

PROPOSED RE-ROUTE FOR SARDIS RESIDENTIAL NEIGHBOURHOOD

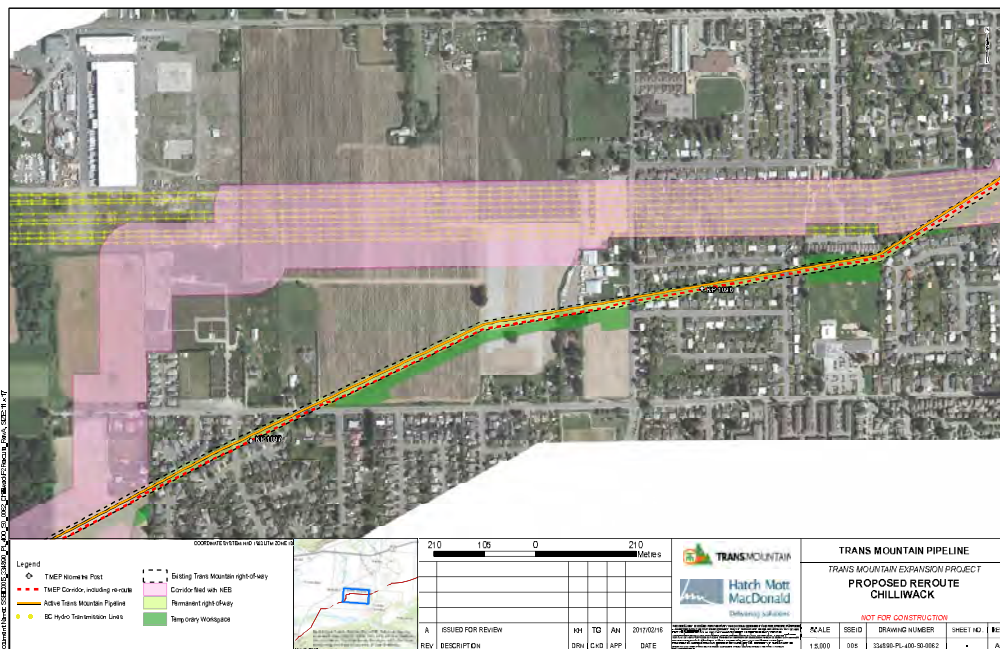
- Trans Mountain proposes a re-route in the Sardis residential neighbourhood in Chilliwack
- The re-route extends outside the study corridor approved by the National Energy Board (NEB); Trans Mountain will apply under Section 21 of the NEB Act to revise the pipeline alignment
- Trans Mountain initially filed a study corridor with the NEB that included the existing Trans Mountain Pipeline (TMPL) right-of-way
- In subsequent filings, it removed this alignment as it focused on a nearby BC Hydro corridor. After extensive discussions with BC Hydro, to adhere to its offset requirements, Trans Mountain would have had to be located beyond the utility corridor, resulting in significant impact to the properties bordering the south edge of the corridor.
- Based on this information, Trans Mountain chose to route the Project within the existing TMPL alignment, creating a single pipeline corridor through the area
- Although this will impact existing TMPL landowners, Trans Mountain will work with landowners to minimize the impact to the extent practical and will restore properties to the same or better condition
- Once constructed, the new permanent right-of-way will be 18 metres wide and will overlap with existing TMPL right-of-way

Benefits of the realignment

- A single pipeline corridor
- No new landowners impacted

Next steps

- Section 21 filing with the NEB anticipated in Q1



To minimize impact to communities, Trans Mountain used the following considerations to guide its routing decisions:

- Route along existing Trans Mountain pipeline right-of-way where practical
- Where not practical to locate within existing Trans Mountain right-of-way, locate additional right-of-way immediately adjacent to existing right-of-way



- In areas where land use has changed significantly, review alternatives through routing studies in combination with engagement process to provide study corridor with alternative corridors where necessary
- Engage with local governments, utility companies and other stakeholders to route on previously-developed land and in transportation corridors to the extent practical
- Where not practical to locate within or next to Trans Mountain right-of-way, minimize new linear disturbance by



locating pipeline adjacent to existing linear developments (e.g., railways, roads, utility right-of-ways)

- Where “greenfield” location is required, minimize impacts to environment, indigenous lands, present and future land use, and future operations and maintenance
- Refine routing during ongoing detailed design and construction planning
- Meet all requirements of the NEB, the Canadian Standards Association (CSA) and all applicable regulatory authorities



ROUTING – NEXT STEPS

Trans Mountain is committed to working with each landowner along the pipeline corridor to reach voluntary agreements for the land rights needed for the Project.

Plan, Profile and Book of Reference (PPBoR)

In Q1 2017 Trans Mountain filed the Plan, Profile and Book of Reference with the National Energy Board (NEB). The PPBoR shows the exact proposed location of the pipeline and identifies the owners of the land parcels. Routing notices and maps were sent to affected landowners and tenants and additional notifications were provided through advertising in local papers.

Before Project construction can begin, Trans Mountain needs to obtain approval of the proposed detailed route from the NEB, and obtain all necessary land rights from landowners, either through preferred voluntary agreements, or alternatively through a right-of-entry process.

What if the Landowner Doesn't Agree?

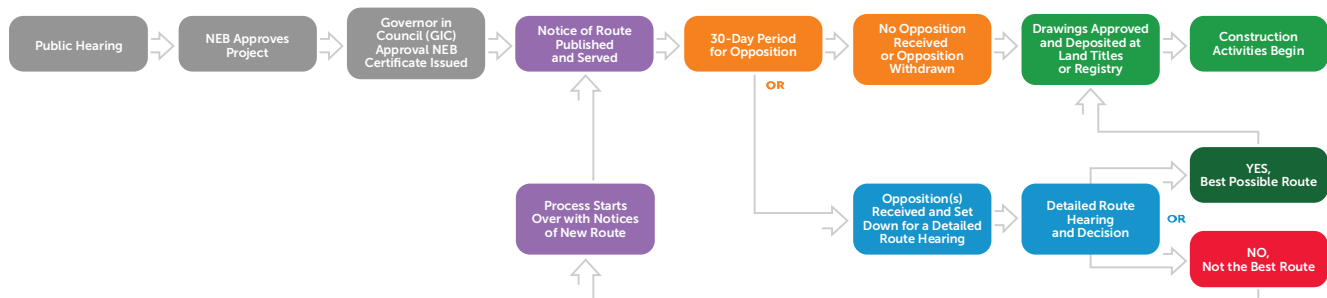
The NEB can order a Detailed Route Hearing if objections to the route are received within 30 days of the completion of notice to affected landowners.

If a Detailed Route Hearing is set by the NEB:

- Trans Mountain is required to provide evidence regarding the preferred route, proposed construction methods and timing, and any alternates considered
- Landowners can question Trans Mountain's evidence, provide evidence, and outline reasons for opposing the route
- The NEB reviews the evidence from Trans Mountain and affected landowners, and either accepts or rejects the detailed route in that specific location
 - o If the detailed route is accepted, Project construction can continue once Trans Mountain has obtained the required land rights
 - o Trans Mountain completes engineering and environmental studies for a new alternate route if the detailed route is rejected

Project construction may continue in other locations where the Detailed Route has been approved and Trans Mountain has obtained the required land rights, while a landowner's objections to the pipeline on their lands are being considered at the Detailed Route Hearing.

NEB Routing Dispute Resolution Process*



Completed

*Note: NEB Routing Dispute Resolution Process is available to assist landowners and company in reaching an agreement