



ATCO Gas and Pipelines Ltd. (South)

Pipeline Splits, Removals and New Construction

Township 51, Ranges 24 and 25, west of the Fourth Meridian

June 22, 2011

The Alberta Utilities Commission

Decision 2011-263: ATCO Gas and Pipelines Ltd. (South)

Pipeline Splits, Removals and New Construction

Application No. 1607387

Proceeding ID No. 1277

June 22, 2011

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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 for an amendment to Permit and Licence No. 13452 pursuant to Section 11 of the *Pipeline Act* and Section 4.1 of the *Gas Utilities Act* for the following:

- Splitting Line 3 into Lines 3 and 12.
- Splitting Line 4 into Lines 4 and 13.
- Removal of Lines 4 and 12.
- Addition of newly constructed pipeline (Line 14 – 3.25 kilometres (km) of 609.6-millimetre (mm) outside-diameter (OD) Pipe).
- Lines 3 and 13 remain in place.
- Length amendment to Line 3.

(the project).

2. The application was registered on June 6, 2011, as Application No. 1607387.

3. ATCO stated that a class location assessment completed by ATCO indicated that development is occurring or proposed in the area adjacent to ATCO's existing pipeline right-of-way in sections 13 and 14-51-25-W4M (Chappelle neighbourhood) and in SW 24-51-25-W4M (Heritage Valley 12 neighbourhood) in the City of Edmonton. Consequently, when the area is fully developed and occupied, the pipeline class location designation will change from Class 1 and 3 to Class 4. To meet the safety requirements specified in Canadian Standards Association *CSA Z662 Oil and Gas Pipeline Systems Code*, approximately 3.25 km of ATCO's existing 609.6 mm Homeglen Transmission Line in this area will require replacement. To meet the regulatory requirements for a Class 4 location, 3250 metres of the existing 609.6 mm pipeline would be decommissioned and removed, and a new heavier-wall/higher-grade pipeline would be installed in the same alignment as the existing pipeline in ATCO's right-of-way.

4. ATCO stated that the area being developed where ATCO's pipelines are located is becoming congested and working space adjacent to ATCO's right-of-way is limited, making it necessary to replace the pipeline at this time. In the future, when this developing area is considered to be a Class 4 location, it is also intended that the maximum operating pressure would be lowered for ATCO's existing 323.9 mm and 219.1 mm pipelines traversing this area to satisfy the higher regulatory requirements for a Class 4 location.

5. ATCO stated that during construction, the existing pipelines would be tested for liquids prior to removal. Any liquids found would be removed and properly disposed of. Open trenching would be used for the pipeline removals except at one existing road crossing where a closed bore method is planned to remove the old pipeline and install the new pipeline.

6. ATCO also stated that the area is under heavy development and construction activities are extensive and ongoing. Much of the topsoil in the area has been disturbed or removed. Where required to facilitate pipeline construction activities, the topsoil on the right-of-way and workspace would be stripped and stored, and all surface disturbances would be backfilled before the topsoil is returned.

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 related to this application.

2 Findings

8. 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*.

9. The Commission finds that the pipeline split, removal and new construction are necessary to meet minimum regulatory requirements that include the requirements of *CSA Z662 Oil and Gas Pipeline Systems Code*.

10. The Commission notes ATCO's submission that the requirements of the consultation and notification program were met and that no outstanding objections or concerns remain related to this application.

11. 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

12. Pursuant to Section 11 of the *Pipeline Act* and Section 4.1 of the *Gas Utilities Act*, the Commission approves the amendment to Permit and Licence No. 13452 for the project and grants ATCO the amended permit and licence as set out in Appendix 1 – Pipeline Splits, Removals and New Construction – Permit and Licence No. 13452 – June 22, 2011 (Appendix 1 will be distributed separately).

Dated on June 22, 2011.

The Alberta Utilities Commission

(original signed by)

Neil Jamieson
Commission Member