



# AUC

Alberta Utilities Commission

## **ENMAX Generation Portfolio Inc.**

**Time Extension to Complete Construction  
of the Shepard Energy Centre Power Plant**

**July 25, 2014**

**The Alberta Utilities Commission**

Decision 2014-221: ENMAX Generation Portfolio Inc.

Time Extension to Complete Construction of the Shepard Energy Centre Power Plant

Application No. 1610685

Proceeding No. 3306

July 25, 2014

Published by

The Alberta Utilities Commission

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## **1 Introduction**

1. ENMAX Generation Portfolio Inc. (EGPI), pursuant to Approval No. [U2013-612](#),<sup>1</sup> is the owner of the 800-megawatt (MW) natural gas-fired combined-cycle power plant designated as the Shepard Energy Centre, in the City of Calgary.
2. EGPI filed Application No. 1610685 on June 24, 2014, with the Alberta Utilities Commission (AUC or the Commission) requesting approval of a time extension, from December 31, 2014 to June 30, 2015, in order to complete construction of the power plant.

## **2 Discussion**

3. In its application, EGPI stated that additional time was required due to unanticipated construction-related issues with respect to the supply of natural gas and water. EGPI also stated that it is working to resolve these issues and expects construction to most likely be completed in the first quarter of 2015.
4. On June 25, 2014, EGPI submitted a letter providing further information and context regarding the completion of construction of the Shepard Energy Centre. EGPI stated that completion of construction did not directly relate to the plant's expected output during commissioning. During the testing and commissioning period the output schedule is released to the Alberta Electric System Operator in accordance with ISO Rule 505.3, and the projected output of the Shepard Energy Centre can be expected to change independently of the construction schedule.<sup>2</sup>
5. On July 2, 2014, ATCO Pipelines submitted a letter to the Commission indicating it had completed and commissioned the natural gas transmission facilities, required to provide service to EGPI, on May 9, 2014. ATCO also submitted that EGPI physically connected its natural gas supply piping to ATCO Pipeline's flange on June 13, 2014 and it had opened the valves to provide gas service to EGPI since June 17, 2014.
6. On July 8, 2014, the Commission issued information requests to EGPI in order to clarify the timing of the ATCO Pipelines supply of natural gas to the Shepard Energy Centre and how its availability may have impacted the construction schedule of the power plant.
7. EGPI responded to the information requests on July 18, 2014 and confirmed that the natural gas supply from ATCO Pipelines was currently available for Shepard Energy Centre.

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<sup>1</sup> Power Plant Approval No. U2013-612, Application No. 1610043, Proceeding No. 2908, November 27, 2013.

<sup>2</sup> Exhibit No. 0002.00.EGPI-3306, Shepard Clarification Letter.

EGPI stated that although ATCO Pipelines was contractually committed to the July 1, 2014 in-service date, the natural gas transmission facilities were completed and commissioned one month past the expedited in-service date that EGPI requested to support the power plant's construction schedule.<sup>3</sup> EGPI further stated that the supply of natural gas approximately two months past the requested expedited in-service date negatively affected the construction schedule.<sup>4</sup>

8. In its response to the information requests, EGPI emphasized that the construction delay related to the supply of water. At the end of May, EGPI determined that reclaimed water used by the power plant required filtration. EGPI expected to complete the necessary filtration facilities early in the second quarter of 2015.

### 3 Findings

9. EGPI has provided information respecting the need, nature and the duration of the requested time extension. Based upon the information provided, EGPI has demonstrated that the requested time extension is of a minor nature, but necessary in order for EGPI to complete construction of the power plant.

10. 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 the approval of the requested time extension to complete construction of the power plant.

### 4 Decision

11. Pursuant to Section 11 and 19 of the *Hydro and Electric Energy Act*, the Commission approves the application and grants EGPI the approval set out in Appendix 1 – Power Plant Approval No. U2014-357 – July 25, 2014 (Appendix 1 will be distributed separately).

Dated on July 25, 2014.

### The Alberta Utilities Commission

(original signed by)

Tudor Beattie, QC  
Commission Member

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<sup>3</sup> Decision 2013-302: ATCO Gas and Pipelines Ltd. (South) – Shepard Energy Centre Delivery Lateral Pipeline, Application No. 1609690, Proceeding No. 2673, August 14, 2013, paragraph 6.

<sup>4</sup> Exhibit No. 0009.00.EGPI-3306, EGPI response to IR.