

## **Stakeholder comments on Rule 020 proposed changes (on June 26, 2017 version)**

Stakeholders: ATCO Pipelines (a division of ATCO Gas and Pipelines Ltd.), AltaGas Utilities Inc.

<b>Section</b>	<b>Stakeholder Comments</b>	<b>AUC Responses</b>
<b>2 Participant involvement</b>		
2.4.4(3) Addressing concerns or objections	<b>ATCO Pipelines:</b> No concerns. <b>AltaGas Utilities Inc.:</b> No concerns.	
<b>3 Establish project need</b>		
3.3 Table 3.1, Abbreviated need thresholds	<b>ATCO Pipelines</b> Positive change. Aligns with current practice. <b>AltaGas Utilities Inc.:</b> AltaGas Utilities Inc. verbally advised that replacement or relocation projects that use a new right-of-way should also be included as abbreviated need projects as long as the cost thresholds in Table 3.1 are not exceeded.	The Commission concurs with the AltaGas recommendation that it would be practical to include a new right-of-way in close proximity to the original right-of-way and will amend Table 3.1.
<b>4 Gas utility pipeline license application process</b>		
4.6(2) Incomplete licence applications	<b>ATCO Pipelines:</b> Positive change. Aligns with current practice. <b>AltaGas Utilities Inc.:</b> No concerns.	
4.8.2(5) Non-routine applications	<b>ATCO Pipelines:</b> Positive change. Aligns with current practice. <b>AltaGas Utilities Inc.:</b> No concerns.	
4.8.4(4) Disclosure applications and participant involvement requirements	<b>ATCO Pipelines:</b> Positive change. Aligns with current practice. <b>AltaGas Utilities Inc.:</b> No concerns.	
<b>5 Application audit</b>		
5.1(1) Process	<b>ATCO Pipelines:</b> No concerns.	

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	AltaGas Utilities Inc.: No concerns.	
<b>7 Gas utility pipeline licence applications</b>		
<p>7.4 Table 7.1, Category B pipeline type and consultation and notification requirements</p>	<p><b>ATCO Pipelines:</b></p> <p><u>Personal Consultation and Confirmation of Non-Objection</u></p> <p>The proposed requirement to conduct personal consultation and obtain confirmation of non-objections from landowners, occupants and residents directly adjacent to the proposed R/W is a major concern. ATCO appreciates the clarification of “directly adjacent” as it has enabled ATCO to understand the intent and evaluate the impact on pipeline projects. In the case of urban pipelines, the number of personal consultations and confirmation of non-objections would be increased from the 10’s to the 100’s, or even more. In the case of rural pipelines, it is also expected to double the number of personal consultations and confirmation of non-objections at a minimum. Conducting this many personal consultations and obtaining this many confirmation of non-objections is costly, time intensive, and impractical. Currently, it is common practice to compensate landowners for ROW and TWS on projects, which includes compensation for time spent and inconvenience. ATCO has concerns that requirements for non-objection from adjacent landowners will lead to similar compensation expectations, leading to increased project costs across the board. ATCO anticipates that this will almost certainly result in additional regulatory process (i.e., oral hearings) on all applications.</p> <p>ATCO believes that these suggested changes have been derived from comparing the current personal consultation requirements for Gas Utility Pipelines (Rule 020) with the requirements for Power Plants, Substations, Transmission Lines, Industrial System Designations and Hydro Developments (Rule 007). It may be more appropriate to compare the existing</p>	<p>The Commission concurs with the observation that the recommended Rule 020 revision has its basis in recent revisions to the Rule 007 process. In that respect, however, the Commission notes that Rule 007 includes provision for consultation, but does not include provision for confirmation of non-objection from parties who are consulted. Therefore, the Rule 020 edits that were proposed would constitute a slightly more onerous process. The Commission considers that “directly adjacent” properties are likely to be affected by larger diameter pipelines operating at higher pressures to almost the same extent as properties on the proposed right-of-way. In that respect, it is informative to consider a model<sup>1</sup> developed for the Gas Research Institute to assess the hazardous radius heat intensity. The thermal impact distance is calculated as <math>r = 0.685 \sqrt{pd^2}</math> where p is pressure in psi, d is outside pipe diameter in inches and r is radius in feet. As examples, an NPS 30 pipeline operating at 1,000 psi would have a heat intensity radius of 200 m, an NPS 12 pipeline operating at 720 psi would have a heat intensity radius of 70 m and an NPS 4 pipeline operating at</p>

<sup>1</sup> GRI-00/0189 A Model for Sizing High Consequence Areas Associated with Natural Gas Pipelines, Mark J. Stephens, C-FER Technologies, Edmonton, Alberta, October 2000.

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	<p>requirements in Rule 020 with the requirements for pipelines in neighbouring Provinces such as British Columbia and Saskatchewan.</p> <p>The British Columbia Oil and Gas Activities Act, Consultation and Notification Regulation (<a href="#">located here</a>) sets-out a combined consultation and notification distance (200 m in the case of non-sour natural gas pipelines) but only requires further correspondence or personal consultation if the recipient requests further information or a meeting. Note, in the cases of landowners of the right-of-way, personal consultation would be implied as a right-of-way agreement must be obtained. From a strictly personal consultation perspective, this aligns with the existing personal consultation requirements in Rule 020.</p> <p>The Statutes of Saskatchewan, Pipeline Regulations (<a href="#">located here</a>) does not have any personal consultation or notification requirements outside of all surface landowners whose property the pipeline crosses or is located within. Which again, personal consultation with landowners is implied as a right-of-way agreement must be obtained. From a strictly personal consultation perspective, this aligns with the existing personal consultation requirements in Rule 020.</p> <p>ATCO's recommendation is to remove the "or directly adjacent to" requirement for personal consultation and confirmation of non-objection to eliminate the potential for unnecessary regulatory process.</p> <p><u>Notification</u></p> <p>ATCO believes the added Notification requirements for residents on all applications and the first row of development for urban pipelines is an acceptable requirement. This added requirement aligns with ATCO's current practices and ongoing commitment to ensuring homeowners and businesses living along the pipeline route are aware of the project, the process, and ATCO's approach to maintain positive relationships in the communities served.</p>	<p>200 psi would have a heat intensity radius of 13 m.</p> <p>Personal consultation with landowners, occupants and residents on "directly adjacent" properties associated with larger pipelines (over NPS 12) will ensure that they understand the implications of the proposed installation and have an opportunity to share their perspectives in the planning or pre-application process. The Commission recognizes that obtaining a confirmation of non-objection from these "directly adjacent" parties could be difficult since the parties may have little motivation to sign-off if they are neutral or indifferent to the project. With respect to the risk of "directly adjacent" parties attempting to seek compensation for non-objection, the Commission acknowledges that compensation for new right-of-way acquisition and temporary work space is valid, but does not expect that compensation would normally be extended to "directly adjacent" properties. In order to recognize the concerns of ATCO Pipelines and AltaGas Utilities Inc., while maintaining general consistency with Rule 007 to facilitate personal consultation dialogue with "directly adjacent" properties, the Commission will not require that confirmation of non-objection be obtained for "directly adjacent" properties.</p>

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	<p>ATCO would like confirmation that the below examples would meet the new requirement.</p> <ol style="list-style-type: none"> <li>1. In its past experience, ATCO has not been granted access to personally deliver notifications to residents of condo/apartment buildings. Rather, ATCO provides mailouts to the address on title (which should be the landowner(s)) and works with the resident property manager. In such cases, the property manager often agrees to post notification on a common bulletin board only.</li> <li>2. Personal delivery of notifications with some sort of door hanger to residents where access is permitted.</li> </ol> <p><b>AltaGas Utilities Inc.:</b></p> <p>The meaning of adjacent is ‘next to or adjoining something else’. Therefore by stating in the personal consultation and confirmation of non-objection, ‘directly adjacent’ means within 100m is confusing. This is not a practical way to change the way companies complete their personal consultation and confirmation of non-objection. Under AER Directive 56 pipeline category there is no such wording of ‘directly adjacent’ and the products they are describing are significantly worse than natural gas. A copy of the AER’s pipeline specifications is attached. The revisions to this section of Rule 020 should be consistent with AER Directive 56, Table 6.1, where the majority of the pipelines identified only require landowners and occupants to comply with the personal consultation and confirmation of non-objection; there is no reference to ‘directly adjacent’ landowners. AUI submits ‘directly adjacent’ landowners, as defined here, should only be provided with notification and personal consultation and confirmation of non-objection should not be required.</p>	<p>The Commission confirms that the notification examples provided by ATCO Pipelines are reasonable.</p> <p>With consideration of the input provided by ATCO Pipelines and AltaGas Utilities Inc. the Commission has modified Table 7.1 in Section 7.4 of draft Rule 020, which is attached at the end of this document.</p>
7.7(5) Participant involvement requirements	<b>ATCO Pipelines:</b> No concerns.	

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	<b>AltaGas Utilities Inc.:</b> No concerns.	
7.8.6(2), (3) Pipeline resumption	<b>ATCO Pipelines:</b> No concerns. <b>AltaGas Utilities Inc.:</b> No concerns.	
7.8.7(2)(b) Pipeline Removal	<b>ATCO Pipelines:</b> No concerns. <b>AltaGas Utilities Inc.:</b> No concerns.	
7.8.9 Calgary and Edmonton transportation/utility corridors	<b>ATCO Pipelines:</b> Positive change. Aligns with current practice. <b>AltaGas Utilities Inc.:</b> No concerns.	
7.8.11(1), (2), (4), (5), (6), (7) Base plan maps	<b>ATCO Pipelines:</b> Positive change. Aligns with current practice. <b>AltaGas Utilities Inc.:</b>  Per <a href="http://www1.aer.ca/ProductCatalogue/285.html">http://www1.aer.ca/ProductCatalogue/285.html</a> , effective June 26, 2017, the AER is no longer updating base plan maps with new pipelines. The AER specifically states base plan maps should only be used for application amendments to existing pipelines (under Directive 056); this means applications for new pipelines are excluded. The AER is now providing the latest pipeline data through Enhanced Pipeline Shapefiles rather than through the base plan map product. It is now unclear if this means AUC Rule 020 pipeline applications will still require the submission of the obsolete base plan map product, or if drawings developed from the Enhanced Pipeline Shapefile should be submitted instead. The base plan maps will become more and more out-of-date over time and using them in a submission could lead to problems. AUI submits 7.8.11 requires an update to address this discrepancy. Specifically, 7.8.11(6) should not say “Electronically scanned, hand-drawn copies of base maps are not of sufficient quality to replace hand-drawn originals” as this implies hand-drawn originals are still acceptable. Instead, this should say, “Electronically scanned, hand-drawn copies of base maps are not acceptable.”	The AER currently requires an enhanced pipeline shape file for integration with its OneStop system for new construction as well as a pdf of the shape file. The pdf of the shape file is currently required in order to maintain transparency to the public since the actual shape file cannot currently be viewed through the OneStop system by the public. Licence amendment applications that still require a base plan map will continue to be processed by the AER under the old DDS system. The AER is working towards enhancements where all pipeline licence applications, including pipeline licence amendment applications, will require an enhanced pipeline shape file and be processed through the OneStop system. The AUC will provide Rule 020 updates as the AER process becomes more defined. The AUC concurs with the following revised wording: “Electronically scanned, hand-drawn

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		copies of base maps are not acceptable.”
NEW 7.8.12 Right of Way Plans	<b>ATCO Pipelines:</b> Positive change. Aligns with current practice. <b>AltaGas Utilities Inc.:</b> No concerns.	
7.8.18.2 NO <sub>x</sub> emissions	<b>ATCO Pipelines:</b> No concerns. <b>AltaGas Utilities Inc.:</b> No concerns.	
7.8.20 Setback requirements	<b>ATCO Pipelines:</b> No concerns. <b>AltaGas Utilities Inc.:</b> No concerns.	
7.8.21.1 General requirements	<b>ATCO Pipelines:</b> No concerns. However, it is important to note that in ATCO’s case, this change will lead to increased costs, specifically on smaller projects where environmental evaluation reports are not currently undertaken. <b>AltaGas Utilities Inc.:</b> An evaluation report is required, but there is nothing indicating the level of professional capable of creating this report. Please provide this indication.	
7.8.21.2 Regional land use plans	<b>ATCO Pipelines:</b> No concerns. <b>AltaGas Utilities Inc.:</b> No concerns.	
NEW 7.8.21.3 Conservation and Reclamation Requirements	<b>ATCO Pipelines:</b> Positive change. Aligns with current practice. <b>AltaGas Utilities Inc.:</b> No concerns.	
7.9.2 4. Confirmation of non-objection, b)(ii)	<b>ATCO Pipelines:</b> No concerns. <b>AltaGas Utilities Inc.:</b> No concerns.	

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7.9.9 Step 9: Discontinuation, abandonment, and resumption only, 4. a)	<p><b>ATCO Pipelines:</b> No concerns.</p> <p><b>AltaGas Utilities Inc.:</b> No concerns.</p>	
7.9.10 Step 10: Environmental requirements, 2. and 3. a)	<p><b>ATCO Pipelines:</b> Positive change. Aligns with current practice.</p> <p><b>AltaGas Utilities Inc.:</b> No concerns.</p>	
Table 7.3 Pipeline application audit checklist	<p><b>ATCO Pipelines:</b></p> <p>Step 10, Question 4a should be updated to request an explanation of why ministerial consent or a letter of non-objection from Alberta Infrastructure has not yet been received.</p> <p><b>AltaGas Utilities Inc.:</b> No concerns.</p>	
<b>8 Gas Utility Pipeline Licence Application form</b>		
8(3) Gas Utility Pipeline Licence Application form	<p><b>ATCO Pipelines:</b> Positive change. Aligns with current practice.</p> <p><b>AltaGas Utilities Inc.:</b> No concerns.</p>	
Gas Utility Pipeline Licence Application form	<p><b>ATCO Pipelines:</b></p> <p>Step 10, Question 4a should be updated to say that the pipeline/pipeline installation has a letter of non-objection or ministerial consent from Alberta Infrastructure.</p> <p>Same applies to Section 8.1 How to Complete the Gas Utility Pipeline Licence Application form, Step 10, Question 4a.</p> <p><b>AltaGas Utilities Inc.:</b> No concerns.</p>	
<b>9 Pipeline Segment/Pipeline Installation Identification form</b>		
9(3) Pipeline Segment/Pipeline installation Identification form	<p><b>ATCO Pipelines:</b> Positive change. Aligns with current practice.</p> <p><b>AltaGas Utilities Inc.:</b> No concerns.</p>	

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Pipeline Segment/ Pipeline Installation Identification		
9.1 Table 9.3 Steel pipe codes (examples only)	<b>ATCO Pipelines:</b> No concerns. <b>AltaGas Utilities Inc.:</b> No concerns.	

**Table 7.1 Category B pipeline type and consultation and notification requirements**

Name	Type	Description	Personal consultation to be conducted with	Notification to be provided to	Confirmation of non-objection to be obtained from
Pipelines, gas $\leq 0.30$ kPa H <sub>2</sub> S partial pressure (pp)	100	Natural gas $\leq 323.9$ mm OD	<ul style="list-style-type: none"> <li>Landowners, occupants and residents on the proposed right-of-way; and recipients of notification who request consultation or otherwise convey their objections or concerns</li> </ul>	<ul style="list-style-type: none"> <li>Crown disposition holders</li> <li>Local authorities along the right-of-way</li> <li>Urban authorities within 1.5 km</li> <li>In a rural or industrial setting, notification must be provided to landowners, occupants and residents within 0.1 km of the pipeline.</li> <li>In urban communities, notification must be provided to landowners, occupants and residents within the first row of development on each side of the pipeline.               <ul style="list-style-type: none"> <li>Notification may be conducted personally or by mail. If the applicant considers that certain landowners that should be notified of the proposed project may be missed because they do not reside at the property, additional efforts to notify them should be considered.</li> </ul> </li> </ul>	Landowners, occupants and residents on the proposed right-of-way
	101	Natural gas $> 323.9$ mm OD	<ul style="list-style-type: none"> <li>Landowners, occupants and residents on or directly adjacent to the proposed right-of-way; and recipients of notification who request consultation or otherwise convey their objections or concerns</li> </ul>	<ul style="list-style-type: none"> <li>Crown disposition holders</li> <li>Local authorities along the right-of-way</li> <li>Urban authorities within 1.5 km</li> <li>Landowners, occupants and residents within 0.2 km of the pipeline.</li> <li>Notification may be conducted personally or by mail. If the applicant considers that certain landowners that should be notified of the proposed project may be missed because they do not reside at the property, additional efforts to notify them should be considered.</li> </ul>	Landowners, occupants and residents on the proposed right-of-way

Pipeline installation	132	Compressor station	Landowners, occupants and residents within 0.5 km	<ul style="list-style-type: none"> <li>• Crown disposition holders</li> <li>• Local authorities</li> <li>• Landowners, occupants, residents and urban authorities within 1.5 km</li> </ul>	Landowners, occupants and residents adjacent to the compressor station site
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For clarity:

- “directly adjacent” means any adjacent property that is within 100 metres of the pipeline, and would include property across the road from a right-of-way, but would exclude property that is across a major divided highway or ring road within a transportation utility corridor.
- “rural or industrial setting” means any area outside the municipal boundaries of cities, towns, and villages or inside the municipal boundaries where no subdivision development exists within 800 metres of the proposed facility. Industrial areas are within 800 metres of a single large industrial/commercial complex or numerous small or medium industrial/commercial facilities where no residential development exists.
- “first row of development” means the first row of houses or other developments facing the proposed pipeline that is also within 100 metres of the pipeline and includes property that is across the road from the right-of-way.