

2016 ABAER 001

Grand Rapids Pipeline GP Ltd.

Compliance with Condition 11 of Decision 2014 ABAER 012

Proceeding ID 334

Decision

[1] The AER hereby cancels the public hearing on the compliance of Grand Rapids Pipeline GP Ltd. (Grand Rapids) with condition 11 of *Decision 2014 ABAER 012*.

[2] The hearing panel is satisfied that the intent of condition 11 has been met by the route amendment proposed by Grand Rapids and by MEG Energy Corp.'s (MEG's) withdrawal of its objection. The panel therefore directs Grand Rapids to proceed with filing its proposed route amendment for a portion of line 21 under pipeline licence no. 56699.

Background

[3] Condition 11 of *Decision 2014 ABAER 012* stated that Grand Rapids must not construct or carry out any incidental activities, including clearing or preparing the right-of-way, for the segments of the two main transmission lines between Legal Subdivision 16, Section 6, Township 56, Range 20, West of the Fourth Meridian, and SE 28-055-21W4M unless Grand Rapids satisfies the panel that the applied-for route is the superior route.

[4] Grand Rapids filed its submission in response to condition 11 on April 16, 2015. The submission included analyses of five alternative routes, including one route that Grand Rapids was prepared to construct that avoided the MEG lands in Sections 26, 27, and 35 of Township 055-21W4M (MEG lands). Grand Rapids provided a comparison of the alternative routes and described the criteria and weighting used in its analysis. On the basis of its analysis, Grand Rapids concluded that the applied-for route remained the superior route and asked the AER to confirm that it could proceed to construct the applied-for route.

[5] On April 28, 2015, Grand Rapids sent an e-mail to the AER requesting that a hearing be scheduled. It indicated that Grand Rapids and MEG had agreed to a process and schedule for an oral hearing to consider Grand Rapids' compliance with condition 11.

[6] On May 7, 2015, the panel agreed to the parties' proposed process and schedule and indicated that the hearing would begin on June 23, 2015. A notice of hearing was issued on May 20, 2015.

[7] The panel determined that MEG and Grand Rapids were the only parties to the hearing.

[8] On the eve of the hearing, the parties requested a one-day adjournment, which the hearing panel granted. Subsequently, the parties made several other requests for adjournment, which the panel granted, culminating in the hearing being rescheduled for December 8, 2015. This hearing was subsequently adjourned at the request of the parties without a new hearing date being set.

[9] On December 10, 2015, the AER was informed that the parties had reached a resolution. In a letter sent to the parties on December 15, 2015, the hearing panel requested formal confirmation that MEG's concerns had been addressed by Grand Rapids. The panel also requested that Grand Rapids submit a description of the parties' agreed-on amended route and the affected landowners, a map of the proposed amended route, and confirmation of receipt of nonobjection from the affected landowners. Grand Rapids submitted the requested information on December 17, 2015.

[10] MEG submitted a letter on December 16, 2015, indicating that it was withdrawing its objection concerning the applied-for route, that it supported Grand Rapids in its submission of an amendment application requesting the alternative route, and that a hearing was no longer required.

Discussion

[11] Condition 11 required Grand Rapids to submit an alternative route analysis for the segments of the main lines between LSD 16-6-056-20W4M and SE 28-055-21W4M and include detailed information on any stakeholder concerns. Condition 11 also required Grand Rapids to identify at least one alternative route that it was prepared to construct that avoided the MEG lands and the lands located along the north side of the CN rail line within Strathcona County's heavy industrial policy area.

[12] In considering Grand Rapids' compliance with condition 11 of *Decision 2014 ABAER 012*, the panel relied on the following:

- Grand Rapids submitted analyses of five alternative routes, including a number of routes that avoided the MEG lands and the lands along the north side of the CN rail line and within Strathcona County's heavy industrial policy area.
- Grand Rapids included in its analyses a qualitative and quantitative comparison of the alternative routes against the applied-for route and information on stakeholder concerns.
- Grand Rapids provided additional information in response to information requests from the panel.
- Discussions between Grand Rapids and MEG resulted in the development of a proposed route amendment that addressed MEG's concerns.
- The proposed route amendment required consultation and negotiation with other directly affected parties. Grand Rapids received confirmation of nonobjection from all parties directly affected by the

proposed route amendment and submitted these to the AER. Grand Rapids indicated that on this basis it would be able to file its proposed amendment application as a routine application.

[13] The panel is satisfied that the intent of condition 11 has been met.

Dated in Calgary, Alberta, on January 13, 2016.

Alberta Energy Regulator

<original signed by>

A. H. Bolton, P.Geo.

Presiding Hearing Commissioner