



Table of Contents

MEMBER GUIDE – AUC RULE 007 DRAFT BLACKLINE	
TABLE OF CONTENTS	2
INTRODUCTION	į
Rule 007: Facilities Applications	\$
Recap: Renewable Energy Policy Changes	3
RMA Position and Member Resolutions	4
Engagement Process – Rule 007 Draft Blackline	!
How to use this Guide	į
MUNICIPAL ROLE IN APPROVAL PROCESSES AND PROJECT ALIGNMENT WITH MUNICIPAL PLANS	(
AGRICULTURAL LAND IMPACTS	10
RECLAMATION REQUIREMENTS	20
VISUAL IMPACT ASSESSMENTS AND VIEWSCAPES	2!
RMA's Priorities – Visual Impact Assessments	2!
OTHER QUESTIONS AND CONCERNS	28

Introduction

Rule 007: Facilities Applications

The Alberta Utilities Commission's (AUC) *Rule 007: Facility Applications* (Rule 007) sets out the application requirements for the construction, alteration, operation, and the discontinuation, dismantling and removal of power plants, substations, transmission lines, industrial system designations, hydro developments and gas utility pipelines. This includes renewable energy developments.

For RMA members, Rule 007 also addresses the consultation process that proponents of facilities must follow when making facility applications to the AUC and how municipalities are considered in that decision-making process.

The AUC conducted an engagement regarding changes to Rule 007 in August 2024, to which RMA made a written submission. Now, in 2025, the AUC is conducting a second engagement on a draft blackline of Rule 007.

Recap: Renewable Energy Policy Changes

In August 2023, following an Order-in-Council from the Government of Alberta (GOA), the Alberta Utilities Commission (AUC) paused approvals of all electricity generation projects, including wind and solar developments, until February 29, 2024. The intent of this pause was to allow the AUC time to conduct an inquiry into the approval process for electricity generation requirements with a focus on the following:

- Considerations for the development of power plants on specific types or classes of agricultural or environmental land.
- Considerations of the impact of power plant development on Alberta's pristine viewscapes.
- Considerations of implementing mandatory reclamation security requirements for power plants.
- Considerations for the development of power plants on lands held by the Crown in Right of Alberta.
- Considerations of the impact the increasing growth of renewables has upon both generation supply mix and electricity system reliability.

Following the pause, RMA made a written submission to the AUC in August 2024, which included the following points of advocacy, among others:

- Support for the creation of a mandatory municipal engagement form, to be completed by the proponent, to demonstrate how a project aligns with local land use bylaws as part of the approval process.
- Support for the use of Visual Impact Assessments (VIAs) as a regulatory tool and not as a blanket ban on development. Also, the evaluation of VIAs should include a comparison of the viewscape impact to socioeconomic considerations.
- Increased clarity on how VIAs will be considered by the AUC in the overall approval process for projects.
- Municipalities being enabled to utilize their planning documents to determine setbacks for various types of developments
- Any province-wide setbacks that are implemented by the AUC should function as backstops that set a minimum setback distance and still enable municipalities to modify, reduce, or put in place additional setback requirements through bylaw if it fits the local context.
- The agricultural value of a particular piece of land should be assessed with a variety of metrics in addition to soil classification.

In December 2024, the GOA released the *Electric Energy Land Use and Visual Assessment Regulation,* Alta Reg 203/2024 (the EELUVAR). The EELUVAR created new application requirements, reporting requirements and restrictions related to the AUC's approval of power plants under the *Hydro and Electric Energy Act,* and includes details related to agricultural land coexistence with wind and solar power plants, irrigability assessments, development requirements, and restrictions on wind power developments within buffer zones and visual impact assessment zones. The EELUVAR also specifically listed every parcel that fell within the buffer zone or upon which developments would be subject to visual impact assessments or agricultural impact assessments.

RMA Position and Member Resolutions

In recent years, the approval process for wind and solar projects has been an important advocacy issue for RMA and its members. Alberta leads the country in renewable energy development, which results in benefits and challenges for rural municipalities. While wind and solar developments provide property tax revenue and rural employment opportunities, they also cause local challenges related to land use planning, infrastructure strain, environmental risks, sterilization of agricultural land, reclamation, and others.

While nearly any development will include benefits and challenges, the AUC's approval process for renewable energy projects did not adequately consider municipal plans and perspectives, which resulted in projects being approved without the application of a municipal lens. As Alberta's renewable energy "boom" intensifies, municipalities are faced with increasing instances of land use conflicts and developments that do not align with planning priorities.

RMA is concerned that recent policy decisions made by the Government of Alberta and the changes contemplated by the AUC within the Rule 007 Blackline engagement will not ensure that rural municipalities have a role in the approval process that aligns with the extent to which they are impacted by projects.

Members' concern with the AUC approval process is reflected in several active and inactive RMA resolutions, including the following:

- Resolution 2-23F: Amendments to the Municipal Government Act Section 619
- Resolution 5-23F: Municipal Involvement in Quasi-Judicial Agencies
- Resolution 9-22F: Renewable Energy Project Reclamation Requirements
- ◆ Resolution 21-22F: Loss of Agricultural Land to Renewable Energy Projects
- ◆ Resolution 6-22S: Responsiveness of Service Delivery by Quasi-independent Agencies in Alberta
- ◆ Resolution 7-20F: Amendments to Municipal Government Act Section 619
- Resolution 11-19F: Requirement for Municipal Authority Input on Energy Resource Development Projects

To better understand how the AUC and other quasi-judicial agencies approve projects and how such approvals impact rural municipalities, the RMA formed the Quasi-Judicial Agencies Member Committee (QJAC) in Spring 2023.

Although the QJAC's research is broader than the renewable energy focus of the AUC inquiry, many of the recommendations in the QJAC report are relevant to the matters being addressed by the AUC in Rule 007. RMA's recommendations regarding municipalities' participation in quasi-judicial agency hearings can be found in our 2023 Quasi-Judicial Agencies Member Committee Report.

Engagement Process - Rule 007 Draft Blackline

The AUC has released a <u>draft blackline version</u> of Rule 007: Facility Applications. This document displays specific, word-for-word proposed changes to the Rule, with the original text of Rule 007 shown in black and additions or modifications marked in red. It provides a clear, side-by-side view of the existing and proposed versions, making specific changes to the Rule easier to see and understand. Changes were based on feedback received through written and oral consultation by the AUC in 2024, consideration of the *Electric Energy Land Use and Visual Assessment Regulation* enacted in December 2024, and the interim information requirements modified in 2024 that will continue to apply until the final version of Rule 007 is released.

Alongside the Rule 007 blackline, the AUC has also released the following documents that are relevant to this engagement:

- ◆ Bulletin 2025-02 and Appendix Issues Considered and Changes Proposed
- ◆ Summary of public consultations May through July, 2024
- Municipal Engagement Form (for power plant applications)
- Electric Energy Land Use and Visual Assessment Regulation, Alta Reg 203/2024

The blackline will be available for written feedback until May 23, 2025. Interested parties may submit their written feedback on the draft blackline by emailing engage@auc.ab.ca using the subject line "007 rule feedback". All written feedback submissions will be made publicly available on the AUC's Rule 007 Engage page.

How to use this Guide

This document emphasizes key themes and common rural concerns identified by RMA on the siting, application, approval, and reclamation process for renewable energy projects. Members are encouraged to utilize the information in this document as a "baseline" to form their own submissions that integrate their priorities based on experiences with the previous AUC process, renewable energy companies, or other factors.

This guide does not provide a line-by-line analysis of Rule 007; rather, it is structured around the four priority policy areas identified by RMA as crucial to ensuring renewable industry growth, being:

- Municipal role in approval process and alignment with municipal plans
- ◆ Agricultural land impacts
- ◆ Reclamation requirements
- Visual impact assessments and viewscapes

Each section identifies proposed Rule 007 changes that are especially relevant to RMA members in the four priority areas, as well as recommended points of emphasis.

Municipal Role in Approval Processes and Project Alignment with Municipal Plans

While some changes within the Rule 007 Blackline align with RMA's previous advocacy related to the municipal role in the AUC approval process, project alignment with municipal statutory plans, and changes to the Participant Involvement Program (PIP), many of the changes do not fully address RMA's concerns. RMA recommends that members provide input calling for major changes to be made to the Participant Involvement Program (PIP) process and the Municipal Engagement Form to better recognize municipalities as unique stakeholders.

RMA Priority: Consistent and Sufficient Municipal Participation	Rule 007 Change and Page/Section	Analysis and Key Feedback
Rule 007 should include more fulsome and specific requirements for municipal participation in project approvals, including those related to the consultation required by the PIP and the creation of a separate section for municipal consultation to reaffirm municipalities' unique stakeholder status.	Sections WP19-WP20, SP17-SP18, TP17-TP18, OP17-OP18, HE15-HE16, TS26, ES30-ES31, and Appendix A1, Section 6.3 Before applications are filed, proponents are required to follow the Participant Involvement Program (PIP) guidelines and describe its notification and consultation program in its application. The PIP requires different levels of engagement with those impacted by the project (including municipalities) based on the type and scale of the project. While local authorities now receive the highest level of engagement (personal consultation) on more project types, there are many where proponents are not required to consult. Municipalities have received their own municipal engagement section within the PIP at section 6.3 of Appendix A1. However, this section is limited to the provision of the Municipal Engagement	Sections 6.3 and the others listed should be expanded to include details on what municipal consultation entails and should not be limited solely to a form that explains whether the proposed project aligns with municipal plans. The AUC should provide further guidance and structure to the municipal engagement process; asking, "did you consult with a municipality" is simply insufficient. The current PIP guidelines also continue to limit requirements for proponents to consult with municipalities in relation to smaller-scale projects (see Table A1-1 in Appendix A1). Proponents should be required to engage with municipalities for all AUC-regulated projects and the municipality should have the opportunity to proceed or decline consultation after reviewing project information.

Form to the municipality, and no more	
fulsome description or requirements	
regarding consultation have been added,	
including how the form interacts with the	
different types of engagement required by	
project type or scale.	

RMA Priority: Mitigate Adverse Impacts on Rule 007 Change and Section Analysis and Key Feedback Municipalities and Local Stakeholders No guidance is provided on what consultation Some projects will be on a larger scale or be more Sections WP40, SP41, TP37, OP38, HE33, high impact to municipalities. TS40, and ES46 should look like. Rule 007 continues to use terms like "meaningfully engage" and Proponents must summarize consultation The project engagement process for such "listening and responding to any objections" projects should include a role for both AUC and with local municipal jurisdictions and as opposed to placing actual accountability the proponent. Specifically, both entities should describe how they engaged with potentially on proponents to meet specific engagement engage directly with impacted communities and affected municipalities to modify the project requirements and processes. The expectation or mitigate any of its potential adverse stakeholders through a townhall meeting, to that proponents summarize engagement may ensure that all parties receive baseline effects to the municipality. also lead to perspectives or discussions being information about the project and engagement misinterpreted or intentionally process from the agency itself. misrepresented. This could greatly reduce the risk of actual or RMA recommends that the AUC provide perceived bias and mitigate potentially adverse more specific, measurable requirements and impacts on stakeholders early in the engagement additional guidance on how proponents process. It will also ensure that both the consult with municipalities, as simply proponent and the regulator have a baseline providing some documents and an understanding of general local concerns and engagement form is insufficient. This more reaction to the project, and that the AUC is no specific engagement requirement should be longer wholly reliant on the proponent to report developed collaboratively between the AUC on the notification and engagement process. and municipal stakeholders. RMA also recommends the engagement process include a requirement for the proponent and AUC to conduct townhall

meetings to ensure all parties receive baseline information to a standard set by the AUC.

RMA Priority: Confirmation of Municipal Non-Objection

Regardless of the type or scale of project, proponents should be required to both notify municipalities of their intended project and conduct personal consultation, including listening and responding to objections to the project and confirmation of non-objection from supportive stakeholders.

A special municipal confirmation of non-objection should be developed that includes municipal confirmation that the project aligns with existing land use plans and documents.

Rule 007 Change and Section

Sections WP41, SP40, TP36, OP37, HE32, ES45; Appendix A1, sections 6.1 and 6.3

In Rule 007, proponents are expected to conduct one-on-one consultation with local authorities in the method preferred by the stakeholder. However, it is unclear what is meant by "preferred" as other areas of Rule 007 place different expectations or restrictions on the type of notification/consultation required for different project types.

Questions raised during discussions about the project should alert the applicant to potential objections, and the applicant should attempt to address concerns raised about the project during consultation.

The municipal engagement form asks if the project aligns with local municipal plans and bylaws, but neither the form nor Rule 007 includes any confirmation of non-objection to be submitted by supportive stakeholders.

Analysis and Key Feedback

More clarity and guidance from the AUC is required on what consultation with municipalities and other stakeholders actually looks like. The language describing consultation in Rule 007 is vague, relying on terms such as "may consider," "goes beyond," and "it may be necessary." In other words, much of the guidance and requirements related to notification and consultation, including with municipalities, lacks specificity and provides the proponent significant flexibility to avoid certain "suggested" requirements with no consequences.

This lack of clarity is perhaps most impactful in s. 6.1 of Appendix A1. The amended version of Rule 007 adds local authorities to this section, which is a positive. However, the existing language of the section is highly unclear. For example, the section states that the proponent "is expected to conduct one-on-one consultation" with certain impacted entities, including local authorities. However, it is unclear what is meant by "is expected." Does that equate to a requirement? Does that mean that the proponent can choose not

to and it may or may not be considered by the AUC? Similarly, the term "one-on-one" is not defined in the Rule, and does not align with any other language used to describe consultation elsewhere in the document. It is also unclear whether this expectation applies to al projects, or only those requiring "personal consultation" as outlined in Table A1-1. This example demonstrates that while expanding some of the existing engagement requirements to include local authorities is a step in the right direction, it does not address the broader lack of clarity and inconsistency undermining the overall engagement process.

RMA suggests that members advocate for the creation of a special municipal confirmation of non-objection, which includes municipal confirmation that the project aligns with existing land use plans and documents, and that this alignment is based on discussion and common understanding from both the municipality and project proponent.

When stakeholders and municipalities do raise objections and the proponent fails to address them, an automatic hearing should be required.

RMA Priority: Communication and Consultation by the AUC	Rule 007 Change and Section	Analysis and Key Feedback
The AUC should have a direct and proactive responsibility to communicate directly with critical stakeholders. Leaving engagement completely up to proponents to manage and report on poses a risk of stakeholder concerns being misrepresented or under-reported by the proponent, and places the regulator in a position of reliance on the proponent's good faith when summarizing engagement and any concerns or objections shared by stakeholders.	Not present in Rule 007 The Rule does not impart any onus onto the AUC to play a direct or proactive role in communicating directly with critical stakeholders. The AUC considers a concern to be resolved when the stakeholder in question expresses that they are satisfied with a proposed solution. An acknowledgement of the concern by the applicant is not a resolution of the concern.	Engagement remains in the proponent's control and stakeholder concerns may be misrepresented or under-reported. If the AUC considers a concern to be resolved when the stakeholder is satisfied, and the AUC is still reliant on proponents to summarize the engagement they have done and share any concerns or objections raised by stakeholders, how is the AUC to understand when the stakeholders are satisfied if they don't play a role in the consultation? RMA suggests that as a start, the proponents gather confirmation of non-objection from municipalities, and the AUC should conduct personal consultation with municipalities and critical stakeholders separate from the proponent.

RMA Priority: Municipal Setbacks	Rule 007 Change and Section	Analysis and Key Feedback
The AUC should not implement province-wide setback rules, as municipalities determine setbacks in their planning documents and a duplicity of setback requirements invites confusion into the process. If the AUC does go ahead with determining provincewide setbacks, they should function as defaults that apply in the absence of local setback	Sections WP19, SP17, TP17, OP17, HE15, TS26, and ES30 Rule 007 does not implement provincewide setback rules. Instead, it provides that the proponent must confirm whether the proposed project area complies with municipal planning documents and bylaws,	Municipalities determine setbacks in their planning documents and bylaws, and the AUC determining their own setbacks invites confusion into the process. RMA is pleased to see that the AUC is not adding provincewide setbacks to Rule 007. Should the AUC ultimately go ahead with determining provincewide setbacks, they

requirements, and municipalities' own setback requirements should take precedence over AUC default setbacks.

including setbacks, and provide a justification for any non-compliance.

The Municipal Engagement Form asks the municipality whether the proposed project area complies with the local LUB, including any applicable setbacks.

should function as defaults that apply in the absence of local setback requirements, and municipalities' own setback requirements should take precedence over AUC default setbacks.

RMA Priority: Alignment with Municipal Planning Documents and Bylaws

The AUC process should require the project proponent to review municipal land use bylaws (LUBs), municipal development plans (MDPs), and intermunicipal development plans (IDPs) and confirm that projects are in alignment.

Non-alignment with municipal planning documents should trigger an automatic hearing to allow the AUC to review the planning documents and hear directly from the project proponent and municipality with their positions on how the project will impact land use in a nonconforming zone.

Rule 007 Change and Section

Sections WP19-WP20, SP17-SP18, TP17-TP18, OP17-OP18, HE15-HE16, TS26, ES30-ES31

Proponents must confirm whether the project area complies with applicable municipal planning documents such as MDPs, IDPs, ASPs, and bylaws (including setbacks).

Proponents must also identify where the proposed project area does not comply with municipal plans and justify any noncompliance.

No automatic hearing provisions are within Rule 007.

Analysis and Key Feedback

Proponents should be required to align their proposed projects with municipal plans and explain how the project <u>does</u> align with LUBs, MDPs and IDPs. Proponents should receive written confirmation of alignment or non-objection from the municipality during the initial project engagement and proposal development process.

RMA recognizes that projects will not always be aligned with municipal planning documents or bylaws. Those instances should trigger an automatic hearing before the AUC to allow the Commission to hear directly from the proponent and municipality on how the project will impact land use in a nonconforming zone. The current Rule 007 process requires proponents to report noncompliance to the AUC but provides no clarity as what impacts non-compliance will have on the approval process.

The AUC should not necessarily be bound by municipal plans but should justify why they

	would approve a project not in alignment and explain how they will work with the proponent and municipality to mitigate land use impacts. There is a precedent for this approach in the NRCB approval process for confined feeding operations.
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RMA Priorities: Engagement Form	Rule 007 Change and Section	Analysis and Key Feedback
More clear expectations for demonstrating compliance is required on the MDP, IDP, and LUB sections. Modifications should be made to make it clear if and how the proposed project aligns with municipal plans, such as asking clearly if and how the proposed project is aligned with each planning policy.	Section WP41, SP40, TP36, OP37, HE32, ES45, and 6.3 of Appendix A1 The version of the new municipal engagement form available at the time of this engagement simply asks whether the proposed project is aligned or in compliance with each of the municipal planning documents, and if not, to explain why.	In its current form, the Engagement Form simply asks the municipality to explain how a project is <u>not</u> aligned or in compliance, rather than demonstrating compliance. The engagement form should be modified so it is clear if and how the proposed project aligns with these various municipal plans, as demonstrating alignment is critical for building trust in the process.

RMA Priority: How the AUC Considers Municipal Planning Documents	Rule 007 Change and Section	Analysis and Key Feedback
Provide clarity on how the AUC will consider municipal planning documents such as MDPs, IDPs, or LUBs.	Not in Rule 007 Neither the updated form nor Rule 007 explains or clarifies how the AUC will consider municipal planning documents such as MDPs, IDPs, LUBs, or development permits.	Members should consider advocating for increased clarity, in the form of a second explanatory document, as to how the AUC will consider feedback from municipalities when deciding applications.

RMA Priority: Reference to Municipal ASPs and ACPs	Rule 007 Change and Section	Analysis and Key Feedback
Modifications should be made to the Municipal Engagement form to reference area structure plans (ASPs) and area concept plans (ACPs) and whether the project aligns with those plans as well.	Sections WP19, SP17, TP17, OP17, HE15, TS26, and ES30 The updated Municipal Engagement form does not include any reference to ASPs or ACPs. However, Rule 007 now requires proponents to confirm whether the proposed project area complies with municipal planning documents, including ASPs, and justify any instances where the proposed project area is not in compliance.	It is not clear what is meant by "justify", and there is a lack of clarity on how this information will be presented to municipalities given that the Municipal Engagement form does not reference ASPs or ACPs. The form must be modified to account for the requirements in Rule 007 around compliance with ASPs.

RMA Priority: Municipal Engagement Form Completion	Rule 007 Change and Section	Analysis and Key Feedback
RMA called for the proponent to be responsible for completing the form, such that they would be able to demonstrate how the proposed project aligns with local land use plans and bylaws as part of the approval process. This would have placed the work of determining the project's compliance with local land use bylaws upon the proponent, with sign-off or confirmation of support of the form's accuracy provided by the municipality.	Section 6.3 of Appendix A1 Rule 007 requires the proponent to provide affected municipalities with the form, provide 30 days for the municipality to complete the form, make attempts to follow up with the municipality if they do not complete the form, and document the proponent's attempts to contact the municipality. Further, 6.3 requires the proponent to explain to the municipality that they will be providing responses to the AUC on the same questions as part of their application.	Neither the form nor Rule 007 places an onus on the applicant or proponent to attempt to ensure their project is actually in alignment with the plans – only to explain why it is not in compliance. This downloads appropriate project planning and municipal consultation from the AUC onto the proponent, who then further downloads the burden of determining project alignment with statutory plans onto the municipality. It is also unclear as to why the proponent is not required to share their completed responses to the form with the municipality. To allow for transparency and accountability

at the local level, the municipality should receive the proponent's completed questions to determine whether their interpretation of alignment with local plans differs from the municipality's. Ideally, this should be addressed by requiring meaningful engagement between the proponent and municipality, but this is not a requirement for many project sizes and types.

RMA recommends members advocate for the AUC to play a stronger role in municipal consultations and provide additional guidance as to what consultation on compliance with municipal plans looks like.

RMA Priority: How Municipal Engagement Forms are Evaluated	Rule 007 Change and Section	Analysis and Key Feedback
RMA suggested that an accompanying document be created by the AUC to guide proponents and municipalities on the use of the Municipal Engagement Form and how it would be considered by the AUC when determining if a project is approved.	Not in Rule 007 There were no such accompanying documents created, and no further clarity provided by the AUC within Rule 007 as to how they would consider a municipality's feedback on their Engagement Form.	While the Municipal Engagement Form itself expressly states that "the applicant will also be responsible for submitting information on the items included in this form as part of its facility application", there is no detail on how the AUC will address disagreements between municipalities and proponents in the application and approval process. RMA suggests that detail be added to Rule 007 to address potential disagreements, and that the AUC create an accompanying document to guide proponents and municipalities on how Municipal Engagement forms will be utilized in the approval process.

RMA Priority: Specific Consultation Requirements	Rule 007 Change and Section	Analysis and Key Feedback
More specificity is required for the Municipal Engagement Form question, "was consultation conducted with the municipality?" as it was simply a checkbox and did not outline or specify a description of the actual consultation activities undertaken by the proponent. The form must include sufficient time, at least 30 days, for the municipality to review and sign off if they agree the project aligns with their planning policies.	Section WP41, SP40, TP36, OP37, HE32, ES45, and 6.3 of Appendix A1 Rule 007 requires that applicants must provide the Municipal Engagement Form to affected municipalities a minimum of 30 days before the application is filed. However, no changes were made to the consultation with municipalities portion of the form, and it remains a checkbox.	Adding the 30-day review requirement is in alignment with RMA's previous advocacy on providing sufficient time. However, verifying consultation with municipalities must be more than a simple checkbox and should be more specific. RMA recommends the AUC release some guidelines or standards on what proper municipal consultation requires.

Agricultural Land Impacts

The development of power plants on agricultural land is a growing concern for rural municipalities and the provincial government. While RMA supports efforts to protect Alberta's agricultural capacity, a nuanced, locally informed approach to balancing development opportunities with agricultural land protection is needed to ensure agricultural land is preserved without undermining municipal autonomy or responsible energy development. While the draft blackline of Rule 007 incorporates some of RMA's previous feedback in this area, there is still room for improvement in the process and for the rural municipal perspective to be considered.

RMA Priorities: No Blanket Restrictions	Rule 007 Change and Section	Analysis and Key Feedback
Alberta's agricultural land base and environmental conditions vary significantly across the province. Rural municipalities are best positioned to evaluate the local economic, environmental, and agricultural value of land,	Sections WP24-WP27 and SP22-SP25 Rule 007 does not impose a blanket ban on development on Class 1 or 2 lands. Instead,	Initially, the AUC proposed blanket restrictions on developments located on Class 1 or 2 soils.
and any provincial policy or AUC process should respect municipal land use authority and incorporate local knowledge and planning	it requires agricultural impact assessments (AIAs) for any project that includes Class 1 or 2 soils within its footprint, defined as "high	The changes to the Rule 007 blackline are in alignment with RMA's previous advocacy.
priorities.	quality agricultural land" under the EELUVAR Regulation.	However, Rule 007 does not require AIAs for thermal power plants or "other power
Applying a blanket restriction on developments based on soil classification risks the AUC and developers avoiding meaningful engagement	AlAs are also required for projects on Class 3 land if the project is located within a	plants" such as biomass or geothermal power plants. RMA suggests that for consistency's sake, all power plants intended to be sited on
with landowners regarding agricultural impacts.	municipality listed in Schedule 1 of EELUVAR ("Class 3 Municipalities"), which is a shift from the changes initially proposed in	high quality agricultural land should require AIAs.
A one-size-fits-all provincial restriction, such as a blanket ban on development on Class 1 and Class	previous engagements.	RMA also suggests that when deciding
2 soils under the Land Suitability Rating System		whether to approve a project (or not), the
(LSRS), fails to recognize these local variations and may disproportionately impact certain		AUC should be required to explain how they evaluated and considered proponents' AIAs
municipalities, either in terms of sterilizing any development opportunities or in over-developing		in making their decision to ensure project- level accountability is maintained for all types of facilities to support both agricultural

on locally-high quality agricultural land that may not meet the threshold for a blanket ban.	preservation and responsible energy development.

RMA Priorities: Broader Metrics to Determine Agricultural Value of Land	Rule 007 Change and Section	Analysis and Key Feedback
An approach relying solely on LSRS soil classification to determine agricultural value is overly simplistic and ignores locally significant factors such as historical and relative productivity, economic dependence on specific types of agriculture, and regional variation in land utility and importance. RMA recommended that the agricultural value of land slated for development be assessed on a case-by-case basis using a broader set of metrics that better reflect on-the-ground realities, such as: - The quality and classification of land (e.g., LSRS classes 1–3) selected for a project. - Whether high-value land use is necessary or if alternative locations have been explored. - The specific local importance and value of the land (e.g., historical production, regional reliance). - The long-term, holistic impacts on	Sections WP24-WP27 and SP22-SP25 The updates to Rule 007 require proponents to include the submission of the LSRS ranking for the project land, a discussion regarding irrigation, and the submission of an AIA for wind and solar projects. AIAs evaluate more than just the LSRS soil classification and now include both a soils component and a component describing the current and proposed agricultural activities on the land in question, including metrics such as a measure of productivity for the agricultural activities on the project lands, commentary on constraints to co-locating the current agricultural activities within the project	The changes in the draft blackline align Rule 007 with EELUVAR and the Interim Information Requirements released in December 2024. AlAs now require an evaluation of several factors, but are not required for any power plants or utilities projects aside from wind and solar. RMA suggests that members advocate for AlAs to apply to all power projects, not just wind and solar. The agricultural land use portions of Rule 007 and the components of the AlAs require much broader metrics than before, but do not outline if alternative locations have been explored or the specific local importance and value of the land. RMA suggests members advocate for these additions.
agricultural productivity, regional economic development, and food security.	lands, description of any project alterations, upgrades or specialized equipment necessary to maintain the current agricultural activities, description of how the performance of the	The added requirements regarding current and proposed agricultural activities, including co-location of current or proposed agricultural activities with the proposed project, are welcomed. However, there are

proposed agricultural activities will be reported and monitored over time, why current agricultural activities are not feasible, and a proposal for co-locating alternative agricultural activities with the proposed project.

no comparators for "alterations, upgrades, or specialized equipment" to be measured against. Is there a typical greenfield template against which these can be compared? The AUC should demonstrate a "typical" greenfield template for consistency across project applications.

RMA Priorities: Agrivoltaics	Rule 007 Change and Section	Analysis and Key Feedback
Agrivoltaics (dual-use agriculture and solar) should not be presumed feasible or beneficial without robust evidence. RMA supports further research and cautious regulatory development to ensure agrivoltaics truly support dual production goals. If agricultural use shifts as a result of the renewable development (e.g., from crops to livestock), equivalency standards should be developed to compare different production types; if agricultural use remains the same, minimum productivity thresholds post-development should be established to avoid	Rule 007 requires proponents to "comment" on constraints to co-locating agricultural activities within the project lands and describe how the performance of the co-located agricultural activities will be evaluated over the course of the project life and the potential for changes to the agricultural activities in the event of poor productivity performance.	The lack of equivalency standards and minimum productivity thresholds required by the Rule may lead to issues with productivity and a failure to achieve dual production goals. The AUC should include equivalency standards and minimum productivity thresholds within Rule 007 to avoid significant reductions in agricultural productivity.
significant reductions in output. RMA suggests that the AUC should set clear	Rule 007 also requires proponents to provide, amongst other requirements:	Further, there is no clarity on what "comment" actually entails.
standards regarding acceptable production loss and land use impacts.	 a proposal for co-locating alternative agriculture activities with the project, including specific details of the co-located alternative agricultural activities; 	 How in depth is this commentary to be? Does it require any consultation with municipalities or landowners?

produ co-loc - a com produ activit agricu percei produ - descri the co evalua projec chang	- How will disagreements be addressed? - How will disagreements be addressed?
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Reclamation Requirements

It is important to note that as the AUC is still waiting on clear policy direction from the Government of Alberta and relating to proponent reclamation requirements, this section of Rule 007 continues to be based on the interim information requirements. RMA expects it to be further updated by the AUC when more detailed direction is provided by the Government of Alberta. However, issues remain with Rule 007's current approach to reclamation security that may cause issues for rural municipalities in the future, and should not carry forward in the upcoming permanent requirements.

RMA Priorities: Provision of Reclamation Security	Rule 007 Changes and Section	Analysis and Key Feedback
A core aspect of public interest decision-making is proactively requiring companies that profit from Alberta's land or resources to be held accountable for managing the end-of-life obligations of their project. Previously, no reclamation requirements were in place, and it was up to the landowner to require reclamation security.	Sections WP29-WP30, SP28-SP29, TP27, OP27-OP28, HE22-HE23, and ES36 Rule 007 has added reclamation security requirements and requires proponents to describe reclamation security plans for the proposed power plant or facility.	RMA was pleased to see that Rule 007 now requires reclamation security for developments, as reclamation securities are essential to protect the public interest and ensure that industry is held accountable. However, Rule 007 leaves places the entirety of control and responsibility regarding reclamation requirements with the proponent, with unclear mechanisms as to how the AUC will evaluate whether the methodology used to determine reclamation requirements or costs has been determined.

RMA Priority: Reclamation Security Requirements	Rule 007 Changes and Section	Analysis and Key Feedback
Mandatory reclamation security requirements must be developed in a way that balances the need to avoid imposing barriers on renewable energy development with requiring project owners to present proof of security prior to the end of life of the project.	Sections WP30, SP29, TP27, OP28, HE23, and ES36 Proponents' are required to submit reclamation security plans that "should" include:	The current reclamation security requirements within Rule 007 are inadequate and skewed towards proponents. Similarly to the current system in which securities are negotiated privately between landowners and companies and are entirely

RMA's members have previously passed Resolution 9-22F: Renewable Energy Project Reclamation Requirements, which called on the Government of Alberta mandate the collection of <u>adequate</u> securities for future reclamation of renewable energy projects on private lands.

- A cost estimate prepared by a third party which describes the estimated costs of reclaiming the proposed project.
- Confirmation that the operator will have sufficient funds at the project end of life to meet its reclamation security plan.
- How the amount of the reclamation security will be calculated.
- The year of initial posting and when each subsequent amount will be added.
- The frequency with which the reclamation security estimate will be updated or re-assessed.
- What form the reclamation security will take (e.g., letter of credit, surety bond, other). Include an explanation of why the form of security was selected, having regard to its attributes and priority in bankruptcy, including how the secured party would be able to realize on the reclamation security should the project owner and operator be in default.
- The security beneficiaries to whom the reclamation security will be committed.
- When and how the beneficiary can access the security and any constraints on such access.
- The estimated salvage value of project components, including any supporting calculations and assumptions used to substantiate the salvage value.

reliant on the proponent's good faith, the AUC's approach to reclamation security under Rule 007 is equally reliant on the proponent's good faith to provide security adequate to cover their liabilities in a timely manner.

The Rule 007 requirements do not provide for any verification or modification by the AUC or GOA – only a review of the proponent's application. They also fail to provide any guidance to proponents or landowners on what amounts may be reasonable, what a baseline methodology might entail, or set any basic timelines whatsoever on providing security.

While requiring proponents to report on the security agreed upon to the AUC is a step in the right direction, Rule 007 only says that proponents' reclamation security plans "should" include specific criteria.

What if a reclamation security plan does not include one of the criteria? Will the application be deficient?

 The standard to which the project site will be reclaimed upon decommissioning. 	
decommissioning.	

RMA Priority: Adequate Amount of Security	Rule 007 Changes and Section	Analysis and Key Feedback
To serve the public interest, security amounts should be based on the full estimated cost of reclaiming the land to as close to its original state as possible. Due to the different risks and reclamation costs based on project size, soil type, vegetation impacts, etc., reclamation costs are likely required to be determined on a case-by-case basis. Exact methodology for determining how reclamation costs should be determined by the project owner and verified by the AUC or Government of Alberta.	Sections WP30, SP29, TP27, OP28, HE23, and ES36 Security amounts are based on a cost estimate prepared by a third party, and proponents. Proponents are to prepare the methodology for calculating the amount of reclamation security. Rule 007 does not provide for the AUC or GOA to verify the amount of security.	Rule 007 does not provide any baseline qualifications for the third parties who prepare the cost estimates, nor does it provide for the AUC or GOA's verification of the amount of security. The AUC should require a minimum or base security deposit (BSD) akin to those referenced in the AER's Specified Enactment Direction (SED) on the Rock-Hosted Mine Liability Process, which requires BSDs between \$7.5M and \$11.8M to be provided in addition to annual security deposits. Rule 007 should require a BSD in addition to project-specific modifiers to provide a degree of certainty to stakeholders that reclamation securities will serve the public interest. The AUC can determine the quantum of any BSDs imposed.

RMA Priority: Type of Security	Rule 007 Changes and Section	Analysis and Key Feedback
The Government of Alberta should manage the reclamation process due to their expertise and fiscal capacity, and that the type of security required for a project should be determined	Sections WP29-WP30, SP28-SP29, TP27, OP27-OP28, HE22-HE23, and ES36	Neither the GOA nor the AUC is involved in managing reclamation security, including the type of security required for power plants. The

based on which best meets the following criteria:

- The security ensures accountability for end of life without disincentivizing investment or preventing small or new companies from investing in projects.
- The security is easily transferable to ensure accountability remains with the project owner if the project is sold.
- The security ensures that adequate assets are available to the province to reclaim the land in the event the project owner becomes insolvent or is otherwise unable to meet reclamation requirements.

Rule 007 requires proponents to submit a reclamation security plan that includes a description of what form the reclamation security will take (e.g., letter of credit, surety bond, other), and an explanation of why the form of security was selected, having regard to its attributes and priority in bankruptcy, including how the secured party would be able to realize on the reclamation security should the project owner and operator be in default.

proponent determines the type of security they will provide.

It is unclear why the AUC has not limited proponents to specific types of securities that meet the criteria RMA has prioritized.

RMA suggests that members advocate for the AUC to specify the formats that security must be provided in. The <u>AER's Specified Enactment Direction (SED) on the Rock-Hosted Mine Liability Process</u> sets this precedent; under the SED, the AER requires either cash, a letter of credit, or a demand forfeiture surety bond.

RMA Priority: Reclamation Methodology	Rule 007 Changes and Section	Analysis and Key Feedback
The exact methodology for determining reclamation costs should be determined by the proponent, with the costs of doing so being absorbed into the overall project's cost. The proponent's methodology and results should be verified by the AUC or Government of Alberta during their review of the project application.	Sections WP29-WP30, SP28-SP29, TP27, OP27-OP28, HE22-HE23, and ES36 Rule 007 places the onus on the applicant to determine the methodology on calculating the amount of reclamation security.	Rule 007 does not provide for verification of the methodology by the AUC. RMA suggests members advocate for the AUC and/or the GOA to verify the proponent's methodology and results and establish specific requirements as to the appropriate methodology used. The regulatory authority could then be empowered to verify and if needed, modify the estimated costs based on their own methodology and analysis of the project proposal. RMA suggests that members advocate for a similar approach be taken by the AUC.

RMA Priority: Reclamation Security Timeline	Rule 007 Changes and Section	Analysis and Key Feedback
Rule 007 should clarify at what point in the project approval process proponents are required to provide verification that their reclamation security obligations have been met. Proponents should be required to verify adherence to reclamation securities as early in the approval process as possible to avoid creating unnecessary work for the AUC, rural municipalities, and other stakeholders.	Sections WP29-WP30, SP28-SP29, TP27, OP27-OP28, HE22-HE23, and ES36 Rule 007 places the onus on the applicant to determine the year of initial posting of security, when each amount will be added, and the frequency with which the security estimate will be updated or re-assessed.	Rule 007 must provide at least basic guidance to proponents on the timing of the provision of initial and subsequent reclamation security. This would provide certainty to stakeholders and applicants alike. Initial BSDs should be required to ensure that at least some reclamation security is available at the beginning of a project.

Visual Impact Assessments and Viewscapes

RMA's Priorities - Visual Impact Assessments

RMA appreciates the need to balance renewable development with impacts on viewscapes. Viewscapes can play an important role in supporting rural quality of life, a community's identity, and tourism opportunities. RMA's approach to viewscape regulation is that blanket bans should be avoided and viewscape impacts should be considered on a case-by-case basis.

RMA Priority: Avoidance of Blanket Bans due to Viewscape Impacts	Rule 007 Change and Section	Analysis and Key Feedback
The AUC's project approval process should require project proponents and the AUC to consider impacts on viewscapes within a public interest evaluation of a project, and weigh those impacts based on local context rather than a provincewide definition or threshold. The AUC should not impose blanket bans on development within certain areas of the province; rather, RMA supports the use of VIAs as a regulatory tool that allow for site specific considerations to be considered.	Regarding wind power developments, viewscapes, and VIAs, Rule 007 provides that "the [AUC] shall not accept any applications for the construction or operation of a wind power plant in a buffer zone as defined in Schedule 2 of the EELUVAR." However, the development of wind, solar and other power projects within the VIA zones in Schedule 3 of EELUVAR is permitted	Rule 007 does not clarify how the AUC will evaluate or utilize VIAs, nor does it outline the procedures in place for the AUC's approval or denial of the project based on the VIA. The blanket ban on wind developments in Schedule 2 lands does not align with RMA's previous advocacy on the topic and impacts rural municipal autonomy and economic development. If VIAs adequately capture the viewscape impacts of a project and support informed AUC decision-making, it is unclear why a blanket ban is necessary.

RMA Priority: Visual Impact Assessment (VIA) Methodology	Rule 007 Change and Section	Analysis and Key feedback
The VIA methodology must balance the economic impact of blocking development in a significant portion of a municipality against the loss of a pristine viewscape. Municipalities	Sections WP28, SP26, TP26, OP26, and HE21 Rule 007 requires VIAs to include: - An evaluation of the anticipated visual	Although the outlined Rule 007 provisions allow for greater flexibility regarding proposed projects, the VIA process in the Rule 007 Blackline fails to consider the socio-economic
should be involved in the discussion about how	impacts on the buffer zone or VIA zone.	implications of blocking developments in a

a renewable energy project aligns with local land use plans and contributes to economic development within the affected rural municipality.

While the importance or quality of a viewscape should be determined locally on a project-by-project basis and through input from impacted landowners, municipalities, and other stakeholders, other factors could include the importance of the viewscape to the local or regional tourist economy, the uniqueness of the viewscape on a local, regional, and provincewide basis, the number of property owners that would have their viewscape obstructed, and whether other existing projects or developments of any type already exist that impact the viewscape.

- Visual simulations from key vantage points illustrating the potential visual impact of the project.
- Key vantage points should include locations with valued viewscapes determined to have a major or major/moderate severity of impact ranking in the visual impact assessment. If desired, visualizations may also be provided for other viewpoints in the project area so that a range of views at different distances and in different landscapes may be presented. Some of these additional visualizations can include viewpoints from nearby residences.
- Visualizations must include an accurate representation of the viewscape a) before project construction has commenced, b) after project construction has been completed, but without any mitigation measures implemented, and c) after project construction has been completed, and any proposed mitigation measures have been implemented.
- Visualizations should include an explanation of how they were prepared, how they are to be viewed, and what was done to ensure they were prepared accurately. A map must be provided that shows the location and direction of each visualization.
- Proposed mitigation measures to minimize or offset any adverse visual effects on the buffer zone or visual impact assessment zone.
- A description of the mitigation measures that will be implemented, including their

significant portion of a municipality and does not balance this against the loss of a pristine viewscape.

The viewscape analysis also fails to include any reference to municipalities or other stakeholders, who are not involved in the discussion about how a project aligns with planning and contributes to economic development despite impacts to viewscapes.

location, predicted effectiveness during the project's full life cycle and whether the mitigation measures have been discussed with adjacent landowners. If vegetation screening is planned, confirm that it has also been discussed with local authorities.	
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Other Questions and Concerns

In addition to the municipal role in the approval process, alignment with municipal plans, impacts on agricultural land use, reclamation and securities, and visual impact assessments, RMA has identified other key areas of concern and suggests that members strongly consider the following priorities and issues in their feedback to the AUC.

RMA Priority: Environmental Information Rule 007 Change and Section Analysis and Key Feedback While wind and solar developments provide Sections WP21, SP19, TP23, OP23, HE18, TS27, While the proponent must prepare and submit environmental plans and evaluations, Rule 007 property tax revenue and rural employment ES33, GU26 opportunities, they also cause local challenges is silent on how these plans will be validated or When projects do not require federal impact related to land use planning, infrastructure monitored following implementation. On this assessments or provincial environmental impact strain, environmental risks, sterilization of point, RMA has questions, such as: assessment reports, Rule 007 requires the agricultural land, reclamation, and others. proponent to submit an environmental Are municipalities and/or other interested While nearly any development will include evaluation of the project. parties given a chance to review and benefits and challenges, the AUC's approval comment on proponents' stand-alone, In addition to several other requirements, process for renewable energy projects did not project-specific environmental protection environmental evaluations must: adequately consider municipal plans and plans? Describe any potential adverse effects of How are the proposed mitigation measures perspectives, which resulted in projects being approved without the application of a municipal the project on the ecosystem components validated and monitored for ongoing during the life of the project; compliance? lens. Describe the mitigation measures the Are the proposed mitigation approaches applicant proposes to implement during the binding upon the proponent? life of the project to reduce these potential What if the proponent fails to take adverse effects; and mitigation efforts, or if their mitigation Submit a stand-alone, project-specific efforts fail? environmental protection plan (or management plan) that itemizes and summarizes all of the mitigation measures and monitoring activities that the applicant is committed to implementing during construction and operation to minimize any adverse effects of the project on the environment.

RMA Priority: Mitigation of Environmental Impacts	Rule 007 Change and Section	Analysis and Key Feedback
Regarding impacts to the environment, proponents should describe any adverse effects of the project on the ecosystem, the mitigation measures they propose to implement during the life of the project to reduce the potential adverse effects of the development.	Sections WP21, SP19, TP23, OP23, HE18, TS27, ES33, and GU26 The Rule requires proponents to "describe" any potential adverse effects of the project on the ecosystem components during the life of the project, as well as describe the mitigation measures they propose to implement during the life of the project to reduce the potential adverse effects of the development.	How are these proposed mitigation measures validated and monitored? Are the applicant's proposed measures considered to be binding? What if the mitigation measures are not undertaken or fail to work as intended? What recourse would a municipality have? Are they even required to be consulted on environmental impacts?

RMA Priority: Municipal Feedback on Non- Compliant Proposals	Rule 007 Change and Section	Analysis and Key Feedback
In the case of disagreement between the municipality and the proponent on whether a project is in alignment, the AUC should consider the municipal perspective to have priority, as they are the owner of the planning policies. This could be achieved by creating an additional voluntary form for municipalities to complete if they disagree that the proposed project aligns with their planning policies. This would allow municipalities to demonstrate their concerns.	Sections WP19, SP17, TP17, OP17, HE15, TS26, ES30 Rule 007 provides that the proponent must confirm whether the proposed project area complies with municipal planning documents, and then for any instances where the proposed project area does not comply with applicable municipal planning documents, the proponent must identify those areas and justify the noncompliance.	Municipalities should have an opportunity, later in the application process, to provide their own input on non-complying proposals as well as view and respond to any justifications offered by the applicant. Members should consider advocating for disclosure of the applicant's justification for non-compliance and for municipalities to be able to respond to those justifications. While this may form part of the hearing process, Rule 007 is silent on municipalities' responses to applicants' justifications.

RMA Priority: Emergency Response Plans	Rule 007 Change and Section	Analysis and Key Feedback
RMA did not previously advocate for changes to Rule 007 around applicants' emergency response plans.	Sections WP14, SP13, TP16, OP16, HE14, and ES20 Rule 007 requires proponents to confirm that local responders and authorities have been notified and given an opportunity to provide feedback regarding the project's emergency response plan, to describe any requirements or feedback received, and describe how the applicant intends to address the requirements and feedback received.	The changes to Rule 007 around emergency response plans now include the opportunity for local responders and authorities to provide feedback about proponents' emergency response plans. RMA appreciates the opportunity to give feedback. However, the relevant sections in Rule 007 are fairly open-ended and do not provide sufficient detail regarding risks to municipalities or infrastructure, costs of responding to emergencies, and impacts on local authorities or responders' capacity. As drafted, these sections of Rule 007 appear to place the onus on the municipality and emergency responders to identify risks. RMA suggests members advocate for more specificity regarding the feedback on proponents' emergency response plans and require the proponent to identify major risks facing the municipality.