

March 3, 2016

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Russell Wintersgill
Vice President, Operations and Engineering
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5509 45 Street
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Dear Sirs:

Potential for substandard pipeline materials and design for gas utility pipelines

1. As you may be aware, in February 2016, the National Energy Board issued safety advisories (NEB SA 2016-01 and NEB SA 2016-02) in relation to substandard pipe materials identified in pipeline installations in Alberta and other jurisdictions. This included design considerations such as provision to assess temperature-related stress analysis downstream of compressor stations.
2. The Alberta Utilities Commission requests that ATCO Pipelines and AltaGas Utilities Inc. assess their quality management, procurement, installation and design procedures for high pressure gas utility pipelines to ensure that potentially substandard pipeline materials have not been installed and would not be installed in the future. A response summarizing the results of the assessment to ensure substandard materials are not installed, and the methodologies to ensure appropriate design and operational criteria is requested by July 1, 2016.
3. Should you require assistance, please contact the undersigned at your convenience.

Yours truly,

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