

July 22, 2016

**Decision 21791-D01-2016**

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

Attention: Curtis Meunier, E.I.T.  
Project Engineer, Pipelines Engineering

**Pipeline Removal and Replacement in the Battle River  
Licence 1653  
Proceeding 21791  
Application 21791-A001**

**Minor pipeline project application**

1. ATCO Gas and Pipelines Ltd. (South) (ATCO), by Application 21791-A001 registered on July 6, 2016, filed an application with the Alberta Utilities Commission under Section 11 of the *Pipeline Act* and Section 4.1 of the *Gas Utilities Act* for the following:

- splitting of line 3 into lines 3, 21 and 22
- removal of line 21
- addition of a newly constructed pipeline (line 23 – 0.11 kilometres of 219.1-millimetre outside diameter pipeline)
- stress level amendment of line 3

2. The proposed work is related to the minor split, removal and replacement of existing pipe within the original right-of-way, previously constructed and operating in accordance with approvals granted in Licence 1653.

3. ATCO stated the existing Wainwright Transmission Pipeline is exposed within Battle River. The proposed project is to replace the section of the Wainwright Transmission Pipeline that crosses the Battle River with a new section of pipe and remove the exposed pipe. A new crossing would be installed using an isolated open-cut technique and tied into the existing pipeline. The new pipeline, line 23, would be installed within the existing right-of-way. The existing pipeline, line 21, would be removed after the new pipeline is installed.

4. ATCO stated this project was not included as part of ATCO's recent general rate application, Proceeding 21515. A full needs assessment is required for this project as the expected costs exceed the abbreviated need threshold outlined in Table 3.1 of Rule 020: *Rules Respecting Gas Utility Pipelines*. A copy of the Wainwright Transmission

Pipeline Business Case<sup>1</sup> has been provided for this project in order to establish the need for the pipeline removal and replacement.

5. ATCO stated that the Wainwright Transmission System was exposed in Battle River due to natural erosion. According to Table 4.9 of CSA Z662.15 *Oil and gas pipeline systems*, a pipeline must have a minimum depth of cover of 1.2 metres at a water crossing in order to protect the pipeline. In the business case, an alternative that considers installing engineered cover on the riverbed to meet the cover requirements of Table 4.9 of CSA Z662.15 was presented. However, the alternative was dismissed since current regulation does not allow armoring the bed and bank of a water body where the pipeline does not currently meet the scour depth requirements of the *Code of Practice for Pipelines and Telecommunication Lines Crossing a Water Body*.

6. ATCO stated the total project cost<sup>2</sup> is estimated to be \$2,408,000. This includes a capital cost of \$2,168,000 and a removal cost of \$240,000. The installation of the new pipeline crossing the Battle River is expected to begin in August 2016 with the removal of the exposed pipeline expected to take place immediately following the new installation.

7. ATCO stated that an environmental effects assessment<sup>3</sup> (EA) and environmental protection plan<sup>4</sup> (EPP) were prepared for this project by a qualified aquatic environmental specialist. A geotechnical study determined that using a trenchless methodology such as horizontal directional drilling was not feasible based on the geophysical properties of the ground where the drilling would take place. Therefore, an open-cut methodology was selected for the pipeline removal and replacement. The environmental effects assessment states that the temporal extent of impact would have a duration of approximately one week and be confined to the existing pre-disturbed right-of-way. The activity is also proposed to occur during the open water, low seasonal flow period outside of the restricted activity period in order to achieve isolation and minimize instream disturbance.<sup>5</sup> The Commission accepts ATCO's statement that it would follow all recommendations included in the environmental protection plan and environmental effects assessment.

8. ATCO stated that a code of practice notification was submitted to the Alberta Energy Regulator (AER) in accordance with the *Water Act* for pipelines crossing a water body on June 28, 2016. The application is currently being reviewed by the AER and is anticipated to have no deficiencies. ATCO also submitted that it would not proceed until clearance is received from the AER.

9. ATCO stated that the Battle River at the crossing location is designated as a Class C watercourse with a restricted activity period of April 16th to June 30th according to the Alberta Water Act Code of Practice for Watercourse Crossing Maps (2006). Construction of the

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<sup>1</sup> Exhibit 21791-X0008, ATCO Pipelines Business Case – Wainwright Transmission (219.1 mm) Crossing at Battle River at NE-14-45-8-W4M-Replacement, 2016-3195.

<sup>2</sup> Exhibit 21791-X0008, ATCO Pipelines Business Case – Wainwright Transmission (219.1 mm) Crossing at Battle River at NE-14-45-8-W4M-Replacement, 2016-3195, page 2, paragraph 2 (a).

<sup>3</sup> Exhibit 21791-X0006, ENVIRO MAK INC. – Environmental Effects Assessment Report.

<sup>4</sup> Exhibit 21791-X0007, ENVIRO MAK INC. – Environmental Protection Plan.

<sup>5</sup> Exhibit 21791-X0006, ENVIRO MAK INC. – Environmental Effects Assessment Report, PDF page 29 of 69.

new crossing and removal of the existing pipeline is proposed to begin in August/September of this year, outside of the restricted activity period.

10. ATCO stated the existing and proposed pipelines traverse lands with a designated Historical Resource Value of 5 for archeological interests (as listed by Alberta Culture and Tourism). The historical resource application was submitted on June 22, 2016. ATCO also submitted that it would not proceed until clearance is received from Alberta Culture and Tourism.

11. ATCO stated that consultation was completed on June 29, 2016 with landowners and occupants in accordance with Rule 020. There were no outstanding landowner concerns that would impact the project.

12. ATCO has provided information respecting the need, nature and extent of the project. ATCO has demonstrated that the pipeline river crossing replacement project is required to provide safe and reliable pipeline operations in compliance with the requirements of CSA Z662. Since the extent of the construction impact of this crossing would be confined to the existing pre-disturbed right-of-way and have an approximate duration of one week, the resultant environmental impact of the work has been assessed with limited impact identified. The landowners and occupants of the affected lands did not object to the project.

13. Based upon the information provided, ATCO has demonstrated that the proposal is of a minor nature, no person other than the landowners and occupants of the land upon which the project takes place will likely be directly affected by the proposal, and no significant adverse environmental impact will be caused by the proposed project.

14. 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