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Alberta Utilities Commission
1400, 600 3 Avenue SW
Calgary, AB T2P 0G5

Attention: Laura Frank
Re: Draft Blackline Version of Rule 007

Dear Ms. Frank:

TransAlta Corporation (TransAlta) submits this written feedback on the AUC's draft blackline of *Rule 007: Applications for Power Plants, Substations, Transmission Lines, Industrial System Designations, Hydro Development and Gas Utility Pipelines* (Rule 007). TransAlta's comments focus on time extension applications for power plants contained in section 5 and 5.1 of the draft blackline of Rule 007.

The AUC's proposal would limit power plant approvals to five years from the power plant's initial approval date after which it would require the applicant to file a new power plant application. This timeline is simply too short a development timeline given the long lead times we are seeing in supply chains, especially for key equipment including turbines, transformers, and breakers. Procurement lead times for several of these items extend to 2030 deliveries, even assuming all engineering and design work is completed as of today's date.

Our concerns are significantly heightened in today's regulatory environment in Alberta where the energy market will be transitioned to a Restructured Energy Market over the 2027-2029 timeframe as well as the AESO engaging in the most significant changes to the transmission framework in over two decades. Compounding with these concerns, global trade impacts over tariff and international trade add considerable uncertainty and risk.

For existing approved projects, these uncertainties create strong conditions for delays that will well exceed the initial period to construct. Moreover, the prospect of a revocation of an approval beyond this period exacerbates the uncertainty for a project as the project proponent would have to file for a new power plant approval and undergo another regulatory approval process that adds substantial additional delay, cost and regulatory burden for the project proponent.



While we acknowledge that the AUC does permit short duration time extensions, the AUC is only willing to consider short extensions for limited and exceptional circumstances. These extensions rely on the discretion of the AUC and do not provide sufficient relief to project proponents that they can avoid the obligation to apply anew for its power plant approval.

TransAlta respectfully requests that the AUC remove the initial period to construct proposal at this time, and allow the proponent to identify an initial period to construct as part of its application materials. Alternatively, the AUC should consider delaying its implementation until 2030. As noted above, we are in a period of significant uncertainty for at least the next 4-5 years. However, TransAlta would encourage the AUC to revisit implementing this change after this period.

Yours truly,

TRANSALTA CORPORATION

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