

Lower Athabasca Regional Plan

Part 1: Details of Application for Variance

Name of Regional Plan: Lower Athabasca Regional Plan (LARP)

If the application is with respect to a land area, provide the legal description (township, range, meridian). If the application is with respect to an existing land use, provide a description of that area.

Township 73, Range 9, West of the 4th Meridian

- A. Outline why you are a “title holder” with respect to the land that is the subject of the variance request (i.e. do you own, occupy or have an interest in the land that is the subject of the variance request? If the land is Crown land, do you have a surface disposition or other interest in that land?)**

AltaLink currently owns and operates the 789L transmission line between Winefred 818S Substation and Heart Lake 898S Substation. This transmission line was built in 1982 and passes through the newly established Clyde Lake Provincial Recreation Area (PRA) between the Cold Lake Air Weapons Range (the “Weapons Range”) and Waiu Lake. AltaLink currently holds a surface disposition for this right-of-way (Crown Disposition EZE 810133). A copy of the existing EZE 810133 is attached in **Appendix A**.

As described further below, AltaLink has been directed by the Alberta Electric System Operator (AESO) to build a new 240kV transmission line (1117L) connecting the Ipiatik Lake 167S substation, which is proposed to be constructed near the Winefred 818S Substation, to the Heart Lake 898S Substation. AltaLink has proposed that the new 1117L parallel its existing 789L transmission line. AltaLink is in the process of preparing and will be submitting an application to AESRD requesting an amendment of the existing EZE 810133 in order to expand it to house both the existing 789L and the proposed 1117L.¹

- B. Explain why the variance is necessary.**

The restriction, limitation or requirement that necessitates a variance originates in Schedule F of the LARP Implementation Plan. The LARP establishes the Clyde Lake PRA, which is located between the northwest corner of the Weapons Range and Waiu Lake. Schedule F of the LARP Implementation Plan identifies permitted and non-permitted activities within the newly created Clyde Lake (PRA).² Multi-use

¹ The final details of the amendment are still being prepared; however, the existing EZE 810133 will be expanded to be approximately 55 m wider, except in areas where there are existing guy boxes from the 789L or where guy boxes are required for the proposed transmission line; in these areas, the expansion to the existing EZE 810133 will be greater.

² There is a protective notation (PNT) placed on the lands for the Clyde Lake PRA. This PNT#120048 came into effect in August 23, 2012. A copy of PNT#120048 is in **Appendix B** to this variance application.

Corridors are a permitted activity within the Clyde Lake PRA.³ However, the Alberta Government has not identified and dedicated a Multi-use Corridor in the Clyde Lake PRA.

As further discussed below, AltaLink has proposed a new transmission line 1117L, a portion of which would pass through the newly created Clyde Lake PRA (as shown on the detail photo map DP2 in **Appendix C**), along an alignment that is adjacent to and parallels the existing AltaLink 789L transmission line and multiple pipelines. AltaLink will be applying to the AESRD to expand its existing Crown Disposition EZE No. 810133 to include this proposed line and has applied to the Alberta Utilities Commission pursuant to the *Hydro and Electric Energy Act*, R.S.A. 2000 c. H-16 for a permit and licence in respect of the transmission line. A variance from the LARP is required in order for AltaLink to complete this proposed transmission line project through the Clyde Lake PRA.

The Alberta Electric System Operator (AESO) Needs Identification Document (NID), Application No. 1607795, identified the need for a new 240 kV transmission line (to be called 1117L) between the existing Heart Lake A898S Substation located west of the Weapons Range and a new substation to be located north of the Weapons Range in the vicinity of the existing Winefred 818S Substation. The need for this project is driven by increased load growth in the area associated with increasing oil sands development. The Alberta Utilities Commission has recognized that it is in the public interest to build a new line to connect the two substations and has approved the AESO's NID, issuing *Decision No. 2012-112* on April 24, 2012.⁴

In November of 2011, pursuant to the authority granted to it by subsection 35(1) of the *Electric Utilities Act*, the AESO directed AltaLink to prepare and submit to the Alberta Utilities Commission for approval, a facilities application under the *Hydro and Electric Energy Act (HEEA)*, in respect of the 1117L to connect the existing Heart Lake A898S substation (SW 8-70-11 W4M) to a proposed new substation in the vicinity of our existing Winefred 818S Substation (NW-29-73-7 W4M).

Subsection 35(2) of the *Electric Utilities Act* legally requires AltaLink to comply with the AESO's direction. In accordance with this requirement, AltaLink prepared a facilities application for necessary *HEEA* permits and licences to construct and operate the 1117L transmission line to connect the Heart Lake A898S to a proposed new Ipiatik Lake 167S substation, which is proposed to be constructed near the Winefred 818S Substation. On March 28 2013, following 15 months of route development and consultation activities, AltaLink submitted to the Alberta Utilities Commission for approval Facilities Application 1609443, which included siting of a portion of the 1117L electric transmission line route through the Clyde Lake PRA on an alignment adjacent to and parallel with AltaLink's 789L transmission line. Some of the necessary construction workspace associated with this proposed transmission line lies within the existing boundaries of Crown Disposition EZE 810133.

³ Note 7 to Schedule F of the LARP Implementation Plan states: "a multi-use corridor is a **dedicated land area identified by the Government of Alberta** for co-location of linear infrastructure that supports critical economic linkages to market". [Emphasis added]. Multi-Use Corridors may include, among other things, electric transmission facilities.

⁴ Page 59 of the LARP Implementation Plan also recognizes that infrastructure, including transmission lines will "ensure long-term optimization of the region's oil sands and sustain a diversity of existing and future economic activities in the Lower Athabasca Region."

C. Clearly explain the following factors:

(a) How the proposed variance is consistent with the purposes of the Land Stewardship Act

(b) How the proposed variance is not likely to diminish the spirit and intent of the regional plan

A proposed variance is consistent with the purposes of the *Land Stewardship Act*. These purposes are set out in section 1(2) of that Act, as follows:

- (a) to provide a means by which the Government can give direction and provide leadership in identifying the objectives of the Province of Alberta, including economic, environmental and social objectives;
- (b) to provide a means to plan for the future, recognizing the need to manage activity to meet the reasonably foreseeable needs of current and future generations of Albertans, including aboriginal peoples;
- (c) to provide for the co-ordination of decisions by decision-makers concerning land, species, human settlement, natural resources and the environment;
- (d) to create legislation and policy that enable sustainable development by taking account of and responding to the cumulative effect of human endeavour and other events.

A variance would enable the construction of a new transmission line that is needed to achieve economic objectives of the Province of Alberta along a route that reduces potential environmental, social and economic impacts. It would also provide for the co-ordination of decisions by decision-makers, given that it would enable the Alberta Utilities Commission to approve the lowest impact route along an expanded EZE 810133, which is also the route that is supported by AESRD.

The proposed variance is not likely to diminish the spirit or intent of the LARP. This is based on the following: (i) paralleling the existing corridor would result in the minimum amount of land being required for the development of the 1117L, and less disturbance through designated caribou habitat; (ii) the LARP Implementation Plan endorses maintaining opportunities to site transmission corridors;⁵ (iii) Schedule F to the LARP Implementation Plan provides that Multi-use Corridors are a permitted activity within Clyde Lake PRA and electric transmission facilities may be included in such corridors; and (iv) there is already, for all practical purposes, an existing transmission line and pipeline corridor through Clyde Lake PRA.⁶

⁵ The LARP Implementation Plan specifically identifies, at page 58, the following as strategies, among others, to achieve Outcome 5: Infrastructure development supports economic and population growth:

...

(b) Ensure that opportunities for future routes and siting for **pipeline gateways, transportation corridors and utility and electrical transmission corridors** are maintained in the region and in consideration of the needs of adjacent regions and jurisdictions; and

(c) Utilize the minimum amount of land required for developments (new residential, commercial and industrial. **(Emphasis in original)**)...

⁶ The existing corridor contains AltaLink's 789L transmission line as well as several pipelines. Additionally, along the corridor there are wellsites with associated access roads.

(c) How a refusal to grant the variance would result in unreasonable hardship to you without an offsetting benefit to the overall public interest.

As required by statute, AltaLink has prepared and submitted to the Commission an application for HEEA permit and licence to construct and operate the 1117L. AltaLink's application includes the route through the Clyde Lake PRA, which is the lowest impact route. However, AltaLink understands that the Commission cannot approve a route that is not consistent with the LARP.⁷ The Commission must be satisfied that the application to it is consistent with LARP. As no Multi-use Corridor has been identified through the Clyde Lake PRA, a variance is necessary to satisfy this technical requirement. The unreasonable hardship created by a refusal to grant a variance is that AltaLink would be required to apply for a redesigned route west and north around Behan Lake and Waiu Lake. The increased environmental, economic and social impacts of such a route would be borne by Albertans more generally, as described below.

The lowest impact route for AltaLink's proposed 1117L electric transmission line is to parallel AltaLink's existing 739L transmission line through the new Clyde Lake PRA.⁸

AltaLink's only real alternative to routing through the Clyde Lake PRA is to go West and North around Behan Lake and Waiu Lake⁹. That route would be approximately 40 km longer than AltaLink's proposed route, and would have higher environmental, social and economic impacts, as described below.

- Approximately 54 km of the transmission line route west and north around Behan Lake and Waiu Lake would be located within a provincially designated Caribou Management Area. The proposed route through the PRA also passes through a designated Caribou Management Area but only for 28 km (as shown on the Detailed Base map included in **Appendix D**). This means that the proposed route through Clyde Lake PRA has roughly half as much length through lands designated for minimization of impacts to caribou habitat.¹⁰

⁷ Section 8.1 of the *Alberta Utilities Commission Act* requires the Commission to "act in accordance with any applicable regional plans." The Commission requires that all applications submitted to it for permits and licences in respect of transmission lines within the area governed by the LARP must describe how and confirm that the proposed project "is compliant with the LARP". AltaLink is unable to confirm for the Commission that the proposed route through Clyde Lake PRA is compliant with LARP.

⁸ Section 17(1) of the *Alberta Utilities Commission Act (AUCA)* requires that the Commission, when it is considering a transmission facilities application under the *HEEA*, must consider whether the approval of the facilities is in the public interest, taking into consideration the economic, social and environmental effects of the project. AltaLink, when applying for permits and licences under *HEEA*, endeavours to identify the lowest impact route taking into consideration these effects.

⁹ Routes south and east of the Clyde Lake PRA would require the proposed 1117L to pass through the Weapons Range. AltaLink has received correspondence from the federal Department of National Defence (DND) confirming that the 1117L is incompatible with the military operations in the Weapons Range and stating that DND would not allow the installation of the 1117L within the Weapons Range.

¹⁰ The importance of caribou is recognized in the LARP Strategic Plan. Under the "Managing Air, Water and Biodiversity, and Minimizing Land Disturbance" heading in the LARP Strategic Plan, (page 27), the LARP states that

- The area north of the Clyde Lake PRA generally has less disturbance (meaning that it has more and larger patches of undisturbed habitat) than the area containing AltaLink's proposed route paralleling existing electric transmission lines and pipelines through Clyde Lake PRA. This means that a new transmission line around the west and north of Behan Lake and Waiu Lake would result in more fragmentation of and increased access to caribou habitat.¹¹
- The area west and north of Behan Lake and Waiu Lake has more surface water, fen and bog than the proposed location of the 1117L, which parallels AltaLink's existing 789L transmission line. A route west and north around Behan Lake and Waiu Lake would also cross a greater number of watercourses. This means that a transmission line around the lakes would have greater potential for impacts to wetlands and riparian areas than AltaLink's proposed route through Clyde Lake PRA.
- The proposed transmission line would use a 55 m wide right-of-way, which would need to be cleared of vegetation for the electric transmission line construction and maintenance. An alternate route around Behan Lake and Waiu Lake would add approximately 40 km of additional 55 m wide right-of-way (as compared to AltaLink's proposed route), and would require approximately 220 ha of additional land clearing. This does not include clearing that may be required for guy anchors, pull sites, access and other temporary workspace yet to be identified.
- There are trapping leases in the project area. The longer route west and north around Behan Lake and Waiu Lake, crosses a greater number of trapping leases than does the proposed route. It also passes within 800 m of several cabins whereas the portion of AltaLink's proposed route through the Clyde Lake PRA does not.
- Increased delay for the design and completion of the project. The AESO's approved NID specifies an in-service date for 1117L (and associated components) of Q2 2015. In order to meet this in service date, AltaLink must conduct some construction work over the winter of 2013/2014. If AltaLink is required to design and apply for and construct a longer transmission line route west and north of Behan Lake and Waiu Lake, it will result in a multi-year slip of the in-service date. In its Facility Application to the AUC, AltaLink noted that receiving approval of the proposed route later than February of 2014 would result in a minimum to two years of in-service date slip, and increased costs of more than \$24 million (based on labour and material cost escalation alone).
- Based on preliminary engineering, the additional line length to go around Behan Lake and Waiu Lake is estimated to result in approximately \$100 M in incremental project costs. The proposed 1117L electric transmission line is part of an upgrade to the Alberta Interconnected Electrical

a new biodiversity framework for public land in the LARP region will "[a]ddress caribou habitat needs in alignment with provincial caribou policy" (p 28) and states that disturbance standards will be set on a regional level but so that "areas important for biodiversity such as caribou and moose habitat.... and riparian areas will experience lower levels of land disturbance" (p 29). This demonstrates the import of caribou habitat under the LARP.

¹¹ The LARP, at pages 19 and 25, also requires operators to use Integrated Land Management (ILM) to reduce disturbance footprint. By locating the proposed 1117L transmission line in an area with existing facilities and existing access operated by other companies, AltaLink has engaged in ILM. Conversely, an alternate route around Waiu Lake would result in increased disturbance and requirements to build new access.

System, which means that all costs, including this incremental cost, for this project will be recovered from the ratepayers of Alberta.

AltaLink's Application to the Alberta Utilities Commission states (at page 49) that if "crown dispositions cannot be granted for the portion of the route in the Clyde Lake, AltaLink will file an amendment to include an alternate route in this application that meets the requirements of the NID." As noted above, the only real route alternative is west and north around Behan Lake and Waiu Lake, which would have higher environmental, social and economic effects than the proposed route, and would not be supported by AESRD.

Part 2: Requested Relief

Describe the specific variance that you are applying for, including any proposed terms and conditions of that variance.

AltaLink is applying for a variance to allow AltaLink to route a portion of the 1117L through the Clyde Lake PRA along an expanded Crown disposition EZE 810133. This variance would enable the Alberta Utilities Commission to issue the permits and licences necessary for the project.

AltaLink will construct and operate its transmission line in accordance with all applicable regulations, as well as any conditions set in the AUC's Permit and Licence and this requested variance.

AltaLink has prepared draft terms and conditions of the requested variance:

- *The Applicant is responsible for obtaining all necessary approvals from any other regulatory agency (federal or provincial) to construct and operate all facilities and infrastructure at or related to the 1117L; and*
- *This variance expires if and when the Government of Alberta identifies and dedicates a Multi-use Corridor in the Clyde Lake PRA that includes the 1117L facilities and associated dispositions, thereby rendering the variance no longer necessary.*

Part 3: Other Applicable Information

Please provide any additional information that may be relevant to this application.

AltaLink's proposed use is also consistent with the Land Division of AESRD's proposed PNT to the east and the south of Clyde Lake PLA.

In May of 2013, a new PNT (PNT#130046) was applied for by the Lands Division of the Lac La Biche office of AESRD along the existing linear corridor that AltaLink's proposed 1117L transmission line parallels. PNT#130046 identifies this area as a "transmission and utility corridor", and protects the area on either side of the existing utility corridor from developments that are incompatible with the use of the area as a utility corridor. A copy of PNT#130046 is in **Appendix E** to this variance application. This PNT is an implementation of the LARP Implementation Plan strategy, identified at page 58 and Table 2, "ensuring that opportunities for future routes and siting for pipelines gateways, transportation corridors and utility

and electrical corridors are maintained in the region. The area protected under the PNT is illustrated, along with the Clyde Lake PRA and AltaLink's proposed Route on the Detailed Base Map attached in **Appendix D**.

The only portion of AltaLink's proposed 1117L electric transmission line that is not covered by PNT#130046 is the portion that passes through the Clyde Lake PRA (see **Appendix E**), which is excluded from PNT#130046. AltaLink has been informed that the Lac La Biche Lands Division of AESRD does not have the authority to impose the PNT on the Clyde Lake PRA. However, the continued development of pipeline and linear utilities through Clyde Lake PRA would be consistent with the establishment of PNT#130046 to protect land use for a utility corridor.

The lands along AltaLink's proposed route already contain a transmission and pipeline corridor.

As noted above, the lands already contain a transmission and pipeline corridor. The Lower Athabasca Regional Advisory Council (RAC)'s *Advice to Government* (at page 30) describes the area south of Waiu Lake where AltaLink's proposed 1117L transmission line route runs as "roaded natural". The definition of "roaded natural" given in the *Advice to Government* is: "area that is easily accessible by motorized vehicles; has a high degree of infrastructure and a naturally appearing environment *with obvious evidence of human modification and use*" (Italics added). The RAC noted that this area has existing development and that this does not conflict with its potential use as a recreation area. A copy of this document is attached in **Appendix F**.

AltaLink has attached the following appendices:

- Appendix A- containing a copy of the existing Crown Disposition EZE 810133;
- Appendix B - containing a copy of PNT# 120048;
- Appendix C - containing a map showing AltaLink's proposed 1117L transmission line route;
- Appendix D – containing Detailed Base Map showing the Clyde Lake PRA, the area included in PNT#130046 and AltaLink's existing and proposed lines through Clyde Lake PRA;
- Appendix E- containing a copy of AESRD's proposed PNT#130046; and
- Appendix F– RAC's Advice to Government.