



# Enbridge Pipelines (Woodland) Inc.

Applications for Pipeline and Pump Station Licences  
Fort McMurray Area to Sherwood Park Area

August 30, 2012

**ENERGY RESOURCES CONSERVATION BOARD**

Decision 2012 ABERCB 009: Enbridge Pipelines (Woodland) Inc., Applications for Pipeline and Pump Station Licenses, Fort McMurray Area to Sherwood Park Area

August 30, 2012

Published by

Energy Resources Conservation Board  
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# ENERGY RESOURCES CONSERVATION BOARD

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Calgary Alberta

**ENBRIDGE PIPELINES (WOODLAND) INC.  
APPLICATIONS FOR PIPELINE  
AND PUMP STATION LICENCES  
FORT MCMURRAY AREA TO  
SHERWOOD PARK AREA**

**2012 ABERCB 009  
Applications No. 1688169  
and 1688170**

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## DECISION

[1] Having carefully considered all of the evidence, the Energy Resources Conservation Board (ERCB/Board) hereby approves Applications No. 1688169 and 1688170.

## INTRODUCTION

### Applications and Project

[2] The project proponent, Enbridge Pipelines (Woodland) Inc. (Enbridge Woodland), is a wholly owned subsidiary of Enbridge Pipelines (Athabasca) Inc. (Enbridge Athabasca) which owns and operates an extensive pipeline system within the province of Alberta.

[3] Enbridge Woodland applied, pursuant to Part 4 of the *Pipeline Act*, for approval to construct and operate two pump stations and a pipeline that would transport diluted bitumen from Enbridge Athabasca's existing Cheecham terminal, located at Legal Subdivision (LSD) 7 of Section 8, Township 84, Range 6, West of the 4<sup>th</sup> Meridian (Fort McMurray area) to Enbridge Pipelines Inc.'s existing Edmonton terminal, located at LSD 5-4-53-23W4M (Sherwood Park area) (see Figure 1). The proposed pipeline would extend the previously approved Enbridge Woodland pipeline which runs from the Imperial Oil Resources Ventures Limited Kearl mine site/project to the Cheecham terminal.

[4] The proposed pipeline route generally parallels several existing pipelines and is approximately 385 kilometres in length with a maximum outside diameter of 914.0 millimetres. It is proposed to transport an initial capacity of 400 000 barrels per day of diluted bitumen with no hydrogen sulphide.

[5] The two proposed pump stations would be located at the Cheecham terminal and Enbridge Athabasca's Roundhill pump station at LSD 15-6-73-13W4M.

### Background and Interventions

[6] The Board received objections to Enbridge Woodland's applications from several landowners and occupants along the proposed pipeline right-of-way. The Board issued letters on March 6, 2012, granting standing to 40 parties along the proposed right-of-way.

[7] Objections were also received from Métis representative organizations and groups. Discretionary participant status was granted to three Métis representative organizations and

groups: namely, Lac La Biche Historical Métis Community, Métis Nation of Alberta Association Lakeland Local Council 1909, and Athabasca Landing Métis Local #2010.

[8] A Notice of Hearing was issued on March 22, 2012, for a hearing to start on June 12, 2012. In response to the Notice of Hearing, Mr. Darryl Carter, counsel for a number of interested parties, advised the Board of a scheduling conflict. As a result, the Board requested parties to indicate their availability and decided to reschedule the hearing. A Notice of Rescheduling of Hearing was issued by the Board on April 9, 2012, changing the start of the hearing to June 18, 2012.

[9] Following the Notice of Rescheduling of Hearing, a request for standing was received from the Buffalo Lake Métis Settlement. The Board granted it standing on June 5, 2012.

[10] On June 11, 2012, the Board received a letter from Enbridge Woodland requesting routing changes that would alter the originally applied-for route. As a result of the routing changes, a number of stakeholders removed their objections to the applications.

[11] Before the hearing started all parties that had been granted standing, with the exception of TransCanada PipeLines Limited (TransCanada) and Ms. Marlene Svitich, withdrew their objections (see Appendix 1).

## **Hearing**

[12] The Board held a public hearing in Edmonton, Alberta, which opened on June 18, 2012, and closed on June 19, 2012, before Board Members T. C. Engen (Presiding Member); B. T. McManus, Q.C.; and R. C. McManus, M.E.Des. Those who appeared at the hearing are listed in Appendix 2.

[13] At the opening of the hearing, the Board registered TransCanada and Ms. Svitich. TransCanada advised that it was withdrawing its objection and all of its materials. The Board also registered the Métis Nation of Alberta Association Lakeland Local Council 1909 (Local Council 1909) and Mr. Darrin Charles Bourque. The Board permitted Local Council 1909 and Mr. Bourque to make brief presentations, but did not grant rights to cross-examine other parties, provide sworn testimony, or make final argument. Local Council 1909 expressed concerns regarding inadequate consultation and capacity. Mr. Bourque expressed concerns regarding existing development, consultation practices, and existing impacts on traplines and wildlife.

## **ISSUES**

[14] The Board considers the main issue respecting the applications to be pipeline routing.

[15] The Board notes that Enbridge Woodland stated that it needs the pipeline to support growing bitumen production. The applied-for pipeline and pump stations are designed to accommodate additional volume increases of bitumen, including potential volumes from the Imperial Oil Resources Ventures Limited Kearn project. Enbridge Woodland noted that its existing Waupisoo pipeline would be operating at capacity in the near future. The Board also notes that the need for the project was not challenged and was not an issue raised at the hearing.

[16] In reaching the determinations contained in this decision, the Board considered all relevant materials constituting the record of this proceeding, including the evidence and argument provided by each party. Accordingly, references in this decision to specific parts of the record are intended to assist the reader in understanding the Board's reasoning relating to a particular matter and should not be taken as an indication that the Board did not consider all relevant portions of the record with respect to that matter.

## **ROUTING**

### **Evidence**

[17] Enbridge Woodland stated that routing changes in Township 56 (see Figure 2) submitted on June 11, 2012 (June 11 reroute), were a result of various considerations, including consultations and negotiations with concerned parties. Enbridge Woodland stated that the June 11 reroute was an attempt to resolve concerns from a landowner north of the Svitich lands, Ms. Svitich, and InterPipeline Fund (IPF).

[18] Enbridge Woodland stated that it had originally planned to install the pipeline along the west side of the corridor on the Svitich lands.<sup>1</sup> It stated that an objection from a landowner to the north of Ms. Svitich caused it to consider moving the pipeline to follow the east side of the same corridor, potentially locating the pipeline between the corridor and the west side of a creek running through the Svitich lands. Upon further analysis, Enbridge Woodland determined that this location would result in constructing the pipeline on the slope or in the actual bank or bed of the creek and that there was not sufficient space available to construct the pipeline east of the corridor and west of the creek.

[19] Enbridge Woodland stated that there was another conflict with routing directly adjacent to the east side of the corridor: IPF had recently purchased a portion of the southwest quarter of section 35-56-20W4M. IPF informed Enbridge Woodland that it intended to locate a pipeline pumping station on the southeast corner of its land and that IPF did not want Enbridge Woodland to route a pipeline there. This led Enbridge Woodland to consider rerouting the pipeline to the east side of the creek on the Svitich lands.

[20] Enbridge Woodland stated it continued to explore other options and ultimately negotiated a right-of-way on properties to the east of the Svitich lands (see Figure 2). Ms. Svitich opposed the June 11 reroute and supported the originally proposed routing across her lands along the west side of the corridor.

[21] Ms. Svitich stated that she believed that her property already contained 5 pipelines. Ms. Svitich stated she was willing to allow the pipeline across her property and that this routing was consistent with ERCB policy that pipelines should follow common corridors whenever possible to avoid creating new rights-of-way. Ms. Svitich stated that the principle of following existing corridors should be the primary consideration in route selection.

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<sup>1</sup> The Board notes that Ms. Svitich and Enbridge Woodland often referred to an area containing multiple pipelines that run parallel and directly adjacent to each other as a "corridor." While the Board understands that the word was adopted by the parties in the hearing for ease of reference, it is not a formally defined term in any of the Board's regulations.

[22] Enbridge Woodland stated that the originally proposed routing followed existing corridors, pipeline rights-of-way, and other linear disturbances for approximately 94 percent of its length. This route was chosen based upon a number of factors selected to minimize the total area of disturbance, reduce conflicting land uses, and minimize impacts on environmentally sensitive areas.

[23] In addition to the factors above, Enbridge Woodland stated that it was necessary to consider the needs and wants of landowners and that there were places along the route where paralleling existing pipelines was not practical. In the case of sections 27-56-20W4M and 35-56-20W4M, Enbridge Woodland stated it reviewed different options in an effort to satisfy the requests of area landowners. It stated it believed Ms. Svitich was concerned about any potential routing that would result in the pipeline crossing her land on the east side of the creek, as this might fragment her land or compromise its future potential for development. Enbridge Woodland referenced correspondence from Ms. Svitich's counsel indicating that crossing her lands on the east side of the creek was unacceptable. Enbridge Woodland stated it believed the June 11 reroute was a win-win situation as it satisfied the wishes of the landowner to the north, IPF, and would not impact the land of Ms. Svitich further, as no new pipeline would cross her land.

### **Analysis and Findings**

[24] The Board supports the paralleling of pipelines and the following of existing linear disturbances when routing new pipelines. However, it recognizes there are many factors to be taken into account in pipeline routing, such as landowner requests, impacts on use of land, and impacts on future development potential. The Board notes *Directive 077: Pipelines – Requirements and Reference Tools*<sup>2</sup> provides some guidance to pipeline licencees by suggesting that they consider opportunities to share pipeline rights-of-way in order to minimize surface encumbrance where such opportunities make sense. The Board notes it does not have any policies that require companies to place pipelines parallel to existing rights-of-way.

[25] The Board does have policies in place that require companies to conduct a thorough participant involvement program with affected landowners to identify issues and concerns with proposed developments. The Board expects that when landowner issues are identified the company and landowner will identify, assess, and, where reasonable, adopt alternatives or modifications to projects to address concerns from landowners affected by the applicant's proposals.

[26] The Board notes Enbridge Woodland provided details about two additional proposed routing changes it negotiated to address landowner concerns or issues, not related to the hearing discussion. These are acceptable to the Board and are provided in Figures 3 and 4. Though not germane to the rerouting near the Svitich lands, they do indicate that Enbridge Woodland explored and adopted routing alternatives in response to landowner concerns. The Board notes that Ms. Svitich was willing to have the proposed pipeline cross her lands. However, the Board recognizes that if Enbridge Woodland pursued the original route it would require encumbrances on two area landowners that had expressed concerns, whereas, other than Ms. Svitich, no concerns were expressed by the parties impacted by the June 11 reroute. Further, the June 11 reroute avoids entirely any further encumbrance on the Svitich lands. The Board believes the June 11 reroute is a reasonable balance between competing private interests because it provides a

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<sup>2</sup> See Part B, Section 4: Joint Use of Right-of-Way.



satisfactory resolution to the concerns of a number of area landowners and still results in the majority of the route following existing disturbances. Accordingly, the Board finds the June 11 reroute to be satisfactory, even though it deviates from the existing pipeline corridor.

## **CONCLUSION**

[27] For the reasons set out above, the Board hereby approves Applications No. 1688169 and 1688170 with the Applicant's requested routing changes and acknowledges the commitments outlined by the Applicant in Appendix 3.

Dated in Calgary, Alberta, on August 30, 2012.

**ENERGY RESOURCES CONSERVATION BOARD**

*<original signed by>*

T. C. Engen  
Presiding Member

*<original signed by>*

B. T. McManus, Q.C.  
Board Member

*<original signed by>*

R. C. McManus, M.E.Des.  
Board Member

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**APPENDIX 1 INTERVENERS GRANTED STANDING WHO WITHDREW  
OBJECTIONS PRIOR TO HEARING**

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Intervening parties

Representatives

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Agrigal Farms Ltd. E. Blotski W. Chimera E. and N. Cholach Everlasting Treasures Ltd. N. Galloway P. Galloway, J. Galloway, and Galloway Seeds Ltd. R. Hutzal, J. Hutzal, E. Hutzal, M. Hutzal, and J. Dmytruk J. and J. Lopushinsky SRC Ranch A. Vion D. Zacharko J. Zayonc	J. D. Carter, Q.C.
Williams Energy (Canada), Inc. 1274664 Alberta Ltd. Emis Enterprises Ltd. D. Flaska P. and J. Fortier D. and D. Harsulla K. Macyk, O. Macyk, and T. Macyk V. Melnyk J. and M. Mucha R. Mucha D. Muzyka W. Pelensky D. Sauchuk J. Sauchuk Scoti Farms (D. Scott and K. Page) S. and L. Shwetz S. and P. Shwetz B. and K. Sime	B. Cikaluk J. A. Kosolowski

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D. Sime and B. Sime (Executors of the Estate of L.  
Sime)

C. Van Hecke

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J. Armstrong

T. D. Marriott

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Buffalo Lake Métis Settlement

W. L. McElhanney

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966291 Alberta Ltd.

I. K. Wilson

Fort Industrial Estates Ltd.

Guenette Farms Ltd.

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R. and A. Larson

No representation

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## APPENDIX 2 HEARING PARTICIPANTS

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### Principals and Representatives (Abbreviations used in report)

### Witnesses

Enbridge Pipelines (Woodland) Inc.  
(Enbridge Woodland)  
L. Estep  
R. Bourne  
D. Foster

B. Kaup, P.Ag.  
K. Ness, P.L.(Eng.)  
M. Nelson  
J. Skulski  
J. Honda-McNeil  
A. Pastoor

M. Svitich  
J. D. Carter, Q.C.

M. Svitich

With no representation  
M. Scoville  
D. Bourque

M. Scoville  
D. Bourque

TransCanada PipeLines Limited (TransCanada)

K. Thrasher

Energy Resources Conservation Board staff

K. Cameron, Board Counsel  
B. Prenevost, Board Counsel  
J. Stewardson  
M. Schuster  
R. Guttman  
D. Grzyb  
D. Campbell  
A. Karg

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### **APPENDIX 3 SUMMARY OF CONDITIONS AND COMMITMENTS**

The Board notes that Enbridge Pipelines (Woodland) Inc. (Enbridge Woodland) has made certain undertakings, promises, and commitments (collectively referred to as commitments) to parties involving activities or operations that are not strictly required under ERCB requirements. These commitments are separate arrangements between the parties and do not constitute conditions to the ERCB's approval of the applications.

#### **COMMITMENTS BY ENBRIDGE PIPELINES (WOODLAND) INC.**

The following commitment is a statement given by Enbridge Woodland and recorded on the hearing record.

- Enbridge Woodland will work cooperatively and in good faith with TransCanada with regard to matters relating to the proposed routing for the proposed Woodland extension. Enbridge Woodland will also work cooperatively and in good faith with TransCanada with regard to an alternative route for the proposed Woodland extension in the western portion of the TransCanada Heartland property.

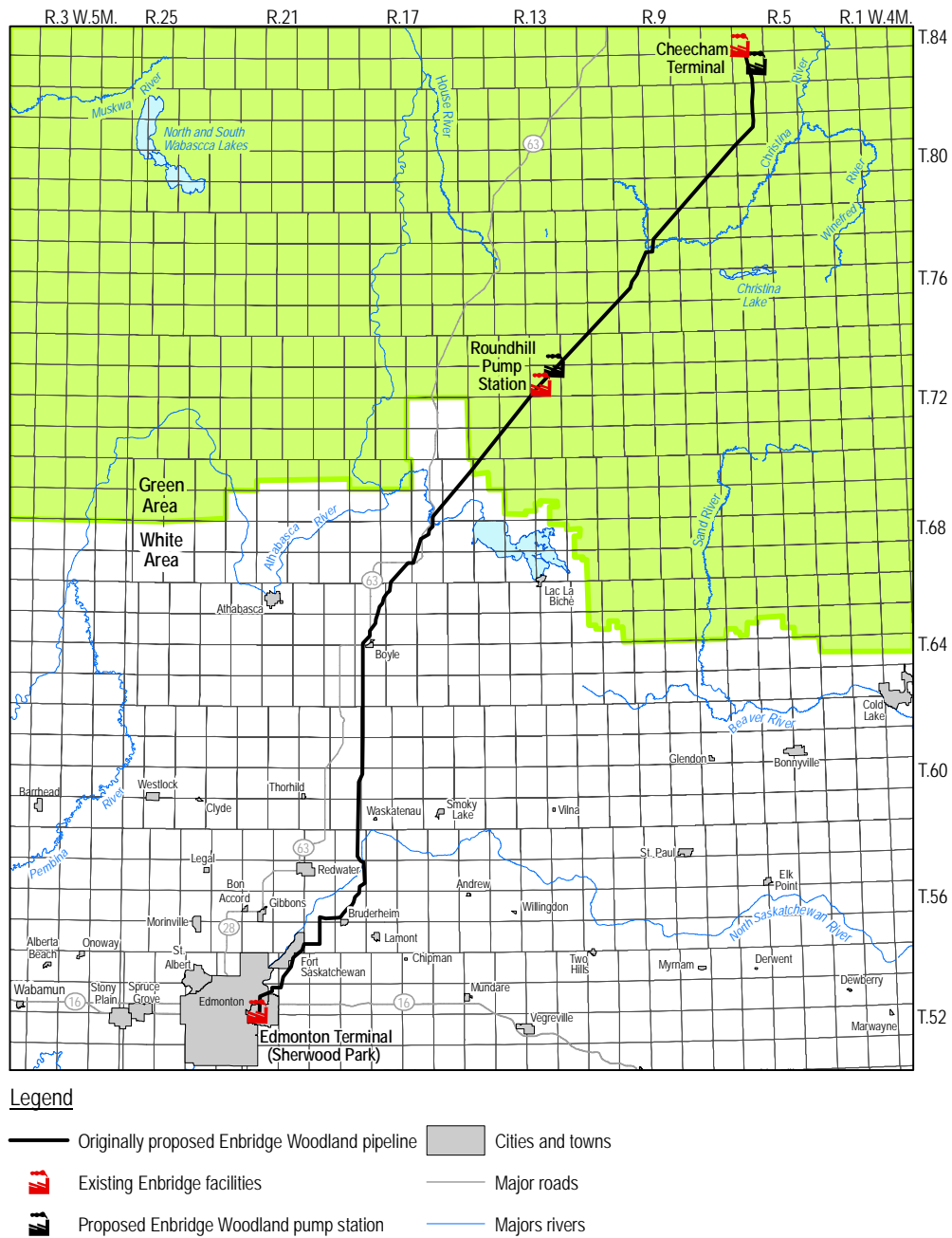


Figure 1. Originally proposed Enbridge Woodland pipeline and pump stations

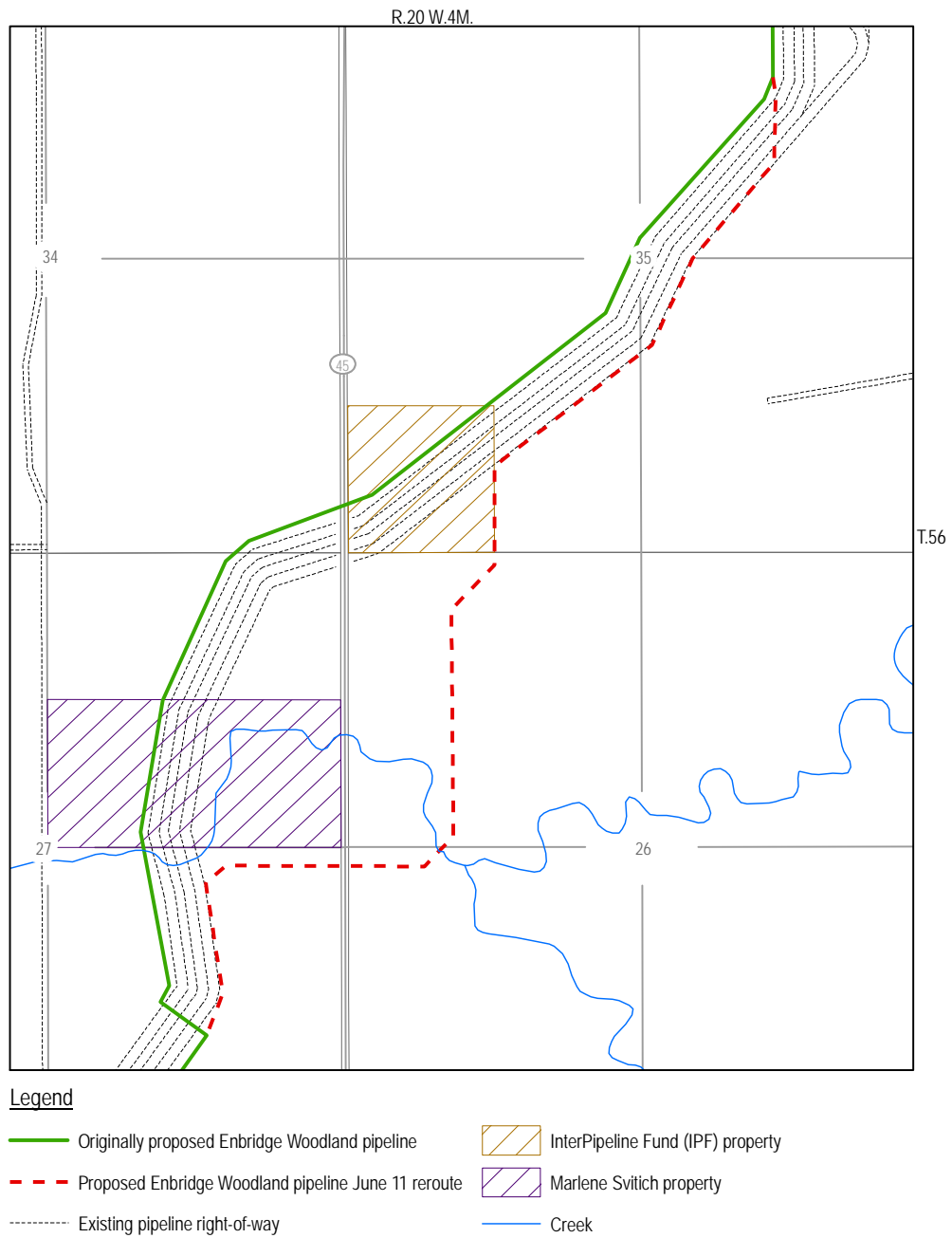


Figure 2. June 11, 2012, Reroute



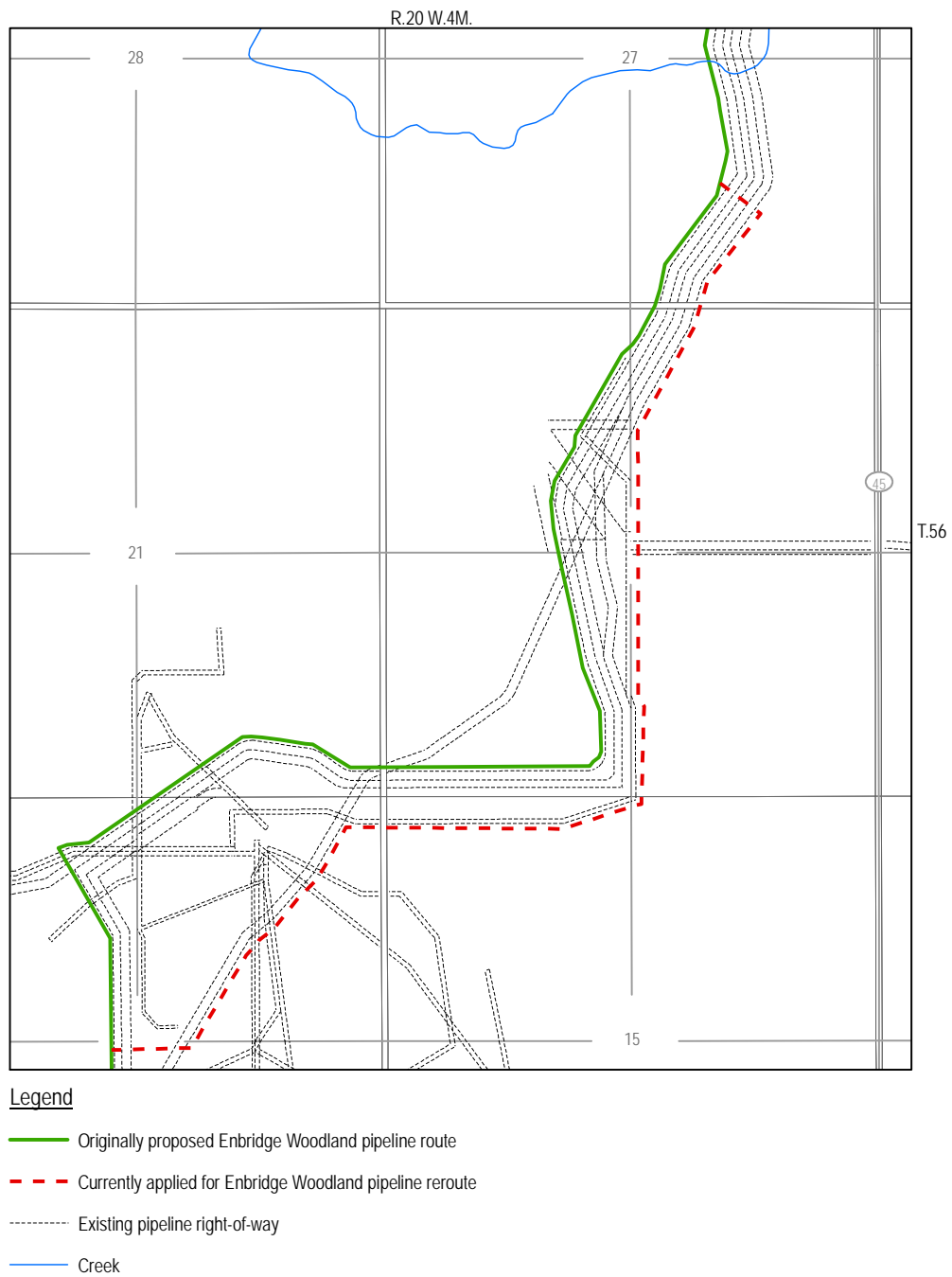


Figure 3. Routing change map 1

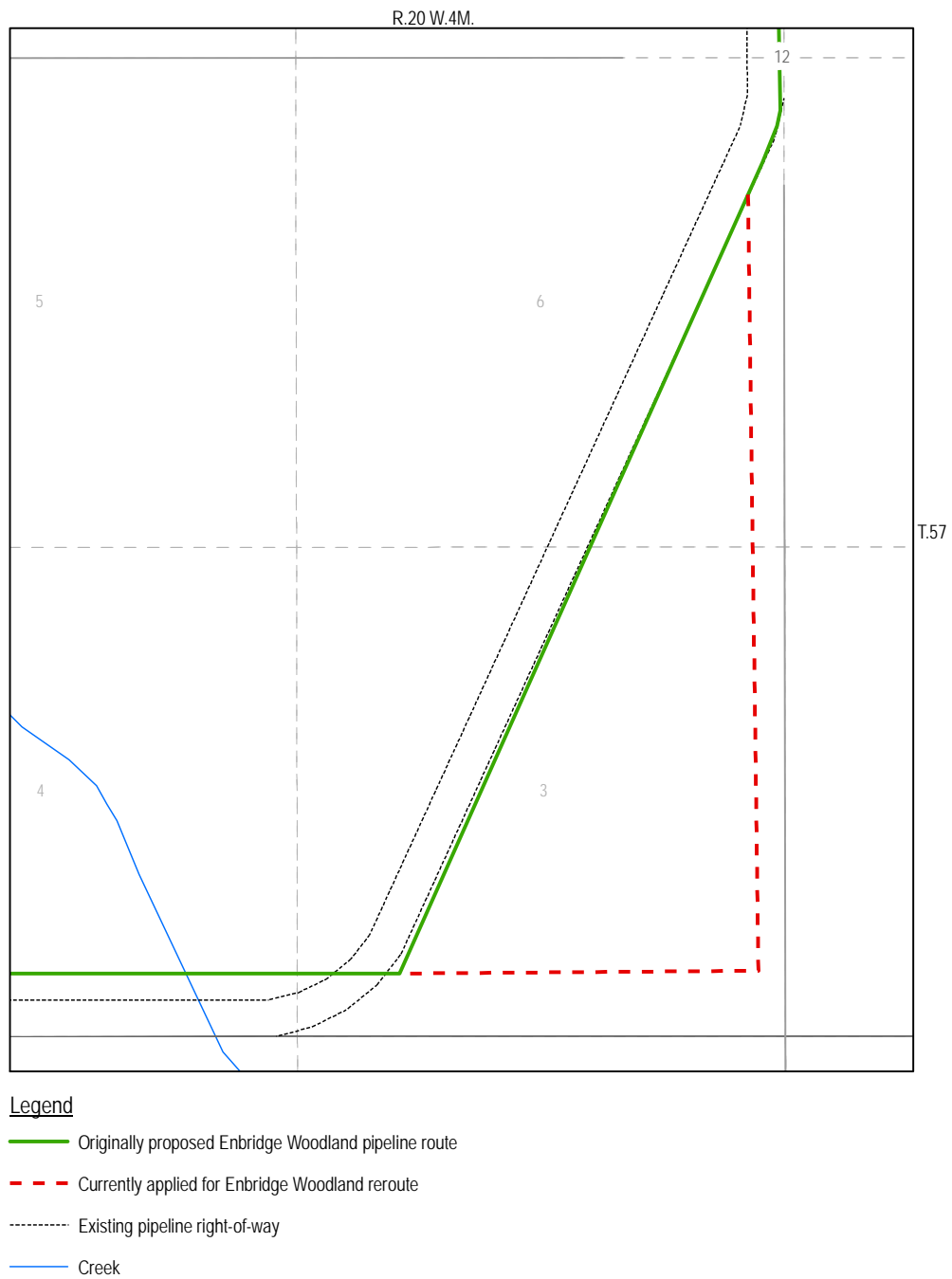


Figure 4. Routing change map 2