

March 6, 2026

Jason Van Gaal
CEO
Synapse Real Estate Corp

Dear Jason Van Gaal:

**Synapse Real Estate Corp
Synapse Data Center Project
Proceeding 30625
Application 30625-A001**

Application closure

1. On February 12, 2026, Synapse Real Estate Corp (Synapse) filed an application for approval to construct and operate a 1,400-megawatt (MW) natural gas-fired power plant in the town of Olds. The Alberta Utilities Commission has closed the application because it contains significant deficiencies, as described below.

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

17.1 The Commission may, at any time during a proceeding,

- a) place an application into abeyance and suspend the proceeding; or
- 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.

3. Upon review of the submitted application documents, the Commission has decided to close the application without prejudice to Synapse reapplying in the future. The application and the supporting documents contain numerous deficiencies and do not comply with Rule 007: *Facility Applications*. As a result, the Commission has determined that it will not continue to process the application. For clarity, the Commission is not making a determination on the merits of the application at this time; it is assessing whether the information provided meets its requirements.

4. The deficiencies include, but are not limited to, errors, insufficient or incomplete information, and internal inconsistency among the application documents. Collectively, the deficiencies create a significant lack of clarity as to whether application requirements have been met. For example:

- The participant involvement program (PIP) information package lacks detail and is insufficient to address information requirements TP37 and TP42. It also lacks the details outlined in Appendix A1 of Rule 007 (Participant involvement program guidelines)

without explaining the circumstances and rationale to support deviating from Appendix A1 of Rule 007.

- Synapse stated that an in-person PIP was conducted starting on January 26, 2026, with over 700 residences identified within an 800-metre radius from the property boundary.¹ The application was filed on February 12, 2026, which is 14 days after the start of the PIP.
 - As stated in Rule 007, personal consultation “refers to meaningfully engaging with individuals and groups about the project and includes listening and responding to any objections to the project.”² Rule 007 further states that “questions raised during discussions about the proposed project should alert the applicant to potential objections. The applicant should attempt to address concerns raised about the proposed project during consultation.”³
 - The information package provided appears to be lacking details about the project. For example, the proposed 600 units of backup diesel generators, each rated at 2.6 MW, do not appear to be discussed in the project information package, dated January 27, 2026.
 - TP42 requires an applicant to 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.
 - For TP42, Synapse provided a list of key concerns raised during consultation and engagement and stated that it “addressed all issues and concerns with appropriate mitigative measures relative to the respective categories where applicable.”⁴ Synapse did not provide the mitigative measures that it referenced and did not detail the specifics of the concerns and the steps taken to try and resolve the concerns.
- The environmental evaluation is a draft document with missing information, including incomplete citations, missing figures and document mark-ups including highlighted text.
 - The environmental evaluation was developed from preliminary desktop data and conclusions relating to wildlife and wetlands are made from incomplete field studies conducted during the winter. The scope and timing of these studies limit the

¹ Exhibit 30625-X0012, Rule 007 - Thermal Power Plant Application, PDF pages 10 and 11.

² Rule 007: *Facility Applications*, PDF page 161.

³ Rule 007: *Facility Applications*, PDF page 172.

⁴ Exhibit 30625-X0012, Rule 007 - Thermal Power Plant Application, PDF page 12.

Commission's ability to assess whether the conclusions accurately meet the information requirements in TP26, especially relating to wetlands and wildlife.

- The application states that the proposed total capability is 1,400 MW consisting of twenty 50-MW natural gas turbines and ten 40-MW heat recovery steam generator (HRSG) units. The noise impact assessment (NIA) references 600 units of backup diesel generators, each rated at 2.6 MW, as part of the major equipment. However, it appears that the application materials do not fully reflect the applied-for equipment.
 - Rule 007 defines total capability as the cumulative capability of all generating units at a site, which includes any backup generators.
 - It is unclear whether the NIA modelled worst-case scenarios for all project equipment as required in Rule 012: *Noise Control*. In particular, the NIA assumes all 600 backup generators remain off at nighttime and models only one generator operating during daytime testing. It does not assess any scenario in which multiple generators could operate simultaneously. If there is any possibility that more than one, or potentially all, backup generators could operate at the same time, the NIA must reflect this scenario.
 - The proposed noise mitigation measures are critical for the project to comply with Rule 012. However, the NIA does not fully justify the assumptions for the chiller and generator enclosure specifications, as well as the acoustic performance and design details of the proposed noise barriers, nor confirm that the proposed mitigation equipment is commercially available. Synapse has also not confirmed that it will implement the proposed noise mitigation measures.
- Synapse stated that the project is being designed with the intention of being a permanent facility for the foreseeable future⁵ and that project life expectancy is in excess of 100 years.⁶ Synapse did not provide a reclamation security plan as required in TP30.
- The Commission is not satisfied that Synapse has complied with TP33 that requires applicants to identify other acts that may apply to the project and other approvals that the project may require. In particular, Synapse has not adequately justified its conclusion that the federal *Impact Assessment Act* does not apply to the project. The *Physical Activities Regulations* designates the construction, operation, decommissioning and abandonment of a new fossil fuel-fired power generating facility with a production capacity of 200 MW or more as a designated project.⁷ Section 10(1) of the *Impact Assessment Act*⁸ requires proponents of designated projects to provide an initial project description to the Impact Assessment Agency of Canada. Synapse should provide a determination from the Impact Assessment Agency of Canada that an impact assessment of the project is not required, or provide further justification to demonstrate that the *Impact Assessment Act* does not apply to the project.

⁵ Exhibit 30625-X0010, TP 26- Environmental Evaluation, PDF page 5.

⁶ Exhibit 30625-X0011, TP 28- Environmental Protection Plan, PDF page 12.

⁷ *Physical Activities Regulations*, SOR/2019-285, Schedule, s 30.

⁸ *Impact Assessment Act*, SC 2019, c 28, s 1.

5. Given the number and significance of deficiencies, the Commission has concluded that it cannot process the application with the current information in the application, particularly because of the deficiencies in the participant involvement program requirements. Attempting to cure the deficiencies with the current application would not be efficient for the Commission, Synapse or other stakeholders (e.g., local interveners).

6. Based on the information provided, the participant involvement program does not meet the intent of the Rule 007 information requirements. Among others, Rule 007 is intended to ensure proponents have effectively communicated and taken into consideration the issues and concerns raised, as part of a meaningful consultation process, with all persons whose rights may be directly and adversely affected by a proposed development.⁹ 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 and complete information which addresses the deficiencies noted, once Synapse is prepared to proceed with the project. Accordingly, the Commission has closed the application.

7. As noted above, the Commission's closure of this proceeding is without prejudice to any future application. The Commission strongly encourages Synapse to familiarize itself with the legislative and regulatory requirements applicable to power plants, including the requirements of Rule 007.

8. Synapse may reapply to the Commission for the power plant when it is in possession of the information required to satisfy the Rule 007 requirements.

9. Parties that have filed a statement of intent to participate in this current proceeding will have to submit a new statement of intent to participate in a future proceeding should Synapse choose to reapply to the Commission for the project.

10. Should you have any questions, please contact Victor Choy at 403-592-4439 or by email at victor.choy@auc.ab.ca.

Yours truly,

Kim Macnab
Executive Director, Facilities Division
On behalf of the Alberta Utilities Commission

⁹ Rule 007: *Facility Applications*, Appendix A-1, Section 1.2.