

Date: September 14th, 2026

Applicant's company name: Armada Nowlit Energy Ltd.

Project description

Thermal power plant requirement (TP1)

State the approvals that are being applied for from the AUC and describe the power plant and collector system including:

- Number of generating units and their make, model and the nominal capability of each generating unit in megawatts (MW).
- The total capability of the power plant in MW.
- The anticipated make and model of each generating unit.

Armada Nowlit Energy Ltd. (ANE) hereby applies to the Alberta Utilities Commission (AUC) for approval to construct and operate a thermal power plant, known as the Hoole Natural Gas Power Generation Facility, pursuant to Section 11 of the *Hydro and Electric Energy Act*. The power plant will comprise nine (9) natural gas-fired engine generators, specifically MWM TCG 3020 units, each with a nominal capacity of 2.2 MW. The plant will be developed in two phases: Phase 1 will install four (4) units (8.8 MW), and Phase 2 will add the remaining five (5) units of the same make and model to reach the full build-out.

The total capability of the power plant is 19.8 MW. The facility will be located entirely on provincial Crown land and will operate off grid, behind the fence. All electricity generated will be consumed directly on-site, and no power will be exported to the Alberta Interconnected Electric System (AIES).

In addition to the generating units, the power plant includes the following balance-of-plant and auxiliary systems:

- Fuel gas conditioning: pressure regulation to deliver clean, dry fuel gas to each engine at the required inlet conditions.
- Electrical systems: including field switchgear for distributing generated power from the generator set to the electrical equipment to meet the field's power needs.
- Cooling: a closed-loop cooling system requiring no process water withdrawal or discharge.
- Emissions control and monitoring: selective catalytic reduction (SCR) for NO_x control and a predictive emissions monitoring system (PEMS), integrated with an on-site supervisory control and data acquisition (SCADA) system.

This application pertains solely to the electricity-generating power plant and its auxiliary systems described above. The power plant is a self-contained facility that supplies power to co-located data infrastructure.

Thermal power plant requirement (TP2)

Provide a list of existing approvals for facilities directly affected by this project, if any.

The proposed facility will be located on an existing leasehold well site that contains existing oil and gas infrastructure regulated by the Alberta Energy Regulator (AER), including the natural gas pipelines into which the Project will tie in for fuel supply. The adjacent gas processing facility that will supply fuel to the Project operates under AER EPEA Approval No. 10135-03-00, as amended, which remains in good standing and contains no conditions that would conflict with developing a power plant at this location. No existing AUC approvals apply to the facilities directly affected by the Project.

This response addresses existing approvals only. Additional approvals associated with the Project itself, including the Development Permit, Environmental Protection and Enhancement Act (EPEA) Industrial Approval and the Historical Resources Act (HRA) are addressed in TP33. Additional approvals such as Water Act approvals and authorizations or municipal development applications will be obtained prior to Project development, following AUC approval.

Thermal power plant requirement (TP3)

Provide details of the project ownership structure, including the names of all companies having an ownership interest in the project and their ownership share, and if applicable, the name of the project operator. Confirm that the applicant is a qualified owner.

Armada Nowlit Energy Ltd. holds a 100% ownership interest in the Hoole Natural Gas Power Generation Facility and will act as the sole project operator.

Appendix A includes the Certificate of Incorporation and Certificate of Status/Compliance for Armada Nowlit Energy Ltd., demonstrating that the company is a corporation in good standing. ANE confirms that it is a qualified owner under the Electric Utilities Act.

Thermal power plant requirement (TP4)

For a municipality or a subsidiary of a municipality to hold an interest in a generating unit, provide documentation confirming compliance with Section 95 of the *Electric Utilities Act*.

Not applicable. There is no municipal interest in the proposed facility.

Thermal power plant requirement (TP5)

Describe the location of the project:

- Provide the legal description of the proposed power plant boundary (legal subdivision [LSD], section, township, range, meridian and/or plan, block, lot, municipal address for urban parcels) and connection point, if applicable.
- Provide a Keyhole Markup Language (.kml/.kmz) file that reflects the information shown on the drawings and maps submitted to address information requirement TP6. The file should contain the geospatial data (geometry location, and attributes) of each of the major components. See the glossary definition for .kml/.kmz files for detailed specifications.

The proposed facility will be located entirely on provincial Crown land on an existing leasehold well site. The detailed legal description is Legal Subdivision (LSD) 16, Section 36, Township 80, Range 25, West of the 4th Meridian (16-36-080-25 W4M).

The geographic coordinates of the plant site are as follows:

- Latitude: 55°58'56.7"N
- Longitude: 113°46'03.4"W

The facility operates entirely behind the fence and will not be connected to the AIES. Therefore, there is no grid connection point.

A .kmz file containing the geospatial data for the project boundary and major components is included as Appendix B.

Thermal power plant requirement (TP6)

- Provide the following drawings and maps with units of measure/scale and the direction of north specified.
A legible plant site drawing showing all major equipment components, for example, generators, turbines, heat recovery steam generator, step-up transformers, boilers and the power plant project boundary.
- Legible maps showing:
 - The power plant project boundaries.
 - Land ownership of surrounding lands, including any residences and dwellings within the notification and consultation radii described in Appendix A1 – Participant involvement program guidelines, Table A1-1: Electric facility application notification and consultation requirements.
 - Neighbouring municipalities, First Nation reserves, Metis Settlements, including nearby roads, waterbodies and other landmarks that may help identify the general location of the project area. This map may be at a larger scale than the detailed maps provided in response to other information requirements.
 - Important environmental features and sensitive areas in the local study area.
 - Any additional energy-related facilities within the project area.
 - The major land use and resource features (e.g., vegetation, topography, existing land use, existing rights-of-way). This information should also be provided in air photo mosaics.

The following documents and maps are provided:

- The site layout drawing, including the project boundaries and all major equipment components is included as Appendix C1.
- As-build Map showing land ownership of surrounding lands (crown land) and neighbouring facilities, are included in Appendix C2.
- Map showing important environmental features, major land use, and topography are included in Appendix C3.
- The land ownership radius map is included in Appendix C4 showing the near residents.

- The map provided in Appendix C5 shows neighbouring municipalities, First Nation reserves, Métis Settlements, along with nearby roads, waterbodies. No First Nation reserves or Métis Settlements fall within the notification radius; the nearest First Nation reserve is 3 km away.
- The draft plot plan is included in Appendix C6.

Thermal power plant requirement (TP7)

Present the estimated power plant heat rates, efficiency of the power plant and details of the cooling system for the power plant.

At the 19.8 MW nominal gross output using nine (9) MWM TCG 3020 generating units (2.2 MW each), the estimated power plant metrics are as follows:

- Net Plant Heat Rate: approximately 8,300–8,600 kJ/kWh (LHV basis).
- Net Plant Efficiency: approximately 42%–43% (LHV basis) under normal operating conditions.

Each generating unit uses a closed-loop liquid cooling system integrated with the engine. Heat rejection is achieved via a closed-loop cooling system, eliminating the need for process water withdrawal or discharge.

Thermal power plant requirement (TP8)

For power plants with natural gas piping located within the power plant boundary, provide the following information:

- A schematic showing the tie-in points and associated design and operating pressures (both upstream and downstream of the tie-in points).
- The diameter, maximum operating pressure (in kilopascals), design pressure (in kilopascals), wall thickness, pipe specification, pipe grade and length of the natural gas pipelines proposed within the power plant boundary.
- The design philosophy that will be utilized for the pipeline connections.
- The associated qualifications of the gas installation contractor.
- Confirmation that the fuel gas piping within the proposed plant site will be designed and constructed as pressure piping in accordance with the *Pressure Equipment Safety Regulation* AR49/2006 administered by the Alberta Boilers Safety Association (ABSA) and that all required ABSA approvals will be obtained before operation.

A process flow diagram with design and operating pressures for the piping from the gas plant has been provided in Appendix D to support the application.

Natural gas piping is designed as pressure piping to meet the PESR AR49/2006 requirements. Fuel gas is tied in from adjacent gas plant, which conditions sweet natural gas (dehydrated, filtered, and pressure-regulated) for combustion in the engines driving the generators. The supply line from the gas plant is a dedicated on-lease 8" NPS pipeline approximately 100 m long, running from the plant sales tie-in to the generator header. The generator header is approximately 100 m long and feeds 3" NPS branch lines to each of the nine 2.2 MW gensets detailed in this application. The total length of natural gas piping within the power plant boundary is approximately 400 m.

The design pressure of the piping from the gas plant is based on the latest edition of the ASME B31.3 design code and a Class 150 (150#) ANSI line class specification, giving a design pressure of 1,960 kPa, consistent both before and after the tie-in point to the power plant. The minimum operating pressure for the piping is 20 kPa and the Maximum Operating Pressure (MOP) is 1,960 kPa. Operating pressure is further reduced inside the generator buildings by a regulator to approximately 7–12 kPag for delivery to the engine gas trains.

The design features welded connections from the gas plant tie-in to the generator to minimize possible sources of leaking from flanges or threaded connections, where possible. The natural gas piping fabrication and installation will be performed by a competent and experienced contractor with a valid QMS Certificate of Authorization Permit Holder with ABSA to construct piping to the latest ASME B 31.3 design code and will certify that the work is completed in accordance with their permit and all requirements and documentation with ABSA. The design will be compliant with all applicable codes, laws and standards within Alberta and stamped by a Professional Engineer licensed by APEGA within an organization with a valid permit to practice and will be submitted to ABSA design survey for approval, for which approval is required prior to operation.

Thermal power plant requirement (TP9)

Provide the requested approval date from the Commission, the expected construction start date, the expected in-service date of the project and the requested construction completion date to be used in the project approval. Provide the rationale for these dates.

Requested Project Schedule:

- Expected AUC Approval: Q4 2026
- Expected Construction Start: Q1 2027
- Expected In-Service Date: Q3 2027
- Requested Construction Completion: Q3 2027

Rationale: ANE can execute this condensed timeline due to the highly modular, containerized nature of the facility's generation units. This specific behind-the-fence setup allows for rapid deployment and significantly reduces the physical construction and installation time required once regulatory approval is received, and site preparation begins.

Thermal power plant requirement (TP10)

Describe any public benefits that will be generated by the proposed project.

The facility is designed to operate entirely off-grid and behind the fence, generating dedicated on-site power for a continuously operating industrial load. Because all electricity is consumed on-site and no power is exported to AIES, the Project adds no incremental demand to Alberta's transmission and distribution system. This relieves potential stress during peak grid loading and reduces the need for publicly funded grid upgrades. The behind-the-fence design also requires no new transmission lines or substations, avoiding additional land disturbance beyond the existing leasehold well site and minimizing infrastructure sprawl.

The facility demonstrates best available practices for clean, local thermal power. As shown in the emissions comparison in TP22, the resulting design NO_x emission rate of 0.30 kg/MWh is well below the 0.80 kg/MWh limit under the Alberta Air Emissions Standards for Electricity Generation, with SO₂ and particulate matter similarly well under their respective standards. At the site level, the Project incorporates engineered containment, stormwater management, noise attenuation, and controlled lighting to ensure compatibility with rural land use and protect nearby receptors.

The Project represents a capital investment in the local rural economy within the Municipal District of Opportunity, creating skilled employment across civil, electrical, mechanical, and operational disciplines through its phased construction and ongoing operations. Beyond direct employment, the plant provides the reliable power necessary to support co-located data infrastructure. This facilitates Alberta's economic diversification into high-value technology sectors and serves as a replicable, low-impact model for attracting private investment to rural regions without increasing the provincial grid burden.

Project connection

Thermal power plant requirement (TP11)

If a connection order is not concurrently being applied for, provide the expected date when the connection order application will be submitted, if available.

Not applicable. A connection order is not being applied for, as the Project will not be connected to the AIES.

Thermal power plant requirement (TP12)

Provide asset identification code assigned by the independent system operator (ISO) and the ISO project ID number related to the system access service request, if available.

Not applicable. The facility will not export power to the grid, and therefore no asset identification code or ISO project ID number has been assigned by the Alberta Electric System Operator (AESO).

Thermal power plant requirement (TP13)

If the power plant is to be connected to the transmission system, provide a map with one or more conceptual layouts showing possible routes and general land locations for facilities that would be used to interconnect the power plant to the Alberta Interconnected Electric System.

If the power plant is to be connected to the distribution system, provide a statement from the distribution facility owner indicating that it is willing to connect the generating facilities.

Not applicable. The power plant will not be connected to the AIES transmission system or the local distribution system; therefore no conceptual interconnection layouts or distribution facility owner statements are required.

Cumulative effects

Thermal power plant requirement (TP14)

Confirm whether the applicant is aware of other existing developments in the project area that could cumulatively affect the rural setting/landscape due to their proximity and/or number.

ANE confirms it is aware of existing developments in the Hoole project area. The immediate surroundings comprise a mix of rural land and existing oil and gas infrastructure. These existing developments give the immediate area an established rural-industrial character. Several site-specific factors limit the Project's contribution to cumulative effects on the rural setting and landscape.

- The facility will be constructed entirely within the existing, previously disturbed leasehold that is already designated for industrial use, so no new land will be cleared, disturbed, or fragmented.
- The containerized generating units and associated equipment are low-profile and comparable in height and footprint to the oil and gas infrastructure already present on and around the lease, so the Project does not introduce a new type of structure or visual element to the surrounding viewshed.
- The Project is not located within a designated buffer zone or visual impact assessment zone and does not intersect any pristine viewscape.

For these reasons, ANE does not anticipate an appreciable increase in cumulative effects on the rural setting or landscape. This response reflects a qualitative review of existing site conditions.

Thermal power plant requirement (TP15)

Discuss any potential positive or negative cumulative social, economic or environmental impacts or effects that may occur considering the proposed project, existing developments and any other currently planned developments. This discussion may include, but is not limited to, any economic spinoffs, community and employment benefits, visual impacts, proliferation, land fragmentation (including fragmentation of agricultural uses, wildlife habitat fragmentation, etc.), the impact of adherence to municipal planning documents, wildlife, species at risk, air quality impacts, recreational or tourism impacts, impacts to existing or anticipated resource development, wetlands, native grasslands, watersheds and water quality impacts, and surface management.

Considering the proposed Project alongside existing developments, ANE anticipates the following positive cumulative effects:

- This project will contribute to regional economic activity through construction, commissioning, and operations employment, supporting local contractors and representing new private investment in the rural economy.
- By serving dedicated behind-the-fence loads, the facility can avoid adding incremental demand to Alberta's transmission systems, indirectly benefiting broader electricity ratepayers.

Potential cumulative environmental effects and mitigation have been evaluated through the Environmental Evaluation Report (Appendix I). The Project is located almost entirely within an existing industrial disturbance, with approximately 92.6% of the Project footprint occurring on previously disturbed land. The facility has been designed to align with existing disturbances and avoid additional land clearing, fragmentation, wetlands, and sensitive environmental features. Residual effects on land cover, terrain and soils, wetlands, groundwater, and wildlife are predicted to be minimal to low in magnitude and not significant following implementation of mitigation measures. Surface runoff will continue to be managed through the existing site stormwater system, no wastewater discharge is proposed, and the closed-loop cooling system requires no process water withdrawal or discharge. Air emissions will comply with applicable Alberta regulatory requirements and ambient air quality objectives.

Accordingly, the Project is not expected to result in significant cumulative social, economic, or environmental effects when considered together with existing and reasonably foreseeable developments in the area.

Thermal power plant requirement (TP16)

Discuss the applicant's alignment, or efforts to align, with Alberta's Land-use Framework and the economic, orderly and efficient development of industrial facilities including efficient land use principles.

The Hoole Project aligns with Alberta's Land-use Framework and the applicable regional plan for the area, which provides land-use direction for the region in which the MD of Opportunity No. 17 is situated. In particular, the Project advances the Land-use Framework's efficient-use-of-land strategy, which calls for reducing the footprint of human activity on the landscape. By co-locating with existing energy infrastructure and reusing already-disturbed land, the Project minimizes the amount of undeveloped land placed into permanent use and avoids new land

fragmentation, consistent with the efficient land-use principles set out in the Land-use Framework.

This regional alignment is reinforced at the local level. The MD of Opportunity No. 17 Municipal Development Plan is prepared to be consistent with Alberta's Land-use Framework, and the Project has received an approved Development Permit from the MD of Opportunity No.17 (Appendix E). Municipal approval therefore demonstrates that the facility conforms not only to local land-use bylaws but also to the higher-order regional and provincial planning direction, representing economic, orderly, and efficient development of an industrial facility within the region.

Emergency response plan

Thermal power plant requirement (TP17)

Confirm the applicant has or will have a corporate or site-specific emergency response plan for the construction and operation of the proposed power plant.

If the applicant will have a corporate emergency response plan, explain why it decided not to develop a site-specific emergency response plan.

ANE has developed a comprehensive, site-specific Emergency Response Plan (ERP) tailored specifically to the construction and operation of the Hoole Natural Gas Power Generation Facility. A copy of ERP is included as Appendix F.

Thermal power plant requirement (TP18)

Provide a summary of the following:

- The site-specific risks (construction phase and operations phase) that have been identified to date.
- The emergency mitigation measures that have been identified.
- The site monitoring and communication protocols that will be put into place.

Site-Specific Risks

- Worker safety hazards (including heavy equipment operation, lifting, and confined spaces), fuel handling spills, and localized ground disturbance.
- Natural gas leaks, fire risks, electrical faults, equipment failures, and potential localized emissions or noise exceedances.

Emergency Mitigation Measures

- Implementation of a site-specific Health, Safety, and Environment (HSE) program, including mandatory safety orientations.
- Provision of spill kits, personal protective equipment (PPE), and proper hazardous material storage.
- The facility pairs gas generation with advanced digital operating intelligence, featuring automated shutdown and isolation systems for gas leaks or abnormal operating conditions.
- Integrated fire detection and suppression systems installed in key areas of the facility.
- A rigorous preventive maintenance program for generators, transformers, and gas piping systems.

Monitoring and Communication Protocols

- Continuous emissions and operations tracking is managed via a PEMS and an on-site SCADA system, providing real-time alarm notifications to operators.
- A 24/7 operator call-out system and escalation protocol are in place for incident response.
- Strict incident reporting procedures are established in alignment with regulatory requirements and corporate policies.
- Coordination protocols with local fire, medical, and emergency response agencies are documented, with direct contact information included in the site ERP.

Thermal power plant requirement (TP19)

Confirm that local responders and authorities have been contacted or notified regarding the project emergency response plan.

Describe any requirements or feedback received and describe how the applicant intends to address the requirements and feedback received.

ANE has contacted and notified the applicable local emergency responders regarding the Project Emergency Response Plan (ERP). The Wabasca Fire Department, which provides fire and emergency response services for the Project area, was notified by email on July 7, 2026.

The notification identified the Project location and Development Permit No. 26-DP-001, provided the Project ERP, and requested any emergency response requirements, comments, or recommended information for inclusion in the ERP.

As of the date of filing, no requirements, concerns, or feedback have been received from the Wabasca Fire Department. ANE will incorporate any requirements or recommendations subsequently received into the site-specific ERP and will continue to coordinate with local responders throughout construction and operation.

Municipal land use information

Thermal power plant requirement (TP20)

Confirm whether the proposed project area complies with the applicable municipal planning documents including municipal development plans, intermunicipal development plans, area structure plans, land use bylaws (including applicable setbacks) and other municipal bylaws.

Identify any instances where the proposed project area does not comply with applicable municipal planning documents and provide a justification for any non-compliance.

The Applicant confirms that the proposed project area fully complies with the applicable municipal planning documents, including the land use bylaw of the MD of Opportunity No.17.

Compliance is explicitly demonstrated by the municipality's review and subsequent approval of the Project's development application. At the time of filing, there are no identified instances of non-compliance with applicable municipal planning documents. The Applicant will continue to comply with all conditions set forth in the approved Development Permit, including removing construction waste and obtaining all necessary building, electrical, and gas permits from Superior Safety Codes Inc. prior to construction.

Thermal power plant requirement (TP21)

Provide the current land use zoning for the proposed project area. If applicable, provide the land use amendment and/or development permit status for the proposed project area.

The Project is located on an existing industrial leasehold well site and has received municipal development approval under Development Permit No. 26-DP-001.

Regarding development permit status, the Applicant has successfully secured the required municipal approvals to proceed. Development Permit No. 26-DP-001 was formally approved and issued by the MD of Opportunity No.17 (Appendix E), for the development of the Natural Gas Power Generation Facility. Additionally, the municipality has acknowledged the project's two-phase development plan and completed the County Engagement Form (Appendix P). Because the development permit has already been approved for the site's intended use, no land use amendment or redesignation is required.

Environmental information

Thermal power plant requirement (TP22)

Identify the current emissions standards or guidelines that are applicable to the proposed project. Submit a table that provides the plant's emission rates (e.g., kg/MWh) for nitrogen oxides (NO_x), sulphur dioxide (SO₂), and primary particulate matter. The table must compare the emission rates to the current *Alberta Air Emissions Standards for Electricity Generation* and any other emission standards or guidelines that are applicable to the proposed project.

The proposed facility is subject to the Alberta Air Emissions Standards for Electricity Generation. The Project will utilize high-efficiency natural gas reciprocating engines equipped with advanced NO_x reduction technology.

The following table compares the facility's emission rates with the applicable Alberta standards.

Pollutant	Facility Emission Rate (Design)	Alberta Standard Emission Rate
NO _x	0.30 kg/MWh	0.80 kg/MWh
SO ₂	~0.001 kg/MWh	0.20 kg/MWh
PM	~0.02 kg/MWh	0.20 kg/MWh

A comprehensive Air Quality Dispersion Modelling Assessment is included as Appendix G.
Thermal power plant requirement (TP23) Indicate whether the proposed plant will be in compliance with the Alberta air quality standards or guidelines (e.g., <i>Ambient Air Quality Objectives and Guidelines Summary</i>) applicable to the proposed project for ground-level concentrations of pollutants. Identify all standards and guidelines that apply.
ANE comprehensively confirms that the Hoole Natural Gas Power Generation Facility will operate in full compliance with the Alberta Ambient Air Quality Objectives and Guidelines (AAAQO) for ground-level concentrations of all applicable pollutants, specifically Nitrogen Dioxide (NO₂). To validate compliance, Calvin Consulting Group Ltd. conducted a stringent Air Quality Dispersion Modelling Assessment in accordance with the 2021 Alberta Air Quality Model Guideline (AQMG). The assessment utilized the U.S. EPA AERMOD v.24142 dispersion model and incorporated the Plume Volume Molar Ratio Method (PVMRM) for NO_x to NO₂ conversion. The modelling confirms no significant air quality impacts will occur. The complete Air Quality Dispersion Modelling Assessment is provided in Appendix G.
Thermal power plant requirement (TP24) Provide a summary of any feedback received to date from Alberta Environment and Protected Areas (AEPA) addressing the environmental aspects of the project and any mitigation measures and monitoring activities recommended by AEPA.
ANE confirms that the New Plants and Facilities Industrial Approval application (Application No. 001-510358), submitted under the Environmental Protection and Enhancement Act (EPEA), has progressed through Alberta Environment and Protected Areas (AEPA) review. AEPA has issued a draft EPEA Approval for the Hoole Natural Gas Power Generation Facility covering the full build-out across both phases (provided in Appendix H). The draft EPEA Approval incorporates AEPA's requirements for environmental mitigation, monitoring, reporting, and operational controls applicable. These requirements include conditions related to air emissions management, compliance monitoring, record keeping, reporting, and incident notification. ANE will implement all applicable conditions contained in the final EPEA Approval once issued.
Thermal power plant requirement (TP25) Provide the emissions modelling report that was prepared for the <i>Environmental Protection and Enhancement Act</i> application to AEPA.
The comprehensive air quality report prepared in support of the EPEA application is the Air Quality Dispersion Modelling Assessment (Job No. J2025-095R4), authored by Calvin Consulting Group Ltd. and provided in Appendix G. This assessment has been amended to reflect the project's two-phase development.
Thermal power plant requirement (TP26) If preparation of either a federal impact assessment or a provincial environmental impact assessment report was required, provide a copy as an appendix to the application and a separate environmental evaluation is not required. [Attach] If a federal impact assessment or a provincial environmental impact assessment is not required, submit an environmental evaluation of the project. The environmental evaluation must: - Describe the present (pre-project) environmental and land use conditions in the local study area. Provide all definitions and standards (i.e., <i>Alberta Wetland Identification and Delineation Directive</i>) used to prepare this description. - Identify and describe the project activities and infrastructure that may adversely affect the environment. Include a description and the area (hectares) of permanent and temporary project activities and infrastructure. - Identify what specific ecosystem components (i.e., terrain and soils, surface water bodies and hydrology, groundwater, wetlands, vegetation species and communities, wildlife species and habitat, aquatic species and habitat, air quality and environmentally sensitive areas) within the local study area may be adversely affected by the project. - Describe any potential adverse effects of the project on the ecosystem components during the life of the project. - Describe the methodology used to identify, evaluate and rate the adverse environmental effects and determine their significance, along with an explanation of the scientific rationale for choosing this methodology.

- Describe the mitigation measures the applicant proposes to implement during the life of the project to reduce these potential adverse effects.
- Describe the predicted residual adverse effects of the project and their significance after implementation of the proposed mitigation.
- Describe any monitoring activities the applicant proposes to implement during the life of the project to verify the effectiveness of the proposed mitigation.
- List the key environmental regulations and guidelines applicable to the project and provide rationale for any deviations from the guidelines.
- List the qualifications of, or provide a CV for, the individual(s) who conducted or oversaw the environmental evaluation and indicate the respective practice areas, practice standards or standards of competence demonstrated by these individuals.

The Hoole Natural Gas Power Generation Facility has a nominal capacity of 19.8 MW. This is strictly below the 200 MW threshold defined in the federal Physical Activities Regulations (SOR/2019-285), and therefore a federal impact assessment is not required. The Project is not classified as a mandatory activity requiring an environmental impact assessment (EIA) report under the provincial Environmental Protection and Enhancement Act (EPEA).

WSP Canada Inc. prepared a standalone Environmental Evaluation for the Project, included as Appendix I. The Environmental Evaluation addresses all requirements of TP26 by:

- Describing existing environmental and land-use conditions within the Project Study Area, including land cover, environmentally sensitive areas, terrain and soils, vegetation, wetlands, groundwater, surface water, aquatic resources, wildlife, and air quality.
- Identifying potential interactions between Project activities and environmental valued components and evaluating potential adverse effects.
- Describing mitigation measures to avoid, minimize, and manage environmental effects during construction, operation, decommissioning, and reclamation.
- Predicting residual effects and determining their significance using a structured environmental assessment methodology.
- Concluding that the Project is located primarily within an existing industrial disturbance, that predicted residual effects are minimal to low in importance, and that no significant adverse environmental effects are expected following implementation of mitigation measures.

The Environmental Evaluation was prepared by qualified environmental professionals and includes the qualifications of the individuals responsible for the assessment.

Thermal power plant requirement (TP27)

For projects wholly or partially located on federal lands (First Nation reserves, national parks or military bases), provide a copy of the environmental impact analysis completed for the corresponding federal government department. [Please submit along with your application].

Indicate whether the project has the potential to cause effects that may cross into another jurisdiction. Environmental effects that originate on federal lands, but cross into another jurisdiction, must be addressed as part of the environmental review process. If not contained within the impact analysis, include information describing all potential environmental effects of the project. Projects on federal lands may be subject to provincial laws, standards and permits.

The applicant must address how it has considered AUC Rule 007 and Rule 012 and describe the steps taken, if any, to address specific requirements set out in these rules.

Not applicable. The Hoole facility is located entirely on provincial Crown land and does not intersect with any federal lands, First Nation reserves, national parks, or military bases.

Thermal power plant requirement (TP28)

Submit a stand-alone, project-specific environmental protection plan (or environmental 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.

An Environmental Protection Plan (EPP) has been developed to guide both the construction and operational phases of the Hoole facility. A complete copy is included as Appendix J. The EPP serves as an actionable field document that itemizes and consolidates all environmental commitments and mitigation measures identified in the Environmental Evaluation.

Visual impact assessment

Thermal power plant requirement (TP29)

If the project is located within a buffer zone or a visual impact assessment zone, as defined in Schedule 2 and Schedule 3 of the Electric Energy Land Use and Visual Assessment Regulation and in the Pristine Viewscapes and Visual Impact Assessment Zones map, submit a visual impact assessment. The visual impact assessment must include:

- An evaluation of the anticipated visual impacts on the buffer zone or visual impact assessment zone.
- Visual simulations from key vantage points illustrating the potential visual impact of the project.
- Key vantage points should include locations with viewscapes determined to have a major or major/moderate severity of impact ranking in the visual impact assessment. If desired, visual simulations 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 visual simulations can include viewpoints from nearby residences.
- Visual simulations must include an accurate representation of the viewscape:
 - Before project construction has commenced.
 - After project construction has been completed, but without any mitigation measures implemented.
 - After project construction has been completed, and any proposed mitigation measures have been implemented.
- The visual simulations 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 visual simulation.
- Proposed mitigation measures to minimize or offset any adverse visual effects on the buffer zone or visual impact assessment zone.
- Where mitigation is proposed, describe the mitigation measures that will be implemented, including their 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 the final plan has also been or will be discussed with local authorities.

ANE comprehensively confirms that the proposed Hoole Natural Gas Power Generation Facility is not located within a buffer zone or a visual impact assessment zone as defined in Schedule 2 and Schedule 3 of the Electric Energy Land Use and Visual Assessment Regulation. Furthermore, the Project footprint does not intersect with any areas identified on the provincial Pristine Viewscapes and Visual Impact Assessment Zones map.

Because the Project is located entirely on provincial Crown land on an existing, previously disturbed industrial leasehold well site and falls outside of all designated viewscape buffer zones, a formal visual impact assessment, including pre- and post-construction visual simulations, is not required under this specific regulation.

End-of-life management and reclamation security

Thermal power plant requirement (TP30)

Describe the reclamation security plan for the proposed power plant. The plan should include:

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

ANE has developed a comprehensive Reclamation Security Plan to ensure that all end-of-life decommissioning and reclamation obligations for the Hoole Natural Gas Power Generation Facility are fully funded. An independent third-party decommissioning and reclamation cost estimate was prepared by VL Energy Ltd. and is provided in Appendix K.

The third-party estimate establishes a gross decommissioning cost of CAD \$1,540,600. After deducting estimated salvage recovery of CAD \$174,850, the net decommissioning cost is CAD \$1,365,750. A 10% administration allowance (CAD \$136,575) and a 15% overbuild buffer (CAD \$204,863) are applied to the net cost, yielding a total decommissioning estimate of CAD \$1,707,188. The combined decommissioning and reclamation estimate, which forms the basis of the reclamation security amount, is CAD \$2,048,923.

- Calculation of the security amount: The amount is the sum of the third-party decommissioning and reclamation cost estimates, net of anticipated salvage recovery, plus the 10% administration allowance and 15% overbuild contingency described above.
- Estimated salvage value: CAD \$174,850, based on major recoverable assets such as generator components, switchgear, transformers, copper cabling, and steel supports, valued against typical Canadian scrap and resale markets. Conservative loss factors are applied to account for market uncertainty, and no salvage value is assigned to concrete, consumables, or minor components.
- Form of security: A demand forfeiture bond, an equivalent surety bond, or another acceptable financial assurance instrument issued by a qualified third-party provider. This form was selected because it provides full closure-cost assurance without requiring the entire estimated amount to be deposited in cash upfront, and because it is independent of ANE's solvency – the beneficiary can realize on the instrument on default regardless of ANE's priority position in bankruptcy.
- Security beneficiaries and access: The security will be committed to the beneficiary(ies) specified through the AUC approval conditions and applicable Crown land requirements (the AUC and/or the Government of Alberta as landowner). Secured funds may be accessed by the beneficiary if ANE fails to complete its required decommissioning or reclamation obligations, subject to the notice and default provisions of the final instrument, and the security will remain in effect until the closure obligations are complete and authorization for release is provided.
- Initial posting and updates: The financial assurance is expected to be established prior to commercial operation. The cost estimate and corresponding security amount will be reviewed at least once every five years and following any material change to the project footprint, equipment configuration, ownership, reclamation requirements, or estimated closure costs, and adjusted where warranted.
- Reclamation standard: The site will be reclaimed to equivalent land capability, returning the disturbed area to a condition suitable for agricultural use or tame pasture consistent with the surrounding land base.

ANE confirms that it will have sufficient financial assurance in place, through the instrument described above, to meet its decommissioning and reclamation obligations at the project's end of life. The estimate accounts for anticipated salvage recovery together with allowances for administration and unforeseen conditions, and the securing instrument will be maintained and periodically updated until the closure obligations are fully discharged.

Noise

Thermal power plant requirement (TP31)

Provide a noise impact assessment in accordance with Rule 012. If mitigation measures are recommended in the assessment, confirm the mitigation measures the applicant will implement.

A Noise Impact Assessment (NIA) covering the full build-out across both phases was completed in accordance with AUC Rule 012 and is provided as Appendix L, the Assessment Summary has been included in the PDF Page 35/36. ANE confirms that it will implement any noise mitigation measures recommended in the assessment to maintain compliance with the permissible sound levels established under Rule 012 at the relevant receptors.

Thermal power plant requirement (TP32)

Confirm that the applicant will comply with the construction noise requirements in Section 2.10 of Rule 012 or explain why it is not feasible or practical to implement them.

ANE confirms that construction activities for the Hoole facility will comply with the construction noise requirements in Section 2.10 of AUC Rule 012. Construction will be scheduled and managed to minimize temporary noise effects on nearby receptors through appropriate work-hour planning, equipment selection and maintenance, and contractor best practices.

Approvals, reports and assessments from other agencies**Thermal power plant requirement (TP33)**

Identify any other acts (e.g., *Environmental Protection and Enhancement Act*, *Water Act*, *Public Lands Act* and *Wildlife Act*) that may apply to the project, identify approvals the project may require, and provide the status of each of these approvals.

The Hoole Project is subject to the following additional acts and approvals administered by agencies other than the AUC:

- EPEA: An Industrial Approval application for the facility's air emissions (Application No. 001-510358) has been reviewed by AEPA, which has issued a draft EPEA Approval covering the full build-out across both phases. A copy is provided in Appendix H (see TP24).
- Public Lands Act: As the facility is located on provincial Crown land, a disposition under the Public Lands Act is required. Non-energy industrial dispositions for the power plant are administered by Alberta Forestry and Parks, whereas dispositions associated with the existing energy well site are administered by the AER. ANE will obtain the required industrial disposition from Alberta Forestry and Parks and/or amend the existing well-site disposition through the AER, as applicable, prior to construction.
- Municipal Government Act: A Development Permit (No. 26-DP-001) was approved and issued by the MD of Opportunity No. 17 and is provided in Appendix E (see TP21).
- Historical Resources Act (HRA): An HRA clearance has been obtained for the Project; a copy is provided in Appendix M (see TP34).
- Water Act and Wildlife Act: Based on the current site selection within an existing industrial leasehold and the avoidance of wetlands and watercourses, no Water Act approval is required. No Wildlife Act approval is anticipated, as no new land disturbance is required and no wildlife features of concern were identified.

Thermal power plant requirement (TP34)

Confirm that a *Historical Resources Act* approval has been obtained or has been applied for. If a *Historical Resources Act* approval has been obtained, provide a copy of it.

If a historic resource impact assessment is required, briefly describe any known historical or archaeological sites, palaeontological sites, or traditional use sites of a historic resource nature.

ANE confirms that a HRA clearance has been successfully obtained for the Hoole Natural Gas Power Generation Facility. There are no known historical, archaeological, palaeontological, or traditional use sites within the project area, the total project footprint will remain unchanged for Phase 2 development.

A complete copy of the signed HRA Approval is provided in Appendix M.

Thermal power plant requirement (TP35)

If the government of Alberta, through the Aboriginal Consultation Office (ACO) or otherwise, directed consultation with an Indigenous group for related approvals (e.g., *Public Lands Act*, *Water Act*, *Environmental Protection and Enhancement Act*, *Historical Resources Act*, *Government Organization Act*) the applicant must provide the pre-consultation assessment, the adequacy assessment and the specific issues and response table (if prepared).

If the government of Alberta, through the ACO or otherwise, indicated that a pre-consultation assessment is not required, the applicant must provide that direction. [Please submit along with your application].

If advice from the government of Alberta has not been obtained, the applicant must provide justification for its decision to not seek advice:

The Applicant obtained Indigenous consultation direction from Alberta's Aboriginal Consultation Office (ACO). The most recent ACO Adequacy Assessment is File Number for Consultation FNC202600711. The assessment was reviewed by the ACO on August 18, 2026 and determined that no consultation is required for the Project. A copy of the ACO Adequacy Assessment is included in Appendix N – PIP report (PDF page 41/45).

Participant involvement program

Thermal power plant requirement (TP36)

Summarize the participant involvement information, including a description of the activities undertaken and include any engagement materials provided (see Appendix A1– Participant involvement program guidelines and Appendix A1-B – Participant involvement program guidelines for Indigenous groups).

The Applicant completed a Participant Involvement Program (PIP) for the Hoole Natural Gas Power Generation Facility in accordance with AUC Rule 007. The Project consists of a two-phase development totaling 19.8 MW. An initial notification program was completed in February 2026 using a 1,500 m notification radius for the original Phase 1 scope. Following expansion of the Project to a total installed capacity of 19.8 MW, a supplemental notification program was completed on August 10, 2026 using the applicable 2,000 m notification radius.

The August 10, 2026, notification package disclosed the complete Project scope, including Phase 1 (four 2.2 MW generating units, 8.8 MW total) and Phase 2 (five additional 2.2 MW generating units, increasing total Project capacity to 19.8 MW). Notification materials included updated project information, notification letters, radius plans, and AUC public involvement information. The updated radius review confirmed that no residences or occupants are located within 2,000 m of the Project and that no additional personal consultation parties were identified within the applicable 800 m review area. No stakeholder concerns or objections were received.

A summary of all participant involvement activities and copies of the engagement materials are provided in the PIP Report (Appendix N).

Thermal power plant requirement (TP37)

List all persons within the appropriate notification radius as described in Appendix A1– Participant involvement program guidelines, as well as Indigenous groups or other interested persons that were notified or consulted as part of the participant involvement program.

The following parties were identified and notified as part of the Participant Involvement Program for the full 19.8 MW Project. A complete stakeholder contact list is provided in Appendix O.

Landowner / Primary Land Interest:

- Alberta Energy Regulator – Calgary Head Office

Occupants:

- None. The stakeholder list confirms that no occupants reside or operate within the designated consultation area for the Project.

Crown Disposition Holders:

- Alex Alook (TPA 975)
- West Fraser Mills Ltd.

Local Municipal Authority:

- Municipal District (MD) of Opportunity No. 17

Indigenous Groups & Other Interested Persons:

- As detailed in the TP 35, a separate Indigenous consultation record is being managed concurrently through ACO. There are no associated indigenous groups within the notification 2,000 m.

Thermal power plant requirement (TP38)

Supply a list of contact information for all persons listed in TP37 who had been contacted as part of the participant involvement program in an Excel spreadsheet in accordance with the template included in Appendix A1 – Participant involvement program guidelines.

The comprehensive stakeholder contact list containing the designated corporate names, mailing addresses, delivery dates, and specific methods of contact for all parties identified in TP37 has been prepared in strict accordance with the AUC Appendix A1 template. This spreadsheet is submitted as an electronic component of this application under Appendix O. The contact line list has been provided in the

PIP report (PDF page 11/45).

Thermal power plant requirement (TP39)
Summarize consultation with local municipal jurisdictions (e.g., cities, towns, municipal districts, counties). Describe any concerns or requests identified by the local municipality(ies) and steps taken to resolve those concerns or requests.

Consultation was completed with the Municipal District of Opportunity No. 17 throughout development of the Project. The Municipality has received updated notification materials for the full 19.8 MW two-phase Project. Development Permit No. 26-DP-001 has been approved. No concerns, requests, or objections were raised by the Municipality.

Thermal power plant requirement (TP40)
As described in Section 6.3 of Appendix A1, confirm that the municipal engagement form was provided to the applicable municipality to complete for a minimum of 30 days, before filing the application. If the municipality completed the municipal engagement form, provide this form. If the municipality declined to complete the municipal engagement form, confirm what steps were taken to follow up with the municipality, including submitting copies of correspondence.

The completed Municipal Engagement Form was signed by the MD of Opportunity No. 17 on August 25, 2026, and is provided in Appendix P in accordance with AUC Rule 007 requirements.

Thermal power plant requirement (TP41)
Describe how the applicant engaged with applicable municipalities to modify the proposed power plant or to mitigate any of its potential adverse impacts to the municipality, prior to filing the application.

Prior to filing, ANE engaged closely with the MD of Opportunity No. 17 to ensure that the facility's layout, access routes, and environmental footprint seamlessly matched local municipal land expectations. ANE integrated core mitigation metrics into the initial project design. ANE has committed to executing all development conditions embedded within the approved Development Permit.

Thermal power plant requirement (TP42)
Provide a feedback summary table to identify all persons who expressed a concern(s) about the project that includes the following information:

- The name and land location of the person(s).
- The specifics of the concern(s).
- Steps taken to try and resolve the concern(s).
- Whether the concern(s) was resolved.

No stakeholder concerns or objections were identified during either the February 2026 first notification round or the August, 2026 second notification round for the complete 19.8 MW Project.

Name and land location	Specifics of concern(s)	Steps taken to try and resolve the concern(s)	Resolved?
None Recorded	No stakeholder concerns identified	N/A	N/A

When complete, save a copy of this form as a PDF file and submit the file to the AUC through the eFiling System.