AUC
Alberta Utilities Commission

March 27, 2026

Scott Bennett
Chief Executive Officer
Alberta Digital Energy 1 ULC
200, 1517 West Main Street
Boise, Washington 83702
USA

Dear Scott Bennett:

Alberta Digital Energy 1 ULC
Northern Forge Power Plant
Proceeding 30634
Application 30634-A001

Application containing major deficiencies

1. On February 20, 2026, Alberta Digital Energy 1 ULC (AD1) filed a checklist application for approval to construct and operate the Northern Forge Power Plant. The Alberta Utilities Commission is closing the application because it contains major deficiencies and does not qualify as a checklist application. Specifically, the total capability at the site will be greater than 10 megawatts (MW) and the project has potential for adverse effects on the environment. AD1 may reapply by submitting a power plant application that contains all the information required by Rule 007: *Facility Applications* and Rule 012: *Noise Control*.

2. Section 4.2 of Rule 007 states:

> An applicant must file a checklist application using the checklist form if the power plant:
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> - Is or will be located at a site that will have a total capability of one MW or greater and less than 10 MW, regardless of whether the energy generated is solely for its own use or for export to the Alberta Interconnected Electric System;
> - Does not directly and adversely affect any person;
> - Has no adverse effect on the environment; and
> - Complies with Rule 012: *Noise Control.*

3. As stated in Section 17 of Rule 001: *Rules of Practice*:

> 17.1 The Commission may, at any time during a proceeding,
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> a) place an application into abeyance and suspend the proceeding; or
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> b) in the case where the Commission determines that it cannot continue to process an application, dismiss the application with an explanation of the dismissal and close the proceeding.

4. First, AD1 submitted that the power plant will consist of one 9.8-MW natural gas generator and one 350-kilowatt backup diesel generator. Rule 007 allows checklist applications for power plants with a total capability[1] that is greater than 1 MW and less than 10 MW. The total capability of the power plant in this application exceeds 10 MW and therefore, as applied for, does not qualify for a checklist application.

5. Second, AD1 confirmed in the checklist form that there will be no adverse effect on the environment as a result of the project. However, AD1 is proposing to remove 3.28 hectares of forested Crown land. AD1 indicated that a pre-disturbance site assessment was completed, but it is unclear from the checklist application if this was completed by a qualified professional. Based on the project area, there is potential for adverse environmental effects which could require mitigation or regulatory adherence. As the project has potential for adverse environmental effects, it does not qualify for a checklist application.

6. The Commission also notes that, at the time the application was submitted, AD1 confirmed in the checklist form that no person is directly and adversely affected and that there are no outstanding objections. The Commission subsequently received a letter from Sturgeon Lake Cree Nation requesting to file a statement of intent to participate in the proceeding. The letter stated that Sturgeon Lake Cree Nation is directly and adversely affected by the project and that they are reviewing the application to determine whether they would file a statement of intent to participate in the proceeding.

7. Following the letter from Sturgeon Lake Cree Nation, AD1 filed documentation from its participant involvement program (PIP), which included a summary of consultation with Sturgeon Lake Cree Nation from December 2025 to February 2026. This includes discussion of Sturgeon Lake Cree Nation's concerns with the project. Consultation summaries for the other eight Indigenous groups, and other parties, that were included in the PIP were not provided.

8. Sturgeon Lake Cree Nation subsequently withdrew its request to file a statement of intent to participate. However, the apparent inconsistency in AD1 confirming that there was no directly and adversely affected party in its checklist application, and the information provided in the Sturgeon Lake Cree Nation consultation summary, calls into question whether there are other potentially directly and adversely affected parties that may have outstanding concerns with the project.

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[1] In Rule 007, total capability is defined as the cumulative capability of all generating units at a site.

9. The Commission would need to issue a significant volume of information requests to AD1 to get a complete Rule 007 application that may be processed and decided. The Commission expects that application materials, when filed, will be clear and consistent, and that the applicant will identify how it has met the requirements in Rule 007 and explain any exceptions for the Commission's consideration.

10. Given the number of deficiencies, proceeding with the current application would not be efficient for either the Commission or AD1. The Commission is of the view that it would be more efficient to review the application within a new proceeding with the most up-to-date information which addresses the deficiencies noted, once AD1 is prepared to proceed with the project. Accordingly, the Commission has closed the application.

11. AD1 may reapply to the Commission with a new, full power plant application that satisfies the information requirements under Rule 007.

12. Should you have any questions, please contact Mustakimul Hoque at 403-592-4509 or by email at mustakimul.hoque@auc.ab.ca.

Yours truly,

Dennis Frehlich
Acting Commission Member