

Application to Vary Section 69 Canadian Energy Regulator Act

Pipeline Pierceland Supply Project Order XG-017-2020

**Pierceland Supply Project** 

2024-03-28



## Application to Vary Section 69 Canadian Energy Regulator Act

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MIPL Many Islands Pipe Lines (Canada) Limited

### Application to Vary Section 69 *Canadian Energy Regulator Act*

#### Pipeline Pierceland Supply Project Order XG-017-2020

## Variance Application

- Many Islands Pipe Lines (Canada) Limited (MIPL) hereby files an application to amend Order XG- 017-2020, issued on July 22, 2020 [C07461-3], as amended [C14572-2], approving the Pierceland Supply project [Canada Energy Regulator file <u>A99944</u>]. MIPL is requesting relief on the following items:
  - A. Approval of the decommissioning of approximately 30 metres of NPS 10 pipe and associated facilities.

# 1.1 Decommissioning of approximately 30 metres of NPS 10 pipe and associated facilities

- 2. MIPL understands the term "abandon" to mean to permanently cease operation of a pipeline or part of one such that cessation results in the discontinuance of service. In contrast, decommissioning is intended to capture the permanent cessation of operation of a pipeline, or part of one, that does not result in a discontinuance of service.<sup>1</sup> The pipeline segment to be decommissioned is in the same yard site parcel (SW-12-62-01-W4M) as operating facilities.
- 3. In its Pierceland Supply Project, MIPL constructed a 508 mm (20-inch) OD non-sour, fusion bonded epoxy coated, natural gas pipeline extending from a riser adjacent to a new NGTL meter station in Alberta (SW 12-62-01 W4M) to a tie-in point adjacent to an existing TransGas Limited compressor station in Saskatchewan located at NE 07-62-24 W3M.
- 4. A concurrent Nova Gas Transmission Ltd. System (NGTL) project addressed the installation of a new pipeline, and the decommission of approximately 20 km of NPS 10 SL Lateral, upstream of the MIPL facilities [C01157]. This new NGTL pipeline facility (Saddle Lake Lateral Loop) now feeds both the pre-existing MIPL pipeline and the new Pierceland Supply Project facilities.
- 5. The MIPL work left approximately 30 m of MIPL pipeline within the NGTL CLBH #1 facility yard site parcel located at SW-12-62-01-W4M, Municipal District of Bonnyville No. 87, Alberta (the Pipeline Segment). This Pipeline Segment is not required for the operation of the final installation, and was not accounted for in the MIPL Pierceland Supply Project application [A99944]. MIPL seeks approval for decommissioning of the Pipeline Segment. The NPS 10 pipe begins at a riser and is buried underground up until the fence line just before the metering station.

<sup>&</sup>lt;sup>1</sup> <u>CER – Pipeline Decommissioning (cer-rec.gc.ca);</u> <u>Guidance Notes for the Decommissioning</u> <u>Provisions under the Onshore Pipeline Regulations (OPR)</u>

- 6. The project does not fit within the streamlining order for decommissioning XG-X0-100-2008 [A49562], because the pipeline segment is on lands owned by NGTL and not MIPL, and because the replacement pipe was approved by order under Section 214 of the *Canadian Energy Regulator Act* rather than qualifying as Operation and Maintenance work or under the Section 58 Streamlining Order XG/XO-100-2012 [A43203]. However:
  - (1) Existing service and overall pipeline system capacity will remain unchanged.
  - (2) No concerns have been identified by shippers.
  - (3) No public concern about local nuisance have been identified.
  - (4) The project will not involve an increase in operating pressure; and,
  - (5) The project will not involve a decrease in storage capacity.
- 7. The Pipeline Segment will be removed, new easement has been acquired by agreement with NGTL, and a contingency plan (Appendix D.1) is in place to address landowner concerns. The new easement will remain in place until final abandonment of related facilities. No temporary workspace is required. Please see the attached decommissioning plan (Appendix A).
- 8. The work is scheduled to start in the winter of 2024, Q4. Once the pipe is safely exposed via hydrovac, an excavator will be used to excavate the pipeline. The riser on the south side of the pipe and facility will have a pressure tested blind flange on it. The pipe terminates on the north side and is already cut and capped underground. Once the decommissioned pipe is fully cut and capped, the excavator will pull the cut pipe out of the ground. The decommissioned pipe will be transported to GFL Environmental in Saskatoon where they will test the pipe for PCB's and Norms and dispose of it appropriately following the attached Environmental Protection Plan (EPP) (Appendix B), Table 2. All excavation sites will be reclaimed, restoring them to their current use. The pipeline segments will be isolated, purged and cleaned internally before being decommissioned if there are pipeline liquids present. Please see the attached EPP for further details.
- 9. All work will follow both the attached EPP and ESA Phase 1 (Appendix B and Appendix C, respectively). Additionally, MIPL will follow the decommissioning plan attached to this application regarding the necessary steps to follow during the decommissioning and disposal of this pipeline segment.

#### **1.2 Environment and Socio-Economics**

10. The proposed decommissioning is not anticipated to have any new or material environmental or socioeconomic implications. There is limited potential for traditional use activities to be affected at this location, with work to occur in an existing yard site parcel. There will be no increase in the storage or disposal of toxic substances. There will be no increased emissions in air contaminants. The decommissioning will not result in an increase in the MOP, stress levels, diameter of pipeline, and/or airborne emissions or noise levels when operating. The work will not occur within 30 metres of a wetland, and additional lands or workspace will not be required. An interactions table is attached as Appendix G.

## 1.3 Engagement (Original Application Part 5 A99944-20)

11. The goal of MIPL engagement is to ensure that all interested and potentially interested parties are provided with information to allow them to understand the project work being undertaken, and to provide feedback to MIPL and/or the CER should they have concerns with the proposed work.

- 12. The interested and potentially interested parties identified for the Pierceland Supply Project have been previously notified in their entirety, in a manner consistent with that used for prior project communications. The notification letter sent September 20, 2023 is attached as Appendix D. There is no impact on tolls, service or access to service, and no concerns were raised in that regard. No concerns were raised with respect to traditional land use or nuisance potential (e.g. noise, odours, traffic). No other concerns were identified.
- 13. Notice of filing of this application will be provided to all interested or potentially interested parties within 72 hours, including information as to where to find the application and associated documents on the CER website. Original hardcopies will be provided by mail. Notice of the application will encourage people to submit any concerns within 14 days. The notification letter template is attached as Appendix C.1.
- 14. Natural gas service will not be affected, and no material economic impacts are anticipated. An engagement table is attached as Appendix E.
- 15. Notice to the landowner will be provided 15 days before the pipeline removal is to occur.
- 16. A copy of the current MIPL engagement and Indigenous engagement policy is attached as Appendix F.
- 17. An agreement for new land rights has been obtained, including easement, which can be seen below in Attachment A.1. No temporary workspace is required. Work will occur with the agreed right of way.

#### 1.4 Economics (Original Application Part 3 as amended, C06553-5)

- 18. The cost of the decommission work is estimated to be \$65,000. The assets of MIPL are deemed assets of the Provincial Crown pursuant to Section 6 of *The SaskEnergy Act*, and MIPL is an agent of the Crown. In MH-001-2013 [A60676-1] the Board exempted MIPL from the requirement to set aside funds for abandonment because it is publicly owned (a wholly owned subsidiary of SaskEnergy Incorporated, a Saskatchewan Crown Corporation). This exemption was removed by a decision of the Commission dated March 27, 2024 [C29054].
- 19. MIPL confirms that funding is available to finance the proposed decommissioning. No money has been set aside. However, SaskEnergy Incorporated provides MIPL with credit, and in turn borrows through the Province of Saskatchewan. The decommissioning work is not expected to recover any salvage value, nor will it affect rates on the pipeline.
- 20. MIPL is a Group 2 company and is exempt from complying with the Gas Pipeline Uniform Accounting Regulations as the relate to sections 39 (ordinary retirement) or 40 (extraordinary retirement).

#### Attachments

- Attachment A.1 Pipeline Specifications and Typical Workspace Dimensions and Drawings
- Appendices A to H

Many Islands Pipe Lines (Canada) Limited

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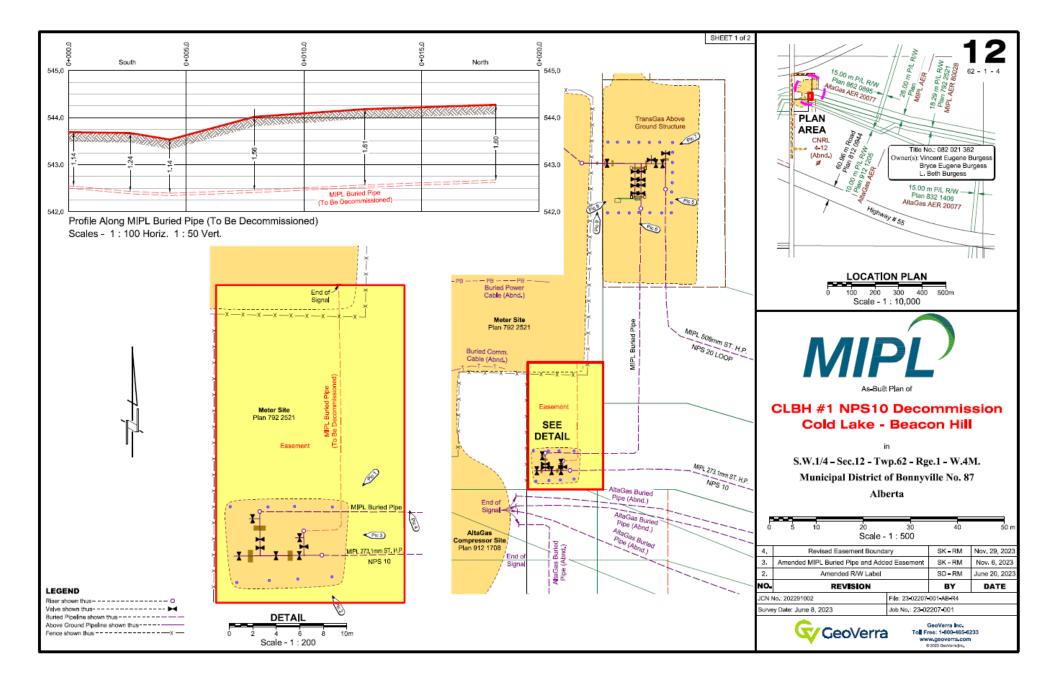
#### Pipeline Pierceland Supply Project Order XG-017-2020

## A.1 Pipeline Specifications and Typical Workspace Dimensions and Drawings

| Drawing Name  | Drawing Number     |
|---|--------------------|
| CLBH #1 NPS 10 Decommission Cold Lake – Beacon Hill | 23-02207-001-AB-R2 |

| Land Rights   | Dimensions          |
|---|---------------------|
| Right-of-Way MIPL 508mm NPS 20 Loop                     | 26-meter wide       |
| Right-of-Way MIPL 273.1mm NPS 10                        | 18.29-meter wide    |
| Right-of-Way MIPL Facilities                            | 16-meter x 27-meter |
|   | (0.11 ac.)          |
| Permanent Access Road from Pierceland<br>Supply Project | 14-meter wide       |

| Pipeline<br>Specifications | Dimensions                        |
|----------------------------|-----------------------------------|
| Length                     | Approximately 30m                 |
| Size                       | NPS 10, 273mm O.D x 4.78mm W.T    |
| Pipe Mill Test             | 9.45 MPa (1370 psi)               |
| Field Test                 | 10.69 MPa (1550 psig) hydrostatic |
| МАОР                       | 8.48 MPa (1230 psig)              |
| Design Capacity            | 57 MMCFD                          |
| Product Carried            | Natural Gas                       |
| Line Coating               | fusion bonded epoxy               |
| Crossing Coating           | FBE + Abrasion Resistant          |





Pic 1

Pic 2

Pic 3



Pic 4