

February 20, 2019

Decision 24298-D01-2019

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

Attention: David Korpany, EIT
Project Engineer, Natural Gas Transmission

**Berrymoor Lateral Pipeline Replacement
Licence 5396
Proceeding 24298
Application 24298-A001**

Minor pipeline project application

1. ATCO Gas and Pipelines Ltd. (ATCO), by Application 24298-A001 registered on February 1, 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 pipeline amendments within Brazeau County:

- splitting line 1 into lines 1, 3, 4, 5 and 6
- removal of line 4
- lines 3 and 5 are to be abandoned in place and then recorded as abandoned under a subsequent application
- environmental code amendment of original lines 1 and 2
- addition of newly constructed pipeline (line 7 – 0.36 kilometres of 168.3-millimetre outside diameter pipeline)
- lines 1 and 6 are to remain in operation

2. The proposed work relates to minor split, removal and replacement of a section of the existing pipeline, previously constructed and operating in accordance with approvals granted in Licence 5396.

3. ATCO stated that during an aerial survey of the pipeline, the existing 168.3-millimetre Berrymoor Lateral Pipeline was discovered to be exposed within an unnamed creek. Subsequently, ATCO completed a depth of cover survey to determine the extent to which the pipeline was exposed and confirmed that the pipeline does not have adequate depth of cover, as per the *Pipelines Rules AR91/2005* pursuant to the *Pipeline Act* and *Canadian Standards Association (CSA) Z662.15*, Clause 4.11. To address the depth of cover issue, ATCO is proposing the following:

- remove 20 metres of the existing 168.3-millimetre pipeline to eliminate the exposed portion of the pipeline within the creek
- abandon 310 metres of the existing 168.3-millimetre outside diameter pipeline
- install 360 metres of new 168.3-millimetre outside diameter pipeline across an unnamed creek using horizontal directional drilling

4. ATCO also stated that the new 168.3-millimetre pipeline would be installed within a newly acquired right-of-way east of the existing pipeline using horizontal directional drilling, which minimizes environmental disturbance to the watercourse.

5. ATCO stated that the project was included under its depth-of-cover program, which was included in the ATCO Pipelines 2017-2018 General Rate Application and was approved in Decision 22011-D01-2017.¹ The estimated cost of the project is \$850,000. In the general rate application depth-of-cover program, ATCO Pipelines identified that it would be removing and replacing sections of pipeline that do not have sufficient depth of cover on various transmission systems across ATCO's network in order to maintain code compliance. The Commission accepts that the Berrymoor Lateral Pipeline project falls within the need rationale associated with the general rate application business case.

6. The Commission accepts ATCO's conclusion that replacing 360 metres of 168.3-millimetre Berrymoor Lateral Pipeline is required to address the potential hazards associated with inadequate depth of cover as required in the *Pipeline Act* and *CSA Z662.15*.

7. ATCO retained EnviroMak Inc. to complete an environmental effects assessment and develop an environmental protection plan.² The Commission accepts ATCO's statement that all recommendations included in the environmental protection plan and the environmental effects assessment would be implemented. ATCO indicated that a Code of Practice notification for pipelines crossing a water body was submitted to Alberta Environment and Parks on January 31, 2019, in accordance with the *Water Act*. ATCO also stated that the pipeline segments would be cleaned prior to removal and any liquids found would be removed and properly disposed of.

8. ATCO explained that, at the location of the pipeline crossing, the unnamed creek is designated as a Class C water body with no restricted activity period for fisheries according to the Alberta *Water Act Code of Practice* for watercourse crossing maps (2006/2007). ATCO provided a self-assessment in the environmental protection plan using Department of Fisheries and Oceans criteria that determined that a request for review is not required unless there is instream work required. ATCO intends to complete the removal by pulling the pipe in one direction without instream disturbance and install the new pipeline using horizontal directional drilling.

9. ATCO stated that consultation with landowners, occupants and stakeholders for this work has been completed in accordance with AUC Rule 020: *Rules Respecting Gas Utility Pipelines*. Confirmation of non-objection from directly and adversely affected landowners and occupants

¹ Decision 22011-D01-2017: ATCO Pipelines 2017-2018 General Rate Application, Proceeding 22011, August 29, 2017, page 20, paragraph 51.

² Exhibit 24298-X0005, Environmental Protection Plan.

was obtained on January 16, 2019. Construction of this project is scheduled to start in March 2019.

10. ATCO has provided information respecting the need, nature and extent of the project. Because the project involves limited ground disturbance, 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.

11. 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.

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, Facilities Division
On behalf of the Alberta Utilities Commission

Attachment