

# Alberta Utility Commission Review – Renewable Energy Projects

## Oral Presentation Notes – December 12, 2023

Thank you for sharing your time with us today and hearing our considerations and concerns on this important topic.

Kneehill County, like most rural municipalities in Alberta, stands at a crossroads as we contemplate the integration of renewable energy projects into our landscape and our communities. There are a number of critical concerns we wish to raise to ensure a thoughtful transition that safeguards our economy, our environment, and the rural way of life upon which our County is built.

### Regarding the Public Interest and Development and Agricultural Lands

A great deal of discussion has been had about consideration of the public interest versus preservation of quality Agricultural Land. Kneehill County asserts that this isn't a "versus" conversation because preservation of quality agricultural land is in the public interest. Agriculture provides our food and supports our communities and our Province. We fully understand that through the Alberta Renewable Energy Act the Province is required by law to generate 30% of its electricity from renewable sources by the year 2030. In accomplishing this, balancing the preservation of quality agricultural land that feeds our people, both rural and urban is paramount. We must ensure that renewable energy projects do not compromise our ability to sustain local agriculture.

The Alberta Land Use Policies Regulation speak to this concern. The County notes that municipalities are required to follow this Provincial legislation and cites excerpts of this Provincial document, specifically Section 6.1(2) which reads:

*"Municipalities are encouraged to limit the fragmentation of agricultural lands and their premature conversion to other uses, especially within the agricultural areas identified in accordance with policy #1"*

and additionally, Section 6.1(3) which reads:

*"Where possible, municipalities are encouraged to direct non-agricultural development to areas where such development will not constrain agricultural activities."*

The County is concerned that single developments are being considered without awareness of their cumulative impact. While a single development may only remove a small amount of quality agricultural land, the cumulative impact of continued conversion of quality agricultural land is not yet understood. It is also not at the forefront of consideration when a single development is being assessed. With each new approval, cumulative impact increases.

The County recently took part in Application 28086 and during that hearing, the proponent repeatedly cited the small amount of land their development would take up relative to all of the land of the County. While they are technically correct that their specific development would take up only a small amount of land comparatively, the County maintains that a small amount here and a small amount there add up to big amounts over time. You can only spend so many quarters before you've actually spent dollars, something that might be lost when you're only spending a couple of quarters at a time. The

proponent also repeatedly implied that this concern was of little merit given that only two other renewable energy developments were operating in the County. A statement, that while technically true, ignores the 1000s of acres within the County that are also currently being proposed for additional renewable energy development. Piecemeal and premature conversion are valid concerns.

During the previously mentioned hearing, the County also grew concerned that estimated tax revenue for the proposed development was being cited as being in the public interest. Potential tax revenue is an irrelevant factor when determining if a land use would be compatible for a specific location or community. As an example, one wouldn't locate a strip club, a landfill, or a busy trucking company across from an elementary or high school just because that establishment produced more municipal taxation than a residential house or a park. A reasonable person would suggest that those uses were not suitable for the location, even though each would produce greater property tax revenue.

It is true that most industrial uses will generate more tax revenue than agricultural operations on the same land, but even if this were to be considered, it should fail to stand up when considering the importance of food security and ongoing economic activity that agricultural operations contribute to the economy. There are lower graded lands that would impact food security less than conversion of quality lands and agriculture creates ongoing jobs that build a community. Agriculture's ability for local job creation does not end when construction does.

The County's concerns with the conversion of quality agricultural land has other elements as well. Agricultural operations can be impacted by a number of factors, some of which pertain to a specific site and many others can be impacted by neighboring lands. If industrial developments such as renewable energy generation facilities are placed in areas of prime agricultural land issues such as weed and pest control can emerge.

When a facility is developed there will be a significant period of time when the site does not have appropriate vegetation coverage and weeds will be more prevalent. While the County has the authority (and requirement to commit resources) to deal with prohibited or noxious weeds under the Weed Control Act, there are a number of weeds that are of concern to the County and agricultural producers such as Kochia, Foxtail, Green Foxtail, and Wild Mustard that can impact surrounding agricultural operations but don't fall under the definition of noxious. Producers and the County spend hundreds of thousands of dollars each year combatting the spread of weeds. It is the County's standpoint that a comprehensive weed and pest management plan covering construction and the operational life of the project acceptable to the local authority must be a requirement of any development.

The County maintains that when considering development, the better the quality of land, the tighter and more restrictive the development on that land should be. That the local authority should be given additional jurisdiction and consideration pertaining to land use within the municipality is a must. Most land use planning functions are the jurisdiction of the local authority. This is the case because it allows the local community to be best served based on the input, values, and desires and goals of the local community. The input, the values, and the desires and goals are the building blocks of the County's planning documents - namely the Municipal Development Plan and the Land Use Bylaw. Any proposal that does not align with the local jurisdiction's planning documents should be heavily scrutinized given that those plans are developed by the local community. The choice should be, primarily, the municipality's.

## Regarding Security and Reclamation

Kneehill County is a community that cherishes its agricultural roots, pristine landscapes, and the overall well-being of its residents. As the local governing body, we are committed to responsible development that aligns with the values and sustainability goals of our municipality as stated in the County's Municipal Development Plan.

The County believes that private contracts between project owners and landowners do not provide a sufficient level of security. There is no guarantee that a landowner has the resources, expertise, or capacity to effectively ensure a sufficient reclamation amount is identified and in place.

Municipalities are not privy to the specific details of any contractual security provisions that may or may not be in place regarding a proposed development. Kneehill County is concerned that security requirements may not be sufficient in amount and/or not be of a type guaranteed to outlive any disruptions such as land or company sales, bankruptcies, insolvencies, and the like. It must be ensured that a full, clear, and comprehensive financial guarantee is in place prior to construction and is composed of a mechanism that is guaranteed to be in place at the project's end of life. In the County's opinion this would constitute actual funds being in place prior to commencement of construction.

The best entity to hold the security would be the Province. The Province has the means, ability, and stability to hold the security to the end of life and ultimately the Province would be the party signing off on the reclamation and ensuring that the land has been restored to an equivalent land capacity. The Province would not be subject to dangers such as bankruptcies, insolvencies, sales, etc. as both the landowner and developer or operator might be. The Province is also the entity most capable of tracking and insuring that regular, legitimate, data driven reviews of the appropriate security amount take place during the life of the project.

This would apply to both future and existing developments. If existing developments have been done responsibly, the County does not see the application of robust and guaranteed securities being in place for existing developments being a burden. We believe that that stage for this was set in the 2018 updates of the Provincial Conservation and Reclamation Regulation in which security requirements for renewable energy developments were added.

Reclamation is a critical aspect of responsible development, especially in rural areas where the natural environment plays a central role in the quality of life and economy for our residents. The perceived absence of a clear and enforceable financial security plan raises questions about the long-term impact of the project and the potential burden it may place on our community should the security be of a form that is not guaranteed to be present at the end of life.

In addition to financial security, the County is asking the AUC to ensure that other components of reclamation are robust and in place. Specifically, the County suggests that no top soil be allowed to leave the site through either intentional or unintentional means (such as wind, erosion, and the like). This is critical to ensuring that at the end of the project's life, the land can be restored to an equivalent land capacity. This requirement could be waived in exceptional circumstances such as when the site was previously contaminated.

The County also requests that the AUC ensure that an appropriate plan for disposal of materials such as panels or blades is in place for all developments. There is no guarantee that a municipality would accept these materials as they would quickly erode available landfill capacity. The County maintains that

anything other than the recycling of material at scale would call into question how “green” the project really is.

Kneehill County believes that a commitment to robust reclamation practices is essential for maintaining the environmental integrity of our municipality and safeguarding the interests of current and future generations. The appropriate mechanisms should be in place to ensure that the costs of this process are born by the project developer and operator as they are the entity profiting from the endeavour. This approach is consistent with other industrial and mining developments.

#### Regarding Development on Crown Land

Regarding the development of renewable energy projects on Crown Land, the County’s comments are brief. Development on Crown Land should be conducted with the same framework and considerations as development on titled lands.

#### Regarding Viewscapes and Community Impacts

How renewable energy projects may impact the rural way of life, including potential changes to the landscape, noise, and visual impacts, must be carefully considered. Kneehill County believes that criteria such as:

- Value of the existing view
- Degree of change to the view
- The period of time the view will be changed
- Typical activities that take place in the area
- How widespread the impact is
- Are there alternative views?

are all worth consideration. We understand that not all views are created equally; however, many things need to be considered. The impact may be to a low population count in a rural area, but the number of people impacted should not reduce the importance of the viewscape. For example, if a development is good east of Calgary, it should also be good west of Calgary. It is worth noting that there are related items that may also contribute the degradation of viewscapes such as transmission line construction that can impact lands far beyond the actual development site.

Thank you for granting Kneehill County the opportunity to participate in this important discussion. We believe in the importance of the local community and of protecting quality agricultural lands as part of the public interest. We believe that development should not occur on higher classed lands agricultural lands – those classed as 1, 2, or 3, or in environmentally sensitive areas of classification 1-4. Historically designated lands category 1-5 should also be avoided. Consideration of the overall cumulative effects must be considered and all costs of the development and reclamation should fall to the project owner.

Thank you.