

September 1, 2016

Decision 21918-D01-2016

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

Attention: David Korpany, E.I.T.
Project Leader, Pipelines Engineering

**Myrnam Transmission Pipeline Replacement near Vermilion
Licences 11520 and 13990
Proceeding 21918
Applications 21918-A001 and 21918-A002**

Minor pipeline project application

1. ATCO Gas and Pipelines Ltd. (South) (ATCO), by applications 21918-A001 and 21918-A002 registered on August 18, 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 in the Vermilion area:

Pertaining to Licence 11520:

- splitting line 5 into lines 5 and 11
- splitting line 10 into lines 10 and 12
- addition of a newly constructed pipeline (line 13 – 0.30 kilometres of 219.1-millimetre outside-diameter pipeline)
- lines 9, 10 and 11 are to be abandoned in place under a separate application when construction is complete

Pertaining to Licence 13990:

- addition of a newly constructed pipeline (line 4 – 0.04 kilometres of 88.9-millimetre outside-diameter pipeline)

2. The proposed work is related to the minor replacement of existing pipe, within the original right-of-way, previously constructed and operating in accordance with approvals granted in Licence 11520.

3. ATCO proposed to upgrade a site on its 219.1-millimetre Myrnam Transmission Pipeline, in addition to three other sites previously approved by the Commission in Decision 3577-D01-2016,¹ to allow for in-line inspection of 12 kilometres of the pipeline. The site is located at a CN railway crossing near Vermilion. ATCO proposed to replace the existing crossing with a new pipeline. ATCO proposed to install 300 metres of new pipeline, line 13, via horizontal directional drill within the existing right-of-way and tie into the existing pipeline. Approximately 150 metres of the existing railway crossing pipeline would be abandoned and filled with grout. The remaining 150 metres of 219.1-millimetre pipeline would be abandoned and purged with air. Due to the length of the pipeline installed by horizontal directional drill, the 88.9-millimetre tie-in for Vermilion Gate Station #2 would have to be relocated to the new pipeline crossing. Approximately 40 metres of 88.9-millimetre pipeline, line 4 of Licence 13990, would be installed to tie-in the existing lateral to the 219.1-millimetre Myrnam Transmission Pipeline.

4. ATCO stated that the cost to upgrade the CN railway crossing site is forecast at \$600,000. Since the estimated cost of upgrading this site is under \$1,000,000 and there are no unresolved interested party objections or significant environmental impacts, the Commission accepts ATCO's assessment that this project meets the criteria for an abbreviated need project as per Rule 020: *Rules Respecting Gas Utility Pipelines*, Section 3.3, Table 3.1.

5. ATCO stated that it would meet the requirements of the *Guide for Pipelines Pursuant to the Environmental Protection and Enhancement Act and Regulations* (1994) and the *Environmental Protection Guidelines for Pipelines* (1994). Since no decommissioned pipeline segments are being proposed for removal, minimal environmental impact is expected. No instream work is expected to occur during construction. Any liquids contained in the existing pipeline would be captured and disposed of during pipeline tie-in activities.

6. ATCO stated that a search of the historical resource listings, maintained by Alberta Culture and Tourism did not reveal any historical resources within the project area.

7. ATCO stated that consultation with landowners and occupants for this work has been completed in accordance with Rule 020.

8. ATCO has provided information respecting the need, nature and extent of the project. Since the project involves no significant ground disturbance and is within the original right-of-way, the resultant environmental impact of the work has been assessed with no significant impact identified. The landowners and occupants of the affected lands did not object to the project.

9. 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.

¹ Decision 3577-D01-2016: ATCO Pipelines 2015-2016 General Rate Application, Proceeding 3577, February 29, 2016, paragraph 98, PDF page 25 of 129.

10. The Commission approves the application. The amended licences are attached.

Alberta Utilities Commission

(original signed by)

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

Attachments