



ATCO Gas and Pipelines Ltd. (South)

Pipeline Split, Removals and New Construction

Township 24, Range 2, West of the Fifth Meridian

November 29, 2011

The Alberta Utilities Commission

Decision 2011-465: ATCO Gas and Pipelines Ltd. (South)

Pipeline Split, Removals and New Construction

Township 24, Range 2, West of the Fifth Meridian

Application Nos. 1607684 and 1607685

Proceeding ID No. 1465

November 29, 2011

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The Alberta Utilities Commission

Fifth Avenue Place, Fourth Floor, 425 First Street S.W.

Calgary, Alberta

T2P 3L8

Telephone: 403-592-8845

Fax: 403-592-4406

Website: www.auc.ab.ca

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. 1952 and to Permit and Licence No. 2856 pursuant to Section 11 of the *Pipeline Act* and Section 4.1 of the *Gas Utilities Act* for the following:

- Pertaining to Permit and Licence No. 1952:
 - Addition of newly constructed pipeline (Line 50 – 0.82 kilometres of 168.3-millimetre (mm) outside-diameter (OD) pipe).
- Pertaining to Permit and Licence No. 2856:
 - Splitting Line 16 into Lines 16 and 17.
 - Removal of Lines 5 and 17.
 - Line 16 is to remain in place.

(the project).

2. The applications were registered as application nos. 1607684 and 1607685 on September 22, 2011.

3. ATCO stated that the proposed pipeline construction and removals are required due to the forecast growth in utility gas demand in the area. The existing 60.3 mm OD pipeline will be unable to provide adequate flow to supply the area. The proposed 168.3 mm OD pipeline would originate at a tie-in point from 14-30-24-2-W5 to an existing regulating station at 6-31-24-2-W5. The proposed pipeline installation would occur in a different alignment than the existing 60.3 mm pipeline. The existing local distribution company's, ATCO Gas – a division of ATCO Gas and Pipelines Ltd. (South), regulating station would also be upgraded to accommodate the increase in utility gas requirements. The station upgrade to install new equipment in a slightly larger building designed to ensure an adequate supply of gas for the forecasted demands of the area is planned to occur in 2012.

4. ATCO submitted a noise impact assessment for the proposed regulating station upgrade and stated that noise measurements were taken from an existing station with identical equipment to the proposed upgraded station occurring at 6-31-24-2-W5.¹ Mitigative measures would be required for the proposed station to comply with AUC Rule 012: *Noise Control* (AUC Rule 012). In response to information requests, the local distribution company has indicated they would

¹ Exhibit No. 0002.00.ATCO-1465.

incorporate the necessary recommendations from the noise assessment study in order to comply with AUC Rule 012.²

5. In response to an information request to describe proposed mitigation measures showing that overall environmental impacts would be minimized, ATCO stated that in addition to the noise mitigation of the proposed station, the local distribution company would design their gas regulators and pressure safety valves to meet and exceed Canadian Standards Association requirements for natural gas distribution. The local distribution company also stated that the line heater would be ASME compliant and would have sufficient pressure safety valves present to enable safe operation and would be placed within the existing site in a location near green space. In addition, there would be a 7.5-metre buffer around the station building to ensure that the hazardous areas on the site would be fully contained within the perimeter. All occupational health and safety requirements would be met with the design of the station.

6. In response to round two information requests, ATCO stated that the issues regarding the visual impact of the station have been resolved to the satisfaction of the potentially affected persons. The landowner, Crestmont Developments, signed a non-objection letter to the resulting visual impact of the replacement gate station on November 16, 2011. In the non-objection letter signed by Crestmont Developments, the local distribution company explained that they would install a solid fence around the station site. ATCO also indicated that the local distribution company had informed potentially affected persons of the equipment that would be contained in the proposed replacement gate station and provided them with a description of the equipment.

7. ATCO indicated that there is a row of nine houses across the road from the existing Crestmont station. These residents were notified of the pipeline installation as per AUC Rule 020: *Rules Respecting Gas Utility Pipelines* (AUC Rule 020), but the local distribution company did not complete a separate notification for the station upgrade. The existing site is surrounded by a chain link fence and is visible to landowners across the road. The local distribution company has agreed to install a solid fence around the upgraded station site which would impede the view of the station from the landowners. In these circumstances it is normal practice for the local distribution company to negotiate with only the developer on station aesthetics. An agreement between the local distribution company and the developer regarding station aesthetics has been reached and a non-objection form has been signed.

8. ATCO stated that the existing 60-mm pipeline would be removed to eliminate interference with landowner development plans. As a result of negotiations between ATCO Pipelines and the landowner, it was decided that ATCO Pipelines would attain the proposed right-of-way and temporary workspace at no cost in exchange for ATCO Pipelines agreeing to discharge the existing right-of-way and remove the pipeline at ATCO Pipelines' cost. The pipe would be removed by excavating a catch pit and digging bell holes along the pipeline. The pipeline would be cut and pulled into the catch pit and surface disturbances would be minimized. Any liquids contained in the pipe to be removed would be captured and disposed of prior to the removal activity.

9. ATCO stated that a *Historical Resource Act* clearance was granted to ATCO Pipelines by Alberta Culture and Community Spirit for this project on September 21, 2011.

² Exhibit No. 0010.00.ATCO-1465.

10. 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.

2 Findings

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

12. The existing station is surrounded by a chain link fence and is currently visible to landowners across the road. Since the visual impact of the new equipment and a slightly larger building will be reduced by the construction of a solid fence, the Commission is satisfied that visual impacts will be mitigated.

13. The Commission has reviewed the application and has determined that it meets the requirements as stipulated in AUC Rule 020.

14. The Commission finds that information in the application submitted by ATCO fulfills the requirements of AUC Rule 012.

15. 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*.

16. The Commission finds that the project is necessary to accommodate forecasted growth in utility gas demand in the area.

17. 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

18. 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. 1952 and Permit and Licence No. 2856 and grants ATCO the amended permits and licences as set out in Appendix 1 – Gas Utility Pipeline – New Construction – Permit and Licence No. 1952 and Appendix 2 – Gas Utility Pipeline – Pipeline Split and Removals – Permit and Licence No. 2856 – November 29, 2011 (Appendices 1 and 2 will be distributed separately).

Dated on November 29, 2011.

The Alberta Utilities Commission

(original signed by)

Neil Jamieson
Commission Member