



ATCO Gas and Pipelines Ltd. (South)

Delete Pipelines from Licence,
Pipeline Abandonment, and Record Corrections

Amendment to Accommodate
The Southern Extension Replacement Project

December 17, 2010

ALBERTA UTILITIES COMMISSION

Decision 2010-594: ATCO Gas and Pipelines Ltd. (South)

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Amendment to Accommodate the Southern Extension Replacement Project

Application No. 1606796

Proceeding ID. 993

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**ATCO GAS AND PIPELINES LTD. (SOUTH)
DELETE PIPELINES FROM LICENCE, PIPELINE
ABANDONMENT, AND RECORD CORRECTIONS
AMENDMENT TO ACCOMMODATE THE
SOUTHERN EXTENSION REPLACEMENT PROJECT**

**Decision 2010-594
Application No. 1606796
Proceeding ID. 993**

1 INTRODUCTION

1. ATCO Gas and Pipelines Ltd. (South) (ATCO) filed an application with the Alberta Utilities Commission (AUC or Commission) seeking approval for amendments to Permit and Licence No. 2526 and Permit and Licence No.6700 as follows:

Pertaining to Permit and Licence No. 2526:

- lower the maximum operating pressure (MOP) from 4830 kPa to 550 kPa and delete lines 46, 49, and 50 from Licence;
- length adjustment of line 47;
- abandonment of lines 23, 24, 32, 47, and 52; and
- reinstate line 112 as Abandoned.

Pertaining to Permit and Licence No. 6700:

- abandonment of line 4; and
- mapping correction of line 4.

(Proposed Amendments).

2 BACKGROUND

2. The application was registered on November 29, 2010, as Application No.1606796 (Application).

3. ATCO stated that as part of the Southern Extension Replacement Project, ATCO lowered the MOP of lines 46, 49, and 50 of Licence No. 2526 from 4830 kPa to 550 kPa. These assets were transferred from the ATCO Pipelines division to the ATCO Gas division within ATCO Gas and Pipelines Ltd. This has eliminated the requirement to license these lines with the AUC as licensing of pipelines with a maximum operating pressure under 700 kPa is not required under *AUC Rule 20*.

4. ATCO stated that as part of the Southern Extension Replacement Project, the vintage Southern Extension has been abandoned in accordance with AUC requirements, that all associated surface facilities would be removed and that the surface sites would be reclaimed within one year. This abandonment includes lines 23, 24, 32, 47, and 52 of Licence No. 2526 and line 4 of Licence No. 6700.

5. ATCO stated that, during construction activities at the Red Deer Gate 1 site, it was determined that line 112 of Licence No. 2526 could not be removed due to the excessive depth of cover over the line. Due to the restricted dimension of the site and depth of the pipeline being deeper than two metres, a properly sloped trench could not be safely excavated to remove the line. ATCO proposed to abandon the line in place and, therefore, requested to change the record for line 112 in Licence No. 2526 from “removed” to “abandoned”.

6. ATCO stated that a participant involvement program has been conducted and that there are no outstanding public or industry objections or concerns. ATCO also stated that no water course crossings were affected and that no regulating or measurement stations would be installed as a part of this application.

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 Proposed Amendments are necessary to accommodate the Southern Extension Replacement Project, the Commission considers the Proposed Amendments 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 and Permit/Licence 6700 and grants ATCO the amended Permits/Licences as set out in Appendix 1 – Gas Utility Pipeline – Delete Pipelines from Licence, Pipeline Abandonment, and Record Correction – Permit/Licence No. 2526 – December 17, 2010; Appendix 2 – Gas Utility Pipeline – Record Correction – Permit/Licence No. 2526 – December 17, 2010; and Appendix 3 – Gas Utility Pipeline – Pipeline Abandonment and Mapping Correction – Permit/Licence No. 6700 – December 17, 2010 (Appendices 1, 2, and 3 will be distributed separately).

Dated on December 17, 2010.

ALBERTA UTILITIES COMMISSION

(original signed by)

Anne Michaud
Commissioner