

September 14, 2016

Decision 21937-D01-2016

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

Attention: Eric Filipowski
Project Engineer, Pipelines Engineering

**Replacement of the Fort McMurray Transmission Pipeline Crossing Saline Creek
Licence 11208
Proceeding 21937
Application 21937-A001**

Minor pipeline project application

1. ATCO Gas and Pipelines Ltd. (South) (ATCO), by Application 21937-A001 registered on August 26, 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 at Saline Creek within Fort McMurray:

- splitting line 4 into lines 4, 13 and 14
- removal of line 13
- mapping amendment of line 4
- addition of a newly constructed pipeline (line 15 – 0.28 kilometres of 88.9-millimetre outside-diameter pipeline).

2. The proposed work is related to the minor split, removal and replacement of existing pipeline, within the original right-of-way, previously constructed and operated in accordance with approvals granted in Licence 11208.

3. ATCO stated that, during a depth of cover survey of pipeline water crossings in the area, it was discovered that the existing 88.9-millimetre Fort McMurray Transmission Pipeline at the Saline Creek crossing is shallow and does not meet minimum depth of cover requirements. The depth of cover for the existing pipeline is 0.59 metres at the Saline Creek crossing while, 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.

4. ATCO stated that the proposed project would involve the replacement of a portion of the existing 88.9-millimetre Fort McMurray Transmission Pipeline crossing Saline Creek, with a new section of pipeline, and the removal of the shallow existing pipeline. The new pipeline, line 15, would be installed within the existing right-of-way via horizontal directional drilling and tied into the existing pipeline. The existing pipeline crossing the creek, line 13, would be removed after the new pipeline is installed.

5. The Commission accepts ATCO's assessment that this project meets the criteria for an abbreviated need project, as per Table 3.1 in Section 3.3 of Rule 020: *Rules Respecting Gas Utility Pipelines*, since it is a replacement project for existing facilities where the existing right-of-way is being utilized, and the project costs are forecast to be under \$1,000,000 and there are no unresolved interested party objections or significant environmental impacts. The total cost of the project is estimated at \$920,000.

6. ATCO stated that it engaged the services of a qualified aquatic environmental specialist, through EnviroMak Inc., to prepare an environmental effects assessment and an environmental protection plan¹ for this project. The Commission accepts ATCO's statement that all recommendations included in the environmental protection plan would be implemented. EnviroMak has determined, by means of the self-assessment criteria provided by the Department of Fisheries and Oceans, that the work for this project does not require a request for review. No application is required for Navigable Waters (Transport Canada) under the *Navigable Waters Act* as this crossing is not within a scheduled waterway.

7. ATCO stated that a code of practice notification was submitted to the Alberta Energy Regulator in accordance with the *Water Act* for pipelines crossing a water body on July 7, 2016. The application is currently being reviewed by the Alberta Energy Regulator and is anticipated by ATCO to have no deficiencies. ATCO also submitted that it would not proceed until clearance is received from the Alberta Energy Regulator.

8. ATCO stated that Saline Creek, at the crossing location, is designated as a Class C watercourse with a restricted activity period of April 16th to July 15th according to the Alberta *Water Act* Code of Practice for Watercourse Crossing Maps (2006). Construction of the new crossing and removal of the existing pipeline is scheduled to begin in October or November of this year, outside of the restricted activity period.

9. ATCO stated that the existing and proposed pipelines traverse lands with a designated Historical Resource Value of five for archeological and paleontological interests as listed by Alberta Culture and Tourism. ATCO received *Historical Resources Act* clearance² from Alberta Culture and Tourism on August 15, 2016.

10. ATCO stated that the pipeline would be tested for liquids prior to removal and any liquids found would be removed and properly disposed of. The topsoil would be stripped and stored and all surface disturbances would be backfilled before the topsoil is returned.

11. ATCO stated that consultation with landowners and occupants for this work has been completed in accordance with Rule 020. Confirmation of non-objection by directly and adversely affected landowners and occupants was obtained by ATCO on June 6, 2016.

12. ATCO has provided information respecting the need, nature and extent of the project. The Commission accepts ATCO's assessment that the pipeline creek crossing requires replacement as proposed in order to facilitate the safe and reliable operation of the gas

¹ Exhibit 21937-X0003, Environmental Assessment and Environmental Protection Plan.

² Exhibit 21937-X0004, Historical Resources Act (HRA) clearance.

transmission pipeline. Since the project involves limited 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.

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

Attachment