

Grand Rapids Pipeline Project

April 29, 2015

Alberta Energy Regulator
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Attention: Hearing Services

Via Email

**Re: Grand Rapids Pipeline GP Ltd.
Grand Rapids Pipeline Project
Decision 2014 ABAER 012
Condition Compliance - Condition 15**

In addition to the information provided to the Alberta Energy Regulator (AER) on February 3, 2015 regarding Condition 15, Grand Rapids Pipeline GP Ltd. (Grand Rapids) provides the following submission to the AER in compliance with Condition 15 of Decision 2014 ABAER 012 (Decision) for the Grand Rapids Pipeline Project (Project).

Condition 15 states:

Grand Rapids must assess all of its pipeline water crossings to ensure that all isolation valves are appropriately located and operated in a manner that complies with clause 4.4.8 in CSA Z662 and to take steps to further limit the amount of bitumen or diluent that could be released in the event of an incident.

As per Section 5.2.4 of the Project Application, submitted to the AER on August 30, 2013, "valve locations will be optimized in detailed design to minimize the potential release volumes in the event of pipeline rupture." In compliance with CSA Z662-11, clause 4.4.8, Grand Rapids commits to install valves on both sides of major water crossings and at other locations appropriate for the terrain in order to limit release of product and any environmental impacts from accidental discharge. Each of the six major water crossings for the Project, listed below, has both an upstream and downstream isolation valve:

- Athabasca River
- House River (at 2 crossing locations)
- La Biche River
- North Saskatchewan River
- Oldman Creek

The locations for the isolation valves have been determined with the assistance of Dynamic Risk Assessment Systems, Inc. (Dynamic Risk) of Calgary, an industry leader in pipeline risk assessment. Dynamic Risk has produced a model of the Project pipeline, and in using the model, they have recommended placement of each of the valves in the optimal location for the reduction of potential outflow volumes that could be experienced in the event of an accidental discharge. Grand Rapids has accepted the modelling results from Dynamic Risk and incorporated them into the Project design and construction plan.

After personal and public safety, the highest priority for Grand Rapids during a spill response is to prevent product from reaching water and mitigate migration of oil out of the source area. To accomplish this there are many different ways to contain or deflect product. Product can be trapped in ditches and gullies by earth dams. Where excavating machinery is available, earth dams can be bulldozed to contain the released product. Dams will be effectively employed to protect priority areas such as inlets to drains, sewers, ducts and watercourses. These can be constructed of earth, sandbags, absorbents, planks, and pillow dams (inflatable with air/water). The terrain and gradient will dictate the placement of the dams.

Based on the above, Grand Rapids submits that the intent and requirements of Condition 15 have been addressed. Accordingly, if you have any questions or require any further information, do not hesitate to contact the undersigned.

Sincerely,

A handwritten signature in black ink, appearing to read 'Paige Dodd', is written above the typed name.

Paige Dodd
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