

Natural Gas Utility Director's Report

August 8, 2018

Compressed Natural Gas Vehicles

- 5 trucks are now operating on CNG
- Conversion technicians continue to work on 2018 Ford F150 conversions – One of our trucks is at the EcoFuel Systems headquarters in Langley for final adjustments and testing. We're hoping to have this resolved and conversions complete in August.
- FCM Grant Application has been submitted for Scoping/Feasibility Study on commercial and/or public CNG refueling. A Request for Proposals for a consultant to assist with the study was issued and closed on August 8, 2018. Gas Utility staff will review and score proposals, select a successful proponent, then begin work on the study.
- Working on a proposal to convert a County heavy truck to dual fuel Natural Gas/Diesel.

Backup Gas Supply

- Utilized one of the CNG Trucks to supply the OB Hutterite Colony while the regulating station was down for repair.
- Supplied 0.4 MCFH at 70 PSI for 1.5 hours with no interruption to customer service.
- We are planning to design and build a better connection system including a quick-connect and line or regulator heating to prevent freeze off.
- Provided information to Gas Alberta and FedGas on the project. FedGas will be presenting at their August 28 meeting.



Gas Volumes – *Cumulative to June 30th*

- Residential volumes up 7%
- Industrial volumes down 2%
- Total sales up 2%
- Transportation volumes up 5%
- Gas Loss is < 2%

Gas Loss

- Through a great deal of effort from Gas Utility staff, the gas loss concern has been largely resolved for the time being. Gas loss for the month of June was 0.89%.
- A small but consistent loss persists on Tap 40, which we continue to investigate.
- A significant portion of the Tap 20 loss was discovered to be a metering error that was traceable. So we were able to invoice for previously unaccounted gas from 2015-2018.
- Monthly gas balancing will continue to ensure that we continue to maintain one of the lowest gas loss rates.

Industrial - Residential – System Construction

- Crews have been busy working on residential construction, small industrial projects, and contract installation for neighbouring utilities.
- Awaiting environmental approvals to move to Saskatchewan for extension of a gas gathering system installed for Gear Energy in 2016.
- Two crown land projects have been approved by CNRL in the Tulliby Lake region. Administration staff is currently working on crown land applications. Internalizing preparation of Crown Land applications will save approximately \$10,000/application in admin costs. Land admin staff is currently working on surveys, first nation's consultations, environmental report (contracted), consents and notifications.
- South SCADA Network Upgrade is on hold due to delays with Industry Canada licensing. Radios have been purchased and are ready to be installed.
- Tap 60 Reconstruction is complete and in service
- Tap 50 Reconstruction is on hold awaiting decision on a potential CNRL project on to connect Tap 50 & 52.
- Tap 10-20 looping is on hold awaiting potential CNRL and Husky projects and grant funding applications.
- 620 Regulator Replacements are underway.

Operations

- FedGas Operations and Maintenance Audit is complete and the report has been published on this Council Agenda. The Auditor provided very positive feedback on the overall operation of our utility. Issues noted were very minor and easily rectified.
- High pressure leak detection is complete, with no issues to report
- Several low pressure leaks have been found and repaired
- Gas balancing remains a priority
- Annual yard, block valve, and public building inspections are in progress

- Large and small diaphragm meter changes are in progress
- Cathodic inspections are in progress
- Weed control on regulating stations is complete. Completed weed control for a landowner on an older pipeline installation completed by a contractor.
- Processing 14 line locate requests/working day including 10 emergency requests in July
- Processing 1-2 crossing and proximity requests/working day

Asset Management

- Working towards completion of the Asset Management project in August for 2019 budgeting.
- Working with Federation of Alberta Gas Co-ops and Government on analyzing samples of older MDPE pipe to assess present condition and come up with estimated useful life

Community

- Participated in the Dewberry, Lloydminster and Vermilion parades.
- Preparing for the parades
- Provided support to the Vermilion Heavy Horse Show. One of our CNG trucks will be on display.

Environmental Protection

- Application under Environment and Climate Change Canada – Low Carbon Economy Fund has been rejected under this phase as they stated it does not meet the criteria of this round of funding. They have suggested that it would fall under the “Partnership” round of funding and encouraged us to apply, which we will do in September.
- Energy Efficiency Alberta released funding program that will provide capital funding to industry for gas gathering projects per tonne of GHG emission reduction. This grant was largely initiated as a result of the Climate Change Audit that we participated in.
- Information regarding our Audit and
- Looking into options for natural gas power generation associated with proposed County office construction.
- Working on a proposed project to supply all of Tap 30 with casing gas and—during warmer months—transport up to 20 e3m3/day of casing gas that we cannot utilize, onto the ATCO transmission line.

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