



Air Products Canada Ltd.

Application for Two Pipeline Licences
Fort Saskatchewan Field and Redwater Field

August 25, 2009

ENERGY RESOURCES CONSERVATION BOARD

Decision 2009-052: Air Products Canada Ltd., Applications for Two Pipeline Licences, Fort Saskatchewan Field and Redwater Field

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ENERGY RESOURCES CONSERVATION BOARD

Calgary Alberta

**AIR PRODUCTS CANADA LTD.
APPLICATION FOR TWO PIPELINE LICENCES
FORT SASKATCHEWAN FIELD
AND REDWATER FIELD**

**Decision 2009-052
Application No. 1590547**

1 DECISION

Having considered Application No. 1590547, noting that it is technically complete, and noting the withdrawal of objections from the intervening parties, the Board hereby approves Application No. 1590547 subject to the condition set out in Appendix 1.

2 INTRODUCTION

2.1 Application

Air Products Canada Ltd. (APCL) applied, pursuant to Part 4 of the *Pipeline Act*, for two licences to construct and operate four pipeline segments to transport hydrogen gas containing no hydrogen sulphide. The first licence would be for three segments. The first segment would be from Legal Subdivision (LSD) 8, Section 8, Township 53, Range 23, West of the 4th Meridian, to LSD 13-7-55-21W4M and would have an outside diameter of 323.9 millimetres (mm). The second and third pipeline segments would be from LSD 13-27-54-22W4M to LSD 2-3-55-22W4M and LSD 4-31-55-21W4M to LSD 7-31-55-21W4M respectively and would have an outside diameter of 219.1 mm. The second licence would be for one segment from LSD 13-7-55-21W4M to LSD 13-7-56-21W4M with an outside diameter of 406.3 mm. The proposed pipelines would tie in an existing APCL hydrogen plant located in Sherwood Park, Alberta, an existing Sherritt International Corporation facility in Fort Saskatchewan, and an existing Williams Energy (Canada) Inc. facility north of Fort Saskatchewan. The total length of the proposed pipelines would be about 47 kilometres.

2.2 Interventions

Several parties filed interventions regarding the application. The principal concerns were in regard to routing, safety, interference with farming and industrial operations, land restrictions, environment, and property value.

2.3 Hearing

The Board was scheduled to hold a public hearing in Fort Saskatchewan, Alberta, on August 6, 2009, before Board Members B. T. McManus (Presiding Member), Q.C., and M. J. Bruni, Q.C., and Board Chairman D. McFadyen, P.Eng.

3 DISCUSSION

APCL engaged in negotiations with all objecting parties, resulting in an agreement among the parties. The ERCB has received withdrawals of objection from all parties that filed an objection to the proposed project. Accordingly, the Board cancelled the hearing scheduled to consider Application No. 1590547. The Board notes that a site-specific emergency response plan (ERP) is not normally required for hydrogen pipelines; however, APCL agreed to file a site-specific ERP. The Board found this ERP to be deficient, and therefore will require APCL to file with the ERCB a site-specific ERP that is technically complete and meets all the applicable requirements of the November 2008 edition of *Directive 071: Emergency Preparedness and Response Requirements for the Petroleum Industry* prior to the operation of the approved pipelines.

Dated in Calgary, Alberta, on August 25, 2009.

ENERGY RESOURCES CONSERVATION BOARD

<original signed by>

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

<original signed by>

D. McFadyen, P.Eng.
Chairman

<original signed by>

M. J. Bruni, Q.C.
Board Member

APPENDIX 1 SUMMARY OF CONDITION

The Board has approved Application No. 1590547 subject to the condition below. Conditions generally are requirements in addition to or otherwise expanding upon existing regulations and guidelines. An applicant must comply with conditions or it is in breach of its approval and subject to enforcement action by the ERCB. Enforcement of an approval includes enforcement of the conditions attached to that licence. Sanctions imposed for the breach of such conditions may include the suspension of the approval, resulting in the shut-in of a facility. The condition imposed on the licences is summarized below.

CONDITION

APCL shall file with the ERCB a site-specific emergency response plan that is technically complete and meets all the applicable requirements of the November 2008 edition of *Directive 071: Emergency Preparedness and Response Requirements for the Petroleum Industry* prior to the operation of the approved pipelines.