCO Power Heartland Generating Station and the permit and licence for the Lamont 400S substation.⁵

In accordance with the NID Approval which states that "the Commission may review this approval, in whole or in part, upon its own motion or upon application by an interested party, in accordance with Section 10 of the *Alberta Utilities Commission Act*," the AESO is applying to the Commission for cancellation of the NID Approval pursuant to Section 10 of the *Alberta Utilities Commission Act*.

Directions to AltaLink and Request to Combine

On September 30, 2019, the AESO directed the transmission facility owner, in this case AltaLink Management Ltd., in its capacity as general partner of AltaLink, L.P., (AltaLink) to apply to the Commission for cancellation of the facilities-related approvals that were granted as a result of this NID Approval, no later than 30 business days after having received the NID Approval cancellation application from the AESO. The AESO and AltaLink have agreed to coordinate submission of this application with AltaLink's application for cancellation of the applicable facilities-related approvals, and the AESO requests that the Commission combine and consider the applications in a single proceeding as contemplated by Section 15.4 of the *Hydro and Electric Energy Act*.

Stakeholder Notification

With respect to stakeholder notification, Section 4(b) of Appendix A2 of Rule 007: *Applications for Power Plants, Substations, Transmission Lines, Industrial System Designations and Hydro Developments* states that "[i]n the event that the [AESO] decides not to proceed with a needs identification document application or an abbreviated needs identification document application for which a stakeholder notification has been distributed, the [AESO] must notify stakeholders of this decision in writing."

The AESO has directed AltaLink to assist the AESO in providing notification to previously notified stakeholders who were part of the participant involvement program⁶ conducted by the AESO. The AESO developed a one page cancellation notice to be distributed by AltaLink to previously notified stakeholders. A copy of this cancellation notice was posted to the AESO website at <https://www.aeso.ca/grid/projects/heartland-generating-station-interconnection/> and a similar notice was published in the AESO Stakeholder Newsletter on July 4, 2019. Copies of the cancellation notices on the AESO website and in the AESO Stakeholder Newsletter have been included as Attachments 2 and 3, respectively. AltaLink has advised the AESO that it has mailed out its project cancellation letter and the AESO's cancellation notice on June 26, 2019. Both of these documents were also posted on the TFO's project-specific webpage at <http://www.altalink.ca/projects/view/21/atco-power-heartland-generating-station-interconnection> on June 26, 2019. A copy of AltaLink's project cancellation letter has been included as Attachment 4.

AltaLink has advised that stakeholders have not identified any concerns or objections regarding the cancellation of the system access service request for the ATCO Power Heartland Generating Station. Similarly, the AESO has not received any indication of concerns or objections about the cancellation of the system access service request for the ATCO Power Heartland Generating Station.

⁵ Decision 24691-D01-2019, *ATCO Power Canada Ltd., Cancellation of the Heartland Power Plant and Lamont 400S* (July 18, 2019).

⁶ Exhibit 22596-X0005 – Appendix C AESO Participant Involvement Program

We trust the foregoing to be satisfactory. Please contact the following individual with any questions or concerns:

Brenda J. Hill
Regulatory Administrator
need.applications@aeso.ca
403-539-2850

Sincerely,

Electronically submitted by

Robert Davidson, P.Eng.
Director, Transmission Connection Projects

Attachments:

Attachment 1 – ATCO Power Canada Ltd.'s Cancellation Request (May 6, 2019)

Attachment 2 – AESO Cancellation Notice (June 2019)

Attachment 3 – AESO Stakeholder Newsletter Cancellation Notice (July 4, 2019)

Attachment 4 – AltaLink's Project Cancellation Letter (June 26, 2019)



May 6, 2019

Steve Palmer, MBA, SCPM, PMP
Project Manager, Transmission Connection Projects
Alberta Electric System Operator
Calgary Place
2500, 330 - 5th Ave SW
Calgary, AB T2P 0L4

Dear Steve:

Re: Request to Cancel Heartland Generating Station Connection Project

The purpose of this letter is to formally request the cancellation of the SASR and Connection Project for the Heartland Generating Station; AESO Project P1421. Should a new or similar project be planned for the Heartland site in the future, ATCO will submit a new SASR.

ATCO would like to work with the AESO and AltaLink to cancel the project in a manner that minimizes multiple communications regarding the project cancellation with both the authorities and the public, to avoid any confusion that may result. In addition to the connection approvals, there are other approvals with the same regulators that ATCO must manage in the same timeframe.

If you have any questions, please contact me by phone at 403-829-6985, or email at kelly.scott@atco.com.

Yours truly,

A handwritten signature in blue ink, appearing to read "Kelly Scott", is located below the "Yours truly," text.

Kelly Scott
Senior Manager, Environmental Planning

Heartland Generating Station Interconnection Stakeholder Update – Project Cancellation

June 2019



Project Cancellation

The purpose of this update is to inform stakeholders that the ATCO Power (ATCO) request for system access service to connect its approved Heartland Generating Station (Facility) in the City of Fort Saskatchewan area has been cancelled.

The Alberta Utilities Commission originally approved the Alberta Electric System Operator's (AESO) *ATCO Power Heartland Generating Station Connection Needs Identification Document* (NID) on February 7, 2018. The NID approval included the following transmission developments:

- Adding one 240 kV transmission line to connect ATCO's proposed Facility to the transmission system.
- Modifications to the existing Josephburg 410S substation, including adding one 240 kV circuit breaker.

On May 6, 2019 the AESO received correspondence from ATCO to cancel its request for system access service. In response, on May 24, 2019, the AESO cancelled ATCO's request for system access service.

The AESO's project-related information is available on the AESO's website at <https://www.aeso.ca/grid/projects/heartland-generating-station-interconnection/>

Who is the AESO?

The AESO plans and operates Alberta's electricity grid and wholesale electricity market safely, reliably and in the public interest of all Albertans. We are a not-for-profit organization with no financial interest or investment of any kind in the power industry.

We appreciate your views. If you have any questions or comments, please contact us directly.

For Further Information

Please contact the AESO through stakeholder.relations@aeso.ca or call our stakeholder relations toll-free line at 1-888-866-2959 if you have any questions.

July 4, 2019

AESO Stakeholder Newsletter



Heartland Generating Station Interconnection – Cancellation Notice

The AESO would like to inform stakeholders that the ATCO Power (ATCO) request for system access service to connect its approved Heartland Generating Station (Facility) in the City of Fort Saskatchewan area has been cancelled.

The Alberta Utilities Commission originally approved the Alberta Electric System Operator's (AESO) *ATCO Power Heartland Generating Station Connection Needs Identification Document* (NID) on Feb. 7, 2018. The NID approval included the following transmission developments:

- Adding one 240 kV transmission line to connect ATCO's proposed Facility to the transmission system.
- Modifications to the existing Josephburg 410S substation, including adding one 240 kV circuit breaker.

The AESO has posted a Cancellation Notice for this project on its website. Please [click here](#) to view the document or visit the AESO website at www.aeso.ca and follow the path: Grid > Project > Heartland Generating Station Interconnection.



2611 3rd AVE SE, CALGARY, ALBERTA, T2A 7W7
WWW.ALTALINK.CA

June 26, 2019

ATCO Power Heartland Generating Station Interconnection Project Cancellation

Thank you for your participation in the ATCO Heartland Connection Project. You may have received information regarding this project in September 2014, February 2015, December 2015, October 2016 and/or May 2017. The Alberta Utilities Commission approved this project for construction on February 7, 2018.

This letter is to inform you that on May 24, 2019 the Alberta Electric System Operator (AESO) cancelled ATCO Power's request for system access service and the interconnection project has been cancelled. If you have questions about the cancelled request for system access service please contact the AESO at 1-888-866-2959 or at stakeholder.relations@aeso.ca.

In addition, if you have questions for ATCO Power about the project cancellation, please contact them at 403-209-6951, or at heartland@atcopower.com.

Project background

The ATCO Power Heartland Generating Station Interconnection was intended to connect ATCO Power's approved Heartland Generating Station to the electric system. The project involved constructing one single-circuit 240 kV (kilovolt) transmission line (to be named 1181L), approximately 5.5 kilometres long, to connect the approved substation at the ATCO Power Heartland Generating Station (to be named Lamont 400S) to the existing Josephburg Substation. The project also involved substation upgrades at the existing Josephburg Substation.

Contact us

We are available to address any questions or concerns you may have. Please contact us at stakeholderrelations@altalink.ca or 1-877-267-1453. You can also view more information about the project at <http://www.altalink.ca/projects/view/21/atco-power-heartland-generating-station-interconnection>.

Sincerely,

Dave Lee
Manager, Consultation