

March 28, 2018

Decision 23422-D01-2018

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

Attention: Justin Middleton, E.I.T.
Project Engineer, Operations Engineering

**Pipeline Splits and Removals on the Blackfalds West Branch Pipeline
Licence 7029
Proceeding 23422
Application 23422-A001**

Minor pipeline project application

1. ATCO Gas and Pipelines Ltd. (ATCO), by Application 23422-A001 registered on March 15, 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:

- split line 21 into lines 21 and 41
- split line 23 into lines 23 and 42, line 23 will remain operational
- split line 24 into lines 24 and 43
- removal of lines 22, 41 and 43
- amendment of “from” legal subdivision (LSD) location of lines 21 and 24

2. The proposed work is related to minor splits and removals of existing pipe, within the original right-of-way, previously constructed and operating in accordance with approvals granted in Licence 7029.

3. ATCO stated that developers have requested the removal of approximately 940 metres of the in-service 60.3-millimetre Blackfalds West Branch Pipeline within their property. The existing pipeline would be taken out of active flowing service, and would be abandoned by ATCO prior to removal in accordance with the Alberta *Pipeline Rules*. Also, 40 metres of previously abandoned 60.3-millimetre pipeline on the same property would be removed. The abandonment of lines 20, 24 and 42 would be included in a subsequent application. The developer would perform the removal under the supervision of ATCO. The removal is scheduled to begin in the spring of 2018. The total project cost is estimated at \$60,000, and the developer would be responsible for 100 per cent of the project costs.

4. The Commission accepts ATCO’s assessment that the project meets the criteria for an abbreviated need project as described in Rule 020: *Rules Respecting Gas Utility Pipelines*, Section 3.3, Table 3.1, as this is a removal project for an existing facility where the project is reimbursed under the terms of a third-party contribution, project costs are forecast at less than

\$2,000,000 and there are no unresolved interested party objections or significant environmental impacts.

5. ATCO retained Nichols Environment to provide an environmental evaluation report¹ for this project. The pipelines would be tested for liquids prior to removal and any liquids found would be removed and properly disposed of. During construction, ATCO would ensure the developer complies with the requirements of the *Guide for Pipelines Pursuant to the Environmental Protection and Enhancement Act and Regulations* and industry best practices.

6. ATCO stated that after the section of pipeline is removed, ATCO would obtain a reclamation certificate as required by the *Environmental Protection and Enhancement Act* prior to discharging the right-of-way.

7. ATCO stated that consultation with landowners and occupants for this work has been completed in accordance with Rule 020. The project would occur on private lands only.

8. 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.

9. The Commission accepts ATCO's submission that the need for the project has arisen from a request from the developer to accommodate a proposed land development and that the full cost of the project will be borne by the developer.

10. 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.

11. The Commission approves the application. In approving the application, however, the Commission makes no determination regarding the regulatory treatment of the costs of the assets to be removed, retired or abandoned pursuant to the application, the costs incurred in carrying out these activities, or the associated rate implications. The amended licence is attached.

Alberta Utilities Commission

(original signed by)

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

Attachment

¹ Exhibit 23422-X0004, Environmental Evaluation Blackfalds West Branch Pipe Abandonment and Removal.