

May 11, 2018

Decision 23490-D01-2018

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

Attention: Mihir Tailor, E.I.T.
Project Engineer, Operations Engineering

**Pipeline Split and Removal of a Section of the Whitecourt Transmission Lateral Pipeline
Licence 8981
Proceeding 23490
Application 23490-A001**

Minor pipeline project application

1. ATCO Gas and Pipelines Ltd. (ATCO), by Application 23490-A001 registered on April 9, 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 1 into lines 1, 2 and 3
- removal of line 2
- length amendment to original line 1 from 0.77 kilometres to 0.97 kilometres
- mapping amendment of line 1
- lines 1 and 3 will be abandoned in a subsequent application

2. The proposed work is related to the minor split and removal of existing pipeline, within the original right-of-way, previously constructed and operating in accordance with approvals granted in Licence 8981.

3. ATCO stated that Pembina Pipelines has requested that a 100-metre section of the Whitecourt Transmission Lateral, a 42.2-millimetre outside diameter pipeline, be removed in order to accommodate future development. Pembina Pipelines is the last remaining customer on the pipeline and has disconnected service, therefore there is no active flowing service in the pipeline. The remaining sections of the pipeline would be abandoned in a subsequent application. ATCO would complete the abandonment of the pipeline and Pembina Pipelines would perform the removal under the supervision of an ATCO inspector. The project is proposed on private and public lands.

4. ATCO stated that the project meets the criteria for an abbreviated need project (as per Rule 020: *Rules Respecting Gas Utility Pipelines*, Section 3.3, Table 3.1). The total cost for abandonment is estimated at \$70,000 and the total cost for removal is estimated at \$20,000.

ATCO would be responsible for 100 per cent of the abandonment costs and Pembina Pipelines would be responsible for 100 per cent of the removal costs.

5. The Commission accepts ATCO's assessment that the project meets the criteria for an abbreviated need process as per Rule 020.

6. ATCO prepared an environmental evaluation report¹ for the proposed project. All recommendations included within the environmental evaluation report would be implemented by Pembina Pipelines. During construction, ATCO would ensure that Pembina Pipelines complies with the requirements of the *Guide for Pipelines Pursuant to the Environmental Protection and Enhancement Act and Regulations* (Alberta Environment, 1994) and industry best practices.

7. The Commission accepts ATCO's statement that all recommendations included in the environmental evaluation report would be implemented and that ATCO would apply for and obtain a reclamation certificate for the removed pipelines as required by the *Environmental Protection and Enhancement Act* prior to discharging the right-of-way. The pipeline segments would be tested for liquids prior to removal and any liquids found would be removed and properly disposed of.

8. ATCO stated that consultation with landowners and occupants for this work has been completed in accordance with Rule 020 requirements. Confirmation of non-objection from directly and/or adversely affected landowners and occupants has been obtained. Construction is planned for June 2018.

9. ATCO has provided information respecting the need, nature and extent of the project. Since the project involves limited ground disturbance and is within the original right-of-way, the resultant environmental impact of the work has been assessed with limited impact identified. The landowners and occupants of the affected lands did not object to the project.

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.

¹ Exhibit 23490-X0010, Environmental Evaluation Report – Whitecourt Transmission Removal and Abandonment.

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