



ATCO Gas and Pipelines Ltd. (South)

Pipeline Addition

Township 46, Range 27, West of the Fourth Meridian

May 10, 2012

The Alberta Utilities Commission

Decision 2012-126: ATCO Gas and Pipelines Ltd. (South)

Pipeline Addition – Township 46, Range 27, West of the Fourth Meridian

Application No. 1608274

Proceeding ID No. 1804

May 10, 2012

Published by

The Alberta Utilities Commission

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1 Introduction

1. ATCO Gas and Pipelines Ltd. (South) (ATCO) filed an application with the Alberta Utilities Commission (AUC or the Commission) seeking approval to grant a new licence pursuant to Section 9 of the *Pipeline Act* and Section 4.1 of the *Gas Utilities Act*. ATCO requested the addition of Line 7 of Fairborne Energy Ltd. (Fairborne) Licence 41812 to a new ATCO licence in order to effect the transfer of Line 7 from Fairborne to ATCO.
2. The application was registered as Application No. 1608274 on March 22, 2012.
3. ATCO stated that the pipeline currently operates between an existing ATCO pipeline and an existing ATCO metering station located on the Fairborne battery site. The pipeline was licensed and constructed by Fairborne in 2006.
4. ATCO stated that they are responsible for the natural gas within the pipeline which is between ATCO's transmission network and the custody transfer point and, therefore, ATCO must own and operate the pipeline. A schematic drawing showing the pipeline including the tie-in points at each end of the pipeline and the custody transfer point between Fairborne and ATCO was submitted¹.
5. ATCO stated that Fairborne would transfer the ownership of the pipeline to ATCO at no additional cost to ATCO. The transfer of the pipeline from Fairborne to ATCO would not affect the rate base.
6. ATCO stated that ATCO and Fairborne have a signed purchase and sales agreement. The approval of the transfer from the AUC is the final part of the process to complete the licence transfer. Upon approval from the AUC, ATCO would proceed with the transfer of the pipeline within the ERCB DDS system to complete the transaction that Fairborne has initiated. ATCO would require a new licence and line number at that point for Line 7 of Licence 41812. Upon the acceptance from the ERCB, ATCO would then notify the AUC.
7. In its submission, ATCO stated that the requirements of the consultation and notification program were met and that no outstanding objections or concerns remain in regards to the application.

¹ Exh. 0009.00.ATCO-1804. Base Plan Map. ATCO Gas and Pipelines Ltd. (South). Application No. 1608274. Proceeding ID No. 1804.

2 Findings

8. The Commission accepts ATCO's submission that a participant involvement program has been conducted and that there are no outstanding public or industry objections or concerns.

9. The Commission has reviewed the application and has determined that it meets the requirements as stipulated in AUC Rule 020: *Rules Respecting Gas Utility Pipelines*.

10. Due to the nature of the application, a notice of application was not issued and, therefore, a hearing was not required as the Commission considered that its decision or order would not directly and adversely affect the rights of a person pursuant to Section 9 of the *Alberta Utilities Commission Act*.

11. The Commission accepts ATCO's statement that the pipeline currently operates between an existing ATCO pipeline and an existing ATCO metering station located on the Fairborne battery site. The Commission also acknowledges ATCO's statement that this pipeline would not affect ATCO's rate base.

12. Based on the foregoing, the Commission considers the project to be in the public interest in accordance with Section 17 of the *Alberta Utilities Commission Act*.

3 Decision

13. Pursuant to Section 9 of the *Pipeline Act* and Section 4.1 of the *Gas Utilities Act*, the Commission approves the acquisition and transfer. The Permit and Licence will be distributed separately subsequent to the date when the ERCB assigns a new licence and line number to the pipeline addition.

Dated on May 10, 2012.

The Alberta Utilities Commission

(original signed by)

Neil Jamieson
Commission Member