

August 29, 2018

Decision 23760-D01-2018

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

Attention: Dalton Schwab, E.I.T.
Project Engineer, Pipelines Engineering

**Removal of Sections of Pipelines on the Pine Valley and Golden Spike
Transmission Pipelines
Licences 799, 15440, 32921, and 37843
Proceeding 23760
Applications 23760-A001 to 23760- A004**

Minor pipeline project application

1. ATCO Gas and Pipelines Ltd. (ATCO), by applications 23760-A001 to 23760-A004 registered on July 23, 2018, filed applications with the Alberta Utilities Commission under Section 11 of the *Pipeline Act* and Section 4.1 of the *Gas Utilities Act* for the following:

Pertaining to Licence 799:

- splitting line 4 into lines 4, 5 and 6
- removal of line 6
- line 5 is to be abandoned in place and then recorded as abandoned under a subsequent application
- line 4 is to remain in operation

Pertaining to Licence 15440:

- splitting line 2 into lines 2, 31 and 32
- removal of line 2
- line 31 is to be abandoned in place and then recorded as abandoned under a subsequent application
- line 32 is to remain in operation

Pertaining to Licence 32921:

- splitting line 2 into lines 2 and 3

- length amendment of original line 2 from 0.70 kilometres to the revised length of 0.65 kilometres
- mapping amendment of original line 2
- line 2 is to be abandoned in place and then recorded as abandoned under a subsequent application
- line 3 is to remain in operation

Pertaining to Licence 37843:

- splitting line 1 into lines 1 and 2
- line 1 is to be abandoned in place and then recorded as abandoned under a subsequent application
- line 2 is to remain in operation

2. The proposed work is related to minor splits and removals of sections of existing pipelines, within the original right-of-way, previously constructed and operating in accordance with approvals granted in licences 799, 15440, 32921 and 37843.

3. ATCO stated that as part of its inline inspection upgrades on the Pine Valley Transmission Pipeline, some unpiggable connections to the Golden Spike Transmission Pipeline system would be removed. This would result in some dead legs¹ that need to be addressed. These dead legs would be partially removed and abandoned on the system. ATCO also stated that no customers would be impacted by these changes.

4. ATCO's proposed work is as follows:

- remove 60 metres of currently operating 219.1-millimetre outside-diameter pipeline, line 6; and abandon 40 metres of currently operating 219.1-millimetre outside-diameter pipeline, line 5, of Licence 799 on the Pine Valley Transmission Pipeline
- remove 60 metres of currently operating 323.9-millimetre outside-diameter pipeline, line 2; and abandon 40 metres of currently operating 323.9-millimetre outside-diameter pipeline, line 1, of Licence 15440 on the Golden Spike Transmission Pipeline
- abandon 410 metres of currently operating 219.1-millimetre outside-diameter pipeline, lines 1 and 2 of Licence 32921 on the Buckwheat Transmission Pipeline
- abandon 410 metres of currently operating 219.1-millimetre outside-diameter pipeline, line 1 of Licence 37843 on the Golden Spike Transmission Pipeline

5. 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. The total cost for the

¹ Section 82(3)(e) of AR91/2005 *Pipeline Rules* prescribes circumstances where a pipeline segment cannot contain a dead leg with no flow.

project is estimated at \$500,000. ATCO would be responsible for 100 per cent of the abandonment and removal costs.

6. ATCO prepared an environmental evaluation report for the proposed project.² The Commission accepts ATCO's statement that it will implement all recommendations included in the environmental evaluation report. Specifically, ATCO stated that, during construction, it would comply with the requirements of the *Guide for Pipelines Pursuant to the Environmental Protection and Enhancement Act and Regulations* and industry best practices. ATCO confirmed that the pipeline segments would be tested for liquids prior to removal and any liquids found would be removed and properly disposed of.

7. ATCO stated that notification to landowners and occupants for this work has been completed in accordance with Rule 020. The project is proposed to begin in the spring of 2019.

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

9. Based upon the information provided, the Commission is satisfied that the proposal is of a minor nature, no person will be directly and adversely affected by the proposal, and no significant adverse environmental impact is likely to be caused by the proposed project.

10. The Commission approves the applications. In approving the applications, 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 licences are attached.

Alberta Utilities Commission

(original signed by)

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

Attachments

² Exhibit 23760-X0004, Environmental Evaluation Report – Pine Valley ILI Upgrades, June 2018.