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DA2013-243

October 21, 2013

ATCO Gas and Pipelines Ltd. (South) 7210 – 42 Street N.W. Edmonton, Alberta T6B 3H1

Attention: Lance Radke

Manager, Pipeline Engineering and Integrity

St. Mary River Exposed Pipeline Replacement Permit and Licence No. 2354 Application No. 1609983 Proceeding ID No. 2869

Minor pipeline project application

ATCO Gas and Pipelines Ltd. (South) (ATCO), by Application No. 1609983, registered on October 16, 2013, filed an application with the Alberta Utilities Commission (AUC or the Commission) under Section 11 of the *Pipeline Act* and Section 4.1 of the *Gas Utilities Act* for the following in Township 3, Range 25, west of the Fourth Meridian:

- environmental code amendment of original lines 62 and 63 from no code to RC (river crossing)
- mapping amendment of lines 62 and 63
- splitting Line 63 into lines 63, 79 and 80
- splitting Line 64 into lines 64 and 81
- addition of a proposed pipeline (Line 82 0.59 kilometres (km) of 114.3-millimetre (mm) outside-diameter pipeline)
- lines 63, 64, 79 and 80 are to be abandoned under a separate application
- Line 79 is to be removed in August of 2014 under a subsequent application
- Line 81 is to remain operating
- "To" facility code amendment of Line 57 from RS (regulating station) to PL (pipeline)

The proposed work is related to minor splits and replacement of existing pipe, within the original right-of-way, previously constructed and operating in accordance with approvals granted in Permit and Licence No. 2354.

ATCO stated that its Cardston transmission pipeline is a high-pressure natural gas pipeline that provides the single source of gas supply to the town of Cardston and the surrounding area. A piping erosion exposure in the crossing of the St. Mary River was discovered in 2012, and since that time, ATCO has been working with the affected landowners to complete a pipeline replacement project. The exposure was worsened during the flooding in southern Alberta this summer and ATCO stated that it is important that it complete the replacement as soon as practical. The existing exposed crossing is a 168.3-mm pipeline, however, the remaining transmission pipeline is 114.3 mm and ATCO has determined that a 114.3-mm replacement

pipeline is adequate to meet the long-term requirements for this crossing. The proposed replacement would involve the installation of approximately 600 metres of 114.3-mm steel transmission pipeline by horizontal directional drilling (HDD) to replace the existing 168.3-mm river crossing.

ATCO stated that it would comply with the *Code of Practice* in accordance with the *Water Act* for pipelines crossing a waterbody and the 14-day notification to Alberta Environment and Sustainable Resource Development was submitted on September 26, 2013. No in-stream work is proposed as the crossing would be installed by HDD. The existing exposed pipeline would be abandoned under a separate application after construction is complete and Line 79 would be removed in 2014 under a subsequent application. As in-stream work in the St. Mary River is restricted during the time period from September 1st to August 15th, the removal of the exposed pipeline would be completed during the time period between August 16th to August 31st of 2014, once the appropriate environmental approvals have been obtained.

ATCO stated that it has obtained confirmation of non-objection for the proposed replacement from all landowners and occupants along the right-of-way in accordance with the requirements of AUC Rule 020: *Rules Respecting Gas Utility Pipelines*. ATCO has also discussed the exposure with the local Alberta Energy Regulator field office. Construction is scheduled to begin in October 2013, immediately following the receipt of the AUC permit.

ATCO has provided information respecting the need, nature and extent of the project. Since the project involves minimal 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.

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.

The Commission approves the application. The amended permit and licence is attached.

Brian Shand, P. Eng. Director, Gas Facilities

On behalf of the Alberta Utilities Commission

Attachment