

March 16, 2020

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 (NID) Approval for the Carmon Creek Co-generation Connection**

Introduction and Background

On June 19, 2015, the Alberta Utilities Commission (Commission) approved the AESO's Carmon Creek Co-generation Connection NID respectively as NID Approval 3543-D02-2015 (NID Approval).

The NID Approval approved the following connection for the Carmon Creek Power Plant (Facility) to the Alberta interconnected electric system (AIES):

- adding two 240 kilovolt (kV) circuits to connect the Facility to the existing Wesley Creek 834S substation; and
- modifying the Wesley Creek 834S substation, including adding two 240 kV circuit breakers.

In Decision 3543-D01-2015¹, issued June 19, 2015, the Commission approved the AESO's NID application² and issued the NID Approval approving the need to connect the Facility to the AIES.

On March 7, 2017 Shell Canada Ltd. transferred ownership of the Facility to Three Creeks Power Project Limited Partnership (Three Creeks). Subsequently, on November 13, 2019 the AESO received notification from Three Creeks, included as Attachment 1, requesting the AESO to cancel the request for system access service for the approved Facility to the AIES.

Relief Requested

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*.

¹ Decision 3543-D01-2015, *Alberta Electric System Operator Carmon Creek Co-generation Connection Needs Identification Document, ATCO Electric Ltd. Wesley Creek to Brock Transmission Project Facility Application*.

² Proceeding 3543, Exhibit 0034.00.AESO-3543

ATCO's Application and Request to Combine

On February 11, 2020, the transmission facility owner, in this case ATCO Electric Ltd. (ATCO), filed an application with the Commission for cancellation of the facilities-related approvals that were granted concurrently with the NID Approval.³ The AESO requests that the Commission combine and consider this application and ATCO's application 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 directed ATCO to assist the AESO in providing notification to previously notified stakeholders who were part of the participant involvement program⁴ conducted by the AESO. The AESO developed a one page cancellation notice for ATCO to distribute to previously notified stakeholders as the AESO's notification. A copy of the cancellation notice was posted to the AESO website at <https://www.aeso.ca/stakeholder-engagement/transmission-projects/carmon-creek-co-generation-connection/> and a notice was published in the AESO Stakeholder Newsletter on February 27, 2020. Copies of the cancellation notice and the AESO Stakeholder Newsletter notice have been included as Attachments 2 and 3, respectively. ATCO distributed its cancellation letter and the AESO's cancellation notice to previously notified stakeholders on February 21, 2020. A copy of ATCO's cancellation letter has been included as Attachment 4.

The AESO also provided notification to previously notified market participants that would have been affected following the connection of the Facility. The AESO's cancellation notice was sent via email to those previously notified market participants on February 26, 2020.

ATCO has advised that stakeholders have not identified any concerns or objections regarding the cancellation of the connection to the Facility. Similarly, the AESO has not received any indication of concerns or objections about the cancellation of the Facility connection.

³ Proceeding 25350, Exhibit 25350-X0001 - Cancellation of the Wesley Creek to Brock Transmission Project

⁴ Proceeding 3543, Exhibit 0034.00.AESO-3543 – Appendix C

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, Customer Grid Access

Enclosure:

Attachment 1 – Three Creeks Cancellation Request (November 13, 2019)
Attachment 2 – AESO Cancellation Notice (February 2020)
Attachment 3 – AESO Stakeholder Newsletter Cancellation Notice (February 27, 2020)
Attachment 4 – ATCO Project Cancellation Letter (February 20, 2020)

Burnet,
Duckworth
& Palmer LLP
Law Firm

Reply to: Brendan K. Downey
Direct Phone: (403) 260-0191
Direct Fax: (403) 260-0332
bdowney@bdplaw.com

Assistant: Lori Droppo
Direct Phone: (403) 267-1621

VIA COURIER AND EMAIL

November 13, 2019

Alberta Electric System Operator
2500, 330 – 5th Avenue SW
Calgary, Alberta T2P 0L4

Attention: Craig Killoran, Project Manager – Transmission Project Delivery

Dear Sir:

Re: Formal Notice of Termination

Enclosed please find a formal notice of termination dated November 13, 2019, for the termination of the Construction Commitment Agreement, dated September 17, 2019, between Three Creeks Power Project Limited Partnership and ATCO Electric Ltd.

Below, please acknowledge your receipt of the above document and return a copy for our records.

[Signature Page to Follow]

9892165.1



2400, 525-8th Avenue SW, Calgary, Alberta, Canada T2P 1G1 Phone: 403-260-0100 Fax: 403-260-0332 www.bdplaw.com
Frank L. Burnet Q.C. (1890-1982) | Thomas J. Duckworth Q.C. (1925-2007) | James S. Palmer C.M., A.O.E., Q.C., LL.D. (1928-2013)
The Hon. W. Kenneth Moore C.M., Q.C., LL.D., Counsel (1925-2016)

Yours truly,

BURNET, DUCKWORTH & PALMER LLP



Brendan Downey

BKD/rd
Enclosure

RECEIPT ACKNOWLEDGED

(please print and sign name)

DATED: _____

November 13, 2019

**SENT BY COURIER
AND BY ELECTRONIC MAIL (craig.killoran@aeso.ca)**

Alberta Electric System Operator
2500, 330 – 5th Avenue SW
Calgary, Alberta T2P 0L4
Attention: Craig Killoran, Project Manager – Transmission Project Delivery

Dear Sir:

Re: Construction Commitment Agreement, dated September 17, 2019 (the "Construction Commitment"), between Three Creeks Power Project Limited Partnership (the "Market Participant") and ATCO Electric Ltd. (the "TFO")

Reference is made to the Construction Commitment, as captioned above, between the Market Participant and the TFO. This notice is made and delivered as a courtesy to the Alberta Electric System Operator (the "ISO").

The Market Participant hereby provides notice to the ISO that the Connection Project, as that term is defined in the Construction Commitment, has been cancelled. Such cancellation constitutes a Cancellation Event within the meaning of section 10(a) of the Construction Commitment and the Construction Commitment is hereby terminated, effective immediately. Notice of such termination has been provided to the TFO.

Please be further advised that the Market Participant hereby provides notice of its new contact information:

Three Creeks Power Project Limited Partnership
110 – 12 Avenue SW
Calgary, AB T2P 2M1
Attention: Keith Yasinski
Email: keith_yasinski@transalta.com
Telephone: 403-267-2515


[Signature Page to Follow]

Attachment 1

Dated November 13, 2019

Yours truly,

**THREE CREEKS POWER PROJECT
LIMITED PARTNERSHIP**, by its
general partner, Three Creeks Power GP
Ltd.

By: 
Name: BRETT GELLNER
Title: PRESIDENT

[Signature page to the Three Creeks Power Project Limited Partnership Notice of Termination of
the Construction Commitment]



Project Cancellation for the Carmon Creek Co-generation Connection in the Peace River Area

The Three Creeks Project Limited Partnership (Three Creeks) request for transmission system access to connect its Three Creeks Project (previously referred to as the Carmon Creek Co-generation Facility) in the Peace River area has been cancelled.

BACKGROUND

The Alberta Utilities Commission (Commission) originally approved the AESO's *Carmon Creek Co-generation Connection Needs Identification Document* (NID) on June 19, 2015. The NID approval included the following transmission developments:

- Modify the existing Wesley Creek 834S substation including adding two 240 kilovolt (kV) circuit breakers.
- Add two 240 kV transmission lines to connect the Three Creeks Project to the Wesley Creek 834S substation.
- Add or modify associated equipment as required for the above transmission developments.

On November 13, 2019 the AESO received correspondence from Three Creeks to cancel its request for system access service. In response, on November 19, 2019, the AESO cancelled Three Creeks request for system access service.

NEXT STEPS

The AESO intends to apply to the Commission for cancellation of the NID approval in early 2020.

Information related to the Carmon Creek Co-generation Connection is available on the AESO's website at www.aeso.ca/stakeholder-engagement/transmission-projects

WHO IS THE AESO?

The Alberta Electric System Operator (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, both on the need for transmission system development and proposed transmission plans. If you have any questions or comments, please contact us directly.

CONTACT US

Alberta Electric System Operator

AESO Stakeholder Relations
stakeholder.relations@aeso.ca
1-888-866-2959

2500, 330-5th Avenue SW
Calgary, AB T2P 0L4
Phone: 403-539-2450

www.aeso.ca | [@theaeso](https://twitter.com/theaeso)

February 27, 2020

AESO Stakeholder Newsletter



Carmon Creek Co-generation Connection – Cancellation Notice

The AESO would like to inform stakeholders that the Three Creeks Power Project Limited Partnership (Three Creeks), request for system access service to connect its Three Creeks Project (previously referred to as the Carmon Creek Co-generation Facility) in the Peace River area has been cancelled.

The Alberta Utilities Commission originally approved the AESO's Carmon Creek Co-generation Connection Needs Identification Document (NID) on June 19, 2015. The NID approval included the following transmission developments:

- Modify the existing Wesley Creek 834S substation including adding two 240 kilovolt (kV) circuit breakers.
- Add two 240 kV transmission lines to connect the Three Creeks Project to the Wesley Creek 834S substation.
- Add or modify associated equipment as required for the above transmission developments.

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 Stakeholder Engagement > Transmission Projects > Carmon Creek Co-generation Connection.



February 20, 2020

Re: Cancellation of Wesley Creek to Brock Transmission Project

This letter provides you with updates on the Wesley Creek to Brock Transmission Project. ATCO Electric Ltd. (ATCO) last sent you information regarding this project in September 2015.

At this time, ATCO would like to inform you that on November 19, 2019 the Alberta Electric System Operator (AESO) cancelled the Wesley Creek to Brock Transmission Project's request for system access service. Therefore, the Wesley Creek to Brock Transmission Project is no longer required and ATCO has requested that the Alberta Utilities Commission (AUC) cancel all the approvals. ATCO will next be proceeding with cancellation of other approvals and clearances that had been obtained for the project. If you have questions about the project cancellation, please contact the AESO at 1-888-866-2959 or at stakeholder.relations@aeso.ca.

The AUC approvals were for the following electrical facilities:

- 9L124 Transmission Line – Wesley Creek 834S Substation to Brock 232S Substation
- 9L139 Transmission Line – Wesley Creek 834S Substation to Brock 232S Substation
- Alterations to Wesley Creek 834S Substation

For your reference a Route Mosaic Map is enclosed.

If you have any questions or comments regarding the Wesley Creek to Brock Transmission Project, please contact me at your earliest convenience.

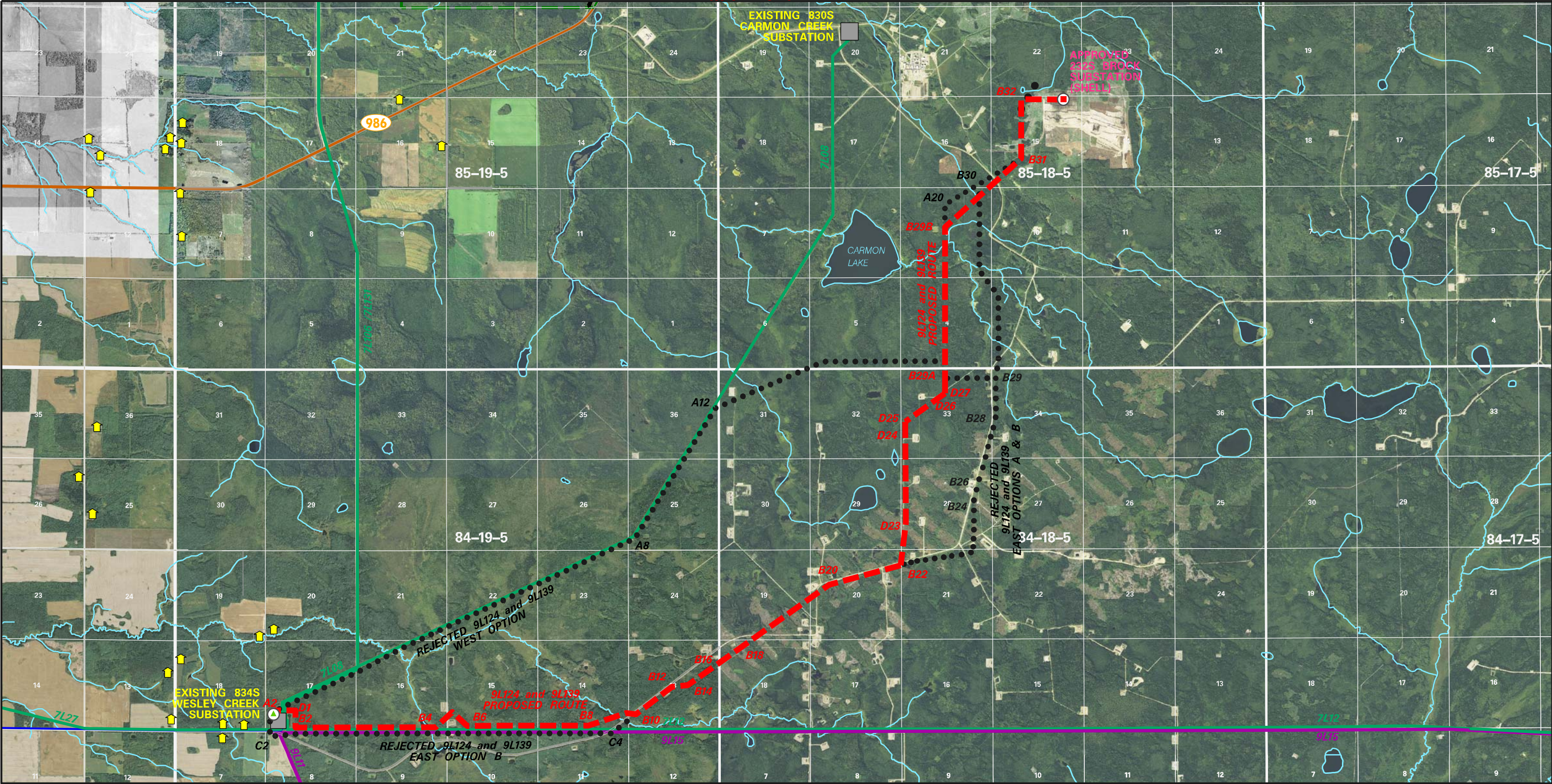
Sincerely,

A handwritten signature in blue ink, which appears to read 'Foster Karcha', is positioned above the printed name.

Foster Karcha

Environmental Planner

P. 587 991 9753 E. Foster.Karcha@atco.com



LEGEND

- 240 kV Transmission Line Proposed Route
- Rejected Route
- Proposed Route Node
- Route Concept Start Point(s)
- Route Concept End Point(s)

- Existing 240 kV Transmission Line
- Existing 144 kV Transmission Line
- Existing Substation
- Residences
- Secondary Highway
- Lakes
- Rivers



NOTES:

- Only facilities in the vicinity of the routes are shown.
- Several routes are shown, but only one route will be built.
- Noted scale is for the base features only. All other features not to scale.



Wesley Creek to Brock
Transmission Project

PROPOSED ROUTE MOSAIC