

Prince Rupert Gas Transmission Project

PRGT Project Activity Update #18

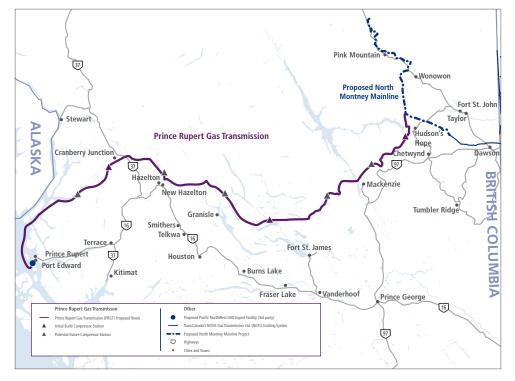
November – December 2014



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

Application Updates

On May 16, 2014 PRGT submitted its Environmental Assessment Certificate (EAC) application, followed by an addendum for route alternatives in July, to the British Columbia Environmental Assessment Office (BC EAO). On November 12, 2014 the Executive Director of the BC EAO referred PRGT's EAC application to the Ministers of Natural Gas Development and Environment, which includes the EAO's Assessment Report as well as a recommendation to the Ministers. PRGT's full application can be viewed at www.eao.gov.bc.ca.

In addition, PRGT has submitted seven Pipeline Permit applications to the British Columbia Oil and Gas Commission (BC OGC) for construction of the pipeline. Pending receipt of the Project's EAC, we expect to receive these permits in early 2015.

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

As a result of our consultation process with impacted local governments, stakeholders, and the Nisga'a Nation, a Park Boundary Adjustment application for the Nisga'a Memorial Lava Bed Park has been submitted to BC Parks and the Nisga'a Lisims Government. PRGT sought public input through public open houses in various communities along the project corridor (including Nisga'a villages), as well as through online comment forms, presentations and meetings. Pending receipt of the Project's EAC, the new regulation will be put in front of the BC Legislature during the spring sitting for review by the Minister of Environment.

After investigation of alternative routes that would avoid the park, both TransCanada and Nisga'a Lisims Government agree that the proposed route is the most favourable as it avoids a number of river and stream crossings and areas identified by the Nisga'a as having special cultural significance.

TransCanada is currently working with BC Parks and the Nisga'a Lisims Government to determine mitigation, reclamation, and park enhancements which, we believe, will substantially minimize the overall impact to the park.

Field Studies

Geotechnical Investigation

The geotechnical investigations currently being conducted will aid PRGT in determining the suitability of the subsurface condition for various crossing types. In addition to major crossings, borehole locations have been identified for compressor stations and possible geohazard sites to enable geotechnical investigations.

Geotechnical Drilling – Water Crossings Fast Facts

- Conducted to better design safe, environmentally responsible water crossings
- Very small footprint holes are 6 inches in diameter
- Well back from water body no in-water disturbance

Marine Program

The Phase 3 geotechnical program is continuing along the proposed marine pipeline route. Sample collection work in Nass Bay is ongoing and will be completed in November. The results of these soil samples will be used to develop pipeline construction methods.

The nearshore geophysical study to determine soil conditions below the seabed has been completed. Additionally, there is current metering taking place off of Lelu Island as part of the oceanographic modelling program.

Ground Survey/Route Assessment

PRGT's survey crew continues to collect routing survey information along the project corridor as needed and where access is available. This information is being gathered in order to refine the proposed route and ensure pipeline constructability.

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.

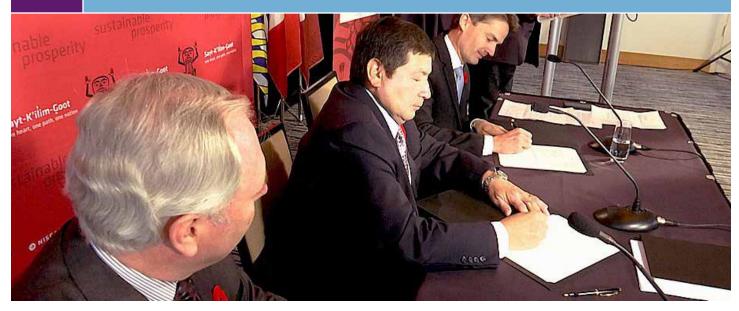
This timber assessment is ongoing along the project corridor, verifying accessibility to the project right-of-way, confirming deck space locations, and counting trees by test blocks. The timber crews, which include Aboriginal community members, are in the final stages of this work and expect to be completed by the end of this year.

Helipad Site Clearing Program

PRGT has identified several helipad locations required to access the proposed pipeline corridor in order to conduct ongoing field work. Applications have been submitted to the BC OGC in association with the clearing required at these helipad locations.

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

Helipad clearing has been completed for the permitted helipads. The project team is waiting for remaining permit approvals to commence clearing the remainder of the helipad sites.



Michael Culbert, President, Pacific NorthWest LNG, Mitch Stevens, Nisga'a President, and Dean Patry, President, Prince Rupert Gas Transmission, sign the Nisga'a Benefits Agreement.

Project Updates

Nisga'a Benefits Agreement

PRGT is pleased to have arrived at a Benefits Agreement with the Nisga'a Lisims Government. Following extensive engagement and negotiation with the Nisga'a people since the project began nearly two years ago, the agreement includes a route developed with direct input from the Nisga'a Lisims Government and would parallel the existing Highway 113 (the Nisga'a Highway) over 90 kilometers with a 12 kilometer section through the Nisga'a Memorial Lava Bed Park.

The Nisga'a people have been and continue to be important contributors in the conversation surrounding pipeline routing in this area. Our priority is to continue engagement and collaboration with every Aboriginal group impacted by our pipeline and maintain the support we have received from the Nisga'a Lisims Government.

For more information on the recent announcement of the Benefits Agreement, please visit our website at: <u>http://www.princerupertgas.com/</u> <u>nisgaa-nation-and-prince-rupert-gas-transmission/</u>

Please find a press release from the Nisga'a Nation at: <u>http://www.</u> <u>nisgaanation.ca/news/nisga%E2%80%99-nation-and-prince-rupert-gas-</u> transmission-ltd-celebrate-agreement-nisga%E2%80%99-nation-seeks

Contracting

PRGT is committed to maximizing local spending along our proposed pipeline route and this includes the utilization of local contractors in the construction of the PRGT Project. We are currently employing locally in a variety of field positions and continue to engage in negotiations with local contractors for upcoming work. Please visit our website for more information on local contracting opportunities at <u>http://www.princerupertgas.com/jobs-and-benefits/contracting-and-jobs/</u>.

Marine Pipeline Construction

Part of PRGT's proposed route will include approximately 150km of underwater pipeline from the Nass Bay area to Lelu Island. While there are many differences in constructing a pipeline underwater versus on land, there are also many steps that will look familiar.

Below is a link to PRGT's Fact Sheet on Offshore Construction. Here you will find answers to frequently asked questions such as how is the pipeline placed, what are some of the environmental impacts, and what steps are taken to keep our crews safe. We encourage you to take a look and please don't hesitate with any further questions.

http://www.princerupertgas.com/constructing-the-offshore-portion-ofthe-prince-rupert-gas-transmission-pipeline/



In the Community

November 18-19: Prince Rupert LNG Energy Seminar

• PRGT will be attending and participating in the Proponent Panel from 7:00pm to 8:00pm at the North Coast Convention Centre in Prince Rupert.

November 19: Breakfast Club Launch in Port Edward

 TransCanada will be sponsoring four Breakfast Club programs in BC this year. Project team members from PRGT will be volunteering with the program at the Port Edward Community School on November 19 to celebrate the launch in the community.

November 21: Mackenzie Free Swim Day

 Join us for a swim, courtesy of TransCanada, at the Mackenzie Recreation Centre! For the second year, PRGT is happy to encourage use of the recreation centre through events such as this.

November 22: Terrace Chamber of Commerce Business Excellence Awards

• TransCanada is pleased to be the Gold sponsor for this year's Terrace Chamber of Commerce Business Excellence Awards. Team members from PRGT look forward to attending this event!

November 28: Friday Night Free Skate

• PRGT will hold our second monthly Friday Night Free Skate of the season at the Ken Trombley Memorial Arena in Hazelton. Join us for a complimentary skate and hot chocolate!

November/December - Local Government Meetings

• PRGT will be meeting with local governments along the Project corridor to share updates on the Project. This will continue into the new year.



Susan Jay attends the skate with her grandchildren, Tyler and Sophia.



Shaheen Kassam, Senior Community Relations Advisor, and Janice Keyes, Community Relations Consultant, presented donated skates to Clarey Martin, Arena Manager at the Ken Trombley Memorial Arena.



Chocolate gold medals were handed out to all visitors at the TransCanada booth. Dave Kmet, Regional Manager, Prince George and LNG Land, and Bruce Gabriel, a Royal Canadian Navy Veteran and President of the Prince George Royal Canadian Legion, carry the torch on behalf of TransCanada.

Investing in the Community

Hazelton Friday Night Free Skate

PRGT was excited to kick off the second season of our monthly Friday Night Free Skates in Hazelton at the Ken Trombley Memorial Arena on Friday, Oct 24. There was a great turnout with over 170 people in attendance and lots of new faces! TransCanada staff donated 28 pairs of gently used skates to the event, allowing for even greater participation.

Thanks for joining us and we hope you'll be able to make it out for the next skate on Friday, November 28!

Canada Winter Games- 100 Days To Go Torch Relay

As an Official Sponsor of the 2015 Canada Winter Games, TransCanada staff participated in the Canada Winter Games – 100 Days To Go Torch Relay event at the brand new Canada Games Plaza in Prince George. We had a great time handing out chocolate medals and enjoying the spectacular entertainment. We look forward to seeing you at the Games February 13 – March 1, 2015!

Chamber of Commerce Business Excellence Awards

As a member of several British Columbia Chambers of Commerce, PRGT was proud to sponsor Chamber of Commerce Business Excellence Awards events in several communities across the Project corridor this fall. With events in Mackenzie and Prince George attended in October, we're looking forward to attending the event in Terrace on November 22.



TransCanada project representatives attend the Prince George Chamber of Commerce Business Excellence Awards. Photo courtesy of Focal Point Studios

Toll free phone number **1.855.253.0099** www.princerupertgas.com Email: princerupertgas@transcanada.com Rebecca McElhoes, Community Relations Manager