



ORDER NO. NP-MO-5-79

IN THE MATTER OF the Northern Pipeline Act; and

IN THE MATTER OF a Certificate of Public Convenience and Necessity declared to have been issued on the 13th day of April, 1978, to Foothills Pipe Lines (South B.C.) Ltd. pursuant to the said Act; and

IN THE MATTER OF section 2. and section 3. of SCHEDULE III of the said Act;

Agency File No. 9193.

B. E F O R E the Designated Officer on Wednesday, the 31st day of January, 1979.

WHEREAS a Certificate of Public Convenience and Necessity dated the 13th day of April, 1978, is declared to have been issued pursuant to the Northern Pipeline Act to Foothills Pipe Lines (South B.C.) Ltd. [hereinafter called "Foothills (South B.C.)"] in respect of the pipeline defined in the said Act for that portion of the route in the south-eastern area of the Province of British Columbia. (hereinafter called "Southern British Columbia Portion"), as more particularly set forth in ANNEX I of SCHEDULE I of the said Act;

AND WHEREAS Foothills Pipe Lines (Yukon) Ltd., The Alberta Gas Trunk Line (Canada) Limited, Westcoast Transmission Company Limited, Alberta Natural Gas Company Ltd and The Alberta Gas Trunk Line Company Limited, at a public hearing, before the National Energy Board, com-

mencing on the 12th day of April, 1976, in the City of Ottawa, in the Province of Ontario, continued in the Town of Inuvik, in the Northwest Territories, in the City of Whitehorse, in the Yukon Territory, and in the City of Yellowknife, in the Northwest Territories, respectively, and adjourned on the 12th day of May, 1977, in the City of Ottawa, in the Province of Ontario, adduced inter alia certain evidence, gave certain undertakings and made certain commitments in respect of the said Northern Pipeline;

AND WHEREAS subsection (2) of section 21. of the said Act provides that every such undertaking is deemed to be

- "(a) an undertaking of every company in so far as the undertaking relates to the company and to the portion of the route indicated in the Agreement in respect of such company, and
- (b) a term or condition set out in Schedule III.";

AND WHEREAS section 3. of SCHEDULE III of the said Act inter alia provides that Foothills (South B.C.) shall submit to the designated officer:

- "(a) information satisfactory to him in support of final detailed design, including the results of field tests and experiments and analyses thereof;
- (b) the final detailed design of each section or part of the pipeline for his approval;

- (c) before construction commences, detailed construction specifications and procedures, as well as inspection procedures satisfactory to the designated officer; and
- (d) a schedule for project control, using a scheduling system acceptable to the Agency, which schedule shall
  - (i) govern the company's activities that can reasonably be anticipated in connection with the project,
  - (ii) include schedules for regulatory reviews and approvals, and
  - (iii) be updated at thirty day intervals or as otherwise requested by the Agency.";

AND WHEREAS it is deemed necessary that Foothills (South B.C.) provide such information and data as are hereinafter more particularly set forth;

AND WHEREAS the Minister responsible for the Northern Pipeline Agency has concurred with the issue of this Order on the 31st day of January, 1979;

1. IT IS ORDERED THAT Foothills (South B.C.) shall, prior to the construction of any part of the Southern British Columbia Portion, submit for approval by the designated officer, the detailed engineer-

ing design, including such specific operations and maintenance procedures as are relevant thereto for each such part of the Southern British Columbia Portion, the proposed pipeline project scheduling and cost control procedures, as well as the construction and inspection specifications and procedures for each such portion of the Southern British Columbia Portion, and without limiting the generality of the foregoing, these submissions shall include data, information and cost estimates as hereinafter further detailed or as may be further ordered from time to time by the designated officer.

2. AND IT IS FURTHER ORDERED THAT Foothills (South B.C.) shall, in the detailed engineering design, project scheduling and cost control, construction and inspection, operation and maintenance of the Southern British Columbia Portion, comply with the National Energy Board's Gas Pipeline Regulations, SOR/74-233, and the National Energy Board's Pipe Lines Companies Records Preservation Regulations, as amended, and as they may be further amended from time to time, or as otherwise may be directed by the designated officer.

3. AND IT IS FURTHER ORDERED THAT Foothills (South B.C.) shall follow an approach co-ordinated by Foothills Pipe Lines (Yukon) Ltd. generally consistent with parameters adopted by Foothills Pipe Lines (South Yukon) Ltd., Foothills Pipe Lines (North B.C.) Ltd., Foothills Pipe Lines (Alta.) Ltd. and Foothills Pipe Lines (Sask.) Ltd. or as directed by the designated officer in preparation of the said:

- (a) Engineering design criteria, including operations and maintenance procedures

relevant to the said design,

- (b) Project scheduling and cost control procedures, and
- (c) Construction and inspection specifications and procedures,

to be submitted to the designated officer for approval in response to the requirements as hereinafter more particularly set forth.

4. AND IT IS FURTHER ORDERED THAT, prior to any submission for approval by the designated officer of the detailed engineering design of any part of the Southern British Columbia Portion to be constructed, Foothills (South B.C.) shall submit, for approval by the designated officer, a report or reports containing:

- (a) Verification that the design of the Southern British Columbia Portion is satisfactory in all respects for construction, operation and maintenance of the pipeline,
- (b) A terrain assessment of the route, identifying and evaluating those terrain conditions which might affect the integrity of the Southern British Columbia Portion and a terrain assessment of all sites for permanent above ground facilities with particular emphasis on areas where:
  - (i) a potential exists for slope instability or seismic activities,
  - (ii) water bodies are crossed, and

- (iii) subsurface drainage is significantly altered due to the presence of the main line pipe or due to disruption of drainage works,
- (c) Verification that the design of the Southern British Columbia Portion is satisfactory where there exists the possibility of movement of the main line pipe, *p. 2.1.1.1?*
  - (i) in seismic activity zones, or
  - (ii) in soils under frozen or thawed conditions,
- (d) Design details pertaining to:
  - (i) system flow studies with complete supporting details, ✓
  - (ii) each such part of the main line pipe, ✓
  - (iii) all permanent above ground field facilities, including those remote from main line pipe, ✕
  - (iv) river crossings at which there is a potential for significant scour or for bank instability problems, and ✕
  - (v) all design measures to be taken to mitigate the impact of the terrain conditions upon the Southern British Columbia Portion, particularly in those areas set out in subparagraphs (i), (ii) and (iii) of paragraph (b) hereof, ✓

- (e) Final non-proprietary welding specifications for mill and field welding, ✓
- (f) Final materials specifications for major items, including, but not necessarily limited to, line pipe, valves, flanges and fittings, ✓
- (g) Final quality control and inspection plans for the manufacturing of major components of the Southern British Columbia Portion, ✓
- (h) A final stress analysis setting forth the determination of stresses and strains occurring in the specified line pipe when it is exposed to transportation, handling, installation, pre-operational and operational loading conditions, including loadings due to seismic activities, buoyancy control, extra depth of burial or slope instability of soils, ✓
- (i) A reconciliation of the final stress analysis with the design criteria, and ✓
- (j) Geotechnical design for areas of significant slope instability. ✓

5. AND IT IS FURTHER ORDERED THAT prior to the submission for approval by the designated officer of the final project scheduling and cost control plans and procedures, a report or reports shall, as soon as possible, be submitted for review by the designated officer

and shall contain:

- (a) Details of the materials scheduling and handling procedures, as well as work management and control procedures to be implemented on a continuing basis,
- (b) Details of the project cost control procedures, including the methods of handling initial cost estimates prior to bid, bid responses, adjustments to contract costs and actual costs incurred, as well as future costs, and
- (c) A proposal for periodic reporting on the implementation of the procedures and the results thereof for items referred to in paragraph (a) and (b) hereof, in accordance with subparagraph (iii) of paragraph (d) of section 3. of SCHEDULE III of the said Act.

The said report or reports shall clearly identify the various levels of responsibility, internal review procedures and checks, internal reporting format and shall include details of computer models utilized.

6. AND IT IS FURTHER ORDERED THAT, prior to the commencement of construction of each part of the Southern British Columbia Portion, Foothills (South B.C.) shall submit, for approval by the designated officer, the "Construction and Inspection Specifications and Procedures" for each such part of the Southern British Columbia Portion respecting



which approval has been granted under the provisions of operative Part 4. of this Order containing:

- (a) Construction Schedules, \*
- (b) Construction specifications and procedures setting forth, but not limited to, specifications and procedures for the construction or installation of the Southern British Columbia Portion, including the methods of protecting, processing and handling the materials to be used in such construction or installation:
  - (i) in areas where measures to mitigate the effects of seismic activity or slope instability are to be implemented,
  - (ii) in areas where drainage or erosion control is required, and
  - (iii) at non typical crossings of water bodies,
- (c) Specifications and procedures for the construction and \* installation of compressor and meter stations and all associated permanent above ground field facilities, including those remote from the main line pipe, and
- (d) Inspection procedures and guidelines containing but \* not necessarily limited to:
  - (i) a description of the nature of inspec-

tion to be implemented by Foothills \*  
(South B.C.),

- (ii) complete descriptions of the inspection \*  
duties to be carried out during each  
phase of construction, and
- (iii) the organization, authority and respon- ✓  
sibilities of the Foothills' (South B.C.)  
inspection personnel.

7. AND IT IS FURTHER ORDERED THAT Foothills (South B.C.) shall

(a) submit for approval by the designated officer  
a report detailing monitoring procedures for such  
part or parts of the Southern British Columbia  
Portion respecting which approvals have been granted  
under the provisions of operative Part 4. and oper-  
ative Part 6. of this Order, which said report shall  
confirm that the monitoring will be consistent with  
the final design, and shall include plans for moni-  
toring,

(i) the Southern British Columbia Portion in-  
cluding any structures and devices installed  
before operation, and

(ii) the effectiveness of the measures taken for  
the protection of the Southern British  
Columbia Portion against those hazards  
referred to in operative Part 4. and

operative Part 6. of this Order, including information as to the nature and the frequency of observations, and

- (b) Foothills (South B.C.) shall commence the monitoring in accordance with the approved report, of all aspects of any part of the Southern British Columbia Portion immediately upon the completion of construction of such part.

8. AND IT IS FURTHER ORDERED THAT, prior to making application to the National Energy Board for 'Leave to Open' the Southern British Columbia Portion or any part thereof, Foothills (South B.C.) shall submit an operations and maintenance manual which shall contain information satisfactory to the designated officer including, but not necessarily limited to:

- (a) Plans and procedures for the installation and operation of monitoring devices and apparatus to be installed for the monitoring of the effectiveness of special measures taken and structures installed to protect the Southern British Columbia Portion, including the type and frequency of observations to be taken and the criteria and/or baseline data to which the observations are to be compared,
- (b) Methods and procedures to reasonably ensure that the operation of the Southern British Columbia Portion will conform at all times to the requirements of the

final design,

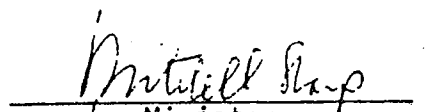
- (c) Details of all inspections and their frequency,
- (d) Procedures for the maintenance of the Southern British Columbia Portion or any part thereof, and
- (e) Procedures to be followed under emergency conditions which might affect the public, operating personnel or the Southern British Columbia Portion.

9. AND IT IS FURTHER ORDERED THAT a copy of any report or reports as well as any submission or submissions that are made to the Minister and/or to the National Energy Board related to the detailed engineering design, project scheduling and cost control procedures, construction and inspection specifications and procedures, and operations and maintenance procedures in respect of the Southern British Columbia Portion shall be submitted at the same time to the designated officer.

NORTHERN PIPELINE AGENCY

  
W.A. Scotland  
Designated Officer

Order No. NP-MO-5-79 is hereby concurred with on this 31st day of January, 1979.

  
for Minister  
responsible for the  
Northern Pipeline Agency.

NP-MO-5-79