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## 2019/20 CENTRA GAS GENERAL RATE APPLICATION

### Centra Gas Undertaking #4

**Based on the 2017 pipeline risk assessment, provide details of where the Red River crossing at Leteiller was ranked and provide any supporting documentation to the PUB.**

### Response:

For additional clarification, the pipeline risk evaluation provides important information for capital planning purposes, but it is not the sole driver for determining whether a project should proceed. A capital expenditure is driven by a comprehensive characterization of the risks to be mitigated which, in addition to considering capacity requirements and the likelihood of equipment failure, is fully determined by considering the consequences of any such failure. The consequences are generally defined by the requirement to ensure customers are provided with a safe and reliable supply of natural gas and are further influenced by items such as the relevant system configuration.

The pipeline risk evaluation is performed in accordance with the methodology described in the Pipeline Risk Methodology Version 1.0 (January 26, 2018) document with the key results provided in the document, Pipeline Risk Assessment - 2017 Results (January 26, 2018). Both documents were presented to representatives of the Public Utilities Board at the February 12, 2018 PUB/Centra Quarterly Communications Meeting and subsequently filed with the PUB on February 20, 2018. Both documents have also been provided as part of the 2019/20 Centra GRA filing (see PUB Completeness Review, Attachments 2 and 3).

The north pipeline (installed in 1999) consists of a single pipeline segment, T210.015, while the south pipeline (installed in 1989) consists of three pipeline segments, T213.009 on the west river bank, T13.009a on the east river bank, and T13.009b in the centre of the river. In total there are approximately 2250 transmission pressure pipeline segments.

As described in the Risk Methodology document, the analysis determines a frequency and a consequence value that are inputs into the Risk Matrix to evaluate an overall risk.

The risk rating for the pipe segments that make up the two river crossings was as follows:

Pipeline	Pipeline Segment	Frequency Score Total	Consequence Score	Risk Rating
North	T2210.015	0.68	38	Green- Not significant
South	T213.009	0.50	34	Green- Not significant
	T213.009a	0.52	38	Green- Not significant
	T213.009b	0.55	34	Green- Not significant

While this risk methodology does not specifically provide a risk ranking of pipeline segments within a particular risk rating, by inspection of scores, these pipeline segments would not be ranked in the top 100.

Based on the results of this risk assessment, the appropriate action is to continue to monitor the river bank. However, the additional scrutiny on these pipelines resulting from the pipeline leak experienced in April 2015 identified a greater site specific risk which necessitated Centra to proceed with this proposed project.