

DA2013-96

April 8, 2013

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

Attention: Kellen Westman, E.I.T
Project Engineer, Pipelines Engineering

**Amendment to Accommodate a New Safety Shut-off Valve and
Sour Gas Protection Strategy for an Existing Station
Permit and Licence No. 103
Application No. 1609438
Proceeding ID No. 2536**

Minor pipeline project application

ATCO Gas and Pipelines Ltd. (South) (ATCO), by Application No. 1609438 registered on March 27, 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* for the addition of a new pipeline, Line 38 (320 metres of 60.3 millimetre outside-diameter pipeline), in Township 48, Range 8, west of the Fifth Meridian.

ATCO stated the an existing production customer that provides sweet natural gas to the ATCO Rose Creek receipt station within LSD 05-02-048-08-W5M has requested to tie-in wells that have the potential to produce sour gas. Although this producer is still committed to providing only sweet gas to ATCO, and has its own facilities to ensure sweet delivery, as a secondary measure to ensure the safety of the transmission system, ATCO is implementing a sour gas protection strategy. As a part of this strategy, a new section of 60.3 millimetre high pressure pipeline would need to be installed.

ATCO proposed to install 320 metres of new 60.3 millimetre high pressure sweet natural gas pipeline within an existing ATCO right-of-way. This new pipeline would serve to relocate a tie-in point of a gas co-op further downstream of this receipt station to ensure an adequate safety buffer between the tie-in and safety shut-off valve. The installation would occur through open-trench methods and include a small new surface lease at the north end to accommodate an above ground isolation valve.

ATCO stated that one landowner has been identified in the affected area and consultation has been completed in accordance with AUC Rule 020: *Rules Respecting Gas Utility Pipelines* requirements. The production customer would be responsible for 100 per cent of the actual costs associated with this work. The downstream gas co-op for which this upgrade is intended to protect has also been notified and is aware of the full project scope.

ATCO stated that there are no watercourse crossings that would be affected by the installation activities.

ATCO also stated that excavation and trenching would be done in accordance with Alberta Environment and Sustainable Resource Development protection guidelines, and standard soil conservation and reclamation procedures would be followed. Open trenching would be used for the installation of the pipeline. The topsoil would be stripped and stored, and all surface disturbances would be backfilled before the topsoil is returned.

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

Based upon the information provided, ATCO has demonstrated that the proposal is of a minor nature, no person other than the landowner 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.

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

A handwritten signature in black ink, appearing to read "B. Shand". The signature is stylized and somewhat cursive.

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

Attachment