

# Three Hills Solar Power Corp.

**Three Hills Solar Project** 

June 12, 2024

## **Alberta Utilities Commission**

Decision 28086-D01-2024 Three Hills Solar Power Corp. Three Hills Solar Project Proceeding 28086 Application 28086-A001

June 12, 2024

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Alberta Utilities Commission Eau Claire Tower 1400, 600 Third Avenue S.W. Calgary, Alberta T2P 0G5

Telephone: 310-4AUC (310-4282 in Alberta)

1-833-511-4AUC (1-833-511-4282 outside Alberta)

Email: info@auc.ab.ca Website: www.auc.ab.ca

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## **Contents**

1	Exe	cutive summary	1
2	Intr	oduction	2
	2.1	Application details	2
	2.2	Interveners	4
	2.3	Additional process for Commission interim requirements	4
3	The	approval process for the Three Hills Solar Project	5
	3.1	The role of the Commission	
	3.2	How the Commission assesses the public interest	5
		3.2.1 The public interest and municipal planning concerns	6
		<b>3.2.2</b> The public interest and the February 28 letter	6
4	Disc	ussion and findings	8
	4.1	Will the proposed project impact the agricultural value of the land?	
		<b>4.1.1</b> How does Three Hills Solar intend on mitigating the impacts to the	
		agricultural value of the land?	
		<b>4.1.2</b> Does the proposed project site comply with the Wildlife Directive and	
		environmental regulatory standards?	
	4.2	What are the project's visual impacts including glare?	
	4.3	What are the project's noise impacts?	
	4.4	What are the decommissioning and reclamation commitments?	
	4.5	Was consultation sufficient?	
	4.6	Will construction activities affect traffic safety?	
	4.7	Will the project affect property values in the area?	
	4.8	Project connection	19
5	Con	clusion	20
6	Deci	ision	20
Appe	endix	1 – Proceeding participants	22
Appe	endix	2 – Oral hearing – registered appearances	23
Appe	endix	3 – Summary of Commission directions	24
1:-4	~£ £:.	wwaa	
LIST	OT TI	gures	
Figu	re 1.	The proposed Three Hills Solar Project area	3

Calgary, Alberta

Three Hills Solar Power Corp. Three Hills Solar Project Decision 28086-D01-2024 Proceeding 28086 Application 28086-A001

## 1 Executive summary

- 1. In this decision, the Alberta Utilities Commission approves an application from Three Hills Solar Power Corp. (Three Hills Solar) to construct, operate and connect an 18-megawatt (MW) solar power plant in Kneehill County.
- 2. The Three Hills Landowner Group objected to the project, and the County of Kneehill had unresolved concerns with the project. The Commission has weighed those concerns against the benefits of the project and the various mitigation measures proposed, and for the reasons set out below finds that approval of the project is in the public interest. Among others:
  - The project will generate emissions-free electricity, contribute to the diversification of Alberta's energy resources, bring in municipal tax revenue and create job opportunities.
  - The project is expected to have minimal impacts to wildlife and wildlife habitat, wetlands and watercourses as determined by Alberta Environment and Protected Areas' renewable energy referral report, granting the project site an overall "low" risk ranking.
  - The Commission finds negative impacts caused by the risk of weeds can be mitigated to an acceptable degree using Three Hills Solar's weed management approach, and by requiring a detailed weed control and vegetation management plan.
  - The Commission expects that the loss of agricultural use of the project lands will be reversable at project end of life.
  - The project will be co-located with agricultural activities, including livestock grazing and apiculture.
  - The Commission accepts that Three Hills Solar's approach to reclamation is sufficient for the time being. The Commission expects Three Hills Solar to fully reclaim the project and bear the costs of doing so.
  - The project is expected to have minimal visual impacts when viewed from nearby residences.
  - The project is not likely to create hazardous glare conditions for drivers on nearby transportation routes or pilots operating from the Three Hills Airport, nor have an adverse glare effect on residential receptors.

• Three Hills Solar's participant involvement program generally achieved the purposes of consultation and notification set out in Rule 007: Applications for Power Plants, Substations, Transmission Lines, Industrial System Designations, Hydro Developments and Gas Utility Pipelines. The Commission acknowledges Three Hills Solar's commitment to continue to work with stakeholders throughout the life cycle of the project to address any concerns as they arise.

#### 2 Introduction

## 2.1 Application details

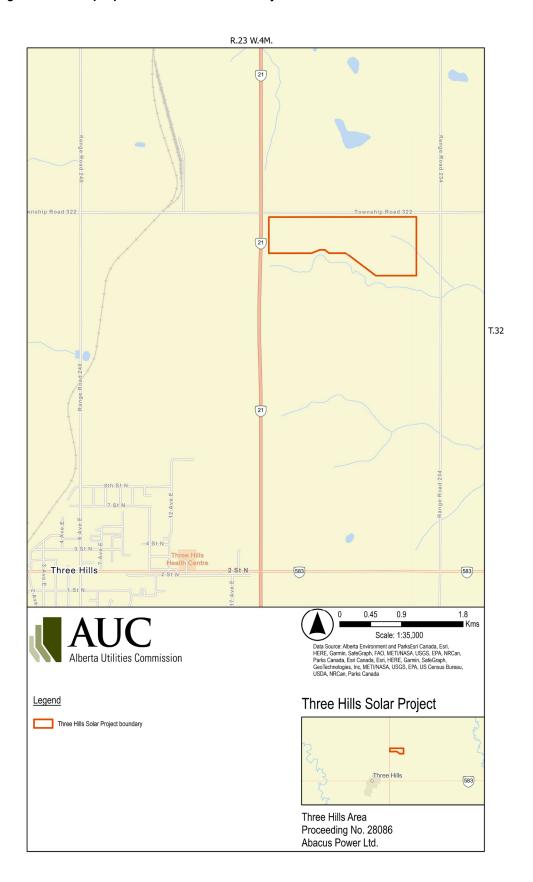
- 3. Three Hills Solar applied to construct and operate the Three Hills Solar Project, a solar power plant that would generate up to 18 MW.
- 4. The project is on privately owned agricultural land in Kneehill County. The project's operational footprint is 133 acres, with approximately 46,800 fixed-tilt panels, racking, inverters, transformers, one access road and fencing.
- 5. The project is located in the north half of Section 8, Township 32, Range 23, west of the Fourth Meridian, 2.26 kilometres east of the town of Three Hills as shown in Figure 1.
- 6. Three Hills Solar indicated that the project benefits would include the production of approximately 33,000 megawatt-hour (MWh) per year of solar-powered electricity; lease payments to the hosting landowner; further economic opportunities for local businesses; and the tax revenue that would be generated for Kneehill County, estimated at approximately \$300,000 annually.<sup>1</sup>
- 7. Three Hills Solar requested a construction completion date of December 1, 2025, with an expected in-service date of July 1, 2025.<sup>2</sup>

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<sup>1</sup> Exhibit 28086-X0093, Three Hills – Three Hills – Reply Evidence, PDF page 15.

Transcript, Volume 2, page 197, lines 12-17.

Figure 1. The proposed Three Hills Solar Project area



## 2.2 Interveners

- 8. The Commission issued a notice of application to area stakeholders. Numerous statements of intent to participate were filed, and the Commission issued a standing ruling followed by a notice of hearing. The following parties were granted standing:
  - Prairie Aviation Training Centre (PATC).
  - Individual stakeholders near the Three Hills Solar Project boundary who subsequently formed the Three Hills Landowner Group (THLG).
  - Kneehill County (the County).3
- 9. Later, the PATC requested to be removed as an intervener,<sup>4</sup> after which it had no further involvement in the proceeding.

## 2.3 Additional process for Commission interim requirements

- 10. This application was subject to the *Generation Approvals Pause Regulation*, enacted on August 3, 2023, which paused approvals of all new renewable electricity generation projects over one megawatt for six months, between August 3, 2023, and March 1, 2024. On September 6, 2023, the Commission supplemented Rule 007 with Bulletin 2023-05. The bulletin introduced new, interim information requirements relating to agricultural land, viewscapes, reclamation security, and land use planning. The Commission updated the process in this proceeding to allow for applicant responses to the Commission information requirements, interveners' supplemental evidence, and information requests about the interveners' evidence.
- 11. After having received submissions from the parties about whether, and if so how, this matter should proceed in the face of the approvals pause, the Commission determined it would continue to process this and other applications up to but not including the decision stage. Accordingly, the Commission held a virtual oral hearing in this matter from November 27, 2023, to November 29, 2023.
- 12. While the pause was in effect, the AUC conducted an inquiry (the Module A inquiry) into several land use impact issues in accordance with Order-in-Council 171/2023. The Commission provided its report on the Module A inquiry to the Minister of Affordability and Utilities on January 31, 2024.
- 13. On February 28, 2024, before the pause expired, the Minister of Affordability and Utilities issued a letter advising the Commission of the Government of Alberta's intention to advance certain policy, legislative and regulatory changes. Also on February 28, 2024, the Commission issued Bulletin 2024-03, which confirmed that each power plant application affected by the pause would be considered on its individual merits, and the Commission would assess each application to determine whether further process was required. This determination

Exhibit 28086-X0043, AUC letter – Ruling on standing; Exhibit 28086-X0044.

<sup>&</sup>lt;sup>4</sup> Exhibit 28086-X0111, Prairie Aviation Training Centre letter to AUC.

<sup>&</sup>lt;sup>5</sup> Bulletin 2023-05, Interim Rule 007 information requirements, September 6, 2023.

Exhibit 28086-X0069, AUC letter – Updated process letter and response to Abacus Power Ltd.'s request.

would be based on the circumstances of each application and the sufficiency of the existing evidentiary record.<sup>7</sup>

14. On March 8, 2024, the Commission issued a letter in this proceeding providing parties an opportunity to provide comments on the Minister's policy statements. Neither Three Hills Solar nor the THLG requested further process. On April 12, 2024, the Commission informed the parties that there would be no further process for this proceeding.<sup>8</sup>

## 3 The approval process for the Three Hills Solar Project

15. Below, the Commission describes the legal framework in which its decisions are made. First, the Commission explains its mandate and powers when considering a power plant application. Second, the Commission describes how it assesses the public interest, including how it considers municipal planning concerns and the recent Government of Alberta policy statements.

#### 3.1 The role of the Commission

- 16. The Commission is an independent, quasi-judicial agency of the province of Alberta. As a quasi-judicial agency, the Commission is similar in many ways to a court when it holds hearings and makes decisions. Like a court, the Commission bases its decisions on the evidence before it and allows interested parties to cross-examine each other's witnesses to test the evidence as well as providing argument; however, unlike a court, the Commission has no inherent powers. Its powers are conferred on it by the provincial legislature and set out in legislation. Unlike a court proceeding, the Commission's proceedings are not matters between two or more competing parties to determine who wins and who loses. Instead, the Commission deals with specialized subject matters requiring it to assess and balance a variety of public interest considerations.
- 17. The applicant has the onus to demonstrate that approval of its application is in the public interest. Interveners who may be directly and adversely affected by the Commission's approval of the application may attempt to show how the applicant has not met its onus. These parties may do so by bringing evidence of the effects of the project on their own private interests and explaining how the public interest may be better served by accommodating their private interests, and they may use the evidence filed by all parties to the proceeding to argue what a better balancing of the public interest might be. It is the Commission's role to test the application through its process and the concerns raised about the project by the interveners to determine whether approval is in the public interest.

## 3.2 How the Commission assesses the public interest

18. When the Commission receives an application to construct and operate a power plant, Section 17(1) of the *Alberta Utilities Commission Act* is engaged. This provision states that, in addition to any other matters it may or must consider, the Commission must consider whether the

Bulletin 2024-03, Updates to AUC application review process following generation approvals pause, February 28, 2024.

<sup>8</sup> AUC letter - Response to parties' submissions regarding further process.

proposed project is in the public interest, having regard to the social and economic effects of the project and its effects on the environment.

- 19. As a starting point, a power plant application filed with the Commission must comply with Rule 007 and Rule 012: *Noise Control*. These rules set out a comprehensive set of requirements that a facility application must contain.
- 20. The Commission must also take into consideration the purposes of the *Hydro and Electric Energy Act* and the *Electric Utilities Act*. These statutes provide for the economic, orderly and efficient development of facilities and infrastructure, including power plants, in the public interest, and set out a framework for a competitive generation market, where decisions about whether and where to generate electricity are left to the private sector.
- 21. Conducting a public interest assessment requires the Commission to assess and balance the competing elements of the public interest in the context of each specific application before it. Part of this exercise is an analysis of the nature of the impacts associated with a particular project, and the degree to which the applicant has addressed these impacts. Balanced against this is an assessment of the project's potential public benefits. The assessment includes the positive and adverse impacts of the project, having regard to its social, economic and environmental effects.

### 3.2.1 The public interest and municipal planning concerns

- 22. The Commission has held that it must have regard for a municipality's land use authority when deciding if approval of a project is in the public interest. In addition to considering municipal land use planning instruments, a municipality's concerns with a proposed project form part of the Commission's overall determination of whether approval of a project is in the public interest. A municipality can provide additional context regarding concerns for a specific project and a regional lens through which its planning instruments are situated. The Commission has a broader, province-wide perspective.
- 23. In this proceeding, the Commission granted the County full participation rights as it considered that the County has expertise in land use planning and an interest in development within its jurisdiction and therefore could provide valuable information to assist the Commission. <sup>10</sup> The County provided relevant information that has been considered in the Commission's public interest determination.

## 3.2.2 The public interest and the February 28 letter

24. The Commission provided Three Hills Solar and the interveners in this matter an opportunity to submit comments on the policy statements from the Alberta government, including whether, and if so, how, the government's policy guidance in the February 28 letter should affect process in this proceeding. In that letter, the Minister advised, in accordance with Section 10 of the *Alberta Public Agencies Governance Act*, of the Government of Alberta's

Decision 28086-D01-2024 (June 12, 2024)

Decision 27842-D01-2024: Aira Solar Project and Moose Trail 1049S Substation, Proceeding 27842, Applications 27842-A001 and 27842-A002, March 21, 2024, paragraph 28; Decision 27486-D01-2023: Foothills Solar GP Inc. - Foothills Solar Project, Proceeding 27486, Applications 27486-A001 and 27486-A002, April 20, 2023, paragraph 23.

Exhibit 28086-X0043, AUC letter – Ruling on standing, May 18, 2023.

Proceeding 28086, AUC letter – Policy guidance from the Government of Alberta, March 8, 2024.

intention to advance various policy, legislative and regulatory changes before the end of 2024. The parties' submissions differed, with the interveners maintaining that the February 28 letter is "dispositive of this application" and Three Hills Solar maintaining that its "impact on the Proceeding should be limited." However, both parties agreed that no further process was necessary.

- 25. Section 10 provides that "a Minister who is responsible for a public agency may set policies that must be followed by the public agency in carrying out its powers, duties and functions." However, Section 10(2)(a) makes it clear that such a policy must not be set in respect of an agency's adjudicative functions.
- 26. The Commission interprets Section 10 of the *Alberta Public Agencies Governance Act* as prohibiting the Minister from setting any policy that directly interferes with its decision-making authority. In other words, a policy set by the Minister cannot fetter the AUC's discretion when deciding an application. However, the Commission does not read this section as prohibiting it from taking into account policies set by the Minister under Section 10 when deciding whether approval of an application is in the public interest.<sup>14</sup>
- 27. To the contrary, it is the Commission's position that it must consider stated government policy on a matter directly before it on an application, when making its overall public interest determination. While such policy is not binding, it can play a role in the Commission's ultimate public interest determination. In the Commission's view, such consideration is consistent with the courts' repeated characterization of the Commission's public interest assessment as having a fundamentally discretionary nature. The Commission will weigh applicable policy amongst the variety of factors it considers in each application before it.
- 28. The Minister's February 28 letter identifies certain issues relevant to this proceeding, including in relation to Class 2 lands, the co-existence of crops and/or livestock, and reclamation security. The Commission recognizes that these are issues of concern to the Alberta government but notes that before the February 28 letter, the same issues were already under consideration in this proceeding. Three Hills Solar responded to the interim information requirements that touched on these issues, <sup>16</sup> and both parties provided submissions addressing them. <sup>17</sup> In the Commission's view, the issues set out in the Minister's February 28 letter align with factors that were already under consideration in this proceeding.

Proceeding 28086, 2024-03-15 THLG LT AUC re Policy Guidance, March 15, 2024.

<sup>&</sup>lt;sup>13</sup> Proceeding 28086, Three Hills Solar Power Corp Procedural letter, March 15, 2024.

Decision 27769-D01-2024, PR Development GP Inc., Prominence Solar Project, May 23, 2024, paragraphs 25-27; Exhibit 28725-X0041, AUC letter—Response to applicant comments on Government of Alberta policy statements and next steps in proceeding, April 16, 2024; Exhibit 27729-X0256, AUC letter—Ruling on WR2 Wind GP Corp. motion regarding Government of Alberta policy statements, April 16, 2024.

See Sincennes v Alberta (Energy and Utilities Board), 2009 ABCA 167, paragraphs 66-67; Saskatchewan Power Corporation v Alberta (Utilities Commission), 2015 ABCA 183, paragraph 72.

Exhibit 28086-X0077, Interim IR Response, October 2, 2023.

Exhibit 28086-X0080, 2023-10-18 THLG Supplemental Submissions, October 18, 2023; Exhibit 28086-X0093, Three Hills – Three Hills – Reply Evidence, November 16, 2023.

## 4 Discussion and findings

- 29. The Commission has reviewed the applications and has determined that the information requirements specified in Rule 007 have been met.
- 30. In the following sections, the Commission considers the impacts of the project on agricultural land and the environment. The Commission then addresses visual and glare impacts, noise impacts, and end-of-life management. Finally, the Commission addresses the remaining issues raised by the THLG, including consultation, traffic safety and property values.

### 4.1 Will the proposed project impact the agricultural value of the land?

- 31. In this section of the decision, the Commission will discuss the proposed project's impact on the agricultural value of the land; what the soil rating of the land is; whether the project was sited in accordance with applicable regulations and guidelines including the *Wildlife Directive* for Alberta Solar Energy Projects (Wildlife Directive); and whether Three Hills Solar can adequately mitigate the project's agricultural impacts.
- 32. The THLG expressed concerns about removing highly productive land from crop production. <sup>18</sup> The group stated that the 133 acres of land should be used for agricultural production and not for the solar project. <sup>19</sup> Kevin Price, a member of the THLG, maintained that the area is highly productive, with his nearby lands generating yields of 40 bushels per acre of canola and yields of 100 bushels per acre of wheat. <sup>20</sup>
- 33. Susan Heather, an agrologist retained by the THLG, provided the opinion that "[...] land that is well suited to crop production should remain in crop production."<sup>21</sup> S. Heather indicated that the soil in the project area can produce highly yielding cash crops such as grain and canola.
- 34. The County expressed similar concerns regarding the use of quality land and the importance of agriculture in the local community. In its opening statement, the County stated that the preservation of agriculture and its importance in the community are enshrined in the Municipal Development Plan.<sup>22</sup>
- 35. Three Hills Solar stated that the project occupies a small amount of private land and that the total project footprint is approximately 0.017 per cent of the County's total acreage. It added that the concerns are predicated on the unsubstantiated premise that solar facilities sterilize productive land.<sup>23</sup>
- 36. In reply to S. Heather, Glen Doll of Serecon Inc. commented that the project lands are indeed productive lands but maintained that S. Heather's statement that the project lands should remain in crop production was a policy opinion and not an agronomic fact about the agricultural productivity of the soil.<sup>24</sup>

Exhibit 28086-X0080, THLG Supplemental Submissions, PDF page 3.

Exhibit 28086-X0058, THLG Group Submissions, PDF page 12.

Transcript, Volume 2, PDF page 144.

<sup>21</sup> Exhibit 28086-X0081, Appendix A - Susan Heather Report 000098.pdf (auc.ab.ca), PDF page 1.

Exhibit 28086-X0118, Kneehill County Opening Statement - Proceeding 28086\_000136.pdf (auc.ab.ca), PDF page 2.

Exhibit 28086-X0093, Three Hills - Three Hills - Reply Evidence, PDF page 13.

Exhibit 28086-X0098, Appendix E - Serecon Heather Reply.

- 37. Three Hills Solar also stated that the project will allow agricultural activities such as sheep grazing and apiculture; and although the project will remove approximately 54 hectares of land from annual cultivation, the lands will continue to be agriculturally productive for the lifespan of the project.<sup>25</sup>
- 38. Two land classification tools, the Canadian Land Inventory (CLI) and Land Suitability Rating System (LSRS), were used to estimate the potential productivity or suitability of the project lands. <sup>26</sup> Parties agreed on the values from these classification schemes:
  - The CLI describes the lands as Class 3T<sup>27</sup> (moderately severe limitations that restrict the range of crops or require special conservation practices with a specific topographic limitation).<sup>28</sup>
  - The LSRS classifies the lands as Class 2M (slight limitation to agricultural suitability with a specific limitation due to moisture holding capacity of the soil).<sup>29</sup>
- 39. The County expressed concerns regarding the developments on lands classified as CLI and LSRS 1, 2 and 3 lands.<sup>30</sup> Its representative, Mike Haugan, testified during the hearing that a draft county bylaw, if passed, would prohibit commercial-scale developments of wind and solar on CLI class 1, 2 and 3 lands within its boundaries. M. Haugen noted the bylaw had completed first reading.<sup>31</sup> While the Commission acknowledges the County's important interest in local development, we are not bound by a municipal land use bylaw (whether proposed or in force) that might prohibit the development of a power plant on certain lands. However, the Commission will consider, and has considered, the County's expressed concerns in its overall public interest assessment for the project.<sup>32</sup>
- 40. The Commission accepts that LSRS Class 2M lands are the most productive lands in Alberta and that the project lands will be used primarily for power production during the lifespan of the project. However, the Commission accepts that agrivoltaic planning, as provided by Three Hills Solar, is a measure that is intended to minimize this loss of agricultural value during the lifetime of the project (see Section 4.1.1 below for more information on Three Hills Solar's agrivoltaic proposal).
- 41. The Commission also recognizes that the project will be reclaimed at the end of its life and will be usable for agricultural purposes in the future. Three Hills Solar is obligated to reclaim the project to equivalent land capacity as described in the 2010 Reclamation Criteria for

Decision 28086-D01-2024 (June 12, 2024)

Exhibit 28086-X0077, Interim IR Response, PDF page 5.

Exhibit 28086-X0098, Appendix E - Serecon Heather Reply.

Exhibit 28086-X0093, Three Hills - Three Hills - Reply Evidence, PDF page 13.

Canada Land Inventory. 1969. Soil capability classification for agriculture (Report No. 2). Canada Land Inventory Level-I Digital Data. Retrieved May 29, 2024, from https://sis.agr.gc.ca/cansis/nsdb/cli/class.html#classt.

Exhibit 28086-X0077, Interim IR Response, PDF page 2; Exhibit 28086-X0081, Appendix A - Susan Heather Report, PDF page 1; Government of Alberta. (n.d.). Land suitability rating system (LSRS). Retrieved May 29, 2024, from https://open.alberta.ca/dataset/dc0e6b58-b9d9-45d4-8d68-9d9dbd21687a/resource/f339217e-c4ae-4dc3-b619-883023350199/download/lsrs-explained.pdf.

Exhibit 28086-X0056, Additional issues for consideration, PDF page 1.

Transcript, Volume 2, PDF page 95-98. The Commission notes that Bylaw No. 1889, Land Use Bylaw Amendment for Renewable Energy, Being a Bylaw of the Council of Kneehill County, to Amend Land Use Bylaw No. 1808 was enacted on February 20, 2024.

Exhibit 28086-X0093, Three Hills - Three Hills - Reply Evidence, PDF page 13.

Wellsites and Associated Facilities for Cultivated Lands as directed within the Conservation and Reclamation Directive for Renewable Energy Operations. Three Hills Solar has committed to these reclamation criteria and direction in its Renewable Energy Operation Conservation and Reclamation Plan.<sup>33</sup>

## 4.1.1 How does Three Hills Solar intend on mitigating the impacts to the agricultural value of the land?

- 42. To mitigate the loss of crop production, Three Hills Solar intended to co-locate agricultural activities with the project.<sup>34</sup> Three Hills Solar's agrivoltaic plan proposed that the project area be revegetated with a perennial seed mix that will provide forage for livestock, forage for sheep grazing and nectar for honey production.<sup>35</sup>
- 43. The THLG stated that food production like grains and pulses, such as peas and lentils, are major staples to sustain the population, and while sheep grazing provides some value, it would be an underutilization of the highly productive farmland.<sup>36</sup>
- 44. The Commission finds that the proposed agrivoltaic activities, while not as productive as conventional annual crops, do contribute agricultural value for the project lands. The Commission accepts that some agricultural value of the lands will be temporarily lost as a result of the proposed power plant, but is satisfied that the agrivoltaic plan will reduce the project impact on agricultural value in a meaningful way and is consistent with the broad policy guidance set out in the Minister's letter of February 28, 2024.
- 45. Three Hills Solar indicated that project construction activities are planned to occur atop a vegetative buffer, during dry or frozen ground conditions in order to reduce the potential for soil impacts. It added that minimal grading or levelling is planned as the solar array will follow the existing topography of the land.<sup>37</sup> The Commission finds that these soil conservation efforts proposed by Three Hills Solar are effective in reducing erosion and conserving topsoil to support reclamation to equivalent land capability.
- 46. In addition to agricultural impacts, the THLG and the County described concerns regarding potential project impacts on weeds, pests, soils and wildlife.<sup>38,39</sup> The Commission understands from the evidence that impacts to agriculture, either through direct impacts to agricultural productivity or indirect impacts due to proliferation and spreading of weeds, pests or erosion of topsoil, are the principal concerns in this proceeding.
- 47. The THLG expressed specific concern that a solar facility could become weed-dominated along fencelines and panel rack pilings if these areas were not maintained with regular mowing of the site and hand trimming near obstacles. Two other nearby solar facilities were cited as examples demonstrating this inadequate weed control. THLG members described the constant

<sup>33</sup> Exhibit 28086-X0003, C&R Plan, PDF page 17.

Exhibit 28086-X0099, Appendix F - Sandgrass Reply.

Exhibit 28086-X0099, Appendix F - Sandgrass Reply, PDF page 7.

Exhibit 28086-X0080, 2023-10-18 THLG Supplemental Submissions, PDF page 7.

Exhibit 28086-X0099, Appendix F - Sandgrass Reply, PDF page 3.

Exhibit 28086-X0056, Kneehill County Additional Response to AUC 000068.pdf, PDF page 2.

Exhibit 28086-X0080, 2023-10-18 THLG Supplemental Submissions 000097.pdf (auc.ab.ca), PDF pages 4 to 7.

effort to control weeds, and the high cost associated with this activity. 40 Similarly, the County stressed the importance of a robust weed and vegetation management plan that provides comprehensive weed and pest management throughout both the construction and life of the project. 41

- 48. Three Hills Solar proposed a weed management strategy, which includes: vehicle and equipment cleaning; use of weed-free seed mixes and materials; prompt revegetation of the site; ongoing weed monitoring and management (prohibited and noxious weeds would be the particular focus); and laboratory testing of any imported soils to confirm they are weed free and the use of appropriate control measures for aggregate or fill material.<sup>42</sup>
- 49. With regard to potential impacts on neighbouring lands, the Commission finds that Three Hills Solar has committed to the development and implementation of an effective weed management plan. As set out in these reasons, the Commission expects that the solar project operator will proactively monitor the project area for problematic weeds and pests and respond to concerns that are raised by residents and the County.
- 50. While Three Hills Solar has committed to a weed management plan, the Commission finds that the concerns raised by the THLG<sup>43</sup> and County are valid in these circumstances. The Commission therefore imposes the following conditions of approval:
  - a. Three Hills Solar Power Corp. shall update the conservation and reclamation plan<sup>44</sup> with the outcomes from pre-disturbance site assessments and indicate soil stockpile locations and volumes anticipated for soil stripping activities.
  - b. Three Hills Solar Power Corp. shall update the conservation and reclamation plan with the outcomes from successive interim monitoring site assessments (as mandated in the *Conservation and Reclamation Directive for Renewable Energy Operations*)<sup>45</sup> with consideration for success of revegetation to proactively mitigate erosion and weed establishment.
  - c. Three Hills Solar Power Corp. shall prepare a stand-alone weed management plan that encompasses the applicable revegetation and weed management strategies described in this proceeding, including content in the environmental protection plan <sup>46</sup> and Appendix F Sandgrass Reply. <sup>47</sup> This weed management plan will be initially updated based on the outcomes from pre-disturbance site assessments and updated annually based on the outcomes of interim monitoring site assessments for a minimum of three growing seasons (as directed in the *Conservation and Reclamation Directive for Renewable Energy Operations*). Three Hills Solar Power Corp. shall provide the initial weed

Transcript, Volume 3, PDF pages 22-23, 26-31.

Exhibit 28086-X0118, Kneehill County Opening Statement, PDF page 4.

Exhibit 28086-X0093, Three Hills - Three Hills - Reply Evidence, PDF page 12.

Exhibit 28086-X0100, Appendix G - Condition Response Table\_000118.pdf (auc.ab.ca)

<sup>44</sup> Exhibit 28086-X0003, C&R Plan.

Alberta Environment and Parks. 2018. Conservation and Reclamation Directive for Renewable Energy Operations. Edmonton, Alberta 66 pp.

<sup>46</sup> Exhibit 28086-X0009, EPP.

Exhibit 28086-X0099, Appendix F - Sandgrass Reply.

management plan to the interveners of the proceeding and file confirmation with the Commission once it has been distributed.

- 51. The Commission notes that concerns about kochia (*Bassia scoparia*) were expressed by the THLG and the County <sup>48</sup> and expects that kochia will be considered alongside noxious and prohibited noxious weeds within the Alberta *Weed Control Regulation*. <sup>49</sup>
- 52. The Commission expects the weed management to be proactive in nature with the solar operator ensuring steps are in place to monitor, detect and address any issues as they arise. The Commission will not accept weed management that functions exclusively in a reactive manner based on complaints from residents and the County. Municipalities are not solely responsible to monitor, detect and enforce measures to address problematic vegetation issues as they arise. Proactive weed management requires monitoring and control at the solar site before the conditions leading to complaints develop.

# 4.1.2 Does the proposed project site comply with the Wildlife Directive and other environmental regulatory standards?

- 53. In this section, the Commission considers Three Hills Solar's consideration of the Wildlife Directive standards and best management practices during project siting and the importance of minimizing potential adverse impacts to wildlife and critical wildlife habitat.
- 54. Three Hills Solar indicated that the current project site was chosen because of a strong solar resource, a participating landowner, compliance with then existing bylaws, avoidance of sensitive environmental features, visibility from local residences and minimal electrical grid additions given the project's proximity to existing grid infrastructure.<sup>50</sup>
- 55. In its renewable energy referral report, Alberta Environment and Protected Areas (AEPA) determined the project site has an overall low risk ranking with a low risk ranking to native and critical habitats, wetlands, birds, watercourses and a low risk to wildlife and wildlife habitat.<sup>51</sup> AEPA was guided by the Wildlife Directive and the *Post-Construction Survey Protocols for Wind and Solar Energy Projects*. AEPA directed Three Hills Solar to follow both documents.
- 56. The Commission gives significant weight to the Wildlife Directive and its application to this project as indicated in the referral report. Through the Wildlife Directive, AEPA expects that solar energy projects are sited to minimize wildlife and habitat concerns and do so through the avoidance of ecosystems that provide this habitat.<sup>52</sup>

Transcript, Volume 1, page 149; Transcript, Volume 2, page 79.

Government of Alberta. 2016. *Weed Control Act*. Weed Control Regulation. Alberta Regulation 19/2010. Alberta King's Printer.

Exhibit 28086-X0110, Three Hills Solar Power Corp. Opening Statement - November 24, 2023.

Exhibit 28086-X0005, 28086 X0005 Attachment 12 - AEPA RERR 000005.pdf (auc.ab.ca).

Government of Alberta. 2017. Wildlife Directive for Alberta Solar Energy Projects. AEP Fish and Wildlife 2017 No. 5. PDF page 6.

- 57. The THLG had concerns regarding a potential wildlife corridor for ungulates and on a sensitive raptor range for golden eagle and prairie falcon. The THLG was also concerned about the impact of the project on wildlife such as mule deer, the risk of predation through the introduction of sheep grazing, and the potential increase of bird mortality in instances where the solar panels are used as landing sites by birds.<sup>53</sup>
- 58. Three Hills Solar retained Sandgrass Consulting Ltd., Vireo Environmental Consulting Ltd., and JCL Environmental Consulting Ltd. to prepare its environmental evaluation. Three Hills Solar stated that the work performed by Sandgrass, Vireo and JCL was reviewed by AEPA, leading to the conclusion that wildlife impacts would be low.
- 59. The Commission accepts the low overall risk ranking provided in the referral report as an indication that from the context of environmental risk, this project is appropriately sited and compliant with all the standards and best management practices identified in the Wildlife Directive.
- 60. Three Hills Solar has also committed to conducting post-construction wildlife monitoring, <sup>54</sup> and stated that the remaining low risk to wildlife will be mitigated as informed by the outcomes of this monitoring. Therefore, the Commission imposes the following condition of approval for the power plant:
  - d. Three Hills Solar Power Corp. shall submit an annual post-construction monitoring survey report to Alberta Environment and Protected Areas no later than January 31 of the year following the mortality monitoring period and submit the annual post-construction monitoring survey report and the Alberta Environment and Protected Areas' post-construction monitoring response letter to the Commission within one month of its issuance to Three Hills Solar Power Corp. These reports and response letters shall be subsequently filed with the same time constraints every subsequent year for which Alberta Environment and Protected Areas requires surveys pursuant to subsection 3(3) of Rule 033: Post-approval Monitoring Requirements for Wind and Solar Power Plants.

## 4.2 What are the project's visual impacts including glare?

- 61. The THLG discussed concerns about potential visual impacts from the project to their use and enjoyment of their properties, and glare impacting road users on Township Road 322 and Highway 21. Some THLG members questioned if glare from the project would impact aerial sprayers' abilities on their land. 55 The THLG did not retain an expert regarding visual impacts or glare.
- 62. Three Hills Solar retained Green Cat Renewables Canada Corporation (GCR) to complete a solar glare assessment for the project. 56 Jason Mah of GCR provided reply evidence about glare. GCR identified five dwellings, four routes (including a railway, Highway 21, Range Road 234 and Township Road 322), the Three Hills Airport, and the Three Hills Hospital Heliport as receptors for the solar glare assessment. No receptors, except dwelling R1 and Township Road 322, are predicted to receive glare from the project. R1 is predicted to receive up

<sup>&</sup>lt;sup>53</sup> Exhibit 28086-X0058, 2023-07-28 THLG Group Submissions, PDF pages 5-6 and 9-10.

Exhibit 28086-X0005, Attachment 12 - AEPA RERR 000005.pdf (auc.ab.ca), PDF page 5.

<sup>55</sup> Exhibit 28086-X0058, 2023-07-28 THLG Group Submissions, PDF pages 7, 10 and 12.

Exhibit 28086-X0002, Solar Glare Hazard Assessment.

to 121 minutes of yellow glare<sup>57</sup> per year and 2,622 minutes of green glare per year, and Township Road 322 is predicted to receive up to 83 minutes of green glare per year but no yellow glare.

- 63. Three Hills Solar explained that no THLG members will be able to view the project from their residences, due to natural terrain, mature trees and/or other buildings between the project and residences. In addition, Three Hills Solar submitted that the project will not be out of character for the surrounding areas, given that (i) the project area contains existing facilities, including electrical transmission lines, electrical distribution lines, gas wells, substation, grain elevator, Highway 21, railway, and the Prairie Aviation Training Centre (PATC), and therefore the project area could currently be described as having an "industrial character," and (ii) the project is within an area that has been identified by the County Municipal Development Plan as a growth area for industrial and commercial projects.<sup>58</sup>
- 64. With respect to glare, the solar glare assessment concluded that the project is not expected to present a significant hazard to drivers, train operators, or pilots near the project, or have a significant adverse effect on a resident's use of their home. Furthermore, J. Mah explained that the glare assessments used conservative assumptions, heavy vegetation and accessory buildings surrounding R1 are likely to provide mitigation of potential glare impacts, and effects of sun-masking may overpower glare impacts from the project on local roads.<sup>59</sup>
- 65. The PATC initially filed submissions outlining its concerns regarding glare at Three Hills Airport and on approaches and while in the traffic circuit pattern, but subsequently submitted a letter stating that Three Hills Solar expanded its glare study to include all of the areas of the sky that the PATC requested, and that the PATC was satisfied that the glare should not be a safety issue to the airport and associated flight paths or circuits. The PATC requested to be removed as an intervener, 60 after which it had no further involvement in the proceeding.
- 66. Three Hills Solar committed to promptly address concerns and complaints about visual impacts/glare from the project and if necessary, Three Hills Solar would consider installing visual barriers or vegetation screening to reduce visual and glare impacts from the project. 61 Therefore, the Commission imposes the following condition of approval:
  - e. The Commission requires Three Hills Solar Power Corp. to promptly address any complaints or concerns regarding visual impacts and solar glare from the project. Three Hills Solar shall file a report with the Commission detailing any complaint or concern it receives regarding visual impacts and solar glare from the project during its first year of operation, as well as Three Hills Solar's response to that complaint or concern. In particular, the report shall specify if any mitigation measures have been

<sup>&</sup>lt;sup>57</sup> The glare assessment used colour codes to categorize effects of glare to a person's eyes.

<sup>•</sup> Green glare: glare with low potential for temporary after-image.

<sup>•</sup> Yellow glare: glare with potential for temporary after-image.

<sup>•</sup> Red glare: glare with potential for permanent eye damage.

Exhibit 28086-X0093, Three Hills - Three Hills - Reply Evidence, PDF pages 9 and 10.

<sup>59</sup> Exhibit 28086-X0093, Three Hills - Three Hills - Reply Evidence, PDF pages 8 and 9.

Exhibit 28086-X0111, Prairie Aviation Training Centre letter to AUC.

Exhibit 28086-X0132, Three Hills Solar Power Corp.-Responses to Undertakings 4-5-Attachment, PDF pages 4 and 5.

implemented in response to the complaint or concern. Three Hills Solar shall file this report no later than 13 months after the project becomes operational.

- 67. The Commission notes that predictions in the solar glare assessment were premised upon the use of solar panels with anti-reflective coating. Therefore, the Commission imposes the following condition of approval:
  - f. Three Hills Solar Power Corp. shall use solar panels with anti-reflective coating for the project.

## 4.3 What are the project's noise impacts?

- 68. The THLG retained James Farquharson of FDI Acoustics Inc. to review the project noise impact assessment (NIA) and provided recommendations. J. Farquharson questioned if the NIA properly characterized the baseline case, expressed concerns about potential construction noise impacts, and recommended post-construction noise measurements be conducted once the project commences operation to verify project compliance with Rule 012.
- 69. Three Hills Solar retained Patching Associates Acoustical Engineering Ltd. (PAAE) to complete its NIA for the project, which predicted that noise from the project will comply with Rule 012.62 Justin Caskey of PAAE addressed the THLG's noise concerns and provided reply evidence about noise.
- 70. In response to J. Farquharson's concern about baseline case, PAAE conducted a field reconnaissance in October 2023 and incorporated the field reconnaissance results in the baseline case modelling. <sup>63</sup> The Commission finds that the NIA characterized the baseline case properly.
- 71. With respect to construction noise, the Commission notes that Three Hills Solar committed to follow the mitigation measures in Section 2.11 of Rule 012 and adhere to County bylaws relating to construction noise. 64 The Commission expects Three Hills Solar to uphold its commitment where reasonably practical to minimize potential noise impacts from construction activities.
- 72. J. Caskey disagreed with J. Farquharson's recommendation of conducting post-construction noise measurements. <sup>65</sup> The Commission notes that the NIA predicted that the nighttime cumulative sound level at the most affected receptor is 37.2 dBA, which is 2.8 dBA lower than the nighttime permissible sound level as set out in Rule 012. <sup>66</sup> This compliance margin <sup>67</sup> gives the Commission confidence that noise from the project is expected to comply with Rule 012. Therefore, the Commission finds that it is unnecessary to require Three Hills Solar to conduct post-construction noise measurements.

Exhibit 28086-X0004, NIA. Later the NIA was updated among Three Hills Solar's reply evidence in Exhibit 28086-X0102, Appendix B - Patching Reply.

Exhibit 28086-X0102, Appendix B - Patching Reply.

Exhibit 28086-X0132, Three Hills Solar Power Corp.-Responses to Undertakings 4-5-Attachment, PDF page 3.

Exhibit 28086-X0095.01, Appendix B - Patching Reply, PDF page 3.

Exhibit 28086-X0102, Appendix B - Patching Reply, PDF page 8.

<sup>67</sup> Compliance margin in the context of Rule 012 is permissible sound level minus cumulative sound level.

73. Overall, the Commission finds that the NIA generally meets the requirements of Rule 012 and accepts the conclusion in the NIA that the project is expected to comply with permissible sound levels as set out in Rule 012. If residents have concerns and complaints about construction or operation noise from the project, the Commission has a process for them to file concerns or complaints in accordance with Section 5 of Rule 012.68

## 4.4 What are the decommissioning and reclamation commitments?

- 74. Both the THLG and the County raised concerns regarding decommission and reclamation. These concerns relate to impacts associated with disposal of solar panels at the end of their useful life as well as whether there are sufficient financial commitments available to ensure appropriate decommissioning and reclamation of the site.<sup>69</sup>
- 75. Three Hills Solar confirmed that it will follow the guidelines outlined in the *Conservation* and *Reclamation Directive for Renewable Energy Operations* or similar regulation in place at the time of decommissioning. As set out in the conservation and reclamation plan filed as part of Three Hills Solar's application, following decommissioning of the site, the project lands will be reclaimed to be used for agricultural purposes equivalent with their pre-project use.<sup>70</sup>
- 76. Three Hills Solar stated that it would fund the costs of decommissioning and reclamation of the project through security in the form of either an irrevocable letter of credit or bond. The security will be a cash secured instrument posted with a financially credit-worthy counterparty such as a chartered bank in Canada. This security would be to the benefit of the landowner and would run with the land upon which the project is sited, thereby ensuring availability when decommissioning and reclamation activities commence regardless of who the landowner is. Three Hills Solar added that the security will be put in place after the project final design is completed and prior to the commencement of construction.<sup>71</sup>
- 77. Three Hills Solar indicated that a qualified engineering firm would estimate the amount of security required based upon detailed project design and prior to the commencement of construction. This security amount will be reviewed by a qualified third party no less frequently than every 10 years.
- 78. Based on the information on the record of the proceeding, the Commission accepts that Three Hills Solar's approach to reclamation is sufficient for the purposes of satisfying the Commission that approval of the project is in the public interest. Beyond the lifespan of the project, decommissioning and reclamation commitments are in place to maintain the quality of the land. The Commission accepts the proposed security instrument and the commitment for a qualified third party to review the security amount no less frequently than every 10 years. The Commission continues to expect applicants to fully reclaim projects and bear the costs of doing so.

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Rule 012: Noise Control, Section 5, Noise complaint.

Exhibit 28086-X0058, 2023-07-28 THLG Group Submissions, PDF pages 11-12; Exhibit 28086-X0056, Additional issues for consideration, PDF pages 1-2.

Exhibit 28086-X0003, C&R Plan, PDF page 7; Exhibit 28086-X0031, IR Round 1 Response; Exhibit 28086-X0077, Interim IR Response, PDF page 10.

Exhibit 28086-X0031, IR Round 1 Response, PDF page 5.

79. The Minister's February 28 letter also addressed reclamation security:

Government of Alberta will develop and implement the necessary policy and legislative tools to ensure developers are responsible for reclamation costs via bond or security, with appropriate security amounts and timing to be determined by Environment and Protected Areas in consultation with Affordability and Utilities. The reclamation costs will be provided directly to the Government of Alberta or could be negotiated with landowners as long as sufficient evidence is provided to the AUC. The new requirements will apply [to] all approvals issued on or after March 1, 2024.

80. Based on the above, and given that the Commission's approval of these applications comes after March 1, 2024, the Commission understands that Three Hills Solar, or any subsequent approval holder for the power plant, may be required to comply with any reclamation security regime implemented by the Government of Alberta.

#### 4.5 Was consultation sufficient?

- 81. Members of the THLG raised concerns regarding the adequacy of consultation for the project, stating that some did not have face-to-face consultation with Three Hills Solar, some were not consulted at all, and that some members received inadequate or conflicting responses to questions asked of applicant representatives at the open house.<sup>72</sup>
- 82. Three Hills Solar undertook a participant involvement program (PIP) and as part of its notification program, Three Hills Solar issued its information packages on the project to nearby occupants, residents and landowners. Three Hills Solar also issued this package to the Three Hills Airport and the Three Hills Hospital Heliport and to the County. Three Hills Solar engaged with other government entities and industry representatives as well.
- 83. Three Hills Solar maintained a detailed consultation log with landowners entitled to personal consultation and notes that it attempted to personally consult with all landowners, residents, and occupants within 400 metres of the project boundary. While Three Hills Solar was unable to personally consult with Kevin and Linda Price, Three Hills Solar explained that it made efforts to consult with the Prices to understand their concerns, including by scheduling an in-person meeting, engaging through telephone calls, and exchanging emails. The Commission notes that the scheduled in-person meeting was cancelled last minute by the landowners.
- 84. The Commission accepts that Three Hills Solar's PIP was conducted in accordance with both the substance and spirit of Rule 007. The Commission finds that Three Hills Solar made reasonable efforts to inform stakeholders of the project, address their concerns, and identify options for mitigation.
- 85. The Commission acknowledges that consultation will not always address every individual's concern to their satisfaction. However, the Commission notes that Three Hills Solar maintains a commitment to open dialogue and to engage with stakeholders throughout construction and operation for the life of the project. Three Hills Solar intends to provide the contact information for project representatives so stakeholders are aware of who they need to contact if they have any concerns. In the Commission's view, this offers an opportunity to

<sup>&</sup>lt;sup>72</sup> Exhibit 28086-X0058, 2023-07-28 THLG Group Submissions, PDF page 15.

Exhibit 28086-X0006, PIP Report, PDF pages 22-23.

address outstanding concerns to the extent reasonably practicable over the course of the project's lifespan.

## 4.6 Will construction activities affect traffic safety?

- 86. The THLG also raised concerns with traffic during construction and operation of the project, including the potential impacts of movement of farm machinery along Township Road 322 and delay or congestion at the intersection of Highway 21 and Township Road 322.74
- 87. Three Hills Solar indicated the co-ordination of traffic associated with construction of the project would be manageable, so that it does not impede the movement of farming machinery. The states stated that it would commit to providing regular notification during construction to residents within 800 metres of the project boundary regarding construction activities. Three Hills Solar added that a temporary workspace for the project will be available for vehicle parking with no staging on Township Road 322 and that the project entrance is less than 300 metres from Highway 21, so there would be little potential for speeding or dust on country roads. The speeding of the project entrance is less than 300 metres from the project entrance i
- 88. The Commission acknowledges the traffic concerns presented by the THLG, and considers the commitments made by Three Hills Solar sufficient to manage those concerns.

## 4.7 Will the project affect property values in the area?

- 89. The THLG expressed concerns that the project development will have negative effects on property values for nearby landowners. The THLG notes that the rural characteristic of the area, the beautiful views and wildlife sightings will be negatively impacted by the industrial nature of solar panels.
- 90. The THLG retained Gettel Appraisals Ltd. to assess the impact of the project on property values. The Gettel report listed a number of variables that may impact real estate values for properties adjoining operational solar farms, including visual impacts, electromagnetic fields/radiation, damage to ecosystem, increased noise, increased traffic, and dust/weed problems. The Gettel report stated that visual impacts are the number one concern noted based on the research conducted, because the development of solar farms results in the rural landscape taking on an industrial character. Additionally, glare from solar panels was noted as a potential nuisance for adjoining homeowners.<sup>77</sup>
- 91. The Gettel report estimates that the project is considered to have an impact on property values within a low impact range of between five and ten per cent. This range would apply to improved properties. A modest loss is anticipated for the vacant holdings located in close proximity to the project. The most significant impact is expected for the residence owned by Mark Ferguson, with losses towards the lower end of the range generally applying to the balance of the properties.<sup>78</sup>

<sup>&</sup>lt;sup>74</sup> Transcript, Volume 2, page 198, lines 23-25; page 199, lines 1-4.

Transcript, Volume 2, page 199, lines 9-12.

Exhibit 28086-X0093, Three Hills - Three Hills - Reply Evidence, PDF page 10-11.

Exhibit 28086-X0062, Appendix D – Gettel Appraisals Report and CV of Brian Gettel, PDF pages 19-20.

Exhibit 28086-X0062, Appendix D – Gettel Appraisals Report and CV of Brian Gettel, PDF page 42.

- 92. Three Hills Solar retained Serecon Inc. to respond to the Gettel report's analysis of property value impacts. The Serecon report noted that based on discussions with Three Hills Solar, the appropriate studies and analysis that was conducted showed there will be negligible potential impacts from electromagnetic fields/radiation, damage to ecosystems, increased noise, increased traffic, and dust/weed problems. The only variable which could potentially be applicable for the project is the visual impact. However, the Serecon report stated that the project will not include any new transmission line structures or a new substation and referenced the glare studies which concluded that the project is not expected to have an impact on any THLG members at their residences. The solar project will have no impact on how an adjacent landowner can utilize their property. Ultimately, in the context of this project, the Serecon report states that there is no support for property value impacts to the nearby properties. So
- 93. Performing a public interest assessment requires the Commission to balance a project's public benefits against the impacts that will be experienced by nearby landowners. Determining potential impacts to property values is a complex and technical matter that is influenced by a wide variety of contextual and circumstantial factors. The Gettel report acknowledged that there is a limited amount of data available to empirically estimate potential property value impacts from solar farm developments in rural Alberta. Literature research, for example, into other jurisdictions where the effect of solar projects on property values have been studied show a wide variance in values which are derived from the particular circumstances and conditions in those cases and are not reliably transferred to the facts before us.
- 94. While it is difficult to assign a value given the lack of objective, local market data, the Commission accepts that there is a negative public perception of the project's visual impacts and that this may translate into a negative property value impact in the zero to five per cent range for some properties owned or occupied by members of the THLG, particularly those properties that include residential dwellings. In this particular case, the benefits of the project to Alberta outweigh these minimal impacts on nearby properties.

## 4.8 Project connection

95. Three Hills Solar's application included a letter from ATCO Electric Ltd. indicating that it is prepared to allow the interconnection of the project to its distribution system. As Three Hills Solar has met the information requirements for a connection order, the Commission approves the interconnection.

Exhibit 28086-X0097, Appendix D Serecon Gettel reply, PDF page 1; Exhibit 28086-X0096, Appendix C – Green Cat Reply, PDF page 5.

Exhibit 28086-X0097, Appendix D Serecon Gettel reply.

Exhibit 28086-X0062, Appendix D – Gettel Appraisals Report and CV of Brian Gettel, PDF page 37.

#### 5 Conclusion

- 96. In addition to any other matters that the Commission may or must consider, we must consider whether approval of the project is in the public interest having regard to the social and economic effects and the effects on the environment. The Commission considers that the public interest will be largely met if an application complies with existing regulatory standards, and the project's public benefits outweigh its negative impacts.<sup>82</sup>
- 97. The Commission finds that while the project will reduce the agricultural productivity of the project lands for the duration of the solar power plant construction and operations, the co-location of agrivoltaics serve as a mitigative measure to minimize this loss of agricultural value during the project's lifespan. Relatedly, the Commission also recognizes that the project will be reclaimed at the end of its life, which will preserve the land's agricultural value in the future. The Commission also finds that the project, while situated on lands with high agricultural productivity, is on a small amount of private land which consists of approximately 0.017 per cent of the County's total acreage, and is expected to have minimal impacts on wildlife and wildlife habitats and property values. The commitments and mitigation measures by Three Hills Solar address the other concerns raised by the THLG and the County. The benefits of the project include its ability to generate emissions-free electricity and to contribute to the diversification of Alberta's energy resources; as well as generate local economic benefits including employment opportunities as well as increased tax revenue during the lifespan of the project including approximately \$300,000 of annual property taxes to the County.
- 98. Overall, the Commission acknowledges that these measures mitigate long-term negative impacts associated with the project. The Commission finds that the application is in the public interest, complies with existing regulatory standards, and that the negative impacts associated with the project are outweighed by the benefits of the project.

#### 6 Decision

- 99. For reasons outlined in the decision, and subject to the conditions in this decision, the Commission finds that, in accordance with Section 17 of the *Alberta Utilities Commission Act*, approval of Three Hills Solar Power Corp.'s application is in the public interest having regard to the social, economic, and other effects of the project, including the effects on the environment.
- 100. Pursuant to sections 11 and 19 of the *Hydro and Electric Energy Act*, the Commission approves Application 28086-A001 and grants Three Hills Solar Power Corp. the approval set out in Appendix 1 Power Plant Approval 28086-D02-2024, to construct and operate the Three Hills Solar Project.

Decision 28086-D01-2024 (June 12, 2024)

Decision 27842-D01-2024: Aira Wind Power Inc. – Aira Solar Project and Moose Trail 1049S Substation, Proceeding 27842, Applications 27842-A001 and 27842-A002, March 21, 2024, paragraph 27;
 Decision 27486-D01-2023: Foothills Solar GP Inc. - Foothills Solar Project, Proceeding 27486,
 Applications 27486-A001 and 27486-A002, April 20, 2023, paragraph 22; Alberta Energy and Utilities Board Decision 2001-111: EPCOR Generation Inc. and EPCOR Power Development Corporation - 490-MW Coal-Fired Power Plant, Application 2001173, December 21, 2001, paragraph 22.

- 101. Pursuant to Section 18 of the *Hydro and Electric Energy Act*, the Commission grants Three Hills Solar Power Corp. the approval set out in Appendix 2 Connection Order 28086-D03-2024, to connect the Three Hills Solar Project to the ATCO Electric Ltd. distribution system.
- 102. The appendixes will be distributed separately.

Dated on June 12, 2024.

## **Alberta Utilities Commission**

(original signed by)

Douglas A. Larder, KC Vice-Chair

(original signed by)

Matthew Oliver, CD Commission Member

## Appendix 1 – Proceeding participants

## Name of organization (abbreviation) Company name of counsel or representative

## Blakes, Cassels & Graydon LLP

Terri-Lee Oleniuk

Matt Hammer

## Three Hills Solar Power Corp.

Michael Barer

Geoff Coppola

## Ackroyd LLP

Richard Secord

## Three Hills Landowner Group (THLG)

Mark Ferguson

Deborah Barkman

Lloyd Trentham

Kevin Price

Linda Price

## **Kneehill County**

Mike Haugen

#### **Alberta Utilities Commission**

#### **Commission panel**

Douglas A. Larder, KC, Vice-Chair

Matthew Oliver, CD, Commission Member

#### **Commission staff**

Matthew Parent (Commission counsel)

Andrew Culos (Commission counsel)

Olapeju Anozie (Commission articling student)

Fatiha Rezwan

Derek Rennie

## **Appendix 2 – Oral hearing – registered appearances**

Name of organization (abbreviation) Name of counsel or representative	Witnesses
Three Hills Solar Power Corp. T. Oleniuk, Blakes, Cassels & Graydon LLP, counsel M. Hammer, Blakes, Cassels & Graydon LLP, counsel  Three Hills Landowner Group R. Secord, Ackroyd LLP, counsel	M. Barer G. Coppola  J. Mah J. Caskey J. Lewis C. Metke G. Doll  M. Ferguson D. Barkman L. Trentham K. Price L. Price  B. Gettel J. Farquharson
	S. Heather
Kneehill County M. Haugen	

## **Appendix 3 – Summary of Commission directions**

This section is provided for the convenience of readers. In the event of any difference between the directions in this section and those in the main body of the decision, the wording in the main body of the decision shall prevail.

- a. Three Hills Solar Power Corp. shall update the conservation and reclamation plan<sup>83</sup> with the outcomes from pre-disturbance site assessments and indicate soil stockpile locations and volumes anticipated for soil stripping activities.
- b. Three Hills Solar Power Corp. shall update the conservation and reclamation plan with the outcomes from successive interim monitoring site assessments (as mandated in the *Conservation and Reclamation Directive for Renewable Energy Operations*)<sup>84</sup> with consideration for success of revegetation to proactively mitigate erosion and weed establishment.
- c. Three Hills Solar Power Corp. shall prepare a stand-alone weed management plan that encompasses the applicable revegetation and weed management strategies described in this proceeding, including content in the environmental protection plan 85 and Appendix F Sandgrass Reply. 86 This weed management plan will be initially updated based on the outcomes from pre-disturbance site assessments and updated annually based on the outcomes of interim monitoring site assessments for a minimum of three growing seasons (as directed in the *Conservation and Reclamation Directive for Renewable Energy Operations*). Three Hills Solar Power Corp. shall provide the initial weed management plan to the interveners of the proceeding and file confirmation with the Commission once it has been distributed.
- d. Three Hills Solar Power Corp. shall submit an annual post-construction monitoring survey report to Alberta Environment and Protected Areas no later than January 31 of the year following the mortality monitoring period and submit the annual post-construction monitoring survey report and the Alberta Environment and Protected Areas' post-construction monitoring response letter to the Commission within one month of its issuance to Three Hills Solar Power Corp. These reports and response letters shall be subsequently filed with the same time constraints every subsequent year for which Alberta Environment and Protected Areas requires surveys pursuant to subsection 3(3) of Rule 033: Post-approval Monitoring Requirements for Wind and Solar Power Plants.

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<sup>83</sup> Exhibit 28086-X0003, C&R Plan.

Alberta Environment and Parks. 2018. Conservation and Reclamation Directive for Renewable Energy Operations. Edmonton, Alberta 66 pp.

<sup>85</sup> Exhibit 28086-X0009, EPP.

Exhibit 28086-X0099, Appendix F - Sandgrass Reply.

- e. The Commission requires Three Hills Solar Power Corp. to promptly address any complaints or concerns regarding visual impacts and solar glare from the project. Three Hills Solar shall file a report with the Commission detailing any complaint or concern it receives regarding visual impacts and solar glare from the project during its first year of operation, as well as Three Hills Solar's response to that complaint or concern. In particular, the report shall specify if any mitigation measures have been implemented in response to the complaint or concern. Three Hills Solar shall file this report no later than 13 months after the project becomes operational.
- f. Three Hills Solar Power Corp. shall use solar panels with anti-reflective coating for the project.