

April 11, 2017

Wade Vienneau  
Executive Director - Facilities  
Alberta Utilities Commission  
Fifth Avenue Place  
Fourth Floor, 425 – 1 Street SW  
Calgary, AB T2P 3L8

Dear Mr. Vienneau:

**Re: Alberta Electric System Operator (“AESO”)  
Kent Energy Plant Interconnection**

**Application for Cancellation of NID Approval**

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**Introduction**

1. Pursuant to Section 10 of the *Alberta Utilities Commission Act*, the AESO applies to the Alberta Utilities Commission (“Commission”) for cancellation of Needs Identification Document Approval 21556-D02-2016 (“NID Approval”).<sup>1</sup>

**Background and Relief Requested**

2. In Decision 21556-D01-2016, issued August 10, 2016,<sup>2</sup> the Commission approved the AESO’s needs identification document (“NID”) application<sup>3</sup> and issued the NID Approval for the need to connect AltaGas Holdings Inc.’s (“AltaGas”) Kent Energy Plant to the Alberta interconnected electric system via a switching substation and 144-kilovolt (kV) transmission line. The NID was registered by the Commission on April 27, 2016 as Application 21556-A001.
3. The NID was submitted by the AESO in response to a request received from AltaGas for system access service for the proposed AltaGas Kent Energy Plant, to be located in the existing AltaGas Kent Energy Gas Plant in the Cold Lake area.

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<sup>1</sup> Needs Identification Document Approval 21556-D02-2016, *Alberta Electric System Operator, Kent Energy Plant Interconnection* (August 10, 2016).

<sup>2</sup> Decision 21556-D01-2016, *Alberta Electric System Operator, Needs Identification Document Application, ATCO Electric Ltd., Facility Applications, AltaGas Holdings Inc., Interconnection Application, Kent Energy Plant Interconnection* (August 10, 2016).

<sup>3</sup> Proceeding 21556, Exhibits X0001-X0007.

4. On March 9, 2017, the AESO received correspondence from AltaGas confirming that there is no longer a need for system access service for the proposed AltaGas Kent Energy Plant. A copy of AltaGas' notification is attached to this letter as Appendix A.
5. According to the NID Approval, "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*." Accordingly, the AESO is applying to the Commission for cancellation of the NID Approval pursuant to Section 10 of the *Alberta Utilities Commission Act*. The AESO also requests that the Commission, pursuant to Section 2.4 of Rule 001: *Rules of Practice*, dispense with the requirements of Rule 016: *Review of Commission Decisions*, given the nature of the application.

#### **Direction to ATCO Electric and Request to Combine**

6. On April 10, 2017, the AESO directed ATCO Electric Ltd. ("ATCO Electric") to apply to the Commission for cancellation of the facilities-related approvals that were granted as a result of the NID Approval, as may be required, no later than 10 business days after having received the NID Approval cancellation application number from the AESO. The AESO and ATCO Electric have agreed to coordinate submission of this application with ATCO Electric'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**

7. Regarding 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 for which a stakeholder notification has been distributed, the [AESO] must notify stakeholders of this decision in writing." The AESO has not yet notified stakeholders who were part of the participant involvement program conducted by the AESO for the NID. However, if the NID Approval is cancelled by the Commission, the AESO will promptly notify stakeholders, in writing, of the same.

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

Brenda J. Hill  
Regulatory Coordinator  
[need.applications@aeso.ca](mailto:need.applications@aeso.ca)  
403-539-2850

Sincerely,

< *Electronically Submitted* >

Warren Clendining  
Manager, Transmission Connection Projects