

May 16, 2018

Decision 23541-D01-2018

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

Attention: Michelle Owokalu, P. Eng.
Project Engineer, UPR Conversions

**Acheson Transmission Pipeline Split and Removal
Licence 1670
Proceeding 23541
Application 23541-A001**

Minor pipeline project application

1. ATCO Gas and Pipelines Ltd. (ATCO), by Application 23541-A001 registered on May 8, 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:

- splitting line 25 into lines 25, 33, 34 and 35
- removal of line 34
- length amendment of original line 25 from 2.48 kilometres to the revised length of 2.29 kilometres
- line 25 is to remain in high-pressure service
- lines 33 and 35 are to be abandoned in place and then recorded as abandoned under a subsequent application

2. The proposed work is related to the minor split and removal of a section of the existing pipeline, within the original right-of-way, previously constructed and operating in accordance with approvals granted in Licence 1670.

3. ATCO stated that lines 5, 9, 25 and 31 of Licence 1670, which are part of the 168.3-millimetre Acheson Transmission Pipeline, were identified in ATCO Pipelines' Urban Pipeline Replacement (UPR) application (Proceeding 1995) as lines to be removed from high-pressure service by either transferring to ATCO Gas to be used as low-pressure distribution pipelines or abandoning the lines in place. On January 17, 2014, the Commission approved ATCO Pipelines' UPR application in Decision 2014-010 (Errata).¹

¹ Decision 2014-010 (Errata): ATCO Pipelines, a division of ATCO Gas and Pipelines Ltd. – Urban Pipeline Replacement Project, Proceeding 1995, Application 1608617, January 17, 2014. Errata issued on February 21, 2014.

4. ATCO proposed to split line 25 to accommodate the abandonment of the Acheson Transmission Pipeline. After the split, line 25 will remain in high-pressure service and the other sections of the pipeline will be removed from high-pressure service by abandoning in place.
5. ATCO also proposed to remove a 120-metre segment of the Acheson Transmission Pipeline, line 34, to accommodate a future development, as requested by a developer. ATCO stated that the developer would perform the removal activities under its supervision. The total project cost for the removal is estimated at \$30,000, and the developer would be responsible for 100 per cent of the removal costs.
6. ATCO prepared an environmental evaluation report² for the removal project. The Commission accepts ATCO's statement that all recommendations included in the environmental evaluation report would be implemented. During construction, ATCO would ensure that 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. ATCO also stated that it 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 segment would be tested for liquids prior to removal and any liquids found would be removed and properly disposed of.
7. ATCO stated that notification was sent to landowners and occupants regarding this work in accordance with Rule 020: *Rules Respecting Gas Utility Pipelines* on September 21, 2017. The abandonment and removal project is scheduled to commence in the third quarter of 2018.
8. 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.
9. The Commission accepts ATCO's submission that the need for the removal project has arisen from a request from the developer to accommodate a future development and that the full cost of the project will be borne by the developer.
10. The Commission accepts ATCO's commitment to obtain a reclamation certificate for the removed pipeline from Alberta Environment and Parks prior to discharging the right-of-way.
11. 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.

² Exhibit 23541-X0006, Environmental Evaluation Report.

12. 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