



## **BowArk Energy Ltd.**

**Queenstown Power Plant  
Time Extension**

**August 2, 2016**

**Alberta Utilities Commission**

Decision 21741-D01-2016

BowArk Energy Ltd.

Queenstown Power Plant

Time Extension

Proceeding 21741

Application 21741-A001

August 2, 2016

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## **1 Decision summary**

1. In this decision, the Alberta Utilities Commission must decide whether to approve an application from BowArk Energy Ltd. (BowArk) to extend the construction completion date of the power plant designated as the Queenstown Power Plant. After consideration of the record of the proceeding, and for the reasons outlined in this decision, the Commission approves the time extension to complete construction of the power plant.

## **2 Introduction and background**

2. BowArk, pursuant to Approval 20995-D02-2016,<sup>1</sup> has approval to construct and operate a 94-megawatt power plant designated as the Queenstown Power Plant. The power plant shall be located in the Vulcan area in the southwest quarter of Section 17, Township 19, Range 22, west of the Fourth Meridian. The power plant shall consist of five 18.76-megawatt natural gas-fuelled reciprocating generating units.

3. BowArk filed an application with the Alberta Utilities Commission on June 23, 2016, requesting approval to extend the construction completion date of the power plant from December 31, 2017 to November 22, 2018. The application was registered as Application 21741-A001 in Proceeding 21741.

4. The Commission issued information requests to BowArk on July 12, 2016. BowArk responded to the information requests on July 14, 2016. In its response, BowArk provided information on the participant involvement program it conducted to notify stakeholders of the proposed new construction completion date.

5. On July 15, 2016, the Commission issued a second round of information requests to BowArk to clarify the new in-service-date of the Queenstown Power Plant and to clarify if any stakeholders had outstanding concerns. BowArk responded to the second round of information requests on July 20, 2016.

## **3 Discussion**

6. BowArk stated it would be delaying the construction start date of the Queenstown Power Plant. It stated that site preparation would be delayed until the spring of 2017 while equipment placement would be delayed until late 2017 or early 2018. In response to an information request,<sup>2</sup>

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<sup>1</sup> Power Plant Approval 20995-D02-2016, Proceeding 20995 Application 20995-A001, March 15, 2016.

<sup>2</sup> Exhibit 21741-X0008, Information Requests Round 2 Response, PDF page 3.

BowArk stated that the proposed commercial operation for the power plant is November 22, 2018.

7. BowArk stated that the project delay was the result of one of the two equity parties having withdrawn from the project. BowArk explained that it was in the process of replacing that equity component.

8. In response to an information request,<sup>3</sup> BowArk stated that a revised information package, dated July 2016, was mailed or emailed out to the landowners, residences and stakeholders within a 2,000 metre radius of the approved power plant location as identified in Application 20995-A001.

9. BowArk stated that it consulted with landowners within an 800 metre radius of the power plant site via phone calls. Landowners were notified of the proposed change in construction and in-service date and asked if they had any questions or concerns.

10. BowArk stated that one stakeholder did express concern with the natural gas transmission pipeline and potential effect it would have on his grazing lease areas. BowArk stated that it would be making an application to the Alberta Energy Regulator (AER) for a permit to construct and operate the natural gas transmission pipeline and would be meeting with the stakeholder to secure a letter of non-objection in accordance with the AER stakeholder requirements.<sup>4</sup>

#### 4 Findings

11. Due to the minor nature of the application, a notice of application was not issued and, therefore, a hearing was not required. The Commission considered that its decision would not directly and adversely affect the rights of a person pursuant to Section 9 of the *Alberta Utilities Commission Act*.

12. The Commission notes that while a stakeholder does have outstanding concerns with the natural gas transmission pipeline that would be used to feed the power plant, BowArk has committed to filing an application with the AER and securing a letter of non-objection related to the natural gas transmission pipeline. The Commission finds that there are no outstanding concerns with the request for approval to extend the construction completion date of the power plant.

13. Given the considerations discussed above, the Commission considers the application to be in the public interest in accordance with Section 17 of the *Alberta Utilities Commission Act*. The Commission grants approval of a time extension to November 22, 2018 in order to complete construction of the power plant.

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<sup>3</sup> Exhibit 21741-X0006, Information Requests Round 1 Response, PDF page 3.

<sup>4</sup> Exhibit 21741-X0008, Information Requests Round 2 Response, PDF page 4.

## 5 Decision

14. Pursuant to Section 11 of the *Hydro and Electric Energy Act*, the Commission approves the application and grants BowArk the approval set out in Appendix 1– Power Plant – Approval 21741-D02-2016 – August 2, 2016 to alter and operate the power plant (Appendix 1 will be distributed separately).

Dated on August 2, 2016.

### Alberta Utilities Commission

*(original signed by)*

Henry van Egteren  
Commission Member