

DA2013-74

March 13, 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 Discontinuation of Line 47
Permit and Licence No. 5341
Application No. 1609204
Proceeding ID No. 2364****Minor pipeline project application**

ATCO Gas and Pipelines Ltd. (South) (ATCO), by Application No. 1609204 registered on January 18, 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 3 in Township 56, Ranges 6 and 7, west of the Fifth Meridian into lines 3, 47 and 48. The proposed amendment is related to the minor split of existing pipeline, within the original right-of-way, previously constructed and operating in accordance with approvals granted in Permit and Licence No. 5341.

ATCO stated that proposed lines 47 and 48 are currently leased to ATCO Energy Solutions (ATCO Energy), formerly ATCO Midstream, as part of an arrangement negotiated in 1995/1996/1997 where ATCO Energy transports unprocessed gas in portions of the 219.1/323.9 millimetre Paddle River transmission pipelines. ATCO Energy identified to ATCO Pipelines that Line 47 is no longer in active flowing service. In order to be in compliance with Section 82 of the *Pipeline Regulation*, with respect to active flowing service, ATCO Energy proposed to discontinue Line 47. Discontinuation was chosen, rather than abandonment, because Line 47 may be utilized in the future and returned to active flowing service. If resumption of operation is desired in the future for Line 47, ATCO Energy will work with ATCO Pipelines to meet all of the AUC Rule 020: *Rules Respecting Gas Utility Pipelines* requirements. ATCO Energy also requested that ATCO Pipelines facilitate the necessary license amendments for the discontinuation of Line 47. The split of Line 3 is the first step.

ATCO stated that the operation of the proposed Line 48 will continue to meet active flowing service requirements as it is connected to a natural gas receipt at the location of the proposed line split between lines 47 and 48 under the operation of ATCO Energy. The operation of the proposed Line 3 will also continue to meet active flowing service requirements as it is connected to the 323.9 millimetre Paddle River transmission pipeline, Permit and Licence No. 30752, Line 1, at the location of the proposed pipeline split between Line 3 and Line 47. Prior to the proposed discontinuation, the proposed Line 3 and Line 47 were physically isolated from each other.

ATCO stated that ATCO Energy will pay the cost of the project, including the administrative work by ATCO Pipelines to facilitate the necessary licence amendments.

ATCO has provided information respecting the need, nature and extent of the pipeline split. Since the pipeline split 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.

A handwritten signature in black ink, appearing to read "B. Shand".

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

Attachment