

November 16, 2018

**Decision 24008-D01-2018**

ATCO Gas and Pipelines Ltd.  
47210, 42 Street N.W.  
Edmonton, Alta. T6B 3H1

Attention: Scott Reeve, P. Eng.  
Senior Engineer, Facilities Engineering

**Pipeline Split and Removal of a Section of the Saddle Hills Transmission Pipeline  
Licence 6396  
Proceeding 24008  
Application 24008-A001**

**Minor pipeline project application**

1. ATCO Gas and Pipelines Ltd. (ATCO), by Application 24008-A001 registered on October 29, 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 1 into lines 1, 3 and 4
- removal of line 1
- line 3 is to be abandoned in place and then recorded as abandoned under a subsequent application
- line 4 is to remain in operation
- length amendment of original line 1 from 7.90 kilometres to 7.92 kilometres
- ‘From Location’ legal subdivision amendment of line 1
- mapping amendment of line 1

2. The proposed work is related to the minor split and removal of existing pipe, within the original right-of-way, previously constructed and operating in accordance with approvals granted in Licence 6396.

3. ATCO stated that the customer receipt station at the end of the 168.3-millimetre Saddle Hills Transmission Pipeline is no longer active. The pipeline would be abandoned back to the next active tap to eliminate the dead leg.<sup>1</sup> The station would be removed and the site reclaimed. No customers would be impacted by this work.

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

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. The total cost for the project is estimated at \$175,000. ATCO would be responsible for 100 per cent of the abandonment and removal costs.

5. ATCO prepared an environmental evaluation report for the proposed project.<sup>2</sup> 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 would be tested for liquids prior to removal and any liquids found would be removed and properly disposed of.

6. 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 fall of 2018.

7. 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.

8. 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.

9. 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

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<sup>2</sup> Exhibit 24008-X002, Environmental Evaluation Report – Remove Saddle Hills Receipt, October 2018.