



Prince Rupert
Gas Transmission Project

PRGT Project

Activity Update #15

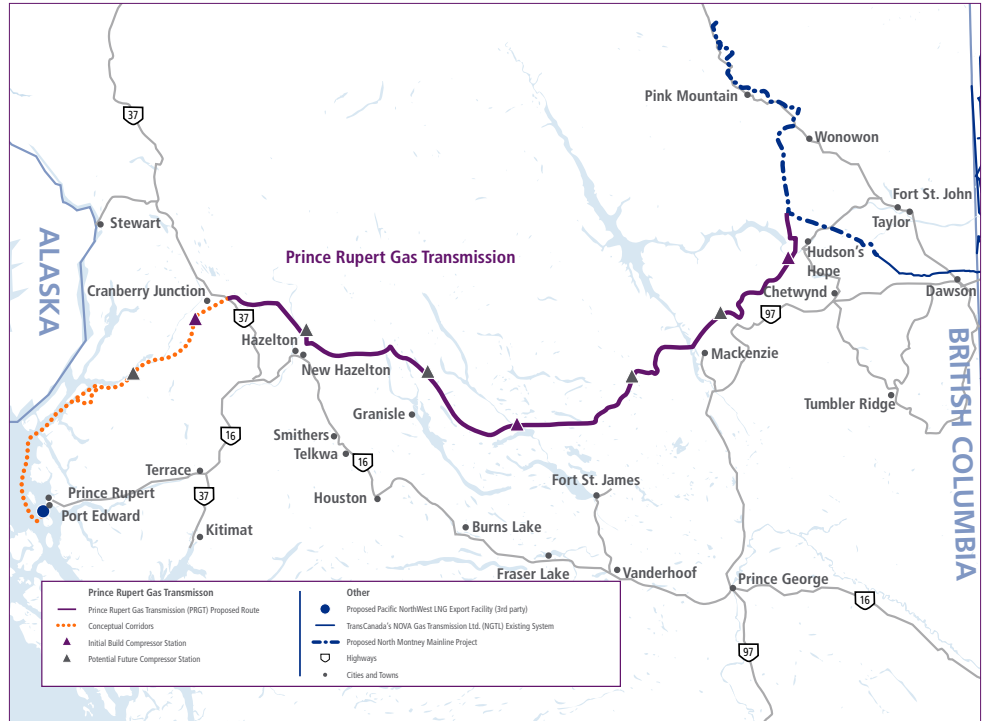
August - September 2014

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About the Project

The proposed Prince Rupert Gas Transmission (PRGT) Project is an approximately 900 kilometre natural gas pipeline to be routed from north of Hudson's Hope B.C. to the proposed Pacific NorthWest LNG export facility on Lelu Island within the District of Port Edward. Upon receiving regulatory approval, PRGT will be constructed and operated with safety and environmental stewardship as top priorities.

Once it's operating, the project will generate an estimated \$25 million each year in property taxes. This revenue will help support school and hospital districts, emergency services, recreation services, recycling programs and other local programs vital to sustaining strong communities.



Regulatory

Addendums Filed to PRGT's EAC Application

On May 16, 2014 PRGT submitted its Environmental Assessment Certificate (EAC) application and has since filed addendums for route alternatives. These route alterations had not completed necessary environmental and geo-technical field studies at the time of initial filing. Our studies have concluded that these route alternations are a feasible option and will replace the initial proposed routes.

For detailed information on the route addendums filed and complete findings of the Environmental Assessment you may view the full application at www.eao.gov.bc.ca and PRGT's introduction to our Application for an Environmental Assessment Certificate posted on www.princerupertgas.com/environment/environmental-assessment/.

Nisga'a Memorial Lava Bed Park Boundary Adjustment (PBA)

PRGT is seeking approval for a Park Boundary adjustment. Approximately 12 kilometres (kms) of the proposed pipeline route follows Highway 113 through the Nisga'a Memorial Lava Bed Park. An adjustment of the park boundary will be required for the project to proceed along the proposed route. Public input, a critical component of this application, was sought between May 26th and July 14th, 2014. PRGT sought public input through public open houses in various communities along the project corridor (including Nisga'a villages), as well as through email/online comment forms, presentations and meetings. A detailed Stage 2 application was submitted to BC Parks and Nisga'a Lisims Government on July 31, 2014 and will be ultimately reviewed by the BC Minister of Environment.

For more information on PRGT's PBA application, visit our project website www.princerupertgas.com/news/latest-news or the website of BC Parks at www.env.gov.bc.ca/bcparks.

Field Studies

PRGT is continuing to undertake biophysical field studies this summer to support information needed for the British Columbia Oil and Gas Commission (BC OGC) and other regulators.

Geotechnical Investigation

Geotechnical drilling has been completed at Nasoga Gulf and Iceberg Bay. Geotechnical investigation will continue into the fall months upon receipt of the remaining permits.

Ground Survey/Route Assessment

PRGT's survey crews continue to collect routing survey information along the project corridor as needed and where access is available. This information is required for engineering alignment documentation and pipeline constructability assessment work.

Timber Assessment

The purpose of this program is to scale and assess timber volumes on the project to support regulatory permit applications and to develop construction clearing, salvage operation and fiber utilization plans. This timber assessment continues along the project corridor, verifying accessibility to the project right-of-way, confirming deck space locations and counting trees by test blocks. This work is expected to continue into the fall months.

Helipad Site Clearing Program

The Project team has identified several helipad locations for accessing the proposed pipeline corridor. Helipad and clearing permit applications have been submitted to the BC OGC.

The BC OGC permits grant a clearing area of up to 20 m radius for each helipad site. However, the need for clearing is expected to be minimal since sites are strategically chosen for their accessibility and the amount of initial clearing that was required.

Helipad clearing is currently ongoing in the Nadine and Skeena Stikine area. The project team is waiting for remaining permit approvals to commence clearing the remainder of the helipad sites.

Offshore Survey

Phase 2 of the deep water marine survey was completed in March. The purpose of the Phase 2 deep water marine survey was to collect data to support detailed engineering. The deep water marine survey examined depth, subsea topography, nature of seabed soils, and location of flora, fauna and marine life to ensure the route does not endanger protected species.

Phase 3 of the Offshore Survey is a continuation of the Phase 2 work and will obtain further information on seabed geology at specific points along the proposed pipeline route. The additional information is required at locations where the pipeline route approaches the shoreline and where there are shallow water rock shoals on the route. This work is set to begin in the third quarter of 2014.

Investing in Skills Training and Education

Pathway to Pipeline Readiness Program

As PRGT continues to the next phase of the project we also continue to seek partnerships with organizations to ensure that the labour force is prepared to take advantage of the upcoming employment opportunities that the project will create.

Employees from PRGT and TransCanada's Coastal GasLink Pipeline Project recently presented the Prince George Nachako Aboriginal Employment and Training Association (PGNAETA) with a \$250,000 donation to support dedicated to training, preparing and assisting participants to secure meaningful fulltime employment.

This contribution will enable PGNAETA to build transferable, essential skills in Aboriginal communities and meet the demand for local skilled labour as required by resource projects in northern B.C., including natural gas pipelines.

These workplace-based essential skills programs are offered through PGNAETA's Aboriginal Gateway Training Centre, which is dedicated to training, preparing and assisting participants to secure meaningful full-time employment. TransCanada's donation will provide 48 Aboriginal students access to a 16-week program.

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Bruce Wells, Vice-President, Project Planning and Execution for Coastal GasLink (right) shares with Karin Hunt, Executive Director of PGNAETA (left) a token of TransCanada's appreciation for this partnership.

PGNAETA was incorporated in 1993 with a mandate to serve the Aboriginal community, (on- and off-reserve, status and non-status Indians, and Inuit peoples), residing in the Northern interior of British Columbia. PGNAETA programs focus on three themes:

- Building on the capacity that has been developed;
- Encouraging greater linkages and partnerships with industry and key community stakeholders;
- Implementing innovative approaches and diverse methods for influencing positive change.

This agreement launches the first initiative in TransCanada's Pathway to Pipeline Readiness Program. The Program is focused on helping to build Northern B.C.'s skilled labour force, and aims to grow workers' transferable skills.

"Pipeline construction for the burgeoning LNG industry will need a large number of skilled workers," says John Dunn, Vice-President, PRGT. "Our partnership with PGNAETA will help build the skills necessary to meet the demand for the next five or six years of intense construction activity. Plus, those skills will be transferrable to other industries, resulting in a long-lasting benefit to the participants' families and their communities."

Building a Strong, Skilled Workforce in Northern B.C

PRGT is excited to announce its latest partnership with the University of Northern British Columbia (UNBC) and their \$82,500 contribution to UNBC's Continuing Studies Occupational Health and Safety Officer training program.

This partnership marks PRGT's second installment towards TransCanada's Pathway to Pipeline Readiness Program, an initiative that focuses on creating opportunities for Northern B.C.'s skilled labour force.

"The importance of building a strong, skilled workforce in Northern B.C. can't be emphasized enough," said Dean Patry, President, PRGT. "Should even a few of the LNG processing plants and their related natural gas pipelines be approved, the demands on the existing labour force will be tremendous. Programs that promote a safe work environment are just as important as the actual construction. As such, the Occupational Health and Safety Officers training program forms an integral part of that future labour force."

This significant donation will cover course costs for 24 students and provide the opportunity to learn a variety of skills, from identifying appropriate occupational health and safety pieces of legislation and regulations to developing emergency response plans to auditing an organization's overall safety system.

The program, based in Prince George, is open to students over the age of 18 and will run from September 22, 2014 to December 5, 2014.

For more information about the program please contact UNBC Continuing Studies Coordinator Rob Bryce at 250.960.5982.

Investing in the Community

Technical Skill Development Accompanied by Traditional Teachings

Cultural traditions can sometimes be lost in the fast paced environment of today's youth especially in a part of the country where the energy industry is flourishing and the need for workers is experiencing an all-time high.

"Fort Nelson is primarily an oil and gas town that has a lot of opportunity for Aboriginal youth when they get out of school," explains Dan Nicholson, Owner and Operations Manager of Geoterra, one of TransCanada prime contractors. "One of the key things missing for these youth was basic life skills and an attachment to their culture."

A long time consultant at TransCanada working on major infrastructure projects in northern B.C., Dan approached TransCanada with the proposal to create a program that would provide guidance and balance to these youth and help bring them closer to their traditions.

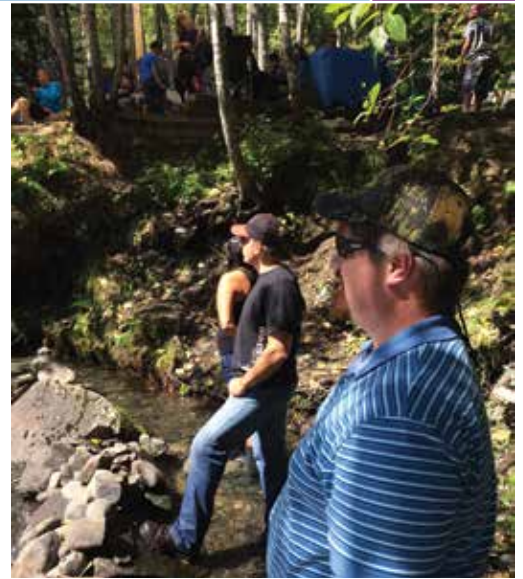
TransCanada partnered with Geoterra in 2008 to establish the First Nations Youth Natural Resources Training and Mentoring Program and the program has run its month long curriculum ever since, each time partnering with different TransCanada projects.

The initial goals of the program were to provide technical and safety training to Aboriginal youth from industry experts and compliment the technical skills with traditional Aboriginal teachings from elders. The program has blossomed into much more over its seven years - it has become a truly life changing experience for not only the youth but also the TransCanada employees that share their expertise.

"This program puts a human face on major projects to the public," said Michael Moschepedis, Pipeline Project Manager, PRGT. "Working with the local aboriginal community's youth and elders is a great opportunity to provide some practical pipeline engineering experience along with traditional teachings. I personally walk away from these programs feeling like we have made the world a better place."

This summer PRGT sponsored the program, sending technical experts to mentor 18 youth from 18 different Aboriginal communities along the project corridor together with Aboriginal Elders, cultural leaders, life skills coaches and other support staff.

The youth, elders and support staff spend the whole month together travelling along the project route – this year kicking off in Tezzeron Lake, north of Fort St. James and then concluding in Kitwanga with many stops along the way.



Michael Moschepedis, Pipeline Project Manager, Prince Rupert Gas Transmission (left) and Aaron Weaver, Project Manager, Geoterra (right) attend the First Nations Youth Natural Resources Training and Mentoring Program

Each day the youth are split up into groups and half will go out along the pipeline route with the field crews to learn technical pipeline skills like data collection. The other half will stay in camp to receive mentorship and traditional Aboriginal knowledge from the elders.

"Every program keeps getting better and better as we incorporate lessons learned back into the program and this year there was significant positive impact or change to all participants involved, especially the youth and elders," said Dan. "We don't expect to change a person's life in a month but we offer tools for the future (technical, cultural/traditional and life skills) and give people a moment in time where they get to concentrate on strengthening themselves as people."

PRGT was honored to be a part of the program this summer and wishes the best for all participants.

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