Decision 24216-D01-2019



February 6, 2019

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

Attention: Dalton Schwab, EIT Project Engineer, Pipelines Engineering

Pipeline Splits and Removals in the City of Calgary Licences 106 and 5895 Proceeding 24216 Applications 24216-A001 and 24216-A002

Minor pipeline project application

1. ATCO Gas and Pipelines Ltd. (ATCO), by applications 24216-A001 and 24216-A002 registered on January 15, 2019, 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 106:

- splitting line 11 into lines 11 and 121
- splitting line 13 into lines 13, 122, 123, 124 and 125
- splitting line 17 into lines 17 and 126
- splitting line 36 into lines 36 and 127
- removal of lines 122 and 124
- length amendment of original line 11 from 1.50 kilometres to the revised length of 1.56 kilometres
- length amendment of original line 13 from 1.59 kilometres to the revised length of 1.73 kilometres
- length amendment of original line 17 from 0.56 kilometres to the revised length of 0.85 kilometres
- length amendment of original line 36 from 1.70 kilometres to the revised length of 1.61 kilometres

Pertaining to Licence 5895:

- splitting line 204 into lines 204 and 212
- removal of line 204
- length amendment of original line 204 from 1.44 kilometres to the revised length of 1.40 kilometres

2. The proposed work is related to the minor splits and removals of existing pipelines, within the original right-of-way, previously constructed in accordance with approvals granted in licences 106 and 5895.

3. ATCO stated that portions of the existing 406.4-millimetre Carbon Transmission Pipeline were identified in ATCO Pipelines' Urban Pipeline Replacement (UPR) application (Proceeding 1995) as pipelines to be removed from high-pressure service by either transferring to ATCO Gas to be used as low-pressure distribution pipelines or abandoning the lines in place. On January 17, 2014, the Commission approved ATCO Pipelines' UPR application in Decision 2014-010 (Errata).¹

4. ATCO further stated that while the UPR project is the driving force behind the abandonment and transfer, certain pipeline segments require removal to accommodate the 90th Avenue road realignment and the Green Line Light Rail Transit projects in the city of Calgary. This application covers the scope of work pertaining to the removal of pipeline segments on licences 106 and 5895, while subsequent applications will cover abandonments and licence transfers of portions planned in regard to the UPR project.

5. ATCO proposed to remove 0.75 kilometres of the existing 406.4-millimetre Carbon Transmission Pipeline, lines 122 and 124 under Licence 106; and remove 0.52 kilometres of the abandoned 406.4-millimetre Petrogas-Meadowfield Transmission Pipeline, line 204 under Licence 5895, to accommodate the 90th Avenue road realignment and the Green Line Light Rail Transit projects. The total project cost is estimated at \$450,000 for the removal of the pipeline segments, which will be a 50/50 cost share between ATCO and The City of Calgary based on a previous agreement.

6. The Commission accepts ATCO's assessment that the project meets the criteria for an abbreviated need project as per Rule 020: *Rules Respecting Gas Utility Pipelines*, Section 3.3, Table 3.1. This is a removal project for an existing facility where the project costs are forecast at less than \$1,000,000 and there are no unresolved interested party objections or significant environmental impacts.

7. ATCO prepared an environmental evaluation report² 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. The pipeline segments would be tested for liquids prior to removal and any liquids found would be removed and properly disposed of. ATCO also stated that if soil contamination is observed in the project disturbance area during construction, it would collect and test soil samples to determine if the contamination is related to ATCO's operation of the pipeline. If the contamination is related

¹ Decision 2014-010 (Errata): ATCO Pipelines, a division of ATCO Gas and Pipelines Ltd. – Urban Pipeline Replacement Project, Proceeding 1995, Application 1608617, January 17, 2014. Errata issued on February 21, 2014.

² Exhibit 24216-X0005, Environmental Evaluation Report.

to ATCO's pipeline, remediation to the applicable *Alberta Tier 1 Soil and Groundwater Remediation Guidelines* would occur or the contamination would be managed in accordance with the principles contained in the Alberta Government's Contaminated Sites Policy Framework and Alberta Exposure Control Plan documents.

8. ATCO stated that consultation with landowners and occupants for this work has been completed in accordance with Rule 020. Construction of this project is scheduled to commence in the spring of 2019.

9. ATCO has provided information respecting the need, nature and extent of the project. Because the project involves limited ground disturbance and is within or adjacent to 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.

10. 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.

11. 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 applications, 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