

January 21, 2019

**Decision 24232-D01-2019** 

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

Attention: Alex Burnside, P. Eng.

Project Engineer, Operations Engineering

Villeneuve Transmission Pipeline Relocation Licence 30475 Proceeding 24232 Application 24232-A001

## Minor pipeline project application

- 1. ATCO Gas and Pipelines Ltd. (ATCO), by Application 24232-A001 registered on January 11, 2019, 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, in the city of St. Albert:
  - splitting line 13 into lines 13, 49 and 50
  - removal of line 49
  - addition of newly constructed pipeline (line 51 0.51 kilometres of 323.9-millimetre outside diameter pipeline)
  - lines 13 and 50 are to remain in operation
- 2. The proposed work relates to the minor split and removal of a section of the existing pipeline within the original right-of-way and the replacement of a section of the existing pipeline in a new right-of-way. The pipeline was previously constructed and is operating in accordance with approvals granted in Licence 30475.
- 3. ATCO stated that it plans to install 0.51 kilometres of 323.9-millimetre outside diameter, sweet natural gas pipeline in a new alignment and remove 0.57 kilometres of existing 323.9-millimetre outside diameter pipeline. ATCO also stated that the proposed work is part of a pipeline relocation and replacement project to accommodate the proposed St. Albert Park and Ride facility. The pipeline installation would be completed via open trench and the proposed work would be completed on public and private lands.
- 4. ATCO indicated that the need for the project was included in the ATCO Pipelines 2019-2020 General Rate Application business case in Proceeding 23793. ATCO stated that the project need in the business case remains the same; however, the pipeline lengths and project

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<sup>&</sup>lt;sup>1</sup> ATCO Pipelines 2019-2020 General Rate Application, Proceeding 23793, Business Case, Attachment 7.2, pages 242-243.

costs have been adjusted to better represent the project scope and costs. In addition, the project is currently scheduled to be in service in 2019. The estimated cost of the project is \$1,810,000 and the City of St. Albert would be responsible for 100 per cent of the project costs.

- 5. In the general rate application business case for the Villeneuve Transmission Pipeline relocation, ATCO Pipelines identified that it would be relocating a section of the existing 323.9-millimetre Villeneuve Transmission Pipeline as a result of a request by a third party because the existing pipeline is in conflict with the third party's development plans in the area.
- 6. ATCO prepared an environmental evaluation report<sup>2</sup> for the proposed project. The Commission accepts ATCO's statement that all recommendations included in the environmental evaluation report would be implemented. 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 also stated that it would apply for and obtain a reclamation certificate for the removed pipeline 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 consultation with landowners and occupants for this work has been completed in accordance with Rule 020: *Rules Respecting Gas Utility Pipelines*. Confirmation of non-objection from directly and/or adversely affected landowners and occupants has been obtained. Construction of this project is scheduled to commence in April/May 2019.
- 8. With respect to development in the transportation utility corridor, Section 4(2) of the *Edmonton Restricted Development Area Regulations* states:

No Minister of the Crown, government official or government agency shall, without the written consent of the Minister of Infrastructure, exercise any power under the *Municipal Government Act, The Pipeline Act*, 1975, the *Water Resources Act* or any other Act to order, authorize, approve, permit or consent to any operation or activity that causes, is likely to cause or will cause a surface disturbance of any land in the Area, or issue or cause to be issued any order, authorization, approval, permit, licence or consent instrument for that purpose.

- 9. ATCO indicated that it received a letter from Alberta Infrastructure<sup>3</sup> stating that it has no objections to the project and that ministerial consent for the project within the transportation utility corridor would be issued subsequent to Commission approval.
- 10. 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.

Exhibit 24232-X0004-5, Non-Objection Letter and Attachment, MCE18-0016.

Exhibit 24232-X0006, Environmental Evaluation Report.

- 11. The Commission accepts ATCO's submission that the need for the project has arisen from a request from the City of St. Albert to accommodate the proposed Park and Ride facility and that the full cost of the project will be borne by the City of St. Albert.
- 12. The Commission accepts ATCO's commitment to obtain a reclamation certificate for the removed pipeline prior to discharging the right-of-way.
- 13. 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.
- 14. 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 will be issued after the Commission receives ministerial consent indicating that Alberta Infrastructure has issued approval to ATCO for the proposed work within the transportation utility corridor.

## **Alberta Utilities Commission**

(original signed by)

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