

**DA2013-39**

February 11, 2013

ATCO Gas and Pipelines Ltd. (South)  
7210 – 42 Street N.W.  
Edmonton, Alberta T6B 3H1Attention: Ryan Currie, P. Eng.  
Project Leader, Pipelines Engineering**Amendment to Accommodate the Future Abandonment of Lines 1 and 5  
Permit and Licence No. 2175  
Application No. 1609188  
Proceeding ID No. 2351****Minor pipeline project application**

ATCO Gas and Pipelines Ltd. (South) (ATCO), by Application No. 1609188, registered on January 10, 2013, filed an application with the Alberta Utilities Commission (AUC or the Commission) under Section 11 of the *Pipeline Act* and Section 4.1 of the *Gas Utilities Act*, to split Line 2 into lines 2 and 5 in Township 11, Ranges 25 and 26, west of the Fourth Meridian. The proposed amendment is related to the minor split of existing pipe, within the original right-of-way, previously constructed and operating in accordance with approvals granted in Permit and Licence No. 2175.

The line split is proposed to facilitate the abandonment of Line 1 of Permit and Licence No. 2175. Line 1 is located from LSD 01-02-011-26-W4M to LSD 15-31-010-26-W4M and provides gas service to several taps as well as to the gate station in Granum. Line 1 is proposed to be replaced with a distribution line installed by ATCO Gas.

ATCO stated that Line 1 requires replacement due to ongoing integrity and safety-related concerns. ATCO stated that the integrity concerns on Line 1 are a combination of factors including that Line 1 was installed in the road right-of-way (Secondary Highway 519) with no registered ATCO right-of-way, therefore there is no protection for the pipeline. Further, the pipeline is also in close proximity to the highway travelling surface, approximately five metres away, therefore access is challenging and impacts traffic on the highway. The pipeline being within the road right-of-way also impacts Alberta Transportation's ability to conduct road work with regard to notifications, crossing agreements and proximity agreements.

ATCO also stated that Line 1 has a leak history occurring at areas on the pipeline having local coating disbondment. Two buried, threaded brass valves have been identified on the Granum lateral and it is unknown how many additional buried brass valves exist along the line. There are safety issues relating to the corrosion of buried threaded fittings and the resulting risk of leak or rupture.

ATCO stated that construction of Line 1 was concluded in 1958 by replacing a segment of the original 1913 mechanically coupled pipe. Interconnecting Line 2 of Permit and Licence No. 2175 was constructed in 1987 to replace the remaining original 1913 coupled pipe. ATCO further stated that Line 2 is newer and does not have any integrity or safety-related concerns and, therefore, it was determined that it could remain operating.

In considering the alternatives to replace Line 1, a least cost analysis was completed in conjunction with the local distribution company. It was determined that rather than ATCO Pipelines replacing the existing high pressure pipeline, the lower cost alternative would be for ATCO Gas to replace the pipeline to be abandoned with low pressure distribution piping connected to a new regulating station site at LSD 04-01-011-26-W4M, adjacent to Line 2. The new regulating station would be connected to the remaining portion of Line 2 to replace the functionality of the abandoned section of pipe. The proposed location of the regulating station would require 110 metres of Line 2 to also be abandoned. The line split of Line 2 is therefore required to accommodate the abandonment of Line 1, the abandonment of a portion of Line 2, and a modification of the low pressure distribution system.

In the application, ATCO filed a noise impact assessment for the proposed ATCO Gas regulating station that indicates compliance with the requirements of AUC Rule 012: *Noise Control*.

ATCO has provided information respecting the need, nature and extent of the pipeline split. Since the pipeline split application involves no ground disturbance, the resultant environmental impact of the work has been assessed with no impact identified. The landowners and occupants of the affected lands did not object to the pipeline split.

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 pipeline split takes place will likely be directly affected by the proposal, and no adverse environmental impact will be caused by the proposed pipeline split.

The Commission approves the application. The amended permit and licence is attached.



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

Attachment