

June 16, 2015

**Decision 20489-D01-2015**

ATCO Gas and Pipelines Ltd. (South)  
7210 – 42 Street N.W.  
Edmonton, Alberta T6B 3H1

Attention: Sydney Smith, E.I.T.  
Project Engineer, Pipelines Engineering

**Record Amendment to Pipeline Within the Kneehills Creek Area  
Licence 626  
Proceeding 20489  
Application 20489-A001**

**Record amendment application**

1. ATCO Gas and Pipelines Ltd. (South) (ATCO), by Application 20489-A001 registered on May 28, 2015, filed an application with the Alberta Utilities Commission under Section 12 of the *Pipeline Act* and Section 4.1 of the *Gas Utilities Act* to amend the pipe grade of Line 7 from Grade 359 Category II to Grade 359 Category I in Township 29, Range 23, west of the Fourth Meridian.
2. ATCO stated that on January 7, 2015, it received approval from the AUC to replace the 60.3 millimetre outside diameter (OD) Carbon town branch line which was exposed within Kneehills Creek. That approval, which involved a line split, installation and removal under Decision [3602-D01-2015](#),<sup>1</sup> indicated that the exposed pipeline would be removed. The installation of Line 7 was completed on March 20, 2015.
3. ATCO stated that Clause 5.2.2.1 of Canadian Standards Association (CSA)<sup>2</sup> Standard Z662 specifies that proven notch toughness properties shall not be required for pipe smaller than 114.3 millimetre OD, pipe with a nominal wall thickness of less than 6.0 millimetres or pipe for which the design operating stress is less than 50 MPa. It is noted in CSA Z662-11 that pipe made to Category I of CSA Z245.1 is not required to have proven notch toughness properties.
4. ATCO stated that the original design requirements for the licenced pipeline, Line 7, was to construct a pipeline having a material specification of Grade 359 Category I, which met all the design requirements of Clause 5.2.2.1 of CSA Z662. However, when pipe with a material specification of Grade 359 Category I was requested from the supplier, it was unavailable and

<sup>1</sup> Decision 3602-D01-2015: ATCO Gas and Pipelines Ltd. (South), Pipeline split, Removal and New Construction, Proceeding 3602, Application 1611098, January 7, 2015.

<sup>2</sup> The Canadian Standards Association (CSA) is a not-for-profit standards organization which develops standards for industry.

pipe with a material specification Grade 359 Category II was substituted. As a result, the pipe specification for Line 7 that was submitted in Proceeding 3602 indicated Grade 359 Category II.

5. ATCO stated that the Category I pipeline is generally constructed using a welding procedure specification without proven notch toughness properties. The welding procedure used by the contractor during pipeline construction of Line 7 did not have proven notch toughness properties, but still met the requirements of CSA Z662. As a result, the pipeline as a whole was considered to meet only Category I pipe properties.

6. ATCO stated that the pipe for the licenced pipeline, Line 7 is rated Category II, but the girth welds are only considered rated as Category I. Therefore the entire pipeline is considered to be constructed with material properties of CSA Z245.1 Grade 359 Category I. The Commission accepts this assessment and the associated record amendment.

7. ATCO provided information respecting the need, nature and extent of the pipeline record amendment. Since the record amendment does not involve a ground disturbance, there will be no environmental impact.

8. Based upon the information provided, ATCO has demonstrated that the proposal is of a minor nature, no other person will be directly affected by the proposal and no adverse environmental impact will be caused by the proposed record amendment.

9. The Commission approves the application. The amended licence is attached.

**Alberta Utilities Commission**

*(original signed by)*

Brian Shand, P. Eng.  
Director, Gas Facilities  
On behalf of the Alberta Utilities Commission

Attachment