

DIRECTIVE 056 PROCESS CLARIFICATION FOR OIL EFFLUENT PIPELINES CONTAINING GREATER THAN 10 MOLES OF H₂S GAS PER KILOMOLE OF NATURAL GAS

Directive 026: Setback Requirements for Oil Effluent Pipelines introduces setback requirements for oil effluent pipelines containing greater than 10 moles of H₂S gas per kilomole of natural gas. This document clarifies *Directive 056: Energy Development Applications and Schedules* (formerly *Guide 56*) application and participant involvement requirements that must be met in order to comply with *Directive 056* when filing pipeline licence applications for new construction of and amendments to oil effluent pipelines containing greater than 10 moles of H₂S gas per kilomole of natural gas.

1 New Construction

Requirements set out in *Directive 026* must be met when filing a *Directive 056* pipeline licence application for new construction of any pipeline that will transport oil effluent containing greater than 10 moles of H₂S gas per kilomole of natural gas.

2 Licence Amendments

Requirements set out in *Directive 026* must be met when filing a *Directive 056* pipeline licence application for any amendment to

- 1) an existing pipeline that will change the substance to oil effluent containing greater than 10 moles of H₂S gas per kilomole of natural gas,
- 2) an existing oil effluent pipeline containing less than or equal to 10 moles of H₂S gas per kilomole of natural gas that will increase the H₂S content to greater than 10 moles of H₂S gas per kilomole of natural gas, or
- 3) change the operating parameters of an existing oil effluent pipeline containing greater than 10 moles of H₂S gas per kilomole of natural gas that will result in a change to the H₂S release volume by
 - a) increasing the maximum operating pressure,
 - b) increasing the licensed H₂S content, or
 - c) resuming operation of the pipeline.

3 Application Process**3.1 Category/Type**

Directive 056 applications for new construction of or amendments to oil effluent pipelines containing greater than 10 moles of H₂S gas per kilomole of natural gas must be filed as Category B or C applications, as specified in Table 6.1 of *Directive 056*. Although submitted as a Category B or C application, the same consultation and setback requirements as for Category D natural gas pipelines must be met. In addition, all questions in Section 8 of *Schedule 3* must be answered.

3.2 Participant Involvement Requirements

Directive 056 participant involvement requirements are dictated by the level of the pipeline being applied for or amended and are the same as for Category D natural gas pipelines. The corresponding minimum consultation and notification requirements for Category D pipelines, as defined in Tables 6.1 and 6.3 of *Directive 056*, must be met for all proposed or amended oil effluent pipelines that will contain greater than 10 moles of H₂S per kilomole of natural gas.

Current participant involvement programs will be "grandfathered" until December 31, 2005. This means that participant involvement programs meeting *Guide 56* (October 2003 edition) requirements initiated within the six months prior to September 30, 2005, will be accepted for applications filed after September 30, 2005, through December 31, 2005. After December 31, 2005, applicants must update their participant involvement program to reflect the application requirements outlined in this document.

Note that as outlined in Section 5 of *Directive 026*, licensees must assess all existing oil effluent pipelines containing greater than 10 moles of H₂S gas per kilomole of natural gas to determine whether minimum distances are being maintained by September 30, 2006. This includes all pipelines for which approvals have been granted within the grandfathering period.

In the event that the additional H₂S release volume of a proposed or amended pipeline increases the current H₂S release volume of any connecting pipelines to the extent that it would result in an increase in the level or the imposition of setbacks where there were none before, affected landowners must be advised of the setback restrictions prior to *Directive 056* application submission. Applicants are encouraged to assess options available to qualify for lesser level classifications and to work with and keep landowners informed of the impacts setbacks may have on property development.

3.3 Setback Requirements

Based on the level of the proposed pipeline, setback requirements as set out in *Directive 056* and described in *Interim Directive (ID) 81-03* must be met. In addition, the level of any connecting pipelines that will be impacted by the H₂S release volume of the proposed pipeline must be determined at time of application.

All questions in Section 8 of *Schedule 3* must be answered based on the H₂S release volume and resultant level of the pipeline being applied for or amended.

A routine application can be filed under the following circumstances, provided that all other *Directive 056* requirements for a routine submission are met:

- 1) setback requirements will be met for the proposed or amended pipeline;
- 2) the additional H₂S release volume of the proposed or amended pipeline does not increase the current H₂S release volume of any connecting pipelines to the extent that it would result in an increase of the level; and
- 3) setback requirements for all connecting pipelines will be met.

A nonroutine application must be filed if either of the following circumstances applies:

- 1) The additional H₂S release volume of the proposed or amended pipeline does not increase the current H₂S release volume of any connecting pipelines to the extent that it would result in an increase of the level, but setback requirements for all connecting pipelines will not be met.
 - In this instance, the EUB will review the circumstances and decide if a temporary exemption is warranted for the existing pipelines. The licensee must make efforts to assess options to reduce the setbacks, and the EUB will closely monitor the situation. When conducting the review of existing systems as described in Section 5 of *Directive 026*, priority must be given to any existing systems for which a temporary exemption was granted.
- 2) The additional H₂S release volume of the proposed/amended pipeline will increase the current H₂S release volume of any connecting pipelines to the extent that it would result in an increase of the level.
 - The applicant must ensure that setback requirements are met for the connecting pipelines prior to filing a *Directive 056* application.