

March 5, 2018

Decision 23307-D01-2018

ATCO Gas and Pipelines Ltd.
7210 - 42 Street N.W.
Edmonton, Alta. T6B 3H1

Attention: Zack Coen, P. Eng.
Senior Engineer, Facilities

**New Pipeline Installations on the Shepard Lateral and
Southeast Calgary Connector Pipelines
Licences 106 and 18438
Proceeding 23307
Applications 23307-A001 and 23307-A002**

Minor pipeline project application

1. ATCO Gas and Pipelines Ltd. (ATCO), by applications 23307-A001 and 23307-A002 registered on January 31, 2018, filed an application with the Alberta Utilities Commission under Section 11 of the *Pipeline Act* and Section 4.1 of the *Gas Utilities Act* for the following in the city of Calgary:

Pertaining to Licence 106:

- addition of a newly constructed pipeline (line 120 – 0.04 kilometres of 323.9-millimetre outside diameter pipeline)

Pertaining to Licence 18438:

- addition of a newly constructed pipeline (line 39 – 0.04 kilometres of 168.3-millimetre outside diameter pipeline)

2. ATCO proposed to construct a connecting high pressure, sweet natural gas pipeline from an existing valve assembly on the 508-millimetre Shepard Lateral Pipeline to the proposed Shepard Lateral-Connector Control Station. The proposed Shepard Lateral-Connector Control Station would connect to an existing valve assembly on the Southeast Calgary Connector Pipeline. The approximately 40 metres of 323.9-millimetre pipeline and risers would supply gas from the 508-millimetre Shepard Lateral Pipeline to the Southeast Calgary Connector Pipeline. The pipeline has been designed to CSA Z662-15, Class 4 and would be fusion bonded epoxy coated.

3. ATCO also proposed to construct a connecting high pressure, sweet natural gas pipeline from the proposed Shepard Lateral-Connector Control Station to the existing Chestermere Lake Lateral Control Station. Approximately 40 metres of 168.3-millimetre pipeline and risers would supply gas from the Southeast Calgary Connector Pipeline to the Chestermere Lake

Lateral Pipeline. The pipeline has been designed to CSA Z662-15, Class 4 and would be yellow jacket coated.

4. ATCO stated that the application is part of the Urban Pipeline Replacement Program, the need for which has been established and approved in Decision 2014-010 (Errata).¹ Updated project costs and timelines have been provided in ATCO Pipelines 2017-2018 General Rate Application in Proceeding 22011 and approved in Decision 22011-D01-2017.²

5. ATCO stated that the proposed control station and pipelines connecting the Shepard Lateral Pipeline, the Southeast Calgary Connector Pipeline, and the Chestermere Lake Lateral Pipeline would enable ATCO to maintain reliable gas service to core Calgary and Chestermere area customers should an outage occur on the Urban Pipeline Replacement Project system of pipelines or on the Shepard Lateral Pipeline. After the proposed interconnecting facilities are installed, additional odorization is required for gas flowing into the Southeast Calgary Connector from the Shepard Lateral Pipeline. Odorization facilities would be installed at the proposed Shepard Lateral Connector Control Station.

6. ATCO stated that notification to landowners, occupants, residents, and urban authorities has been completed. The right-of-way for this project is located entirely within the Calgary transportation utility corridor in public lands. A letter of non-objection for this project was obtained from Alberta Infrastructure on November 29, 2017.³

7. ATCO stated all the proposed work and facilities are located within 20 metres of the right-of-way for the previously installed Southeast Calgary Connector Pipeline. The pre-construction site assessment and environmental protection plan prepared by CH2M Hill Energy Canada Ltd. for the Southeast Calgary Connector Pipeline, Application 20270-A002, Decision 20270-D01-2015,⁴ would also apply to the construction activities for this project. The project is entirely within the city of Calgary and therefore, is exempt from the *Environmental Protection and Enhancement Act* approval requirement. The project does not require a historical resources impact assessment, as the proposed work area is not referenced in the Listing of Historical Resources by Alberta Culture and Tourism. ATCO stated that a noise impact assessment was completed for the proposed control station and that the project is in compliance with AUC Rule 012: *Noise Control*.

8. ATCO stated that the project is within the White Area of the South Saskatchewan Regional Plan 2014-2024. In compliance with the strategic directions of the plan, ATCO would minimize disturbance to the land required for the work.

9. ATCO stated that no watercourses or wetlands would be affected by the proposed construction activities. Construction of the new pipelines and related above-ground facilities is proposed to start in June of 2018.

¹ Decision 2014-010 (Errata): ATCO Gas and Pipelines Ltd., Urban Pipeline Replacement Project, Proceeding 1995, Application 1608617-1, February 21, 2014.

² Decision 22011-D01-2017: ATCO Pipelines, 2017-2018 General Rate Application, Proceeding 22011, Application 22011-A001, August 29, 2017.

³ Exhibit 23307-X0004, MCC17-0090 Ltr to AUC and Attachments.

⁴ Exhibit 20270-X005, Lic 106 - Install Line 116 – East Calgary Connector – PCSA and EPP, January 2015.

10. The Commission accepts ATCO's assessment that the project will meet the need to maintain reliable service to core Calgary and Chestermere area customers should an outage occur on the Urban Pipeline Replacement Project system of pipelines or on the Shepard Lateral Pipeline. The amended licences will be issued after the Commission receives ministerial consent indicating that Alberta Infrastructure has issued approval to ATCO for the proposed work within the transportation utility corridor.

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

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

Alberta Utilities Commission

(original signed by)

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