



ATCO Gas and Pipelines Ltd. (South)

Pipeline Split and Removals

Amendment to Accommodate the Replacement of the Existing Southern Extension Pipeline in Townships 39, 40, and 41, Ranges 26 and 27, West of the 4th Meridian

October 20, 2010

ALBERTA UTILITIES COMMISSION

Decision 2010-497: ATCO Gas and Pipelines Ltd. (South)

Amendment to Accommodate the Replacement of the Existing Southern Extension Pipeline

Application No. 1606632

Proceeding ID. 873

October 20, 2010

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**ATCO GAS AND PIPELINES LTD. (SOUTH)
PIPELINE SPLIT AND REMOVALS
AMENDMENT TO ACCOMMODATE THE
REPLACEMENT OF THE EXISTING
SOUTHERN EXTENSION PIPELINE**

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1 INTRODUCTION

1. ATCO Gas and Pipelines Ltd. (South) (ATCO) filed an application with the Alberta Utilities Commission (AUC or Commission) seeking approval for an amendment to Permit/Licence 2526 for the following:

- Split Line 55 into Lines 55, 113, 114, 115, 116, 117, 118, 119, 120, 121, and 122;
- Removal of Lines 113, 115, 117, 119, and 121; and
- Lines 55, 114, 116, 118, 120, and 122 to remain in place;

(Project).

2 BACKGROUND

2. The application was registered on October 4, 2010, as Application 1606632 (Application).

3. ATCO stated that the existing Southern Extension pipeline was constructed in 1945/1946 and is nearing the end of its useful life. Due to integrity concerns, complete replacement of the Southern Extension pipeline commenced in 2008, and is being completed in various stages. At this point the section from Red Deer to Lacombe has been replaced. Eventually, the entire old Southern Extension pipeline would be abandoned. A thorough review of the pipeline has been undertaken and at this time, five sections are recommended for removal. ATCO stated that lines 114 and 117 would be removed due to insufficient depth-of-cover issues.

4. ATCO stated that during negotiations to acquire the new right-of-way for the Southern Extension replacement, landowners at the three following locations required ATCO to commit to the removal of the vintage pipeline upon abandonment. Acquisition of the right-of-way was contingent upon ATCO agreeing to remove the vintage pipeline, as follows:

- 1 120 metres (m) of pipeline at NE 15 and SE 22-39-27-W4M (Line 121)

At this location the vintage pipeline runs through an active Alberta Transportation gravel pit. Alberta Transportation provided ATCO with new right-of-way under the condition that the vintage pipeline would be removed so that they could access the gravel deposits below the vintage pipeline;

- 550 m of pipeline at NW 23-39-27-W4M (Line 119)

A developer owns this parcel of land and is developing it for an industrial subdivision. The vintage pipeline runs through the proposed lots, minimizing their size. The developer provided ATCO with a new right-of-way that places the replacement pipeline parallel to Highway 2A, minimizing the impact on the proposed lots. The new right-of-way was provided under the condition that ATCO would remove the vintage line; and

- 530 m of pipeline at SE 32-40-26-W4M and NW 29-40-26-W4M (Line 115)

This parcel of land is located on the northeast side of Lacombe. The new 219 mm Southern Extension replacement pipeline was installed around the east side of Lacombe. To reconnect to an existing ATCO Gas Station located on the northeast side of Lacombe, ATCO installed a lateral through this parcel. The land owner provided the new right-of-way for this lateral on the condition that ATCO would remove the vintage pipeline on his property where the new right-o- way does not parallel the old right-of-way.

5. ATCO stated that 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. An attempt would be made to minimize surface disturbances. Any liquids contained in the pipe to be removed would be captured and disposed of prior to the removal activity. All disturbed areas would be reclaimed to the condition they were in before the removal took place.

6. ATCO stated that a Participant Involvement Program has been conducted by ATCO and that there are no outstanding public or industry objections or concerns.

3 DISCUSSION

7. The Commission has reviewed the Application and has determined that it meets the requirements as stipulated in *AUC Rule 020*.

8. Since no parties objected to the Application and the Project is necessary to accommodate the replacement of the existing Southern Extension pipeline, the Commission considers the Project to be in the public interest.

4 DECISION

9. Pursuant to section 11 of the *Pipeline Act* and section 4.1 of the *Gas Utilities Act*, the Commission approves the amendment to Permit/Licence 2526 for the Project and grants ATCO the amended Permit/Licence as set out in Appendix 1 – Gas Utility Pipeline – Pipeline Split and Removals– Permit/Licence No. 2526 – October 20, 2010 (Appendix 1 will be distributed separately).

Dated on October 20, 2010.

ALBERTA UTILITIES COMMISSION

(original signed by)

Tudor Beattie, Q.C.
Commissioner