

Foothills Solar Project

COMMUNITY NEWSLETTER #2

May 2022



Elemental Energy is developing the 150 megawatt (MW) Foothills Solar Project (the Project) in your area. We are committed to engaging landowners, public stakeholders and members of the local community and we look forward to discussing the Project with you. We are writing to you today to provide an update on the Project.

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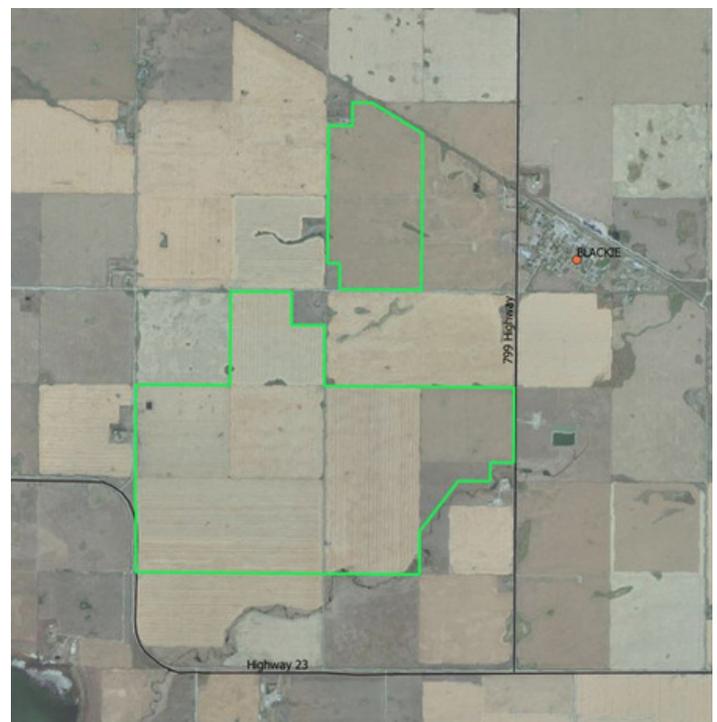
- **Updated Site Plan**
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Project Update

Since our November 2021 newsletter and December community open house, we have been engaging with various stakeholders to gain feedback on the proposed Project. As a result of the feedback received, we have moved the substation, and added vegetation screening in visually sensitive locations. See the enclosed updated site plan for details. The Noise Impact Assessment (NIA) has been updated to reflect the new site plan, and confirms compliance with AUC Rule 012: Noise Control. Other questions raised during the engagement to date include land use, environmental impacts, employment and contracting opportunities and construction. These topics are discussed in more detail throughout this newsletter.

Project Overview

The proposed Project includes approximately 1,500 acres of privately-owned land southwest of the Hamlet of Blackie, as shown on the map below. The Project is located on cultivated land and will generate up to 150 MW of electricity for the Alberta power grid. Based on the preliminary design, the Project includes approximately 445,000 PV modules installed on a single-axis tracking system, 54 inverter/transformer stations, an electrical collection system, internal access roads and the construction of a Project Substation to connect to the Alberta Interconnected Electric System (AIES).



Employment and Economic Opportunities

Elemental heard from several stakeholders seeking skills and employment opportunities, and heard from residents and business owners interested in providing contracting services to the Project. Elemental intends to hold a job fair closer to construction in order to increase participation of local labour. If you or someone you know is interested in participating in the construction of the Project, we encourage you to reach out to us and provide information on the products or services you provide. Elemental will maintain a list of community members interested in employment and contracting opportunities.

Visual Impacts

Visual impacts have been raised as a concern by several stakeholders. Elemental has been working with neighbors to develop solutions to mitigate visual impacts where possible. Elemental has committed to planting vegetation screening in visually sensitive locations. See the attached site plan for details.

Siting and Land Use

Solar projects have specific siting constraints and they are ideally sited at locations near existing electricity grid infrastructure. The Wildlife Directive for Alberta Solar Energy Project recommends avoidance of native grasslands and tends to favour renewable energy development on agricultural land. Where possible, renewable energy projects can co-exist with agricultural uses, such as grazing sheep on the Project site.



Environment

Elemental continues to progress environmental studies and reporting to support the Project's regulatory applications. Comprehensive environmental field studies including wildlife, vegetation, wetlands delineation and habitat mapping have been completed for the Project. The data was submitted to Alberta Environment and Parks (AEP) in late 2021, and is currently under review. AEP will issue a Renewable Energy Wildlife Referral Report following their review. The report will be posted on the Project website and available to the public.

Construction Access and Dust

Elemental intends to enter into a dust abatement agreement with Foothills County during Project construction to ensure that dust is controlled on County roads used for construction access. Within the Project site, dust will be minimized by reducing grading and using water trucks on site. Elemental is also evaluating planting a perennial grass seed in the fall for construction dust mitigation. Construction access will be determined in consultation with Foothills County, with the goal of limiting disruption to community traffic flow while maintaining safety.

Community Benefit Fund

Elemental received lots of feedback, recommendations, and questions about the Projects proposed community benefit fund. As such, Elemental is pleased to provide preliminary details for the Foothills Solar Community Benefit Fund (CBF). Giving back to the community is important to Elemental, and it is recognized that to do so adequately, input from surrounding residents is necessary. The following is a proposed structure that has been established in consultation with local organizations, and subject to change based on additional community feedback.

Fund Structure

Community Benefit Fund

\$35,000 per year

Purpose: To support events, projects, or initiatives related to the promotion of:

- Social and Community Appreciation
- Environmental Awareness & Enhancement
- Arts & Culture, Education & Science
- Emergency Relief
- Other Community Needs

Scholarship Fund

\$10,000 per year

2 x \$5,000 scholarships for students who attended Blackie School, and are attending post secondary education in a branch of STEM studies, or an electrical or mechanical trade.

Fee Assistance Program

\$5,000 per year

Purpose: To aid local residents experiencing financial hardship in gaining access to arts, culture, wellness, and recreation activities including, but not limited to:

- Drop-in Activities or Programs
- Dance Lessons
- Registration for sports
- Kids Camps
- Other

Potential Committee Members

There will be a committee assembled to act as the governing body of the CBF. Based on community feedback, potential CBF committee members may include a representative from the following organizations:



Blackie Agricultural Society



Blackie Lions Club



Blackie School



Foothills County



Elemental Energy

We want your opinion! A reminder that this is not the final structure of the Community Benefit Fund. Please reach out to express any questions, concerns, or feedback:

Email: sbrown@sabreenergyconsulting.com

Phone: (587) 434-7547

Updated Project Schedule

The below schedule is subject to change and we will continue to keep stakeholders informed of our progress.



Public Consultation – Ongoing

Initial Newsletter - November 2021

Public Open House – December 2021

AUC Application – June 2022

Municipal Development Permit Application – Fall 2022

Start Construction – Early 2023

Commercial Operations – Late 2023



Who is the Alberta Utilities Commission?

The Alberta Utilities Commission (AUC) is a quasi judicial independent agency established by the Government of Alberta, responsible to ensure that the delivery of Alberta's utility service takes place in a manner that is fair, responsible and in the public interest.

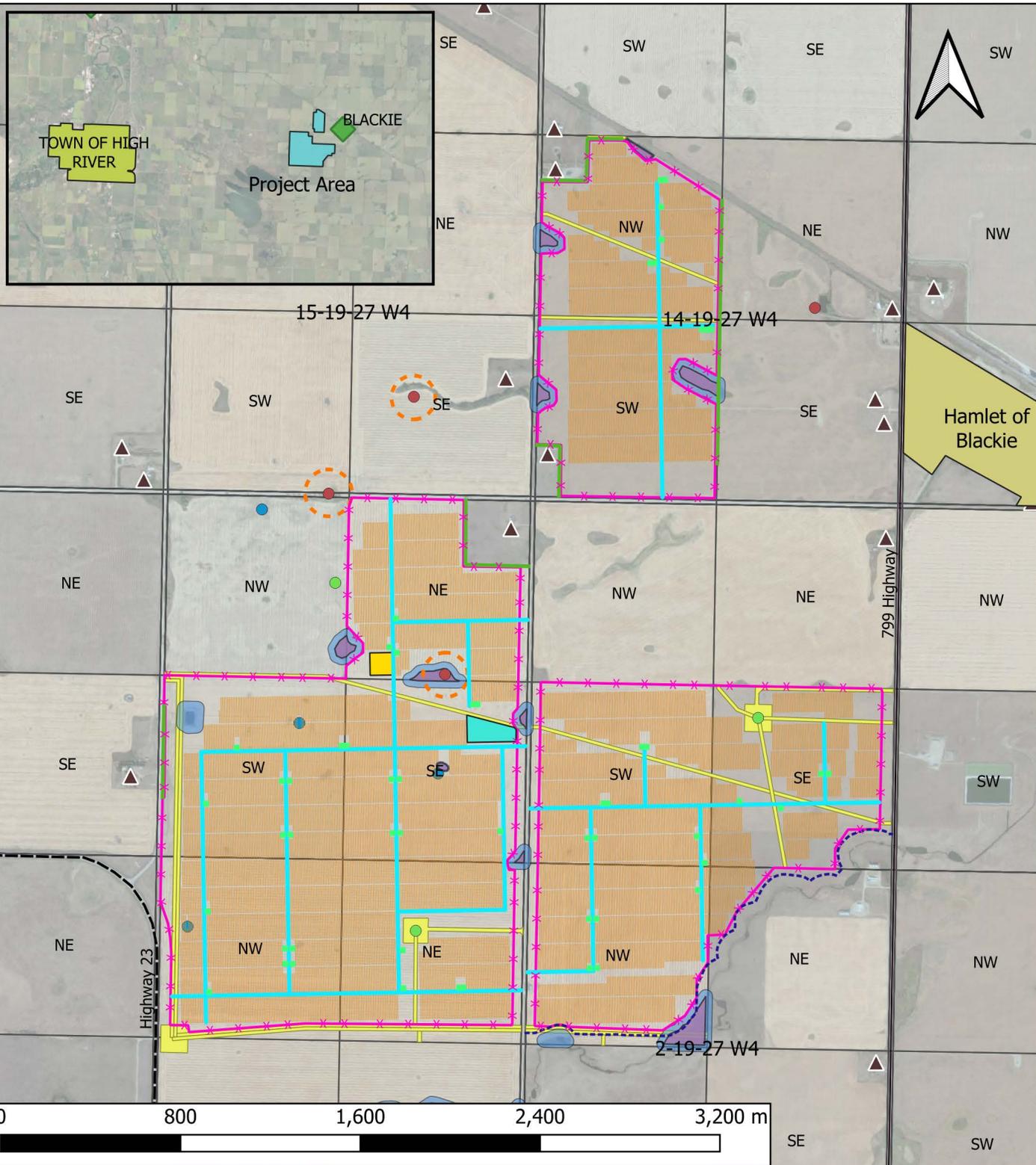
They regulate investor owned natural gas, electric and water utilities, and certain municipally-owned electric utilities to protect social, economic and environmental interests of Alberta where competitive market forces do not. For more information visit www.auc.ab.ca or refer to the enclosed brochure.



Contact Us:

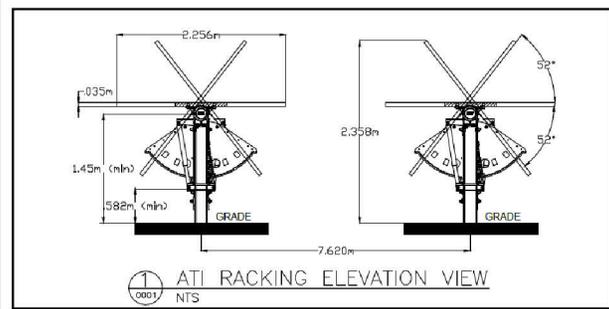
If you have any questions about the Project, or to arrange a personal consultation, please contact:

Samantha Brown, SABR Energy Consulting Inc.
(587) 434-7547 | sbrown@sabreenergyconsulting.com



Legend:

-  Project Fence Line
 -  Vegetation Screening
 -  Inverter-Transformer Station
 -  Site Roads
 -  Permanent Laydown Area
 -  Substation
 -  PV Modules
- Wetlands, Waterbodies & Constraints**
-  Nests
 -  Nest Setbacks
 -  Seasonal Watercourse Setback (45m)
 -  Wetlands to Avoid
 -  Wetland Setback (30m)
 -  Active Well
 -  Reclaimed Well
 -  Oil & Gas Infrastructure
 -  Roads
 -  Residences



Foothills Solar Layout

Foothills County
Alberta, Canada

Date: May 20, 2022



Step 5: Consultation and negotiation (if applicable)*

The Commission supports ongoing efforts to reach an agreeable outcome for the applicant and all affected parties. The Commission encourages the applicant and those who have filed a statement to continue to attempt to resolve any outstanding issues. If all concerns can be satisfactorily resolved this may eliminate the need for a formal hearing. However, if there continues to be unresolved issues, those matters will typically be addressed at an AUC hearing.

Step 6: The public hearing process*

The AUC will issue a notice of hearing if there continues to be legitimate unresolved concerns with the application. The notice of hearing will provide a hearing date and location in addition to a process schedule. The AUC conducts public hearings in its Edmonton and Calgary hearing rooms and, where suitable venues exist, in communities closer to the proposed project area.

The public hearing process allows persons with standing that have unresolved concerns about the application, to express their views directly to a panel of Commission members.

An AUC hearing is a formal, evidence-based, court-like proceeding. The public can attend the hearing in person or listen to hearings online through the AUC's website.

Participants in a hearing can either represent themselves or be represented by a lawyer. In addition, participants may hire experts to assist in preparing and presenting evidence to support their position.

Cost assistance

A person determined by the Commission to be a local intervener can apply for reimbursement of reasonable costs. Those who hire a lawyer or technical experts must be aware that while reimbursement for the costs of legal and technical assistance is available under AUC Rule 009: *Local Intervener Funding*, recovery of costs is subject to the Commission assessing the value of the

contribution provided by the lawyer and technical experts. People with similar interests and positions are expected to work together to ensure that expenditures for legal or technical assistance are minimized and costs are not duplicated.

Step 7: The decision

The AUC's goal is to issue its written application decision no more than 90 days after the hearing is complete. The Commission can approve, or deny an application and can also make its approval conditional upon terms or conditions. All AUC decision reports are available to any member of the public on the AUC's website or by obtaining a printed copy from the AUC.

Step 8: Opportunity to appeal

An applicant or dissatisfied participant may formally ask the Court of Appeal of Alberta for permission to appeal a Commission decision. An application for permission to appeal must be filed within 30 days from the date the decision is issued.

An applicant or dissatisfied participant can also ask the Commission to review its decision. An application to review a Commission decision must be filed within 60 days from the date the decision is issued and satisfy the limited grounds described in AUC Rule 016: *Review and Variance of Commission Decisions*.

Step 9: Construction, operation and compliance

An applicant that receives approval to build and operate a facility from the Commission must adhere to any conditions that were set out in that approval. If concerns about compliance with approval conditions and post-construction operations cannot be resolved with the applicant, they can be brought to the AUC's attention for consideration. The AUC has significant compliance and enforcement powers for all approved applications. Additional information is available on the AUC website under "Compliance and enforcement."

*Opportunity for public involvement

The Alberta Utilities Commission is an independent, quasi-judicial agency of the Government of Alberta that ensures the delivery of Alberta's utility services take place in a manner that is fair, responsible and in the public interest.

Contact us

Phone: 310-4AUC (310-4282 in Alberta)
1-833-511-4AUC (1-833-511-4282 outside Alberta)
Email: info@auc.ab.ca

Eau Claire Tower 106 Street Building
1400, 600 Third Avenue S.W. 10th Floor, 10055 106 Street
Calgary, Alberta T2P 0G5 Edmonton, Alberta T5J 2Y2

The Alberta Utilities Commission is committed to ensuring that Albertans whose rights may be directly and adversely affected by a utility development project are informed of the application and have the opportunity to have their concerns heard, understood and considered.



**Participating
in the AUC's
independent
review process**

Application review process

Step 1: Public consultation prior to application by proponent

Step 2: Application filed with the AUC

Step 3: Public notice issued by the AUC

Step 4: Public submissions to the AUC

Step 5: Consultation and negotiation

Step 6: The public hearing process

Step 7: The decision

Step 8: Opportunity to appeal

Step 9: Construction, operation and compliance

www.auc.ab.ca

The AUC's regulatory role in needs and facility applications and its independent review and hearing process:

The AUC uses an established process, outlined in this brochure, to review social, economic and environmental impacts of facility projects to decide if approval is in the public interest. Approvals from the AUC are required for the construction, operation, alteration and decommissioning of transmission lines and electric substations.

Approvals are required for:

- The need for transmission upgrades.
- The route and location of transmission facilities.
- The siting of power plants, including renewables such as wind and solar more than five megawatts.

Sometimes a needs application is considered together with a facility application in a single hearing; sometimes separate hearings may be held to consider each application.

Step 1: Public consultation prior to application*

Prior to filing an application with the AUC for the approval of a proposed utility development, the applicant must engage in a public consultation program in the area of the proposed project, so that concerns may be raised, addressed and, if possible, resolved.

The application guidelines and requirements for facility applications can be found in AUC Rule 007: *Applications for Power Plants, Substations, Transmission Lines, Industrial System Designations and Hydro Developments*, and AUC Rule 020: *Rules Respecting Gas Utility Pipelines*.

Potentially affected parties are strongly encouraged to participate in the initial public consultation, as early involvement in discussions with an applicant may lead to greater influence on project planning and what is submitted to the AUC for approval.

The Alberta Electric System Operator, as the system planner, will notify potentially affected stakeholders of applications on the need for transmission development.

Step 2: Application filed with the AUC

When the participant involvement requirements have been completed, the applicant files its application with the AUC through a public filing system, called the eFiling System, on the AUC website.

The application is then reviewed to ensure the information required by the Commission is included. If the required information is not provided, the AUC may close the application or request more

information from the applicant. In the application, any issues that were raised during the public consultation and any related amendments to the proposal should be identified. All unresolved objections or concerns identified during the public consultation must be described in the application.

Step 3: Public notice

The AUC generally issues a notice by mail directly to those who live, operate a business or occupy land in the project area who may be affected by the Commission's decision on the proposed project. The notice for larger facility projects with potentially greater impacts may also be published in local newspapers.

The notice will specify a submission deadline. The information required by this deadline is general in nature as outlined in Step 4. Additional opportunities to provide evidence and additional information will arise after this deadline.

Step 4: Public submissions to the AUC*

The AUC review process is referred to as a proceeding. Anyone with unresolved objections or concerns about the application can file a brief written statement with the AUC on the proceeding. The easiest way to file a statement is to fill out the form through the eFiling System found on the AUC website. The statement must include your contact information, where you reside or own property in relation to the proposed facility, your concern or interest in the application, an explanation of your position and what you feel the AUC should decide.

The AUC uses the information it gathers through the forms to decide whether to hold a hearing on the application(s). The Commission must hold a hearing if a person can demonstrate that he or she has rights that may be directly or adversely affected by the Commission's decision on the application. Such a person is said to have standing before the Commission. If the AUC decides to hold a hearing, the AUC will provide further opportunities for participants with standing to understand the application and present their position on the application either in writing or in person.

Subject to some limited exceptions, all information and materials provided as part of an AUC proceeding will become part of the public record and will be available through the eFiling System. The AUC's treatment of some types of information as confidential is rare and only available under limited circumstances to ensure that the AUC's process is open and transparent.

AUC eFiling System

The eFiling System is the tool that the AUC uses to manage applications and submissions in its proceeding-based review. The eFiling System gives access to all public documents associated with an application and is how to provide your input to the AUC and monitor the related proceeding filings. Those who do not have access to the internet can send submissions, evidence and other material by mail and the AUC will upload the submission on their behalf.

***Opportunity for public involvement**