

Westcoast Energy Inc., carrying on business as Spectra
Energy Transmission

Project Name: Wyndwood Pipeline Expansion
Project

Submission Information

Submission Title: Application - Wyndwood Pipeline Expansion Project
Submission Date: 21/10/2016
Filer: Matthew Mosher - Westcoast Energy Inc., doing
Role: Applicant
Form Version: business as Spectra Energy Transmission
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Applicant Information

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This application is pursuant to the following sections of the NEB Act and OPR Regulations:

Sections of the NEB Act that apply:

Section 45 - deviation, change or alteration of facilities

Section 48 - exemption from OPR



Section 58 - facilities exemption order

Exemptions / Relief Requested

Westcoast hereby applies for:

1. an order pursuant to section 58 of the National Energy Board Act (NEB Act) exempting the applied-for facilities from the application of sections 30(1)(a) and (b), and 31 of the NEB Act and exempting the pipeline tie-ins from the application of section 47 of the NEB Act;
2. an order pursuant to Part IV of the NEB Act affirming that the cost of the Wyndwood Pipeline Expansion Project will be included in the Transmission North (Zone 3) cost of service and tolled on a rolled-in basis; and
3. such further and other relief that Westcoast may request or the Board may consider appropriate.

OPR-99 Regulations that apply:

OPR 43 - increase in MOP

OPR 44 - deactivation of facilities

OPR 45 - reactivation of facilities

Project Description

Project Name: Wyndwood Pipeline Expansion Project
Proposed Construction Date: 01/05/2017
Estimated Cost: \$170,300,000
Project Purpose: Westcoast Energy Inc., doing business as Spectra Energy Transmission (Westcoast) is applying for approval to construct and operate certain expansion facilities in Zone 3 of

the Westcoast pipeline system (the Wyndwood Pipeline Expansion Project or Project). The Project is located in the Peace River District southwest of Chetwynd, British Columbia (BC) near Stone Creek and extends approximately 28 kilometres (km) west to Westcoast's existing Compressor Station No.2 (CS 2) at Willow Flats.

The Project will enable Westcoast to provide incremental firm transportation service from receipt points along the Fort St. John Mainline. Westcoast has received requests for additional Zone 3 firm transportation service in order to accommodate increasing levels of production from the Montney formation in northeast BC. In response to a binding open season conducted July 20, 2015 to August 12, 2015, Westcoast received bids from, and subsequently entered into expansion service agreements with, shippers for 1,416.6 103m³/d (50 MMcf/d) of incremental firm service. The weighted average term of the expansion service agreements is approximately 12 years. The planned in service date for the proposed expansion facilities is the first quarter of 2018.

Westcoast's Toll and Tariff Task Force, by Issue Resolution Sheet 2016-03 voted upon at a meeting held on October 20, 2016, unanimously supported "Westcoast's proposal for the cost of the Project to be included in the Zone 3 cost of service and tolled on a rolled-in basis."

Brief Description of Work:

The Project consists of the following primary components:

1. Construction and operation of approximately 28 kilometres of 914 mm (NPS 36) outside diameter (OD) natural gas pipeline to loop the existing 762 mm (NPS 30) MML1 Fort St. John Mainline, including pig sending and receiving facilities.
2. Minor modifications to piping at CS 2.

The Project has been designed to optimize the use of existing infrastructure in order to minimize its environmental footprint. In particular, the proposed pipeline loop will be primarily routed contiguous to the existing MML1 pipeline, as shown on the maps included in Section 1 to this application. No incremental land or work space will be required for the CS 2 modifications.

Further technical details are provided in Section 2, Technical Description.

Additional information is provided in the following sections:

- Section 1 – Maps and Drawings
- Section 2 – Technical Description
- Section 3 – Consultation and Aboriginal Matters
- Section 4 – Environmental and Socio-Economic Assessment
- Section 5 – Land Matters

Technical Description

Proposed Facilities:

- ✓ Pipeline
- ✓ Pigging
- Compressor
- Metering Station
- Tank

Integrity Management - Program Elements to be Employed on the Facility:

Please see Section 2, Technical Description for a description of the integrity management program.

Construction & Inspection - Construction Techniques to be Employed:

Please see Section 2, Technical Description for information regarding construction techniques.

Construction & Inspection - Inspection Techniques and Relative Frequency of Inspection to be Employed:

Please see Section 2, Technical Description for a discussion describing inspection techniques and frequency.

Construction & Inspection - Major Milestones for the Project Schedule:

Please see Section 2, Technical Description for the table delineating major milestones for the Project schedule.

Document Attachments:

Filename	Document Name	Language
02_Wyndwood_Tech_Desc.pdf	Section 2 - Technical Description	English

Location

Document Attachments:

Filename	DocumentName	Language
01_Maps_Drawings_Wyndwood.pdf	Section 1 - Maps and Drawings	English

Manuals

Title	Revision / Publication	On File
Aboriginal Consultation Approach	28/05/2009	yes
Comments		
Construction Health and Safety Manual	04/02/2015	yes
Comments		
Environmental Manual for Construction Projects in Canada	03/03/2015	yes
Comments		

Applicant Self Assessment of Risk

Aboriginal Matters

- ✓ A1 The applicant has established, and filed with the National Energy Board, a corporate policy with respect to Aboriginal consultation, and the principles and goals that guide the applicant's consultation program.
- ✓ A2 Consultation activities with Aboriginal groups were designed and implemented for the Project.
- A3 There are no potentially affected Aboriginal groups. (Applicant must describe in the comment box how it concluded that there are no potentially affected Aboriginal groups. Note: the Board considers that Aboriginal groups' whose Traditional Territory is traversed by a Project may be potentially affected).
- ✓ A4 The Project does not traverse Indian Reserve Lands or Métis Settlement Lands.
- ✓ A5 The Applicant can demonstrate that they have provided to all those identified in A 3 and A4 all of the following:
 - Description of the Project
 - Description of potential impacts of the project
 - Description of your company's dispute resolution (or landowner complaint) process
 - Information about the NEB and its application review process including the NEB brochure "A Proposed Pipeline or Power Line Project: What You Need to Know")
 - At least 14 days notice that your company intends to file an application with the NEB
 - Notice that they can raise outstanding project-related concerns with the NEB, (the NEB encourages people to submit any concerns about the project as soon as possible and preferably within 14 days after the application has been filed)
 - Notice of the actual date of your company's filing provided within 72 hours of filing the application with the NEB.
- ✓ A6 All concerns raised by Aboriginal groups about potential project impacts have been addressed.

Rationale:

Consultation

- ✓ C1 The applicant has established, and filed with the National Energy Board, a corporate policy with respect to consultation, and the principles and goals that guide the applicant's consultation program.
- ✓ C2 Consultation activities were designed and implemented for the Project.
- ✓ C3 Potentially affected persons or groups
 - C3-1 There are no potentially affected landowners.
 - C3-2 There are no potentially affected nearby residents who may see, hear, or smell the Project.
 - C3-3 There are no potentially affected land or waterway users (e.g., guide-outfitters, recreational users, navigation user groups).
 - C3-4 There are no potentially affected Municipalities.
 - C3-5 There are no potentially affected Provincial or Territorial Governments (e.g. resource development, environment departments, heritage resources).
 - C3-6 There are no potentially affected Federal Government Departments (e.g., Fisheries & Oceans, Transport Canada, Environment Canada, Aboriginal Affairs and Northern Development).

- ✓ C3-7 There are no potentially affected Non-Government Organizations.
- ✓ C4 The Applicant can demonstrate that they have provided to all those identified in C 3 all of the following:
Description of the Project
Description of potential impacts of the project
Description of your company's dispute resolution (or landowner complaint) process
Information about the NEB and its application review process (including the NEB brochure "A Proposed Pipeline or Power Line Project: What You Need to Know")
Notice of your company's intention to file an application to the NEB for approval of the project provided at least 14 days prior to filing the application
Notice that they can raise outstanding project-related concerns with the NEB, (the NEB encourages people to submit any concerns about the project as soon as possible and preferably within 14 days after the application has been filed)
Notice of the actual date of your company's filing provided within 72 hours of filing the application with the NEB.
- C5 All concerns about potential project impacts have been addressed.

Rationale:

Economics

- ✓ EC1 There is or there will be adequate supply to support the use of the applied for facilities.
- ✓ EC2 The applied-for facilities are likely to be used at a reasonable level over their economic life.
- ✓ EC3 Adequate markets exist for the volumes that would be available as a result of the applied-for facilities.
- EC4 The Applicant has made arrangements with the operators of upstream and downstream facilities .
- ✓ EC5 The Applicant is able to finance the applied-for facilities and to safely operate, maintain and abandon the facilities.
- EC6 Select the option below that best applies to the project for current and potentially affected (includes possible but not yet actual) third party shippers.
The applied-for facilities do not (and will not) have any third party shippers.
- ✓ The applicant has notified third party shippers about the project and they do not have any outstanding concerns about the impact of the project on tolls, tariffs, access or service.
The applicant has not notified third party shippers about the project.
The applicant has notified third party shippers about the project and there are outstanding concerns about its impact on tolls, tariffs, access or service.
- EC7 Select the option below that best applies to the project for current and potentially affected (includes possible but not yet actual) commercial third parties (e.g. suppliers, end users, and other pipelines).
The applied-for facilities do not (and will not) have any commercial third parties.
- ✓ The applicant has notified commercial third parties about the project and they do not have any outstanding concerns about its impact.
The applicant has not notified commercial third parties about the project.

The applicant has notified commercial third parties about the project and there are outstanding concerns.

- ✓ EC8 The Applicant has undertaken an assessment to determine the impact the proposed facilities will have on its Abandonment Cost Estimate total for its NEB-regulated pipelines.

Rationale:

EC4: While Westcoast has not made arrangements with operators of upstream and downstream facilities, all of the shippers whose contracts underpin the Project have confirmed to Westcoast that they will make downstream arrangements and all have planned production with associated land positions, drilling activities, etc.

Emergency Management

- ✓ EM1 The project will comply with the most recent version of all applicable acts, regulations, and standards, including the National Energy Board Onshore Pipeline Regulations and CSA Z662 Oil and Gas Pipeline Systems.

Rationale:

Engineering

- ✓ E1 The Project will comply with the most recent version of all applicable acts, codes and regulations, including the National Energy Board Onshore Pipeline Regulations (OPR), National Energy Board Processing Plant Regulations (PPR) and Canadian Standards Association (CSA) Z662 Oil and Gas Pipeline Systems.
- ✓ E2-1 The Project uses steel pipe (grade X70 or lower), employs a conventional design and construction approach, and does not involve new or unproven technology.
- ✓ E2-2 The Project involves only the use of water for facility pressure testing (including water/methanol mixture).
- ✓ E2-3 Project facilities will not be used for sour service.
- ✓ E2-4 Project facilities are not designed to transport CO₂, slurry or commodities.
- ✓ E2-5 Project facilities do not traverse terrain where there is a potential for geohazards to occur.
- ✓ E2-6 Project facilities are not designed to transport high-vapour-pressure (HVP) product.
- ✓ E3-1 The Project will only use new pipeline materials.
- ✓ E3-2 The Project does not involve the reactivation of an existing pipeline.
- ✓ E3-3 The Project does not involve the flow reversal of an existing pipeline.
- ✓ E3-4 The Project does not involve a change in service fluid.
- ✓ E3-5 The Project does not involve an increased maximum operating pressure (MOP) to an existing pipeline.
- ✓ E3-6 The Project does not involve an increase in hydrogen sulphide (H₂S) content above the maximum concentration specified on the existing approval.
- E4 The class location designation of the Project is Class 1 under Canadian Standards Association (CSA) Z662, Oil and Gas Pipeline Systems.
- ✓ E5 Project does not involve the construction or expansion of liquid tank storage facilities.

- ✓ E6 Project facilities are designed for passage of in-line inspection (ILI) tools and the proposed integrity management plan includes ILI runs as part of ongoing monitoring.
- ✓ E7 The Project does not involve any work requiring an Engineering Assessment as per Canadian Standards Association (CSA) Z662, Oil and Gas Pipeline Systems.

Rationale:

Environment

- ✓ EV1 The Project will not involve an activity listed in the Canadian Environmental Assessment Act, 2012, Regulations Designating Physical Activities. NOTE: If the proposed project involves an activity designated under the Regulations Designating Physical Activities, the Online Application System cannot be used to prepare and file your application. Please prepare and file your application using the Board's electronic document submission tool (<https://apps.neb-one.gc.ca/efile/ElectronicDocumentSubmission.aspx?Language=English>). If you have questions about this process, please contact the NEB at 403-292-4800 and ask for the Applications Business Unit Administrator who can put you in touch with the appropriate Director.
- ✓ EV2 The Project is not located on federal lands, as defined under subsection 2(1) of the Canadian Environmental Assessment Act, 2012.
- EV3 The Project will not take place within a provincially or federally designated environmentally sensitive area.
- EV4 The Project will not extend beyond the existing approved property limits or right-of-way; no new land will be acquired for the construction of the Project.
- ✓ EV5 An Environmental and Socio-economic Assessment (ESA) has been conducted to identify and document potential environment and socio-economic effects. This information does not normally have to be submitted but must be available for audit purposes.
- ✓ EV6 All elements for which there are potential interactions associated with the project have been indicated on the attached Environment and Socio-Economic Interactions Table. Applicant must submit an Environment and Socio-Economic Interactions Table (table will be filled in by applicant and attached to the application). Applicant can file a full ESA at their discretion. Note: This application may be delayed if the interactions table has not been completed and attached to this filing. You can obtain a template [here](#). Once you have downloaded and completed the Interactions Table, create a PDF copy of the completed template to include with your application.
- ✓ EV7 There are no residual effects after applying mitigation (as detailed in response to EV6).
- ✓ EV8 All relevant government agencies have been consulted.
- ✓ EV8-1 Any concerns raised by the agencies consulted have been resolved.
- ✓ EV9 The Applicant commits to having and implementing an Environmental Protection Plan, or equivalent, onsite.

Rationale:

Land Matters

- L1 The Project does not extend beyond existing land rights held by the Applicant.

L2 The Project does not require any temporary workspace.

L3 The Project does not require new permanent land rights.

Rationale:

Security

- ✓ Sec1 The project will comply with the most recent version of all applicable acts, regulations, and standards, including CSA Z246.1 Security Management for Petroleum and Natural Gas Industry Systems and the National Energy Board Onshore Pipeline Regulations.
- Sec2 The applicant has conducted and documented a security assessment for the project.
- Sec3 Based on the security assessment, the applicant has developed a Security Plan that is applicable to the project.

Rationale:

A security assessment will be completed prior to the commencement of construction. Based on the security assessment, the successful contractor(s) will supply Westcoast with a site specific construction security plan for approval prior to the commencement of any site work. The site specific security plan will be reviewed to ensure it meets or exceeds the requirements of Westcoast's Operations Security Plan and the most recent versions of applicable acts, regulations and standards including CSA Z246.1 Security Management for Petroleum and Natural Gas Industry Systems and the National Energy Board Onshore Pipeline Regulations.

Socio Economics

- ✓ S1 An Environmental and Socio-economic Assessment (ESA) has been conducted to identify and document potential environment and socio-economic effects.
This information does not normally have to be submitted but must be available for audit purposes.
- ✓ S2 All elements for which there are potential interactions associated with the project have been indicated on the attached Environment and Socio-Economic Interactions Table.
Applicant must submit an Environment and Socio-Economic Interactions Table.
Applicant can file a full ESA at their discretion.
Note: This application may be delayed if the interactions table has not been completed and attached to this filing.
You can obtain a template [here](#).
Once you have downloaded and completed the Interactions Table, create a PDF copy of the completed template to include with your application.
- ✓ S3 There are no residual effects after applying mitigation (as detailed in response to S2).
- S4 Project does not require provincial or territorial heritage resources clearance or approval.

Rationale:

Document Attachments

Filename	Document Name	Language
rpt_wyndwood_esa_part-2_20161021.pdf	Section 4 - Environmental and Socio-Economic Assessment	English
appendix_a_environmental_protection_plan_part-1.pdf	Section 4 - Environmental and Socio-Economic Assessment	English
appendix_a_environmental_protection_plan_part-2.pdf	Section 4 - Environmental and Socio-Economic Assessment	English
appendix_a_environmental_protection_plan_part-3.pdf	Section 4 - Environmental and Socio-Economic Assessment	English
appendix_b-1_fish_technical_memo_part-1.pdf	Section 4 - Environmental and Socio-Economic Assessment	English
appendix_b-1_fish_technical_memo_part-2.pdf	Section 4 - Environmental and Socio-Economic Assessment	English
appendix_b-2_soils_technical_memo_part-1.pdf	Section 4 - Environmental and Socio-Economic Assessment	English
appendix_b-2_soils_technical_memo_part-2.pdf	Section 4 - Environmental and Socio-Economic Assessment	English
appendix_b-3_vegetation_technical_memo.pdf	Section 4 - Environmental and Socio-Economic Assessment	English
appendix_b-4_wildlife_technical_memo_part-1.pdf	Section 4 - Environmental and Socio-Economic Assessment	English
appendix_b-4_wildlife_technical_memo_part-2.pdf	Section 4 - Environmental and Socio-Economic Assessment	English
appendix_c_aia.pdf	Section 4 - Environmental and Socio-Economic Assessment	English
appendix_d_interactions_table.pdf	Section 4 - Environmental and Socio-Economic Assessment	English
03_Wyndwood_Cons_Aborig_Matters.pdf	Section 3 - Consultation and Aboriginal Matters	English
rpt_wyndwood_esa_part-1_20161021.pdf	Section 4 - Environmental and Socio-Economic Assessment	English
05_Wyndwood_Land_Matters.pdf	Section 5 - Land Matters	English